

DECISION AND ORDER ON COST AWARDS EB-2023-0109

NEWMARKET-TAY POWER DISTRIBUTION LTD.

Application to dispose of balances in certain deferral and variance accounts

BEFORE: Michael Janigan

Presiding Commissioner

Pankaj Sardana Commissioner

July 5, 2023

OVERVIEW

The Ontario Energy Board (OEB) held a written hearing to determine a request by Newmarket-Tay Power Distribution Ltd. (Newmarket-Tay Power) for approval to dispose of balances in two of its deferral and variance accounts: Account 1588 – RSVA Power and Account 1589 – RSVA Global Adjustment.

Newmarket-Tay Power originally requested the disposition of the 2021 balances in these two accounts in its 2023 incentive rate-setting mechanism (IRM) proceeding.¹ During the course of that proceeding, the OEB advised Newmarket-Tay Power of the concerns regarding the disposition of balances in Accounts 1588 and 1589.

On March 23, 2023, the OEB issued its Decision and Order in the utility's 2023 IRM proceeding (IRM Decision) by Delegated Authority, without holding a hearing, pursuant to section 6(4) of the *Ontario Energy Board Act, 1998*. In that proceeding, the OEB approved Newmarket-Tay Power's IRM application for electricity distribution rates effective January 1, 2023, except for the aspect of the application that sought approval to dispose of the balances in Account 1588 and Account 1589. The OEB found that the utility's request for disposition of Account 1588 and Account 1589 balances for the Newmarket Tay rate zone would require further adjudication, because their disposition may give rise to rate retroactivity for customers in the Newmarket-Tay rate zone.

In response, Newmarket-Tay Power filed a <u>letter</u> requesting that the final review of Account 1588 and Account 1589 be completed by May 1, 2023.

On March 24, 2023, the OEB issued its combined Notice of Application and Procedural Order #1 in the current proceeding, and on April 17, 2023, the OEB granted the Vulnerable Energy Consumers Coalition (VECC) intervenor status and cost award eligibility.

OEB staff filed its written submission on May 11, 2023. OEB staff submitted that the information Newmarket-Tay Power had provided regarding its two errors and its requested treatment of the two account balances was deficient. OEB staff recommended that the OEB deny the disposition of the December 31, 2021 balances in Account 1588 and 1589, including the two retroactive adjustments at this time, and permit Newmarket-Tay Power to apply for the disposition of those balances as part of its next rate application.

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¹ EB-2022-0050

On May 12, 2023, VECC filed its submission, stating that further discovery and adjudication was needed, and because of this, it was not in a position to recommend disposal of the balances as part of the current application.

In reply to OEB staff's and VECC's submissions, Newmarket-Tay Power requested to withdraw its request for disposition of Accounts 1588 and 1589. On June 2, 2023, the OEB issued Procedural Order #2, allowing the withdrawal and setting out the process for cost claims.

The OEB received a cost claim from VECC. No objection to the cost claim was received.

Findings

The OEB has reviewed VECC's claim filed to ensure that it is compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB finds that VECC's cost claim is reasonable and shall be reimbursed by Newmarket-Tay Hydro.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Newmarket-Tay Power Distribution Ltd. shall immediately pay the Vulnerable Energy Consumers Coalition \$2,401.01.

DATED at Toronto July 5, 2023

ONTARIO ENERGY BOARD

Nancy Marconi Registrar