PROCEDURAL ORDER NO.1

GUELPH HYDRO ELECTRIC SYSTEMS INC. ("Guelph Hydro")

RESPONSES TO THE VECC'S INTERROGATORIES ON

2012 ELECTRICITY DISTRIBUTION COST OF SERVICE RATES

FILE NUMBER EB-2011-0123

September 30, 2011

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General

Issue 1.1 Has Guelph Hydro responded to all Board directions?

1) Reference: Exhibit 1, Tab 1, Schedule 10, page 4 – Conditions of Service

a) Effective October 1, 2011 OEB rules affecting the electricity distribution utilities conditions of service for low income consumers come in to effect. Please explain what modifications Guelph Hydro has made to its conditions of service in order to comply with these new rules.

Guelph Hydro's Response:

Guelph Hydro updated its Conditions of Service on August 30, 2011. The updated Conditions of Service and the list of changes are posted on its website at:

http://guelphhydro.com/conditions.php

The updates relate to the Board's July 2, 2010 Notice of Customer Service Amendments to the Distribution System Code (DSC), the Retail Settlement Code (RSC) and the Standard Service Supply Code (SSSC).
The amended sections that refer to the OEB rules related to low income consumers are:
2.2.1.1 Non-payment of Accounts
2.2.1.3 Disconnection Procedures
2.2.1.4 Suspending Disconnection Action
2.4.3.1. Security Deposit
2.4.4.5 Arrears Management Programs
2.4.5.1 Payment Methods

Please note that Guelph Hydro will implement the OEB rules effective October 1, 2011, and it intends to update its Conditions of Service by the end of 2011, and include all post July 2, 2010 and upcoming amendments to the DSC, RSC, and SSSC.

Issue 1.2 Are the economic and business planning assumptions appropriate?

2) Reference Exhibit 1, Tab 2, Schedule 2, page 4

a) Please explain how the inflationary factor of 2% is derived.

Guelph Hydro's Response:

Guelph Hydro typically uses the overall Canadian CPI index for budgeting and planning purposes. Over the past few years, this index has yielded inflationary factors ranging from a low of 0.2989% in 2009 to 2.3706% in 2008. The most recent CPI figure available for July, 2011 is 2.7397%. In addition, the Bank of Canada's official target for inflation is a range between 1.0% to 3.0% with the Bank's monetary policy aimed at keeping the rate at the 2.0% midpoint.

Rate Base

Issue 2.1 Is the proposed rate base appropriate?

3) Reference Exhibit 2, Tab 4, Schedule 5, pages 38 – 44. *Preamble - At Tables 8 through 11 of the Asset Management Plan are forecast capital expenditures for 2012 to 2016. However, there does not appear to be an explanation as to how these figures are derived, though they appear to be increased in each year subsequent to 2012 by 3%. In other places (see for example Table 11) there is a decrease in investment costs.*

a) Please explain how changes to the forecast costs in the asset management plan were derived?

Guelph Hydro's Response:

Forecasted budget costs in the asset management plan for 2012were derived based on historic capital expenditure trends, known planned capital expenditures that relate to major capacity increases as well as capital work related to recommendations outlined in the Asset Condition Assessment. Investment costs for years 2013-2016 were estimated to increase by 3% as compared to 2012. Guelph Hydro believes that the costs associated with addressing the outcomes of the Asset Condition Assessment are incorporated in the capital budget for 2012-2016.

b) Is there a nexus between reliability performance (see Exhibit 2, Tab 4, Schedule 8) and capital expenditures in the asset management plan? If so please explain how the asset management plan address reliability issues

Guelph Hydro's Response:

The nexus between reliability performance and Guelph Hydro's Asset Management Plan can be seen in the projects outlined in the rehabilitation category. Rehabilitation projects address a number of areas including replacing end of life equipment in order to maintain a safe and reliable distribution system, replacing equipment that becomes obsolete and replacing assets as required following field inspections. Guelph Hydro takes a proactive approach by replacing assets that have reached end of life in order not to adversely affect the reliability of our distribution system. Reliability plays a critical role in prioritizing capital rehabilitation projects. Guelph Hydro monitors the reliability statistics and uses this information to list and prioritize future projects in order to tackle any reliability concerns. The asset condition assessment looked at a number of different factors when evaluating the health index of Guelph Hydro's assets. Equipment with a higher rate of failure will get moved to the head of the line when it comes time for replacement.

c) Does Guelph Hydro monitor its worst performing circuits? If not, why not. If yes, please explain how the asset management plan/capital budget addresses worst performing circuits.

Guelph Hydro's Response:

Guelph Hydro does specifically monitor its worst performing circuits however Guelph Hydro does monitor all distribution feeders and uses incident information populated geographically in order to trend areas that show signs of having a higher rate of occurrences where corrective action to improve the reliability is necessary. Guelph Hydro monitors and updates its SAIDI and CAIDI numbers monthly and reviews the distribution incidents on a regular basis. Circuit performance is an influencing factor in planned capital work where past performance of circuits helps prioritize planned capital and maintenance expenditures. Guelph Hydro's asset management plan and capital budget addresses poor preforming circuits by replacing end of life equipment and other elements of the distribution system that are effecting reliability.

d) It is not clear how the asset condition assessment portion of the asset management plan informs the capital budgeting process. For example, at Exhibit 2, Tab 4, Schedule 5, Appendix C, page 42 its shows 16 pole top transformers being replaced in 2012. The evidence is not clear as to whether this recommendation is carried out in the budget forecasts for 2012 (and in the Tables at pages 38-44 of Exhibit 2, Tab 4, Schedule 5). Can Guelph Hydro provide an explanation, or map, as to the specific relationship between the recommendations of the asset condition/asset management plan and the capital budget forecast?

Guelph Hydro's Response:

The recommendations in the asset condition assessment are addressed in the asset management plan and capital expenditures budget. The asset condition assessment provided a health evaluation of our distribution system assets and gave recommendations and a plan to address the replacement of these facilities. The levelized asset condition assessment plan noted a budgetary requirement of approximately $1,854,800 annually for years 2012-2016. Guelph Hydro's capital budget of approximately $2,800,000 to $3,152,000 in years 2012 and 2016 respectively, incorporates the asset condition assessment findings as well as addresses the replacement of other distribution equipment that was not included in the asset condition assessment. These other facilities include some underground assets that will be incorporated into the next revision of the asset condition assessment and asset management plan.

e) In the Asset Management and Asset Condition reports, there is discussion about pole replacement. There is also discussion about the need to relocate plant due to municipal development, such as road widening. These two issues do not seem to be linked in the capital budget or asset management plan. How does municipal planning inform Guelph Hydro's plan for pole replacement and other capital budget plans?

Guelph Hydro's Response:

Municipal planning does not inform Guelph Hydro's plan for pole replacement or other capital budget plans. Guelph Hydro's pole replacements fall into the rehabilitation category and are based on field inspection data. These pole replacements are required in order to maintain a safe and reliable distribution system by replacing end of life facilities so that the system can operate as originally designed. Relocation of distribution system assets in order to accommodate municipal development projects are driven by development and are at the request of the road authority. These projects fall into line relocation work under the distribution feeder's category. Some road authority projects where Guelph Hydro is required to relocate distribution system assets can be linked with Guelph Hydro planned projects or pole replacements; however, this task is very difficult as the location and timing of these projects are often different. Guelph Hydro meets monthly with the City of Guelph and other local utilities to coordinate and plan current and future road authority projects where local utilities are involved. Guelph Hydro uses this information to guide our capital budget for line relocation work.

Issue 2.2 Is the working capital allowance appropriate?

4) Reference Exhibit 2, Tab 3, Schedule 1, page 1

a) Why did Guelph Hydro not undertake a lead-lag study in support of its working capital request?

Guelph Hydro's Response:

It is Guelph Hydro's understanding that the Board does not require a lead-lag study for the purposes of this application.

b) What impact would it have if Guelph Hydro were to reduce its working capital allowance to 13% of forecast controllable and power costs?

Guelph Hydro's Response:

Guelph Hydro's rate base would be reduced by approximately $3.2 million. This, in turn, would reduce the revenue requirement by approximately $225,000.

Load Forecast and Operating Revenue

Issue 3.1 Is the load forecast methodology including weather normalization appropriate?

5) Reference: Exhibit 3, Tab 2, Schedule 1, pages 4-5 /OEB Staff #15

a) Please provide the multifactor regression outputs (per page 5, lines 3-4) for two additional model specifications: one excluding Ontario Real GDP and a second excluding Manufacturing GDP.

Guelph Hydro's Response:

VECC_5_Ontario Real GDP Excluded

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.92
R Square	0.84
Adjusted R Square	0.84
Standard Error	3,674,323.15
Observations	156.00

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	7	1.0837E+16	1.5481E+15	114.6743746	1.6568E-56
Residual	148	1.998E+15	1.3500E+13		
Total	155	1.2835E+16			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-12,003,231.53	1,346,121.48	-8.92	0.00	-14,663,303.80	-9,343,159.26	-14,663,303.80	-9,343,159.26
Heating Degree Days	2,919.44	203.60	14.34	0.00	2,517.41	3,321.46	2,517.41	3,321.46
Cooling Degree Days	8,069.48	728.66	11.07	0.00	6,629.15	9,509.80	6,629.15	9,509.80
Number of Days in Month	2,012,149.02	384,865.47	5.23	0.00	1,251,607.73	2,772,690.32	1,251,607.73	2,772,690.32
Population	763.34	36.78	20.75	0.00	690.66	836.03	690.66	836.03
Number of Peak Hours	78,954.86	19,105.20	4.13	0.00	41,200.64	116,709.08	41,200.64	116,709.08
Blackout Flag	-1,378,293.67	375,176.50	-3.67	0.00	-2,120,759.54	-635,827.79	-2,120,759.54	-635,827.79
Manufacturing GDP	687,572.03	47,315.89	14.53	0.00	594,070.04	781,074.01	594,070.04	781,074.01

VECC_Q5_Manufacturing GDP excluded

Version 1 - Seven variables

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.90
R Square	0.81
Adjusted R Square	0.80
Standard Error	4,031,251.67
Observations	156.00

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	7	1.04302E+16	1.49003E+15	91.68343379	1.37152E-50
Residual	148	2.40516E+15	1.62511E+13		
Total	155	1.28353E+16			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-34,826,723.89	13,428,319.70	-2.59	0.01	-61,362,728.07	-8,290,719.71	-61,362,728.07	-8,290,719.71
Heating Degree Days	29,515.91	2,232.95	13.22	0.00	25,103.33	33,928.49	25,103.33	33,928.4
Cooling Degree Days	82,345.13	7,991.76	10.30	0.00	66,552.44	98,137.81	66,552.44	98,137.81
Ontario Real GDP Monthly %	669,548.20	54,599.33	12.26	0.00	561,653.24	777,443.17	561,653.24	777,443.17
Number of Days in Month	1,975,803.41	422,257.22	4.68	0.00	1,141,371.42	2,810,235.39	1,141,371.42	2,810,235.3
Population	-190.58	71.78	-2.65	0.01	-332.43	-48.73	-332.43	-48.7
Number of Peak Hours	98,997.21	20,869.98	4.74	0.00	57,702.21	140,292.21	57,702.21	140,292.21
Blackout Flag	-15,510,647.24	4,125,125.66	-3.76	0.00	-23,662,407.72	-7,358,893.76	-23,662,407.72	-7,358,893.7

b) Please provide projections for 2012 purchases based on the two models from part (a).

Guelph Hydro's Response:

1. Ontario Real GDP excluded:
   2012 projected purchases = 1,737 GWh
2. Manufacturing GDP excluded:
   2012 projected purchases = 1,607 GWh

6) Reference: Exhibit 3, Tab 2, Schedule 1, pages 5, 7 and 15.

a) Page 5 (line 1) states that weather normal is based on average weather conditions from 1998-2010 (i.e. 13 years). However, page 7 (line 23) states that weather normal is based on a ten year average. Please reconcile.

Guelph Hydro's Response:

Guelph hydro used the average of 13 year (1998 to 2010) historical weather conditions (i.e. HDD and CDD).

7) Reference: Exhibit 3, Tab 2, Schedule 1, page 8.

a) To what customer class does the new customer referenced on lines 18-19 belong?

Guelph Hydro's Response:

The customer belongs to the GS < 50 kW class.

8) Reference: Exhibit 3, Tab 2, Schedule 1, page 15.

a) Please provide a table that sets out for 2009 and 2010 the following:

- The actual purchases for each year
- The actual HDD and CDD values for each year
- The "weather normal" HDD and CDD values for each year (as defined by Guelph)
- The HDD and CDD coefficients per Guelph's regression model
- The weather normal adjustment for each year based on the product of a) the HDD and CDD coefficients and b) the differences between the actual and "weather normal" values for HDD and CDD respectively.
- The estimated "weather normal purchases" calculated by adjusting actual purchases by the values calculated in the preceding bullet.

