

Hydro Ottawa Limited EB-2022-0042

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Staff Question-1

Preamble:

Wireline pole attachment revenue changed from \$3,498k (as illustrated in the 2022 Custom Incentive Rate-setting (CIR) Update Application) to \$2,655k (the current 2023 CIR Update Application).

Question(s):

- a) Please provide supporting calculations, including the pole attachment charge and number of poles, to explain the change in the wireline pole attachment revenue.

Staff Question-2

Preamble:

The proposed total bill impact for the Street Lighting class exceeds 10% (i.e., 14.03%), which includes a LRAM rate rider of \$1.9737 per kW. For the Street Lighting class, Hydro Ottawa proposed to clear the 2017 LRAMVA balance of \$126,198 in 2023 and the remaining LRAMVA balances for years 2018-2020 of \$938,488 in 2024 and 2025 equally.

Question(s):

- a) Please clarify if Hydro Ottawa has communicated the proposed bill impact with Street Lighting customers. If so, please provide a summary of customers' feedback. If not, please explain why customer consultation about the proposed bill impact is not necessary.

Staff Question-3

Ref. 1: Exhibit 4, Tab 4, Schedule 2

Preamble:

Hydro Ottawa notes that the IESO has provided Evaluation, Measurement, and Verification (“EM&V”) results for in-service activities from the Interim Framework for years 2019 and 2020.

Question(s):

- a) Please confirm that the CDM savings included in Hydro Ottawa’s current claim for LRAMVA disposition for the 2019 and 2020 years (e.g., the claimed savings for the Retrofit Program) do not include any savings from Interim Framework programs, with the exception of programs delivered through the Local Program Fund.
- b) If not confirmed, please identify which savings are attributable to Interim Framework programs and the rationale for their inclusion.

Staff Question-4

Preamble:

The 2021 CDM Guidelines (section 8) require distributors filing an application for 2023 rates to seek disposition of all outstanding LRAMVA balances related to previously established thresholds, including approval of LRAM-eligible amounts in future years (arising from persisting savings) until a distributor’s next rebasing application, unless a distributor does not have complete information on eligible savings. The CDM Guidelines indicate that distributors are eligible for LRAM for persisting impacts of Conservation First Framework programs and Local Program Fund programs, but not for other IESO programs funded through the Interim Framework or CDM activities funded through the 2021-2024 CDM Framework.

Question(s):

- a) Due to the language in the 2021-2025 Approved Settlement Agreement, does Hydro Ottawa intend to include CDM savings from ongoing IESO programs in 2021 and beyond in the LRAMVA until its next rebasing, thus making it unable to comply with the Guidelines’ direction for distributors to seek disposition of all outstanding LRAMVA balances related to previously established thresholds,

even once final results from Interim Framework and CFF Wind-down activities are known? Please describe as needed.

Staff Question-5

Ref. 1: Exhibit 4, Tab 4, Schedule 2

Ref. 2: 2016-2020 Approved Settlement Agreement, p. 57-58

Preamble:

There appears to be some discrepancies when comparing Tab 2 of the LRAMVA Workform to the 2016-2020 Settlement Agreement in determining the LRAMVA Threshold.

Question(s):

- a) Please clarify why there are slight discrepancies in the kWh reported for the Residential and GS < 50 kW classes per the table below. The differences reported creates a change in the LRAMVA amount requested for disposition. Where applicable, please update the LRAMVA Workform accordingly.

	Residential Class	
Year	Per LRAMVA Workform (kWh)	Per Settlement Agreement (kWh)
2018	39,439,000	39,437,000
2019	49,311,000	49,312,000
2020	59,189,000	59,186,000
	GS < 50 kW Class	
2019	32,451,000	32,452,000
2020	39,036,000	39,035,000

- b) Please provide the calculation support for the kW and kWh reported for the GS 50 to 1,499 KW class for the years 2018, 2019 and 2020. The values reported per the settlement agreement are in kWh and do not reconcile with the values reported per the LRAMVA Workform.

