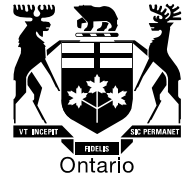


**Ontario Energy  
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**BY E-MAIL**

January 17, 2011

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

Dear Ms. Walli:

**Re: West Coast Huron Energy Inc.  
2011 IRM3 Distribution Rate Application  
Board Staff Interrogatories  
Board File No. EB-2010-0120**

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 West Coast Huron Energy Inc. and to all other registered parties to this proceeding.

In addition please advise West Coast Huron Energy Inc. that responses to interrogatories are due by January 31, 2011.

Yours truly,

*Original Signed By*

Kelli Dobson  
Analyst – Applications & Regulatory Audit

Encl.



**West Coast Huron Energy Inc.  
2011 EDR 3<sup>rd</sup> Generation IRM  
EB-2010-0120**

**Board Staff Interrogatories**

**1. Ref: Rate Generator – C4.1 Curr Rates & Chgs General**

**General Service 500 to 4,999 kW**

Retail Transmission Rate – Network Service Rate

\$/kW

1.8268

- Please explain why the retail transmission rate – network service rate for rate class general service 500 to 4,999 kW in the rate generator is not identical to decision and order EB-2009-0254.
- If West Cost Huron 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 rate of 1.9268.

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

**Rate Class and Re-Based Billing Determinants & Rates**

Last COS Re-based Year				2009					
Last COS OEB Application Number				EB-2008-0248					
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	3,356	28,073,558		14.09	0.0179	
GSLT50	General Service Less Than 50 kW	Customer	kWh	521	16,297,712		33.46	0.0112	
GGST50	General Service 50 to 499 kW	Customer	kW	49	24,213,614	78,830	402.56		1.7459
GGST50	General Service 500 to 4,999 kW	Customer	kW	3	11,029,532	25,095	3,278.11		1.6623
LU	Large Use	Customer	kW	1	63,440,389	155,172	8,652.72		1.1198
USL	Unmetered Scattered Load	Connection	kWh	9	166,487		33.47	0.0291	
Sen	Sentinel Lighting	Connection	kW	13	22,144	64	5.64		10.5184
SL	Street Lighting	Connection	kW	1,333	1,064,496	2,896	1.95		10.4932

- 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 West Coast Huron 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.



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

#### Summary - Sharing of Tax Change Forecast Amounts

<b>1. Tax Related Amounts Forecast from Capital Tax Rate Changes</b>	<b>2009</b>
Taxable Capital	\$ 5,107,346
Deduction from taxable capital up to \$15,000,000	\$ 15,000,000
Net Taxable Capital	-\$ 9,892,654
Rate	0.225%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -
<b>2. Tax Related Amounts Forecast from Income Tax Rate Changes</b>	<b>2009</b>
Regulatory Taxable Income	\$ 375,687
Corporate Tax Rate	16.50%
Tax Impact	\$ 61,988
<b>Grossed-up Tax Amount</b>	<b>\$ 74,237</b>
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 74,237
<b>Total Tax Related Amounts</b>	<b>\$ 74,237</b>
Incremental Tax Savings	
Sharing of Tax Savings (50%)	

- Please explain why Regulatory Taxable income is not identical with Taxable Income per the Revenue Requirement Work Form from the Board decision in EB-2008-0248, ref tab 3. Taxes\_PILs Taxable Income \$220,672.
- 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 data and staff will make the necessary adjustments to the Tax Sharing model.



4. Ref: Deferral and Variance Model – B1.3 Rate Class and Bill Det  
Rate Class and Billing Determinants

2009 Audited RRR						Billed kWh for Non-RPP customers	1590 Recovery Share Proportion 1
Rate Group	Rate Class	Fixed Metric	Vol Metric	Metered kWh	Metered kW		
RES	Residential	Customer	kWh	25,933,297		4,539,957	43.0%
GSLT50	General Service Less Than 50 kW	Customer	kWh	14,574,170		2,448,174	13.2%
GSGT50	General Service 50 to 499 kW	Customer	kW	23,079,748	72,724	18,863,438	11.9%
Sen	Sentinel Lighting	Connection	kW	23,318	65	0	0.1%
SL	Street Lighting	Connection	kW	1,010,294	2,691	979,554	0.7%
LU	Large Use	Customer	kW	73,950,138	169,745	0	21.4%
USL	Unmetered Scattered Load	Connection	kWh	97,763		12,789	0.2%
GSGT50	General Service 500 to 4,999 kW	Customer	kW	15,043,232	31,633	15,043,232	9.6%

- Please explain why the billing determinants for the Metered kWh are not identical with the values reported in the 2009 RRR filings.
- If the data provided is correct, please provide evidence supporting the data. If the data is incorrect, please re-file sheet B1.3 with the correct data and staff will make the necessary changes to the model.



5. Ref: Smart Meter Funding Model – 7. Funding adder collected

**Sheet 7. Smart Meter Funding Adder Collected**

Date	Opening	Fund Adder	Int. Rate	Interest	Closing
Jan-06	\$ -	\$ -	7.25%	\$ -	\$ -
Feb-06	\$ -	\$ -	7.25%	\$ -	\$ -
Mar-06	\$ -	\$ -	7.25%	\$ -	\$ -
Apr-06	\$ -	\$ -	4.14%	\$ -	\$ -
May-06	\$ -	\$ -	4.14%	\$ -	\$ -
Jun-06	\$ -	\$ -	4.14%	\$ -	\$ -
Jul-06	\$ -	\$ -	4.59%	\$ -	\$ -
Aug-06	\$ -	\$ -	4.59%	\$ -	\$ -
Sep-06	\$ -	\$ 3,556	4.59%	\$ -	\$ 3,556
Oct-06	\$ 3,556	\$ 959	4.59%	\$ 14	\$ 4,528
Nov-06	\$ 4,528	\$ 1,101	4.59%	\$ 17	\$ 5,647
Dec-06	\$ 5,647	\$ 812	4.59%	\$ 22	\$ 6,480
Jan-07	\$ 6,480	\$ 1,229	4.59%	\$ 25	\$ 7,733
Feb-07	\$ 7,733	\$ 740	4.59%	\$ 30	\$ 8,503
Mar-07	\$ 8,503	\$ 1,015	4.59%	\$ 33	\$ 9,551
Apr-07	\$ 9,551	\$ 638	4.59%	\$ 37	\$ 10,225
May-07	\$ 10,225	\$ 1,103	4.59%	\$ 39	\$ 11,367
Jun-07	\$ 11,367	\$ 884	4.59%	\$ 43	\$ 12,294
Jul-07	\$ 12,294	\$ 1,090	4.59%	\$ 47	\$ 13,431
Aug-07	\$ 13,431	\$ 1,037	4.59%	\$ 51	\$ 14,519
Sep-07	\$ 14,519	\$ 1,078	4.59%	\$ 56	\$ 15,651
Oct-07	\$ 15,651	\$ 1,050	5.14%	\$ 67	\$ 16,768
Nov-07	\$ 16,768	\$ 1,083	5.14%	\$ 72	\$ 17,922
Dec-07	\$ 17,922	\$ 985	5.14%	\$ 77	\$ 18,983
Jan-08	\$ 18,983	\$ 1,171	5.14%	\$ 81	\$ 20,235
Feb-08	\$ 20,235	\$ 784	5.14%	\$ 87	\$ 21,108
Mar-08	\$ 21,108	\$ 1,070	5.14%	\$ 90	\$ 22,266
Apr-08	\$ 22,266	\$ 1,076	4.08%	\$ 76	\$ 23,418
May-08	\$ 23,418	\$ 954	4.08%	\$ 80	\$ 24,451
Jun-08	\$ 24,451	\$ 1,007	4.08%	\$ 83	\$ 25,541
Jul-08	\$ 25,541	\$ 1,060	3.35%	\$ 71	\$ 26,673
Aug-08	\$ 26,673	\$ 986	3.35%	\$ 74	\$ 27,733
Sep-08	\$ 27,733	\$ 997	3.35%	\$ 77	\$ 28,808
Oct-08	\$ 28,808	\$ 972	3.35%	\$ 80	\$ 29,860
Nov-08	\$ 29,860	\$ 1,038	3.35%	\$ 83	\$ 30,982
Dec-08	\$ 30,982	\$ 1,009	3.35%	\$ 86	\$ 32,077
Jan-09	\$ 32,077	\$ 908	2.45%	\$ 65	\$ 33,051
Feb-09	\$ 33,051	\$ 995	2.45%	\$ 67	\$ 34,114
Mar-09	\$ 34,114	\$ 977	2.45%	\$ 70	\$ 35,160
Apr-09	\$ 35,160	\$ 1,023	1.00%	\$ 29	\$ 36,212
May-09	\$ 36,212	\$ 943	1.00%	\$ 30	\$ 37,185
Jun-09	\$ 37,185	\$ 963	1.00%	\$ 31	\$ 38,179
Jul-09	\$ 38,179	\$ 1,144	0.55%	\$ 17	\$ 39,341
Aug-09	\$ 39,341	\$ 1,134	0.55%	\$ 18	\$ 40,493
Sep-09	\$ 40,493	\$ 2,715	0.55%	\$ 19	\$ 43,227
Oct-09	\$ 43,227	\$ 3,550	0.55%	\$ 20	\$ 46,797
Nov-09	\$ 46,797	\$ 3,973	0.55%	\$ 21	\$ 50,791
Dec-09	\$ 50,791	\$ 3,878	0.55%	\$ 23	\$ 54,693
Jan-10	\$ 54,693	\$ 3,527	0.55%	\$ 25	\$ 58,245
Feb-10	\$ 58,245	\$ 3,778	0.55%	\$ 27	\$ 62,050
Mar-10	\$ 62,050	\$ 4,225	0.55%	\$ 28	\$ 66,303
Apr-10	\$ 66,303	\$ 3,327	0.55%	\$ 30	\$ 69,661
May-10	\$ 69,661	\$ 3,938	0.55%	\$ 32	\$ 73,631
Jun-10	\$ 73,631	\$ 3,978	0.55%	\$ 34	\$ 77,643
Jul-10	\$ 77,643	\$ 3,613	0.89%	\$ 58	\$ 81,314
Aug-10	\$ 81,314	\$ 4,181	0.89%	\$ 60	\$ 85,555
Sep-10	\$ 85,555	\$ 3,701	0.89%	\$ 63	\$ 89,319
Oct-10	\$ 89,319	\$ 3,795	0.89%	\$ 66	\$ 93,181
Nov-10	\$ 93,181	\$ -	0.89%	\$ 69	\$ 93,250
Dec-10	\$ 93,250	\$ -	0.89%	\$ 69	\$ 93,319
Jan-11	\$ 93,319	\$ -	0.89%	\$ 69	\$ 93,388
Feb-11	\$ 93,388	\$ -	0.89%	\$ 69	\$ 93,457
Mar-11	\$ 93,457	\$ -	0.89%	\$ 69	\$ 93,527
Apr-11	\$ 93,527	\$ -	0.89%	\$ 69	\$ 93,596

