



Ontario  
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**BY EMAIL**

October 4, 2024

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: Niagara-on-the-Lake Hydro Inc.  
Application for 2025 Distribution Rates  
Ontario Energy Board File Number: EB-2024-0044**

In accordance with Procedural Order No. 1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant has been copied on this filing.

Niagara-on-the-Lake Hydro Inc.'s responses to interrogatories are due by October 18, 2024.

Any questions relating to this letter should be directed to Kelli Benincasa at [Kelli.Benincasa@oeb.ca](mailto:Kelli.Benincasa@oeb.ca) or at 416-440-7624.

Yours truly,

*Kelli Benincasa*

Kelli Benincasa  
Analyst, Incentive Rate-setting Mechanism

Encl.

**OEB Staff Interrogatories  
Niagara-on-the-Lake Hydro Inc.  
EB-2024-0044**

Please note, Niagara-on-the-Lake Hydro Inc. (NOTL Hydro) 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*.

**Staff Question-1**

**Ref 1: 2025 Application, Exhibit 9, Page 15**

**Ref 2: 2025 Application, Exhibit 9, Page 22**

OEB staff notes that NOTL Hydro uses OEB prescribed interest rates up to Q3 2024 according to Reference 1. OEB has published the prescribed interest rates for Q4 2024.

**Question(s):**

- a) Please update the applicable schedules, using the Q4 2024 rates.
- b) Please update Table 19 (1508 Large Use Deferral Account Continuity) in Reference 2, using the Q4 2024 rates.

**Staff Question-2**

**Ref 1: 2025 Application, Exhibit 9, Page 23**

In Reference 1, NOTL Hydro states that it is electing to dispose of the Group 1 account balances even though they are below the disposition threshold of +/- \$0.001 per kWh.

**Question(s):**

- a) Please explain why NOTL elects to dispose of its Group 1 account balances even they are below the disposition threshold.

**Staff Question-3**

**Ref 1: Chapter 3 - Filing Requirements for Electricity Distribution Rate Applications Filed in 2024 for Rates Taking Effect in 2025, June 18, 2024, Page 16**

**Ref 2: 2025 IRM Rate Generator Model**

Chapter 3 of the Filing Requirements in Reference 1 specifies that, when the OEB approves the disposition of Deferral and Variance Account (DVA) balances, the approved principal amounts and carrying charges are to be transferred to Account 1595 for the applicable rate year.

OEB staff observes that the principal and interest amounts in Sub-account 1595 (2023) and Sub-account 1595 (2024) in Reference 2 do not match the total amounts approved by the OEB for disposition.

**Question(s):**

- a) Please confirm OEB staff's observation.
  - i. Please provide an explanation for the discrepancy and revise the schedule as applicable.
  - ii. If not confirmed, please provide explanation.

**Staff Question-4**

**Ref 1: 2025 IRM Rate Generator Model, Tab 11 and Tab 12**

On Tab 11, the 2023 July to December Network Service Rate is reported as \$5.37. On Tab 12, the July Network Rate is reported as \$5.60.

Similarly, on Tab 11, the 2023 July to December Line Connection Service Rate is reported as \$0.88. On Tab 12, the July Connection Service Rate is reported as \$0.92.

The image below identifies the two items of note:

IESO Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	30,783	5.60	\$ 172,385	31,266	0.92	\$ 28,765		\$0.00		\$ 28,765
February	33,717	\$5.60	\$ 188,815	33,729	\$0.92	\$ 31,031		\$0.00		\$ 31,031
March	23,209	\$5.60	\$ 129,968	26,531	\$0.92	\$ 24,408		\$0.00		\$ 24,408
April	19,714	\$5.60	\$ 110,397	24,522	\$0.92	\$ 22,560		\$0.00		\$ 22,560
May	34,486	\$5.60	\$ 193,120	34,946	\$0.92	\$ 32,150		\$0.00		\$ 32,150
June	38,696	\$5.60	\$ 216,695	37,428	\$0.92	\$ 34,434		\$0.00		\$ 34,434
July	41,037	\$5.60	\$ 229,806	43,919	\$0.92	\$ 40,405		\$0.00		\$ 40,405
August	37,919	\$5.37	\$ 203,625	40,378	\$0.88	\$ 35,533		\$0.00		\$ 35,533
September	40,205	\$5.37	\$ 215,901	44,122	\$0.88	\$ 38,827		\$0.00		\$ 38,827
October	33,425	\$5.37	\$ 179,492	35,900	\$0.88	\$ 31,592		\$0.00		\$ 31,592
November	31,735	\$5.37	\$ 170,416	31,735	\$0.88	\$ 27,927		\$0.00		\$ 27,927
December	29,125	\$5.37	\$ 156,401	30,727	\$0.88	\$ 27,039		\$0.00		\$ 27,039
<b>Total</b>	<b>394,049</b>	<b>\$ 5.50</b>	<b>\$ 2,167,022</b>	<b>415,203</b>	<b>\$ 0.90</b>	<b>\$ 374,672</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 374,672</b>

**Question(s):**

- a) Please explain the discrepancy. As needed, please correct the values reported on Tab 12 of the Rate Generator Model.