



EB-2005-0241

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

AND IN THE MATTER OF an Application by Great Lakes
Power Limited pursuant to section 78 of the *Ontario Energy
Board Act, 1998* for an order or orders approving or fixing
just and reasonable rates for the transmission of electricity.

PROCEDURAL ORDER NO. 1

Great Lakes Power Limited ("GLPL"), filed an application dated March 8, 2005 with the Ontario Energy Board under section 78 of the *Ontario Energy Board Act, 1998*, 1998 S.O., c.15, Schedule B, as amended, for an order or orders approving or fixing just and reasonable rates for the transmission of electricity.

GLPL seeks to increase transmission rates. GLPL and all other transmitters in Ontario charge uniform transmission rates based on their combined revenue requirements. By this application, GLPL proposes to increase the combined revenue requirements to include the costs of GLPL's proposed reinforcement of its transmission system and, consequently, to increase the uniform transmission rates. If the application is approved, residential electricity customers who consume 1,000 kWh per month will experience an increase in their overall electricity bill of approximately 0.15%.

The Board has assigned this Application Board File No. RP-2005-0241.

The Board issued a Revised Notice of Application dated April 22, 2005.

The Board has received a letter dated May 26, 2005 from GLPL requesting that this matter proceed by way of a written hearing. This letter was in response to the requests of Energy Probe Research Foundation, Vulnerable Energy Consumers Coalition and the Corporation of the Township of Michipicoten for an oral hearing. In support of its request, GLPL stated that the large majority of the claimed revenue deficiency relates to

a project for which the Board has already granted leave to construct in a proceeding in which it determined that the benefits of the project outweigh the costs. GLPL argued further that the issues in this proceeding can be thoroughly tested in a written hearing.

The Board has decided to proceed in this matter by way of an oral hearing. The Board believes that it will be assisted by having the evidence in this proceeding tested through cross-examination and by the Board members being able to ask questions directly of the witnesses.

Two customers of GLPL, Algoma Steel Inc. ("Algoma") and St. Marys Paper Ltd. ("SMP") have sought a determination of the Board that they are eligible for a cost award in this proceeding. GLPL has argued, by letter dated May 27, 2005, that Algoma and SMP are not eligible for a cost award. Algoma and GP Flakeboard Company, another large customer of GLPL were given a cost award in RP-2003-0120, the proceeding in which GLPL was granted leave to construct the transmission project which is also in issue in the current proceeding. SMP was also found to be eligible for a cost award in that proceeding.

Clause 3.03(a) of the Board's Practice Direction on Cost Awards provides that a party is eligible to apply for a cost award where the party "primarily represents the direct interests of consumers (e.g. ratepayers) in relation to regulated services". GLPL argues that the use of the plural "consumers" rather than "consumer" indicates that the clause intends that a party representing more than one consumer is eligible for a cost award but that an individual consumer is not eligible. GLPL also argues that the finding of eligibility for Algoma in the RP-2003-0120 case is explained by the fact that, unlike in the present case, the outcome of that case would have direct physical impacts on connected customers such as Algoma.

The Board does not accept GLPL's narrow interpretation of clause 3.03(a) of its Practice Direction. The Board sees nothing in its decisions in RP-2003-0120 which indicates that the Board's decision in that case on cost eligibility was related to the physical impacts on the customers that were found to be eligible. Therefore, the Board finds that Algoma and SMP are eligible to apply for a cost award in this case.

Eligibility to apply for costs does not guarantee that claimed costs will be recovered. The Board notes that section 5 of its Practice Direction sets out several matters that the Board will consider in determining the amount of a cost award. Among these matters are the conduct of the party in reducing duplication and repetitiveness and the efforts of the party in combining its intervention with other similarly interested parties. The

Association of Major Power Consumers in Ontario ("AMPCO"), Algoma and SMP may have similar interests. The Board notes that the failure to combine their intervention in RP-2003-0120 led the Board to reduce the costs awarded to AMPCO, Algoma and GP Flakeboard Company in that case.

A list of Intervenor is attached as Appendix "A" to this Order. An Issues List is attached as Appendix "B" to this Order.

The Board considers it expedient to make provision for the following items related to RP-2005-0241. The Board may issue other procedural orders from time to time.

THE BOARD ORDERS THAT:

1. Intervenor and Board staff who wish information and material from GLPL that is in addition to the evidence filed with the Board and that is relevant to the hearing, shall request the same by written interrogatories filed with the Board and delivered to GLPL on or before Friday, June 24, 2005. GLPL shall file responses to these interrogatories with the Board and deliver them to all Intervenor as soon as possible but no later than Friday, July 15, 2005.
2. Intervenor and Board staff who wish to present evidence shall file that evidence with the Board and deliver that evidence to GLPL and other Intervenor on or before Tuesday, July 26, 2005.
3. Any party (Intervenor, Board staff, GLPL) who wishes information and material that is in addition to an Intervenor's or Board staff's evidence and that is relevant to the hearing, shall request the same by written interrogatories filed with the Board and delivered to the Intervenor on or before Monday, August 8, 2005. Responses to the interrogatories shall be filed with the Board and delivered to GLPL and the other Intervenor on or before Monday, August 22, 2005.
4. A Settlement Conference will be held on Monday September 12, 2005 at 9:30 a.m. and continuing, if necessary, on Tuesday September 13, 2005 at 9:30 a.m. at 2300 Yonge Street, 25th Floor, Toronto in the Board's North Hearing Room.
5. The Board will receive the Proposed Settlement Agreement negotiated among the parties on Thursday September 15, 2005 at 9:30 a.m. at 2300 Yonge Street, 25th Floor, Toronto in the Board's West Hearing Room.

6. The oral hearing of the evidence will begin on Monday, September 19, 2005 at 9:30 a.m. at 2300 Yonge Street, 25th Floor, Toronto in the Board's West Hearing Room, and could continue for approximately four days.
7. All interrogatories must include a reference section which identifies specific evidence, incorporating exhibit and page numbers, on which the interrogatory is based.
8. All filings to the Board noted in this Order must be in the form of **10 hard copies and must be received by the Board by 4:45 p.m.** on the stated dates. The Board requests that all parties make every effort to include a copy of their filings on disk, in Microsoft Word format, along with the hard copies which are filed.

ISSUED at Toronto, June 7, 2005.

ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell
Assistant Board Secretary

Appendix "A" to
Procedural Order No. 1

EB-2005-0241

Dated June 7, 2005

**GREAT LAKES POWER LIMITED
TRANSMISSION RATE APPLICATION
EB-2005-0241
APPLICANT & LIST OF INTERVENTIONS**

June 7, 2005

Applicant

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5. Association of Major Power
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LATE INTERVENTION

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Appendix "B" to
Procedural Order No. 1

EB-2005-0241

Dated June 7, 2005

EB-2005-0241
Issues List

1. Great Lakes Power Limited's transmission-related revenue requirement for its 2005 and 2006 fiscal years.
2. Great Lakes Power Limited's proposed methodology for recovery of its transmission-related 2005 and 2006 revenue requirement.