

SUNSET SHORES PENINSULA ASSOCIATION

c/o Lawrence Pick, 28 Whiskey Point Lane,

Godfrey, ON.

K0H1T0

larrypick@bbburn.com

Tel: 647 968 4131

August 22, 2021

by email

Ontario Energy Board,
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Attention: Registrar, Ms. Christine E. Long, registrar@oeb.ca

And to: Hydro One Networks Inc.

Attention: Henry Andre, Director of Pricing and Regulatory Policy,
Henry.Andre@HydroOne.com

Case file number: EB-2020-0246

By this letter Sunset Shores Peninsula Association ("SSPA") requests that the Board make the following orders:

- (a) Directing Hydro One to provide a high resolution map showing customer locations and distribution lines in the Township of South Frontenac, similar in format to the low resolution map of Inverary on pdf p. 10 of Answers to Interrogatory of Hydro, 1-01-03;
- (b) Directing Hydro One to make available a copy of the GIS software and data in (a) , or access to an interactive computer terminal with the software and data in (a);
- (c) Extension of the timelines in this proceeding by a period not exceeding 3 weeks to permit the applicant to receive and review the requested information.

In support of the request for the order the applicant provides the memorandum of facts and observations attached to this letter.

I am uncertain whether this letter should be circulated to the other parties and leave that to the Registrar or Board.

Regards,

Sunset Shores Peninsula Association

Lawrence Pick, electronically signed

Per Lawrence Pick, past president

Memorandum of SSPA

In support of order for production and access

Overview

1. In order to implement the OEB decision (the Decision) to eliminate the Seasonal Rate Class the customers need to be divided into three rate categories: UR, R1 and R2. This memo supports a request that OEB order Hydro to produce a high resolution map of customers and delivery lines in South Frontenac Twp., County of Frontenac, and access to the GIS software or an interactive terminal, so that the applicant SSPA may test the Hydro application of the OEB Density Guidelines. Application of the Density Guidelines needs to be seen as fair, clear and transparent. The full Seasonal Class of about 147,000 customers are potentially affected. To date there has been no audit or study of the application of the guidelines.

Background

2. SSPA is a not for profit community association in South Frontenac Twp. Hydro proposes to move its customers who are SSPA members into the R2 low density rate class, based on Hydro's application of the OEB Density Guidelines (Hydro letter to SSPA members February 2021). Most of the members of SSPA are low usage customers, with the result that Hydro advises that the rates for delivery are expected to go up by 111% for R2 for customers under 50 kw/month (Updated Report, Oct. 2020 p. 6).
3. By contrast, rates for Medium Density Customers transferred from the Seasonal Class do not rise materially and stay flat (Updated Report, Oct 2020, p 19, table 9).
4. Members of the Seasonal Class were not given notice of the proceeding which led to the OEB Decision, nor of Stakeholders process, nor of the subsequent review and implementation steps and Orders. First notice was provided February, 2021 for a proceeding limited to implementation of the OEB Decision, within limits and constraints preset by the OEB. (Interrogatory Answers of Hydro pdf pp 138-140, Ex 1-04-46,47,48).
5. The OEB Decision requires that the Seasonal Rate customers be transferred into one of three rate classes in accordance with Density Guidelines set out by the OEB, found in the appendix to this memorandum, and also at page 8 of the Hydro Answers to Interrogatories. There are four essential requirements of the Guidelines:
 - i GIS system that identifies customers and transmission assets, used to identify clusters of contiguous customers;

ii drawing of boundaries around clusters of customers with boundaries that are (a) easily identifiable physical boundaries (roads, lakes, rivers) located in close proximity to a cluster, or (b) non physical boundaries (property lines) where physical boundaries are remote;

iii The GIS system counts customers and circuit km of line within the proposed zone and makes a density calculation;

iv confirm density based on Hydro approved density zones which are

- High (Urban) Density (UR) ≥ 3000 customers and ≥ 60 cust/cct-km
- Medium Density (R1) ≥ 100 customers and ≥ 15 cust/cct-km
- Low Density (R2) all the rest

6. South Frontenac Township has no High Density Urban area. Hydro has calculated some Medium Density zones in relation to towns and lakefront areas. Hydro in answers posed by OEB staff has presented data and a map for Inverary, a town in South Frontenac Township, identified as Medium Density, with 287 customers and density of 25 cust/cct-km. This map of the Inverary area shows customer meters and circuit line (Interrogatory pp 9-10, Ex 1-01-3)

7. The applicant by interrogatory asked for a digital version of the density map for South Frontenac. In response Hydro said it was not able to provide such a digital map. It produced a low resolution map of the township with medium density marked, but lacking the locations of customer meters and circuit line, as produced for Inverary (Interrogatory pp 110-111, Ex 1-04-21).

8. Hydro describes its scope for discretion in the defining of density zones as follows:

The mapping of customers to the relevant rate classes and the management of density zone boundaries is carried out based on the OEB-approved density zone criteria with very limited room for discretion. That discretion is limited to addressing issues with GPS coordinate precision, and the placement of density zone boundary lines around contiguous clusters of customers, taking into account abutting natural features (e.g. rivers) or major roads (Interrogatory p 121, Ex 1-04-32, yellow highlight added).

The Issue

9. Does the discretion of Hydro in placing density zone boundaries affect customers in differential ways, such as to undermine the clarity and fairness of the OEB density guidelines? Should the applicant be permitted access to the customer location and

circuit line data, through the GIS, to test and study the scope and effects of the discretion?

Argument

10. The splitting of the Seasonal Rate Group into three other rate groups in a fair, clear and transparent manner is fundamental to the Board's mandate in this case. Now is the time for the Board to ensure that the Density Guidelines which are intended to accomplish this purpose are working in the manner intended. If there are flaws, either in the guidelines themselves, or in the administration of the guidelines, now is the time to take a close look.
11. The situation is exacerbated by the magnitude of the rate increase proposed for the low consumption low density rural consumer (111%), which is unprecedented in Ontario history. This needs to be considered in a context of a 20 year history of public anxiety and backlash over rising electricity prices (Globe and Mail August 22, 2021, p. B6). The final aspect is the relationship between close neighbours, one in medium density who is not materially affected, and the other in low density who faces the large increase in rates.
12. The Hydro Interrogatory answers and map for Inverary (Answers pp 10-11) inform the issue. The Medium Density zone at Inverary does not meet the density guidelines in two respects:
 - a. The density as calculated by Hydro is 25 cust/cct-km, a full 60% above the mandated density of 15 cust/cct-km. If the boundaries were moved outwards to encompass more customers, the medium density guideline would still be met but many more customers currently rated as low density would be included;
 - b. The boundary on the west is not fixed on an identifiable physical boundary (and not apparently on modern property lines), but such a feature readily exists in the north/south road proximate on the West (Arthur Rd.) on which Hydro customers are located. Similarly the boundary on the north should be the county road to the north, not in the middle of farm fields (again bringing more customers to the medium zone).
13. The Hydro density zone at Inverary shows a high degree of subjectivity in the placement of boundaries, and appears to be at odds with the guidelines. The customers mistakenly left out of the medium density zone will suffer significant loss on the elimination of the Seasonal Class. The drawing of the boundary line, over which Hydro currently has wide latitude, has real and material consequences for the customer and in this proceeding.

14. The applicant seeks production of the Hydro meter location and circuit line data for South Frontenac Twp (similar to the data on the Inverary map at page 10 of the Answers) but in higher resolution. The applicant wishes to test the application of the Density rules in the Township. This includes several lakefront zones marked medium and several areas that are now marked low density that might properly be medium.
15. The applicant seeks access to the GIS software used by Hydro in applying the density guidelines. This Board is asked to craft a suitable access remedy. The applicant will accept a USB stick with the GIS program and data for South Frontenac Twp. Or the applicant will attend at an interactive computer terminal made available by Hydro, supplied with the GIS system and data for the Twp. The applicant will abide by any Board mandated privacy directions and consents to Hydro staff being present to guide or observe any interactive computer session.
16. The applicant estimates that, if the Board grants the access order requested, there will be a need to a 3 week extension of time lines in order for Hydro to comply and the applicant to analyze the data.

Order Requested

17. The applicant requests the following order
 - (a) Directing Hydro One to provide a high resolution map showing customer locations and distribution lines in the Township of South Frontenac, similar in format to the low resolution map of Inverary on pdf p. 10 of Answers to Interrogatory of Hydro, 1-01-03;
 - (b) Directing Hydro One to make available a copy of the GIS software and data in (a) , or access to an interactive computer terminal with the software and data in (a);
 - (c) Extension of the timelines in this proceeding by a period not exceeding 3 weeks to permit the applicant to receive and review the requested information.

Lawrence Pick, past president,

Sunset Shores Peninsula Association

647 968 4131

larrypick@bbburn.com

Appendix

OEB Density Guidelines as quoted by Hydro One in
Exhibit I
Tab 1
Schedule 3
Page 2 of 3 (Answers pdf page 9)

The OEB approved the process for identifying density zones as part of Hydro One's 2014/2015 Distribution Rate Application (EB-2013-0416). The approved methodology for identifying density zones is detailed below:

- i. A Geographical Information System (GIS), which contains the location of all metered customers and distribution assets, is used to identify clusters of contiguous customers within Hydro One's service territory.
- ii. A proposed density zone boundary is drawn around the cluster of contiguous customers and extended in all directions to a) easily identifiable and communicated physical boundaries (e.g. highways/roads, railways, rivers, lakes) located in close proximity to the cluster of customers, or b) non-physical boundaries identifiable within the GIS system (e.g. property lines), where physical boundaries are remotely located from customer clusters. The proposed density zone boundaries are identified within the GIS system.
- iii. The GIS system is used to count the number of customers and measure the circuit-km of distribution line within a proposed density zone boundary. These values are then used to calculate the number of customers per circuit-km of line within the proposed density zone boundary.
- iv. Confirm which density zone definition is applicable to a proposed density zone boundary based on the total number of customers and customers/circuit-km for Hydro One's approved density zones, which are:
 - High (Urban) Density Zone (e.g. UR): ≥ 3000 customers and ≥ 60 cust/cct-km
 - Medium Density Zone (e.g. R1): ≥ 100 customers and ≥ 15 cust/cct-km
 - The remainder of Hydro One's service territory which is not identified as being a Medium or High (Urban) Density Zone is considered to be a Low Density Zone (e.g. R2)