

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates Bluewater Power Distribution Corp. ("Bluewater") EB-2010-0065

Disposition of Group 1 Deferral / Variance Account Balances

Board Staff Interrogatory No. 1

Ref: 2011 IRM3 Deferral and Variance Account Workform

Ref: Manager's Summary – Page 9 of 20

Preamble: Bluewater notes that it is currently looking at options of implementing the Global Adjustment sub-account rate rider as either part of the delivery component, or as part of the electricity component. For the purposes of the filed Application, Bluewater has calculated the rate rider as a per kWh charge to be included as part of the electricity component of the customer's bill.

Questions / Requests:

- a) Please confirm that Bluewater has the capability to apply the Global adjustment sub-account rate rider to the delivery component of the bill.
- b) Please provide rationale for applying the cited rate rider to the electricity component of the bill.
- c) Please explain how losses are treated when the Global Adjustment rate rider is included in the electricity component of the bill.

Board Staff Interrogatory No. 2

Ref: Manager's Summary - Page 3

Preamble: Bluewater is proposing that the Wholesale Market Participant (WMP) be treated as a separate customer in respect to the disposition of the deferral accounts, and that the Group 1 deferral and variance accounts be segregated so that a distinct rate rider can be established for the WMP that excludes disposition of the following accounts:

- Account 1580 – RSVA Wholesale Market Service Charge
- Account 1588 – RSVA Power (excluding Global Adjustment)
- Account 1588 (sub account for Global Adjustment)

The prefiled evidence indicates that the WMP embedded within the applicant's service territory is invoiced by the distributor for distribution, retail transmission and network connection charges. The WMP has a contractually negotiated alternate energy arrangement with the IESO, and is billed directly by the IESO for energy consumption, wholesale market service rates and rural rate protection.

It is Board staff's understanding that for the purpose of wholesale settlements, the IESO adjusts the WMP's meter readings by the host distributor's total loss factor (TLF). The TLF is the OEB approved rate and is comprised of the supply facilities loss factor (SFLF) and distribution loss factor (DLF). Also, the IESO arrives at the net kWh for the host distributor by backing out the kWh pertaining to the WMP. Therefore, all customers, including WMPs are billed for the Board approved loss factor, and the difference between the actual losses experienced by the distributor, and losses recovered based on approved loss factor accumulate in account 1588 – RSVA Power (excluding Global Adjustment).

- a) Does Bluewater agree with the above characterization of the billing process by the Board staff?
- b) Please provide evidence, if the WMP of Bluewater settles with the IESO and the Applicant differently than described above.
- c) If the applicant answered "Yes" to #1 above, then does the applicant agree that all its customers, including the WMP have contributed towards the accumulation of balance in account 1588 – RSVA Power (excluding Global Adjustment)?
- d) Please provide any additional information that would improve the Board's ability to make a decision on the disposition of account 1588 – RSVA Power (excluding Global Adjustment).

RTSR Adjustments

Board Staff Interrogatory No. 3

Ref: 2011 IRM3 RTSR Adjustment Workform

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

2009 Distributor Billing Determinants

Enter the most recently reported RRR billing determinants

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	256,212,050	0	1.0356	
General Service Less Than 50 kW	kWh	112,787,581	0	1.0356	
General Service 50 to 999 kW	kW	215,198,957	590,469	1.0356	49.95%
General Service 1,000 to 4,999 kW	kW	168,112,239	367,127	1.0253	62.76%
Large Use	kW	250,931,008	411,290	1.0045	83.62%
Unmetered Scattered Load	kWh	2,155,483	0	1.0356	
Sentinel Lighting	kW	655,494	1,549	1.0356	58.00%
Street Lighting	kW	8,841,203	24,000	1.0356	50.49%
Total		1,014,894,015	1,394,435		

Questions / Requests:

- 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.

IRM3 Rate Generator

Board Staff Interrogatory No. 4

Ref: 2011 IRM3 Rate Generator Model – Sheet C4.1

Questions / Requests:

- Please confirm that the Rate Class titled “Large Use – Regular” is for Bluewater’s Wholesale Market Participant (“WMP”) customer.
- Would it be more accurate if Board staff were to title the rate class “Large Use – WMP Customer”?

Board Staff Interrogatory No. 5

Ref: 2011 IRM3 Rate Generator Model – Sheet P2.1

A portion of Sheet “P2.1 – Current and Applied for Specific Service Charges” of the 2011 IRM3 Rate Generator Model is reproduced below.

-4-

Other	Metric	Current
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Specific Charge for Bell Canada Access to the Power Poles - per pole/year Note: Specific Charge for I	\$	
	\$	
	\$	

Questions / Requests:

- a) Please confirm whether or not the line item “Specific Charge for Bell Canada Access to the Power Poles – per pole/year” is an error. If it is an error, please advise and Board staff will make the relevant correction to the cited sheet.