

GBE(E+) Rate Zone - Staff Question-1

Reference: Manager's Summary, Page 38

Preamble: In the Manager's Summary, Grandbridge Energy states that it will defer the disposition of the LRAMVA balances to a future rate application and has cited the availability of final data for eligible program results and Grandbridge Energy's ability to provide robust LRAMVA claims within the deadlines as the reasons for the deferral request.

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.

QUESTION:

- a) Please confirm that GrandBridge Energy has verified that relative to the LRAMVA threshold (if any) established in the GBE+ Rate Zone's most recent rebasing application, the balance in the LRAMVA, and any prospective LRAM-eligible amounts until the next rebasing, are either zero or a debit (i.e., not a credit that would need to be refunded to customers).

RESPONSE:

- a) GrandBridge Energy confirms that relative to the LRAMVA threshold established in the GBE(E+) 2019 Cost of Service Application, the balance in the LRAMVA and any prospective LRAM-eligible amounts until the next rebasing will be a debit.

GBE(E+) Rate Zone - Staff Question-2

Reference: IRM Rate Generator Model, Tab 3: Continuity Schedule

Preamble: There is a significant increase in the total claims for Account 1580 RSVA Wholesale Market Service Charge and Account 1584 RSVA Retail Transmission Network Charge in 2023 filed Rate Generator Model (Top table) as compared to the claim amounts in 2022 final IRM Rate Generator Model (Bottom table)¹

		Projected Interest on Dec-31-2021 Balances				2.1.7 RRR ⁵		
Account Descriptions	Account Number	Projected Interest from Jan 1, 2022 to Dec 31, 2022 on Dec 31, 2021 balance adjusted for disposition during 2022 ¹	Projected Interest from Jan 1, 2023 to Apr 30, 2023 on Dec 31, 2021 balance adjusted for disposition during 2022 ¹	Total Interest	Total Claim	Account Disposition: Yes/No?	As of Dec 31, 2021	Variance RRR vs. 2021 Balance (Principal + Interest)
Group 1 Accounts								
LV Variance Account	1550	1,573		1,795	13,432			(11,637)
Smart Metering Entry Charge Variance Account	1551	(593)		(627)	(27,078)			(44,965)
RSVA - Wholesale Market Service Charge ²	1550	18,997		22,345	1,290,956			(1,061,843)
Variance WMS - Sub-account CBR Class A ³	1550	0		0	0			0
Variance WMS - Sub-account CBR Class B ³	1550	(2,798)		(2,827)	(143,278)			(146,105)
RSVA - Retail Transmission Network Charge	1554	38,055		44,352	2,585,607			(2,547,552)
RSVA - Retail Transmission Network Charge	1556	(5,757)		(6,254)	(293,434)			(299,191)
RSVA - Power ⁴	1558	3,728		682	249,429			(253,157)
RSVA - Global Adjustment ⁴	1559	(35,943)		(41,003)	(2,441,236)			(2,477,139)
Disposition and Recover/Refund of Regulatory Balances (2017) ⁵	1595			0	0	No		0
Disposition and Recover/Refund of Regulatory Balances (2018) ⁵	1595			(371,950)	1,743,078	Yes		1,371,128
Disposition and Recover/Refund of Regulatory Balances (2019) ⁵	1595			36,364	0	No		(36,364)
Disposition and Recover/Refund of Regulatory Balances (2020) ⁵	1595			(70,864)	0	No		(70,864)
Disposition and Recover/Refund of Regulatory Balances (2021) ⁵	1595			40,999	0	No		(40,999)
Disposition and Recover/Refund of Regulatory Balances (2022) ⁵	1595					No		0
<i>Not to be disposed of until two years after rate order has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.</i>								
				0	0			0
RSVA - Global Adjustment requested for disposition	1559	(35,943)	0	(41,003)	(2,441,236)		(1,428,895)	1,012,341
Total Group 1 Balance excluding Account 1559 - Global Adjustment requested for disposition		53,391	0	(237,727)	5,408,167		7,625,476	(7,087,085)
Total Group 1 Balance requested for disposition		18,042	0	(278,730)	2,365,322		6,196,563	(5,917,831)
LRAM Variance Account (only input amounts if applying for disposition of this)	1558			0	0			0
Total Group 1 Balance including Account 1558 - LRAMVA requested for disposition								
		18,042	0	(278,730)	2,365,322		6,196,563	(5,917,831)

		Projected Interest on Dec-31-2020 Balances				2.1.7 RRR ⁵		
Account Descriptions	Account Number	Projected Interest from Jan 1, 2021 to Dec 31, 2021 on Dec 31, 2020 balance adjusted for disposition during 2021 ¹	Projected Interest from Jan 1, 2022 to Apr 30, 2022 on Dec 31, 2020 balance adjusted for disposition during 2021 ¹	Total Interest	Total Claim	Account Disposition: Yes/No?	As of Dec 31, 2020	Variance vs. 2020 Balance (Principal + Interest)
Group 1 Accounts								
LV Variance Account	1550	(152)		(1,494)	(26,143)			(26,295)
Smart Metering Entry Charge Variance Account	1551	(43)		(146)	(7,771)			(7,814)
RSVA - Wholesale Market Service Charge ²	1550	(4,348)		(7,252)	(770,078)			(774,426)
Variance WMS - Sub-account CBR Class A ³	1550	0		0	0			0
Variance WMS - Sub-account CBR Class B ³	1550	(299)		(895)	(45,713)			(46,012)
RSVA - Retail Transmission Network Charge	1554	5,895		7,466	1,041,728			(1,035,833)
RSVA - Retail Transmission Network Charge	1556	4,421		8,907	784,462			(780,041)
RSVA - Power ⁴	1558	7,368		8,239	1,395,544			(1,388,176)
RSVA - Global Adjustment ⁴	1559	4,799		19,841	861,738			(856,939)
Disposition and Recover/Refund of Regulatory Balances (2016 and pre-2016) ⁵	1595	(0)		0	0	No		0
Disposition and Recover/Refund of Regulatory Balances (2016) ⁵	1595	0		(0)	0	No		0
Disposition and Recover/Refund of Regulatory Balances (2017) ⁵	1595	0		3	0	No		(3)
Disposition and Recover/Refund of Regulatory Balances (2018) ⁵	1595	11,710		(371,941)	0	No		(360,231)
Disposition and Recover/Refund of Regulatory Balances (2019) ⁵	1595			35,430	0	No		(35,430)
Disposition and Recover/Refund of Regulatory Balances (2020) ⁵	1595			(69,209)	0	No		(69,209)
Disposition and Recover/Refund of Regulatory Balances (2021) ⁵	1595					No		0
<i>Not to be disposed of until two years after rate order has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.</i>								
RSVA - Global Adjustment requested for disposition	1559	4,799	0	19,841	861,738		2,146,758	(1,285,020)
Total Group 1 Balance excluding Account 1559 - Global Adjustment requested for disposition		10,426	0	14,784	2,370,169		3,228,461	(858,292)
Total Group 1 Balance requested for disposition		10,225	0	14,625	3,221,907		5,375,279	(2,153,372)
RSVA - Global Adjustment		4,799	0	19,841				
Total Group 1 Balance excluding Account 1559 - Global Adjustment		25,125	0	(330,134)				
Total Group 1 Balance		29,924	0	(310,293)			\$5,375,279	
LRAM Variance Account (only input amounts if applying for disposition of this)	1558			0	0			0
Total Group 1 Balance including Account 1558 - LRAMVA requested for disposition		10,225	0	14,625	3,221,907		5,375,279	(2,153,372)

QUESTIONS:

- Please explain the significant change in the total claim for the Account 1580 RSVA Wholesale Market Service Charge from a credit of \$770,019 in the 2022 application to a debit of \$1,290,956 in the current application.
- Please explain the significant change in the total claim for the Account 1584 RSVA Retail Transmission Network Charge from a debit of \$1,041,728 in the 2022 application to a debit of \$2,585,607 in the current application.

¹ EB-2022-0018, Decision and Rate Order, December 21, 2021

RESPONSES:

- a) The 2021 debit balance claimed in Account 1580, compared to the 2020 credit balance, resulted from an increase in Wholesale Market Service (“WMS”) charges assessed by the IESO compared to revenues collected from GrandBridge Energy customers across both rate zones.

The OEB’s RRRP charge and WMS rate² Decision and Order notes that the weighted average WMS rate billed by the IESO to electricity distributors over the period of January to October 2021 was \$0.0041 per kWh. These charges were in excess of the approved 2021 WMS rate (including CBR) that electricity distributors charged to customers of \$0.0034 per kWh. The rate differential in 2020 resulted in debit balances in Account 1580 in 2021.

The RRRP charge and WMS rate Decision and Order also notes that the weighted average WMS rate billed by the IESO to electricity distributors for the same period in 2020 was \$0.0029 per kWh. These charges were lower than the approved 2020 WMS rate (including CBR) that electricity distributors charged to customers of \$0.0034 per kWh. The rate differential in 2020 resulted in credit balances in Account 1580 in 2020.

- b) The higher debit balance in Account 1584 at the end of 2021 compared to 2020 was due to a significant increase in wholesale transmission costs billed by the IESO compared to RTSR revenues collected from customers.

The actual Network UTRs approved by the OEB and billed by the IESO in 2021 were \$4.67 / kW for January to June 2021, and \$4.90 / kW for July to December 2021.

The approved 2021 Network RTSRs for both of GrandBridge Energy’s Rate Zones were based on an estimated Network UTR of \$3.92 / kW³.

The rates charged to the GrandBridge Energy were approximately 22% higher overall than the rates charged to its customers resulting in a higher debit balance in Account 1584.

² EB-2021-0300 pages 3-4

³ EB-2020-0180 and EB-2020-0006

GBE(E+) Rate Zone - Staff Question-3

Reference: *Manager's Summary, Page 23*
Rate Generator Model – Tab 3: Continuity Schedule

Preamble:

Grandbridge Energy is requesting disposition of Account 1595 (2018) for a debit amount of \$1,743,018. In the Account 1595 Workform for Account 1595 (2018), the following table was presented.

SUMMARY	
Total Calculated Account Balance	\$1,167,789
Total Account Residual Balance per Step 1 above	\$1,677,768
Unreconciled Differences***	(\$509,979)

Grandbridge Energy noted that a (\$451,564) of the unreconciled difference of (\$509,979) is due to the rate rider revenues from GA and CBR Class B transition customers being recorded in revenue accounts, instead of Account 1595 (2018). Grandbridge Energy noted that this issue was identified in 2022 and a correcting journal entry will be recorded in the 2022 general ledger.

QUESTIONS:

- a) Please confirm that the correcting journal entries is as shown below.
- i. If confirmed, please provide the amounts for the journal entries.
 - ii. If not confirmed, please explain.

Dr. Account 1589
 Cr. Account 1595 (2018)

Dr. Account 1580, Sub-account CBR Class B
 Cr. Account 1595 (2018)

- b) Please confirm that Grandbridge Energy has not reflected the correcting journal entry as principal adjustments to Account 1595 (2018), Account 1580, Sub-account CBR Class B and Account 1589 balances requested for disposition in this proceeding.
- i. If not confirmed, please indicate where the principal adjustments have been reflected.
 - ii. If confirmed, please explain why Grandbridge Energy has not reflected the correcting journal entry as principal adjustments to the three accounts even though the accounts are being requested for disposition in this proceeding.
 - iii. Please provide the three account balances as at December 31, 2021, assuming principal adjustments to correct the error was made to the 2021 balances.

c) Please confirm that the error affected the 2018 and 2019 Account 1589 and Account 1580, Sub-account CBR Class B balances, which were approved for disposition in Energy+'s 2020 and 2021 rate application.⁴

- i. If confirmed, please discuss the implication of the error to the customers in Energy+'s 2020 and 2021 rate applications (e.g. impact to balances allocated to transition customers) as the 2018 and 2019 Account 1589 and Account 1580, Sub-account CBR Class B balances have been approved for disposition on a final basis.⁵
- ii. If part c is confirmed, please discuss the implication of the error to the customers in Energy+'s the current rate application, if Grandbridge Energy were to reflect the correcting journal entry as a principal adjustment to the 2021 balances.
- iii. If part c is not confirmed, please explain which year the error affected and any implications from the error.

d) Please confirm that the calculated account balance of \$1,167,789 in the Account 1595 Workform, calculated based on the consumption billed and rate rider revenues collected, exclude the revenues billed to the transition customers.

RESPONSES:

a) GrandBridge Energy confirms the correcting journal entry is:

Dr. Account 1589	\$402,586
Cr. Account 1595 (2018)	(\$402,586)
Dr. Account 1580, Sub-account CBR Class B	\$49,008
Cr. Account 1595 (2018)	(\$49,008)

b) GrandBridge Energy confirms that the adjusting entry has not been reflected as principal adjustments to Account 1595 (2018), Account 1580, Sub-account CBR Class B and Account 1589 balances in the application submitted.

- i. Not applicable.
- ii. GrandBridge Energy did not record the correcting entry as principal adjustments because the 2018 and 2019 balances in Account 1589 and Account 1580, Sub-account CBR Class B have already been disposed of on a final basis⁶.
- iii. The following table summarizes the account balances assuming the principal adjustments to correct the error was made to the 2021 balances.

Account	Claim Balance as Filed	Adjustment	Adjusted Claim Balance
1580	1,290,956	49,008	1,339,964
1589	(2,441,236)	402,586	(2,038,650)
1595 (2018)	1,743,018	(451,594)	1,291,424

⁴ EB-2020-0016, EB-2019-0031

⁵ EB-2020-0016

⁶ EB-2020-0016

- c) GrandBridge Energy confirms that the error affected the 2018 and 2019 Account 1589 and Account 1580, Sub-account CBR Class B balances, which were approved for disposition in the GBE(E+) Rate Zone 2020 and 2021 rate applications.
- i. The following tables summarize the impacts of the error on the 2020 and 2021 rate applications for the GBE(E+) Rate Zone. The error resulted in a reduction in the balances and amounts recovered from Account 1589 and Account 1580, Sub-account CBR Class B.

