



Essex Powerlines Corporation

Application for new deferral account and electricity distribution rates and other charges beginning January 1, 2025

PROCEDURAL ORDER NO. 2 **July 17, 2024**

Essex Powerlines Corporation filed an application on February 16, 2024 seeking approval to establish a new deferral account to capture commodity costs that exceed the cost of power for any kWh procured by Essex Powerlines through its Distribution System Operator Pilot Project (DSO Pilot Project).¹ Essex Powerlines also requested approval of two sub-accounts to track local capacity costs (net of funding) and energy costs (net of funding and Hourly Ontario Energy Price). As the DSO Pilot Project is currently underway, Essex Powerlines is requesting that the new account be effective from February 19, 2024, to March 31, 2026. The OEB assigned EB-2024-0096 to the application.

Essex Powerlines filed a separate application on May 1, 2024, seeking approval for changes to the rates that Essex Powerlines charges for electricity distribution, beginning January 1, 2025. The OEB assigned EB-2024-0022 to the application.

The OEB determined that both applications would be combined into one proceeding and that an accelerated procedural schedule would be followed to address Essex Powerlines' request for a new deferral account and sub-accounts.

In Procedural Order No. 1 (PO 1) dated June 12, 2024, the OEB provided for, among other matters, a settlement conference on July 4, 2024, in connection with the deferral account application.

¹ Essex Powerlines received approval and funding through the IESO's Grid Innovation Fund and regulatory support from the OEB Innovation Sandbox. The DSO Pilot Project aims to alleviate known constraints on the distribution system, in the Leamington area.

Essex Powerlines, OEB staff², SEC and VECC attended the settlement conference. HONI, an intervenor in this proceeding did not participate in the settlement conference.

On July 8, 2024, the OEB received a letter from Essex Powerlines on the status of the settlement discussions. Essex Powerlines noted that parties had reached a tentative, time-limited partial settlement proposal and jointly proposed an accelerated schedule for the remaining procedural steps related to the deferral account application once the settlement proposal was filed. The proposed schedule provided for Essex Powerlines filing its argument-in-chief within 24 hours after the filing of the settlement proposal, followed by submissions from OEB staff and intervenors on unsettled matters within 9 days and Essex Powerlines' reply submission due 7 days thereafter.

Late in the afternoon of July 12, 2024, Essex Powerlines submitted a partial settlement proposal that partially addressed issues 7.4 and 7.5 of the OEB-approved Issues List. In a letter filed Monday, July 15, 2024, Essex Powerlines advised that it would file its argument-in-chief by July 16, 2024. The OEB is now in receipt of the Essex Powerlines argument-in-chief, filed on July 16, 2024. The OEB has reviewed Essex Powerlines' request related to scheduling and approves the proposed approach outlined in the July 8, 2024 letter filed by Essex Powerlines. The remaining procedural steps for the deferral account portion of the application are set out below.

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. Intervenors and OEB staff shall file their written submissions on unsettled issues related to the proposed deferral account and serve them on all other parties by **July 25, 2024**. The OEB staff submission shall include its submission on the partial settlement proposal pursuant to section 11 of the OEB's *Practice Direction on Settlement Conferences*.
2. Essex Powerlines shall file its reply submission with the OEB and serve it on all parties by **August 1, 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

² Pursuant to section 11 of the OEB's *Practice Direction on Settlement Conferences*, OEB staff is not a party to the Settlement Proposal.

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 numbers, **EB-2024-0022** and **EB-2024-0096** 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 the deferral account application, parties must include the Case Manager, Helena Wang at Helena.Wang@oeb.ca. For all electronic correspondence and materials relating to the cost of service application, parties must include Amber Goher at Amber.Goher@oeb.ca and OEB Counsel, James Sidlofsky at James.Sidlofsky@oeb.ca.

Email: registrar@oeb.ca

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

DATED at Toronto, **July 17, 2024**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar