



January 26, 2022

Ms. Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto ON M4P 1E4

Re: ENWIN Utilities Ltd. 2022 IRM Request to Amend Description of Large Use – 3TS Service Classification
Board File No. EB-2021-0019

Dear Ms. Marconi:

Attached please find AMPCO's final submissions in the above proceeding.

Please do not hesitate to contact me if you have any questions or require further information.

Best Regards,

A handwritten signature in blue ink, appearing to read "Colin Anderson".

Colin Anderson
President
Association of Major Power Consumers in Ontario

Copy to: ENWIN Utilities Ltd.

EB-2021-0019

ENWIN Utilities Ltd.

Application for rates and other charges to be effective January 1, 2022

**Phase 2: Request to amend the description of the
Large Use – 3TS Service rate classification**

AMPCO Submissions January 27, 2022

ENWIN Utilities Ltd. (ENWIN Utilities) filed an incentive rate-setting mechanism (IRM) application with the Ontario Energy Board (OEB) on August 18, 2021, under section 78 of the Ontario Energy Board Act, 1998 (Act) seeking approval for changes to its electricity distribution rates to be effective January 2022. By Delegated Authority under section 6 of the Act, the OEB issued a Decision and Order on December 9, 2021 that approved the utility's electricity rates for 2022 on a final basis (Phase 1).

As part of its 2022 IRM application, ENWIN Utilities included a request for approval to amend the description of its Large Use – 3TS Service rate classification which the OEB designated as Phase 2 of this proceeding. The OEB issued its Decision of Phase 1 of the proceeding on December 9, 2021. Customers of ENWIN Utilities Ltd. are not expected to see a change to the applicable tariff of rates and charges or electricity distribution rates relative to the rates approved in Phase 1, regardless of the outcome of Phase 2 of this proceeding.¹

The OEB provided an interim approval of the proposed new description of the Large Use – 3TS Service rate classification under section 21(7) of the Ontario Energy Board Act, 1998 effective January 1, 2022, until such time as the OEB renders a final decision on Phase 2.

Proposed Amendment to the Large Use – 3TS Service Classification

ENWIN currently has two Large Use rate classes: Large Use – Regular Service Classification and Large Use – 3TS Service Classification.

¹ NOTICE OF HEARING AND PROCEDURAL ORDER NO. 1 dated December 17, 2021 Page 1

ENWIN Utilities is seeking approval to amend the description for its Large Use – 3TS Service Classification to remove the 5,000 kW demand threshold. Without a demand threshold, the amended rate class would apply to customers on the basis of being serviced by an ENWIN Utilities-owned and dedicated transformer station.

The current description of the Large Use – 3TS Service Classification is as follows:

LARGE USE - 3TS SERVICE CLASSIFICATION

This classification applies to a customer whose monthly peak load, averaged over 12 consecutive months, is equal to or greater than 5,000 kW and the premise is serviced by a dedicated Transformer Station. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

ENWIN Utilities proposes that the OEB approve a modification to the description of the Large Use – 3TS Service Classification as follows:

PROPOSED LARGE USE - 3TS SERVICE CLASSIFICATION

This classification applies to a customer whose premise is serviced by a dedicated Transformer Station. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

ENWIN explains that a dedicated Transformer Station is a fully built-out transformer station, not simply a single transformer, and it is connected to the transmission system, which means the supply comes from the Hydro One transmission system at 115 kV, as compared to ENWIN's distribution system which operates at 27.6 kV.²

ENWIN's POSITION

ENWIN's position is that the proposed amendment would simplify the Large Use – 3TS Service Classification description by focusing on the key feature of the rate class, namely, service by a dedicated transformer station. Also, the change would further differentiate the Large Use – 3TS Service Classification from the Large Use – Regular Service Classification. The Large Use – Regular Service Classification

² Transcript Volume 1 Pages 9-10

applies to a customer whose monthly peak load is equal to or greater than 5,000 kW. ENWIN further explains the reason for the request is to accurately depict the unique aspects of the 3TS rate class.³

As part of ENWIN's 2020 Cost of Service Application the OEB approved the consolidation of the former Large Use – Ford Annex Service Classification with the existing Large Use – 3TS Service Classification in order to create one consistent rate class for ENWIN Utilities' customers that are serviced by dedicated ENWIN Utilities-owned and transmission connected transformer stations (dedicated transformer stations).

The key feature or attribute of the Large Use – 3TS Service Classification, as compared to the Large Use – Regular Service Classification or any other rate class, is the requirement that a customer be serviced by a dedicated transformer station.⁴

ENWIN indicates the proposed amendment would have the added benefit of continuing to promote equity between and amongst its customers in their respective rate classes by ensuring that customers that are served by a dedicated transformer station continue to be classified consistently and pay distribution charges that reflect the similar level of service they receive regardless of their demand.⁵

ENWIN anticipates that its proposed amendment will maintain the status quo for the large use 3TS Service Classification.⁶ The Large Use – 3TS Service Classification would continue to pay their directly allocated costs⁷ and there would be no change to any customer in any rate class.⁸ ENWIN further clarified the elimination of the demand threshold from the 3TS rate class would not create a potential overlap between the large use 3TS class and both the regular large use and the GS 50 to 4,999 kW rate classifications.⁹ The Large-Use regular customers are not supplied through a dedicated transformer station.

³ Transcript Volume 1 Page 8 Lines 22-23

⁴ Manager's Summary Page 20

⁵ Manager's Summary Page 21

⁶ Manager's Summary Page 22

⁷ KT1.1 UPDATED COST ALLOCATION MODEL Sheet I9

⁸ Transcript Volume 1 Page 20 Line 5

⁹ Transcript Volume 1 Page 29 Lines 1-4

AMPCO's Position

AMPCO fully supports ENWIN's position and its request to amend the description of the Large Use -3TS Service Classification.

The service of customers through dedicated transformer stations is not common in ENWIN's service area. There are currently three customers in the Large Use – 3TS Service Classification rate class and each of these three customers have a dedicated transformer station¹⁰ which is what makes them unique. AMPCO's membership is included in the Large Use – 3TS Service Classification. ENWIN does not anticipate any additional customers entering the Large Use – 3TS Service Classification currently or because of this proposed amendment.

ENWIN indicates it engaged with each customer in the Large Use – 3TS Service Classification and has provided them with information about this proposal, as it relates to their accounts, and invited further feedback and discussion.¹¹ ENWIN has received written support from¹² and/or has not been informed of any concerns relating to its proposed amendment by the customers in the rate class. AMPCO is satisfied that its membership was appropriately engaged by ENWIN in discussions about the proposed change.

Customers that are served from dedicated transmission-system-connected transformer stations pay for and receive a much more reliable service with much higher power quality than customers who are served from the regular distribution system. The reason for that is dedicated transformer stations are redundant and they are served from a redundant high voltage 115 kV system, with a smaller footprint than from a regular distribution system thereby avoiding all the voltage impacts and weather interruptions seen with at the distribution level.¹³ This level of service is important to AMPCO's membership.

AMPCO submits the OEB should approve ENWIN's request to amend the Large Use – 3TS Service Classification description.

¹⁰ 3 customers = 3 dedicated transformer stations

¹¹ Manager's Summary Page 22

¹² Appendix H

¹³ Transcript Volume 1 Pages 30-31