



EB-2015-0141

Motion to Review and Vary Decision EB-2013-0416/EB-2014-0247 as it relates to the Specific Charge for Cable and Telecom Companies Access to the Power Poles charged by Hydro One Networks Inc.

PROCEDURAL ORDER NO. 6

January 11, 2016

Eleven cable and telecommunications companies and associations (the Carriers) have, with leave of the Ontario Energy Board (OEB), jointly filed a Notice of Motion to review and vary the OEB's March 12, 2015 decision approving distribution rates and charges for Hydro One Networks Inc. (Hydro One) for 2015 through 2017, as it relates to the charge they (or in the case of the associations, their members) are required to pay to use Hydro One's poles (the Pole Access Charge).

The purpose of this motion is to fix the final Pole Access Charge, which until the disposition of the motion remains at the interim level of \$22.35 per pole per year.

On December 22, 2015, Hydro One filed supplementary evidence. The supplementary evidence includes revised calculations of the Pole Access Charge, which Hydro One says are based on corrected data concerning the number of poles it owns and the depreciation costs. The supplementary evidence also sets out three different calculations, one using actual 2012 costs, one using actual 2014 costs, and one using forecast 2015 costs.

On January 7, 2016, the OEB received a letter from the Carriers objecting to Hydro One's supplementary evidence. The Carriers say the supplementary evidence is "inappropriate and prejudicial and should not be considered by the OEB." In particular, the Carriers argue that the supplementary evidence is inconsistent with Procedural Order No. 4, where the OEB indicated that the review of the Pole Access Charge in this

proceeding would be “within the context of the current approved OEB methodology as described in Decision and Order RP-2003-0249”. The Carriers asked the OEB to make a determination, before the start of the Technical Conference scheduled to begin on January 12, 2016, excluding the supplementary evidence.

Two intervenors, School Energy Coalition and Vulnerable Energy Consumers Coalition, wrote to the OEB on January 8, 2016 to object to the Carriers’ request to have the supplementary evidence excluded. Hydro One has not responded to the Carriers’ request.

The OEB has decided to deny the Carriers’ request. It appears to the OEB that the supplementary evidence filed by Hydro One may be relevant to the proceeding, in so far as it may assist the OEB in setting the Pole Access Charge at a level that is just and reasonable. The Carriers and other parties will have an opportunity to question Hydro One about the supplementary evidence at the Technical Conference.

The decision to allow the supplementary evidence is not to be interpreted as an endorsement of any party’s arguments regarding the scope of the approved RP-2003-0249 methodology, for example, whether the use of historical costs is part of the methodology. If the parties do not reach a settlement on the Pole Access Charge, such issues may be dealt with at the hearing of this proceeding.

THE OEB ORDERS THAT:

1. The Carriers’ request for Hydro One’s supplementary evidence to be excluded is denied.
2. Procedural Order No. 5 remains in effect. The Technical Conference will proceed on January 12, 2016, to be followed immediately by a Settlement Conference.

With respect to distribution lists for all electronic correspondence and materials related to this motion, parties must include the Case Manager, Harold Thiessen at harold.thiessen@ontarioenergyboard.ca and OEB Counsel, Ian Richler at ian.richler@ontarioenergyboard.ca.

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DATED at Toronto, January 11, 2016

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary