

DECISION AND ORDER ON COST AWARDS EB-2015-0043

Rate Design for Commercial and Industrial Electricity Customers

By Delegation Before: Brian Hewson

November 5, 2019

INTRODUCTION AND SUMMARY

On February 21, 2019, the OEB issued a <u>Staff Report</u> to the Board (Staff Report) that provided staff's recommendations for new rate designs for electricity commercial and industrial rate classes as a step in the EB-2015-0043 policy consultation. The <u>Cover</u> <u>Letter</u> for the Staff Report made provision for the following cost eligible activities: participation in a stakeholder conference (to a maximum of 6 hours) and in relation to written comments on the Staff Report (to a maximum of 15 hours).

In the February 21, 2019 letter, the OEB stated that cost awards would be recovered from all rate-regulated electricity distributors with costs awarded to be apportioned based on respective customer numbers.

Based on the criteria set out in section 3 of the OEB's *Practice and Direction on Cost Awards*, the OEB determined that the following persons are eligible (the Eligible Participants) for an award of costs:

- Association of Major Power Consumers in Ontario (AMPCO)
- Association of Power Producers of Ontario (APPrO)
- Building Owners and Managers Association (BOMA)
- Canadian Biogas Association (CBA)
- Canadian Manufacturers & Exporters (CME)
- Canadian Solar Industries Association (CanSIA)
- Energy Storage Canada Inc. (ESC)
- Environmental Defence (ED)
- London Property Management Association (LPMA)
- Ontario Sustainable Energy Association (OSEA)
- School Energy Coalition (SEC)

On September 6, 2019, the OEB issued a Notice of Hearing for Cost Awards (the Notice) in relation to participation in a stakeholder conference and providing written comments on the Staff Report.

The OEB received cost claims from AMPCO, APPrO, BOMA, CBA, CME, CanSIA, ESC, ED, LPMA, OSEA and SEC. The OEB did not receive any objections to the cost claims.

OEB Findings

The OEB approves the cost requests of all eligible stakeholders with the following exceptions: APPRO, CBA, CanSIA and ESC.

For the following reasons, the OEB has reduced the number of hours submitted by APPRO and ESC. These parties shared a single consultant, which the OEB supports as a cost savings measure and encouraged in the Decision and Order on Cost Awards in this policy consultation when it reminded parties that the OEB expects parties with similar interests to coordinate their efforts. A review of the written comments of these parties also confirmed the very similar interests and concerns of both parties on the recommendations in OEB Staff's Report on Commercial and Industrial Rate Design. However, the sharing of a consultant in order to be more efficient should also lead to a reduced amount of costs, which was not reflected in the cost requests by these stakeholders. Instead, both APPRO and ESC claimed the maximum number of hours for attendance at the Stakeholder Meeting and the maximum number of hours for preparing written comments. The OEB accepts that there must be some coordination when one consultant is providing services to two clients, but in the case that the clients have similar interests and views, it is expected that there would be less time required and that both parties would not claim the maximum allowed for other parties. This leads to a finding that for the purpose of attending the Stakeholder meeting, each party should be awarded 4 hours to reflect a single representative for the two parties, but also the need to report back to both. For the purpose of preparing written comments, the OEB finds that each party should be awarded 11 hours to reflect the degree of coordination and similarity of the comments and views on the Staff Report.

For the same reasons, both of CBA and CanSIA are each awarded 15 hours in total.

The OEB has reviewed the cost claims filed by AMPCO, APPrO, BOMA, CBA, CME, CanSIA, ESC, ED, LPMA, OSEA and SEC to ensure they were compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB finds that the claims of AMPCO, APPrO, BOMA, CBA, CME, CanSIA, ESA, ED, LPMA, OSEA and SEC are reasonable with the adjustments identified above. The OEB approves cost awards for the Eligible Participants as follows:

•	Association of Major Power Consumers in Ontario	\$7,830.90
•	Association of Power Producers of Ontario	\$4,915.50
•	Building Owners and Managers Association	\$2,750.01
•	Canadian Biogas Association	\$5,593.50

•	Canadian Manufacturers & Exporters	\$5,051.10
•	Canadian Solar Industries Association	\$5,593.50
•	Energy Storage Canada Inc.	\$4,915.50
•	Environmental Defence	\$5,927.98
•	London Property Management Association	\$5,817.24
•	Ontario Sustainable Energy Association	\$1,179.41
٠	School Energy Coalition	\$7,830.90

Process for Paying the Cost Awards

The amount payable by each rate-regulated electricity distributor in relation to costs awarded to each Eligible Participant is listed in Schedule A to this Decision and Order. However, the amounts will not be paid directly by the distributor to the Eligible Participant.

