

# DECISION AND ORDER ON COST AWARDS

EB-2021-0118

Framework for Energy Innovation: Distributed Resources and Utility Incentives

By Delegation Before: Brian Hewson

Vice President, Consumer Protection &

**Industry Performance** 

June 18, 2021

#### **OVERVIEW**

In 2019, the Ontario Energy Board (OEB) initiated two integrated policy consultations: Utility Remuneration (EB-2018-0287) and Responding to Distributed Energy Resources (DERs) (EB-2018-0288). On March 23, 2021, the OEB issued a <u>letter</u> announcing the consolidation and continuation of the two consultations as Framework for Energy Innovation: Distributed Resources and Utility Incentives (FEI) under file number EB-2021-0118.

The letter indicated that cost awards would continue to be available under section 30 of the *Ontario Energy Board Act*, 1998 to eligible participants. Those participants who were found eligible for costs in EB-2018-0287/0288 would maintain their eligibility in FEI and are not required to reapply. The letter also indicated that under FEI, work would be undertaken jointly for both Distributed Resources and Utility Incentives and costs awarded for activities related to this work would be recovered as follows effective March 23, 2021:

- 80% from all rate-regulated licensed electricity distributors
- 20% from all rate-regulated licensed electricity transmitters

This letter addresses costs relating to eligible activities prior to the initiation of FEI.

During the course of these consultations (EB-2018-0287/0288), the OEB determined the following applicants to be eligible for an award of costs in relation to cost eligible activities (collectively the eligible participants):

- Association of Major Power Consumers in Ontario (AMPCO)
- Building Owners and Managers Association Toronto (BOMA)
- Canadian Manufacturers & Exporters (CME)
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Electric Vehicle Society (EVS)
- Environmental Defence
- Industrial Gas Users Association (IGUA)
- London Property Management Association (LPMA)
- Ontario Chamber of Commerce (OCC)
- Pollution Probe
- School Energy Coalition (SEC)
- Vulnerable Energy Consumers Coalition (VECC)

On November 12, 2020, the OEB issued a <u>Decision and Order</u> awarding costs to eligible participants for activities undertaken between September 2019 and May 2020.

In this Decision and Order, the OEB addresses cost eligible activities undertaken between June 1, 2020 and March 23, 2021, specifically:

- Preparation for, attendance at, and reporting on the February 3, 2021 virtual stakeholder meeting (for eligible participants and/or their consultants) to a maximum of 15 hours
- The provision of written comments on expert reports and implications for next steps to a maximum of 20 hours<sup>1</sup>

The OEB received the following cost claims for this period (inclusive of HST):

•	CME	\$7,847.40
•	CCC	\$4,847.70
•	EVS	\$7,569.87
•	Energy Probe	\$3,865.95
•	Environmental Defence	\$4,006.42
•	IGUA	\$7,308.84
•	LPMA	\$5,817.24
•	OCC	\$7,845.48
•	Pollution Probe	\$9,788.63
•	SEC	\$9,136.05
•	VECC	\$8,060.55

No objections were received. AMPCO and BOMA did not file a cost claim.

### **Findings**

The OEB has reviewed the cost claims to ensure they are compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB approves the cost claims as filed by CCC, Energy Probe, EVS, Environmental Defence, IGUA, LPMA, Pollution Probe, SEC and VECC.

<sup>&</sup>lt;sup>1</sup> See letter dated January 18, 2021.

The OEB will reduce the amounts claimed by CME and OCC by \$1,000 each. CME and OCC both relied on the same consultancy. According to the invoices provided with the cost claims, the consultancy billed each client for half its time for attending the stakeholder meeting, but did not reduce or apportion its time for preparing for or reporting on the meeting, or for preparing written comments on the expert reports and implications for next steps. CME and OCC each claimed the maximum 20 hours for preparing written comments; the average, excluding CME and OCC, was 10.5 hours. The OEB notes that the written comments provided by each of CME and OCC were largely duplicative. All three recommendations put forward by OCC were also put forward by CME, and while CME also made a fourth recommendation, to align the consultation with Government changes to *Green Energy Act*-related regulations, the same point was made by OCC although not as a standalone recommendation.

