

BY E-MAIL

February 11, 2022

Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: Rideau St. Lawrence Distribution Inc. (Rideau St. Lawrence)
Application for 2022 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2021-0056**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Rideau St. Lawrence's 2022 distribution rate application. The proposed issues list is attached.

Further, parties are requesting that the OEB waive the requirement under rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that the interrogatories correspond to the issues list. Parties are requesting that they may file interrogatories according to the exhibit numbers in the application. Parties believe this approach is more efficient and likely less costly.

OEB staff also advises that parties indicated that, given that the current issues list was prepared prior to the interrogatory process, parties may wish to raise additional matters for inclusion on the Issues List after the responses to the interrogatories are received.

Yours truly,

Margaret DeFazio, P.Eng.
Senior Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Attach.

PROPOSED ISSUES LIST
EB-2021-0056
Rideau St. Lawrence Distribution Inc. (Rideau St. Lawrence)

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 Rideau St. Lawrence 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 Rideau St. Lawrence and its customers
- the distribution system plan
- the business plan

1.3 Has Rideau St. Lawrence appropriately considered measures to cost-effectively reduce distribution losses in its planning processes and included such measures where appropriate?

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?
- 2.3** Is the proposed shared services cost allocation methodology and the quantum appropriate?

3.0 LOAD FORECAST, COST ALLOCATION AND RATE DESIGN

- 3.1** Are the proposed load and customer forecast, loss factors, and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Rideau St. Lawrence's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Rideau St. Lawrence'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** Are rate mitigation proposals required for any rate classes?

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 Rideau St. Lawrence'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. January 1, 2022) for 2022 rates appropriate?
- 5.2** Is the amount proposed for inclusion in rate base for the Incremental Capital Module approved in EB-2017-0265 and the proposed treatment of the associated true-up appropriate?
- 5.3** Has RSL responded appropriately to all relevant OEB directions from previous rate proceedings including its agreement in EB-2015-0100 that “prior to its next cost of service rebasing application, it will carry out an assessment of the underlying causes of its level of planned outages and scheduled outages and will file that assessment together with RSL’s recommendations as part of RSL’s next cost of service rebasing application”¹

¹ EB-2015-0100, Settlement Proposal, Page 12