



**Hydro 2000 Inc.**

**Application for electricity distribution rates beginning  
May 1, 2020**

**DECISION ON ISSUES LIST  
June 22, 2020**

Hydro 2000 Inc. (Hydro 2000) filed a cost of service application with the Ontario Energy Board (OEB) on February 25, 2020 under section 78 of the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Hydro 2000 charges for electricity distribution, to be effective May 1, 2020. The application was accepted by the OEB as complete on March 9, 2020.

A Notice of Hearing was issued on April 14, 2020. The OEB approved intervenor status and cost eligibility for the Vulnerable Energy Consumers Coalition.

Procedural Order No. 1, dated May 5, 2020, set out scheduled procedural steps for the proceeding including, among other things, the filing of a proposed issues list. On June 18, 2020, OEB staff filed a proposed issues list that had been agreed to by the parties to the proceeding.

**Decision**

The OEB has reviewed the proposed issues list and finds it appropriate for the purposes of this proceeding. The approved issues list is attached to this Decision as Schedule A.

**DATED** at Toronto, June 22, 2020

**ONTARIO ENERGY BOARD**

*Original signed by*

Christine E. Long  
Registrar and Board Secretary

**SCHEDULE A**

**HYDRO 2000 INC.**

**EB-2019-0041**

**APPROVED ISSUES LIST**

**JUNE 22, 2020**

**APPROVED ISSUES LIST**  
**Hydro 2000 Inc.**  
**2020 Cost of Service Application EB-2019-0041**

## **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?