

BY E-MAIL

March 25, 2022

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

Dear Ms. Marconi:

**Re: Cooperative Hydro Embrun Inc. (Cooperative Hydro Embrun)
Application for 2023 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2022-0022**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Cooperative Hydro Embrun's 2023 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,

Georgette Vlahos
Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Attach.

PROPOSED ISSUES LIST
EB-2022-0022
Cooperative Hydro Embrun Inc.

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
- trade-offs with OM&A spending
- government-mandated obligations
- the objectives of Cooperative Hydro Embrun 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 Cooperative Hydro Embrun 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, and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Cooperative Hydro Embrun's customers?
- 3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 3.3** Are Cooperative Hydro Embrun's proposals, including the proposed fixed/variable splits, for rate design appropriate?
- 3.4** Are the proposed Retail Transmission Service Rates and Low Voltage 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 Cooperative Hydro Embrun'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. January 1, 2023) for 2023 rates appropriate?
- 5.2** Is the continuation of Cooperative Hydro Embrun's \$10 utility-specific microFIT rate appropriate?
- 5.3** Has Cooperative Hydro Embrun responded appropriately to the prior commitment from its 2018 Cost of Service settlement proposal (EB-2017-0035) relating to line losses and to the OEB's direction in EB-2020-0011 to provide an update in its 2022 rate application with respect to its adoption of the OEB's accounting guidance?