



Tillsonburg Hydro Inc.

**Application for electricity distribution rates beginning
May 1, 2024**

**PROCEDURAL ORDER NO. 1
June 20, 2024**

Tillsonburg Hydro Inc. (Tillsonburg Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on April 30, 2024, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Tillsonburg Hydro charges for electricity distribution, beginning May 1, 2024.

A Notice of Hearing was issued on May 24, 2024. Energy Probe Research Foundation (Energy Probe) and the Vulnerable Energy Consumers Coalition (VECC) applied for intervenor status and cost eligibility.

No objection to these requests was received from Tillsonburg Hydro.

Energy Probe and VECC are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. The OEB finds that Energy Probe and VECC are eligible to apply for an award of costs under the OEB's [Practice Direction on Cost Awards](#).

Energy Probe and VECC should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party unless a compelling reason is provided when cost claims are filed.

Energy Probe and VECC are advised that this application is part of the OEB intervenor budget pilot project. The budget for each cost eligible intervenor will be \$20,000. Further details on this intervenor budget pilot project are set out in the OEB's 2025 Filing Requirements [letter](#) issued on April 11, 2024.

Being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed. Cost awards are made by way of OEB order at the end of a hearing.

Very Small Utility Pilot

The OEB has initiated a pilot process aimed at reducing the regulatory burden associated with filing and reviewing major rate applications for very small utilities (i.e., electricity distributors with fewer than 5,000 customers).¹ Tillsonburg Hydro has approximately 8,000 customers.

Tillsonburg Hydro has requested that the OEB pilot a version of its streamlined process for very small utilities for its application. Specifically, Tillsonburg Hydro has asked for the possibility of skipping the discovery process and proceeding to a settlement conference by including the one-day meeting that the OEB will pilot with very small utilities. Tillsonburg Hydro stated that the one-day meeting before the discovery process would allow it, OEB staff and intervenors to discuss the application and the possibility of skipping discovery and moving to a settlement conference.

The OEB received two letters of comment that questioned whether it is appropriate for the streamlined process for very small utilities to be applied to Tillsonburg Hydro's application. One [letter](#) noted that Tillsonburg Hydro has more than 5,000 customers. The other [letter](#) submitted that a thorough investigation of the evidence should be done and that there should be no skipping of discovery steps.

While Tillsonburg Hydro is slightly higher than the threshold of 5,000 customers for the VSU, the OEB is providing for the streamlined process, including a one-day meeting before any discovery process, given the opportunity to learn whether such an approach can lead to regulatory efficiencies. No determination has been made yet to limit the extent of discovery on any issue, as discussed in the Issues Meeting section below.

Requested Blackout Period

On May 30, 2024, Tillsonburg Hydro filed a letter with the OEB requesting a blackout period from July 8, 2024 – July 26, 2024, due to the availability of legal and consulting resources during this time. The OEB grants this request. The application will be paused in accordance with the OEB's [Protocol for Adjusting Adjudicative Timelines](#).

Issues Meeting

This application will follow the streamlined process currently being piloted with very small utilities that aims to reduce the regulatory burden associated with filing and reviewing rate rebasing applications. The OEB is scheduling a one-day Issues Meeting prior to the discovery process where Tillsonburg Hydro, OEB staff, and intervenors will discuss the application and seek agreement on (i) an Issues List for the application that

¹ <https://www.rds.oeb.ca/CMWebDrawer/Record/846969/File/document>

sets out issues that are relevant to the application; and (ii) an Interrogatory Issues List that sets out issues that require further discovery. If Tillsonburg Hydro, OEB staff, and intervenors agree that there are no issues on the Interrogatory Issues List, then the proceeding could, if the OEB agrees, move directly to a settlement conference.

During the Issues Meeting, OEB staff will also canvas parties for any unique issues that should be proposed beyond the standard [Issues List](#) for electricity distribution rate applications.

Following the Issues Meeting, OEB staff will file an Issues Meeting Letter notifying the OEB of the result including whether parties propose to use the standard Issues List, an amended Issues List, or whether there was no agreement on the Issues List. OEB staff will also file an Interrogatory Issues List where there is agreement amongst the parties or advise as to areas of disagreement in this regard, and advise the OEB of any updates/corrections Tillsonburg Hydro intends to file to its application evidence, as well as any alternative case schedules proposed by the parties. The OEB will approve an Issues List and Interrogatory Issues List prior to next steps in the proceeding.

Interrogatories

The OEB is scheduling time for written interrogatories for any issues included on the approved Interrogatory Issues List. In preparing interrogatories, intervenors and OEB staff should refer to the OEB's approved Interrogatory Issues List. Parties should consult Rules 26 and 27 of the OEB's [Rules of Practice and Procedure](#) regarding required naming and numbering conventions and other matters related to interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

Parties should examine the value presented by the proposed investments as opposed to focusing only on the costs. Parties should also assess the fit between the applicant's plans and its stated objectives and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five-year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. Parties should use the materiality thresholds documented in Chapter 2 of the Filing Requirements as a guide. In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Settlement Conference

The OEB is making provision for a settlement conference on the application. Following the settlement conference, provision is being made for the filing of (i) a letter advising on the status of the settlement discussions; (ii) any settlement proposal arising from the settlement conference, whether full or partial; (iii) comments from OEB staff on any settlement proposal; and (iv) submissions on the process for hearing any unsettled issues to be adjudicated by the OEB.

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

IT IS THEREFORE ORDERED THAT:

1. An Issues Meeting among the parties and OEB staff will be convened on **July 30, 2024**, starting at 9:30 a.m. This will be a virtual event and information on how to participate will be provided in advance.
2. At the conclusion of the Issues Meeting, OEB staff shall file a letter advising the OEB of any updates/corrections Tillsonburg Hydro intends to file, a proposed Issues List and Interrogatory Issues List if agreed to by all parties, and any alternative case schedules proposed by the parties by **August 2, 2024**.
3. OEB staff and intervenors shall request any additional relevant information and documentation from Tillsonburg Hydro that relates to one or more issues included on the Interrogatory Issues List, by written interrogatories filed with the OEB and served on all parties by **August 14, 2024**.
4. Tillsonburg Hydro shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors by **September 4, 2024**.
5. A settlement conference amongst the parties and OEB staff will be convened on **September 16, 2024**, starting at 9:30 a.m. If necessary, the settlement conference will continue on **September 17, 2024**. This will be a virtual event and information on how to participate will be provided in advance.

6. If there is no settlement proposal arising from the settlement conference, Tillsonburg Hydro shall file a statement to that effect with the OEB by **September 24, 2024**. In that event, parties shall file with the OEB and serve on the other parties by **September 27, 2024**, any submissions on the process for hearing all issues in the application.
7. If there is a settlement proposal, that proposal shall be filed with the OEB on or before **October 11, 2024**. On that same date, if there is only a partial settlement, parties shall file with the OEB and serve on the other parties any submissions on the process for hearing the unsettled issues.
8. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties by **October 18, 2024**.

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-2023-0053** 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 at the address below 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, Petar Prazic at Petar.Prazic@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, **June 20, 2024**

ONTARIO ENERGY BOARD

By delegation, before: Nancy Marconi

Nancy Marconi
Registrar

SCHEDULE A
PROCEDURAL ORDER NO. 1
TILLSONBURG HYDRO INC.
EB-2023-0053
DATED: June 20, 2024

Tillsonburg Hydro Inc.
EB-2023-0053

APPLICANT & LIST OF INTERVENORS

June 20, 2024

APPLICANT	Rep. and Contact Information for Service
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INTERVENORS	Rep. and Contact Information for Service
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June 20, 2024

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**Vulnerable Energy
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