

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

# DECISION AND ORDER ON COST AWARDS

EB-2015-0304

**Policy Consultation of Wireline Pole Attachment Charges** 

By Delegation, Before: Theodore Antonopoulos

May 22, 2018

### **Background**

By <u>letter</u> dated November 5, 2015, the OEB initiated a policy review of the miscellaneous rates and charges applied by electricity distributors for specific activities or services they provide to their customers. These charges generate service revenues that result in lower base distribution rates. Without these revenues, the cost of providing these services would be allocated to distribution customer classes and embedded in distribution rates. The OEB noted that it would commence the review of miscellaneous rates and charges in phases, beginning with the review of wireline pole attachment charges.

The OEB established a pole attachment working group (PAWG) to provide advice and guidance on matters such as costing data and the methodology used for determining pole attachment charges, including the appropriate treatment of any revenues that carriers may received from third parties.

In its November 5, 2015 letter, the OEB indicated that cost awards would be available to eligible persons under Section 30 of the *Ontario Energy Board Act, 1998* (the Act) in relation to their participation in the PAWG and that costs awards would be recovered from all licensed electricity distributors based on their respective distribution revenues.

On December 18, 2017, the Ontario Energy Board (OEB) issued for public comment the *Draft Report of the Board: Framework for Determining Wireline Pole Attachment Charges*, along with an expert report from NGL Nordicity Group (Nordicity), the *OEB Wireline Pole Attachment Rates and Policy Framework*.

The OEB issued its Final Report setting out a policy for wireline pole attachment charge and a new default province-wide charge on March 22, 2018.

Along with the final report, the OEB issued a Notice of Hearing for Cost Awards on the consultation activities of the PAWG. The following participants are eligible for cost awards (collectively, eligible parties):

- London Property Management Association (LPMA)
- School Energy Coalition (SEC)
- Vulnerable Energy Consumers Coalition (VECC)

The OEB received cost claims from LPMA, SEC and VECC. No objections were received.

#### **OEB Findings**

In its February 9, 2016 letter, the OEB approved a maximum number of hours eligible for cost awards in connection with participation in the PAWG, equal to actual meeting time of the working group multiplied by 1.5 to account for preparation and reporting. Based on four working group meetings and one conference call the maximum hours for participation, preparation and reporting is 42. In its cover letter that accompanied the Draft Report on December 18, 2017, the OEB approved an additional 10 hours for commenting on the Draft Report, bringing the total allowable hours to 52.

The OEB has reviewed the cost claims filed by LPMA, SEC and VECC to ensure they are compliant with the OEB's *Practice Direction on Cost Awards*.

The cost claims for LPMA and VECC are within the total allowable hours.

Although SEC and VECC both exceeded the allowable hours for providing comments on the Draft Report, the OEB is persuaded that extra hours being claimed of 5.4 and 5.5 respectively are reasonable given the level of effort.

However, the OEB notes that SEC's total claim exceeds the maximum allowable hours by 0.2 hours and denies the extra 0.2 hours claimed by SEC.

The OEB approves cost awards for the eligible participants as follows:

•	London Property Management Association	\$3,729.00
•	School Energy Coalition	\$11,609.62
•	Vulnerable Energy Consumers Coalition	\$15,120.67

### **Process for Paying the Cost Awards**

This phase of the policy consultation concluded with the OEB implementing a change to the default pole attachment charge by way of a licence condition. The licences of utilities that are not rate-regulated do not contain the subject condition. Therefore, the approved amounts will be paid by rate-regulated utilities. The amount payable by each rate-regulated electricity distributor in relation to costs awarded to each eligible party is

listed in Schedule A to this Decision and Order. However, the amounts will not be paid directly by the utility to the participant.

The OEB will use the process set out in section 12 of the *Practice Direction* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to rate-regulated electricity distributors at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each licensed electricity distributor one invoice that covers all cost awards payable by the licensed electricity distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one that involves a sub-set of the licensed electricity distributors in the province.

#### IT IS ORDERED THAT:

- 1. Each rate-regulated electricity distributor listed in Schedule A to this Decision and Order shall pay the amounts set out in Schedule A in relation to the costs awarded to each eligible party.
- 2. Each rate-regulated electricity distributor listed in Schedule A to this Decision and Order shall pay the OEB's costs of, and incidental to, this consultation.
- 3. The payments referred to in paragraph 1 shall be made to the OEB in accordance with the invoice issued to each rate-regulated electricity distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

**DATED** at Toronto May 22, 2018

#### **ONTARIO ENERGY BOARD**

Original signed by

Theodore Antonopoulos Vice President (Acting) Applications Division

## Schedule A

## OEB's Decision and Order on Cost Awards EB-2015-0304

No.	Electricity Distribution Companies	London Property Management Association	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total
1	Algoma Power Inc.	\$24.34	\$75.77	\$98.68	\$198.78
2	Alectra Utilities Corporation	\$523.69	\$1,630.42	\$2,123.50	\$4,277.61
3	Atikokan Hydro Inc.	\$1.52	\$4.72	\$6.15	\$12.39
4	Bluewater Power Distribution Corporation	\$23.46	\$73.04	\$95.12	\$191.62
5	Brantford Power Inc.	\$18.48	\$57.53	\$74.93	\$150.94
6	Burlington Hydro Inc.	\$32.77	\$102.01	\$132.86	\$267.64
7	Canadian Niagara Power Inc.	\$19.71	\$61.36	\$79.92	\$160.99
8	Centre Wellington Hydro Ltd.	\$3.53	\$10.99	\$14.31	\$28.82
9	Chapleau Public Utilities Corporation	\$0.95	\$2.96	\$3.85	\$7.76
10	COLLUS PowerStream Corp.	\$7.34	\$22.84	\$29.75	\$59.93
11	Cooperative Hydro Embrun Inc.	\$0.89	\$2.78	\$3.62	\$7.30
12	E.L.K. Energy Inc.	\$3.69	\$11.50	\$14.98	\$30.18
13	Energy Plus Inc.	\$36.29	\$112.99	\$147.16	\$296.45
14	Entegrus Powerlines Inc.	\$20.84	\$64.88	\$84.50	\$170.22
15	ENWIN Utilities Ltd.	\$57.08	\$177.71	\$231.45	\$466.23
16	Erie Thames Powerlines Corporation	\$10.94	\$34.07	\$44.38	\$89.39
17	Espanola Regional Hydro Distribution Corporation	\$1.96	\$6.09	\$7.93	\$15.98
18	Essex Powerlines Corporation	\$13.77	\$42.86	\$55.82	\$112.44
19	Festival Hydro Inc.	\$12.69	\$39.49	\$51.44	\$103.62
20	Fort Frances Power Corporation	\$1.98	\$6.16	\$8.02	\$16.15
21	Greater Sudbury Hydro Inc.	\$25.15	\$78.29	\$101.96	\$205.40
22	Grimsby Power Incorporated	\$4.74	\$14.75	\$19.22	\$38.71
23	Guelph Hydro Electric Systems Inc.	\$32.24	\$100.38	\$130.74	\$263.36
24	Halton Hills Hydro Inc.	\$10.75	\$33.48	\$43.61	\$87.85
	Hearst Power Distribution Company	\$1.35	\$4.21	\$5.48	\$11.04
25	Limited				
26	Hydro 2000 Inc.	\$0.57	\$1.77	\$2.31	\$4.65
27	Hydro Hawkesbury Inc.	\$1.73	\$5.39	\$7.02	\$14.14
28	Hydro One Networks Inc.	\$1,381.82	\$4,302.05	\$5,603.10	\$11,286.97
29	Hydro One Remote Communities Inc.	\$29.06	\$90.48	\$117.84	\$237.38
30	Hydro Ottawa Limited	\$178.33	\$555.20	\$723.10	\$1,456.62
31	Innpower Corporation	\$9.60	\$29.89	\$38.93	\$78.41
32	Kenora Hydro Electric Corporation Ltd.	\$3.04	\$9.46	\$12.32	\$24.81
33	Kingston Hydro Corporation	\$13.71	\$42.69	\$55.60	\$112.00
34	Kitchener-Wilmot Hydro Inc.	\$43.29	\$134.76	\$175.52	\$353.57
35	Lakefront Utilities Inc.	\$4.62	\$14.38	\$18.72	\$37.72

