

Oakville Hydro Electricity Distribution Inc.
2020 Price Cap IR Application (EB-2019-0059)
Response to OEB Staff Interrogatories on Non-ICM Portion

Staff Question #1

Re: IRM Model – Sheet 3. Continuity Schedule – Account 1595 (2015) and Account 1595 (2017)

- a) The balance in account 1595(2015) was disposed of on a final basis in Oakville Hydro's 2019 IRM application. Please confirm that Oakville Hydro is aware that the balance put forth in this application is ineligible for disposition.

Response:

Oakville Hydro is aware that 2015 balance are not eligible for disposition. However as stated in the third paragraph on page six of Oakville Hydro's 2020 Price Cap IR Application (EB-2019-0059), these costs are related to Oakville Hydro's 2018 Z-Factor claim for windstorm costs. Oakville Hydro inadvertently reported this balance in Account 1595 (2015) in its RRR filing. Oakville Hydro should have named this Account 1595 (2018). Oakville Hydro has requested that OEB staff correct the name of the account by submitting a change request for RRR filings.

- b) In regards to Account 1595 (2017), the January 1, 2018 balances for both principal and interest do not match the December 31, 2017 closing balances in the 2019 approved IRM Model. Please reconcile and explain the differences.

Response:

Oakville Hydro made a typographical error in the opening balance of 2018 for Account 1595 (2017) in tab 3 DVA Continuity Schedule of the 2020 IRM Rate Generator. Oakville Hydro had inadvertently entered a credit amount of \$15,124 for principal and a debit amount of \$5,602 for

interest. Oakville Hydro has updated the DVA Continuity Schedule in the 2020 IRM Rate Generator Model with the correct opening balance of a credit amount of \$520.68 for principal and a debit amount of \$6,509.65 for interest. Oakville Hydro will file an updated IRM Rate Generator Model in Excel format.

Staff Question #2

Re: 1595 Analysis Model – Sheet “1595 2017”

OEB staff notes that the principal and interest values in cells D13 and E13 do not match the approved amounts in the 2017 OEB Decision and Rate Order (EB-2016-0097).

- a) Please reconcile and explain the differences between the total groups 1 and group 2 (excluding account 1589) balances with those that were approved in EB- 2016-0097.

Response:

Oakville Hydro inadvertently populated the incorrect amounts in cells D13 and E13 in the tab 1595 2017 of the 1595 Analysis Model. Oakville Hydro has updated the 1595 Analysis Model to reflect this. Oakville Hydro will file an updated IRM Rate Generator Model in Excel format.

Staff Question #3

Re: IRM Model – Sheet 20 – RTSRs

The RTSR rates for all classes are increases more than 4.5%. Please reconcile and explain the elements and causes of this change.

Response:

The main reason that the RTSR rates for all classes increased more than 4.5% is due to the increases in

the approved IESO Uniform Transmission Rates and Hydro One Sub-transmission Rates. The IESO Uniform Transmission Rate - Network Service Rate increased by 6% and the Hydro One Sub-Transmission Rates - Transformation Connection Service Rate Line and Transformation Connection Service Rate which increased by 13% and 10% respectively.

Table 1 - IESO Uniform Transmission Rates

IESO Uniform Transmission Rates	Unit	2019 Rate Generator Model	2020 Rate Generator Model	% Change
Rate Description		2019 Rate	2020 Rate	
Network Service Rate	kW	\$ 3.61	\$ 3.83	6%
Line Connection Service Rate	kW	\$ 0.95	\$ 0.96	1%
Transformation Connection Service Rate	kW	\$ 2.34	\$ 2.30	-2%

Table 2 - Hydro One Sub-Transmission Rates

Hydro One Sub-Transmission Rates	Unit	2019 Rate Generator Model	2020 Rate Generator Model	% Change
Rate Description		2019 Rate	2020 Rate	
Network Service Rate	kW	\$ 3.1942	\$ 3.2915	3%
Line Connection Service Rate	kW	\$ 0.7710	\$ 0.7877	2%
Transformation Connection Service Rate	kW	\$ 1.7493	\$ 1.9755	13%
Both Line and Transformation Connection Service Rate	kW	\$ 2.5203	\$ 2.7632	10%

Staff Question #4

Ref: [Managers Summary, page 7](#)

Oakville Hydro indicated that it has revised its practices and procedures to comply with the new accounting guidance by August 31, 2019. Oakville Hydro stated that it will implement the new accounting guidance by August 31, 2019.

- a) Please confirm that Oakville Hydro has implemented the new accounting guidance by August 31, 2019.

Response:

Oakville Hydro confirms that Oakville Hydro has implemented the new accounting guidance effective August 31, 2019.

- b) Please provide a discussion of the revisions that Oakville Hydro made to its accounting practices and procedures.

Response:

Oakville Hydro has revised its RPP Settlement process to comply with the new accounting guidance. Oakville Hydro has implemented the new accounting guidance by August 31, 2019.

Oakville Hydro's previous settlement process was on an accrual basis. Oakville Hydro used actual billed data from its Customer Information System (CIS). The CIS provided metering data, the Weighted Average Price (WAP) of power for RPP customers and the amount billed to RPP customers for power. Oakville Hydro calculated the accrual using actual smart meter data from its Operational Data Store (ODS). Oakville Hydro provided its ODS service provider with the last read data for all RPP customers. This data was combined with the smart meter data stored in the ODS to provide the unbilled kWh for each RPP customer. Oakville Hydro used the IESO 2nd estimated GA rate applied to RPP consumption for monthly RPP settlement with IESO. Oakville Hydro trued up the IESO 2nd estimated GA rate to the actual GA rate in the subsequent month.

The revised settlement process (new accounting guideline) uses a top down approach. Oakville Hydro uses the current month's wholesale metering data from its third party vendor, then adds all load generated by embedded generators, and removes the Class A customer volumes. The current month's billing data is used to calculate the RPP and Non-RPP split. It is also used to

determine the split between TOU, tier 1 and tier 2 consumption.

With the revised process, two RPP settlement true-up claims are performed. The first true-up is prepared in the month following the initial RPP settlement claim. The first true-up updates the IESO 2nd estimated GA rate with the actual GA rate charged by IESO. Oakville Hydro also updates the estimated power costs to the actual wholesale power cost. The second true-up is prepared once the actual RPP consumption is available in the CIS system.

c) Oakville Hydro states that it will review the historical 2016 and 2017 balances that were approved for interim disposition in the context of the new accounting guidance prior to requesting final disposition. Oakville Hydro is not requesting disposition of 2018 balances, please confirm that Oakville Hydro will also review the 2018 balances in the context of the new accounting guidance.

- i. Please confirm that Oakville Hydro will also review the 2018 balances in the context of the new accounting guidance.

Response:

Oakville Hydro confirms that it will also review the 2018 balances in the context of the new accounting guidance.

- ii. Please indicate the status and the timeline of this review and how the review is being performed.

Response:

Oakville Hydro plans to engage an external audit firm to review its RPP Settlement Process as part of its year-end process. Oakville Hydro will document the RPP Settlement Process and prepare working papers for the auditors. The process review will result in the external auditor providing a management report. Based on the

process review and fact based findings, Oakville Hydro will review 2016, 2017 and 2018 balances in the Account 1588 RSVA Power and Account 1589 RSVA Global Adjustment.

- iii. Per Oakville Hydro's 2019 IRM decision, the OEB's Audit and Investigation staff conducted an inspection of Oakville Hydro's RPP settlement and embedded generation variances with the IESO as well as the allocation of GA charges between Accounts 1588 and 1589 as at December 31, 2017. These audited 2017 balances were disposed on an interim basis in Oakville Hydro's 2019 IRM. Please explain Oakville Hydro's scope of the review of 2016 and 2017 balances in the context of the new accounting guidance.

Response:

Please refer to the response to Question # 4 (c) (ii) above. Oakville Hydro will review its 2016, 2017 and 2018 balances in the context of the new accounting guidance.

Staff Question #5

Ref: [GA Analysis Workform, Appendix A, IRM Rate Generator](#)

In Appendix A, there in the reconciliation of Account 1588 under #1, total principal adjustments in 2018 for Account 1588 is \$72,654. However, in the DVA Continuity Schedule, there is no principal adjustment in 2018 for Account 1588 and a principal adjustment of \$72,654 in 2018 for Account 1589. The \$72,654 principal adjustments also correspond to that in the GA Analysis Workform.

- a) Please confirm that the principal adjustments are for Account 1589 and not Account 1588.
 - i. If yes, please revise the reconciliation table to be for Account 1588 in Appendix A, #1. Please revise this table to show i) the first row as principal transactions in the GL and ii) the last line to show principal transactions and adjustments for 2018 in the DVA continuity schedule (cell

BD28 and cell BF28). Please also revise the DVA Continuity Schedule as necessary.

- a. For each principal adjustment identified, please explain why it is a principal adjustment.

Response:

Oakville Hydro confirms that the reconciliation of Account 1588 under Question #1 in Appendix A is for Account 1589. Oakville Hydro has updated the DVA Continuity Schedules of 2019 and 2020 IRM Rate Generator Model, which will be filed separately. The table below is the breakdown of the principal adjustments on the DVA Continuity Schedule for Account 1588. The reason why the adjustments below are identified as principal adjustments is because these adjustments are to adjust the GL balance to a balance that reflects the full calendar year' transactions.

Reconciliation of Account 1588 - 2018

Item	Description	Principal Adjustments	Was the amount a "Principal Adjustment" in the previous year? (Y/N)
	Principal Balance December 31, 2018 in the GL	\$ 325,018	
	Reversals of Principal Adjustments - previous year		
1	Reversal of Cost of Power accrual from previous year		
2	Reversal of CT 1142 true-up from the previous year		
3	Unbilled to billed adjustment for previous year	(353,932)	Y
4	Reversal of RPP vs. Non-RPP allocation		
	Sub-Total Reversals from previous year (A):	(353,932)	
	Principal Adjustments - current year		
5	Cost of power accrual for 2018 vs Actual per IESO bill		
6	True-up of CT 1142 for 2018 consumption recorded in 2019 GL	864,908	N
7	Unbilled accrued vs. billed for 2018 consumption	(182,591)	N
8	True-up of RPP vs. Non-RPP allocation of CT 148 based on actual 2018 consumption		
9	Other (Generation Adjustment -Per Inspection Report Page A-1 of 5)	1,240,162	Y
	Sub-Total Principal Adjustments for 2018 consumption (B)	1,922,479	
	Total Principal Adjustments shown for 2018 (A + B)	1,568,547	
	Bal. For Disposition - 1588 (should match Total Claim column on DVA Continuity Schedule	\$ 1,568,547	

- b. Please explain why there are no principal adjustments to Account 1588 in the DVA Continuity Schedule. For example, per Appendix A #11d, charge type 1142 for 2018 is trued up in 2019 and recorded in the 2019 GL, there was also a principal adjustment in 2017 that may require reversals in 2018 from Appendix A #13b.

Response:

Oakville Hydro has updated the principal adjustments to Account 1588 and Account 1589 in the DVA Continuity Schedules of 2019 and 2020 IRM Rate Generator Model, which will be filed separately.

Table 3 and Table 4 below are the breakdown for the principal adjustments of Account 1588 and Account 1589.

Table 3 - Account 1588 Principal Adjustments breakdown

Account 1588	2016 Principal	2017 Principal	2018 Principal	Total
True-up of CT 1142 for 2018 consumption recorded in 2019 GL			\$ 864,908	\$ 864,908
Remove prior year end unbilled to actual revenue differences	\$ 929,752	\$ (298,882)	\$ (353,932)	\$ 276,938
Add current year end unbilled to actual revenue differences	\$ 298,882	\$ 353,932	\$ (182,591)	\$ 470,223
Global Adjustment True Up -Per Inspection Report Page A-3 of 5	\$ (1,744,327)	\$ 504,165	\$ 1,240,162	\$ (0)
Total Adjustments	\$ (515,693)	\$ 559,215	\$ 1,568,547	\$ 1,612,069

Table 4 - Account 1589 Adjustments breakdown

Account 1589	2016 Principal	2017 Principal	2018 Principal	Total
True-up of GA Charges based on Actual Non-RPP Volumes - current year			\$ (864,908)	\$ (864,908)
Remove prior year end unbilled to actual revenue differences	\$ (929,752)	\$ 298,882	\$ 353,932	\$ (276,938)
Add current year end unbilled to actual revenue differences	\$ (298,882)	\$ (353,932)	\$ 182,591	\$ (470,223)
Generation Adjustment -Per Inspection Report Page A-1 of 5	\$ 1,744,327	\$ (504,165)	\$ (1,240,162)	\$ 0
Total Adjustments	\$ 515,693	\$ (559,215)	\$ (1,568,547)	\$ (1,612,069)

- ii. If no, please explain why the principal adjustments are the same for Accounts 1588 and 1589.
 - a. Please also explain why reconciling item 9 “Other (Class A)” would be applicable to Account 1588.

Response:

Please see response to Questions #5 a (i) (a)

Staff Question #6

[Ref: Appendix A](#)

In Appendix A #12, it states that Oakville Hydro calculates the RPP related GA costs and records the portion of RPP related GA costs in Account 1588. In #10, Oakville Hydro indicated that it used approach b where the portion of charge type 1142 equaling GA RPP is credited to Account 1589. Please confirm that Oakville Hydro’s response to #12 is regarding the net impact to Account 1588, if not, please explain. Explain.

Response:

Oakville Hydro confirms that approach (a) in Appendix A #10 is used to book electricity costs. CT 1142 (RPP Settlement Amount) is booked into account 1588 and CT 148 (Class B Global Adjustment) is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589 respectively.

Staff Question #7

Ref: GA Analysis Workform, IRM Rate Generator

a) In the GA Analysis Workform, under Note 4, columns G and H for consumption that is unbilled are blank.

- i. Please explain how the data in column F for Non-RPP Class B consumption is derived and why columns G and H are not needed.

Response:

The data in column F for Non-RPP Class B consumption is extracted from Oakville Hydro's CIS System, which is the actual consumption Oakville Hydro bills its Non-RPP Class B customers for the electricity they consume each month. Therefore, column G and H which are the accruals are not needed.

- ii. This is a different methodology used than the GA Analysis Workform filed in Oakville Hydro's 2019 IRM rate application. Please explain why a different methodology was used and whether Oakville Hydro's processes have changed to enable it to obtain better data.

Response:

Oakville Hydro used a new process in its 2020 IRM rate application. Oakville Hydro's Information Technology Department developed a new report which extracts the actual billed consumption from the CIS system. Using the actual billed consumption for Non-RPP Class B customers to calculate the expected balance in Account 1589 is more accurate.

- b) In the GA Analysis Workform, under Note 5, the net change in principal

balance of debit \$404,604 does not agree to the 2018 transactions of credit \$481,626 in tab 3 DVA Continuity Schedule of the IRM Rate Generator. Please explain the difference and revise the evidence as appropriate.

Response:

Oakville Hydro has made a typographical error in the 2018 transactions in tab 3 DVA Continuity Schedule of the 2020 IRM Rate Generator. The net change in principal balance is a debit of \$404,604. Oakville Hydro has updated the DVA Continuity Schedule in the 2020 IRM Rate Generator Model and it will be filed separately.

Staff Question #8

Ref: [GA Analysis Workform](#)

Regarding reconciling items in the GA Analysis Workform:

- a) Oakville Hydro's filed an inspection report in its 2019 IRM. The inspection report indicated an adjustment of \$1,744,327 for 2016 and (\$504,165) for 2017, netting to \$1,240,159 was needed for Account 1589. Oakville Hydro included (\$1,240,162) as reconciling item #8 in the 2018 GA Analysis Workform.
 - i. Please indicate the year(s) in which the two adjustments were recorded in the GL.

Response:

Oakville Hydro recorded the two adjustments (\$1,240,162) in the 2018 GL.

- ii. If not recorded in the 2018 GL balance, please explain why there would be a reversal of the adjustment as a reconciling item in the GA Analysis Workform when the 2018 balance in the GL excluded the adjustment and the calculation of the expected GA balance would also have excluded this adjustment.

Response:

These adjustments were recorded in the 2018 GL balance.

- iii. The \$1,240,159 is not included as principal adjustment reversal as indicated in the 2018 GA Analysis Workform and excluded on the DVA Continuity Schedule. This adjustment was included for disposition in the 2017 Account 1589 balance from Oakville Hydro's 2019 IRM application as shown in Appendix A #13b. Please explain why there is no related principal adjustment reversal in 2018 - in particular, why the 2017 principal adjustment shown in row e of Appendix A #13b is not reversed. Please provide an explanation discussing how the adjustment was recorded in both the GL and the RRR, and the year in which it was recorded. Please revise the evidence as needed.

Response:

The \$1,240,159 is included as a principal adjustment reversal in the 2018 GA Analysis Workform. Oakville Hydro has updated the principal adjustments to Account 1588 and Account 1589 in the DVA Continuity Schedules of 2019 and 2020 IRM Rate Generator Model to include \$1,240,159 as principal adjustment reversal, the updated models will be filed separately.

Table 3 and Table 4 in Question 5 (a) (i) (b) above show the breakdown for the principal adjustments in Account 1588 and Account 1589. Please refer to Table 3 and Table 4 for details.

- b) Per page 6 of the Manager's Summary, it states that Class A customers are billed based upon actual Class A global adjustment charges, therefore, there are no Class A GA variance balances. Reconciling item 9 shows a GA balance of \$401,039 that pertains to Class A in the Account 1589 balance. Please explain why there is a balance for Class A GA in the general ledger.

Response:

Oakville Hydro bills its Class A customers based upon actual Class A Global Adjustment Charges charged by IESO. The balance pertaining to Class A customers in the Account 1589 at the end of the year is due to differences between accrual and actual.

Staff Question #9

Ref: IRM Rate Generator – Tab 3

Account 1588 transactions for 2018 was \$1,309,073. Typically, large balances are not expected for Account 1588 as it should only hold the difference between actual and approved line losses. Please explain the high transactions for Account 1588 in consideration of line losses.

Response:

Oakville Hydro has made a typographical error in the 2018 transactions for Account 1588 in tab 3 DVA Continuity Schedule of the 2020 IRM Rate Generator. Oakville Hydro has updated the DVA Continuity Schedule in the 2020 IRM Rate Generator Model and it will be filed separately.

Account 1588 activities for 2018 is a credit \$898,423 in the DVA Continuity Schedule, which includes a credit adjustment of \$1,744,327 for 2016 and a debit adjustment of \$504,165 for 2017 booked in the GL in 2018 as per OEB Inspection Report. The actual activities for 2018 is \$341,739 after removing the two adjustments per OEB Inspection Report, which includes \$119,379 contributed by the difference between actual and approved line losses. The difference in amount of \$222,360 is due to the difference

between unbilled revenue and billed revenue. Oakville Hydro suggests that there will be some variance between purchases and sales due to timing differences and suggest that the balance of \$222,360 is an immaterial relative to the cost of power.

Table 5 - 1588 Transactions for 2018

Description	Reference	Amount
1588 Transactions for 2018	A	\$ (898,423)
Remove transaction related to previous year		
Global Adjustment True Up -Per Inspection Report Page A-3 of 5	B	\$ (1,240,162)
2018 Transactions	C=A-B	\$ 341,739
Line Losses	D	\$ 119,379
Variance	E=C-D	\$ 222,360

Staff Question #10

Ref: [Tab 5 of LRAMVA workform \(Table 5-d\)](#)

It appears that there were additional savings from four 2018 CDM programs included in the LRAMVA workform as noted below. The CDM program savings in 2018 did not match the savings included in Oakville's 2019 Participation and Cost (P&C) report.

An extract of the program savings are shown below

2018 CDM Program	Energy Savings (kWh)	Monthly Demand Savings (kW)
Save on Energy High Performance New Construction Program	355,040	58
Oakville Hydro Electricity Distribution Inc. - Swimming Pool Efficiency Program	944,559	247
Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls	188,060	43
Toronto Hydro-Electric System Limited - Swimming Pool Efficiency Program	88,089	12

- a) Please explain why the program savings entered into the LRAMVA workform for the above programs are different than what is included in the 2019 P&C Report filed on record.

Response:

Since savings for the Energy High Performance New Construction Program were not included in the 2019 P&C report. Therefore, Oakville Hydro used the data in the CDM-IS report (2018 Oakville Hydro Project Report) for both Energy Savings and Demand Savings. The energy saving and demand saving for the Energy High Performance New Construction Program can be found in line 873 of the Measures tab in the 2018 Oakville Hydro Project Report.

The Swimming Pool Efficiency Program and Toronto Hydro-Electric System Limited (THESL) Swimming Pool Efficiency Program are consolidated in 2019 P&C report. Oakville Hydro used the information in 2019 P&C report for the Swimming Pool Efficiency Program and removed the savings for THESL Swimming Pool Efficiency Program from LRAMVA workform.

The Table 6 below summarizes the changes to the programs.

Table 6 - 2018 CDM Program

2018 CDM Program	Energy Savings (kWh)	Monthly Demand Savings (KW)	Notes
Oakville Hydro Electricity Distribution Inc. - Swimming_Pool_Efficiency_Program	744,554	259	Per 2019 P&C Report
Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls	184,201	43	Per 2019 P&C Report
Toronto Hydro-Electric System Limited - Swimming_Pool_Efficiency_Program			Removed

Oakville Hydro has updated the LRAMVA workform by using the energy savings in 2019

P&C report for the Swimming Pool Efficiency Program and RTU Controls Program. Oakville Hydro will file the updated LRAMVA workform separately.

- b) Please reconcile the 2018 program savings (kWh and kW), as shown in the table above, to the CDM-IS report. Please file a copy of the CDM-IS report showing that the above energy and demand savings have been submitted and accepted by the IESO. If the above programs cannot be identified in the CDM-IS report, please file the reference document. If no supporting documentation can be provided, please provide additional rationale for why these savings should be included within the LRAMVA calculation.

Response:

Oakville Hydro used both energy savings and demand savings on Energy High Performance New Construction Program in the CDM-IS report (2018 Oakville Hydro Project Report), since the savings are not included in the 2019 P&C report. Oakville Hydro will file an anonymized copy of the 2018 Oakville Hydro Project Report which excludes any personal information.

- c) Please discuss, and provide supporting documentation, for including program savings from Toronto Hydro's Swimming Pool Efficiency Program (88,089 kWh) when it appears that Oakville is already recovering its share of savings (944,559 kWh) as shown in the table above. If the savings from the Toronto Hydro CDM program were included in error, please remove the savings in Table 5-d of Tab 5 in the LRAMVA workform.

Response:

As mentioned in Question #10 (a) above, The Swimming Pool Efficiency Program and THESL Swimming Pool Efficiency Program are consolidated in 2019 P&C report. Oakville Hydro has used the information in 2019 P&C report for the Swimming Pool Efficiency Program and removed the savings for THESL Swimming Pool Efficiency Program in the

updated LRAMVA workform.

The Energy Savings for Toronto Hydro's Swimming Pool Efficiency Program and Swimming Pool Efficiency Program are both from the CDM-IS Report (2018 Oakville Hydro Project Report) mentioned in Question #10 (a). When the program first launched IESO initially called it "Toronto Hydro-Electric System Limited (THESL) Swimming Pool Efficiency Program" in the IESO reporting template. It was in mid-2018 that they renamed it "Swimming Pool Efficiency Program" when they released a new reporting template. The program names are pre-populated as a drop down option, Oakville Hydro was not able to change the program name.

Staff Question #11

Ref: [Tab 5 of LRAMVA workform \(Table 5-d\)](#)

[Tab 8 of LRAMVA workform](#)

Oakville Hydro is claiming demand savings from two street light projects that were implemented as part of the saveOnEnergy retrofit program.

	Energy Savings (kWh)
Save on Energy Retrofit Program - 2017	13,386,638
Save on Energy Retrofit Program - 2018	12,276,867

- a) In Tab 5 of the LRAMVA workform, please confirm whether Oakville Hydro has removed the kWh savings attributable to street light upgrades from the saveOnEnergy retrofit program in 2017 and 2018. If not, please quantify the kWh from the street light upgrades undertaken in the 2017 and 2018 saveOnEnergy retrofit program and show the calculations in a revised version of the LRAMVA workform.

Response:

The third paragraph in page 9 of Oakville Hydro's 2019 Price Cap IR Application (EB-2019-0059) states that Oakville Hydro has left the kWh as calculated by the IESO in the LRAWVA workform. Since the street lighting rate class is billed on kW demand, kWh reductions do not result in lost revenues for electricity distributors. And removing them does not impact the calculation of lost revenue.

However, Oakville Hydro will file a revised version of the LRAMVA workform, removing the kWh savings attributable to street light upgrades from the SaveOnEnergy retrofit program in 2017 and 2018. The kWh savings attributable to street light upgrades can be found on line 108 to line 111 in the tab Retrofit of CDM-IS Report (2018 Oakville Hydro Project Report). Oakville Hydro has shown this on line 34 of Table 5-d. 2018 Lost Revenues Work Form in Tab 5. 2015-2020 LRAM of the LRAMVA workform.

- b) In Tab 8 of the LRAMVA workform, please provide the detailed supporting documentation (i.e. # of fixtures replaced by fixture type) for the May 2018 and November 2018 street light conversions, to substantiate the change in billed demand from street light upgrades as of these implementation dates that are shown in Column C of the Summary Project table.

Response:

The street light conversion program ended in March 2018. In May 2018 and November 2018 there was an increase in the number of street light connections as a result of customer growth. By including this growth in the "Actual lost revenue based on kW billing" table, Oakville Hydro has reduced its claim for lost revenues. If the growth is excluded, the amount of the LRAM claim for the street lighting rate class would increase from \$72,019 to \$72,533. Oakville Hydro has corrected Tab 8 of the

LRAMVA workform to end at March 2018. Oakville Hydro will file the updated LRAMVA workform separately.

Staff Question #12

Ref: [Tab 1 of LRAMVA workform \(Table 1-b\)](#)

Oakville Hydro requests disposition of lost revenues related to 2017 and 2018 program results. However, the LRAMVA balance calculated from Table 1-b includes LRAMVA amounts from 2011 to 2016, which have already been approved by the OEB in past applications.

- a) If the 2011 to 2016 lost revenue amounts were included in error, please update Table 1-b, by removing the LRAMVA amounts related to 2011 to 2016 balances (i.e. amounts pre-populated in rows 54 to 70).

Response:

Oakville Hydro will file an updated LRAMVA workform with removing the LRAMVA amounts related to 2011 to 2016 balances.

- b) If 2011 to 2016 lost revenue amounts were not included in error, please provide additional justification on the appropriateness of recovering these amounts.

Response:

Oakville Hydro will file an updated LRAMVA workform with removing the LRAMVA amounts related to 2011 to 2016 balances.

- c) Please confirm that the LRAMVA total and rate class amounts are consistent in Table 1-a and Table 1-b.

Response:

Oakville Hydro will file an updated LRAWVA workform with removing the LRAWVA amounts related to 2011 to 2016 balances, which will ensure that the LRAMVA total and rate class amounts are consistent in Table 1-a and Table 1-b.

- d) Please confirm that the carrying charges in Tab 6 are now calculated based on the 2017 and 2018 balances only.

Response:

Oakville Hydro confirms that the carrying charges in Tab 6 are now calculated based on the 2017 and 2018 balances only.

Staff Question #13

Ref: [LRAMVA workform](#)

- a) If Oakville Hydro made any changes to the LRAMVA work form as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA work form, the revised LRAMVA balance requested for disposition, and a table summarizing the revised rate riders.

Response:

The answers Oakville Hydro gave in response to Question #11 (a) and Question #12 (a) result in changes to the LRAWVA workform. Oakville Hydro will file an updated LRAMVA workform separately. The changes on the LRAMVA balance requested for disposition comparing with the original filling are summarized in the Table 7 below.

Table 7 - LRAMVA (\$) for Account 1568

Description	Reference	Filed	Revised	Variance
Actual Lost Revenues (\$)	A	\$ 1,927,556	\$ 1,930,767	\$ 3,211
Forecast Lost Revenues (\$)	B	\$ 699,078	\$ 699,078	\$ -
Carrying Charges (\$)	C	\$ 86,081	\$ 48,421	\$ (37,660)
LRAMVA (\$) for Account 1568	A-B+C	\$ 1,314,558	\$ 1,280,109	\$ (34,449)

Oakville Hydro also updated the DVA Continuity Schedule in the 2020 IRM Rate Generator Model to reflect the change in the amount to dispose the LRAMVA variance account. The Table 8 below summarizes the revised rate riders.

Table 8 - Account 1568 Rate Rider

Rate Class	Unit	Filed Rate Rider	Revised Rate Rider	Change
RESIDENTIAL SERVICE CLASSIFICATION	kWh	\$0.0004	\$0.0004	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	\$0.0014	\$0.0013	-0.0001
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	\$0.1053	\$0.1055	0.0002
GENERAL SERVICE 1,000 KW AND GREATER SERVICE CLASSIFICATION	kW	\$0.0188	\$0.0186	-0.0002
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh			
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW			
STREET LIGHTING SERVICE CLASSIFICATION	kW	\$1.5730	\$1.7101	0.1371
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW			

- b) Please confirm any changes to the LRAMVA workform in response to these LRAMVA interrogatories in “Table A-2. Updates to LRAMVA Disposition (Tab 1)”.

Response:

Oakville Hydro confirm that it has updated “Table A-2. Updates to LRAMVA Disposition” in Tab 1 in response to these LRAMVA interrogatories.