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OEB STAFF SUMMARY OF COMMUNITY MEETING

EB-2018-0087

**Chapleau Public Utilities Corporation
Application for 2019 Rates**

February 22, 2019

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1 INTRODUCTION

Chapleau Public Utilities Corporation (Chapleau Public Utilities) filed a cost of service application with the Ontario Energy Board (OEB) on August 31, 2018 seeking approval for changes to the rates that Chapleau Public Utilities charges for electricity distribution, to be effective May 1, 2019. If approved as filed, the typical residential customer using 750 kWh per month would see an increase of \$1.96 per month or 5.7%, while a General Service < 50 kW customer using 2,000 kWh per month would see an increase of \$17.40 per month or 24.5%. The above noted residential customer bill continues to include the effect of the Distribution Rate Protection program.

Chapleau Public Utilities updated its application on November 26, 2018.

The OEB issued a Notice of Hearing on January 11, 2019. The notice included information about a community meeting scheduled on February 5, 2019 at the Royal Canadian Legion in Chapleau, Ontario. However, due to weather related issues, OEB staff was unable to attend the community meeting in person, and instead hosted a webinar from its main office in Toronto, Ontario. Customers of Chapleau Public Utilities attended the in-person meeting, while others participated remotely.

This is an OEB staff report summarizing the outcomes of this community meeting. This report will be placed on the public record of the OEB hearing of this application along with copies of any written presentations made at the meeting. This report includes a summary of comments, questions and concerns raised during the community meeting by customers who attended the meeting. This summary is intended to capture the range of perspectives that were shared, rather than to provide a verbatim transcript of the meeting.

Customers are also able to submit individual written letters of comment with the OEB, either during a community meeting or any other time during the course of the OEB's review of an application. The OEB places written letters of comment on the public record of the specific proceeding. All comments must be submitted to the OEB before the decision-makers in the case begin to consider their decision on the application. In making its decision, the OEB considers everything on the public record, including all comments when determining whether to grant the requests made by Chapleau Public Utilities in this application.

2 THE PROCESS

The OEB convenes community meetings in the service territories of local distribution companies that have applied to the OEB to change their rates through a cost of service proceeding.

Community meetings are part of the OEB's process of reviewing a rate application. The OEB has established a [Consumer Engagement Framework](#) to ensure that the perspectives of customers served by rate-regulated entities are considered in the OEB's decision-making process.

Community meetings are hosted by OEB staff who informs customers about the role of the OEB in rate-setting and the processes involved. OEB representatives explain the various ways that customers can become involved in the adjudicative process. A copy of OEB staff's presentation is attached to this report as Schedule A.

To assist customers in better understanding the application, the utility makes a presentation explaining its proposals for capital, operations and other spending that result in the requested rate change. A copy of Chapleau Public Utilities' presentation is attached to this report as Schedule B.

Customers and municipal officials are also invited to make presentations outlining their thoughts on the utility's proposals.

Following the presentations, customers have the opportunity to ask questions of the OEB and the utility about the application and the regulatory process. The issues raised by customers in the community meetings are documented and used by OEB staff in reviewing the application, asking interrogatories and making submissions to the OEB panel hearing and deciding the application. Any verbal comments provided to OEB staff at the community meeting are summarized in this report with no attribution.

In addition to providing verbal comments to OEB staff, customers attending the meetings may express their concerns directly to the OEB by providing individual comments (with attribution) through an online form on the computers provided or by filling in a hard copy comment form, which is then submitted to the OEB by OEB staff.

3 SUMMARY OF THE MEETING

The OEB held an in-person meeting on February 5, 2019 from 6:30 p.m. to 7:40 p.m. and OEB staff conducted a webinar from the Toronto corporate offices of the OEB. Approximately six customers attended the in-person meeting; one participated by webinar, and four by teleconference to hear presentations from OEB staff and Chapleau Public Utilities. OEB and Chapleau Public Utilities representatives responded to questions from attendees following the presentations.

The following OEB staff and Chapleau Public Utilities representatives attended the meeting:

OEB Staff

Ljuba Djurdjevic, Counsel
Sylvia Kovesfalvi, Manager, Community Relations & Outreach
Lynn Ramsay, Senior Advisor, Community Relations & Outreach
Andrew Bodrug, Senior Advisor, Community Relations & Outreach
Mandy Usprech, Advisor, Community Relations & Outreach
Lillian Ing, Hearings Advisor

Chapleau Public Utilities

Alan Morin, General Manager
Jennifer Cyr, Manager of Finance
Kevin Lindquist, Chapleau Public Utilities Board Chair
Gerard Bernier, Chapleau Public Utilities Board Member
Andre Byham, Chapleau Public Utilities Board Member

The OEB and Chapleau Public Utilities presented at the meeting. There were no customer presentations at the meeting and one letter of comment was received.

Some of the primary concerns or comments raised at the meeting included:

- Information regarding the actual and expected work done on transformers and whether Chapleau Public Utilities had looked at efficiencies
- Concerns over system reliability and if emergency funds have been set aside for transformers, or if any plans had been put in place to deal with outages
- Information on Chapleau Public Utilities' net income for 2018 and previous years
- Clarification on whether depreciation is included in the calculation of net income

- Information on how the OEB's Conservation and Demand Management program affects Chapleau Public Utilities' operations

Other concerns or comments raised at the meeting included:

- Clarification regarding the basis and rationale for using 750 kWh per month for communicating bill impacts for a typical residential customer, compared to what the bill impact would be for a customer with higher consumption (i.e. is it the same bill impact for a customer using 750 kWh, versus a customer using 4,000 kWh)
- Clarification regarding the relationship between total bill and consumption and whether the customer bill increases by the same amount for each incremental kWh used
- Clarification regarding the variable versus fixed components of the delivery charge of the bill and the move to more of a fixed delivery charge, versus a variable delivery charge and how this relates to consumption (i.e. will the delivery charge be the same for a customer using 750 kWh, versus a customer using 4,000 kWh)
- Information on which electricity distributor services Goldcorp Inc. and RYAM Lumber and whether Chapleau Public Utilities had looked into the possibility of connecting these two companies when they first started operations
- Information on the Global Adjustment charge

4 COMMUNICATIONS AFTER THE OEB COMMUNITY MEETING

Following the meeting, the OEB received one letter of comment from a customer. The customer had no objection with the rate increase for Chapleau Public Utilities and noted that the utility provides good service.

SCHEDULE A
ONTARIO ENERGY BOARD PRESENTATION
CHAPLEAU PUBLIC UTILITIES CORPORATION
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FEBRUARY 22, 2019

SCHEDULE B

CHAPLEAU PUBLIC UTILITIES CORPORATION PRESENTATION

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