**Chapleau Public Utilities Corporation (Chapleau PUC)**

**EB-2020-0010**

**January 28, 2021**

Please note, Chapleau PUC is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, do not include personal information (as that phrase is defined in the Freedom of Information and Protection of Privacy Act), unless filed in accordance with rule 9A of the OEB’s Rules of Practice and Procedure.

**Follow up Question-1**

**Ref: Rate Generator Model, RTSRs Tab 20 Bill Impacts**

OEB staff updated the 2021 UTR and Hydro One Sub-transmission rates in Tab 11 of the IRM model for the 2021 RTSR adjustment calculations.

In Tab 20 of Chapleau PUC’s IRM model, the RTSR charges are showing high bill impacts for all classes (greater than 19% for Network charges and greater than -11% for Connection charges). As noted in Tab 20 (flagged in red text), the distributor is expected to discuss the reasoning for the change in the RTSRs. Please provide explanation for the changes in RTSRs.

 **CPUC Response:**

All inputs used to calculate the RTSRs (Network and Connection) originate from the Hydro One Power bill. The UTRs are set and approved by the OEB. As a pass-through charge, CPUC had little to no control over the resulting RTSR rates and charges and bill impacts.

**Follow up Question-2**

**Ref: (1) 2021 Rate Generator Model, Tab 16**

**(2) OEB’s letter, 2021 Inflation Parameters, issued November 9, 2020**

OEB staff has updated the Rate Generator in the following areas:

* Tab 16 cell B12 the Price Escalator has been updated with a placeholder value of 2.20%

In light of the continued uncertainty regarding the COVID-19 pandemic, the OEB allowed utilities to elect the calculated IPI level per the OEB-approved methodology (offset by the applicable stretch factor and other adjustments for some plans) or a lower value. For the 2021 rate year, utilities also have the discretion to forego the inflationary increase entirely. The letter noted that utilities filing rate application for May 1, 2021 shall make an election by February 5, 2021.[[1]](#footnote-1)

1. Please confirm when NOWI if intending to file their election for the IPI level used to determine Chapleau PUC’s Price Cap Adjustment for the 2021 rate year.
2. Please confirm the accuracy of the Rate Generator Model following OEB staff’s updates.

**CPUC Response:**

a) CPUC is proposing to use the deemed IPI for rate making purposes

b) CPUC confirms that the IPI used in the model is correct.

**Follow up Question-3**

**Ref: 2021 Rate Generator Model**

OEB staff has made the following updates to NOWI’s Rate Generator:

* Tab 11 – UTRs and 2021 Hydro One sub-tx rates were updated

 Uniform Transmission Rates (see second reference):

* + Network Service Rate $/kW 4.67
	+ Line Connection Service Rate $/kW 0.77
	+ Transformation Connection Service Rate $/kW 2.53

 Hydro One Sub-Transmission Rates (see third reference):

* + Network Service Rate $/kW 3.4778
	+ Line Connection Service Rate $/kW 0.8128
	+ Transformation Connection Service Rate $/kW 2.0458
* Tab 17 cell F39 Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments) - Approved on an Interim Basis has been kept to $44.50[[2]](#footnote-2)
* Tab 17 cell D23 RPP Prices – Off-Peak $/kWh 0.0850
* Tab 17 cell D24 RPP Prices – Mid-Peak $/kWh 0.1190
* Tab 17 cell D15 RPP Prices – On-Peak $/kWh 0.1760[[3]](#footnote-3)
* Tab 20 - Ontario Electricity Rebate of 21.2%[[4]](#footnote-4)

(Please note there may further updates before final issuance of the Decision)

1. Please confirm the accuracy of the Rate Generator following OEB staff’s updates.

**CPUC Response:**

b) CPUC has reviewed Staff’s revisions and confirms that the IPI used in the model is correct.

1. OEB Letter, 2021 Inflation Factor, issued November 9, 2020 [↑](#footnote-ref-1)
2. EB-2020-0288, Order, issued December 10, 2020, p. 3 [↑](#footnote-ref-2)
3. EB-2020-0251, Decision and Order, issued December 17, 2020, p. 2 and Schedule B [↑](#footnote-ref-3)
4. Letter, New Regulated price Plan Prices effective January 1, 2021, issued December 15, 2020 [↑](#footnote-ref-4)