No.	Electricity Distribution Companies	London Property Management Association	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total
36	Lakeland Power Distribution Ltd.	\$8.97	\$27.93	\$36.38	\$73.28
37	London Hydro Inc.	\$71.96	\$224.02	\$291.78	\$587.76
38	Midland Power Utility Corporation	\$4.19	\$13.06	\$17.01	\$34.27
39	Milton Hydro Distribution Inc.	\$17.63	\$54.90	\$71.51	\$144.05
		\$18.65	\$58.07	\$75.64	\$152.37
40	Newmarket-Tay Power Distribution Ltd.				
41	Niagara Peninsula Energy Inc.	\$32.99	\$102.70	\$133.76	\$269.45
42	Niagara-on-the-Lake Hydro Inc.	\$5.28	\$16.43	\$21.40	\$43.11
43	North Bay Hydro Distribution Limited	\$13.59	\$42.32	\$55.12	\$111.04
44	Northern Ontario Wires Inc.	\$3.21	\$10.00	\$13.02	\$26.23
45	Oakville Hydro Electricity Distribution Inc.	\$42.87	\$133.45	\$173.81	\$350.13
46	Orangeville Hydro Limited	\$5.43	\$16.92	\$22.03	\$44.38
47	Orillia Power Distribution Corporation	\$8.98	\$27.95	\$36.41	\$73.34
48	Oshawa PUC Networks Inc.	\$22.34	\$69.57	\$90.61	\$182.52
49	Ottawa River Power Corporation	\$4.91	\$15.30	\$19.92	\$40.14
50	Peterborough Distribution Incorporated	\$15.88	\$49.43	\$64.38	\$129.69
51	PUC Distribution Inc.	\$18.08	\$56.28	\$73.31	\$147.67
52	Renfrew Hydro Inc.	\$2.07	\$6.46	\$8.41	\$16.94
53	Rideau St. Lawrence Distribution Inc.	\$2.73	\$8.48	\$11.05	\$22.26
54	Sioux Lookout Hydro Inc.	\$2.12	\$6.61	\$8.61	\$17.35
55	St. Thomas Energy Inc.	\$7.81	\$24.30	\$31.65	\$63.76
56	Thunder Bay Hydro Electricity Distribution Inc.	\$21.79	\$67.84	\$88.36	\$177.99
57	Tillsonburg Hydro Inc.	\$3.78	\$11.77	\$15.33	\$30.88
58	Toronto Hydro-Electric System Limited	\$686.25	\$2,136.53	\$2,782.67	\$5,605.45
59	Veridian Connections Inc.	\$56.12	\$174.73	\$227.58	\$458.43
60	Wasaga Distribution Inc.	\$4.16	\$12.95	\$16.86	\$33.96
61	Waterloo North Hydro Inc.	\$37.53	\$116.83	\$152.16	\$306.52
62	Welland Hydro-Electric System Corp.	\$9.93	\$30.90	\$40.25	\$81.07
63	Wellington North Power Inc.	\$2.75	\$8.57	\$11.16	\$22.48
64	West Coast Huron Energy Inc.	\$2.63	\$8.20	\$10.67	\$21.50
65	Westario Power Inc.	\$10.61	\$33.02	\$43.01	\$86.64
66	Whitby Hydro Electric Corporation	\$24.55	\$76.42	\$99.53	\$200.50
67	Attawapiskat Power Corporation	\$1.42	\$4.43	\$5.77	\$11.63
68	Fort Albany Power Corporation	\$0.84	\$2.62	\$3.42	\$6.88
69	Kashechewan Power Corporation	\$1.05	\$3.27	\$4.26	\$8.58
Total		\$3,729.00	\$11,609.62	\$15,120.67	\$30,459.29