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



EB-2008-0272

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

AND IN THE MATTER OF a review of an application filed by Hydro One Networks Inc. under section 78 of the *Ontario Energy Board Act, 1998*, seeking changes to the uniform provincial transmission rates.

PROCEDURAL ORDER NO. 1

On September 30, 2008, Hydro One Networks Inc. ("Hydro One") filed an application with the Ontario Energy Board (the "Board") under section 78 of *Ontario Energy Board Act, 1998* (the "Act"). The application seeks approval for changes to the uniform provincial transmission rates that Hydro One charges for electricity transmission to be effective and implemented on July 1, 2009. The Board has assigned the application file number EB-2008-0272.

The Board issued a Notice of Application on October 17, 2008. The Board received 21 requests for intervenor status. The Board approves these intervention requests. A list of the intervenors is attached as Appendix A.

The following parties also applied for cost award eligibility: Association of Major Power Consumers in Ontario, Building Owners and Managers Association, Consumers Council of Canada, Canadian Manufacturers and Exporters, Energy Probe, London Property Managers Association, Pollution Probe, Schools Energy Coalition, and Vulnerable Energy Consumers Coalition. The Board finds that each of these parties is eligible for a cost award. Many parties indicated a preference for an oral hearing and no parties opposed one. The Board intends to proceed by way of an oral hearing preceded by written interrogatories and a settlement conference.

The Board has attached a proposed issues list at Appendix B. Intervenors and Hydro One may make submissions on the list and propose changes for the Board's consideration. In proposing additional issues parties should provide justification and give consideration to whether the item is already included under one of the proposed issues. Similarly, parties proposing to remove or limit the scope of an issue on the proposed list should provide justification. After reviewing these submissions, the Board will issue a final Issues List. Only matters that are on the final Issues List will be considered in this proceeding.

The Board has not provided for an Issues Day, but may adjust the schedule if it is determined that one is required. The Board is also requiring that Intervenors indicate whether they intend to file evidence in this proceeding. In the event that Intervenor evidence is filed the schedule will be adjusted accordingly.

The Board anticipates that the oral hearing will be held commencing approximately Tuesday February 17, 2009. The exact commencement date for the oral hearing will be set in a further order of the Board.

The Board considers it necessary to make provision for the following matters related to this proceeding. The Board may issue further procedural orders from time to time.

THE BOARD ORDERS THAT:

- Hydro One and Intervenors may make submissions on the proposed issues list (attached as Appendix B) and shall file any submissions with the Board and deliver them to each Intervenor no later than Friday November 21, 2008.
- 2. Hydro One may respond to the submissions of intervenors, and Intervenors may respond to the submissions of Hydro One or other intervenors by filing those responses with the Board and delivering them to each Intervenor no later than Tuesday November 25, 2008.

- 3. Board staff seeking information and material that is in addition to the Applicant's pre-filed evidence, and that is relevant to the hearing, shall request the same by written interrogatories filed with the Board and delivered to the Intervenors and the Applicant on or before Monday December 1, 2008.
- 4. Intervenors seeking information and material that is in addition to the Applicant's evidence, and that is relevant to the hearing, shall request the same by written interrogatories filed with the Board and delivered to the Intervenors and the Applicant on or before Thursday December 4, 2008.
- 5. Intervenors and Board staff shall, on or before Thursday December 4, 2008, indicate if it is their intention to file evidence.
- 6. Responses by the Applicant to interrogatories shall be filed with the Board and delivered to all parties on or before Tuesday December 23, 2008;
- A settlement conference shall be held at the Board's offices, commencing at 9:30 a.m. on Tuesday February 3, 2009, and continuing to Thursday February 5, 2009 if required;
- 8. If there is a settlement or a partial settlement agreement forthcoming from the settlement conference then that agreement shall be filed with the Board on or before Monday February 9, 2009;
- 9. A hearing to present the settlement shall be held at the Board's offices commencing at 9:30 a.m. on Thursday, February 12, 2009.

All filings to the Board noted in this Procedural Order must be in the form of 2 hard copies and must be received by the Board by **4:45 p.m.** on the stated dates. An electronic copy of the filing must also be provided. If you already have a user ID, the electronic copy of your filing should be submitted through the Board's web portal at www.errr.oeb.gov.on.ca. If you do not have a user ID, please visit the "e-Filing Services" page on the Board's website at www.oeb.gov.on.ca and fill out a user ID password request. For instructions on how to submit and naming conventions, please refer to the RESS Document Guidelines also found on the "e-Filing Services" webpage. If the Board's web portal is not available, the electronic copy of your filing may be submitted by e-mail at <u>Boardsec@oeb.gov.on.ca</u>. Those who do not have internet

access are required to submit the electronic copy of their filing on a CD or diskette in PDF format.

<u>Address</u>

The Ontario Energy Board:

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

Filings: <u>www.errr.oeb.gov.on.ca</u> E-mail: <u>Boardsec@oeb.gov.on.ca</u>

Tel: 1-888-632-6273 (toll free) Fax: 416-440-7656

ISSUED at Toronto, November 14, 2008

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

APPENDIX A

HYDRO ONE NETWORKS INC TRANSMISSION RATE HEARING

EB-2008-0272

PROPOSED ISSUES LIST

1. GENERAL

1.1 Has Hydro One responded appropriately to all relevant Board directions from previous proceedings?

2. LOAD FORECAST and REVENUE FORECAST

2.1 Is the load forecast and methodology appropriate and have the impacts of Conservation and Demand Management initiatives been suitably reflected?2.2 Are other revenue forecasts appropriate?

3. OM&A

3.1 Are the proposed spending levels for Sustaining and Development OM&A in 2009 and 2010 appropriate, including consideration of factors such as of system reliability and asset condition?

3.2 Are the proposed spending levels for Shared Services and Other O&M in 2009 and 2010 appropriate?

3.3 Are the compensation levels proposed for 2009 and 2010 appropriate?

4. CAPITAL EXPENDITURES and RATE BASE

4.1 Are the proposed 2009 and 2010 Sustaining and Development and Operations capital expenditures appropriate, including consideration of factors such as system reliability and asset condition?

4.2 Are the proposed 2009 and 2010 levels of Shared Services and Other Capital expenditures appropriate?

5. DEFERRAL/VARIANCE ACCOUNTS

5.1 Are the proposed amounts and disposition for each of the deferral and variance accounts appropriate?

5.2 Is the proposed continuation of the deferral/variance accounts appropriate?

5.3 Are the proposed new Deferral/Variance Accounts appropriate?

6. COST ALLOCATION

6.1. Would it be appropriate to make changes to cost allocation in response to the study submitted on line connection costs for customers directly connected to networks stations?

APPENDIX B

HYDRO ONE NETWORKS INC TRANSMISSION RATE HEARING

EB-2008-0272

APPLICANT & LIST OF INTERVENTIONS

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Intervenors	Rep. And Address for Service
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