Impact from 2018 Balances	Account 1589 Global Adjustment	Account 1580 CBR Class B	Total Impact
Quantification of error	(234,842)	(28,588)	(263,430)
Impact on 2020 Rate Application			
Class A transition customers	(11,883)	(683)	(12,566)
Class B non WMP customers	(222,959)	(27,905)	(250,684)

Impact from 2019 Balances	Account 1589 Global Adjustment	Account 1580 CBR Class B	Total Impact
Quantification of error	(167,744)	(20,420)	(188,164)
Impact on 2021 Rate Application			
Class A transition customers	(12,262)	(686)	(12,948)
Class B non WMP customers	(155,482)	(19,734)	(175,216)

Overall Impact	Account 1589 Global Adjustment	Account 1580 CBR Class B	Total Impact
Quantification of error	(402,586)	(49,008)	(451,594)
Impact on 2020 & 2021 Applications			
Class A transition customers	(24,145)	(1,369)	(25,514)
Class B non WMP customers	(378,441)	(47,639)	(426,080)

- ii. If GrandBridge Energy were to reflect the correcting journal entry as principal adjustments to the 2021 balances, the Account 1595 (2018) balance would be reduced by a credit of (\$451,594) and the impacts of the debits to Accounts 1589 and Account 1580, Sub-account CBR Class B are summarized in the following table:

Overall Impact	Account 1589 Global Adjustment	Account 1580 CBR Class B	Total Impact
Principal adjustments	402,586	49,008	451,594
Impact on 2022 Rate Application			
Class A transition customers	20,451	1,039	21,490
Class B non WMP customers	382,135	47,969	430,104

- iii. Not applicable.
- d) GrandBridge Energy confirms that the calculated account balance of \$1,167,789 in the Account 1595 Workform excludes the revenues billed to the transition customers.

GBE(E+) Rate Zone - Staff Question-4

Reference: *IRM Rate Generator Model, Tab 8: STS Tax Change*

Summary - Sharing of Tax Change Forecast Amounts		
	2019	2023
OEB-Approved Rate Base	\$ -	\$ -
OEB-Approved Regulatory Taxable Income	\$ -	\$ -
Federal General Rate		15.0%
Federal Small Business Rate		9.0%
Federal Small Business Rate (calculated effective rate) ^{1,2}		9.0%
Ontario General Rate		11.5%
Ontario Small Business Rate		3.2%
Ontario Small Business Rate (calculated effective rate) ^{1,2}		3.2%
Federal Small Business Limit		\$ 500,000
Ontario Small Business Limit		\$ 500,000
Federal Taxes Payable		\$ -
Provincial Taxes Payable		\$ -
Federal Effective Tax Rate		0.0%
Provincial Effective Tax Rate		0.0%
Combined Effective Tax Rate	0.0%	0.0%
Total Income Taxes Payable	\$ -	\$ -
OEB-Approved Total Tax Credits (enter as positive number)	\$ -	\$ -
Income Tax Provision	\$ -	\$ -
Grossed-up Income Taxes	\$ -	\$ -
Incremental Grossed-up Tax Amount		\$ -

Preamble:

The value entered in cell H16 of the Rate Generator Model does not match the “total Rate Base” of \$2,144, 839 in the RRWF “Rate Base and Working Capital” section of the last COS application.⁷

The value entered in cell H18 of the Rate Generator Model does not match the “Taxable Income” of \$2,144,839 in the “Taxes/PILS” in the RRWF “Rate Base and Working Capital” section of the last COS application.⁸

The value entered in cell H36 of the Rate Generator Model does not match the corporate tax rate of 26.50% in the “Income taxes” in the RRWF “Taxes/PILS” section of the last COS application.⁹

QUESTIONS:

- a) Please update the Total Rate Base amount in the Rate Generator Model.
- b) Please update the Taxable Income amount in the Rate Generator Model.
- c) Please update the Corporate Tax amount in the Rate Generator Model.

RESPONSES:

- a) GrandBridge Energy has updated the OEB-Approved Rate Base amount on Tab 8: STS Tax Changes of the GBE(E+) rate generator model with the amount of \$173,825,304,

⁷ EB-2018-0028, Decision and Rate Order, August 1, 2019

⁸ EB-2018-0028, Decision and Rate Order, August 1, 2019

⁹ EB-2018-0028, Decision and Rate Order, August 1, 2019

consistent with the RRWF “Rate Base and Working Capital” section of the last COS application.

- b) GrandBridge Energy has updated the OEB-Approved Regulatory Taxable Income amount on Tab 8: STS Tax Changes of the GBE(E+) rate generator model with the amount of \$2,144,839, consistent with the RRWF “Rate Base and Working Capital” section of the last COS application.
- c) GrandBridge Energy has updated the Combined Effective Tax Rate on Tab 8: STS Tax Changes of the GBE(E+) rate generator model with the rate of 26.50, consistent with the RRWF “Taxes/PILS” section of the last COS application.

The changes to Tab 8: STS Tax Changes in the GBE(E+) rate generator model are shown in the table below:

Summary - Sharing of Tax Change Forecast Amounts

	2019	2023
OEB-Approved Rate Base	\$ 173,825,304	\$ 173,825,304
OEB-Approved Regulatory Taxable Income	\$ 2,144,839	\$ 2,144,839
Federal General Rate		15.0%
Federal Small Business Rate		9.0%
Federal Small Business Rate (calculated effective rate) ^{1,2}		15.0%
Ontario General Rate		11.5%
Ontario Small Business Rate		3.2%
Ontario Small Business Rate (calculated effective rate) ^{1,2}		11.5%
Federal Small Business Limit		\$ 500,000
Ontario Small Business Limit		\$ 500,000
Federal Taxes Payable		\$ 321,726
Provincial Taxes Payable		\$ 246,656
Federal Effective Tax Rate		15.0%
Provincial Effective Tax Rate		11.5%
Combined Effective Tax Rate	26.5%	26.5%
Total Income Taxes Payable	\$ 568,382	\$ 568,382
OEB-Approved Total Tax Credits (enter as positive number)	\$ -	\$ -
Income Tax Provision	\$ 568,382	\$ 568,382
Grossed-up Income Taxes	\$ 773,309	\$ 773,309
Incremental Grossed-up Tax Amount		\$ -
Sharing of Tax Amount (50%)		\$ -

GBE(E+) Rate Zone - Staff Question-5

Reference: *IRM Rate Generator Model, Tab 9: Shared Tax – Rate Rider*

Preamble:

Tab 9 of the Rate Generator Model presents the rebased revenue requirement and the allocation of the cost sharing amount based on the re-based data from tab 16.1 and tab 16.2 from the cost allocation form of the last COS application.¹⁰

QUESTIONS:

a) Please complete table 1 on tab 9 of the Rate Generator Model with the revenue and customer data from the cost allocation form of the last COS application.

RESPONSE:

GrandBridge Energy has completed Table 1 on Tab 9: Shared Tax – Rate Rider to reflect the revenue and customer data from Tab 16.1 and 16.2 of the cost allocation form from GBE(E+)'s 2019 Cost of Service application.

Calculation of Rebased Revenue Requirement and Allocation of Tax Sharing Amount. Enter data from the last OEB-approved Cost of Service application in columns C through H.

As per Chapter 3 Filing Requirements, shared tax rate riders are based on a 1 year disposition.

Rate Class		Re-based Billable Customers or Connections	Re-based Billable kWh	Re-based Billable kW	Re-based Service Charge	Re-based Distribution Volumetric Rate kWh	Re-based Distribution Volumetric Rate kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Revenue Requirement from Rates	Service Charge % Revenue	Distribution Volumetric Rate % Revenue	Distribution Volumetric Rate % Revenue	Total % Revenue
RESIDENTIAL SERVICE CLASSIFICATION	kWh	58,677	461,453,716	0	21.81	0.0047	0.0000	15,305,736	2,172,859	0	17,528,595	87.6%	12.4%	0.0%	51.8%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	6,451	190,967,011	0	14.52	0.0151	0.0000	1,121,860	3,007,838	0	4,129,637	27.2%	0.0%	0.0%	12.2%
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	801	490,088,356	1,564,769	111.09	0.0000	4.1705	1,087,549	0	6,525,873	7,613,422	14.3%	0.0%	85.7%	22.5%
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	30	214,108,990	552,369	864.41	0.0000	3.7022	311,146	0	2,044,973	2,356,119	13.2%	0.0%	86.8%	7.0%
LARGE USE SERVICE CLASSIFICATION	kW	2	145,141,006	380,833	8976.07	0.0000	2.4926	215,426	0	824,635	1,040,061	20.7%	0.0%	79.3%	3.1%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	499	2,271,988	0	5.53	0.0136	0.0000	18,098	30,944	0	64,042	51.7%	48.3%	0.0%	0.2%
STREET LIGHTING SERVICE CLASSIFICATION	kW	16,260	3,788,281	10,945	2.37	0.0000	19.1000	462,765	0	209,059	671,824	68.9%	0.0%	31.1%	2.0%
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	168	126,989	343	2.04	0.0000	30.5028	4,113	0	10,460	14,573	28.2%	0.0%	71.8%	0.0%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE CND	kW		12,405,162	24,397	0.00	0.0000	2.0718	0	0	50,527	50,527	0.0%	0.0%	100.0%	0.1%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - WATERLOO	kW		58,104,381	114,657	0.00	0.0000	1.9300	0	0	221,287	221,287	0.0%	0.0%	100.0%	0.7%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - BRANTFORD	kW		347,757	1,075	96.98	0.0000	3.9297	0	0	4,224	4,224	0.0%	0.0%	100.0%	0.0%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE #1	kW		12,191,720	25,011	96.98	0.0000	3.9297	0	0	114,004	114,004	0.0%	0.0%	100.0%	0.3%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE #2	kW		43,274,122	0	96.98	0.0000	0.0000	0	0	0	0	0.0%	0.0%	0.0%	0.0%
Total			82,888	1,637,481,480	2,628,389			18,993,631	5,211,621	10,005,041	33,830,294				100.0%

Rate Class		Total kWh (most recent RRR filing)	Total kW (most recent RRR filing)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	524,115,883	0	0.00	\$/customer
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	202,641,930	3,880	0.0000	kWh
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	464,755,498	1,453,673	0.0000	kW
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	240,562,872	561,296	0.0000	kW
LARGE USE SERVICE CLASSIFICATION	kW	144,867,973	352,232	0.0000	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	2,176,342	0	0.0000	kWh
STREET LIGHTING SERVICE CLASSIFICATION	kW	5,921,049	16,510	0.0000	kW
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	10,025	242	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE CND	kW	13,957,220	28,237	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - WATERLOO	kW	72,461,768	138,675	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - BRANTFORD	kW	280,051	868	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE #1	kW	14,208,286	29,703	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION - HYDRO ONE #2	kW	65,949,373	164,301	0.0000	kW
Total		1,746,899,280	2,740,617	\$0	

¹⁰ EB-2018-0028, Decision and Rate Order, August 1, 2019

GBE(E+) Rate Zone - Staff Question-6

Reference: *IRM Rate Generator Model Tab 17, 19 and 20*

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

QUESTION:

a) Please confirm this is correct.

RESPONSE:

- a) GrandBridge Energy confirms that the model reflects the updated SME Charge on Tab 17- Regulatory Charges, Tab 19 - Final Tariff Schedule and Tab 20- Bill Impacts of the GBE(E+) rate generator model.

GBE(BPI) Rate Zone - Staff Question-1

Reference: Manager's Summary, Page 38

Preamble: In the Manager's Summary, Grandbridge Energy states that it will defer the disposition of the LRAMVA balances to a future rate application and has cited the availability of final data for eligible program results and Grandbridge Energy's ability to provide robust LRAMVA claims within the deadlines as the reasons for the deferral request.

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.

QUESTION:

- a) Please confirm that Grandbridge Energy has verified that relative to the LRAMVA threshold (if any) established in the BPI's Rate Zone's most recent rebasing application, the balance in the LRAMVA, and any prospective LRAM-eligible amounts until the next rebasing, are either zero or a debit (i.e., not a credit that would need to be refunded to customers).

RESPONSE:

- a) GrandBridge Energy confirms that relative to the LRAMVA threshold established in the GBE(BPI) 2022 Cost of Service application, the balance in the LRAMVA and any prospective LRAM-eligible amounts until the next rebasing will be a debit.

GBE(BPI) Rate Zone - Staff Question-2

Reference: 2023 GA Analysis Workform
Manager's Summary, Page 23
EB-2021-0009 2022 GA Analysis Workform
2022 GA Analysis Workform Instructions, June 24, 2021

Preamble

Grandbridge Energy noted that the 2020 year-end unbilled revenue energy entry was understated by \$885,645, resulting in an additional \$885,645 of additional revenues recorded in 2021.

Per page 11 the GA Analysis Workform Instructions, it states:

Distributors are to record the differences between i) estimated unbilled revenue for the GA for all customer classes and ii) the actual GA revenue billed in the subsequent year relating to consumption in the previous fiscal year, for account disposition purposes. This is referred to as the unbilled to actual revenue true-up.

In Brantford Power's 2022 GA Analysis Workform, the principal adjustment tab does not include any principal adjustment for unbilled to actual revenue true-up.

QUESTIONS:

- a) Please explain whether a principal adjustment for unbilled to actual revenue true-up was considered in the 2020 Account 1589 balance and how it relates to the unbilled revenue estimation issue noted for 2020.
- b) Please confirm that Grandbridge has considered whether a principal adjustment for unbilled to actual revenue true-up for 2021 is required. If not confirmed, please explain and revise the evidence as needed.

RESPONSES:

- a) The entries for 2020 year-end unbilled revenue for the GBE(BPI) Rate Zone were recorded using known December billed amounts as the financial period was closed after the December bills were issued. As a result, principal adjustments to true-up unbilled to actual revenue were not required for the 2020 Account 1589 balance.

The estimation issued noted for 2020 resulted from an incorrect pro-ration of new rate codes that were created in the billing system to accommodate an RPP pricing change. The pro-ration was prepared on actual bill data for the December 2020 and January 2021 period. The issue was isolated to RPP energy sales and did not have an impact on Global Adjustment balances.

- b) A principal adjustment for the unbilled to actual revenue true-up for 2021 was not considered due to the GBE(BPI) Rate Zone process of recording unbilled revenues based on actual billed amounts at year-end.

GBE(BPI) Rate Zone - Staff Question-3

Reference: IRM Rate Generator Model, Tab 3: Continuity Schedule

Preamble

There is a significant increase in the Account 1580 RSVA Wholesale Market Service Charge and the Account 1584 RSVA Retail Transmission Network Charge in the 2023 filed Rate Generator Model (Top table) from the 2022 final IRM Rate Generator Model (Bottom table)¹¹.

