

June 29, 2021

Christine Long  
Registrar  
Ontario Energy Board  
2300 Yonge Street  
P.O. Box 2319  
Toronto, Ontario  
M4P 1E4

Dear Ms Long:

**EB-2020-0246 – Hydro One Networks Inc. – Elimination of Seasonal Rates**

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Hydro One Networks Inc. pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

*Julie E. Girvan*

Julie E. Girvan

CC: All parties

**INTERROGATORIES FROM THE CONSUMERS COUNCIL OF CANADA**  
**FOR HYDRO ONE NETWORKS INC. – DISTRIBUTION**

**RE: EB 2020-046 – ELIMINATION OF THE SEASONAL RATE CLASS**

**CCC-1**

Hydro One Report, p. 3

The Report indicates that the earliest feasible effective and implementation date for the elimination is January 1, 2022. While HON recommends that the elimination of the Seasonal Class can be implemented and made effective as of January 1, 2022, there are several factors that support an implementation and effective date of January 1, 2023:

- a) Given the date of the Report is October 15, 2020, can HON still facilitate an effective date and implementation date of January 1, 2022? If not, why not?
- b) Can HON facilitate an effective date and implementation date of January 1, 2023? If not, why not?
- c) What is HON's current proposal regarding the timing of the elimination of the Seasonal Rate Class?

**CCC-2**

Hydro One Report, p. 3

The Report states that the 2020 and 2021 revenue requirements used in the calculation in this report have been updated to align with the revenue requirement and rates used in more recent filings. On February 18, 2021 the OEB approved HON's final rates for 2021:

- a) Does HON intend to update the bill impact and mitigation analyses included in the Report using final 2021 rates? If not, why not? If so, when will these analyses be provided?

**CCC-3**

Hydro One Report, p. 4

The Report states that with respect to billing and meter reading, HON proposes that the billing and meter reading frequency for seasonal customers in the year-round residential classes be based on customer usage level and patterns, and their current meter reading billing method:

- a) Does this mean that current customers in the Seasonal Class will continue to be billed quarterly whereas the other customers in the Urban, R1 and R2 customers will be billed monthly?
- b) What is the rationale for this approach?

- c) Does this mean that current customers in the Seasonal Class will have included in their rates the costs of monthly billing for all other customers who are billed monthly?
- d) Will current customers in the Seasonal Class be given the option to have quarterly or monthly billing? If not why not?
- e) What would be the annual cost associated with providing monthly meter reading and billing for those customers currently in the Seasonal Class moving to the other rate classes?

**CCC-4**

Hydro One Report, p. 4

HON has, in the Report, estimated that the cost of mitigating bill impacts for low volume seasonal customers over 9 years is approximately \$150 million. What is the most current estimate of this mitigation cost? Please explain the calculation.

**CCC-5**

Hydro One Report, p. 7

The Report refers to a stakeholder meeting held on June 10, 2015. It also states that, "As part of its normal communications process, Hydro One has continued to listen to its customers about what is important to them. This was done through meetings with stakeholders, customer surveys and customer feedback through our call centre and at in-person events."

- a) Please provide a complete list of all customer engagement, education and communication activities undertaken by HON regarding the elimination of the Seasonal Class since the 2015 meeting;
- b) Please indicate to what extent HON has used that customer engagement to inform its current proposals for the elimination of the Seasonal Class.

**CCC-6**

Hydro One Report, p. 9

Please update Tables 1-3 which set out the number of seasonal customers, the allocation of those customers to R1 and R2 and the monthly consumption values for bill impact calculations based on the most current data.

**CCC-7**

Hydro One Report, p. 16

The Report states that the R1, R2 and Seasonal residential classes are now expected to have all-fixed distribution rates in 2024 and the UR class by 2021. Will the move to all-fixed rates be completed in 2024?

**CCC-8**

Hydro One Report, p. 26

In the Report HON proposes an impact mitigation recommendation which is based on Option 1. This proposal has all seasonal R2 customers paying the same as other R2 customers starting in 2022 and providing a monthly credit to limit seasonal R2 total bill impacts to 10% per year taking into account all distribution rate changes (set out in section 4.3.4):

- a) Is this currently HON's proposal? If not, what is HON's current proposal?
- b) How does HON deal with rate riders associated with Deferral and Variance Account balances when assessing 10% bill impacts? Are rate riders outside the calculation? If so, won't customers, in some cases, experience impacts beyond the 10%.

#### **CCC-9**

Hydro One Report, p. 28-29

- a) Please provide all correspondence between HON and the Ontario Government regarding the applicability of the RRRP and the DRP to Seasonal Class customers.
- b) Please provide all correspondence between HON and the Ontario Government regarding the elimination of the Seasonal Class.

#### **CCC-10**

Hydro One Report, p. 30

Please explain, in detail, how HON monitors whether year-round customers meet its eligibility criteria set out on p. 30 of the Report.

#### **CCC-11**

Hydro One Report, p. 42

HON has estimated the cost to eliminate the Seasonal Class to be in the range of \$3-4 million. Is this still HON's best estimate of the cost? If not, what is the current cost estimate? Please provide a complete breakdown of these costs. Please explain how these costs will be recovered.

#### **CCC-12**

Hydro One Report

Please explain how HON intends to communicate with its customers going forward regarding the move to eliminate the Seasonal Rate Class. How will the cost of this engagement be funded?

#### **CCC-13**

The Council is of the view that a Technical Conference would be an important step going forward to ensure that the bill impacts and implementation proposals are clearly understood. Is HON open to a Technical Conference following the interrogatory stage of this proceeding?

**CCC-14**

Please provide all materials provided to HON's Board of Directors regarding the elimination of the Seasonal Class.

**CCC-15**

Please provide all reports – internal and external – generated by HON regarding the elimination of the Seasonal Class.