Staff Question-6

Ref. 1: Exhibit 4, Tab 4, Schedule 2

Preamble:

There are some discrepancies when comparing Tab 5 of the LRAMVA Workform to the IESO Final Verified reports for persisting savings. See below for detailed clarification questions categorized by year. Where necessary, please update the LRAMVA Workform accordingly.

Question(s):

2015

- a) For Save on Energy Retrofit Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2015 savings reported in row 122 for years 2015 to 2020 of the LRAMVA Workform. From row 122, OEB staff was able to reconcile the savings reported from 2021 to 2024.

2016

- b) For the Save on Energy Heating and Cooling Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2016 savings reported in row 299 for years 2016 to 2019 of the LRAMVA Workform. From row 299, OEB staff can reconcile savings reported from 2020 to 2025.
- c) For the Save on Energy Retrofit Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2016 savings reported in row 312 for years 2016 to 2021 of the LRAMVA Workform. From row 312, OEB staff can reconcile savings reported from 2022 to 2025.

2017

- d) For the Save on Energy New Construction Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2017 savings reported in row 492 of the LRAMVA Workform.
- e) For the Save on Energy Retrofit Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the verified and adjustment to 2017 savings reported in rows 501 and 502 of the LRAMVA Workform. The values do not coincide with the IESO final verified report or previous year's LRAMVA Workform. Please provide a rationale as to why there is a difference.
- f) For the Save on Energy High Performance New Construction Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2017 savings reported in row 508 of the LRAMVA Workform.
- g) For the Swimming Pool Efficiency Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the adjustment to 2017 savings reported in row 555 of the LRAMVA Workform

2018

- h) For the Save on Energy Retrofit Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the verified savings reported in row 691 of the LRAMVA Workform for years 2018 and 2019.
- i) For the Save on Energy Small Business Lighting Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the 2018 verified savings reported in row 694 of the LRAMVA Workform
- j) For the Save on Energy Instant Discount Program, please clarify the report/ tabs/ cell reference and/or provide the calculations to arrive at the 2018 verified savings reported in row 723 of the LRAMVA Workform

Staff Question-7

Ref. 1: EB-2021-0035 – Decision and Rate Order

Ref. 2: Attachment 9-1-1_A_OEB Workform - Deferral and Variance Account_Continuity Schedule_20220803.xlsb

Preamble:

In Reference 1, Hydro Ottawa received approval to dispose of a credit balance of \$4.2 million on a final basis for Account 1580. In Reference 2, Hydro Ottawa is requesting a debit of \$4.4 million for Account 1580, representing principal transactions in the amount of \$4.3 million (debit) in 2021 plus carrying charges of \$0.1 million.

Question(s):

- a) Please explain why the requested balance in Account 1580 in this application has changed to a debit balance of \$4.4 million (collecting from the customers) from a credit balance of \$4.2 million (refunded to the customers).
- b) Please explain at a high level of what types of the transactions captured in 2021 in Account 1580.
- c) Please confirm that the 2021 principal transactions of \$4.3 million do not include prior-period adjustments. If not confirmed, please provide the details of the prior-period adjustments.

Staff Question-8

Ref. 1: Attachment 9-1-1_A_OEB Workform - Deferral and Variance Account_Continuity Schedule_20220803.xlsb

Preamble:

In Reference 1, Account 1584 RSVA – Retail Transmission Network Charge shows a total claim debit balance of \$7.6 million compared to a debit balance of \$235 thousand approved for disposition in last year's application.

Question(s):

- a) Please explain why there is such a large balance in account 1584 RSVA – Retail Transmission Network Charge sought for disposition of in the current application.
- b) Please breakdown this balance into the LV revenues collected from the customers and the LV charged from Hydro One in 2021.
- c) Please confirm that there are no prior-period adjustments recorded in the \$7.6 million balance for Account 1584. If not confirmed, please provide the details of the prior-period adjustments.