



**EB-2015-0072**

**Grimsby Power Inc.**

**Application for electricity distribution rates  
beginning May 1, 2016.**

**ISSUES LIST DECISION**

**May 20, 2016**

Grimsby Power Inc. (Grimsby Power) filed a complete cost of service application with the Ontario Energy Board (OEB) on December 23, 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 Grimsby Power charges for electricity distribution, to be effective May 1, 2016.

A Notice of Hearing (Notice) was issued on March 3, 2016. Each of Energy Probe Research Foundation (Energy Probe), the Vulnerable Energy Consumers Coalition (VECC), Schools Energy Coalition (SEC), Niagara Peninsula Energy Inc. (NPEI) and COGECO Cable Canada LP (Cogeco) applied for, and were granted, intervenor status in the proceeding.

The OEB issued Procedural Order No. 1 on April 1, 2016, which required, among other things, that OEB staff would file a proposed issues list which had been agreed to by all parties on May 20, 2016. In the event that parties were unable to reach an agreement on a proposed issues list, OEB staff was to inform the OEB in writing.

On May 20, 2016, OEB staff informed the OEB that the parties had reached an agreement on a proposed issues list, with two exceptions. Intervenors agreed that the rate design and bill impact issues for the Embedded Distributor rate class should be considered in conjunction with all other rate classes, although they agreed that cost

allocation for the Niagara West MTS could be considered as a separate issue. Grimsby Power indicated that all issues related to the Niagara West MTS should be considered under the general issue categories, rather than separately.

## **Decision**

The OEB finds that it is appropriate to include the cost allocation and rate design issues related to the Niagara West MTS and the Embedded Distributor class with the general cost allocation and rate design issues on the list at Issues 3.1 and 3.2. The OEB approves the issues list attached as Schedule A.

**DATED** at Toronto, **May 20, 2016**

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**SCHEDULE A**  
**ISSUES LIST DECISION**  
**EB-2015-0072**  
**GRIMSBY POWER INC.**  
**DATED: May 20, 2016**

**DRAFT ISSUES LIST  
EB-2015-0072  
Grimsby 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 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?

#### **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** Are rate mitigation proposals required for any rate classes?