



EB-2018-0271

**Dubreuil Lumber Inc.
Algoma Power Inc.**

**Application for approval for Dubreuil Lumber Inc. to sell
its distribution system to Algoma Power Inc.**

**DECISION ON CONFIDENTIALITY AND PROCEDURAL ORDER NO. 2
February 6, 2019**

Dubreuil Lumber Inc. (DLI) and Algoma Power Inc. (API) (collectively, the Applicants) filed an application on September 24, 2018 under Sections 74, 77, 78, and 86 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) (the Act), for leave to sell DLI's distribution system to API, and for API to incorporate that system into its existing regulated distribution business. The Applicants are asking for the Ontario Energy Board (OEB) to approve:

- DLI's proposed sale of its electricity distribution system, substantially in its entirety, to API pursuant to Section 86(1)(a) of the Act
- Cancellation of DLI's Electricity Distribution Licence¹ pursuant to Section 77(5) of the Act
- Cancellation of API's Interim Distribution Licence² to operate DLI's distribution system pursuant to Section 77(5) of the Act
- Amendment of API's Electricity Distribution Licence³ pursuant to Section 74(1) of the Act, by:
 - Adding the Township of Dubreuilville to the description of the service area in which API is authorized to distribute and sell electricity

¹ ED-2012-0074

² ED-2017-0153

³ ED-2009-0072

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- Adding a condition to provide API with limited relief from regulatory liability for circumstances arising from its acquisition
 - The partial disposition of the balance recorded in API's OEB-approved Interim Distribution Licence Deferral Account from DLI customers pursuant to Section 78(2) of the Act
 - The establishment of a new deferral account to record transaction and integration costs incurred by API, for recovery from all API customers after the acquisition, in lieu of a deferred rate rebasing period, pursuant to Section 78(2)
 - The classification of customers acquired by API in the DLI service area in accordance with API's existing rate classes upon the closing of the proposed transaction, after which they may be billed in accordance with API's approved tariff of rates and charges
 - The endorsement by the OEB of API's proposed approach to allocating costs attributable to the DLI service area to be used, at the time of API's next rebasing, primarily to API's R1 and R2 rate classes, which are eligible for Rural or Remote Rate Protection

On January 3, 2019, the OEB issued Procedural Order No. 1, in which the OEB established an interrogatory process for the amalgamation application. Interrogatories from OEB staff were filed and served on the Applicants on January 15, 2019. The Applicants' responses were received by the OEB on January 28, 2019.

The Applicants requested confidential treatment of certain information filed in response to an interrogatory from OEB staff. The OEB's Decision on Confidentiality and further procedural steps are set out below.

Decision on Confidentiality

In the cover letter to its January 28, 2019 interrogatory responses, the Applicants advised that certain information had been redacted. Specifically, the Applicants redacted information relating to API's measures to address the OEB's cybersecurity requirements in response to OEB Staff Interrogatory No. 9(a).

The public version of the response to OEB Staff Interrogatory No. 9(a) that was filed electronically on the OEB's Regulatory Electronic Submission System was redacted. A confidential, unredacted version of the response was provided to the OEB in

accordance with the OEB's *Practice Direction on Confidential Filings* (Practice Direction).

Findings

The OEB has considered the Applicants' request for confidential treatment of its response to OEB Staff Interrogatory No. 9(a). The OEB finds that this information should remain confidential. The OEB will not require public disclosure of the redacted information in response to OEB Staff Interrogatory No. 9(a) relating to API's measures to address the OEB's cybersecurity requirements.

Procedural Steps

The OEB has determined that the application will proceed by way of a written hearing.

The OEB considers it necessary to make provision for the following matters related to this proceeding. The OEB may issue further procedural orders from time to time.

IT IS THEREFORE ORDERED THAT:

1. OEB staff shall file its submission and deliver it to the Applicants on or before **February 21, 2019**.
2. The Applicants shall file their reply submission(s), if any, with the OEB on or before **March 7, 2019**.

All filings to the OEB must quote the file numbers, **EB-2018-0271** and be made electronically in searchable/unrestricted PDF format through the OEB's web portal at <https://www.pes.oeb.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 or USB 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, Valerie Bennett, at Valerie.Bennett@oeb.ca and OEB Counsel, James Sidlofsky, at James.Sidlofsky@oeb.ca.

ADDRESS

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DATED at Toronto, **February 6, 2019**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary