



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

ISSUES LIST DECISION

EB-2015-0108

WATERLOO NORTH HYDRO INC.

Application for electricity distribution rates beginning January 1, 2016.

BEFORE: **Christine Long**
Presiding Member

August 31, 2015

Waterloo North Hydro Inc. (Waterloo North Hydro) filed a complete cost of service application with the Ontario Energy Board (the OEB) on May 1, 2015 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 Waterloo North Hydro charges for electricity distribution, to be effective January 1, 2016.

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

Waterloo North Hydro filed its interrogatory responses on July 31, 2015 and August 7, 2015. To clarify any matters arising from the interrogatories, a transcribed Technical Conference was held August 19, 2015. Subsequent to the Technical Conference, parties conferred on and agreed to a proposed issues list for the OEB's consideration. The OEB has reviewed the proposed issues list and approves it for the purpose of this proceeding. The approved issues list is attached as Schedule A.

A Settlement Conference will be held among the parties and OEB staff on **September 3, 2015 and September 4, 2015**, as indicated in Procedural Order No. 1.

DATED at Toronto, August 31, 2015

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

SCHEDULE A
ISSUES LIST DECISION
WATERLOO NORTH HYDRO INC.
EB-2015-0108
AUGUST 31, 2015

**Approved Issues List
EB-2015-0108
Waterloo North Hydro Inc.**

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** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?
- 3.3** Are the applicant's proposals, including the proposed fixed/variable split, 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?