Board Staff Interrogatories

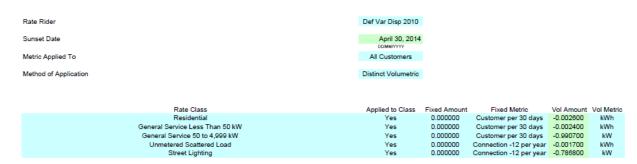
2011 IRM3 Electricity Distribution Rates COLLUS Power Corp. ("COLLUS") EB-2010-0076 Dated: November 18, 2010

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.



<u>Preamble:</u> 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:

a) 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				
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	Two Year Rate Rider Total	Three Year Rate Rider Total		
		\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/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:

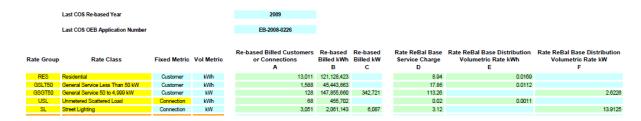
a) Please explain why the rate rider for the GS < 50 kW rate class was rounded down to 0.0001 / kWh (as opposed to rounding up to 0.0002 / kWh). If this was an error, please confirm and Board staff will make the relevant correction.

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.



Questions / Requests:

- a) Board staff has been unable to verify the billing determinants entered for the GSGT50 rate class. Please provide evidence supporting the cited billing determinants.
- b) 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				
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 Regulatory Taxable Income	2009 \$ 613,723	2010 \$ 613,723	2011 \$ 613,723	2012 \$ 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:

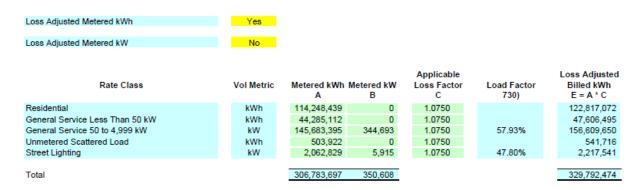
a) Board staff has been unable to verify the data entered on Sheet F1.1 of the 2011 IRM3 Shared Tax Savings Workform. Please provide evidence supporting this data.

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.



Questions / Requests:

a) 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		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	45,443,663		17.86	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	68	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 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						
	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:

- a) 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.
- b) Please confirm that the correct current service charge for the Unmetered Scattered Load Rate Class is \$0 (as opposed to \$0.02).
- c) 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).