

**ONTARIO ENERGY BOARD**

**IN THE MATTER** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B);

**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 its proposed distribution rates and other charges effective January 1, 2019.

**Toyota Motor Manufacturing Canada Inc. (“TMMC”) Updated Responses**

**to**

**Technical Conference Interrogatories from Energy+ Inc. (“Energy+”)**

**February 15, 2019**

**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.

**Responses:**

- (a) The changes in the demand units were made in error and will be corrected when TMMC files its updated evidence.
- (b) See response to subpart (a).

**Updated Response:**

- (a) **Schedule JP-11** of Mr. Pollock's Updated Written Evidence is a revised 2019 Cost Allocation Model that uses the model's direct assignment methodology. The EXCEL workbook supporting **Schedule JP-11** contains confidential information and is being provided *via* attachment to only the appropriately authorized parties. **Schedule JP-11** replaces **Schedule JP-5** of Mr. Pollock's original Written Evidence. However, TMMC has corrected and updated **Schedule JP-5**. Please see **Appendix C** attached to Mr. Pollock's Updated Written Evidence. The supporting EXCEL workbook to **Schedule JP-5** (Update) contains confidential information and is being provided *via* attachment to only the appropriately authorized parties.

**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.

**Responses:**

- (a) We were unable to use the direct allocation method designed in the model with the information that had been provided at that juncture.
- (b) Since completing the original evidence, we have received the necessary means to be able to use the method and will do so when TMMC files its updated evidence.

**Updated Response:**

- (b) Please see TMMC’s Updated Response to EnergyPlus TC2(a).

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**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?

**Responses:**

- (a) Yes, the original intent was to establish a 100% revenue-to-cost ratio. However, after further consideration and recognizing the OEB's policy, TMMC's recommended rate design will be modified to move the TMMC class to a revenue-to-cost ratio of 115%. This change will be reflected when TMMC files its updated evidence.
- (b)
- (i) Yes.
- (ii) TMMC is not requesting the Board deviate from its typical practice and as stated response to subpart (a), TMMC's updated evidence will comport with the OEB's policy.

**Updated Response:**

- (a) TMMC's recommended Supplementary and Standby Distribution Service rate designs provided in **Schedules JP-13 and JP-14** are based on a 115% revenue-to-cost ratio. These schedules replace **Schedules JP-6 and JP-8** of Mr. Pollock's original Written Evidence. TMMC has also updated its originally proposed Supplementary and Standby Distribution Service rate designs shown in **Schedules JP-6 and JP-8** to reflect a 115% revenue-to-cost ratio. The latter schedules are provided in **Appendix C** of Mr. Pollock's Updated Written Evidence. The supporting EXCEL workbooks to all of these schedules contain confidential information and are being provided *via* attachment to only the appropriately authorized parties.

**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.

**Response:**

The updated Written Evidence of Jeffry Pollock, along with underpinning updated live Excel worksheets, will be filed in accordance with Procedural Order 7 on February 15, 2019.

**Updated Response:**

Please see **Schedule JP-13** from Mr. Pollock's Updated Written Evidence. **Schedule JP-13** replaces **Schedule JP-6**. For reference and continuity only, Mr. Pollock has also updated **Schedule JP-6** of his original written evidence in **Appendix C** of Mr. Pollock's Updated Written Evidence. The supporting EXCEL workbooks to these schedules were provided in TMMC's Updated Response to EnergyPlus-TC4(a).

**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.

**Response:**

The updated Written Evidence of Jeffry Pollock, along with underpinning updated live Excel worksheets, will be filed in accordance with Procedural Order 7 on February 15, 2019.

**Updated Response:**

Please see TMMC's Updated Response to EnergyPlus-TC4(a).

**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.

**Response:**

Yes. However, Mr. Pollock requires the information requested in Technical Conference TMMC IRs-1, 2 & 3 to Energy+ in order to update his evidence. TMMC will file the updated evidence as soon as possible after the receipt of Energy+'s responses.

**Updated Response:**

Please see Mr. Pollock's Updated Written Evidence and the supporting workpapers provided in TMMC's Updated Responses to EnergyPlus-TC2(a) and TC4(a).