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August 14, 2015

Our File Number: 28436

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: **B2M Limited Partnership (B2M LP)**
2015-2019 Cost of Service Application
EB-2015-0026

We are counsel to the applicant in this case, B2M Limited Partnership. In accordance with the Board's Procedural Order #3 dated July 27, 2015 I am writing to inform the Board that no settlement was reached by the Applicant and the other parties (B2M, Canadian Manufacturers and Importers, the Society of Energy Professionals and Ontario Energy Board staff) during the settlement conference held on August 11, 2015.

However, all of the parties have worked to narrow the issues and can provide the following joint recommendation to the Board regarding how the Board may wish to proceed with the hearing of this matter.

With respect to each of issues 1.2, 2.1, 2.2, 3.1, 5.5 and 6.1, one or more of the other parties have indicated that additional information is needed to provide the Board with a full understanding of the matters to be decided. Those parties have further agreed that oral cross-examination would be an efficient way to put this information

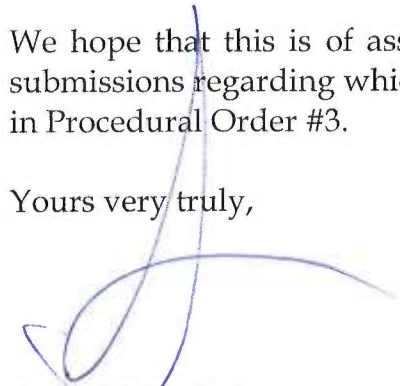
on the record. Submissions with respect to these issues could then be made either orally at the close of the hearing or in writing, as the Board prefers.

All of the parties submit that there is no need for further evidence on the following issues: 1.1, 2.3, 3.2, 4.1, 5.1, 5.2, 5.3, 5.4, 7.1 and 8.1, and that disputes with respect to these issues, if any, can be addressed through argument either following the conclusion of the oral hearing or in writing, as the Board directs.

The approved Issues List is attached for the Board's ease of reference.

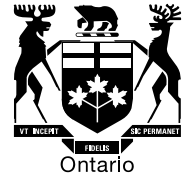
We hope that this is of assistance and that this also obviates the need for further submissions regarding which issues should be heard in writing or orally, as directed in Procedural Order #3.

Yours very truly,



Anita M. Varjadic

/nb



EB-2015-0026

**B2M Limited Partnership
Application for an order approving a just and
reasonable revenue requirement for electricity
transmission to be effective January 1, 2015 through
to December 31, 2019.**

**DECISION ON THE ISSUES LIST
and
PROCEDURAL ORDER NO. 3
July 27, 2015**

B2M Limited Partnership (B2M LP) filed an application with the Ontario Energy Board (OEB) on March 30, 2015 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Sch. B), seeking approval for changes to its electricity transmission revenue requirement for 5 years from 2015 to 2019, to be effective January 1, 2015 and each year thereafter to December 31, 2019.

The OEB issued Procedural Order No. 1 on May 27, 2015, setting dates for interrogatories and other procedural steps. B2M LP filed interrogatory responses on June 29, 2015. On July 2, 2015, Procedural Order No. 2 amended various procedural steps for the application.

OEB staff and parties attended a technical conference on July 16, 2015. In accordance with Procedural Order No. 2, OEB staff filed a proposed issues list on July 17, 2015. The OEB reviewed the proposal and has approved the issues list for this proceeding, and has determined that it will proceed with a settlement conference.

THE BOARD ORDERS THAT:

1. The approved issues list for this proceeding is attached as Appendix A.

2. A settlement conference among the parties and OEB staff will be convened on **August 11, 2015** starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto.
3. Any settlement proposal arising from the settlement conference shall be filed with the OEB by **August 25, 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.
4. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties within 7 days of the date on which any settlement proposal is filed.
5. If there is no settlement proposal arising from the settlement conference, B2M LP shall file a statement to that effect with the OEB by **August 17, 2015**. In that event, parties shall file and serve on the other parties by **August 21, 2015** any submission 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-2015-0026 and be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the Board'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 <http://www.ontarioenergyboard.ca/OEB/Industry>. 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, Harold Thiessen at harold.thiessen@ontarioenergyboard.ca, interim Case Manager, Jane Scott at

jane.scott@ontarioenergyboard.ca and OEB Counsel, Jennifer Lea at
jennifer.lea@ontarioenergyboard.ca.

ADDRESS

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Attention: Board Secretary

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Tel: 1-888-632-6273
(Toll free) Fax: 416-
440-7656

DATED at Toronto, July 27, 2015

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A

B2M Limited Partnership 2015 - 2019 Transmission Rate Application

EB-2015-0026

Approved Issues List

July 27, 2015

**B2M Limited Partnership
2015-2019 Transmission Rate Application
EB-2015-0026
Approved Issues List**

1.0 GENERAL

- 1.1 Has B2M LP responded appropriately to all relevant Board directions from previous proceedings?
- 1.2 Is the overall increase in 2015 to 2019 revenue requirement reasonable?

2.0 APPLICATION FRAMEWORK

- 2.1 Is the proposed framework of a five year cost of service application appropriate?
- 2.2 Are B2M LP's proposed annual adjustments appropriate?
- 2.3 Is the monitoring and reporting of performance proposed by B2M LP adequate to demonstrate whether the planned outcomes are achieved?

3.0 OPERATIONS MAINTENANCE and ADMINISTRATION COSTS

- 3.1 Are the proposed spending levels for OM&A in 2015 to 2019 appropriate, including consideration of factors such as system reliability and asset condition?
- 3.2 Are the methodologies used to allocate common corporate costs for 2015 to 2019 appropriate?

4.0 CAPITAL EXPENDITURES and RATE BASE

- 4.1 Are the amounts proposed for rate base in 2015 to 2019 appropriate?

5.0 REVENUE REQUIREMENT

- 5.1 Are the business assumptions and policies used by B2M LP to develop and allocate its revenue requirements appropriate?
- 5.2 Is the capital structure and cost of capital component of the revenue requirement for 2015 appropriate?
- 5.3 Is the depreciation component of the revenue requirement for 2015 to 2019 appropriate?
- 5.4 Is the taxes / PILs component of the revenue requirement for 2015 to 2019 appropriate?
- 5.5 Is the proposed recovery of start-up and development costs appropriate? Is the proposed smoothing methodology for the start-up and development costs over the test years appropriate?

6.0 DEFERRAL/VARIANCE ACCOUNTS

6.1 Are the proposed new Deferral and Variance Accounts appropriate?

7.0 COST ALLOCATION

7.1 Is the cost allocation proposed by B2M LP appropriate?

8.0 BILL IMPACTS

8.1 Are the bill impacts of this application appropriate?