Hearst Power Distribution Co. Ltd.

Response to OEB Staff Questions

EB-2021-0029

February 14, 2022

**Hearst Power Distribution Co. Ltd.**

**EB-2021-0029**

## Staff Question-1

**Ref:**        (1) Rate Generator Model, Tab 3 – Continuity Schedule, Cells BJ28

  (2) EB-2019-0040, Decision and Rate Order, p. 9

## Preamble:

The continuity schedule indicates that for year 2020 the OEB-approved interest to be disposed for Account 1588 is $1,647. The 2020 rate application decision indicates that the OEB-approved interest to be disposed for Account 1588 is ($1,647).

**Question:**

1. Please revise the Rate Generator Model to ensure it matches the 2020 decision, noting that the directional sign of the disposition should be entered the same way in the disposition column of the Rate Generator Model.

**HPDCL Response:**

This was due to a transposition error. The revised model is filed with these responses.

## Staff Question-2

**Ref:**        (1) GA Analysis Workform, Tab Account 1588

**Preamble:**

Due to an error in the GA Analysis Workfrom, the “Account 4705 - Power Purchased” was not displaying. This has now been corrected in the attached GA Analysis Workform and the “Account 1588 as % of Account 4705” cell now displays -2%.

Typically, large balances are not expected for Account 1588 as it should only hold the variance between commodity costs based on actual line losses and commodity revenues calculated using values for line losses approved by the OEB in the utility’s last rebasing application.

**Question:**

1. Please explain why the annual Account 1588 balance relative to cost of power is greater than +/-1%.

**HPDCL Response:**

Please see worksheet entitled *Final RSVA explanation.xls*  for a breakdown and total variance.

## Staff Question-3

**Ref:**        (1) Response to Staff Question 6c, January 25, 2022

**Preamble:**

“Hearst Power is in a unique situation regarding power purchases as we are billed by both the IESO and Hydro One but due to the fact we have too many solar generators in the Hydro One circuits; we over generate electricity and inject into Hydro One’s grid during many months.  This skews our IESO reporting’s and caused HPDCL to be BILLED, not credited, for the 3 months of 2020 when the deferral occurred.”

**Question:**

1. Please confirm the incremental debit and credit amounts received from the IESO in 2020 and 2021, respectively, as a result of the over production of electricity from solar generation.

**HPDCL Response:**

**2021 GA deferral Amounts**

|  |  |  |
| --- | --- | --- |
| **Jan-21** | **Feb-21** | **Mar-21** |
| **IESO** | **IESO** | **IESO** |
| -$18,049 | -$20,758 | -$16,498 |
|  |  |  |
| **Apr-21** | **May-21** | **Jun-21** |
| **IESO** | **IESO** | **IESO** |
| -$1,231 | -$6,184 | -$4,359 |
|  |  |  |
|  |  |  |
| **Jul-21** | **Aug-21** | **Sep-21** |
| **IESO** | **IESO** | **IESO** |
| -$3,297 | -$4,304 | -$9,099 |
|  |  |  |
| **Oct-21** | **Nov-21** | **Dec-21** |
| **IESO** | **IESO** | **IESO** |
| -$9,393 | -$15,574 | -$20,342 |