Guelph Hydro's Response:

Please see the following table:

		2009	2010	Formulas
Actual Purchases [GWh]		1,504,188,795	1,640,997,395	A
Actual annual HDD		1,928.9	1,703.5	B
Actual annual CDD		197.9	439.6	C
Weather Normal HDD		1,849.54	1,849.54	D
Weather Normal CDD		397.95	397.95	E
HDD coefficients				
Heating Degree Days		29,113.89	29,113.89	F
Cooling Degree Days		80,727.19	80,727.19	G
HDD actual to normal diferrence		79.36	-146.04	H=B - D
CDD actual to normal diferrence		-200.05	41.65	I=C - E
Weather normal adjustment for HDD		2,310,471.69	-4,251,799.89	J=H x F
Weather normal adjustment for CDD		-16,149,304.31	3,362,457.40	K=I x G
Estimated Weather Normal Purchases		1,490,349,962	1,640,108,053	L= A + J + K
Differences normal to actual %		-0.93%	-0.05%	%=(L-A)/L

9) Reference: Exhibit 3, Tab 2, Schedule 1, pages 10-11.

a) What is the source for the historical monthly population values, particularly for the years after 2006?

Guelph Hydro's Response:

As mentioned in E3/T2/S1 p.10, the source for the historical (including years after 2006) and forecast population values is the City of Guelph Planning Services - Statistics – Demographics. The City of Guelph Planning Services uses the Statistics Canada 2006 Census Community Profile in their projections for Guelph's population. Please access the following link for more details:

http://guelph.ca/business.cfm?itemid=62054&smocid=1859

Please note that the Planning Services updates time to time the forecast, and the values shown today may be different than what Guelph Hydro downloaded at the time it prepared its load forecast.

The historical monthly population values were calculated by adding a monthly average increase.

Year	Population	Population Change	Average Annual Rate of Growth	
1971	60,087	--	--	
1976	67,540	7453	2.48%	
1981	71,207	3667	1.09%	
1986	78,235	7028	1.97%	
1991	88,444	10,209	2.61%	Poulation Increase per month
1996	95,821	7377	1.67%	123
2001	109,450	13,629	2.84%	227
2006	114,943	5,493	1.65%	92
2011	135,770	20,827	3.07%	347
2016	142,730	6,960	0.98%	116
2021	148,000	5,270	0.71%	88
2026	158,000	10,000	1.27%	167

b) What are the sources for the 2011 and 2012 projected values for Manufacturing GDP?

Guelph Hydro's Response:

As mentioned in E3/T2/S1 p.10, the source for historical Manufacturing GDP is Statistics of Canada: Table 379-0027 - Gross domestic product (GDP) at basic

prices, by North American Industry Classification System (NAICS), monthly (dollars) (table), CANSIM (database).

http://cansim2.statcan.gc.ca/cgi-win/CNSMCGI.PGM?Lang=E&CANSIM2=1&RootDir=CII/&C2DB=PRD&ChunkSize=50&SrchVer=2&ResultTemplate=CII/CII_FLST&CIITables=4005

The 2011 and 2012 projected values were calculated as 10 historical year monthly average.

c) Page 10 appears to suggest that the source of the projection for Population was a 2003 City planning document.

- Is this case and, if not, what source was used?
- If this was the case, please contrast the planning document's projection for 2010 with the actual values used in the analysis.

Guelph Hydro's Response:

Please see the response to Interrogatory 9 a.

Issue 3.2 Are the proposed customer/connections and load forecasts (both kWh and kW) for the test year appropriate?

10) Reference: Exhibit 3, Tab 2, Schedule 1, pages 19-20 and 26.

a) Please provide the actual customer count, by class, as of June 30, 2011.

Guelph Hydro's Response:

Number of customers/connections	
30-Jun-11	
	Total
Residential	46,256
GS<50 kW	3,672
GS 50 to 999 kW	564
GS 1000 - 4999 kW	41
Large Use	4
Street Lighting [connections]	13,181
Unmetered Scattered Load [connections]	584
Sentinel Light	27
Total	**64,329**

b) Please confirm that the number of Street Lighting connections reported on page 26 (13,609) is meant to reflect the number of fixtures and not the number of connections to Guelph's distribution system.

Guelph Hydro's Response:

The number of 13,609 is meant to reflect the number of Street Lighting fixtures not the number of connections to Guelph Hydro's distribution system.

Issue 3.3 Is CDM appropriately reflected in the load forecast?

11) Reference: Exhibit 3, Tab 2, Schedule 1, pages 8-9 /OEB Staff IR #17.

a) Please describe the current status of Guelph's 2011 CDM program activity. Note: OEB Staff #17 requests "up-to-date savings for 2011". In addition, please indicate the status of Guelph's progress towards contracting for and initiating OPA programs.

Guelph Hydro's Response:

Guelph Hydro has signed the Ontario Power Authority (OPA) Master Agreement for OPA Tier 1 CDM Program delivery. Guelph Hydro has enrolled for and been accepted by the OPA to deliver the Tier 1 Residential, Commercial and institutional (Business) and Industrial suite of programs. Guelph Hydro also plans to deliver the OPA Home Assistance (formerly Low Income) Program.

b) Please complete the following schedule setting out the annual and cumulative energy savings anticipated from Guelph Hydro's CDM programs (Note: xx designates areas where there should be entries and Total Cumulative Savings as of 2014 should equate to Guelph's 79.53 GWh target).

	Year			
Program Year	2011	2012	2013	2014
2011 Programs	xx	xx	xx	xx
2012 Programs		xx	xx	xx
2013 Programs			xx	xx
2014 Programs				xx
Total Annual Savings	xx	xx	xx	xx
Total Cumulative Savings	xx	xx	xx	xx

Guelph Hydro's Response

	Year			
Program Year	**2011**	**2012**	**2013**	**2014**
2011 Programs	**7.953**	**7.953**	**7.953**	**7.953**

2012 Programs		7.953	7.953	7.953
2013 Programs			7.953	7.953
2014 Programs				7.953
Total Annual Savings (GWh)	7.953	15.906	23.859	31.812
Total Cumulative Savings (GWh)	7.953	23.859	47.718	79.53

c) What loss factor was used to "uplift" the CDM reductions?

Guelph Hydro's response:

The Loss factor used to uplift the CDM reductions is the proposed Loss factor of 1.0209.

12) Reference: Exhibit C1, Tab 1, Schedule 1, pages 5-6.

a) Please complete the following table summarizing Guelph's CDM results to-date.

	Year					
Program Year	2005	2006	2007	2008	2009	2010
2005 Programs	xx	xx	xx	xx	xx	xx
2006 Programs		xx	xx	xx	xx	xx
2007 Programs			xx	xx	xx	xx
2008 Programs				xx	xx	xx
2009 Programs					xx	xx
2010 Programs						xx
Annual Savings	xx	xx	xx	xx	xx	xx

Guelph Hydro's Response:

kWh Savings By Year						
	2005	2006	2007	2008	2009	2010
2005 Programs	1,270,512	778,880	1,380,937	846,134	609,613	480,768
2006 Programs	0	1,536,338	3,498,552	3,498,552	3,481,933	588,255
2007 Programs	0	0	6,399,356	3,025,797	2,934,345	2,934,345
2008 Programs	0	0	0	6,994,417	6,846,137	6,846,137
2009 Programs	0	0	0	0	8,938,053	7,726,341
2010 Programs	0	0	0	0	0	6,273,776
Annual Savings	1,270,512	2,315,218	11,278,845	14,364,900	22,810,081	24,849,622

b) Is it reasonable to assume that the regression model reflects the historic trend in CDM set out above?

- If not, why not?
- If yes, is it reasonable to assume that captured in the energy forecasts for 2011 and 2012 based on the regression model are CDM savings that reflect a continuation of this continued trend?

Guelph Hydro's response:

In Guelph hydro's opinion, it is reasonable to assume that the regression model reflects the historic CDM trend, but it is not reasonable to assume that the regression

model reflects the additional 2011 and 2012 CDM targets that come on top of the historical CDM effect/trend.

Issue 3.4 Is the proposed test year throughput revenue appropriate?

13) Reference: Exhibit 3, Tab 1, Schedule 2, pages 1 and 29-30

a) Please confirm whether or not the distribution revenue shown in Table 1 is net of (i.e. reduced for) the transformer ownership discount.

Guelph Hydro's Response:

Guelph Hydro has presumed that correct reference is: E3/T1/S2, p.1 and E3/T2,S1 p.29-30.

Ref. E3/T2/S1 p. 29- The distribution revenue of $24,708,000 was calculated based on existing rates (i.e. 2011 rates) and it is net of (i.e. reduced for) the transformer ownership discount.

Ref. E3/T2/S1, p.30 – The distribution revenue of $30,652,117 was calculated based on 2012 proposed rates and it is net of (i.e. reduced for) the transformer ownership discount.

Ref. E3/T1/S2, p.1 – Guelph hydro has corrected Table 1 (please see below). The distribution revenue of $30,652,117 shown on Table 1 is net of the transformer ownership discount.

TABLE 1: SUMMARY OF OPERATING REVENUE

SUMMARY OF OTHER DISTRIBUTION REVENUE	2008 Board Approved	2008 Actual	Variance From 2008 Board Approved	2009 Actual	Variance from 2008 Actual	2010 Actual	Variance from 2009 Actual	2011 Bridge	Variance from 2010 Actual	2012 Test	Variance from 2011 Bridge
	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)	($'s)
Distribution revenue	done										
Residential	$12,911,383	$13,122,230	$210,848	$13,000,092	-$122,139	$13,197,037	$196,945	$13,650,413	$453,376	$17,222,329	$3,571,916
GS<50 kW	$2,839,581	$3,360,358	$520,777	$2,814,196	-$546,162	$2,947,049	$132,853	$2,858,074	-$88,975	$3,556,600	$698,526
GS 50 to 999 kW	$4,292,145	$4,093,369	-$198,776	$4,289,721	$196,351	$4,451,328	$161,607	$4,225,331	-$225,997	$5,244,990	$1,019,659
GS 1000 to 4999 kW	$1,968,034	$1,877,343	-$90,691	$1,967,356	$90,013	$2,041,419	$74,063	$2,280,441	$239,021	$2,895,926	$615,485
Large Use	$1,058,618	$746,381	-$312,238	$978,511	$232,131	$1,032,794	$54,283	$1,091,529	$58,735	$1,375,039	$283,509
Street Light	$102,865	$59,559	-$43,307	$108,203	$48,644	$113,198	$4,995	$185,981	$72,783	$235,793	$49,812
Sentinel	$4,848	$3,836	-$1,012	$4,280	$444	$4,875	$595	$3,935	-$940	$4,750	$815
Unmetered Scattered Load	$96,625	$92,178	-$4,448	$47,550	-$44,628	$12,926	-$34,624	$96,484	$83,558	$116,690	$20,207
Total	$23,274,100	$23,355,254	$81,154	$23,209,909	-$145,345	$23,673,255	$590,718	$24,392,188	$591,562	$30,652,117	$6,259,929
		0.94									
Other Distribution Revenue	done										
Late payment Charges	$100,000	$109,663	$9,663	$125,479	$15,816	$131,026	$5,546	$123,856	-$7,169	$127,572	$3,716
Specific Service Charges	$125,213	$602,666	$477,453	$479,362	-$123,304	$726,448	$247,086	$389,663	-$336,785	$400,805	$11,142
Other Distribution Revenue & Ot	$1,240,100	$1,233,261	-$6,839	$1,835,131	$601,870	$1,858,056	$22,925	$1,520,508	-$337,548	$1,424,826	-$95,682
Interest and Dividend Income	$400,000	$378,709	-$21,291	$177,542	-$201,167	$53,671	-$123,871	$81,335	$27,664	$97,786	$16,451
Total Other Distrib. Revenue	$1,865,313	$2,324,300	$458,987	$2,617,514	$293,214	$2,769,201	$151,687	$2,115,363	-$653,839	$2,050,989	-$64,374
TOTAL DISTRIBUTION REVEN	$25,139,413	$25,679,554	$540,141	$25,827,423	$147,869	$26,442,457	$742,405	$26,507,551	-$62,277	$32,703,106	$6,195,555
% Distrib.Revenue	92.58%	90.95%		89.87%		89.53%		92.02%		93.73%	

b) Please explain why other revenue from "Interest and Dividend Income" is excluded from Table 1.

Guelph Hydro's Response:

It was an omission. Please see the corrected Table 1 from the response to Interrogatory 13 a).

c) Please confirm whether the last column in the Table shown on page 30 should be titled "Dist Rev at Proposed Rates".

Guelph Hydro's Response:

Ref. E3/T2/S1, p.30 – The last column in the table shown on page 30 should be titled "Dist rev at Proposed Rates"

d) Please reconcile the differences in the total 2012 distribution revenue reported on page 1 ($30,651,674) and page 30 ($30,873,105 – including TOA and $30,652,117 – excluding TOA).

Guelph Hydro's Response:

Please see the response to interrogatory 13 a) (corrected Table 1).
The transformer Allowance was estimated at $220,988.
$30,873,105 net of $220,988 = $30,652.117.

14) Issue 3.4: Is the proposed test year throughput revenue appropriate? Reference: Exhibit 8, Tab 2, Schedule 8, Appendix 2-Q

a) Please check and confirm the following reported bill impacts for the Residential class:

- Page 2 – 13.97% Total Bill for 250 kWh per month;
- Page 3 – 10.96% Total Bill (before taxes) for 500 kWh per month.

Guelph Hydro's Response:

Guelph Hydro confirms that the Bill impacts for Residential class are calculated correctly before applying the Ontario Energy Credit of 10%.
Guelph Hydro has included the OCEB credit, and, the 2012 bill impacts are as following:

	Residential 250 kWh monthly				
	Total 2011 Bill		**Total 2012 Bill**		
	$50.19		$53.73		
	-10%		-10%		
OCEB Credit	-$5.02		-$5.37		
	$45.17		$48.35		
			7.06%	Bill Impact after OCEB Credit	
	Residential 500 kWh monthly				
	Total 2011 Bill		**Total 2012 Bill**		
	$83.37		$87.25		
	-10%		-10%		
OCEB Credit	-$8.34		-$8.73		
	$75.03		$78.53		
			4.66%	Bill Impact after OCEB Credit	

b) Are any other revisions required to the reported bill impacts?

Guelph Hydro's Response:

All Residential and GS< 50 kW bill impacts should include the OCEB credit of 10% (please see Guelph Hydro's Revenue Requirement Work Form updated on July 11, 2011).

Issue 3.5 Is the test year forecast of other revenues appropriate?

15) Reference: Exhibit 3, Tab 3, Schedule 1, page 3 / Exhibit 3, Tab 3, Schedule 2, page 5.

a) How many micro-fit customers does Guelph Hydro have as of June 30, 2011?

Guelph Hydro's Response:

As of June 30, 2011 Guelph Hydro Electric Systems has connected 37 microFIT customers.
.

b) How many micro-fit customers does Guelph Hydro expect to have as of year-end 2011 and year-end 2012?

Guelph Hydro's Response:

As per our Green Energy Act Plan, Guelph Hydro anticipates the connection of 40 microFIT renewable generation connections in 2011 and an additional 40 microFIT renewable generation connections in 2012.

c) Where are the revenues from the monthly service charges to micro-fit customers reflected in the forecast of Revenue Offsets?

Guelph Hydro's Response:

The forecasted microFIT revenue is of $2,707.2 (40 x12 x $5.64) for 2011 and $5,414.4 (80 x12 x $5.64) for 2012 and has been included in account 4235 – Miscellaneous Service Revenues."

16) Reference: Exhibit 3, Tab 3, Schedule 1, page 3 /Exhibit 3, Tab 3, Schedule 2, pages 4-5

a) Please provide a schedule that groups the accounts and values by year shown on page 5 into the three specific categories used in the Table on page 3.

Guelph Hydro's Response:

Guelph Hydro has corrected the Summary of Other Distribution Revenue to include the Interest and Dividend Income. Please see the table on the following page.

SUMMARY OF OTHER DISTRIBUTION REVENUE	2008 Board Approved	2008 Actual	Variance From 2008 Board Approved	2009 Actual	Variance from 2008 Actual	2010 Actual	Variance from 2009 Actual	2011 Bridge	Variance from 2010 Actual	2012 Test	Variance from 2011 Bridge
	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
Other Distribution Revenue	code										
Late Payment Charges	$100,000	$109,663	$9,663	$125,479	$15,816	$131,025	$5,546	$123,856	-$7,169	$127,572	$3,716
Specific Service Charges	$125,213	$602,666	$477,453	$479,362	-$123,304	$726,448	$247,086	$389,663	-$336,785	$400,805	$11,142
Other Distribution Revenue & Other Revenue	$1,240,100	$1,233,261	-$6,839	$1,835,131	$601,870	$1,858,056	$22,925	$1,520,508	-$337,548	$1,424,826	-$95,682
Interest and Dividend Income	$400,000	$378,709	-$21,291	$177,542	-$201,167	$53,671	-$123,871	$81,335	$27,664	$97,786	$16,451
Total Other Distribution Revenue	$1,865,313	$2,324,300	$458,987	$2,617,514	$293,214	$2,769,201	$151,687	$2,115,363	-$653,839	$2,050,989	-$64,374
TOTAL DISTRIBUTION REVENUE	$25,139,413	$25,679,554	$540,141	$25,827,423	$147,869	$26,442,457	$614,245	$26,507,551	-$62,277	$32,703,106	$6,195,555
% Distribution Revenue	92.58%	90.95%		89.87%		89.53%		92.02%		93.73%	
Note 1	Other Distribution Charges include SSS Administration charges recorded in 4080 (Distribution Service Revenue) as accounted according to the Accounting Procedures Handbook										

b) Exhibit 3, Tab 3, Schedule 1, pages 2-3 explain that the 2010 revenues for Account 4235 ($574,316) where higher than previous years due to the inclusion of $207,000 in revenues related to the late payment settlement. Please explain why the 2011 value for this account decreases by almost $320,000. The explanation on page 3 (of the same schedule) only accounts for $257,000 of the decrease. My note: the correct ref. is: E3,T3,S2,page 3.

Guelph Hydro's Response:

In addition to the $257,000 explanation on Exhibit 3, Tab 3, Schedule 3, page 3, other factors causing the decrease in 2011 revenues include the following:

2010 to 2011	Notes	Decrease from
Power Diversion Service Restoration Costs	1	$30,451
Collection charges	2	9,093
RST refund	3	7,907
Sale of Miscellaneous	4	10,402

Notes:

1. Non-routine costs which were excluded from 2011 budgeted costs.
2. 2010 collection charges showed increase not consistent with prior years' actual experience. 2011 budgeted amount represents return to prior year's norms.
3. Result of commodity tax review in 2010, not repeated in 2011.

c) Please explain the decrease in SSS Admin Charge revenues between 2010 and 2011.

Guelph Hydro's Response:

The correct amount for 2010 SSS Admin Charges (4080 subaccount) is $128,583. The difference of $23,549 was misallocated to 4080-SSS Admin Charges subaccount from 4080- subaccount LV charges.
The 2011 increase in SSS Admin Charge of $3,902 (i.e. 2011 SSS Admin Charge of $132,485 - $128,583) is due to the increase of the number of customers.

d) Please provide an update (per Exhibit 3, Tab 3, Schedule 2, page 4) on the anticipated 2011 and 2012 revenue from OPA programs.

Guelph Hydro's Response:

The OPA will be providing Program Administrator Budget funding for 2011-2014 CDM program delivery as outlined in the following table. This funding is to cover the LDCs costs of marketing, administration, and delivery of the province wide programs over the 4 year term:

Guelph Hydro's OPA CDM Program Administration Budget Funding (2011-2014)					
	Total PAB by Sector	Assumed 2011 Funding	Assumed 2012 Funding	Assumed 2011 Funding	Assumed 2012 Funding
Residential (Consumer)	*$1,331,381.81*	332,845	332,845	332,845	332,845
Commercial & Institutional (Business)	*$1,425,930.66*	356,483	356,483	356,483	356,483
Industrial	*$214,938.99*	53,735	53,735	53,735	53,735
Total	$2,972,251.46	743,063	743,063	743,063	743,063

17) Reference: Exhibit 3, Tab 4, Schedule 2, Appendix 2-C, page 5 Exhibit 4, Tab 2, Schedule 8, page 6

a) Guelph Hydro reports revenues from street lighting maintenance and water billing services. Does Guelph Hydro carry out maintenance work directly and if so, does Guelph Hydro believe that this work is done in compliance with Section 71(1) of the OEB Act and the Board's Compliance Bulletin 200605 (Issued July 10, 2006)?

Guelph Hydro's Response:

Guelph Hydro is in the process of restructuring this activity such that its parent company GHI will contract with the City to provide street light maintenance services. The actual work, however, will be subcontracted to Guelph Hydro at a market-based rate.Following the recent decisions with respect to Toronto Hydro's street light services, the company is also exploring the possibility of acquiring the assets and providing maintenance services directly.

a) Why does Guelph Hydro undertake the non-utility activities of water billing, street lighting and sentinel lighting if it only receives its costs? What benefit accrues to the utility or its ratepayers at large for these activities?

Guelph Hydro's Response:

Guelph Hydro's charges for water billing services include a margin over cost that accrues to ratepayers. The rates were re-negotiated in 2006 based on the best comparable market based rate available at that time. Going forward, the rates for water billing services increase annually based on Canadian CPI.
Guelph Hydro has historically not charged a premium over cost for street lighting maintenance. This service is managed in such a way as to optimally utilize Guelph Hydro's maintenance resources by carrying out the work in phase with routine utility maintenance activities. Guelph Hydro is of the view that this arrangement is mutually beneficial for the company, the City, and ultimately rate payers and tax payers.

Operating Costs

Issue 4.1 Is the overall OM&A forecast appropriate?

18) Reference Exhibit 4, Tab 2, Schedule 3, page 5 – Meter Reading.

a) Guelph Hydro states that as of October 2011 it will have only 600 commercial meters which need to be read manually. What are Guelph Hydro's plan to install remote reading for these last services?

Guelph Hydro's Response:

The provincial mandate for Smart Metering implementation was all residential and small commercial (<50kW) customers. At this time Guelph Hydro does not have specific plans for the remote reading of the remaining commercial meters. Once the TOU rate implementation is fully completed, and the Meter Data Management/Repository (MDM/R) is in a position to expand its scope of accepted meters (ie. can accept and manage reactive demand meter information) Guelph Hydro will pursue the replacement and automation of these classes of meter customers.

b) Has Guelph Hydro done a cost-benefit analysis in respect to third party meter reading and internal source staff for these 600 meters?

Guelph Hydro's Response:

Not at this time.

c) What is the cost of the tendering process referred to at page 5 of the evidence?

Guelph Hydro's Response:

Guelph Hydro does not expect to incur any incremental cost for the process of tendering meter reading services as it is being developed and managed using in-house management resources.

19) Reference Exhibit 4, Tab 2, Schedule 6, page 1.

a) The evidence states that $1,712,083 of the increase in OM&A since 2008 can be attributed to the change in capitalization policy due to the introduction of IFRS accounting. Please provide the revenue requirement analysis of this change in capitalization policy, that is compare the cost of capitalizing the 1.7 million versus the incremental OM&A costs for the asset life period.

Guelph Hydro's Response:

Response to be completed later

20) Reference Exhibit 4, Tab 2, Schedule 6, page 21.

a) Notwithstanding the wholesale introduction of smart meters the meter reading expense has not significantly decreased (312k in 2008 vs. 294k in 2012). Please explain why with the advent of remote meter reading greater savings have not been achieved in this area.

Guelph Hydro's Response:

[Note- similar to OEB IR#37] We have reviewed costs associated with the traditional manual meter reading process and provided a comparison against estimated annual Advanced Metering Infrastructure (AMI) automated meter reading costs associated with the introduction of smart meters, related communications infrastructure and back-office hardware and software, (collectively referred to AMI) required to support the smart meter implementation. AMI costs included in this comparison are annual maintenance and support costs for system, as well as estimates for incremental field and office support staff needed to keep the system operational. These annual AMI costs are compared against 2010 manual meter reading costs. We note that while the operational costs on an average cost / customer / year basis are similar for the two scenarios, the AMI does provide much more information in a more timely manner (ie. 24 hourly meter reads on a daily basis) than did the traditional meter reading process (one meter reading every 60 days).

	Annual Cost	Meters Read	Average Cost	
Manual Field Meter Reading:	$315,000	50,247	$6.27	/ Customer / Year
Smart Meter Reading:	$300,500	48,500	$6.20	/ Customer / Year
Smart Metering Operating Cost Estimates:				
Annual Back-office Software Support Cost:			$16,000	
Annual System Remote Operational Support / Com Licensing Costs:			$195,000	
Additional Support Staff Costs (AMI Technician):			$67,500	
Estimated Additional Metering Field Service Costs:			$22,000	
Estimated Annual Cost:			*$300,500*	

21) Reference Exhibit 4, Tab 2, Schedule 5, page 15 / Board Report: Low-Income Energy Assistance EB-2008-0150, pages 10-11. Preamble: Guelph Hydro states that it has budgeted $30,000 of LEAP support. The Board's Report suggests that amount which is 0.12% of the requested revenue requirement be allocated for LEAP funding. The Board Report also states "the Board encourages distributors to seek to augment their LEAP funding from other, non related, sources such as shareholders or other charitable donations."

a) Please explain why Guelph Hydro's LEAP budget is less than 0.12% of its requested revenue requirement of 32.7 million?

Guelph Hydro's Response:

The $30,000 budgeted LEAP Assistance for 2012 was based on the actual 2010 LEAP amount of $28,000 (0.12% x $23.3M _2010 approved revenue requirement) rounded up.

The budget was determined in this manner since the 2012 test year revenue requirement was not known at the time and the difference between the budget and the actual 2012 assistance amount would be immaterial.

b) The Board's Report sets a minimum funding level. In light of Guelph Hydro's past charitable contributions (see Exhibit 4, Tab 2, Schedule 5, page 17) did Guelph Hydro consider contributing more than the minimum 0.12% of revenue requirement to this fund?

Guelph Hydro's Response:

Charitable donations are not allowed for rate setting purposes; therefore, Guelph Hydro will consider the minimum 0.12% of the 2012 approved requirement. Any other charitable donations will be done by the holding company Guelph Hydro Inc.

Issue 4.4 Are the 2012 compensation costs and employee levels appropriate?

22) Reference 4, Tab 2, Schedules (6, page 3 to 6) (7, pages 27-40.

a) Guelph Hydro explains that a number of positions are being filled due to positions left vacant in 2008 and while merger discussions were ongoing. How many existing management positions were there in 2008? How many were unfilled in 2008? Please provide the salary (job rate) and a description/title for each of the existing 2008 management positions (filled and unfilled).

Guelph Hydro's Response:

In 2008, there were 33 budgeted management positions. Of these, six management positions remained unfilled in 2008 due to merger discussions. One of the six positions, the Billing and Settlements Supervisor, was filled immediately after the decision to not merge was made. The six unfilled management positions were:

- Customer Inquiry and Regulatory Affairs Supervisor
- Rate Analyst
- Billing and Settlements Supervisor
- Key Accounts Manager
- CFO/VP of Finance
- Technical Support Analyst – Information Systems

Various functions were filled temporarily during merger discussions with contracted out services or temporary employees, with the ability to end services should a merger occur. For example, contracted out services or temporary employees were used to temporarily fill the in-house regulatory function, finance, billing/settlements, customer inquiry, and key accounts. After the merger decision was made, such arrangements needed to end as they were not sustainable.

The following table provides the job rates for various salary bands and titles for all 2008 management positions. Please note that the job rate provided is the 100% level of the job range, and not the actual employee's salary which is based on performance.

2008 Management Positions and Job Rates
VECC Question 22 a

Position	SALARY BAND	2008 100% Job Rate of Salary Range
President	14	$149,350

VP Finance & CFO (unfilled)	12	$130,130
VP Human Resources Director Information Systems Director Operations Director Communications & Metering Director Engineering	11	$115,980
Construction Superintendent. Accounting Manager	9	$92,886
Communications & Operating Supervisor	8	$86,192
Planning&Standards Supervisor/Engineer Key Account Manager (unfilled) Manager of Loss Prevention Project Leader/Senior Systems Analyst Line Construction Supervisor Line Construction Supervisor Line Construction Supervisor GIS Supervisor Supervisor Purchasing & Building Services Billing /Settlement Supervisor (unfilled part year) Metering Supervisor	7	$80,405
Customer Inquiry & Regulatory Supervisor (unfilled) Network Administrator. Senior Systems Analyst Accounting Supervisor Technical Services Supervisor Distribution Design Supervisor	6	$75,338
Technical Support Analyst (unfilled) Rate Analyst (unfilled)	5	$70,743
Credit Supervisor	4	$65,353
Payroll Officer Executive Assistant	3	$62,104
Admin Assistant-Fin/HR/Executive	2	$59,242

A brief job description for all 2008 management positions is found in the Appendix relating to this question (i.e. Appendix Guelph_VECC_IRR#22a).

b) How many new management positions were created in each of 2009, 2010, 2011 and 2012? Please provide the salary range (job rate) and a description/title for each of the position.

Guelph Hydro's Response:

New management positions created for each of the following years follows:

Year	Position Titles
2009	**Key Account Manager was created in 2008 but filled in 2009. (Remained unfilled in 2008 due to merger discussions)** **Manager of Information Systems (developmental/succession planning role filled in 2009. This was an efficiency created by combining the Director of Information Systems position with the GIS Supervisor position. The incumbent became the Director of Information Systems in 2011.)** **Systems Analyst was filled in 2009. (Replaced IS FTE - Technical Support position vacated during merger discussions)**
2010	**Manager of Regulatory Affairs (Filled in 2010. Replaced part of Customer Service and Regulatory Affairs Supervisor vacated during merger discussions and Rate Analyst which remained vacant during merger discussions.)** **Engineer-in-training (New and Filled in 2010).** **Business Analyst (New and filled in 2010)** **HR and Payroll Advisor (New and filled in 2010).** **Director of Communications (New and filled in 2010).** **Chief Operating Officer (New and filled in 2010. Replaced the GHESI - President position which was vacated in the same year).**

	Manager of Customer Service and Billing (New and filled in late 2011)
2011	**Customer Service Supervisor (New and filled in 2011. Replaced Customer Service and Regulatory Affairs Supervisor vacated during merger discussions).** **Energy Services Representative (New and filled in 2011)** **"Energy Services" related position (New and now expected to be filled in Q1, 2012).** **Part-time administrative assistant in the executive area** **Note* "Regulatory Analyst" new at the management level replaced the "Regulatory Settlement Coordinator" role, when the unionized incumbent was promoted to another position. This does not represent a "new" FTE.**
2012	**Communications Coordinator/Specialist.**

The following tables provides the job rates for various salary bands and titles for all management positions created and deleted for years 2009 to 2012. Please note that the job rate provided is the 100% level of the job range, and not the actual employee's salary which is based on performance.

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2009 Management "new" and deleted Positions and Job Rates
VECC Question 22 b and 22 c

Position	SALARY BAND	2009 100% Job Rate of Salary Range
VP Finance and CFO ***(deleted)***	12	$134,034
Director Information Systems ***(deleted)***	11	$119,459
Manager Information Systems (new developmental role)	9	$95,673
Key Account Manager (unfilled in 2008, filled in 2009) GIS Supervisor ***(deleted)***	7	$82,817
Customer Inquiry & Regulatory Supervisor ***(deleted)***	6	$77,598
Rate Analyst ***(deleted)*** Systems Analyst (Replaced Technical Support Analyst)	5	$72,865

2010 Management "new" and deleted Positions and Job Rates
VECC Question 22 b and 22 c

Position	SALARY BAND	2010 100% Job Rate of Salary Range
President ***(deleted)***	14	$161,741
Chief Operating Officer (new, replaced President)	13	$150,000
Director of Communications (new)	11	$123,043
Manager of Regulatory Affairs (new, replaced part of Customer Inquiry and Regulatory Affairs Supervisor and Rate Analyst) Manager Customer Service and Billing (new)	9	$98,543
Engineer-in-training (new) Business Analyst (new)	6	$79,926
HR and Payroll Advisor (new)	3	$64,613

2011 Management "new" and deleted Positions and Job Rates
VECC Question 22 b and 22 c

Position	SALARY BAND	2011 100% Job Rate of Salary Range
Customer Service Supervisor (new, replaced Customer Service and Regulatory Affairs Supervisor)	E	$81,800
Energy Services Representative (new) Energy Services Position (new) Regulatory Analyst	D	$74,400
Admin Assistant-Fin/HR/Executive (new, part-time, annualized job rate is pro-rated for hours worked)	A	$55,900

2012 Management "new" Positions and Job Rates
VECC Question 22 b and 22 c

Position	SALARY BAND	2012 100% Job Rate of Salary Range
Communications Coordinator/Specialist (this is an estimated grade for budgeting purposes, the final grade will be determined at that time)	C	$66,551

A brief job descriptions for positions created since 2008 is found in the Appendix relating to this question (i.e. Appendix Guelph_VECC_IRR22b_JobDescriptions_2009_to_2012).

c) How many existing management positions were deleted in each of 2009, 2010, 2011, and 2012? Please provide the salary range (job rate) and a description/title for each of the deleted positions position.

Guelph Hydro's Response:

Management positions deleted in each of the following years, follows

Year	Number of Positions deleted	Titles
2009	5	Rate Analyst (replaced with Manager of Regulatory Affairs) GIS Supervisor (deleted and became part of Manager of Information Systems responsibilities) Director of Information Systems (replaced with Manager Information Systems) CFO/VP Finance in GHESI (services now purchased from Guelph Hydro Inc. through inter-company transactions) Customer Inquiry and Regulatory Affairs Supervisor (replaced with Manager of Regulatory Affairs filled in 2010 and Customer Inquiry Supervisor filled in 2011)
2010	1	President (replaced with Chief Operating Officer position in 2010)
2011	0	

2012	0	

Please see the tables for each year under Question 22 b) above for job rates. Job descriptions for the deleted positions are found in the Appendix for 2008 positions relating to Question 22 a) (i.e. Appendix Guelph_VECC_22a).

23) Reference Exhibit 4, Tab 2, Schedule 7, page 39.

a) The evidence states that Management FTE's increase by 2 when the billing/call center functions were split. How many calls did Guelph Hydro receive (1) in total; (2) separated as to bill versus non-bill related for each of the years 2009 and 2010.

Guelph Hydro's Response:

Guelph Hydro does not keep track of bill versus non-bill related calls in Billing/Call Centre departments. All calls come via Billing and Customer Inquiry telephone bus without distinction on call subject.
The functions were split and additional positions added not to deal with increased calls but rather to manage the complexity of TOU billing which entails daily interaction and management of large volumes of data with the MDMR.

Number of calls - Customer Inquiries (billing/call centre)	
2009	43,884
2010	42,891

24) Reference Exhibit 4, Tab, Schedule 7, page 39.

a) The evidence states that 2 FTEs were/or are being added to address "energy services" with the "potential to generate additional revenues" Please provide the business case that was made for hiring these positions and which shows the potential revenues (and costs) of expanding the "energy services" function within Guelph Hydro.

Guelph Hydro's Response:

At the time of preparation of the COS filing, many details regarding the 2011-2014 CDM programs were unknown, incomplete, or in development. The one area that was defined was the magnitude of the aggressive CDM targets to be achieved by Guelph Hydro by year-end 2014, as well as the fact that undertaking CDM was no longer voluntary, and that achieving these targets was now a condition of our Distributor's license. The budgeting for and hiring of the energy services reps was to support the achievement of our mandated CDM targets. The driver behind this approach was more related to mitigating the risk of not achieving target and impacting our Distributor's License, and less about the potential to generate additional revenues.

Smart Meters

Issue 6.1 Is the proposed inclusion of the smart meter costs appropriate?

25) References: Exhibit 9 Tab 3 Schedule 1 Appendix B : Guelph_Smart Meter Rev Req Calc Model_xls_ 20110630.

a) Provide a breakdown of the following for each of the residential and GS<50 kw class of customers.
i) Number of meters;
ii) Installed capital cost
(Reconcile to Appendix 2R and Spreadsheet)
iii) Provide the SM rate adder collected from each of the two classes by year and in total. Reconcile to Appendix 2R

b) Using installed capital cost as the cost driver, split the Total Revenue Requirement by rate class. Reconcile to Sheet 8

c) Compare the class Revenue Requirement to the SM adder revenue from each class and calculate the credit/deficit for each class.

d) Compare to the aggregate $0.01 incremental revenue requirement per meter.

Guelph Hydro's Response [part (a) to (d)]:

Please note that Guelph Hydro has updated its Smart Meter revenue Requirement model (please see the Board Staff IRRs Appendix Guelph_BoardStaff_IRR_SM_RevReqModel). For convenience, Guelph Hydro has responded using both, the original and the updated models.

Using June 30 2011 SM Rev Req Model

Appendix 2-R

Smart Meters

Irrespective of whether the distributor is actively deploying smart meters or not (exception: if the distributor has completed its smart meter deployment and has had accounts 1555 and 1556 reviewed and disposed of), the distributor should provide the following:

Year	Smart Meters Installed			Percentage of applicable customers converted (%) reported at the total installed meters on April 30, 2011	Account 1555		Account 1556
	Residential	GS < 50 kW	Other		Funding Adder Revenues Collected	Capital Expenditures	Operating Expenses
2006					-$81,925	$0	
2007					-$154,662	$0	
2008					-$248,705	$0	
2009	492			1.00%	-$594,436	$1,324,878	
2010	44,232	2,240		94.78%	-$594,670	$6,407,575	$745,493
2011	1,303	766		4.22%	-$666,225	$1,597,623	$527,410
2012							
Later Forecasted							
Total	46,027	3,006			-$2,340,623	$9,330,076	$1,272,903
Total sm as per April 30, 2011		**49,033**					

Note 1:	The amounts do not include interest	
Note 2	Stranded meters costs are included in Account 1555- Capital Expenditures	
Note 3	Stranded Meter Cost:	$2,093,228
Note 4	Actual 1556 Operating expenses include depreaciation of smart meters	

Original SM Rev Req model

VECC IRR 25 a) and b)	Residential	GS< 50 kW	Rest of Metered customers (GS> 50 kW)	**Total**	
Number of SM Meters as April 30, 2011	46,027	3,006		**49,033**	**A**
Installed capital Cost	$7,855,956	$1,474,120		**$9,330,076**	**B**
Operating Expense	$658,317	$42,994		**$701,311**	**C**
Total SM costs reconciled to App 2-R and SM Rev Req model	**$8,514,272**	**$1,517,115**		**$10,031,387**	**B+C**
SM Rate Adder Collected to Dec 2010 Actual	-$1,529,165	-$124,816	-$20,416	**-$1,674,398**	**D**
SM Rate Adder Estimated 2011	-$608,439	-$49,663	-$8,123	**-$666,225**	**E**
Total SM Funding Adder reconciled to App 2-R and Rev Req Sheet 8	**-$2,137,604**	**-$174,479**	**-$28,540**	**-$2,340,623**	**F=D+E**
Carrying Cost/Interest split	-$40,682	-$3,321	-$543.16	**-$44,546**	**G**
Revenue Requirement split reconciled to Rev Req model Sheet 8	-$2,012,608	-$377,653		**-$2,390,261**	**H using B as allocator**
Total SM Funding Adder Including Carrying Charges/Interest	-$2,178,286	-$177,800	-$29,083	-$2,385,169	**J=F+G**
Rev Req versus SM Adder Revenue	-$165,678	$199,853	-$29,083	**$5,092**	**K=J-H**
SM Rate Adder/Rider	**-$0.3000**	**$5.5404**			**L=K/A/12**
Rate Adder comparison to $0.01	$0.01	$0.01			**M=K/A total**

