



**Via Email and RESS**

January 8, 2024

Ms. Kelli Benincasa  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

**Re: PUC Distribution Inc. (License ED-2002-0546)**  
**2024 IRM Rate Application - OEB Staff Question Responses, EB-2023-0048**

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Please find attached PUC Distribution Inc.'s ("PUC") 2024 IRM Rate Application responses to OEB staff questions as well as an updated live version of the updated IRM Rate Generator model.xlsb.

The submission and supporting materials are being filed through the Board's RESS system.

Yours truly,

A handwritten signature in black ink, appearing to read 'Pina Pacione', with a stylized flourish at the end.

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**PUC Distribution Inc.  
EB-2023-0048  
December 19, 2023**

Please note, PUC Distribution Inc. (PUC Distribution) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions 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*.

**Staff Question-1**

**Ref: IRM Rate Generator Tab 18 Regulatory Charges, Tab 20 Final Tariff Schedule and Tab 21 Bill Impacts**

Please confirm OEB staff has correctly updated the Rural or Remote Electricity Rate Protection Charge correctly on Tabs 18, 19 and 21.

**PUC Response:**

PUC confirms the IRM Rate Generator model tabs 18, 19 and 21 are correctly updated with the rates<sup>1</sup>.

**Staff Question-2**

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

**Ref 2: IRM Rate Generator – DVA Tabs Instructions - 2024 Rates**

**Ref 3: OEB Guidance for Electricity Distributors with Forgone Revenues Due to Postponed Rate Implementation from COVID-19, August 6, 2020, page 5**

On July 18, 2023, the OEB issued the DVA Tabs Instructions for the 2024 IRM Rate Generator Model. Pages 1 and 3 noted that Account 1509 - Impacts Arising from the COVID-19 Emergency, Subaccount Forgone Revenues from Postponing Rate Implementation was added to the model. A separate rider is calculated for this account in Tab 7, if the disposition is approved.

Regarding Account 1509, Impacts Arising from the COVID-19 Emergency Account, Sub-account Forgone Revenues from Postponing Rate Implementation, the following steps are noted in the August 6, 2020 guidance:

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<sup>1</sup> OEB Decision and Order EB-2023-0268 – Regulatory Charges effective January 1, 2024, for the Wholesale Market Services and the Rural or Remote Electricity Rate Protection charge

1. Upon implementation of the forgone revenue rate rider that is calculated from the Forgone Revenue Model, the rate rider transactions will be recorded in the same Forgone Revenues Sub-account. This will draw down the accumulated balance of actual forgone revenues/amounts.
2. Any residual balance after the expiry of the rate riders should be requested for final disposition in a future rate application (cost of service or IRM), once the balance has been audited in accordance with normal deferral and variance account disposition practices.
3. If disposition is approved, the residual balance in the Forgone Revenues Sub-account should be disposed proportionately by customer class and the residual balance will be transferred to Account 1595.

**Question(s):**

- a) Please update Tab 3 (Continuity Schedule) and Tab 4 as necessary to reflect a balance in Account 1509 – Impacts Arising from the COVID-19 Emergency, Subaccount Forgone Revenues from Postponing Rate Implementation. Please complete the above-noted steps #1, #2, #3.
- b) If this balance is not applicable, please explain.

**Response:**

- a) Tab 3 (Continuity Schedule) has been updated with Account 1509 impacts as submitted with PUC's 2023 COS Rate Application. These amounts were approved with the DVA balances disposed<sup>2</sup>.
- b) The balances were approved with the COS disposition. PUC has recorded these disposition amounts in 2023 and the Account 1509 balances are \$0.

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<sup>2</sup> OEB Decision and Rate Order EB-2022-0059, PUC Distribution Inc., Application for electricity distribution rates beginning May 1, 2023, pg. 37 of 83.

**Staff Question-3**

**Ref 1: 2024 IRM Rate Generator Model Tab 21 Bill Impacts**

PUC Distribution's Bill Impacts for the Sentinel Rate Class are 11%.

- a) Has PUC Distribution considered rate mitigation for this rate class? If not, please explain why not.
- b) Has PUC Distribution made the Sentinel Rate Class customers aware of the bill increase? If not, please explain why not.

**Response:**

- a) PUC has one customer in this rate class. Rate mitigation was considered and the rates were determined rates are reasonable and do not require mitigation.
- b) PUC has consulted with the one customer of the Sentinel Light Class and confirms that they are agreeable with this increase.