The OEB will use the process set out in section 12 of the *Practice Direction* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to distributors at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each distributor one invoice that covers all cost awards payable by the distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

- 1. Each distributor listed in Schedule A to this Decision and Order shall pay the amounts set out in Schedule A in relation to the costs awarded to each Eligible Participant.
- 2. Each distributor listed in Schedule A to this Decision and Order shall pay the OEB's costs of, and incidental to, this consultation.
- 3. The payments referred to in paragraph 1 shall be made to the OEB in accordance with the invoice issued to each distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

DATED at Toronto November 5, 2019

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance SCHEDULE A

TO DECISION AND ORDER ON COST AWARDS

RATE DESIGN FOR COMMERCIAL AND INDUSTRIAL ELECTRICITY CUSTOMERS

EB-2015-0043

DATED: NOVEMBER 5, 2019

Electricity Distribution System Owner/Operator	Association of Major Power Consumers in Ontario	Association of Power Producers of Ontario	Building Owners and Managers Association	Canadian Manufacturers & Exporters	Canadian Biogas Association	Canadian Solar Industries Association	Energy Storage Canada Inc.	Environmental Defence	London Property Management Association	Ontario Sustainable Energy Association	School Energy Coalition	Total
Algoma Power Inc.	17.93	11.25	6.30	11.56	12.81	12.81	11.25	13.57	13.32	2.70	17.93	\$ 131.43
Alectra Utilities Corporation	1,570.67	985.92	551.58	1,013.12	1,121.91	1,121.91	985.92	1,189.00	1,166.79	236.56	1,570.67	\$ 11,514.05
Atikokan Hydro Inc.	2.52	1.58	0.88	1.62	1.80	1.80	1.58	1.91	1.87	0.38	2.52	\$ 18.46
Attawapiskat Power Corporation	0.76	0.48	0.27	0.49	0.54	0.54	0.48	0.57	0.56	0.11	0.76	\$ 5.56
Bluewater Power Distribution Corporation	55.74	34.99	19.57	35.95	39.81	39.81	34.99	42.19	41.41	8.39	55.74	\$ 408.59
Brantford Power Inc.	60.34	37.87	21.19	38.92	43.10	43.10	37.87	45.67	44.82	9.09	60.34	\$ 442.31
Burlington Hydro Inc.	102.44	64.30	35.97	66.08	73.17	73.17	64.30	77.55	76.10	15.43	102.44	\$ 750.95
Canadian Niagara Power Inc.	44.21	27.75	15.53	28.52	31.58	31.58	27.75	33.47	32.84	6.66	44.21	\$ 324.10
Centre Wellington Hydro Ltd.	10.45	6.56	3.67	6.74	7.47	7.47	6.56	7.91	7.77	1.57	10.45	\$ 76.62
Chapleau Public Utilities Corporation	1.90	1.19	0.67	1.22	1.36	1.36	1.19	1.44	1.41	0.29	1.90	\$ 13.93
EPCOR Electricity Distribution Ontario Inc	25.85	16.23	9.08	16.67	18.46	18.46	16.23	19.57	19.20	3.89	25.85	\$ 189.49
Cooperative Hydro Embrun Inc.	3.29	2.06	1.15	2.12	2.35	2.35	2.06	2.49	2.44	0.50	3.29	\$ 24.10
