**E.L.K. Energy Inc.**

**EB-2022-0023**

**OEB Staff Questions**

**December 22, 2022**

Please note, E.L.K. Energy Inc. (E.L.K.) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions 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*.

**Staff Question-1**

**Ref: Rate Generator Model – Tab 3 Continuity Schedule, Projected Interest**

In the application, it’s noted that the OEB’s prescribed interest rates have been applied to calculate the projected interest from January 1, 2022 to April 30, 2023 (columns BQ and BR in Tab 3). OEB staff has noted that a number of interest amounts in columns BQ and BR are not correct.

Please review the calculations and update the input in the two columns with formulars (and ensure the correct 2021 year-end balance adjusted for 2022 disposition, and interest rates are applied). Confirmed and Updated with formulas in the columns

**Staff Question-2**

**Ref: Rate Generator Models – Tab 3 Continuity Schedule, Account 1595 (2018)**

In columns BM and BN of the Continuity Schedule, it’s noted that E.L.K. has entered the 2022 disposition amounts in Accounts 1595 (2016) and 1595 (2017) into row 33 for Account 1595 (2018).

Please review all balances entered in row 33 for Account 1595 (2018). Please remove any balances that do not belong to this account. Confirmed balance for 2016 and 2017 were removed. RRR balance -106940 included the 2016 and 2017 balances thus the reason for the variance.

**Staff Question-3**

**Ref: Rate Generator Model - Tab 3 Continuity Schedule, Account 1580 Sub-account CBR Class B**

As reported in the Continuity Schedule, E.L.K. has balances in Account 1580 Sub-account CBR Class B. However, it’s noted that E.L.K. reported $0 for this sub-account in the RRR 2.1.7 filing. It’s understood that in RRR filing, the control account balance in Account 1580 includes any sub-account balances (which is different than the Continuity Schedule requirements). The Sub-account CBR Class B balances should still be reported in RRR 2.1.7.

1. Please update the 2021 RRR 2.1.7 filing to include the correct Sub-account CBR Class B balances. Confirm will update sub acct to (27483.56) and reduce main account 1580 to (7234.64)
2. As noted in cell BX23 in the Continuity Schedule, the variance in cell BW23 should match 2021 year-end balance in Sub-account CBR Class B. If the variance does not match, please provide an explanation. Confirmed matches

**Staff Question-4**

**Ref: Rate Generator Model – Tab 3 Continuity Schedule, Non-zero Variances**

OEB staff has updated column BV with E.L.K.’s 2021 RRR 2.1.7 data. As shown in column BW, there are non-zero variances in Accounts 1550, 1551, 1584 and 1586.

1. The balances reported in RRR 2.1.7 should match the 2021 year-end balances in the Continuity Schedule. Please review the balances reported in the Continuity Schedule and RRR 2.1.7 and make necessary corrections. Confirmed
2. If the no-zero variances for the above noted accounts still exist. Please provide explanations for the variances.

**Staff Question-5**

**Ref: Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)**

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.

Please confirm that E.L.K. 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. Confirmed

1. If not confirmed, please explain why a request for disposition was not submitted as part of this application.
2. If confirmed, please also confirm that E.L.K. has verified that, relative to the LRAMVA threshold (if any) established in E.L.K. 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). Confirmed