In its July 17, 2019 <u>Decision on Cost Eligibility</u>, the OEB said, "Participants with similar viewpoints are requested to coordinate their activities in order to reduce costs. This effort will be taken into account during the decision on award of costs." The cost claims by CME and OCC do not demonstrate the level of coordination the OEB expects to see.

## **Process for Paying the Cost Awards**

The amount payable by each rate-regulated licensed electricity distributor and transmitter in relation to costs awarded to each eligible participant is listed in Schedule A to this Decision and Order. Costs awarded will be apportioned within the distributor and transmitter class based on customer numbers. However, the amounts will not be paid directly by the distributor and transmitter to the eligible participant.

The OEB will use the process set out in section 12 of the *Practice Direction* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to distributors and transmitters at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each distributor and transmitter one invoice that covers all cost awards payable by the distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one.

#### THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. Each distributor and transmitter listed in Schedule A to this Decision and Order shall pay the amounts set out in Schedule A in relation to the costs awarded to each eligible participant.
- 2. Each distributor and transmitter listed in Schedule A to this Decision and Order shall pay the OEB's costs of, and incidental to, this consultation from June 1, 2020 to March 23, 2021 to be invoiced by the OEB.
- 3. The payments referred to in paragraph 1 shall be made to the OEB in accordance with the invoice issued to each distributor and transmitter, and shall be due at the same time as cost assessments under section 26 of the Act are due.

**DATED** at Toronto June 18, 2021

#### **ONTARIO ENERGY BOARD**

Original signed by

Brian Hewson Vice President Consumer Protection & Industry Performance

# Schedule A

## **OEB's Decision and Order on Cost Awards**

# EB-2021-0118

Electricity Distribution System Owner/Operator	Canadian Manufacturers & Exporters	Consumers Council of Canada	Electric Vehicle Society	Energy Probe Research Foundation	Environmental Defence	Industrial Gas Users Association	London Property Management Association	Ontario Chamber of Commerce	Pollution Probe	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total (Before Reallocation)	Reallocation Amount*	Total After Reallocation*
Algoma Power Inc.	12.48	8.83	13.79	7.04	7.30	13.32	10.60	12.47	17.84	16.65	14.69	135.01	0.14	135.15
