



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

DECISION AND ORDER ON COST AWARDS

EB-2023-0229

CONSULTATION ON REDUCING REGULATORY BURDEN FOR VERY SMALL ELECTRICITY DISTRIBUTOR COST OF SERVICE APPLICATIONS

BY DELEGATION BEFORE: **Theodore Antonopoulos**
Vice President
Major Applications

May 27, 2024

OVERVIEW

The Ontario Energy Board established a very small electricity working Group (Working Group), consisting of representatives from electricity distributors with fewer than 5,000 customers, OEB staff and the Vulnerable Energy Consumer Coalition (VECC) to evaluate opportunities for reducing regulatory burden associated with filing and reviewing cost of service applications for very small utilities. On August 31, 2023, the OEB issued a [letter](#) to all rate-regulated electricity distributors and intervenors involved with electricity distribution for 2024 cost of service proceedings. Stakeholders were invited to an initial meeting to discuss potential opportunities on how to improve regulatory efficiency. Participants from the Working Group were also identified.¹ To minimize costs, the OEB selected VECC as the only representative of stakeholders, based on its experience working with very small electricity distributors.

The letter also indicated that cost awards would be available to VECC under section 30 of the *Ontario Energy Board Act, 1998* for participation in the working group meetings to a maximum of actual meeting time plus 50% of meeting time for preparation and reporting to a total of \$10,000. Costs would be recovered from the very small electricity distributors: Atikokan Hydro Inc., Cooperative Hydro Embrun Inc., Fort Frances Power Corporation, Hearst Power Distribution Co. Ltd., Hydro 2000 Inc., Renfrew Hydro Inc., Sioux Lookout Hydro Inc., and Wellington North Power Inc.

On February 28, 2024, OEB staff filed a report by the Working Group. In its March 28, 2024 response to the report, the OEB provided its feedback and expectations for 2025 cost of service rate applications. In that same letter, the OEB set a due date of April 11, 2024 for VECC to file its cost claim.

VECC filed its cost claim on April 11, 2024. In the cover letter to its cost claim, VECC noted that the invoices provided by its consultants exceed the maximum of \$10,000 allowed by the OEB. VECC recognized that it agreed to join this project under the cost recovery limitations set out by the OEB. Therefore, VECC's claim is for the maximum amount of \$10,000.

No objections to VECC's cost claim were received from the very small electricity distributors.

¹ The Working Group consists of the following participants: Atikokan Hydro Inc., Cooperative Hydro Embrun Inc., Fort Frances Power Corporation, Hearst Power Distribution Co. Ltd., Hydro 2000 Inc., Renfrew Hydro Inc., Sioux Lookout Hydro Inc., Wellington North Power Inc., Electricity Distributors Association, Cornerstone Hydro Electric Concepts, Tandem Energy Services Inc and Vulnerable Energy Consumers Coalition.

Findings

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

The OEB appreciates VECC's participation and involvement in the Working Group and approves the maximum allowable cost award of \$10,000 to be reimbursed by the very small electricity distributors.

Process for Paying the Cost Awards

The amount payable by each very small electricity distributor in relation to costs awarded to VECC is listed in Schedule A to this Decision and Order. However, the amounts will not be paid directly by the very small electricity distributors to VECC. The OEB will use the process set out in section 12 of the *Practice Direction on Cost Awards* to implement the payment of the approved cost award whereby the OEB will act as a clearing house for VECC's cost award. Consistent with this process, each very small electricity distributor is issued one invoice that covers all cost awards payable for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of proceedings and consultations, including this consultation. The invoice will be sent out at the same time as the invoices for cost assessments under section 26 of the Act are sent out, and payment will be due at the same time that cost assessments are due.

The OEB makes payment to each eligible participant once 80% of the costs have been recovered by the OEB.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Each distributor listed in Schedule A to this Decision and Order will receive an invoice from the OEB that includes the total costs set out in Schedule A. The payment shall be due at the same time as all other cost assessments under section 26 of the *Ontario Energy Board Act, 1998*.

2. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, each very small electricity distributor shall pay the OEB's costs of, and incidental to, this consultation immediately upon receipt of the OEB's invoice.

DATED at Toronto May 27, 2024

ONTARIO ENERGY BOARD

Theodore Antonopoulos
Vice President, Major Applications

Schedule A
OEB's Decision and Order on Cost Awards
EB-2023-0229

Electricity Distribution System Owner/Operator	Vulnerable Energy Consumers Coalition	Total Costs
Atikokan Hydro Inc.	\$695.50	\$695.50
Cooperative Hydro Embrun Inc.	\$1,106.19	\$1,106.19
Fort Frances Power Corporation	\$1,608.39	\$1,608.39
Hearst Power Distribution Company Limited	\$1,168.49	\$1,168.49
Hydro 2000 Inc.	\$544.72	\$544.72
Renfrew Hydro Inc.	\$1,883.32	\$1,883.32
Sioux Lookout Hydro Inc.	\$1,252.26	\$1,252.26
Wellington North Power Inc.	\$1,741.13	\$1,741.13
Electricity Distribution System Owner/Operator Total	\$10,000.00	\$10,000.00
Grand Total	\$ 10,000.00	\$ 10,000.00