

Elexicon Energy Inc.

**Application for electricity distribution rates and other
charges effective January 1, 2023**

**PROCEDURAL ORDER NO. 2
November 1, 2022**

Elexicon Energy Inc. (Elexicon Energy) filed an incentive rate-setting mechanism (IRM) application with the Ontario Energy Board (OEB) on July 28, 2022, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to its electricity distribution rates to be effective January 1, 2023.

Procedural Order No. 1, issued on September 12, 2022, approved each of the Brooklin Landowners, Consumers Council of Canada (CCC), Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC), Power Workers' Union (PWU), Small Business Utility Alliance (SBUA), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC) as intervenors in this proceeding. The OEB approved late intervention requests by Environmental Defence Canada Inc. (ED) and the Distributed Resource Coalition (DRC).

CCC, CCMBC, ED, DRC, SBUA, SEC, and VECC are eligible to apply for cost awards in relation to Elexicon Energy's requests for incremental capital funding and adjustments to Account 1595. Procedural Order No. 1 set out conditions regarding cost awards as well as dates for interrogatories by parties and OEB staff. Most intervenors and OEB staff filed interrogatories by September 29, 2022. Elexicon Energy filed its interrogatory responses on October 18, 2022.

Given the complexity of the incremental capital funding proposals and the relatively mechanistic IRM portion of the application, the OEB finds it appropriate to bifurcate the application into two phases.

Phase 1 – Incentive rate-setting Mechanism (IRM)

In Phase 1, the OEB will deal with the mechanistic IRM portion of the application by written hearing. Those IRM elements include: (i) the Price Cap adjustment, (ii) the review and disposition of Group 1 deferral and variance account balances, (iii) retail transmission service rates, (iv) shared tax adjustments, and (v) review and disposition of the lost revenue adjustment mechanism variance account.

Phase 2 – Incremental Capital Module (ICM)

In Phase 2, the OEB will deal with the three ICM requests. The OEB finds that some interrogatory responses related to the ICM requests require further discovery and clarification. The OEB has determined that a technical conference for parties to ask clarification questions on ICM-related interrogatory responses is necessary. The transcript from the technical conference will provide a more complete record and assist the OEB in its determination of the application. Any questions asked during the technical conference need to be related to an interrogatory response currently on the record.

Type of Hearing

The OEB has decided to hear Phase 1 by way of a written hearing and has established the procedural steps for Phase 1.

The OEB has yet to decide on a written or oral hearing for Phase 2. Following the technical conference, the OEB will permit all parties to file a submission as to whether one or more of the ICM requests in Phase 2 should proceed via: (i) an oral hearing or (ii) written submissions. The OEB is open to considering different hearing types for each of the three ICM requests.

After reviewing the transcript of the technical conference, undertaking responses from the technical conference, and considering the submissions of parties on the type of hearing, the OEB will decide subsequent procedural steps for the three ICM requests in Phase 2 of the proceeding.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

1. Any written submission by OEB staff and intervenors on the Phase 1 IRM portion of the application shall be filed with the OEB and served on all other parties by **November 15, 2022**.
2. Any reply submission from Elexicon Energy on the IRM portion of the application shall be filed with the OEB and served on all intervenors by **November 25, 2022**.
3. A transcribed technical conference will be held on **January 12, 2023**, starting at 9:30 a.m. to clarify any matters arising from the ICM interrogatories only. If required, the technical conference will continue on **January 13, 2023**. The

technical conference will be held virtually. Details and instructions regarding participation will be circulated in advance of the technical conference.

4. Elexicon Energy shall file with the OEB complete written responses to any undertakings from the technical conference and serve them on all intervenors by **January 20, 2023**.
5. OEB staff and all parties may file a submission on the type of hearing (written/oral) for each of the three ICM requests in the application (i.e. The Whitby Smart Grid ICM funding request, the Advanced Distribution Management System ICM funding request for the Veridian rate zone related to the Whitby Smart Grid, and the Sustainable Brooklin ICM funding request) by **January 25, 2023**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2022-0024** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Birgit Armstrong at birgit.armstrong@oeb.ca and OEB Counsel, Lawren Murray at lawren.murray@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **November 1, 2022**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar