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

BY EMAIL

November 3, 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 Inc.
Application for 2024 Electricity Distribution Rates
OEB File Number: EB-2023-0023

Please find attached OEB staff's submission in the above referenced proceeding, pursuant to Procedural Order No. 1.

Yours truly,

Natalya Plummer

Digitally signed by Natalya Plummer
Date: 2023.11.03 13:34:29 -04'00'

Natalya Plummer
Analyst

Encl.

cc: All parties in EB-2023-0023

ONTARIO ENERGY BOARD

OEB Staff Submission

GrandBridge Energy Inc.

2024 Distribution Rate Application

EB-2023-0023

November 3, 2023

Introduction

GrandBridge Energy Inc. (GrandBridge) filed an incentive rate-setting mechanism (IRM) application with the Ontario Energy Board (OEB) on August 17, 2023, under section 78 of the Ontario Energy Board Act, 1998 seeking approval for changes to its electricity distribution rates to be effective January 1, 2024.

Consistent with the Chapter 3 Filing Requirements, GrandBridge applied the Price Cap IR adjustment factor to adjust the monthly service charge and distribution volumetric rate during the incentive rate-setting years. The stretch factor assigned to GrandBridge is 0.15%, resulting in a rate adjustment of 4.65% based on the Price Cap adjustment formula. OEB staff has no concerns with GrandBridge's proposed price cap adjustment.

GrandBridge has also requested an update to its Retail Transmission Service Rates (RTSRs) to recover the wholesale transmission rates charged by the Independent Electricity System Operator (IESO) and its host distributor, Hydro One Networks Inc. (Hydro One). OEB staff has no concerns with GrandBridge's requested adjustments to its RTSRs.

OEB staff has updated the time-of-use (TOU) pricing and Ontario Energy Rebate (OER) in the rate generator model.

In this document, OEB staff makes detailed submissions on the following:

- Group 1 Deferral and Variance Accounts (DVAs)
- Account 1508 - Other Regulatory Assets, Sub Account Impact of Post-Merger Accounting Policy Changes
- Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)

Group 1 Deferral and Variance Accounts

Energy+ Rate Zone - Group 1 Disposition Request

GrandBridge requested disposition of its December 2022, Group 1 DVA balances in the debit amount of $4,120,611 on a final basis over 12 months for the Energy+ rate zone. This includes interest projected to December 31, 2023. In its interrogatory responses, GrandBridge updated Group 1 DVA balances to a debit amount of $4,114,330 to reflect an update to carrying charges for the recently issued 2023 Q4 OEB-prescribed interest rate.[1] The components of this balance are shown in Table 1. The Group 1 DVA balances exceed the OEB's $0.001/kWh threshold for disposition. GrandBridge filed the GA Analysis Workform in support of the balances requested for disposition. The OEB most recently approved the disposition of Group 1 2021 account balances on a final basis as part of GrandBridge's 2023 rate proceeding.[2]

Table 1: Group 1 DVA Accounts – Energy+ Rate Zone

Account Name	Account Number	Principal Balance ($)	Interest Balance ($)	Total Claim ($)
		A	B	C = A + B
LV Variance Account	1550	88,471	(4,097)	92,569
Smart Metering Entity Charge	1551	(190,207)	(11,690)	(201,897)
RSVA - Wholesale Market Service Charge	1580	3,716,265	246,417	3,962,683
Variance WMS – Sub-account CBR Class B	1580	(91,488)	(8,776)	(100,264)
RSVA - Retail Transmission Network Charge	1584	706,177	52,475	758,652
RSVA - Retail Transmission Connection Charge	1586	(224,790)	(16,157)	(240,947)
RSVA - Power	1588	(53,952)	(3,865)	(57,816)
RSVA - Global Adjustment	1589	(262,546)	(32,661)	(295,207)
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	149,574	46,985	196,559
Totals for all Group 1 accounts excluding RSVA – Global Adjustment		3,916,715	353,644	4,409,537
Totals for all Group 1 accounts		3,654,169	(320,983)	4,114,330

