

# 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.

## NOTL Hydro Response

- a) Updated – Revised NOTLH Appendix 2 – 2025 IRM Rate Generator Model 20241007 attached
- b) Updated – Revised tables 19 and 20 below

**Table 19: 1508 Large Use Deferral Account Continuity**

Account Number	2023								2024				Projected Interest on Dec-31, 2023 Balances		
	Opening Principal Amounts as of Jan 1, 2023	Transactions Debit / (Credit) during 2023	OEB-Approved Disposition during 2023	Closing Principal Balance as of Dec 31, 2023	Opening Interest Amounts as of Jan 1, 2023	Interest Jan 1 to Dec 31, 2023	OEB-Approved Disposition during 2023	Closing Interest Amounts as of Dec 31, 2023	Principal Disposition during 2024 - instructed by OEB	Interest Disposition during 2024 - instructed by OEB	Closing Principal Balances as of Dec 31, 2023 Adjusted for Disposition during 2024	Closing Interest Balances as of Dec 31, 2023 Adjusted for Disposition during 2024	Projected Interest from Jan 1, 2024 to Dec 31, 2024 on Dec 31, 2023 balance adjusted for disposition during 2024	Total Interest	Total Claim
1508	110,021	(59,840)	13,692	63,873	867	6,065	337	7,268	(123,713)	(7,287)	(59,840)	(19)	(3,079)	(3,098)	(62,938)

**Table 20: Allocation of Large Use Variance Account**

Rate Class	kWh	kW	Customers	Distribution Revenue	% of Distribution Revenue	Allocation	Rate Rider
Residential	75,197,151	-	8,433	3,178,366	52.5%	(33,051)	(0.33) per customer
GS<50	44,452,363	-	1,485	1,328,655	22.0%	(13,817)	(0.0003) per kWh
GS>50	87,200,974	231,213	130	1,072,551	17.7%	(11,153)	(0.0482) per KW
Large User	55,314,603	93,106	1	231,541	3.8%	(2,408)	(0.0259) per KW
USL	341,850	-	67	20,023	0.3%	(208)	(0.0006) per kWh
Street Lights	572,726	1,598	2,305	221,251	3.7%	(2,301)	(1.4399) per KW
Total	263,079,667	325,917	12,421	6,052,387	100.0%	(62,938)	

## 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):

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

### NOTL Hydro Response

- NOTL Hydro assessed the practicality of disposing of these balances and found there are no issues in doing so. Disposition in the earliest available year, in this case 2025, most closely aligns the refund of these amounts with the customers that contributed to the balances. The more time that passes between the accumulation in the variance account and the disposition, the more likely that customers will have left or arrived in our service territory.

## 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.

**NOTL Hydro Response**

- a) Not confirmed, the principal and interest amounts in Sub-account 1595 (2023) and Sub-account 1595 (2024) in Reference 2 do match the total amounts approved by the OEB for disposition.

**2023-1595**

1595-2023	Principal	Interest	Total	Source
Group 1 Deferral and Variance Account Balance	\$ 264,170	\$ 18,387	\$ 282,557	EB-2022-0052 - Decision_rate order NOTL 2023 IRM 20221208 - Table 7.1
Group 2 Deferral and Variance Account Balance	\$ (13,692)	\$ (337)	\$ (14,029)	EB-2022-0052 - NOTL 2023 IRM Appl Managers Summary 20220715
LRAMVA	\$ 8,454	\$ 180	\$ 8,634	EB-2022-0052 - Decision_rate order NOTL 2023 IRM 20221208 - Table 8.2
Shared Tax Adjustment	\$ (6,919)	\$ -	\$ (6,919)	EB-2022-0052 - Decision_rate order NOTL 2023 IRM 20221208 - page 6
Total 1595 2023 Approved Balance	\$ 252,013	\$ 18,231	\$ 270,243	
DVA Continuity	\$ (252,013)	\$ (18,231)	\$ (270,243)	EB-2024-0044 - Appendix 2 Tab 3
Variance	\$ -	\$ -	\$ -	

