



EB-2013-0326

IN THE MATTER OF Sections 25.20 and 25.21 of the
Electricity Act, 1998;

AND IN THE MATTER OF a Submission by the Ontario
Power Authority to the Ontario Energy Board for the review of
its proposed expenditure and revenue requirements and the
fees which it proposes for the year 2014.

PROCEDURAL ORDER NO. 5

August 22, 2014

On March 6, 2014, the Ontario Power Authority (the “OPA”) filed with the Ontario Energy Board (the “Board”) its proposed 2014 expenditure and revenue requirement and fees for review.

The OPA is seeking approval for the fees charged through electricity rates to recover its proposed 2014 operating budget of \$60.3 million. The operating budget is based upon the OPA’s 2014-2016 Business Plan that was approved by the Minister of Energy on January 29, 2014.

The OPA proposed to charge a usage fee of \$0.439/MWh, an increase of \$0.001 from the 2014 interim approved fee of \$0.438/MWh, and a reduction of \$0.112/MWh from its 2013 approved usage fee of \$0.551/MWh.

The OPA proposed to hold its other fees (which are for registrations and applications that generally do not directly impact residential consumers) constant.

A record of all procedural matters that have been dealt with up to this point in this proceeding is available on the Board’s website and at the Board’s office.

On August 15, 2014 the Board issued Procedural Order No. 4 and granted the OPA's request to hear submissions on August 20. Also, on August 15, the OPA provided further information regarding budget issues associated with the merger with the IESO, which impacts the OPA's revenue requirement submission and, in particular the disposition of the credit balance in the Forecast Variance Deferral Account ("FVDA").

On August 19, 2014 the OPA filed a letter providing details regarding the types of costs which it may incur as part of the merger with the IESO.

Next Steps

On August 20, 2014, the Board heard submissions from the OPA, intervenors, and Board Staff on proposed next steps in this proceeding. The particular issue for all parties was the budget associated with the merger with the IESO.

The OPA's current application indicates a credit balance of \$33.8 million in the FVDA from which the OPA initially proposed to retain \$5 million to address unexpected operating costs and to refund the balance to ratepayers. Included in the \$5 million of operating costs are the costs associated with the merger between the OPA and the IESO.

In its submissions on August 20, the OPA submitted that it now needs to retain \$15 million in the FVDA. The OPA committed to file an updated application and evidence to support an increased Revenue Requirement Submission. Intervenors indicated that they may seek further discovery on the updated application when filed.

The parties agreed that the Settlement Conference should reconvene in the anticipation that a settlement proposal could be reached and filed with the Board.

The Board will allow the Settlement Conference to reconvene without prejudice to any potential request the parties may make for further discovery regarding any new evidence.

At this time, the Board considers it necessary to make provisions for the following procedural matters.

THE BOARD ORDERS THAT:

1. The OPA shall file the update to its application and evidence to support the update on or before **August 29, 2014**. The OPA shall file the update to its application and evidence to support the update with the Board and serve all parties.
2. A Settlement Conference for the purpose of settling issues will be held in the Board's ADR Room on the 25th Floor of the Board's offices located at 2300 Yonge Street, Toronto on **September 5, 2014** from **10:30 a.m. to 1:00 p.m.**
3. If there is a settlement or partial settlement agreement resulting from the Settlement Conference then that agreement shall be filed with the Board no later than **September 12, 2014**.
4. An oral hearing is **tentatively scheduled** for the purpose of presenting a settlement agreement, if any, in the Board's West Hearing Room on the 25th Floor of the Board's offices located at 2300 Yonge Street, Toronto on **September 18, 2014** beginning at **9:30 a.m.**

All filings to the Board must quote the file number EB-2013-0326 and be made electronically through the Board's web portal at in searchable/unrestricted PDF format at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies and must also be filed at the Board's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca/OEB/Industry. If the web portal is not available, parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:00 p.m. on the required date.

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Attention: Board Secretary
Filings:
<https://www.pes.ontarioenergyboard.ca/eservice/>
E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, August 22, 2014

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary