



Wellington North Power Inc.

290 Queen Street West, PO Box 359, Mount Forest, ON N0G 2L0

Phone: 519.323.1710 Fax: 519.323.2425

www.wellingtonnorthpower.com

E-mail: wnp@wellingtonnorthpower.com

ESA # 7012854

November 25, 2022

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

Dear Registrar:

Re: OEB File: EB-2022-0069

2023 Price Cap IR Distribution Rate Application - Wellington North Power Inc.
Applicant Responses to OEB Staff Questions

On November 23, 2022, Wellington North Power Inc. (WNP) received questions from OEB Staff regarding the utility's 2023 IRM Rate Application (OEB case number EB-2022-0069). Please find enclosed the Applicant's responses to the questions raised.

An electronic copy of this letter containing responses to the questions has been filed on the Board's web portal together an updated IRM Rate Generator excel model. The Applicant has also updated the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform.

Should the OEB have questions regarding this matter please do not hesitate to contact me.

Respectfully submitted,

Original Signed By

Richard Bucknall
Regulatory Manager

Wellington North Power Inc.

c.c. *Birgit Armstrong, OEB Case Manager / Project Advisor*

Wellington North Power Inc. (WNP)

2023 IRM Application

EB-2022-0069

Applicant's Responses to OEB Questions

Wellington North Power Inc. OEB Staff Questions EB-2022-0069

Please note, Wellington North Power Inc. (Wellington North Power) 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*.

Wellington North Power Inc. Response:

Wellington North Power Inc. (WNP) acknowledges that all documents filed with the OEB, including the Applicant's responses to OEB staff questions and any other supporting documentation, does not include any personal information.

OEB Staff – 1

Ref: IRM Rate Generator Tab 16, 17, 19 and 20 – Annual Adjustment Mechanism

Ref: OEB Letter, 2023 Inflation Parameters

Ref: EB-2022-0020, Decision and Order

Ref: EB-2022-0021, Decision and Order

OEB staff has made the following updates to Wellington North Power's Rate Generator:

- Updated the IPI Inflation Factor to 3.70%¹ in Tab 16 and Tab 17-Retail Service Charges
- Updated the Ontario Electricity Rebate in Tab 20 to 11.7% (as of November 1, 2022)
- Updated the Wireline Pole Attachment Charge to \$36.05² in Tab 17
- Updated Retail Service Charges by the inflation factor of 3.7% in Tab 17

Question:

- a) Please confirm the accuracy of these updates in the attached rate generator.
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Wellington North Power Inc. Response:

- a) Wellington North Power Inc. (WNP) has reviewed OEB staff's updated Rate Generator excel model and the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform.

The Applicant confirms the updates for the IPI Inflation Factor, Ontario Electricity Rebate, Wireline Pole Attachment Charge and the Retail Services, based on recent OEB Decision and Orders, have been made to the excel IRM model.

Upon reviewing the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model, as posted on the OEB's PivotalUX platform, the only update that has been made is for the IPI Inflation Factor to 3.70% on tab "16. Proposed Base Rates".

(Tab "20. Bill Impacts" shows the Ontario Electricity Rebate at 17%, not 11.7%; tab "19. Proposed Tariff" lists the Wireline Pole Attachment Charge at \$34.76 and incorrect charges for all Retail Service Charges").

¹ OEB Letter, 2023 Inflation parameters, issued October 20, 2022

² EB-2022-0221, Decision and Order, issued November 3, 2022

OEB Staff – 2

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.

Wellington North Power Inc. Response:

- a) WNP has reviewed OEB staff's updated Rate Generator excel model and the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform.

The Applicant confirms the update of \$0.42 for the Smart Meter Entity (SME) Charge, as per the OEB file number EB-2022-0137, has been made to the excel IRM model.

Upon reviewing the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform, in tab "17. RPP & Other Charges", the Applicant can see the Smart Meter Entity has been updated to \$0.42 per month. However, when reviewing tab "19. Proposed Tariff" and "20. Bill Impacts", the Smart Meter Entity Charge is incorrect at \$0.43.

OEB Staff – 3

Ref: IRM Rate Generator Tab 17 – Time of Use RPP Prices and Distribution Rate Protection Charge

OEB staff has made the following updates to Tab 17 of the rate generator:

Distribution Rate Protection (DRP) Amount (Applicable to LDCs under the Distribution Rate Protection program):	\$	38.08
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Time-of-Use RPP Prices

As of	November 1, 2022	
Off-Peak	\$/kWh	0.0740
Mid-Peak	\$/kWh	0.1020
On-Peak	\$/kWh	0.1510

Question:

- a) Please confirm the accuracy of the resulting changes in the rate generator.
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Wellington North Power Inc. Response:

- a) WNP has reviewed OEB staff's updated Rate Generator excel model and the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform.

