

Cooperative Hydro Embrun Inc.

**Application for electricity distribution rates and other
charges beginning January 1, 2023**

**Decision on Issues List
March 30, 2022**

Cooperative Hydro Embrun Inc. (Cooperative Hydro Embrun) filed a cost of service application with the Ontario Energy Board (OEB) 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 Cooperative Hydro Embrun charges for electricity distribution, beginning January 1, 2023. The application was accepted by the OEB as complete on February 15, 2022.

A Notice of Hearing was issued on February 23, 2022. The OEB issued Procedural Order No. 1¹ which established a list of parties to this proceeding. The OEB approved the Vulnerable Energy Consumers Coalition (VECC) as an intervenor in this proceeding. Procedural Order No. 1 also made provision for parties to propose an issues list for the OEB's consideration.

OEB staff filed a proposed issues list which was agreed to by all parties. Further, parties requested 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. OEB staff advised the OEB that parties want to file interrogatories according to the exhibit numbers in the application.

OEB staff also advised that parties may wish to propose additional matters for inclusion on the issues list after the interrogatories responses are received.

Findings

The OEB has reviewed the proposed issues list and approves it for the purposes of this proceeding.

¹ Issued March 22, 2022

The OEB has also considered the request to file interrogatories according to exhibit numbers. The OEB approves the request for this proceeding.

The OEB may update the issues list as necessary to further define the scope of the proceeding.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The approved Issues List is attached to this Decision as Schedule A.

DATED at Toronto, **March 30, 2022**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
APPROVED ISSUES LIST
COOPERATIVE HYDRO EMBRUN INC.
EB-2022-0022
MARCH 30, 2022

APPROVED 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?