

BY E-MAIL

June 28, 2023

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

Dear Ms. Marconi:

**Re: InnPower Corporation (InnPower)
Application for 2024 Distribution Rates
Ontario Energy Board File Number: EB-2023-0033**

In accordance with Procedural Order No. 1, OEB staff advises that parties have come to an agreement to revise the OEB's standard issues list for InnPower's 2024 revenue requirement and rate application. The proposed issues list is attached and includes the following revisions:

- 5.7 Is the new Embedded Distributor rate class appropriate?
- 6.2 Is InnPower's request to use a deferral account to track the capital contributions made for the Barrie Area Transformer Upgrade project between 2025-2027 appropriate? In the alternative, if the deferral account is not approved, is InnPower's request to use the Advanced Capital Module to recover the capital contributions made for the Barrie Area Transformer Upgrade project between 2025-2027 appropriate?

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,

Original Signed By

Donald Lau
Project Advisor – Electricity Distribution: Major Rate Applications & Consolidations
Attach.

PROPOSED ISSUES LIST
EB-2023-0033
InnPower Corporation (InnPower)

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 and Low Voltage 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?
- 5.7 Is the new Embedded Distributor rate class 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?
- 6.2 Is InnPower's request to use a deferral account to track the capital contributions made for the Barrie Area Transformer Upgrade project between 2025-2027

appropriate? In the alternative, if the deferral account is not approved, is InnPower's request to use the Advanced Capital Module to recover the capital contributions made for the Barrie Area Transformer Upgrade project between 2025-2027 appropriate?

7. Other

7.1 Is the proposed effective date appropriate?

7.2 Has InnPower responded appropriately to all relevant OEB directions from previous proceedings?