

## Essex Powerlines Corporation

### Application for electricity distribution rates beginning May 1, 2018

#### PROCEDURAL ORDER NO. 3 May 23, 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.

The OEB issued a Notice of Hearing on December 6, 2017. The School Energy Coalition (SEC), Vulnerable Energy Consumers Coalition (VECC) and Hydro One Networks Inc. (HONI) applied for, and were granted, intervenor status.

Among its interrogatories to Essex Powerlines,<sup>1</sup> SEC had requested that Essex Powerlines provide a copy of the audit ordered by the OEB in its June 9, 2015 Decision and Order in Essex Powerlines' 2015 distribution rate application,<sup>2</sup> and the details regarding the implementation of any recommendations made in the audit. In its interrogatory response, Essex Powerlines provided an excerpt from the audit.<sup>3</sup>

On April 13, 2018, Essex Powerlines filed a partial settlement proposal, which included only one unsettled issue pertaining to the OEB audit. Under separate cover on the same day, Essex Powerlines filed two documents in confidence pursuant to the OEB's *Practice Direction on Confidential Filings* (Practice Direction):

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<sup>1</sup> 9-SEC-42

<sup>2</sup> EB-2014-0072

<sup>3</sup> 9-Staff-80

- (a) Audit of Essex Powerlines Corporation Regulatory Accounting Procedures, Controls, and Oversight over Deferral and Variance Accounts: Audit and Performance Assessment, April 2016 (Process and Controls Audit)
- (b) Audit of Group 1 and Group 2 Deferral and Variance Accounts - Essex Powerlines Corporation, March 2017 (Group 1&2 Audit)

In its cover letter requesting confidential treatment of this material, Essex Powerlines advised that the audits “were requested to be filed by the Schools Energy Coalition as part of the interrogatory process in this proceeding”. Essex Powerlines also noted that an excerpt from the Group 1&2 Audit pertaining to the unsettled issue in the settlement proposal was already placed on the public record.

The Practice Direction permits any party to a proceeding to object to the request for confidentiality by filing a written objection. The OEB will establish a process for receiving submissions on the confidentiality request, together with any confidentiality requests that may arise out of the upcoming interrogatories and responses scheduled in Procedural Order No. 2, at a later date.

This Procedural Order addresses the treatment of the two audits prior to the OEB’s determination of the confidentiality request.

Until the OEB makes its findings with respect to Essex Powerlines’ claim for confidentiality, the OEB will treat the Process and Controls Audit and the Group 1&2 Audit (with the exception of those portions of the Group 1&2 Audit already placed on the public record) as confidential. The OEB notes that in Essex Powerlines’ request for confidentiality, it stated that it does not object to providing any party that has signed a Declaration and Undertaking with access to the two documents filed in confidence.

The OEB expects that when filing further interrogatories and responses as provided for in Procedural Order No. 2, OEB staff and the parties will provide their questions and responses in forms suitable for placement on the public record, to the extent possible. Any request for confidential treatment of interrogatories and/or responses shall be made in accordance with the Practice Direction.

The OEB makes provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

**IT IS THEREFORE ORDERED THAT:**

1. Until the OEB makes its findings with respect to Essex Powerlines' claim for confidentiality, and subject to those findings, the OEB will treat as confidential the Process and Controls Audit and the Group 1&2 Audit that are the subject of Essex Powerlines' April 13, 2018 confidentiality request, with the exception of those portions of the Group 1&2 Audit already placed on the public record.
2. When filing interrogatories and responses as provided for in Procedural Order No. 2, OEB staff and the parties shall provide their questions and responses in forms suitable for placement on the public record, to the extent possible. Any request for confidential treatment of interrogatories and/or responses shall be made in accordance with the OEB's *Practice Direction on Confidential Filings*.

All filings to the OEB must quote the file number, EB-2017-0039, and 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 Board Secretary 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, Donald Lau at [donald.lau@oeb.ca](mailto:donald.lau@oeb.ca) and OEB Counsel, James Sidlofsky at [james.sidlofsky@oeb.ca](mailto:james.sidlofsky@oeb.ca).

**ADDRESS**

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**DATED** at Toronto, **May 23, 2018**

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary