



EB-2018-0056

Niagara-on-the-Lake Hydro Inc.

**Application for electricity distribution rates
beginning May 1, 2019.**

ISSUES LIST DECISION

December 6, 2018

Niagara-on-the-Lake Hydro Inc. (Niagara-on-the-Lake Hydro) 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 Niagara-on-the-Lake Hydro charges for electricity distribution, to be effective May 1, 2019. The application was accepted by the OEB as complete as of September 5, 2018.

A Notice of Hearing (Notice) was issued on September 7, 2018. The School Energy Coalition (SEC) and Vulnerable Energy Consumer Coalition (VECC) applied for, and were granted, intervenor status in the proceeding.

The OEB issued Procedural Order No. 1 on October 10, 2018, which required, among other things, that OEB staff would file a proposed issues list which had been agreed to by all parties on November 27, 2018. 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 27, 2018, 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. The approved issues list is attached as Schedule A.

DATED at Toronto, **December 6, 2018**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

SCHEDULE A

ISSUES LIST DECISION

Niagara-on-the-Lake Hydro Inc.

December 6, 2018

**Approved Issues List
EB-2018-0056
Niagara-on-the-Lake Hydro Inc.**

1. 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
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- trade-offs with OM&A spending
- government-mandated obligations, and
- the objectives of the Applicant and its customers

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
- 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 for rate design appropriate?
- 3.4** Has the applicant appropriately applied the OEB's policy on residential rate design?
- 3.5** Are the proposed Retail Transmission 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, the continuation of existing accounts, and the request for a new revenue variance account for the Large User customer appropriate?

5. OTHER

- 5.1** Is the proposed microFIT rate appropriate?
- 5.2** Are the proposed changes to the Specific Service Charges appropriate?
- 5.3** Is the proposed transmission gross load billing appropriate?
- 5.4** Is the proposed distribution standby charge appropriate?