

**North Bay Hydro Distribution Inc.**  
**EB-2016-0214**  
**OEB Staff Questions**

**Account 1580**

**Staff Question #4**

**Ref: Manager's Summary – page 9 to 10: Account 1580 Sub-account CBR Class B**

Preamble:

The balance in account 1580 sub-account CBR Class B is for the period Apr 1, 2015 to Dec 31, 2015. The calculation of CBR Class B rate rider provided on page 9 and 10 allocated the full amount of the account balance, \$131,509, to all the current Class B customers. OEB staff understands that North Bay Hydro had one customer move from Class B to Class A as of July 1, 2015. Therefore, this customer contributed to three months for the CBR Class B balance.

Question:

- a) Please indicate how North Bay Hydro proposes to determine and settle the CBR Class B amount to the customer who moved from Class B to Class A.

**Response:**

Due to the immateriality of the amount, NBHDL did not propose to separately dispose of the amount the Class A customer contributed to the CBR Class B amount for Apr 1, 2015 to Jun 30, 2015. Upon review, NBHDL acknowledges that the inclusion of this explanation within the Manager's Summary was inadvertently omitted. NBHDL determined the amount to be \$952 of the total claim of \$131,509.

This determination was calculated by utilizing the principal variance amount of \$23,970.18 (as of June 30, 2015) and including carrying charges to April 30, 2017 of \$496.83. The total variance amount of \$24,467.01 was then allocated based on the metered kWh per class for Apr 2015 to Jun 2015 per the table below:

Rate Class	Unit	Total Metered kWh	Total Metered kW	CBR-Class B Allocation (kWh)	CBR - Class B Claim	CBR-Class B Allocation (\$)
Total Claim - Class B - CBR, including Class A Customer (Apr15-Jun15)					\$ 24,467.01	
Residential	kWh	39,594,117		34.5%		\$ 8,436.85
GS<50 kW	kWh	18,777,307		16.4%		\$ 4,001.13
GS 50 TO 2,999 kW	kW	51,473,312		44.8%		\$ 10,968.10
GS > 3,000 to 4,999 kW	kW	4,465,424		3.9%		\$ 951.51
UMSL	kWh	10,733		0.0%		\$ 2.29
Sentinel Lighting	kW	103,083		0.1%		\$ 21.97
Street Lighting	kW	399,679		0.3%		\$ 85.16
Totals		114,823,655		100%		\$ 24,467.01
Total Claim per Application					\$ 131,508.93	
Class A contribution - \$					\$ 951.51	
Class A contribution - %					0.7%	

NBHDL believes that this amount is immaterial and the change would have a negligible impact on the rates proposed for the existing Class B customers.

Should the Board determine that the amount be settled separately, NBHDL would propose billing the Class A customer a one-time adjustment of \$951.51 upon receiving the Board's decision. Under this scenario NBHDL provides the following adjusted rate rider tables, with table references to the Manager's Summary on pages 9-10.

**TABLE 3 (REVISED) – ACCT 1580 WMS - SUB-ACCOUNT CBR–CLASS B DISPOSITION**

Rate Class	Unit	Total Metered kWh	Total Metered kW	CBR-Class B Allocation (kWh)	CBR - Class B Claim	CBR-Class B Allocation (\$)	Proposed Rate Riders
Total Claim - Class B - CBR					\$ 130,557.42		
Residential	kWh	196,730,101	-	39.4%		\$ 51,473.09	0.0003
GS<50 kW	kWh	83,568,205	-	16.7%		\$ 21,865.05	0.0003
GS 50 TO 2,999 kW	kW	216,238,874	537,897	43.3%		\$ 56,577.43	0.1052
UMSL	kWh	42,934	-	0.0%		\$ 11.23	0.0003
Sentinel Lighting	kW	373,881	1,034	0.1%		\$ 97.82	0.0946
Street Lighting	kW	2,036,369	5,690	0.4%		\$ 532.80	0.0936
Totals		498,990,364	544,621	100%		\$ 130,557.42	

**TABLE 4 (REVISED) – PROPOSED DVA (GROUP 1) RATE RIDERS WITH CBR-CLASS B COSTS**

Rate Class	Unit	Total Metered kWh	Total Metered kW	DVA - Group 1 Claim	CBR - Class B Claim	Proposed DVA - Group 1 Claim	Proposed Rate Riders
Residential	kWh	196,730,101	-	\$ (511,592)	\$ 51,473	\$ (460,119.08)	(0.0023)
GS<50 kW	kWh	83,568,205	-	\$ (217,253)	\$ 21,865	\$ (195,387.97)	(0.0023)
GS 50 TO 2,999 kW	kW	216,238,874	537,897	\$ (562,088)	\$ 56,577	\$ (505,511.03)	(0.9398)
UMSL	kWh	42,934	-	\$ (112)	\$ 11	\$ (100.37)	(0.0023)
Sentinel Lighting	kW	373,881	1,034	\$ (972)	\$ 98	\$ (874.04)	(0.8453)
Street Lighting	kW	2,036,369	5,690	\$ (5,293)	\$ 533	\$ (4,760.51)	(0.8366)
Totals		498,990,364	544,621	\$ (1,297,310)	\$ 130,557	\$ (1,166,752.99)	
GS 3,000 to 4,999 kW	kW	17,738,636	39,466	\$ (46,110)			
Totals		516,729,000	584,087	\$ (1,343,420)			
Per '4. Billing Det. For Def-Var'		516,729,000	584,087				
Per '7. Calculation of Def-Var RR'				\$ (1,343,420)			

b) Similar as the GA rate rider, in the Tariffs and Rate Orders that the OEB issued on December 8, 2016 (for the January 1, 2017 effective date applications), the CBR Class B rate rider has now been defined as “not applicable to wholesale market participants (WMP) and customers that transitioned between Class A and Class B in 2015. These transition customers are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied in accordance with a customer’s Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.”

Has North Bay Power considered billing these customers directly in a one-time settlement (similar as the GA settlement)?

**Response:**

NBHDL would consider settling the Apr 1, 2015 through Jun 30, 2015 variance amount of \$952 in a one-time billing adjustment with the current Class A customer. NBHDL has already settled the Jul 1, 2015 through Jun 30, 2016 variance amount with the customer through a one-time billing adjustment. NBHDL began billing the actual Class A CBR amount with the July 2016 billing period; this has resulted in \$0 variance in the CBR amount for the Class A customer on a go-forward basis.