Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2014-0099

## North Bay Hydro Distribution Ltd.

### Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2015.

# PROCEDURAL ORDER NO. 1, DECISION ON CONFIDENTIALITY AND ORDER FOR INTERIM RATES

### March 19, 2015

North Bay Hydro Distribution Ltd. (North Bay Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on December 15, 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 North Bay Hydro charges for electricity distribution, to be effective May 1, 2015.

A Notice of Application and Hearing (Notice) was issued on February 6, 2015. Each of the Energy Probe Research Foundation (EP), Vulnerable Energy Consumers Coalition (VECC), School Energy Coalition (SEC) and the North Bay Taxpayer's Association (NBTA) applied for intervenor status and cost eligibility.

North Bay Hydro filed a letter dated February 27, 2015 providing comments on the intervention and cost eligibility request filed by Mr. Rennick on behalf of the NBTA. North Bay Hydro indicated that Mr. Rennick had intervened in its prior cost of service application claiming to represent the interest of all North Bay Hydro customers. North Bay Hydro noted that the OEB, in its decision on cost awards, found that "there was no

substantiation of the claim that [Mr. Rennick] represented any other ratepayers" and that the OEB specifically accepted the intervention of Mr. Rennick solely as an individual intervenor. North Bay Hydro indicated that it is concerned that Mr. Rennick has again intervened as an individual intervenor but, "under the auspices of a taxpayers' association." North Bay Hydro indicated that it had performed a corporate search for the NBTA with Industry Canada which returned no results.

North Bay Hydro submitted that Mr. Rennick's intervention is that of an individual and not as a representative advocating for the interest of North Bay Hydro's entire customer base. North Bay Hydro stated that it has no objection to Mr. Rennick's participation in the proceeding, on that basis. In a subsequent letter dated March 4, 2015, North Bay Hydro stated that it did not have any objections to the requests filed by EP, VECC and SEC.

The NBTA filed a letter on March 6, 2015 responding to North Bay Hydro's objection. In the letter, the NBTA confirmed that it had not requested costs for time spent by its representative, Mr. Rennick. The NBTA also noted that it was formed in December 2012 and highlighted several articles in a local North Bay newspaper (the Nugget) which mentioned some of the NBTA's activities in the North Bay community.

I approve EP, VECC, SEC and the NBTA as intervenors. The list of parties in this proceeding is attached as Appendix A to this Procedural Order.

I have also determined that EP, VECC, SEC and the NBTA are eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards* (the Practice Direction). I reach the conclusion that the NBTA is cost eligible based on the fact that the NBTA is an association which primarily represents the direct interests of North Bay Hydro ratepayers and that the NBTA is comprised of individual members that are themselves ratepayers of North Bay Hydro. I note that the NBTA has specifically indicated that it will not be seeking recovery of costs for time spent by its representative participating in the proceeding, but will be seeking recovery of eligible travel and out-of-pocket expenses.

I note that being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed. Cost awards are made by way of OEB order at the conclusion of the proceeding. Attention should therefore be paid to section 5 of the Practice Direction which lists the things the OEB may consider in determining the amount of any cost award.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

## **Issues List**

It is the OEB's expectation that parties will be best positioned to identify issues relevant to North Bay Hydro's application after the applicant has responded to interrogatories, and following a technical conference, should it be required. North Bay Hydro, OEB staff and the intervenors shall develop and OEB staff shall file a proposed issues list for the OEB's consideration. The OEB will approve an issues list prior to the settlement.

## Interrogatories

At this time, I am making provision for written interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

The OEB encourages parties to examine the value presented by the proposed investments as opposed to focussing only on the costs. Parties should also assess the fit between the applicant's plans and its stated objectives, and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. The materiality thresholds documented in Chapter 2 of the Filing Requirements should be used to guide the parties. In making its decision on cost

awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Parties should consult sections 26 and 27 of the OEB's Rules of Practice and Procedure (as revised April 24, 2014) regarding required naming and numbering conventions and other matters related to interrogatories.

# **Confidentiality Request**

North Bay Hydro's application included a request for confidential treatment of the tax returns for 2010 through 2012 found at Exhibit 4 in Appendix 4-J, 4-K and 4-L. North Bay Hydro has redacted the names of each apprentice found at part 4, line 410 of Schedule 552 – Ontario Apprenticeship Training Tax Credit in each of Appendix 4-J, 4-K and 4-L on the basis that revealing the identity of each apprentice would, together with the other information found in Schedule 552, constitute personal information within the meaning of the *Freedom of Information and Protection of Privacy Act* (FIPPA).

Consistent with the requirements imposed upon the OEB under FIPPA and the principles enunciated in the OEB's Practice Direction on Confidential Filings, I hereby grant North Bay Hydro's request for confidential treatment of the names redacted from the tax returns found at Exhibit 4 in Appendix 4-J, 4-K and 4-L of the application. The OEB cannot release personal information, as that phrase is defined in FIPPA, except in special circumstances.

# **Interim Rates**

In the Application, North Bay Hydro requested an effective date of May 1, 2015. I will make North Bay Hydro's current approved rates interim pending the outcome of this proceeding. This determination is made without prejudice to the OEB's decision on the application, and should not be construed as predictive in any way of the OEB's final determination regarding the effective date of North Bay Hydro's rates.

I consider it necessary to make provision for the following matters related to this proceeding.

## IT IS THEREFORE ORDERED THAT:

- 1. The names redacted at Exhibit 4 in Appendix 4-J, 4-K and 4-L of the application shall remain confidential.
- North Bay Hydro's current approved rates are declared interim effective May 1, 2015.
- 3. OEB staff shall request any relevant information and documentation from North Bay Hydro that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **March 27, 2015**.
- 4. Intervenors shall request any relevant information and documentation from North Bay Hydro that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **April 1, 2015**.
- North Bay Hydro shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by April 24, 2015.
- 6. Following its review of North Bay Hydro's responses to interrogatories, the OEB will determine if a technical conference is required. If required, a transcribed Technical Conference will be held May 4, 2015 starting at 9:30 a.m. in the OEB's Offices at 2300 Yonge Street, 25th floor, Toronto, Ontario to clarify any matters arising from the interrogatories only. If required, the Technical Conference will continue on May 5, 2015. Parties intending to participate are to notify North Bay Hydro, and copy all parties, of the topic areas for questioning by April 29, 2015.
- 7. OEB staff shall file a proposed issues list, or, alternatively, shall advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list by **May 8, 2015**.
- A Settlement Conference among the parties and OEB staff will be convened on May 19, 2015 starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on May 20, 2015.

- 9. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **June 3**, **2015**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any unsettled issues, indicating with reasons whether the parties believe those issues should be dealt with by way of oral or written hearing.
- 10. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties within 7 days from when a settlement proposal is filed.
- 11. If there is no settlement proposal arising from the Settlement Conference, North Bay Hydro shall file a statement to that effect with the OEB by **May 22, 2015**. In that event, parties shall file and serve on the other parties by **June 2, 2015** any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.

All filings to the OEB must quote the file number, EB-2014-0099, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <u>https://www.pes.ontarioenergyboard.ca/eservice/</u>. Two paper copies must also be filed at the OEB'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

<u>http://www.ontarioenergyboard.ca/OEB/Industry</u>. 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 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Stephen Vetsis at <u>Stephen.Vetsis@ontarioenergyboard.ca</u>.

## ADDRESS

Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4 Attention: Board Secretary

E-mail: <u>boardsec@ontarioenergyboard.ca</u> Tel: 1-888-632-6273 (Toll free) Fax: 416-440-7656

DATED at Toronto, March 19, 2015

### **ONTARIO ENERGY BOARD**

### By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj Registrar Appendix A

To Procedural Order No. 1, Decision On Confidentiality And Order For Interim Rates Applicant and List of Intervenors Board File No: EB-2014-0099 DATED: March 19, 2015

**APPLICANT & LIST OF INTERVENORS** 

March 19, 2015

APPLICANT	Rep. and Address for Service
North Bay Hydro Distribution Limited	Melissa Casson
	Regulatory Manager North Bay Hydro Distribution Limited 74 Commerce Crescent North Bay, ON P1B 8G4
	Tel: 705-474-8100 Ext. 300 Fax: 705-474-8579 Email: <u>regulatoryaffairs@northbayhydro.com</u>
APPLICANT	Rep. and Address for Service
North Bay Hydro Distribution Limited	Todd Wilcox
	Chief Operating Officer North Bay Hydro Distribution Limited 74 Commerce Cres. P.O. Box 3240 North Bay ON P1B 8Y5 Tel: 705-474-8100 Ext: 305 Fax: 705-495-2756 Email: <u>twilcox@northbayhydro.com</u>
	Cindy Tennant Manager, Finance North Bay Hydro Distribution Limited P.O. Box 3240 North Bay ON P1B 8Y5 Tel: 705-474-8100 Ext: 310 Fax: 705-474-8579 Email: <u>ctennant@northbayhydro.com</u>

# **APPLICANT & LIST OF INTERVENORS**

March 19, 2015

### **APPLICANT COUNSEL**

### John Vellone

Counsel Borden Ladner Gervais LLP 40 King Street West Scotia Plaza Toronto ON M5H 3Y4 Tel: 416-367-6730 Fax: 416-361-2758 Email: jvellone@blg.com

### Bruce Bacon

Consultant Borden Ladner Gervais LLP 40 King Street West Suite 4100, Scotia Plaza Toronto ON M5H 3Y4 Tel: 416-367-6087 Fax: 416-361-7366 Email: <u>bbacon@blg.com</u>

### INTERVENORS

Energy Probe Research Foundation

Energy Probe Research Foundation

# Rep. and Address for Service

Randy Aiken

Aiken & Associates 578 McNaugton Ave. W. Chatham ON N7L 4J6 Tel: 519-351-8624 Fax: 519-351-4331 Email:randy.aiken@sympatico.ca

### **David MacIntosh**

Case Manager Energy Probe Research Foundation 225 Brunswick Avenue Toronto ON M5S 2M6 Tel: 416-964-9223 Ext: 235 Fax: 416-964-8239 Email: DavidMacIntosh@nextcity.com

# APPLICANT & LIST OF INTERVENORS

March 19, 2015

### North Bay Taxpayers Association

## Donald Rennick, C.A.

Independent Participants 392 Surrey Drive North Bay ON P1C 1E3 Tel: 705-476-2007 Email: <u>ddrennick@cogeco.ca</u>

**School Energy Coalition** 

## Wayne McNally

SEC Coordinator Ontario Public School Boards' Association 439 University Avenue 18th Floor Toronto ON M5G 1Y8 Tel: 416-340-2540 Fax: 416-340-7571 Email: <u>wmcnally@opsba.org</u>

### Mark Rubenstein

Jay Shepherd Professional Corporation 2300 Yonge St. Suite 806 P.O. Box 2305 Toronto ON M4P 1E4 Tel: 416-483-3300 Fax: 416-483-3305 Email: <u>mark.rubenstein@canadianenergylawyers.com</u>

**School Energy Coalition** 

## Jay Shepherd

Jay Shepherd Professional Corporation 2300 Yonge St. Suite 806 P.O. Box 2305 Toronto ON M4P 1E4 Tel: 416-483-3300 Fax: 416-483-3305 Email: jay.shepherd@canadianenergylawyers.com

# **APPLICANT & LIST OF INTERVENORS**

March 19, 2015

### Shelley Grice

Consultant Econalysis Consulting Services 34 King Street East Suite 1102 Toronto ON M5C 2X8 Tel: 647-880-9942 Fax: 416-348-0641 Email: <u>shelley.grice@rogers.com</u>

### Vulnerable Energy Consumers Coalition

### Michael Janigan

Counsel Public Interest Advocacy Centre 31 Hillsdale Avenue East Toronto ON M4S 1T4 Tel: 416-840-3907 Email: <u>mjanigan@piac.ca</u>

### **Mark Garner**

Consultant Econalysis Consulting Services 34 King Street East, Suite 630 Toronto ON M5C 2X8 Tel: 647-408-4501 Email: <u>markgarner@rogers.com</u>

Vulnerable Energy Consumers Coalition

#### Bill Harper

Econalysis Consulting Services 34 King Street East Suite 630 Toronto ON M5C 2X8 Tel: 416-348 0193 Email: <u>bharper@econalysis.ca</u>