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April 9, 2010

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

Dear Ms. Walli:

Re: OEB File No. EB-2009-0271
Oakville Hydro Electricity Distribution Inc.
Electricity Distribution Rate Application

Please find accompanying this letter, two copies of Oakville Hydro's responses to Energy Probe's clarification questions in this proceeding together with an electronic version of the responses. The responses are being filed electronically and a copy of these responses will be delivered to each intervenor by email.

Should there be any questions, please contact me at the number below.

Respectfully Submitted,

Lesley Gallinger, ~~CFO~~
Oakville Hydro Electricity Distribution Inc.
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Email-lgallinger@oakvillehydro.com

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF an application by Oakville Hydro Electricity Distribution Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2010.

Oakville Hydro Electricity Distribution Inc.

Responses to Clarification Questions

Energy Probe Research Foundation

Filed: April 9, 2010

1. References: Exhibit 2, Tab 3, Schedule 3, Table 15; Energy Probe IR #5; Energy Probe IR #38; Board Staff IR #51

In the calculation of the commodity component of the cost of power used in the working capital calculation for 2010 both Exhibit 2, Tab 3, Schedule 3, Table 15 and the response to Energy Probe IR #5 a total kWh figure (including losses) of 1,492,743,044 is used. However, in the response to Energy Probe IR #38, this figure has been increased to 1,505,845,112.

a) Please explain the increase in the kWh figure used in the response to Energy Probe IR #38. Please explain the difference in the figures noted above. If required, please provide revised tables in response to Energy Probe IR #38 parts (b) and (d).

RESPONSE:

Table 15 of Exhibit of Exhibit 2, Tab 3, Schedule 3 contains a formula error. The total of $1,492,742,044 excludes the cells that contain the kWh for Sentinel Lighting and Street Lighting. The formula is corrected in the following table. There is no change to the calculation of the cost of power as the calculation is based on multiplying the kWh for each class by the commodity charge.

Table 15

Electricity - Commodity	**2010 Forecasted Metered kWhs**	**2010 Proposed Loss Factor**			
Class per Load Forecast				**2010**	
Residential	545,392,460	1.0396	566,970,679	$0.06215	$35,237,228
GS<50kW	179,011,079	1.0396	186,093,575	$0.06215	$11,565,716
GS 50kW to 999kW	595,468,621	1.0396	619,028,082	$0.06215	$38,472,595
GS 1000kW to 4999kW	112,278,338	1.0396	116,720,583	$0.06215	$7,254,184
Large Use			0	$0.06215	$0
Unmetered Scattered Load	3,780,548	1.0396	3,930,124	$0.06215	$244,257
Sentinel Lighting	140,163	1.0396	145,709	$0.06215	$9,056
Street Lighting	12,463,256	1.0396	12,956,360	$0.06215	$805,238
TOTAL	**1,448,534,465**		**1,505,845,112**		**$93,588,274**

Transmission - Network		**Volume Metric**			
Class per Load Forecast				**2010**	
Residential		kWh	566,970,679	$0.0055	$3,110,176
GS<50kW		kWh	186,093,575	$0.0051	$943,791
GS 50kW to 999kW		kW	1,655,087	$1.9781	$3,273,976
GS 1000kW to 4999kW		kW	265,326	$1.9781	$524,849
Large Use		kW	0		$0
Unmetered Scattered Load		kWh	3,930,124	$0.0051	$19,932
Sentinel Lighting		kW	389	$0.3841	$149
Street Lighting		kW	33,349	$1.5986	$53,311
TOTAL					**$7,926,185**

Transmission - Connection		**Volume Metric**			
Class per Load Forecast				**2010**	
Residential		kWh	566,970,679	$0.0046	$2,582,827
GS<50kW		kWh	186,093,575	$0.0042	$781,257
GS 50kW to 999kW		kW	1,655,087	$1.6273	$2,693,309
GS 1000kW to 4999kW		kW	265,326	$1.6273	$431,762
Large Use		kW	0		$0
Unmetered Scattered Load		kWh	3,930,124	$0.0042	$16,499
Sentinel Lighting		kW	389	$0.3159	$123
Street Lighting		kW	33,349	$1.3150	$43,855
TOTAL					**$6,549,632**

Wholesale Market Service					
Class per Load Forecast				**2010**	
Residential		kWh	566,970,679	$0.0052	$2,948,248
GS<50kW		kWh	186,093,575	$0.0052	$967,687
GS 50kW to 999kW		kWh	619,028,082	$0.0052	$3,218,946
GS 1000kW to 4999kW		kWh	116,720,583	$0.0052	$606,947
Large Use		kWh	0	$0.0052	$0
Unmetered Scattered Load		kWh	3,930,124	$0.0052	$20,437
Sentinel Lighting		kWh	145,709	$0.0052	$758
Street Lighting		kWh	12,956,360	$0.0052	$67,373
TOTAL					**$7,830,395**

Rural Rate Assistance					
Class per Load Forecast				**2010**	
Residential		kWh	566,970,679	$0.0013	$737,062
GS<50kW		kWh	186,093,575	$0.0013	$241,922
GS 50kW to 999kW		kWh	619,028,082	$0.0013	$804,737
GS 1000kW to 4999kW		kWh	116,720,583	$0.0013	$151,737
Large Use		kWh	0	$0.0013	$0
Unmetered Scattered Load		kWh	3,930,124	$0.0013	$5,109
Sentinel Lighting		kWh	145,709	$0.0013	$189
Street Lighting		kWh	12,956,360	$0.0013	$16,843
TOTAL					**$1,957,599**

