

**Entegrus Powerlines Inc.
EB-2022-0178**

Please note, Entegrus Powerlines Inc. (Entegrus) is responsible for ensuring that all documents it files with the Ontario Energy Board (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*.

OEB Staff-1

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

Ref. 2: [Ontario Energy Board – Distribution System Code, Definitions, October 1, 2022](#)

Entegrus states (Ref. 1, p. 3 of 32) that “the Subject Area is currently listed as an exclusion in the Entegrus Distribution Licence, although Entegrus acts as the physical distributor for the Customer...”

The DSC definition of a *physical distributor* (Ref 2) states that a: “physical distributor”, with respect to a load transfer, means the distributor that provides physical delivery of electricity to a load transfer customer, but is not responsible for connecting and billing the load transfer customer directly.

The DSC definition of a *geographic distributor* (Ref 2) states that a: “geographic distributor,” with respect to a load transfer, means the distributor that is licensed to service a load transfer customer and is responsible for connecting and billing the load transfer customer.

- a) Please explain how Entegrus meets the OEB’s definition of a physical distributor.

OEB Staff- 2

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

- a) Has Hydro One made any payments to Entegrus for use of the feeders since January 1, 2018?

b) Entegrus stated (Ref 1, p. 10-11 of 32) that the January 1, 2018 book value of the feeders excluding the book value of the poles was \$116,431.

- What was the book value of the feeders including the poles on January 1, 2018? Please show how this value was calculated relative to the capital cost.

OEB Staff-3

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

Ref 2: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022](#)

Entegrus states (Ref 1, p. 16 of 32) that “In the event that Entegrus were to retain and control the feeders, in consultation with the Customer, the underutilized capacity on the M7 and M8 feeders could be used to address the immediate needs in St. Thomas (beyond which the focus would become a second additional feeder between 2024-2027).”

- a) If Entegrus were to retain control of the feeders, would Entegrus reimburse Hydro One for the contribution that Hydro One has made to the cost of the feeders? Please explain and include information regarding the source of the funds to be used for reimbursement, and any planned treatment of that reimbursement for future ratemaking purposes.
- b) Please explain Entegrus’ plans to use the underutilized capacity on the M7 and M8 feeders for the capacity needs in the St. Thomas area.
 - a. How will this plan impact Entegrus ratepayers?

OEB Staff-4

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

Ref 2: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022](#)

Entegrus states (Ref 1, p. 11 of 32) that “Specifically, it would be contrary to regional planning objectives and OEB Act Section (1), regarding the protection of customers in terms of pricing and promoting economic efficiency and cost effectiveness in the transmission and distribution of electricity.”

- a) Please explain this statement.
- b) Please explain what discussions have occurred between Hydro One and Entegrus, regarding the regional planning process and when those discussions occurred.
- c) Please provide references to any regional planning reports or documents that describe these discussions, such as an Integrated Regional Resource Plan.

OEB Staff-5

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

Ref 2: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022](#)

Entegrus states (Ref 1, p. 18 of 32) “Since, by way of the new feeder, Entegrus would be directly connected to the Edgware TS, Entegrus does not believe it would incur any Low Voltage charges under this scenario.”

- a) Please describe Entegrus’ plan to pay for low voltage charges, if they occurred.
- b) Please explain if and how paying for low voltage charges will impact Entegrus ratepayers.

OEB Staff-6

Ref. 1: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, October 17, 2022](#)

Ref 2: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022](#)

The left column of Table 6-1 (Ref.1, p. 27 of 32) shows the costs that Entegrus would incur if Entegrus services the customer and accesses additional capacity.

- a) What impact will these costs have on Entegrus ratepayers?

OEB Staff-7

Ref. 1: [Entegrus Powerlines Inc. – Service Area Supplementary Evidence, May 12, 2023](#)

- a) Please explain the statement that “If additional St. Thomas customers were connected, operational flexibility and ease of customer restoration would increase.” (Ref 1, p. 2 of 10)

OEB Staff-8

Ref. 1: [Entegrus Powerlines Inc. – Service Area Supplementary Evidence, May 12, 2023](#)

- a) Please explain the statement that “No requirement is included in the DSC that a load transfer must always be billed by the local distributor on behalf of the physical distributor.” (Ref. 1, p. 9 of 10)

OEB Staff-9

Ref. 1: [Entegrus Powerlines Inc. – Service Area Supplementary Evidence, May 12, 2023](#)

Entegrus states (Ref. 1, p. 4 of 10) “...the purpose of the intelligent system featuring reclosers on the M7 and M8 feeders is to mitigate reliability issues, including momentary outages, while allowing additional St. Thomas customers to access currently unutilized capacity.”

- a) What is the expected cost of the proposed upgrades to M7 and M8 and how will this cost be recovered?

OEB Staff-10

Ref. 1: [Entegrus Powerlines Inc. – Service Area Supplementary Evidence, May 12, 2023](#)

Ref 2: [Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022](#)

Entegrus states (Ref 1, p. 9 of 10) that “Entegrus customers are being deprived of a benefit and will have to incur the consequences of additional costs for new capacity to serve St. Thomas.”

- a) What benefit are Entegrus customers being deprived of? Please explain why Entegrus customers would be deprived of this benefit?
- b) What is the net cost that Entegrus customers have paid for feeders M7 and M8 considering the payments made by Hydro One?