



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL

January 9, 2023

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

Dear Ms. Marconi:

Re: EB-2022-0066 Application for 2023 Rates

In accordance with Procedural Order #1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant has been copied on this filing.

Wasaga Distribution Inc.'s responses to interrogatories are due by January 23, 2023.

Any questions relating to this letter should be directed to Musab Qureshi at musab.gureshi@oeb.ca or at 416-440-7658. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Musab Qureshi
Senior Advisor, Generation & Transmission

Encl.

**Wasaga Distribution Inc.
OEB Staff Interrogatories
EB-2022-0066**

Please note, Wasaga Distribution Inc. (Wasaga Distribution) 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

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 Wasaga Distribution'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.

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.

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

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

OEB Staff – 3

Ref: IRM Rate Generator Tab 17 and Tab 20 – Regulatory Charges, Time of Use RPP Prices and Distribution Rate Protection Charge

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

Regulatory Charges

Effective Date of Regulatory Charges		January 1, 2022	January 1, 2023
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$/kWh	0.25	0.25

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:

- Please confirm the accuracy of these updates in the rate generator.

OEB Staff – 4

Ref: IRM Rate Generator Tab 19 and Tab 20 – Retail Service Transmission Rates (RTSRs)

Ref: Decision and Order, EB-2021-0110

OEB staff made the following updates to Tab 11 of the rate generator model:

Uniform Transmission Rates		Unit		2021 Jan to Jun		2021 Jul to Dec		2022 Jan to Mar		2022 Apr to Dec		2023	
Rate Description				Rate		Rate		Rate		Rate		Rate	
Network Service Rate	kW	\$		4.67	\$	4.90	\$	5.13	\$	5.46	\$	5.60	
Line Connection Service Rate	kW	\$		0.77	\$	0.81	\$	0.88	\$	0.88	\$	0.92	
Transformation Connection Service Rate	kW	\$		2.53	\$	2.65	\$	2.81	\$	2.81	\$	3.10	

Hydro One Sub-Transmission Rates		Unit		2021		2022		2023	
Rate Description				Rate		Rate		Rate	
Network Service Rate	kW	\$		3.4778	\$	4.3473	\$	4.6545	
Line Connection Service Rate	kW	\$		0.8128	\$	0.6788	\$	0.6056	
Transformation Connection Service Rate	kW	\$		2.0458	\$	2.3267	\$	2.8924	
Both Line and Transformation Connection Service Rate	kW	\$		2.8586	\$	3.0055	\$	3.4980	

Question:

- a) Please confirm the accuracy of these updates in the rate generator.

OEB Staff – 5

Ref: Application & Evidence, Manager's Summary, Section 9

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:

Please confirm that Wasaga Distribution will not be seeking to dispose of any balance in the LRAMVA due to LRAM-eligible CDM activities funded by the IESO through the Conservation First Framework or Interim Framework in a future year's application.

- If not confirmed, please explain why a request for disposition was not submitted as part of this application.
- If confirmed, please also confirm that Wasaga Distribution has verified that, relative to the LRAMVA threshold (if any) established in Wasaga Distribution'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).

OEB Staff – 6

Ref: IRM Rate Generator Tab 19 and Tab 20 – Low Voltage (LV) Charge Update

OEB staff updated the Tab 19 and Tab 20 of the rate generator to reflect the proposed Low Voltage (LV) charge in the proposed tariff as well as the proposed bill impact calculation.

Question:

- a) Please confirm the accuracy of the update as well as the resulting bill impacts in the rate generator.

OEB Staff – 7

Ref: Appendix G – Wasaga Distribution Inc. Low Voltage Service Rates (LV Variances tab)

Wasaga Distribution notes 2021 Actual LV Payments to Hydro One to be \$844,403.87 and the 2022 Projected amounts to be \$653,031.31.

Wasaga Distribution notes that the 2023 projections for LV Payments to Hydro One and LV Revenues have been derived by applying a 5% adjustment to the 2022 projections to account for a corresponding increase in the rate base

Questions:

- a) Please explain the significant drop in LV Payments to Hydro One from 2021 Actual to 2022 Projected.
- b) Please provide a rational for applying a 5% adjustment to develop the 2023 projections. How does this adjustment compare with the LV charges approved in EB-2021-0110 (Hydro One's 2023-2027 Joint Distribution and Transmission rates application).
- c) Please update Appendix G to reflect 2022 actual amounts.