

Orangeville Hydro Limited EB-2021-0049

Please note, Orangeville Hydro Limited (Orangeville Hydro) 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 also note, OEB staff has updated the IRM Rate Generator Model attached to these questions in the following areas:

- Tab 11 Uniform Transmission Rates:¹
 - Network Service Rate \$/kW 5.13
 - Line Connection Service Rate \$/kW 0.88
 - Transformation Connection Service Rate \$/kW 2.81
- Tab 11 Hydro One Sub-Transmission Rates:²
 - Network Service Rate \$/kW 4.3473
 - Line Connection Service Rate \$/kW 0.6788
 - Transformation Connection Service Rate \$/kW 2.3267
- Tab 17 cell F39 Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments) has been updated to \$34.76 and reference to approval on an interim basis has been removed on Tab 19

OEB Staff-8

Reference: (1) Response to OEB Staff-2, January 14, 2022

At Reference #1, Orangeville Hydro confirmed that Customer seven was no longer a customer from July to December of 2020 and updated Tab 6 of the IRM Rate Generator Model to only include its one transition customer (Customer eight).

OEB staff notes that Customer seven's consumption data is not considered in the calculations for the allocation of GA and CBR Class B balances to transition customers in the IRM Rate Generator Model attached with Orangeville Hydro's responses.

Question(s):

¹ EB-2021-0276, Decision and Rate Order, December 16, 2021

² EB-2021-0032, Decision and Rate Order, December 14, 2021

- a) OEB staff has adjusted Tab 6 of the IRM Rate Generator Model attached to these questions so that Customer seven's consumption data is reflected. Please confirm the accuracy of OEB staff's updates.

Response

Orangeville Hydro confirms the OEB staff updates to Tab 6 of the IRM Rate Generator Model is accurate.

OEB Staff-9

Reference: (1) Response to OEB Staff-3, January 14, 2022

At Reference #1, Orangeville Hydro agreed to withdraw its request to dispose its Account 1588 and Account 1589 balances in the current proceeding, in the event that the Inspection is not completed before the issuance of the decision.

Orangeville Hydro stated that it does not agree with removing the remaining Group 1 balances from disposition. Orangeville Hydro stated that these accounts are not specifically within the scope of the Inspection and therefore should remain within the application to be disposed of. Orangeville Hydro noted that this includes accounts 1550, 1551, 1580, 1584, 1586, 1595, and 1568.

OEB staff notes that Group 1 balances do not include Account 1568.

Question(s):

- a) Would Orangeville Hydro be agreeable to the disposition of the Group 1 balances (other than Account 1588 and Account 1589) on an interim basis in the current proceeding, in the event that these Group 1 balances are impacted by the on-going OEB Inspection?

Response

Orangeville Hydro is agreeable to the disposition of the Group 1 balances (other than Account 1588 and Account 1589) on an interim basis in the current proceeding.

- b) OEB staff has updated the IRM Rate Generator Model attached to these questions to reflect Orangeville Hydro's agreement to withdraw its request to dispose Account 1588 and Account 1589 balances in this proceeding. Please confirm if OEB staff's update reflects Orangeville Hydro's request.

Response

Orangeville Hydro confirms that the OEB staff's update reflects Orangeville Hydro's request to remove accounts 1588 and 1589 from disposition in this proceeding.

OEB Staff-10

Reference: (1) Response to OEB Staff-4, January 14, 2022

OEB Staff Table 1 showed discrepancies in the December 31, 2016 Account 1588 and Account 1589 principal balances. In the text below, OEB staff has duplicated portions of the original OEB Staff-4 for reference purposes.

In the 2020 IRM Rate Generator Model and decision, the OEB disposed of the December 31, 2016 Account 1588 and Account 1589 balances (on a final basis), while deferring disposition of the 2017 and 2018 balances.

OEB staff noted discrepancies between the Account 1588 and Account 1589 December 31, 2016 principal balances in the 2022 IRM Rate Generator Model and each of the 2020 and 2021 IRM Rate Generator Models.

**OEB Staff Table 1 –
Discrepancies in December 31, 2016
Account 1588 and Account 1589 Principal Balances**

					As Per 2020 IRM Rate Generator Model, cell AM28 and AM29; As Per 2021 IRM Rate Generator Model, cell AC28 and AC29		Discrepancy $C = A - B$
					A	B	
Principal							
Account 1588 December 31, 2016 balance					967,059	203,157	763,901
Account 1589 December 31, 2016 balance					298,703	55,971	242,733

OEB staff further noted that Orangeville Hydro confirmed the balances above (in Column B), in response to Staff Question-8 in its 2021 IRM proceeding, and that the current Manager's Summary (October 13, 2021, page 12) confirmed no adjustments have been made to DVA balances previously disposed on a final basis.

In a conference call with Orangeville Hydro on January 27, 2022, Orangeville Hydro agreed with changing the December 31, 2016 balances in the 2022 IRM Rate Generator Model to reflect the balances in Column B, as it is not proposing to adjust the December 31, 2016 balances that were cleared on a final basis.

Orangeville Hydro explained that subsequent to the 2021 IRM decision that was issued on March 25, 2021 (which cleared 2017 to 2019 Account 1588 and Account 1589 balances on an interim basis), it further analyzed its 2017 to 2019 principal adjustments. This analysis resulted in Orangeville Hydro generating additional revisions to these principal adjustments. Orangeville Hydro explained that the balances in Column C represent the differences between the 2017 to 2019 principal adjustments that were cleared in the 2021 IRM proceeding (on an interim basis) and the revised 2017 to 2019 principal adjustments that were calculated subsequent to the issuance of the OEB decision.

Orangeville Hydro agreed not to change the 2017 to 2019 principal adjustments in the 2022 IRM Rate Generator Model at this time to incorporate the amounts in Column C, as the Account 1588 and Account 1589 balances (including the principal adjustments) may be further impacted by the outcomes of the Inspection.

Question(s):

- a) Please confirm that OEB staff's understanding as described in the entire preamble to this question is correct. If this is not the case, please explain.

Response

Orangeville Hydro confirms that OEB staff's understanding as described in the entire preamble to this question is correct.

- b) OEB staff has updated the IRM Rate Generator Model attached to these questions to reflect Orangeville Hydro's agreement to change the December 31, 2016 balances to the reflect the balances in Column B. Please confirm if Orangeville Hydro agrees with OEB staff's update. If this is not the case, please explain.

Response

Orangeville Hydro agrees that the updates to the IRM Rate Generator Model to reflect Orangeville Hydro's agreement to change the December 31, 2016 balances to the reflect the balances in Column B are correct.

OEB Staff-11

Reference: (1) Response to OEB Staff-6, January 14, 2022

Orangeville Hydro agreed to update cell C75, tab GA 2020 of the GA Analysis Workform, to reflect a debit of \$377,958, in order to align with the balance in Tab 3 of the 2022 IRM Rate Generator Model.

In its response, Orangeville Hydro stated that it had updated tab GA 2020 of the GA Analysis Workform to correct this error. However, the GA Analysis Workform filed on January 14, 2022 did not reflect this update.

Question(s):

- a) Please update tab GA 2020 of the GA Analysis Workform to reflect a debit of \$377,958 in cell C75.

Response

Orangeville Hydro has updated tab GA 2020 of the GA Analysis Workform to reflect a debit of \$377,958 in cell C75.