

Ottawa River Power Corporation
EB-2018-0063
Questions on Accounts 1588 & 1589

RSVA Power – Account 1588

Ottawa River Power Corporation's (ORPC) Account 1588 is composed of electricity purchased from Hydro One, embedded generators and Microfits and energy revenue from the customer for each class of customer.

Electricity from Hydro One and Brookfield is purchased at the spot rate whereas electricity purchased from the Mississippi River Power Corporation (MRPC) and Enerdu Power Systems embedded generators and Microfits is purchased at contracted rates. All purchases are recorded in Account 1588. ORPC recovers any amounts paid to MRPC, Enerdu and Microfits from Hydro One on each settlement and these recoveries are recorded in Account 1588.

Customers are charged at time-of-use, weighted average (WAP) or the Hourley Ontario Energy Price (HOEP) and the charges are recorded in Account 1588. The weighted average rate is calculated based on the HOEP multiplied by the Net System load for the given hour. This is then weighted based on the billing period of the customer. On each settlement with Hydro One, the WAP data is extracted from the customer information system. The dollar amount of WAP charged to each customer class is then allocated between the RPP Blocks and time-of-use pricing based on consumption in each class. The difference between the price charged to the customer and the WAP is settled with Hydro One. The only item remaining in Account 1588 is the difference between the hourly weighted average price paid for electricity and the billing period weighted average price charged to customers.

In regards to the 2018 proceeding, there were no true-ups required in 2018 for months from 2017 and no principal or other adjustments in the DVA continuity schedule as ORPC settles using Hydro One purchases from one month prior to the settlement date. There were also no principal or other adjustments approved for disposition in its 2018 proceeding.

Global Adjustment – Account 1589

Ottawa River Power Corporation's (ORPC) account 1589 is composed of the Global Adjustment (GA) paid to Hydro One, the GA received on the generator payment from Hydro One and the GA charged to customers. Please note that ORPC does not have any Class A customers and that ORPC is an embedded distributor with Hydro One and as such, settlement for GA purposes relates to actual data for the applicable month (i.e. the settlement submitted on November 2, 2018 related to billed amounts in October for usage in September and the Hydro One bill used for settlement related to September usage).

All GA paid on electricity provided from Hydro One is recorded in Account 1589. When ORPC settles with Hydro One for GA purposes, the billed kWhrs in a given month are extracted from the customer information system and the RPP data is subtracted to obtain the non-RPP volume related to billed GA. The volume obtained is multiplied by the GA actual rate for the applicable month to calculate the actual value of the GA. The actual GA value for the month is then compared against the GA paid on the applicable month Hydro One bill and the difference is submitted for reimbursement to Hydro One by the 2nd business day after the settlement month. The consumption used for settlement purposes is trued-up as required on an annual basis in Account 1589 compared to actual usage in each month by calculating unbilled non-RPP GA consumption.

ORPC also receives a monthly generator payment from Hydro One for all electricity, if any, that was over-generated by embedded generators directly into the grid. The GA credit received on the generator payment is recorded into Account 1589. The value of the RPP GA to be settled with Hydro One is then reduced by the GA credit received on the generator payment.

ORPC customers are charged based on the 1st estimate of the GA. The GA rate for billing periods that include usage in 2 months is prorated by weighing each of the 1st estimates based on the total usage in each month. All transactions are recorded in Account 1589.

In regards to the 2018 proceeding, there were no true-ups in 2018 for months from 2017 and no principal or other adjustments in the DVA continuity schedule. There were also no principal or other adjustments approved for disposition in its 2018 proceeding.