



BY EMAIL

August 16, 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 Letter
EPCOR Electricity Distribution Ontario Inc.
Application for 2023 Electricity Distribution Rates
OEB File Number: EB-2022-0028**

Pursuant to the OEB's Decision and Order issued on June 15, 2023 (Decision), EPCOR Electricity Distribution Ontario Inc. (EEDO) filed a Draft Rate Order (DRO) with supporting material on July 6, 2023.

On July 13, 2023, School Energy Coalition (SEC), Vulnerable Energy Consumers Coalition (VECC) and OEB staff filed comments on the DRO. OEB staff understands that the OEB is still considering these submissions. OEB staff notes, though, that in its submission, OEB staff outlined a number of errors in the DRO and supporting material, in the following categories:

- Treatment of Deferral Account for Non-Electricity Billing
- PILs Workform
- Corrections to Chapter 2 Appendix Excel File
- Revenue Requirement Workform

On July 20, 2023, EEDO filed its responses to the comments on the DRO with an updated DRO. OEB staff has reviewed the updated DRO and supporting material, and takes this opportunity to confirm that the errors identified in OEB staff's July 13, 2023 submission have been corrected.

However, in the course of reviewing the updated DRO to determine whether the errors identified by staff had been corrected, OEB staff identified a number of additional errors in, and concerns with the Tariff of Rates and Charges and bill impact calculations filed in

the updated DRO. These additional errors/concerns are:

Tariff of Rates and Charges

- OEB staff is unable to verify EEDO's calculation of its Low Voltage Service Rates. EEDO has not filed an updated Low Voltage Service Rates derivation with the DRO.
- The Retail Service Charges are incorrect and reflect 2021 rates. The Retail Service Charges should be updated to the 2023 level.

Bill Impacts

- For all rate classes, the value of Wholesale Market Service Charge under the "Current OEB-Approved" section of the bill impact table is incorrect. The value should be \$0.0045 rather than \$0.0034.
- For all rate classes, under both "Current OEB-Approved" and "Proposed" sections of the bill impact table, the volume amounts applied to the three Time of Use (TOU) rates are incorrect due to the out-of-date TOU consumption percentage values. These percentage values should be updated to 63% for off-peak rate, 18% for mid-peak rate and 19% for on-peak rate.

OEB staff suggests that EEDO correct the above noted errors in the Tariff of Rates and Charges and bill impacts, provide the supporting derivation for the updated Low Voltage Service Rates, and refile the DRO.

Yours truly,

Katherine Wang
Advisor, Incentive Rate-Setting & Regulatory Accounting

Encl.

cc: All parties in EB-2022-0028