[1] GrandBridge IR Responses, October 20, 2023, Page 5
[2] EB-2022-0305

In the 2022 rate proceeding for one of GrandBridge's predecessors, the former Energy+ Inc. (Energy+), the OEB approved the disposition request for the 2020 Account 1588 – RSVA Power balance but ordered Energy+ to investigate the differences between its approved system loss and actual system losses because of the large debit balance in Account 1588, and to document the findings in its next IRM application with any proposed adjustments to the loss factors.[3] On July 15, 2022, GrandBridge Energy submitted a letter requesting deferral of its loss study for the Energy+ Rate Zone to its 2024 rate application. The OEB approved GrandBridge's request on August 5, 2022. GrandBridge provided the loss factor report in Attachment G to this 2024 IRM application and does not propose any adjustment to its loss factor. GrandBridge found that the average variance between the actual loss factor and the approved loss factor between 2018 to 2022 was (0.49%) as shown in Table 2 below.[4] In its response to OEB staff interrogatories, GrandBridge explained that the (0.49%) variance has an estimated impact of $504,385 to the 2020 Account 1588 balance.[5] GrandBridge provided the calculation of the Account 1588 reasonability test, after removing the impact of the loss factor difference from the 2020 Account 1588 balance; the Account 1588 balance as a percentage of the 2020 Account 4705 – Cost of Power balance was 0.9%.

Table 2 - Secondary Metered Customer < 5,000 kW Loss Factor Comparison

	2018	**2019**	**2020**	**2021**	**2022**
Actual Loss Factor	3.62%	3.51%	3.56%	3.46%	3.62%
Approved Loss Factor	3.07%	3.07%	3.07%	3.07%	3.07%
Variance	0.55%	0.44%	0.49%	0.39%	0.55%
Average Variance (2018 – 2022)			0.49%		

OEB Staff Submission

OEB staff supports the disposition of the requested Group 1 DVA balances for the Energy+ Rate Zone on an interim basis, updated for the Q4 2023 OEB-prescribed interest rates. OEB staff submits that Group 1 accounts should be disposed on an interim basis until GrandBridge investigates the impact of loss factors on Account 1588 and other Group 1 DVAs, as appropriate. OEB staff views interim disposition as appropriate because the Account 1588 balance does not appear to be in line with OEB staff's expectations for the account given the difference between GrandBridge's actual and approved loss factors for 2022. GrandBridge should report on its findings and confirm that the account balances are accurate in its next rate application prior to

[3] EB-2021-0018 – Decision and Order – December 21, 2023, Pages 8 and 19
[4] GrandBridge 2024 IRM Amended Application, Appendix G, p.9
[5] GrandBridge IR Response, October 20, 2023 Page 4

requesting final disposition of the 2022 Group 1 DVA balances. OEB staff reviewed the evidence filed to support the balances and noted no other issues, except for Account 1588 and any potential implications from the loss factor issue to other Group 1 DVAs.

OEB staff notes that the 2022 Account 1588 transactions including principal adjustments is a credit amount of $53,952. This amount represents the 2022 calendar-year activity for the account after any necessary true-ups. The Account 1588 balance is typically expected to be relatively small because it mainly represents the difference between actual and approved loss factors. As shown in the Account 1588 tab of the GA Analysis Workform, the 2022 Account 1588 balance of $53,952 meets the 1% threshold in the Account 1588 reasonability test (i.e. Account 1588 is 0% of Account 4705 – Cost of Power). However, this is not in accordance with OEB staff's expectations for GrandBridge's Account 1588 balance, given the difference between its 2022 actual and approved loss factors of 0.55% as shown in Table 2 above. In its 2022 IRM, the former Energy+ Inc. explained that its large 2020 Account 1588 balance is partly due to the difference in actual and approved loss factors. In this application, GrandBridge noted that the average of 0.49% difference in loss factors led to a debit amount of $504,385 in the 2020 Account 1588 balance. OEB staff notes that the 2022 difference in loss factors is 0.55% and OEB staff expects this difference to have a similar impact to the 2022 Account 1588 balance, given that consumption in 2020 and 2022 is also relatively consistent.[6] However, instead of a relatively larger debit Account 1588 balance, GrandBridge is requesting to dispose a small credit amount of $53,952 for 2022 Account 1588. Therefore, OEB staff questions the accuracy of the 2022 Account 1588 balance. OEB staff further submits that all Group 1 DVAs, including Account 1588 should be disposed on an interim basis since the actual and approved loss factors affect the majority of Group 1 DVAs.[7] OEB staff submits that GrandBridge should be required to investigate the impact of the loss factors to Account 1588 and other Group 1 DVAs. GrandBridge should then report on its findings and confirm the accuracy of Group 1 DVAs in its next rate application before its request for final disposition of the 2022 Group 1 DVAs.

Line Loss Study

OEB staff does not object to GrandBridge's proposal of not adjusting its approved loss factor in this proceeding, but OEB staff is of the view that Grandbridge should be required to continue monitoring the loss factors and reassess the need to adjust the loss factors in its 2026 rate application. In this application, GrandBridge provided its report on line losses as directed in the OEB's decision in the 2022 rate proceeding and noted that on average, the actual loss factor was 0.49% greater than the approved loss factor.

[6] 2020 billed consumption is 1,608,372,321 kWh and 2024 billed consumption is 1,669,330,372. This represents billed consumption less wholesale market participant consumption that is derived from Tab 4 "Total Metered kWh less WMP kWh" of the 2022 IRM Rate Generator Model for 2020 kWh (EB-2021-0018) and 2024 IRM Rate Generator Model for 2022 kWh.
[7] Except for Account 1595

OEB staff submits that this is not an insignificant variance and this variance has been consistently experienced by Grandbridge since 2018. OEB staff notes that under normal circumstances, GrandBridge would not be required to update its loss factor until its next rebasing application that is expected in 2032, after a ten-year deferred rebasing period. However, in OEB staff's view, waiting until GrandBridge's next rebasing application to reassess its loss factor may be too long if a change in loss factors is warranted.

GrandBridge has provided a detailed plan to improve actual system losses and has discussed active measures that are underway. OEB staff acknowledges that these measures take time for results to appear. Therefore, OEB staff submits that GrandBridge can report on the status and results of the measures it has taken to address system losses in two years as part of its 2026 rate application. At that time, GrandBridge can also reassess whether an adjustment to its approved loss factor is warranted, depending on whether it has been able to reduce actual system losses.

Brantford Power Rate Zone – Group 1 Disposition Request

GrandBridge requested disposition of its December 2022, Group 1 DVA balances in the debit amount of $2,795,221 on a final basis over 12 months in the Brantford Power Rate Zone. This includes interest projected to December 31, 2023. In its interrogatory responses, GrandBridge updated Group 1 DVA balances to a debit amount of $2,798,993 to reflect an update to carrying charges for the recently issued 2023 Q4 OEB-prescribed interest rate.[8] The components of this balance are shown in Table 3. The Group 1 account balances exceed the OEB's $0.001/kWh threshold for disposition. GrandBridge filed the GA Analysis Workform in support of the balances requested for disposition. The OEB most recently approved the disposition of the Brantford Power Rate Zone 2020 Group 1 account balances on a final basis, as part of its 2022 cost of service proceeding.[9]

Table 3: Group 1 DVA Accounts – Brantford Power Rate Zone

Account Name	Account Number	Principal Balance ($)	Interest Balance ($)	Total Claim ($)
		A	B	C = A + B
Smart Metering Entity Charge	1551	(139,731)	(8,699)	(148,430)
RSVA - Wholesale Market Service Charge	1580	2,654,576	180,194	2,834,770
Variance WMS – Sub-account CBR Class B	1580	(162,362)	(14,358)	(176,720)
RSVA - Retail Transmission Network Charge	1584	2,145,543	148,322	2,293,865

[8] GrandBridge IR Responses, October 20, 2023, Page 19
[9] EB-2021-0009 – Decision and Order – October 28, 2021

RSVA - Retail Transmission Connection Charge	1586	533,809	36,939	570,747
RSVA - Power	1588	(1,265,262)	(139,116)	(1,404,378)
RSVA - Global Adjustment	1589	(1,170,201)	(109,792)	(1,279,993)
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	361,525	(252,394)	109,131
Totals for all Group 1 accounts excluding RSVA – Global Adjustment		3,887,085	172,891	4,078,986
Totals for all Group 1 accounts		2,716,884	63,009	2,798,993

In reviewing the 2021 Account 1588 balance, GrandBridge stated that it had identified an estimation error related to the 2020 Account 1588 balance that had been previously disposed on a final basis. The error occurred prior to the merger, under the former Brantford Power Inc. (Brantford Power). The estimation error was related to new rate codes that were established in Brantford Power's billing system to accommodate changes in Regulated Price Plan (RPP) electricity pricing. When estimating unbilled revenue relating to the Cost of Power as at December 31, 2020, the 2020 year-end unbilled revenue entry was understated by $885,645 due to the rate code mistake, resulting in $885,645 in additional revenue recorded in 2021. To correct this issue, GrandBridge proposed principal adjustments to Account 1588 as shown in Table 4 below. The proposed principal adjustments do not impact the Account 1588 balance requested for disposition in this proceeding.

