

**Orillia Power Distribution Corporation (“Orillia”)
2013 IRM Rate Application
EB-2012-0156
Board Staff Interrogatories**

RTSR Adjustment Work Form

1. Ref: A portion of Sheet 4 “RRR Data” is reproduced below.

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	106,490,221		1.0561		112,464,322	-
General Service Less Than 50 kW	kWh	47,585,316		1.0561		50,254,852	-
General Service 50 to 4,999 kW	kW		390,760		0.00%	-	390,760
Unmetered Scattered Load	kWh	833,300		1.0561		880,048	-
Sentinel Lighting	kW		921		0.00%	-	921
Street Lighting	kW		7,321		0.00%	-	7,321

Please confirm that the amounts entered into the columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” have not been adjusted by Orillia’s Board-approved loss factor.

2013 IRM Rate Generator

2. Ref: A portion of Sheet 4 “Current Tariff Schedule” is reproduced below.

Residential Service Classification		
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge - effective until April 30, 2012	\$/kWh	0.0011
Rural Rate Protection Charge - effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

a) Board staff believes that the “Rural Rate Protection Charge – effective until April 30, 2012” should be \$0.0013 for all rate classes. If this is an error, Board staff will make the correction.

3. Ref: A portion of the Residential and GS 50 to 4,999 kW rate classes on Sheet 4 “Current Tariff Schedule” is reproduced below.

Residential Service Classification		
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the Effective date of the next cost of service application	\$	2.56
Rate Rider for Recovery of Residual Historical Smart Meter Costs – Effective until September 30, 2014	\$	1.28

General Service Less Than 50 kW Service Classification		
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the Effective date of the next cost of service application	\$	7.48
Rate Rider for Recovery of Residual Historical Smart Meter Costs – Effective until September 30, 2014	\$	6.91

- a) Board staff has been unable to confirm the “Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the Effective date of the next cost of service application” for the Residential and the General Service Less Than 50 kW rate classes with Orillia’s last Board-approved Tariff of Rates and Charges. Board staff believes the correct rate is “Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the Effective date of the next cost of service-based rate order”. Please confirm and, if necessary, Board staff will make the changes to the model.

- b) Board staff has been unable to confirm the “Rate Rider for Recovery of Residual Historical Smart Meter Costs – Effective until September 30, 2014” for the Residential and the General Service Less Than 50 kW rate classes with Orillia’s last Board-approved Tariff of Rates and Charges. Board staff believes the correct rate is “Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until September 30, 2014”. Please confirm and, if necessary, Board staff will make the changes to the model.

2013 IRM3 Tax Sharing Model

4. Ref: A portion of Sheet 5 "Z-Factor Tax Changes" is reproduced below

Summary - Sharing of Tax Change Forecast Amounts		
For the 2010 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)		\$ -
1. Tax Related Amounts Forecast from Capital Tax Rate Changes		
	2010	2013
Taxable Capital	\$ 20,743,200	\$ 20,743,200
Deduction from taxable capital up to \$15,000,000	\$ 12,452,000	\$ 12,452,000
Net Taxable Capital	\$ 8,291,200	\$ 8,291,200
Rate	0.150%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ 6,167	\$ -
2. Tax Related Amounts Forecast from Income Tax Rate Changes		
	2010	2013
Regulatory Taxable Income	\$ 846,747	\$ 846,747
Corporate Tax Rate	28.85%	22.37%
Tax Impact	\$ 244,329	\$ 189,388
Grossed-up Tax Amount	\$ 343,400	\$ 243,951
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ 6,167	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 343,400	\$ 243,951
Total Tax Related Amounts	\$ 349,567	\$ 243,951
Incremental Tax Savings		-\$ 105,616
Sharing of Tax Savings (50%)		-\$ 52,808

Ref: A portion of "Revenue Requirement Workform" is reproduced below

		Rate Base		
Line No.	Particulars	Application	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)	\$36,244,000	\$ -	\$36,244,000
2	Accumulated Depreciation (average) (3)	(\$19,712,500)	\$20,700	(\$19,691,800)
3	Net Fixed Assets (average) (3)	\$16,531,500	\$20,700	\$16,552,200
4	Allowance for Working Capital (1)	\$4,211,700	\$41,850	\$4,253,550
5	Total Rate Base	\$20,743,200	\$62,550	\$20,805,750
(1) Allowance for Working Capital - Derivation				
6	Controllable Expenses	\$4,346,000	\$ -	\$4,346,000
7	Cost of Power	\$23,732,000	\$279,000	\$24,011,000
8	Working Capital Base	\$28,078,000	\$279,000	\$28,357,000
9	Working Capital Rate % (2)	15.00%		15.00%
10	Working Capital Allowance	\$4,211,700	\$41,850	\$4,253,550

- a) Board staff has been unable to verify the amount entered into the “Taxable Capital” with Orillia’s 2010 Revenue Requirement Workform (“RRWF”). Please confirm the dollar amount for Taxable Capital cell I25 should be \$20,805,750 as per the RRWF, row Total Rate Base and column Per Board Decision. If so, Board staff will update your workform. If not, please provide the documentation supporting the amount of \$20,743,200.