

**Ontario Energy Board**  
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**Commission de l'énergie de l'Ontario**  
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**BY E-MAIL**

May 8, 2015

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: North Bay Hydro Distribution Ltd. (“North Bay Hydro”)  
2015 Distribution Rate Application  
Board File No. EB-2014-0099**

In accordance with Procedural Order #1, OEB staff advises the Board that parties have been unable to reach an agreement on a draft issues list regarding North Bay Hydro’s 2015 distribution rate application.

There is only one issue for which agreement cannot be reached. North Bay Taxpayers’ Association (NBTA) proposes to add an issue that North Bay Hydro does not agree to.

All other issues are agreed to. Please see attached a draft Issues List which incorporates all of the agreed to issues.

Yours truly,

*Original Signed By*

Stephen Vetsis  
Advisor – Electricity Rates & Prices

Encl.

**PROPOSED ISSUES LIST**  
**EB-2014-0099**  
**North Bay Hydro Distribution Ltd. (“North Bay Hydro”)**

**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 proposed Retail Transmission Service Rates and Low Voltage 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** Is the proposed effective and implementation date of May 1, 2015 appropriate?