



Ms. Christine E. Long
Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4
Delivered by Email & RESS

November 16, 2021

RE: EB-2021-0009 Brantford Power Inc.
Cost of Service for Electricity Distribution Rates and Charges effective January 1, 2022.
Draft Rate Order – Reply Submission

Dear Ms. Long:

On May 12, 2021, Brantford Power Inc. (BPI) filed its Cost of Service application for rates effective January 1, 2022.

The Board issued a Decision and Order in this matter on October 28, 2021. The Board directed Brantford Power Inc. to file a Draft Rate Order by November 4, 2021, that incorporates the OEB's determination in its Decision and Order. The Draft Rate Order was filed accordingly.

The OEB Staff submitted comments related to the Draft Rate Order on November 11, 2021. BPI did not receive any submissions from Intervenors.

OEB Staff generally agreed with the updates made by BPI, however OEB Staff noted a discrepancy between the number of customers for the General Service <50kW input into Appendix 2-ZB (Cost of Power) for the calculation of Smart Metering Entity Charges and the number of customers for General Service <50kW in Appendix 2-IB (Load Forecast). OEB Staff indicated that BPI should provide an explanation for the discrepancy or provide a revised filing reflecting the correction.

BPI has reviewed the noted appendixes and agrees there is a discrepancy in the General Service <50 kW numbers used to calculate the Smart Metering Entity Charges in Appendix 2-ZB. The correct number is 2,833 while Appendix 2-ZB currently shows 2,820. BPI has estimated the revenue requirement impact to make this correction, please see summary table below.



1. Impact to SME Charge		4. Impact to Return on Capital	
Incremental GS>50 Customers	13	Incremental Rate Base	\$ 5.54
SME Charge	\$ 0.57	Weighted average Cost of Capital	5.35%
12 Months	12	Incremental Return on Capital	\$ 0.30
Total Incremental SME Charges	\$ 88.92		
2. Impact to Cost Of Power Expense		5. Impact to PILS	
Incremental SME Charge	\$ 88.92	Incremental Rate Base	\$ 5.54
OER Rate	17%	Deemed Equity Component of Rate Base	40%
Impact to COP (After OER reduction)	\$ 73.80	Return on Equity Rate	8.66%
		Tax Rate	26.50%
		Grossed Up PILS	\$ 0.07
3. Impact to Rate Base		6. Impact to Revenue Requirement	
Incremental Cost of Power Expense	\$ 73.80	Incremental Return on Capital	\$ 0.30
Working Capital Allowance	7.50%	Incremental PILS	\$ 0.07
Incremental Working Capital/Incremental Rate Base	\$ 5.54	Total Incremental Revenue Requirement	\$ 0.37

As shown above, the correction would be extremely immaterial to the components of revenue requirement, with no expected impact to rates. For this reason, BPI does not believe a revised filing should be required. Though BPI is committed to consistency and quality assurance in its application, re-filing the supporting models and other materials may serve to unnecessarily expand the record and potentially to cause inefficiency and opportunity for error.

OEB staff also submitted that if the OEB issues a Final Rate Order in this proceeding prior to a generic order on energy retailer service charges and/or the specific service charge for Access to Poles, BPI should be expected to adopt any generic rate order, ie: the generic Rate Order for the affected charges would supersede the Final Rate Order in this matter. BPI agrees with this approach.

Please do not hesitate to contact me with any questions.

Sincerely,

Oana Stefan

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