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BY E-MAIL

June 18, 2020

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Hydro 2000 Inc. (Hydro 2000)
Application for 2020 Electricity Distribution Rates
Proposed Issues List
Ontario Energy Board File Number: EB-2019-0041**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Hydro 2000's 2020 distribution rate application. The proposed issues list is attached.

Yours truly,

Original Signed By

Jerry Wang
Advisor – Electricity Distribution: Major Rate Applications and Consolidation

Attach.

Hydro 2000 Inc.
2020 Cost of Service Application EB-2019-0041
Proposed Issues List

1. 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 Operating & Maintenance spending
- government-mandated obligations
- the objectives of Hydro 2000 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 Hydro 2000 and its customers
- the distribution system plan
- the business plan

2. 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. 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 number and energy and demand requirements of Hydro 2000's customers?

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

3.3 Are Hydro 2000's proposals for rate design, including the rate design for the residential customers, appropriate?

3.4 Are the proposed Retail Transmission Service Rates, Low Voltage Service Rates, Specific Service Charges, Retail Service Charges and Pole Attachment Charges appropriate?

3.5 Is Hydro 2000's proposed total loss factor appropriate?

4. ACCOUNTING

4.1 Have all impacts of the changes in the 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 Hydro 2000's proposals for deferral and variance accounts (excluding Account 1576), including the balances in the existing accounts and their disposition, the continuation of existing accounts and the proposed two-year disposition periods appropriate?

4.3 Are Hydro 2000's proposed balance, method and the two-year disposition period for the disposition of the Account 1576 Accounting Changes under CGAAP Deferral Account appropriate?

5. OTHER

5.1 Is a rate mitigation plan required for any of the rate classes?

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

5.3 Should the application incorporate any consideration of the impacts of COVID-19 and, if so, how should it be treated?