

May 30 2024

Delivered by RESS

Ms. Nancy Marconi, Registrar
Ontario Energy Board
P.O Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Re: EB-2024-0022 Essex Powerlines Corporation - Error Checking Review Responses

On May 17, 2024, the OEB asked for clarification and/or correction of the items listed below. EPLC Responses are listed below each question.

OEB Staff Question:

1. Most of the values do not reconcile between
 - a. Chapter 2 Appendices 2-AA
 - b. Chapter 2 Appendices 2-AB

EPLC Response:

EPLC updated Chapter 2 Appendices 2-AB; Chapter 2 Appendices have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

2. The historic values (i.e. 2018-2024) do not match in the following two tables
 - a. DSP page 10, Table 5.2-1: Historical and Forecast Capital Expenditures and System O&M
 - b. Chapter 2 Appendices 2-AB

EPLC Response:

EPLC updated Chapter 2 Appendices 2-AB; Chapter 2 Appendices have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

3. The following have Draft watermarks
 - a. DSP Pages 76-77 (Exhibit 2 pdf page 151-152)

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EPLC Response:

The watermark has been removed from pages 76 and 77; the DSP has been resubmitted as EPLC_DSP_COS_20240517.pdf.

OEB Staff Question:

4. There is an error in Chapter 2 Appendices, Tab 2L. The Line Admin expenses should reference row 21 in 2-JA instead of row 22.

EPLC Response:

The Admin Expenses line on Tab 2L correctly references line 22 for each year except for 2019, EPLC has updated the model to change the reference in the 2019 column on Tab 2L to reference row 22 of the 2019 column on Tab 2-JA. The Chapter 2 Appendices have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

5. Exhibit 1, page 71 states "Poles, Towers O & M - EPLC's 5-year average unit cost index is \$9.97, while the industry 5-year average unit cost index is \$11.65." This statement does not reconcile with Table 1-25 on the same page.

EPLC Response:

Table 1-25 on page 71 of Exhibit 1 has been updated and Exhibit 1 has been resubmitted as EPLC_Exhibit1_COS_20240517.

OEB Staff Question:

6. Exhibit 1, page 70 states "Vegetation Management O & M - EPLC's 5-year average unit cost index is \$71.03, while the industry 5-year average unit cost index is \$67.76." This statement does not reconcile with Table 1-23 on the same page.

EPLC Response:

Table 1-23 on page 70 of Exhibit 1 has been updated and Exhibit 1 has been resubmitted as EPLC_Exhibit1_COS_20240517.

OEB Staff Question:

7. The Gross Revenue Deficiency does not match between Table 6-4 (Exhibit 6, page 6)/Table 6-5 and the RRWF.

EPLC Response:

The revenue deficiency figure in the RRWF has been updated and the RRWF has been resubmitted as EPLC_RevReqWorkform_COS_20240517.xls and a pdf copy of the revised RRWF is included as attachment 6-A on the resubmitted Exhibit 6.

OEB Staff Question:

8. The 2018 OEB Approved Operations and Maintenance numbers do not match in the following three tables
 - a. Table 4-2
 - b. Table 4-4
 - c. Chapter 2 Appendices 2-JA

EPLC Response:

Tables 4-2 and 4-4 are correct, Appendix 2JA had a transposition error with the 2018 figures for Operations and Maintenance in the opposite lines. EPLC updated Chapter 2 Appendices 2-JA and Chapter 2 Appendices have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

9. The Total Closing Balance in Table 4-5 is incorrect due to a blank Total Opening Balance.

EPLC Response:

The total column does not require an opening balance, it was added to provide a cumulative total per cost driver as explained in the preceding paragraph.

OEB Staff Question:

10. The historic values (i.e., 2018-2022) do not match in the following three tables
 - a. Table 4-7
 - b. Chapter 2 Appendices 2-JA
 - c. Chapter 2 Appendices 2-L

EPLC Response:

Table 4-7 was updated on page 20 of Exhibit 4 and Chapter 2 Appendices 2-L was updated to correct a cell reference error per question 4 above. Exhibit 4 has been resubmitted as EPLC_Exhibit4_COS_20240517.pdf to reflect this update and the Chapter 2 Appendices have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

11. The following do not match between Table 2-14 and Chapter 2 Appendices 2-K
 - a. 2024 Bridge Year Total Salary and Wages including overtime and incentive pay for Non-Management (union and non-union)
 - b. 2024 Bridge Year Total Compensation (Salary, Wages, & Benefits) for Non-Management (union and non-union)
 - c. 2025 Test Year Total Benefits (Current + Accrued) for Non-Management (union and non-union)
 - d. 2025 Test Year Total Compensation (Salary, Wages, & Benefits) for Non-Management (union and non-union)

EPLC Response:

EPLC confirms that Table 4-15 (not Table 2-14 as noted in the question) is intended to match Chapter 2 Appendices 2-K. A transposition error in one cell in 2024 resulted in the mismatch. Appendix 2-K has been updated and Chapter 2 Appendices resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

12. The RTSR rates in the RTSR Workform do not match the RTSR rates in Chapter 2 Appendix 2-ZB

EPLC Response:

Appendix 2-ZB has been updated and Chapter 2 Appendices resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls.

OEB Staff Question:

13. In the PILs Model, please update the following:
 - a. PILs Model Tab B8: Relevant factors in Line 15, 16, 32 and 33 should be 0
 - b. PILs Model Tab H0: PILs amount does not agree to Table 6-6's 2023 Projected \$(25,477)
 - c. Exhibit 6 - Table 6-7: The unaccelerated CCA does not agree to amounts in Attachment 6-B

EPLC Response:

PILs model updated at Tab B8 for relevant factors and at Tab H0 for 2023 projected PILs. Table 6-7 has also been updated in Exhibit 6. The PILS model (excel version) and Exhibit 6 have been resubmitted as EPLC_PILsWorkform_COS_20240517.xls and EPLC_Exhibit6_COS_20240517 respectively.

OEB Staff Question:

14. OEB Staff identified an error in the Tariff Schedule and Bill Impact Model where the Additional Rates for the Embedded Distributor Service Classification were not being populated in Tab 5- Final Tariff Schedule and Tab 6 -Bill Impacts tab.

a. Please confirm that the attached updated model is correct.

EPLC Response:

EPLC confirms the Tariff Schedule and Bill Impact Model as amended is correct; Tariff Schedule and Bill Impact Model resubmitted as EPLC_TariffSched_BillImpactModel_COS_20240516.xls.

OEB Staff Question:

15. Total OM&A in Chap 2 Appendices Tab 2-JB for 2024 and 2025 does not match the total in Tab 2-JA. Could you confirm that all 4 new FTE positions for 2025 are management?

EPLC Response:

EPLC has updated Chapter 2 Appendices Tab 2_JB (2024 column) and updated Tables 4-5, 4-6, and 4-7. Chapter 2 Appendices and Exhibit 4 have been resubmitted as EPLC_Chapter2Appendices_COS_20240517.xls and EPLC_Exhibit4_COS_20240517.pdf respectively. EPLC confirms that 4 new positions are management.