

**Northern Ontario Wires Inc.  
EB-2022-0054**

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**Staff Question-1**

**Ref: 2023 IRM Rate Generator Model, Tab16, Tab 17 Tab 19**

OEB staff has updated Northern Ontario Wires's Rate Generator Model with the following changes:

Tab 11: The UTRs and RTSRs have been updated to reflect the most current rates.

Tab 16: Price Escalator is changed from 3.30% to the 2023 inflation factor of 3.70%.

Tab 17: The Wireline Pole Attachment Charge in Tab 17 of the IRM model is inflated by 3.7% from the 2022 current charge of \$34.76 to the new 2023 charge of \$36.05.

Tab 17: Retail Service Charges is updated using the 2023 inflation factor (3.7%)

Tab 20: Updates to reflect the Ontario Electricity Rebate of 11.7%

<b>Wireline Pole Attachment Charge</b>		<b>Unit</b>	<b>Current charge</b>	<b>Inflation factor *</b>	<b>Proposed charge ** / ***</b>
Specific charge for access to the power poles - per pole/year		\$	34.76	3.70%	36.05
<b>Retail Service Charges</b>			<b>Current charge</b>	<b>Inflation factor*</b>	<b>Proposed charge ***</b>
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer		\$	107.68	3.70%	111.66
Monthly fixed charge, per retailer		\$	43.08	3.70%	44.67
Monthly variable charge, per customer, per retailer		\$/cust.	1.07	3.70%	1.11
Distributor-consolidated billing monthly charge, per customer, per retailer		\$/cust.	0.64	3.70%	0.66
Retailer-consolidated billing monthly credit, per customer, per retailer		\$/cust.	(0.64)	3.70%	(0.66)
Service Transaction Requests (STR)				3.70%	-
Request fee, per request, applied to the requesting party		\$	0.54	3.70%	0.56
Processing fee, per request, applied to the requesting party		\$	1.07	3.70%	1.11
Electronic Business Transaction (EBT) system, applied to the requesting party					
up to twice a year			no charge		no charge
more than twice a year, per request (plus incremental delivery costs)		\$	4.31	3.70%	4.47
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)		\$	2.15	3.70%	2.23

**Question:**

- a) Please confirm the accuracy of the updates.

***NOW Inc. confirms the accuracy of the noted updates.***

**Staff Question-2**

**Ref: Manager's Summary, Proposed Deferral and Variance Accounts, Page 7**

The Managers Summary stated that there is one Class A transitional customer in the period being disposed and proposes to dispose of the full credit balance of \$3,748 in one month rather than 12-month installment payments.

**Question:**

- a. If approved as a one-time refund, when will the customer expect the refund if Northern Ontario Wires 2023 IRM rates are approved prior to May 1, 2023?

***If approved, the customer should expect a credit to be applied against their June 2023 bill (for consumption for the period May 1 to 31, 2023).***

- b. Please explain why the one Class A transitional customer could not be refunded over the typical 12-month installment period.

***The amount to be refunded is not considered material and it is administratively easier to apply the credit over 1 month instead of a 12-month period.***

### **Staff Question-3**

**Ref: Manager's Summary, Proposed Deferral and Variance Accounts, Page 7  
Northern Ontario Wire, 2018 IRM Decision, EB-2017-0066**

The Managers Summary stated that Northern Ontario Wire meets the criteria to dispose of the 1595 (2017) sub-account in this application. Northern Ontario Wire proposes the disposition of Account 1595 (2017) in this application.

OEB staff notes that according to the 2018 IRM decision, the 1595 (2018) sub-account has an expiry date of April 2020.

#### **Question:**

- a. OEB staff understands that Northern Ontario Wire will be eligible to dispose of 1595 (2018) sub-account once two years had passed and audited. Please confirm OEB staff understanding. If so, please update the applicable model/evidence as needed.

***OEB staff is correct that 1595 (2018) sub-account is eligible for disposal once two years has been passed and audited.***

***The vintage 1595 (2017) sub-account rate rider expired in April 2019. Whereas the rate rider for 1595 (2018) sub-account ends in April 2020. As such 2019 + two years is the 2021 audited balance are required for 1595 (2017), and 2022 audited balances for 1595 (2018). This is evidenced by the example provided in the Filing Requirements Dated May 24, 2022.***

***“May 1 rate year – If 2019 rate riders expire on April 30, 2020, the balance of sub-account 1595 (2019) is eligible to be disposed after the account balance as of December 31, 2022 has been audited. Therefore, sub-account 1595 (2019) would be eligible for disposition in the 2024 rate year.”***

***As NOW Inc.'s 2018 vintage rate rider expires at the same time as the example, then the conclusion that the eligible disposition would also be the 2024 rate year.***

***As a result, NOW Inc. has not updated the model/evidence.***