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February 14, 2011

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Attention: Kirsten Walli  
Board Secretary

**Re: 2011 Electricity Distribution Rates  
EB-2010-0326**

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Pleased find enclosed Hydro Ottawa Limited's responses to Board Staff's interrogatories related to the 2011 3GIRM Rate Application. Two hard copies will be couriered to the Board today.

If further information is required, please contact the undersigned at 613-738-5499 ext 7499 or [janescott@hydroottawa.com](mailto:janescott@hydroottawa.com).

Yours truly,

*Original Signed By*

Jane Scott  
A/Director, Regulatory Affairs  
Hydro Ottawa Limited



1 **Interrogatory**

2  
3 **1. Ref: Manager's Summary, Page 4 of 11**

4  
5 Hydro Ottawa includes a tax sharing rate rider based on 8 months (May 2011 to  
6 December 2011).

- 7  
8 a) Please calculate a scenario where the tax sharing change rate rider is based  
9 on 12 months of billing determinants.

10  
11 **Response**

- 12 a) The requested scenario, in which the tax sharing change rate rider based on  
13 12 months of billing determinants, is show on Sheet F1.3 of the 2011 IRM  
14 Tax Sharing Workform as submitted in Hydro Ottawa's application  
15 (Attachment C) and as explained in the Manager's Summary in Table 1.



1 **Interrogatory**

2  
3 **2. Ref: Manager's Summary, Page 2 of 11**

4  
5 In the Manager's Summary, Exhibit B1/Tab 1/Schedule 1/page 2/line 31, Hydro  
6 Ottawa is proposing a Smart Meter adder for 8 months (May 2011 to December  
7 2011). Board staff notes that in the Smart Meters section, Exhibit B/Tab  
8 1/Schedule 2/page 5/line 3, Hydro Ottawa states a funding adder of \$2.13 per  
9 month per metered customer over 8 months (May 2011 to April 2012).

10  
11 a) Please confirm which recovery period is correct:

12 May 2011 to December 2011

13 Or

14 May 2011 to April 2012?

15  
16 **Response**

17  
18 a) The correct recovery period is May 2011 to December 2011.



1 **Interrogatory**

2  
3 **3. Ref: Tax Sharing Model – B1.1 Re-Based Bill Determinants**  
4 **& Rates**  
5

- 6 a) Please confirm that the correct Rate ReBal Base Distribution Volumetric  
7 Rate kW in Column F for Stand-By – Large Use is 1.4648. If necessary,  
8 Board staff will correct the model.  
9

10 **Response**

- 11 a) Yes, the correct Base Distribution Volumetric Rate kW in Column F for Stand-  
12 By-Large use should be 1.4648.  
13



**Interrogatory**

**4. Ref: 2011 IRM Tax Sharing Workform**

- a) Board staff has been unable to verify the figures in columns “F “and “G” (Distribution Volumetric Rate kWh Rate Rider and Distribution Volumetric Rate kW Rate Rider) for the various rate classes, as Sheet J2.7 in the Rate Generator Workform has not been filed. Please provide the information supporting these figures or alternatively please file Sheet J2.7.

**Response**

- a) As explained in Exhibit B1-1-1, the Manager’s Summary, the figures shown in columns ‘F’ and ‘G’ (Distribution Volumetric Rate kWh Rate Rider and Distribution Volumetric Rate kW Rate Rider) for the various rate classes are for a 12 month tax sharing rate rider and are calculated as C/D or C/E, as applicable for the class. Sheet J2.7 in the Rate Generator Workform was filed using the applied for 8 month tax sharing rate riders which are calculated using 8 months of billed data, as follows:

<b>Class</b>	<b>Tax Sharing \$</b>	<b>May-December Billing Determinants kWh or kW as applicable</b>	<b>Tax Sharing Rate Rider /kWh or /kW as applicable</b>
Residential	-\$898,182	1,438,449,893	-\$0.0006
GS < 50 kW per kWh	-\$224,020	506,089,271	-\$0.0004
GS > 50 < 1500 kW per kW	-\$392,751	4,863,673	-\$0.0808
GS > 1500 kW per kW	-\$109,634	1,207,256	-\$0.0908
Large Use per kW	-\$62,902	810,854	-\$0.0776
Street Lighting per kW	-\$7,880	71,495	-\$0.1102
Sentinel Lighting per kW	-\$49	171	-\$0.2852
UMSL per kWh	-\$6,760	13,711,491	-\$0.0005
Standby GS > 50 < 1500 kW per kW	-\$310	10,000	-\$0.0310



<b>Class</b>	<b>Tax Sharing \$</b>	<b>May- December Billing Determinants kWh or kW as applicable</b>	<b>Tax Sharing Rate Rider /kWh or /kW as applicable</b>
Standby GS > 1500 kW per kW	-\$2,407	96,643	-\$0.0249
Standby Large Use per kW	-\$101	3,200	-\$0.0317

1



1 **Interrogatory**

2  
3 **5. Ref: 2011 Tax Sharing Model Workform**

4  
5 a) Please explain why “Taxable Capital” is not identical with “Total Rate Base”  
6 per the Revenue Requirement Work Form from the Board Decision in  
7 EB-2007-0713.

8  
9 b) Please explain why “Regulatory Taxable Income” is not identical with  
10 “Taxable Income” per the Revenue Requirement Work Form from the Board  
11 Decision in EB-2007-0713.

12  
13 c) If the data provided is correct, please provide evidence supporting the data  
14 entered for a), b) and c). If the data is incorrect, please re-file F1.1 with the  
15 correct data and staff will make the necessary changes to the model  
16

17 **Response**

18 a), b) & c) The data provided for “Taxable Capital” and “Regulatory Taxable  
19 Income” on Sheet F1.1 of the 2011 Tax Sharing Model Workform is correct as  
20 shown in the PILs Model submitted as Appendix D of the Draft Rate Order for  
21 EB-2007-0713 on March 31, 2008. Note that this was confirmed by Board staff  
22 by email on January 26, 2011.  
23



**Interrogatory**

**6. Ref: 2011 Deferral and Variance Account Adjustment Workform**

a) Please explain why the billing determinants for the Metered kWh and Metered kW (Columns J & K) are not identical with the values reported in the 2009 RRR filings.

b) 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.

**Response**

a)&b) 2009 Audited RRR billing determinates for the Metered kWh and Metered kW are as follows:

	Metered kWh	Metered kW
Residential	2,256,567,858	
General Service Less Than 50 kW	731,102,854	
General Service > 50 kW	3,876,901,231	9,000,639
Large Use	633,982,714	1,150,430
Unmetered Scattered Load	19,879,033	
Street Lighting	38,843,816	113,406
Sentinel Lights	79,588	221





1 **Interrogatory**

2  
3 **7. Ref: 2011 Transmission Service Rates ("RTSR") Adjustment**  
4 **Workform**  
5

- 6 a) Board staff notes that the applicable loss factors used for the various rate classes  
7 captured in column C do not align with the corresponding loss factors in the  
8 current tariff sheet. If this is an error, Board staff will make the relevant  
9 corrections.

10  
11 **Response**

- 12 a) The loss factors were inadvertently omitted from Sheet B1.2 of the 2011 RTSR  
13 Adjustment Workform and should be added for Metered kWh only as follows:

14 Residential	1.0344
15 General Service Less Than 50 kW	1.0344
16 Unmetered Scattered Load	1.0344

17



1 **Interrogatory**

2  
3 **8. Ref: 2011 Transmission Service Rates ("RTSR") Adjustment**  
4 **Workform**

- 5  
6 a) Board staff notes that Hydro Ottawa did not file sheets F1.1 and F1.2. Below,  
7 staff provides the data for the RTSR Adjustment - Network and Connection.  
8 Please confirm whether the data provided is correct

9  
10 **Response**

- 11 a) Hydro Ottawa confirms that the data shown for the RTSR Adjustment-Network  
12 and Connection are correct.