



EB-2017-0035

Cooperative Hydro Embrun Inc.

**Application for electricity distribution rates
beginning January 1, 2018.**

ISSUES LIST DECISION

November 13, 2017

Cooperative Hydro Embrun Inc. (Cooperative Hydro Embrun) filed a cost of service application with the Ontario Energy Board (OEB) 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 Cooperative Hydro Embrun charges for electricity distribution, to be effective January 1, 2018. The application was accepted by the OEB as complete as of June 22, 2017.

A Notice of Hearing (Notice) was issued on August 11, 2017. The Vulnerable Energy Consumers Coalition (VECC) applied for, and was granted, intervenor status in the proceeding.

The OEB issued Procedural Order No. 3 on October 31, 2017, which required, among other things, that OEB staff would file a proposed issues list which had been agreed to by all parties on November 10, 2017. 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 November 10, 2017, OEB staff informed the OEB that the parties had reached an agreement on a proposed issues list.

Decision

The OEB has reviewed the proposed issues list and approves it for the purpose of this proceeding with one addition. The OEB has determined that it is appropriate to explicitly mention the distribution system plan under issue 1.1 - Capital, as it is one of the matters that will be considered in determining the appropriateness as well as the rationalization and pacing of the planned capital expenditures. The approved issues list is attached as Schedule A.

DATED at Toronto, **November 13, 2017**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

SCHEDULE A

ISSUES LIST DECISION

Cooperative Hydro Embrun Inc.

November 13, 2017

**Approved Issues List
EB-2017-0035
Cooperative Hydro Embrun Inc.**

1. PLANNING

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pricing 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
- the objectives of the Applicant and its customers, and
- distribution system plan.

1.2 Is the investment in 2017 for the new Substation of approximately \$1.5 million prudent?

1.3 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 number and energy and demand requirements of the applicant's customers?

3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?

3.3 Are the applicant's proposals, including the proposed fixed/variable splits, 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 Is the proposed microFIT rate appropriate?