



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

ISSUES LIST DECISION

EB-2015-0089

MILTON HYDRO DISTRIBUTION INC.

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

BEFORE: **Emad Elsayed**
Presiding Member

Ken Quesnelle
Vice Chair and Member

Peter Thompson
Member

January 20, 2016

Milton Hydro Distribution Inc. (Milton Hydro) filed a complete cost of service application with the Ontario Energy Board (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 Milton Hydro 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 13, 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 the following modifications: The OEB has added a new bullet point, “Compatibility with historical expenditures”, under both Issues 1.1 and 1.2. The OEB has also revised the fourth bullet under both Issues 1.1 and 1.2 to read, “Compatibility with applicable benchmarks”. The approved issues list is attached as Schedule A.

As indicated in Procedural Order No. 2, a Settlement Conference will be held among the parties and OEB staff from **January 25 to 27, 2016**.

DATED at Toronto, **January 20, 2016**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

SCHEDULE A
ISSUES LIST DECISION
MILTON HYDRO DISTRIBUTION INC.
EB-2015-0089
JANUARY 20, 2016

APPROVED ISSUES LIST
EB-2015-0089
Milton Hydro Distribution Inc. (Milton Hydro)

1.0 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;
- compatibility with historical expenditures;
- compatibility with applicable benchmarks;
- 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;
- compatibility with historical expenditures;
- compatibility with applicable benchmarks;
- 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.

2.0 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?

3.0 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, and are the 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?

4.0 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?