

**RESPONSES TO ONTARIO ENERGY BOARD STAFF
INTERROGATORIES**

INTERROGATORY 7-STAFF-42

Impact of Rate Zone Harmonization

Ref: Exhibit 7, 7.1, p. 5

Preamble:

Entegrus Powerlines proposes to harmonize the Entegrus-Main and Entegrus-STT rate zones into a single tariff sheet and has completed its cost allocation study on a harmonized basis. While the application discusses the harmonization approach, it does not provide a comparative summary of the impact on individual rate classes relative to their previous allocations.

Question(s):

(a) Please provide a summary of the impact of harmonization on individual rate classes compared to their previous allocations, including any material shifts in revenue responsibility or cost allocation outcomes.

RESPONSE:

Please see the table below.

Line No.	Rate Class	Costs		Entegrus-Main			Entegrus-STT		
		Allocated in Test Year Study	%	Allocated Costs from Previous Study (EB-2015-0061)	%	Increase/Decrease from Previous Study	Allocated Costs from Previous Study (EB-2014-0113)	%	Increase/Decrease from Previous Study
1	Residential	\$27,896,565	66.4%	\$11,354,903	59.4%	7.0%	\$4,786,698	63.5%	2.9%
2	General Service < 50 kW	\$5,646,730	13.4%	\$2,300,599	12.0%	1.4%	\$1,221,254	16.2%	-2.8%
3	General Service > 50 - 4,999 kW	\$7,286,009	17.3%	\$4,721,947	24.7%	-7.4%	\$1,296,178	17.2%	0.1%
4	Large Use	\$755,302	1.8%	\$462,118	2.4%	-0.6%	\$0	0.0%	0.0%
5	Unmetered Scattered Load	\$33,159	0.1%	\$32,995	0.2%	-0.1%	\$0	0.0%	0.0%
6	Sentinel Lighting	\$35,485	0.1%	\$59,131	0.3%	-0.2%	\$3,363	0.0%	0.0%
7	Street Lighting	\$365,737	0.9%	\$188,095	1.0%	-0.1%	\$228,245	3.0%	-2.2%
8	Embedded Distributor	\$0	0.0%	\$1,610	0.0%	0.0%	\$0	0.0%	0.0%
9	Total	\$42,018,987	100.0%	\$19,121,398	100.0%		\$7,535,738	100.0%	

1 **RESPONSES TO ONTARIO ENERGY BOARD STAFF**
2 **INTERROGATORIES**

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4 **INTERROGATORY 7-STAFF-43**

5 Load Profiles - Weather Normalization

6 Ref: Exhibit 7, 3.3.3, p. 11

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8 Entegrus Powerlines states that weather data is measured in by the Ridgetown Automatic weather
9 station in Ridgetown, ON, a community located in between the core population centres which make
10 up Entegrus Powerlines' Main and St. Thomas rate zones. The 10-year average monthly values were
11 used to generate forecast values.

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13 Question(s):

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15 (a) Please confirm whether separate profiles were considered or developed for the Entegrus main
16 and Entegrus St. Thomas rate zones. If not, why not?

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19 **RESPONSE:**

20 (a) Separate profiles were not developed for the Entegrus-Main and Entegrus-St. Thomas rate
21 zones as weather patterns for these areas are similar.

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**RESPONSES TO SCHOOL ENERGY COALITION
INTERROGATORIES**

INTERROGATORY 7-SEC-37

[Exhibit 7, Tables 7-2, 7-3 and 7-4]

Please provide the underlying data behind the calculations of the weighting factors in the three tables.

RESPONSE:

EPI notes that the underlying data behind the calculation of the Meter Capital weighting factor (Exhibit 7, Table 7-4) is provided in Tab I.7 of the Cost Allocation Model.

Please see 7-VECC-36 for a detailed breakdown of the Billing and Collecting weighting factor.

Please see the table below for the data underlying the calculation of the Services weighting factor.

Rate Class	Avg Cost of Service	Services Weighting Factors
Residential	\$ 1,968.32	1.0
GS<50	\$ 2,193.71	1.1
GS>50	\$ -	
Large Use	\$ -	
Street Light	\$ 130.00	0.1
Sentinel	\$ 130.00	0.1
USL	\$ 130.00	0.1

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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-33**

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6 Reference: Cost Allocation Model, Tab I8 (Demand Data)

7 EPI_Utilis_LoadProfile_Template

8 Exhibit 7, page 6

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10 Preamble:

11 The Application states: “EPI’s load profiles have been updated for all rate classes. EPI used a
12 historical average for weather normalization. More specifically, EPI developed load profiles based
13 on historical hourly load data for 2022, 2023, and 2024.”

14
15 a) Please confirm that the CP and NCP values used in Tab I8 were based on the average of the
16 values CP and NCP calculated using the actual 2021-2023 data.

17 b) Please provide a schedule that for each month compares:

18 i) the 10-year average HDD value used in Exhibit 3 and ii) the average HDD value for the
19 years 2022-2024.

20
21 c) Please provide a schedule that for each month compares:

22 i) the 10-year average CDD value used in Exhibit 3 and
23 ii) the average CDD value for the years 2022-2024.

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26 **RESPONSE:**

27 a) The CP and NCP values used in Tab I8 were based on the average of the CP and NCP
28 values calculated using the actual 2022-2024 data.

29 b) – c) Please see the table below.

Date	2022-2024 Avg HDD	10-yr Avg HDD	2022-2024 Avg CDD	10-yr Avg CDD
Jan-22	654.1	664.2	0.0	0.0
Feb-22	530.3	591.4	0.0	0.0
Mar-22	473.3	501.7	0.0	0.0
Apr-22	297.3	325.6	1.4	0.4
May-22	120.4	142.0	20.7	24.2
Jun-22	31.8	28.0	65.6	65.4
Jul-22	2.6	4.2	103.5	111.5
Aug-22	14.6	10.4	77.3	89.3
Sep-22	44.5	48.0	35.1	44.3
Oct-22	191.5	202.6	4.6	7.7
Nov-22	371.4	394.2	1.0	0.4
Dec-22	513.7	538.7	0.0	0.0
Jan-23	654.1	664.2	0.0	0.0
Feb-23	530.3	591.4	0.0	0.0
Mar-23	473.3	501.7	0.0	0.0
Apr-23	297.3	325.6	1.4	0.4
May-23	120.4	142.0	20.7	24.2
Jun-23	31.8	28.0	65.6	65.4
Jul-23	2.6	4.2	103.5	111.5
Aug-23	14.6	10.4	77.3	89.3
Sep-23	44.5	48.0	35.1	44.3
Oct-23	191.5	202.6	4.6	7.7
Nov-23	371.4	394.2	1.0	0.4
Dec-23	513.7	538.7	0.0	0.0
Jan-24	654.1	664.2	0.0	0.0
Feb-24	530.3	591.4	0.0	0.0
Mar-24	473.3	501.7	0.0	0.0
Apr-24	297.3	325.6	1.4	0.4
May-24	120.4	142.0	20.7	24.2
Jun-24	31.8	28.0	65.6	65.4
Jul-24	2.6	4.2	103.5	111.5
Aug-24	14.6	10.4	77.3	89.3
Sep-24	44.5	48.0	35.1	44.3
Oct-24	191.5	202.6	4.6	7.7
Nov-24	371.4	394.2	1.0	0.4
Dec-24	513.7	538.7	0.0	0.0

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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

3
4 **INTERROGATORY 7.0-VECC-34**

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6 Reference: Cost Allocation Model, Tabs I6.2 and I8

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8 a) In Tab I6.2, for the GS>50 class the CCS value (455) is greater than the CCLT value (368).
9 Similarly, in Tab I8, for the GS>50 class the SNCP4 value (319,960) is greater than the LTNCP4
10 value (258,973). This suggests that for some GS>50 customers EPI owns the secondary facilities
11 even though the customer owns the transformer. Please confirm that this is correct.

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16 **RESPONSE:**

17 a) EPI determined the number of customers served by secondary facilities based on the number
18 of customers per rate class that used the secondary loss factor as opposed to the primary loss
19 factor. EPI recognizes that this number of customers does not match the number of
20 customers that EPI is allocating transformer costs.

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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-35**

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6 Reference: Exhibit 7, pages 8-9

7 EPI_Main_2026_Tariff_Schedule_and_Bill_Impact_Model, Tab 2 (Current Tariff Schedule)

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9 Preamble:

10 The Application states:

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12 “In its 2016 COS Application (EB-2015-0061), EPI received approval for Standby rates on a final
13 basis for its GS > 50 kW and Large Use rate classes, equal to the variable distribution charge for
14 each rate class, respectively.”

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16 The Current Tariff Schedule describes the billing Standby as follows:

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18 “General Service > 50 kW - for a customer whose facility is in the General Service > 50 kW rate
19 class and for a month where actual demand is less than contracted demand. The charge is applied to
20 the amount by which the amount of load transfer capacity contracted by a facility exceeds the actual
21 demand. Large Use Standby Charge - for a customer whose facility is in the Large Use rate class
22 and for a month where actual demand is less than contracted demand. The charge is applied to the
23 amount by which the amount of load transfer capacity contracted by a facility exceeds the actual
24 demand.”

25
26 a) Please clarify whether the “contracted demand” is a contracted amount for Standby or a
27 contracted amount for the customer’s total billed demand.

28 i. If the “contracted demand” is a contracted amount for Standby, please explain how EPI
29 determines whether and by how much the contracted demand exceeds the actual demand.

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2 **RESPONSE:**

3 a) The contracted demand is a contracted amount for Standby.

4 i. All Standby customers are metered, such that any variance between contracted demand
5 and actual demand can be measured.

1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-36**

5 Reference: Exhibit 7, page 12

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7 Preamble:

8 The Application states:

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10 “To calculate the billing and collecting weighting factors, EPI calculated the estimated cost related
11 to each rate class. To do this, EPI first allocated the billing and collecting costs to one of two groups,
12 1) low volume (Residential and GS<50 kW) and 2) high volume (GS>50-4,999 kW and Large Use).
13 EPI then used these allocated costs divided by the number of bills issued to determine a total cost per
14 bill.”

15
16 a) Please provide a schedule that sets out the allocation of billing and collecting costs to the two
17 groups and the subsequent calculation of the weighting factors. In preparing the schedule please:

18 i. Indicate how the Sentinel, Street Lighting and USL classes were incorporated into the
19 analysis.

20 ii Identify those costs that could be directly allocated to one of the two groups.

21 iii. Identify those costs that were attributed to both groups (e.g. postage) and how they were
22 allocated between the two groups.

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25 **RESPONSE:**

26 a) Please see the table below.

Line No.	USoA Account	2024 Actuals	Residential and GS<50	GS>50 and Large Use
1	5305 Supervision	\$ 533,683	\$ 505,629	\$ 28,054
2	5315 Billing	\$ 1,325,921	\$ 1,273,598	\$ 52,323
3	5320 Collecting	\$ 577,990	\$ 549,091	\$ 28,900
4	5340 Customer Service	\$ 939,043	\$ 931,469	\$ 7,574
5	Total	\$ 3,376,637	\$ 3,259,787	\$ 116,850
6	Bills Per Year		755,652	6144
7	Amount Per Bill (Line 5/Line 6)		4.31	19.02
8	Weighting Factor		1	4.50
9	Weighting Factor (Large Use)			5.50

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- i. USL and Sentinel customers typically have another metered account associated with the unmetered asset, as such they were allocated a value of 1. EPI links these accounts together through its CIS to produce a single bill for its customer. Similar to these classes, management of Street Lighting connection count and billing is highly automated, thus EPI also allocated a value of 1.
- ii. There are no costs attributable to only one rate class.
- iii. The costs allocated to both groups are described below:
 - Supervision costs include the general direction and management of customer accounting and collecting activities. These costs were allocated in proportion to the number of bills, plus an additional 25% of the Supervisor of Billing fully allocated cost.
 - Billing costs encompass all costs relating to the account billing (such as stationery, postage, etc.) and were allocated in proportion to the number of bills, plus an additional 60% of the Senior Biller's fully allocated cost;
 - Collecting costs include all costs related to the collection of customer accounts and were allocated in proportion to overdue balances as at December 31, 2024.
 - Customer Service costs include labour and material costs incurred to provide customer service and were allocated in proportion to the number of bills.

1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-37**

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6 Reference: Exhibit 7, page s 12-12
7 Cost Allocation Model, Tab I7.1 (Meter Capital)

8
9 a) Do each of the Residential, GS<50, GS>50 and LU customers only have one meter that is owned
10 by EPI?

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12 i. If some customers have more than one meter that is owned by EP, please identify the number of
13 additional meters by customer class.

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16 **RESPONSE:**

17 a) No. A small number of customers have legacy installations with more than one meter owned
18 by EPI. These setups are primarily used to meter electric heating loads separately. A total of
19 59 Residential customers have more than one meter owned by EPI, and seven GS<50
20 customers have more than one meter owned by EPI.

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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-38**

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6 Reference: Exhibit 7, page 13

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8 Preamble:

9 The Application states:

10 “EPI no longer has third party meter reading service, and incurs \$0 in expenditures in Account 5310.
11 As such, calculation of this weighting factor is not applicable.”

12
13 a) Please confirm that EPI relies on internal resources to perform meter reading.

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15 i. If yes, in what USOA are the internal costs for meter reading recorded and were the actual
16 internal cost incurred in 2024 and the forecast internal cost for 2026?

17 ii. If not, who performs Entegrus’ meter reading?
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21 **RESPONSE:**

22 a) Confirmed. The internal costs for meter reading are recorded in USoA 5065 and 5320. The
23 2024 internal cost incurred was \$52,700 and the forecast internal cost for 2026 is \$57,100.
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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
2 **COALITION INTERROGATORIES**

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4 **INTERROGATORY 7.0-VECC-39**

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6 Reference: Exhibit 7, page 15

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8 Preamble:

9 The Application states:

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11 “As noted above, while the load forecast for this Application has been prepared on an aggregate
12 service territory basis, EPI currently maintains two separate rate zones. In order to accurately reflect
13 distribution revenue from current rates, EPI has calculated weighted average distribution rates for
14 input into Lines 33 to 35 of this Tab. To facilitate this calculation, EPI calculated the 2024
15 percentage of customer/connections, kWh and kW by rate zone by rate class. EPI applied these
16 percentages to the 2026 Load Forecast and then applied the 2025 IRM approved rates (EB-2024-
17 0018) to the allocated forecast. EPI calculated the weighted average fixed and variable rates by
18 dividing the total revenue by the total billing determinant.”

19
20 a) Please provide a schedule that sets out (in excel) the calculations described in the Preamble and
21 the resulting 2025 weighted average rates by customer class.

22 b) In the case of the GS>50 class, did the 2024 volumes used for EPI-Main include the 2024 Standby
23 volumes?

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27 **RESPONSE:**

28 a) Please see the live excel model EPI_IRR_7-VECC-39_2025 Weighted Average Rate
29 Calculation_20251126.

30 b) EPI notes that while its evidence stated 2024 volumes, EPI in fact used 2023 volumes in the
31 weighted average rate calculation. The 2023 volumes used for EPI-Main did not include the
32 2023 Standby volumes.

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1 **RESPONSES TO VULNERABLE ENERGY CONSUMERS**
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4 **INTERROGATORY 7.0-VECC-40**

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6 Reference: Exhibit 7, page 15

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8 a) It is noted that the Entegrus-STT rate zone does not have a USL customer class. Do all of the
9 Residential and General Service customers in the Entegrus-STT rate zone have meters (including
10 those that would be considered to be USL customers if in the Entegrus-Main rate zone)?

11
12 i. If not, will these customers be reclassified to the USL class starting in 2026?

13 ii. If yes, will these customers continue with their current customer classification in 2026?

14 iii. If yes, how will these customers be treated once their current meter needs to be replaced?

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19 **RESPONSE:**

20 a) All residential and general service customers in the Entegrus-STT rate zone have meters,
21 including those that would be considered to be USL customers if they resided in the
22 Entegrus-Main rate zone. The Entegrus-STT rate zone also has two unmetered rate classes
23 (Street Lighting and Sentinel).

24 i. N/A.

25 ii. These customers will continue with their current customer classification in 2026.

26 iii. If their meter needs to be replaced, these customers will continue to be treated as
27 their current customer classification.

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