Using the updated SM Rev Req Model

Appendix 2-R

Smart Meters

Irrespective of whether the distributor is actively deploying smart meters or not (exception: if the distributor has completed its smart meter deployment and has had accounts 1555 and 1556 reviewed and disposed of), the distributor should provide the following:

Year	Smart Meters Installed			Percentage of applicable	Account 1555		Account 1556
	Residential	GS < 50 kW	Other		Funding Adder Revenues Collected	Capital Expenditures	Operating Expenses
2006					-$81,925	$0	
2007					-$154,662	$0	
2008					-$248,705	$0	
2009	492			1.00%	-$594,436	$1,324,878	
2010	44,232	2,240		94.78%	-$594,670	$6,407,575	$745,493
2011	1,303	766		4.22%	-$678,288	$1,597,623	$527,410
2012							
Later Forecasted							
Total	46,027	3,006			-$2,352,686	$9,330,076	$1,272,903
Total sm as per April 30, 2011		**49,033**					

Note 1:	The amounts do not include interest		
Note 2	Stranded meters costs are included in Account 1555- Capital Expenditures		
Note 3	Stranded Meter Cost:	$2,093,228	
Note 4	Actual 1556 Operating expenses include depreaciation of smart meters		

Updated SM Rev Req model

VECC IRR 25 a) and b)	Residential	GS< 50 kW	Rest of Metered customers (GS> 50 kW)	**Total**	
2012 Forecasted Metered Customers	47,848	3,788	617	**52,253**	**A**
Installed capital Cost	$7,855,956	$1,474,120		**$9,330,076**	**B**
Operating Expense	$642,194	$50,838		**$701,311**	**C**
Total SM costs reconciled to App 2-R and SM Rev Req model	**$8,498,150**	**$1,524,959**		**$10,031,387**	**B+C**
SM Rate Adder Collected to Aug 2011 Actual	-$1,932,504	-$156,222	-$25,502	**-$2,114,228**	**D**
SM Rate Adder Estimated Sep to Dec 2011	-$217,962	-$17,620	-$2,876	**-$238,458**	**E**
Total SM Funding Adder reconciled to App 2-R and Rev Req Sheet 8	-$2,150,465	-$173,842	-$28,379	**-$2,352,686**	**F=D+E**
Carrying Cost/Interest split	-$64,216	-$5,191	-$847.43	**-$70,255**	**G**
Revenue Requirement split	-$2,012,608	-$377,653		**-$2,390,261**	**H using B as allocator**
Total SM Funding Adder Including Carrying Charges/Interest	-$2,214,682	-$179,034	-$29,226	-$2,422,941	**J=F+G**
Rev Req minus SM Adder Revenue	-$202,074	$198,620	-$29,226	**-$32,680**	**K=J-H**
SM Rate Adder/Rider	**-$0.3519**	**$4.3697**			**L=K/A/12**
Rate Adder comparison to -$0.05	-$0.05	-$0.05			**M=K/A total**

26) References Exhibit 9, Tab 3, page 3 Table 10 /page 6.

a) The evidence states incremental cost of a communications chip (Zigbee standard) is $12.25 per meter (page 6). How is this figure related to the costs noted at Table 10 for Computer Hardware (12.78) and Computer Software (22.73)?

Guelph Hydro's Response:

The cost of the Zigbee chip is included in the cost of the smart meter, as the chip is embedded in and supplied as part of the meter. The Zigbee cost is embedded in the $7.5M installed smart meter cost identified in Table 10 of Exhibit 9, Tab 3, p6. The average cost per meter for Computer Hardware ($12.78) and Computer Software ($22.73) is simply the total hardware ($0.6M) and software ($1.1M) distributed over the 49,033 installed smart meters.

b) What other communications chips/protocols were investigated. Does Guelph Hydro know of any other Ontario utilities using this technology?

Guelph Hydro's Response:

At the time of the initial AMI RFP and smart meter procurement process, Guelph Hydro believed that in order to take full advantage of the benefits that a smart meter could offer, including the provision of real-time consumption information to a customer to empower customers to better understand and manage their energy consumption, as well as a cornerstone for "smartgrid" application development, (for example to support the development of Home Area Networking (HAN) and residential demand response), it was important to include the Zigbee communications chip embedded as part of the meter, at the time of initial purchase of the meter.

LDCs that were mandated to be the earlier adopters of the smart meter technology did not have the ability to include a communications chip inside the meter at that time, as the technology was not sufficiently mature, and standards were still evolving in the earlier days of smart metering.

Although a number of other wireless and powerline carrier technologies were available at the time of the smart meter procurement, the Zigbee communications standard emerged a key tool designed to enable some of the aforementioned applications, and we believed it would become an important element in the further development of a "culture of conservation" and the goals of reduced energy consumption for our residential customer class. Guelph Hydro is the only LDC that has included a Zigbee chip in all of its smart meters, but we understand that a number of LDCs are contemplating including an in-home communications chip such as Zigbee for new smart meter purchases, again in the support of conservation and demand management (CDM).

c) The communication technology represents an incremental investment of approximately $600,000 (12.12 x 49,033 meters). What is Guelph Hydro's business plan for recouping this investment?

Guelph Hydro's Response:

At the time Guelph Hydro decided to include the Zigbee chip in its smart meters, there was no specific business plan for recouping the investment. There was, however, a compelling belief that numerous applications such as in-home displays, home area automation, and demand response applications would be developed in the marketplace to enable our customers to better manage and conserve energy consumption. There was also uncertainty around the business model that would ultimately emerge to offer these applications and services. For example, what would be the OPA's role versus Guelph Hydro versus other third party suppliers of services.

In the face of this opportunity and all of the uncertainty around it, Guelph Hydro ultimately decided that the missed opportunity cost[Q(JCS) – THIS WORDING SEEMS AWKWARD.] of not including the chip at a cost of approximately $12.25 per meter far outweighed the alternative of either missing customer and electric system benefits and/or having to incur substantial additional costs of having to replace large volumes of meters before the end of their useful life (15 years).

This communication chip will enable Guelph Hydro, through the smart meter, to communicate with in home devices such as displays, thermostats, and Zigbee equipped smart appliances. There are several advanced applications that can be enabled with this wireless technology including real time price signaling, home area automation, and demand response capability. Inclusion of this technology in the meter will provide a tool to customers to better educate customers on efficient energy use, and better manage their energy consumption, which in turn will help Guelph Hydro achieve its mandated conservation targets.

d) Please explain the statement at page 6 that "the incremental cost to do so [include the chip] was minor to the alternative of having to replace large volumes of meters before their end of useful life." How does the inclusion of the technology expand the life of the meters? Is the longer expected life of the asset incorporated into Guelph Hydro's amortization and depreciation calculations?

Guelph Hydro's Response:

Please refer to Guelph Hydro's response to VECC IR #26b for decision background. Guelph Hydro expects that in support of provincial goals to develop a culture of

conservation, meet mandated conservation targets, and support the development of a SmartGrid, the functionality provided by the chip will likely be needed before the end of the meter's useful life, and if the chip wasn't incorporated into the asset at the time of initial purchase, the asset will need to be replaced.

The Zigbee chip is an enabling technology that will support provincial conservation and demand management goals and Smart grid development, but will not extend the life of the asset. The 15 year depreciation of the smart meter remains unchanged.

Cost Allocation

Issue 7.1 Is Guelph Hydro's cost allocation appropriate?

27) References Exhibit 7, Tab 1, Schedule 1, pages 1-2 / Exhibit 7, Tab 1, Schedule 2, pages 1-2 / Board Report RP-2005-0317, Appendix 4.1 / Staff Report to Board, EB-2010—219, pages 4-5

a) Is the cost allocation model filed by Guelph Hydro fully consistent with the revised OEB cost allocation model released on August 5, 2011? If not, please outline those areas that do not conform.

Guelph Hydro's Response:

Guelph Hydro has updated its Cost Allocation model using the OEB cost allocation model released on August 5, 2011 (please see the appendix Guelph_BoardStaff_IRR_47 a_Cost Allocation Model).

b) If not, please file a revised cost allocation model consistent with the Board's August 5th directions.

Guelph Hydro's Response:

It has been filed. Please see Guelph Hydro's response to question 27(a).

c) In either case, please fully explain the basis for the weighting factors used for Services (Account 1855), Billing and Collection (Accounts 5315-5340, except 5335), Meter Reading and Meter Capital. In doing so, please indicate how the fact smart meters are now in rate base has been taken into account.

Guelph Hydro's Response:

Please see the response to Board Staff interrogatory number 47(b) and the appendix Guelph_BoardStaff_IRR_47 a_Cost Allocation Model.

d) Please confirm that for the 2008 Cost Allocation Guelph allocated miscellaneous revenues to customer classes in accordance with Appendix 4.1 of the RP-2005-0317. If not, please provide a schedule (similar to Appendix 4.1) setting out how each account was allocated.

Guelph Hydro's Response:

Guelph Hydro confirms that for the 2008 Cost Allocation it allocated miscellaneous revenues to customer classes in accordance with Appendix 4.1 of RP-2005-0317.

e) Exhibit 7, Tab 1, Schedule 2 (page 2) states that for the 2012 Cost Allocation all miscellaneous revenues were allocated to customer classes using the composite OM&A allocator. Please clarify whether by "all miscellaneous revenues" Guelph Hydro means:

- The total amount of miscellaneous revenues (i.e., $2,050,989), or
- The total in Account #4235.

Guelph Hydro's Response:

Please see Appendix Guelph_BoardStaff_IRR_47 a_Cost Allocation Model Tab I3 TD column I.

f) If the latter, please reconcile this statement with the fact that Worksheet E4 in the Cost Allocation model filed with the Application shows CWNB as the allocator used for Account #4235.

Guelph Hydro's Response:

The allocators used for Account #4235 in the updated model are:

CWNB for 4235-1 Account Set-up Charges and OM&A for 4235-90 Miscellaneous Service Revenue – Residual.

g) If the former, please reconcile this statement with the fact that Worksheet E4 of the Cost Allocation model filed with the Application shows different allocators being used for the various accounts involved.

Guelph Hydro's Response:

Please see the response to VECC IR 27 (f) above.

h) If the former, please re-do the 2012 Cost Allocation such that:

- All miscellaneous revenue accounts are allocated in accordance with the August 2011 EB-2010-0219 Staff Report to the Board (pages 4-5).

Note: A response to part (h) is not required if Guelph has responded fully to part (b).

Guelph Hydro's Response:

Please see the appendix Guelph_BoardStaff_IRR_47 a_Cost Allocation Model .

28) Reference: Exhibit 7, Tab 1, Schedule 2, Appendix 2-O /OEB Staff #49.

a) Please provide any analysis undertaken by Guelph that supports the use of connection factor of 10 for Guelph's Street Lighting fixtures.

Guelph Hydro's Response:

Guelph Hydro's use of a connection factor of 10 for its street lighting fixtures is based on its street lighting design standards for both overhead and underground street lighting projects. Guelph Hydro's overhead standard street lighting design is based on Electrical Code requirements and incorporates an overhead connection box with a breaker which is supplied by Guelph Hydro's secondary network and supplies approximately 8-12 fixtures per connection. The number of fixtures connected is dependent on the size of fixture and the conductor used as well as some project specific details such as distance between fixtures. Guelph Hydro's underground design is very similar with the difference being that the string of street light fixtures is connected to a hand hole breaker inside a street light pole. The same design criterion as with the overhead system applies to the underground design. The support information has been performed and suggests an average of 10 fixtures per connection. Please see the following table:

AREA	Fixtures	Connection Boxes / Handhole Breakers	AVG LIGHTS PER SERVICE	AREA TYPE
1	239	23	10.39	SUBDIVISION U/G
2	48	5	9.6	MAJOR STREET O/H
3	10	1	10	SUBDIVISION U/G
4	10	1	10	SUBDIVISION U/G
5	9	1	9	MAJOR STREET O/H
6	9	1	9	SUBDIVISION U/G
Total	325	32	10.15625	SUBDIVISION U/G

29) References: Exhibit 7, Tab 1, Schedule 1, page 2 /Exhibit 7, Tab 1, Schedule 2, page 3 / OEB Staff #57.

a) Please confirm which 2012 kWh by class were used to determine the load profile adjustment factors (per Schedule 1, page 2) – those from Exhibit 3 or those from Exhibit 7, Tab 1, Schedule 2, page 3.

Guelph Hydro's Response:

Please see the response to the Board Staff interrogatory #57.

b) If the later, do the profiles used in the Cost Allocation need to be revised/updated?

Guelph Hydro's Response:

Since the data from Exhibit 3 was used for the load profile, no revision is necessary.

Issue 7.2 Are the proposed revenue to cost ratios for each class appropriate?

