



E.L.K. Energy Inc.

**Application for electricity distribution rates
beginning May 1, 2022**

**DECISION ON ISSUES LIST AND INTERIM RATE ORDER
April 6, 2022**

E.L.K. Energy Inc. (E.L.K. Energy) filed a cost of service application with the Ontario Energy Board (OEB) on February 4, 2022 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 E.L.K. Energy charges for electricity distribution, beginning May 1, 2022.

Procedural Order No. 1 (PO 1) issued on March 22, 2022 approved the following intervenors in this proceeding: School Energy Coalition, Vulnerable Energy Consumers Coalition and Hydro One Networks Inc. PO 1 also set out a process for E.L.K. Energy and the parties to develop and OEB staff to file a proposed issues list for the OEB's consideration. OEB staff filed a proposed issues list which was agreed by all parties on March 31, 2022.

OEB staff stated in its cover letter that parties requested 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 and that parties will 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 interrogatory responses are received.

Findings

The OEB has reviewed the proposed Issues List and finds it appropriate for the purpose of this proceeding.

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.

Interim Rates

E.L.K. Energy requested in its application that the Rate Order be effective May 1, 2022 and in the event the OEB was unable to provide a Decision and Order in time for rates to be implemented by the effective date, to declare E.L.K. Energy's current rates interim until the OEB is able to issue its decision on the effective date.

At this time, the OEB may not be in a position to render a decision to implement rates on May 1, 2022. Therefore, E.L.K. Energy's current rates are declared interim as of May 1, 2022 until such time as new rates are approved by the OEB.

This determination is made without prejudice to the OEB's decision on E.L.K. Energy's application, and should not be construed as predictive, in any way whatsoever, of the OEB's final determination with regards to the effective date for E.L.K. Energy's rates arising from this application. Despite granting an interim rate order at this time, the OEB retains the discretion to set the effective date at a date later than the date of the interim rate order. The OEB will ultimately set the effective date of the final rate order to whatever date it ultimately determines to be just and reasonable.

It is necessary to make provision for the following matter related to this proceeding.

IT IS THEREFORE ORDERED THAT:

1. The approved Issues List is attached to this Decision as Schedule A
2. E.L.K. Energy's current Tariff of Rates and Charges are declared interim as of May 1, 2022 and until such time as a final rate order is issued by the OEB.

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 [Rules of Practice and Procedure](#).

Please quote file number, **EB-2021-0016** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online 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 [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

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 Donald.Lau@oeb.ca and OEB Counsel, Ljuba Djurdjevic at Ljuba.Djurdjevic@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **April 6, 2022**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
APPROVED ISSUES LIST
E.L.K. ENERGY INC.
EB-2021-0016
APRIL 6, 2022

APPROVED ISSUES LIST
EB-2021-0016
E.L.K. Energy Inc. (E.L.K. Energy)

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 E.L.K. Energy 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 E.L.K. Energy 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?

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 E.L.K. Energy's customers?

3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?

3.3 Are E.L.K. Energy's proposals for rate design appropriate?

3.4 Are the proposed Retail Transmission Service Rates and Low Voltage Service Rates appropriate?

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 E.L.K. Energy'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 Are the Specific Service Charges, Retail Service Charges, Pole Attachment Charge appropriate?

5.2 Is the proposed effective date (i.e. May 1, 2022) for 2022 rates appropriate?

5.3. Has E.L.K. Energy responded appropriately to the prior commitments from its 2017 Cost of Service settlement proposal (EB-2016-0066)?