

BY E-MAIL

December 1, 2020

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

Dear Ms. Long:

**Re: Halton Hills Hydro Inc. (Halton Hills Hydro)
Application for 2021 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2020-0026**

In accordance with Procedural Order No. 2, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Halton Hills Hydro's 2021 distribution rate application. The proposed issues list is attached.

Yours truly,

Original Signed By

Shuo Zhang
Project Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Attach.

PROPOSED ISSUES LIST
EB-2020-0026
Halton Hills Hydro Inc. (Halton Hills Hydro)

1.0 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
- investment in non-wire alternatives, including distributed energy resources, where appropriate
- trade-offs with OM&A spending
- government-mandated obligations
- the objectives of Halton Hills Hydro 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 Halton Hills Hydro and its customers
- the distribution system plan
- the business plan

2.0 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?
- 2.3** Is the proposed shared services cost allocation methodology and the quantum appropriate?

3.0 LOAD FORECAST, COST ALLOCATION AND RATE DESIGN

- 3.1** Are the proposed load and customer forecast, loss factors, conservation and demand management adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Halton Hills Hydro's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Halton Hills Hydro's proposals, including the proposed fixed/variable splits, for rate design appropriate?
- 3.4** Are the proposed Retail Transmission Service Rates and Low Voltage Service Rates appropriate?
- 3.5** Are the proposed standby/capacity reserve charge for customers who have load displacement generation in the General Service (GS) 50 to 999 kW and GS 1,000 to 4,999 kW classes appropriate?
- 3.6** Are the Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate?

4.0 ACCOUNTING

- 4.1** Have all impacts of any changes in 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 Halton Hills Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

4.3 Is the proposal to continue Sub-Account 1592 (PILs and Tax Variances – CCA Changes) appropriate?

5.0 OTHER

5.1 Is the proposed effective date (i.e. May 1, 2021) for 2021 rates appropriate?

5.2 Has Halton Hills Hydro responded appropriately to the requirement to conduct a review of long-term debt financing options and filed results of such review as outlined in the approved EB-2015-0074 settlement proposal?

5.3 Is the proposed true-up of the Incremental Capital Module approved in EB-2018-0328 appropriate?