**EB-2022-0052 – Decision rate order NOTL 2023 IRM 20221208 - Table 7.1**

Table 7.1: Group 1 Deferral and Variance Account Balances																																												
Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B																																								
Smart Meter Entity Variance Charge	1551	(6,118)	(107)	(6,225)																																								
<small> <sup>16</sup> EB-2022-0158.  <sup>17</sup> EB-2022-0158 Decision and Order issued on June 20, 2022.         </small>																																												
Decision and Rate Order December 8, 2022				10																																								
<div> <div>Ontario Energy Board</div> <div> <div>EB-2022-0052</div> <div>Niagara-on-the-Lake Hydro Inc.</div> </div> </div> <table> <tr> <td>RSVA - Wholesale Market Service Charge</td><td>1580</td><td>144,929</td><td>2,408</td><td>147,338</td></tr> <tr> <td>Variance WMS - Sub-account CBR Class B</td><td>1580</td><td>(23,574)</td><td>(447)</td><td>(24,020)</td></tr> <tr> <td>RSVA - Retail Transmission Network Charge</td><td>1584</td><td>147,859</td><td>2,456</td><td>150,315</td></tr> <tr> <td>RSVA - Retail Transmission Connection Charge</td><td>1586</td><td>(65,058)</td><td>(1,391)</td><td>(66,450)</td></tr> <tr> <td>RSVA - Power</td><td>1588</td><td>19,352</td><td>491</td><td>19,844</td></tr> <tr> <td>RSVA - Global Adjustment</td><td>1589</td><td>4,881</td><td>(202)</td><td>4,679</td></tr> <tr> <td>Disposition and Recovery of Regulatory Balances (2018)</td><td>1595</td><td>41,897</td><td>15,179</td><td>57,076</td></tr> <tr> <td><b>Total for Group 1 accounts</b></td><td></td><td><b>264,170</b></td><td><b>18,387</b></td><td><b>282,557</b></td></tr> </table>					RSVA - Wholesale Market Service Charge	1580	144,929	2,408	147,338	Variance WMS - Sub-account CBR Class B	1580	(23,574)	(447)	(24,020)	RSVA - Retail Transmission Network Charge	1584	147,859	2,456	150,315	RSVA - Retail Transmission Connection Charge	1586	(65,058)	(1,391)	(66,450)	RSVA - Power	1588	19,352	491	19,844	RSVA - Global Adjustment	1589	4,881	(202)	4,679	Disposition and Recovery of Regulatory Balances (2018)	1595	41,897	15,179	57,076	<b>Total for Group 1 accounts</b>		<b>264,170</b>	<b>18,387</b>	<b>282,557</b>
RSVA - Wholesale Market Service Charge	1580	144,929	2,408	147,338																																								
Variance WMS - Sub-account CBR Class B	1580	(23,574)	(447)	(24,020)																																								
RSVA - Retail Transmission Network Charge	1584	147,859	2,456	150,315																																								
RSVA - Retail Transmission Connection Charge	1586	(65,058)	(1,391)	(66,450)																																								
RSVA - Power	1588	19,352	491	19,844																																								
RSVA - Global Adjustment	1589	4,881	(202)	4,679																																								
Disposition and Recovery of Regulatory Balances (2018)	1595	41,897	15,179	57,076																																								
<b>Total for Group 1 accounts</b>		<b>264,170</b>	<b>18,387</b>	<b>282,557</b>																																								

**EB-2022-0052 - NOTL 2023 IRM Appl Managers Summary 20220715**

**17 1508 Specific Customer (Large Use) Variance Account**

18 NOTL Hydro was approved for a 1508 sub account – Specific Customer Variance in its 2019  
19 Cost of Service. Due to uncertainty around the actual demand for this customer at the time,  
20 NOTL Hydro proposed and was approved for the use of variance account to track variances in  
21 variable distribution revenue from the 5,000 KW demand estimated in the application.

Niagara-on-the-Lake Hydro Inc.  
EB-2022-0052  
Manager's Summary  
Page 19 of 35  
Filed July 15, 2022

1 Consistent with the draft accounting order, following the audit of each year's accounts, the  
2 amount is to be recovered/returned to customers.  
3 For 2023, NOTL Hydro is requesting disposition of:  
4 • a closing principal balance at December 31, 2021 of **(\$13,692)** adjusted for dispositions  
5 during 2022, plus  
6 • a closing interest balance at December 31, 2021 of **(\$132)** adjusted for dispositions  
7 during 2022, plus  
8 • the forecasted interest of **(\$205)** for 2022  
9 The total claim for this account is a credit balance of **(\$14,029)**.

**Table 14: 1508 Large Use Deferral Account Continuity**

Account Number	2021										2022				Projected Interest on Dec 31, 2022 Balance	
	Opening Principal Amounts as of Jan 1, 2021	Transactions (Debit / Credit) during 2021	OEB-Approved Disposition during 2021	Closing Principal Balance as of Dec 31, 2021	Opening Interest Amounts as of Jan 1, 2021	Interest Jan 1 to Dec 31, 2021	OEB-Approved Disposition during 2021	Closing Interest Amounts as of Dec 31, 2021	Principal Disposition during 2022 - requested by OEB	Interest Disposition during 2022 - requested by OEB	Closing Principal Balance as of Dec 31, 2022	Closing Interest Balance as of Dec 31, 2022	Adjusted for Disposition during 2022	Adjusted for Disposition during 2022	Total Interest	Total Claim
1508	(79,092)	(13,692)	29,004	(63,780)	(973)	(142)	684	(395)	50,388	458	(13,692)	(132)	(205)	(157)	(14,029)	(14,029)

11 The total claim of (\$14,029) will be allocated to each rate class based on 2021 distribution  
12 revenue.  
13

Please note that amount of \$50,845 in the EB2022-0052 Decision and Rate Order is incorrect. It appears this amount was not updated from the prior year. \$50,845 was the amount requested and approved for disposition in NOTL Hydro's 2022 IRM EB-2021-0045. The requested amount for the 2023 IRM was a credit balance \$14,029 as presented in the Managers summary in that case.

**EB-2022-0052 – Decision rate order NOTL 2023 IRM 20221208 - Table 8.2**

**Findings**

The OEB finds that Niagara-on-the-Lake Hydro's LRAMVA balance has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of Niagara-on-the-Lake Hydro's LRAMVA debit balance of \$8,634, as set out in Table 8.2 below.

**Table 8.2 LRAMVA Balance for Disposition**

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	109,788	101,334	180	8,634

The balance in the LRAMVA is now zero, and no further entries to the LRAMVA are permitted at this time. The LRAMVA will not be discontinued, in the event that Niagara-on-the-Lake Hydro requests the use of the LRAMVA for a CDM activity in a future application, which the OEB will consider on a case-by-case basis.<sup>27</sup>

**EB-2022-0052 – Decision rate order NOTL 2023 IRM 20221208 - page 6**

Ontario Energy Board

EB-2022-0052  
Niagara-on-the-Lake Hydro Inc.

**5. SHARED TAX ADJUSTMENTS**

In any adjustment year of an IRM term, a change in legislation may result in a change to the amount of taxes payable by a distributor. The impacts of such legislated tax changes are shared equally between shareholders and customers.<sup>7</sup> The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from the distributor's last cost of service proceeding.

The application identifies a total tax decrease of \$13,838, resulting in a shared amount of \$6,919 to be refunded to ratepayers.

This allocated tax sharing amount does not produce a rate rider to the fourth decimal place, in one or more rate classes. In such situations where the Rate Generator Model does not compute rate riders, distributors are required to transfer the entire OEB-approved tax sharing amount into the Disposition and Recovery of Regulatory Balances Control Account (Account 1595) for disposition at a later date.

**Findings**

The OEB approves the tax sharing refund of \$6,919.

As the allocated tax sharing amount does not produce a rate rider in one or more rate classes, the OEB directs Niagara-on-the-Lake Hydro to record the credit amount of \$6,919 into Account 1595 - Sub-account Principal Balances Approved for Disposition in 2023.

## 2024-1595

1595-2024	Principal	Interest	Total	Source
Group 1 Deferral and Variance Account Balance	\$ 774,499	\$ 49,300	\$ 823,799	EB-2023-0052 - NOTL 2024 DVA Continuity Schedule CoS 20231107 - Tab 2a
Group 2 Deferral and Variance Account Balance	\$ 147,549	\$ (408)	\$ 147,141	EB-2023-0052 - NOTL 2024 DVA Continuity Schedule CoS 20231107 - Tab 2b
Accounting Changes Under CGAAP Balance + Return Component	\$ 145,840		\$ 145,840	EB-2023-0052 - NOTL 2024 DVA Continuity Schedule CoS 20231107 - Tab 2b
Total 1595 2023 Approved Balance	\$ 1,067,888	\$ 48,893	\$ 1,116,781	
DVA Continuity	\$ (1,067,888)	\$ (48,893)	\$ (1,116,781)	EB-2024-0044 - Appendix 2 Tab 3
Variance	\$ -	\$ -	\$ -	

## EB-2023-0052 - NOTL 2024 DVA Continuity Schedule CoS 20231107 - Tab 2a

Account Descriptions	Account Number	2023				Projected Interest on Dec-31-22 Balances				Accounts To Dispose Yes/No	As of Dec 31-22	Variance 2023 vs. 2022 Balance (Principal + Interest)
		Principal Disposition during 2023 - instructed by OEB	Interest Disposition during 2023 - instructed by OEB	Closing Principal Balances as of Dec 31-22 Adjusted for Dispositions during 2023	Closing Interest Balances as of Dec 31-22 Adjusted for Dispositions during 2023	Projected Interest from Jan 1, 2023 to December 31, 2023 on Dec 31-22 balance adjusted for disposition during 2023 (2)	Projected Interest from January 1, 2024 to April 30, 2024 on Dec 31-22 balance adjusted for disposition during 2023 (2)	Total Interest	Total Claim			
<b>Group 1 Accounts</b>												
LV Variance Account	1550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00		\$0	\$0
Smart Metering Entry Charge Variance Account	1551	-\$6,118	-\$107	-\$127,321	-\$302	-\$1,344		-\$1,646	-\$26,984.63		-\$23,948	\$0
RSVA - Wholesale Market Service Charge <sup>a</sup>	1560	\$144,329	\$2,408	\$427,715	\$6,801	\$21,033		\$27,834	\$455,549.27		\$537,234	-\$44,620
Variance VMS - Sub-account CBR Class A <sup>a</sup>	1560	\$0	\$0	\$0	\$0	\$0		\$0	\$0.00		\$0	\$0
Variance VMS - Sub-account CBR Class B <sup>a</sup>	1560	-\$123,574	-\$448	-\$120,096	-\$104	-\$898		-\$1,433	-\$17,058.29		-\$14,438	\$0
RSVA - Retail Transmission Network Charge	1564	\$147,859	\$2,456	\$307,628	\$4,354	\$15,128		\$19,482	\$327,809.80		\$442,298	\$0
RSVA - Retail Transmission Connection Charge	1566	-\$65,058	-\$1,391	\$35,576	\$141	\$1,749		\$1,891	\$37,467.38		-\$36,752	\$0
RSVA - Power (excluding Global Adjustment) <sup>a</sup>	1568	\$19,352	\$431	\$21,314	\$251	\$1,048		\$1,301	\$22,844.42		\$14,490	\$0
RSVA - Global Adjustment <sup>a</sup>	1568	\$4,881	-\$202	\$29,883	\$475	\$1,460		\$1,930	\$3,051.51		\$24,650	\$0
Disposition and Recovery/Refund of Regulatory Balances (2017 and pre-2017) <sup>a</sup>	1595			\$0	\$0			\$0	\$0.00	No	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>a</sup>	1595	\$41,897	\$15,179	\$0	\$175			\$175	\$0.00	No	\$57.25	\$0
Disposition and Recovery/Refund of Regulatory Balances (2019) <sup>a</sup>	1595	\$0	\$0	\$0	\$12,720	\$0		\$12,720	\$0.00	No	\$12,720	\$0
Disposition and Recovery/Refund of Regulatory Balances (2020) <sup>a</sup>	1595	\$0	\$0	\$36,044	\$16,567	\$1,772		\$19,339	\$0.00	No	\$52,406	\$0
Disposition and Recovery/Refund of Regulatory Balances (2021) <sup>a</sup>	1595	\$0	\$0	\$8,840	\$0	\$435		\$435	\$0.00	No	\$8,840	\$0
Disposition and Recovery/Refund of Regulatory Balances (2022) <sup>a</sup>	1595	\$0	\$0	-\$25,559	-\$10,392	-\$1,257		-\$11,643	\$0.00	No	-\$15,952	\$0
Disposition and Recovery/Refund of Regulatory Balances (2023) <sup>a</sup>	1595	-\$126,348	-\$18,231	\$269,408	\$18,231	\$13,588		\$31,819	\$0.00	No		\$0
<i>Refer to the Filing Requirements for Account 1595 disposition eligibility</i>												
<b>Group 1 total (including Account 1589)</b>		-\$5,238	\$157	\$1,063,231	\$48,514	\$52,625	\$0	\$101,139	\$523,799.20			
<b>Group 1 total (excluding Account 1589)</b>		-\$10,120	\$359	\$1,033,548	\$48,044	\$51,165	\$0	\$99,209	\$792,185.74			
<b>RSVA - Global Adjustment</b>	1568	\$4,881	-\$202	\$29,883	\$475	\$1,460	\$0	\$1,930	\$3,051.51			

## EB-2023-0052 - NOTL 2024 DVA Continuity Schedule CoS 20231107 - Tab 2b

Account Descriptions	Account Number	2023		Projected Interest on Dec-31-22 Balances				Accounts to Dispose Yes/No	
		Closing Principal Balances as of Dec 31-22 Adjusted for	Closing Interest Balances as of Dec 31-22 Adjusted for	Projected Interest from Jan 1, 2023 to December 31, 2023 on Dec 31-22 balance adjusted for	Projected Interest from January 1, 2024 to April 30, 2024 on Dec 31-22 balance adjusted for	Total Interest	Total Claim		
<b>Group 2 Accounts</b>									
Deferred IFRS Transition Costs	1508	\$0	\$0			\$0		\$0.00	
Pole Attachment Revenue Variance <sup>a</sup>	1508	\$5,650	-\$1,208	\$278		-\$930		\$4,720.00	
Retail Service Charge Incremental Revenue <sup>a</sup>	1508	\$0	\$0			\$0		\$0.00	
Customer Choice Initiative Costs <sup>a</sup>	1508	\$17,422	\$390	\$857		\$1,236		\$0.00	No
Local Initiatives Program Costs <sup>a</sup>	1508	\$0	\$0			\$0		\$0.00	
Green Button Initiative Costs <sup>a</sup>	1508	\$328	\$8	\$16		\$22		\$0.00	No
Other Regulatory Assets, Sub-account Designated Broadband Project Impacts <sup>a</sup>	1508	\$0	\$0			\$0		\$0.00	
OEB Cost Assessment	1508	\$14,771	\$825	\$726		\$1,551		\$0.00	No
Large Use Variance Account	1508	\$123,713	\$1,204	\$6,084		\$7,287		\$131,000.02	Yes
Retail Cost Variance Account - Retail <sup>a</sup>	1518	\$8,590	\$688	\$422		\$1,030		\$5,620.32	No
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges <sup>a</sup>	1522	\$0	-\$9,990	\$0		-\$9,990		-\$9,943.71	
Misc. Deferred Debts	1525	\$0	\$0			\$0		\$0.00	
Retail Cost Variance Account - STR <sup>a</sup>	1548	\$9,586	\$683	\$472		\$1,155		\$10,750.46	
Extra-Ordinary Event Costs	1572	\$0	\$0			\$0		\$0.00	
Deferred Rate Impact Amounts	1574	\$0	\$0			\$0		\$0.00	
RSVA - One-time	1592	\$0	\$0			\$0		\$0.00	
Other Deferred Credits	2425	\$0	\$0			\$0		\$0.00	
PIUs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0	\$0			\$0		\$0.00	
PIUs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes <sup>a</sup>	1592	\$0	\$0			\$0		\$0.00	
<b>Total of Group 2 Accounts Above</b>		<b>\$180,069</b>	<b>-\$6,453</b>	<b>\$8,855</b>	<b>\$0</b>	<b>\$2,402</b>		<b>\$147,141.10</b>	
LRAM Variance Account <sup>a</sup>	1568	\$0	\$0	\$0		\$0		\$0.00	
<b>Total including Account 1568</b>		<b>\$180,069</b>	<b>-\$6,453</b>	<b>\$8,855</b>	<b>\$0</b>	<b>\$2,402</b>		<b>\$147,141.10</b>	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential <sup>a</sup>	1522	-\$146,600	\$0			\$0		-\$146,600.42	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account <sup>a</sup>	1522	\$146,600	\$0			\$0		\$146,600.42	
Renewable Generation Connection Capital Deferral Account	1531	\$0	\$0			\$0		\$0.00	
Renewable Generation Connection OM&A Deferral Account	1532	\$0	\$0			\$0		\$0.00	
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0	\$0			\$0		\$0.00	
Smart Grid Capital Deferral Account	1534	\$0	\$0			\$0		\$0.00	
Smart Grid OM&A Deferral Account	1535	\$0	\$0			\$0		\$0.00	
Smart Grid Funding Adder Deferral Account	1536	\$0	\$0			\$0		\$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1595	\$0	\$0			\$0		\$0.00	No
Meter Cost Deferral Account (MIST Meters) <sup>a</sup>	1557	\$0	\$0			\$0		\$0.00	
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0						\$0.00	No
Accounting Changes Under CGAAP Balance + Return Component	1576	\$145,840						\$145,840.36	Yes
Impacts Arising from the COVID-19 Emergence <sup>a</sup>	1509	\$0	\$0			\$0		\$0.00	

## 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		Network			Line Connection			Transformation Connection			Total Connection
Month		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
Total		394,049	\$ 5.50	\$ 2,167,022	415,203	\$ 0.90	\$ 374,672	-	\$ -	\$ -	\$ 374,672

## Question(s):

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

## NOTL Hydro Response

- The discrepancy was the result of how we were invoiced by the IESO. July 2023 was invoiced at the old rates of \$5.60 for Network and \$0.92 for Connection. This was corrected through an adjustment on the August 2023 invoice. For consistency, NOTL Hydro adjusted the amounts in Tab 12 of the revised IRM model submitted with these responses. The July 2023 Network rate was changed from \$5.60 to \$5.37, and the Connection rate was changed from \$0.92 to \$0.88.