



**EB-2015-0110**

**Wellington North Power Inc.**

**Application for electricity distribution rates and other  
charges beginning May 1, 2016**

**DECISION ON ISSUES LIST AND PROCEDURAL ORDER NO. 2  
February 8, 2016**

Wellington North Power Inc. (Wellington North) filed a complete cost of service application with the Ontario Energy Board (OEB) on November 2, 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 Wellington North Power 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. Wellington North filed its interrogatory responses on January 27, 2016. Subsequent to the filing of interrogatory responses, the parties agreed to a proposed issues list for the OEB's consideration. The OEB has reviewed the proposed issues list and accepts it for the purposes of this proceeding. The approved issues list is attached as Schedule A.

As noted in Procedural Order (PO) No. 1, a Settlement Conference will be held from **February 11 to 12, 2016**.

PO No. 1 also made provision for a presentation day to be held on March 10, 2016. The OEB is required to change the date of the presentation to March 22, 2016. As a result, the other dates in PO No. 1 have also been changed.

**IT IS THEREFORE ORDERED THAT:**

1. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **March 4, 2016**. In addition to outlining the terms of any settlement, the settlement proposal 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.

2. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties within 7 days from when a settlement proposal is filed.
3. If there is no settlement proposal arising from the Settlement Conference, Wellington North Power shall file a statement to that effect with the OEB by **February 19, 2016**.
4. Wellington North Power will present to the OEB any settlement proposal and a summary of any unsettled issues in the case on **March 22, 2016** from 1:00 p.m. to 3:00 p.m. in the OEB's offices at 2300 Yonge Street, 25<sup>th</sup> floor, Toronto, Ontario.

All filings to the OEB must quote the file number, EB-2015-0110, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. 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.

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, Jane Scott at [jane.scott@ontarioenergyboard.ca](mailto:jane.scott@ontarioenergyboard.ca) and OEB Counsel, Michael Millar at [michael.millar@ontarioenergyboard.ca](mailto:michael.millar@ontarioenergyboard.ca).

**ADDRESS**

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4  
Attention: Board Secretary

E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)  
Tel: 1-888-632-6273 (Toll free)  
Fax: 416-440-7656

**ISSUED** at Toronto, **February 8, 2016**

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**SCHEDULE A**

**APPROVED ISSUES LIST**

**EB-2015-0110**

**WELLINGTON NORTH POWER INC.**

**FEBRUARY 8, 2016**

**APPROVED ISSUES LIST  
EB-2015-0110  
Wellington North Power 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?

### **5. OTHER**

- 5.1** Is the proposal for an Advanced Capital Module appropriate?