

**ESSEX POWERLINES CORPORATION  
2011 RATE APPLICATION (EB-2010-0082)  
VECC'S INTERROGATORIES**

REVENUE TO COST RATIO ADJUSTMENT

**QUESTION #1**

**References:** i) Revenue Cost Ratio Adjustment Work Form, Sheet B1.3  
ii) 2010 Approved Rates, RRWF, Sheet #6

- a) Please reconcile the reported revenue requirement from rates of \$11,305,234 in Sheet B1.3 with the approved 2010 Base Distribution Revenue of \$11,208,453.

**Response:**

Revenue Cost Ratio Sheet B1.3	\$11,305,234
Less: Transformer Allowance (sheet F4)	78,810
Variance between calculated & Allocated (Sheet F6)	<u>17,971</u>
2010 Approved Rates, RRWF, Sheet #6	\$11,208,453

**QUESTION #2**

**References:** i) Revenue Cost Ratio Adjustment Work Form, Sheet C1.3  
ii) 2010 Approved Rates, Rate Maker Model, Sheet F4

- a) Please confirm that the 2010 Approved Rates included \$78,810 in transformer ownership allowances for the GS >50-2,999 class.

**Response: Essex Powerlines 2010 approved rates include \$78,810 in transformer ownership allowances.**

- b) Please explain why Sheet C1.3 of the Revenue Cost Ratio Adjustment Work Form was not completed.

**Response: Sheet C1.3 has been corrected.**

- c) Please provide a revised version of the Revenue Cost Ratio Adjustment Work Form with Sheet C1.3 completed so as to reflect the transformer ownership allowance paid to GS>50-2,999 class customers.

**Response: see attached.**