

Waterloo North Hydro Inc.

**Application for electricity distribution rates and other
charges beginning January 1, 2021**

**PROCEDURAL ORDER NO. 1
August 24, 2020**

Waterloo North Hydro Inc. (Waterloo North) filed a cost of service application with the Ontario Energy Board (OEB) on June 30, 2020 (updated on July 14, 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 Waterloo North charges for electricity distribution, beginning January 1, 2021.

A Notice of Hearing was issued on July 20, 2020. Each of Consumers Council of Canada (CCC), Energy Probe Research Foundation (Energy Probe), Hydro One Networks Inc. (Hydro One), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC) applied for intervenor status. CCC, Energy Probe, SEC and VECC also applied for cost eligibility.

No objection was received from Waterloo North.

CCC, Energy Probe, Hydro One, SEC and VECC are approved as intervenors in this proceeding. CCC, Energy Probe, SEC and VECC are eligible to apply for an award of costs under the OEB's [*Practice Direction on Cost Awards*](#). The list of parties in this proceeding is attached as Schedule A to this Procedural Order.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Issues List

It is the OEB's expectation that parties will be best positioned to identify issues relevant to Waterloo North's application after the applicant has responded to interrogatories. Waterloo North, OEB staff and the intervenors shall develop and OEB staff shall file a

proposed issues list for the OEB's consideration. The OEB will approve an issues list prior to the settlement conference.

Interrogatories

At this time, provision is being made for written interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

Parties should examine the value presented by the proposed investments as opposed to focusing only on the costs. Parties should also assess the fit between the Waterloo North's plans and its stated objectives, and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five-year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. Parties should use the materiality thresholds documented in Chapter 2 of the Filing Requirements as a guide. In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Parties should consult sections 26 and 27 of the OEB's [Rules of Practice and Procedure](#) regarding required naming and numbering conventions and other matters related to interrogatories.

Presentation Day

Following the settlement conference, provision is being made for the presentation of any settlement proposal filed by Waterloo North, whether full or partial, and for the presentation of any unsettled issues to be adjudicated by the OEB. Waterloo North's presentation is intended to summarize and provide any salient information for the OEB's consideration in reviewing the settlement proposal. With respect to any unsettled issues, the presentation should focus on how the issues relate to the business conditions Waterloo North anticipates over the next 5 years, the planning it has

undertaken to address system needs and customer preferences, and its proposal regarding how the costs of distributing electricity ought to be recovered from customers through the rates they pay, taking into consideration the OEB's policies. The purpose of the presentation is not to provide an opportunity for cross-examination by the parties, but rather for Waterloo North to present any settlement and any remaining issues in the case.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

1. OEB staff shall request any relevant information and documentation from Waterloo North that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **September 8, 2020**.
2. Intervenors shall request any relevant information and documentation from Waterloo North that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **September 10, 2020**.
3. Waterloo North shall file with the OEB complete written responses to all interrogatories and serve them on OEB staff and all intervenors by **September 28, 2020**.
4. OEB staff shall file a proposed issues list, or, alternatively, shall advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list by **October 8, 2020**.
5. A settlement conference among the parties and OEB staff will convene on **October 14-15 2020**, starting at 9:30 a.m., with the objective of reaching a settlement among the parties on the issues. If necessary, the settlement conference will continue on **October 16, 2020**. Instructions on whether the settlement conference will be an in-person event or a virtual event will be communicated later.

6. Any settlement proposal arising from the settlement conference shall be filed with the OEB on or before **November 9, 2020**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any unsettled issues, indicating with reasons whether the parties believe those issues should be dealt with by way of oral or written hearing.
7. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties by **November 16, 2020**.
8. If there is no settlement proposal arising from the settlement conference, Waterloo North shall file a statement to that effect with the OEB by **October 26, 2020**. In that event, parties shall file and serve on the other parties by **October 30, 2020**, any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.
9. The OEB is setting a tentative date of **November 30, 2020** for Waterloo North to present to the OEB any settlement proposal and a summary of any unsettled issues in the case. OEB staff will, at the direction of the OEB, confirm or amend this date in subsequent correspondence.

All materials filed with the OEB must quote the file number, **EB-2020-0059**, be submitted in a searchable/unrestricted PDF format with a digital signature through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice>. Filings must clearly state the sender's name, postal address, telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <https://www.oeb.ca/industry>. If the web portal is not available, parties may email their documents to boardsec@oeb.ca.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Donald Lau at Donald.Lau@oeb.ca and OEB Counsel, Ljuba Djurdjevic at Ljuba.Djurdjevic@oeb.ca.

Email: boardsec@oeb.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, **August 24, 2020**

ONTARIO ENERGY BOARD

By delegation, before: Christine E. Long

Original signed by

Christine E. Long
Registrar and Board Secretary

SCHEDULE A

PROCEDURAL ORDER NO. 1

WATERLOO NORTH HYDRO INC.

EB-2020-0059

APPLICANT AND LIST OF INTERVENORS

**Waterloo North Hydro Inc.
EB-2020-0059**

APPLICANT & LIST OF INTERVENORS

August 24, 2020

APPLICANT

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APPLICANT & LIST OF INTERVENORS

August 24, 2020

INTERVENORS

Rep. and Address for Service

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**Vulnerable Energy
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August 24, 2020

**Vulnerable Energy
Consumers Coalition**

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