- a) Please explain why calculations for the funding adder are only calculated up until Oct-10 and not Apr-11. If West Coast Huron agrees the funding adder should be calculated up until Apr-11, please re-file the referenced



sheet with the correct data and staff will make the necessary adjustments to the Smart Meter Model

## 6. Ref: RTSR Model – B1.2 Dist Billing Determinants

### 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	25,933,297	0	1.0467	
General Service Less Than 50 kW	kWh	14,574,170	0	1.0467	
General Service 50 to 499 kW	kW	23,079,748	72,725	1.0467	43.50%
General Service 50 to 4,999 kW	kW	15,043,232	31,633	1.0467	65.18%
Large Use	kW	73,950,139	169,746	1.0045	59.71%
Unmetered Scattered Load	kWh	97,763	0	1.0467	
Sentinel Lighting	kW	23,318	64	1.0467	49.94%
Street Lighting	kW	1,010,294	2,691	1.0467	51.45%
Total		153,711,961	276,859		

- Please explain why metered kWh in column A are not identical with what is reported in the RRR 2.1.5 customer, demand and revenue section.
- If West Coast Huron 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 kWh's and staff will make the necessary adjustments to the RTSR model. If the RRR 2.1.5 kWh's and kW's are already loss adjusted please change column C to 1.0000.

## 7. Ref: RTSR Model – C1.1 Historical Wholesale

IESO									
Month	Network			Line Connection			Transformation Connection		
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount
January	22,959	\$ 2.57	\$ 59,005	25,790	\$ 2.32	\$ 18,053	25,790	\$ 1.62	\$ 41,780
									\$ 59,833

- Please explain why the Line Connection rate for January is \$2.32 instead of \$0.70 as provided on tab B1.3 UTR's and Sub-Transmission.
- If West Coast Huron 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 line connection rate and staff will make the necessary adjustments to the RTSR model.



Hydro One

Month	Network			Line Connection			Line Transformation			Total Line
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January		\$ -			\$ -			\$ -		\$ -
February		\$ -			\$ -			\$ -		\$ -
March		\$ -			\$ -			\$ -		\$ -
April		\$ -			\$ -			\$ -		\$ -
May		\$ -			\$ -			\$ -		\$ -
June		\$ -			\$ -			\$ -		\$ -
July		\$ -			\$ -			\$ -		\$ -
August		\$ -			\$ -			\$ -		\$ -
September	21,931	\$0.01	\$ 114	21,931	\$0.00	\$ 92		\$ -		\$ 92
October		\$ -			\$ -			\$ -		\$ -
November		\$ -			\$ -			\$ -		\$ -
December		\$ -			\$ -			\$ -		\$ -
Total	21,931	\$0.01	\$ 114	21,931	\$0.00	\$ 92	-	\$ -	\$ -	\$ 92

- c) Please explain why there are units billed entered only for September with what appear to be incorrect rates.
- d) If West Coast Huron is of the view that the data included in the application is correct, please explain why. If not, please remove the data from the sheet and re-file the referenced sheet and staff will make the necessary adjustments to the RTSR model.