



Ontario | Commission
Energy | de l'énergie
Board | de l'Ontario

BY EMAIL AND WEB POSTING

April 1, 2025

**To: All Licensed Electricity Distributors
All Rate-Regulated Natural Gas Utilities
All Other Interested Parties**

**Re: Stakeholder Engagement on Spending Pattern Analysis
Invitation to Participate
OEB File Number: EB-2025-0108**

The Ontario Energy Board (OEB) is initiating a consultation to engage interested stakeholders in a review of electricity distributors' spending patterns. The Spending Pattern Analysis (SPA) consultation will improve the OEB's regulatory oversight of spending trends and capitalization policies in Ontario's electricity sector. The SPA consultation is part of the OEB's commitment to refining cost assessment models and strengthening regulatory frameworks.¹

OEB has retained Pacific Economics Group Research, LLC (PEG) to conduct research, administer surveys, and facilitate discussions. Working under the oversight of OEB staff, PEG will soon begin to engage with stakeholders for review and feedback.

Consultation Format

This consultation will involve three phases:

¹ The OEB's June 2023 Report to the Minister of Energy, entitled, [Improving Distribution Sector Resilience, Responsiveness and Cost Efficiency](#), proposed the "Enabling of Capacity Through Cost Efficiency" as a desired regulatory outcome in the OEB's broader review of its incentive rate-setting mechanisms, and identified the analysis of distributors' spending patterns (i.e. SPA) as an opportunity to enable this outcome.

Phase 1 - Stakeholder Meeting Kickoff

- The consultation will begin with a virtual stakeholder meeting on **April 25, 2025**, from **9:30 a.m.** to **11:00 a.m.**
- This 90-minute consultation kick-off meeting will cover topics about the SPA analysis and answer questions to ensure all stakeholders have the necessary background information about the analysis before surveys and interviews begin. Approximately 30 minutes will be dedicated to presenting key information on capitalization policies and spending patterns, followed by 60 minutes for stakeholder questions and discussion.
- An agenda and presentation materials, including discussion questions, will be posted in advance of the meeting on the OEB's [SPA Consultation Engage with Us](#) page.

Phase 2 - Surveys and Interviews

- PEG will use surveys and interviews to gather detailed insights into how spending decisions are made across the sector.
- Surveys will be distributed on **May 2, 2025**, and stakeholders will have until **May 9, 2025**, to share their responses. Responses will be kept anonymous and used to identify industry-wide trends.
- PEG will contact a sampling of stakeholders on **May 12, 2025**, for follow-up interviews. These stakeholders will have until **May 16, 2025**, to provide input to PEG through these interviews.
- All stakeholders will have until **May 20, 2025**, to provide written comments to the OEB regarding any additional feedback or suggestions about the overall SPA consultation.

Phase 3 - Initial Report of the Board

It is expected that an initial report of the board outlining the feedback compiled from phase 2 of the consultation as well as the proposed changes will be produced and circulated amongst stakeholders for them to provide further written feedback on **July 15, 2025**. Stakeholders will have until **August 1, 2025**, to provide input on this report.

Invitation to Participate

Stakeholders wanting to participate in the consultation are asked to email notice of their intention to registrar@oeb.ca by **April 14, 2025**, with “EB-2025-0108: SPA Consultation Participation” in the e-mail subject line. Letters should include:

- Full Name of organization/participant,
- Name(s) of attendees to register,
- A contact name, telephone number and email address, and
- A statement as to whether the participant is requesting cost eligibility.

PEG will reach out directly to registered participants with details on survey distribution and one-on-one discussions.

Stay Informed

Interested stakeholders are encouraged to visit the OEB’s Engage with Us page and sign up to receive future communications regarding the [Spending Pattern Analysis](#) consultation. Instructions on how to sign into the stakeholder meeting will be provided in due course.

Cost Award Matters

Cost awards will be available to eligible participants under Section 30 of the *Ontario Energy Board Act, 1998* for participation in the consultation. Participants intending to request an award of costs must file a written submission to that effect by **April 14, 2025**.

Costs awarded will be recovered from all licensed rate-regulated electricity distributors. Further information regarding cost awards is included in Appendix A to this letter. Any questions relating to this letter can be directed to performance_reporting@oeb.ca.

You can also contact the OEB through our toll-free number: 1-888-632-6273.

Yours truly,

Kevin Mancherjee
Director, Operations Decision Support

Appendix A: Cost Award Matters

Appendix A Cost Award Matters

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with guidelines outlined in the [Practice Direction on Cost Awards](#). Anyone seeking to request an award of costs must submit a written request to the OEB by **April 14, 2025**.

The submission must outline the reasons why the person believes they qualify for a cost award, addressing the OEB criteria for cost eligibility as specified in section 3 of the [Practice Direction on Cost Awards](#). Additionally, the submission must include an explanation of any other available funding sources accessible to the person.

Furthermore, it should include the name and qualifications of any lawyer, analyst or consultant the person intends to retain, if known.

All requests for eligibility for cost awards will be published on the OEB's [website](#). As stated above, costs for all stages of the consultation will be recovered from rate-regulated electricity distributors, therefore if a rate-regulated electricity distributor objects to any of the requests for cost eligibility, those objections must be submitted to the OEB by **April 18, 2025**. Any objections will be posted on the OEB's website. The party whose cost eligibility was objected to will have until **August 15, 2025**, to file with the OEB a reply submission as to why its cost eligibility should be approved.

The OEB will subsequently make a final decision regarding the eligibility for costs of the participants who have made requests.

Eligible Activities

The activities eligible for cost awards are:

Activities Eligible for Cost Awards	Maximum Number of Hours
Preparation for the April 25, 2025, stakeholder meeting	2 hours
Attendance and participation in the April 25, 2025, stakeholder meeting	1.5 hours
Completion of surveys (May 9, 2025)	2 hours
Attendance at follow-up interview session (applicable only to those contacted by PEG for follow-up interviews) (May 16, 2025)	2 hours
Provide written comments (May 20, 2025)	2 hours
Provide written comments on the draft report of the board (August 1, 2025)	3 hours

Cost Award Amounts

Further information regarding any subsequent consultation activities eligible for cost awards will be communicated later.

When calculating the amount of the cost awards, the OEB will adhere to the principles outlined in section 5 of its [Practice Direction on Cost Awards](#). The maximum hourly rates set out in the Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and co-ordinate their participation in this process. As per section 12 of its [Practice Direction on Cost Awards](#), the OEB will serve as the central entity for all disbursements of cost awards in this process. For further details about this process, please refer to the OEB's [Practice Direction on Cost Awards](#).

Filing Instructions

Stakeholders are responsible for ensuring that any documents they file with the OEB **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-2025-0108** 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.
- Stakeholders 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 Performance, Analytics and Reporting team at performance_reporting@oeb.ca and the Case Manager, Raushan Bhuiyan at Raushan.Bhuiyan@oeb.ca.