

BY EMAIL

September 24, 2019

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Alectra Utilities Corporation (Alectra Utilities)
Application for 2020 Electricity Distribution Rates
OEB Staff Submission
Ontario Energy Board File Number: EB-2019-0018**

In accordance with Procedural Order No. 3, please find attached OEB staff's submission in the above proceeding.

Yours truly,

Original Signed By

Katherine Wang
Advisor
Incentive Rate-setting and Accounting

Encl.

ONTARIO ENERGY BOARD

STAFF SUBMISSION ON CONFIDENTIALITY

2020 ELECTRICITY DISTRIBUTION RATES

Alectra Utilities Corporation

EB-2019-0018

September 24, 2019

INTRODUCTION

Alectra Utilities Corporation (Alectra Utilities) filed its Price Cap Incentive Rate-setting application with the Ontario Energy Board (OEB) on May 28, 2019 under section 78 of the *Ontario Energy Board Act, 1998* seeking approval for changes to the rates that Alectra Utilities charges for electricity distribution, to be effective January 1, 2020.

On September 13, 2019, Alectra Utilities filed interrogatory responses on the M-Factor elements of the application. In doing so, Alectra Utilities requested confidential treatment for certain pricing information contained in third party consultant retainer agreements with Innovative Research Group, Vanry & Associates Inc., and Kinectrics Inc.¹

Alectra Utilities stated that the redacted information consists of commercially sensitive pricing terms agreed upon by Alectra Utilities and each of its consultants through commercial negotiations. Alectra Utilities further indicated that it had been advised by the consultants that disclosing the redacted information could prejudice the competitive positions of the consultants in their future negotiations to provide similar services to Alectra Utilities or other potential clients. Alectra Utilities argued that proposed confidential information is the type of information for which confidential treatment is contemplated in Appendix A to the OEB's *Practice Direction on Confidential Filings* (Practice Direction)² and for which the OEB has consistently granted confidential treatment in prior proceedings.

On September 17, 2019, the OEB issued PO No. 3 in which it set a schedule for submissions on this confidentiality request. OEB staff's submission on the confidentiality request is set out below.

STAFF SUBMISSION

OEB staff supports the confidentiality claims over the redacted information in the third party consultant retainer agreements due to commercial sensitivity. OEB staff notes in this context that the Practice Direction includes vendor pricing information among the types of information that have previously been held as confidential by the OEB.³ OEB staff further notes that the OEB recently approved the confidential treatment for similar pricing information for third party consulting agreements in Hydro One Networks Inc.'s

¹ Innovative Research Group retainers are provided as Attachments 1-3 to interrogatory response 14-MANA-39. The Vanry & Associates Inc. and Kinectrics Inc. retainers are provided as Attachments 1 and 2 respectively, to interrogatory response 15-MANA-15.

² OEB's *Practice Direction on Confidential Filings*, Revised October 28, 2016

³ OEB's *Practice Direction on Confidential Filings*, Revised October 28, 2016, Appendix B, Number 5

application for electricity transmission rates for 2020 to 2022.⁴

All of which is respectfully submitted

⁴ Decision on Confidentiality, EB-2019-0082, September 11, 2019, page 5