

EB-2021-0011

Canadian Niagara Power Inc.

Application for electricity distribution rates and other charges beginning January 1, 2022

PROCEDURAL ORDER NO. 1 August 13, 2021

Canadian Niagara Power Inc. (Canadian Niagara Power) filed a cost of service application with the Ontario Energy Board (OEB) on June 30, 2021, 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 Canadian Niagara Power charges for electricity distribution, beginning January 1, 2022.

A Notice of Hearing was issued on July 19, 2021. Each of Consumers Council of Canada (CCC), Hydro One Networks Inc. (HONI), IMT Partnership – PC Forge (IMT), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC), applied for intervenor status. CCC, SEC and VECC also applied for cost eligibility.

No objection was received from Canadian Niagara Power.

CCC, HONI, IMT, SEC and VECC are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. CCC, SEC and VECC are eligible to apply for an award of costs under the OEB's <u>Practice Direction on Cost</u> <u>Awards</u>.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Confidentiality

By letter dated July 29, 2021, Canadian Niagara Power requested that certain information in the following documents be excluded from this proceeding on the grounds that the information is not relevant to this proceeding. Canadian Niagara Power requested that the OEB permanently redact this information noting that the information contains pension and benefit information for three affiliated companies for which rates are not being determined in this proceeding and two of the affiliated companies are not regulated by the OEB for rate setting purposes.

Canadian Niagara Power also stated that the subject information is commercially sensitive and if the OEB denies Canadian Niagara Power's request to permanently redact the noted information, that the OEB treat this information as confidential for the purposes of this proceeding. The documents are:

- (1) Part II of the CPA Canada Handbook Actuarial Valuation Report as at December 31, 2018, Non-Pension Post Retirement Benefit Plans, FortisOntario Inc. January 24, 2019
- (2) FortisOntario Inc. 2017-2022 Pension Expense Estimates (DB Only) CICA 3461

Canadian Niagara Power has filed unredacted copies of the noted documents for the OEB's review. The OEB will address this matter at a later date.

Issues List

At this time, the OEB is making provision for the development of an issues list prior to the filing of interrogatories. Canadian Niagara Power, OEB staff and the intervenors shall develop and OEB staff shall file a proposed issues list for the OEB's consideration. Parties are encouraged to reach consensus on the proposed issues list. The OEB will approve an issues list prior to the filing of interrogatories.

Interrogatories

The OEB is also making provision for written interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

Parties should examine the value presented by the proposed investments as opposed to focusing only on the costs. Parties should also assess the fit between the applicant's plans and its stated objectives and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five-year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. Parties should use the materiality thresholds documented in Chapter 2 of the Filing Requirements as a guide. In making its decision on cost awards, the OEB will

consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Parties should consult sections 26 and 27 of the OEB's <u>Rules of Practice and</u> <u>Procedure</u> regarding required naming and numbering conventions and other matters related to interrogatories.

Presentation of Settlement Proposal

The OEB is also making provision for a settlement conference. Following the settlement conference, provision is being made for the filing of letters informing the OEB of the status of the settlement discussions, the presentation of any settlement proposal filed by Canadian Niagara Power, whether full or partial, and for the presentation of any unsettled issues to be adjudicated by the OEB.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

- 1. OEB staff shall file a proposed issues list, or, alternatively, shall advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list and identify the issues that parties were unable to reach agreement on, by **August 20, 2021**.
- OEB staff shall request any relevant information and documentation from Canadian Niagara Power that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by September 3, 2021.
- Intervenors shall request any relevant information and documentation from Canadian Niagara Power that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by September 7, 2021.
- 4. Canadian Niagara Power shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors by **September 24, 2021**.
- 5. A settlement conference among the parties and OEB staff will be convened on **October 12-13, 2021**, starting at 9:30 a.m. If necessary, the settlement conference will continue on **October 14, 2021**.

- 6. **Within 48 hours** of the conclusion of the settlement conference, Canadian Niagara Power shall file a letter informing the OEB of the status of the settlement discussions including whether a tentative agreement had been reached or if the parties intend to continue settlement discussions beyond the scheduled conference.
- 7. Any settlement proposal arising from the settlement conference shall be filed with the OEB on or before **November 8, 2021**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any unsettled issues, indicating with reasons whether the parties believe those issues should be dealt with by way of oral or written hearing.
- 8. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties by **November 15, 2021**.
- 9. If there is no settlement proposal arising from the settlement conference, Canadian Niagara Power shall file a statement to that effect with the OEB by October 21, 2021. In that event, parties shall file and serve on the other parties by October 28, 2021, any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.
- 10. The OEB is setting a tentative date of **November 23**, **2021**, from 9:30 a.m. to 5:00 p.m. for Canadian Niagara Power to present to the OEB any settlement proposal and a summary of any unsettled issues in the case. This will be a virtual event and OEB staff will, at the direction of the OEB, confirm or amend this date in subsequent correspondence.

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 <u>Rules of Practice and Procedure</u>.

Please quote file number, **EB-2021-0011** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>Filing Systems page</u> on the OEB's website

 Parties are encouraged to use RESS. Those who have not yet <u>set up an</u> <u>account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 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, Donald Lau at <u>Donald.Lau@oeb.ca</u> and OEB Counsel, Ljuba Djurdjevic at <u>Ljuba.Djurdjevic@oeb.ca</u>.

Email: registrar@oeb.ca Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, August 13, 2021

ONTARIO ENERGY BOARD

By delegation, before: Christine E. Long

Original Signed By

Christine E. Long Registrar SCHEDULE A

PROCEDURAL ORDER NO. 1

CANADIAN NIAGARA POWER INC.

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APPLICANT & LIST OF INTERVENORS

Canadian Niagara Power Inc. EB-2021-0011

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August 13, 2021

APPLICANT	Rep. and Address for Service
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APPLICANT COUNSEL	Michael Buonaguro Counsel The Energy Boutique 24 Humber Trail Toronto ON M6S 4C1 Tel: 416-767-1666 <u>mrb@mrb-law.com</u>
INTERVENORS Consumers Council of Canada	Rep. and Address for Service Julie Girvan Consultant, J. E. Girvan Enterprises Consumers Council of Canada J. E. Girvan Enterprises 62 Hillsdale Ave. East Toronto ON M4S 1T5 Tel: 416-322-7936 Fax: 416-322-9703 jgirvan@uniserve.com

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School Energy Coalition	Ted Doherty Executive Director Ontario Education Services Corporation c/o Ontario Public School Boards Association 439 University Avenue, 18th Floor Toronto ON M5G 1Y8 Tel: 416-340-2540 Ext: 106 Fax: 416-340-7571 <u>SEC@oesc-cseo.org</u>
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School Energy Coalition Fred Zheng

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Vulnerable Energy Consumers Coalition

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