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

EB-2011-0205

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 Westario Power Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2012.

BEFORE: Karen Taylor
Presiding Member

Paula Conboy
Member

DECISION AND ORDER

Introduction

Westario Power Inc. ("Westario"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on November 25, 2011 under section 78 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Westario charges for electricity distribution, to be effective May 1, 2012.

Westario is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, establishes a three year plan term for 3rd generation incentive regulation mechanism ("IRM") (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed Regulatory Framework for Electricity ("RRFE"), the Board announced that it was extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed. As part of the plan, Westario is one of the electricity distributors that will have its rates adjusted for 2012 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its IR Report, its *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008 (the "Supplemental Report"), and its *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (collectively the "Reports"). Among other things, the Reports contain the relevant guidelines for 2012 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 22, 2011, the Board issued an update to Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

Notice of Westario's rate application was given through newspaper publication in Westario's service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. No letters of comment were received. The Notice of Application indicated that intervenors would be eligible for cost awards with respect to Westario's request for lost revenue adjustment mechanism ("LRAM") recovery. The Vulnerable Energy Consumers Coalition ("VECC") applied for intervenor status and cost award eligibility in this proceeding. The Board grants VECC intervenor status and eligibility for cost awards in regards to Westario's request for LRAM recovery. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;

- Review and Disposition of Group 1 Deferral and Variance Account Balances;
- Review and Disposition of Account 1521: Special Purpose Charge;
- Review and Disposition of Lost Revenue Adjustment Mechanism; and
- Review and Disposition of Account 1562: Deferred Payments In Lieu of Taxes.

Price Cap Index Adjustment

As outlined in the Reports, distribution rates under the 3rd Generation IRM are to be adjusted by a price escalator, less a productivity factor (X-factor) of 0.72% and a stretch factor.

On March 13, 2012, the Board announced a price escalator of 2.0% for those distributors under IRM that have a rate year commencing May 1, 2012.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated December 1, 2011 the Board assigned Westario to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 0.88%. The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes that are not eligible for Rural or Remote Electricity Rate Protection.

The price cap index adjustment will not apply to the following components of delivery rates:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Rate Protection Charge;
- Standard Supply Service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;

- MicroFIT Service Charges; and
- Retail Service Charges.

Rural or Remote Electricity Rate Protection Charge

On December 21, 2011, the Board issued a Decision with Reasons and Rate Order (EB-2011-0405) establishing the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2012. The Board amended the RRRP charge to be collected by the Independent Electricity System Operator from the current $0.0013 per kWh to $0.0011 per kWh effective May 1, 2012. The draft Tariff of Rates and Charges flowing from this Decision and Order will reflect the new RRRP charge.

Shared Tax Savings Adjustments

In its Supplemental Report, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate.

The calculated annual tax reduction over the IRM plan term will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers each year of the plan term, over a 12-month period, through a volumetric rate rider using annualized consumption by customer class underlying the Board-approved base rates.

Westario’s application identified a total tax savings of $167,165 resulting in a shared amount of $83,582 to be refunded to rate payers.

The Board approves shared tax savings of $83,582 to be paid to customers over a one year period, from May 1, 2012 to April 30, 2013.

Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates (“UTRs”) at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates (“RTSRs”). Variance accounts are used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e. variance Accounts 1584 and 1586).

On June 22, 2011 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the "RTSR Guideline"). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2012. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors' specific RTSRs, Board staff provided a filing module.

On December 20, 2011 the Board issued its Rate Order for Hydro One Transmission (EB-2011-0268) which adjusted the UTRs effective January 1, 2012, as shown in the following table:

2012 Uniform Transmission Rates

Network Service Rate	$3.57 per kW
Connection Service Rates Line Connection Service Rate Transformation Connection Service Rate	 $0.80 per kW $1.86 per kW

The Board finds that these 2012 UTRs are to be incorporated into the filing module.

