

Veridian Connections Inc. (EB-2009-0140)
Board Staff's Comments on Draft Rate Order

Pursuant to Procedural Order No. 4 dated April 9, 2010, Board staff has reviewed the Draft Rate Order (DRO) filed by Veridian Connections Inc. (Veridian) on April 19, 2010, and makes the following comments.

1. Differences in Revenue Requirement Work Form (RRWF) Data

Certain data in the RRWF filed as part of the Settlement Proposal are different from that in the RRWF filed as part of the DRO. Specifically, values in the "Application" and/or "Per Board Decision" columns on page 2 of the RRWFs differ for:

- Gross Fixed Assets (average)
- Income taxes (not grossed up)
- Income taxes (grossed up)
- Capital Taxes

2. Loss Factors

On pages 12 and 24 respectively in the DRO's Tariff of Rates and Charges, the "Total Loss Factor – Secondary Metered Customer < 5,000 kW" values of 1.04416 and 1.10125 for the Main and Gravenhurst tariff zones are correctly shown as per the Settlement Proposal. However, for each tariff zone, the 1% industry-standard normal relationship between the Secondary loss factor and the corresponding Primary loss factor is not present. Similarly, for the Main tariff zone, the industry-standard value for the "Total Loss Factor – Primary Metered Customer > 5,000 kW" of 1.0045 is not present.

3. Tariff of Rates and Charges sheet headings

In all sheets the heading line "Note – separate lines if different dates" from the template has been inadvertently retained.

Board staff requests that explanations be provided as necessary to address the above comments. In order to expedite the preparation of the final Rate Order, it would be most helpful if Veridian were to re-file its entire Draft Rate Order reflecting any corrections required as a result of Board staff and intervenor comments.

Respectively submitted.

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Case Manager