

Fort Frances Power Corporation Price Cap IR Application (EB-2017-0041)
OEB Staff Questions

Question #1

References: GA Analysis Workform – Reconciliation items 1a and 1b
2018 Rate Generator Model – Tab 3 Continuity Schedule

In booking expense journal entries for Charge Type 1142 (formerly 142), and Charge Type 148 from the IESO invoice, please confirm which of the following approaches is used:

- a) Charge Type 1142 is booked into Account 1588. Charge Type 148 is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589, respectively¹.
- b) Charge Type 1142 is booked into Account 1588. In relation to Charge Type 148, the non-RPP quantities multiplied by the GA rate is booked to account 1589 and the remainder of Charge Type 148 is booked to account 1588.
- c) Charge Type 148 is booked into Account 1589. The portion of Charge Type 1142 equalling RPP-HOEP for RPP consumption is booked into Account 1588. The portion of Charge Type 1142 equalling GA RPP is credited into Account 1589.
- d) If another approach is used, please explain in detail.

Question #2

References: GA Analysis Workform – Reconciliation items 1a and 1b
2018 Rate Generator Model – Tab 3 Continuity Schedule

With regards to the amount being requested for disposition of USoA 1589 account balance as at Dec. 31, 2016, all components that flow into Account 1589 (i to iv in table below) should be based on actuals in the 2018 Rate Generator Model – Tab 3 Continuity. Please complete the following table to:

- a) Indicate whether each of the components are based on estimates or actuals at year end, and

¹ Note, the following in all references in OEB Staff questions relating to amounts booked to accounts 1588 and 1589. Amounts are not booked directly to accounts USoA 1588 and 1589 relating to power purchase transactions, but are rather booked to the cost of power USoA 4705 Power Purchased, and 4707 Charges - Global Adjustment, respectively. However, accounts 1588 and 1589 are impacted the same way as accounts 4705 and 4707 are for cost of power transactions.

b) Quantify the adjustment amount pertaining to each component that is trued-up from estimate to actual.

	Component	Estimate or Actual	Notes/Comments	Quantify True Up Adjustment \$ Amount
i	Revenue (i.e. is an unbilled revenue true-up adjustment reflected in the balances being requested for disposition?)			
ii	Expenses - GA non-RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end)			
iii	Expenses - GA non-RPP: Charge Type 148 with respect to the RPP/non-RPP kWh volume proportions.			
iv	Credit of GA RPP: Charge Type 142 if the approach under Staff Question 1c is used			

c) For each item in the table above, please confirm that the GA Analysis Workform for 2016 and the 2018 Rate Generator Model Tab 3 Continuity Schedule for 2016 have been adjusted for settlement true-ups where settlement was originally based on estimate and trued up to actuals subsequent to 2016.

Question #3

References: GA Analysis Workform

Please provide the actual system loss factor for 2016 and compare it to the OEB approved loss factor. Would this difference need to be quantified and presented as a reconciling item in Note 5 of the GA Analysis Workform?

Question #4

References: GA Analysis Workform

Please provide the total GA amounts billed to non-RPP customers in 2016 as recorded in the applicant's revenue G/L accounts excluding any transfers to RSVA GA if applicable.

Question #5

References: GA Analysis Workform

Please explain the nature of the IESO adjustment from July to December 2015. Was this an industry wide adjustment or was it only specific to Fort Frances Power. Please explain the nature of the adjustment and why the IESO needed to make such an adjustment.

Question #6

References: GA Analysis Workform

In item 7 of Note 5 in the GA Analysis Workform it is indicated that a billing adjustment relating to the GS >50 class was made for December/16 consumption which was billed with January/17 consumption, corrected in G/L.

- a) Please explain the nature of this billing adjustment, and was this adjustment in relation to an error? If so please explain the nature of the billing adjustment. If other reason for this billing adjustment please explain.
- b) As there is normally a billing lag of one month when typical customer consumption is billed it is unclear why this is a billing adjustment rather than a normal customer bill which would have been recorded as unbilled revenue at the end of 2016, and subsequently billed in January 2017, please explain why this was not the case.

Question #7

References: GA Analysis Workform

Please confirm that column F in Note 4 of the GA Analysis Workform represents actual calendar month consumption for 2016. Please populate columns G and H, it is expected that there is unbilled revenue every month as there is a billing lag i.e. the consumption for one month isn't billed until the following month.

Question #8

References: Tab 3 of the IRM Model (Continuity Schedule) and Fort Frances 2017 Decision and Rate Order (EB-2016-0071)

In Tab 3 of the IRM model, cell BM22 shows that the principle amount disposed for account 1551 was \$2,596. Fort France's 2017 Decision and Rate Order shows that the principal amount approved was \$2,567. Please update cell BM22 of the IRM Model to reflect the amount in the 2017 Decision and Rate Order.

Question #9

References: Tab 3 (Continuity Schedule) of the IRM Model

The 2014 and 2015 balances in Account 1595 Sub-Account show that the amounts requested for disposition are large. Please produce a table that shows the volumes billed multiplied by the rate rider to reconcile the total recovery, which will show the balance being requested for disposition. If there are shortfalls that are caused by a decline in the volumes, please explain why the volumes dropped so much.