



EB-2014-0113

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 St. Thomas
Energy Inc. for an order approving just and reasonable rates
and other charges for electricity distribution to be effective
January 1, 2015.

**ISSUES LIST DECISION
October 2, 2014**

St. Thomas Energy Inc. ("STEI") filed a complete cost of service application with the Ontario Energy Board (the "Board") on June 26, 2014 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that STEI charges for electricity distribution, to be effective January 1, 2015.

Procedural Order No. 1 made provision for the establishment of an issues list subsequent to the filing of interrogatory responses.

STEI filed its interrogatory responses on September 9, 2014. To clarify any matters arising from the interrogatories, a transcribed Technical Conference was held September 22, 2014. Subsequent to the Technical Conference, parties conferred on and agreed to a proposed issues list for the Board's consideration. The Board approves the proposed issues list. The approved issues list is attached as Appendix A.

A Settlement Conference will be held among the parties and Board staff on **October 6 and 7, 2014**, as indicated in Procedural Order No. 1.

DATED at Toronto, October 2, 2014
ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX 'A'

St. Thomas Energy Inc.

EB-2014-0113

Approved Issues List

October 2, 2014

DRAFT ISSUES LIST
EB-2014-0113
St. Thomas Energy Inc. ("STEI")

1. PLANNING

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences;
- productivity;
- benchmarking of costs;
- reliability and service quality;
- impact on distribution rates;
- trade-offs with OM&A spending;
- government-mandated obligations; and
- the objectives of the Applicant and its customers.

1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences;
- productivity;
- benchmarking of costs;
- reliability and service quality;
- impact on distribution rates;
- trade-offs with capital spending;
- government-mandated obligations; and
- the objectives of the Applicant and its customers.

2. REVENUE REQUIREMENT

2.1 Are all elements of the Base Revenue Requirement reasonable, and have they been appropriately determined in accordance with Board policies and practices?

2.2 Has the Base Revenue Requirement been accurately determined based on these elements?

3. LOAD FORECAST, COST ALLOCATION AND RATE DESIGN

3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the

extent applicable, are they an appropriate reflection of the energy and demand requirements of the applicant's customers?

- 3.2 Is the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?
- 3.3 Are the applicant's proposals for rate design appropriate?
- 3.4 Are the applicant's proposals regarding its fixed/variable ratios appropriate?
- 3.5 Are the proposed Retail Transmission Service Rates appropriate?

4. ACCOUNTING

- 4.1 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?
- 4.2 Are the applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition and the continuation of existing accounts, appropriate?

5. OTHER

- 5.1 Are the changes due to STEI's restructuring appropriate and reflective of the Board's accounting policies?