



BY E-MAIL

June 15, 2023

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

Dear Ms. Marconi:

**Re: Niagara-on-the-Lake Hydro Inc. (Niagara-on-the-Lake Hydro)
Application for 2024 Electricity Distribution Rates
Ontario Energy Board File Number: EB-2023-0041**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement to revise the standard Issues List for Niagara-on-the-Lake Hydro's 2024 distribution rate application. The proposed revised Issues List is attached and includes the following revisions:

- A removal of Low Voltage rates from issue 5.3 since Niagara-on-the-Lake Hydro is not an embedded distributor and has no Low Voltage rates.
- An addition of issue 7.3

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 proposed revised 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,

Narisa Jotiban
Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Cc: All parties in EB-2023-0041

SCHEDULE A

NIAGARA-ON-THE-LAKE HYDRO INC.

EB-2023-0041

PROPOSED ISSUES LIST

Proposed Issues List

1. Capital Spending and Rate Base

- 1.1 Are the proposed capital expenditures and in-service additions appropriate?
- 1.2 Are the proposed rate base and depreciation amounts appropriate?

2. OM&A

- 2.1 Are the proposed OM&A expenditures appropriate?
- 2.2 Is the proposed shared services cost allocation methodology and the quantum appropriate?

3. Cost of Capital, PILs, and Revenue Requirement

- 3.1 Is the proposed cost of capital (interest on debt, return on equity) and capital structure appropriate?
- 3.2 Is the proposed PILs (or Tax) amount appropriate?
- 3.3 Is the proposed Other Revenue forecast appropriate?
- 3.4 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?
- 3.5 Is the proposed calculation of the Revenue Requirement appropriate?

4. Load Forecast

- 4.1 Is the proposed load forecast methodologies and the resulting load forecasts appropriate?

5. Cost Allocation, Rate Design, and Other Charges

- 5.1 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 5.2 Is the proposed rate design, including fixed/variable splits, appropriate?
- 5.3 Are the proposed Retail Transmission Service Rates appropriate?
- 5.4 Are the proposed loss factors appropriate?
- 5.5 Are the Specific Service Charges and Retail Service Charges appropriate?
- 5.6 Are rate mitigation proposals required and appropriate?

6. Deferral and Variance Accounts

- 6.1 Are the 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?

7. Other

- 7.1 Is the proposed effective date appropriate?
- 7.2 Has the applicant responded appropriately to all relevant OEB directions from previous proceedings?
- 7.3 Is the applicant's proposal to have the Large Use customer Retail Transmission Service Rates automatically change to match changes in the Uniform Transmission Rates appropriate?