On the RTSR Workform, the Board specified that the Applicant is to enter the most recent reported RRR billing determinants and to ensure the billing determinants are non-loss adjusted. In its submission, Board staff noted that the billing determinant input on the RTSR Workform should be based on most recent historical RRR data as reported to the Board, and should be non-loss adjusted to avoid duplicating the loss-factor adjustment.

In its reply submission, Westario submitted that the data used to calculate the RTSR rate was non-loss adjusted and that the RRR data reported to the Board was adjusted by a loss factor of 1.0788.

The Board approves the billing determinants as filed by Westario.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of $0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

Westario's 2010 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2012 is a credit of $749,064. This amount results in a total credit claim of $0.00167 per kWh, which exceeds the preset disposition threshold. Westario proposed to dispose of this credit amount over a one-year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2010 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR") and should therefore be disposed on a final basis. Board staff further submitted that Westario's proposal for a one-year disposition period is in accordance with the EDDVAR Report.

The Board notes that the EDDVAR disposition threshold of $0.001/kWh has been exceeded. The Board approves on a final basis the disposition of a credit balance of $749,064 for Group 1 Accounts comprised of principal as of December 31, 2010 and interest to April 30, 2012, over a one year period from May 1, 2012 to April 30, 2013.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-$25,820	-$3,745	-$29,564
RSVA - Wholesale Market Service Charge	1580	-$485,647	-$51,488	-$537,135
RSVA - Retail Transmission Network Charge	1584	-$99,892	-$11,673	-$111,564
RSVA - Retail Transmission Connection Charge	1586	-$134,666	$4,256	-$130,410
RSVA - Power (excluding Global Adjustment)	1588	$70,829	-$30,268	$101,098

RSVA - Power – Global Adjustment Sub-Account	1588	-$39,916	-$17,285	-$57,202
Recovery of Regulatory Asset Balances	1590	0	$15,715	$15,715
Disposition and Recovery of Regulatory Balances (2008)	1595			-
Disposition and Recovery of Regulatory Balances (2009)	1595			-
Group 1 Total		**-$715,112**	**-$33,952**	**-$749,064**

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

Review and Disposition of Account 1521: Special Purpose Charge

The Board authorized Account 1521, Special Purpose Charge Assessment (“SPC”) Variance Account in accordance with Section 8 of *Ontario Regulation 66/10* (*Assessments for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program Costs*) (the “SPC Regulation”). Accordingly, any difference between (a) the amount remitted to the Minister of Finance for the distributor’s SPC assessment and (b) the amounts recovered from customers on account of the assessment were to be recorded in “Sub-account 2010 SPC Assessment Variance” of Account 1521.

In accordance with Section 8 of the SPC Regulation, distributors are required to apply no later than April 15, 2012 for an order authorizing the disposition of any residual balance in sub-account 2010 SPC Assessment Variance. The Filing Requirements sets out the Board’s expectation that requests for disposition of this account balance would be heard as part of the proceedings to set rates for the 2012 year.

Westario requested the disposition of a residual debit balance as of December 31, 2010, plus the amount recovered from customers in 2011, including the appropriate carrying charges to April 30, 2012 of $1,640 in Account 1521 over a one year period.

Board staff submitted that despite the usual practice, the Board should authorize the disposition of Account 1521 as of December 31, 2010, plus the amounts recovered from customers in 2011, including interest, because the account balance does not require a prudence review, and electricity distributors are required by regulation to apply for disposition of this account. Board staff submitted that the $1,640 debit balance in Account 1521 should be approved for disposition on a final basis and that Account 1521 should be closed.

In its reply submission, Westario agreed with Board staff.

The Board approves the disposition, on a final basis, of a debit balance of $1,640.23 in account 1521, representing principal and interest to April 30, 2012, over a one year period, from May 1, 2012 to April 30, 2013. The Board directs Westario Power to close Account 1521 effective May 1, 2012.

For accounting and reporting purposes, the balance of Account 1521 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

Review and Disposition of Lost Revenue Adjustment Mechanism (“LRAM”)

The Board’s *Guidelines for Electricity Distributor Conservation and Demand Management* (the “CDM Guidelines”) issued on March 28, 2008 outline the information that is required when filing an application for LRAM or SSM.

