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



EB-2015-0100

Rideau St. Lawrence Distribution Inc.

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

DECISION ON THE ISSUES LIST April 10, 2017

Rideau St. Lawrence Distribution Inc. (Rideau St. Lawrence Distribution) filed a cost of service application with the Ontario Energy Board (OEB) on October 21, 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 Rideau St. Lawrence Distribution charges for electricity distribution, to be effective January 1, 2017.

A Notice of Hearing was issued on January 3, 2017 and Procedural Order No. 1 was issued on February 2, 2017 where the OEB approved the intervenor and cost eligibility applications of the School Energy Coalition (SEC) and the Vulnerable Energy Consumers Coalition (VECC).

On March 8, 2017, Rideau St. Lawrence Distribution filed a letter indicating it could not meet the interrogatory deadline of March 9, 2017 and requested an extension. The OEB granted Rideau St. Lawrence Distribution the extension and issued Procedural Order No. 2 with revised procedural dates.

Procedural Order No. 2 established the Settlement Conference dates to be April 24, 2017 to April 26, 2017, and a deadline of April 11, 2017 by which the draft issues list must be filed.

On April 5, 2017, OEB staff filed a proposed Issues List which was agreed to by all parties.

Findings

The OEB has reviewed the proposed Issues List and finds it appropriate for the purpose of this cost of service application proceeding. (see attached Schedule A)

IT IS THEREFORE ORDERED THAT:

1. The approved Issues List for OEB proceeding EB-2015-0100, attached as Schedule A, shall be used for the purpose of this proceeding.

DATED at Toronto, April 10, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirstin Walli Board Secretary Schedule A

Rideau St. Lawrence Distribution Inc. 2017 Distribution Cost of Service Application Board File Number EB-2015-0100

APPROVED ISSUES LIST

April 10, 2017

ISSUES LIST EB-2015-0100 Rideau St. Lawrence Distribution

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 Rideau St. Lawrence Distribution 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 Rideau St. Lawrence Distribution 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?

2.3 Is it appropriate to use 2016 as the test year when rates are effective January 1, 2017?

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 Rideau St. Lawrence Distribution's customers?
- **3.2** Is the proposed cost allocation methodology, and are the allocations and revenue-to-cost ratios, appropriate?
- 3.3 Are Rideau St. Lawrence Distribution's proposals for rate design appropriate?
- **3.4** Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?
- **3.5** Is it appropriate to use the 2016 load forecast for the purpose of cost allocation and rate design?

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 Rideau St. Lawrence Distribution's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts and the continuation of existing accounts, appropriate?

5.0 Other

- 5.1 Is the proposed adjustment to the microFIT monthly service charge appropriate?
- 5.2 What is the appropriate effective date for 2017 rates?