Table 4 – Proposed Principal Adjustment to Account 1588 for Unbilled Revenues

2020	2021	2022	Total
Previously Approved for Disposition	Requested for Disposition	Requested for Disposition	
($885,645)	$885,645	N/A	$0

In its response to OEB staff interrogatories, GrandBridge elaborated on how the estimation error was discovered and stated that the estimation error did not have an impact on RPP settlements with the IESO or Account 1589.[10] GrandBridge also discussed the controls it has put in place to prevent future errors.

In the OEB's letter *Adjustments to Correct for Errors in Electricity Distributor "Pass-Through" Variance Accounts After Disposition* (OEB Guidance Letter), the OEB provided guidance on adjustments to commodity accounts resulting from errors after final disposition and indicated that an asymmetrical approach to the correction of the

[10] GrandBridge Brantford IRR OEB Staff Question -2, October 20, 2023

error may be appropriate in some circumstances. The OEB Guidance Letter also provided an example of this where, if a distributor repeats an error, and if correcting the error is solely to the benefit of the distributor, the OEB may not approve a part or all of the correction and of any associated carrying charges.

The OEB Guidance Letter set out factors that the OEB would consider in determining whether to make a retroactive adjustment in a particular case.

In its interrogatory response, GrandBridge noted that it had considered the four factors in the OEB Guidance Letter and stated the following regarding the error:[11]

1. It was within the control of the former Brantford Power but it was not intentional and has not been a recurring issue. This issue only concerns the pro-ration of unbilled revenue for the December 2020 and January 2021 period.
2. It was the first and only occurrence for Brantford Power and is an isolated issue;
3. It was inadvertent and not due to lack of guidance from the OEB; and
4. It was not an issue experienced by other distributors, to GrandBridge's knowledge.

Regarding intergenerational inequity, GrandBridge stated that the proposed principal adjustments to Account 1588 would credit the same group of customers that received the incremental charges from the disposition of the 2020 balances. GrandBridge acknowledged that there have been changes in customer counts since January 2021 to present that could affect the quantum of refund on a per customer basis, but such effects are not considered to be material and therefore, GrandBridge did not believe there to be intergenerational inequity issues with its proposed adjustments to Account 1588.[12]

OEB Staff Submission

Aside from Account 1588, OEB staff supports the disposition of the requested Group 1 balances, updated for the Q4 2023 OEB-prescribed interest rate. Regarding Account 1588, OEB staff generally does not take issue with GrandBridge's disposition request, including the retroactive principal adjustment to the 2020 balance and the offsetting principal adjustment to the 2021 balance because there is no impact to the 2022 balance requested for disposition and generally there is no impact to the customers the balance will be disposed to.[13]

OEB staff notes that the error was the result of a unique circumstance, where RPP prices were re-set January 1, 2021 and frozen until February 22, 2022, instead of being reset on May 1 and November 1 in a given year. OEB staff also notes that GrandBridge

[11] GrandBridge IR Responses, October 20, 2023, Page 12
[12] Ibid.
[13] Unless the OEB orders GrandBridge to correct the error for each specific customer that was impacted from the disposition of the 2020 balance.

noted that it was the first and only occurrence, and is an isolated unintentional issue. OEB staff further notes that this was an estimation error that resulted in a timing issue that would reverse itself in 2021.

OEB staff also considered the impact of the retroactive adjustment to customers. OEB staff notes that the 2022 balance requested for disposition is the same, regardless of whether the proposed offsetting principal adjustments are made or not. OEB staff also notes that the 2022 balance will be disposed to the same group of customers, whether the proposed principal adjustments are made or not. OEB staff acknowledges that there is an impact to those customers that were erroneously charged $885,645 in 2022 (when the 2020 balance was disposed) and are no longer GrandBridge's customer by 2024 (when the 2022 balance will be disposed, if approved). However, OEB staff submits that it would not be practical for the OEB to direct GrandBridge to identify these specific customers and refund the appropriate amount. OEB staff also notes that GrandBridge stated that it believes intergenerational inequity is not an issue because it believes the impact from the change in customers to the refund on a per customer basis to be non-material.[14]

OEB notes that the OEB addressed retroactive adjustments to pass-through accounts in other recent IRM decisions, including GrandBridge's Energy+ Rate Zone[15] and Synergy North's Thunder Bay Rate Zone .[16] In both of these decisions, the OEB denied a portion of the proposed retroactive principal adjustments, resulting in a partial recovery of the requested balances. However, OEB staff submits that the circumstances in the other cases are very different from those in the current proceeding. In the GrandBridge case, the error pertaining to the former Energy+ impacted different Group 1 accounts and therefore, different groups of customers, while the error in this proceeding only impacts Account 1588 and therefore, the same group of customers. In the Synergy North case, the error only impacted Account 1588, but the error started in 2016 and was recurring until 2021. In contrast, GrandBridge's error was the first and only occurrence. In addition, the nature of the error in the Synergy North proceeding is different from this proceeding. The error in the Synergy North proceeding involved errors to the RPP settlement (which impacts the RPP variance account held by the IESO), and it resulted in an incorrect Account 1588 balance where Synergy North was seeking recovery to correct the balance. Grandbridge's error did not impact RPP settlements, was an estimation error due to timing, and results in no impact to the 2022 Account 1588 balance requested for disposition in this proceeding.

OEB staff acknowledges that the general policy is not to permit retroactive adjustments. However, the OEB Guidance Letter noted that retroactive errors in pass-through accounts are of particular concern given the potential for the account balances – and by extension the associated implications for customers – to be very large. As discussed above,

[14] GrandBridge IR Responses, October 20, 2023, Page 12
[15] EB-2022-0305 (GrandBridge) Decision and Order, June 15, 2023
[16] EB-2023-0106 (Synergy North) Decision and Order, July 6, 2023

there is no impact to the Account 1588 balance requested for disposition regardless of whether the proposed principal adjustments are made or not, and the associated implications for customers do not appear to be material. Therefore, OEB staff does not object to GrandBridge's disposition request for Account 1588.

Account 1508 - Other Regulatory Assets, Sub Account Impact of Post-Merger Accounting Policy Changes

In the 2022 MAADs proceeding, the OEB directed GrandBridge to create deferral *Account 1508 - Other Regulatory Assets, Sub Account Impact of Post-Merger Accounting Policy Changes,* to track the rate base impact arising from harmonizing the Brantford Power Rate Zone's accounting policy to the Energy+ Rate Zone's accounting policy (i.e. annual property, plant, and equipment impacts). The OEB ordered that the balance in Account 1508 is to be reviewed in the 2024 rate proceeding and that if the balance in Account 1508 is lower than the materiality threshold of $295,000, Account 1508 is to be closed without disposition and no further entries are required. Conversely, if the balance in Account 1508 is higher than $295,000, the balance in the account is to be recovered or refunded to customers of the Brantford Power rate zone at the end of the rebasing deferral period.

GrandBridge has confirmed that the accounting policies of the Brantford Power Rate Zone are fully harmonized to the accounting policies of the Energy+ rate zone.[17] GrandBridge quantified the total impact to be a debit amount of $539,480 and provided table 5 below to summarize the rate base impact of harmonizing its accounting policies. GrandBridge stated that the recurring annual impact on the rate base from harmonizing its accounting policy is $112,331 which does not exceed the materiality threshold. For 2022, there was also a one-time impact of $427,149 on rate base from the derecognition of capital due to reduction in useful lives. GrandBridge stated that it does not seek to be enriched from changes in accounting policy by recovering the debit balance in the account from customers. GrandBridge requested approval to close Account 1508 without disposition and to reverse the balances recorded to date.[18]

Table 5: Rate Base Impact of Harmonizing Accounting Policies

Impact from fixed additions	**(Increase)/Decrease to Rate Base**
Recognition of major asset inspections in operating expenses	$ 107,740
Recognition of removal costs on Income statement	$ 44,205
Total impact from fixed asset additions	**$ 151,945**

[17] GrandBridge IR Responses, October 20, 2023, Page 3
[18] GrandBridge 2024 IRM Amended Application, Pages 46-48

Impact from depreciation		**(Increase/Decrease to Rate Base)**
Impact of change in useful life on deferred revenue amortization	$	**65,420**
Impact of change in useful life on PP&E amortization	$	(105,034)
One-time PP&E derecognition due to useful life reduction (1)	$	427,149
Total impact from depreciation	**$**	**387,535**

Total (Increase) / decrease to Rate Base (2)	**$**	**539,480**
Recurring annual impact on Rate Base (3) = (2) - (1)	**$**	**112,331**

OEB Staff Submission

OEB staff does not take issue with GrandBridge's proposal not to recover the account balance in Account 1508 and to close the account. OEB staff reviewed the evidence GrandBridge provided to support the quantification of the balance in the account and noted no issues.[19] OEB staff notes that the recurring impact of $112,331 does not meet the materiality threshold set by the OEB, and the account should be closed accordingly. OEB staff acknowledges that that the total impact in 2022 is above the materiality threshold but notes that GrandBridge's proposal not to recover the amount is in the customers' interest.

Lost Revenue Adjustment Mechanism Variance Account

GrandBridge requested disposition of its LRAMVA balances from its Conservation and Demand Management (CDM) activities for both the Energy+ Rate Zone and Brantford Power Rate Zone .

For the Energy+ Rate Zone , GrandBridge requested the disposition of its December 31, 2022 LRAMVA balance for CDM activities from 2019 to 2022. This includes persisting savings from programs delivered in the 2017 to 2021 period. However, it excludes the LRAMVA balance pertaining to the residential rate class which has been reclassified to Account 1595 for disposition in this application. The December 31, 2022 LRAMVA balance (including carrying charges projected to December 31, 2023) is a credit of $117,010. GrandBridge is requesting disposition over a 12-month period. The components of the LRAMVA balance are shown in Table 1 below.

[19] GrandBridge IR Responses, October 20, 2023, Page 16

Table 1: LRAMVA Balance

Account Name	Account Number	Actual CDM Savings ($) A	Forecasted CDM Savings ($) B	Carrying Charges ($) C	Total Claim ($) D=(A-B)+C
LRAMVA	1568	3,162,277	3,269,458	-9,829	-117,010

For the Brantford Power Rate Zone , GrandBridge requested the disposition of its December 31, 2021 LRAMVA balance for CDM activities from 2020 to 2021. This includes persisting savings from programs delivered in the 2016 to 2020 period. The December 31, 2021 LRAMVA balance (including carrying charges projected to December 31, 2023) is a debit of $99,116. GrandBridge is requesting disposition over a 12-month period. The components of the LRAMVA balance are shown in Table 2 below.

Table 2: LRAMVA Balance

Account Name	Account Number	Actual CDM Savings ($) A	Forecasted CDM Savings ($) B	Carrying Charges ($) C	Total Claim ($) D=(A-B)+C
LRAMVA	1568	445,642	353,401	6,875	99,116

OEB Staff Submission

OEB staff supports GrandBridge's request to dispose of its December 31, 2022 LRAMVA balance for the Energy+ Rate Zone and its December 31, 2021 LRAMVA balance for the Brantford Power Rate Zone. OEB staff reviewed the respective LRAMVA balances and the supporting evidence substantiating these balances. In OEB staff's opinion, the LRAMVA balance is reasonable.

GrandBridge proposed to transfer and dispose of a credit LRAMVA balance of $10,650 attributable to the residential rate class for the Energy+ Rate Zone into Account 1595 (2019) as it did not generate a significant LRAMVA rate rider for the residential rate class. GrandBridge revised the allocation of the Account 1595 (2019) balance to ensure that the credit of $10,650 was allocated to the residential class. OEB staff notes that this approach is similar to the OEB policy when a tax-sharing amount is approved to be collected from or refunded to customers and a rate rider for one or more rate classes is not generated.[20] OEB staff agrees with Grandbridge's disposition approach since it will

[20] Chapter 3 Filing Requirements For Electricity Distribution Rate Applications - 2023 Edition for 2024 Rate Applications, June 15, 2023, Page 21

allow the balance to be disposed of in the current proceeding to the residential class, as was originally intended.

~All of which is respectfully submitted~