



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

DECISION AND ORDER ON BOARD COSTS

EB-2016-0201

Regulated Price Plan Roadmap

By Delegation, Before: Brian Hewson

December 20, 2019

INTRODUCTION AND SUMMARY

The Ontario Energy Board's (OEB) Regulated Price Plan Roadmap (Roadmap) calls for the revamping of the Regulated Price Plan (RPP) to better respond to policy objectives, improve system efficiency, and give greater consumer control. It also commits the OEB to look at the way in which all Class B customers are charged for electricity in Ontario. The goal is to ensure that the RPP is able to meet the challenges of the future.

Since 2015, the OEB has taken a number of steps in furtherance of the implementation of three Roadmap initiatives: RPP pilot projects; alternative pricing for Class B consumers; and engaging with commercial customers.

In light of the progress made and current status of these Roadmap initiatives, the OEB considers it appropriate at this time to address the recovery of the OEB's costs in relation to them.

On September 20, 2018, the OEB issued a Decision and Order on OEB's Costs in which it determined that: (i) the costs of the RPP Roadmap initiatives will be recovered under section 30 of the *Ontario Energy Board Act, 1998* from all rate-regulated licensed electricity distributors; and (ii) the costs will be apportioned among all rate-regulated licensed electricity distributors in the same manner as under the OEB's Cost Assessment Model. In that Decision and Order, the OEB addressed the recovery of the OEB's costs between March 1, 2017 and August 31, 2018.

This Decision and Order addresses the recovery the OEB's costs under the Roadmap initiative between September 1, 2018 and November 30, 2019, which amount to \$470,698.61.

RPP Pilots

In 2017, the OEB approved RPP pilots to be conducted in a number of regions across the province. Pilots started in a phased manner in early 2018 and were designed to be in place for about one year. All field testing concluded on October 31, 2019.

In order to understand the effects of consumers' exposure to new prices and other tools, OEB staff retained external consulting services to assist with the review of interim and final results reports. Three of four interim results reports, have been reviewed and accepted by the OEB, and posted on its [website](#). Final results reports for each pilot are in preparation and/or early stages of review.

In May, 2019, the OEB issued a request for proposals to identify a vendor to perform an evaluation of all the pilot results, and provide recommendations as to how those results should inform any next steps in the redesign of the RPP. Work on this project is well underway.

Assessment of Alternative Pricing for non-RPP Class Customers

To provide an analytical foundation for the examination of RPP prices as well as to explore alternative pricing models for non-RPP Class B consumers, the OEB released a staff research paper on February 28, 2019 entitled *Examination of Alternative Price Designs for the Recovery of Global Adjustment Costs from Class B Consumers in Ontario*. The paper introduces and evaluates several different approaches to Class B pricing. An external consulting firm was retained by the OEB to undertake an economic efficiency analysis of each of the approaches to Class B pricing set out in the paper.

Engaging with Commercial Consumers on Pricing

Within the RPP Roadmap the OEB commits to “undertake a significant data collection initiative to better understand the needs of small business consumers.” To meet this commitment, OEB staff has engaged a third-party data vendor and worked with a select group of distributors to create a database that combines property and business information with hourly electricity consumption data. This database will allow the OEB to develop a better understanding of how commercial customer electricity consumption and demand behaviour varies by business sector.

Process for Paying the Cost Awards

The OEB will use the process set out in section 12 of the *Practice Direction on Cost Awards* 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 all licensed electricity distributors at the same time as invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each licensed electricity distributor one invoice that covers all cost awards payable by that distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of initiatives, including this one.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

1. The electricity distributors listed in Schedule "A" (attached hereto) shall pay the OEB's costs of, and incidental to, this initiative.
2. Payment of the OEB's costs referred to in paragraph 1 shall be made to the OEB in accordance with the invoice issued to each licensed electricity distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

DATED at Toronto December 20, 2019

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

Schedule A

Decision and Order on Board Costs

December 20, 2019

EB-2016-0201: Regulated Price Plan Roadmap

Electricity Distribution System Owner/Operator	OEB costs from September 1, 2018 to November 30, 2019
Algoma Power Inc.	1,077.66
Alectra Utilities Corporation	94,409.74
Atikokan Hydro Inc.	151.29
Attawapiskat Power Corporation	45.55
Bluewater Power Distribution Corporation	3,350.26
Brantford Power Inc.	3,626.70
Burlington Hydro Inc.	6,157.41
Canadian Niagara Power Inc.	2,657.45
Centre Wellington Hydro Ltd.	628.35
Chapleau Public Utilities Corporation	114.09
EPCOR Electricity Distribution Ontario Inc	1,553.73
Cooperative Hydro Embrun Inc.	197.61
E.L.K. Energy Inc.	1,100.16
Ellexicon Energy	14,885.23
Energy+ Inc.	5,893.71
Entegrus Powerlines Inc.	5,355.33
Enwin Utilities Ltd.	8,089.12
ERTH Power Corporation	2,073.03
Espanola Regional Hydro Distribution Corporation	302.65
Essex Powerlines Corporation	2,700.36
Festival Hydro Inc.	1,918.08
Fort Albany Power Corporation	26.92
Fort Frances Power Corporation	344.49
Greater Sudbury Hydro Inc.	4,361.31
Grimsby Power Incorporated	1,033.40
Halton Hills Hydro Inc.	2,033.09
Hydro Hawkesbury Inc.	508.76
Hearst Power Distribution Company Limited	248.75
Hydro 2000 Inc.	116.82
Hydro One Networks Inc.	120,385.05
Hydro One Remote Communities Inc.	328.74
Hydro Ottawa Limited	30,190.54
Innpower Corporation	1,529.45

Electricity Distribution System Owner/Operator	OEB costs from September 1, 2018 to November 30, 2019
Kashechewan Power Corporation	36.71
Kingston Hydro Corporation	2,535.07
Kitchener-Wilmot Hydro Inc.	8,662.62
Lakefront Utilities Inc.	941.96
Lakeland Power Distribution Ltd.	1,235.21
London Hydro Inc.	14,323.08
Milton Hydro Distribution Inc.	3,394.16
Newmarket-Tay Power Distribution Ltd.	3,927.14
Niagara Peninsula Energy Inc.	4,951.23
Niagara-on-the-lake Hydro Inc.	847.76
North Bay Hydro Distribution Limited	2,215.63
Northern Ontario Wires Inc.	554.41
Oakville Hydro Electricity Distribution Inc.	6,344.22
Orangeville Hydro Limited	1,111.30
Orillia Power Distribution Corporation	1,253.72
Oshawa PUC Networks Inc.	5,228.65
Ottawa River Power Corporation	1,012.77
Peterborough Distribution Incorporated	3,383.78
PUC Distribution Inc.	3,083.34
Renfrew Hydro Inc.	394.27
Rideau St. Lawrence Distribution Inc.	541.09
Sioux Lookout Hydro Inc.	258.20
Synergy North Corporation	5,185.56
Tillsonburg Hydro Inc.	655.48
Toronto Hydro-Electric System Limited	70,234.84
Wasaga Distribution Inc.	1,231.16
Waterloo North Hydro Inc.	5,177.79
Welland Hydro-Electric System Corp.	2,104.64
Wellington North Power Inc.	344.82
Westario Power Inc.	2,133.13
Total	\$ 470,698.61