

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5680
Cell: (416) 568-5534
frank.dandrea@HydroOne.com



Frank D'Andrea

Vice President, Regulatory Affairs & Chief Risk Officer

BY COURIER

December 17, 2018

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli,

EB-2018-0043 – Hydro One Remote Communities Inc. – 4GIRM 2019 Distribution Rate Application – Interrogatory Responses

On November 5, 2018, Hydro One Remotes Communities Inc. filed an Application and Evidence in support of proposed 2018 Distribution Rates under the Ontario Energy Board's 4th Generation Incentive Regulation Mechanism.

Please find attached responses to interrogatories received in the above-noted proceeding, which have been filed through the Ontario Energy Board's Regulatory Electronic Submission System (RESS).

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea

1 **OEB Staff Interrogatory # 1**

2
3 **Reference:**

4 Application, Exhibit A/Tab 5/Schedule 1, Page 1

5 Application, Exhibit B/Tab 2/Schedule 1, Pages 30-40

6
7 **Interrogatory:**

8 At reference 1, Hydro One Remotes indicates that the model prepared by the OEB for IRM
9 applications does not accommodate Hydro One Remotes' rates. Therefore, Hydro One Remotes
10 has prepared its own model using its 2018 approved rates as the basis, which is found at
11 reference 2.

12
13 Please provide the live Excel copy of this model.

14
15 **Response:**

16 Please see attached the updated model revised per question 3 and 4.

1 **OEB Staff Interrogatory # 2**

2
3 **Reference:**

4 Application, Exhibit B/Tab 2/Schedule 1, Page 1

5
6 **Interrogatory:**

7 The model shows that Hydro One Remotes last cleared its account balances in 2013.

8
9 Please confirm if this is in fact correct, or if Hydro One Remotes was last approved for clearance
10 of any account balances in its 2018 cost of service proceeding (EB-2017-0051).

11
12 **Response:**

13 Confirmed. The settlement agreement filed with the Board as part of EB-2017-0051 left the
14 balance in the Variance Account open until the conclusion of Hydro One Networks' motion
15 regarding their Defrred Tax Asset.

1 **OEB Staff Interrogatory # 3**

2
3 **Reference:**

4 Application, Exhibit A/Tab 2/Schedule 1, Page 1, Para. 3

5
6 **Interrogatory:**

7 Hydro One Remotes notes that it is “seeking approval of increased base rates for the distribution
8 and generation of electricity of 1.8% effective May 1, 2018”.

9 a) Please confirm the May 1, 2018 date as a typographical error.

10
11 b) Please update the Excel copy of the model, as provided in Staff Question-1, with the 2019
12 input price index of 1.5% as announced by the OEB on November 23, 2018¹.

13
14 **Response:**

15 a) Confirmed. The requested effective date should be May 1, 2019.

16
17 b) See attached model.

¹ <https://www.oeb.ca/industry/applications-oeb/electricity-distribution-rates/2019-electricity-distribution-rate#updates>

1 **OEB Staff Interrogatory # 4**

2
3 **Reference:**

4 Application, Exhibit B/Tab 2/Schedule 1, Current Tariff of Rates and Charges

5
6 **Interrogatory:**

7 OEB staff notes an input error for the Seasonal Residential – Normal Density [R4] Service
8 Classification. The last line shows a rate of 0.1873/kWh for the line item “effective May 1,
9 2016”. OEB staff notes this line item should be labelled “Electricity Rate – All Additional kWh”.

10
11 Please confirm that Hydro One Remotes agrees and make the necessary corrections to the current
12 Tariff of Rates and Charges in the revised model.

13
14 **Response:**

15 Agreed. See attached model.