

EB-2016-0066

E.L.K Energy Inc.

Application for electricity distribution rates and other charges beginning May 1, 2017

PROCEDURAL ORDER NO. 1 March 9, 2017

E.L.K Energy Inc. (E.L.K. Energy) filed a cost of service application with the Ontario Energy Board (OEB) on November 1, 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 E.L.K. Energy charges for electricity distribution, to be effective May 1, 2017.

A Notice of Hearing was issued on February 6, 2017. Each of Association of Major Power Consumers in Ontario (AMPCO), School Energy Coalition (SEC), and Vulnerable Energy Consumers Coalition (VECC) applied for intervenor status and cost eligibility.

No objection was received from E.L.K. Energy.

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 E.L.K. Energy's application after the applicant has responded to interrogatories. E.L.K. Energy, 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 E.L.K. Energy, whether full or partial, and for the

presentation of any unsettled issues to be adjudicated by the OEB. E.L.K. Energy's 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 E.L.K. Energy 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 E.L.K. Energy 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:

- 1. OEB staff shall request any relevant information and documentation from E.L.K. Energy that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **March 27, 2017**.
- Intervenors shall request any relevant information and documentation from E.L.K.
 Energy that is in addition to the evidence already filed, by written interrogatories
 filed with the OEB and served on all parties by March 31, 2017.
- 3. E.L.K. Energy shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by **April 21**, **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 **May 5, 2017**.
- A Settlement Conference among the parties and OEB staff will be convened on May 9, 2017 starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on May 10, 2017 and May 11, 2017.
- 6. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **May 25, 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.

- 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.
- 8. If there is no settlement proposal arising from the Settlement Conference, E.L.K. Energy shall file a statement to that effect with the OEB by **May 16, 2017**. In that event, parties shall file and serve on the other parties by **May 24, 2017** any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.
- 9. The OEB is setting a tentative date of **June 1, 2017** from 9:00 a.m. to 12:00 p.m. at 2300 Yonge Street, 25th floor, Toronto for E.L.K. Energy to present to the OEB any settlement proposal and a summary of any unsettled issues in the case. OEB staff will, at the direction of the OEB, confirm or amend this date in subsequent correspondence.

All filings to the OEB must quote the file number, EB-2016-0066, 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 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, Donald Lau at donald.lau@ontarioenergyboard.ca and OEB Counsel, Ljuba Djurdjevic at ljuba.djurdjevic@ontarioenergyboard.ca.

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, March 9, 2017

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj Registrar Office of the Registrar

SCHEDULE A

E.L.K. Energy Inc. EB-2016-0066

APPLICANT & LIST OF INTERVENORS

March 9, 2017

APPLICANT Rep. and Address for Service

E.L.K. Energy Inc. Mark Danelon

E.L.K. Energy Inc. 172 Forest Avenue Essex ON N8M 3E4

Tel: 519-776-5291 Fax: Not Provided

mdanelon@elkenergy.com

APPLICANT COUNSEL

John Vellone

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto ON M5H 4E3

Tel: 416 367-6730 Fax: 416-367-6749 jvellone@blg.com

Bruce Bacon

Consultant
Borden Ladner Gervais LLP
40 King Street West
Suite 4100, Scotia Plaza
Toronto ON M5H 3Y4

Tel: 416-367-6087 Fax: 416-3617366 bbacon@blg.com

SCHEDULE A

E.L.K. Energy Inc. EB-2016-0066

APPLICANT & LIST OF INTERVENORS

March 9, 2017

INTERVENORS

Rep. and Address for Service

Association of Major Power Consumers in Ontario

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

School Energy Coalition

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

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

SCHEDULE A

E.L.K. Energy Inc. EB-2016-0066

APPLICANT & LIST OF INTERVENORS

March 9, 2017

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 mjanigan@piac.ca

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