

BY E-MAIL

October 9, 2020

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Alectra Utilities Corporation (Alectra Utilities)
Application for 2021 Electricity Distribution Rates
OEB Staff Interrogatories
Ontario Energy Board File Number: EB-2020-0002**

In accordance with Procedural Order No. 1, please find attached OEB staff's interrogatories in the above noted proceeding. Alectra Utilities and all intervenors have been copied on this filing.

Alectra Utilities' responses to interrogatories are due by October 27, 2020.

Yours truly,

Jerry Wang
Advisor, Electricity Distribution: Major Rate Applications & Consolidations

Attach.

**OEB Staff Interrogatories
Alectra Utilities Corporation
2021 IRM Application**

*Please ensure that all confidential information filed in response to interrogatories or supporting documents are removed or treated in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

General:

G-Staff-1

Ref 1: BRZ IRM Model, Tab "6.2a CBR B_Allocation"

Ref 2: HRZ IRM Model, Tab "6.2a CBR B_Allocation"

Ref 3: GRZ IRM Model, Tab "6.2a CBR B_Allocation"

In each of the three models referenced above, the value inputted in cell E19 in tab 6.2a appears to be the 2018 total Non-RPP consumption less WMP. This value should correspond to the 2018 total consumption less WMP (i.e. both RPP and non-RPP consumption). Based on Alectra Utilities' 2018 RRR data, OEB staff believes the correct values are:

- 4,064,033,417 kWh for BRZ
- 4,621,984,727 kWh for HRZ
- 1,671,800,470 kWh for GRZ

Please confirm whether these values are correct and revise the IRM models for Brampton Rate Zone (RZ), Horizon RZ and Guelph RZ as necessary.

G-Staff-2

Ref 1: HRZ IRM Model, Tab "6. Class A Consumption Data"

Ref 2: GRZ IRM Model, Tab "6. Class A Consumption Data"

Ref 3: BRZ IRM Model, Tab "6. Class A Consumption Data"

The Accounts 1589 in the HRZ, GRZ and BRZ contain two years (2018 and 2019) of balances to be cleared. As a result, there are two years (columns) under questions 3a and 3b in tab "6. Class A Consumption Data" of the IRM models: one for 2018 and one for 2019.

For question 3a on tab 6, OEB staff notes that a number of customers only have consumption data entered for one of the two years (i.e. either 2018 or 2019) and is missing consumption data in the other year. For example, Customer 7 in the BRZ IRM model only has consumption data populated for 2019, but not 2018. It appears that only data for transition customers in the year of their transition have been populated.

For customers missing data in 2018:

- a) If these are existing customers, please complete any missing consumption data in 2018. OEB staff notes that for any of these customers that were Class B customers for the full year in 2018, without the consumption data, they would not be allocated their portion of the Account 1589 balances for 2018.
- b) If these are not existing customers, please explain how these customers transitioned to Class A in 2019, given that customers must be a customer of Alectra Utilities during the entire base period as defined by the IESO for determining Class A eligibility (May 1 to April 30).

For customers missing data in 2019:

- c) If these are existing customers, please fill in any missing consumption data in 2019. OEB staff notes that for any of these customers that were Class B customers for the full year in 2018, without the consumption data, they would not be allocated their portion of the Account 1589 2019 balances.
- d) If these are former customers that are no longer with Alectra Utilities, please indicate which customers are former customers.

For question 3b on tab 6, it appears to OEB staff that Alectra Utilities has filled out a separate entry for every individual customer that was a full year Class A customer. The intended usage is to fill in aggregate Class A consumption for entire rate classes that had class A customers during the period GA accrued.

- e) Please confirm whether OEB staff's understanding above is correct.
- f) Please explain why some entries are missing consumption data in 2019. Are these transition customers or former customers that are no longer with Alectra Utilities?
- g) Please explain why some entries are missing consumption data in 2018. Are these transition customers?

G-Staff-3

Ref: Attachment 13, Table of Allocations 2019 HRZ ESM

In cell D20 of attachment 13 table 1, Alectra Utilities has put \$25,355,700 in net merger costs across all rate zones for 2019.

Please explain how Alectra Utilities derived this amount and provide the calculations. Please provide the response in the same format as IRR HRZ-Staff-7 from Alectra Utilities' 2020 proceeding (EB-2019-0018), filed on October 7, 2019.

G-Staff-4

Ref: Exhibit 3, Tab 1, Schedule 2, Page 8-10

On page 8 of the reference, Alectra Utilities states that to calculate the rate zone specific ROEs, it allocated OM&A amongst its five rate zones based on the reported 3-

year pre-merger legacy OM&A amounts of each predecessor utility, adjusted to remove transaction costs.

- a) Please confirm that for HRZ, BRZ, ERZ and PRZ, Alectra Utilities used the 2014-2016 ROEs as the 3-year average.
- b) Please confirm whether Alectra Utilities used the 2014-2016 average or 2016-2018 average for GRZ.
- c) If yes to a) and Alectra Utilities used the 2016-2018 average for GRZ, please provide the rationale for using 2016-2018 for GRZ given that 2014-2016 was used for all of the other rate zones.

On page 10 of the reference, Alectra Utilities states that it used the 2016 pre-merger depreciation amounts for HRZ, BRZ, ERZ and PRZ and 2018 pre-merger depreciation amounts for the GRZ.

- d) Please explain why it is appropriate to use the 2018 depreciation amounts for GRZ rather than 2016 to be consistent with the other rate zones.
- e) Please quantify the impact to the ROE calculations if both a 2016-2018 average was used for GRZ's historical ROE and 2016 depreciation amounts were used for GRZ.

G-Staff-5

Ref: Attachment 13, Table of Allocations 2019 HRZ ESM

OEB staff has compared the values provided in attachment 13 to Alectra Utilities 2020 RRR 2.1.5.6 filings. There are some items that do not reconcile:

- Total OM&A: \$293,149,687 in attachment 13 vs. \$293,073,008 in RRR
- Working Capital Allowance: \$345,627,025 in attachment 13 vs. \$338,418,850 in RRR
- Total Rate Base: \$3,219,747,425 in attachment 13 vs. \$3,212,539,250 in RRR (OEB staff notes that the difference in rate base appears to be caused by and is equal to the difference in working capital allowance)

Please explain or reconcile the differences.

G-Staff-6

Ref: Exhibit 3, Tab 1, Schedule 2 – HRZ ESM

To calculate Horizon RZ's 2019 Rate Base, Alectra Utilities had to derive the 2019 Average Net Fixed Assets and Working Capital Allowance:

5 **Table 21 – Calculation of Rate Base – Horizon Utilities RZ**

Rate Base	2019 Actuals ESM	Annual Filing EB-2018-0016	Variance
Average Net Fixed Assets	\$ 500,040,340	\$ 476,716,587	\$ 23,323,753
Working Capital Allowance:			
Cost of Power	\$ 492,802,018	\$ 594,620,633	(\$ 101,818,615)
Controllable expenses	\$ 63,597,821	\$ 63,557,394	\$ 40,427
Working Capital Base	\$ 556,399,839	\$ 658,178,026	(\$ 101,778,187)
Working Capital Allowance	\$ 66,767,981	\$ 78,981,363	(\$ 12,213,382)
Rate Base	\$ 566,808,321	\$ 555,697,950	\$ 11,110,371

To calculate the 2019 Average Net Fixed Assets of \$500,040,340 for the Horizon RZ, Alectra Utilities included the following table:

10 **Table 22 – Calculation of Average Net Fixed Assets – Horizon Utilities RZ**

Description	Jan 1/19	Dec 31/19	Average
Distribution Assets	\$ 435,596,371	\$ 474,691,813	\$ 455,144,092
General Plant	\$ 43,412,612	\$ 46,379,884	\$ 44,896,248
Total	\$ 479,008,983	\$ 521,071,697	\$ 500,040,340

Alectra Utilities further noted that the Dec 31, 2019 Distribution Plant capital of \$474,691,813 was calculated using:

- fixed asset continuity schedules for the legacy utilities for the Jan-Jun 2019 period; and
- an allocation of capital expenditures by rate zone for the Jul-Dec 2019 period.

Please explain what methodology Alectra Utilities used to allocate capital expenditures for the Jul-Dec 2019 period and provide the calculations used to arrive at the Dec 31, 2019 Distribution Plant capital balance of \$474,691,813.

G-Staff-7

Ref 1: Exhibit 3, Tab 1, Schedule 4, Pages 2-4

Ref 2: EB-2019-0018, Draft Rate Order, February 10, 2020, Page 6, Table 1

In the reference, Alectra Utilities provides the capitalization deferral account balances as of December 31, 2019 for the ERZ and BRZ. It also notes that Alectra Utilities

migrated to a consolidated Enterprise Resource Planning (ERP) system and no longer tracks capitalization policy impacts for each individual rate zone starting July 2019.

- a) Please provide the 2019 balances for ERZ and BRZ pre-migration to the new ERP and post-migration (i.e. balances accrued January-July which were recorded individually per rate zone and balances accrued July-December which were allocated to each rate zone).
- b) Please explain what methodology Alectra Utilities used to allocate the capitalization policy impacts post-migration and provide the calculations used to derive the post-migration account balances in the ERZ and BRZ.
- c) Has Alectra Utilities analyzed which actual cost driver best correlates with the quantum of capitalization policy impacts (e.g. distribution plant additions only, distribution plant and general plant, etc.)? Please provide the rationale for the methodology chosen in b).
- d) For 2020 and onward, on what basis will the GRZ's capitalization policy impacts be determined, given that the other rate zones have two years of actual post-merger data to use as a proxy, while the GRZ presumably will not?

In reference 2 during Alectra Utilities 2020 IRM proceeding, Alectra Utilities provided an updated forecast of capitalization policy impacts for each rate zone between 2019-2028. OEB staff notes that for ERZ and BRZ, the 2019 actual OM&A impacts provided in the current application deviate significantly from the forecasts provided by Alectra Utilities in the prior year.

- For ERZ: forecast OM&A impact of \$1.805M vs. 2019 actuals of \$1.490M
 - For BRZ: forecast OM&A impact of (\$2.330M) vs. 2019 actuals of (\$1.976M)
- e) Please explain why there is a large difference between the 2019 actuals vs. the forecasts provided in Alectra Utilities' 2020 IRM application.
 - f) Given these differences, is an amendment required to Alectra Utilities' chosen allocation methodology?

G-Staff-8

Ref: EB-2019-0018, Partial Decision and Order, January 30, 2020, Pages 38-39

In the OEB's Partial Decision and Order on Alectra Utilities' 2020 IRM application, the OEB accepted Alectra Utilities' approach to allocating capitalization policy impacts across its rate zones. However, the OEB also concluded that it would be appropriate to continue monitor the results of the allocation methodology.

- a) Please explain Alectra Utilities' interpretation of the above-referenced OEB finding with respect to Alectra Utilities' required actions to ensure the allocations remain appropriate.
- b) Does Alectra Utilities intend on providing the results of its review of its allocation methodologies in each annual rate proceeding as part of its pre-filed evidence moving forward? Please explain.

G-Staff-9

LRAMVA

Ref 1: LRAMVA workforms (Attachments 35-39), Tab 3 (Savings by Rate Zone)

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

Alectra Utilities provided a discussion of how each individual rate zone's savings were allocated to its respective customer classes, but it did not discuss how total utility savings from the P&C Report were allocated to each of the rate zones.

- a) Please confirm why the P&C Report issued by the IESO to Alectra Utilities did not include savings from the GRZ.
- b) For 2018, please explain the methodology used to prorate total savings achieved by Alectra Utilities across HRZ, BRZ, PRZ and ERZ.
- c) Please complete the following table showing the average percentage allocation of total energy savings by residential and non-residential program achieved by Alectra Utilities across its rate zones.

P&C Report for 2018 unverified savings	Total Savings (kWh)	HRZ %	BRZ %	PRZ %	ERZ %
Residential programs					
Non-residential programs					

- d) Please complete the following table showing the average percentage allocation of total demand savings for non-residential programs achieved by Alectra Utilities across its rate zones.

P&C Report for 2018 unverified savings	Total Savings (kW)	HRZ %	BRZ %	PRZ %	ERZ %
Non-residential programs					

G-Staff-10

LRAMVA

Ref 1: LRAMVA workforms (Attachments 35-38), Tab 3-a

In Tab 3-a of each of the rate zone specific LRAMVA workforms, Alectra Utilities states that for initiatives implemented under the Commercial & Industrial (C&I) programs that apply to more than one rate class, the savings were estimated by rate class based on participant-specific information, where available.

- a) Please explain how the participant-specific information was used to derive the rate class allocations for C&I programs by rate zone. If there are differences in

the basis of the rate class allocations for different C&I programs (e.g., percentage allocations based on total kW consumption from projects in the program or by customer participation), please explain the differences by C&I program(s) for each rate zone.

G-Staff-11

LRAMVA

Ref 1: LRAMVA workforms (Attachments 35-38), Tab 5

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

The savings from the rate zone specific LRAMVA workforms were aggregated and then compared to the total utility savings in the P&C Report.

For the following Conservation First Framework (CFF) programs, it appears that additional savings have been claimed as the total savings from the rate zone specific LRAMVA workforms are higher than the total utility savings shown on the P&C Report.

CFF related programs – 2018 current year savings

Current year 2018 energy (kWh) savings	HRZ	BRZ	PRZ	ERZ	Total Savings (LRAMVA workforms)	P&C Report (2018 unverified)	Difference
	a	b	c	d	e = a+b+c+d	f	e/f -1
Coupon Initiative	-	21,706	-	-	21,706	-	
Save on Energy Home Assistance Program	133,395	94,467	159,460	-	387,322	338,231	15%
Save on Energy Small Business Lighting Program	1,289,754	655,082	1,688,567	1,493,987	5,127,390	3,296,853	56%

- Please confirm the accuracy of the energy savings claimed for each project above by rate zone and explain why the aggregate savings from the rate zone-specific LRAMVA workforms do not reconcile with the total savings for these specific programs in the P&C Report.
- Please explain why the additional project savings claimed would be eligible for lost revenue recovery.
- Please confirm the accuracy of the monthly demand savings claimed for the Business Lighting Program. Please explain how the 2018 kW savings were derived by rate zone.

Current year 2018 demand (kW) savings	HRZ	BRZ	PRZ	ERZ	P&C Report (2018 unverified)
Save on Energy Small Business Lighting Program	223	101	316	243	N/A

- d) Please file any relevant supporting documentation (such as verification reports, or project level savings, as applicable) by rate zone to demonstrate validity of the additional energy savings claimed for: i) Coupon Initiative; ii) Home Assistance Program; and iii) Small Business Lighting.

G-Staff-12

LRAMVA

Ref 1: LRAMVA workforms (Attachments 35-38), Tabs 5 and 8 (Street Lighting Savings)

Ref 2: Application, Exhibit 3, Tab 1, Schedule 10, p. 4 of 17

Ref 3: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

In the Application, Alectra Utilities confirms that street light energy savings have been inputted separately in 2018 and that the associated energy savings were removed from the saveOnEnergy Retrofit program.

The aggregate energy savings from the rate zone specific LRAMVA workforms for both 2018 saveOnEnergy Retrofit programs (P4P and FCP) closely align with the total energy savings for this program (as per the P&C Report). It is unclear whether the energy savings from the saveOnEnergy retrofit program(s) were adjusted to exclude street lighting projects, and what the quantum of the savings would be from street lighting projects.

CFF related programs – 2018 current year savings

CFF related savings - kWh (2018)	HRZ	BRZ	PRZ	ERZ	Total kWh Savings (LRAMVA Workforms)	P&C Report (2018 unverified kWh)
	a	b	c	d	e = a+b+c+d	f
Save on Energy Retrofit Program - P4P	4,805,553	3,116,044	6,251,924	8,313,336	22,486,857	22,375,657
Save on Energy Retrofit Program - FCR	8,816,627	7,863,558	21,669,165	1,132,801	39,482,152	39,482,152

- a) For each rate zone, please confirm which retrofit program the municipalities had participated in to undertake street lighting retrofits in 2018.

- b) Please confirm whether the 2018 retrofit program savings in the rate zone-specific LRAMVA workforms exclude energy savings from street lighting projects. If the retrofit program savings in the P&C Report already excluded kWh savings from street light upgrades, please clarify how this is the case.
- c) Please specify the specific reports or data that was relied upon in selecting the 90% net-to-gross ratio to calculate 2018 net savings in the City of Brampton.

G-Staff-13

What is Alectra Utilities' total planned road authority capital expenditures for 2021 across all rate zones?

Brampton Rate Zone:

BRZ-Staff-14

Ref: BRZ GA Analysis Workform, Principal Adjustments tab

Under Note 8 of the GA Analysis Workform, Alectra Utilities included a current year principal adjustment related to CT-148 true-up of GA charges for Account 1589 in both 2018 and 2019:

Year	Adjustment Description	Amount	Year Recorded in GL
2018	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	27,482	2019
2019	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(2,365,885)	2020

However, there were no corresponding principal adjustments for Account 1588, although there were adjustments for CT-1142 true-up:

Year	Adjustment Description	Amount	Year Recorded in GL
2018	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals	(125,925)	2019
2019	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals	2,378,104	2020

- a) Please confirm whether the “CT-148 true-up of GA charges based on actual RPP volumes” for Account 1588 has been included with the adjustments for “CT-1142 true-up based on actuals” in both 2018 and 2019.
- b) If yes to a), please provide a breakdown of the adjustments in 2018 and 2019 between:
 - i. CT-148 true-up of GA charges based on actual RPP volumes
 - ii. CT-1142 true-up based on actuals
- c) If no to a), please explain why there are no corresponding principal adjustments for CT-148 true-up of GA charges for Account 1588.

BRZ-Staff-15

Ref: BRZ GA Analysis Workform, GA 2018 tab

Under Note 5 – Reconciling Items, Alectra Utilities noted the following item 1b:

1b	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - current year	\$ 27,482	CR \$27k relates to current year but recorded in the GL in the following year, therefore, should record the CR in current year
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The amount shows a debit, but the explanation describes the amount as a credit.

- a) Please clarify whether the \$27,482 is a debit or credit adjustment in the current year.

BRZ-Staff-16

Ref: BRZ RGCRP_Staff.xlsm

OEB staff has revised the BRZ Renewable Generation Connection Rate Protection (RGCRP) model by extending the calculation of the payment amounts to cover the years 2022-2026. Please confirm whether Alectra Utilities agrees with the updated calculations.

BRZ-Staff-17

LRAMVA

Ref 1: LRAMVA workform (Attachment 36), Tab 5 (2015 and 2016 Persisting Savings in 2018)

Ref 2: EB-2019-0018, BRZ LRAMVA Workform (dated December 12, 2019)

There appear to be discrepancies in the amount of persisting savings claimed in last year's LRAMVA application and this year's LRAMVA filing for the Brampton RZ.

Previous Application – filing dated May 28, 2019

	Residential	GS<50 kWh	General Service 50 to 699 kW	General Service 700 to 4,999 kW	Large Use
2015 Savings Persisting in 2018	10,258,643	5,270,986	23,377	9,203	368
2016 Savings Persisting in 2018	16,188,305	2,579,613	16,039	21,811	2,612

Current Application – filing dated August 17, 2020

	Residential	GS<50 kWh	General Service 50 to 699 kW	General Service 700 to 4,999 kW	Large Use
2015 Savings Persisting in 2018	10,258,643	4,950,994	23,779	9,372	371
2016 Savings Persisting in 2018	17,844,439	2,795,701	17,549	22,823	2,857

- a) Please explain the reason for the shift in the allocation of savings from GS<50 kW to larger GS classes in 2015 and 2016.
- b) Please confirm whether the 2015 and 2016 persisting savings in 2018 include unverified savings adjustments from the P&C report.
- i. If not, please explain why the persistence of 2015 and 2016 savings into 2018 has changed from its previous LRAMVA filing.

BRZ-Staff-18

LRAMVA

Ref 1: LRAMVA workform (Attachment 36), Tab 5

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

The 2018 savings adjustments from the “Post P&C Report” are additional savings included in the LRAMVA calculation, as these savings adjustments were not identified in the P&C Report.

Post P&C Report Savings – 2018 savings adjustments

Post P&C report (kWh adjustment to 2018 savings)	BRZ – LRAMVA Workform
Save on Energy Heating and Cooling Program	68,782
Save on Energy Audit Funding Program	533,160
Save on Energy Retrofit Program - FCR	5,550,949
Save on Energy Small Business Lighting Program	134,738
Save on Energy Retrofit Program - P4P	23,103,279
Save on Energy High Performance New Construction Program	165,657

- a) Please provide supporting documentation (e.g. a copy of the Post P&C report(s) or CDM-IS report(s) in excel format) to substantiate the additional 2018 project savings claimed.
 - i. For the Brampton RZ, please provide the following data from the Post P&C Report for the programs listed above:
 - Framework under which the savings will be delivered under (e.g. CFF wind-down framework, interim framework, etc.)
 - Date that the program was approved by the IESO
 - Expected completion date of the program
 - Expected kWh and kW savings (net)
 - Delivery agent for the program savings (e.g. LDC or IESO led)
 - Approval date of an IESO incentive
- b) Please confirm whether any savings from the Post P&C Report were estimated using assumptions that were not previously provided in the IESO reports.
 - i. If yes, please identify the project(s) and describe the methodology and assumptions used to estimate savings for each applicable project.
- c) If supplemental reports cannot be provided in support of any project(s) identified above, please identify the project(s) and discuss the accuracy level of the savings estimates.
- d) Please confirm that all programs listed from the Post P&C Reports relate to the former CFF. If not, please identify the program(s) that are not part of the CFF.

- e) For each program listed in the table above, please provide a detailed discussion of why the savings were not included in the P&C Report but should be considered eligible for lost revenue recovery.
- f) For each of the non-residential programs listed above, please provide a discussion of how the 2018 demand savings were calculated from savings included in the Post P&C Report.

BRZ-Staff-19

LRAMVA

Ref 1: LRAMVA workform (Attachment 36), Tabs 5 and 8 (Street Lighting Savings)

Ref 2: Application, Exhibit 3, Tab 1, Schedule 10, p. 4 of 17

Ref 3: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

It is unclear whether all prior years' energy savings from street lighting projects in the BRZ (2018) were deducted from the retrofit program.

- a) Please provide the details in the table below, and modify the inputs in the table as applicable to the specific rate zone:

Brampton Rate Zone

CFF related savings	BRZ Savings (LRAMVA Workform)	P&C Report (2018 unverified)
2018 Save on Energy Retrofit (kWh)		X kWh
% Allocation of Total Retrofit Savings - BRZ	%	100%
2018 Save on Energy Retrofit (kWh) - BRZ	X kWh	
Street light Savings (kWh deduction)	X kWh	

BRZ-Staff-20

Ref: LRAMVA workform (Attachment 36), Tab 1/ Tab 1-a (Updates)

- a) If Alectra Utilities made any changes to the LRAMVA workform as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA workform, and confirm the LRAMVA balance requested for disposition, the disposition period and the revised rate riders.
- 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-a)".

BRZ-Staff-21

Ref 1: Exhibit 2, Tab 1, Schedule 4, Page 6

Ref 2: Alectra Utilities 2020 Distribution System Plan (DSP), Appendix A20, Page 7

Alectra Utilities is requesting Incremental Capital Module (ICM) funding for its anticipated Connection and Cost Recovery Agreement (CCRA) 10-year true-up payment to Hydro One Networks Inc. (HONI) for Goreway TS. Reference 1 states that the payment is scheduled for 2021.

Alectra Utilities' 2020 DSP discussed the Goreway TS CCRA true-up payment and noted that it is due in 2020. The previous 5-year true-up payment was made in 2015.

- a) Please confirm that the CCRA payment has not yet been paid to HONI.
- b) Please explain why the payment, which was originally scheduled to be made in 2020, is now due in 2021. In particular, OEB staff notes that the 5-year true-up payment was last made in 2015.
- c) Please provide the calculations for the payment amount.

Reference 1 explains that the shortfall in demand at Goreway TS can be attributed to the downturn in economy in 2008, government-driven conservation initiatives and natural conservation. The 5-year true-up payment made in 2015 was \$0.68M.

- d) Given that the economic downturn was in 2008, and the 5-year true-up payment was only \$0.68M, please discuss why the anticipated 10-year true-up payment is expected to be significantly higher at \$5.7M.

BRZ-Staff-22

Ref 1: Exhibit 2, Tab 1, Schedule 1, Page 4

Ref 2: Attachment 4 – ICM Project Listing Brampton RZ

According to reference 1, the Brampton RZ's 2021 capital forecast is \$42.2M. This matches the Brampton RZ's 2021 capital budget in the table in attachment 4. However, in the same table in attachment 4, OEB staff notes that the Goreway TS CCRA payment is listed under "General Plant – Alectra Utilities" (i.e. it is not a project that has been included in Brampton RZ's 2021 capital budget).

- a) Please confirm that the Goreway TS CCRA payment is a capital expenditure that is only applicable to Brampton RZ customers. If not, please explain why the incremental revenue requirement of the project has only been allocated to Brampton RZ customers.
- b) If yes to part a), please explain why the Goreway TS CCRA payment does not appear to have been included in the Brampton RZ's total 2021 capital budget. If this is an error, please update the materiality threshold calculations by including the cost of the Goreway TS CCRA project in the Brampton RZ's total 2021 capital budget.

BRZ-Staff-23

Ref: Attachment 3 – ICM Business Cases Brampton RZ, Page 2

In the reference, Alectra Utilities noted that the City of Brampton has divided the expansion of Goreway Drive into three projects:

- Cottrelle Boulevard to Countryside Drive (3.5 km);
- Countryside Drive to Cottrelle Boulevard (2.3 km); and
- Countryside Drive to Mayfield Road (1.3 km)

The project for which Alectra Utilities is requesting ICM funding appears to be the first project in the list above.

- a) Please explain why there are two separate projects for what appears to be the same stretch of road, i.e. the first two projects in the list above, both of which refer to the stretch of road between Cottrelle Boulevard to Countryside Drive.
- b) Please confirm that there is no overlap between the scope of the proposed Goreway Road Widening project and any other road widening project.

BRZ-Staff-24

Ref 1: Attachment 3 – ICM Business Cases Brampton RZ, Page 1

Ref 2: EB-2019-0018, Responses to Oral Hearing Undertakings, October 23, 2019, J2.4

Reference 1 provides an expected in-service date for the Goreway Road Widening project of December 31, 2021.

- a) Given that the project is not expected to be complete until the year-end and given the ongoing impacts of COVID-19, how confident is Alectra Utilities that this work will proceed as scheduled and be complete in 2021?
- b) Has Alectra Utilities undertaken any steps to mitigate the impacts of COVID-19 on completing this work on time?

In reference 2, OEB staff notes certain cable injection projects that involve the Goreway area. For example, OEB staff notes project #151324 "Cable Injection Project – (M3) – Castlemore – Goreway – Queen – Airport, Brampton."

- c) Please explain whether there is any overlap between Alectra Utilities' planned system renewal work and the 3.5km stretch of Goreway road as part of this road widening project. If yes:
 - i. Has Alectra Utilities coordinated the system renewal work with this road widening project so as to avoid duplication of work?
 - ii. Has Alectra Utilities removed from this project budget any work that is funded through system renewal budget?

BRZ-Staff-25

Ref 1: Exhibit 2, Tab 1, Schedule 1, Pages 5, 7

Ref 2: EB-2018-0016, Decision and Order, January 31, 2019, Pages 14-15

Alectra Utilities is requesting \$2.1M in ICM funding for the Goreway Road Widening project. As noted in reference 1, Alectra Utilities overall 2021 capital budget across all rate zones is \$250.3M.

In reference 2, OEB staff notes that the OEB had previously denied ICM funding for a feeder relocation project in Alectra Utilities' 2019 IRM application. The feeder relocation project had a total budget of \$2.1M and the OEB had denied ICM funding finding that the project was not a significant capital cost in comparison to Alectra Utilities 2019 overall capital budget of \$257.3M.

- a) Given that the OEB had previously denied a project of similar capital cost to the Goreway Road Widening project, please discuss how the Goreway Road Widening project meets the project-specific materiality threshold of the ICM criteria, which stipulates that projects must have a significant influence on the operations of the distributor.

BRZ-Staff-26

Ref: BRZ ACM/ICM Model, Tab "9b. Proposed ACM ICM Projects"

In the ICM model, OEB staff notes that the Goreway TS CCRA true-up payment has an amortization period of 40 years.

Please explain how an amortization period of 40 years was determined.

BRZ-Staff-27

Ref: Attachment 3 – ICM Business Cases Brampton RZ, Page 8

For the Goreway TS CCRA true-up, Alectra Utilities forecasts a payment of \$5.7M and notes that the final amount is yet to be negotiated with HONI.

- a) If there is a variance between the forecasted \$5.7M payment amount and the finalized amount negotiated with HONI, how will Alectra Utilities true-up the difference?

Enersource Rate Zone:

ERZ-Staff-28

Ref: ERZ GA Analysis Workform, GA 2019 tab

Under Note 4 of the GA Analysis Workform, columns G and H were left blank:

Note 4 Analysis of Expected GA Amount									
Year									
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	H	I = F-G+H	J	K = P-J	L	M = PL	=M-K
January	243,448,450			243,448,450	0.06741	\$ 16,410,860	0.08092	\$ 19,699,849	\$ 3,288,989
February	222,140,602			222,140,602	0.09657	\$ 21,452,118	0.08812	\$ 19,575,030	\$ (1,877,088)
March	237,987,573			237,987,573	0.08105	\$ 19,288,893	0.08041	\$ 19,136,561	\$ (152,312)
April	215,898,531			215,898,531	0.08129	\$ 17,550,392	0.12333	\$ 26,626,766	\$ 9,076,374
May	216,591,464			216,591,464	0.12860	\$ 27,853,662	0.12604	\$ 27,299,188	\$ (554,474)
June	219,780,622			219,780,622	0.12444	\$ 27,349,501	0.13728	\$ 30,171,484	\$ 2,821,983
July	253,431,928			253,431,928	0.13527	\$ 34,281,737	0.09645	\$ 24,443,509	\$ (9,838,227)
August	243,503,470			243,503,470	0.07211	\$ 17,559,035	0.12607	\$ 30,698,483	\$ 13,139,447
September	220,814,014			220,814,014	0.12934	\$ 28,560,085	0.12263	\$ 27,078,423	\$ (1,481,662)
October	220,495,163			220,495,163	0.17878	\$ 39,420,125	0.13680	\$ 30,163,738	\$ (9,256,387)
November	224,354,756			224,354,756	0.10727	\$ 24,066,535	0.09953	\$ 22,330,029	\$ (1,736,506)
December	233,124,785			233,124,785	0.08569	\$ 19,976,463	0.09321	\$ 21,729,561	\$ 1,753,098
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	2,751,571,357			2,751,571,357		\$ 283,769,405		\$ 298,952,640	\$ 5,183,235
Calculated Loss Factor									1.0356
Most Recent Approved Loss Factor for Secondary Metered Customer < 5,000kW									1.036
Difference									-0.0004

a) Please explain why columns G and H were not used in the above table.

ERZ-Staff-29

Ref: ERZ GA Analysis Workform, Principal Adjustments tab

Under Note 8 of the GA Analysis Workform, Alectra Utilities included a current year principal adjustment related to CT-148 true-up of GA charges for Account 1589:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(2,660,968)	2020

However, there was no corresponding principal adjustment for Account 1588, but rather a similar offsetting adjustment for CT-1142 true-up:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals	2,692,617	2,020

- Please confirm whether the “CT-148 true-up of GA charges based on actual RPP volumes” for Account 1588 has been included with the \$2,692,617 adjustment for “CT-1142 true-up based on actuals”.
- If yes to a), please provide a breakdown of the adjustment between:
 - CT-148 true-up of GA charges based on actual RPP volumes
 - CT-1142 true-up based on actuals
- If no to a), please explain why there is no corresponding principal adjustment for CT-148 true-up of GA charges for Account 1588.

ERZ-Staff-30

Ref 1: Exhibit 3, Tab 1, Schedule 9, Page 2

Ref 2: ERZ – 2021 RGCRP Model, Tab “Revenue Requirement”

Ref 3: EB-2019-0018, ERZ – 2020 RGCRP Model, Tab “2020 Price Cap IR Enersource RZ”

Alectra Utilities is requesting to collect \$149,672 in RGCRP funding for the 2021 rate year. OEB staff has compared this year’s ERZ RGCRP model with last year’s model and it appears that Alectra Utilities has updated the 2019 amounts for 2019 actuals and provided an updated forecast for the 2020 amounts.

- a) Please confirm whether OEB staff’s understanding is correct.
- b) Does the \$149,672 amount being requested for 2021 include the true-up in variances between the updated 2019 and 2020 amounts? If not, please explain why Alectra Utilities has opted to not true-up the variances in 2021.

OEB staff notes that there were no capital additions forecast for 2021 year in the ERZ RGCRP model.

- c) Does Alectra Utilities expect any future RGCRP capital additions in 2022-2026?

If no to c), for future regulatory efficiency, OEB staff notes that Alectra Utilities may revise its ERZ RGCRP model to extend the payment calculations for 2022-2026 for approval in this proceeding.

- d) If Alectra Utilities agrees with this approach, please provide a revised ERZ RGCRP model with calculated payment amounts for 2022-2026. If not, please explain why not.

ERZ-Staff-31

Ref 1: LRAMVA workform (Attachment 38), Tab 5

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

The 2018 savings adjustments from the “Post P&C Report” are additional savings included in the LRAMVA calculation, as these savings adjustments were not identified in the P&C Report.

Post P&C Report Savings – 2018 savings adjustments

Post P&C report (kWh adjustment to 2018 savings)	ERZ – LRAMVA Workform
Save on Energy Heating and Cooling Program	96,460
Save on Energy Coupon Program	28,053
Save on Energy Audit Funding Program	666,450
Save on Energy Retrofit Program - FCR	799,654
Save on Energy Small Business Lighting Program	307,286
Save on Energy Retrofit Program - P4P	61,637,548
Save on Energy High Performance New Construction Program	712,974
Save on Energy Process & Systems Upgrades Program	387,307

- a) Please provide supporting documentation (e.g. a copy of the Post P&C report(s) or CDM-IS report(s) in excel format) to substantiate the additional 2018 project savings claimed.
- i. For the Enersource RZ, please provide the following data from the Post P&C Report for the programs listed above:
- Framework under which the savings will be delivered under (e.g. CFF wind-down framework, interim framework, etc.)
 - Date that the project was approved by the IESO
 - Expected completion date of the program
 - Expected kWh and kW savings (net)
 - Delivery agent for the program savings (e.g. LDC or IESO led)
 - Approval date of an IESO incentive
- b) Please confirm whether any savings from the Post P&C Report were estimated using assumptions that were not previously provided in the IESO reports.
- i. If yes, please identify the project(s) and describe the methodology and assumptions used to estimate savings for each applicable project.
- c) If supplemental reports cannot be provided in support of any project(s) identified above, please identify the project(s) and discuss the accuracy level of the savings estimates.
- d) Please confirm that all programs listed from the Post P&C Reports relate to the former CFF. If not, please identify the program(s) that are not part of the CFF.
- e) For each program listed in the table above, please provide a detailed discussion of why the savings were not included in the P&C Report but should be considered eligible for lost revenue recovery.
- f) For each of the non-residential programs listed above, please provide a discussion of how the 2018 demand savings were calculated from savings included in the Post P&C Report.

ERZ-Staff-32

LRAMVA

Ref 1: LRAMVA workform (Attachment 38), Tabs 5 and 8 (Street Lighting Savings)

Ref 2: Application, Exhibit 3, Tab 1, Schedule 10, p. 4 of 17

Ref 3: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

It is unclear whether all prior years' energy savings from street lighting projects in the Enersource RZ (2013, 2016) were deducted from the retrofit program.

- a) Please provide the details in the table below, and modify the inputs in the table as applicable to the specific rate zone:

Enersource Rate Zone

CFF related savings	ERZ Savings (LRAMVA Workform)	Savings from 2015 Persistence Report (IESO)	Savings from 2017 Results Report (IESO)
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2013 Save on Energy Retrofit (kWh)		X kWh	
% Allocation of Total Retrofit Savings (2013) - ERZ	%	100%	
2013 Save on Energy Retrofit (kWh) - ERZ	X kWh		
Street light Savings (kWh deduction)	X kWh		
2016 Save on Energy Retrofit (kWh)			X kWh
% Allocation of Total Retrofit Savings (2016) - ERZ	%		100%
2016 Save on Energy Retrofit (kWh) - ERZ	X kWh		
Street light Savings (kWh deduction)	X kWh		

ERZ-Staff-33

LRAMVA

Ref: LRAMVA workform (Attachment 38), Tab 1/ Tab 1-a (Updates)

- a) If Alectra Utilities made any changes to the LRAMVA workform as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA workform, and confirm the LRAMVA balance requested for disposition, the disposition period and the revised rate riders.
- b) Please record any changes to the LRAMVA workform in response to these LRAMVA interrogatories in "Table A-2. Updates to LRAMVA Disposition (Tab 1-a)".

Horizon Rate Zone:

HRZ-Staff-34

Ref: HRZ GA Analysis Workform, Principal Adjustments tab

Under Note 8 of the GA Analysis Workform, Alectra Utilities included a current year principal adjustment related to CT-148 true-up of GA charges for Account 1589 in both 2018 and 2019:

Year	Adjustment Description	Amount	Year Recorded in GL
2018	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(1,956,654)	2019
2019	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(841,592)	2020

However, there were no corresponding principal adjustments for Account 1588, although there was an adjustment for CT-1142 true-up in 2018:

Year	Adjustment Description	Amount	Year Recorded in GL
2018	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals	893,336	2019
2019	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals		

- a) Please confirm whether the “CT-148 true-up of GA charges based on actual RPP volumes” for Account 1588 has been included with the \$893,336 adjustment for “CT-1142 true-up based on actuals” in 2018.
- b) If yes to a), please provide a breakdown of the adjustment between:
 - i. CT-148 true-up of GA charges based on actual RPP volumes
 - ii. CT-1142 true-up based on actuals
- c) If no to a), please explain why there is no corresponding principal adjustment for CT-148 true-up of GA charges for Account 1588 in 2018.
- d) Please explain why there were no principal adjustments for either “CT-148 true-up of GA charges based on actual RPP volumes” OR “CT-1142 true-up based on actuals” for Account 1588 in 2019.

HRZ-Staff-35

Ref 1: Exhibit 3, Tab 1, Schedule 8 – Adjustments to Deferral and Variance Accounts

Ref 2: HRZ GA Analysis Workform, GA 2019 tab

In Exhibit 3, Tab 1, Schedule 8 – Adjustments to Deferral and Variance Accounts for Horizon RZ, Alectra noted the following:

17 Alectra Utilities identified an omission relating to the Horizon Utilities Rate Zone in reporting
18 embedded generation energy kWh's produced from FIT and MicroFIT generators. The omission,
19 which was the result of a spreadsheet error, likely occurred in 2010 and affected Form 1598
20 submissions to the IESO and the associated settlements from that time until the error was
21 identified in 2019. Alectra Utilities has corrected the error, immediately notified the IESO and
22 remitted an amount of \$8.1MM to the IESO.

23 Alectra Utilities submitted an adjustment for this omission in the July 2019 Form 1598 submission
24 to the IESO. This amount was settled in the July 2019 IESO invoice, and is included in Alectra
25 Utilities' Group 1 balance for the Horizon Utilities RZ.

Under Note 5 – Reconciling Items of the GA Analysis Workform, GA 2019 tab, Alectra Utilities included the following item:

3	Significant prior period billing adjustments recorded in current year	\$(7,988,841)	(7,989K) relating to 2010 to 2018 Microfit GA adjustment paid to IESO in 2019. This is not a principal adjustment.
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- Please confirm the adjustment amount recorded in the GL in 2019 - \$8.1MM or \$7,988,841 – and which accounts were impacted.
- Please provide supporting calculation of the adjustment amount.
- Given that settlements of FIT and microFIT with the IESO should have been recorded in Account 1588, please explain why the \$(7,988,841) adjustment was recorded in Account 1589. Please clarify if any adjustments were also made to Account 1588 as a result of the error identified.

HRZ-Staff-36

Ref: HRZ GA Analysis Workform, GA 2019 tab

Under Note 5 – Reconciling Items of the GA Analysis Workform, GA 2019 tab, Alectra Utilities included the following item:

7	Adjustment to reallocate amount from Account 1589 to Account 1588	\$(563,661)	(564K) relating to RPP GA adjustment to be reallocated to Account 1588
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- Please explain the nature and timing of this adjustment and why this amount needed to be reallocated from Account 1589 to Account 1588.
- Please provide supporting calculation of the adjustment amount.

HRZ-Staff-37

Ref: HRZ IRM Model, Tab “2. Current Tariff Schedule”

Cell BC9 in tab 2 has not been changed to “Yes” to confirm the accuracy of the Horizon RZ’s 2020 OEB-approved Tariff of Rates and Charges. Please confirm that the tariff information in tab 2 is accurate and revise the model as necessary. If the tariff is not correct, please list the inaccuracies that should be corrected.

HRZ-Staff-38

LRAMVA

Ref 1: LRAMVA workform (Attachment 35), Tab 5

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

The 2018 savings adjustments from the “Post P&C Report” are additional savings included in the LRAMVA calculation, as these savings adjustments were not identified in the P&C Report.

Post P&C Report Savings – 2018 savings adjustments

Post P&C report (kWh adjustment to 2018 savings)	HRZ – LRAMVA Workform
Coupon Initiative	22,479
Save on Energy Heating and Cooling Program	64,335
Save on Energy Audit Funding Program	844,170
Save on Energy Retrofit Program - FCR	6,223,728
Save on Energy Small Business Lighting Program	265,279
Save on Energy Retrofit Program - P4P	35,629,799
Save on Energy Process & Systems Upgrades Program	283,032

- a) Please provide supporting documentation (e.g. a copy of the Post P&C report(s) or CDM-IS report(s) in excel format) to substantiate the additional 2018 project savings claimed from the Post P&C Reports.
 - i. For the Horizon RZ, please provide the following data from the Post P&C Report for the programs listed above:
 - Framework under which the savings will be delivered under (e.g. CFF wind-down framework, interim framework, etc.)
 - Date that the program was approved by the IESO
 - Expected completion date of the program
 - Expected kWh and kW savings (net)
 - Delivery agent for the program savings (e.g. LDC or IESO led)
 - Approval date of an IESO incentive
- b) Please confirm whether any savings from the Post P&C Report were estimated using assumptions that were not previously provided in the IESO reports.
 - i. If yes, please identify the project(s) and describe the methodology and assumptions used to estimate savings for each applicable project.

