



EB-2016-0091

London Hydro Inc.

**Application for electricity distribution rates and other
charges beginning May 1, 2017**

**DECISION ON THE ISSUES LIST
January 20, 2017**

London Hydro Inc. filed a cost of service application with the Ontario Energy Board (OEB) on August 26, 2016 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 London Hydro charges for electricity distribution, to be effective May 1, 2017.

A Notice of Hearing was issued on October 17, 2016 and Procedural Order No. 1 was issued on November 25, 2016 where the OEB approved the intervenor status of the School Energy Coalition (SEC), the Vulnerable Energy Consumers Coalition (VECC), the London Property Management Association (LPMA) and the Consumers Council of Canada (CCC) and cost eligibility status for each intervenor.

Procedural Order No.1 also established the dates for filing of interrogatories and for London Hydro's reply to those interrogatories. The date for the Settlement Conference, January 25, 2017, was also established.

On January 19, 2017 OEB staff submitted a proposed Issues List which was agreed to by all parties.

Findings

The OEB has reviewed the proposed issues list as filed by OEB staff on January 19, 2017 and approves this list as filed. The approved issue list is attached as Schedule A to this decision.

IT IS THEREFORE ORDERED THAT:

1. The issues list for this proceeding, attached as Schedule A, is approved.

DATED at Toronto, January 20, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirstin Walli
Board Secretary

Schedule A

**London Hydro Inc.
2017 Distribution Cost of Service Application
Board File Number EB-2016-0091**

APPROVED ISSUES LIST

January 20, 2017

London Hydro Inc.
2017 Distribution Cost of Service Application
Board File Number EB-2016-0091
Approved Issues List

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?