



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

BY EMAIL

March 29, 2023

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

Dear Ms. Marconi:

Re: EB-2022-0305 Application to dispose of balances in certain deferral and variance accounts

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

GrandBridge Energy's responses to interrogatories are due by April 12, 2023.

Any questions relating to this letter should be directed to Natalya Plummer at natalya.plummer@oeb.ca or at 416-440-7645. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Natalya Plummer
Case Manager

Encl.

**OEB Staff Interrogatories
GrandBridge Energy Inc.
EB-2022-0305**

Please note, GrandBridge Energy Inc. 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*.

Staff Question - 1

Reference: Manager's Summary, pages 8-15

Preamble:

GrandBridge Energy is requesting to dispose of a debit amount of \$456,261 in Accounts 1580, 1589, and 1595 (2018) in the energy+ rate zone over a 12-month period. Grandbridge Energy proposed principal adjustments in Accounts 1580, Sub-account CBR B, Account 1589, and Account 1595 (2018) to correct for the accounting error discussed in the Manager's Summary.

Question:

- a) Please explain the financial and regulatory accounting treatment in the three noted accounts
 - i. If the proposed disposition of the balances for Account 1580, Sub-account CBR B, Account 1589, and Account 1595 (2018) were denied
 - ii. If the proposed principal adjustments to Accounts 1580, Sub-account CBR Class B, Account 1589 and Account 1595 (2018) were denied.

Staff Question - 2

Ref: Manager's Summary, Page 14

Preamble:

It states that the error relating to Account 1580, Wholesale Market Service Charge (WMS), Account 1580, Sub-account CBR Class B, and Account 1595 (2018) is the first occurrence for Energy+ and an isolated issue.

Question:

- a) Please confirm that this error is an isolated issue from GrandBridge Energy's review of other 1595 sub-accounts. If not confirmed, please explain how GrandBridge Energy has determined that the error is an isolated issue.

Staff Question – 3

Ref: EB-2022-0017, Interrogatory Responses, October 27, 2022

Preamble:

In GrandBridge Energy's 2023 IRM (EB-2022-0017), please confirm that the interrogatory responses GBE(E+) Rate Zone for the following two staff questions are still accurate:

- a) Staff Question 3c(ii) showing the impact of the correction to Account 1580, Sub-account CBR Class B, Account 1589- Global Adjustment, and Account 1595 (2018) to customers in the current proceeding is still accurate. If not, please revise the table.
- b) Staff Question 3d confirming that the calculated account balance of \$1,167,789 in the Account 1595 Workform excludes the revenues billed to the transition customers is still accurate in relation to the Account 1595 Workform filed in this proceeding. If not confirmed, please explain.

Staff Question - 4

Ref: IRM Rate Generator Model, Tab 3 – DVA Continuity Schedule

Preamble:

In the DVA continuity Schedule, the RRR balances (column BV) for Account 1580, Wholesale Market Service Charge (WMS) and Account 1580, Sub-account CBR Class B are debit amounts of \$315,096 and \$0, respectively.

Question:

- a) Please confirm that the correct balances in the RRR should be as shown below. If not confirmed, please provide the correct RRR balances.

Account	Balance \$	Note
Account 1580 – WMS	\$501,939	
Account 1580, Sub-account CBR Class B	(\$186,943)	excluding proposed principal adjustment
Account 1580 Total Control Account	\$315,096	

Staff Question - 5

Ref: IRM Rate Generator Model, Tab 3 – DVA Continuity Schedule
Account 1595 Workform

Preamble:

In the DVA Continuity Schedule, a debit amount of \$1,291,424 in Account 1595 (2018) as at December 31, 2021 is requested for disposition, comprised of a debit amount of \$1,603,373 in principal and a credit amount of \$311,950 in interest.

Questions:

- a) The DVA Continuity Schedule commences from the opening 2021 balance. Please provide a continuity schedule for Account 1595 (2018) starting from 2018, when transactions in the sub-account would have been first recorded.
- b) The Account 1595 Workform shows that the total approved balances in the 2018 rate application is a credit amount of \$4,993,789. Please explain how the interest as at December 31, 2021 is in a credit position, when the principal as at December 31, 2021 is in a debit position, in consideration of how the approved

balances were drawn down and the continuity schedule of the sub-account balance provided in part a) above.

- c) Forecasted interest was not included in the DVA Continuity Schedule for Account 1595 (2018). Please confirm that GrandBridge Energy is forgoing interest on this sub-account. Otherwise, please review the evidence as needed.

