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BY E-MAIL

April 9, 2021

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

Dear Ms. Long:

**Re: North Bay Hydro Distribution Limited (North Bay Hydro)
Application for 2021 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2020-0043**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have not been able to come to a full agreement regarding an issues list for North Bay Hydro's 2021 distribution rate application. The proposed issues list is attached.

Specifically, Issue 5.3, which is proposed by the School Energy Coalition, is in contention. The Consumers Council of Canada and Vulnerable Energy Consumers Coalition support School Energy Coalition's proposal. North Bay Hydro objects to the inclusion of Issue 5.3. The parties plan on filing their comments regarding this matter on the record. The other parties in this proceeding, Hydro One Networks Inc. and Donald D. Rennick, take no position on the proposed issues list.

Yours truly,

Jerry Wang
Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Attach.

PROPOSED ISSUES LIST
EB-2020-0043
North Bay Hydro Distribution Limited (North Bay 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 North Bay 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 North Bay 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?

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 North Bay Hydro's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are North Bay 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 Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate?
- 3.6** Is North Bay Hydro's request to amend the name and description of its GS 3,000 to 4,999 kW customer class to GS> 3,000 kW 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 North Bay Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts, 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 Has North Bay Hydro responded appropriately to the requirements and agreements set out in its previous cost of service application EB-2014-0099, namely:

- exploring the possibility of better aligning North Bay Hydro's incentive pay structure with the metrics and outcomes described in EB-2014-0099
- completing a comprehensive review of all North Bay Hydro's processes and systems underlying its working capital requirements

5.3 Is the Application fully consistent with the Decision of the OEB in EB-2019-0015?¹

¹ Not agreed to by all parties.