



**EB-2013-0196**  
**EB-2013-0187**  
**EB-2013-0198**

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B) (the “Act”);

**AND IN THE MATTER OF** an application by Hydro One Inc. for leave to purchase all of the issued and outstanding shares of Norfolk Power Inc. under section 86(2)(b) of the Act;

**AND IN THE MATTER OF** an application by Norfolk Power Distribution Inc. seeking to include a rate rider in the 2013 Ontario Energy Board approved rate schedule of Norfolk Power Distribution Inc. to give effect to a 1% reduction relative to 2012 base electricity delivery rates (exclusive of rate riders) under section 78 of the Act;

**AND IN THE MATTER OF** an application by Norfolk Power Distribution Inc. for leave to transfer its distribution system to Hydro One Networks Inc. under section 86(1)(a) of the Act; and

**AND IN THE MATTER OF** an application by Norfolk Power Distribution Inc. for leave to transfer/assign its electricity distribution licence and rate order to Hydro One Networks Inc. under section 18 of the Act.

**BEFORE:** Ken Quesnelle  
Vice-Chair

Ellen Fry  
Member

**DECISION AND ORDER ON COST AWARDS**  
**September 17, 2014**

## Background

Hydro One Networks Inc. (“HONI”) and Norfolk Power Distribution Inc. (“NPDI”), both licensed electricity distributors, and Hydro One Inc., HONI’s parent company, filed related applications dated April 26, 2013 with the Ontario Energy Board (the “Board”). The applications were amended on October 25, 2013, further amended on November 8, 2013, and subsequently clarified on January 8, 2014.

The applications, as clarified on January 8, 2014, were as follows:

1. an application by Hydro One Inc. for leave to purchase all of the issued and outstanding shares of Norfolk Power Inc. under section 86(2)(b) of the Act;
2. an application by NPDI to include a rate rider in the 2013 Board approved rate schedule of NPDI to give effect to a 1% reduction relative to 2012 base electricity delivery rates (exclusive of rate riders) under section 78 of the Act;
3. an application by NPDI for leave to transfer its distribution system to HONI under section 86(1)(a) of the Act; and
4. an application by NPDI for leave to transfer/assign its electricity distribution licence and rate order to HONI under section 18 of the Act.

The Board decided to consider these applications together in a consolidated proceeding and by way of Procedural Order No. 1, it granted the following entities intervenor status and cost award eligibility: the Consumers Council of Canada (“CCC”), the School Energy Coalition (“SEC”) and the Vulnerable Energy Consumers Coalition (“VECC”). On July 3, 2014, the Board issued its Decision and Order, in which among other things, it set out the process for eligible intervenors to file their cost claims, for the applicants to object to the claims and for intervenors to respond to any objections raised by the applicants.

The Board received cost claims from CCC, SEC and VECC. The amounts claimed were:

- CCC \$10,814.10
- SEC \$45,412.44
- VECC \$9,736.11

On August 13, 2014, NPDI objected to the costs claimed by SEC and SEC responded to NPDI's objection.

### **SEC's Cost Claim**

SEC submitted a cost claim for a total amount of \$45,412.44. NPDI submitted that SEC's cost award should be reduced by 30% or \$13,623.73 of the amount claimed. NPDI submitted that SEC's participation in the process was not focused on relevant and material issues. NPDI further submitted that SEC engaged in conduct that tended to lengthen the proceeding unnecessarily.

SEC responded to NPDI's objection and submitted that its claimed costs should not be reduced. In its response, SEC noted the importance of the case and submitted that its strategy and actions in the proceeding constituted a responsible and reasonable approach to protect the interests of its members. SEC further submitted that it acted at all times in the public interest with a view to assisting the Board. SEC acknowledged that not all of its submissions in the proceeding were successful but did not consider that as grounds to reduce cost recovery.

### **Board Findings**

The Board accepts SEC's submissions with respect to the reasonableness of its claimed costs. The Board's Decision on this application is clear on how the Board considered the matters at issue in this case to be unique from previous applications of this type. The Board made its determinations on this application in consideration of the full record. A record that had been developed through a thorough discovery process. SEC's participation in the creation of that record was of assistance to the Board. The Board awards SEC its cost claim in its entirety.

### **THE BOARD THEREFORE ORDERS THAT:**

1. Pursuant to section 30 of the Ontario *Energy Board Act, 1998*, the applicants shall immediately pay the following amounts to the intervenors for their costs:

- Consumers Council of Canada \$10,814.10;
- School Energy Coalition \$45,412.44; and

- Vulnerable Energy Consumers Coalition \$9,736.11.
2. Pursuant to section 30 of the Ontario *Energy Board Act, 1998*, the applicants shall pay the Board's costs of and incidental to, this proceeding immediately upon receipt of the Board's invoice.

**DATED** at Toronto, September 17, 2014

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary