



November 7, 2022

BY RESS

Ms. Nancy Marconi, Board Secretary
ONTARIO ENERGY BOARD
2300 Yonge Street,
26th Floor, P.O. Box 2319
TORONTO, ON M4P 1E4

**Re: Board File No. EB-2022-0045
Enova Power Corp. - Licence No. ED-2022-0006
Interrogatory Responses**

Dear Ms. Marconi:

On August 3rd, 2022, Kitchener-Wilmot Hydro Inc. filed its IRM Application (EB-2022-0045) for 2023 rates. On September 1st, 2022, Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. merged to become Enova Power Corp. (EB-2022-0006).

Attached are the responses to staff questions received on November 2nd, 2022 for the former Kitchener-Wilmot Hydro Inc. application.

Contact the undersigned should you require any further information.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Nanninga", written in a cursive style.

Margaret Nanninga, MBA, CPA, CGA
Vice President Finance & CFO

Staff Questions
Enova Power Corp.
EB-2022-0045

Please note, Enova Power Corp. is responsible for ensuring that all documents it files with the Ontario Energy Board (OEB), including responses to OEB staff interrogatories and any other supporting documentation, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

OEB staff is aware that Kitchener-Wilmot Hydro Inc. and Waterloo North Hydro Inc. have amalgamated and incorporated under the name Enova Power Corp.¹ For the purposes of interrogatories, former Kitchener-Wilmot Hydro is referred to as Enova-Kitchener-Wilmot and former Waterloo North Hydro Inc. is referred to as Enova-WNH.

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Ref: Manager's Summary, pp. 11-12

Preamble:

In its application, Enova-Kitchener-Wilmot notes that it has a large residual balance in its recovery of regulatory balance 1595 (2018). Enova-Kitchener-Wilmot explained that the majority of the residual balance in 1595 relates to the volumes used in the GA rate rider calculation.

In table 4 in the reference, the total principal balance for Account 1595 (2018) is \$963,659. The calculated GA variance from forecasted versus billed consumption shown in Table 5 in the reference is \$543,382.

Questions:

- a) Please explain other factors that contribute to the remaining principal balance of \$420,277 (\$963,659 - \$543,382) in Account 1595 (2018).

Other factors contributing to the remaining principal balance is declining sales by retailers to customers. There was an approximate 40% decline in kWh sales to retail customers. In addition, both street light customers converted to LED in 2017, resulting in 55% lower kW sales.

¹ EB-2022-0006, OEB Letter, September 14, 2022