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March 26, 2020

Christine E. Long  
Registrar and Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
Toronto ON  
M4P 1E4

Dear Ms. Long,

**RE: EB-2018-0287 Utility Remuneration and EB-2018-0288 Responding to DERs  
Energy Probe Comments on the Scope of Each Initiative**

Following its February 20, 2020 stakeholder meeting, the OEB invited stakeholders to provide written comments on OEB Staff's preliminary proposals for the scope of each initiative. The purpose of this letter is to provide the comments of Energy Probe.

Energy Probe supports the OEB Staff's preliminary proposals for the scope of the Responding to DERs Initiative. However, Energy Probe believes that the proposed scope of the Utility Remuneration Initiative, reproduced below, may need clarification.

*The Utility Remuneration initiative should explore:*

- *Determination of revenue requirement (assessment of efficient expenditure levels and reasonable return)*
- *Activities that attract a return for utilities*
- *Use of specific performance incentives (rewards and penalties tied to achievement of specific objectives)*
- *Managing and sharing risk (e.g. earning sharing, variance accounts etc.)*

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- *Treatment of non-utility activities within the regulated utility (e.g. legislative restrictions/exemptions on business activities)*
- *Tools the regulator can develop/employ to support the above*

It is not clear from the preliminary scope wording if OEB Staff is proposing a comprehensive review which would cover utility remuneration for all expenditures, or a review which would be limited to utility expenditures related to DERs. Energy Probe suggests that OEB Staff revise the preliminary scope wording to make it clear what is being proposed.

Respectfully submitted on behalf of Energy Probe.

*T. Ladanyi*

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Tom Ladanyi  
Consultant to Energy Probe