



RP-2004-0188

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

AND IN THE MATTER OF the preparation of a
handbook for electricity distribution rate applications

PROCEDURAL ORDER NO. 1

By letter dated June 16, 2004, the Board invited electricity distribution utilities and other stakeholders to participate in a consultation to commence the 2006 Electricity Distribution Rate ("2006 EDR") process and to solicit input on pertinent issues that should be set through the generic methodology process in 2004. On July 6, 2004, the Board began the process of developing a 2006 electricity distributor Rate Handbook to be used in filing rate applications for the 2006 year. The Board has assigned file number RP-2004-0188 to this process.

On August 12, 2004, in response to submissions received subsequent to the July meeting, the Board issued a revised preliminary list of issues to be discussed at an Issues Conference in early September 2004.

The Board hosted an Issues Conference on September 8-9, 2004. Three working groups have been formed to develop proposals and draft material for incorporation into the Handbook.

The Board would prefer that as many issues as possible be dealt with through the working group consensus-building process. However, certain issues may not be resolved in that manner. The Board needs to determine what issues must be decided through a hearing process in order to complete the Handbook. The Board proposes to accomplish this objective through two events: 1) a meeting of all stakeholders; and 2) an Issues Day before the Board.

The purpose of the stakeholder meeting is to discuss the results of working group efforts to date and to allow parties an opportunity to organize themselves for an orderly presentation of issues of scope and of process on Issues Day. At the stakeholder meeting the working groups will present summaries of their work to date and identify unresolved issues. Stakeholders should take note of the proposed treatment of issues that concern them, and use the information

provided to help determine their need, if any, to make their concerns known to the Board on Issues Day.

On Issues Day, representatives of the working groups should be prepared to present a description of the issues they have considered and their plan for resolution of unresolved issues. The Board would also be assisted by a clear articulation by the working groups of any question regarding whether an issue is within the scope of the 2006 rate setting process. Stakeholders will be afforded the opportunity to make their concerns known to the Board regarding questions of scope and the path proposed for unresolved issues.

In preparation for the stakeholder meeting and Issues Day, the Board will post on its website, on behalf of each working group, a summary of the issues the group considered, a description of any general consensus reached by the group, a list of unresolved issues, and the proposed plan for resolution of the issues. Parties should plan to attend the stakeholder meeting on October 25 and 26, or alternatively, notify the contact person identified in the summary of any matters they wish the working group representatives to raise with the Board on Issues Day, prior to October 25, 2004. Participants who do not have web access are invited to immediately contact the Assistant Board Secretary at 1-888-632-6273 or 416-481-1967 to obtain copies of the summaries.

The purpose of the 2006 EDR process is to consider issues related to establishing 2006 revenue requirements and rates. Parties with an interest in the Board's consideration of conservation and demand management expenditures related to 2005 Market Adjusted Revenue Requirement ("MARR") should take note of the Board's Procedural Order No.1 in RP-2004-0203.

Further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. A meeting of interested stakeholders will be held on October 25, 2004, and be continued on October 26, 2004 beginning at 9:00 a.m., with registration beginning at 8:15 a.m. at the Wyndham Bristol Place Hotel, 950 Dixon Road, Toronto. Persons wishing to attend this meeting are asked to register in advance by contacting Antonette Franco at 416 440 7603 or antonette.franco@oeb.gov.on.ca by October 21, 2004. Please provide your name, organization, address, telephone and facsimile numbers and e-mail.
2. An Issues Day will take place on November 1, 2004 and be continued on November 2, 2004 if necessary, at 9:30 a.m. in the Board's hearing room, 2300 Yonge Street, Toronto, Ontario, 25th Floor.

DATED at Toronto October 19, 2004

ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell
Assistant Board Secretary