30) Reference: Exhibit 7, Tab 1, Schedule 2, Appendix 2-O.

a) Please confirm that the load profiles used for both the 2008 Cost Allocation and the 2012 Cost Allocation are based on load profiles developed by Hydro One for the initial cost allocation filing and indicate the "year" that the Hydro One profiles are based on.\

Guelph Hydro's Response:

Guelph Hydro confirms that the load profiles used for both the 2008 and 2012 Cost Allocations are based on the load profiles developed by Hydro One scaled to match the 2012 load forecast as it relates to the respective rate classes.

As explained in E7/T1/S1/ p.2, there has been no significant change in the customer classes' mix and their load profiles.

With respect to the portion of the question relating to the "year" on which the Hydro One profiles are based, the original Hydro One load profiles are based on:

- four years of hourly kWh purchases at the wholesale level from May 1, 2002 to April 30, 2006;
- four years of hourly kWh at the wholesale level from May 1, 2002 to April 30, 2006, for customers with interval meters, by industry classification; and
- 2004 retail kWh by customer classes

b) What would be the revenue surplus/shortfall if only those classes whose Status Quo ratios (Appendix A, page 2) are outside the Board's target ranges were adjusted and, in each case, the adjustment was made so as to bring the ratio to the lower/upper limit of the Board's target range as appropriate?

Guelph Hydro's Response:

Please see Guelph hydro's response to Board Staff interrogatory #56.

Rate Design

Issue 8.1 Are the fixed to variable splits for each class appropriate?

31) Reference: Exhibit 8, Tab 1, Schedule 2, pages 7-8 Exhibit 7, Tab 1, Schedule 2, page 1.

a) Please confirm that the calculation of the fixed/variable split for GS 50-999 (per Exhibit 8, Tab 1, Schedule 2, Table 6) did not account for the lower "variable revenues" due to the transformer ownership discount. If so, please recalculate the split that the resulting 2012 MSC and variable rates taking into account the discount.

Guelph Hydro's Response:

Guelph Hydro confirms that the calculation of the fixed/variable proportion for GS 50-999 kW did not account for the transformer ownership discount.
Guelph Hydro has recalculated the split at 32.04%.
The following table provides the 2012 Forecast Fixed/Variable Split with the transformer ownership credit subtracted from the variable portion in the applicable class and the percentage fixed and variable recalculated.

Customer Class	Current Volumetric Charge Split	Current Fixed Charge Spilt
Residential	44.54%	55.46%
GS < 50 kW	80.56%	19.44%
GS 50 to 999 kW	59.61%	32.04%
GS > 1000 kW	86.10%	13.90%
Large Use	96.07%	3.93%
Sentinel Lights	47.27%	52.73%
Street Lighting	80.24%	19.76%
USL	59.25%	40.75%
TOTAL		

b) Please provide two revised versions of the summary on page 8 (Exhibit 8, Tab 1, Schedule 2) based on the 2012 Cost Allocation updated per the Board's August 5th Letter where one includes and a second excludes miscellaneous revenues.

Guelph Hydro's Response:

Summary Version 1 - includes miscellaneous revenues	1 Residential	2 General Service Less than 50 kW	3 General Service 50 to 999 kW	4 General Service Greater 1,000 to 4,999 kW	5 Large Use	6 Street Lighting	7 Sentinel Lighting	8 Unmetered Scattered Load
Customer Unit Cost per month - Avoided Cost	$8.43	$19.69	$104.28	$144.43	$415.79	$0.00	$0.52	$1.83
Customer Unit Cost per month - Directly Related	$11.53	$26.33	$146.34	$211.05	$606.01	$0.00	$0.88	$3.10
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$20.95	$33.20	$163.57	$229.86	$639.53	$8.58	$9.31	$9.69
Fixed Charge per approved 2011 IRM	$13.41	$12.26	$230.69	$620.07	$907.62	$0.23	$6.53	$5.48
Proposed Monthly 2012 Fixed Charges	$13.41	$12.26	$171.14	$1,288.73	$2,065.23	$0.32	$7.00	$5.61

Summary Version 2 - excludes miscellaneous revenues	1 Residential	2 General Service Less than 50 kW	3 General Service 50 to 999 kW	4 General Service Greater 1,000 to 4,999 kW	5 Large Use	6 Street Lighting	7 Sentinel Lighting	8 Unmetered Scattered Load
Customer Unit Cost per month - Avoided Cost	$8.60	$20.40	$105.26	$148.26	$422.98	$0.01	$0.52	$1.84
Customer Unit Cost per month - Directly Related	$11.71	$27.03	$147.32	$214.88	$613.20	$0.01	$0.88	$3.11
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$21.12	$33.91	$164.55	$233.70	$646.72	$8.59	$9.32	$9.70
Fixed Charge per approved 2011 IRM	$13.41	$12.26	$230.69	$620.07	$907.62	$0.23	$6.53	$5.48
Proposed Monthly 2012 Fixed Charges	$13.41	$12.26	$171.14	$1,288.73	$2,065.23	$0.32	$7.00	$5.61

c) Based on the August 5th revised Cost Allocation model, is it still Guelph's proposal to exclude miscellaneous revenues from the determination of the MSC range?

Guelph Hydro's Response:

Based on the August 5th revised Cost Allocation model, Guelph hydro's proposal is to include miscellaneous revenue in the determination of the MSC range.

d) Please confirm that for the GS 1,000-4,999 and Large Use classes both the 2011 MSC and the proposed 2012 MSC are above the Board's "upper bound".

Guelph Hydro's Response:

As Guelph Hydro sustains Version 1 which includes miscellaneous revenues, the response refers to Version 1.
Guelph Hydro confirms that both the 2011 MSC and the proposed 2012 MSC for GS 1000 to 4999 kW and Large Use exceed the ceiling.

e) Why is Guelph proposing to increase the MSC for each of these classes when the existing value already exceeds the Board's "upper bound"?

Guelph Hydro's Response:

As indicated in the Application, the OEB considered it to be inappropriate to make changes to the MSC ceiling at this time, given the number of issues that remain to be examined within the scope of the OEB's Rate Review proceeding (EB-2007-0031). The OEB indicated that for the time being, it does not expect distributors to make changes to the MSC that result in a charge that is greater than the ceiling as defined in the Methodology for the MSC; and that distributors that are currently above that value are not required to make changes to their current MSC to bring it to or below that level at this time.

32) Reference: Exhibit 8, Tab 1, Schedule 3, page 2.

a) Please provide the results of a simple regression that relates the % TOA billed to a time trend variable and indicate the adjusted R-squared value along with the t-statistic for the trend variable coefficient.

Guelph Hydro's Response:

%TOA Regression Analysis		
Billed TOA %	**Year**	**Forecasted TOA %**
A	**B**	**C= Intercept+ B x "X Variable 1"**
30.65%	**2003**	32.93%
34.27%	**2004**	32.14%
29.39%	**2005**	31.35%
33.41%	**2006**	30.57%
31.27%	**2007**	29.78%
28.63%	**2008**	28.99%
26.07%	**2009**	28.21%
27.70%	**2010**	27.42%
	2011	26.63%
	2012	25.85%

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.69
R Square	0.48
Adjusted R Square	0.39
Standard Error	0.02
Observations	8.00

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.0026	0.0026	5.43442	0.058545776
Residual	6	0.00287	0.000478		
Total	7	0.00547			

	Coefficients	*tandard Err*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	16.09	6.77	2.38	0.06	-0.48	32.66	-0.48	32.66
X Variable 1	-0.01	0.00	-2.33	0.06	-0.02	0.00	-0.02	0.00

Issue 8.2 Are the proposed retail transmission service rates appropriate?

33) Reference: Exhibit 8, Tab 1, Schedule 4, pages 6-7

a) Why has Guelph Hydro chosen to use the Adjustment calculated using the "Trend Analysis" to calculate the proposed 2012 RTSRs as opposed to the results of the Board's 2012 RTSR Adjustment Model?

Guelph Hydro's Response:

Guelph Hydro proposed two adjustments to the existing RTSRs: one based on a cost to revenue trend analysis, and other based on the OEB's RTSR Adjustment Work Form.

The OEB's RTSR Adjustment Work Form reflects the Hydro One transmission rates changes, and it addresses the cost variation.

The proposed adjustment to eliminate the trend in the RTSR deferral accounts addresses the collected revenue versus the cost variation.

34) Reference: Exhibit 8, Tab 1, Schedule 4, Appendix A

a) Please confirm that the retail billing units shown on page 5 (of 18) and the Network and Connection billing units shown on pages 8 and 9 (of 18) are all for 2010. If not, what year is each based on?

Guelph Hydro's Response:

The retail billing units and the Wholesale Network and Connection billing units are all for 2010.

Issue 8.3 Are the proposed LV rates appropriate?

35) Reference: Exhibit 8, Tab 1, Schedule 5, page 2.

a) What are the bases for the 23,514 kW billing determinant value and the $1.548 rate assumed for LV charges for 2011 and 2012?

Guelph Hydro's Response:

The 23,514 kW billing determinant is the 3-year monthly average of the demand billed by Hydro One, and the $1.548 is the 3-year monthly average of the Hydro One rates.

Issue 8.4 Are the proposed loss factors appropriate?

36) Reference: Exhibit 8, Tab 1, Schedule 6, Appendix 2-P.

a) Given that the loss factor appears to be generally declining over the 5-year period, why is it appropriate to use a 5-year average as the basis for the 2012 proposed loss factor?

Guelph Hydro's Response:

Guelph Hydro believes that the declining trend will not continue in 2012 Test Year, furthermore, Guelph Hydro expects a small increase.
All stated above are based on the following grounds:

- The historical declining trend is the effect of Guelph Hydro's efforts to improve the reliability and efficiency of its distribution system.
- By replacing Standard Meters with Smart Meters, the commercial losses (i.e. meter errors) were reduced. This is not an ongoing improvement. The declining trend will become flat once Guelph Hydro has finalized its Smart Meter Plan installation
- Guelph Hydro has been building a new MTS to ensure more transformer capacity; the new MTS (Arlen MTS) load factor will be low in 2012 Test Year as the new load will be connected gradually; this will induce an increase in losses.
- microFIT customers are not charged for the consumption of the inverter; according to the regulation, Guelph Hydro shall track the inverter consumption and consider it as a loss. The number of microFIT customer is expected to increase; therefore the unbilled consumption will potentially become material.
- There is a certain amount of variability in the loss factor calculation due to the fact that retail meters are read bimonthly and monthly and the unbilled consumption at the end of the year is an estimated consumption.

Therefore, Guelph Hydro believes that to use a 5-year average as basis for the 2012 proposed loss factor is more appropriate than using a 3-year average or the trend.

37) Reference Exhibit 2, Tab 4, Schedule 5.

a) Does Guelph Hydro's asset management plan explicitly identify the reduction in loss factors as an objective. If so what projects are being undertaken in pursuit of this objective?

Guelph Hydro's Response:

Guelph Hydro's asset management plan did not list the reduction in loss factor as a specific objective; however, all of Guelph Hydro's projects take into consideration loss factor in terms of the optimization of equipment and the balancing of feeder circuit phases in order to reduce the distribution loss factor.

Lost Revenue Adjustment Mechanism

Issue 10.1 Is the proposal related to LRAM/SSM appropriate?

38) Reference: Exhibit 10 Tab 1 Schedule 1 Preamble:"Distributors intending to file an LRAM or SSM application for CDM Programs funded through distribution rates, or an LRAM application for CDM Programs funded by the OPA between 2005 and 2010, shall do so as part of their 2012 rate application filings, either cost-of-service or IRM. If a distributor does not file for the recovery of LRAM or SSM amounts in its 2012 rate application, it will forego the opportunity to recover LRAM or SSM for this legacy period of CDM activity"

a) Why is Guelph Hydro only claiming kwh savings and LRAM only for years 2007,2008 and 2009 for:
i) Third Tranche Programs;
ii) OPA programs.

Guelph Hydro's Response:

The updated filing (Exhibit 10) submitted by Guelph Hydro on September 30, 2011 provides the requested information, including the claim for Third Tranche and OPA programs as well as updated information for 2007-2009 as noted in the submission.

b) If Guelph Hydro has data for the 2010 and 2011 please provide details for each year for:
i) Third tranche savings;
ii) OPA program savings.

Guelph Hydro's Response:

The 2010 data was provided in the updated filing as noted in IR38a) response. We do not have 2011 OPA program savings data to include as part of the TEAM third party review.

39) Reference Exhibit 10 Tab 1 Schedule 6 Appendix A.

a) With regard to third tranche savings and LRAM please provide a detailed breakdown at the measure level for each of the Earth Day, Seasonal Baskets, Smart Wash and Light up a Life Programs
(i) Participants,
(ii) Unit kwh savings
(iii) Measure life
(iv) Free-ridership

Guelph Hydro's Response:

The requested data is provided in the following table.

VECC IR #39a				
2007 Programs	**Participants**	**Unit kWh Savings**	**Measure Life**	**Free Ridership**
Earth Day - 13W CFL	9,000	46.32	8	10%
Seasonal Baskets	495	46.32	8	10%
Light Up A Life	360	46.32	8	10%
Smart Wash	0			
2008 Programs	**Participants**	**Unit kWh Savings**	**Measure Life**	**Free Ridership**
Earth Day	7,200	46.32	8	10%
Seasonal Baskets	0			
Light Up A Life	0			
Smart Wash	447	66.90	14	10%
2009 Programs	**Participants**	**Unit kWh Savings**	**Measure Life**	**Free Ridership**
Earth Day	0			
Seasonal Baskets	0			
Light Up A Life	0			
Smart Wash	843	66.90	14	10%
2010 Programs	**Participants**	**Unit kWh Savings**	**Measure Life**	**Free Ridership**
Earth Day	0			
Seasonal Baskets	0			
Light Up A Life	0			
Smart Wash	944	66.90	14	10%

b) Please reconcile to the claimed savings by year in Appendix A Page 9 and the tables on pages 5/6 of the TEAM Report and Table 4 of Schedule 10 Tab 4.

Guelph Hydro's Response:

The reference noted above appears to be incorrect. Guelph Hydro has assumed the question refers to Exhibit 10 Tab 1 Schedule 6 Appendix A pages 9 and 10 as well as the tables on Exhibit 10 Tab 1 Schedule 6 Appendix A pages 5 and 6 of the TEAM report (original filing) and Table 4 of Exhibit 10 Tab 1 Schedule 4 Page 1 of 2 of the original filing.

The requested data is provided in the following table:

VECC IR #39b

Guelph Hydro's 2007-2010 Net kWh Savings as Verified by TEAM

	Net kWh Savings 2007	Net kWh Savings 2008	Net kWh Savings 2009	Net kWh Savings 2010	Total 2007-2010 kWh Savings
Residential	9,508,175	8,369,173	9,002,578	6,985,516	33,865,442
GS < 50 kW	15,020	54,370	2,453,006	6,766,038	9,288,435
GS 50-999 kW	526,506	800,090	2,415,184	3,255,698	6,997,479
GS > 1000 kW	40,665	4,340,226	7,004,809	5,265,460	16,651,160
Large User	245,865	329,733	1,463,197	2,105,603	4,144,397
Unmetered Scattered Load	942,614	471,307	471,307	471,307	2,356,536
TOTAL	**11,278,845**	**14,364,900**	**22,810,081**	**24,849,622**	**73,303,449**

Table 4: 2007-2010 Third Tranche kWh Savings by Rate Class

	Net kWh Savings 2007	Net kWh Savings 2008	Net kWh Savings 2009	Net kWh Savings 2010	Total 2007-2010 kWh Savings
Residential	1,514,519	1,343,142	1,146,416	955,352	4,959,429
GS < 50 kW	0	0	0	0	0
GS 50-999 kW	502,107	605,785	605,785	605,785	2,319,463
GS > 1000 kW	0	4,020,000	4,020,000	4,020,000	12,060,000
Large User	233,665	233,665	233,665	233,665	934,660
Unmetered Scattered Load	942,614	471,307	471,307	471,307	2,356,536
TOTAL	**3,192,905**	**6,673,900**	**6,477,174**	**6,286,109**	**22,630,088**

2007-2010 OPA Program kWh Savings by Rate Class

	Net kWh Savings 2007	Net kWh Savings 2008	Net kWh Savings 2009	Net kWh Savings 2010	Total 2007-2010 kWh Savings
Residential	7,993,656	7,026,031	7,856,162	6,030,164	28,906,013
GS < 50 kW	51,619	342,574	4,709,791	6,766,038	11,870,022
GS 50-999 kW	24,399	194,305	1,809,398	2,649,913	4,678,016
GS > 1000 kW	4,067	32,023	728,024	1,245,460	2,009,573
Large User	12,200	96,068	1,229,532	1,871,938	3,209,737
Unmetered Scattered Load	0	0	0	0	0
TOTAL	**8,085,940**	**7,691,000**	**16,332,908**	**18,563,513**	**50,673,361**

Total Third Tranche and OPA kWh Savings	**11,278,845**	**14,364,900**	**22,810,081**	**24,849,622**	**73,303,449**

The LRAM Input Assumptions (Appendix A pages 9 and 10 of the original Application) provides the kWh savings values only for the first year the program is in place (the initial savings). Pages 5/6 of the TEAM report (original filing) show the aggregated kWh savings for all programs that have a savings impact in the year being reported. For example, savings from the 2007-2010 programs as well as savings from 2005 and 2006 programs that had savings in 2008 would be added together to obtain the savings reported by rate class in these tables.

The LRAM Input Assumptions (Exhibit 10 Tab 1 Schedule 6 Appendix A page 9 of the original filing) will only reflect the kWh savings in the first year of the program. The savings shown for the Third Tranche and OPA programs for each year add to the savings shown for each program year with one exception. In 2007, there were adjustments included for corrections to prior years. These adjustments have been noted below and are shown included with the Third Tranche and OPA program kWh savings from the LRAM Input Assumptions table. The total of 6,399,356 kWh equals

the savings shown in response to Question 39b above for the 2007 Program year under 2007 results.

	Net kWh Savings 2007
2007 Programs	3,765,627
Prior Year Adjustments:	
LED Traffic Lights (Correction for 2006)	*471,307*
Every Kilowatt Counts (Adj for 2006)	*1,990,328*
Cool and Hot Savings Rebate (Adj for 2006)	*122,479*
Fridge Retirement Program (Adj for 2006)	*49,615*
2007 Programs Total	**6,399,356**

40) Reference Exhibit 10 Tab 1 Schedule 6 Appendix A Page 17.

The reference noted above appears to be incorrect. We have assumed these questions refer to Exhibit 10 Tab 1 Schedule 6 Appendix A pages 11-14 of the original filing.

a) For OPA programs please confirm the input assumptions for EKC 2006 at the measure level:
i) CFLs;
ii) SLEDs;
iii) PTs; and please,
iv) confirm that for CFLs the unit savings and measure life were respectively104kwh (13w) and 4 years.

The reference noted above appears to be incorrect. We have assumed these questions refer to Exhibit 10 Tab 1 Schedule 6 Appendix A pages 11-14 of the original filing.

Guelph Hydro's Response:

The requested data is provided in the following table, and for 40 (a) iv), Guelph Hydro confirms that for CFLs it used unit savings and measure life of 104.4 kWh and 4 years recpectively.

VECC IR #40 -2006 EKC INPUT ASSUMPTIONS							PER UNIT/PARTICIPANT		
Program/Measure Name	Campaign	CDM Report Year	# of Participants	Freerider (%)	# of Participants After FR	Measure Life	Gross kW Savings	Annual Gross kWh Savings	Source of Input Assumptions
Every Kilowatt Counts		2006							
CFLs	Spring		11,867	10%	10,680	4	0.000	104.40	OEB Measures List
	Autumn		17,595	10%	15,836	4	0.000	104.40	OEB Measures List
Seasonal LEDs (SLEDs)	Autumn		4,235	10%	3,812	30	0.000	30.75	OEB Measures List
Programmable Thermostats	Spring		145	10%	130	15	0.050	216.00	OEB Measures List
	Autumn		279	10%	251	18	0.118	522.00	OEB Measures List

b) Please confirm that savings from CFLs installed under EKC 2006 expire in 2010.

Guelph Hydro's Response:

CONFIRMED – Savings from CFLs installed under EKC 2006 expire in 2010.

c) Has Guelph Hydro /TEAM made adjustments to the LRAM for this effect ? If not why not?

Guelph Hydro's Response:

An adjustment was not required since the savings were already reduced in 2010 in the OPA final report of 2009 savings.

d) If any claims for 2010 for OPA programs as result of interrogatories or Final OPA results then provide details of any adjustments to measure life and kwh savings

Guelph Hydro's Response:

Not applicable.

41) Exhibit 10 Tab 1 Schedule 4 Page 2.

a) Provide details at the measure level of the input assumptions used for SSM calculations for the Earth Day, Seasonal Baskets Smart Wash and Light up a Life Programs:
i) Participants;
ii) Unit kwh savings;
iii) Measure life; and,
iv) Free-ridership.

Guelph Hydro's Response:

The requested data is provided in the following table.

Note that the Smart Wash input assumptions for 2008 and 2009 assume 50% top load and 50% front load machines. Our belief is that 80% of the new machines were front load, but we do not have sufficient data to support this belief, so for the calculation we used a conservative 50% front load machines.

VECC IR #41a - SSM INPUT ASSUMPTIONS								
Program Name	GHESI or WEDCO (all GHESI after	CDM Report Year	# of Participants	Freerider (%)	# of Participants After FR	Measure Life	Annual Gross kWh Savings	Source of Input Assumptions
Earth Day - 13W CFLs	GHESI	2007	10,000	10%	9,000	4	85.8	OEB Measures List - average 11W and 15W CFL
Earth Day - 13W CFLs	GHESI	2008	8,000	10%	7,200	4	85.8	OEB Measures List - average 11W and 15W CFL
Seasonal Baskets - 15W CFLs	GHESI	2007	550	10%	495	4	104.4	OEB Measures List - 15W CFL
Light Up a Life - 15W CFLs	GHESI	2007	400	10%	360	4	104.4	OEB Measures List - 15W CFL
Smart Wash - High Efficiency (HE) Washers	GHESI	2008	497	10%	447	14	279.0	OEB Measures List - average of top and front load
Smart Wash - HE Washing Machines	GHESI	2009	937	10%	843	14	279.0	OEB Measures List - average of top and front load
Smart Wash - HE Washing Machines	GHESI	2010	1,049	10%	944	14	91.1	OPA Measures List - weighted for gas/electric water heating

b) Please confirm that the Measure life used for CFLs was 4 years and Unit savings 104 kwh (13w) based on OEB input assumptions

Guelph Hydro's Response:

CONFIRMED – the measure life used for all CFLs was 4 years.

However, with respect to the 13w CFL unit savings, the OEB input assumptions did not list energy savings for a 13W CFL. Guelph Hydro used the lower savings value that results from the average of the 11W and 15W CFLs as a proxy for the 13W bulb savings when the program results were originally filed, and continues to find this a reasonable proxy. Guelph Hydro did use the 104.4 kWh savings per year for the 2 programs that used 15W CFLs (2007 Seasonal Baskets and 2007 Light Up a Life), but for programs that used 13W CFLs the savings were based on the lower level of 85.8 kWh per year.

c) If any SSM claim is to be made for 2010 and beyond under this application confirm that the 2010 savings for CFLs should be adjusted to recognize 4 year life for CFLs

Guelph Hydro's Response:

No CFL savings are included in the 2010 SSM claim.

d) Please adjust the LRAM/SSM and Rate riders as a result of any changes arising from the interrogatory responses.

Guelph Hydro's Response:

No adjustments to the LRAM/SSM rate riders were required as a result of the interrogatory responses.

Modified International Financial Reporting Requirements

Issue 11.1 Is the proposed revenue requirement determined using modified IFRS appropriate?

42) Reference Exhibit 2, Tab 1, Schedule 3, pages 2-3.

a) Guelph Hydro notes that under IFRS fixed assets increased at end of 2010 by $28,429,000 due to the change in treatment of capital contributions. Please provide a table showing the revenue requirement of this change for the period matching the assets related to the referenced capital contributions.

Guelph Hydro's Response:

Calculating the rate impact under pure IFRS for these years would be a time consuming and onerous task as the contributions are the cumulative result of over 20 years of annual capital contributions. The pool of assets therefore has varying depreciation and estimated remaining useful lives that would need to be projected out on an individual basis.

It should also be noted, however, that capital contributions are amortized into income over the remaining life of the underlying asset thus mitigating the increased revenue requirement from the higher fixed assets. In addition, under MIFRS, the capital contributions are not part of fixed assets for rate making purposes. Thus the revenue requirement is neutral.

b) In reviewing the results of the table requested in (a) above, does Guelph Hydro have a view as to whether there is a net benefit or cost to ratepayers from the accounting change for capital contributions under IFRS?

Guelph Hydro's Response:

As noted above, under MIFRS, there is no difference and therefore no rate impact as compared to accounting for capital contributions under CGAAP.

Green Energy Plan

Issue 12.1 Is Guelph Hydro's Green Energy Plan appropriate?

43) Reference Exhibit 2, Tab 4, Schedule 6, Appendix D.

a) What components of the Green Energy Plan are specifically identified to assist low income consumers?

Guelph Hydro's Response:

We note that the GEA Plan was intended to address two main objectives. The first is to ensure that renewable generation connection requests are accommodated in a timely manner, and the second is the start of the development of a "smartgrid", primarily through pilot projects. As such, there are no elements of the GEA Plan designed to assist specifically low income consumers. Low income consumers will be eligible to participate in the In Home Messaging Project along with other eligible residential customers.

44) Reference Exhibit 2, Tab 4, Schedule 6, Appendix D.

a) How did Guelph Hydro determine what would be an appropriate budget for the Green Energy Plan?

