

Tillsonburg Hydro Inc.
EB-2021-0059

Please note, Tillsonburg Hydro Inc. 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*.

Please note, OEB staff has updated the IRM model for the following:

- a) Price Escalator to 3.3%, from the 2.2% originally filed, as per the 2022 Inflation Parameters for electricity distributors issued November 18, 2021.
- b) Uniform Transmission Rates on Sheet 11 to reflect the OEB's Decision and Order (EB-2021-0276) issued December 16, 2021.
- c) Sheet 17, Removed inflationary adjustment for Wire Pole attachment as per EB-2021-0302
- d) Sheet 20 to reflect the November 1, 2021 Ontario Electricity Rebate of 17%

Staff Question-1

The following changes have been made to Tillsonburg Hydro's 2022 IRM model. Please confirm that Tillsonburg Hydro agrees with these changes or provide additional explanations.

- a) As per page 6 of Tillsonburg Hydro's Manager's summary, OEB staff has updated Sheet 4 to remove the disposition of deferral/variance account balances (DVAs).
- b) As per page 10 of Tillsonburg Hydro's Manager's summary, OEB staff has updated Sheet 8 to ensure that cell J36 equals 0%

Staff Question-2

Reference: (1) EB-2020-0056, 2021 IRM Decision and Rate Order, March 25, 2021, page 9
(2) 2022 IRM Rate Generator Model, December 10, 2021
(3) Manager's Summary, December 10, 2021, page 6

Preamble:

In Tillsonburg Hydro's 2021 IRM Decision (Reference #1), the OEB ordered an inspection (Inspection) to be conducted by the OEB relating to Account 1588 and Account 1589.

As per Reference #2, Tillsonburg Hydro has reflected the clearance of its Group 1 DVA balances in its pre-filed 2022 IRM Rate Generator Model. OEB staff notes that the 2022 IRM Rate Generator Model automatically calculates both DVA rate riders (excluding GA) and GA rate riders, in the event that there is large Group 1 DVA balance (excluding Account 1589), as well as a large Account 1589 balance itself.

However, as per Reference #3, Tillsonburg Hydro is proposing to exclude the clearance of any Group 1 DVA balances in the current proceeding, despite the 2022 IRM Rate Generator Model automatically calculating both DVA rate riders (excluding GA) and GA rate riders. Tillsonburg Hydro also noted that the tariff of rates and charges will need to be adjusted to remove any calculated DVA rate riders.

Questions:

- a) Please confirm that the Inspection has not yet been completed, as of the date of responding to these questions.
- b) Given that the DVA balances may be impacted by the outcomes of the Inspection, and Tillsonburg Hydro has agreed to exclude the disposition of its Group 1 DVAs in the current proceeding, does Tillsonburg Hydro agree with the attached 2022 IRM Rate Generator Model? The attached model has been revised to exclude the clearance of any Group 1 DVA balances in the current proceeding.