

Kitchener-Wilmot Hydro Inc.

**Application for electricity distribution rates and other
charges beginning January 1, 2020**

DECISION ON ISSUES LIST

August 13, 2019

Kitchener-Wilmot Hydro Inc. (Kitchener-Wilmot Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on April 30, 2019 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 Kitchener-Wilmot Hydro charges for electricity distribution, to be effective January 1, 2020.

A Notice of Hearing was issued on May 16, 2019. Each of Energy Probe Research Foundation, the School Energy Coalition, and Vulnerable Energy Consumer Coalition were granted intervenor status in the proceeding.

On August 7, 2019, in accordance with Procedural Order No. 1, OEB staff informed the OEB that all 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, **August 13, 2019**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

SCHEDULE A
APPROVED ISSUES LIST
KITCHENER-WILMOT HYDRO INC.
AUGUST 13, 2019

APPROVED ISSUES LIST
Kitchener-Wilmot Hydro Inc.
EB-2019-0049

1.0 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
- the objectives of Kitchener-Wilmot Hydro and its customers
- the distribution system plan
- the business plan

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
- the objectives of Kitchener-Wilmot Hydro and its customers
- the distribution system plan
- the business plan

2.0 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?

3.0 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 energy and demand requirements of Kitchener- Wilmot Hydro's customers?

- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?

- 3.3** Are Kitchener-Wilmot Hydro's proposals for rate design appropriate?

- 3.4** Are the proposed Retail Transmission Service Rates appropriate?

4.0 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 Kitchener-Wilmot Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts and the continuation of existing accounts, appropriate?

5.0 OTHER

- 5.1** Are the Specific Service Charges appropriate?

- 5.2** Is the proposed effective date (i.e. January 1, 2020) for 2020 rates appropriate?