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BY EMAIL

November 24, 2022

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: EPCOR Natural Gas Limited Partnership (EPCOR)
Application for 2023 Rates – South Bruce Service Area
Ontario Energy Board File Number: EB-2022-0184**

In accordance with Procedural Order No. 3, please find attached the Ontario Energy Board (OEB) staff interrogatories for Phase 2 of the above proceeding. The applicant and all intervenors have been copied on this filing.

EPCOR Natural Gas Limited Partnership's responses to interrogatories are due by December 5, 2022.

Any questions relating to this letter should be directed to Arturo Lau, Advisor at Arturo.Lau@oeb.ca. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Arturo Lau
Advisor, Natural Gas

Encl.

**OEB Staff Interrogatories- Phase 2- Additional Evidence
EPCOR Natural Gas Limited Partnership
EB-2022-0184**

Please note, EPCOR Natural Gas Limited Partnership is responsible for ensuring that all documents it files with the 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.1 – CVVA – Normalized Average Consumption (NAC)

Ref: EPCOR Additional Evidence- Appendix A

In steps 3 and 4 of the CVVA calculation outline, EPCOR set out the weather normalization methodology.

- a) Please compare the NAC calculation proposed for EPCOR South Bruce to the weather normalization process for EPCOR Aylmer. What are the differences?
- b) Has the OEB approved EPCOR Aylmer's weather normalization process?
 - i. If so, please provide a reference.
- c) Please further describe the trend applied to determine average baseload consumption for Rate 1 Residential and Commercial sub-classes. Please provide rationale supporting the trend that was applied for these sub-classes.
 - i. Please explain why average baseload consumption is higher than actual average consumption in July and August 2022 for these sub-classes.
- d) Please provide rationale supporting the use of the lowest average monthly consumption in a given calendar year as baseload consumption for Rate 1 Agricultural, Rate 6 Medium Commercial and Rate 6 Large Commercial.
 - i. Please explain why, for Rate 6 Medium Commercial, the baseload value changes each month in the context of EPCOR's proposed approach of using the lowest average monthly consumption value as the baseload volume.
 - ii. Please explain why actual average consumption in September 2022 for Rate 6 Large Commercial is significantly lower than in all other months in 2021 and 2022 and advise whether this is an error in the model.
- e) With respect to outlier removal for weather normalization purposes, please provide the criteria used to determine if a data point is considered an outlier?

OEB Staff.2 – CVVA – Residential CIP Assumptions

Ref: EPCOR Additional Evidence- ENGLP_AddlEvidence_CVVA_excel_20221114.xls

In the excel model at Tab “CIPassumption”, EPCOR used a ratio of 90% existing and 10% new residential to determine the CIP average consumption value for residential customers.

- a) Please provide any information available that supports that actual/forecast customer attachments will be 90% existing homes and 10% new builds.

OEB Staff.3 – CVVA – Year- End Account Balance and Accrual Determination

Ref: EPCOR Additional Evidence- pg 3

EPCOR stated that due to the timing of year-end close and delays in data availability (amounts consumed in November/December would not be fully billed until the following calendar year), it intends to book an accrual in the CVVA using the available regression results based on actual data and apply to the weather normal heating degree days, providing a weather normalized average consumption that can be used to reasonably estimate year end results.

- a) Please confirm that EPCOR’s proposal, for the purposes of calculating the CVVA balance to be recovered from ratepayers, is to use estimated volumes for November and December in each year. If so, please explain why this is appropriate.
- b) Please advise whether EPCOR can wait until the November and December billing is complete to calculate the CVVA balance for recovery. Please consider for example, 2022 year-end balances will not be disposed of until 2024, providing EPCOR at least 6 months to complete the CVVA balance calculation and file its 2024 rate application.

OEB Staff.4 – CVVA – Effective Date

Ref: EPCOR Additional Evidence- Table 1
EPCOR 2023 South Bruce Rate Application, pg 29

EPCOR in its original application requested an effective date of January 1, 2020, for the CVVA. The tables and calculations provided in EPCOR’s additional evidence begin in 2021.

a) Please confirm EPCOR's requested effective date for the CVVA.