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## BY E-MAIL AND WEB POSTING

August 15, 2013

To: All Members of the Smart Grid Advisory Committee  
All Licensed Electricity Distributors  
All Licensed Electricity Transmitters  
All Other Interested Parties

**RE: Smart Grid Advisory Committee – Cost Awards Matters**  
**Board File No.: EB-2013-0294**

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In a [letter](#) issued on June 27, 2013 (the “June Letter”) the Board announced the creation of the Smart Grid Advisory Committee (the “Advisory Committee”) to provide the Board with on-going assistance on emerging smart grid issues. As noted in the June Letter, the Advisory Committee will initially be composed of participants of the Smart Grid Working Group that was established in 2011 and whose work in relation to smart grid initiatives (including as part of the implementation of the Renewed Regulatory Framework for Electricity) has now been completed. A list of the Advisory Committee’s current member organizations was attached to the June Letter.

The creation of the Advisory Committee is a new consultation initiative separate and apart from smart grid-related consultations that have occurred in the past. As such, the Board is issuing this letter to address the matter of cost awards in relation to the new Advisory Committee initiative.

The Board confirms that cost awards will be available to eligible participants under section 30 of the *Ontario Energy Board Act, 1998* in relation to the work of the Advisory Committee. Costs awarded will be recovered from all rate-regulated licensed electricity distributors (80% of the costs awarded) and all rate-regulated licensed electricity transmitters (20% of the costs awarded). Costs will be apportioned within each class based on distribution or transmission revenues, as applicable.

As set out below, the Board has made certain determinations regarding the cost award eligibility of current Advisory Committee member organizations as well as in relation to the activities that are eligible for cost awards.

### **Eligibility for Cost Awards of Current Members**

Two of the organizations that the Board invited to participate as members of the Advisory Committee primarily represent the direct interests of ratepayers; namely, the Association of Major Power Consumers in Ontario and the Building Owners and Managers Association of the Greater Toronto Area. The Board has determined that these two member organizations are eligible for an award of costs, and in the circumstances has waived the process for objections which would otherwise have applied in accordance with the Board's cost awards process.

The remaining members of the Advisory Committee fall into one of two groups: (a) regulated entities, representatives of government and others that are *prima facie* ineligible for cost awards under section 3.05 of the Board's *Practice Direction on Cost Awards*; and (b) commercial enterprises. The Board has determined that no special circumstances exist in relation to the members in group (a) such as to render any of them eligible for an award of costs in relation to their participation on the Advisory Committee. With respect to members in group (b), the Board anticipates that their participation on the Advisory Committee will relate to their own commercial interests rather than the public interest. The Board has therefore determined that these members are also not eligible for an award of costs in relation to their participation on the Advisory Committee.

### **Activities Eligible for Cost Awards**

For each meeting of the Advisory Committee, eligible participants will be allowed to claim costs for **actual time spent in the meeting, plus up to a maximum of three hours** for preparation and reporting.

The Board will address the issue of cost awards for any future participants in the work of the Advisory Committee and/or for any supplementary eligible activities at the appropriate time, as and when required.

Any questions regarding this consultation process should be directed to Roy Hrab at [Roy.Hrab@ontarioenergyboard.ca](mailto:Roy.Hrab@ontarioenergyboard.ca) at 416-440-7745, or Brian Hewson at [Brian.Hewson@ontarioenergyboard.ca](mailto:Brian.Hewson@ontarioenergyboard.ca) at 416-440-7628. The Board's toll-free number is 1-888-632-6273.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary