

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates COLLUS Power Corp. ("COLLUS") EB-2010-0076

Dated: November 18, 2010

Disposition of Group 1 Deferral / Variance Account Balances

Board Staff Interrogatory No. 1

Ref: 2011 IRM3 Rate Generator – Deferral and Variance Account Disposition

Sheet "J2.3 – Deferral Variance Account Disposition (2010)" of the 2011 IRM3 Rate Generator is reproduced below.

Rate Rider	Def Var Disp 2010					
Sunset Date	April 30, 2014 DDMMYYYY					
Metric Applied To	All Customers					
Method of Application	Distinct Volumetric					
Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric	
Residential	Yes	0.000000	Customer per 30 days	-0.002600	kWh	
General Service Less Than 50 kW	Yes	0.000000	Customer per 30 days	-0.002400	kWh	
General Service 50 to 4,999 kW	Yes	0.000000	Customer per 30 days	-0.990700	kW	
Unmetered Scattered Load	Yes	0.000000	Connection -12 per year	-0.001700	kWh	
Street Lighting	Yes	0.000000	Connection -12 per year	-0.786800	kW	

Preamble: Board staff notes that COLLUS' tariff sheet in the EB-2009-0220 proceeding states that the rate rider for Deferral / Variance account disposition (2010) is effective only until April 30, 2011.

Questions / Requests:

- Please confirm that the requested sunset date of April 30, 2014 was approved by the Board in EB-2009-0220.

Lost Revenue Adjustment Mechanism

Board Staff Interrogatory No. 2

Ref: 2011 IRM3 Rate Generator – Lost Revenue Adjustment Mechanism

Ref: Manager's Summary – Page 12 (Table 2)

Sheet "J2.5 – Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery Rate Rider" of the 2011 IRM3 Rate Generator is reproduced below.

Rate Rider	Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery
Sunset Date	30/04/2014 DDMMYYYY
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric
Residential	Yes	0.000000	Customer per 30 days	0.000300	kWh
General Service Less Than 50 kW	Yes	0.000000	Customer per 30 days	0.000100	kWh
General Service 50 to 4,999 kW	Yes	0.000000	Customer per 30 days	0.063000	kW
Unmetered Scattered Load	No	0.000000	Connection -12 per year	0.000000	kWh
Street Lighting	No	0.000000	Connection -12 per year	0.000000	kW

Table 2 found on Page 12 of the Manager's Summary is reproduced below.

CLASS	One Year Rate Rider Total \$/unit (kWh or kW)	Two Year Rate Rider Total \$/unit (kWh or kW)	Three Year Rate Rider Total \$/unit (kWh or kW)
Residential	0.000946	0.000473	0.000315
GS < 50 kW	0.000477	0.000239	0.000159
GS >50 - 4,999 kW	0.189050	0.094525	0.063017
Street Lighting	0.0000	0.0000	0.0000

	1 Yr	2 Yr	3 Yr
Amount Recovered per Year			
57.00% Residential	\$114,631	\$57,315	\$38,210
10.79% GS < 50 kW	\$21,691	\$10,845	\$7,230
32.22% GS >50 - 4,999 kW	\$64,791	\$32,396	\$21,597
0.00% Street Lighting	-	-	-
100.00% Annual Total	\$201,113	\$100,556	\$67,038

Questions / Requests:

- Please explain why the rate rider for the GS < 50 kW rate class was rounded down to 0.0001 / kWh (as opposed to rounding up to 0.0002 / kWh). If this was an error, please confirm and Board staff will make the relevant correction.

Tax Changes

Board Staff Interrogatory No. 3

Ref: 2011 IRM3 Shared Tax Savings Workform

Ref: 2011 IRM3 Rate Generator – Sheet E1.1

Sheet “B1.1 – Rate Class and Re-Based Billing Determinants & Rates” of the 2011 IRM3 Shared Tax Savings Workform is reproduced below.

Last COS Re-based Year				2009					
Last COS OEB Application Number				EB-2008-0226					
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	13,011	121,128,423		8.94	0.0169	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,588	45,443,663		17.86	0.0112	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	128	147,855,660	342,721	113.26		2.6226
USL	Unmetered Scattered Load	Connection	kWh	68	455,702		0.02	0.0011	
SL	Street Lighting	Connection	kW	3,051	2,061,143	6,087	3.12		13.9125

Questions / Requests:

- Board staff has been unable to verify the billing determinants entered for the GSGT50 rate class. Please provide evidence supporting the cited billing determinants.
- Please confirm that the rates entered for the Unmetered Scattered Load (“USL”) rate class are correct. Please explain why the rates entered here for USL are different from what is shown on Sheet E1.1 of the 2011 IRM3 Rate Generator.

Board Staff Interrogatory No. 4

Ref: 2011 IRM3 Shared Tax Savings Workform

Sheet "F1.1 – Z-Factor Tax Changes" of the 2011 IRM3 Shared Tax Savings Workform is reproduced below.

Summary - Sharing of Tax Change Forecast Amounts

1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2009	2010	2011	2012
Taxable Capital	\$ 1,289,243	\$ 1,289,243	\$ 1,289,243	\$ 1,289,243
Deduction from taxable capital up to \$15,000,000	\$ -	\$ -	\$ -	\$ -
Net Taxable Capital	\$ 1,289,243	\$ 1,289,243	\$ 1,289,243	\$ 1,289,243
Rate	0.225%	0.150%	0.000%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ 2,901	\$ 959	\$ -	\$ -

2. Tax Related Amounts Forecast from Income Tax Rate Changes

	2009	2010	2011	2012
Regulatory Taxable Income	\$ 613,723	\$ 613,723	\$ 613,723	\$ 613,723
Corporate Tax Rate	26.86%	24.87%	22.34%	20.75%
Tax Impact	\$ 164,862	\$ 152,622	\$ 137,114	\$ 127,346
Grossed-up Tax Amount	\$ 225,414	\$ 203,138	\$ 176,561	\$ 160,689
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ 2,901	\$ 959	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 225,414	\$ 203,138	\$ 176,561	\$ 160,689
Total Tax Related Amounts	\$ 228,315	\$ 204,097	\$ 176,561	\$ 160,689
Incremental Tax Savings		-\$ 24,217	-\$ 51,754	-\$ 67,626
Sharing of Tax Savings (50%)		-\$ 12,109	-\$ 25,877	-\$ 33,813

Questions / Requests:

- Board staff has been unable to verify the data entered on Sheet F1.1 of the 2011 IRM3 Shared Tax Savings Workform. Please provide evidence supporting this data.

Retail Transmission Service Rates

Board Staff Interrogatory No. 5

Ref: 2011 IRM3 RTSR Adjustment Workform

Sheet "B1.2 – 2009 Distributor Billing Determinants" of the 2011 IRM3 RTSR Workform is reproduced below.

Loss Adjusted Metered kWh	Yes
Loss Adjusted Metered kW	No

Rate Class	Vol Metric	Metered kWh A	Metered kW B	Applicable Loss Factor C	Load Factor 730)	Loss Adjusted Billed kWh E = A * C
Residential	kWh	114,248,439	0	1.0750		122,817,072
General Service Less Than 50 kW	kWh	44,285,112	0	1.0750		47,606,495
General Service 50 to 4,999 kW	kW	145,683,395	344,693	1.0750	57.93%	156,609,650
Unmetered Scattered Load	kWh	503,922	0	1.0750		541,716
Street Lighting	kW	2,062,829	5,915	1.0750	47.80%	2,217,541
Total		306,783,697	350,608			329,792,474

Questions / Requests:

- Please confirm that the data entered in Column A (metered kWh) is metered data (i.e. no loss factor applied). If a loss factor has been applied to the data in Column A, please re-file the data for Column A and Board staff will make the relevant corrections to the RTSR Workform.

Revenue / Cost Ratio Adjustments

Board Staff Interrogatory No. 6

Ref: 2011 IRM3 Revenue Cost Ratio Adjustment Workform

Sheet "B1.1 - Rate Class Selection, Re-Based Billing Determinants & Current Tariff Rates" of the 2011 IRM3 Revenue Cost Ratio Adjustment Workform is reproduced below.

Last COS Re-based Year				2009					
Last COS OEB Application Number				EB-2008-0226					
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	Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
RES.	Residential	Customer	kWh	13,011	121,128,423		9.40	0.0178	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,588	45,443,863		17.88	0.0112	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	128	147,855,660	342,721	98.68		2.2849
USL	Unmetered Scattered Load	Connection	kWh	88	455,702		0.02	0.0011	
SL	Street Lighting	Connection	kW	3,051	2,061,153	6,087	2.52		11.2240
NA	Rate Class 6	NA	NA						
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						

Questions / Requests:

- Board staff has been unable to verify that the billing determinants entered for the GSGT50 rate class are correct. Please provide evidence supporting the cited billing determinants.
- Please confirm that the correct current service charge for the Unmetered Scattered Load Rate Class is \$0 (as opposed to \$0.02).
- Please confirm that the correct current distribution volumetric rate for the Unmetered Scattered Load Rate Class is \$0.0176 / kWh (as opposed to \$0.0011 / kWh).