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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: Enersource Hydro Mississauga Inc.
2011 IRM3 Distribution Rate Application
Board Staff Interrogatories
Board File No. EB-2010-0078**

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 Enersource Hydro Mississauga Inc. and to all other registered parties to this proceeding.

In addition please advise Enersource Hydro Mississauga Inc. that responses to interrogatories are due by December 23, 2010.

Yours truly,

Original signed by

Lawrie Gluck
Analyst, Applications & Regulatory Audit

Encl.

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates Enersource Hydro Mississauga Inc. ("Enersource") EB-2010-0078

Shared Tax Savings

Board Staff Interrogatory No. 1

Ref: 2011 IRM3 Shared Tax Savings Workform

Ref: 2011 IRM3 Rate Generator

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 | | | | 2008 | | | | | | | |
|---------------------------------|---|--------------|------------|---|--------------------------|-------------------------|-------------------------------------|---|--|--|---------|
| Last COS OEB Application Number | | | | EB-2007-0706 | | | | | | | |
| 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 Regular | Customer | kWh | 166,825 | 1,594,788,347 | | 13.92 | 0.0118 | | | |
| GSLT50 | General Service Less Than 50 kW | Customer | kWh | 16,081 | 657,014,642 | | 41.68 | 0.0115 | | | |
| GSLT50 | Small Commercial and USL - per connection | Customer | kWh | 3,288 | 11,905,587 | | 12.75 | 0.0193 | | | |
| GSGT50 | General Service 50 to 499 kW | Customer | kW | 3,986 | | 6,418,332 | 71.30 | | | | 4.1602 |
| GSGT50 | General Service 500 to 4,999 kW | Customer | kW | 470 | | 5,310,121 | 1,524.28 | | | | 2.0761 |
| LU | Large Use > 5000 kW | Customer | kW | 9 | | 1,720,956 | 13,713.51 | | | | 2.8918 |
| SL | Street Lighting | Connection | kW | 48,255 | | 115,190 | 1.33 | | | | 10.1509 |

Sheet "E1.1 – Rate Rebalanced Base Distribution Rates" of the 2011 IRM3 Rate Generator is reproduced below.

Monthly Service Charge

| Class | Metric | Base Rate | Revenue Cost Ratio | Rate ReBal Base |
|--------------------------------------|--------------------------|---------------|--------------------|-----------------|
| Residential | Customer - 12 per year | 11.750000 | 0.000000 | 11.750000 |
| General Service Less Than 50 kW | Customer - 12 per year | 39.510000 | 0.000000 | 39.510000 |
| Small Commercial and USL - per meter | Customer - 12 per year | 10.580000 | 0.000000 | 10.580000 |
| General Service 50 to 499 kW | Customer - 12 per year | 69.130000 | 0.000000 | 69.130000 |
| General Service 500 to 4,999 kW | Customer - 12 per year | 1,522.110000 | 0.000000 | 1,522.110000 |
| Large Use > 5000 kW | Customer - 12 per year | 13,711.340000 | 0.000000 | 13,711.340000 |
| Street Lighting | Connection - 12 per year | 1.330000 | 0.000000 | 1.330000 |

Volumetric Distribution Charge

| Class | Metric | Base Rate | Revenue Cost Ratio | Rate ReBal Base |
|--------------------------------------|--------|-----------|--------------------|-----------------|
| Residential | kWh | 0.011800 | 0.000000 | 0.011800 |
| General Service Less Than 50 kW | kWh | 0.011500 | 0.000000 | 0.011500 |
| Small Commercial and USL - per meter | kWh | 0.019300 | 0.000000 | 0.019300 |
| General Service 50 to 499 kW | kW | 4.160200 | 0.000000 | 4.160200 |
| General Service 500 to 4,999 kW | kW | 2.076100 | 0.000000 | 2.076100 |
| Large Use > 5000 kW | kW | 2.891800 | 0.000000 | 2.891800 |
| Street Lighting | kW | 10.150900 | 0.000000 | 10.150900 |

Preamble: Board staff notes that "Rate ReBal Base Rates" from Sheet E1.1 of the 2011 IRM3 Rate Generator are supposed to be entered on Sheet B1.1 of the 2011 IRM3 Shared Tax Savings Workform.

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Questions / Requests:

- a) Please explain the discrepancies between the two sheets cited above. If there are errors, please advise and Board staff will make the relevant corrections.