	2010
4705-Power Purchased	$93,588,274
4708-Charges-WMS	$7,830,395
4714-Charges-NW	$7,926,185
4716-Charges-CN	$6,549,632
4730-Rural Rate Assistance	$1,957,599
4750-Low Voltage	$259,726
TOTAL	**118,111,810**

monthly average
9,842,651

b) In the response to Board Staff IR #51, Oakville Hydro has provided a reduced billed kWh forecast based on the changes to the GDP forecast. Please use the reduced forecast to re-calculate the commodity cost of power and provide updated tables as shown in the response to Energy Probe IR #38 parts (b) and (d).

Forecast of Non-RPP kWh
2010 Test Year – Updated to Reflect GDP Update to Load Forecast

	A	B	C = A - B	D = C / A	E	F = E * F	G = E - F
Customer Classification	**2009 Total kWh**	**RRR 2.1.3 RPP**	**Non-RPP**	**% Non-RPP**	**2010 Total kWh**	**Forecast Non - RPP**	**Forecast RPP**
Residential	588,717,228	539,537,524	49,179,704	8.35%	561,663,643	46,919,728	514,743,916
GS <50 Kw	177,827,940	149,193,481	28,634,459	16.10%	184,351,677	29,684,933	154,666,744
Unmetered	4,144,391	4,113,258	31,133	0.75%	3,930,258	29,525	3,900,733
GS 50 to 999 kW	616,611,898	103,347,311	513,264,586	83.24%	614,411,962	511,433,371	102,978,591
GS 1000 to 4999 kW	155,486,226	-	155,486,226	100.00%	116,506,245	116,506,245	-
Street Lightining	11,667,573	-	11,667,573	100.00%	12,956,801	12,956,801	-
Sentinel Lighting	98,801	98,801	-	0.00%	145,713	-	145,713
Total	1,554,554,057	796,290,375	758,263,682	48.78%	1,493,966,300	717,530,603	776,435,697

Forecasted Cost of Power – Commodity Charge
2010 Test Year – Updated to Reflect GDP Update to Load Forecast

	RPP @ 0.06215		*Non-RPP @ 0.06036		Total	
Customer Classification	**kWh**	**Cost of Power**	**kWh**	**Cost of Power**	**kWh**	**Cost of Power**
Residential	514,743,916	$ 31,991,334	46,919,728	$ 2,832,075	561,663,643	$ 34,823,409
GS <50 Kw	154,666,744	9,612,538.12	29,684,933	1,791,782.58	184,351,677	11,404,321
Unmetered	3,900,733	242,430.56	29,525	1,782.11	3,930,258	244,213
GS 50 to 999 kW	102,978,591	6,400,119.43	511,433,371	30,870,118.28	614,411,962	37,270,238
GS 1000 to 4999 kW	-	-	116,506,245	7,032,316.96	116,506,245	7,032,317
Street Lightining	-	-	12,956,801	782,072.52	12,956,801	782,073
Sentinel Lighting	145,713	9,056.09	-	-	145,713	9,056
	776,435,697	$ 48,255,479	717,530,603	$ 43,310,147	1,493,966,300	$ 91,565,626

2. Reference: Board Staff IR #51

The response provided in Appendix 51 does not appear to have the correct tables at pages 52 and 53 of the revised Exhibit 3, Tab 2, Schedule 1. These two pages still show a total kWh figure of 1,448,534,465 instead of the revised figure referenced in the response of 1,437,058,773.

Please provide the correct tables at pages 52 and 53 of Exhibit 3, Tab 2, Schedule 1 in the Appendix to the reply to Board Staff IR #51.

RESPONSE:

Page52 and 53 of Appendix 51 were not updated. The correct tables at page 52 and 53 of Exhibit 3, Tab 2, Schedule 1 are provided below.

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	540,268,991		703,399		9,650,631	8,104,035	17,754,666		17,754,666	62.55%
GS < 50 kW	177,329,432		61,306		1,844,686	2,323,016	4,167,702		4,167,702	14.68%
GS 50 to 999 kW	591,008,044	1,642,741	9,997		1,986,453	3,181,167	5,167,620	113,555	5,054,065	17.81%
GS > 1000 kW	112,068,339	264,849	204		644,616	457,103	1,101,719	0	1,101,719	3.88%
Large Use	0	0	0		0	0	0	0	0	0.00%
Sentinel Lights	140,163	389		2,720	109	262	371		371	0.00%
Street Lighting	12,463,256	33,349		201,399	62,434	63,266	125,700		125,700	0.44%
USL	3,780,548			8,349	125,657	52,928	178,584		178,584	0.63%
	1,437,058,773	**1,941,328**	**774,905**	**212,468**	**14,314,585**	**14,181,778**	**28,496,362**	**113,555**	**28,382,808**	**100%**

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	540,268,991	0	703,399	0	10,572,190	8,877,906	19,450,096		19,450,096	55.35%
GS < 50 kW	177,329,432	0	61,306	0	2,283,989	2,876,229	5,160,218		5,160,218	14.68%
GS 50 to 999 kW	591,008,044	1,642,741	9,997	0	3,150,843	5,159,412	8,310,255	113,555	8,196,700	23.32%
GS > 1000 kW	112,068,339	264,849	204	0	798,127	565,960	1,364,087		1,364,087	3.88%
Sentinel Lights	140,163	389	0	2,720	5,135	12,384	17,520		17,520	0.05%
Street Lighting	12,463,256	33,349	0	201,399	395,965	401,245	797,210		797,210	2.27%
USL	3,780,548	0	0	8,349	109,899	46,290	156,190		156,190	0.44%
	1,437,058,773	**1,941,328**	**774,905**	**212,468**	**17,316,147**	**17,939,428**	**35,255,575**	**113,555**	**35,142,020**	**100.00%**

3. References: Exhibit 2, Tab 1, Schedule 3, Table 8; Exhibit 2, Tab 4, Schedule 3, Table 16; Energy Probe IR #37c; Energy Probe IR #39c; SEC IR #24; SEC IR #39

The evidence and IR responses are not clear as it is difficult to track the various figures provided across references.

a) Please explain the increase in the "Transfer from CWIP" shown in the response to SEC IR #24, in relation to that found in Table 16 of Exhibit 2, Tab 4, Schedule 3 and that in Table 8 of Exhibit 2, Tab 1, Schedule 3.

RESPONSE:

The "Transfer from CWIP" was originally 5,784,266, but was corrected in SEC IR #12 to $8,552,265.

b) Please explain why the contributed capital shown in the response to SEC IR #24 is different from the figures shown in the response to SEC IR #39.

RESPONSE:

In SEC #24 this was the estimated contributed capital at the time of filing this rate application. However in SEC #39 this is the actual audited 2009 contributed capital.

c) There may be a transposition error in the contributions and grants figures shown in the responses to Energy Probe IR #37c ($3,979,439) and the sum of the figures shown in the response to SEC IR #39, which totals $3,797,439. Please indicate which figure is the correct figure or provide a reconciliation between the two figures.

RESPONSE:

The actual Contributed capital is $3,979,439, SEC #39 had an error which should have stated "The 2009 Contributions are $3,104,503 and an additional $874,936 of 2007 contributions that were recorded in 2009".

d) Please provide a final Table 8 of Exhibit 2, Tab 1, Schedule 3 that reflects actual results for 2009 and shows the calculation of the closing balance for actual 2009 for gross assets, accumulated depreciation and the corresponding net book value.

RESPONSE:

Oakville Hydro Electricity Distribution Inc.
License Number ED-2003-0135, File Number

Fixed Asset Continuity Schedule (Distribution & Operations)
As at December 31, 2009
2009 Acutal Capital Spending

			Cost				Accumulated Depreciation				
CCA Class	**OEB**	**Description**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Net Book Value**
N/A	1805	Land	250,717	0		250,717	0	0		0	250,717
CEC	1806	Land Rights	0	0		0	0	0		0	0
1	1808	Buildings and Fixtures	829,700	0		829,700	185,202	20,072		205,273	624,426
N/A	1810	Leasehold Improvements	951,687	1,036,921		1,988,609	165,298	198,861		364,159	1,624,450
	1815	Transformer Station Equipment - Normally Primar	0	0		0	0	0		0	0
47	1820	Distribution Station Equipment - Normally Primary	3,627,968	1,842,618		5,470,586	1,210,357	271,565		1,481,922	3,988,664
	1825	Storage Battery Equipment	0	0		0	0	0		0	0
47	1830	Poles, Towers and Fixtures	23,425,490	3,757,151		27,182,641	9,697,796	1,182,668		10,880,463	16,302,178
47	1835	Overhead Conductors and Devices	7,038,448	2,391,709		9,430,157	1,010,838	458,330		1,469,168	7,960,989
47	1840	Underground Conduit	53,697,686	3,624,216		57,321,902	23,505,639	2,935,100		26,440,739	30,881,163
47	1845	Underground Conductors and Devices	22,618,255	5,288,096		27,906,351	4,237,081	1,114,718		5,351,799	22,554,552
47	1850	Line Transformers	35,862,371	2,791,005		38,653,376	12,785,185	1,796,363		14,581,548	24,071,829
47	1855	Services	4,971,902	1,490,319		6,462,222	387,685	235,676		623,362	5,838,860
47	1860	Meters	10,744,857	1,666,935		12,411,792	3,989,540	623,168		4,612,708	7,799,084
	1865	Other Installations on Customer's Premises	0	0		0	0	0		0	0
N/A	1905	Land	0	0		0	0	0		0	0
CEC	1906	Land Rights	0	0		0	0	0		0	0
1	1908	Buildings and Fixtures	0	0		0	0	0		0	0
	1910	Leasehold Improvements	0	0		0	0	0		0	0
8	1915	Office Furniture and Equipment	780,849	68,002		848,851	623,961	44,832		668,793	180,059
45	1920	Computer Equipment - Hardware	4,777,732	1,317,520		6,095,252	3,514,219	1,355,381		4,869,600	1,225,652
45.1	1925	Computer Software	2,242,840	0		2,242,840	2,240,920	1,921		2,242,840	0
10	1930	Transportation Equipment	2,520,625	875,996		3,396,621	1,021,480	387,832		1,409,312	1,987,309
	1935	Stores Equipment	153,067	2,800		155,867	133,556	13,341		146,897	8,970
8	1940	Tools, Shop and Garage Equipment	920,048	161,869		1,081,917	504,682	98,079		602,761	479,156
	1945	Measurement and Testing Equipment	0	0		0	0	0		0	0
	1950	Power Operated Equipment	0	0		0	0	0		0	0
	1955	Communication Equipment	0	0		0	0	0		0	0
	1960	Miscellaneous Equipment	3,666	1,534		5,200	733	520		1,253	3,947
	1970	Load Management Controls - Customer Premises	171,648	0		171,648	171,648	0		171,648	0
	1975	Load Management Controls - Utility Premises	49,876	0		49,876	49,876	0		49,876	0
47	1980	System Supervisory Equipment	2,960,363	429,949		3,390,312	1,551,830	230,410		1,782,240	1,608,071
	1985	Sentinel Lighting Rentals	0	0		0	0	0		0	0
	1990	Other Tangible Property	0	0		0	0	0		0	0
47	1995	Contributions and Grants	(26,528,944)	(3,979,439)		(30,508,383)	(4,726,995)	(1,182,249)		(5,909,244)	(24,599,139)
	2005	Property Under Capital Leases	13,122,519	0		13,122,519	6,646,122	603,978		7,250,100	5,872,418
	0	-	0	0		0	0			0	0
95		**Total before Work in Process**	**165,193,373**	**22,767,200**	**0**	**187,960,573**	**68,906,652**	**10,390,567**	**0**	**79,297,219**	**108,663,354**
WIP		Work in Process	13,069,905	(8,226,366)		4,843,540	0			0	4,843,540
		Total after Work in Process	**178,263,279**	**14,540,834**	**0**	**192,804,113**	**68,906,652**	**10,390,567**	**0**	**79,297,219**	**113,506,894**

e) Please provide a final Table 16 that reflects all actual data for 2009 and provide reconciliation between these figures and the figures provided in response to part (d) above if the figures do not match.

RESPONSE:

The total actual expenditures closed to rate base was $22,767,200 (see Energy Probe #37 (c)). This consists of 2009 actual capital expenditures of $16,943,945 (see SEC #24) and contributed capital of 3,979,439. The remaining amount is the transfer from CWIP.

The following questions have been added to those provided on April 1, 2010:

4. References: Energy Probe IR #42d; Energy Probe IR #42a

a) Please reconcile the 2009 actual revenue in account 4390 of $387,730.74 shown in the response to part (a) of the Energy Probe interrogatory response with the figure of $214,000 shown in part (d).

RESPONSE:

The actual amount in account 4390 is $387,731. The amount of $214,000 is a part of the total which specifically related to chargeable and accident work only. Therefore the breakdown is as follows:

Chargeable & accidents work	214,160
SR & ED for 2007 & 2008	141,605
Proceeds on sale of fixed assets	31,700
Sales renumeration	266
TOTAL OF ACCOUNT 4390	$387,731

b) Please provide a breakout of the actual 2009 revenue in account 4390 in the same level of detail as shown in Exhibit 3, Tab 4, Schedule 2, Appendix 2-D, page 4 of 5.

RESPONSE:

See details in a) for response

c) The response to part (a) does not provide any quantification of the variance for the explanations provided. Please provide a further variance explanation between the 2009 forecast and actual for each of the following:

i. Account 4210 - how much of the variance is related to catch up billings;

ii. Account 4220 - how much of the variance is related to the increased charges for Blink for data centre space;

iii. Account 4375, net of Account 4380 - how much of the variance is related to the large one-time OPA-ERIP incentive;

iv. Account 4390 - how much of the variance is related to each of SR&ED credit, proceeds on sale of vehicles, chargeable work, and other factors.

RESPONSE:

i) For account 4210, Oakville Hydro was one year behind in billing annual pole rental charges to Bell of $31,513 and Cogeco of $35,581.

ii) For account 4220-The increase of charges for the Blink data centre space was $128,500.

iii) For account 4375-The One time large ERIP incentive was $147,610 and approximately $38,000 of under accrued OPA incentives received in 2009 for the 2008 year.

5. References: Energy Probe IR #40b; Energy Probe IR # 41f; Exhibit 3, Tab 2, Schedule 1, page 22

The historical loss factors provided in Table 5 for 2002 through 2008 have changed in the interrogatory responses from that shown in the original evidence.

a) Please confirm that these changes reflect the removal of the billed and estimated purchased amounts associated with customers A,B,C,D & E. If this cannot be confirmed, please explain the changes.

RESPONSE:

The change in the historical loss factors reflectS the removal of the billed and estimated purchased amounts associated with customers A,B,C,D & E.

b) Please explain how the average of 3.92% shown in both interrogatory responses was calculated. Should this average actually be 3.84%?

RESPONSE:

The average loss factor of 3.92% is the average for the years 2002 through 2008 while the average loos factor of 3.84% is the average for the years 2002 through 2009.

