

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an application to the Ontario
Energy Board by Energy+ Inc. pursuant to Section 78 of the
Ontario Energy Board Act, 1998 for approval of just and
reasonable rates and other charges effective January 1, 2019.

EB-2018-0028

Technical Conference Questions

to

Toyota Motor Manufacturing Canada Inc. (TMMC)

from

Energy+ Inc.

January 16, 2019

EnergyPlus-TC1

Reference: 1-EnergyPlus-1

Preamble: Part (b) of 1-EnergyPlus-1 requested that TMMC file the final CEM Engineering report to TMMC titled "Technical Report - Detailed Engineering Study of Self-Generation" dated November 16, 2012 described as "Final Report to the OPA" (the "CEM Engineering Report"). TMMC refused noting that:

"TMMC declines to respond to these questions on the basis that planning and pay-back assumptions included in a TMMC engineering report from 2012 are not relevant to the issues in this proceeding, including the issues raised by Ms. Collis in her evidence."

Questions:

- (a) The CEM Engineering Report was the "Final Report to the OPA" used to qualify the self-generation system for certain ratepayer CDM funding. It is our understanding that parties have questions about the self-generation project as it relates to LRAMVA recovery sought by the Applicant. The CEM Engineering Report will help to clarify and answer some questions related to the self-generation.

Energy+ does not intend to utilize the report to pursue any question related to pay-back assumptions or self-generation project planning.

With this revised understanding, is TMMC willing to produce the report?

Energy+ has been alert to protecting the sensitive confidential information of TMMC throughout this process, and would support a claim for confidentiality over this report if TMMC sought such treatment.

- (b) In addition to the CEM Engineering Report, Energy+ is requesting that TMMC file the M&V Reports (1st Annual Report December 31, 2015 to December 30, 2016) and 2nd Annual Report December 31, 2016 to December 30, 2017) for the Combined Heat and Power System, as filed with the IESO.

EnergyPlus-TC2

Reference: 7-EnergyPlus-9

Schedule JP-5 Revised Confidential Unredacted, Tab I8 Demand Data

2019 EnergyPlus_Cost_Allocation_Model 7 Staff 76 b_20180914, Tab I8 Demand Data

Response to 7–Staff-85

Questions:

- (a) Can you please explain why the demand units in Tab I8 are different for the GS> 50-999 kW and GS> 1,000 - 4,999 kW classes between the 2019 Energy Plus cost allocation model and Schedule JP-5 Revised model?
- (b) If the units should be the same, please re-run and file the model after having made the correction.

EnergyPlus-TC3

Reference: 7-EnergyPlus-10 a)

“Every effort was made to follow the instructions in the model. The instructions for making a direct assignment and then reflecting the impact of the direct assignment were not as intuitive”

Preamble:

We are trying to understand the statement “The instructions for making a direct assignment and then reflecting the impact of the direct assignment were not as intuitive”.

The direct assignment method was designed with two basic steps:

Step 1: In tab 3, the direct allocation amount is defined in column G by the user by account. The model subtracts this amount from the total cost for the account and the revised amount in the account is allocated by the model.

Step 2: The amount defined in tab 3, column G moves to tab 9 and the user defines which class the defined amount is assigned to. The model takes this amount and treats it as a direct allocation amount and assigned the appropriate costs to it.

In Schedule JP-5 Revised, tab 9, the direct assignment amounts associated with the feeders are assigned to accounts.

Questions:

- (a) Based on this we are trying to understand why the direct allocation method designed in the model was not used?
- (b) Please re-run and file the model using the Board’s direct allocation method.

EnergyPlus-TC4

Reference: Schedule JP-5 Revised Confidential Unredacted, Tab Schedule JP-5 Revised, Cell J75, J25 and J40

Questions:

(a) Cell J75 shows a revenue to cost ratio of 145.01%, which reflects a Total Revenue at Status Quo Rates of \$1,115,464 in cell J25 and cost of \$769,249 in cell J40. In the evidence it appears that the proposed Large User rates are designed based on a revenue requirement of \$769,249, which equals the cost. This would assume that the revenue to cost ratio is moved to 100%.

Please confirm this is your intent.

- (b) The OEB's acceptable revenue to cost ratio range for the Large User class is 85% to 115%.
- i. Are you aware that it is the typical practice of the OEB to move the revenue to cost ratio that is outside the acceptable range to the high or low boundary of the range which in this case would mean moving the 145.01% to 115%?
 - ii. Why should the Board deviate from this approach for TMMC?

EnergyPlus-TC5

Reference: Written Evidence of Jeffry Pollock, Filed: 2018-09-27, EB-2018-0028, TMMC Evidence, Page 11 of 76.

Questions:

- a)
 - i. On line 8 there is a definition for the Bulk Distribution Volumetric Rate that recovers the allocated cost of the bulk or shared distribution assets. Is the demand allocator for these cost the 12CP?
 - ii. If not, what is the allocator?
- b)
 - i. Do the bulk distribution assets include Accounts 1805 Land, 1808 Buildings and Fixtures and 1815 Transformer Station Equipment - Normally Primary above 50 kV?
 - ii. If not, what costs by Account number are included in the bulk distribution assets?
- c) On line 10 there is a definition of the Primary Substation Volumetric Rate. Please confirm the costs included in this rate are the directly allocated feeder costs for TMMC plus the poles, towers and fixtures for both Large Use customers?
- d) One line 14 there is a definition of the Primary Distribution Volumetric Rate. Please confirm the cost included in this rate are feeder and other costs associated with the other Large Use customer but do not include poles, towers and fixtures costs associated with the other Large Use customer.

EnergyPlus-TC6

Question:

Since a portion of the information supporting the TMMC rate design proposal is classified as confidential, how does TMMC propose the annual rate update be conducted using confidential information?

EnergyPlus-TC7

Reference: Written Evidence of Jeffry Pollock, 2nd Revised: 2018-11-1, EB-2018-0028, Schedule JP-6 2nd Revised, Page 1 of 4. ("CONTAINS CONFIDENTIAL MATERIAL")

Application of Cost Allocation for Electricity Distributors Report of the Board, EB-2007-0667, November 28, 2007, Section 4.4.2 Upper Bound for the Monthly Service Charge, Page 12, last paragraph.

Questions:

- a) Line 3 proposes the Large Use Service Charge to be 50% of the current Large Use Service Charge. It is understood that the rationale for the decrease is based on cost causality as outlined in the TMMC evidence.

Is TMMC aware that it is currently the OEB's policy to not reduce the service charge below the current level? (See reference above)

- b) Line 7 proposes the Bulk Distribution Volumetric Rate.
- i. Please confirm the proposed rate applies to the load of both Large Use customers.
 - ii. Please confirm this rate does not apply to the Standby Contract Demand.
 - iii. Please confirm this rate is used as a basis to determine the Daily Volumetric Rate for Standby Service outlined in 2nd Revised: 2018-11-1, EB-2018-0028, Schedule JP-8 2nd Revised, Page 1 of 1
 - iv. Is the kW volume used to develop the Daily Volumetric Rate also included in the kW volume used to determine the Bulk Distribution Volumetric Rate? If not, why is it not?
- c) Lines 8 to 10 propose the Primary Substation Volumetric Rate.
- i. Please confirm the proposed rate has two components; a Feeder Costs component and a Poles, Towers & Fixtures component?
 - ii. Please confirm the Feeder Costs component would be applied to the TMMC demand volume plus the Standby Contract demand amount?
 - iii. Please confirm the Poles, Towers & Fixtures component would be applied to the Large Use class demand (i.e. both Large Use customers) volume plus the Standby Contract demand amount?
- d) Lines 11 proposes the Primary Distribution Volumetric Rate.
- i. Please confirm the proposed rate only applies to the other Large Use customer in the Large Use class.

- ii. Please confirm the cost included in the rate are the distribution cost associated with providing distribution service to the other Large Use, which includes Feeder Costs but does not include costs associated with Poles, Towers and Fixtures.
- e) Please provide an example using illustrative demand volume billing determinants and applicable rates to show how the Energy+ billing system would charge the Service Charge, the Bulk Distribution Volumetric Rate, the Primary Substation Volumetric Rate and the Primary Distribution Volumetric Rate to both Large Use customers.

EnergyPlus-TC8

Reference: Written Evidence of Jeffry Pollock, 2nd Revised: 2018-10-24, EB-2018-0028, Schedule JP-6 Revised, Page 2 of 4.

Question:

Please provide a live Excel worksheet that supports the information provided in the reference.

EnergyPlus-TC9

Reference: Written Evidence of Jeffry Pollock, 2nd Revised: 2018-11-1, EB-2018-0028, Schedule JP-6 2nd Revised, Page 3 of 4.

Question:

Please provide a live Excel worksheet that supports the information provided in the reference.

EnergyPlus-TC10

Question:

Will TMMC be filing a revision to their cost allocation and rate design evidence? If yes, please consider filing the evidence prior to the technical conference.