

**OEB Staff Interrogatories
Niagara-on-the-Lake Hydro Inc.
EB-2022-0052**

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OEB Staff – 1

Ref: IRM Rate Generator Tab 20 Cells M32, M33 and M40

OEB staff has updated the rate generator model on Tab 20 for the General Service 50 to 4,999 Classification and the Large Use Service Classification RTSR to Demand Interval.

Question:

- a) Please confirm that these two updates are correct. Also, please note the slight increases to bill impacts.

Niagara-on-the-Lake (NOTL) Hydro Response:

- a) Confirmed

OEB Staff – 2

Ref: IRM Rate Generator Tab 2 Large Use Service Classification

OEB staff has updated the Large Use Service Classification for the most up to date tariff on Tab 2.

Question:

- a) Please confirm this is correct.

NOTL Hydro Response:

- a) Confirmed

OEB Staff – 3

Ref: IRM Rate Generator Tab 16 Stretch Factor Updated

OEB staff has updated the Stretch Factor group from III to II.

Question:

a) Please confirm this is correct.

NOTL Hydro Response:

a) Confirmed

OEB Staff – 4

Ref: IRM Rate Generator Tab 17, 19 and 20 Smart Meter Entity (SME) Charge

OEB staff has updated the SME charge from \$0.43 to \$0.42.

Question:

a) Please confirm this is correct.

NOTL Hydro Response:

a) Confirmed

OEB Staff – 5

Ref: Appendix 6, Conservation and Demand (CDM) Results;

Niagara-on-the-Lake Hydro lists new CDM activity reported in 2020-2022 that it is including in its CDM results for the purposes of the Lost Revenue Adjustment Variance Account (LRAMVA).

Question:

Please clarify why Niagara-on-the-Lake Hydro is including a project led by Hydro One (ID # 203932) in its CDM results for the purposes of the LRAMVA.

NOTL Hydro Response:

a) Project number 203932 was a head office project meaning that one LDC took the lead in a project with multiple locations. Usually performed by a larger corporation with sites in multiple municipalities. The savings indicated in this line are for the project that was performed in the Niagara-on-the-Lake territory. Projects such as these have historically been attributed to the location where the measures were installed and is consistent with past claims.

OEB Staff – 6

Reference: Manager’s Summary, section 3.2.6.1, table 27; [ENWIN 2023 IRM application](#) (EB-2022-0027); [Guidance on Prospective Lost Revenue Adjustment Mechanism \(LRAM\) Amounts – 2023 Rates](#)

Niagara-on-the-Lake Hydro notes a balance in the LRAMVA of \$61,835, including amounts for 2020-2022 and \$14,766 for prospective persistence savings for 2023, and proposes to dispose of this balance through a rate rider.

Question:

OEB guidance on prospective LRAM-eligible amounts indicates that LRAM-eligible amounts for 2023 or later should not be added to the LRAMVA, but should be recovered (in the appropriate rate year) through a separate rate rider, and adjusted by the OEB-approved annual adjustment factor (inflation minus x-factor) applicable to IRM applications in effect for a given year. Please modify Niagara-on-the-Lake Hydro’s proposed approach to be consistent with this guidance (see for example, the “Prospective Disposition of CDM Results” section on pages 26-28 of ENWIN’s current IRM application (EB-2022-0027), including Table 11) to propose a separate 2023 LRAM-Eligible Amount Rate Rider, or indicate why Niagara-on-the-Lake Hydro does not believe that approach is appropriate.

NOTL Hydro Response:

NOTL Hydro has modified Tabs 3 and 4 of the [NOTL_2023 IRM Appl_App 2_IRM Rate Generator Model_20220919](#) to remove the \$14,766 in prospective persistence savings for 2023 and have verified that this change is properly reflected in Tabs 19 and 20.

NOTL Hydro is proposing a separate 2023 LRAM-Eligible Amount Rate Rider to be included in 2023 rates. Table 1 below shows the LRAM amount by rate class as submitted from Tab 1 of [NOTL_2023 IRM Appl_App 4_LRAMVA Workform_20220715](#).

Table 1

Description	LRAMVA Previously Claimed	Residential	GS<50 kW	GS 50 - 4,999 kW	Large Use	Unmetered	Street Lights
2023 Actuals (in 2022 \$)		\$0.00	\$13,814.72	\$26,475.71	\$180.91	\$0.00	\$0.00
2023 Forecast (in 2022 \$)	<input type="checkbox"/>	\$0.00	(\$13,664.17)	(\$12,041.34)	\$0.00	\$0.00	\$0.00
2023 TOTAL LRAM-Eligible*		\$0.00	\$150.55	\$14,434.37	\$180.91	\$0.00	\$0.00
Amount Cleared							
2024 Actuals (in 2022 \$)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2024 Forecast (in 2022 \$)	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2024 TOTAL LRAM-Eligible*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared							
2025 Actuals (in 2022 \$)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2025 Forecast (in 2022 \$)	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2025 TOTAL LRAM-Eligible*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared							
2026 Actuals (in 2022 \$)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2026 Forecast (in 2022 \$)	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2026 TOTAL LRAM-Eligible*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared							
2027 Actuals (in 2022 \$)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2027 Forecast (in 2022 \$)	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2027 TOTAL LRAM-Eligible*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared							
Total LRAM-Eligible Amount (in 2022 \$)		\$0	\$151	\$14,434	\$181	\$0	\$0

Table 2 below shows the calculation of the prospective LRAM rate riders for 2023. NOTL Hydro has calculated the mechanistic adjustment for the 2023 LRAM-Eligible amounts. The 2022 OEB-approved inflation factor and updated 2023 stretch factor was used as a placeholder for calculating this adjustment. NOTL Hydro acknowledges that this amount will be updated at a later stage of the proceeding once the final 2023 Price Cap adjustment figures are available.

Table 2

Rate Class	Unit	2023 LRAM Amount ¹	2023 OEB Approved Inflation Minus X-Factor ²	2023 LRAM x (1 + 3.15%) E = C x (1+D)	Billing Determinant ³	2023 LRAM Rate Rider G = E / F
A	B	C	D	E = C x (1+D)	F	G = E / F
RESIDENTIAL SERVICE CLASSIFICATION	kWh	\$0.00	3.15%	\$0.00	78,544,394	\$0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	\$150.55	3.15%	\$155.30	42,026,390	\$0.0000
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	\$14,434.37	3.15%	\$14,889.05	195,348	\$0.0800
LARGE USE SERVICE CLASSIFICATION	kW	\$180.91	3.15%	\$186.60	67,379	\$0.0000
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	\$0.00	3.15%	\$0.00	262,765	\$0.0000
STREET LIGHTING SERVICE CLASSIFICATION	kW	\$0.00	3.15%	\$0.00	1,568	\$0.0000

1. Tab 1 - NOTL_2023 IRM Appl_App 4_LRAMVA Workflow_20220715
2. Tab 16 - NOTL_2023 IRM Appl_App 2_IRM Rate Generator Model_20220919 - Placeholder subject to change.
3. Tab 4 - NOTL_2023 IRM Appl_App 2_IRM Rate Generator Model_20220919

The rate rider calculated in Table 2 has been input on Tab 18 of the NOTL_2023 IRM Appl_App 2_IRM Rate Generator Model_20220919.