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



EB-2016-0096

Northern Ontario Wires Inc.

Application for electricity distribution rates beginning May 1, 2017

PROCEDURAL ORDER NO. 1 November 29, 2016

Northern Ontario Wires Inc. (Northern Ontario Wires) filed a cost of service application with the Ontario Energy Board (OEB) on August 26, 2016 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 Northern Ontario Wires charges for electricity distribution, to be effective May 1, 2017.

A Notice of Hearing was issued on October 20, 2016. The Association of Major Power Consumers in Ontario (AMPCO), the School Energy Coalition (SEC), and the Vulnerable Energy Consumers Coalition (VECC) each applied for intervenor status and cost eligibility.

No objection was received from Northern Ontario Wires.

AMPCO, SEC and VECC are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. AMPCO, SEC and VECC are eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards*.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Issues List

It is the OEB's expectation that parties will be best positioned to identify issues relevant to Northern Ontario Wires' application after the applicant has responded to interrogatories. Northern Ontario Wires, OEB staff and the intervenors shall develop and OEB staff shall file a proposed issues list for the OEB's consideration. The OEB will approve an issues list prior to the settlement conference.

Interrogatories

At this time, provision will be made for written interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

Parties should examine the value presented by the proposed investments as opposed to focussing only on the costs. Parties should also assess the fit between the applicant's plans and its stated objectives, and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. Parties should use the materiality thresholds documented in Chapter 2 of the Filing Requirements as a guide. In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Parties should consult sections 26 and 27 of the OEB's Rules of Practice and Procedure regarding required naming and numbering conventions and other matters related to interrogatories.

Presentation Day

Following the settlement conference, provision will be made for the presentation of any settlement proposal filed by Northern Ontario Wires, whether full or partial, and for the

presentation of any unsettled issues to be adjudicated by the OEB. Northern Ontario Wires' presentation is intended to summarize and provide any salient information for the OEB's consideration in reviewing the settlement proposal. With respect to any unsettled issues, the presentation should focus on how the issues relate to the business conditions Northern Ontario Wires anticipates over the next 5 years, the planning it has undertaken to address system needs and customer preferences, and its proposal regarding how the costs of distributing electricity ought to be recovered from customers through the rates they pay, taking into consideration the OEB's policies. The purpose of the presentation is not to provide an opportunity for cross-examination by the parties, but rather for Northern Ontario Wires to present any settlement and any remaining issues in the case.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

- OEB staff shall request any relevant information and documentation from Northern Ontario Wires that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **December 20**, 2016.
- Intervenors shall request any relevant information and documentation from Northern Ontario Wires that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by December 22, 2016.
- Northern Ontario Wires shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by January 31, 2017.
- 4. OEB staff shall file a proposed issues list, or, alternatively, shall advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list by **February 9, 2017.**
- A Settlement Conference among the parties and OEB staff will be convened on February 22, 2017 starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on February 23 and 24, 2017.

- 6. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **March 7, 2017**. 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.
- 7. 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.
- If there is no settlement proposal arising from the Settlement Conference, Northern Ontario Wires shall file a statement to that effect with the OEB by March 2, 2017. In that event, parties shall file and serve on the other parties by March 7, 2017 any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.
- Northern Ontario Wires will present to the OEB any settlement proposal and a summary of any unsettled issues in the case on March 16, 2017 at 9:30 a.m. to 12:30 p.m. at 2300 Yonge Street, 25th floor, Toronto.
- Unless the OEB orders otherwise, an oral hearing will be convened on March 23, 2017 from 9:30 a.m. to 5:00 p.m. at 2300 Yonge Street, 25th floor, Toronto.

All filings to the OEB must quote the file number, **EB-2016-0096**, 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

<u>http://www.ontarioenergyboard.ca/OEB/Industry</u>. 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 Registrar 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, Lawrie Gluck at <u>lawrie.gluck@ontarioenergyboard.ca</u> and OEB Counsel, Michael Millar at <u>michael.millar@ontarioenergyboard.ca</u>.

ADDRESS

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

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

DATED at Toronto, November 29, 2016

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj Registrar

Schedule A

Northern Ontario Wires Inc. EB-2016-0096

APPLICANT & LIST OF INTERVENORS

November 29, 2016

APPLICANT

Rep. and Address for Service

Northern Ontario Wires Inc.

Geoffrey Sutton

Chief Financial Officer Northern Ontario Wires Inc. 153 Sixth Ave. P.O. Box 640 Cochrane ON P0L 1C0

Tel: 705-272-2918 Fax: 705-272-5035 geoffs@nowinc.ca

Dan Boucher

General Manager Northern Ontario Wires Inc. 153 Sixth Ave. P.O. Box 640 Cochrane ON POL 1C0 Tel: 705-272-2451 Fax: 705-272-3015 regulatory@nowinc.ca

APPLICANT COUNSEL

Michael Buonaguro

Counsel The Energy Boutique 24 Humber Trail Toronto ON M6S 4C1 Tel: 416-767-1666 Fax: 416-767-1666 mrb@mrb-law.com

Schedule A

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APPLICANT & LIST OF INTERVENORS

November 29, 2016

Association of Major Power Consumers in Ontario

INTERVENORS

Shelley Grice

Consultant Econalysis Consulting Services 34 King Street East Suite 630 Toronto ON M5C 2X8 Tel: 647-880-9942 Fax: 416-348-0641 shelley.grice@rogers.com

Rep. and Address for Service

School Energy Coalition

Jay Shepherd

Counsel Jay Shepherd Professional Corporation 2200 Yonge St. Suite 1302 Toronto ON M4S 2C6 Tel: 416-483-3300 Fax: 416-483-3305 jay.shepherd@canadianenergylawyers.com

Wayne McNally

SEC Coordinator Ontario Public School Boards' Association 439 University Avenue 18th Floor Toronto ON M5G 1Y8 Tel: 416-340-2540 Fax: 416-340-7571 wmcnally@opsba.org

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APPLICANT & LIST OF INTERVENORS

November 29, 2016

School Energy Coalition

Mark Rubenstein

Counsel Jay Shepherd Professional Corporation 2200 Yonge St. Suite 1302 Toronto ON M4S 2C6 Tel: 416-483-3300 Fax: 416-483-3305 mark.rubenstein@canadianenergylawyers.com

Vulnerable Energy Consumers Coalition

Michael Janigan

Special Counsel Public Interest Advocacy Centre 31 Hillsdale Avenue East Toronto ON M4S 1T4 Tel: 416-840-3907 Fax: Not Provided <u>mjanigan@piac.ca</u>

Mark Garner

Project Manager Econalysis Consulting Services 34 King Street East, Suite 630 Toronto ON M5C 2X8 Tel: 647-408-4501 Fax: 416-348-0641 markgarner@rogers.com

Bill Harper

Econalysis Consulting Services 34 King Street East Suite 630 Toronto On M5C 2X8 Tel: 416-348 0193 Fax: Not Provided bharper@econalysis.ca