

**Bluewater Power Distribution Corporation
EB-2016-0057
Bluewater Power Responses to OEB Staff Questions**

Ref: Manager's Summary – page 17 to 19: Account 1580 Sub-account CBR Class B

As indicated in the Manager's Summary, 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 17 and 19 allocated the full amount of the account balance, \$188,321, to all the current Class B customers. OEB staff understands that Bluewater Power had two customers moved from Class B to Class A as of July 1, 2015. Therefore, these customers contributed to three months for the CBR Class B balance.

- a) Please indicate how Bluewater Power proposes to determine and settle the CBR Class B amount to the customers moved from Class B to Class A.

As indicated in the Manager's Summary, page 18, rows 9-11, Bluewater noted that the amount related to CBR for all Class B customers for April-June 2105 disposition totals approximately \$34,000 of the \$188,321 requested for disposition. Of the \$34,000, Bluewater estimates (based on calculation provided in Table 1 and 2 below) that only 1.9% or \$665 pertains to the two former Class B customers for the three month period. Bluewater submits that amount is immaterial and we note that amending the disposition would not change the rate riders for the kWh based customers (Class B), and would only change the rate rider for the kW based customers (Class B) very slightly.

Therefore Bluewater is not proposing to settle the Class B amount to the former Class B customers. Table 1 below details the calculation of the kWh used to compare the kWh for the former Class B customers for April-June 2015 (Table 2).

Table 1 – kWh to compare Former Class B kWh

Rate Class	Total Metered kWh less WMP consumption (if applicable) - per Sheet 4	Remove Class A fully for Large Use, and Remove Former Class B from July - Dec 2015	Remaining Class B kWh to determine proportion of Former Class B kWh
RESIDENTIAL SERVICE CLASSIFICATION	247,531,814		247,531,814
GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION	104,997,600		104,997,600
GENERAL SERVICE 50 to 999 kW SERVICE CLASSIFICATION	205,319,680		205,319,680
GENERAL SERVICE 1,000 to 4,999 kW SERVICE CLASSIFICATION	159,324,443	26,681,569	132,642,874
LARGE USE SERVICE CLASSIFICATION	139,319,892	139,319,892	0
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	2,211,250		2,211,250
SENTINEL LIGHTING SERVICE CLASSIFICATION	507,380		507,380
STREET LIGHTING SERVICE CLASSIFICATION	6,427,057		6,427,057
	865,639,117	166,001,461	699,637,655

Table 2 – Former Class B proportion of Class B CBDR Disposition

kWh for the 2 former Class B customers for April to June 2015	13,583,446	A
kWh for the remaining Class B customers for 2015 (including 2 new Class A from Jan-June)	699,637,655	B
	1.94%	C = A/B
Total Amount of CBDR Class B for April to June 2015	\$ 34,251.99	D
% pertaining to former Class B customers for April to June 2015	\$ 665.00	E = C*D

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

As noted above, Bluewater submits the amount is immaterial and is not proposing to settle with the former Class B customers.

Ref: Tab 3 Continuity Schedule and Filing 2.1.7 Account 1580

- a) Please confirm Bluewater Power has followed the Accounting Guidance on Capacity Based Recovery released on July 25, 2016.

Confirmed.

- b) The table below is copied from the 2.1.7 RRR filing it does not appear to be filed correctly. The whole amount of the 1580 control account has been input in the interest and Class B sub account. Please explain

The Class A and Class B principal and interest balances were not separated out and we apologize for the oversight. The correct balances are:

1580: RSVA – WMSC (principal and interest)	\$2,544,345 CR
1580: Sub-account RSVA – CBDR Class A – interest	\$ 97 DR
1580: Sub-account RSVA – CBDR Class A – principal	\$ 32,370 DR
1580: Sub-account RSVA – CBDR Class B – interest	\$ 608 DR
1580: Sub-account RSVA – CBDR Class B – principal	\$ 185,009 DR

- c) Sub-Account 1580 class A has no balances, please explain as Bluewater Power had Class A customers.

See response to part (b).

Bluewater Power Distribution Corporation	2016	1580	RSVA - Wholesale Market Service Charge	Bluewater Power Distribution Corporation1580	-2,544,345
Bluewater Power Distribution Corporation	2016	1580	Sub-account RSVA - Wholesale Market Service Charge CBDR class A - Interest	Bluewater Power Distribution Corporation1580	0
Bluewater Power Distribution Corporation	2016	1580	Sub-account RSVA - Wholesale Market Service Charge CBDR class A - Principal	Bluewater Power Distribution Corporation1580	0
Bluewater Power Distribution Corporation	2016	1580	Sub-account RSVA - Wholesale Market Service Charge CBDR class B - Interest	Bluewater Power Distribution Corporation1580	6,910
Bluewater Power Distribution Corporation	2016	1580	Sub-account RSVA - Wholesale Market Service Charge CBDR class B - Principal	Bluewater Power Distribution Corporation1580	-2,551,255