



E.L.K. Energy Inc.

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

**DECISION ON ISSUES LIST
May 4, 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 and Procedural Order No. 1(PO1) was issued on March 9, 2017 where the OEB approved the intervenor and cost eligibility applications of the Association of Major Power Consumers of Ontario (AMPCO), School Energy Coalition (SEC) and the Vulnerable Energy Consumers Coalition (VECC).

On March 3, 2017, E.L.K. Energy filed a letter indicating it is unavailable for the settlement conference dates set out in PO1 and requested that the settlement conference and all subsequent dates be adjusted to begin on May 15, 2017. The OEB granted E.L.K. Energy's request and issued Procedural Order No. 2 (PO2) with revised procedural dates.

PO2 established the Settlement Conference dates to be May 15, 2017 to May 17, 2017, and a deadline of May 5, 2017 by which the draft issues list must be filed.

On May 3, 2017, OEB staff filed a proposed issues list which was agreed to by all parties.

Finding

The OEB has reviewed the proposed issues list and finds it appropriate for the purpose of this cost of service application proceeding. The Approved Issues List is attached to this Decision as Schedule A.

IT IS THEREFORE ORDERED THAT:

1. The Approved Issues List for OEB proceeding EB-2016-0066, attached as Schedule A, shall be used for the purpose of this proceeding.

DATED at Toronto, May 4, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Schedule A

E.L.K. Energy Inc.

2017 Distribution Cost of Service Application

OEB File Number EB-2016-0066

APPROVED ISSUES LIST

May 4, 2017

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

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;
- the objectives of E.L.K. Energy and its customers;
- distribution system plan.

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 E.L.K. Energy 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?

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 E.L.K. Energy's customers?
- 3.2 Is the proposed cost allocation methodology, and are the allocations and revenue-to-cost ratios, appropriate?
- 3.3 Are E.L.K. Energy's proposals for rate design appropriate?
- 3.4 Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

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 E.L.K. Energy'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 specific service charge for service call – customer owned equipment appropriate?
- 5.2 What is the appropriate effective date for 2017 rates?