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| **Ontario Energy Board**  P.O. Box 2319  27th Floor  2300 Yonge Street  Toronto ON M4P 1E4  Telephone: 416-481-1967  Facsimile: 416-440-7656  Toll free: 1-888-632-6273 | **Commission de l’énergie**  **de l’Ontario**  C.P. 2319  27e étage  2300, rue Yonge  Toronto ON M4P 1E4  Téléphone: 416-481-1967  Télécopieur: 416-440-7656  Numéro sans frais: 1-888-632-6273 |  |

**BY E-MAIL**

January 19, 2017

Kirsten Walli

Board Secretary

Ontario Energy Board

2300 Yonge Street, 27th Floor

Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: London Hydro Inc.**

**2017 Distribution Cost of Service Application**

**Board File Number EB-2016-0091**

**Submission of Proposed Issues List**

In accordance with Procedural Order No. 1 issued on November 25, 2016, please find attached the proposed issues for this proceeding.

Yours truly,

*Original Signed By*

Harold Thiessen

Ontario Energy Board staff

Case Manager – EB-2016-0091

Att.

**PROPOSED ISSUES LIST**

**EB-2016-0091**

**London Hydro Inc.**

**1.0 PLANNING**

**1.1 CAPITAL**

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

1.1.1 customer feedback and preferences;

1.1.2 productivity;

1.1.3 compatibility with historical expenditures;

1.1.4 compatibility with applicable benchmarks;

1.1.5 reliability and service quality;

1.1.6 impact on distribution rates;

1.1.7 trade-offs with OM&A spending;

1.1.8 government-mandated obligations; and

1.1.9 the objectives of London Hydro and its customers.

**1.2 OM&A**

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

1.2.1 customer feedback and preferences;

1.2.2 productivity;

1.2.3 compatibility with historical expenditures;

1.2.4 compatibility with applicable benchmarks;

1.2.5 reliability and service quality;

1.2.6 impact on distribution rates;

1.2.7 trade-offs with capital spending;

1.2.8 government-mandated obligations; and

1.2.9 the objectives of London Hydro and its customers.

**2.0 REVENUE REQUIREMENT**

**2.1** Are all elements of the revenue requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

**2.2** Has the revenue requirement been accurately determined based on these elements?

**3.0 LOAD FORECAST, COST ALLOCATION and RATE DESIGN**

**3.1** Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of London Hydro’s customers?

**3.2** Is the proposed cost allocation methodology, and are the allocations and revenue-to-cost ratios, appropriate?

**3.3** Are London Hydro’s proposals for rate design appropriate?

**3.4** Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

**3.5**     Is London Hydro’s proposal to dissolve the current microFIT class and assign microFIT/FIT customers to the GS<50 kW and GS>50 kW rate classes, based on boilerplate ratings without application of volumetric distribution rates, appropriate?

**3.6** Is London Hydro’s proposal to apply volumetric distribution rates based on gross absolute volumetric values to net metered customers appropriate?

**4.0 ACCOUNTING**

**4.1** 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?

**4.2** Are London Hydro’s proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts and the continuation of existing accounts, appropriate?