


Orillia Power Distribution Corporation – 2019 Rates Application (EB-2018-0059)
OEB Staff Questions
January 11, 2019

Question # 1

Ref: IRM Model, Tab 1

In the Decision and Rate Order issued for Orillia Power’s 2018 rates (EB-2017-0264), the Group 1 DVA accounts balances as of December 31, 2016 were disposed of. Therefore, the rate year associated with this disposition should be 2018. In tab 1 of the IRM model, Orillia Power selected 2017 as the rate year in which the Group 1 accounts were last cleared. Please confirm if the rate year should be corrected to 2018.

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Utility Name	Orillia Power Distribution Corporation
Assigned EB Number	EB-2018-0061
Name of Contact and Title	Pauline Welsh, Manager of Regulatory Affairs
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Email Address	pwelsh@orilliapower.ca
We are applying for rates effective	Wednesday, May 1, 2019 +
Rate-Setting Method	Price Cap IR
Please indicate in which Rate Year the Group 1 accounts were last cleared¹	2017 
Please indicate the last Cost of Service Re-Basing Year	2010

Question #2

Ref: IRM Model, Tab 3

Orillia Power is seeking disposition of approximately a credit of \$109K in account 1588. Given that any variance between the RPP revenue and the cost of energy and GA attributable to RPP customers should get settled directly with the IESO on a monthly

basis, the expectation is that any remaining amounts in account 1588 would be relatively small and close to zero (primarily comprised of the difference between amounts billed at the approved total loss factor versus actual system losses for the year).

Please explain what comprises the balance in account 1588 as at December 31, 2017.

Question #3

Ref: GA Analysis Workform, Note 4

Please confirm that the monthly consumption values populated in column F of the table represent the actual consumption billed for the particular month and that it only includes the consumption used in that specific month with no overlap with other months.

Question #4

Ref: Accounts 1588 and 1589 Questions

In the response provided to Question 2b, Orillia Power has indicated that it records a true-up to its monthly settlement with the IESO to reflect the actual billed kWh and final GA rate usually in the month following initial settlement, but quarterly at a minimum. In response to Question 2f, Orillia Power further indicated that in 2018 it completed its December 2017 preliminary claim, a true-up of its November 2017 preliminary claim, and a final annual true-up for the year. Orillia Power further confirms that the aforementioned settlements and true-ups were accrued in 2017 and are therefore included within the transactions during 2017 in the DVA continuity schedule.

From the above description it is not clear that a true-up of the December 2017 preliminary IESO settlement was accrued in 2017. As such, please confirm that the final annual true-up being referred to above includes the true-up of Orillia Power's December 2017 preliminary settlement claim.

Question #5

Ref: Accounts 1588 and 1589 Questions

In response to Question 3a, Orillia Power references the response provided to Question 1 in order to describe the process used to split the CT 148 invoice between accounts 1588 and 1589.

The response provided to Question 1 with respect to the allocation of the CT 148 invoice between accounts 1588 and 1589 does not provide sufficient detail as to how this split is actually calculated. Please explain and include details on how the amount

that goes to Account 1588 is calculated, the source of the data used, and whether the data used to perform the initial split is based on an estimate or is it actual, and what components would need to get trued-up once the actual data for the month is known.

Question #6

Ref: Accounts 1588 and 1589 Questions

In the response provided to Question 3b, Orillia Power describes the process to true-up its initial allocation of CT 148. Please clarify when the actual data becomes available to perform the CT 148 true-up, and when the true-up would take place (i.e. in the following month, quarterly etc.).