

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates Essex Powerlines Corporation (“Essex”)

EB-2010-0082

Dated November 25, 2010

Revenue-to-Cost Ratio Adjustment Workform

1. Ref: Sheet “B1.1 Rate Class Selection, Re-Based Billing Determinants & Current Tariff Rates” of the workform is reproduced below.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed			Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
				Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C			
RES	Residential	Customer	kWh	25,902	271,379,498		14.51	0.0150	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,852	72,012,960		22.55	0.0074	
GSGT50	General Service 50 to 2,999 kW	Customer	kW	222	196,386,718	467,092	301.96		2.9569
GSGT50	General Service 3,000 to 4,999 kW	Customer	kW	2	36,977,053	19,537	1,995.38		1.2065
Sen	Sentinel Lighting	Connection	kW	168	390,941	1,076	2.05		5.8889
SL	Street Lighting	Connection	kW	2,643	5,929,910	18,024	1.75		4.8880
USL	Unmetered Scattered Load	Connection	kWh	151	1,605,371		8.91	0.0281	

- a) Columns “D”, “E” and “F” do not reconcile with the numbers in Essex’s current Tariff of Rates and Charges (effective May 1, 2010). Please explain the discrepancies. If there are errors, please advise and Board staff will make the relevant corrections.

2. Ref: Sheet “C1.1 Decision – Cost Revenue Adjustments by Rate Class” of the workform is reproduced below.

Rate Class	Direction	Current Year	Transition	Transition	Transition	Transition	Transition
		2010	Year 1 2011	Year 2 2012	Year 3 2013	Year 4 2014	Year 5 2015
Residential	No Change	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Service Less Than 50 kW	Change	65.00%	80.00%	0.00%	0.00%	0.00%	0.00%
General Service 50 to 2,999 kW	Change	150.00%	131.60%	129.30%	127.00%	0.00%	0.00%
General Service 3,000 to 4,999 kW	Change	150.00%	131.71%	129.36%	127.00%	0.00%	0.00%
Sentinel Lighting	Change	46.00%	54.00%	62.00%	70.00%	0.00%	0.00%
Street Lighting	Change	41.00%	50.67%	60.33%	70.00%	0.00%	0.00%
Unmetered Scattered Load	No Change	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%

As per the 2010 Settlement Agreement in Essex’s EB-2009-0143 proceeding, there was an agreement that the revenue-to-cost ratios for the General Service Less Than 50 kW, Sentinel Lighting and Street Lighting rate classes were to be increased over a specified period of time. The revenue generated from these adjustments was to offset the revenue collected from the General Service 50 to 2,999 kW and General Service 3,000 to 4,999 kW.

This sheet of the workform was intended to be inputted as follows:

Rate Class	Direction	Current Year 2010	Transition Year 1 2011	Transition Year 2 2012	Transition Year 3 2013	Transition Year 4 2014	Transition Year 5 2015
Residential	No Change	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Service Less Than 50 kW	Change	65.00%	80.00%	0.00%	0.00%	0.00%	0.00%
General Service 50 to 2,999 kW	Rebalance	150.00%	tbd	tbd	tbd	tbd	tbd
General Service 3,000 to 4,999 kW	Rebalance	150.00%	tbd	tbd	tbd	tbd	tbd
Sentinel Lighting	Change	46.00%	54.00%	62.00%	70.00%	0.00%	0.00%
Street Lighting	Change	41.00%	50.67%	60.33%	70.00%	0.00%	0.00%
Unmetered Scattered Load	No Change	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%

Please confirm that this is correct and Board staff will update the revenue-to-cost ratio adjustment workform and rate generator to reflect these changes.

2011 IRM3 Rate Generator Model

3. Ref: Sheet "C3.2 Current Rate Rider for Global Adjustment Sub-Account Disposition – Electricity Component" is reproduced below.

Current Rate Rider for Global Adjustment Sub-Account Disposition- Electricity Component						
Rate Rider	GA Sub-Acct - Electricity					
Sunset Date	30/04/2014 DD/MM/YYYY					
Metric Applied To	All Customers					
Method of Application	Distinct Volumetric					
Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric	
Residential Regular	Yes	0.000000	Customer - 12 per year	-0.000300	kWh	
General Service Less Than 50 kW	Yes	0.000000	Customer - 12 per year	-0.000300	kWh	
General Service 50 to 2,999 kW	Yes	0.000000	Customer - 12 per year	-0.121900	kWh	
General Service 3,000 to 4,999 kW	Yes	0.000000	Customer - 12 per year	-0.675300	kWh	
Unmetered Scattered Load	Yes	0.000000	Connection -12 per year	-0.000300	kWh	
Sentinel Lighting	Yes	0.000000	Connection - 12 per year	-0.106100	kWh	
Street Lighting	Yes	0.000000	Connection - 12 per year	-0.094000	kWh	

- a) According to Essex's Tariff of Rates and Charges effective May 1, 2010, the rate rider for Global Adjustment Sub-Account Disposition is an element of the delivery component. Please confirm that this is correct and Board staff will update the rate generator to remove this sheet

4. Ref: A portion of Sheet "C4.1 Current Rates and Charges" is reproduced below.

Rate Class		
General Service 50 to 2,999 kW		
Rate Description	Metric	Rate
Service Charge	\$	300.00
Service Charge Smart Meters	\$	1.96
Distribution Volumetric Rate	\$/kW	2.8494
Low Voltage Volumetric Rate	\$/kW	0.3506
Distribution Volumetric Def Var Disp 2010 – effective until April 30, 2014	\$/kW	(0.24310)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0651
	\$/kW	1.9235
	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.5440
	\$/kW	2.1317
	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

- a) The interval metered Retail Transmission Rates have not been selected under the yellow drop down menus. Please confirm and Board staff will update the rate generator.
- b) It appears that the charge for Retail Transmission Rate – Network Service Rate – Interval Metered (\$2.5440) has been erroneously applied to Retail Transmission Rate – Line and Transformation Connection Service Rate. Please confirm this is correct and Board staff will update the rate generator.

5. Ref: Sheet "J1.1 Applied for Smart Meter Funding Adder" is reproduced below.

Rate Adder	Smart Meters				
Tariff Sheet Disclosure	Yes				
Metric Applied To	Metered Customers				
Method of Application	Uniform Service Charge				
Uniform Service Charge Amount	1.96				
Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric
Residential Regular	Yes	1.960000	Customer - 12 per year	0.000000	kWh
General Service Less Than 50 kW	Yes	1.960000	Customer - 12 per year	0.000000	kWh
General Service 50 to 2,999 kW	Yes	1.960000	Customer - 12 per year	0.000000	kW
General Service 3,000 to 4,999 kW	Yes	1.960000	Customer - 12 per year	0.000000	kW

- a) Please confirm that Essex is seeking approval for the continuation of its current smart meter funding adder of \$1.96 per customer per month.