



Hearst Power Distribution Co. Ltd.

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

**Decision on Issues List
April 1, 2021**

Hearst Power Distribution Co. Ltd. (Hearst Power) filed a cost of service application with the Ontario Energy Board (OEB) on December 14, 2020, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Hearst Power charges for electricity distribution, beginning May 1, 2021.

A Notice of Hearing was issued on January 14, 2021. Procedural Order No. 1, issued on February 05, 2021, approved Vulnerable Energy Consumers Coalition as an intervenor in this proceeding. Among other matters, Procedural Order No. 1 made a provision for parties to develop a proposed issues list for the OEB's consideration or to advise the OEB in writing if parties were unable to reach an agreement.

On March 25, 2021, OEB staff filed a proposed issues list which was agreed to by all parties.

Findings

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

THE OEB ORDERS THAT:

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

DATED at Toronto, April 1, 2021

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

Schedule A

Hearst Power Distribution Co. Ltd.

EB-2020-0027

Approved Issues List

April 1, 2021

APPROVED 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?