Disposition of Group 1 Deferral / Variance Account Balances

Board Staff Interrogatory No. 2

Ref: 2011 IRM3 Deferral and Variance Account Workform

Sheet "D1.6 Deferral Variance – Continuity Schedule Final" of the 2011 IRM3 Deferral and Variance Account Workform is reproduced below.

| 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 - 09 Balance from Jan 1, 2010 to Dec 31, 2010 | Projected Interest on Dec 31 - 09 Balance from Jan 1, 2011 to April 30, 2011 | Interest Amounts to be disposed | Total Claim |
|--|----------------|---|------------------------------|----------------------------------|--|---|------------------------------|--|--|---------------------------------|-------------|
| | | A | B | C = A + B | D | E | F | G | H | I = D + E + F + G + H | J = C + I |
| LV Variance Account | 1550 | 222,740 | 858,728 | 881,468 | (59,814) | 80,322 | | 8,218 | 2,821 | 9,244 | 870,712 |
| RDVA - Wholesale Market Service Charge | 1550 | (18,958,242) | 14,805,516 | (2,152,725) | (1,205,125) | 1,205,024 | | (15,515) | (8,293) | (21,808) | (2,172,629) |
| RDVA - Retail Transmission Network Charge | 1584 | (5,941,939) | 2,407,208 | (3,214,821) | 98,491 | (71,518) | | (23,338) | (6,466) | (27,328) | (3,272,696) |
| RDVA - Retail Transmission Connection Charge | 1585 | (3,586,514) | 887,818 | (2,708,697) | (130,788) | 128,805 | | (19,540) | (7,805) | (27,345) | (2,740,147) |
| RDVA - Power (Excluding Global Adjustment) | 1588 | (4,900,025) | 8,258,868 | 3,358,843 | (825,150) | 833,010 | | 24,447 | 6,914 | 30,223 | 5,429,265 |
| RDVA - Power (Global Adjustment Sub-account) | 1588 | 37,268,531 | (41,485,857) | (4,217,326) | 279,300 | (261,854) | | (91,880) | (12,837) | (104,717) | (4,454,358) |
| Recovery of Regulatory Asset Balances | 1620 | (87,009) | 87,009 | (0) | 41,313 | (40,524) | | (0) | (0) | (789) | 789 |
| Residual Balance Disposition and recovery of Def/Var Balances Account (2008) | 1590 | (223,108) | | (223,108) | 55,319 | | | (1,405) | (594) | (1,999) | (149,948) |
| Total | | 5,955,533 | (14,300,621) | (8,345,088) | (1,501,449) | 1,811,315 | 0 | (90,545) | (24,672) | (115,620) | (8,460,708) |

Preamble: Enersource's RRR 2.1.1 filing for the period ending Dec. 31 / 2009 shows a balance of \$(279,262) in Account 1595.

Questions / Requests:

- a) Please explain the adjustments entered in Column B.
- b) Please explain the discrepancy between the Account 1595 balance of (\$279,262) as provided in RRR 2.1.1 and the Account 1595 balance of (\$147,789)¹ presented in the above cited sheet. If this is an error, please provide a corrected copy of Sheet D1.6 of the 2011 IRM3 Deferral and Variance Account Workform.

Board Staff Interrogatory No. 3

Ref: 2011 IRM3 Deferral and Variance Account Workform

Preamble: Enersource has indicated that it plans to apply the 2011 Global Adjustment sub-account rate rider to the electricity component of the bill.

¹ Principal Amount (-\$203,108) + Interest Amount as of Jan. 1 / 10 - \$55,319 = (\$147,789)

Questions / Requests:

- a) Please explain how loss factor adjustments are treated when applying the Global Adjustment sub-account rate rider to the electricity component of the bill.

RTSR Adjustments

Board Staff Interrogatory No. 4

Ref: 2011 IRM3 RTSR Adjustment Workform

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

| | |
|---------------------------|----|
| Loss Adjusted Metered kWh | No |
| Loss Adjusted Metered kW | No |

| Rate Class | Vol Metric | Metered kWh A | Metered kW B | Applicable Loss Factor C | Load Factor D = A / (B * 730) |
|--------------------------------------|------------|------------------|-----------------|--------------------------------|----------------------------------|
| Residential | kWh | 1,500,889,822 | 0 | 1.0360 | |
| General Service Less Than 50 kW | kWh | 653,001,289 | 0 | 1.0360 | |
| Small Commercial and USL - per meter | kWh | 10,792,397 | 0 | 1.0360 | |
| General Service 50 to 499 kW | kW | 2,112,001,401 | 6,352,348 | 1.0360 | 45.57% |
| General Service 500 to 4,999 kW | kW | 2,173,434,670 | 5,081,457 | 1.0360 | 58.62% |
| Large Use > 5000 kW | kW | 1,009,596,919 | 1,800,927 | 1.0145 | 76.84% |
| Street Lighting | kW | 39,271,032 | 110,507 | 1.0360 | 48.71% |
| Total | | 7,498,987,530 | 13,345,239 | | |

Questions / Requests:

- a) Please explain why no loss factor has been applied to the data entered in Column A of Sheet B1.2 of the 2011 IRM3 RTSR Workform.