



**EB-2010-0060**

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

**AND IN THE MATTER OF** cost award eligibility for  
interested parties in relation to a consultation process on  
distribution revenue decoupling.

**BEFORE:** Gordon Kaiser  
Vice Chair and Presiding Member

### **DECISION ON COST ELIGIBILITY**

[1] On March 22, 2010 the Ontario Energy Board advised interested parties of a consultation process on the issue of distribution revenue decoupling. The consultation process will examine the revenue adjustment and cost recovery mechanisms that are currently available to electricity and natural gas distributors to address revenue erosion resulting from unforecasted changes in the volume of energy sold. These mechanisms have now been in place for some time, and the Board has determined that a review is appropriate at this time to determine whether these mechanisms remain adequate under current conditions. Among other things, amendments to the Ontario Energy Board Act, 1998 made by the Green Energy and Green Economy Act, 2009 contemplate that electricity distributors will be required to achieve conservation and demand management (“CDM”) targets as part of an overall policy of promoting energy conservation by all consumers.

[2] The Letter of March 22, 2010 also notified interested parties that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* in relation to their participation in this consultation process, and that any costs awarded would be recovered from rate regulated natural gas distributors and licensed electricity distributors.

[3] The Board received requests for cost award eligibility from the following interested parties: Canadian Manufacturers and Exporters (CME); Consumers Council of Canada (CCC); Green Energy Coalition (GEC); Industrial Gas Users Association (IGUA); London Property Management Association (LPMA); Low-Income Energy Network (LIEN); Ontario Sustainable Energy Association (OSEA); Pollution Probe (PP); School Energy Coalition (SEC); Vulnerable Energy Consumers Coalition (VECC).

[4] Natural gas and electricity distributors were given an opportunity to file any objections they might have in relation to the eligibility of the above-noted participants for an award of costs. The Board did not receive any objections from distributors.

[5] Based on the criteria set out in section 3 of the Board's *Practice Direction on Cost Awards* (the "Practice Direction"), the Board has determined that CME, CCC, GEC, IGUA, LPMA, LIEN, OSEA, PP, SEC and VECC are eligible for an award of costs in this process. Cost awards will be available in relation to:

- the provision of written comments on the issues identified in this letter and the PEG Report, to a maximum of 30 hours; and
- preparation for, attendance at and reporting on the stakeholder meeting, to a maximum of actual meeting time plus 50% of meeting time for preparation and reporting.

[6] Parties are reminded that in accordance with section 6.05 of the *Practice Direction*, a party will not be compensated for time spent by its employees or officers in preparing for or attending at Board processes. Further, the Board considers that the hourly limits for eligible activities indicated above will apply to each eligible party, and not to each individual participant acting on behalf of an eligible party. The Board asks participants with similar interests to co-operate, and will consider any lack of co-operation when determining the amount of a cost award.

**DATED** at Toronto, April 16, 2010

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary