

December 21, 2020

**BY RESS and EMAIL**

Ms. Christine E. Long  
Registrar  
Ontario Energy Board  
2300 Yonge Street  
27th Floor, Box 2319  
Toronto, ON M4P 1E4  
Email: Boardsec@oeb.ca

Dear Ms. Long;

**RE: APPLICATION BY ALECTRA UTILITIES CORPORATION FOR DISTRIBUTION RATES  
EFFECTIVE JANUARY 1, 2021 (EB-2020-0002)**

On August 17, 2020, Alectra Utilities filed an application with the Ontario Energy Board (“OEB” or the “Board”) under Section 78 of the *Ontario Energy Board Act, 1998* as amended and pursuant to the OEB’s *Filing Requirements for Incentive Rate-setting Applications* seeking approval for electricity distribution rates, and other charges, effective January 1, 2021. The Board assigned File Number EB-2020-0002 to the Application.

The Board issued a Decision and Rate Order (“the Decision”) on this matter on December 17, 2020. The Board directed Alectra Utilities to file a written confirmation of the completeness and accuracy of the Tariff of Rates and Charges set out in Schedule A of the Decision, by December 23, 2020. Alectra Utilities provides its comments related to items in the Decision, below:

**1. Tariff of Rates and Charges - Rate Accuracy**

Alectra Utilities has reviewed the Tariff of Rates and Charges set out in Schedule A, and confirms that the rates are complete and accurate.

**2. Rate Generator Model (“RGM”) - Bill Impacts**

Alectra Utilities has identified the following issues regarding the calculation of the bill impacts for the Large Use classes in Tab 20, Bill Impacts of the RGM for the Horizon Utilities Rate Zone (“RZ”):

- Horizon Utilities RZ
  - The loss factor for both the Large Use and Large Use with Dedicated Asset Service Classifications, should be updated from 1.0379 to 1.0160.

### 3. Tariff of Rates and Charges – Rate Descriptions and Formatting

Alectra Utilities has reviewed the Tariff of Rates and Charges in Schedule A, and observes the following issues regarding the rate descriptions and presentation or formatting of the rates. Alectra Utilities recommends the following updates to the Tariff of Rates and Charges, in order to ensure consistency in the presentation of the rates across its five RZs:

- Brampton and PowerStream RZs:
  - Alectra Utilities observes inconsistencies in the chronological order of the Rate Riders for Recovery of Incremental Capital for the Brampton and PowerStream RZs. Alectra Utilities recommends that the OEB present Rate Riders for Recovery of Incremental Capital from newest vintage to oldest vintage in all cases where multiple vintages of Rate Riders for Recovery of Incremental Capital are presented together. This impacts the presentation of the volumetric Incremental Capital Rate Riders in these RZs.
  - Alectra Utilities observes inconsistencies in the description of the Rate Riders for Recovery of Incremental Capital (2021) for the Brampton and PowerStream RZs. Alectra Utilities recommends that the OEB update the description from “Rate Rider for Recovery of Incremental Capital (2021) - **effective** until the effective date of the next cost of service based rate order”, to “Rate Rider for Recovery of Incremental Capital (2021) – **in effect** until the effective date of the next cost of service based rate order”, to be consistent with earlier vintage descriptions.
- Brampton RZ
  - The Smart Metering Entry Charge should appear after the Rate Riders for Recovery of Incremental Capital for the Residential and General Service Less than 50 kW Service Classifications, pages 1 and 2 of 20.
  - Large Use Service Classification: Rate Rider for Recovery of Incremental Capital (2018) - in effect until the effective date of the next cost of service-based rate order (volumetric component), page 9 of 20, should be updated from \$0.024 to \$0.0240.
  - Distributed Generation Service Classification: Wholesale Market Service Rate (WMS) - not including CBR, page 16 of 20, should be updated from \$0.003 to \$0.0030
- PowerStream RZ
  - General Service Less than 50 kW Service Classification: Wholesale Market Service Rate (WMS) - not including CBR, page 4 of 18, should be updated from \$0.003 to \$0.0030.
- Enersource RZ
  - General Service Less than 50 kW Service Classification: Wholesale Market Service Rate (WMS) - not including CBR, page 4 of 18, should be updated from \$0.003 to \$0.0030.
  - Large Use Service Classification: Rate Rider for Recovery of Incremental Capital (2017) - in effect until the effective date of the next cost of service-based rate order (fixed component), page 9 of 18, should be updated from \$346.9 to \$346.90.

- Loss Factors: Total Loss Factor - Secondary Metered Customer < 5,000 kW, page 18 of 18, should be updated from 1.036 to 1.0360.
- Guelph Hydro RZ
  - General Service 1,000 to 4,999 kW Service Classification: Wholesale Market Service Rate (WMS) - not including CBR, page 6 of 15, should be updated from \$0.003 to \$0.0030.
  - Loss Factors: Total Loss Factor - Secondary Metered Customer < 5,000 kW, page 15 of 15, should be updated from 1.026 to 1.0260.

#### 4. Rebasing Deferral Period

Alectra Utilities observes that at page 52 of the Decision, as part of its Findings on the Capitalization Deferral Account, the OEB states: *"This issue of allocation will persist in Alectra Utilities' IRM proceedings until it rebases in 2028. In 2028, it is expected that Alectra Utilities will apply to the OEB to dispose of the accumulated balances in the capitalization deferral accounts and parties will have the opportunity to review and test the accumulated balances at that time."*

Alectra Utilities submits that the record should be updated to reflect that it is expected to rebase in 2027, following the end of its rebasing deferral period.

An electronic copy of Alectra Utilities' comments has been filed using the Board's RESS filing system; a copy has also been served on all parties via email.

Should you have any questions or require additional information, please do not hesitate to contact me.

Yours truly,



Indy J. Butany-DeSouza, MBA  
Vice President, Regulatory Affairs  
indy.butany@alecrautilities.com

cc: Charles Keizer, Torys