Westario originally requested the recovery of an LRAM claim of $357,937. In response to interrogatories from Board staff and intervenors, Westario updated its LRAM claim to $368,917 to reflect the Ontario Power Authority ’s (“OPA”) 2010 final results. Westario’s LRAM claim consists of the effect of CDM programs implemented from 2006 – 2010.

Westario requested approval of these savings persisting until April 30, 2012. Westario proposed to recover the LRAM claim over a one-year period.

In its submission, Board staff noted that Westario's rates were last rebased in 2009. Board staff noted that in its Decision and Order on Hydro One Brampton's 2012 IRM application (EB-2011-0174), the Board disallowed LRAM claims for the rebasing year as well as persistence of prior year programs in and beyond the test year on the basis that these savings should have been incorporated into the applicant's load forecast at the time of rebasing.

Board staff noted that in cases in which it was clear in the application or settlement agreement that an adjustment for CDM was not being incorporated into the load forecast specifically because of an expectation that an LRAM application would address the issue, and if this approach was accepted by the Board, then Board staff would agree that an LRAM application is appropriate. Board staff requested that Westario highlight in its reply submission whether the issue of an LRAM application was addressed in their cost of service application.

Board staff submitted that in the absence of the above information, it does not support the requested 2009 recovery of lost revenues from 2009 CDM programs or the persisting lost revenues from 2006, 2007, 2008 and 2009 CDM programs in 2009, 2010, 2011 or 2012 since these should have been reflected in Westario's 2009 load forecast when it was last rebased. Board staff also submitted that it is premature to consider any lost revenue from 2010 programs persisting from January 1, 2011 to April 30, 2012. Board staff also submitted that it supported the recovery of persisting lost revenues for 2006, 2007, 2008 and 2010 CDM programs, including the persisting lost revenues from 2006 programs in 2007 and 2008, and the persisting lost revenues from 2007 programs in 2008 since Westario was under IRM during that period. Board staff requested that Westario provide in its reply submission an updated LRAM amount that only includes lost revenues from 2006, 2007, 2008, and 2010 CDM programs, including the persisting lost revenues noted above, in the years 2006, 2007, 2008, and 2010. The associated rate riders should be calculated and provided based on the updated 2010 RRR data provided in response to Board staff interrogatory #6(a).

VECC submitted that the LRAM claim from CDM programs deployed between 2006 and 2009 are not accruable from 2009 through April 30, 2012 as these savings should have been incorporated in the 2009 load forecast at the time of rebasing. VECC argued that in the absence of OPA input assumptions and verified final results for 2011 and 2012, the LRAM claim for 2010 CDM programs in 2011 and 2012 is premature and should only cover the period from January 1, 2010 to December 31, 2010. VECC supported the approval of the LRAM claim related to the impact of CDM programs implemented in 2006 to 2008 for the years 2006 to 2008 as these energy savings occurred prior to rebasing and have not been claimed. VECC also supported the approval of lost revenue in 2010 for CDM Programs implemented in 2010 as this amount has not been recovered. VECC submitted that the LRAM claim approved by the Board should be adjusted to include lost revenue for the years 2006, 2007, 2008 and 2010 resulting from the impact of CDM programs implemented in 2006, 2007, 2008 and 2010.

In its reply submission, Westario agreed with Board staff and VECC submission with respect to lost revenues prior to 2009 and 2010, but wished to address the issue with respect to load reductions included in its 2009 load forecast and persisting amounts in 2011 and 2012.

Westario submitted that Westario's 2009 load forecast was developed in expectation of making LRAM claims in future years to compensate it for any subsequent CDM initiatives it undertook and that by default it did not include CDM programs in its 2009 load forecast and should be fully entitled to claim an LRAM related to these programs. Westario noted that its current claim is built on the same premise of persistency as accepted by the Board in earlier decisions[1].