		Projected Interest on Dec-31-2021 Balances			
Account Descriptions	Account Number	Projected Interest from Jan 1, 2022 to Dec 31, 2022 on Dec 31, 2021 balance adjusted for disposition during 2022 ²	Projected Interest from Jan 1, 2023 to Apr 30, 2023 on Dec 31, 2021 balance adjusted for disposition during 2022 ²	Total Interest	Total Claim
Group 1 Accounts					
LV Variance Account	1550	0		0	0
Smart Metering Entity Charge Variance Account	1551	(392)		(425)	(26,583)
RSVA - Wholesale Market Service Charge ⁵	1580	10,869		15,292	740,867
Variance WMS – Sub-account CBR Class A ⁵	1580	0		0	0
Variance WMS – Sub-account CBR Class B ⁵	1580	(1,308)		(4,304)	(91,622)
RSVA - Retail Transmission Network Charge	1584	24,499		27,883	1,663,353
RSVA - Retail Transmission Connection Charge	1586	4,256		4,638	288,761
RSVA - Power ⁴	1588	(19,112)		(24,997)	(1,300,852)
RSVA - Global Adjustment ⁴	1589	(11,644)		(18,036)	(795,364)

Account Descriptions	Account Number	Projected Interest from Jan 1, 2021 to December 31, 2021 on Dec 31 -20 balance adjusted for disposition during 2021 (2)	Projected Interest from January 1, 2022 to April 30, 2022 on Dec 31 -20 balance adjusted for disposition during 2021 (2)	Total Interest	Total Claim
Group 1 Accounts					
LV Variance Account	1550	0		\$0	\$0.00
Smart Metering Entity Charge Variance Account	1551	(284)		-\$2,208	-\$52,083.01
RSVA - Wholesale Market Service Charge ⁵	1580	(5,049)		\$1,801	-\$884,014.28
Variance WMS – Sub-account CBR Class A ⁵	1580	(0)		-\$0	\$0.00
Variance WMS – Sub-account CBR Class B ⁵	1580	(459)		-\$24,103	-\$104,609.68
RSVA - Retail Transmission Network Charge	1584	57		-\$4,796	\$5,220.53
RSVA - Retail Transmission Connection Charge	1586	1,556		\$17,029	\$289,972.39
RSVA - Power (excluding Global Adjustment) ⁴	1588	2,547		\$60,262	\$507,165.61
RSVA - Global Adjustment ⁴	1589	80		\$3,994	\$17,990.87

QUESTIONS:

- a) Please explain the significant change in the total claim for the Account 1580 RSVA Wholesale Market Service Charge from a credit of \$884,104 in last year's rate model to a debit of \$740,867 in the current application.
- b) Please explain the significant change in the total claim for the Account 1584 RSVA Retail Transmission Network Charge from a debit of \$5,221 in last year's rate model to a debit of \$1,663,353 in the current application.

¹¹ EB-2022-0018, Decision and Rate Order, December 21, 2021

RESPONSES:

Please see the response to GBE(E+) Rate Zone Staff Question-2.

GBE(BPI) Rate Zone - Staff Question-4

Reference: *IRM Rate Generator Model, Tab 8: STS Tax Change*

Preamble:

The value entered in cell H18 of the Rate Generator Model does not match the “Taxable Income” of \$1,410,031 in the “Taxes/PILS” in the RRWF “Rate Base and Working Capital” section of the last COS application.¹²

Summary - Sharing of Tax Change Forecast Amounts		
	2022	2023
OEB-Approved Rate Base	\$ 36,934,296	\$ 36,934,296
OEB-Approved Regulatory Taxable Income	\$ 1,410,031	\$ 1,410,031
Federal General Rate		15.0%
Federal Small Business Rate		9.0%
Federal Small Business Rate (calculated effective rate) ¹²		15.0%
Ontario General Rate		11.5%
Ontario Small Business Rate		3.2%
Ontario Small Business Rate (calculated effective rate) ¹²		11.0%
Federal Small Business Limit		\$ 800,000
Ontario Small Business Limit		\$ 800,000
Federal Taxes Payable		\$ 277,745
Provincial Taxes Payable		\$ 212,908
Federal Effective Tax Rate		19.0%
Provincial Effective Tax Rate		17.0%
Combined Effective Tax Rate	26.0%	26.0%
Total Income Taxes Payable	\$ 490,654	\$ 490,654
OEB-Approved Total Tax Credits (enter as positive number)	\$ -	\$ -
Income Tax Provision	\$ 490,654	\$ 490,654
Grossed-up Income Taxes	\$ 647,697	\$ 647,697
Incremental Grossed-up Tax Amount	\$ -	\$ -
Sharing of Tax Amount (95%)	\$ -	\$ -

QUESTION:

- Please confirm the Taxable Income amount and update the Rate Generator Model if required.

