



2020 IRM Application

Responses to Staff Questions

EB-2019-0030

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EXCEL FILE ATTACHMENTS

- A. Entegrus-Main Rate Generator Model
- B. Entegrus-Main GA Workform
- C. Entegrus-St. Thomas Rate Generator Model
- D. Entegrus-St. Thomas 1588 Review
- E. Entegrus LRAMVA Workform

Main Rate Zone

QUESTION 1

Ref 1: Rate Generator Model - Main, Tab 1 – Information

Ref 2: Rate Generator Model - Main, Tab 3 – Continuity Schedule

Ref 3: Rate Generator Model - Main, Tab Instructions for Tab 1, 3 to 7

At reference 1, a distributor is to select the earliest vintage year in which there is a balance in Account 1595. Entegrus – Main has selected 2013.

OEB staff notes that reference 2 shows that the earliest vintage year in which there is a balance in Account 1595 is 2017.

- a) Please provide an explanation for this discrepancy.
- b) If changes are required to the Rate Generator Model, please make the necessary correction to the model provided along with these staff questions.
- c) Reference 3 notes:

b) For all Account 1595 sub-accounts:

Complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2018, regardless of whether the account is being requested for disposition in the current application.

The continuity schedule will open in the year of the earliest Account 1595 vintage year that has a balance. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year).

For example, Account 1595 (2015) would accumulate a balance starting in 2015, when the relevant balances approved for disposition were first transferred into Account 1595 (2015). Input the amount approved for disposition in the OEB Approved Disposition column.

Note that the DVA continuity schedule can currently start from 2013, if a utility has an Account 1595 with a vintage year prior to 2013, then a separate schedule should be provided starting from that vintage year.

For each 1595 sub-account, please populate the data from the year the sub-account started to accumulate a balance (i.e. the vintage year).

Response

- a) As of December 31, 2018, Entegrus-Main had balances in Account 1595 for vintage years 2013, 2015, 2016, 2017 and 2018 as shown in Tab “3. Continuity Schedule”, Column BL. In Entegrus-Main’s 2019 IRM Application, Entegrus-Main disposed of the balances related to 2013, 2015 and 2016. Accordingly, Entegrus-Main has shown the approved dispositions in Tab “3. Continuity Schedule”, Columns BM and Column BN resulting in zero residual balances and therefore is only seeking disposition of 2017 residual balances.
- b) Entegrus has updated Tab “3. Continuity Schedule” Lines 31 through 36 in response to c) below.

- c) Entegrus has updated Tab “3. Continuity Schedule” Lines 31 through 36 for the historical data for the vintage years 2013, 2015, 2016, 2017 and 2018.

QUESTION 2

Ref 1: Rate Generator Model - Main, Tab 3 – Continuity Schedule

Ref 2: EB-2017-0033, Decision and Rate Order, Page 9

Reference 1, Column BE, line 36 shows an amount of (\$1,327,229) transferred to Account 1595 (2018).

OEB staff notes that the amount entered in column BE is the combined principle and interest quantum approved for disposition in reference 2. Column BE should be only the principle amount, while the interest amount should be shown in column BJ.

Please update the Rate Generator Model as provided in Staff Question-1 showing the principle and interest separated into columns BE and BJ, as applicable.

Response

Entegrus has updated the Rate Generator Model, Tab “3. Continuity Schedule” to reflect the split of the approved 2017 and 2018 approved dispositions between Principal and Interest.

QUESTION 3

Ref 1: EB-2019-0030, Application, Page 18

Ref 2: Rate Generator Model - Main, Tab 3 – Continuity Schedule

Ref 3: EB-2018-0024, Decision and Rate Order, Page 11

The interest balances in column BN of the continuity schedule have been adjusted for timing differences and therefore do not agree with balances approved for disposition in reference 3.

Entegrus notes that:

...Consistent with its accounting policy, it does not book the 2019 interest previously approved until the 2019 calendar year in which it was incurred. If the full amount of approved interest is included in Column BN of the Rate Generator Model, it will inherently reduce the interest by an amount not yet reflected in the general ledger, but which will be truly incurred by April 30 of the following year. This will result in the interest disposition being lower than it should be, and results in further and perpetual one-year lag in the disposition of January to April interest.

While OEB staff understands the intent behind how Entegrus is presenting the disposition of interest in the Rate Generator Model, this depiction is not reflecting the required journal entry pursuant to the requirements specified in the Accounting Procedures Handbook. The full amounts must be recorded at the start of the rate year.

The Rate Generator Model is intended to show the balances as approved for disposition in each applicable rate application.

- a) Please confirm if Entegrus made similar adjustments in its 2019 IRM rate application.
- b) Please make the necessary adjustments to the interest in column BN to show the full amounts as approved in EB-2018-0024.

Response

- a) Entegrus confirms it has made similar adjustments in its 2019 IRM rate application.

- b) Entegrus has updated the Rate Generator Model, Tab “3. Continuity Schedule”, Column BN to show the full interest amounts as approved in EB-2018-0024.

QUESTION 4

Ref: Rate Generator Model - Main, Tab 3 – Continuity Schedule

OEB staff notes that there was a formula error in the IRM Rate Generator Model posted on the OEB's webpage.

On tab 3 the formula for cell BM41 is =Sum(BM39,BM40) - BM37. The last portion of the formula (i.e. – BM37) is an error.

OEB staff has made the necessary correction to the Rate Generator Model for the Main rate zone and provided it along with these questions.

Please confirm Entegrus' acceptance of the revised model.

Response

Confirmed.

QUESTION 5

Ref: Rate Generator Model - Main, Tab 6 – Class A Consumption Data

Customer	Rate Class		2018	
			January to June	July to December
Customer 1	GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kWh	1,831,188	3,876,788
		kW	4,604	10,133
		Class A/B	A	B

- a) Please confirm the accuracy of large increase in the non-loss adjusted billing determinants for customer 1.
- b) Did this customer opt out of Class A status?

Response

- a) Entegrus confirms the accuracy of the large increase in the non-adjusted billing determinants for Customer 1. This customer is a seasonal processing facility with a significant portion of its consumption occurring in the fall annually.
- b) Entegrus confirms Customer 1 opted out of Class A status as of July 1, 2018.

QUESTION 6

Ref: Rate Generator Model - Main, Tab 6 – Class A Consumption Data, Part 3b

Rate Classes with Class A Customers - Billing Determinants by Rate Class

	Rate Class		2018
Rate Class 1	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	153,343,074
		kW	344,819
Rate Class 2	LARGE USE SERVICE CLASSIFICATION	kWh	32,793,598
		kW	61,418

The selection of the General Service Less than 50 kW Service Classification appears to be an error.

Please confirm and make any necessary corrections to the Rate Generator Model.

Response

Entegrus confirms the selection of General Service Less than 50 kW is incorrect and should have been selected as General Service Greater than 50 kW. Entegrus has updated the Rate Generator Model accordingly.

QUESTION 7

Ref 1: EB-2019-0030, Application, Section 6.6, Pages 20-21

Ref 2: Rate Generator Model - Main, Tabs 16 – Rev2Cost_GDPIPI and 19 – Final Tariff Schedule

The Application notes:

The 2020 Rate Generator Model, Tab “16. Rev2Cost_GDPIPI” is currently showing only the Large Use Standby Charge correctly adjusted. On Tab “19. Final Tariff Schedule” the Standby – Large Use Standby Charge is correctly reflected with the adjusted rate however the General Service > 50 kW has not been adjusted. Entegrus-Main requests the General Service > 50 KW be adjusted to align with General Service > 50 kW Distribution Volumetric Rate.

OEB staff has updated the Entegrus – Main Rate Generator Model for the error noted.

Please confirm Entegrus’ acceptance of the updated model.

Response

Confirmed.

QUESTION 8

Ref 1: EB-2019-0030, Application, Section 6.3.6, Pages 14-15

Ref 2: Tariff of Rates and Charges, EB-2016-0063, Page 3 of 14

Entegrus proposes a one-time bill credit to numerous customers in the GS>50kW class that transitioned from Class B to Class A effective July 1, 2017 for a large residual balance in Account 1595 (2017).

Entegrus notes a significant portion of the Global Adjustment residual balance relates to these customers because during the time of the original balance accumulation, these customers would have contributed as Class B. However, due to their transition to Class A status during the rate rider period, they did not receive the rate rider credit as anticipated.

Under the “Application” section of the tariff in EB-2016-0063 for the GS>50kW class, it states:

...The rate rider for the disposition of Global Adjustment is only applicable to non RPP Class B customers... **This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider.** In addition, this rate rider is applicable to all new non-RPP Class B customers. **[emphasis added]**

While OEB staff does not take issue with the proposed one-time bill credit, please explain why Entegrus stopped billing these customers the Global Adjustment rate rider at the time, given the wording highlighted in the tariff.

Response

In preparing this Application, management understood that the required CIS configuration was not available to allow for the continuation of the rate rider when the customer transitioned to Class A. Accordingly, one-time bill credits are proposed to remedy this situation for the Account 1595-2017 and Account 1595-2018 residual balances. Entegrus has resolved these configurations as related to the 2019 approved rate riders.

QUESTION 9

Ref: Entegrus – Main, Rate Generation Model, Tab 3 Continuity Schedule

For Account 1588 RSVA-Power, OEB staff compared the transaction debits during the year (cell BD) on Tab 3 of this year's and last year's Rate Generator Model:

	Transaction debit during 2018	Transaction debit during 2017	Diff	Diff %
Account 1589	\$453,987	\$266,407	\$187,581	70%

Given that Account 1589 mainly holds the line loss differences between the actual and approved line losses, please explain the increased transaction debit that was recorded in 2018.

Response

In 2017, there were multiple short-term load transfers ("STLTs") with the transmitter. The configuration of these temporary system flow changes contributed to lower actual line loss experience. Further, as noted in Attachment L, page 2 of the Application, for 2017, Entegrus improved its year-end accrual accounting process to remove the risk of estimation error.

QUESTION 10

Ref: EB-2019-0030, Application, Page 11

Entegrus explained the variance of -\$35,152 between the consolidated Account 1589 balance per model and the RRR 2.1.7 as at December 31, 2018 as follows:

The variance reflected in Line 9 of Table 4 represents the adjustments to the Global Adjustment account based on the reconciliation in the GA Analysis Workform plus the above noted 1588/1589 reclass entry for a credit of \$14,458.

Please provide a reference to the specific reconciliation item of the remaining variance of -\$20,694 (i.e. -\$35,152 less -\$14,458).

Response

The following table contains the details of the three reconciling items:

Description	Source	Amount
1588/1589 Reclass Entry	Application, Page 11	-\$14,458
2018 volume true up recorded in 2019	GA Analysis Workform, Line 1b	-\$25,352
2018 unbilled true up recorded in 2019	GA Analysis Workform, Line 2b	\$4,658
Total		-\$35,152

QUESTION 11

Ref: Entegrus – Main, GA Analysis Workform

OEB staff notes that there is no reconciling item for line 7 “difference in actual system losses and billed TLFs” in the GA Analysis Workform for the Main rate zone.

Please provide a figure for the line 7 and the supporting calculation for the figure.

Response

Entegrus-Main inadvertently omitted this reconciling item. Entegrus-Main reconciles the GA account on a monthly basis. The monthly variance in kWh related to systems losses versus the billed losses is then multiplied by the Actual GA rate for the applicable month. For 2018, Entegrus-Main had an increase in its Non-RPP system losses of 2,710,318 kWh resulting in \$110,790 of debit in Account 1589. Entegrus-Main has updated the GA Analysis Workform, Line 7 to reflect this.

QUESTION 12

Ref 1: EB-2019-0030, Application, Page 20

Ref 2: Rate Generator Model - Main, Tab 8 – STS – Tax Change

Entegrus - Main has not populated Tab 8 of the Rate Generator Model noting that there are no known legislative tax rate changes since its last rebasing application.

For completeness purposes, please populate tab 8 of the Rate Generator Model.

Response

Entegrus has updated Rate Generator Model, Tab “8. STS – Tax Change”.

QUESTION 13

Ref 1: Account 1595 Analysis Workform, Tab 1595 (2017)

Ref 2: EB-2016-0063, Decision and Rate Order, March 30, 2017

A portion of reference 1 is reproduced below:

Step 1

Components of the 1595 Account Balances:	Principal Balance Approved for Disposition	Carrying Charges Balance Approved for Disposition	Total Balances Approved for Disposition
Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment	-\$732,980	-\$33,689	-\$766,670
Account 1589 - Global Adjustment	-\$585,729	-\$19,170	-\$604,899
Total Group 1 and Group 2 Balances	-\$1,318,709	-\$52,859	-\$1,371,569

OEB staff is unable to reconcile the principle (-\$732,980) and carrying charges (-\$33,689) balances for the line item “Total Group 1 and Group 2 Balances excluding Account 1589 – Global Adjustment” to the amounts approved for disposition as per the OEBs decision in EB-2016-0063.

Please reconcile the two figures and make any updates as necessary.

Response

Entegrus notes the principle balance of (\$732,980) and carrying charges (\$33,689) related to the following:

Description	Source	Principle	Carry Charges
Total Group 1 Accounts Excluding Global Adjustment – Account 1589	Decision and Rate Order, EB-2016-0063, Dated March 30, 2017, PDF Page 11	(\$1,021,862)	(\$39,401)
LRAMVA	Decision and Rate Order, EB-2016-0063, Dated March 30, 2017, PDF Page 14	\$288,882	\$5,712
Total		(\$732,980)	(\$33,689)

St. Thomas Rate Zone

QUESTION 14

Ref: Rate Generator Model – St. Thomas, Tab 3 – Continuity Schedule

In columns AA and AF respectively, Entegrus – St. Thomas has input the principle and interest amounts approved by the OEB for disposition in 2015 as per EB-2014-0113.

In columns AK and AP respectively, Entegrus – St. Thomas has input the principle and interest amounts approved by the OEB for disposition in 2016 as per EB-2015-0102.

OEB staff notes that footnote 3 on tab 3 states “for each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column.”

Please update the Rate Generator Model to include the amounts approved for disposition to Account 1595 (2015) and Account 1595 (2016) respectively.

Response

Entegrus has updated the Rate Generator Model, Tab “3. Continuity Schedule”, Lines 33 and 34 with the approved amounts for disposition.

QUESTION 15

Ref: Rate Generator Model – St. Thomas, Tab 3 – Continuity Schedule

OEB staff notes that there was a formula error in the IRM Rate Generator Model posted on the OEB's webpage.

On tab 3 the formula for cell BM41 is =Sum(BM39,BM40) - BM37. The last portion of the formula (i.e. – BM37) is an error.

OEB staff has made the necessary correction to the Rate Generator Model and provided it along with these questions.

Please confirm Entegrus' acceptance of the revised model.

Response

Confirmed.

QUESTION 16

Ref: Rate Generator Model – St. Thomas, Tab 4 – Billing Det. for Def-Var

The residual balance breakdown for Account 1595 (2015) allocated to each rate class is as follows:

Rate Class	1595 Recovery Portion 1595
Residential	504%
GS<50kW	132%
GS 50 to 4,999kW	-550%
Sentinel Lighting	0%
Street Lighting	14%
TOTAL	100%

Please explain the 504% and -550% allocation to the Residential and GS 50 to 4,999kW rate classes, respectively.

Response

The above relates to the disposition of Account 1595 (2015) in the amount \$11,830. The allocation is derived from the corresponding original 2015 DVA disposition. Specifically, Entegrus utilized the file “STEI_2015_EDDVAR_Continuity Schedule_Oct23_20141104.xlsx” filed as part of the former St. Thomas Energy’s Settlement Proposal in its 2015 Cost of Service, EB-2014-0113. The Settlement Proposal was accepted by the Board in its Decision and Order issued on November 27, 2014. Below is a summary of the original 2015 allocated balances by rate class and the associated calculation used in the Rate Generator Model, Tab “4. Billing Det. For Def-Var” to allocate the residual balances:

Line No.	Rate Class	Group One excluding Acct 1589	Acct 1589	Total	Percentage
	Reference	A	B	C = A + B	D = C/Line 5
1	Residential	-\$317,234	\$78,768	-\$238,466	504%
2	General Service < 50 kW	-\$106,943	\$44,480	-\$62,462	132%
3	General Service > 50 kW	-\$306,726	\$566,874	\$260,148	-550%
4	Sentinel Lighting	-\$60	\$0	-\$60	0%
5	Street Lighting	-\$8,202	\$1,703	-\$6,499	14%
5	Total	-\$739,165	\$691,825	-\$47,339	100%

QUESTION 17

Ref: Rate Generator Model – St. Thomas, Tab 6 – Class A Consumption Data, Table 3a

OEB staff notes that Table 3a has not been populated in its entirety. For customers who were class A for the entire year, the rate model requires that the non-loss adjusted billing determinants be populated in Table 3a even for customers who were Class A for an entire year. The summation of those numbers for each year are to be populated in Table 3b as Entegrus has done.

Please update the Rate Generator Model provided with these questions to include the necessary data.

Response

Entegrus has updated the Rate Generator Model, Tab “6. Class A Consumption Data” as noted above.

QUESTION 18

Ref: Rate Generator Model – St. Thomas, Tab 6 – Class A Consumption Data, Table 3b

3b Enter the number of rate classes in which there were customers who were Class A for the full year during the period the Account 1589 GA or Account 1580 CBR B balance accumulated. Enter the total Class A consumption in the rate class in the table

Clear All

Rate Classes with Class A Customers - Billing Determinants by Rate Class

	Rate Class
Rate Class 1	

Please select the appropriate rate class(es) from the drop down box.

Response

Entegrus has updated the Rate Generator Model, Tab. "6. Class A Consumption Data" with the appropriate rate class as noted above.

QUESTION 19

Ref: Rate Generator Model – St. Thomas, Tabs 6.1a – GA Allocation and 6.2a – CBR B_Allocation

The inputs entered in columns E, F and G of the above noted tabs are the same. OEB staff notes that the amounts entered on Tab 6.2a should be “Total Consumption Less WMP”, while the amounts on Tab 6.1a should be “Non-RPP Consumption Less WMP Consumption”

- a) Please make the necessary corrections to the model.
- b) Please provide any explanations, as required, for large changes in year over year quantum.

Response

- a) Entegrus has updated the Rate Generator Model, Tab “6.2a CBR B_Allocation”, Cells E19, F19 and G19 with the annual “Total Consumption Less WMP” amounts.
- b) Not applicable, there are no large variances.

QUESTION 20

Ref: EB-2019-0030, Application, Pages 24, 30 and 31

On page 24 of the application, Entegrus –St. Thomas states that:

Entegrus-St. Thomas has implemented the new Account 1588 & Account 1589 accounting guidance, including a review of historical balances.

On pages 30 and 31 of the application, Entegrus –St. Thomas states that:

As previously noted in Section 7.3.2, in late 2018 management reperformed the accounting of 2015 – 2018 St. Thomas variance account balances. The process involved the preparation of independent account reconciliations with the December 31, 2014 account balances (previously approved for disposition in EB- 2015-0102) as the starting point. Using original source documents for 2015-2018, including IESO invoices, RPP settlements, generation settlements and CIS billed sales, management conducted account reconciliations of Account 1588 and 1589 to December 31, 2018.

- a) Please confirm whether the 2018 management re-performance of the accounting of 2015-2018 variance accounts included the review and implementation of the new accounting guidance issued in February 2019.
- b) If not, please explain when and how the implementation of the new accounting guidance of February 2019 was completed and the results of the implementation.

Response

- a) Entegrus confirms the 2018 management re-performance of the accounting of 2015-2018 variance accounts included the review and implementation of the new accounting guidance issued in February 2019. Entegrus participated in an OEB consultation in the Fall of 2018, which provided Entegrus with early access to the methodologies and calculations provided by the OEB in February 2019.
- b) Not applicable.

QUESTION 21

Ref: Rate Generator Model - St. Thomas, Tab 3 - Continuity Schedule

OEB staff has summarized the transaction debits/(credits) that are recorded in the continuity schedule for Account 1588 principal below:

	Transaction credit during 2015	Transaction credit during 2016	Transaction debit during 2017	Transaction debit during 2018
Account 1588	(\$1,818,079)	(\$668,863)	\$1,144,040	\$848,262

- a) Please explain why there is a significant swing from a credit in 2015 to a large debit in 2018.
- b) Please provide the analytical review in the attached excel file for each year of 2015 to 2018.

Response

- a) The significant transactional swings in the Account 1588 occur as a result of the OEB Audit adjustments described in the Application, Section 7.3.2 as well as the management reperformance also described in the Application, Section 7.3.2. Please see response to Question 25b below for details of Account 1588/1589 reclassification entries and additional timing adjustments.
- b) Entegrus has completed a month by month analytical review of Account 1588 for years ending 2015 to 2018. Please note the originally provided spreadsheet calculation did not consider the impacts of IESO CT 1142 amounts or the GA transfer related to RPP customers. Entegrus has provided similar details to those requested in the attached spreadsheet and reconciled to the annual balances provided in response to Question 25b. Please see the Excel file title "Entegrus-STT_1588Review_20181023.xlsx" filed as part of this response.

QUESTION 22

Ref: EB-2019-0030, Application, Pages 30-32

Regarding the calculated loss factors, Entegrus states that:

It is noted that the “Calculated Loss Factors” in Cell F59 of the GA Analysis Workform in 2016, 2017 and 2018 are not within the range of the Entegrus – St. Thomas tariff sheet secondary metered customer loss rate of 1.0393 and the primary metered customer loss rate of 1.0289. This relates to a segment of larger volume General Service > 50 kW interval metered customers who were billed using the IESO-published Actual GA rate for consumption related to the period of July 2016 to April 2018. As discussed in the Entegrus – St. Thomas 2019 IRM (EB-2018-0024) in response to Question 4, these 22 customers were moved to the IESO-published Actual GA rate for billing purposes in July 2016, with an objective of reducing the GA variances by removing the impact of estimation. At the time, STEI management was unaware of O. Reg 429/04, Section 16(3). Upon review of this regulation in April 2018, the associated 22 customers were immediately switched back to the IESO-published GA 1st estimate billing rate.

Table 16 on page 32 of the application indicates that Entegrus did not include the GS>50 interval meter customers who were billed at the actual GA rates into the calculation of the expected GA variances.

Table 15 on page 30 of the application listed a consolidated GA Analysis Workform from 2015 to 2018 for St. Thomas rate zone. Line 7 lists the differences between the actual system losses and billed TLF as below:

- a) Please clarify whether the line loss calculation for this line 7 includes the Non-RPP consumption that were billed of the actual rates from July 2016 to April 2018.
- b) Please provide the supporting calculation for the \$84,415 line loss differences in 2017.

Response

- a) Entegrus confirms that the line loss calculation for Table 16, Line 7 includes the Non-RPP consumption that was billed at actual GA rates from July 2016 to April 2018.
- b) Please see table below:

Month	Total Purchase (kWh)	Total Sales (kWh)	Losses (kWh)	Actual GA Rate (\$/kWh)	GA Value of Losses (\$)	Non-RPP Allocation	Non-RPP GA Losses
A	B	C	D = B + C	E	F = D * E	G	H = F * G
January	24,681,249	(24,880,910)	(199,662)	\$0.06687	-\$13,351	45%	-\$6,073
February	21,517,799	(21,096,976)	420,823	\$0.10559	\$44,435	45%	\$19,950
March	23,712,909	(24,536,093)	(823,184)	\$0.08409	-\$69,222	48%	-\$33,160
April	20,340,409	(20,541,046)	(200,637)	\$0.06874	-\$13,792	49%	-\$6,817
May	21,046,400	(21,280,518)	(234,118)	\$0.10623	-\$24,870	51%	-\$12,563
June	23,349,293	(23,553,617)	(204,324)	\$0.11954	-\$24,425	47%	-\$11,598
July	26,013,926	(26,176,491)	(162,565)	\$0.10652	-\$17,316	32%	-\$5,542
August	24,886,121	(24,998,138)	(112,017)	\$0.11500	-\$12,882	34%	-\$4,428
September	22,862,053	(22,762,538)	99,515	\$0.12739	\$12,677	35%	\$4,386
October	21,465,567	(21,829,906)	(364,339)	\$0.10212	-\$37,206	38%	-\$14,127
November	22,392,144	(22,590,521)	(198,376)	\$0.11164	-\$22,147	35%	-\$7,840
December	24,946,704	(25,193,120)	(246,416)	\$0.08391	-\$20,677	32%	-\$6,602
Total	277,214,573	(279,439,873)	(2,225,300)				-\$84,415

QUESTION 23

Ref: EB-2019-0030, Application, Attachment L, Page 4

Ref: Rate Generator Model – St. Thomas, Tab 6 – Class A Consumption Data

On page 4 of Attachment L, Entegrus - St. Thomas IESO Settlement Process, Entegrus states that:

Prior to July 1, 2017, St. Thomas did not have any customers eligible for Class A. In 2017, driven by the Fair Hydro Plan change to the ICI threshold, St. Thomas added 6 Class A customers effective July 1, 2017. In July 2018, Entegrus – St. Thomas added an additional 2 customers for a total of 8 Class A customers.

Staff notes that Entegrus reported 28 transitional customers on Tab 6 Class A Consumption Data of St. Thomas' rate generation model. Based on the Tab 6, Entegrus – St. Thomas rate zone had 18 class A customers from Jan to June of 2018 and had no Class A customers from July to December of 2018.

Please provide the reconciliation of the numbers of class A customers between the application and the Rate Generator Model.

Response

As noted on pages 31 and 35 of the Manager's Summary, commencing in July 2016, the former St. Thomas Energy Inc. ("STEI") started billing "Class B" General Service > 50 kW interval customers on the IESO-published Actual rate, instead of the IESO-published 1st Estimate. Upon review of O. Reg 429/04, Section 16(3) in April 2018, the associated customers were immediately switched back to the IESO-published GA 1st estimate billing rate. To facilitate appropriate allocation and exclude these customers from the general Global Adjustment disposition, Entegrus-St. Thomas has treated these customers as Class A customers within the Rate Generator Model.

For a reconciliation of the numbers of Class A customers between the Application and the Rate Generator Model, please see the Table and footnotes below.

Customer Number	2018		2017		2016		2015	
	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
1	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
2	Inactive	Inactive	Inactive	Actual	Actual	Class B	Class B	Class B
3	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
4	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
5	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
6	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
7	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
8	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
9	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
10	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
11	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
12	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
13	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
14	Class A	Class A	Class A	Actual	Actual	Class B	Class B	Class B
15	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
16	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
17	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
18	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
19	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
20	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
21	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
22	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
23	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
24	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
25	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
26	Class B	Actual	Actual	Actual	Actual	Class B	Class B	Class B
27	Class A	Actual	Actual	Actual	Actual	Class B	Inactive	Inactive
28	Class A	Actual	Actual	Actual	Inactive	Inactive	Inactive	Inactive
SUMMARY								
Class A	8	6	6	0	0	0	0	0
Class B	19	0	0	0	0	27	26	26
Actual	0	21	21	28	27	0	0	0
Inactive	1	1	1	0	1	1	2	2
Total	28	28	28	28	28	28	28	28

Notes:

"Class A" refers to customers who qualify and have registered as true Class A customers.

"Actual" refers to those customers who were inadvertently being billed Actual GA rates for the period from July 2016 to April 2018. As noted above, these customers were entered as Class A customers in the Rate Generator Model, Tab "6. Class A Consumption Data" in order to exclude them from the general global adjustment disposition.

"Class B" refers to Class B customers whom were appropriately charged the Class B 1st Estimate rates during the period.

Note: Some of the transition timing for customers being billed Actual GA rate and Class B 1st estimate GA Rate do not perfectly align with the July-December column title dates shown above. However, the consumption included in the Rate Generator Model, Tab "6. Class A Consumption Data" has been adjusted to reflect the associated pricing references.

QUESTION 24

Ref: Rate Generator Model, Tab 6 - Class A Consumption Data

OEB staff has summarized the following five situations based on the table provided for the transition customers in Tab 6:

#	Change in Class Status and Consumption pattern	The reference to the respective customers	Questions
1.	Changed from Class B to Class A in 2016; no consumption in 2017; changed back from Class A to Class B in 2018, kWh consumption increased significantly in July to Dec as compared to Jan to June of 2018.	Customers 1, 4,5,8,11, 12,13,15,16, 17,18,19,20,21, 22,23,24,25,26	a) Why the consumption for the period July to Dec 2018 increased significantly as compared to the period Jan to June 2018?
2.	No consumptions from 2015 to 2018	Customer 28	a) Please explain why there were no consumptions for all years while the customer is still listed in the table?

- a) Please confirm staff's observation and summary in the table above. If not confirmed, please update the table accordingly.
- b) Please provide the answers to the questions in the above table.

Response

- a) Entegrus confirms Line 1 of the above Table. However, Line 2 of the above table should read "No consumptions from 2015 to 2016". Please see response to (b) below.
- b)
 - a. The customers referenced in Line 1 of the above Table refer to the true Class B customers who were switched to the Actual GA Rate for billing starting in July 2016 and subsequently switched back to 1st Estimate GA Rate in April 2018. The kWh/kW amounts reported in Rate Generator Model, Tab "6. Class A Consumption Data" actually reflect the following assumptions, impacting the year over year comparability:

- i. Column “January – June 2018” reflects January to April 2018 billing determinants
 - ii. Column “July to December 2018” reflects May to December 2018 billing determinants
-
- b. Entegrus notes the Rate Generator Model, Tab “6. Class A Consumption Data” shows consumption starting in Column H reflecting Jan-Jun 2017. Customer 28 was a new construction customer who came online in March 2017 and therefore had no consumption prior to that date.

QUESTION 25

Ref: EB-2019-0030, Application, Pages 30 and 31

Ref: St. Thomas GA Analysis Workforms

The Entegrus - St. Thomas' GA Analysis Workform is provided in Table 15 on page 30 of the application, and as shown below:

TABLE 15: 2015 - 2018 GA VARIANCE ANALYSIS

Line No.	Description	Reference	2015	2016	2017	2018	Total
1	Net Change in Principal Balance in GL	GA Analysis Workform, Cell C62	\$2,042,100	\$482,073	-\$1,664,743	-\$1,050,676	-\$191,247
2	Reconciling Items:						\$0
3	Variances relating to prior to 2015 recorded subsequent to Jan1/15	GA Analysis Workform, Cell C65-70	\$19,955				\$19,955
4	1588/1589 Reclassification Entry (2017)	GA Analysis Workform, Line 9	-\$1,764,480		\$1,764,480		\$0
5	1588/1589 Reclassification Entry (2018)	GA Analysis Workform, Line 10	-\$235,372	-\$238,996	-\$184,433	\$658,801	\$0
6	Correction of single metering configuration	GA Analysis Workform, Cell C72			\$209,408	-\$209,408	\$0
7	Differences in actual system losses and billed TLFs	GA Analysis Workform, Line 7	\$22,907	\$31,262	\$84,415	\$65,276	\$203,860
8	Differences in GA IESO posted rate and rate charged on IESO invoice	GA Analysis Workform, Line 6				\$42,491	\$42,491
9	Variances relating to 2018, recorded in 2019	GA Analysis Workform, Cell C66				-\$24,817	-\$24,817
10	Interperiod reclassifications to balance	GA Analysis Workform, Line 8	\$153,536	-\$360,880	-\$132,901	\$340,245	\$0
11	Adjusted Net Change in Principal Balance		\$238,646	-\$86,541	\$76,225	-\$178,088	\$50,242
12	Calculated Expected GA Variance	GA Analysis Workform, Cell K51	\$238,646	-\$86,541	\$76,225	-\$125,953	\$102,376
13	Unresolved Difference		\$0	\$0	\$0	-\$52,135	-\$52,135
14	Expected GA Payments to IESO	GA Analysis Workform, Cell J51	\$10,559,261	\$9,820,060	\$5,712,775	\$6,394,313	\$32,486,408
15	Unresolved % of Expected GA Payments		0.0%	0.0%	0.0%	-0.8%	-0.2%

In the 2018 GA Analysis Workform, Entegrus explained the line 8 adjustment of \$42,461 as “Due to the correction of the single metering error, the customer was Class A for July 2018 and August 2018. The IESO would not retroactively correct Entegrus' PDF factor. The correction was made prospectively in September 2018.”

- a) Please confirm the line 1 in the table above reflects the net principal balance in Entegrus-St. Thomas rate zone's GL.

-
- b) Please provide a corresponding adjustment table for Account 1588 using the provided. Please explain the differences, if any, as outlined in the table above.
- c) With respect to the 1588/1589 reclassification entry (line 4) of \$1,764,480 that was a result of the Jan 2018 OEB audit, please provide the following:
1. Details of the audit adjustment required by the OEB audit including the nature of the adjustment and the related time period.
 2. The relevant section from the OEB's audit report.
 3. The reasons why there is no overall impact on the Account 1589 balance.
- d) With respect to the 1588/1589 reclassification entries (line 5) that were related to the correction of the street light variances in 1588 instead of 1589, please provide the following:
1. Detail of the amounts that are shown in Table 15 line 5.
 2. The reasons why there is no overall impact on the Account 1589 balance.
- e) Please confirm that Entegrus – St. Thomas used inter-period reclassifications to balance (line 10) to balance the adjusted GA principal balance to the expected GA variances from 2015 to 2018.
1. If so, why there is \$52,135 unresolved difference in 2018 (line 13).
- f) Please explain whether Entegrus has performed a reconciliation of the RPP portion of GA trued up for the year and the Non-RPP portion of GA (\$consumption at Actual Rate Paid; i.e. column M on the GA Analysis Workform) to the CT 1148 Class B GA as per the IESO Invoices from 2015 to 2018? If so, please provide the reconciliation and explain any differences. If not, why not.
- g) With respect to the metering error of \$42,461 (line 8 reconciliation item) in 2018 GA Analysis Workform, please provide the following information:
1. What does the \$42,461 represent?
 2. What GA rate did Entegrus use to charge this Class A customer in July and August 2018?
 3. Where is the variance sitting between the correct GA charge and the incorrect GA charge for this customer?
 4. Why the metering error impacts the GA rate differences?
- h) Please provide further explanation for line 9 in 2018 of \$24,817:
1. The nature of the variance
 2. Why it was not reflected in 2018 RRR?

Response

- a) Confirmed.
b) Please see the table below:

Line No.	Description	Prior to 2015	2015	2016	2017	2018	Total
1	Net Change in Principal Balance in GL		-\$1,818,079	-\$668,863	\$1,144,040	\$848,262	-\$494,640
2	Reconciling Items:						
3	Variances relating to prior to 2015 recorded subsequent to Jan1/15	-\$3,046	\$3,046				\$0
4	1588/1589 Reclassification Entry (2017)		\$1,764,480		-\$1,764,480		\$0
5	1588/1589 Reclassification Entry (2018)		\$235,372	\$238,996	\$184,433	-\$658,801	\$0
6	Correction of single metering configuration				\$30,425	-\$30,425	\$0
7	Variances relating to prior to 2018 recorded subsequent to Dec31/18					-\$12,038	-\$12,038
8	Interperiod reclassifications to balance		-\$247,259	\$326,434	\$255,565	-\$334,740	\$0
9	Adjusted Net Change in Principal Balance	-\$3,046	-\$62,440	-\$103,432	-\$150,017	-\$187,742	-\$506,678

- c)
- 1) The adjustment required by the OEB Audit related to a review of the former STEI's internal processes for splitting the global adjustment charges between RPP (Account 1588) and Non-RPP (Account 1589) customers for the period of January 1, 2015 to December 31, 2016. The 2016 portion was corrected within 2016 prior to the completion of the audit. The adjustment related to 2015 was subsequently recorded in STEI's 2017 general ledger.
 - 2) For more details, see Section 1.1.1 of the OEB Audit Report titled "Audits of St. Thomas Energy Inc.'s Selected Deferral and Variance Accounts" dated February 2, 2018.
 - 3) Entegrus notes the impact of the reallocation between Account 1588 and Account 1589 adjustment entry discussed above is reflected in the Table 15, Line 1 "Net Change in Principal Balance in GL" in 2017. The amounts presented in Table 15, Line 4 represent an adjustment to the timing of the entry (i.e. removing the impact from 2017 balances and reclassifying to the appropriate 2015 balances.)

d)

- 1) The amounts reflected in Table 15, Line 5 represent Streetlight GA Revenue that was inadvertently mapped to Account 1588 rather than Account 1589. In December 2018, Entegrus posted an entry to reclassify reflecting \$704,374 principle and \$25,697 interest the balance between Account 1588 and Account 1589. This amount was then allocated to the appropriate effective years in Line 5. The Table below shows the appropriate balances per effective year.

Effective Year	Principle Amount	Interest Amount	Total Amount
2015	\$235,372	\$1,390	\$236,762
2016	\$238,996	\$4,304	\$243,300
2017	\$184,433	\$6,921	\$191,354
2018	\$45,573	\$13,082	\$58,655
Total	\$704,374	\$25,697	\$730,071

Entegrus notes the balance related to 2018 is significantly less since the mapping correction was made in April 2018 upon the completion of the Entegrus-Main and Entegrus-St. Thomas accounting system merge.

- 2) Entegrus notes the impact of the reallocation between Account 1588 and Account 1589 adjustment entry discussed above is reflected in the Table 15, Line 1 “Net Change in Principal Balance in GL” in 2018. The amounts presented in Table 15, Line 5 represent an adjustment to the timing of the entry (i.e. removing the impacts from 2018 balances and reclassifying to the appropriate 2015-2017 balances.)
- e) Entegrus-St. Thomas confirms the use of inter-period reclassifications to balance to the adjusted principle balance for years ending 2015 to 2017.
- 1) As noted in the Application, PDF Pages 32-33, management reperformed all St. Thomas related transactions in Account 1588 and Account 1589 using the original source documents and with the advantage of perfect hindsight. This results in unidentified timing differences within the annual balances but reconciles within the allowable threshold in terms of the four-year total ending balance. Entegrus notes that the \$52,135 pertains to miscellaneous reconciling items related to all four years but for presentation purposes has been assigned to the 2018 year.
- f) As noted above in e), Entegrus reperformed all transactions in Account 1588 and Account 1589 using original source documents and with the advantage of perfect hindsight. Therefore, all

amounts have been allocated and reconciled using the final actual amounts. Accordingly, there were no reconciling items or differences.

g) As discussed in the Application, PDF Page 27, Entegrus became aware of a single metering configuration error related to the March 2017 installation of a new General Service > 50 kW interval meter account. This resulted in an overstatement of usage since its installation of March 2017 until September 2018. In the fall of 2018, management validated and corrected the metering configuration, communicated with the customer and issued a billing adjustment to refund the customer retroactive to March 2017. Based on the customer's originally billed usage for the base period May 2017 to April 2018, the customer qualified for Class A status and enrolled as a Class A customer beginning in July 2018. In July 2018 and August 2018, as a result of this metering error, Entegrus-St. Thomas overstated its Class A consumption in its IESO submission and thereby received an understated Class B charge.

- 1) The \$42,461 represents the difference between the Class A GA cost charged by the IESO at Entegrus-St. Thomas' original PDF and the amount that that should have been charged for the same kWh at the Class B Actual rate allocated between Account 1588 and Account 1589.
- 2) The customer's original PDF factor was calculated and determined using the incorrectly inflated meter data. Upon correcting the meter data, Entegrus also recalculated the customer's specific Class A PDF and upon notification to the IESO, Entegrus-St. Thomas' overall PDF was adjusted downward effective September 1, 2018. When Entegrus reissued the adjusted July 2018 and August 2018 bills it used the recalculated customer specific Class A PDF.
- 3) The variance between the correct Class A GA charge and the incorrect Class A charge for the customer is offset by the amount Entegrus should have paid had those kWh's been correctly reported as Class B consumption. The variance has been allocated following the OEB allocation methodology between Account 1588 and Account 1589.
- 4) The metering error resulted in a change in Entegrus' overall Class A PDF effective September 1, 2018 but was not retroactively adjusted back to July 1, 2018 by the IESO. Additionally, the metering error resulted in the monthly IESO submission for the Class A consumption being overstated for July 2018 and August 2018.

h)

- 1) The variance shown in Table 15, Line 9 represents standard timing differences booked in the 2019 general ledger and not captured in the year end 2018 accrual estimate. This variance mostly relates to the true up of the sales volumes billed in 2019 that related to December 2018 consumption.
- 2) This amount is not reflected in the 2018 RRR because it was recorded in the 2019 general ledger subsequent to the close of 2018 business. This amount has been recorded as a timing difference in the Rate Generator Model, Tab “3. Continuity Schedule”, Cell BF29.

QUESTION 26

Ref 1: EB-2019-0030, Application, Pages 34-35

Ref 2: Rate Generator Model – St. Thomas, Tab 8 – STS – Tax Change

Entegrus – St. Thomas has not populated Tab 8 of the Rate Generator Model noting that there are no known legislative tax rate changes since its last rebasing application (EB-2014-0133).

For completeness purposes, please populate tab 8 of the Rate Generator Model.

Response

Entegrus has updated Rate Generator Model, Tab “8. STS – Tax Change”.

QUESTION 27

Ref 1: 1595 Analysis Workform – St. Thomas, Tab 1595 (2014)

Ref 2: Decision and Rate Order, EB-2015-0102, December 10, 2015

Ref 3: Chapter 3 of the Filing Requirements for Electricity Distribution Rate Applications, Appendix A

Entegrus – St. Thomas is requesting disposition of a residual amount in Account 1595(2014) of \$204,591.

OEB staff notes that Account 1595(2014) was previously approved for disposition as part of the former St. Thomas Energy Inc.'s 2016 IRM application (EB-2015-0102)¹.

Chapter 3 of the Filing Requirements notes that applicants are expected to request disposition of residual balances in Account 1595 sub-accounts for each vintage year only once, on a final basis and that no further transactions are expected to flow through the Account 1595 sub-accounts once the residual balance has been disposed.

- a) Please provide rationale for the request to dispose of the residual balance in Account 1595(2014) again.
- b) If any changes are required to the Rate Generator Model, please advise and make the necessary edits.

Response

- a) Management has further investigated the Account 1595 (2014 sub-account) balance. When preparing this Application, Entegrus was not aware that the former St. Thomas Energy Inc. ("STEI") had previously disposed a portion of the Account 1595 (2014 sub-account) balance in a prior proceeding (EB-2015-0102). Entegrus now understands the following:

¹ The OEB approved a credit balance of \$12,806 consisting of a principle balance of \$322,098 and interest of (\$344,904).

- In its 2015 Cost of Service application (EB-2014-0113), STEI was approved to switch from a May 1 rate year to a Jan 1 rate year. This rate year change became effective January 1, 2015.
 - Previously, 2014 Group One variance account balances were approved for disposition in STEI's 2014 IRM Application (EB-2013-0171). The disposition period for these rate riders was based on the original May rate year that was then in effect, and accordingly the approved rate rider period was May 1, 2014 to April 30, 2015.
 - In the 2016 IRM application (EB-2015-0102), STEI proposed disposition of the residual balance in Account 1595 (2014 sub-account) at December 31, 2014 (the new rate year). At that time, it appears STEI management was unaware of how to deal with residual balances in Account 1595 sub-accounts, particularly in combination with the rate year change. In hindsight, the date of transfer for the Account 1595 (2014 sub-account) residual balances should have been transferred at May 1, 2015, rather than December 31, 2014.
 - This culminated in disposition of a partial Account 1595 (2014 sub-account) balance at December 31, 2014, despite the fact that the rate riders had not yet fully run off and therefore the Account 1595 (2014 sub-account) balance was not complete.
 - Thereafter, STEI continued to appropriately collect/refund the remaining 2014 rate rider components until the approved expiration date of April 30, 2015. The associated account activity was reflected in STEI's Account 1595 (2014 sub-account) and was included in the account balances transferred to Entegrus at the time of the merger with STEI on April 1, 2018.
- b) Entegrus-St. Thomas proposes no changes to the Rate Generator Model. Going forward, management will ensure that all Entegrus-St. Thomas Account 1595 sub-accounts are properly accounted for and will not seek disposition of vintage Account 1595 sub-accounts previously provided.

QUESTION 28

Ref 1: 1595 Analysis Workform – St. Thomas, Tab 1595 (2015)

Ref 2: EB-2014-0113, EDDVAR Continuity Schedule, Tab 2 – 2014 Continuity Schedule

A portion of reference 1 is reproduced below:

Step 1	Components of the 1595 Account Balances:	Principal Balance Approved for Disposition	Carrying Charges Balance Approved for Disposition	Total Balances Approved for Disposition
	Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment	-\$684,104	-\$55,061	-\$739,165
	Account 1589 - Global Adjustment	\$677,980	\$13,845	\$691,825
	Total Group 1 and Group 2 Balances	-\$6,124	-\$41,215	-\$47,339

OEB staff is unable to reconcile the principle (-\$684,104) and carry charges (-\$55,061) balances approved for disposition as per the OEBs decision in EB-2016-0063 for the line item “Total Group 1 and Group 2 Balances excluding Account 1589 – Global Adjustment”. Please reconcile the two figures.

Responses

The disposition amounts reported in St. Thomas’ 1595 Analysis Workform, Tab “1595 2015” were sourced from St. Thomas Energy Inc.’s 2015 Cost of Service Application (EB-2014-0113), Settlement Proposal file titled “STEI_2015_EDDVAR_Continuity Schedule_Oct 23_20141104.xlsx” which was subsequently accepted by the Board in its Decision and Order dated November 27, 2014. The table below summarized the Account balances approved for disposition:

Line No.	Description	Account Number	Principle	Interest	Total
1	LV Variance Account	1550	\$0	\$0	\$0
2	Smart Metering Entity Charge Variance Account	1551	\$9,763	\$253	\$10,016
3	RSVA - Wholesale Market Service Charge	1580	-\$175,726	-\$1,519	-\$177,245
4	RSVA - Retail Transmission Network Charge	1584	\$8,750	-\$1,012	\$7,738
5	RSVA - Retail Transmission Connection Charge	1586	-\$14,608	-\$788	-\$15,396
6	RSVA - Power (excluding Global Adjustment)	1588	-\$584,838	-\$8,807	-\$593,645
7	Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	\$33,210	-\$40,134	-\$6,924
8	Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	\$26,046	-\$3,325	\$22,721
9	Smart Grid Capital Deferral Account	1534	\$1,611	\$76	\$1,687
10	Smart Grid OM&A Deferral Account	1535	\$2,404	\$90	\$2,494
11	RSVA - One-time	1582	\$418	\$106	\$524
12	Contra Account Deferred Payments in Lieu of Taxes	1563	\$8,866	\$0	\$8,866
13	Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment		-\$684,104	-\$55,061	-\$739,165
14	RSVA - Global Adjustment	1589	\$677,980	\$13,845	\$691,825
15	Total Group 1 and Group 2 Balances		-\$6,124	-\$41,215	-\$47,339

Both Rate Zones

QUESTION 29

Ref: Proposed Tariff of Rates and Charges, Attachments I and O

The proposed tariffs under the “Non-Payment of Account” section show the following charges:

Non-Payment of Account		
Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00

As per the Rate Order in EB-2017-0183, effective July 1, 2019, OEB staff will update the tariff to read:

Non-Payment of Account		
Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection charge - at meter - during regular hours	\$	65.00
Reconnection charge - at meter - after hours	\$	185.00

Please confirm Entegrus’ acceptance of the above.

Response

Confirmed.

QUESTION 30

Ref: Entegrus – Main Rate Generation Model

Ref: Entegrus – St. Thomas Rate Generation Model

Staff performed a reconciliation of the class A consumption in Tab 6.1 a GA allocation of Entegrus two rate zones' rate generation model with the class A consumption reported in 2018 RRR 2.1.5.4 and noted the following difference:

in kWh	Tab 6.1a GA allocation of Rate Generation model			RRR 2.1.5.4	DIFF
	Main	St. Thomas	Total		
Class A Consumption for Partial Year Class A Customers	40,744,790	7,106,135	47,850,925		
Consumption for Full Year Class A Customers	186,136,672	52,905,078	239,041,750		
Total	226,881,462	60,011,213	286,892,675	270,421,154.0	16,471,521

- Please explain the difference.
- Please update the models or RRR data as applicable.

Response

- Please see the Table below for a reconciliation of the difference:

Line No.	Description	Main	St. Thomas	Total
1	Partial Year Class A Customers	40,744,790	7,106,135	47,850,925
2	Full Year Class A Customers	186,136,672	52,905,078	239,041,750
3	Class A Consumption per Rate Generator Model	226,881,462	60,011,213	286,892,675
4	2018 RRR 2.1.5.4	221,456,235	48,964,919	270,421,154
5	Variance	5,425,227	11,046,294	16,471,521
6	Remove Entegrus-Main Customer 12 Consumption	(5,425,227)		(5,425,227)
7	Remove Entegrus-St. Thomas Partial Year Customers		(7,106,135)	(7,106,135)
8	Remove Entegrus-St. Thomas Customers 27 & 28 January to June 2018 Consumption		(3,940,159)	(3,940,159)
9	Outstanding Variance	0	0	0

The following provides additional details on each of the reconciling items:

- Line No. 6 – As described on PDF Page 15 of the Application, Entegrus entered into a Short Term Load Transfer with HONI and settled at the GA Actual Rate (per HONI requirements). Since this was billed at the Actual GA Rate, this amount was included in the Rate Generator, Tab “6.1a GA Allocation” in order to ensure it was excluded from the general GA allocation calculation.
- Line No. 7 – As described in the Application, PDF Page 33 a large segment of General Service > 50 kW interval metered customers were billed at the Actual GA Rate. Similar to above, these kWh’s were reported as Class A in the Rate Generator Model, Tab “6.1a GA Allocation” in order to ensure they were excluded from the general GA allocation calculation. Additionally, please see response to Question 23 above for a summary of consumption billed at the Actual GA Rate.
- Line No. 8 – Customers 27 and 28 were also part of the General Service > 50 kW customers who were billed at the Actual GA Rates. However, starting July 1, 2018, they qualified and enrolled as Class A customers. Similar to above, the consumption related January to June 2018 was not true Class A consumption and needs to be removed from the above totals.

b) Entegrus does not propose any changes to the Rate Generator Model or RRR submissions.

QUESTION 31

Ref: Manager's Summary, Page 15 and 33 of 39

Entegrus indicates that it is seeking disposition of Account 1568 – LRAMVA in the total amount of \$335,435. This amount is made up of an LRAMVA amount for Entegrus – Main and Entegrus – St. Thomas rate zones. The LRAMVA is related to CDM program activities – both forecast and actual, in 2017.

- a) Please confirm that Entegrus is not seeking to dispose of any LRAMVA amount related to 2018 program activities.
- b) Please indicate if and when Entegrus plans to file for disposition of LRAMVA amounts related to 2018 program activities.

Response

- a) Confirmed.
- b) Entegrus plans to file persistence for 2014 to 2017 programs, plus 2018 program activities, for Entegrus-Main rate zone and persistence for 2013 to 2017 programs, plus 2018 program activities, for Entegrus-St. Thomas rate zone in its 2021 IRM Application.

QUESTION 32

Ref: Tab 5 of LRAMVA Workform (2015-2020 LRAM)

Entegrus has provided a completed LRAMVA Workform. In Tab 5, under Pilot Programs for Entegrus – Main, it shows the 2017 kWh savings of 191,794 kWh. However, in the IESO 2017 Verified Results report, the Pilot Program savings are shown to be 82,041 kWh.

- a) Please reconcile these two figures and make any necessary updates.
- b) If the event Entegrus proposes to make no changes, please provide supporting rationale for why a savings total of 191,794 kWh for the Pilot Program is appropriate.

Response

- a) Entegrus reconciled the above amounts and notes there was a clerical input error in the LRAMVA Workform. Entegrus has updated the included LRAMVA Workform to align with the 2017 Verified Results and has also updated the Entegrus-Main Rate Generator Model, Tab “3. Continuity Schedule” and Tab “4. Billing Det. For Def-Var”. No updates were required to the Entegrus-St. Thomas Rate Generator Model.
- b) Not applicable.