



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL AND WEB POSTING

November 3, 2022

To: All Licensed and Rate-regulated Electricity Distributors
All Other Interested Parties

Re: **Activity and Program-based Benchmarking Enhancements (EB-2018-0278):**

As part of its strategic goal to drive energy sector performance, the Ontario Energy Board (OEB) committed in its [2022-2025 Business Plan](#) to further refine its approach to benchmarking. To that end, the OEB is taking further steps to enhance Activity and Program-based Benchmarking (APB) to encourage continuous improvement by regulated utilities and increase regulatory efficiency.

The OEB has previously indicated that its approach to APB is one of continuous improvement and that a main focus is to enable accurate comparability of unit costs between distributors. This approach was supported at the December 9, 2021 stakeholder meeting which resulted in improvements to some unit cost calculations. At the same time, it was also determined that further work would be needed on Vegetation Management Operations & Maintenance (O&M) and Meters Capital Expenditures (CAPEX) to ensure consistency of both cost recording and measure of units of work performed.

OEB staff values the industry's input on how to develop consistent cost recording and determine the ideal measure of units of work performed that best reflects program costs. Electricity distributors and other interested stakeholders are invited to a **meeting on November 30, 2022**, where OEB staff will present and seek feedback on proposed enhancements to the Vegetation Management O&M and Meters CAPEX programs. Participants are encouraged to register and complete the brief [survey](#) on the [APB Engage with Us page](#) to provide input which will help focus the discussion.

For reference, the latest [APB Unit Cost Report](#) published in September 2022 contains the current unit cost calculations and results for all distributors, that had data available.

Stakeholder Meeting

OEB staff will be holding a virtual stakeholder meeting on **November 30, 2022**, from **9:30 a.m. to 12:30 p.m.** to receive stakeholder feedback on the proposed

enhancements. Subsequent meeting(s) may be scheduled depending on the level of feedback received.

For any stakeholder wishing to participate in this meeting, please email [Sandra Fernandes](#) by **November 21, 2022**. Emails should include “Stakeholder Meeting - EB-2018-0278 Activity and Program-based Benchmarking” in the subject line and provide the following information:

- participant/organization name;
- name(s) of attendees to be registered; and
- a contact name, telephone number and email address.

APB Engage with Us Page

A new webpage to serve as a centralized location for the [APB initiative](#) has been developed on the OEB’s digital engagement platform, Engage with Us. Upon completion of page registration, the OEB would welcome feedback through the aforementioned survey on the page.

Cost Awards

Cost awards will be available under section 30 of the Ontario Energy Board Act, 1998, to eligible participants for their participation. Costs awarded will be recovered from all rate-regulated licensed electricity distributors (100% of the costs awarded). For electricity distributors, costs awarded will be apportioned based on their respective customer numbers. All requests for cost eligibility should comply with the requirements referred to under “Cost Awards” below.

All stakeholders that were determined as [eligible for cost awards](#) for participation in the APB initiative are determined eligible for a cost award related to attending and participating at the stakeholder meeting.

Any questions relating to this letter can be directed to the Performance Analytics & Reporting team at performance_reporting@oeb.ca, or contact us at the OEB’s toll-free number 1-888-632-6273.

Yours truly,

Kevin Mancherjee
Director
Operations Decision Support

ATTACHMENT A

COST AWARDS

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its Practice Direction on Cost Awards. Any person intending to request an award of costs must file with the OEB a written submission to that effect by **November 14, 2022**, identifying the nature of the person's interest in this process and the grounds on which the person believes that it is eligible for an award of costs (addressing the cost eligibility criteria as set out in section 3 of the Practice Direction on Cost Awards). All requests for cost eligibility will be posted by the OEB. Rate-regulated electricity distributors will be provided an opportunity to object to any requests for cost award eligibility. If an electricity distributor has any objections to any requests for cost eligibility, those objections must be filed with the OEB by **November 21, 2022**. Any objections will be posted by the OEB. The OEB will then make a final determination on the cost eligibility of requesting participants.

Cost Eligible Activities and Hours

Cost awards will be available to eligible stakeholders that attend the meeting on November 29, 2022. They will be eligible for a cost award for a maximum of four hours actual meeting time plus four hours for preparation and reporting for the meeting, to a **maximum of eight hours**.

Cost Awards

When determining the amount of cost awards, the OEB will apply the principles set out in section 5 of its Practice Direction on Cost Awards. The maximum hourly rates set out in the OEB's Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and co-ordinate their participation in this process. Interested parties are reminded that cost awards are made available on a per eligible participant basis, regardless of the number of professional advisors that an eligible participant may wish to retain.

The OEB will use the process set out in section 12 of its Practice Direction on Cost Awards to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's Practice Direction on Cost Awards and the October 27, 2005, letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the [OEB's Rules, Codes, and Requirements](#) webpage.

How to File Materials

Stakeholders are responsible for ensuring that any documents they file with the OEB **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-2018-0278** 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.
- Stakeholders 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 and be received by end of business, 4:45 p.m., on the required date.