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

ISSUES LIST DECISION

EB-2015-0061

ENTEGRUS POWERLINES INC.

Application for electricity distribution rates and other charges effective May 1, 2016.

BEFORE: Cathy Spoel

Presiding Member

Susan Frank

Member

Victoria Christie

Member

Entegrus Powerlines Inc. (Entegrus) filed a complete cost of service application with the Ontario Energy Board (the OEB) on August 28, 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 Entegrus charges for electricity distribution, to be effective May 1, 2016.

Procedural Order No. 1 made provision for the establishment of an issues list subsequent to the filing of interrogatory responses. On January 7, 2016, OEB staff filed a proposed issues list that had been agreed to by the parties to the proceeding.

The OEB approves the proposed issues list, with one exception. The OEB has relabelled issue 5.1 as issue 3.5 since it is a matter that is related to rate design which is considered under heading 3 of the issues list. The approved issues list is attached as Schedule A.

A Settlement Conference will be held among the parties and OEB staff on **January 12**, **13 and 14**, **2016**, as indicated in Procedural Order No. 1.

DATED at Toronto, January 11, 2016

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

SCHEDULE A ISSUES LIST DECISION ENTEGRUS POWERLINES INC. EB-2015-0061

JANUARY 11, 2016

APPROVED ISSUES LIST EB-2015-0061 Entegrus Powerlines Inc. ("Entegrus")

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 Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?
- **2.2** Has the 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?
- **3.5** Is the proposal for harmonizing rates and charges across Entegrus' rate zones 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?