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BY E-MAIL

November 5, 2013

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Ottawa River Power Corporation (“ORPC”)
2014 IRM Distribution Rate Application
Board Staff Interrogatories
Board File No. EB-2013-0163**

In accordance with the Notice of Application and Hearing, please find attached Board Staff interrogatories in the above proceeding. Please forward the following to ORPC and to all other registered parties to this proceeding.

ORPC's responses to interrogatories are due by December 2, 2013.

Yours truly,

Original Signed By

Suresh Advani

Encl.

**Ottawa River Power Corporation (“ORPC”)
 2014 Electricity Distribution Rates
 EB-2013-0163
 Board Staff Interrogatories**

1. Billing Error Adjustments

Ref: Rate Generator Model

Ref: ORPC’s letter to the Board dated August 29, 2013

Ref: Manager’s Summary p.11

A portion of Sheet “5. 2014 Continuity Schedule” from the Rate Generator Model is reproduced below.

Account Descriptions	Account Number	2013					Projected Interest on Dec-31-12 Balances		2.1.7 RRR		Variance 100% vs. 2012 Balance (Principal + Interest)		
		Adjustments during 2013 - Amounts as of other 1	Closing Interest Amounts as of Dec-31-12	Principal Disposition during 2013 - Instructed by Board	Interest Disposition during 2013 - Instructed by Board	Closing Principal Balances as of Dec 31-12 Adjusted for Dispositions during 2013	Projected Interest from Jan 1, 2013 to December 31, 2013 on Dec 31-12 balance adjusted for disposition during 2013 ¹	Projected Interest from January 1, 2012 to April 30, 2013 on Dec 31-12 balance adjusted for disposition during 2013 ¹	Total Claim	As of Dec 31-12			
Group 1 Accounts													
LV Variance Account	1550		4,508	88,680	3,118	127,231	1,190	1,870	130,291	220,219	0		
RSVA - Wholesale Market Service Charge	1580		5,912	122,987	(3,950)	(15,430)	9,862	(227)	15,803	113,461	0		
RSVA - Retail Transmission Network Charge	1584		1,642	55,182	-2,890	27,423	(1,248)	493	25,578	85,248	0		
RSVA - Retail Transmission Connection Charge	1586		11,040	255,969	4,049	133,572	5,991	1,964	142,526	410,580	0		
RSVA - Power (excluding Global Adjustment)	1588		20,311	12,459	(189,792)	(13,548)	(248,763)	26,918	(226,402)	(455,397)	(20,311)		
RSVA - Global Adjustment	1589		35,212	33,675	(87,171)	(188)	(16,115)	33,803	(237)	(74,823)	(35,212)		
Recovery of Regulatory Asset Balances	1590		0	0	0	0	0	0	0	0	0		
Disposition and Recovery/Refund of Regulatory Balances (2009) ²	1595		0	0	0	0	0	0	0	0	0		
Disposition and Recovery/Refund of Regulatory Balances (2009) ²	1595		0	0	0	0	0	0	0	0	0		
Disposition and Recovery/Refund of Regulatory Balances (2010) ²	1595		0	0	0	0	0	0	0	0	0		
Disposition and Recovery/Refund of Regulatory Balances (2011) ²	1595		0	0	0	0	0	0	0	0	0		
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)			55,522	69,045	278,855	(7,630)	7,909	76,975	115	0	84,701	298,287	(55,522)
Group 1 Sub-Total (including Account 1589 - Global Adjustment)			20,311	35,371	334,026	(7,442)	24,024	42,813	353	0	67,190	373,110	(20,311)
RSVA - Global Adjustment	1589		35,212	33,675	(87,171)	(188)	(16,115)	33,803	(237)	0	17,511	(74,823)	(35,212)
Deferred Payments in Lieu of Taxes	1562		0	0	0	0	0	0	0	0	0	0	0
Total of Group 1 and Account 1562			55,522	69,045	278,855	(7,630)	7,909	76,975	115	0	84,701	298,287	(55,522)
Special Purpose Charge Assessment Variance Account³	1521		0	0	0	0	0	0	0	0	0	0	0
LRAM Variance Account⁴	1508		0	0	0	0	0	0	0	0	0	0	0
Total including Accounts 1562 and 1568			55,522	69,045	278,855	(7,630)	7,909	76,975	115	0	84,701	298,287	(55,522)

Board staff notes that ORPC’s letter to the Board and the Manager’s Summary, state that ORPC discovered a billing error that affected one of its larger customers. Board staff further notes the error has been quantified and the 2012 portion entered as two adjustments totalling \$55,523 in column CH of the Continuity Schedule.

ORPC stated that with or without this adjustment the claim amount does not meet the materiality threshold test of \$0.001/kwh as set out in the *Report of the Board on Electricity Distributors’ Deferral and Variance Account Review Report* (the “EDDVAR Report”) report. Therefore, ORPC has not requested the disposition of Group 1 balances in this application.

- a. Please confirm that two adjustments totalling \$55,523 are the only adjustments that ORPC identified and there is no other adjustment that will change the total claim.

- b. Please provide the following information with respect to the billing error that was discovered by ORPC:
 - i) the billing period that was impacted by the billing error;
 - ii) the reason(s) for the billing error, e.g., wrong quantity, wrong rate, etc.; and
 - iii) the date that ORPC discovered the billing error.

- c. Has ORPC corrected the billing error for this customer? If yes,
 - i) What actions did OPRC undertake for billing correction?
 - ii) In which period was the billing error corrected by ORPC?

- d. If no action has been taken by OPRC for billing correction, please explain what OPRC's action plan is to address the issue of billing error, i.e., period to correct the billing error, etc.

2. Projected Interest

Ref: Rate Generator Model

A portion of Sheet “5. 2014 Continuity Schedule” from the Rate Generator Model is reproduced below.

Account Descriptions	Account Number	2013			Projected Interest on Dec-31-12 Balances		Total Claim
		Interest Disposition during 2013 - instructed by Board	Closing Principal Balances as of Dec 31 12 Adjusted for Dispositions during 2013	Closing Interest Balances as of Dec 31 12 Adjusted for Dispositions during 2013	Projected Interest from Jan 1, 2013 to December 31, 2013 on Dec 31 12 balance adjusted for disposition during 2013 ³	Projected Interest from January 1, 2013 to April 30, 2013 on Dec 31 -12 balance adjusted for disposition during 2013 ³	
Group 1 Accounts							
LV Variance Account	1550	3,118	127,231	1,190	1,870		130,291
RSVA - Wholesale Market Service Charge	1580	(3,950)	(15,438)	9,862	(227)		(5,803)
RSVA - Retail Transmission Network Charge	1584	2,890	27,423	(1,248)	403		26,578
RSVA - Retail Transmission Connection Charge	1586	4,049	133,572	6,991	1,964		142,526
RSVA - Power (excluding Global Adjustment)	1588	(13,549)	(248,763)	26,018	(3,657)		(226,402)
RSVA - Global Adjustment	1589	(188)	(16,115)	33,863	(237)		17,511
Recovery of Regulatory Asset Balances	1590		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2008) ²	1595		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2009) ²	1595		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2010) ²	1595		0	0	0		0
Disposition and Recovery/Refund of Regulatory Balances (2011) ²	1595		0	0	0		0
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		(7,630)	7,909	76,675	116	0	84,701
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(7,442)	24,024	42,813	353	0	67,190
RSVA - Global Adjustment	1589	(188)	(16,115)	33,863	(237)	0	17,511
Deferred Payments in Lieu of Taxes	1562		0	0	0	0	0
Total of Group 1 and Account 1562		(7,630)	7,909	76,675	116	0	84,701
Special Purpose Charge Assessment Variance Account⁴	1521						
LRAM Variance Account⁵	1568		0	0			0
Total including Accounts 1562 and 1568		(7,630)	7,909	76,675	116	0	84,701

Board staff notes that the column pertaining to the Projected Interest from January 1, 2014 to April 30, 2014 is unpopulated.

- a. If the omission of this interest is an error, Board staff will make the relevant correction.

3. Metered kWh and kW

Ref: Rate Generator Model

A portion of Sheet “6. Billing Det. For Def-Var” from the Rate Generator Model is reproduced below.

Rate Class	Unit	Metered kWh	Metered kW
RESIDENTIAL	\$/kWh		
GENERAL SERVICE LESS THAN 50 KW	\$/kWh		
GENERAL SERVICE 50 TO 4,999 KW	\$/kW		
SENTINEL LIGHTING	\$/kW		
STREET LIGHTING	\$/kW		
UNMETERED SCATTERED LOAD	\$/kWh		
microFIT			
Total		0	0

Threshold Test

Total Claim (including Account 1521, 1562 and 1568)	\$84,701	
Total Claim for Threshold Test (All Group 1 Accounts)	\$84,701	
Threshold Test (Total claim per kWh) ³	0.0000	Claim does not Accounts 1521 a

A portion of Sheet “3. Re-Based Bill Det & Rates” from the Revenue to Cost Ratio (“RC”) Model is reproduced below.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed		
				Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C
RES	Residential	Customer	kWh	8,985	79,547,654	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,381	36,098,055	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	144	76,345,026	211,781
Sen	Sentinel Lighting	Connection	kW	216	265,370	760
SL	Street Lighting	Connection	kW	2,653	2,414,487	6,853
USL	Unmetered Scattered Load	Customer	kWh	73	437,952	

Board staff notes that the “Metered kWh” and “Metered kW” columns in Sheet 6 of the Rate Generator Model are not populated. Board staff further notes that in order for the Rate Generator Model to calculate the Threshold Test value, the “Metered kWh” column needs to be populated. Board staff also notes that ORPC has provided the correct values for “Metered kWh” and “Metered kW” in Sheet 3 of the RC Model.

