

November 23, 2022

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Re: EB-2022-0052

Dear Sirs:

Below is the Niagara-on-the-Lake Hydro Inc. (NOTL Hydro) response to the OEB staff correspondence dated November 14, 2022.

NOTL Hydro acknowledges that it incorrectly utilized the Manual Adjustment to Load Forecast from its most recent cost of service application (EB-2018-0056) in calculating the LRAMVA in our 2021 (EB-2020-0042) and 2023 IRM Applications (EB-2022-0052). The correct threshold included in the OEB approved settlement proposal was 6,017,317,53 kWh.

OEB Staff estimated the impact of modifying the LRAMVA threshold to 6,017,317,53 kWh on NOTL Hydro’s claim in the current proceeding and is shown below:

	2021 and 2022 LRAMVA Balance for Disposition	2023 LRAM-Eligible Amount for Prospective Disposition (2022 \$)
Application as Filed	\$47,069	\$14,766
Modified Threshold	\$30,365	\$6,792

In reviewing the OEB Staff estimated impact of modifying the LRAMVA threshold to 6,017,317,53 kWh, NOTL Hydro notes that the kW threshold for GS 50 - 4,999 kW was not adjusted. To be consistent, NOTL Hydro believes the kW threshold for this rate class should be increased to 7,711kW as the kW threshold was originally derived by the using the ratio of kW per kWh, shown below:

	GS 50 - 4,999 kW	
	Original Submission	Revised Submission
kWh	1,877,068	2,995,320
kWh	4,832	7,711
Ration (kW/kWh)	0.26%	0.26%

The table below shows the impact of utilizing the revised kWh and kW thresholds in the current proceeding.

	2021 and 2022 LRAMVA Balance for Disposition	2023 LRAM-Eligible Amount for Prospective Disposition (2022 \$)
Application as Filed	\$47,069	\$14,766
OEB Modified Threshold	\$30,365	\$6,792
NOTL Hydro Modified Thresholds	\$8,634	-\$548

NOTL Hydro is also submitting an updated rate for the 2023 LRAMVA rate rider. The updated rate riders for the 2023 LRAMVA rounded to four decimals are shown below in Table 1.

Rate Class	Unit	2023 LRAM Amount ¹	2023 OEB Approved Inflation Minus X-Factor ² (3.70%-0.15%)	2023 LRAM x (1 + 3.55%)	Billing Determinant ³	2023 LRAM Rate Rider
A	B	C	D	E = C x (1+D)	F	G = E / F
RESIDENTIAL SERVICE CLASSIFICATION	kWh	\$0.00	3.55%	\$0.00	78,544,394	\$0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	(\$7,989.79)	3.55%	(\$8,273.43)	42,026,390	(\$0.0002)
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	\$7,260.80	3.55%	\$7,518.56	195,348	\$0.0385
LARGE USE SERVICE CLASSIFICATION	kW	\$180.91	3.55%	\$187.33	67,379	\$0.0028
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	\$0.00	3.55%	\$0.00	262,765	\$0.0000
STREET LIGHTING SERVICE CLASSIFICATION	kW	\$0.00	3.55%	\$0.00	1,568	\$0.0000

1. Tab 1 - NOTL_2023 IRM Appl_App 4_LRAMVA Workflow_20221123
2. OEB Letter dated October 20, 2022 - Re: 2023 Inflation Parameter. Inflation factor 3.7% less stretch Factor of 0.15%.
3. Tab 4 - NOTL_2023 IRM Appl_App 2_IRM Rate Generator Model_20221123

Yours truly,



Jeff Klassen
VP Finance

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