



**Essex Powerlines Corporation**

**Application for new deferral account and  
electricity distribution rates and other charges  
beginning January 1, 2025**

**PROCEDURAL ORDER NO. 4**  
**February 20, 2025**

On December 13, 2024, Essex Powerlines filed an update to its Reply submission on the Unsettled issue, to reflect scope and timing changes to the PowerShare Distribution System Operator (DSO) pilot project.

On December 16, 2024, SEC filed a letter on behalf of itself and VECC requesting that the OEB require Essex Powerlines to provide additional information regarding changes to the PowerShare DSO pilot project. SEC stated that the proposed changes constituted a material change to the evidence, and the proposal to amend the terms of the approved PowerShare Deferral Account should be considered a motion to vary based on new circumstances.<sup>1</sup> SEC requested that the OEB require Essex Powerlines to provide full details of the changes in scope and costs of the pilot, the reasons for the changes, a copy of the draft amended Contribution Agreement, and all other relevant information.

On December 17, 2024, Essex Powerlines filed a further update to its Reply submission including a copy of the amended Contribution agreement to provide additional context to the original letter filed on December 13, 2024. Essex Powerlines stated that on November 25, 2024, the IESO advised Essex Powerlines verbally that it would be changing the terms of the Contribution Agreement. On November 29, 2024, the IESO provided an initial draft of the Contribution Agreement to Essex Powerlines that included changes to: (i) the end date of the Contribution Agreement; (ii) the end date of the PowerShare DSO pilot project; and (iii) a reduction in PowerShare DSO pilot project funding. As a result, Essex Powerlines requested: (a) to withdraw the entire request for 2025 PowerShare DSO pilot project capital additions, thereby rendering moot the Unsettled Issue from the OEB Decision and Order EB-2024-0022 / EB-2024-0096 on

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<sup>1</sup> Ontario Energy Board, [Rules of Practice and Procedure](#) (Rules), Rule 11.02; Rule 40.01; 42.01(a)(ii)

October 15, 2024; and (b) to amend, if necessary, the terms of the PowerShare DVA approved in Decision and Order EB-2024-0096 on August 29, 2024 to: (i) reduce the cap from \$350,000 to \$255,000; and (ii) change the end date of the PowerShare DVA from March 31, 2026 to February 28, 2025.

On January 14, 2025, the OEB issued a letter inviting intervenors and OEB staff to comment on the implications of Essex Powerlines request to withdraw its 2025 capital additions related to the PowerShare DSO pilot project and amend the terms of the PowerShare DVA and whether further information is needed in relation to the requests filed by Essex Powerlines.

On January 24, 2025, SEC commented that due to the lack of information about the abrupt end of the PowerShare pilot or the basis for the specific revisions to the PowerShare DVA, it is not in a position to provide meaningful submissions on the implications of Essex Powerlines' request. VECC agreed with SEC and further suggested a one-day meeting among the parties. OEB staff submitted that the request to lower the cap and to change the end date of the account appears to be a motion to review and vary the OEB's August 29, 2024 Decision and Order, based on "new facts that have arisen since the decision or order was issued that, had they been available at the time of the proceeding to which the motion relates, could if proven reasonably be expected to have resulted in a material change to the decision or order".

Essex Powerlines provided a response to the comments on January 24, 2025. Essex Powerlines stated that the final determination of the prudence of amounts recorded in the PowerShare DVA will be made at the time when the OEB considers the disposition of such amounts. Essex Powerlines further stated that detailed information will be available once it issues the complete report on outcomes and learnings, after the completion of the PowerShare DSO pilot project.

The OEB has determined that it will allow Essex Powerlines to withdraw its request for 2025 PowerShare DSO pilot project capital additions. The OEB will treat the request to amend the terms of the PowerShare DVA as a Motion to Review and Vary the August 29, 2024, Decision (Motion to Review).<sup>2</sup> The Panel of Commissioners currently seized of this proceeding will address the Motion to Review through a written hearing.

The OEB finds that it is appropriate to allow OEB staff and intervenors an opportunity to seek additional information regarding Essex Powerlines' request to amend the terms of the PowerShare DVA; and to convene a settlement conference to give the parties an opportunity to resolve any issues related to that request. The OEB is making provision

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<sup>2</sup> EB-2024-0096/EB-2024-0022, Decision and Order, August 29, 2024

for a one-day session that will begin with a transcribed technical conference followed by a settlement conference to be convened in accordance with the OEB's *Rules of Practice and Procedure*. The OEB will not be appointing a facilitator for this settlement conference. Following the settlement conference, provision is being made for the filing of a letter informing the OEB of the status of the settlement discussions; and the filing of any settlement proposal arising from the settlement conference. The OEB will determine further procedural steps following the settlement conference.

**IT IS THEREFORE ORDERED THAT:**

1. A transcribed technical conference will be held virtually on **March 6, 2025** starting at 1 p.m., for Essex Powerlines to answer any questions from intervenors or Staff related to Essex Powerlines' request to amend the terms of the PowerShare DVA. This will be followed by a settlement conference. Further information on how to participate will be sent to parties closer to the date.
2. Within 48 hours of the conclusion of the settlement conference, Essex Powerlines shall file a letter informing the OEB of the status of the settlement discussions including whether a tentative agreement has been reached or if the parties propose to continue the settlement discussions.
3. If there is no settlement proposal arising from the settlement conference, Essex Powerlines shall file a statement to that effect with the OEB by **March 13, 2025**.
4. If there is a settlement, any settlement proposal arising from the settlement conference shall be filed with the OEB on or before **March 14, 2025**.

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 numbers, **EB-2024-0022 and EB-2024-0096** 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.

With respect to distribution lists for all electronic correspondence and materials related to the application, parties must include the Case Manager, Amber Goher at [Amber.Goher@oeb.ca](mailto:Amber.Goher@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, **February 20, 2025**

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar