**Thunder Bay Hydro Electricity Distribution Inc. Price Cap IR Application (EB-2017-0075)**

**OEB Staff Questions**

**Question #1**

**References: GA Analysis Workform**

Thunder Bay Hydro has indicated in the GA Analysis Workform that it does not bill its customers on a calendar month basis. In Note 4 of the GA Analysis Workform, the previous and current month unbilled loss adjusted consumption (kWh) has not been provided.

* 1. Please confirm whether the consumption amount entered in column F was the actual consumption for the given calendar month or the billed consumption.
	2. If the consumption entered in column F was the actual consumption for the given calendar month, please provide support for how the monthly quantities were derived.
	3. If applicable, please provide the previous month unbilled loss adjusted consumption (kWh) in column G.
	4. If applicable, please provide the current month unbilled loss adjusted consumption (kWh) in column H.

**Question #2**

**References: GA Analysis Workform – Reconciliation items 1a and 1b
2018 Rate Generator Model – Tab 3 Continuity Schedule**

In booking expense journal entries for Charge Type 1142 (formerly 142), and Charge Type 148 from the IESO invoice, please confirm which of the following approaches is used:

1. Charge Type 1142 is booked into Account 1588. Charge Type 148 is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589, respectively[[1]](#footnote-1).
2. Charge Type 1142 is booked into Account 1588. In relation to Charge Type 148, the non-RPP quantities multiplied by the GA rate is booked to account 1589 and the remainder of Charge Type 148 is booked to account 1588.
3. Charge Type 148 is booked into Account 1589. The portion of Charge Type 1142 equalling RPP-HOEP for RPP consumption is booked into Account 1588. The portion of Charge Type 1142 equalling GA RPP is credited into Account 1589.
4. If another approach is used, please explain in detail.

**Question #3**

**References: GA Analysis Workform – Reconciliation items 1a and 1b
2018 Rate Generator Model – Tab 3 Continuity Schedule**

With regards to the amount being requested for disposition of USoA 1589 account balance as at Dec. 31, 2016, all components that flow into Account 1589 (i to iv in table below) should be based on actuals in the 2018 Rate Generator Model – Tab 3 Continuity. Please complete the following table to:

* 1. Indicate whether each of the components are based on estimates or actuals at year end, and
	2. Quantify the adjustment amount pertaining to each component that is trued-up from estimate to actual.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Component** | **Estimate or Actual** | **Notes/Comments** | **Quantify True Up Adjustment $ Amount** |
| i | Revenue (i.e. is an unbilled revenue true-up adjustment reflected in the balances being requested for disposition?)  |  |  |  |
| ii | Expenses - GA non-RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end) |  |  |  |
| iii | Expenses - GA non-RPP: Charge Type 148 with respect to the RPP/non-RPP kWh volume proportions. |  |  |  |
| iv | Credit of GA RPP: Charge Type 142 if the approach under Staff Question 1c is used |  |  |  |

* 1. For each item in the table above, please confirm that the GA Analysis Workform for 2016 and the 2018 Rate Generator Model Tab 3 Continuity Schedule for 2016 have been adjusted for settlement true-ups where settlement was originally based on estimate and trued up to actuals subsequent to 2016.

**Question #4**

**References: 2018 Rate Generator Model – Tab 3 Continuity Schedule**

With regards to the amount being requested for disposition of USoA 1588 account balance as at Dec. 31, 2016, all components that flow into Account 1588 (i to iv in table below) should be all based on actuals at year end. Please complete the following table to:

1. Indicate whether the component is based on estimates or actuals at year end, and
2. Quantify the adjustment pertaining to each component that is trued-up from estimate to actual

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Component** | **Estimate or Actual?** | **Notes/Comments** | **Quantify True Up Adjustment $ Amount** |
| i | Revenues (i.e. is an unbilled revenue true-up adjustment reflected in the balances being requested for disposition?)  |  |  |  |
| ii | Expenses – Commodity: Charge Type 101 (i.e. is expense based on IESO invoice at year end) |  |  |  |
| ijj | Expenses - GA RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end) |  |  |  |
| iv | Expenses - GA RPP: Charge Type 148 with respect to the RPP/non-RPP kWh volume proportions. |  |  |  |
| v | RPP Settlement: Charge Type 142 including any data used for determining the RPP/HOEP/RPP GA components of the charge type |  |  |  |

1. For each item in the table above, please confirm that the 2018 Rate Generator Model Tab 3 Continuity Schedule for 2016 have been adjusted for settlement true-ups where settlement was originally based on estimate and trued up to actuals subsequent to 2016.

**Question #5**

**References: GA Analysis Workform**

The starting point for Note 5 (cell D65) of the GA Analysis Workform must agree to the “Transactions Debit / (Credit)” column in the DVA continuity.  In the GA Analysis Workform submitted by the applicant, the starting point of Note 5 does not agree to the DVA continuity schedule as the balance in the continuity schedule is negative (credit).  Please explain why an alternate balance has been used.  If this was done in error, then please update the GA Analysis Workform accordingly and resubmit.

**Question #6**

**References: GA Analysis Workform**

Please further explain adjustment 6 of Note 5 of the GA Analysis Workform. It is unclear what this reconciling item is for. Also confirm that the G/L for 2016 reflects the actual invoices billed by the IESO.

**Question #7**

**References: GA Analysis Workform**

Please explain and discuss the explanations given for the reconciling items 1a and 1b in Note 5 of the GA Analysis Workform.

**Question #8**

**References: Tab 3 (Continuity Schedule) of the IRM Model**

Account 1580, sub-account CBR Class A should have a zero balance as of December 31, 2016. Please explain why this is not the case.

**Question #9**

**References: Tab 3 (Continuity Schedule) of the IRM Model**

Chapter 3 of the Filing Requirements for Electricity Distribution Rate Applications states that applicants are expected to only request disposition of residual balances for vintage Account 1595 Sub-Accounts once and that any vintage Account 1595 Sub-Account is to be disposed only once, on a final basis. No further dispositions of these accounts are expected thereafter unless justified by the distributor. Please explain and discuss why there is still a balance and why disposition is being sought for 2012, 2013, and 2014.

**Question #10**

**References: Tab 3 (Continuity Schedule) of the IRM Model**

The 2015 balance in Account 1595 Sub-Account shows a significant under-recovery. Please reconcile the under-recovery by producing i) a table that provides the amount of the original amount approved for principal and interest, and ii) a table that shows the volumes billed multiplied by the rate rider to reconcile the total recovery, which will show the balance being requested for disposition.

1. Note, the following in all references in OEB Staff questions relating to amounts booked to accounts 1588 and 1589. Amounts are not booked directly to accounts USoA 1588 and 1589 relating to power purchase and sale transactions, but are rather booked to the cost of power USoA 4705 Power Purchased/4707 Charges - Global Adjustment and the respective Energy Sales USoA accounts, respectively. However, accounts 1588 and 1589 are impacted the same way as accounts 4705/4707 are for cost of power transactions, and the same way as the Energy Sales accounts are for revenue transactions. [↑](#footnote-ref-1)