

**Board Staff Supplemental Interrogatories
2010 Electricity Distribution Rates
Coopérative Hydro Embrun Inc.
EB-2009-0132
~ RESPONSES ~**

On November 10, 2009 Board staff filed with the Board interrogatories on the cost of service application of Coopérative Hydro Embrun Inc. ("CHE"). Board staff has two additional interrogatories as follows:

10 DEFERRAL AND VARIANCE ACCOUNTS

Issue 10.3 Account 1588

29 Ref: Exhibit(s) Exhibit 9 Tab 1 Schedule 1 Attachment 1

Board staff request additional information to that requested in question 27.

- a. Please identify separately, the balance associated with the Global Adjustment ("GA") sub-account in Account 1588 Power, as of December 31, 2008 for the principal balance and April 30, 2010 for carrying charges.

CHE Response:
See next pages

B5 Deferral / Variance Account Balances

Deferral / Variance Account	1-Jan-2008 to 31-Dec-2008					
	Open. Principal	Changes	End. Principal	Open. Interest	Changes	End. Interest
1508-Other Regulatory Assets	5,251		5,251	445	113	558
1550-LV Variance Account	8,026	2,704	10,730	458	337	795
1556-Smart Meters OM&A Variance Account	-9,375	-5,867	-15,242	-346	-482	-828
1562-Deferred Payments in Lieu of Taxes	-102,895		-102,895	-18,847	-4,095	-22,942
1565-Conservation and Demand Management Expenditures and Recoveries	8,971		8,971			
1566-CDM Contra Account	-8,971		-8,971			
1580-RSVAWMS	11,675	-3,239	8,435	1,685	446	2,131
1584-RSVANW	-13,495	-12,646	-26,141	-1,018	-848	-1,866
1586-RSVACN	-24,698	-17,650	-42,347	-1,744	-1,334	-3,078
1588-RSVAPOWER	106,884	-35,047	71,837	16,728	4,487	21,214
1598-1588 RSVAPOWER sub-acct GA	8,346	-1,171	7,175	1,121	313	1,434
TOTAL	-10,281	-72,917	-83,197	-1,518	-1,064	-2,582

B5 Deferral / Variance Account Balances

Interest Rate (from sheet Y1) = 1.00%

Deferral / Variance Account	31-Dec-2008 Balance			1-Jan-09 to 30-Apr-09		
	Principal	Interest	Total	Interest	Other	Balance
1508-Other Regulatory Assets	5,251	558	5,809	18		5,827
1550-LV Variance Account	10,730	795	11,525	36		11,561
1556-Smart Meters OM&A Variance Account	-15,242	-828	-16,070	-51		-16,121
1562-Deferred Payments in Lieu of Taxes	-102,895	-22,942	-125,837	-343		-126,180
1565-Conservation and Demand Management Expenditures and Recoveries	8,971		8,971			8,971
1566-CDM Contra Account	-8,971		-8,971			-8,971
1580-RSVAWMS	8,435	2,131	10,566	28		10,594
1584-RSVANW	-26,141	-1,866	-28,008	-87		-28,095
1586-RSVACN	-42,347	-3,078	-45,425	-141		-45,567
1588-RSVAPOWER	71,837	21,214	93,051	239		93,291
1598-1588 RSVAPOWER sub-acct GA	7,175	1,434	8,609	24		8,633
TOTAL	-83,197	-2,582	-85,779	-277		-86,057

B5 Deferral / Variance Account Balances

Deferral / Variance Account	1-May-09 to 31-Dec-09			1-Jan-10 to 30-Apr-10		
	Interest	Other	Balance	Interest	Other	Balance
1508-Other Regulatory Assets	35		5,862	18		5,879
1550-LV Variance Account	72		11,633	36		11,668
1556-Smart Meters OM&A Variance Account	-102		-16,222	-51		-16,273
1562-Deferred Payments in Lieu of Taxes	-686		-126,866	-343		-127,209
1565-Conservation and Demand Management Expenditures and Recoveries			8,971			8,971
1566-CDM Contra Account			-8,971			-8,971
1580-RSVAWMS	56		10,651	28		10,679
1584-RSVANW	-174		-28,269	-87		-28,356
1586-RSVACN	-282		-45,849	-141		-45,990
1588-RSVAPOWER	479		93,770	239		94,009
1598-1588 RSVAPOWER sub-acct GA	48		8,681	24		8,705
TOTAL	-555		-86,611	-277		-86,888

B5 Deferral / Variance Account Balances

Interest Rate (from sheet Y1) = 1.00%

Deferral / Variance Account	31-Dec-08 Balance + Interest to 30-Apr-10			1-May-10 to 31-Dec-10		
	31-Dec-08	Interest	Total	Interest	Other	Balance
1508-Other Regulatory Assets	5,809	70	5,879	35		5,914
1550-LV Variance Account	11,525	143	11,668	72		11,740
1556-Smart Meters OM&A Variance Account	-16,070	-203	-16,273	-102		-16,375
1562-Deferred Payments in Lieu of Taxes	-125,837	-1,372	-127,209	-686		-127,895
1565-Conservation and Demand Management Expenditures and Recoveries	8,971		8,971			8,971
1566-CDM Contra Account	-8,971		-8,971			-8,971
1580-RSVAWMS	10,566	112	10,679	56		10,735
1584-RSVANW	-28,008	-349	-28,356	-174		-28,531
1586-RSVACN	-45,425	-565	-45,990	-282		-46,272
1588-RSVAPOWER	93,051	958	94,009	479		94,488
1598-1588 RSVAPOWER sub-acct GA	8,609	96	8,705	48		8,752
TOTAL	-85,779	-1,109	-86,888	-555		-87,443

- b. Please provide an allocation of the December 31, 2008 balance of the GA sub-account (plus interest to April 30, 2010) based on the 2008 kWhs for non-RPP customers.
- c. Please calculate a separate rate rider for the recovery of the proposed GA balance using the allocated amounts in part "b" and the 2010 non-RPP consumption data (kWh or kW as applicable) as the billing determinant.

CHE Response b) c):

The information the Board is seeking can be found in a combination of the 2 tables presented below and the information presented in the response to a)

Coopérative Hydro Embrun Inc. (ED-2002-0493)

2010 EDR Application (EB-2009-0132) version: Dec/09 update

December 9, 2009

C6 Proposed Deferral /Variance Account Balance Recoveries*Select balances to be recovered, effective date and recovery period (allocations on next sheet)*

Deferral / Variance Account	Recover Balance as at?	Additional Interest to 30 Apr/10?	Balance for Recovery ¹	Additional Interest for Recovery	Total Recovery Amount	31 Dec/09 Projected Balance	31 Dec/10 Projected Balance	2009 Projected Interest ²	2010 Projected Interest ²
1505-Unrecovered Plant and Regulatory Study Costs									
1508-Other Regulatory Assets	31-Dec-08	YES	5,809	70	5,879	5,862	35	-53	-53
1510-Preliminary Survey and Investigation Charges	No Recovery								
1515-Emission Allowance Inventory	No Recovery								
1516-Emission Allowances Withheld	No Recovery								
1518-RCVARetail	No Recovery								
1520-Power Purchase Variance Account	No Recovery								
1525-Miscellaneous Deferred Debits	No Recovery								
1530-Deferred Losses from Disposition of Utility Plant	No Recovery								
1540-Unamortized Loss on Reacquired Debt	No Recovery								
1545-Development Charge Deposits/ Receivables	No Recovery								
1548-RCVASTR	No Recovery								
1550-LV Variance Account	31-Dec-08	YES	11,525	143	11,668	11,633	72	-107	-107
1555-Smart Meters Capital Variance Account	No Recovery								
1556-Smart Meters OM&A Variance Account	No Recovery					-16,222	-16,375	152	152
1560-Deferred Development Costs	No Recovery								
1562-Deferred Payments in Lieu of Taxes	No Recovery					-126,866	-127,895	1,029	1,029
1563-Account 1563 - Deferred PILs Contra Account	No Recovery								
1565-Conservation and Demand Management Expenditures and Recoveries	No Recovery					8,971	8,971		
1566-CDM Contra Account	No Recovery					-8,971	-8,971		
1570-Qualifying Transition Costs	No Recovery								
1571-Pre-market Opening Energy Variance	No Recovery								
1572-Extraordinary Event Costs	No Recovery								
1574-Deferred Rate Impact Amounts	No Recovery								
1580-RSVAWMS	31-Dec-08	YES	10,566	112	10,679	10,651	56	-84	-84
1582-RSVAONE-TIME	No Recovery								
1584-RSVANW	31-Dec-08	YES	-28,008	-349	-28,356	-28,269	-174	261	261
1586-RSVACN	31-Dec-08	YES	-45,425	-565	-45,990	-45,849	-282	423	423
1588-RSVAPOWER	31-Dec-08	YES	93,051	958	94,009	93,770	479	-718	-718
1598-1588 RSVAPOWER sub-acct GA	31-Dec-08	YES	8,609	96	8,705	8,681	48	-72	-72
2425-Other Deferred Credits									
Sub-Total for Recovery					56,594	-86,611	-144,037	832	832
1590-Recovery of Regulatory Asset Balances (residual)	31-Dec-08	YES	-23,471	-313	-23,784	-23,706	10,777	235	238
Total Recoveries Required					32,810				109
Annual Recovery Amounts	# years:	1			32,810				
Interest Totals:³								1,067	1,179

¹ per sheet B5, except account 1590 (sheet C5)² Interest Rate = 1.00% per sheet Y1³ Recorded in USA #4405 per sheet C5

Coopérative Hydro Embrun Inc. (ED-2002-0493)
 2010 EDR Application (EB-2009-0132) version: Dec/09 update
 December 9, 2009

C7 Rate Riders

Allocate recoveries of deferral / variance account balances

Deferral / Variance Account	Total Recovery Amount	Allocation Basis	Residential	General Service Less Than 50 kW	General Service 50 to 4,999 kW	Unmetered Scattered Load	Street Lighting
1505-Unrecovered Plant and Regulatory Study Costs							
1508-Other Regulatory Assets	5,879	Distribution Revenue (existing rates)	4,186	884	707	29	73
1510-Preliminary Survey and Investigation Charges							
1515-Emission Allowance Inventory							
1516-Emission Allowances Withheld							
1518-RCVARetail							
1520-Power Purchase Variance Account							
1525-Miscellaneous Deferred Debits							
1530-Deferred Losses from Disposition of Utility Plant							
1540-Unamortized Loss on Reacquired Debt							
1545-Development Charge Deposits/ Receivables							
1548-RCVASTR							
1550-LV Variance Account	11,668	kWh's	7,774	1,968	1,735	37	154
1555-Smart Meters Capital Variance Account							
1556-Smart Meters OM&A Variance Account							
1560-Deferred Development Costs							
1562-Deferred Payments in Lieu of Taxes		Distribution Revenue (existing rates)					
1563-Account 1563 - Deferred PILs Contra Account							
1565-Conservation and Demand Management Expenditures and Recoveries							
1566-CDM Contra Account							
1570-Qualifying Transition Costs							
1571-Pre-market Opening Energy Variance							
1572-Extraordinary Event Costs							
1574-Deferred Rate Impact Amounts							
1580-RSVAWMS	10,679	kWh's	7,115	1,801	1,588	34	141
1582-RSVAONE-TIME							
1584-RSVANW	-28,356	kWh's	-18,893	-4,783	-4,217	-90	-373
1586-RSVACN	-45,990	kWh's	-30,642	-7,757	-6,840	-146	-605
1588-RSVAPOWER	94,009	kWh's	62,636	15,856	13,981	298	1,237
1598-1588 RSVAPOWER sub-acct GA	8,705	Non-RPP kWh's (per 2010 kWh frst & 2008 non-RPP %s)	6,123	658	1,924		
2425-Other Deferred Credits							
Sub-Total for recovery	56,594		38,299	8,628	8,879	162	626
1590-Recovery of Regulatory Asset Balances (residual)	-23,784	Previously approved recoveries	-22,184	-3,055	1,203		252
Total Recoveries Required (1 years)	32,810		16,115	5,573	10,082	162	879
Annual Recovery Amounts	32,810		16,115	5,573	10,082	162	879
Annual Volume			19,657,452	4,976,291	12,779	93,536	1,066
Proposed Rate Rider per			\$0.0008 kWh	\$0.0011 kWh	\$0.7889 kW	\$0.0017 kWh	\$0.8242 kW

1 per sheet C6

Allocators	Data Source	2010 Projection Total	Residential	General Service Less Than 50 kW	General Service 50 to 4,999 kW	Unmetered Scattered Load	Street Lighting
Customers / Connections	C1	2,435	1,834	162	12	20	407
kWhs	C1	29,503,388	19,657,452	4,976,291	4,387,835	93,536	388,274
Distribution Revenue (existing rates)	C4	652,221	464,352	98,066	78,473	3,193	8,137
Distribution Revenue (proposed rates)	F4	748,822	520,865	115,152	87,919	10,236	14,650
Transmission Connection Revenue	C2	131,121	89,421	20,531	19,524	386	1,259
Previously approved recoveries	2006 EDR	181,785	169,558	23,351	-9,194		-1,929
Non-RPP kWh's (per 2010 kWh frst & 2008 non-RPP %s)		2,426,834	1,707,030	183,458	536,345		
Approved Recoveries	C5						

Issue 10.5 Third Tranche Spending

30 Ref: Exhibit(s) Exhibit 9 Tab 1 Schedule 1 Attachment 1

Board staff is interested in CHE's CDM expenditures. On October 19, 2004, Coopérative Hydro Embrun received approval from the Board for its Conservation and Demand Management ("CDM") plan and accompanying budget of \$11,482.85. Please confirm that the total approved CDM plan budget of \$11,482.85 has been completely expended on the components of the plan.

CHE Response:

In its October 4th 2004 letter to the board, CHE requested the amount of \$11,482.85 for the purpose of conducting a line loss study. CHE attests that the CDM funds for which it received approval from the board were spent on a line loss study. The study can be found at Exhibit 8, Tab 3, Schedule 3, Attachment 2 of the application.