- c) If supplemental reports cannot be provided in support of any project(s) identified above, please identify the project(s) and discuss the accuracy level of the savings estimates.
- d) Please confirm that all programs listed from the Post P&C Reports relate to the former CFF. If not, please identify the program(s) that are not part of the CFF.
- e) For each program listed in the table above, please provide a detailed discussion of why the savings were not included in the P&C Report but should be considered eligible for lost revenue recovery.
- f) For each of the non-residential programs listed above, please provide a discussion of how the 2018 demand savings were calculated from savings were included in the Post P&C Report.

HRZ-Staff-39

LRAMVA

Ref 1: LRAMVA workform (Attachment 35), Tabs 5 and 8 (Street Lighting Savings)

Ref 2: Application, Exhibit 3, Tab 1, Schedule 10, p. 4 of 17

Ref 3: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

It is unclear whether all prior years' energy savings from street lighting projects in the Horizon RZ (2015, 2016 and 2018) were deducted from the retrofit program.

- a) Please provide the details as noted in the table below, and modify the inputs in the table as applicable to the specific rate zone:

Horizon Rate Zone

CFF related savings	HRZ Savings (LRAMVA Workform)	2017 Final Results Report (IESO)	P&C Report (2018 unverified)
2015 Save on Energy Retrofit (kWh)		X kWh	
% Allocation of Total Retrofit Savings (2015) – HRZ	%	100%	
2015 Save on Energy Retrofit (kWh) – HRZ	X kWh	X kWh	
Street light Savings (kWh deduction)	X kWh		
2016 Save on Energy Retrofit (kWh)		X kWh	
% Allocation of Total Retrofit Savings (2016) – HRZ	%	100%	
2016 Save on Energy Retrofit (kWh) – HRZ	X kWh	X kWh	
Street light Savings (kWh deduction)	X kWh		
2018 Save on Energy Retrofit (kWh)			X kWh

% Allocation of Total Retrofit Savings (2018) - HRZ	%		100%
2017 Save on Energy Retrofit (kWh) - HRZ	X kWh		X kWh
Street light Savings (kWh deduction)	X kWh		

HRZ-Staff-40

LRAMVA

Ref: LRAMVA workform (Attachment 35), Tab 1/ Tab 1-a (Updates)

- a) If Alectra Utilities made any changes to the LRAMVA workform as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA workform, and confirm the LRAMVA balance requested for disposition, the disposition period and the revised rate riders.
- b) Please record any changes to the LRAMVA workform in response to these LRAMVA interrogatories in "Table A-2. Updates to LRAMVA Disposition (Tab 1-a)".

Powerstream Rate Zone:

PRZ-Staff-41

Ref: PRZ GA Analysis Workform

Under Note 4 of the GA Analysis Workform, columns G and H were left blank:

Note 4 Analysis of Expected GA Amount									
Year									
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	H	I = F-G+H	J	K = F*J	L	M = PL	=M-K
January	292,286,914			292,286,914	0.06741	\$ 19,703,061	0.08092	\$ 23,651,857	\$ 3,948,796
February	266,492,846			266,492,846	0.09657	\$ 25,735,214	0.08812	\$ 23,483,350	\$ (2,251,865)
March	283,637,173			283,637,173	0.08105	\$ 22,988,793	0.08041	\$ 22,807,265	\$ (181,528)
April	259,052,284			259,052,284	0.08129	\$ 21,058,360	0.12333	\$ 31,948,918	\$ 10,890,558
May	262,521,178			262,521,178	0.12860	\$ 33,760,223	0.12604	\$ 33,088,169	\$ (672,054)
June	268,982,556			268,982,556	0.12444	\$ 33,472,189	0.13728	\$ 36,925,925	\$ 3,453,736
July	301,721,766			301,721,766	0.13527	\$ 40,813,903	0.09645	\$ 29,101,064	\$ (11,712,839)
August	287,276,639			287,276,639	0.07211	\$ 20,715,518	0.12607	\$ 36,216,966	\$ 15,501,447
September	259,574,375			259,574,375	0.12934	\$ 33,573,350	0.12263	\$ 31,831,606	\$ (1,741,744)
October	262,279,969			262,279,969	0.17876	\$ 46,890,413	0.13680	\$ 35,879,900	\$ (11,010,513)
November	265,410,862			265,410,862	0.10727	\$ 28,470,623	0.09953	\$ 26,416,343	\$ (2,054,280)
December	267,814,066			267,814,066	0.08569	\$ 22,948,987	0.09321	\$ 24,962,949	\$ 2,013,962
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	3,277,050,629	-	-	3,277,050,629		\$ 350,130,636		\$ 356,314,312	\$ 6,183,677
Calculated Loss Factor									1.0375
Most Recent Approved Loss Factor for Secondary Metered									
Customer < 5,000kW									1.0369
Difference									0.0006

Alectra Utilities explained the blank columns as follows:

a) Please provide an explanation in the textbox below if columns G and H are not used in the table above.

Monthly usage were the base for RPP true-up settlement that reflect the true cost of GA for non-RPP Class B.

- Please confirm that the explanation above means that the figures in column F in the Note 4 table above represent actual monthly consumption (i.e. actual energy flow), as opposed to consumption billed in the month.
- If no to a), please clarify the explanation above and further explain why unbilled amounts are not included in columns G and H.

PRZ-Staff-42

Ref: PRZ RGCRP_Staff.xls

OEB staff has revised the PRZ RGCRP model by extending the calculation of the payment amounts to cover the years 2022-2026. Please confirm whether Alectra Utilities agrees with the updated calculations.

PRZ-Staff-43

Ref 1: LRAMVA workform (Attachment 37), Tab 5

Ref 2: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

The 2018 savings adjustments from the “Post P&C Report” are additional savings included in the LRAMVA calculation, as these savings adjustments were not identified in the P&C Report.

Post P&C Report Savings – 2018 savings adjustments

Post P&C report (kWh adjustment to 2018 savings)	PRZ – LRAMVA Workform
Coupon Initiative	47,246
Save on Energy Heating and Cooling Program	265,142
Save on Energy Audit Funding Program	1,999,351
Save on Energy Retrofit Program - FCR	15,296,437
Save on Energy Small Business Lighting Program	347,307
Save on Energy Retrofit Program - P4P	46,353,628
Save on Energy High Performance New Construction Program	7,635,854
Save on Energy Process & Systems Upgrades Program	391,563
Social Benchmarking Program - Simple Energy	3,085,423
Social Benchmarking Program - OPower	29,380,302

- a) Please provide supporting documentation (e.g. a copy of the Post P&C report(s) or CDM-IS report(s) in excel format, if available) to substantiate the additional 2018 project savings claimed.
 - i. For the PowerStream RZ, please provide the following data from the Post P&C Report for the programs listed above:
 - Framework under which the savings will be delivered under (e.g. CFF wind-down framework, interim framework, etc.)
 - Date that the program was approved by the IESO
 - Expected completion date of the program
 - Expected kWh and kW savings (net)
 - Delivery agent for the program savings (e.g. LDC or IESO led)
 - Approval date of an IESO incentive
- b) Please confirm whether any savings from the Post P&C Report were estimated using assumptions that were not previously provided in the IESO reports.
 - i. If yes, please identify the project(s) and describe the methodology and assumptions used to estimate savings for each applicable project.
- c) If supplemental reports cannot be provided in support of any project(s) identified above, please identify the project(s) and discuss the accuracy level of the savings estimates.
- d) Please provide a copy of the Opower benchmarking reports for the behavioural pilot program savings in the Powerstream rate zone to substantiate the savings claimed.

- i. If a report is not available, please explain how the savings were derived, and confirm that only savings are claimed up to December 31, 2018.
- e) Please confirm that all programs listed from the Post P&C reports relate to the former CFF. If not, please identify the program(s) that are not part of the CFF.
- f) For each program listed in the table above, please provide a detailed discussion of why the savings were not included in the P&C report but should be considered eligible for lost revenue recovery.
- g) For each of the non-residential programs listed above, please provide a discussion of how the 2018 demand savings were calculated from savings included in the Post P&C Report.

PRZ-Staff-44

LRAMVA

Ref 1: LRAMVA workform (Attachment 35), Tabs 5 and 8 (Street Lighting Savings)

Ref 2: Application, Exhibit 3, Tab 1, Schedule 10, p. 4 of 17

Ref 3: Participation & Cost (P&C) Report – Alectra Utilities (Attachment 40)

It is unclear whether all prior years' energy savings from street lighting projects in the PowerStream RZ (2015, 2016, 2017 and 2018) were deducted from the retrofit program.

- a) Please provide the details as noted in the table below, and modify the inputs in the table as applicable to the specific rate zone:

PowerStream Rate Zone

CFF related savings	PRZ Savings (LRAMVA Workform)	Savings from 2015/16 Results Report (IESO)	Savings from 2017 Results Report (IESO)	P&C Report (2018 unverified)
2015 Save on Energy Retrofit (kWh)		X kWh		
% Allocation of Total Retrofit Savings (2015) - PRZ	%	100%		
2015 Save on Energy Retrofit (kWh) - PRZ	X kWh	X kWh		
Street light Savings (kWh deduction)	X kWh			
2016 Save on Energy Retrofit (kWh)		X kWh		
% Allocation of Total Retrofit Savings (2016) - PRZ	%	100%		
2016 Save on Energy Retrofit (kWh) - PRZ	X kWh	X kWh		
Street light Savings (kWh deduction)	X kWh			

2017 Save on Energy Retrofit (kWh)			X kWh	
% Allocation of Total Retrofit Savings (2017) - PRZ	%		100%	
2017 Save on Energy Retrofit (kWh) – PRZ	X kWh		X kWh	
Street light Savings (kWh deduction)	X kWh			
2018 Save on Energy Retrofit (kWh)				X kWh
% Allocation of Total Retrofit Savings (2018) - PRZ	%			100%
2018 Save on Energy Retrofit (kWh) – PRZ	X kWh			X kWh
Street light Savings (kWh deduction)	X kWh			

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LRAMVA

Ref: LRAMVA workform (Attachment 37), Tab 1/ Tab 1-a (Updates)

- If Alectra Utilities made any changes to the LRAMVA workform as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA workform, and confirm the LRAMVA balance requested for disposition, the disposition period and the revised rate riders.
- Please record any changes to the LRAMVA workform in response to these LRAMVA interrogatories in “Table A-2. Updates to LRAMVA Disposition (Tab 1-a)”.

PRZ-Staff-46

Ref: Attachment 6 – ICM Business Cases Powerstream RZ, Pages 3-4

One of the alternative options Alectra Utilities considered for the Rutherford Road Widening project is to install underground feeder cables in lieu of an overhead system. The business case noted that this option would have the benefit of additional protection against elements such as weather-related events, animal contacts and collisions from vehicles, albeit at a higher cost.

- What is the estimated cost of relocating all assets underground?
- Has Alectra Utilities performed a quantitative analysis of the reliability benefits of relocating all assets underground? If yes, please provide the analysis. If no, why not?

PRZ-Staff-47

Ref 1: Exhibit 2, Tab 1, Schedule 1, Pages 14-15

Ref 2: EB-2019-0018, Responses to Oral Hearing Undertakings, October 23, 2019, J2.4

Ref 3: Alectra Utilities 2020 Distribution System Plan (DSP), Appendix A05, Page 15-17

Reference 1 estimates an in-service date of Q3 2021 for the Rutherford Road Widening Project.

- a) Given the impact of COVID-19, how confident is Alectra Utilities that this work will proceed as scheduled in 2021 and has Alectra Utilities undertaken any steps to mitigate the impact of COVID-19?

In reference 2, OEB staff notes certain cable injection projects that involve the Rutherford area. For example, OEB staff notes project #151466 "Cable Replacement Project – (V24) – Langstaff – Jane – Rutherford – Keele – Vaughn."

- b) Please explain whether there is any overlap between Alectra Utilities' planned system renewal work and the 2.8km stretch of Rutherford road as part of this road widening project. If yes:
 - i. Has Alectra Utilities coordinated the system renewal work with this road widening project so as to avoid duplication of work? If no, why not?
 - ii. Has Alectra Utilities removed from this project budget any work that is funded through system renewal budget? If no, why not?

In reference 3, Alectra Utilities' DSP discusses proposed investments to increase the resilience of Alectra Utilities' overhead distribution system to adverse weather events, referred to as "Storm Hardening." OEB staff notes that the scope of these investments includes the Powerstream service territory.

- c) Are there any overhead assets being relocated as part of the Rutherford Road Widening project that are also planned to be upgraded as part of Storm Hardening?
- d) If yes to part d), has Alectra Utilities removed from this project budget any work that is funded through the Storm Hardening budget?

Guelph Rate Zone:

GRZ-Staff-48

Ref: GRZ RGM, Tab 3 Continuity Schedule

Ref: GRZ GA Analysis Workform, Principal Adjustments tab

In the Rate Generator Model Continuity Schedule, Alectra Utilities noted the following transactions for Account 1588:

Account 1588 principal balance	2018	2019
Transactions during the year	(45,719)	3,864,099
Principal Adjustments during the year	1,736,852	54,586

Under Note 8 of the GA Analysis Workform, Principal Adjustments tab, Alectra Utilities provided details of the current year principal adjustments in 2018 and 2019 for Account 1588:

Account 1588 - RSVA Power			
Year	Adjustment Description	Amount	Year Recorded in GL
2018	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual RPP volumes		
	2 CT 1142 true-up based on actuals		
	3 Unbilled to actual revenue differences		
	4 Impact of adopting OEB 1588 & 1589 accounting guidance vs. IESO claims for years 2017 and 2018	1,736,852	2,019
	5		
	6		
	7		
	8		
	Total Current Year Principal Adjustments	1,736,852	
	Total Principal Adjustments to be Included on DVA Continuity Schedule	1,736,852	
Account 1588 - RSVA Power			
Year	Adjustment Description	Amount	Year Recorded in GL
2019	Reversals of prior year principal adjustments		
	1 Reversal of CT 148 true-up of GA Charges based on actual RPP volumes		
	2 Reversal of CT 1142 true-up based on actuals		
	3 Reversal of Unbilled to actual revenue differences		
	4		
	5		
	6		
	7		
	8		
	Total Reversal Principal Adjustments	-	
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual RPP volumes	54,586	2020
	2 CT 1142 true-up based on actuals		
	3 Unbilled to actual revenue differences		
	4		
	5		
	6		
	7		
	8		
	Total Current Year Principal Adjustments	54,586	
	Total Principal Adjustments to be Included on DVA Continuity Schedule	54,586	

- a) Given that the 2018 principal adjustment of \$1,736,852 was recorded in the GL in 2019, please confirm that this amount is included in the 2019 total transactions figure of \$3,864,099.
- b) If yes to a), the 2018 adjustment of \$1,736,852 would need to be shown as a reversal on both the 2019 principal adjustments on the continuity schedule and the GA Analysis Workform Principal Adjustments, 2019 Reversal of prior year principal adjustments. Please re-file the Rate Generator Model continuity schedule and the GA Analysis Workform, Principal Adjustments tab to reflect the reversal of \$1,736,852 in 2019. If Alectra Utilities disagrees with the need for this reversal, please explain.
- c) If no to a), please confirm when the 2018 adjustment of \$1,736,852 was recorded in the GL.

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Ref: GRZ RGM, Tab 3 Continuity Schedule

Ref: GRZ GA Analysis Workform, Principal Adjustments tab

In the Rate Generator Model Continuity Schedule, Alectra Utilities noted the following transactions for Account 1589:

Account 1589 principal balance	2018	2019
Transactions during the year	(2,229,900)	2,601,202
Principal Adjustments during the year	37,365	(1,822,241)

Under Note 8 of the GA Analysis Workform, Principal Adjustments tab, Alectra Utilities provided details of the current year principal adjustments in 2018 and 2019 for Account 1589:

Account 1589 - RSVA Global Adjustment			
Year	Adjustment Description	Amount	Year Recorded in GL
2018	<i>Current year principal adjustments</i>		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	220,196	2019
	2 Unbilled to actual revenue differences		
	3 RPP portion of 2018 IESO Invoice Adjustments returned to IESO in 2019	223,075	2019
	4 Correction to Unbilled Revenue query for RPP consumption allocation for period of January 2017 to May 2018	(113,562)	2019
	5 GA Impact of adopting OEB 1588 & 1589 accounting guidance for prior periods 2017	(23,739)	2019
	6		
	7		
	8		
	Total Current Year Principal Adjustments	305,969	
	Total Principal Adjustments to be Included on DVA Continuity Schedule	37,364	

Account 1589 - RSVA Global Adjustment			
Year	Adjustment Description	Amount	Year Recorded in GL
2019	Reversals of prior year principal adjustments		
	1 Reversal of prior year CT-148 true-up of GA Charges based on actual Non-RPP volumes	(220,196)	2019
	2 Reversal of Unbilled to actual revenue differences		
	3		
	4		
	5		
	6		
	7		
	8		
	Total Reversal Principal Adjustments	(220,196)	
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(188,031)	2020
	2 Unbilled to actual revenue differences	(1,414,014)	2020
	3		
	4		
	5		
	6		
	7		
	8		
	Total Current Year Principal Adjustments	(1,602,045)	
	Total Principal Adjustments to be Included on DVA Continuity Schedule	(1,822,241)	

- a) Given that the following 2018 principal adjustments were recorded in the GL in 2019, please confirm that these amounts have been included in the 2019 total transactions figure of \$2,601,202:

3	RPP portion of 2018 IESO Invoice Adjustments returned to IESO in 2019	223,075	2019
4	Correction to Unbilled Revenue query for RPP consumption allocation for period of January 2017 to May 2018	(113,562)	2019
5	GA Impact of adopting OEB 1588 & 1589 accounting guidance for prior periods 2017	(23,739)	2019
	Total	85,773	

- b) If yes to a), the 2018 adjustments totaling \$85,773 would need to be shown as a reversal on both the 2019 principal adjustments on the continuity schedule and the GA Analysis Workform Principal Adjustments, 2019 Reversal of prior year principal adjustments. Please re-file the Rate Generator Model continuity schedule and the GA Analysis Workform, Principal Adjustments tab to reflect the reversals totaling \$85,773 in 2019. If Alectra Utilities disagrees with the need for this reversal, please explain.
- c) If no to a), please confirm when the 2018 adjustments totaling \$85,773 were recorded in the GL.

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Ref: GRZ GA Analysis Workform, Principal Adjustments tab

Under Note 8 of the GA Analysis Workform, Alectra Utilities included a 2019 current year principal adjustment of \$(1,414,014) related to Unbilled to actual revenue differences for Account 1589:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(188,031)	2020
	2 Unbilled to actual revenue differences	(1,414,014)	2020

However, there was no corresponding principal adjustment for Account 1588:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual RPP volumes	54,586	2020
	2 CT 1142 true-up based on actuals		
	3 Unbilled to actual revenue differences		

- Please explain why there were unbilled to actual revenue differences for Account 1589 but none for Account 1588.
- Please provide supporting calculation of the \$(1,414,014) adjustment for Account 1589.

GRZ-Staff-51

Ref: GRZ GA Analysis Workform, Principal Adjustments tab and 2019 True-ups tab

Under Note 8 of the Principal Adjustments tab, Alectra Utilities included a 2019 current year principal adjustment of \$(188,031) related to CT-148 true-up of GA charges for Account 1589:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual Non-RPP volumes	(188,031)	2020

Alectra Utilities also included a 2019 current year principal adjustment of \$54,586 related to CT-148 true-up of GA charges for Account 1588:

Year	Adjustment Description	Amount	Year Recorded in GL
2019	Current year principal adjustments		
	1 CT 148 true-up of GA Charges based on actual RPP volumes	54,586	2020

On the 2019 True-ups tab, Alectra Utilities provided supporting calculation of the above amounts as follows:

	1st True-up				2nd True-up									
	GA True-up	Payment	RPP True-up	Payment	GA True-up	Payment	RPP True-up	Payment						
Jan-19	\$ (105,937.02)	To IESO	\$ (1,862.57)	To IESO	\$ 4,236.58	From IESO	\$ (27,856.10)	To IESO						
Feb-19	\$ 268,057.03	From IESO	\$ (1,589.97)	To IESO	\$ 5,028.79	From IESO	\$ (6,851.13)	To IESO						
Mar-19	\$ 222,950.29	From IESO	\$ (1,534.14)	To IESO	\$ (427.85)	To IESO	\$ (18,328.85)	To IESO						
Apr-19	\$ (61,919.37)	To IESO	\$ (767.32)	To IESO	\$ (35,056.14)	To IESO	\$ 30,631.82	From IESO						
May-19	\$ (151,088.97)	To IESO	\$ (360.11)	To IESO	\$ 508,405.37	From IESO	\$ (334,176.39)	To IESO						
Jun-19	\$ (702,776.74)	To IESO	\$ 145,652.72	From IESO	\$ 291,241.24	From IESO	\$ (192,758.98)	To IESO						
Jul-19	\$ 433,478.35	From IESO	\$ (1,434.97)	To IESO	\$ 78,239.87	From IESO	\$ (147,953.72)	To IESO						
Aug-19	\$ 787,132.14	From IESO	\$ (1,124.00)	To IESO	\$ (10,105.30)	To IESO	\$ (49,574.03)	To IESO						
Sep-19	\$ (1,689,691.73)	To IESO	\$ (10,177.11)	To IESO	\$ (21,007.63)	To IESO	\$ (27,677.91)	To IESO						
Oct-19	\$ 724,012.37	From IESO	\$ (1,575.08)	To IESO	\$ 64,596.10	From IESO	\$ (33,472.95)	To IESO						
Nov-19	\$ (68,102.48)	To IESO	\$ (3,102.04)	To IESO	\$ (23,640.08)	To IESO	\$ 25,180.06	From IESO						2nd True-up filed in January 2020
Dec-19	\$ 128,005.69	From IESO	\$ (1,580.62)	To IESO	\$ 83,665.68	From IESO	\$ (78,185.04)	To IESO						1st True-up filed in January 2020; 2nd True-up filed in February 2020

OEB staff calculated the adjustments to Accounts 1588 and 1589 as follows, which agree to the 2019 Principal Adjustments in Note 8 of the GA Analysis Workform:

2019 Principal Adjustments	1588 RPP True-up	1589 GA True-up
Nov 2019 2nd true-up	\$ (25,180.06)	\$ 23,640.08

Dec 2019 1st true-up	\$ 1,580.62	\$ (128,005.69)
Dec 2019 2nd true-up	\$ 78,185.04	\$ (83,665.68)
Total 2019 principal adjustments	\$ 54,585.60	\$ (188,031.29)

- a) Please confirm whether the “GA True-up” represents the CT-148 true-up of GA charges to actual volumes for only non-RPP customers.
- b) If yes to a):
 - i. Please confirm whether the “RPP True-up” amounts include both:
 - the true-up of CT-148 GA charges to actual RPP volumes; and
 - the true-up of CT-1142 based on actual RPP volumes and the RPP portion of actual GA charges.
 - ii. If yes to i), please provide a breakdown of the “RPP True-up” amounts between CT-148 true-up of GA charges and CT-1142 true-up based on actuals.
 - iii. If no to i), please explain what the “RPP True-up” amounts represent and how they were calculated.
- c) If no to a):
 - i. Please explain what the “GA True-up” amounts represent and how they were calculated.
 - ii. Please explain how the CT-148 true-up of GA charges has been allocated between RPP and non-RPP customers and reflected in the GL and principal adjustments for Accounts 1588 and 1589.
 - iii. Please explain what the “RPP True-up” amounts represent and how they were calculated.

GRZ-Staff-52

Ref: LRAMVA workform (Attachment 39), Tab 5 (Allocation of 2015 Savings)

The LRAMVA balance consists of a debit balance of \$300k to be collected from Large Users. The majority of this balance is driven by the following rate class allocations to the Large Use class.

	GS<50 kW	General Service 50 to 999 kW	General Service 1,000 to 4,999 kW	Large Use
Efficiency: Equipment Replacement Incentive Initiative	9%	11%	10%	76%
Process and Systems Upgrades Initiatives - Project Incentive Initiative	0%	0%	0%	100%
Save on Energy Retrofit Program	9%	11%	10%	76%

- a) Please discuss the rationale for using the same rate class allocations for the Equipment Replacement Initiative and Retrofit program.
- b) Please confirm the derivation of the 76% allocation to Large Users for both the Equipment Replacement Initiative and Retrofit programs.

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Ref: LRAMVA workform (Attachment 39), Tab 1/ Tab 1-a (Updates)

- a) If Alectra Utilities made any changes to the LRAMVA workform as a result of its responses to the above LRAMVA interrogatories, please file an updated LRAMVA workform, and confirm the LRAMVA balance requested for disposition, the disposition period and the revised rate riders.
- 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-a)”.