

BY E-MAIL

March 25, 2021

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

Dear Ms. Long:

**Re: Hearst Power Distribution Company Limited (Hearst Power)
Application for 2021 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2020-0027**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Hearst Power's 2021 distribution rate application. The proposed issues list is attached.

Yours truly,

Original Signed By

Abdullah Navid
Analyst – Electricity Distribution: Major Rate Applications & Consolidations

Attach.

PROPOSED ISSUES LIST
EB-2020-0027
Hearst Power Distribution Company Limited (Hearst Power)

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 Hearst Power 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 Hearst Power 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?

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 Hearst Power's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Hearst Power'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?
- 3.6** Are Hearst Power's proposals for rate mitigation 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 Hearst Power'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?

5.0 OTHER

- 5.1** Is the proposed effective date (i.e. May 1, 2021) for 2021 rates appropriate?
- 5.2** Are the Specific Service Charges, Retail Service Charges, microFIT Charge and Pole Attachment Charge appropriate?