

EB-2015-0004

## **Hydro Ottawa Limited**

Application for electricity distribution rates for the period from January 1, 2016 to December 31, 2020.

# DECISION and PROCEDURAL ORDER NO. 7

September 3, 2015

Hydro Ottawa Limited (Hydro Ottawa) filed a custom incentive rate application with the Ontario Energy Board (OEB) on April 29, 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 Hydro Ottawa charges for electricity distribution, to be effective January 1, 2016 and for each following year through to December 31, 2020.

A Notice of Hearing was issued on May 27, 2015.

A technical conference was held starting on August 13<sup>th</sup>, 2015 and continued on August 14th, 2015. As described below, certain undertakings from that technical conference were filed pursuant to the OEB's *Practice Direction on Confidential Filings*. An additional technical conference was held on August 25, 2015 which dealt specifically with the issue of pole attachment rates.

## **Decision on Hydro Ottawa's Request for Confidentiality**

On August 21, 2015 Hydro Ottawa filed confidential undertakings JTC2.14 – 2016 - 2020 Compensation Breakdown and JTC2.43 –Market Appraisal Reports, accompanied by a letter requesting confidentiality treatment. The OEB made provisions in Procedural Order No. 6 for submissions. Only OEB staff filed a submission.

## JTC2.14 - 2016 - 2020 Compensation Breakdown

Hydro Ottawa requested confidential treatment of its breakdown of 2017 – 2020 year over year compensation increases (as expressed in percent and monetary terms) on the grounds that this information reveals sensitive wage and benefits information the disclosure of which could be used by interested parties to calculate or otherwise ascertain expected year over year wage and benefit changes during the 2016 – 2020 period. Hydro Ottawa argued disclosure of such information would interfere with Hydro Ottawa's upcoming labour negotiations slated for 2017 and prejudice the collective bargaining process in a way that could result in additional non-forecasted compensation costs to Hydro Ottawa.

OEB staff submitted that the OEB has granted confidentiality treatment in the past for similar information and submitted that the confidential treatment of Undertaking JTC2.14 – 2016 – 2020 Compensation Breakdown is warranted.

The OEB agrees and has determined that the 2016 – 2020 Compensation Breakdown be treated as confidential

## JTC2.43 –Market Appraisal Reports

Hydro Ottawa also requested confidential treatment for the entirety of three market appraisal reports for three different properties that it proposes to sell at a later date during the Custom IR period of 2016 – 2020.

OEB staff submitted that the market appraisal reports are not relevant to the matters at issue in this proceeding. Hydro Ottawa has applied to record the proceeds from the sale of the lands and buildings in a sub-account of Account 1508 for review and disposition in a future proceeding. By using a deferral account, any proceeds from the sale of the properties do not affect the revenue requirement in this proceeding.

The OEB agrees with the staff submission that the market appraisal reports would be of no assistance to the OEB in making a determination of whether or not to grant the deferral account and finds that they will remain confidential.

## **Carriers Request for Confidentiality**

On August 31, 2015, Quebecor Media (Quebecor), Rogers Communications Partnership (Rogers), and TELUS Communications Company (TELUS) filed letters requesting that the Hydro Ottawa invoices contained in their respective responses to

Undertaking JTC3.3 be treated in confidence. They claimed that the invoices contained commercially sensitive information that is consistently treated as confidential in their respective businesses and that the disclosure would cause harm to them.

As an interim measure, the OEB will allow any counsel or consultant for intervenors, counsel for the applicant and certain regulatory staff from the applicant's organization that wish to review the confidential documents to do so provided that they have signed the OEB's Declaration and Undertaking with respect to confidential documents, and filing it with the OEB and serving it on each of Quebecor, Rogers and TELUS respectively and OEB staff.

## **Motions to Produce Answers**

Both the Carriers and Hydro Ottawa filed Motions with the OEB with respect to refusals to provide answers to certain questions during the course of the August 25, 2015 technical conference. The Carriers Motion was filed with the OEB on August 24, 2015 and Hydro Ottawa filed its Motion on August 26, 2015. In Procedural Order No. 6, the OEB ordered any additional material supporting the motions be filed September 3, 2015, and the responding parties to reply by September 10, 2015. In light of the short time frame provided and to provide additional clarity to the filing dates the OEB will provide revision to the dates for submissions and reply submissions as set out in Procedural Order No. 6. These dates are set out below. The OEB also makes provision for the remaining outstanding matters.

## Hearing

In Procedural Order No. 3 the OEB ordered that if there was no settlement proposal, Hydro Ottawa was to inform the OEB by August 31, 2015. No letter has been received from Hydro Ottawa as of the date of this Procedural Order. The OEB takes this as an indication that some form of settlement has been reached.

The OEB considers it necessary to make provision at this time for the following procedural steps. These dates do not change the date for filing any settlement proposal as set out in Procedural Order No. 3 by September 15, 2015. The OEB staff submission on the settlement proposal is to be filed within 7 days from when a settlement proposal is filed. Also, in accordance with Procedural Order No. 3, the settlement proposal should outline the terms of any settlement and 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.

#### THE OEB ORDERS THAT:

## **Request for Confidentiality**

- 1. Parties and OEB staff wishing to file submissions with respect to the claim for confidentiality filed by Rogers, TELUS and Quebecor shall file their submission and copy all other parties by **September 10, 2015.**
- 2. The responding parties to the submissions on the confidentiality requests shall file any reply submission with the OEB and copy all other parties in this proceeding by **September 17, 2015**.

## **Provisions with Respect to the Motions**

- 3. The moving parties, Hydro Ottawa and the Carriers, shall file any additional material or any additional submissions on their respective motions with the OEB and copy all other parties in this proceeding by **September 3. 2015**.
- 4. OEB staff and intervenors who wish to file a written submission in relation to the motions filed by the moving parties shall file their written submissions with the OEB and copy all other parties in this proceeding by **September 10**, 2015.
- 5. Each of the moving parties shall file any written reply submissions with the OEB and copy all parties in this proceeding by **September 17, 2015**.

## The Hearing

- 6. If the OEB decides to proceed on the unsettled issue(s) by way of an oral hearing, the hearing will commence on **September 30, 2015** starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If required, the hearing will continue on October 2, 2015. If the oral Argument-in-Chief can not be accommodated during those two hearing days, it will be heard on October 16, 2015 starting at 9:30 a.m. at 2300 Yonge Street, 25<sup>th</sup> floor, as provided for in Procedural Order No. 3.
- 7. All other hearing dates as set out in Procedural Order No. 3 are cancelled.

All filings to the OEB must quote the file number, EB-2015-0004, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <a href="https://www.pes.ontarioenergyboard.ca/eservice/">https://www.pes.ontarioenergyboard.ca/eservice/</a>. 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

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.

Unless otherwise stated, 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, Christie Clark at <a href="mailto:christie.clark@ontarioenergyboard.ca">christie.clark@ontarioenergyboard.ca</a> and OEB counsel, Maureen Helt at <a href="mailto:maureen.helt@ontarioenergyboard.ca">maureen.helt@ontarioenergyboard.ca</a>.

## <u>ADDRESS</u>

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**DATED** at Toronto, **September 3, 2015** 

#### **ONTARIO ENERGY BOARD**

Original Signed By

Kirsten Walli Board Secretary