



**Espanola Regional Hydro Distribution Corporation  
Application for electricity distribution rates and other  
charges beginning May 1, 2021**

**DECISION ON ISSUES LIST  
April 9, 2021**

Espanola Regional Hydro Distribution Corporation (Espanola Regional Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on December 31, 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 Espanola Regional Hydro charges for electricity distribution, beginning May 1, 2021.

Procedural Order No. 1, dated February 11, 2021 made provision for, among other matters, the filing of a proposed issues list. On April 5, 2021, 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 approves it for the purposes of this proceeding with the following three revisions:

- Issue 3.5 is revised to remove “Pole Attachment Charge.” As Espanola Regional Hydro is not requesting a utility-specific pole attachment charge and is proposing to use the OEB’s default province-wide charge, the OEB does not find it necessary to include the pole attachment charge as a separate issue. Pole attachments are a type of specific service charge.
- Issue 5.2 is revised to include the underlined word: “Has Espanola Hydro responded appropriately to the OEB’s order in EB-2019-0015 that Espanola Hydro...”
- Issue 5.3 is revised to include the underlined words: “Are the amounts proposed for inclusion in rate base for the Incremental Capital Module approved in EB-2013-0127 appropriate, and is the proposed treatment...”

Further procedural orders may be issued by the OEB.

**THE ONTARIO ENERGY BOARD ORDERS 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-2020-0020**, and be submitted in a searchable/unrestricted PDF format with a digital signature through the OEB's web portal at <https://p-pes.ontarioenergyboard.ca/PivotalUX/>. 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 [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at [www.oeb.ca/industry](http://www.oeb.ca/industry). We encourage the use of RESS; however, parties who have not yet [set up an account](#), may email their documents to [registrar@oeb.ca](mailto:registrar@oeb.ca).

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, Jerry Wang at [Jerry.Wang@oeb.ca](mailto:Jerry.Wang@oeb.ca) and OEB Counsel, Ljuba Djurdjevic at [Ljuba.Djurdjevic@oeb.ca](mailto:Ljuba.Djurdjevic@oeb.ca).

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

**DATED** at Toronto, **April 9, 2021**

**ONTARIO ENERGY BOARD**

*Original signed by*

Christine E. Long  
Registrar

**SCHEDULE A**  
**ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION**  
**EB-2020-0020**  
**APPROVED ISSUES LIST**  
**APRIL 9, 2021**

**FINAL ISSUES LIST  
EB-2020-0020**

**Espanola Regional Hydro Distribution Corporation (Espanola 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 Espanola 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 Espanola 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 Espanola Hydro's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Espanola Hydro's proposals, including the proposed fixed/variable splits and plan for residential customers to transition to fully-fixed rates, 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 and Retail Service Charges appropriate?
- 3.6** Are Espanola Hydro'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 Espanola 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?

## **5.0 OTHER**

- 5.1** Is the proposed effective date (i.e. May 1, 2021) for 2021 rates appropriate?
- 5.2** Has Espanola Hydro responded appropriately to the OEB's order in EB-2019-0015 that Espanola Hydro complete an analysis on the differences in accounting policies between Espanola Hydro and North Bay Hydro Distribution Limited?
- 5.3** Are the amounts proposed for inclusion in rate base for the Incremental Capital Module approved in EB-2013-0127 appropriate, and is the proposed treatment of the associated true-up appropriate?
- 5.4** Is Espanola Hydro's request to set its interim rates as of February 1, 2016 as final appropriate?