



Ontario
Energy
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BY EMAIL AND WEB POSTING

April 22, 2025

TO: All Participants of Incremental Capital Module (ICM) policy Consultation (EB-2024-0236)

**RE: OEB Staff Report
Review and Evaluation of the Incremental Capital Module Policy
Ontario Energy Board File No.: EB-2024-0236**

The Government of Ontario has identified that increases in expected future energy demands will drive a need for more infrastructure and for regulatory flexibility and support to facilitate this growth while protecting ratepayers. One potential way to address these needs is through the Ontario Energy Board's (OEB) Incremental Capital Module (ICM) policy. The OEB has issued an OEB Staff [Report](#) (the Report) as the next step in the consultation to undertake a review and update to its ICM policy. The consultation is seeking comments on possible changes to the ICM policy.

The Report provides a summary of the OEB's current ICM policy and possible changes to that policy. The possible changes to the ICM policy are based largely on issues that have arisen in previous ICM applications and/or ICM-related comments received during the OEB's consultation to review and update the *Handbook to Electricity Distributor and Transmitter Consolidations*. The OEB further encourages stakeholders to propose other suggested improvements to the ICM policy to facilitate regulatory efficiencies given expected future energy demands.

As the current ICM policy is spread across three documents (noted below), and possible changes being incorporated, the purpose of this consultation will be to produce a new consolidated document that outlines the OEB's ICM policy.

Stakeholders registered in this consultation are invited to attend a **May 8, 2025**, virtual session starting at 1:00 pm with OEB staff to discuss the possible changes. Invites to the virtual session will be sent to stakeholders registered in the consultation. Written comments from stakeholders on matters addressed in the Report, and any additional

proposals they believe should be incorporated into the ICM policy, are due by **May 22, 2025**.

ICM Policy Documents

Three documents collectively form the basis of the OEB's current ICM policy. Stakeholders are encouraged to reference these documents in preparation for the virtual session with OEB staff and when providing their written comments on the Report.

1. [Report of the Board – New Policy Options for the Funding of Capital Investments: The Advanced Capital Module](#) (September 2014)
2. [Report of the OEB – New Policy Options for the Funding of Capital Investments: Supplemental Report](#) (January 2016)
3. [Letter](#) (February 2022)

Cost Awards and Filing Instructions

Cost awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to eligible persons in relation to the provision of comments on the Report. Cost awarded will be recovered from all rate-regulated electricity distributors.

Additional information regarding cost awards and instructions for filing materials with the OEB is included in Appendix A to this letter.

Questions relating to this letter should be directed to Urooj Iqbal, Advisor, Incentive Rate-setting, at Urooj.Iqbal@oeb.ca.

Yours truly,

Nancy Marconi
Registrar

Appendix A

Cost Awards Matters and Filing Instructions

Eligible Activities

Cost awards will be available to participants already determined eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards* as per the OEB's September 2024 [Decision on Cost Eligibility](#)¹ as follows:

Activities Eligible for Cost Awards	Maximum Number of Hours
Attendance at stakeholder discussion session, review of OEB Staff Report and preparation of written comments	10 hours

Details on any subsequent consultation activities eligible for cost awards will be provided later.

Cost Awards

When determining the amount of the cost awards, the OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. 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 coordinate their participation in this process.

In accordance with section 12 of its *Practice Direction on Cost Awards*, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards*.

How to File Materials

All written materials sent to the OEB in response to this letter will be placed on the public record and posted on the OEB's website.

If written materials are from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), the OEB will remove any personal (i.e., not business) contact information (e.g., address, phone number and e-mail address) before placing them on

¹ EB-2024-0236, Decision on Cost Eligibility, September 24, 2024

the public record and posting them on the OEB's website. Your name and the entire content of your materials will be placed on the public record and posted on the OEB's website.

If the written materials are from a person acting in a professional or business capacity, all information in the written materials will be publicly available.

Parties are responsible for ensuring that any documents filed 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-2024-0236** 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.

Email: registrar@oeb.ca

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