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BY E-MAIL

January 11, 2011

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

Dear Ms. Walli:

Erie Thames Powerlines Corporation Re: 2011 IRM3 Distribution Rate Application **Board Staff Interrogatories Board File No. EB-2010-0080**

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 Erie Thames Powerlines Corporation and to all other registered parties to this proceeding.

In addition please advise Erie Thames Powerlines Corporation that responses to interrogatories are due by January 28, 2011.

Yours truly,

Original Signed By

Daniel Kim Analyst - Applications & Regulatory Audit

Encl.

Board Staff Interrogatories

2011 IRM3 Electricity Distribution Rates
Erie Thames Powerlines Corporation ("Erie Thames")
EB-2010-0080
Dated: January 11, 2011

2011 IRM Retail Transmission Service Rates ("RTSR") Workform

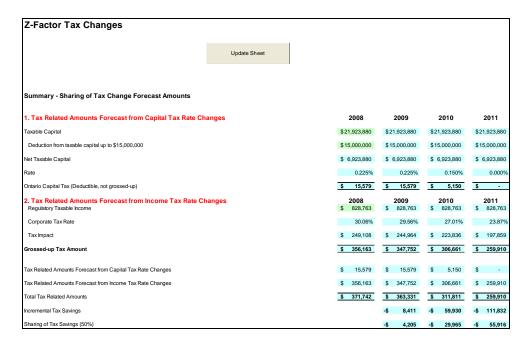
1. Ref: "Sheet B1.2 2009 Distributor Billing Determinants" of the workform is reproduced below.

Enter the most recently reported RRR billin					
Loss Adjusted Metered kWh	No	Update Sheet			
Loss Adjusted Metered kW	No	<u> </u>			
Rate Class	Vol Metric	Metered kWh A	Metered kW B	Applicable Loss Factor C	Load Factor D = A / (B * 730)
Residential	kWh	112,395,473	0	1.0427	
General Service Less Than 50 kW	kWh	33,991,973	0	1.0427	
General Service 50 to 999 kW	kW	88,113,463	262,519	1.0427	46.00%
General Service 1,000 to 2,999 kW	kW	69,529,869	135,587	1.0427	70.29%
General Service 3,000 to 4,999 kW	kW	29,624,668	83,687	1.0427	48.52%
Large Use	kW	95,312,532	181,443	1.0145	72.00%
Unmetered Scattered Load	kWh	516,445	0	1.0427	
Sentinel Lighting	kW	225,271	948	1.0427	32.57%
Street Lighting	kW	3,240,573	7,968	1.0427	55.74%
Embedded Distributor	kW	17.948.203	35.968	1.0427	68.39%

- a) Please confirm that the data entered in Column A (metered kWh) and B (metered kW) is metered data (i.e. no loss factor applied). If a loss factor has been applied to the data in Column A and B, please re-file the data for Column A and B and Board staff will make the relevant corrections to the RTSR Workform.
- b) Board staff has been unable to verify whether the billing determinants entered in for the General Service 50 to 999 kW, General Service 1,000 to 2,999 kW, and General Service 3,000 to 4,999 kW rate classes are correct. Please provide evidence supporting these billing determinants.

2011 IRM3 Shared Tax Savings Workform

2. Ref: Sheet "F1.1 Z-Factor Tax Changes" of the workform is reproduced below.



Board staff has been unable to verify the 2008 taxable capital and regulatory taxable income.

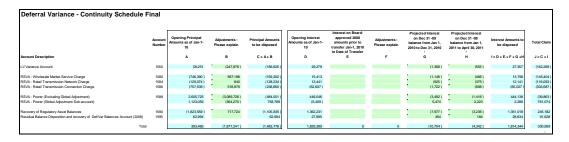
a) Please provide evidence supporting these amounts.

2011 IRM Deferral and Variance Account Workform

3. Ref: Sheet "B1.3 Rate Class and Billing Determinants" of the workform is reproduced below.

Rate Class and Billing Determinants												
		2009 Audited RRR		Billed kWh for Non-RPP	าวษบ Recovery Share	1595 (∠∪∪8 COS) Recovery						
Rate Group	Rate Class	Fixed Metric	Vol Metric	Metered kWh	Metered kW	customers	Proportion	Share				
RES	Residential	Customer	kWh	112,395,473		22,317,452	44.5%	26.8%				
GSLT50	General Service Less Than 50 kW	Customer	kWh	33,991,973		8,703,122	12.1%	8.9%				
GSGT50	General Service 50 to 999 kW	Customer	kW	88,113,463	262,519	25,312,303	20.8%	19.1%				
GSGT50	General Service 1,000 to 2,999 kW	Customer	kW	69,529,869	135,587	69,529,869	7.6%	15.1%				
GSGT50	General Service 3,000 to 4,999 kW	Customer	kW	29,624,668	83,687	29,624,668	2.5%	6.4%				
LU	Large Use	Customer	kW	95,312,532	181,443	95,312,532	11.7%	18.4%				
USL	Unmetered Scattered Load	Connection	kWh	516,445		53,716	0.2%	0.1%				
Sen	Sentinel Lighting	Connection	kW	225,271	948	0	0.1%	0.1%				
SL	Street Lighting	Connection	kW	3,240,573	7,968	2,254,658	0.4%	0.7%				
EMB	Embedded Distributor	Connection	kW	17,948,203	35,968	17,948,203	0.0%	4.5%				

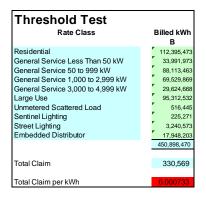
- a) Board staff has been unable to verify whether the billing determinants inputted in for the General Service 50 to 999 kW, General Service 1,000 to 2,999 kW, and General Service 3,000 to 4,999 kW rate classes are correct. Please provide evidence supporting these billing determinants.
- **4.** Ref: Sheet "D1.6 Deferral Variance Continuity Schedule Final" of the workform is reproduced below.



Account 1584 and 1586 currently have a credit balance of \$116,093 and \$303,687, respectively. This would imply that Erie Thames has been overcharging the retail transmission network charge and retail transmission connection charge. However, according to Erie Thames' RTSR Adjustment Workform an increase to both the retail transmission network charge and retail transmission connection charge has been calculated, which would imply that Erie Thames has been undercharging customers.

a) Please explain why there appears to be a difference.

5. Ref: Manager's Summary (Deferral and Variance Account Rate Riders) Ref: Sheet "E1.1 Threshold Test" of the workform is reproduced below.



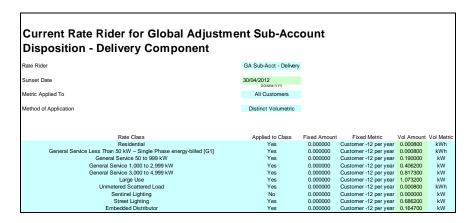
Erie Thames has indicated in its Manager's Summary that deferral and variance account rate riders have been calculated as a result of the Board's process for disposition of deferral and variance accounts that exceed a threshold of +/-\$0.0001/kWh. Erie Thames also indicated that the new proposed rate riders are all credits to ratepayers.

- a) Board staff notes that the preset disposition threshold included in the *Electricity Distributors' Deferral and Variance Account Review Report* (the "EDDVAR Report") is +/- \$0.001 per kWh, not +/- \$0.0001 per kWh. Please confirm that Erie Thames Group 1 Account balances did not exceed the preset disposition threshold.
- b) If confirmed, please justify Erie Thames request to dispose of its Group 1 Account balances.

2011 IRM3 Rate Generator Model

- **6.** Ref: Sheet "C2.6 Tax Change Rate Rider".
 - The purpose of Sheet "C2.6 Tax Change Rate Rider" is to state the current Board approved tax change rate rider.
 - a) Please confirm that Erie Thames currently has a Board approved tax change rate rider. If confirmed, please provide the details of the tax change rate rider for each applicable rate class and Board staff will update the model.

7. Ref: Sheet "C3.3 Current Rate Rider for Global Adjustment Sub-Account Disposition – Delivery Component" of the model is reproduced below.



- a) Please confirm the correct volumetric amount for the General Service 3,000 to 4,999 kW rate class is \$0.2804 per kW. If necessary, Board staff will correct the model.
- b) Please confirm the correct volumetric amount for the Large Use rate class is \$0.4047 per kW. If necessary, Board staff will correct the model.
- c) Please confirm the correct volumetric amount for the Street Lighting rate class is \$0.2617 per kW. If necessary, Board staff will correct the model.
- **8.** Ref: A portion of Sheet "C4.1 Current Rates and Charges" of the model is reproduced below.



a) Please confirm the correct service charge for the Unmetered Scattered Load rate class is \$2.74. If necessary, Board staff will correct the model.