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BY E-MAIL

December 8, 2010

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: PowerStream Inc. – Barrie (“PowerStream – Barrie”)
2011 IRM3 Distribution Rate Application
Board Staff Interrogatories
Board File No. EB-2010-0365 and EB-2010-0110**

In accordance with the Notice of Application and Written Hearing, please find attached Board Staff Interrogatories in the above proceeding. Please forward the following to PowerStream – Barrie and to all other registered parties to this proceeding.

In addition please advise PowerStream – Barrie that responses to interrogatories are due by December 23, 2010.

Yours truly,

Original Signed By

Daniel Kim
Analyst – Applications & Regulatory Audit

Encl.

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates PowerStream Inc. – Barrie (“PowerStream – Barrie”) EB-2010-0365 EB-2010-0110

2011 IRM3 Revenue Cost Ratio Adjustment Workform

1. Ref: Sheet “C1.2 Revenue Offsets Allocation” of the workform is reproduced below.

Revenue Offsets Allocation				
The purpose of this sheet is to allocate the Revenue Offsets (miscellaneous revenue) found in the last COS to the various rate classes in proportion to the allocation from the Cost Allocation informational filing.				
Rate Class	Informational Filing Revenue Offsets A	Percentage Split C = A / B	Allocated Revenue Offsets E = D * C	
Residential	1,518,579	67.28%	1,719,817	
General Service Less Than 50 kW	304,922	13.51%	345,330	
General Service 50 to 4,999 kW	362,724	16.07%	410,791	
General Service 50 to 4,999 kW - Time of Use	0	0.00%	-	
Large Use	0	0.00%	-	
Unmetered Scattered Load	40,622	1.80%	46,005	
Street Lighting	30,137	1.34%	34,131	
Standby Power - APPROVED ON AN INTERIM BASIS	0	0.00%	-	
	2,256,984	100.00%	2,556,074	

Board staff has been unable to verify the inputted informational filing revenue offsets in column “A”.

- a) Please provide the supporting evidence.

2011 Retail Transmission Service Rates (“RTSR”) Adjustment Workform

2. Ref: Sheet “B1.2 – 2009 Distributor Billing Determinants” of the workform is reproduced below.

2009 Distributor Billing Determinants						
Enter the most recently reported RRR billing determinants						
Loss Adjusted Metered kWh	No	Update Sheet				
Loss Adjusted Metered kW	No					
Rate Class	Vol Metric	Metered kWh	Metered kW	Applicable Loss Factor	Load Factor	
		A	B	C	D = A / (B * 730)	
Residential	kWh	548,914,870	0	0.0000		
General Service Less Than 50 kW	kWh	194,398,968	0	0.0000		
General Service 50 to 4,999 kW	kW	741,568,266	1,000,299	0.0000	101.61%	
General Service 50 to 4,999 kW - Time of Use	kW	0	733,531	0.0000	0.00%	
Unmetered Scattered Load	kWh	2,949,267	0	0.0000		
Street Lighting	kW	11,520,813	32,583	0.0000	48.46%	
Total		1,499,352,184	1,766,413			

- a) Please confirm that 2009 RRR Billing Determinants have been entered on the above referenced sheet. If not, please provide the relevant data and Board staff will make the corrections to the workform.
- b) Please explain why no loss factor has been applied to the data entered in Column A.

2011 IRM Deferral and Variance Account Workform

3. Ref: Sheet “D1.6 – Deferral Variance – Continuity Schedule Final” of the workform is reproduced below.

Deferral Variance - Continuity Schedule Final										
Account Description	Account Number	Opening Principal Amounts as of Jan-1-10	Adjustments - Please explain	Principal Amounts to be disposed	Opening Interest Amounts as of Jan-1-10	Interest on Board-approved 2008 amounts prior to transfer Jan-1, 2010 to Date of Transfer	Adjustments - Please explain	Projected Interest on Dec 31, 2010 to Dec 31, 2010	Projected Interest on Dec 31, 2010 to Dec 31, 2011	Interest Amounts to be disposed
		A	B	C = A + B	D	E	F	G	H	I = D + E + F + G + H
LV Variance Account	1550	(55,172)	(85,639)	(150,811)	(481)	155	246	(1,088)	(441)	(1,609)
RSVA - Wholesale Market Service Charge	1580	(3,396,372)	3,129,303	(267,069)	(152,890)	(5,662)	156,128	(1,327)	(781)	(3,132)
RSVA - Retail Transmission Network Charge	1584	(22,289)	308,621	286,332	30,456	(558)	30,631	2,965	838	2,160
RSVA - Retail Transmission Connection Charge	1586	(478,315)	374,875	(103,440)	(9,573)	(878)	9,352	(745)	(602)	(1,347)
RSVA - Power (Excluding Global Adjustment)	1588	(5,954,810)	2,889,735	(3,065,075)	(393,361)	(5,234)	333,264	(22,380)	(8,360)	(42,380)
RSVA - Power (Global Adjustment Sub-account)	1588	5,601,833	(1,177,810)	4,424,023	19,020	2,131	(3,405)	31,915	12,045	62,605
Recovery of Regulatory Asset Balances	1590	(538,121)	538,121	0	(19,729)	(978)	20,641	0	0	(84)
Residual Balance Disposition and recovery of DefVar Balances Account (2008)	1595	0	0	0	0	0	0	0	0	0
Total		(4,854,245)	5,981,206	1,126,961	(472,459)	(10,822)	467,595	8,130	3,298	15,742
										1,142,703

Account 1586 currently has a credit balance of \$105,287, which would imply that PowerStream – Barrie has been overcharging the retail transmission connection charge. However, according to PowerStream – Barrie’s 2011 RTSR Adjustment Workform, an increase to the retail transmission connection charge has been

calculated, which would imply that PowerStream – Barrie has been undercharging customers.

- a) Please explain why there seems to be a difference.

Lost Revenue Adjustment Mechanism (“LRAM”) and Shared Savings Mechanism (“SSM”)

4. Ref: LRAM Application, Schedule 7

In the table that is provided in Schedule 7, PowerStream – Barrie lists the programs it used in the calculation of its LRAM claim along with the energy savings and the resulting lost revenues.

- a) Please explain how the consumer education and training program, active from 2006-2008, was evaluated. In your response, please discuss how the energy savings listed in the table in Schedule 7 were verified and the manner in which this was done.

5. Ref: SSM Application, Page 16 of 18

PowerStream – Barrie states that when calculating its SSM claim, it used the most current OPA input assumptions. Section 7.3 of the Board’s *Guidelines for Electricity Distributor Conservation and Demand Management* (“CDM Guidelines”), issued on March 28, 2008, states regarding SSM claims that “assumptions used from the beginning of any year will be those assumptions in existence in the immediately prior year”.

- a) Please provide the rationale for using the most current OPA assumptions and measures list when calculating the SSM claim rather than the assumptions that were in place in the immediately prior year as directed in the CDM Guidelines.