Westario further submitted that disallowing an LRAM claim for un-forecasted CDM would act as a major disincentive to participation in future CDM initiatives at Westario and other LDCs.

In response to Board staff requests, Westario provided an LRAM amount that only includes lost revenues from 2006, 2007, 2008, and 2010 CDM programs, including the persisting lost revenues noted above, in the years 2006, 2007, 2008, and 2010. This would amount to a claim of $164,607.72.

The Board approves an LRAM claim of $164,607.72, representing: lost revenue for the years 2006, 2007 and 2008 for CDM programs implemented in 2006, 2007 and 2008 and lost revenue in 2010 from CDM programs launched in 2010. The Board notes that

[1] Decision and Order, EB-2010-0067 dated March 17, 2011; Decision and Order EB-2009-0259 dated March 1, 2010; Decision and Order, EB-2010-0098 dated March 17, 2011; Decision and Order EB-2011-0046 dated May 6, 2011; and Decision and Order EB-2010-0132 dated April 4, 2011

Westario was subject to IRM in these years and has not otherwise been compensated for revenue losses in these years. The Board will not approve LRAM arising from CDM programs implemented from 2006 to 2009 in 2009, 2010, 2011 and 2012, as these savings should have been incorporated in the 2009 load forecast at the time of rebasing. The Board is of the view that absent specific wording in the decision relating to Westario's 2009 cost of service application (EB-2008-0238) indicating that CDM was not reflected in the approved load forecast, there is no reasonable basis to deviate from the 2008 CDM Guidelines, which state that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time.

The Board approves a one year disposition period, May 1, 2012 to April 30, 2013.

Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes

In 2001, the Board approved a regulatory payments in lieu of taxes proxy approach for rate applications coupled with a true-up mechanism filed under the RRR to account for changes in tax legislation and rules and to true-up between certain proxy amounts used to set rates and the actual amount of taxes paid. The variances resulting from the true-up were tracked in Account 1562 for the period 2001 through April 30, 2006.

On November 28, 2008, pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Board commenced a Combined Proceeding (EB-2008-0381) on its own motion to determine the accuracy of the final account balances with respect to Account 1562 Deferred Payments in Lieu of Taxes ("Deferred PILs") (for the period October 1, 2001 to April 30, 2006) for certain electricity distributors that filed 2008 and 2009 distribution rate applications.

The Notice in the Combined Proceeding included a statement of the Board's expectation that the decision resulting from the Combined Proceeding would be used to determine the final account balances with respect to Account 1562 Deferred PILs for the remaining distributors. In its decision and order, the Board stated that, "[e]ach remaining distributor will be expected to apply for final disposition of Account 1562 with its next general rates application (either IRM or cost of service)."[2]

Westario applied to dispose of a debit balance in Account 1562 of $485,885 including

[2] EB-2008-0381 Account 1562 Deferred PILs Combined Proceeding, Decision and Order, p. 28

carrying charges projected to April 30, 2012 over a two-year period. In response to Board staff's submission, Westario requested a one-year disposition period.

PILs Recoveries from Customers

Board staff submitted that the fixed and variable PILs rates are multiplied by billing determinants to calculate the actual PILs amounts recovered. Board staff had concerns regarding the billing determinants and PILs recoveries used by Westario.

In its submission, Board staff noted the following: (i) the trend for the majority of distributors is that the PILs recoveries exceed the proxies for the full years of 2003, 2004 and 2005; (ii) the statistics recorded in the PILs recoveries appeared low compared to the statistics in the 2002, 2004 and 2005 rate applications; (iii) customer count for the residential rate class show approximately 15,500 customers from October 2002 to March 2004 which appear substantially low compared to the residential customer count of 17,704 as reported for 2003 in the 2005 RAM application; and (iv) the General Service < 50kW rate class shows approximately 2,140 customers from October 2002 to March 2004 when the 2005 RAM reported 2,362 customers for 2003.

