

# Determining Direct Benefits

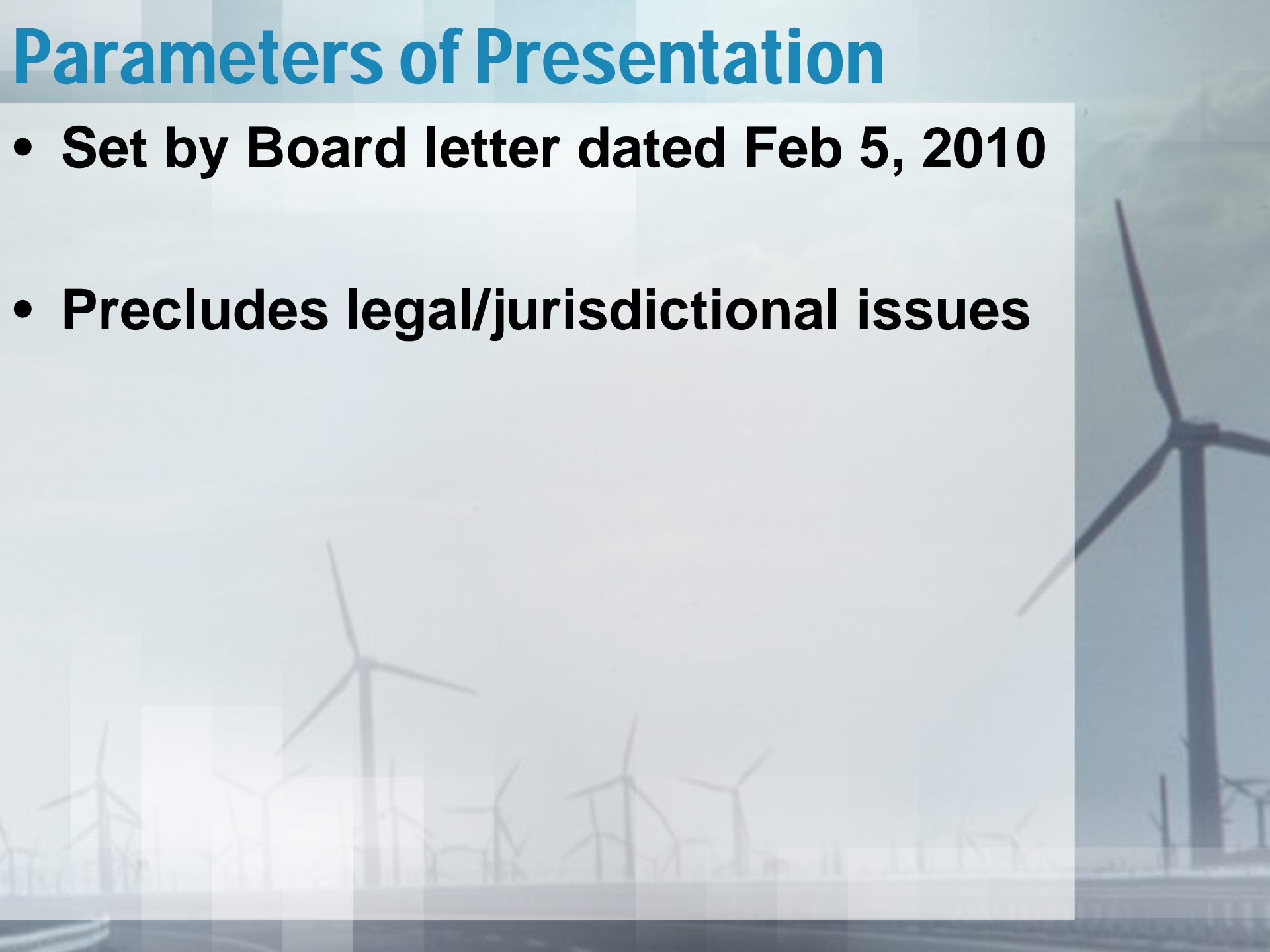


**EnWin Presentation at the  
OEB Stakeholder Session  
February 26, 2010**

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# Parameters of Presentation

- **Set by Board letter dated Feb 5, 2010**
- **Precludes legal/jurisdictional issues**



# System Investments & Evidence

- **Framework must address 2 situations:**
  - Proactive system investments
  - Reactive system investments
- **Situation impacts evidence and recovery**
  - Proactive promotes using forecasts and “forecast year” funds
  - Reactive remediates using records and “after the fact” funds



# Disposition Questions

- **Recovery Question (Traditional)**
  - **Benefit to Cons & Gens outweighs Cost**
  - **No “readily quantified in monetary terms” rule**
  
- **Cost Allocation Question (New)**
  - **Questionable to “quantify” the qualitative**
  - **Judgment of Panel an invaluable tool**
  - **No “monetary terms” rule needed**

# Transmission and Market Charges

- **NOT re: lower Tx and WMS costs**
- **“Benefit” in variance account balances?**
  - No causality: E.I. and take-up
  - No causality: E.I. and balances
- **EDDVAR Report for balance disposition**
- **Reject: “Provincial ratepayers should share in that benefit”:**  $A = B - C + D$  (D=Direct Benefits)

# DB: Accrue to LDC's Consumers

- **Benefits**
  - “FIT-ing” Forum
  - Quest for Evidence
  - Battle of the Ratepayers
- **“Benefit” of preserving status quo service?**
- **“Benefit” of unwanted benefits?**
- **“Benefit” is never benefit to Gx or to Consumers outside LDC territory**

# DB: Eligible Investment

- **Promoting E.I. follows golden rule of voting**
  - **Early and often: Approval**
  - **Early and often: Recovery**
  
- **Who are “prescribed consumers” and when do they become “prescribed”?**
  - **Early and ongoing: Ideal**
  - **Early and often: Acceptable**



# Suggested Next Steps

- **Reconsider legal/jurisdictional issues**
- **Build into and align with GEA DSP / GEP**
  - Include option to present/revise in IRM
  - Keep it simple, straightforward
- **Issue draft for comment**