

February 6, 2025

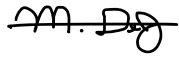
Dear Ms. Marconi,

RE: Tillsonburg Hydro Inc. (THI) 2025 Price Cap IR Application, EB-2024-0056

Please find enclosed the 2024 Tillsonburg Hydro Inc. ("THI") 4th Generation IRM Rate Application interrogatory responses, to the follow-up questions submitted by OEB staff. THI has provided IR responses in written form and an update to the IRM model with all changes and updates as required through the responses.

If there are any questions, please me at 519-688-3009 ext. 4801, or by email at mdejong@tillsonburg.ca .

Yours truly,



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Finance Regulatory Affairs Manager
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OEB Staff Follow-up Questions

1: Please confirm that Tillsonburg Hydro is applying for Price Cap IR method on Tab 1 (previous model was chosen Annual IR which results a stretch factor 0.60%), and please confirm the Stretch factor group on Tab 17.

THI confirms applying for Price Cap IR method on Tab 1 and confirms the Stretch Factor as Group II (Tab 17)

2: The OEB approved UTR and Hydro One Sub-Tx rates have been updated. Kindly review the updates and confirm the accuracy.

THI has reviewed the updates and confirms the accuracy of the UTR rates (Tab 11).

Follow-up Question 1

a) Please confirm the table compiled by OEB staff as above and confirm that the 2022 CBR class B sub-account principal balance under Account 1588 should be a credit of \$62,530 rather than a credit of \$30,149 in last year's proceeding. If confirmed, please address the rates retroactivity issue and address the four factors per Ref 4 in the OEB's letter issued on October 31, 2019.

i. If confirmed, please explain how Tillsonburg proposes to correct the under-refunding of 2022 CBR rate riders.

ii. If not confirmed, please explain why Tillsonburg does not consider this issue as rates retroactivity issue.

b) Tillsonburg states that 2022 principal adjustment of \$32,381 was the transaction amount for 2023 and results in no impact to the closing balance. OEB staff notes that \$32,381 was very close to the 2023 transaction amount of \$30,149 in 2023 continuity schedule for this account. Please confirm that even if there is no impact to the 2023 closing balance for this account, the 2022 CBR rate riders were derived based on the understated credit balance in Account 1508 sub-account CBR class B in last year's proceeding.

THI confirms the table compiled by OEB staff as above and confirms that the 2022 CBR class B sub-account principal balance under Account 1588 should be a credit of \$62,530 rather than a credit of \$30,149 in last year's proceeding. The balance for the 1580 sub-account CBR class B in 2022 was included in the 1580 Wholesale Market Service Charge account. To correct this issue, we have maintained the settlement balances for 2022 and proceed to make the principal and interest adjustments in 2023 to the IRM Rate Generator Model (Tab 3). The result is that the revised balances for CBR class B match the amounts reported in sub-account CBR class B in the RRR filing.

THI confirms that the overall impact on 1580 accounts as a total remains the same. The principal and interest adjustment in 2023 resulted in a shift in the balance from 1580 Wholesale Market Service Charge account to 1580 CBR class B sub-account.

Follow-up Question 2

Question(s):

- a) Please refill the “Principal Adjustment” Tab of the GA analysis workform by breaking out each of the principal adjustments that were listed in last year’s GA analysis workform.
- b) Please tie the \$97,342.31 principal adjustment to the total principal adjustment in the current year (cell V63) on the “Principal Adjustments” Tab of the GA analysis workform.
- c) Please also input the 2023 principal adjustment amount into the cell D20 on Tab “Account 1588” for a revised reasonability test calculation.

THI has updated the GA Analysis Workform as well as the 2025 IRM Rate Generator Model for the requests in part a, b, & c.