

**OEB Staff Interrogatories  
Enova Power Corp.  
EB-2023-0015**

Please note, Enova Power Corp. 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.

OEB staff is aware that Waterloo North Hydro Inc. and Kitchener-Wilmot Hydro have amalgamated and incorporated under the name Enova Power Corp. For the purposes of interrogatories, former Waterloo North Hydro Inc. is referred to as Enova-WNH and former Kitchener-Wilmot Hydro is referred to as Enova- Kitchener-Wilmot.

**Staff Question-1**

**Ref: Rate Generator Model, Tab 3, Continuity Schedule**

On September 12, 2023, the OEB published the 2023 Quarter 4 prescribed accounting interest rates applicable to the carrying charges of deferral, variance and construction work in progress (CWIP) accounts of natural gas utilities, electricity distributors and other rate-regulated entities.

Question:

- a) Please update Tab 3 (Continuity Schedule) as necessary to reflect the Q4 2023 OEB-prescribed interest rate of 5.49%.

## Staff Question-2

### Ref: 2024 IRM Rate Generator, Tab 11, 15 and 2

On September 28, the OEB issued a letter regarding 2024 Preliminary Uniform Transmission Rates (UTRs) and Hydro One Sub-Transmission Rates.<sup>1</sup> The OEB determined to use of preliminary UTRs to calculate 2024 Retail Service Transmission rates (RTSR) to improve regulatory efficiency, allowing for this data to feed into the rate applications including annual updates for electricity distributors on a timelier basis. The OEB also directed distributors to update their 2024 application with Hydro One Network Inc.'s proposed host RTSRs.

OEB staff has updated Enova's rate generator for each rate zone with the preliminary UTRs/and proposed host RTSR by HONI as follows:

### UTRs

Uniform Transmission Rates		Unit	2022 Jan to Mar		2022 Apr to Dec		2023 Jan to Jun		2023 Jul to Dec		2024	
Rate Description			Rate				Rate				Rate	
Network Service Rate		kW	\$	5.13	\$	5.46	\$	5.60	\$	5.37	\$	5.76
Line Connection Service Rate		kW	\$	0.88	\$	0.88	\$	0.92	\$	0.88	\$	0.95
Transformation Connection Service Rate		kW	\$	2.81	\$	2.81	\$	3.10	\$	2.98	\$	3.21

### Hydro One Sub-Transmission Rates

Hydro One Sub-Transmission Rates		Unit	2022		2023		2024	
Rate Description			Rate		Rate		Rate	
Network Service Rate		kW	\$	4.3473	\$	4.6545	\$	4.5778
Line Connection Service Rate		kW	\$	0.6788	\$	0.6056	\$	0.6056
Transformation Connection Service Rate		kW	\$	2.3267	\$	2.8924	\$	3.0673
Both Line and Transformation Connection Service Rate		kW	\$	3.0055	\$	3.4980	\$	3.6729

### Question:

- Please confirm the accuracy of the Rate Generator update, as well as the accuracy of the resulting Retail Transmission Service Rates following these updates.

<sup>1</sup> OEB Letter, EB-2023-0222, 2024 Preliminary Uniform Transmission Rates and Hydro One Sub-Transmission Rates, issued September 28, 2023

### **Staff Question-3**

**Ref 1: 2024 WNRZ IRM Rate Generator, Tab 1, Information Sheet**

**Ref 2: 2024 WNRZ IRM Rate Generator, Tab 16.1, 16.2**

**Ref 3: 2024 WNRZ IRM Rate Generator, Tab 11, Row 44& 59**

**Ref 4: 2024 ENOVA Application, Low Voltage Service Rates, Page 16**

In WNRZ Rate Generator's information sheet, Waterloo North Rate Zone is selected as "Transmission Connected".

Tab 16.1- LV Expense shows that WNRZ is connected to different service points with different low voltage rates.

Question:

- a) Please explain the reason why WNRZ selected Transmission Connected while charged by Low Voltage Rates.
- b) Please provide a description of ENOVA's system, explaining how WNRZ and KWRZ are embedded within each other as well as different host distributors.
- c) Please confirm if the host distributor for 3567 Nafziger Rd, Fountain St N, Elmira, and Pentland respectively belongs to the former Kitchener Hydro, Energy+, Hydro One legacy rate zones and Hydro One.
- d) ENOVA states in the application that the IRM rate generator for WNRZ did not correctly calculate the Low Voltage Service rate for the GS>50 rate class. OEB staff has updated the rate generator. Please confirm the updated LV rates are correct in the attached WNRZ model.

### **Staff Question-4**

**Ref 1: 2024 WNRZ IRM Rate Generator, Tab 3, Continuity Schedule**

**Ref 2: 2024 KWRZ IRM Rate Generator, Tab 3, Continuity Schedule**

OEB staff has compiled tables below comparing WNRZ and KWRZ's continuity balances from the 2023 rate application and the 2024 rate application.

Enova Power Corp.  
OEB Staff Questions  
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LDC NAME		Enova Power_WN					
Account Descriptions	Account Number	From 2023 Rate Application		From 2024 filed application		Staff Calculation	
		Closing Principal Balance as of Dec 31, 2021	Closing Interest Amounts as of Dec 31, 2021	Opening Principal Amounts as of Jan 1, 2022	Opening Interest Amounts as of Jan 1, 2022	Principal variance Between Closing Balance as of Dec 31, 2021 and Opening Balance as of Jan 1, 2022	Interest variance Between Closing Balance as of Dec 31, 2021 and Opening Balance as of Jan 1, 2022
LV Variance Account	1550	354,943	3,958	354,943	3,958	0	0
Smart Metering Entity Charge Variance Account	1551	(36,286)	190	(36,286)	190	0	0
RSVA - Wholesale Market Service Charge5	1580	498,269	(4,084)	498,269	(4,084)	0	0
Variance WMS – Sub-account CBR Class A5	1580	0	0	0	0	0	0
Variance WMS – Sub-account CBR Class B5	1580	(339,776)	0	(339,776)	0	0	0
RSVA - Retail Transmission Network Charge	1584	2,236,864	(891)	2,236,864	(891)	0	0
RSVA - Retail Transmission Connection Charge	1586	(508,835)	(4,450)	(508,835)	(4,450)	0	0
RSVA - Power4	1588	(1,214,250)	(20,225)	(1,214,250)	(20,225)	0	0
RSVA - Global Adjustment4	1589	(2,178,429)	(112,993)	(2,178,429)	(112,993)	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)3	1595	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016 and pre-2016)3	1595	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2017)3	1595	(39,743)	141,719	0	0	39,743	(141,719)
Disposition and Recovery/Refund of Regulatory Balances (2018)3	1595	60,545	(62,426)	0	0	(60,545)	62,426
Disposition and Recovery/Refund of Regulatory Balances (2019)3	1595	1,459,900	(1,455,220)	0	0	(1,459,900)	1,455,220
Disposition and Recovery/Refund of Regulatory Balances (2020)3	1595	153,321	(114,403)	153,321	(114,403)	0	0
Disposition and Recovery/Refund of Regulatory Balances (2021)3	1595	(32,367)	(100,012)	(32,367)	(100,012)	0	0

LDC NAME		Enova Power_KW					
Account Descriptions	Account Number	From 2023 Rate Application		From 2024 filed application		Staff Calculation	
		Closing Principal Balance as of Dec 31, 2021	Closing Interest Amounts as of Dec 31, 2021	Opening Principal Amounts as of Jan 1, 2022	Opening Interest Amounts as of Jan 1, 2022	Principal variance Between Closing Balance as of Dec 31, 2021 and Opening Balance as of Jan 1, 2022	Interest variance Between Closing Balance as of Dec 31, 2021 and Opening Balance as of Jan 1, 2022
LV Variance Account	1550	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	(58,273)	(5)	(58,273)	(5)	0	0
RSVA - Wholesale Market Service Charge5	1580	507,594	(3,301)	507,594	(3,301)	0	0
Variance WMS – Sub-account CBR Class A5	1580	0	0	0	0	0	0
Variance WMS – Sub-account CBR Class B5	1580	(301,422)	(1,293)	(301,422)	(1,293)	0	0
RSVA - Retail Transmission Network Charge	1584	8,694,181	9,275	8,694,181	9,275	0	0
RSVA - Retail Transmission Connection Charge	1586	(131,208)	(1,216)	(131,208)	(1,216)	0	0
RSVA - Power4	1588	3,553	(957)	3,553	(957)	0	0
RSVA - Global Adjustment4	1589	(70,165)	3,574	(70,165)	3,574	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)3	1595	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016 and pre-2016)3	1595	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2017)3	1595	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2018)3	1595	963,659	(145,072)	0	0	(963,659)	145,072
Disposition and Recovery/Refund of Regulatory Balances (2019)3	1595	102,109	(23,641)	0	0	(102,109)	23,641
Disposition and Recovery/Refund of Regulatory Balances (2020)3	1595	(132,838)	42,244	(132,838)	42,244	0	0
Disposition and Recovery/Refund of Regulatory Balances (2021)3	1595	(79,751)	125,526	(79,751)	125,526	0	0

Questions:

- Please explain the difference in WNRZ's Account 1595 (2017), Account 1595 (2018), and Account 1595 (2019) between the two IRM applications.
- Please explain the difference in WNRZ's Account 1595 (2018), and Account 1595 (2019) between the two IRM applications.