Board staff also submitted that the volumetric billing determinants also appear to be understated in the PILs recoveries worksheet. Board staff noted that the 2002 billing determinants appear to have internal inconsistencies especially within the June to September period for the Residential, General Service <50kW, General Service >50kW, Street Light and Unmetered Scattered Load rate classes. Board staff also noted similar inconsistencies for the General Service >50kW rate class for the full years of 2003, 2004 and 2005.

Westario submitted that upon review of the customer counts used to determine fixed rate PILs recoveries in the March 2002 to March 2004 period, it was discovered that the counts only included SSS customers. In its reply submission, Westario adjusted customer counts for the residential and GS <50kW rate classes to reflect the statistics from previous rate applications from 2002 and 2004.

Westario noted that it experienced numerous billing system problems in 2002. Westario submitted that it estimated the June to December 2002 kWh billings by customer class and determined the monthly percentage of sales by customer class using 2004 and 2005 data. It then applied these percentages by month to the 2002 wholesale purchases to determine a more reasonable sales pattern. Consequently, Westario's revised monthly sales amounts are reflected on the recoveries spreadsheet and continuity schedule.

With respect to inconsistencies for the GS>50 kW customer classes for the June 2002 to September 2002 period, Westario submitted that the reported data is correct. Westario stated that the low consumption data in July is due to adjustments from previous months being corrected in the current month and submitted that the kW sales for the GS>50kW customer class matched the data in the billing system.

In its reply submission, Westario reduced the total claim by $162,057 from a debit amount of $435,885 to a debit amount of $273,828 with a one-year disposition period as shown in the revised continuity schedule.

The Board directs Westario Power to use the 2006 EDR volumetric billing determinants for the GS>50 kW class in order to calculate the PILs collections for 2003, 2004, 2005 and the four months of 2006. The Board agrees with the submission of Board staff that the 2006 EDR billing determinants in the GS>50 kW class are more reliable than the statistics submitted in the PILs collections worksheets.

The Board directs Westario Power to re-file the updated PILs Continuity Schedule and Recoveries worksheets in active Excel format, reflecting the revisions in customer counts and billing determinants made in response to the submission of Board staff and the determinations in this Decision.

Subject to the receipt of the re-filed information and a revised 1562 balance, the Board approves a one year disposition period, from May 1, 2012 to April 30, 2013.

For accounting and reporting purposes, the balance of Account 1562 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

IMPLEMENTATION

The Board has made findings in this Decision which change the 2012 distribution rates from those proposed by Westario

The Board expects Westario to file a draft Rate Order, including all relevant calculations showing the impact of this Decision and Order on Westario's determination of the final rates. Supporting documentation shall include, but not be limited to, filing completed versions of the 2012 IRM Rate Generator model, updated SIMPIL models and continuity tables to support the claim for disposition of Account 1562 Deferred PILs and LRAM calculations showing the derivation of the final rate riders to recover the approved LRAM amount.

A Rate Order will be issued after the steps set out below are completed.

THE BOARD ORDERS THAT:

1. Westario shall file with the Board, and shall also forward to VECC, a draft Rate Order that includes revised models in Microsoft Excel format and a proposed Tariff of Rates and Charges reflecting the Board's findings in this Decision and Order within 7 days from the date of issuance of this Decision and Order.

2. Board staff and VECC shall file any comments on the draft Rate Order including the revised models and proposed rates with the Board and forward to Westario within 7 days of the date of filing of the draft Rate Order.

3. Westario shall file with the Board and forward to VECC responses to any comments on its draft Rate Order including the revised models and proposed rates within 4 days of the date of receipt of Board staff and VECC comments.

Cost Awards

The Board will issue a separate decision on cost awards once the following steps are completed:

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance

of the final Rate Order.

2. Westario shall file with the Board and forward to VECC any objections to the claimed costs within **21 days** from the date of issuance of the final Rate Order.

3. VECC shall file with the Board and forward to Westario any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.

4. Westario shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings to the Board must quote file number **EB-2011-0205,** be made through the Board's web portal at, www.errr.ontarioenergyboard.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. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to BoardSec@ontarioenergyboard.ca . Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, April 19, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary