**Tillsonburg Hydro Inc. (Tillsonburg)**

**2020 IRM Application**

**EB-2019-0069**

**Application Analysis – Tillsonburg Hydro Responses**

**February 12, 2020**

**Staff Question #5**

**Ref: Staff Question #2 part c)**

 **IRM Rate Generator, Tab 1. Information Sheet**

Tillsonburg explained that the CBR Class B is included in Account 1580 – WMS balance. This amount is not broken out in the continuity schedule. Tillsonburg has also indicated that it has Class A customers. CBR Class B balances are incurred only on behalf of Class B customers, and therefore are to be disposed of only to Class B customers, while other balances in Account 1580 – WMS are incurred on behalf of all customers, and therefore are to be disposed of to all customers. Therefore, these amounts need to be tracked separately so that they can be disposed of to the different groups of customers.

Please perform the steps outlined in Question 2) Part d) That is:

1. Revise the continuity schedule to reflect the amounts that should be recorded in the Sub-account CBR Class B, or explain why this is not possible.
2. On sheet 1. Information Sheet, row 43 (with macros enabled), select No, then Yes again.
3. Complete worksheets 6. Class A Consumption Data and 6.2 CBR B.
4. If the above cannot be completed, please explain why

**Response**

Tillsonburg Hydro has completed the requested data revisions and included an updated 2020 IRM Rate Generator model. For version control this updated model is dated Feb 12, 2020.

Tillsonburg Hydro had all variance disposed of during the 2017 IRM process (EB-2016-0106) clearing balances up to and including December 31, 2015. Tillsonburg Hydro had it first Class A customer in 2016. 2016 and onward Class B CBDR values have been identified and included in this revised IRM model, attached to these responses.

Tillsonburg Hydro has completed Worksheets G and 6.2 as requested. Class A / B kWh and kW are provided for years in which any customer was either entirely or for a partial year identified as a Class A customer. If this is not what is expected, please let TIllsonburg Hydro know and we will revise as required.

**Staff Question #6**

**Ref:** (1) Manager’s Summary, page 8/116 PDF

At the above noted reference, Tillsonburg Hydro stated the following:

In the Decision and Order for THI EB-2018-0070 an Audit for USoA 1588, 1589 and 1595 was required. Along with this the OEB released accounting guidance on February 21, 2019 regarding Group 1 Accounts.

After attending OEB training, held in April 2019, Tillsonburg Hydro Inc., identified adjustments to our processes that were required to be completed prior to conducting an audit…

…Tillsonburg Hydro Inc., is proposing 2 separate options to handle the outstanding DVAD audit requirement:

1. Prepare a stand along DVAD application when all balances have been recalculated, audited and submitted. This would include meeting the February 21, 2019 communications. It is anticipated this submission could be filed late in 2019 or early 2020.
2. Delay review and disposition of DVAD balances from 2016 onward until the 2021 IRM application process.

**Questions:**

1. Please confirm that Tillsonburg Hydro has not filed to date its “submission” referenced in its proposed above first option. If this is not the case, please explain.

**Response**

Tillsonburg Hydro confirms it has not filed a stand-alone DVAD application as discussed as Option # 1 in our previous submissions.

1. Please confirm that Tillsonburg Hydro is supporting its proposed above second option. This option is to delay the review and disposition of all Group 1 balances until its next proceeding, which is for 2021 rates. If this is not the case, please explain.

**Response**

Tillsonburg Hydro confirms the supporting of our Option # 2, to delay the review of all Group 1 balances until 2021 rate proceedings.