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BY EMAIL

June 10, 2025

Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ritchie Murray:

**Re: Hydro Ottawa Limited (Hydro Ottawa)
2026-2030 Custom Rate Application for Electricity Distribution Rates and Charges
OEB File Number: EB-2024-0115**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to a full agreement on an Issues List for Hydro Ottawa's 2026-2030 distribution rate application. Note that Enbridge Gas Inc. is approved as an intervenor in this proceeding but takes no position on the issues list.

Parties have agreed on proposed issues based on the standard [Issues List](#) for electricity distribution rate applications. The proposed issues list is included in Schedule A and includes the following revisions to the standard Issues List.

- Addition of Section 1. General
- Relocation of Issues 7.1 and 7.2 to issues 1.3 and 1.1 respectively
- Addition of Issue 1.2, 1.4 and 1.5
- Addition of Section 2 as well as Issues 2.1 and 2.2 to address the Custom Incentive Rate Setting
- Renumbering of the remaining sections in sequential order

Further, parties are requesting that the OEB waive the requirement under rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that the interrogatories correspond to the issues list. Parties are requesting that they may file interrogatories according to the exhibit numbers in the application. Parties believe this approach is more efficient and likely less costly.

OEB staff also advises that some parties indicated that, given that the proposed revised Issues List was prepared prior to the interrogatory process, parties may wish to raise

additional matters for inclusion on the Issues List after the responses to the interrogatories are received.

Yours truly,

Original Signed By

Margaret DeFazio, P.Eng.
Senior Advisor – Electricity Distribution Rates

Encl.

cc: All parties in EB-2024-0115

SCHEDULE A

Hydro Ottawa Limited

EB-2024-0115

PROPOSED ISSUES LIST

Proposed Issues List

1. General

- 1.1. Has the applicant responded appropriately to all relevant OEB directions from previous proceedings?
- 1.2. Are the rates and bill impacts resulting from Hydro Ottawa's application appropriate?
- 1.3. Is the proposed effective date appropriate?
- 1.4. Are the proposed loss factors appropriate, considering OEB requirements and utility measures to cost-effectively reduce distribution losses?
- 1.5. Did Hydro Ottawa appropriately consider customer needs and preferences in the formulation of its proposed plan and spending?

2. Custom Incentive Rate Setting

- 2.1. Are all elements of Hydro Ottawa's Custom Incentive Rate Setting proposal for the determination of rates appropriate?
- 2.2. Is the proposed 2026-2030 Custom Performance Scorecard Appropriate?

3. Capital Spending and Rate Base

- 3.1. Are the proposed capital expenditures and in-service additions appropriate?
- 3.2. Are the proposed rate base and depreciation amounts appropriate?

4. OM&A

- 4.1. Are the proposed OM&A expenditures appropriate?
- 4.2. Is the proposed shared services cost allocation methodology and the quantum appropriate?

5. Cost of Capital, PILs, and Revenue Requirement

- 5.1. Is the proposed cost of capital (interest on debt, return on equity) and capital structure appropriate?
- 5.2. Is the proposed PILs (or Tax) amount appropriate?
- 5.3. Is the proposed Other Revenue forecast appropriate?
- 5.4. Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?
- 5.5. Is the proposed calculation of the Revenue Requirement appropriate?

6. Load Forecast

- 6.1. Is the proposed load forecast methodologies and the resulting load forecasts appropriate?

7. Cost Allocation, Rate Design, and Other Charges

- 7.1. Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
- 7.2. Is the proposed rate design, including fixed/variable splits, appropriate?
- 7.3. Are the proposed Retail Transmission Service Rates and Low Voltage rates appropriate?
- 7.4. Are the proposed loss factors appropriate?
- 7.5. Are the Specific Service Charges and Retail Service Charges appropriate?
- 7.6. Are rate mitigation proposals required and appropriate?

8. Deferral and Variance Accounts

- 8.1. Are the proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?