RESPONSE:

GrandBridge Energy has updated the 2023 IRM Rate Generator Model, Tab 8: STS – Tax Change to reflect the correct OEB-approved Regulatory Taxable Income of \$1,410,031 as shown in the table below:

¹² EB-2021-0009, Decision and Rate Order, October 28, 2021

Summary - Sharing of Tax Change Forecast Amounts

	2022	2023
OEB-Approved Rate Base	\$ 98,934,296	\$ 98,934,296
OEB-Approved Regulatory Taxable Income	\$ 1,410,031	\$ 1,410,031
Federal General Rate		15.0%
Federal Small Business Rate		9.0%
Federal Small Business Rate (calculated effective rate) ^{1,2}		15.0%
Ontario General Rate		11.5%
Ontario Small Business Rate		3.2%
Ontario Small Business Rate (calculated effective rate) ^{1,2}		11.5%
Federal Small Business Limit		\$ 500,000
Ontario Small Business Limit		\$ 500,000
Federal Taxes Payable		\$ 211,505
Provincial Taxes Payable		\$ 162,154
Federal Effective Tax Rate		15.0%
Provincial Effective Tax Rate		11.5%
Combined Effective Tax Rate	20.5%	20.5%
Total Income Taxes Payable	\$ 373,658	\$ 373,658
OEB-Approved Total Tax Credits (enter as positive number)	\$ -	\$ -
Income Tax Provision	\$ 373,658	\$ 373,658
Grossed-up Income Taxes	\$ 508,379	\$ 508,379
Incremental Grossed-up Tax Amount		\$ -
Sharing of Tax Amount (50%)		\$ -

GBE(BPI) Rate Zone - Staff Question-5

Reference: *IRM Rate Generator Model, Tab 9: Shared Tax – Rate Rider*

Preamble:

Tab 9 of the Rate Generator Model presents the rebased revenue requirement and the allocation of the cost sharing amount based on the re-based data from tab 16.1 and tab 16.2 from the cost allocation form of the last COS application.¹³

QUESTION:

- Please complete table 1 on tab 9 of the Rate Generator Model, with the revenue and customer data from the cost allocation form of the last COS application.

RESPONSE:

GrandBridge Energy has completed Table 1 on Tab 9: Shared Tax – Rate Rider to reflect the revenue and customer data from Tab 16.1 and 16.2 of the cost allocation form from GBE(BPI)'s 2022 Cost of Service application.

¹³ EB-2021-0009, Decision and Rate Order, October 28, 2021

Calculation of Rebased Revenue Requirement and Allocation of Tax Sharing Amount. Enter data from the last OEB-approved Cost of Service application in columns C through H.

As per Chapter 3 Filing Requirements, shared tax rate riders are based on a 1 year disposition.

Rate Class		Rebased Bill Customers or Connections	Re-based Bill kWh	Re-based Bill kW	Re-based Service Charge	Re-based Distribution Volumetric Rate kWh	Re-based Distribution Volumetric Rate kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Revenue Requirement from Rates	Service Charge % Revenue	Distribution Volumetric Rate % Revenue kWh	Distribution Volumetric Rate % Revenue kW	Total % Revenue
RESIDENTIAL SERVICE CLASSIFICATION	kWh	38,848	317,426,903	0	24.35	0.0000	0.0000	11,351,386	0	0	11,351,386	100.0%	0.0%	0.0%	55.8%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	2,833	81,996,332	0	31.88	0.0084	0.0000	1,083,782	688,768	0	1,772,551	61.1%	38.9%	0.0%	9.2%
GENERAL SERVICE GREATER THAN 50 KW SERVICE CLASSIFICATION	kW	308	318,038,780	1,386,876	245.54	0.0000	2.9823	1,496,812	0	4,116,016	2,612,238	26.7%	0.0%	73.3%	29.1%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW	2	43,884,456	102,408	375.73	0.0000	2.0832	9,018	0	213,960	222,977	4.0%	0.0%	96.0%	1.1%
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	475	154,397	462	6.38	0.0000	21.0374	23,023	0	9,719	34,742	72.0%	0.0%	28.0%	0.1%
STREET LIGHTING SERVICE CLASSIFICATION	kW	5,771	8,679,043	19,790	5.50	0.0000	6.2897	108,878	0	123,409	232,287	45.1%	0.0%	54.9%	1.1%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	402	1,503,722	0	13.59	0.0095	0.0000	49,598	14,276	0	79,854	82.1%	17.9%	0.0%	0.4%
Total		48,839	949,487,529	1,509,318				14,135,467	703,044	4,463,104	19,301,613				100.0%

Rate Class		Total kWh (incl recent RRR Rtg)	Total kW (incl recent RRR Rtg)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	314,432,885	0	0.00	\$/customer	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	87,187,084	0	0.0000	kWh	
GENERAL SERVICE GREATER THAN 50 KW SERVICE CLASSIFICATION	kW	353,597,235	1,713,922	0	0.0000	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW	44,423,897	104,823	0	0.0000	kW
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	187,283	597	0	0.0000	kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	5,545,436	16,458	0	0.0000	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	1,504,392	0	0.0000	kWh	
		1,006,923,472	1,896,010	00		

GBE(BPI) Rate Zone - Staff Question-6

Reference: *IRM Rate Generator Model Tab 17, 19 and 20*

Preamble:

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

QUESTION:

- a) Please confirm this is correct.

RESPONSE:

- a) GrandBridge Energy confirms that the model reflects the updated SME Charge on Tab 17- Regulatory Charges, Tab 19 - Final Tariff Schedule and Tab 20- Bill Impacts of the GBE(BPI) rate generator model.