

**Orangeville Hydro Limited
2011 EDR 3rd Generation IRM
EB-2010-0105**

Board staff Interrogatories

1. Ref: Tax Sharing Model – B1.1 Re-Based Bill Det & Rates

Rate Class and Re-Based Billing Determinants & Rates

Last COS Re-based Year				2010					
Last COS OEB Application Number				EB-2009-0272					
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	Customer	kWh	10,045	85,739,258		18.18	0.0140	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,081	38,644,887		32.76	0.0100	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	133	123,337,339	294,391	163.39		2.1593
USL	Unmetered Scattered Load	Connection	kWh	151	374,473		6.24	0.0088	
Sen	Sentinel Lighting	Connection	kW	170	129,053	357	1.86		7.2396
SL	Street Lighting	Connection	kW	2,724	1,787,017	5,069	0.79		4.3510
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						

- Please explain why rates in columns D, E and F are not identical with rates from Sheet “E1.1 Rate Reb Base Dist Rts Gen” of the 2011 IRM3 Rate Generator.
- If Orangeville is of the view that the data included in the application is more appropriate to use, please explain why. If not, please re-file the referenced sheet with the correct rates and staff will make the necessary adjustments to the Tax Sharing model.

2. Ref: Tax Sharing Model – F1.1 Z-Factor Tax Changes

Summary - Sharing of Tax Change Forecast Amounts

1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2010	2011
Taxable Capital	\$17,826,594	\$17,826,594
Deduction from taxable capital up to \$15,000,000	\$15,000,000	\$15,000,000
Net Taxable Capital	\$ 2,826,594	\$ 2,826,594
Rate	0.150%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ 1,954	\$ -

2. Tax Related Amounts Forecast from Income Tax Rate Changes

	2010	2011
Regulatory Taxable Income	\$ 1,054,775	\$ 1,054,775
Corporate Tax Rate	28.32%	24.81%
Tax Impact	\$ 298,885	\$ 261,703
Grossed-up Tax Amount	\$ 416,677	\$ 348,061
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ 1,954	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 416,677	\$ 348,061
Total Tax Related Amounts	\$ 418,630	\$ 348,061
Incremental Tax Savings		-\$ 70,569
Sharing of Tax Savings (50%)		-\$ 35,285

- a) Please explain why Regulatory Taxable income is not identical with Taxable Income per the Revenue Requirement Work Form from the Board decision in EB-2009-0272.
- b) If the data provided is correct, please provide evidence supporting the data entered. If the data is incorrect, please re-file the referenced sheet with the correct amounts and staff will make the necessary adjustments to the Tax Sharing model.

3. Ref: RTSR Model – 2009 Distributor Billing Determinants

2009 Distributor Billing Determinants

Enter the most recently reported RRR billing determinants

Loss Adjusted Metered kWh	Yes
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)	Loss Adjusted Billed kWh E = A * C
Residential	kWh	84,392,286	0	1.0406		87,818,613
General Service Less Than 50 kW	kWh	35,466,556	0	1.0406		36,906,498
General Service 50 to 4,999 kW	kW	121,491,113	306,995	1.0406	54.24%	126,423,652
Unmetered Scattered Load	kWh	373,171	0	1.0406		388,322
Sentinel Lighting	kW	128,510	362	1.0406	48.66%	133,728
Street Lighting	kW	1,770,107	5,112	1.0406	47.46%	1,841,973
Total		243,621,743	312,469			253,512,786

- a) Please confirm that the metered kWh and kW data in columns A and B (reported in RRR 2.1.5 customer, demands and revenues section) are not already loss adjusted.
- b) If the metered kWh and kW data are already loss adjusted please re-file the referenced sheet with column C containing a loss factor of 1.0000 and staff will make the necessary adjustments to the RTSR model.