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March 10, 2020

Ontario Energy Board
2300 Yonge St., 27th Floor
P.O. Box 2319
Toronto ON M4P 1E4

Attention: Christine E. Long, Registrar and Board Secretary

Dear Ms. Walli:

**Re: EB-2019-0061 Orillia Power Distribution Corporation
Application for 2020 Rates**

On March 3, 2020, the Ontario Energy Board (“the Board”) issued its Draft Decision and Order in the above noted proceeding. Orillia Power Distribution Corporation (“Orillia Power”) has reviewed the final rate model and the draft Tariff of Rates and Charges attached to the draft Decision as Schedule A. Orillia Power finds the Tariff of Rates and Charges to be complete and accurate.

In the findings of the Board in the Application, Section 6 Retail Transmission Service Rates page 4-5, the Board states that:

“Orillia Power explained that the disconnect can be attributed to adjustments that Orillia Power makes each year that gross up peak system demand in each month for wheeling credits and a co-generation facility. Orillia Power explained that it has a legacy Wheeling Agreement with Hydro One Networks Inc. under which coincident demand from Orillia Power Generation Corporation’s Swift and Minden generation plants is netted against the aggregate demand of the four Orillia Power feeders that tie into Hydro One Network Inc.’s system. Orillia Power noted that this arrangement reduces costs for its distribution customers.

Orillia Power also explained that it has one customer with a co-generation (load displacement) facility greater than one MW and that its peak demand for connection charges is grossed up as a result. Orillia Power stated that the variance in retail volumes reconciles with the variance in



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wholesale demand volumes once the wheeling credit and co-generation facility adjustments are removed."

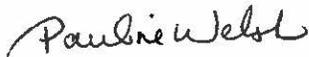
Orillia Power requests the replacement of this section with the following wording:

"Orillia Power explained that the disconnect can be attributed to adjustments made by Hydro One Networks Inc. (Hydro One) to the monthly billing determinants for RTSR Network Service rates and Line and Transformation Connection Service rates. The variance in retail volumes reconciles with the variance in wholesale demand volumes once the adjustments are removed.

The first adjustment is related to the reduction of monthly billing determinants for RTSR Network Service rates and Line and Transformation Connection Service rates for wheeling credits under legacy Wheeling Agreements between Hydro One and Orillia Power. Coincident demand from Orillia Power Generation Corporation's Swift and Minden generation plants offset the aggregate demand of four Orillia Power feeders that tie into Hydro One's system, ultimately reducing transmission costs for Orillia Power's distribution customers.

The second adjustment is related to the gross up of the monthly billing determinant for RTSR Line and Transformation Connection Service rates for customers with load displacement generation above 1MW, or 2 MW for renewable generation, installed after October 1998."

Respectfully submitted,



Pauline Welsh
Manager of Regulatory Affairs

cc Pat Hurley, CFO