

EB-2006-0266

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF cost awards in a process to determine the regulatory treatment of electricity distributors' conservation and demand management activities in 2007 and beyond.

BEFORE: Gordon Kaiser

Vice-Chair

Pamela Nowina Vice-Chair

DECISION AND ORDER ON COST AWARDS

May 16, 2007

Background

On December 11, 2006 the Ontario Energy Board (the "Board") issued a letter to interested parties giving notice of the process that the Board intended to use in relation to the development of a regulatory framework for conservation and demand management activities by electricity distributors in 2007 and beyond. That letter also notified interested parties that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act*, 1998 (the "Act") in relation to their participation in this project, and that any costs awarded would be recovered from licensed electricity distributors.

Requests for cost eligibility had to be made in writing to the Board by December 22, 2006. Eight requests for cost eligibility were received by the Board and were posted on the Board's website. Distributors were given an opportunity to object to any of the requests for cost eligibility. No objections were received from any distributor.

The Board issued a Decision on Cost Eligibility on February 5, 2007, that granted cost eligibility to seven of the stakeholder groups and denied cost eligibility to the eighth stakeholder group. The seven stakeholder groups eligible to receive cost awards are: the Consumers Council of Canada, Energy Probe Research Foundation, Green Energy Coalition, London Property Management Association, Pollution Probe, School Energy Coalition, and the Vulnerable Energy Consumers Coalition (collectively, the "eligible parties").

The Board determined that the Electricity Distributors Association (the "EDA"), as an association of electricity distributors, which were deemed participants in the process, was not eligible for cost awards.

On March 26, 2007, the Board issued its Notice of Hearing for Cost Awards in relation to this consultation process (the "Notice"). The Notice was sent to all distributors and to the eligible parties. The Notice directed the eligible parties to file their cost claims with the Board by April 13, 2007. Licensed electricity distributors were given until April 27, 2007, to file objections to any aspect of the costs claimed. The eligible parties were given until May 4, 2007, to make a supply submission as to why its cost claim should be allowed.

The following eligible parties submitted cost claims by April 13, 2007: Energy Probe Research Foundation, Green Energy Coalition, London Property Management Association, Pollution Probe, and the Vulnerable Energy Consumers Coalition.

No objections to the cost claims were received by the Board.

The Board also received a cost claim from the EDA, which the Board previously found was not eligible for an award of costs in this process.

Process for Paying the Cost Awards

As stated in the Notice, the Board will use the process set out in section 12 of the Practice Direction to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards relating to this consultation process.

Distributors shall pay the amounts prescribed by Appendix A when they receive the invoices for cost awards. The invoices will be sent out at the same time that the cost assessments made under section 26 of the Act are sent out and the payment of the cost award shall be due the same time the cost assessments are due. In the Notice, the Board stated that it would not send out any payments for the cost awards to eligible parties until all licensed distributors have paid the invoiced amounts. The Board has now determined that it will not send out any payments for the cost awards to the eligible parties until at least 80% of the total amount owed by the distributors has been received by the Board.

The Board recognizes that the amounts listed in Appendix A are quite small. The Board notes that there will be a number of cost awards that will be paid at the same time as these cost awards (i.e., the invoice that is sent out for cost awards at the same time as the cost assessments will cover more than just this process). Distributors can therefore write one cheque that will cover all the cost awards in the invoice instead of having to write a cheque for the small amounts listed in Appendix A.

Board Findings on the Cost Claims of the Eligible Parties

The Board has reviewed the cost claims and finds that the cost claims filed by Energy Probe Research Foundation, Green Energy Coalition, London Property Management Association, and the Vulnerable Energy Consumers Coalition are all within the

approved overall limits set by the Board. The Board therefore finds that Energy Probe Research Foundation, Green Energy Coalition, London Property Management Association, and the Vulnerable Energy Consumers Coalition are entitled to 100% of their reasonably incurred costs of participating in this process.

The Board notes that a portion of the cost claim for Pollution Probe, and the complete cost claim for the EDA, includes amounts for a separate but related process: the EB-2006-0267 Revenue Stabilization Proposal process. The Board did not state that it would provide for cost awards in that process, and the Board will not provide for cost awards in that process. Pollution Probe's cost claim will therefore be reduced to remove the costs that relate to EB-2006-0267. Subject to this reduction, the Board finds that Pollution Probe is entitled to all of its reasonably incurred costs of participating in EB-2006-0266.

As noted above, the Board did not state that it would provide for cost awards in EB-2006-0267, and the Board will not provide for cost awards in that process. Accordingly, the EDA's cost claim is denied.

THE BOARD THEREFORE ORDERS THAT:

- The amounts to be paid to each of the eligible parties by each individual distributor are listed in Appendix A, which is attached to this decision and order.
- 2. The individual distributors listed in the attached Appendix A shall pay the costs of the eligible parties as set out in the attached Appendix A (and as is listed in the invoice sent out to the distributors) at the same time that the cost assessments made under section 26 of the Act are due.
- 3. The distributors shall pay the amounts listed in the attached Appendix A to the Ontario Energy Board.

ISSUED at Toronto, May 16 2007 **ONTARIO ENERGY BOARD**

Original Signed By

Gordon Kaiser Vice Chair

Original Signed By

Pamela Nowina Vice Chair

Appendix A to the Board's Decision and Order on Cost Awards

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EB-2006-0266
Regulatory Treatment of Electricity Distributors' Conservation and Demand Management Activities in 2007 and Beyond

Electricity Distributor	Green Energy Coalition	Energy Probe Research Foundation	Pollution Probe	London Property Management Association	Vulnerable Energy Consumers Coalition	Total Payable:
A.11. 1. 1. 1. 1.	0.04	0.04	2.22	0.40	0.74	0.50
Attikokan Hydro Inc.	0.31	0.64	0.36	0.48	0.71	2.50
Attawapiskat Power Corp.	0.35	0.73	0.41	0.54	0.81	2.85
Barrie Hydro Distribution Inc.	15.43	32.41	18.16	24.13	35.98	126.10
Bluewater Power Distribution Corp.	6.56	13.77	7.72	10.25	15.29	53.59
Brant County Power Inc.	2.09	4.39	2.46	3.27	4.87	17.08
Brantford Power Inc.	6.58	13.82	7.75	10.29	15.35	53.79
Burlington Hydro Inc.	13.04	27.40	15.35	20.41	30.42	106.62
COLLUS Power Corp.	1.81	3.81	2.13	2.84	4.23	14.83
Cambridge and North Dumfries Hydro Inc.	9.79	20.56	11.52	15.31	22.83	80.01
Canadian Niagara Power Inc.	5.54	11.64	6.52	8.66	12.92	45.27
Centre Wellington Hydro Ltd.	1.19	2.50	1.40	1.86	2.78	9.74
Chapleau Public Utilities Corp.	0.22	0.46	0.26	0.34	0.51	1.79
Chatham-Kent Hydro Inc.	5.98	12.55	7.03	9.35	13.94	48.85
Clinton Power Corp.	0.21	0.44	0.25	0.33	0.49	1.71
Cooperative Hydro Embrun Inc.	0.23	0.49	0.27	0.36	0.54	1.90
Cornwall Street Railway Light and Power	5.43	11.41	6.39	8.50	12.67	44.40
Company Ltd.		2.42			2.1.1	0.40
Dutton Hydro Ltd.	0.06	0.12	0.07	0.09	0.14	0.48
E.L.K. Energy Inc.	1.41	2.97	1.66	2.21	3.30	11.56
ENWIN Powerlines Ltd.	17.76	37.31	20.90	27.78	41.42	145.18
Enersource Hydro Mississauga Inc.	50.38	105.84	59.30	78.82	117.50	411.85
Erie Thames Powerlines Corp.	2.65	5.57	3.12	4.15	6.19	21.68
Espanola Regional Hydro Distribution Corp.	0.45	0.94	0.53	0.70	1.04	3.65
Essex Powerlines Corp.	4.27	8.96	5.02	6.67	9.95	34.87
Festival Hydro Inc.	4.08	8.57	4.80	6.38	9.51	33.33
Fort Albany Power Corp.	0.25	0.52	0.29	0.38	0.57	2.01

	Green	Energy Probe		London Property	Vulnerable Energy	
	Energy	Research	Pollution	Management	Consumers	Total
Electricity Distributor	Coalition	Foundation	Probe	Association	Coalition	Payable:
Fort Frances Power Corp.	0.65	1.36	0.76	1.01	1.51	5.28
Grand Valley Energy Inc.	0.08	0.17	0.09	0.13	0.19	0.66
Great Lakes Power Ltd.	6.17	12.97	7.27	9.66	14.40	50.46
Greater Sudbury Hydro Inc.	7.99	16.79	9.41	12.50	18.64	65.32
Grimsby Power Inc.	1.44	3.03	1.70	2.26	3.37	11.81
Guelph Hydro Electric Systems Inc.	10.47	22.00	12.32	16.38	24.42	85.59
Haldimand County Hydro Inc.	4.35	9.15	5.12	6.81	10.15	35.59
Halton Hills Hydro Inc.	4.11	8.63	4.83	6.42	9.58	33.56
Hearst Power Distribution Company Ltd.	0.28	0.58	0.33	0.44	0.65	2.27
Horizon Utilities Corporation	39.06	82.05	45.97	61.10	91.09	319.28
Hydro 2000 Inc.	0.14	0.30	0.17	0.22	0.33	1.16
Hydro Hawkesbury Inc.	0.55	1.15	0.64	0.85	1.27	4.46
Hydro One Brampton Networks Inc.	27.62	58.02	32.51	43.21	64.41	225.77
Hydro One Networks Inc. (incl. remote communities)	342.25	718.98	402.82	535.39	798.16	2,797.59
Hydro Ottawa Ltd.	44.13	92.71	51.94	69.04	102.92	360.76
Innisfil Hydro Distribution Systems Ltd.	2.67	5.62	3.15	4.18	6.24	21.86
Kashechewan Power Corp.	0.34	0.72	0.40	0.54	0.80	2.80
Kenora Hydro Electric Corporation Ltd.	0.67	1.42	0.79	1.06	1.57	5.52
Kingston Electricity Distribution Ltd.	3.93	8.25	4.62	6.14	9.16	32.09
Kitchener-Wilmot Hydro Inc.	15.33	32.21	18.05	23.99	35.76	125.34
Lakefront Utilities Inc.	2.12	4.46	2.50	3.32	4.95	17.35
Lakeland Power Distribution Ltd.	1.92	4.03	2.26	3.00	4.47	15.68
London Hydro Inc.	21.66	45.51	25.50	33.89	50.52	177.07
Middlesex Power Distribution Corp.	1.14	2.40	1.35	1.79	2.67	9.36
Midland Power Utility Corp.	1.30	2.73	1.53	2.03	3.03	10.61
Milton Hydro Distribution Inc.	4.60	9.67	5.42	7.20	10.73	37.62
Newbury Power Inc.	0.02	0.04	0.02	0.03	0.05	0.17
Newmarket Hydro Ltd.	6.36	13.37	7.49	9.95	14.84	52.01
Niagara Falls Hydro Inc.	6.72	14.12	7.91	10.52	15.68	54.95
Niagara-on-the-Lake Hydro Inc.	1.83	3.85	2.16	2.87	4.28	15.00
Norfolk Power Distribution Inc.	3.96	8.32	4.66	6.19	9.24	32.37
North Bay Hydro Distribution Ltd.	4.06	8.52	4.77	6.35	9.46	33.16
Northern Ontario Wires Inc.	1.01	2.12	1.19	1.58	2.36	8.26

	Green	Energy Probe		London Property	Vulnerable Energy	
Floatuicity Distributor	Energy	Research	Pollution	Management	Consumers	Total
Electricity Distributor Oakville Hydro Electricity Distribution Inc.	Coalition 12.87	Foundation 27.05	Probe 15.15	Association 20.14	Coalition 30.02	Payable: 105.24
Orangeville Hydro Ltd.	1.96	4.12	2.31	3.07	4.58	16.05
Orillia Power Distribution Corp.	3.12	6.55	3.67	4.87	7.27	25.47
Oshawa PUC Networks Inc.	8.46	17.77	9.95	13.23	19.72	69.13
Ottawa River Power Corp.	1.84	3.86	2.16	2.88	4.29	15.03
PUC Distribution Inc.	5.34	11.21	6.28	8.35	12.44	43.61
Parry Sound Power Corp.	0.78	1.63	0.20	1.21	1.81	6.35
Peninsula West Utilities Ltd.	4.06	8.53	4.78	6.35	9.47	33.19
Peterborough Distribution Inc.	6.61	13.88	7.78	10.34	15.41	54.01
PowerStream Inc.	51.65	108.50	60.79	80.80	120.45	422.20
Renfrew Hydro Inc.	0.66	1.38	0.77	1.03	1.53	5.38
Rideau St. Lawrence Distribution Inc.	0.80	1.67	0.94	1.25	1.86	6.51
Sioux Lookout Hydro Inc.	0.63	1.31	0.74	0.98	1.46	5.12
St. Thomas Energy Inc.	2.72	5.71	3.20	4.25	6.34	22.21
Tay Hydro Electric Distribution Company Inc.	0.64	1.35	0.76	1.01	1.50	5.25
Terrace Bay Superior Wires Inc.	0.21	0.45	0.25	0.34	0.50	1.75
Thunder Bay Hydro Electricity Distribution Inc.	7.71	16.20	9.08	12.06	17.98	63.03
Tillsonburg Hydro Inc.	0.85	1.78	1.00	1.32	1.97	6.91
Toronto Hydro-Electric System Ltd.	226.20	475.17	266.22	353.84	527.51	1,848.94
Veridian Connections Inc.	19.79	41.57	23.29	30.95	46.14	161.74
Wasaga Distribution Inc.	1.32	2.76	1.55	2.06	3.07	10.75
Waterloo North Hydro Inc.	10.54	22.14	12.41	16.49	24.58	86.16
Welland Hydro-Electric System Corp.	2.54	5.33	2.99	3.97	5.92	20.75
Wellington North Power Inc.	0.56	1.17	0.66	0.87	1.30	4.55
West Coast Huron Energy Inc.	0.58	1.22	0.69	0.91	1.36	4.76
West Nipissing Energy Services Ltd.	0.41	0.85	0.48	0.64	0.95	3.32
West Perth Power Inc.	0.33	0.70	0.39	0.52	0.78	2.72
Westario Power Inc.	3.45	7.25	4.06	5.40	8.05	28.20
Whitby Hydro Electric Corp.	8.81	18.51	10.37	13.78	20.55	72.03
Woodstock Hydro Services Inc.	2.57	5.39	3.02	4.02	5.99	20.98
Total:	1,113.00	2,338.10	1,309.95	1,741.08	2,595.60	9,097.73