Alectra Utilities Corporation	1,084.23	767.59	1,198.63	612.14	634.39	1,157.30	921.11	1,083.93	1,549.95	1,446.62	1,276.32	11,732.21	12.29	11,744.50
Atikokan Hydro Inc.	1.74	1.23	1.93	0.98	1.02	1.86	1.48	1.74	2.49	2.33	2.05	18.85		-
Attawapiskat Power Corporation	0.54	0.39	0.60	0.31	0.32	0.58	0.46	0.54	0.78	0.73	0.64	5.89		-
Bluewater Power Distribution Corporation	38.91	27.55	43.02	21.97	22.77	41.53	33.06	38.90	55.63	51.92	45.81	421.07	0.44	421.51
Brantford Power Inc.	42.21	29.88	46.67	23.83	24.70	45.06	35.86	42.20	60.34	56.32	49.69	456.76	0.48	457.24
Burlington Hydro Inc.	71.66	50.73	79.22	40.46	41.93	76.48	60.88	71.64	102.43	95.61	84.35	775.39	0.81	776.20
Canadian Niagara Power Inc.	30.92	21.89	34.18	17.46	18.09	33.00	26.27	30.91	44.20	41.25	36.40	334.57	0.35	334.92
Centre Wellington Hydro Ltd.	7.36	5.21	8.14	4.16	4.31	7.86	6.25	7.36	10.52	9.82	8.66	79.65	0.08	79.73
Chapleau Public Utilities Corporation	1.31	0.93	1.45	0.74	0.77	1.40	1.11	1.31	1.88	1.75	1.54	14.19		_
EPCOR Electricity Distribution Ontario	18.26	12.93	20.19	10.31	10.68	19.49	15.51	18.25	26.10	24.36	21.49	197.57	0.21	197.78
Cooperative Hydro Embrun Inc.	2.37	1.68	2.62	1.34	1.39	2.53	2.02	2.37	3.39	3.17	2.79	25.67	0.03	25.70
E.L.K. Energy Inc.	12.97	9.18	14.34	7.32	7.59	13.85	11.02	12.97	18.54	17.31	15.27	140.36	0.15	140.51
Energy+ Inc.	68.95	48.81	76.22	38.93	40.34	73.59	58.57	68.93	98.56	91.99	81.16	746.05	0.78	746.83
Entegrus Powerlines Inc.	62.44	44.21	69.03	35.25	36.53	66.65	53.05	62.42	89.26	83.31	73.50	675.65	0.71	676.36
Enwin Utilities Ltd.	94.16	66.66	104.10	53.16	55.10	100.51	80.00	94.14	134.61	125.64	110.85	1,018.93	1.07	1,020.00
ERTH Power Corporation	24.28	17.19	26.84	13.71	14.20	25.91	20.62	24.27	34.70	32.39	28.58	262.69	0.28	262.97
Espanola Regional Hydro Distribution Corporation	3.50	2.48	3.87	1.98	2.05	3.74	2.98	3.50	5.01	4.68	4.13	37.92	0.04	37.96
Essex Powerlines Corporation	31.62	22.39	34.96	17.85		33.75	26.87	31.61	45.21	42.19			0.36	342.54
Elexicon Energy	173.70	122.98	192.03	98.07	101.63	185.41	147.57	173.65	248.32	231.76	204.48	1,879.60	1.97	1,881.57
Festival Hydro Inc.	22.47	15.91	24.84	12.69	13.15	23.98	19.09	22.46		29.98	26.45	243.14	0.25	243.39
Fort Albany Power Corporation	0.31	0.22	0.35	0.18	0.18	0.34	0.27	0.31	0.45	0.42	0.37	3.40		_
Fort Frances Power Corporation	3.99	2.82	4.41	2.25	2.33	4.26	3.39			5.32	4.70	43.16	0.05	43.21
Greater Sudbury Hydro Inc.	50.55	35.79	55.88	28.54	29.58	53.95	42.94	50.53	72.26	67.44	59.50	546.96	0.57	547.53
Grimsby Power Incorporated	12.09	8.56	13.37	6.83	7.08	12.91	10.27	12.09		16.14	14.24	130.87	0.14	131.01

