# Fort Frances Power Corporation (Fort Frances Power) EB-2016-0071

#### **Application Analysis**

Interrogatory #1

Ref: Sheet 1 "Information Sheet" – Rate Year in which the Group 1 accounts were last cleared

Fort Frances Power indicates on the Information Sheet of IRM model that its Group 1 accounts were last cleared in rate year 2015. OEB staff notes that as per the Decision and Rate Order issued on March 17, 2016 the Rate Year the Group 1 accounts were last cleared should be 2016 (2016 IRM, EB-2015-0070).

- a) Please confirm if Fort Frances Power with the above. If so, OEB staff will update the IRM model.
- b) If answer to a) is no, please provide an explanation for the discrepancy.

Fort Frances Power Corporation (FFPC) confirms the above and the model should be updated to reflect 2016.

OEB Staff: Corrected in the model.

## Ref: Sheet 3 "Continuity Schedule" - OEB-Approved Disposition during 2014

						2014
Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2014	Transactions <sup>2</sup> Debit I (Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments <sup>1</sup> during 2014	Closing Principal Balance as of Dec 31, 2014
Group 1 Accounts						
LV Variance Account	1550	0				0
Smart Metering Entity Charge Variance Account	1551	(318)	280			(38)
RSVA - Wholesale Market Service Charge	1580	(146,787)	14,824	(95,339)		(36,624)
Variance WMS – Sub-account CBR Class A	1580	0				0
Variance WMS - Sub-account CBR Class B	1580	0				0
RSVA - Retail Transmission Network Charge	1584	6,239	20,885	1,186		25,938
RSVA - Retail Transmission Connection Charge	1586	3,049	9,974	2,391		10,632
RSVA - Power	1588	29,745	'	49,300		(12,492)
RSVA - Global Adjustment	1589	15,695	57,692	(219,719)		293,106
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>4</sup>	1595	0				0
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>4</sup>	1595	0				0
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>4</sup>	1595	0				0
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>4</sup>	1595	(12,854)		1		(12,854)
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>4</sup>	1595	(272,623)	152,355			(120,268)
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>4</sup>	1595	0	27,828	212,586		(184,758)
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>4</sup>						
Not to be disposed of unless rate rider has expired and balance has been audited	1595	0				0

a) On Tab 3 of the IRM model, Fort Frances Power reported balances \$212,586 in account 1595 "Disposition and Recovery/Refund of Regulatory Balances (2014)". Please provide explanation for this balance.

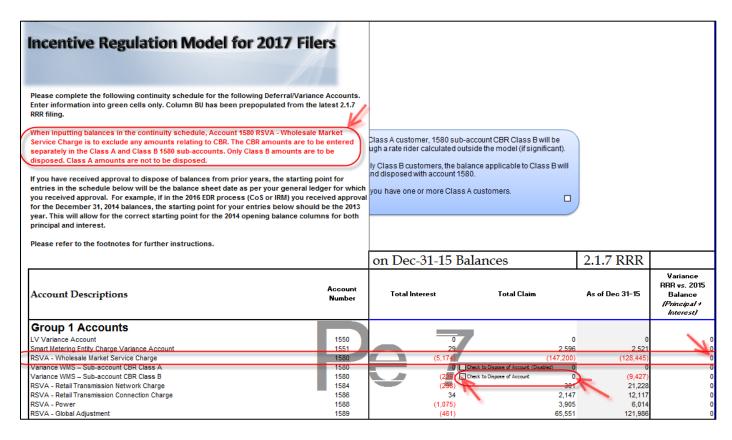
The balance of \$212,586 in account 1595 "Disposition and Recovery/Refund of Regulatory Balances (2014)" reflects EB-2013-0130 – Principal balance with the adjustment to LRAM account.

Account #	Account Description	F	Principal	
1580	RSVA- Wholesale Market Service Charge	\$	(95,339)	
1584	RSVA - Retail Transmission Network Charge	\$	1,186	
1586	RSVA - Retail Transmission Connection Charge	\$	2,391	
1588-Power	RSVA - Power (Excluding Global Adjustment)	\$	49,300	
1589- Global	RSVA - Global Adjustment	\$	(219,719)	
1508	OEB Cost Assessment	\$	6,914	
1508	IFRS Transition Cost (with 2013 Costs in Decision)	\$	38,332	
1531	Renewable Generation Connection	\$	1,335	
1582	RSVA - One Time	\$	4,256	
2425	Other Deferred Credits - Shared Tax Savings	\$	(6,144)	
1568	LRAM Variance Account	\$	4,902	
	Total for Disposition Excluding Global Adjustment	\$	7,133	
	Total Disposition Amount		(212,586)	

OEB staff: No further question.

#### Interrogatory #3

Ref: IRM Model - Tab 3: Account 1580 Variance WMS - Sub-account CBR Class B



On tab 3 of the 2017 IRM model, it states "When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude any amounts relating to CBR. The CBR amounts are to be entered separately in the Class A and Class B 1580 sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed".

Fort Frances Power shows a \$0 balance in account 1580 sub-account CBR Class B.

a) Please confirm whether or not Fort Frances Power proposes to dispose the balance in account 1580 sub-account CBR Class B in the 2017 IRM process. If so, Fort Frances Power needs to check the box for disposition of Class B (Cell BT25).

FFPC has checked the box for disposition and will send the updated file through FileZilla.

b) Please explain why Cell BV23 does not show a variance. Please follow the instructions below:

Variance was not shown due to improper CBDR allocation. FFPC has correct the allocation as per the instructions below and will send the updated file through FileZilla.

# The OEB established two new sub-accounts of Account 1580- WMS to record CBR amounts

- Sub-account CBR Class A
- Sub-account CBR Class B

# CBR amounts are to be recorded separately in CBR Sub-accounts Class A and Class B

- Account 1580 RSVA Wholesale Market Service Charge is to exclude any amounts relating to CBR.
- The CBR amounts are to be entered separately in the Class A and Class B 1580 sub-accounts (Tab 3, rows 24 & 25).
- Column BU, showing RRR data for Account 1580 Wholesale Market Service Charge, includes sub-account CBR amounts for Class A and Class B (if any). The IRM model will show a variance in cell BV23 that should equal the sum of CBR sub-accounts for Class A and Class B

### Disposition - Sub-account CBR Class B only

- IRM model supports disposition of CBR Class B amounts; manner will depend on distributor circumstances.
- Sub-account CBR Class A will not be disposed off during the 2017 IRM process
- The checkbox with cell BT24 (total claim of 1580 sub-account Class A) has been disabled and the
  value in this cell is always "0" in the model, as sub-account CRB Class A is not disposed

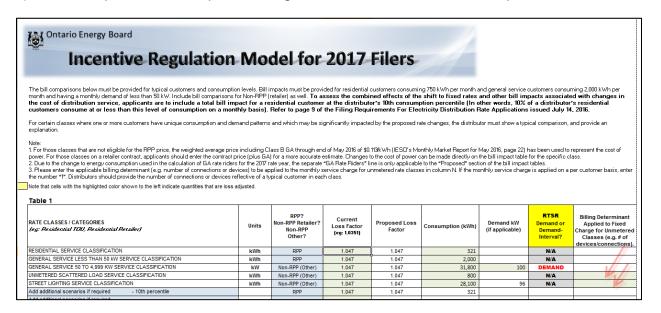
OEB staff: No further question.

Interrogatory #4

Ref: IRM Model - Sheet 20 "Bill Impacts"

In table 1 on tab 20, distributors need to enter the billing determinants for the unmetered classes (USL, Street Lighting and Sentinel) in column N. These values are missing in Fort Frances Power's IRM model for the USL and Street Lighting classes (N33 and N34).

a) Please provide the required billing determinants. OEB staff will update the model.



### FFPC Billing Determinants:

Unmetered Scattered Load Classification - 6

Street Lighting Service Classification – 1,103