



Ontario | Commission
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BY EMAIL

June 29, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Marconi:

**Re: Ontario Energy Board (OEB) Staff Submission
GrandBridge Energy
Application for the Disposal of certain Deferral and Variance Accounts
OEB File Number: EB-2022-0305**

Please find attached OEB staff's submission in the above referenced proceeding.

Yours truly,

Natalya Plummer
Case Manager

Encl.



ONTARIO ENERGY BOARD

OEB Staff Submission

GrandBridge Energy

**Application for the Disposal of certain Deferral and Variance
Accounts**

EB-2022-0305

June 29, 2023

Background

The Ontario Energy Board (OEB) issued a Decision and Order on June 15, 2023 (Decision) on the request by GrandBridge Energy Inc. (GrandBridge) to dispose of certain deferral and variance accounts (DVAs). In the Decision, the OEB directed that the following customers of the Energy+ rate zone who were added to the non-Retail Price Plan (RPP) and non-Wholesale Market Participant (WMP) Class after the incorrect Account 1580, Sub-account Capacity Based Recovery (CBR) Class B and Account 1589 – RSVA Global Adjustment (GA) were disposed on a final basis are to be excluded from the billing determinants in calculating the rate rider:¹

- Customers of Energy+ that transitioned into non-RPP/non-WMP Class B since 2022 will be excluded from the recovery.
- Customers of Energy+ that were new since 2022 will be excluded from the recovery.

The OEB also found it appropriate for GrandBridge to determine two rate riders based on non-WMP/non-RPP Class B billing determinants and charge the rate riders only to non-WMP/non-RPP customers.²

As required by the Decision, GrandBridge filed its draft Rate Order on June 22, 2023. In the draft Rate Order, GrandBridge stated that due to limitations in its billing system, it is unable to charge a variable rate rider that is only applicable to a subset of customers (i.e., customers that existed prior to 2022) without major changes to the system.³ As a result, GrandBridge proposed customer-specific fixed monthly charges to implement the Decision.

In its calculation of customer-specific fixed monthly charges, GrandBridge identified the customers that received credits in error in 2020 and 2021 through the GA and CBR Class B rate riders. Fixed monthly charges were then calculated based on a pro-ration of the consumption for the portion of the error relating to GA, and based on the amount billed for the portion relating to CBR Class B.

Submission

OEB staff does not take issue with GrandBridge's proposal to charge customer-specific

¹ EB-2022-0305, Decision and Order, June 15, 2023, pp.9-10

² Ibid.

³ Draft Rate Order, p.12

fixed monthly charges rather than the rate riders to the affected customers given the limitations in GrandBridge's billing system. Furthermore, OEB staff agrees with the method in which the customer-specific fixed monthly charges have been calculated.

The Chapter 3 Filing Requirements indicate that when disposing Account 1589, the GA rate riders are on an energy basis (kWh).⁴ OEB staff expects that this will apply to the GA portion of the error that has been approved to be recovered. OEB staff also notes that even though GrandBridge has not proposed rate riders on an energy basis, the proposed fixed monthly charge is calculated based on an energy basis (i.e. calculated through proration by taking the sum of the customer's consumption that was applied to the GA rate rider in 2020 and 2021 as a percentage of the total consumption applied to the GA rate rider in 2020 and 2021⁵).

Furthermore, OEB staff is of the view GrandBridge's methodology to calculate the customer-specific fixed monthly charges instead of calculating rate riders, will result in a more accurate allocation of the error back to the specific customers who received the erroneous excess credit in Account 1589 and Account 1580, Sub-account CBR Class B when those accounts were disposed on a final basis. OEB staff believes that this result would be aligned with the intent of the Decision. In addition, OEB staff notes that the fixed monthly charge will eliminate any concerns of a rate rider to the fourth decimal place not being generated for the amount to be recovered from non-WMP Class B.⁶

In the draft Rate Order, GrandBridge stated that it has filed an updated GA Analysis Workform to reflect the removal of the proposed principal adjustments to Account 1589. OEB staff notes that the principal adjustments have not been removed from the Workform filed with the draft Rate Order. Specifically, in the principal adjustment tab, the 2018 and 2019 principal adjustments of \$234,842 and \$167,744, (cells J134, J109), respectively, have not been removed. In its response to this submission, GrandBridge should provide a revised Workform to remove the two noted principal adjustments as intended.

~All of which is respectfully submitted~

⁴ Chapter 3 Filing Requirements for Electricity Distribution Rate Applications - 2022 Edition for 2023 Rate Applications -May 24, 2022, p.12

⁵ Draft rate order, p.12.

⁶ EB-2022-0305, Decision and Order, June 15, 2023, pp.9-10