Electricity Distribution System Owner/Operator	Canadian Manufacturers & Exporters	Consumers Council of Canada	Electric Vehicle Society	Energy Probe Research Foundation	Environmental Defence	Industrial Gas Users Association	London Property Management Association	Ontario Chamber of Commerce	Pollution Probe	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total (Before Reallocation)	Reallocation Amount*	Total After Reallocation*
Halton Hills Hydro Inc.	23.69	16.77	26.19	13.38	13.86	25.29	20.13	23.68	33.87	31.61	27.89	256.36	0.27	256.63
Hydro Hawkesbury Inc.	5.90	4.17	6.52	3.33	3.45	6.29	5.01	5.89	8.43	7.87	6.94	63.80	0.07	63.87
Hearst Power Distribution Company Limited	2.87	2.03	3.18	1.62	1.68	3.07	2.44	2.87	4.11	3.83	3.38	31.08	0.03	31.11
Hydro 2000 Inc.	1.36	0.97	1.51	0.77	0.80	1.46	1.16	1.36	1.95	1.82	1.61	14.77		-
Hydro One Networks Inc.	1,420.71	1,005.83	1,570.56	802.10	831.23	1,516.43	1,206.97	1,420.36	2,030.94	1,895.53	1,672.39	15,373.05	16.12	15,389.17
Hydro One Remote Communities Inc.	3.84	2.72	4.25	2.17	2.25	4.10	3.26	3.84	5.49	5.12	4.52	41.56	0.04	41.60
Hydro Ottawa Limited	353.15	250.02	390.41	199.38	206.63	376.95	300.02	353.05	504.84	471.19	415.72	3,821.36	4.00	3,825.36
Innpower Corporation	18.40	13.02	20.34	10.39	10.76	19.64	15.63	18.39	26.30	24.55	21.66	199.08	0.21	199.29
Kashechewan Power Corporation	0.46	0.32	0.50	0.26	0.27	0.49	0.39	0.46	0.65	0.61	0.54	4.95		-
Kingston Hydro Corporation	29.38	20.80	32.48	16.59	17.19	31.36	24.96	29.37	42.00	39.20	34.59	317.92	0.33	318.25
Kitchener-Wilmot Hydro Inc.	101.74	72.03	112.47	57.44	59.53	108.59	86.43	101.71	145.44	135.74	119.76	1,100.88	1.15	1,102.03
Lakefront Utilities Inc.	11.01	7.79	12.17	6.21	6.44	11.75	9.35	11.00	15.74	14.69	12.96	119.11	0.12	119.23
Lakeland Power Distribution Ltd.	14.39	10.19	15.91	8.12	8.42	15.36	12.22	14.39	20.57	19.20	16.94	155.71	0.16	155.87
London Hydro Inc.	167.43	118.53	185.10	94.53	97.96	178.71	142.24	167.38	239.35	223.39	197.09	1,811.71	1.90	1,813.61
Milton Hydro Distribution Inc.	40.57	28.72	44.85	22.90	23.74	43.30	34.46	40.55	57.99	54.12	47.75	438.95	0.46	439.41
Newmarket-Tay Power Distribution Ltd.	45.86	32.46	50.70	25.89	26.83	48.95	38.96	45.84	65.55	61.18	53.98	496.20	0.52	496.72
Niagara Peninsula Energy Inc.	58.25	41.24	64.40	32.89	34.08	62.18	49.49	58.24	83.28	77.73	68.58	630.36	0.66	631.02
Niagara-on-the-lake Hydro Inc.	9.96	7.05	11.01	5.63	5.83	10.64	8.46	9.96	14.24	13.29	11.73	107.80	0.11	107.91
North Bay Hydro Distribution Limited	25.68	18.18	28.39	14.50	15.03	27.41	21.82	25.68	36.71	34.27	30.23	277.90	0.29	278.19
Northern Ontario Wires Inc.	6.35	4.50	7.02	3.58	3.72	6.78	5.39	6.35	9.08	8.47	7.47	68.71	0.07	68.78
Oakville Hydro Electricity Distribution Inc.	75.04	53.12	82.95	42.36	43.90	80.09	63.75	75.01	107.27	100.12	88.33	811.94	0.85	812.79
Orangeville Hydro Limited	13.11	9.28	14.50	7.40	7.67	14.00	11.14	13.11	18.75	17.50	15.44	141.90	0.15	142.05
Oshawa PUC Networks Inc.	61.45	43.51	67.94	34.70	35.96	65.59	52.21	61.44	87.85	81.99	72.34	664.98	0.70	665.68
Ottawa River Power Corporation	11.84	8.38	13.09	6.68	6.93	12.63	10.06	11.83	16.92	15.79	13.93	128.08	0.13	128.21
Peterborough Distribution Incorporated	39.42	27.91	43.58	22.26	23.06	42.08	33.49	39.41	56.35	52.59	46.40	426.55	0.45	427.00
PUC Distribution Inc.	35.73	25.30	39.50	20.18	20.91	38.14	30.36	35.72	51.08	47.68	42.07	386.67	0.41	387.08
Renfrew Hydro Inc.	4.57	3.24	5.06	2.58	2.68	4.88	3.89	4.57	6.54	6.10	5.38	49.49	0.05	49.54
Rideau St. Lawrence Distribution Inc.	6.27	4.44	6.94	3.54	3.67	6.70	5.33	6.27	8.97	8.37	7.39	67.89	0.07	67.96
Sioux Lookout Hydro Inc.	3.01	2.13	3.32	1.70	1.76	3.21	2.55	3.01	4.30	4.01	3.54	32.54	0.03	32.57

