



EB-2008-0234

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Lakeland
Power Distribution Ltd. for an order approving just and
reasonable rates and other charges for electricity
distribution to be effective May 1, 2009.

PROCEDURAL ORDER NO. 1

Lakeland Power Distribution Ltd. ("Lakeland" or the "Applicant") filed an application with the Ontario Energy Board, received on September 15, 2008 under section 78 of the *Ontario Energy Board Act*, 1998, seeking approval for changes to the rates that West Coast Huron charges for electricity distribution, to be effective May 1, 2009. The Board has assigned the application File Number EB-2008-0234. The Board issued a Notice of Application and Hearing dated September 26, 2008.

The Board received requests for intervenor status and cost eligibility in this proceeding from four parties: the Vulnerable Energy Consumers Coalition ("VECC"), the Association of Major Power Consumers in Ontario ("AMPCO"), Energy Probe ("EP") and the School Energy Coalition ("SEC"). No objections were received from the Applicant.

The Board hereby approves the intervention and cost eligibility status for VECC, AMPCO, EP and SEC.

A list of intervenors is attached as Appendix B to this order.

The Board recognizes that the costs of an intervention can be relatively significant for a smaller distributor. While the Board encourages active participation in the review of an application, intervenors should be mindful of the potential impact of these costs upon ratepayers, which the Board will take into consideration when it determines its cost awards. As a guide, the Board has attached a table (Appendix A) that summarizes the

approved cost awards for those distributors that made cost of service applications for their 2008 rates.

In this regard, the Board notes that Lakeland does not presently have a large user rate class and the Board is unaware of any industrial consumer in Lakeland's distribution service territory that is or could be an AMPCO member. The Board further notes that this is a rebasing application under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Lakeland charges for electricity distribution and is therefore not the appropriate place for a broad policy analysis and data gathering exercise related to cost allocation and rate design. The Board will be closely monitoring the participation of all intervenors in this proceeding, and in particular, the raising of issues that are either not relevant or that overlap with issues raised by Board staff or by intervenors that primarily represent the direct interests of consumers in Lakeland's distribution service territory. The Board will take into consideration the quality and relevance of the intervention as well as any duplication of effort by intervenors in making any cost awards at the conclusion of this proceeding.

The Board has decided to make provision for a phased approach to the discovery process for this proceeding. The first phase will consist of written interrogatories with the potential for a technical conference at the request of the Applicant, which would be held prior the filing of written interrogatory responses. The purpose of the technical conference would be to allow the Applicant to better understand and discuss interrogatories received from the parties and Board staff to clarify the nature of the questions being asked and the responses being sought. The Board will accept a submission from the Applicant within one week of receipt of the interrogatories as to whether it wishes a technical conference. Whether or not a technical conference is held at this stage of the proceeding, the Applicant will be required to file full written responses to the interrogatories.

At the completion of this first phase of the discovery process, the Board will determine whether further discovery, in the form of a technical conference or additional interrogatories is required, and whether to order that a Settlement Conference be held. Subsequently, the Board will determine what additional aspects of the review may be dealt with through an oral hearing and will advise the Applicant and parties accordingly.

Please be aware that this Procedural Order may be amended, and further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. Parties who wish information and material from the Applicant that is in addition to the Applicant's pre-filed evidence with the Board, and that is relevant to the hearing, shall request it by written interrogatories filed with the Board and delivered to the Applicant. Board staff shall submit their interrogatories on or before November 24, 2008. Intervenors shall submit their interrogatories on or before November 28, 2008. Where possible, the questions should specifically reference the pre-filed evidence.
2. If requested by the Applicant, on or before Thursday, December 4, 2008, a transcribed technical conference will be held at 2300 Yonge Street, 25th floor, Toronto, Ontario in the Board's North Hearing Room. The technical conference would be held on Tuesday, December 16, 2008 commencing at 9:30 a.m. and be expected to conclude by 4:30 p.m. The Board will inform the interested parties as to the status of the technical conference on or before Friday, December 5, 2008.
3. If a technical conference is determined to be held on December 15, 2008, parties shall confirm their attendance by writing to the Board Secretary or by sending an email to Boardsec@oeb.gov.on.ca and by copying the e-mail to Mr. Harold Thiessen, case manager at harold.thiessen@oeb.gov.on.ca by December 10, 2008.
4. The Applicant shall file with the Board complete responses to the interrogatories and deliver them to the intervenors no later than December 22, 2008.

