

VIA RESS

September 6, 2022

Ontario Energy Board  
Attn: Ms. Nancy Marconi, OEB Registrar  
27<sup>th</sup> Floor, 2300 Yonge Street  
Toronto ON M4P 1E4

**RE: EB-2022-0219 EGI QRAM 2022Q4 – FRPO Questions**

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (“FRPO”) in regard to EGI’s Application for 2022Q4 QRAM submitted September 9, 2022.

In our questions and subsequent submissions in EGI’s 2022Q3 QRAM, we inquired about two ongoing issues: EGI’s contracting of Vector pipeline and Load Balancing specific to the EGD Rate Zone. While we continue to pursue the Vector contracting issue to inform the Board more fully in the Deferral Disposition Proceeding<sup>1</sup>, we seek additional understanding of EGI’s Load Balancing costs and allocation process.

In the previous QRAM, we asked questions seeking a better understanding of how EGD Rate Zone load balancing costs were tracked, allocated and recovered by requesting a description of the principles and processes<sup>2</sup>. The response from EGI provided some description and reference to generic principles such as cost causality and past proceedings. However, the numbers referenced as being “presented” in the evidence did not provide a source reference to other schedules in the evidence where the values were derived or an explanation of how they were derived.

In the current application, under the proposed bill impacts, EGI is proposing a second consecutive 41% increase in load balancing costs<sup>3</sup>. As opposed to repeating the same load balancing questions from the previous proceedings, we are requesting more specific data associated with the tracking, allocation and recovery of these costs.

**REF:** Exhibit A, Tab 3, Schedule 1, page 1, line 2.3

- 1) Please provide the working papers that feed into the derivation of the load balancing costs.
  - a) Please provide those working papers in an Excel format that maintains the integrity of links between worksheets so that one may follow the formulaic derivation of the costs.
  - b) Please describe from EGI viewpoint, the drivers that have contributed to this rapid escalation in load balancing costs.

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<sup>1</sup> EB-2022-0110

<sup>2</sup> EB-2022-0150 Exhibit I.FRPO.2

<sup>3</sup> EB-2022-0219 Exhibit A, Tab 3, Schedule 1, page 1, line 2.3

**REF:** Exhibit C, Tab 4, Schedule 6, pages 1-4, lines 1.4, 2.4 and 3.4

Preamble: Each one of the line references in the Annual Bill Comparison designate load balancing billing impacts. We would like to understand the notation attributed to each of those lines.

- 2) Each of the referenced lines is noted with “*The Load Balancing Charge shown here includes proposed transportation charges*”.
  - a) Please describe these proposed transportation charges.
  - b) Please describe where these specific transportation charges are found in evidence and working papers.

**REF:** Exhibit C, Tab 4, Schedule 10, page 4

Preamble: The schedule depicts various components to the load balancing charges by rate class but does not provide a reference to the source. We would like to understand the source of these charges and the allocation methodology.

- 3) If not already included in the response to question 1) above, please provide the source data that shows the source of the costs and the allocation methodology used in this schedule.

Respectfully Submitted on Behalf of FRPO,

Dwayne R. Quinn  
Principal  
DR QUINN & ASSOCIATES LTD.

- c. A. Patel, EGIRegulatoryProceedings – EGI  
P. Prazic, K. Viraney, R. Murray, M. Millar – Staff  
Interested Parties – EB-2022-0110