



**EPCOR Electricity Distribution Ontario Inc.**

**Application for electricity distribution rates and other  
charges beginning January 1, 2023**

**PROCEDURAL ORDER NO. 8  
September 13, 2023**

EPCOR Electricity Distribution Ontario Inc. (EEDO) filed a cost of service application with the Ontario Energy Board (OEB) on May 27, 2022 under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that EEDO charges for electricity distribution in the service area comprised of Collingwood, Stayner, Creemore (part of Clearview Township) and Thornbury (part of The Town of the Blue Mountains), beginning January 1, 2023.

EEDO subsequently filed additional evidence on September 14, 2022, in support of an effective date of October 1, 2023.

The OEB issued a Decision and Order (Decision) with respect to EEDO's application on June 15, 2023. In the Decision, the OEB directed EEDO to file a draft rate order (DRO) reflecting the OEB's findings with a proposed Tariff of Rates and Charges. EEDO filed its DRO on July 6, 2023 (July 6 DRO).

On July 13, 2023, Vulnerable Energy Consumers Coalition (VECC), School Energy Coalition (SEC) and OEB staff filed submissions on the July 6 DRO. In its submission, VECC made the following comments related to the economic forecast for 2023 GDP that was used in the load forecast:<sup>1</sup>

...VECC notes that the Load Forecast for the GS>50 class filed with the DRO uses the same economic forecast for 2023 GDP (0.35% growth over 2022) as was used Undertaking J2.8 filed shortly after the completion of the oral proceeding. This forecast is based on the average of the forecasts produced by four major Canadian banks over the period of December 2022 to February 2023.

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<sup>1</sup> VECC submission on draft rate order, July 13, 2023, pages 1-2

Since then all four banks have released more recent economic forecasts (see Attachment 1). Three of these (TD Bank, Scotiabank and RBC) were released in June 2023 and would have been readily available to EEDO when preparing the DRO. The fourth one (BMO) was released in early July 2023. Averaging the 2023 real GDP growth rates from these four banks yields a forecast growth rate of 1.225% (as opposed to the 0.35% used in the DRO). Given the OEB's findings that "the most recent data available should be used for the load forecast", it is VECC's submission that the load forecast should be updated to reflect these most recent economic forecasts.<sup>2</sup>

VECC also noted in its submission that the GS>50 kW billing values and demand allocators in the cost allocation would need to be updated to reflect the revised load forecast based on the updated GDP forecast.<sup>3</sup>

In SEC's submission filed on July 13, 2023, SEC agreed with the submissions of VECC regarding the need for EEDO to update the economic forecast in the load forecast for the material increase in the most up-to-date 2023 GDP forecast.<sup>4</sup>

On July 20, 2023, EEDO filed an updated DRO (July 20 DRO) in response to submissions from VECC, SEC and OEB staff. With respect to the GDP forecast used in the load forecast, EEDO responded that the load forecast was based on the most up-to-date data that had been filed in this proceeding. EEDO submitted that it would not have been appropriate to introduce new external data at the DRO stage of the proceeding.<sup>5</sup>

### Findings

The OEB agrees with VECC and SEC that the 2023 GDP forecast applied in the load forecast should be updated to the value that was readily available to EEDO<sup>6</sup> when preparing its initial DRO. The OEB confirms that this update is consistent with the OEB's finding in the Decision that "the most recent data available should be used for the load forecast".<sup>7</sup> The OEB also agrees that the GS>50 billing kW values and demand allocators in the cost allocation should be updated to reflect the revised load forecast based on the updated GDP forecast.

The OEB considers it necessary to make provision for the following matters related to this proceeding. The OEB may issue further procedural orders from time to time.

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<sup>2</sup> The OEB has not included the VECC attachment in this Procedural Order.

<sup>3</sup> VECC submission on draft rate order, July 13, 2023, page 2

<sup>4</sup> SEC submission on draft rate order, July 13, 2023

<sup>5</sup> EEDO draft rate order, July 20, 2023, page 6

<sup>6</sup> Growth rate of 1.225% over 2022 as noted in VECC's submission dated July 13, 2023

<sup>7</sup> EB-2022-0028, Decision and Order, June 15, 2023, page 30

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. EPCOR Electricity Distribution Ontario Inc. shall update the 2023 GDP forecast in the load forecast to the value that was readily available to EEDO<sup>8</sup> when preparing its initial DRO, and make necessary updates in all related models and calculations to reflect the revised load forecast.
2. EPCOR Electricity Distribution Ontario Inc. shall file with the OEB and forward to intervenors and OEB staff an updated draft rate order with a proposed Tariff of Rates and Charges by **September 20, 2023**.

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-2022-0028** 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](mailto: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.

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<sup>8</sup> Growth rate of 1.225% over 2022 as noted in VECC's submission dated July 13, 2023

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Katherine Wang at [Katherine.Wang@oeb.ca](mailto:Katherine.Wang@oeb.ca) and OEB Counsel, James Sidlofsky at [James.Sidlofsky@oeb.ca](mailto:James.Sidlofsky@oeb.ca).

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**DATED** at Toronto, September 13, 2023

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar