



EB-2017-0039

Essex Powerlines Corporation

Application for electricity distribution rates and other charges beginning May 1, 2018

DECISION ON THE ISSUES LIST

March 12, 2018

Essex Powerlines Corporation (Essex Powerlines) filed a cost of service application with the Ontario Energy Board (OEB) on August 28, 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 Essex Powerlines charges for electricity distribution, to be effective May 1, 2018.

A Notice of Hearing was issued on December 6, 2017 and Procedural Order No. 1 was issued on January 26, 2018 where the OEB approved intervenor status for School Energy Coalition (SEC), Vulnerable Energy Consumers Coalition (VECC) and Hydro One Networks Inc. The OEB also approved cost eligibility for SEC and VECC.

Procedural Order No. 1 also established the settlement conference dates of March 13, 2018 to March 15, 2018, and a deadline to file a draft issues list of March 9, 2018.

On March 9, 2018, 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-2017-0039, attached as Schedule A, shall be used for the purpose of this proceeding.

DATED at Toronto, March 12, 2018

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Schedule A

**Essex Powerlines Corporation
2018 Distribution Cost of Service Application
OEB File Number EB-2017-0039**

APPROVED ISSUES LIST

March 12, 2018

**ISSUES LIST
EB-2017-0039
ESSEX POWERLINES CORPORATION**

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 Essex Powerlines and its customers; and
- 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 Essex Powerlines 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 Essex Powerlines' customers?
- 3.2 Is the proposed cost allocation methodology, and are the allocations and revenue-to-cost ratios, appropriate?
- 3.3 Are Essex Powerlines' 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 Essex Powerlines' 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 Are the risks associated with Essex Powerlines' financing arrangements appropriate?