All filings to the Board must quote file number EB-2008-0234, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF

format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Attention: Board Secretary
E-mail: Boardsec@oeb.gov.on.ca
Tel: 1-888-632-6273 (toll free)
Fax: 416 440-7656

DATED at Toronto, November 5, 2008

ONTARIO ENERGY BOARD

Original signed by

Kristen Walli
Board Secretary

APPENDIX A

2008 COS EDR COMPARISON OF COST AWARDS TO REVENUE REQUIREMENT by LDC and INTERVENOR COST PER CUSTOMER

Distributor	Number of Intervenors	File Number	Proposed Revenue Requirement	Cost Award	% of Revenue	Number of Customers	Cost per Customer
Hydro 2000 Inc.	1	EB-2007-0704	\$333,872	\$5,196.75	1.56%	1,159	\$4.48
Chapleau Public Utilities Corporation	1	EB-2007-0755	\$736,568	\$6,756.25	0.92%	1,338	\$5.05
Espanola Regional Hydro Distribution Corporation	2	EB-2007-0901	\$1,304,404	\$9,735.32	0.75%	3,316	\$2.94
Rideau St. Lawrence Distribution Inc.	2	EB-2007-0762	\$2,267,241	\$12,388.05	0.55%	5,864	\$2.11
Lakefront Utilities Inc.	2	EB-2007-0761	\$5,077,851	\$17,257.19	0.34%	9,057	\$1.91
Halton Hills Hydro Inc.	2	EB-2007-0696	\$10,446,283	\$21,206.04	0.20%	20,214	\$1.05
Norfolk Power Distribution Inc.	2	EB-2007-0753	\$12,800,352	\$12,699.65	0.10%	18,641	\$0.68
PUC Distribution Inc.	1	EB-2007-0931	\$17,191,211	\$5,338.36	0.03%	32,512	\$0.16
Oshawa PUC Networks Inc.	3	EB-2007-0710	\$20,440,000	\$22,204.50	0.11%	50,978	\$0.44
AMPCO Motion	4	EB-2008-0099	\$20,440,000	\$45,032.40	0.22%	50,979	\$0.88
Barrie Hydro Distribution Inc.	2	EB-2007-0746	\$35,008,572	\$11,968.00	0.03%	68,535	\$0.17
Enersource Hydro Mississauga Inc.	5	EB-2007-0706	\$124,300,000	\$111,258.31	0.09%	183,706	\$0.61
Hydro Ottawa Ltd.	4	EB-2007-0713	\$147,951,054	\$81,425.95	0.06%	286,995	\$0.28
Toronto Hydro-Electric System	5	EB-2007-0680	\$498,400,000	\$250,344.26	0.05%	679,864	\$0.37
					0.36%	average	\$1.51

**APPENDIX B
TO PROCEDURAL ORDER NO. 1
LAKELAND POWER DISTRIBUTION LTD.
2009 COST OF SERVICE DISTRIBUTION RATE APPLICATION
EB-2008-0234**

APPLICANT AND LIST OF INTERVENORS

November 5, 2008

Applicant

Rep. and Address for Service

Lakeland Power Distribution

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President and CEO
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AND

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Chief Financial Officer
Lakeland Power Distribution Ltd.
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Intervenors

Rep. And Address for Service

1. **Association of Major Power
Consumers in Ontario (AMPCO)**

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AND

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AND

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2. Energy Probe

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**3. School Energy Coalition
(Schools)**

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AND

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AND

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4. **Vulnerable Energy Consumers
Coalition (VECC)**

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