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**BY E-MAIL AND WEB POSTING**

**June 24, 2016**

**To: All Participants in Consultation Process EB-2016-0003  
All Other Interested Parties**

**Re: Regional Planning and Cost Allocation Review – EB-2016-0003**

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On January 7, 2016, the Ontario Energy Board (OEB) issued a [letter](#) (January 7<sup>th</sup> letter) initiating a policy consultation aimed at ensuring the cost responsibility provisions for load customers in the OEB's Transmission System Code (TSC) and Distribution System Code (DSC) are aligned and facilitate regional planning and the implementation of regional infrastructure plans.

This letter provides an update regarding next steps in this consultation.

### **Working Group**

As the next step in this consultation, the OEB has established a working group to provide input to OEB staff on issues in respect of which revisions to the TSC and/or the DSC may be desirable. Although not initially contemplated, the OEB has determined that a working group format for initial discussion will contribute to the overall efficiency and effectiveness of this consultation. Composition of the working group has been designed to ensure that there is a balanced and broad representation of relevant interests with the appropriate level of expertise. The stakeholders represented on the working group are listed in Attachment A.

The OEB anticipates that the working group will focus its efforts on the following "other issues" as listed in the January 7<sup>th</sup> letter:

- Whether changes to the DSC are needed to facilitate regional planning and the implementation of regional infrastructure plans given that the OEB's focus during the Renewed Regulatory Framework for Electricity consultation process was on cost responsibility changes to the TSC.

- Identifying whether there are potential inconsistencies between the TSC and the DSC and, if so, whether those inconsistencies should be aligned or whether they remain appropriate.
- Identifying potential gaps in the TSC and the DSC that should be addressed.

If any additional issues are identified, they may also be considered by the working group. It is expected that the working group will engage in relatively limited discussion of the “proportional benefits” and “upstream transmission investments” issues that are a key component of this consultation, given the extensive discussion that has already taken place on those issues. A relatively detailed explanation of those two issues is provided in the January 7<sup>th</sup> letter.

Working group meetings are expected to take place over the summer, with the first meeting being held on July 12<sup>th</sup>, a second meeting at the end of July and third in August. All working group meeting materials and meeting notes will be posted on the OEB’s website.

All interested stakeholders will have an opportunity to participate fully in this consultation when proposed amendments to the TSC and/or DSC are issued for comment following the completion of the working group meetings.

Certain members of the working group are eligible for cost awards in accordance with the OEB’s June 13, 2016 [Decision on Cost Eligibility](#). The OEB has determined that cost awards will be available to those members to a maximum of actual meeting time plus up to 3 hours per meeting for preparation and reporting.

Any questions relating to this letter should be directed to Jason Craig at [Jason.Craig@ontarioenergyboard.ca](mailto:Jason.Craig@ontarioenergyboard.ca) or at 416-440-8139. The OEB’s toll-free number is 1-888-632-6273.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary

**Attachment A  
To  
Letter Dated June 24, 2016**

**EB-2016-0003**

<b>Stakeholder</b>
Association of Major Power Consumers in Ontario
Canadian Manufacturers & Exporters
Coalition of Large Distributors
Consumers Council of Canada
E3 Coalition
Hydro One
Hydro Ottawa
Independent Electricity System Operator
London Hydro
London Property Management Association
School Energy Coalition
Vulnerable Energy Consumers Coalition