

# 2006 Electricity Distribution Rates Project

## Results of Issues Conference

### September 8 and 9, 2004 at the Ontario Science Centre

A meeting of stakeholders in the 2006 EDR project was chaired by Board Staff on September 8 and 9, 2004 at the Ontario Science Centre. Stakeholders worked together to create a revised, more flexible process for consideration of the issues to be dealt with in this project, and the Board has agreed to accommodate the stakeholder consensus on the revised process.

#### 1. Issues discussed

In order to write the Rate Handbook that will act as a guideline for rate policy and filing requirements for 2006 distribution rates, several issues need to be resolved. Board Staff prepared and issued a preliminary discussion paper which sets out a starting point for the discussion of each issue. This preliminary discussion paper is available on the Board's website at [http://www.oeb.gov.on.ca/html/en/industryrelations/ongoingprojects\\_EDR.htm](http://www.oeb.gov.on.ca/html/en/industryrelations/ongoingprojects_EDR.htm).

At the conference, Board staff led the discussion on the issues, hearing the views of distributors and other stakeholders. It was the general preference that no decision be made immediately as to what issues should be dealt with through an evidentiary process and what issues could proceed through discussion in working groups. All issues will be discussed in working groups in order to clarify the breadth of the issue, and form a preliminary position on the content of each section of the Rate Handbook.

#### 2. Working Groups formed

Three working groups, each of about 35 members, were formed:

- Revenue requirement and rate base
- Rate design
- Comparators and cohorts.

The initial meeting for each group was held on the second day of the conference. During that meeting, the group selected an executive to co-ordinate the work of the group. The executive of each group established subgroups to conduct intensive work on certain sections of the Handbook. The executive of each group met on September 15, 2004 at the Board's offices. A list of the groups, executives and subgroups is attached as an Appendix to this document.

The Working Groups face two important tasks:

- i) By October 6, 2004, provide sufficient information to stakeholders to enable them to

decide whether evidence will need to be called on an issue. The group will need to:

- establish the scope of the issues involved in writing the Handbook chapters
- to the extent possible, articulate a preliminary consensus for each issue
- articulate options, where there is no consensus on an issue
- recommend whether an issue should continue in the Working Groups or go to a more formal hearing. Stakeholders who wish to take an issue to the evidentiary hearing must be prepared to file evidence on that issue.

ii) By mid-November, produce a first draft of the Rate Handbook for consideration by the entire stakeholder group.

### 3. Looking forward

The following are dates in 2004 that Board staff propose for key events in the process:

- September 15: Executive of Working Groups met, developed a work plan for the writing of the Rate Handbook, and work began.
- October 6: Working Group executives present the work in progress to stakeholders. Stakeholders determine on which issues, if any, they wish to call evidence.
- October 12: Issues Day. Board staff and stakeholders present the plan for each issue to the Board, and seek rulings where necessary.
- November 15: Working groups distribute first draft of the Handbook to all stakeholders. Evidence filed for any matters that need to be decided through a hearing process.
- November 22-23: All stakeholders meet to provide feedback to the Working Groups.

After the general meeting on November 22 and 23, a revised Handbook will be drafted by Board staff, in consultation with the Working Groups. Unresolved issues in the Handbook may be resolved in an Alternate Dispute Resolution process, or determined by the Board following submissions from stakeholders.

If any matters are to proceed to an evidentiary hearing, dates will be set for initial submissions, interrogatories and responding evidence.

These dates are proposed by Board staff and still subject to the Board's consideration. Final dates will be formalized in a separate procedural document issued by the Board.

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