

## 1-Staff-1

### Updated Revenue Requirement Workform (RRWF) and Models

Upon completing all interrogatories from Ontario Energy Board (OEB) staff and intervenors, please provide an updated RRWF in working Microsoft Excel format with any corrections or adjustments that the Applicant wishes to make to the amounts in the populated version of the RRWF filed in the initial applications. Entries for changes and adjustments should be included in the middle column on Sheet 3 (Data\_Input\_Sheet). Sheets 10 (Load Forecast), 11 (Cost Allocation), and 13 (Rate Design) should be updated, as necessary. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note. Such notes should be documented on Sheet 14 (Tracking Sheet) and may also be included on other sheets in the RRWF to assist understanding of changes.

In addition, please file an updated set of models, as applicable, that reflects the interrogatory responses, including an updated Tariff Schedule and Bill Impact model for all classes at the typical consumption/demand levels (e.g. 750 kWh for residential, 2,000 kWh for GS<50, etc.).

#### BPI Response:

Brantford Power has updated the Revenue Requirement Workform (RRWF) in working Microsoft Excel format. The updated file is named Brantford\_IRR\_Rev\_Reqt\_Workform\_2022\_20210809 and includes updates to the following tabs:

- 3. Data\_Input\_Sheet
- 10. Load Forecast
- 11. Cost\_Allocation
- 13. Rate\_Design
- 14. Tracking\_Sheet

BPI has included in the tracking sheet 4<sup>5</sup> key changes. A detailed summary of each of these changes is below.

1. Fixed Asset Continuity Schedule Corrections and PILS updates
  - a. In its response to 2-Staff-16 BPI identified an error with regards to the amortization included in account 1915 Furniture Fixtures and Equipment as it related to BPI's building project. In its internal records BPI had duplicated the amortization on the FFE related to the building. BPI has made the correction to its fixed asset continuity schedule this has

been included as attachment 2-Staff-16 and the adjustments have been made to BPI's Rate Base, PILS, Revenue Requirement and Revenue Deficiency

- b. In its response to 2-Staff-20 BPI Identified a spares adjustment to its 2019 additions which was made incorrectly on BPI's fixed asset continuity schedule. This resulted in BPI's additions in 2019 being overstated by \$50,291 which ultimately resulted in rate base being over stated by that same amount. This correction is incorporated in the fixed asset continuity schedule included with 2-Staff-16. Adjustments were also required to Appendix 2-AA and 2-AB as a result these are included as attachment 2-Staff-20a and 2-Staff-20b, respectfully. The corrections have been made to BPI's Rate Base, PILS, Revenue Requirement and Revenue Deficiency
  - c. Additionally, in its response to 2-Staff-20 BPI also identify that the amortization budgeted to its 2021 and 2022 standby assets was overstated as a result of assets being transferred out of standby classification in 2020. These corrections are also included in the fixed asset continuity schedules included in attachment 2-Staff-16 and the corrections have been made to BPI's Rate Base, PILS, Revenue Requirement and Revenue Deficiency
  - d. In response to 2-Staff-21 BPI had included its net forecasted disposals in the cost column of its fixed asset continuity schedules BPI broke these out and included them as cost and accumulated amortization, additionally BPI identified that these forecasted disposals were understated in both 2021 and 2022. These corrections are also included in the fixed asset continuity schedules included in attachment 2-Staff-16 and the corrections have been made to BPI's Rate Base, PILS, Revenue Requirement and Revenue Deficiency
  - e. BPI has updated its PILS model to reflect the impacts of all the previously mentioned adjustments as well as in response to 4-Staff-82 BPI identified an inconsistency with the forecasted disposals and PILS rules, BPI had included the amounts forecasted for disposals in the PILS "Proceeds on dispositions" in the CCA continuity schedule, this was incorrect as BPI is not forecasting any proceeds on these disposals. There was also a small adjustment made to the 2020 Ending UCC as identified in BPI's response to 4-Staff-85. BPI has included both of these updates in the PILS model included as Brantford\_2021\_Test\_year\_Income\_Tax\_PILs\_20210809-1-Staff-1
2. Load Forecast Updates
- a. In response to 3-Staff-37 BPI has updated the GDP in its regression to include 2020 Actual, and also updated the 2021 and 2022 forecast to use the National Banks' Ontario Real GDP forecast. BPI has included the update to the cost allocation and the revenue deficiency.
  - b. In its response to 3.0-VECC-27 BPI updated the 2022 customer forecast to incorporate the June 2021 customer counts for residential GS<50 and GS>50 rate classes. Additionally in response to this same question BPI identified its 2020 GS<50 customer

number was overstated; BPI corrected this and has included its impacts on the cost allocation and revenue deficiency.

- c. In response to 3.0-VECC-32 BPI made an adjustment to its rate class load model and rate class energy model in its load forecast to account for a reduction in consumption to match the adjustment already in place for demand in the streetlight customer class resulting from improved efficiencies.
  - d. While updating its load forecast BPI identified a formula error in its calculation of HDD&CDD for the months of June-December. BPI has corrected this and included its impacts on cost allocation and revenue deficiency
3. Cost of Power and RTSR model updates
- a. BPI has updated its RTSR model in response to 8-Staff-98 to use the most recent version which was released and populated with BPI's 2020 RRR data
  - b. BPI incorporated the RTSR update and updated RPP and updated COP pricing into the cost of power model as a general updated provided with the response to this interrogatory, 1-Staff-1. BPI's cost of power update also incorporated the impact from the previously mentioned load forecast, the impacts from this updated were carried through to BPI's rate base calculation through working capital, PILS, revenue requirement and revenue deficiency
4. Cost Allocation updates
- a. In its response to 7-Staff-92 BPI was able to identify that the number of meters recorded was not consistent with BPI's customer count, BPI has incorporated this update and its impact on revenue deficiency
  - b. In response to 7-Staff-96 BPI identified a formula error in the demand profile models provided, additionally BPI is proposing to eliminate 2017 demand data from the average CP and NCP, the formula correction and 2018 and 2019 CP and NCP averages have been included in the updated cost allocation model. The demand profiles are provided as *Brantford\_2018 Demand Profile Model\_20210809\_1-Staff-1* and *Brantford\_2019 Demand Profile Model\_20210809\_1-Staff-1*.
  - c. In its response to 7.0-VECC-62 BPI identified that its billing and collecting weight factors for its unmetered classes: street lighting, sentinel and unmetered scattered load, were overstated. BPI corrected these weightings in the updated cost allocation model.
  - d. In response to 7.0-VECC-63 BPI identified corrections required to meter capital costs and meter reading costs allocated to its Embedded distributor, this updated has been included in the updated cost allocation model
  - e. In response to 7.0-VECC-65 BPI identified that the kW related to its GS<50 customers receiving a transformer allowance was excluded from its original cost allocation model, this was corrected and included in the revenue tab of the updated cost allocation model

5. Load Forecast Updates

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- a. 2020 Customer numbers in the load forecast were based on a monthly average while the prior years were all based on a quarterly average based on RRR filings, BPI has updated its 2020 customer numbers to be a quarterly average consistent with the prior years
- b. In review BPI identified that the GDP projections originally filed with 1-Staff-1 were outdated, BPI has updated the GDP to the most recent projections
- c. Corrected the revenue to cost ratio for the embedded distributor class
- d. Updated Cost of Power, Load Profiles, Cost Allocation, Revenue Requirement Workfor. And Bill Impacts as a result of the above
- e. \_\_\_\_\_

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Other Model updates not impacting the Revenue Requirement Workfrom:

- LRAMVA Model:
  - BPI updated the amount of LRAMVA claimed in a previous application in LRAMVA Summary as a result of its response to 4-Staff-86
  - BPI added a new program which BPI did not have data for at the time of filing this application, this was added to the 2019 Lost revenues workform as a general update included with 1-staff-1
- DVA Model:
  - BPI updated the LRAMVA amount identified above
  - BPI forecasted its 2021 balances on the following group 2 balances and added them to its proposed disposition balance:
    - RCVA amounts 9-Staff-101
    - OPEB balance 9-Staff-102
    - Collection of account DVA 9-Staff-103
  - BPI included an updated COVID DVA balance however due to model restrictions BPI calculated the COVID DVA Rate Riders outside of the model please see 9-Staff-105
  - In its response to 9-Staff-106 BPI identified updates required to its 2020 transactions amount included in its GA analysis workform as well as principal adjustments recorded in 1588 and 1589 in 2020, BPI has included these adjustments in both the DVA group 1 continuity schedule and the GA Analysis provided with 1-Staff-1
  - BPI identified an adjustment required to its CBR Class B sub-account in response to 9-Staff-109, this adjustments have been included in this updated model
- Bill Impact Model:
  - BPI has updated the description for its Embedded distributor Rate class on its proposed Tariff in response to 8.0-VECC-73
  - BPI has incorporated all adjustments and corrections mentioned in this response in its updated Bill Impact Model

- A Summary of the impacts to the bill impacts as a result of these updates is below:

**Table 1-Staff-1: Updates to Bill Impacts Subtotal A – Distribution Rates**

Bill Impact Updates - Sub-Total A			
Class	Filed	IRR-Updates	Change
Residential	\$ 5.53	\$ 4.39	\$ (1.14)
GS<50	\$ 10.64	\$ 11.34	\$ 0.70
GS>50	\$ 79.26	\$ 229.40	\$ 150.15

Listing of Models Attached with Updates:

- Brantford\_IRR\_Rev\_Reqt\_Workform\_2022\_20210809
- Brantford\_2021\_Test\_year\_Income\_Tax\_PILs\_20210809-1-Staff-1
- Brantford\_Weather Normalization Regression Model\_20210809\_1-Staff-1
- Brantford\_2022\_RTSR\_Workform\_1.0\_20210809-1-Staff-1
- Brantford\_2022\_App 2-Z Cost of Power\_20210809\_1-Staff-1
- Brantford\_2018 Demand Profile Model\_20210809\_1-Staff-1
- Brantford\_2019 Demand Profile Model\_20210809\_1-Staff-1
- Brantford\_2021\_Cost\_Allocation\_Model\_20210809\_1-Staff-1
- Brantford\_2021\_Generic\_LRAMVA\_Workform\_20210809
- Brantford\_2022-GA Analysis Workform\_20210809\_1-Staff-1
- Brantford\_2022\_DVA\_Continuity\_Schedule\_20210809-1-Staff-1
- Brantford\_2021\_Tariff\_Schedule\_and\_Bill\_Impact\_Model\_20210809\_1-Staff-1

## Vulnerable Energy Consumers Coalition (VECC)

### 3.0-VECC -27

Reference: Exhibit 3, pages 6-7

Load Forecast Model, Rate Class Customer Model Tab

Preamble: At page 6 the Application states: *“Total customer and connections are on a yearly average basis and streetlight, sentinel lights and unmetered loads are measured as connections.”*

- a) Please explain how yearly averages were calculated (e.g., are they based on an average of the 12 months, an average of the January and December values or some other average)?
- b) For each customer class please provide the June 30, 2021 customer/connection count, excluding market participants (i.e., similar to Table 3.2-C).

#### BPI Response:

BPI Response:

- a) The averages are based on an average of each quarter-end customer number for the year (average of closing Q1,Q2,Q3,Q4), an equal weighting across all the 12 months.
- b) Please see the table below.

Year	Residential	GS<50	GS>50*	Sentinel	Streetlight	USL	Total
Jun 30,2021	37,827	2,813	494	486	5,771	408	47,799

**Table 9-Staff-106b: DVA Schedule updates**

DVA Model Updates	1588	1589
2020 Principal Adj. as filed	98,503	1,639,486
Remove Dec. CT 148 True up also included in Transactions	(250,395)	250,395
<b>Corrected 2020 Principal Adjustments</b>	<b>(151,892)</b>	<b>1,889,881</b>

BPI has included an updated GA Analysis workform and the updated DVA model has been included with 1-Staff-1

- b) BPI has calculated the impact of the GA Deferral based on the instructions in the 2022 GA Analysis workform instructions, the calculation of the impact is show in the below table.

**Table 9-Staff-6c: Impact of GA Deferral**

Month	GA Costs \$ in Workform	Non-RPP GA Costs in Net CT 148	Variance
April	2,481,928	2,606,076	(124,148)
May	2,629,966	2,804,976	(175,010)
June	3,402,886	3,378,136	24,750
<b>Total</b>	<b>8,514,780</b>	<b>8,789,188</b>	<b>(274,408)</b>

BPI has included the updated 2020 GA Analysis workform using the 2022 GA Analysis workform as Attachment 9-Staff-106.

- c) i) BPI confirms this reconciling item should have been reversed in 2020 however the billing adjustment was not completed until 2021 as a result this is not a reconciling item in 2020, but will be on the 2021 GA analysis workform. BPI has provided a 1589 allocation collecting this amount from the Class A customers as attachment 9-Staff-106c. A summary of the GA Balance allocation is shown below:

Allocation of Total GA Balance \$			
Total GA Balance	G	\$	37,174
Balance Relating to Class A Customers	H	\$	19,074
Transition Customers Portion of GA Balance	I=F*(G-H)	\$	1,244
GA Balance to be disposed to Current Class B Customers through Rate Rider	J=G-H-I	\$	16,856

This proposed allocation allows the \$19,074 to be collected from the Class A customers who contributed this balance and then allocating the remaining balance to transition customers and non-RPP Class B customers through a rate rider.

- ii) There is typically no balance pertaining to Class A customer in Account 1589 however one of BPI's Class A customers closed down and the IESO billed BPI based on its PDF including this