- \$ 14,818.83

Electricity Distribution System Owner/Operator	Canadian Manufacturers & Exporters	Consumers Council of Canada	Electric Vehicle Society	Energy Probe Research Foundation	Environmental Defence	Industrial Gas Users Association	London Property Management Association	Ontario Chamber of Commerce	Pollution Probe	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total (Before Reallocation)	Reallocation Amount*	Total After Reallocation*
Synergy North Corporation	60.08	42.53	66.42	33.92	35.15	64.13	51.04	60.06	85.89	80.16	70.72	650.10	0.68	650.78
Tillsonburg Hydro Inc.	7.60	5.38	8.40	4.29	4.45	8.11	6.46	7.60	10.87	10.14	8.95	82.25	0.09	82.34
Toronto Hydro-Electric System Limited	817.23	578.57	903.46	461.40	478.16	872.30	694.28	817.00	1,168.26	1,090.38	962.02	8,843.06	9.27	8,852.33
Wasaga Distribution Inc.	14.46	10.23	15.98	8.16	8.46	15.43	12.28	14.45	20.66	19.29	17.02	156.42	0.16	156.58
Waterloo North Hydro Inc.	60.60	42.90	67.00	34.22	35.46	64.69	51.48	60.58	86.63	80.86	71.34	655.76	0.69	656.45
Welland Hydro-Electric System Corp.	24.59	17.41	27.18	13.88	14.38	26.24	20.89	24.58	35.15	32.80	28.94	266.04	0.28	266.32
Wellington North Power Inc.	4.02	2.84	4.44	2.27	2.35	4.29	3.41	4.01	5.74	5.36	4.73	43.46	0.05	43.51
Westario Power Inc.	24.88	17.61	27.50	14.04	14.56	26.55	21.13	24.87	35.56	33.19	29.28	269.17	0.28	269.45
Electricity Distribution Total (80%)	5,477.92	3,878.16	6,055.90	3,092.76	3,205.14	5,847.07	4,653.79	5,476.38	7,830.90	7,308.84	6,448.44	\$ 59,275.30	62.05	\$ 59,275.30
Electricity Transmission System Owner/Operator	Canadian Manufacturers & Exporters	Consumers Council of Canada	Electric Vehicle Society	Energy Probe Research Foundation	Environmental Defence	Industrial Gas Users Association	London Property Management Association	Ontario Chamber of Commerce	Pollution Probe	School Energy Coalition	Vulnerable Energy Consumers Coalition	Total	Reallocation Amount*	Total After Reallocation*
B2M Limited Partnership	28.60	20.25	31.62	16.15	16.74	30.53	24.30	28.60	40.89	38.16	33.67	309.51		309.51
Canadian Niagara Power Inc.	3.98	2.82	4.40	2.25	2.33	4.25	3.38	3.98	5.69	5.31	4.69	43.08		43.08
Five Nations Energy Inc.	6.37	4.51	7.05	3.60	3.73	6.80	5.42	6.37	9.11	8.50	7.50	68.96		68.96
Hydro One Sault Ste. Marie Inc. on behalf of Hydro One Sault Ste. Marie LP	34.38	24.34	38.01	19.41	20.12	36.70	29.21	34.37	49.15	45.87	40.47	372.03		372.03
Niagara Reinforcement Limited Partnership	3.86	2.73	4.27	2.18	2.26	4.12	3.28	3.86	5.52	5.15	4.54	41.77		41.77
Hydro One Networks Inc.	1,292.29	914.89	1,428.62	729.60	756.10	1,379.37	1,097.86	1,291.92	1,847.37	1,724.22	1,521.24	13,983.48		13,983.48

1,461.77

1,163.45

1,369.10 1,957.73

1,827.21

1,612.11 \$ 14,818.83

801.28

**Electricity Transmission Total** 

1,369.48

1,513.97

969.54

773.19

(20%)

Grand Total
 6,847.40
 4,847.70
 7,569.87
 3,865.95
 4,006.42
 7,308.84
 5,817.24
 6,845.48
 9,788.63
 9,136.05
 8,060.55
 74,094.13
 74,094.13

<sup>\*</sup>total intervenor costs of \$62.05 was reallocated to the companies listed in the Appendix A based on the s.26 Cost Assessment Model to eliminate charges under \$25. This option is in line with the Practice Direction on Cost Awards (section 12.02).