Staff Question - 6

Ref: EB-2022-0305 GA Analysis Workform
EB-2020-0016 GA Analysis Workform, August 17, 2020

Preamble:

Please explain the following differences in the GA 2018 tabs between the GA Analysis Workform in this proceeding and the GA Analysis Workform in Energy+'s 2021 IRM:

Questions:

- a) The monthly consumption is different, even though the total annual consumption remains the same. This results in a different expected GA variance between the two GA 2018 tabs. Please explain the reason for the reallocated monthly consumption.
- b) The GA 2018 tab of the current proceeding includes a reconciling item for 2a "Remove prior year end unbilled to actual revenue differences" of (\$58,694). This reconciling item was not included in the GA 2018 tab of the GA Analysis Workform in Energy+'s 2021 IRM, nor was it a "current year" reconciling item in the GA 2017 tab of the GA Analysis Workform in Energy+'s 2021 IRM. Please explain why and how the reconciling item is identified in this proceeding.
- c) In the Principal Adjustment tab of the current proceeding, there is a 2018 principal adjustment for "Reversal of difference between unbilled and actual consumption for Class B Non-RPP customers" of (\$58,694). This was not an approved 2018 principal adjustment in the 2021 Energy+ IRM. Please explain whether GrandBridge Energy is proposing to include this principal adjustment in the 2021 GA balance requested for disposition in this proceeding. If so,
 - i. please explain how has this been reflected in the DVA Continuity Schedule.

- ii. please explain why the principal adjustment is proposed to 2021 balances in this proceeding when the principal adjustment is a timing difference where the unbilled to actual revenue true-up pertaining to 2017 should have no impact to 2021 balances (i.e. if the principal adjustment should have been included as a 2017 unbilled to actual revenue true-up and then subsequently reversed in 2018, it would have no impact to 2019 and later balances).
- iii. please update the DVA continuity schedule as needed.

Staff Question - 7

Ref: Account 1595 Workform
Manager's Summary, Page 24

Preamble:

In the Account 1595 Workform, there is an unreconciled difference of \$58,385 between the Account 1595 (2018) balance in the DVA Continuity Schedule and the Account 1595 (2018) variance explained in the Workform. Of the unreconciled difference, Grandbridge Energy indicated that \$26,174 is due to rate rounding differences.

Question:

- a) Please provide further support for this statement (e.g. show the impact to the variance calculated based on a change in rounding of the inputs into the calculation).

Staff Question – 8

Ref: Manager’s Summary, Page 13

Preamble:

On page 13 of Manager’s summary, GrandBridge Energy stated that rate riders from transition customers were recorded in Account 4007 for GA recoveries during the period between May 1, 2018, to April 30, 2019. Account 4007 is not an account listed in the Accounting Procedures Handbook (APH) for Electricity Distributors, effective January 1, 2012. As per the APH, sub-accounts of Account 4006 to 4055 are established to record global adjustment revenues from customers.¹

Question:

- a) Please explain the nature of Account 4007 and how it is mapped to the Uniform System of Accounts under the APH.
- b) Please explain how Grandbridge Energy uses Account 4007 to record the GA recoveries.

Staff Question - 9

Ref: Manager’s Summary, Page 9

Preamble:

The 2022 and 2023 approved total bill amounts presented on page 9 of the Manager’s Summary do not match the total bill amounts in the final rate generator models that were issued by the OEB in 2021² and 2022³. As depicted by table 2 below, for 2023, the total bill for the residential class in the Energy+ rate zone is \$119.29.

¹ Accounting Procedures Handbook, Article 220, Page 38

² EB-2021-0018, Decision and Rate Order, January 12, 2022

³ EB-2022-0017, Decision and Rate Order, December 8, 2022

Table 1: Projected Total Bill Impact on Approved 2023 Rates, Manager's Summary

GBE(+) Rate Zone - Rate Class	kWh	kW	Distribution (Fixed & Volumetric)				Total Bill (excluding HST)			
			2023 Approved (Phase 1)	2023 Approved (Phase 1)	\$ Change	% Impact	2023 Approved (Phase 1)	2023 Proposed (Phase 2)	\$ Change	% Impact
Residential	750		\$ 30.84	\$ 30.84	\$ -	0.0%	\$ 105.33	\$ 106.75	\$ 1.43	1.4%
GS< 50 kW	2,000		\$ 52.01	\$ 52.01	\$ -	0.0%	\$ 249.97	\$ 253.57	\$ 3.60	1.4%
GS> 50 to 999 kW	20,000	60	\$ 365.70	\$ 365.70	\$ -	0.0%	\$ 2,937.01	\$ 2,878.44	\$ (58.57)	-2.0%
GS> 1,000 to 4,999 kW	800,000	2,000	\$ 9,428.25	\$ 9,428.25	\$ -	0.0%	\$ 104,584.75	\$ 102,435.55	\$ (2,149.20)	-2.1%
Large Use	6,600,000	16,000	\$ 39,584.25	\$ 39,584.25	\$ -	0.0%	\$ 822,134.71	\$ 837,224.31	\$ 15,089.60	1.8%
Unmetered Scattered Load	100		\$ 8.05	\$ 8.05	\$ -	0.0%	\$ 20.04	\$ 20.23	\$ 0.19	0.9%
Street Lighting	400,000	700	\$ 13,050.67	\$ 13,050.67	\$ -	0.0%	\$ 57,865.38	\$ 56,650.51	\$ (1,214.87)	-2.1%
Sentinel Lighting	10,000	29	\$ 1,358.95	\$ 1,358.95	\$ -	0.0%	\$ 2,157.66	\$ 2,173.96	\$ 16.30	0.8%
Embedded Distributor - Hydro One CND	1,382,000	2,574	\$ 6,030.11	\$ 6,030.11	\$ -	0.0%	\$ 166,171.42	\$ 161,970.27	\$ (4,201.15)	-2.5%
Embedded Distributor - Waterloo North Hydro		8,280	\$ 15,057.18	\$ 15,057.18	\$ -	0.0%	\$ 69,705.94	\$ 69,798.68	\$ 92.74	0.1%
Embedded Distributor - Brantford	50,000	27	\$ 281.03	\$ 281.03	\$ -	0.0%	\$ 5,752.38	\$ 5,617.01	\$ (135.37)	-2.4%
Embedded Distributor - Hydro One #1	1,300,000	2,340	\$ 3,145.23	\$ 3,145.23	\$ -	0.0%	\$ 153,283.80	\$ 149,265.76	\$ (4,018.04)	-2.6%
Embedded Distributor - Hydro One #2	1,990,000	4,050	\$ 77.49	\$ 77.49	\$ -	0.0%	\$ 208,743.35	\$ 202,293.08	\$ (6,450.27)	-3.1%

Table 2: Bill Impact on Tab 20 of the final 2023 Energy+ Rate Generator Model

Customer Class: RESIDENTIAL SERVICE CLASSIFICATION									
RPP / Non-RPP: RPP									
Consumption: 750 kWh									
Demand: - kW									
Current Loss Factor: 1.0307									
Proposed/Approved Loss Factor: 1.0307									
	Current OEB Approved				Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 29.78	1	\$ 29.78	\$ 30.84	1	\$ 30.84	\$ 1.06	3.56%	
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
Fixed Rate Riders	\$ 0.85	1	\$ 0.85	\$ 0.85	1	\$ 0.85	\$ -	0.00%	
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
Sub-Total A (excluding pass through)			\$ 30.63			\$ 31.69	\$ 1.06	3.46%	
Line Losses on Cost of Power	\$ 0.0929	23	\$ 2.14	\$ 0.0929	23	\$ 2.14	\$ -	0.00%	
Total Deferral/Variance Account Rate Riders	\$ 0.0014	750	\$ 1.05	\$ 0.0014	750	\$ 1.05	\$ -	0.00%	
CBR Class B Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
Low Voltage Service Charge	\$ 0.0003	750	\$ 0.23	\$ 0.0003	750	\$ 0.23	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ 0.43	1	\$ 0.43	\$ 0.42	1	\$ 0.42	\$ (0.01)	-2.33%	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	0.00%	
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 34.47			\$ 35.52	\$ 1.05	3.05%	
RTSR - Network	\$ 0.0087	773	\$ 6.73	\$ 0.0090	773	\$ 6.96	\$ 0.23	3.45%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0052	773	\$ 4.02	\$ 0.0050	773	\$ 3.87	\$ (0.15)	-3.85%	
Sub-Total C - Delivery (including Sub-Total B)			\$ 45.22			\$ 46.35	\$ 1.13	2.49%	
Wholesale Market Service Charge (WMSC)	\$ 0.0034	773	\$ 2.63	\$ 0.0034	773	\$ 2.63	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	773	\$ 0.39	\$ 0.0005	773	\$ 0.39	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
TOU - Off Peak	\$ 0.0740	480	\$ 35.52	\$ 0.0740	480	\$ 35.52	\$ -	0.00%	
TOU - Mid Peak	\$ 0.1020	135	\$ 13.77	\$ 0.1020	135	\$ 13.77	\$ -	0.00%	
TOU - On Peak	\$ 0.1510	135	\$ 20.39	\$ 0.1510	135	\$ 20.39	\$ -	0.00%	
Total Bill on TOU (before Taxes)			\$ 118.16			\$ 119.29	\$ 1.13	0.95%	
HST	13%		\$ 15.36	13%		\$ 15.51	\$ 0.15	0.95%	
Ontario Electricity Rebate	11.7%		\$ (13.82)	11.7%		\$ (13.95)	\$ (0.13)	-0.95%	
Total Bill on TOU			\$ 119.69			\$ 120.84	\$ 1.14	0.95%	

Questions:

- Please describe how the total bill amounts in table 1 and table 2 of the manager's summary were calculated.
- Please use the total bill amount from the final rate generator model that was issued by the OEB in 2021⁴ to update the projected impact of the proposed DVA disposition to the approved 2022 rates.

⁴ EB-2021-0018, Decision and Rate Order, January 12, 2022

- c) Please use the total bill amount from the final rate generator model that was issued by the OEB in 2022⁵ to update the projected impact of the proposed DVA disposition to the approved 2023 rates.

⁵ EB-2022-0017, Decision and Rate Order, December 8, 2022