6. References: Exhibit 3, Tab 2, Schedule 1; Board Staff IR #51 (including appendix); Energy Probe IR #40b; Energy Probe IR #41f

a) In the original evidence at Exhibit 3, Tab 2, Schedule 1, the total adj. sales (kWh and kW) in the table labelled '2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers' at the top of page 48 of 52 matched the figures provided on pages 52 & 53 in total. As noted above in Question 2, this is not the case based on the updated response provided in Board Staff IR #51. Please confirm that these figures should be the same and are so, based on the response provided to Question 2 above.

RESPONSE:

Yes, these figures should be the same and are so in the response to Question 2 above.

b) Please explain how the purchase figures shown in the table labelled '2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers' at the top of page 48 of 52 (1,503,562,802 in the original evidence and 1,491,651,160 in the Board Staff interrogatory response) are calculated based on the predicted kWh purchases shown in Table 18 in the same exhibits.

RESPONSE:

As shown in the tables below, the purchase figures shown in the table labelled '2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers' at the top of page 48 of 52 (1,503,562,802 in the original evidence and 1,491,651,160 in the Board Staff interrogatory response) have not been adjusted for the loss of load.

2010 Weather Normalized Purchases and Retail Sales Adjusted for Loss of Customers - Original Submission

	Table 18	Adjustments	Adjusted Sales
Predicted kWh Purchases	1,551,397,426	- 47,834,624	1,503,562,802
Billed kWh	1,494,618,407	- 46,083,942	1,448,534,465
Billed kWh without market participant LU	1,494,618,407	- 46,083,942	1,448,534,465
Billed kWh By Class			
Residential	545,392,460		545,392,460
General Service < 50 kW	179,011,079		179,011,079
General Service > 50 to 999 kW	598,985,219	- 3,516,598	595,468,621
General Service > 1000 kW	154,845,682	- 42,567,344	112,278,338
Large Use >5000 kW	-		-
Streetlights	12,463,256		12,463,256
Sentinel Lights	140,163		140,163
Unmetered Loads	3,780,548		3,780,548
Total	1,494,618,407		1,448,534,465

2010 Weather Normalized Purchases and Retail Sales Adjusted for Loss of Customers - Response to OEB Question #51

	Table 18	Adjustments	Adjusted Sales
Predicted kWh Purchases	1,539,485,784	- 47,834,624	1,491,651,160
Billed kWh	1,483,142,715	- 46,083,942	1,437,058,773
Billed kWh without market participant LU	1,483,142,715	- 46,083,942	1,437,058,773
Billed kWh By Class			
Residential	540,268,991	-	540,268,991
General Service < 50 kW	177,329,432	-	177,329,432
General Service > 50 to 999 kW	594,524,642	- 3,516,598	591,008,044
General Service > 1000 kW	154,635,683	- 42,567,344	112,068,339
Large Use >5000 kW	-	-	-
Streetlights	12,463,256	-	12,463,256
Sentinel Lights	140,163	-	140,163
Unmetered Loads	4,481,048	-	4,481,048
Total	1,483,843,215		1,437,759,273

c) There appear to be some inconsistencies in the presentation of the figures in the response to Energy Probe IR #40b. In particular, please comment on and update if necessary, for the following:

i. The table labelled 'Adjusted Forecast' on page 19 of 90 of the second round interrogatory responses has different kW and kWh figures for 2010 for the two rate classes shown on page 18 of 90 of the IR response in the 'Adjusted Forecast' section at the end of the table. None of the figures are consistent with those provided in Table 17 of the interrogatory response. If any of these tables needs to be corrected, please provide.

RESPONSE:

The tables shown on page 18 of 90 do not include the adjustments, they are based on the forecast produced by the regression model excluding customers A, B, C, D and E, In its presentation, Oakville Hydro did not add back the adjustments to the tables on page 18. The adjustments were presented in the table on page 19. The tables, including the adjustments, are provided below.

Adjusted Forecast - Updated

Energy Probe Interrogatory #40

Class	Forecasted consumption based on historical average (excluding customers A through E)				A,B,C,D,E Estimated consumption (EP adjustments)				Adjusted Forecast			
	2009		2010		2009		2010		2009		2010	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	**kW**	**kWh**	**kW**	**kWh**
Total GS 1000 to 4999 kW	**326,381**	**134,233,763**	**314,497**	**131,501,366**	**63,031**	**31,445,707**	**39,178**	**19,435,604**	**389,412**	**165,679,470**	**353,675**	**150,936,970**
Total GS 50 to 999 kW	**1,636,232**	**586,388,287**	**1,665,048**	**595,695,916**	**5,449**	**3,442,657**	**5,472**	**3,456,903**	**1,641,682**	**589,830,944**	**1,670,520**	**599,152,819**
Total	1,962,613	720,622,051	1,979,546	727,197,281	68,480	34,888,364	44,650	22,892,508	2,031,093	755,510,414	2,024,195	750,089,789

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	542,564,919		703,399		9,650,631	8,138,474	17,789,105		17,789,105	62.13%
GS < 50 kW	178,083,011		61,306		1,844,686	2,332,887	4,177,574		4,177,574	14.59%
GS 50 to 999 kW	599,152,819	1,670,520	9,997		1,986,453	3,234,963	5,221,416	113,555	5,107,861	17.84%
GS > 1000 kW	150,936,970	353,675	204		644,616	610,408	1,255,023	0	1,255,023	4.38%
Large Use	0	0	0		0	0	0	0	0	0.00%
Sentinel Lights	140,163	389		2,720	109	262	371		371	0.00%
Street Lighting	12,463,256	33,349		201,399	62,434	63,266	125,700		125,700	0.44%
USL	3,780,548			8,349	125,657	52,928	178,584		178,584	0.62%
	1,487,121,687	**2,057,934**	**774,905**	**212,468**	**14,314,585**	**14,433,188**	**28,747,773**	**113,555**	**28,634,218**	**100%**

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	542,564,919	0	703,399	0	9,851,335	8,307,730	18,159,065		18,159,065	54.96%
GS < 50 kW	178,083,011	0	61,306	0	2,128,616	2,691,959	4,820,575		4,820,575	14.59%
GS 50 to 999 kW	599,152,819	1,670,520	9,997	0	2,932,822	4,889,691	7,822,513	113,555	7,708,958	23.33%
GS > 1000 kW	150,936,970	353,675	204	0	743,833	704,360	1,448,193		1,448,193	4.38%
Sentinel Lights	140,163	389	0	2,720	4,584	11,056	15,640		15,640	0.05%
Street Lighting	12,463,256	33,349	0	201,399	369,296	374,221	743,517		743,517	2.25%
USL	3,780,548	0	0	8,349	102,431	43,145	145,576		145,576	0.44%
	1,487,121,687	**2,057,934**	**774,905**	**212,468**	**16,132,917**	**17,022,162**	**33,155,078**	**113,555**	**33,041,523**	**100.00%**

ii. The 'Adjusted Forecast' table shows the addition of 5,783 kW and 2,621,460 kWh for 2010 in the section 'A,B,C,D,E Estimated consumption (EP adjustments)' for the GS 1000 to 4999 kW class. Based on the table shown on page 46 of Exhibit 3, Tab 2, Schedule 1, these figures appear to be for customers B and C. Please confirm.

RESPONSE:

Please see response to part (iii) below.

iii. There is also an adjustment shown for the GS 50 to 999 kW class in the interrogatory response that does not appear in the table on page 46. Please confirm that this adjustment is related to customer A. If this cannot be confirmed, please explain what this adjustment is for and where the adjustment for customer A is.

RESPONSE:

Yes, the adjustment to the GS 50 to 999 kW class is for customer A. The following table corrects the total GS 1000 to 4999 calculation that was provided on page 46 of the original submission and shows the adjustment for Customer A.

Summary

Customer	Class	Forecasted consumption based on historical average				Estimated consumption				Adjustments to the Load Forecast			
		2009		2010		2009		2010		2009		2010	
		kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
	GS 1000 to 4999 kW												
Customer E	GS 1000 to 4999 kW	57,248	28,824,247	57,248	28,824,247	57,248	28,824,247	33,395	16,814,144	0	0	-23,853	-12,010,103
Customer C	GS 1000 to 4999 kW	29,177	16,930,478	29,177	16,930,478	1,245	722,159	1,245	722,159	-27,932	-16,208,320	-27,932	-16,208,320
Customer B	GS 1000 to 4999 kW	38,828	16,248,223	38,828	16,248,223	4,539	1,899,302	4,539	1,899,302	-34,289	-14,348,921	-34,289	-14,348,921
	Total GS 1000 to 4999 kW cla	**68,004**	**33,178,701**	**68,004**	**33,178,701**	**63,031**	**31,445,707**	**39,178**	**19,435,604**	**-62,221**	**-30,557,241**	**-86,075**	**-42,567,344**
Customer A	GS 50 to 999 kW	119,751	75,652,065	119,751	75,652,065	5,449	3,442,657	5,472	3,456,903	-114,302	-72,209,408	-114,279	-72,195,162
Customer D	GS 50 to 999 kW	**8,344**	**3,516,598**	**8,344**	**3,516,598**	**0**	**0**	**0**	**0**	-8,344	-3,516,598	-8,344	-3,516,598
	Total GS 50 to 999 kW class	128,095	79,168,663	128,095	79,168,663	5,449	3,442,657	5,472	3,456,903	**-122,646**	**-75,726,007**	**-122,623**	**-75,711,760**
										Total	**Total**	**Total**	**Total**
Total adjustments										**-184,867**	**-106,283,248**	**-208,698**	**-118,279,104**
	Note 1: The total kWh adjustment was uplifted with the historical loss factor 1.0380										**Adjusted by the average loss factor**		
	Note 2: The total uplifted kWhs were substracted from total 2009/2010 forecasted kWhs purchases										-110,320,839		-122,772,405

iv. Also, it does not appear that any adjustment to the forecast has been made in 2010 for customer E, which in the table on page 46 of the evidence shows a 2010 forecast of 33,395 kW and 16,814,144 kWh. Is this consistent with the methodology used by Oakville Hydro in the reductions made for customers B,C,D and E? Please provide a table that shows for each customer the amount ultimately included in the 2010 forecast (kW and kWh) based on the amount subtracted by Oakville Hydro in the original evidence and the amount added back in for these customers in the response to the Energy Probe interrogatory.

RESPONSE:

Oakville Hydro removed the actual kWh for customers A, B, C, D and E for the years 2002 through 2009 and reran the regression model. The regression model does not provide this for each customer. The results of the regression model are provided in the following table.

Class	Original Submission	Excluding Customers A,B,C, D, E	kWh Removed	A,B,C,D,E Estimated consumption
Total GS 50 to 999 kW	598,985,219	595,695,916	3,289,303	3,442,657
Total GS 1000 to 4999 kW	154,845,682	131,501,366	23,344,316	31,445,707

See response to Part (i) for load adjustments.

v. The tables provided on page 18 of 90 in the Energy Probe interrogatory do not appear to reflect the addition of the volumes (kW and kWh) for customers B,C,D and E and is therefore not consistent with the corresponding tables provided in the original evidence at pages 52 and 53 of Exhibit 3, Tab 2, Schedule 1. Those tables reflect the final billing units, including the adjustments made for customers A through E. The tables provided in the interrogatory response have a total kWh forecast of 1,464,229,179, which is equivalent to the amount shown in Table 14 of the interrogatory response, which does not include the additional volumes associated with customers A through E. Please update the tables shown on page 18 of 90 to reflect the final billing units, so as to be comparable to the same tables provided in the original evidence and those provided (and corrected) in the response to Board Staff IR #51.

RESPONSE:

See response to Part (i).

vi. Please provide a version of the table labelled '2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers' at the top of page 48 of 52 that is consistent with the revised tables requested above.

RESPONSE:

2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers

	kW	kWh	Total adj.sales [kWh]	Total adj.sales [kW]
Purchases		1,473,726,351	1,487,121,687	2,057,934
GS 50 to 999 kW	1,670,520	599,152,819		
GS > 1000 kW	353,675	150,936,970		

d) There appear to be some inconsistencies in the presentation of the figures in the response to Energy Probe IR #41f. In particular, please comment on and update if necessary, for the following:

i. The table labelled 'Adjusted Forecast' on page 30 of 90 of the second round interrogatory responses has different kW and kWh figures for 2010 for the two rate classes shown on page 29 of 90 of the IR response in the 'Adjusted Forecast' section at the end of the table. If any of these tables needs to be corrected, please provide.

RESPONSE:

See response to 6 (c) (i). Updated tables are provided below.

Adjusted Forecast - Updated

Energy Probe Interrogatory #40

Class	Forecasted consumption based on historical average (excluding customers A through E)				A,B,C,D,E Estimated consumption (EP adjustments)				Adjusted Forecast			
	2009		2010		2009		2010		2009		2010	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	**kW**	**kWh**	**kW**	**kWh**
Total GS 1000 to 4999 kW	**326,381**	**134,233,134**	**314,497**	**131,469,958**	**63,031**	**31,445,707**	**39,178**	**19,435,604**	**389,412**	**165,678,841**	**353,675**	**150,905,563**
Total GS 50 to 999 kW	**1,636,232**	**586,373,232**	**1,665,048**	**594,912,052**	**5,449**	**3,442,657**	**5,472**	**3,456,903**	**1,641,682**	**589,815,889**	**1,670,520**	**598,368,955**
Total	1,962,613	720,606,366	1,979,546	726,382,010	68,480	34,888,364	44,650	22,892,508	2,031,093	755,494,730	2,024,195	749,274,518

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	541,663,313		703,399		9,650,631	8,124,950	17,775,581		17,775,581	62.12%
GS < 50 kW	177,787,082		61,306		1,844,686	2,329,011	4,173,697		4,173,697	14.58%
GS 50 to 999 kW	598,368,955	1,670,520	9,997		1,986,453	3,234,963	5,221,416	113,555	5,107,861	17.85%
GS > 1000 kW	150,905,563	353,675	204		644,616	610,408	1,255,023	0	1,255,023	4.39%
Large Use	0	0	0		0	0	0	0	0	0.00%
Sentinel Lights	140,163	389		2,720	109	262	371		371	0.00%
Street Lighting	12,463,256	33,349		201,399	62,434	63,266	125,700		125,700	0.44%
USL	3,780,548			8,349	125,657	52,928	178,584		178,584	0.62%
	1,485,108,880	**2,057,934**	**774,905**	**212,468**	**14,314,585**	**14,415,788**	**28,730,373**	**113,555**	**28,616,818**	**100%**

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	541,663,313	0	703,399	0	9,856,463	8,298,242	18,154,705		18,154,705	54.95%
GS < 50 kW	177,787,082	0	61,306	0	2,129,910	2,689,120	4,819,030		4,819,030	14.58%
GS 50 to 999 kW	598,368,955	1,670,520	9,997	0	2,934,574	4,892,544	7,827,117	113,555	7,713,563	23.35%
GS > 1000 kW	150,905,563	353,675	204	0	744,285	704,789	1,449,074		1,449,074	4.39%
Sentinel Lights	140,163	389	0	2,720	4,585	11,058	15,643		15,643	0.05%
Street Lighting	12,463,256	33,349	0	201,399	369,457	374,384	743,841		743,841	2.25%
USL	3,780,548	0	0	8,349	102,496	43,172	145,668		145,668	0.44%
	1,485,108,880	**2,057,934**	**774,905**	**212,468**	**16,141,770**	**17,013,308**	**33,155,078**	**113,555**	**33,041,523**	**100.00%**

ii. The 'Adjusted Forecast' table shows the addition of 5,783 kW and 2,621,460 kWh for 2010 in the section 'A,B,C,D,E Estimated consumption (EP adjustments)' for the GS 1000 to 4999 kW class. Based on the table shown on page 46 of Exhibit 3, Tab 2, Schedule 1, these figures appear to be for customers B and C. Please confirm.

RESPONSE:

See response to 6 (c) (iii).

iii. There is also an adjustment shown for the GS 50 to 999 kW class in the interrogatory response that does not appear in the table on page 46. Please confirm that this adjustment is related to customer A. If this cannot be confirmed, please explain what this adjustment is for and where the adjustment for customer A is.

RESPONSE:

See response to 6 (c) (iii).

iv. Also, it does not appear that any adjustment to the forecast has been made in 2010 for customer E, which in the table on page 46 of the evidence shows a 2010 forecast of 33,395 kW and 16,814,144 kWh. Is this consistent with the methodology used by Oakville Hydro in the reductions made for customers B,C,D and E? Please provide a table that shows for each customer the amount ultimately included in the 2010 forecast (kW and kWh) based on the amount subtracted by Oakville Hydro in the original evidence and the amount added back in for these customers in the response to the Energy Probe interrogatory.

RESPONSE:

See response to 6 (c) (iv).

v. Table 14 in the interrogatory response (page 27 of 90) is missing the 2010 line under the weather normalized billed energy forecast heading. Please provide a table with this line included.

RESPONSE:

Table 14

Alignment of Non-normal to Weather Normal Forecast
Energy Probe #41

	Residential	General Service < 50 kW	General Service > 50 to 999 kW	General Service > 1000 kW	Street Lighting	Sentinel Lighting	Unmetered Loads	Total
Non-normalized Weather Billed Energy Forecast (GWh)								
2009	565	181	605	135	12	0	4	1,502
2010	570	187	620	132	12	0	4	1,526
Adjustment for Weather (GWh)								
2009	-22	-7	-19	-1	0	0	0	-49
2010	-29	-9	-25	-1	0	0	0	-64
Weather Normalized Billed Energy Forecast (GWh)								
2009	542	174	586	134	12	0	4	1,453
2010	542	178	595	131	12	0	4	1,462

vi. The tables provided on page 29 of 90 in the Energy Probe interrogatory do not appear to reflect the addition of the volumes (kW and kWh) for customers B,C,D and E and is therefore not consistent with the corresponding tables provided in the original evidence at pages 52 and 53 of Exhibit 3, Tab 2, Schedule 1. Those tables reflect the final billing units, including the adjustments made for customers A through E. The tables provided in the interrogatory response have a total kWh forecast of 1,462,216,373, which appears to be equivalent to the amount that should be shown in Table 14 of the interrogatory response, which does not include the additional volumes associated with customers A through E. Please update the tables shown on page 29 of 90 to reflect the final billing units, so as to be comparable to the same tables provided in the original evidence and those provided (and corrected) in the response to Board Staff IR #51.

RESPONSE:

See response to part (i) of this question.

vii. Please provide a version of the table labelled '2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers' at the top of page 48 of 52 that is consistent with the revised tables requested above.

RESPONSE:

2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers

	kW	kWh	Total adj.sales [kWh]	Total adj.sales [kW]
Purchases		1,471,634,733	1,485,108,880	2,057,934
GS 50 to 999 kW	1,670,520	598,368,955		
GS > 1000 kW	353,675	150,905,562		

e) On March 25, 2010 the Ontario Minister of Finance provided the 2010 Ontario Budget. As part of that document, the current economic outlook for Ontario was provided. In particular, the 2009 GDP was updated to -3.4% and the 2010 GDP was updated to a growth rate of 2.7%. Please provide the impact on the kWh and kW forecast for 2010 using these current forecasts for GDP growth for 2009 and 2010 using the equations used in Board Staff #51, Energy Probe IR #40b and Energy Probe IR #41f.

RESPONSE:

The forecast of kWh and kW based on the March 25, 2010 update to the Ontario GDP is provided in the following tables.

Board Staff #51

2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers

	kW	kWh	Total adj.sales [kWh]	Total adj.sales [kW]
Purchases		1,496,740,070	1,441,961,435	1,946,806
GS 50 to 999 kW	1,648,015	592,913,698		
GS > 1000 kW	265,053	112,158,055		

Energy Probe #40

2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers

	kW	kWh	Total adj.sales [kWh]	Total adj.sales [kW]
Purchases		1,473,694,292	1,487,090,836	2,057,934
GS 50 to 999 kW	1,670,520	599,140,805		
GS > 1000 kW	353,675	150,936,488		

Energy Probe #41

2010 Weather Normal Purchases and Retail Sales Adjusted for Loss of Customers

	kW	kWh	Total adj.sales [kWh]	Total adj.sales [kW]
Purchases		1,474,890,595	1,488,242,062	2,057,934
GS 50 to 999 kW	1,670,520	599,589,137		
GS > 1000 kW	353,675	150,954,451		