

Westario Power Inc.

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

**DECISION ON INTERIM RATES AND PROCEDURAL ORDER NO. 1
February 7, 2018**

Westario Power Inc. (Westario Power) filed a cost of service application with the Ontario Energy Board (OEB) on November 22, 2017 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 Westario Power charges for electricity distribution, to be effective January 1, 2018.

A Notice of Hearing was issued on December 21, 2017. Each of School Energy Coalition (SEC), Vulnerable Energy Consumers Coalition (VECC) and Energy Probe Research Foundation (Energy Probe) applied for intervenor status. SEC, VECC and Energy Probe also applied for cost eligibility.

No objection was received from Westario Power.

SEC, VECC, and Energy Probe are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. SEC, VECC and Energy Probe 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.

On January 15, 2018 Westario Power filed a letter requesting that the OEB declare its current approved distribution rates interim, with immediate effect, pending resolution of its application.

As per the OEB's letter dated January 13, 2017, electricity distributors intending to file an application for rates effective January 1, 2018, such as Westario Power, were required to file their applications with the OEB on or before May 1, 2017. By letter dated April 27, 2017 Westario Power advised the OEB that its application would be delayed. Westario Power's application was finally filed on November 22, 2017. The delayed filing of the application does not give the OEB sufficient time to process the application in time for rates to be effective January 1, 2018 and therefore, the OEB will not declare the current rates interim at this time.

Issues List

It is the OEB's expectation that parties will be best positioned to identify issues relevant to Westario Power's application after the applicant has responded to interrogatories. Westario Power, 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 Westario Power, whether full or partial, and for the presentation of any unsettled issues to be adjudicated by the OEB. Westario Power'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 Westario Power 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 Westario Power 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 Westario Power that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **February 16, 2018**.
2. Intervenors shall request any relevant information and documentation from Westario Power that is in addition to the evidence already filed, by written

interrogatories filed with the OEB and served on all parties by **February 21, 2018**.

3. Westario Power shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by **March 16, 2018**.
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 **March 23, 2018**.
5. A Settlement Conference among the parties and OEB staff will be convened on **March 27, 2018** starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on **March 28 and 29, 2018**.
6. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **April 19, 2018**. 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.
8. If there is no settlement proposal arising from the Settlement Conference, Westario Power shall file a statement to that effect with the OEB by **April 4, 2018**. In that event, parties shall file and serve on the other parties by **April 11, 2018** 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 **May 3, 2018** from 9:30a.m. to 12:30 p.m. at 2300 Yonge Street, 25th floor, Toronto, for Westario Power 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-2017-0084, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <https://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.oeb.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, Andrew Frank at andrew.frank@oeb.ca and OEB Counsel, James Sidlofsky at james.sidlofsky@oeb.ca.

ADDRESS

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

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

DATED at Toronto, **February 7, 2018**

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

SCHEDULE A
PROCEDURAL ORDER NO.1
WESTARIO POWER INC.
EB-2017-0084
February 7, 2018
LIST OF PARTIES

**Westario Power Inc.
EB-2017-0084**

APPLICANT & LIST OF INTERVENORS

February 07, 2018

APPLICANT

Rep. and Address for Service

Westario Power Inc.

Malcolm McCallum

Chief Executive Officer (acting)
Vice President Finance/CFO
Westario Power Inc.
24 Eastridge Road
Walkerton, ON N0G 2V0

Tel: 519-507-6666 x211

Fax: 519-507-6777

malcolm.mccallum@westario.com

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

APPLICANT & LIST OF INTERVENORS

February 07, 2018

INTERVENORS	Rep. and Address for Service
Energy Probe Research Foundation	Brady Yauch Energy Probe Research Foundation 225 Brunswick Avenue Toronto ON M5S 2M6 Tel: 416-964-9223 Ext: 236 Fax: 416-964-8239 bradyyauch@consumerpolicyinstitute.org
	Shelley Grice c/o Energy Probe 46 Scarborough Road Toronto ON M4E 3M5 Tel: 647-880-9942 Fax: 416-964-8239 shelley.grice@rogers.com
School Energy Coalition	Jay Shepherd Counsel Shepherd Rubenstein Professional Corporation 2200 Yonge St. Suite 1302 Toronto ON M4S 2C6 Tel: 416-804-2767 Fax: 416-483-3305 jay@shepherdrubenstein.com
	Mark Rubenstein Counsel Shepherd Rubenstein Professional Corporation 2200 Yonge St. Suite 1302 Toronto ON M4S 2C6 Tel: 647-483-0113 Fax: 416-483-3305 mark@shepherdrubenstein.com

**Westario Power Inc.
EB-2017-0084**

APPLICANT & LIST OF INTERVENORS

February 07, 2018

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

**Vulnerable Energy
Consumers Coalition**

Ben Segel-Brown
External Counsel, Regulatory Affairs
Public Interest Advocacy Centre
c/o Public Interest Advocacy Centre
1204 - ONE Nicholas Street
Ottawa ON K1N 7B7
Tel: 613-562-4002 Ext: 29
Fax: Not Provided
bsegel-brown@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