



**PUC Distribution Inc.  
500 Second Line EAST, P.O. Box 9000  
SAULT STE. MARIE, ONTARIO, P6A 4K1**

June 7, 2019

**Delivered by RESS & Courier**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2701  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: PUC Distribution Inc.  
2019 IRM Rate Application  
Board File No.: EB-2018-0219  
Reply Submissions**

Pursuant to Procedural Order No. 2, please find enclosed the Reply Submissions of PUC Distribution Inc.

Yours very truly,

Andrew Belsito, CPA, CMA  
Rates and Regulatory Affairs Officer  
PUC Distribution Inc.  
Sault Ste. Marie Ont.  
Email: [Andrew.Belsito@ssmpuc.com](mailto:Andrew.Belsito@ssmpuc.com)  
Phone: 705-759-3009



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**REPLY  
SUBMISSIONS OF  
PUC DISTRIBUTION INC.**

**June 7, 2019**

**A. INTRODUCTION**

PUC Distribution Inc. (“PUC Distribution”) makes these written reply submissions in accordance with the Ontario Energy Board’s (the “**OEB’s**”) Procedural Order No. 2 dated May 3, 2019 in respect of an Application filed by PUC Distribution on January 31, 2019, as amended, under Section 78 of the *Ontario Energy Board Act, 1998* (“**OEB Act**”) seeking an order of the OEB approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2019 (the “**Application**”). The Board assigned file number EB-2018-0219 to the Application.

These submissions are made in reply to the submissions of OEB staff dated May 31, 2019.

OEB Staff made detailed submissions in respect of the following topics:

- i. Fully Fixed Monthly Distribution Charge – Residential Customers;
- ii. Price Cap Adjustment;
- iii. Retail Transmission Service Rates (RTSRs);
- iv. Deferral and Variance Account (DVA) Disposition;
- v. Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) Disposition; and
- vi. Implementation – Effective Date.

PUC Distribution will address the submission made in respect of item iv. - Deferral and Variance Account (DVA) Disposition. PUC Distribution has no further comments for the other items.

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**B. Deferral and Variance Account (DVA) Disposition**

**Account 1595**

The amount of \$9,424 was originally erroneously recorded in Sub-Account 1595 (2013) even though the amount was in relation to 2016 carrying charge transactions which should have been recorded in Sub-Account 1595 (2016). As such, the Rate Generator Model was revised to fix this error by transferring the amount from Sub-Account 1595 (2013) to Sub-Account 1595 (2016). Upon approval of this application, PUC Distribution will submit a RRR Revision Request to reflect this transfer between Sub-Accounts.

PUC Distribution agrees with OEB staff that no amounts should be included in respect of Sub-Account 1595 (2013) in this Application as this Sub-Account has already been disposed of.

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**Account 1588/1589**

PUC Distribution agrees with OEB Staff's view that Accounts 1588 and 1589 should not be disposed until PUC Distribution has completed a review of the account balances in accordance with the expectations of the new accounting guidance, which was only issued after PUC Distribution filed its rate application.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 7TH DAY OF JUNE 2019.

Sincerely,

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Andrew Belsito, CPA, CMA  
Rates and Regulatory Affairs Officer  
PUC Distribution Inc.  
Sault Ste. Marie Ont.  
Email: [Andrew.Belsito@ssmpuc.com](mailto:Andrew.Belsito@ssmpuc.com)  
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