The Applicant confirms the updates for the Distribution Rate Protection (DRP) and the Winter 2022 Time-of-Use RPP Prices, have been made to the IRM excel model.

Upon reviewing the on-line Rate Generator (*version 2 working copy – 2022/10/17*) model as posted on the OEB's PivotalUX platform, in tab "17. RPP & Other Charges", the Applicant can see the Time of Use RPP Prices and Distribution Rate Protection Charge have been updated. However, when reviewing tab "20. Bill Impacts", the Time of Use RPP Prices are incorrect and show the pre-November 1, 2022 prices.

OEB Staff – 4

Ref: IRM Rate Generator Tab 3 – Continuity Schedule

OEB staff has noted a principal adjustment in the amount of \$332,338 in Account 1595 (2021) in column BF of tab 3.

		2021								
Account Descriptions	Account Number	Transactions Debit / (Credit) during 2021	OEB-Approved Disposition during 2021	Principal Adjustments ¹ during 2021	Closing Principal Balance as of Dec 31, 2021	Opening Interest Amounts as of Jan 1, 2021	Interest Jan 1 to Dec 31, 2021	OEB-Approved Disposition during 2021	Interest Adjustments ¹ during 2021	Closing Interest Amounts Dec 31, 2021
Group 1 Accounts										
V Variance Account	1550	195,346	395,903		424,243	23,665	2,833	23,447		
Smart Metering Entry Charge Variance Account	1551	(2,173)	(5,172)		(2,378)	(260)	(17)	(269)		
ISVA - Wholesale Market Service Charge ³	1580	71,693	(491,408)		14,415	(34,680)	(1,309)	(35,399)		
Variance WMS – Sub-account CBR Class A ³	1580				0	0				
Variance WMS – Sub-account CBR Class B ³	1580	(2,108)	16,835		(4,096)	1,635	43	1,685		
ISVA - Retail Transmission Network Charge	1584	32,640	30,926		45,960	3,290	261	3,325		
ISVA - Retail Transmission Connection Charge	1586	28,143	188,570		85,256	10,450	858	10,553		
ISVA - Power ⁴	1588	31,171	83,343		23,640	927	420	1,097		
ISVA - Global Adjustment ⁵	1589	30,024	(39,274)	(9,144)	22,974	1,104	(279)	1,148		
Disposition and Recovery/Refund of Regulatory Balances (2019) ³	1595				0	0				
Disposition and Recovery/Refund of Regulatory Balances (2020) ³	1595				0	0				
Disposition and Recovery/Refund of Regulatory Balances (2021) ³	1595	(118,972)		332,338	213,366	0	923			
Disposition and Recovery/Refund of Regulatory Balances (2022) ³	1595									
not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.										
ISVA - Global Adjustment requested for disposition	1589	30,024	(39,274)	(9,144)	22,974	1,104	(279)	1,148		0
total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		235,938	218,998	332,338	800,406	5,027	4,012	4,439		0
total Group 1 Balance requested for disposition		265,962	179,724	323,194	823,380	6,131	3,734	5,587		0
RAM Variance Account (only input amounts if applying for disposition of this account)										
	1568			0		0	0			

Question:

- a) Please explain the nature of this principal adjustment in detail.

Wellington North Power Inc. Response:

- a) In its' application, WNP incorrectly inputted the amount of \$332,338 in Account 1595 (2021) in cell BF36 of worksheet "3. Continuity Schedule" of the IRM Rate Generator model. The correct amount is (\$332,338) and should have been inputted in cell BE36 in the "OEB-Approved Disposition During 2021" column of worksheet "3. Continuity Schedule." The amount of (\$332,338) represents the regulatory balances that were OEB-approved for disposition in the utility's 2021 Cost of Service application (EB-2020-0061).

WNP has updated the IRM excel model by inputting (\$332,338) in cell BE36 in the "OEB-Approved Disposition During 2021" column of worksheet "3. Continuity Schedule."

The outcome of this update does not change WNP's application as filed, that is Applicant's Total Claim for Disposition of Group 1 Accounts remains at \$375,486 and the calculation of deferral-variance rate-riders and bill impacts remain unchanged.

WNP has filed an updated IRM excel model on the OEB's web portal and has also updated the on-line Rate Generator (version 2 working copy – 2022/10/17) model as posted on the OEB's PivotalUX platform.