



Draft PBR Rate Handbook Seminar

Prepared by the
Ontario Energy Board Staff

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ONTARIO ENERGY BOARD OBJECTIVES

- ◆ To facilitate competition and the smooth transition to competition
- ◆ To provide non-discriminatory access to transmission and distribution systems
- ◆ To protect the interests of consumers with respect to price, reliability and quality of electricity
- ◆ To promote economic efficiency in the generation, transmission and distribution of electricity
- ◆ To facilitate the maintenance of a financially viable electricity industry
- ◆ To facilitate energy efficiency

ONTARIO ENERGY BOARD ACTS, 1998

- ◆ Sets out the requirement for a licence
- ◆ OEB to set codes, standards, conditions and requirements
- ◆ OEB to set rates for transmission and distribution services
- ◆ OEB to approve distribution and transmission system expansion
- ◆ OEB to approve mergers, acquisitions and divestitures

LICENCES SCHEDULE FOR ISSUANCE

- ◆ **Transitional Distribution Licences**
 - Transitional distribution licences effective April 1, 1999 issued to MEUs

- ◆ **Transmission Licences**
 - Transitional licences to be issued this summer

- ◆ **Generator Licences**
 - Transitional licences to be issued this summer

LICENCES SCHEDULE FOR ISSUANCE

Continued

◆ **Retailer Licences**

- Licences to be issued this fall
- Residential consumer contracts allowed later this year

◆ **Wholesaler Licences**

- To be issued before market opens

◆ **IMO Licence**

- Transitional licences to be issued in July

CODES

◆ **For Electricity Distributors**

- Affiliate Relationships Code (approved by the Board, effective October 1, 1999)
- Standard Service Supply Code (Board proceeding)
- Distribution System Code (Industry-led task force)
- Retail Settlement Code (Industry-led task force)

◆ **For Electricity Transmitters**

- Affiliate Relationships Code (approved by the Board, effective October 1, 1999)
- Transmission System Code (to be developed through stakeholder consultation)

CODES

Continued

- ◆ **For Electricity Retailers and Gas Marketers**
 - Gas Marketers Code of Conduct (approved by the Board)
 - Electricity Retailers Code of Conduct (Board receiving stakeholder comments on draft code)

TRANSITIONAL RATE ORDERS

- ◆ 1999 Rates Schedules were approved by Ontario Hydro for most MEUs
- ◆ On April 1, 1999 Ontario Hydro ceased to exist
- ◆ OEB Rate Orders confirmed the 1999 rates

Next Step

- ◆ PBR Process

OTHER ACTIVITIES

- ◆ Criteria and Guidelines on mergers, acquisitions and divestitures - fall 1999
- ◆ Uniform System of Accounts - Board receiving stakeholder comments, final USoA approved by the Board in Fall, expected implementation January, 2000
- ◆ Criteria and Guidelines on system expansion expected in Fall 1999 (Section 92 not yet proclaimed)