

EB-2020-0026

Halton Hills Hydro Inc. Application for electricity distribution rates and other charges beginning May 1, 2021

DECISION ON ISSUES LIST December 2, 2020

Halton Hills Hydro Inc. (Halton Hills Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on August 28, 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 Halton Hills Hydro charges for electricity distribution, beginning May 1, 2021.

Procedural Order No. 1, dated October 16, 2020 made provision for, among other matters, the filing of a proposed issues list. On December 1, OEB staff filed a proposed issues list that had been agreed to by the parties in the proceeding.

Findings

The OEB has reviewed the proposed issues list and finds it appropriate for the purposes of this proceeding.

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. The approved issues list is attached to this Decision as Schedule A.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

All materials filed with the OEB must quote the file number, **EB-2020-0026**, and be submitted in a searchable/unrestricted PDF format with a digital signature through the OEB's web portal at <u>https://pes.ontarioenergyboard.ca/eservice</u>. 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 <u>Regulatory Electronic Submission System (RESS) Document</u> <u>Guidelines</u> found at <u>www.oeb.ca/industry</u>. We encourage the use of RESS; however, parties who have not yet <u>set up an account</u>, may email their documents to <u>registrar@oeb.ca</u>.

All communications should be directed to the attention of the Registrar 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, Shuo Zhang at <u>Shuo.Zhang@oeb.ca</u> and OEB Counsel, James Sidlofsky at <u>James.Sidlofsky@oeb.ca</u>.

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

DATED at Toronto, December 2, 2020

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long Registrar SCHEULE A HALTON HILLS HYDRO INC. EB-2020-0026 APPROVED ISSUES LIST DECEMBER 2, 2020

FINAL 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?