E.L.K. Energy Inc.	18.30	11.49	6.43	11.81	13.07	13.07	11.49	13.86	13.60	2.76	18.30	\$ 134.18
Elexicon Energy	247.64	155.45	86.97	159.73	176.89	176.89	155.45	187.46	183.96	37.30	247.64	\$ 1,815.38
	247.64 98.05	61.55	34 43	63.25	70.04	70.04	61.55	74.23		14.77	247.04	\$ 1,815.38 \$ 718.80
Energy+ Inc.									72.84	14.//		
Entegrus Powerlines Inc.	89.10	55.93	31.29	57.47	63.64	63.64	55.93	67.45	66.19		89.10	\$ 653.16
Enwin Utilities Ltd.	134.58	84.47	47.26	86.80	96.13	96.13	84.47	101.87	99.97	20.27	134.58	\$ 986.53
ERTH Power Corporation	34.49	21.65	12.11	22.25	24.63	24.63	21.65	26.11	25.62	5.19	34.49	\$ 252.82
Espanola Regional Hydro Distribution Corporation	5.04	3.16	1.77	3.25	3.60	3.60	3.16	3.81	3.74	0.76	5.04	\$ 36.93
Essex Powerlines Corporation	44.93	28.20	15.78	28.98	32.09	32.09	28.20	34.01	33.37	6.77	44.93	\$ 329.35
Festival Hydro Inc.	31.91	20.03	11.21	20.58	22.79	22.79	20.03	24.16	23.71	4.81	31.91	\$ 233.93
Fort Albany Power Corporation	0.45	0.28	0.16	0.29	0.32	0.32	0.28	0.34	0.33	0.07	0.45	\$ 3.29
Fort Frances Power Corporation	5.73	3.60	2.01	3.70	4.09	4.09	3.60	4.34	4.26	0.86	5.73	\$ 42.01
Greater Sudbury Hydro Inc.	72.56	45.55	25.48	46.80	51.83	51.83	45.55	54.93	53.90	10.93	72.56	\$ 531.92
Grimsby Power Incorporated	17.19	10.79	6.04	11.09	12.28	12.28	10.79	13.01	12.77	2.59	17.19	\$ 126.02
Halton Hills Hydro Inc.	33.82	21.23	11.88	21.82	24.16	24.16	21.23	25.60	25.13	5.09	33.82	\$ 247.94
Hydro Hawkesbury Inc.	8.46	5.31	2.97	5.46	6.05	6.05	5.31	6.41	6.29	1.27	8.46	\$ 62.04
Hearst Power Distribution Company Limited	4.14	2.60	1.45	2.67	2.96	2.96	2.60	3.13	3.07	0.62	4.14	\$ 30.34
Hydro 2000 Inc.	1.94	1.22	0.68	1.25	1.39	1.39	1.22	1.47	1.44	0.29	1.94	\$ 14.23
Hydro One Networks Inc.	2,002.79	1,257.16	703.34	1,291.86	1,430.53	1,430.53	1,257.16	1,516.10	1,487.80	301.66	2,002.79	\$ 14,681.72
Hydro One Remote Communities Inc.	5.47	3.43	1.92	3.53	3.91	3.91	3.43	4.14	4.06	0.82	5.47	\$ 40.09
Hydro Ottawa Limited	502.27	315.28	1.92	323.98	358.77	358.77	315.28	380.22	373.12	75.65	502.27	\$ 3,682.00
Innpower Corporation	25.45	15.97	8.94	16.41	18.18	18.18	15.97	19.26	18.90	3.83	25.45	\$ 3,082.00 \$ 186.54
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Kashechewan Power Corporation	0.61	0.38	0.21	0.39	0.44	0.44	0.38	0.46	0.45	0.09	0.61	\$ 4.46
Kingston Hydro Corporation	42.18	26.47	14.81	27.20	30.13	30.13	26.47	31.93	31.33	6.35	42.18	\$ 309.18
Kitchener-Wilmot Hydro Inc.	144.12	90.46	50.61	92.96	102.94	102.94	90.46	109.10	107.06	21.71	144.12	\$ 1,056.48
Lakefront Utilities Inc.	15.67	9.84	5.50	10.11	11.19	11.19	9.84	11.86	11.64	2.36	15.67	\$ 114.87
Lakeland Power Distribution Ltd.	20.55	12.90	7.22	13.26	14.68	14.68	12.90	15.56	15.27	3.10	20.55	\$ 150.67
London Hydro Inc.	238.29	149.58	83.68	153.70	170.21	170.21	149.58	180.38	177.02	35.89	238.29	\$ 1,746.83
