



**Hydro One Networks Inc.**

**Application for electricity distribution rates and other  
charges beginning January 1, 2024**

**PROCEDURAL ORDER NO. 1**

**October 3, 2023**

Hydro One Networks Inc. (Hydro One Networks (Distribution)) filed its 2024 Custom Incentive Rate-setting Annual Update application with the Ontario Energy Board (OEB) on August 17, 2023, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to its electricity distribution rates to be effective January 1, 2024. Hydro One Networks (Distribution) has also applied to adjust balances in Account 1588 – Retail Settlement Variance Account Power and Account 1589 – Retail Settlement Variance Account Global Adjustment. Hydro One Networks (Distribution) has also applied for disposition of the balances in these and other Group 1 accounts.

A Notice of Hearing was issued on September 8, 2023. Canadian Manufacturers & Exporters (CME), the Power Workers' Union (PWU), and the Society of United Professionals (SUP) applied for intervenor status. CME also applied for cost eligibility.

No objection was received from Hydro One Networks (Distribution).

**Intervention Request of the PWU**

In its intervention form, the PWU identifies that it is “one of Canada’s strongest, most democratic and progressive unions”, and is an “experienced player in the energy sector”. It states that the PWU represents a large portion of the employees working in Ontario’s electricity industry, including those of the Applicant. The PWU describes its issues as “the financial viability of the utility, and whether the proposed rates and charges will permit the utility to undertake the work necessary to ensure the safe and reliable operation of the facilities used to serve the affected customers.”

The current proceeding will set electricity distribution rates for Hydro One Networks (Distribution) based on a previously approved incentive rate-setting framework. The rate-setting framework was approved through Hydro One Networks Inc.’s Custom IR application for electricity transmission and distribution rates and other charges from

2023-2027<sup>1</sup>. This portion of the current proceeding is expected to be a relatively mechanistic update, and parties often do not receive notice of rate changes made by applying an OEB-approved framework. The intention of the current proceeding is not to re-consider capital work programs or Operations, Maintenance and Administration costs.

The current proceeding will also consider Hydro One Networks (Distribution)'s request to adjust balances in two commodity accounts and to dispose of balances in these and other Group 1 accounts. The PWU does not appear to raise concerns related to these accounting matters in its intervention form.

Rule 22.02 of the OEB's [Rules of Practice and Procedure](#) provides that the party applying for status must satisfy the OEB that it has a "substantial interest" in the proceeding. Given the issues of concern stated by the PWU and the scope of the current proceeding, the OEB finds that the PWU has not demonstrated that it has a substantial interest in this proceeding and therefore, its intervention request is denied.

### **Intervention Request of the SUP**

In its letter requesting intervenor status, the SUP identifies that it "represents over 9600 professionals based primarily in the energy sector" and that it "represents over 2000 professional employees at Hydro One". The SUP states that it wants to participate "as an intervenor in order to ensure that the interests of Hydro One employee stakeholders are fully represented in the review of the Application".

The current proceeding will set electricity distribution rates for Hydro One Networks (Distribution) based on a previously approved incentive rate-setting framework. The rate-setting framework was approved through Hydro One Networks Inc.'s Custom IR application for electricity transmission and distribution rates and other charges from 2023-2027<sup>2</sup>. This portion of the current proceeding is expected to be a relatively mechanistic update, and parties often do not receive notice of rate changes made by applying an OEB-approved framework.

The current proceeding will also consider Hydro One Networks (Distribution)'s request to adjust balances in two commodity accounts and to dispose of balances in these and other Group 1 accounts.

---

<sup>1</sup> EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, November 29, 2022.

<sup>2</sup> Ibid.

The SUP does not appear to raise any specific issues related to the current application, including the accounting matters, in its intervention form.

Rule 22.02 of the OEB's [Rules of Practice and Procedure](#) provides that the party applying for status must satisfy the OEB that it has a "substantial interest" in the proceeding. Given the interests stated by the SUP and the scope of the current proceeding, the OEB finds that the SUP has not demonstrated that it has a substantial interest in this proceeding and therefore, its intervention request is denied.

### Other Intervention Requests

CME states that it represents "energy intensive industries within Hydro One's service territory" and has indicated specific issues related to the disposition of Group 1 deferral and variance accounts in its intervention letter. Therefore, CME is approved as an intervenor.

The list of parties in this proceeding is attached as Schedule A to this Procedural Order. CME is eligible to apply for an award of costs under the OEB's [Practice Direction on Cost Awards](#) and only in relation to Hydro One Networks (Distribution)'s proposed adjustments and disposition of the commodity deferral and variance accounts.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party unless a compelling reason is provided when cost claims are filed.

Being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed. Cost awards are made by way of OEB order at the end of a hearing.

At this time the OEB is making provision for the filing of interrogatories and submissions and further procedural orders may be issued by the OEB.

### IT IS THEREFORE ORDERED THAT:

1. OEB staff and intervenors shall request any relevant information and documentation from Hydro One Networks (Distribution) that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on Hydro One Networks (Distribution) and all other parties by **October 13, 2023**.
2. Hydro One Networks (Distribution) shall file with the OEB complete written responses to all interrogatories and serve them on OEB staff and all intervenors by **October 27, 2023**.

3. Any written submissions by OEB staff and intervenors shall be filed with the OEB and served on all other parties by **November 10, 2023**.
4. Hydro One Networks (Distribution) may file a written reply submission with the OEB (and serve it on intervenors) by **November 24, 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-2023-0030** 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 and be received by end of business, 4:45 p.m., on the required date.

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

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto, **October 3, 2023**

**ONTARIO ENERGY BOARD**

**By delegation, before: Nancy Marconi**

Nancy Marconi  
Registrar

**SCHEDULE A**  
**LIST OF APPLICANT AND INTERVENORS**  
**HYDRO ONE NETWORKS INC.**  
**EB-2023-0030**  
**OCTOBER 3, 2023**

Hydro One Networks Inc.  
EB-2023-0030

**APPLICANT & LIST OF INTERVENORS**

October 3, 2023

---

**APPLICANT**

**Rep. and Contact Information for Service**

**Hydro One Networks Inc.**

**Carla Molina**

Sr. Regulatory Coordinator

Hydro One Networks Inc.

Tel: 416-345-5317

[regulatory@hydroone.com](mailto:regulatory@hydroone.com)

**APPLICANT COUNSEL**

**Raman Dhillon**

Senior Legal Counsel

Hydro One Networks Inc.

Tel: 416-859-0942

[Raman.Dhillon@HydroOne.com](mailto:Raman.Dhillon@HydroOne.com)

**INTERVENORS**

**Rep. and Contact Information for Service**

**Canadian Manufacturers &  
Exporters**

**Vincent Caron**

Director, Manufacturing Policy

Canadian Manufacturers & Exporters

Tel: 905-672-3466

[vincent.caron@cme-mec.ca](mailto:vincent.caron@cme-mec.ca)

**Emma Blanchard**

Borden Ladner Gervais LLP

Tel: 613-369-4755

[eblanchard@blg.com](mailto:eblanchard@blg.com)

Hydro One Networks Inc.  
EB-2023-0030

**APPLICANT & LIST OF INTERVENORS**

October 3, 2023

---

**Canadian Manufacturers &  
Exporters**

**Scott Pollock**  
Borden Ladner Gervais LLP  
Tel: 613-787-3541  
[spollock@blg.com](mailto:spollock@blg.com)