
From: Stefan, Oana <Oana.Stefan@cnpower.com>

Sent: Monday, November 20, 2023 10:57 AM

To: Birgit Armstrong <Birgit.Armstrong@oeb.ca>; Barber, Rodney <Rodney.Barber@cnpower.com>

Cc: Tina Li <Tina.Li@oeb.ca>; FTSO Regulatory Affairs <RegulatoryAffairs@FortisOntario.com>

Subject: RE: Alogma_2024 IRM_EB-2023-0005

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Good Morning Birgit, please see the response below.

The balance for disposition in Account 1580 is primarily driven by the activity during 2022 in that account (which is a debit of \$523,640).

API has reviewed its records and notes that the billed WMS rate per kWh in 2022 was \$0.0030/kWh (excluding CBR, consistent with the OEB's Decision and Order in EB-2021-0300 issued December 16, 2021).

API's records indicate the average charges for WMS billed from the IESO in 2022 amount to about \$0.0053/kWh.

This analysis substantiates that the billed retail rate set for 2022 resulted in an under-recovery compared to the WMS billings from IESO to API, leading to a material debit balance accumulating in account 1580.

API notes that the Decision and Order in EB-2021-0300 highlights an increasing short term trend (2021-first 10 months) in WMS costs at the time that Decision was released, though the OEB did not increase the rate in light of longer-term trending. API believes the trend in the WMS wholesale billings noted in the first 10 months of 2021 continued into 2022.

Please don't hesitate to reach out with any further questions,

Oana Stefan

Manager, Regulatory Affairs

Canadian Niagara Power, a FortisOntario Company

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CANADIAN NIAGARA POWER INC.

A FORTIS ONTARIO
Company

From: Birgit Armstrong <Birgit.Armstrong@oeb.ca>

Sent: Friday, November 17, 2023 10:04 AM

To: Barber, Rodney <Rodney.Barber@cnpower.com>; Stefan, Oana <Oana.Stefan@cnpower.com>

Cc: Tina Li <Tina.Li@oeb.ca>

Subject: Alogma_2024 IRM_EB-2023-0005

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Good morning, Rod, Oana:

Upon a second look, it has come to our attention that the variance in Account 1580 of \$547,033 is disproportionately high compared to the overall balance of \$896,952 requested for disposition.

Can you please explain the balance in Account 1580?

Thanks,

[Birgit Armstrong](#), Project Advisor, Incentive Rate Setting & Regulatory Accounting, Applications

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