Milton Hydro Distribution Inc.	56.47	35.45	19.83	36.42	40.33	40.33	35.45	42.75	41.95	8.50	56.47	\$ 413.95
Newmarket-Tay Power Distribution Ltd.	65.33	41.01	22.94	42.14	46.67	46.67	41.01	49.46	48.53	9.84	65.33	\$ 478.93
Niagara Peninsula Energy Inc.	82.37	51.71	28.93	53.13	58.84	58.84	51.71	62.36	61.19	12.41	82.37	\$ 603.86
Niagara-on-the-lake Hydro Inc.	14.10	8.85	4.95	9.10	10.07	10.07	8.85	10.68	10.48	2.12	14.10	\$ 103.37
North Bay Hydro Distribution Limited	36.86	23.14	12.94	23.78	26.33	26.33	23.14	27.90	27.38	5.55	36.86	\$ 270.21
Northern Ontario Wires Inc.	9.22	5.79	3.24	5.95	6.59	6.59	5.79	6.98	6.85	1.39	9.22	\$ 67.61
Oakville Hydro Electricity Distribution Inc.	105.55	66.25	37.07	68.08	75.39	75.39	66.25	79.90	78.41	15.90	105.55	\$ 773.74
Orangeville Hydro Limited	18.49	11.61	6.49	11.93	13.21	13.21	11.61	14.00	13.73	2.78	18.49	\$ 135.55
Orillia Power Distribution Corporation	20.86	13.09	7.32	13.45	14.90	14.90	13.09	15.79	15.49	3.14	20.86	\$ 152.89
Oshawa PUC Networks Inc.	86.99	54.60	30.55	56.11	62.13	62.13	54.60	65.85	64.62	13.10	86.99	\$ 637.67
Ottawa River Power Corporation	16.85	10.58	5.92	10.87	12.04	12.04	10.58	12.75	12.52	2.54	16.85	\$ 123.54
Peterborough Distribution Incorporated	56.30	35.34	19.77	36.31	40.21	40.21	35.34	42.62	41.82	8.48	56.30	\$ 412.70
PUC Distribution Inc.	51.30	35.34	19.77	30.31	40.21	40.21 36.64	35.34	42.62	41.82 38.11	7.73	50.30	\$ 412.70 \$ 376.05
	51.30				36.64	36.64		38.83	38.11 4.87	0.99	6.56	
Renfrew Hydro Inc.		4.12	2.30	4.23			4.12					\$ 48.10
Rideau St. Lawrence Distribution Inc.	9.00	5.65	3.16	5.81	6.43	6.43	5.65	6.81	6.69	1.36	9.00	\$ 65.99
Sioux Lookout Hydro Inc.	4.30	2.70	1.51	2.77	3.07	3.07	2.70	3.25	3.19	0.65	4.30	\$ 31.51
Synergy North Corporation	86.27	54.15	30.30	55.65	61.62	61.62	54.15	65.31	64.09	12.99	86.27	\$ 632.42
Tillsonburg Hydro Inc.	10.91	6.85	3.83	7.03	7.79	7.79	6.85	8.26	8.10	1.64	10.91	\$ 79.96
Toronto Hydro-Electric System Limited	1,168.48	733.46	410.34	753.69	834.63	834.63	733.46	884.54	868.01	175.98	1,168.48	\$ 8,565.70
Wasaga Distribution Inc.	20.48	12.86	7.19	13.21	14.63	14.63	12.86	15.51	15.22	3.08	20.48	\$ 150.15
Waterloo North Hydro Inc.	86.14	54.07	30.25	55.56	61.53	61.53	54.07	65.21	63.99	12.97	86.14	\$ 631.46
Welland Hydro-Electric System Corp.	35.01	21.98	12.30	22.59	25.01	25.01	21.98	26.51	26.01	5.27	35.01	\$ 256.68
Wellington North Power Inc.	5.74	3.60	2.01	3.70	4.10	4.10	3.60	4.34	4.26	0.86	5.74	\$ 42.05
Westario Power Inc.	35.49	22.28	12.46	22.89	25.35	25.35	22.28	26.86	26.36	5.34	35.49	\$ 260.15
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Electricity Distribution Total	\$ 7,830.90	\$ 4,915.50	\$ 2,750.01	\$ 5,051.10	\$ 5,593.50	\$ 5,593.50	\$ 4,915.50	\$ 5,927.98	\$ 5,817.24	\$ 1,179.41	\$ 7,830.90	\$ 57,405.54