

Ontario Energy Board

Commission de l'énergie de l'Ontario



Ontario Energy Board

Filing Requirements
For
Electricity Distribution Rate Applications
- 2014 Edition for 2015 Rate Applications -

Last Revised on July 18, 2014
(Originally issued on November 14, 2006)

CHAPTER 1 - OVERVIEW

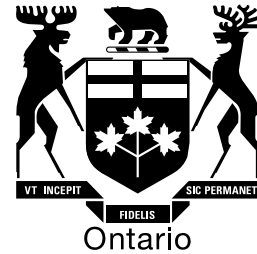
**CHAPTER 2 - FILING REQUIREMENTS FOR ELECTRICITY DISTRIBUTION COMPANIES'
COST OF SERVICE RATE APPLICATIONS BASED ON A FORWARD TEST
YEAR**

CHAPTER 3 - INCENTIVE REGULATION

CHAPTER 5 - CONSOLIDATED DISTRIBUTION SYSTEM PLAN FILING REQUIREMENTS

Ontario Energy Board

Commission de l'énergie de l'Ontario



Ontario Energy Board

Filing Requirements For
Electricity Distribution Rate Applications
- 2014 Edition for 2015 Rates Applications -

Chapter 1

Overview

July 18, 2014

Chapter 1 Overview

This document provides information about the filing requirements for electricity distribution rate applications. It is designed to provide direction to applicants, and it is expected that applicants will file applications consistent with the filing requirements. If circumstances warrant, the Board may require an applicant to file evidence in addition to what is identified in the filing requirements.

The filing requirements apply only to electricity distributors. Unless specifically identified, the words “utility”, “utilities”, “applicant” or “applicants” in this document refer to electricity distributors.

Transmitters should consult the January 2, 2014 edition of the filing requirements for transmitters for guidance on rate applications.

References to a “party” or “parties” may, depending on the context, refer to the applicant, Board staff and any registered intervenors either individually or collectively.

Renewed Regulatory Framework for Electricity

On October 18, 2012, the Board released its *Report of the Board, Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (the “RRFE Report”) which introduced three rate-setting methods: (1) 4th Generation Incentive Rate-setting (“IR”), (2) Custom IR and (3) Annual IR Index.

Chapters Included in this Filing Requirement Document

This Filing Requirements document sets out the information that must be included in a rate application.

Chapter 1 outlines generic procedural matters and certain expectations of the Board from parties participating in the adjudication process pursuant to Chapters 2, 3 and 5.

Chapter 2 details the filing requirements for a cost of service rate application based on a forward test year that the Board will require from an electricity distribution company.

Chapter 3 details the filing requirements under the incentive regulation mechanism. This approach will be used for electricity distributors when there is no requirement to file a cost of service rate application. Chapter 3 includes specific guidance on requirements related to both the 4th Generation IR (now called “Price Cap IR”) and Annual IR Index approaches.

Chapter 5, which was issued by the Board on March 28, 2013, “*Consolidated Distribution System Plan Filing Requirements*,” sets out filing requirements for

consolidated distribution system plans. These filing requirements outline the information required by the Board to assess a distributor's planned expenditures on distribution system and other infrastructure. Distributors must review this Chapter and its cover letter, regardless of which rate-setting option they are contemplating, to ensure that they are meeting the specific requirements of this Chapter, which are applicable to all rate-setting methods listed above.

Completeness and Accuracy of an Application

An application to the Board must provide sufficient detail to enable the Board to make a determination as to whether the proposals are reasonable. The onus is on the applicant to substantiate the need for and reasonableness of the costs that are the basis of proposed new rates. A clearly written application that demonstrates the need for the proposed rates, complete with sufficient justification for those rates, is essential to facilitate an effective regulatory review and a timely decision. The filing requirements provide the minimum information that applicants must file for a complete application. However, applicants should provide any additional information that is necessary to justify the approvals being sought in the application.

The Board's examination of an application and its subsequent decision are based only on the evidence filed in that case. This regulatory process ensures that all interested parties to the proceeding have an opportunity to see the entire record, participate meaningfully in the proceeding and understand the reasons for a decision. Consequently, a complete and accurate evidentiary record is essential.

The purpose of the interrogatory process is to test the evidence before the Board, and not to seek information that should have been provided in the original application. The Board will consider an application complete if it meets all of the applicable filing requirements.

Applications must be accurate and information and data presented must be consistent across all exhibits, appendices and models. If an application does not meet all of these requirements, or if there are inconsistencies identified in the information or data presented, the Board may put the application in abeyance unless satisfactory justification for missing or inconsistent information has been provided, or until revised evidence is filed.

Certification of Evidence

Applications filed with the Board must be certified by a senior officer of the applicant that the evidence filed is accurate, consistent and complete to the best of his/her knowledge.

Updating an Application

When material changes or updates to a filing are necessary, a thorough explanation of the changes must be provided, along with revisions to the affected evidence and related schedules. This process is contemplated in Rule 11.02 of the *Rules of Practice and Procedure*. When these changes or updates are contemplated in later stages of a proceeding, applicants should proceed with the update only if there is a material change to the evidence already before the Board. Rule 11.03 states that any such updates should clearly indicate the date of the revision and the part(s) revised.

Interrogatories

The Board is aware of the number of interrogatories that the regulatory review process can generate. The Board advises applicants to consider the clarity, completeness and accuracy of their evidence in order to reduce the need for interrogatories. The Board also advises parties to carefully consider the relevance and materiality of information before requesting it through interrogatories.

It is the Board's expectation that parties will not engage in detailed exploration of items that do not appear to be material. For rate applications, parties should be guided by the materiality thresholds documented in Chapters 2 and 3 in assessing what is material. The Board will consider at the cost award stage of the process whether or not specific intervenors have engaged in excessively detailed exploration of non-material issues and may reflect this in the cost award decision.

Applicants must consult Rules 26 and 27 of the Board's *Rules of Practice and Procedure*, April 24, 2014 revision, for additional information on the filing of interrogatories and matters related to such filings.

Confidential Information

The Board relies on full and complete disclosure of all relevant material in order to ensure that its decisions are well-informed. The Board's expectation is that applicants will make every effort to file material contained in an application publicly and completely without redactions in order to ensure the transparency of the review process. The Board's *Rules of Practice and Procedure* (the "Rules") and the *Practice Direction on Confidential Filings* (the "Practice Direction") do allow for applicants and other parties to request that certain information be treated as confidential. In such cases, the relevant Rules and procedures are to be followed by all participants in a proceeding before the Board. Applicants considering the need for confidential filing of material are expected to review and follow the Practice Direction.

The Board and parties to a proceeding are required to devote additional resources to the administration, management and adjudication of confidentiality requests and confidential filings. Parties must ensure that filings for which they intend to request

confidential treatment are clearly relevant to any matter at issue in the proceeding, whether the information is being filed as part of an application, as an exhibit, in response to an interrogatory or as an undertaking. An illustrative list of the types of information that the Board has previously assessed or maintained as confidential is set out in Appendix B of the Practice Direction.

Parties should also take note of the requirements related to relevance of interrogatories outlined in this chapter, which are also applicable to information which is requested and raises confidentiality concerns. Parties should give particular attention to the relevance of any information requested by interrogatories in relation to confidential filings given the administrative issues associated with the management of those filings.

This page intentionally left blank