- a. If the omission of the “Metered kWh” and “Metered kW” values in the Rate Generator Model is an error, Board staff will use the values from the RC Model to make the relevant correction.

4. Specific Service Charge

Ref: Rate Generator Model

Ref: ¹ORPC's Tariff of Rates and Charges effective May 1, 2013

A portion of Sheet "10. Other Charges & LF" from the Rate Generator Model is reproduced below.

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Disconnect/Reconnect at meter – after regular hours	\$	65.00
Disconnect/Reconnect Charge – At Meter – After Hours	\$	185.00

A portion of ORPC's Tariff of Rates and Charges effective May 1, 2013 is reproduced below.

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect Charge – At Meter – After Hours	\$	185.00

Board staff notes that "Collection of account charge – no disconnection" is missing in the Rate Generator Model.

- a. If the omission of the "Collection of account charge – no disconnection" in the Rate Generator Model is an error, Board staff will make the relevant correction.

¹http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/389481/view/dec_order/Ottawa%20River%20_20130404.PDF

5. Non-Loss Adjusted Metered Billed kWh and kW

Ref: RTSR Model

A portion of Sheet “4. RRR Data” from the RTSR Model 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	76,993,425		1.0390		79,996,169	-
General Service Less Than 50 kW	kWh	31,672,692		1.0390		32,907,927	-
General Service 50 to 4,999 kW	kW		203,575		0.00%	-	203,575
Sentinel Lighting	kW		735		0.00%	-	735
Street Lighting	kW		6,840		0.00%	-	6,840
Unmetered Scattered Load	kWh	446,892		1.0390		464,321	-

- a. 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 WPI’s Board-approved loss factor.

6. USL Rate Class – Tax Savings Model

Ref: Tax Savings Model

A portion of Sheet “3. Re-Based Bill Det & Rates” from the Tax Savings Model is reproduced below.

Last COS Re-based Year was in 2010

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	8,895	79,547,654		10.93	0.0148	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,391	36,098,055		22.61	0.0104	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	144	79,345,026	211,781	372.81		0.6387
Sen	Sentinel Lighting	Connection	kW	216	265,370	760	2.56		7.7587
SL	Street Lighting	Connection	kW	2,653	2,414,487	6,853	1.84		10.1285
USL	Rate Class 6	Connection	kWh						

Board staff notes that the rate class description, number of customers/connections, kWh, kW, service charge and volumetric rate is missing for the Unmetered Scattered Load (“USL”) rate class in the above table. Board staff further notes for all rates classes, the service charges and volumetric rates provided in the above table are from ORPC’s Tariff of Rates and Charges effective May 1, 2012 rather than May 1, 2013.

- a. If the omission of the USL rate class and associated data in the Rate Generator Model is an error, Board staff will make the relevant correction.
- b. If use of the Tariff of Rates and Charges effective May 1, 2012 rather than May 1, 2013 is an error, Board staff will make the relevant correction.

7. Revenue Cost Ratios

Ref: Revenue Cost (“RC”) Ratio Model

A portion of Sheet “6. Decision Cost Revenue Adj” from the RC Model is reproduced below.

Rate Class	Direction	Current Year	Transition	Transition	Transition	Transition	Transition
		2012	Year 1 2013	Year 2 2014	Year 3 2015	Year 4 2016	Year 5 2017
Residential	No Change	107.00%	107.00%	107.00%	107.00%	107.00%	107.00%
General Service Less Than 50 kW	No Change	88.00%	88.00%	88.00%	88.00%	88.00%	88.00%
General Service 50 to 4,999 kW	No Change	103.00%	103.00%	103.00%	103.00%	103.00%	103.00%
Sentinel Lighting	No Change	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%
Street Lighting	No Change	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Unmetered Scattered Load	No Change	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%

Board staff notes that upon comparing the current year RC ratios in the RC Model to the Board approved RC ratios in ORPC’s 2013 IRM Decision (EB-2012-0158)², the ratios for the Sentinel Lighting and Unmetered Scattered Load rate classes have been interchanged in the RC Model.

- a. If the interchanging of the RC ratios the Sentinel Lighting and Unmetered Scattered Load rate classes is an error, Board staff will make the relevant correction.

²http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/389481/view/dec_order_Ottawa%20River%20_20130404.PDF - page 5