Guelph Hydro's Response:

For the "FIT and microFIT connections" portion of the GEA Plan, Guelph Hydro analyzed the historical and future anticipated renewable generation project connections based on our experience and detailed knowledge of our distribution system, as well as number, size and type of potential renewable generation projects, based on direct contact with and inquiries from customers, consultants, contractors and agents working on behalf of our customers. We were supplied with projections and anticipated project commissioning timelines from some of these customers. All of this information was used to develop our anticipated capital requirements for connecting these projects. As required through the GEA, the OPA reviewed the results of these findings in the form of the Plan, and concluded that the submission did not appear to be unreasonable.
With respect to the "smartgrid" elements of the plan, Guelph Hydro considered the requirements for both the OEB "Basic" and "Detailed" plan options. For Guelph, Guelph Hydro believed it was appropriate and prudent to develop a "Basic" plan within the cost thresholds as defined by the OEB. Following a review of other LDC GEA Plan submissions to the OEB, Guelph Hydro undertook the design of a plan with was specific to Guelph Hydro (ie. In-Home Messaging to support the inclusion of the Zigbee chip in our smart meters) and the local community's interests (ie. EV pilot and Smart Demonstration Home to support and link to the Citys's innovative Community Energy Initiative). Guelph Hydro then developed budgets for the project elements included in the GEA Plan.

b) Did Guelph Hydro meet with other distribution utilities to discuss and coordinate its Green Energy plan?

Guelph Hydro's Response:

Guelph Hydro has undertaken a significant amount of research prior to finalization of its GEA Plan, including a review of various distributor's GEA Plan filings to the OEB (ie. Hydro Ottawa, Horizon Utilities, etc), and research into specific elements of the plan – for example, with respect to EV pilot project research, refer to response to OEB IR #90a, b, c and d for details. Guelph Hydro has had informal discussions with other distributors regarding information sharing on potential projects and pilot project outcomes, but has not had discussions relating to coordination of GEA plans.

45) Reference Exhibit 2, Tab 4, Schedule 6, Appendix D, page 22 – 23 – Electric Vehicle Pilot

a) Who are the "community partners" referred to in section 9.1 of the evidence on the Electric Vehicle Pilot.

Guelph Hydro's Response:

The pilot project's potential community partners include the City of Guelph's specific departments (ie Fleet, Energy Manager, etc), large industrial or institutional customers with a robust Sustainability or Corporate Social Responsibility programs that may have an interest in participating, Chamber of Commerce, University of Guelph, as well as a community member(s) of a grassroots community group focused on energy conservation.

b) Please file the report of the results of the Guelph telephone survey referred to on page 23 of Appendix D.

Guelph Hydro's Response:

Guelph Hydro conducted an Electric Vehicle Survey in January 2011 to determine the awareness and interest level of Guelph citizens in electric vehicles. The survey and finding are attached as Appendix Guelph_BoardStaff_IRR_#90d_ElectricVehicleMarketResearch"

c) Please explain how the residential location for charging stations will be determined (page 24). How many charging stations are contemplated?

Guelph Hydro's Response:

In this plan 5 residential charging stations are contemplated. Of these stations, two were intended for the City's Energy Manager (this has not yet been discussed) and a community member of a grassroots community group focused on energy conservation. The locations for the balance of the residential charging stations have not yet been determined, but the plan considered investigating the impacts on homeowners of different physical installation requirements (ie in garage, behind existing meter, install a separate smart meter that may have the potential to control the allowable charging times in order for the customer to take advantage of Time-of-Use rates, etc).

d) Has Guelph Hydro discussed its pilot program with any car share companies or other private firms?

Guelph Hydro's Response:

At this time Guelph Hydro has not discussed the pilot project with any car share companies, but may explore the possibility as the project unfolds. Our survey results indicated that there is a large student population in Guelph who may not own cars, and may be interested in this approach.

Guelph Hydro has had discussions with a number of firms which may be involved in the pilot project, typically technology (ie charging station) vendors.

e) Other than Guelph Hydro who is anticipated to own/run vehicles which are compatible with the charging stations contemplated in the pilot program?

Guelph Hydro's Response:

While the details have not yet been determined, we expect that some of the project participants will own and/or run vehicles compatible with the charging stations contemplated in the pilot. We anticipate there will be a small number of municipal, commercial and residential customers involved, and we are aware that some customers in Guelph already own EVs and these vehicles would also be compatible with the charging stations.

Appendices

Appendix Guelph_VECC_IRR_#22a – 2008 Job Descriptions

2008 JOB DESCRIPTION SUMMARIES

President Directs the development of short and long term strategic plans, operational objectives, policies, budgets and operating plans for the organization, as approved by the Board of Directors. Establishes an organization hierarchy and delegates limits of authority to subordinate executives regarding policies, contractual commitments, expenditures and human resource matters. Represents the organization to the financial community, industry groups, government and regulatory agencies and the general public. The individual is accountable only to the Board of Directors.
Executive Assistant Provides confidential administrative support to the President and other Senior Management Team members, as required. Screens telephone calls, handles information requests, reads and routes incoming mail, prepares correspondence, receives visitors, schedules appointments, makes travel arrangements for staff and Directors, handles conference/meeting registrations, plans meetings and special events. Co-ordinates all Board meeting documents and information for all affiliated companies, attends, participates in and prepares Board minutes. Serves as Secretary to the Board of Directors. Supervises and assigns work to part-time Administrative Assistant/Records Co-ordinator and assigns overflow work to Administrative Assistant, Finance & Administration.
Administrative Assistant-Fin/HR/Executive To provide confidential administrative support to the senior management team. Back-up and cover off for the Executive Assistant, including records management assistance, assisting with the coordination of the utility's budget process and preparation of the budget documents. Dealings with many internal and external constituents of the utility including: Mayor of the City of Guelph, Board of Directors, customers and staff.
Manager of Loss Prevention Develops/manages/promotes OHS&E/LC programs, conducts hazard assessments, inspections, investigations, ergonomic assessments, provides WHMIS and other safety related training, research/write/update OH&S policies and procedures, liaise/coordinate/contract with OH&S/LC professionals/vendors for services and information, act as a resource and/or coach for managers and employees on OHS&E subjects/inquiries and leads teams to plan and coordinate company/public functions. Represents corporation on various OH&S/LC committees and organizations (e.g. AEUSP, CSSE, WCPSC) and speaks publicly about H&S subjects (e.g. schools).
Vice President, Finance & CFO This position is responsible for meeting electricity market requirements as defined by the Ministry of Energy legislation and regulations, Ontario Energy Board codes and handbooks and the Independent Market Operator market rules; to prepare the operating & capital budgets. Provides support to the President and Board of Directors, on financial and regulatory matters, prepares Operating and Capital Budgets for Guelph Hydro Electric Systems Inc. and affiliated companies to strategically implement the approved business plan, reports to the Board Finance and Audit Committee to review and approve annual and monthly financial reports, ensuring internal controls are sufficient and appropriate to protect the assets of the companies, works with the auditors to ensure a "clean" audit report and plans to mitigate risk as identified, reviews legislation, regulations, codes and market rules and works with appropriate staff to implement processes, responsible for legislative and regulatory reporting, sets rates, prepares billing statistics and analyzes data, manages the Wholesale and Retail Settlement Process and promotes the company's loss control philosophy with staff to ensure we meet health & safety, WSIB and OHSA requirements.
Accounting Manager The Manager of Accounting provides financial support and advice to line staff and management for GHESI and affiliated companies, including management of work priorities to support the company's business strategy and maintain the company's cash flow and revenue requirements. Ensures timely and accurate delivery of financial statements in accordance with internal and external requirements, provides Tax planning (Income Tax, GST, PST) and preparation and analysis of financial information for GHESI, affiliated companies and the City of Guelph , liaise with regulatory affairs to ensure compliance with regulatory requirements, and process accounting system changes as per regulatory requirements (i.e. OEB, CICA etc.), preparation of business case analysis (net present value analysis) and recommendations for investments of GHESI and affiliate companies, manages and administers various insurance policies and programs (property, public liability, directors, vehicle, etc), ensures adequate and appropriate internal controls are in place and liason with auditors and provides performance management to the Accounting Department staff - coaching, training,

development, staff meetings to promote a safe work environment consistent with requirements of WSIB, OHSA and company rules policies and procedures.

Accounting Supervisor

Supervise and lead staff engaged in the utility's accounting function. Responsible for preparing various financial reports, including tax requirements, fixed asset reporting and insurance, prepare, review and post adjusting journal entries required for financial statements and prepares and reviews account analysis and reconciliations for balance sheet accounts.

Billing/Settlement Supervisor

Supervise the billing and settlement function and related employees. Ensure accurate and timely billing of all customer accounts through identification of changes to relevant OEB and IESO codes and regulations, development, testing and implementation of required changes to our systems (ie. CX). Responsible for entire process from meter reading to bill production. This role involves the ability to gain support and coordinate senior staff in Customer Inquiry, IS, Engineering, Accounting and Regulatory Affairs to solve technical and CX billing problems and to influence HTE and CHUG for billing and CX system changes.

Credit Supervisor

To manage risk associated with customer non-payment. Includes development and implementation of appropriate policies and practices to manage customer non-payments as effectively and efficiently as possible, while leading, motivating, training and managing staff. Review, call and monitor disconnection and reconnection work orders. Will involve calling customers at their residence or work places, negotiating payment plans, dealing with customers at the front counter and at times visiting their residences or businesses. Follow-up with accounts that have been "finalized" for payment. This will involve skip tracing of customers, communicating info. to real estate lawyers, calling references from customers file, prepare and send unpaid or skipped accounts to a collection agency and follow up with bankruptcies, letters of credit, accounts receivable reports to the Board of Directors.

Customer Inquiry & Regulatory Supervisor

The Customer Inquiry Supervisor leads a team of customer service staff whose duties include processing customer transactions and responding to customer inquiries relating to rates, consumption and changes in Ontario's electricity market. Contact for retailers and Application Service Providers, resolving issues and concerns related to retailer associated customer accounts, retail billing and settlements. Investigate and follow-up for correcting and canceling consumption data sent to retailers through Electronic Transaction (EBT), develop, implement and provide information to customers relating to Conservation and Demand Management (C&DM) programs and events in conjunction with the Communication and C&DM group. Handles difficult customers/escalated concerns in person and on the phone and assists with regulatory changes in the Customer Information System.

Rate Analyst

Develop/test/monitor Wholesale Settlement process, including IMO Invoices and Rebate calculations and CX Service/Class/Receivable Code structures to comply with legislation, including interfacing between Billing, Accounting, Engineering and Information Systems, monitor Retail Settlement process including resolution of ISD/IST/IMP problems with Retailers and participate in the EBT Working Group to resolve issues, attend OEB meetings, Working Groups, understand reporting requirements, Prudential calculations, Rate Submissions and preparation of PBR data etc.

Vice-president, Human Resources

Company Officer and key partner in the strategic planning of GHESI's Human Resources responsible for all functions and activities necessary for the effective management of human resources across GHESI and affiliated companies, including employee/labour relations, recruitment and selection, managing performance, total rewards and compensation (including job evaluation and pay for performance systems), orientation, training and development, succession planning, change management, development and administration of Human Resources policies and communications ensuring that all policies, procedures and practices are linked to and support the organization's strategy and meet all statutory and legal requirements, payroll and benefits administration/renewal functions, manages relationships with the Union, including grievance/arbitration processes, negotiation of the Collective Agreement, interprets the Collective Agreement and ensures consistent application, manages the relationship with all external governmental agencies, on issues relating to WSIB, Human Rights, Employment Standards, Pay Equity, etc., manages the most difficult claims, and complaints, including appeal processes, provides advice and guidance as needed, Ex-officio member of the Board of Directors Governance committee and Nominating Committee.

Payroll Officer

Process the payroll for GHESI and affiliated companies to meet strict deadlines (weekly, bi-weekly and monthly), ensuring accuracy, and compliance with changes in statutory requirements (e.g. Taxable benefits, EHT, Federal/Prov. Tax rates,

CPP, EI, etc.), the Collective Agreement (e.g. overtime premiums, etc.) and company policies (wellness programs, etc.), review and submit payments for all payroll related statutory deductions (e.g. CCRA, EHT, WSIB, CPP, EI, OMERS, etc.), and perform year- end reconciliation for each. Pay invoices relating to company benefits (Life, LTD, Health and Dental, etc.). Produce reports relating to payroll and benefits (e.g. overheads, overtime, vacation and sick leave reports) to line management, and outside sources. Ensure the payroll system and HR files are up-to-date. Keep informed of changes in legislation, company policies and Collective Agreement affecting payroll and benefits, and update systems/records accordingly. Update changes relating to employee information (new hire, termination, progressions, promotions, etc) and inform all external sources. Maintain all HR employee files in accordance with legislation and policy. Provide orientation /departure information to employees/supervisors relating to payroll and benefits. Respond to and resolve concerns from current and former employees/supervisors, beneficiaries, governmental agencies, benefit carriers, etc. Perform accounting duties relating to payroll and benefits. Ensure costs are posted to appropriate General Ledger Accounts, review and balance accounts for annual audits, and participate in annual audits. Maintain control of the Petty Cash Fund. Assist supervisor in various projects and assignments (e.g. salary surveys, costing of bargaining items/strategies, development of policies, WSIB cases, etc.)

Director of Information Systems

The Director of Information Systems' role is to align technology vision with business strategy by integrating company processes with the appropriate technologies. The Director of Information Systems is also responsible for all aspects of developing and implementing technology initiatives within the organization. This individual maintains existing enterprise systems, while providing direction in all technology related issues in support of information operations and core company values. The Director of Information Systems plans, coordinates, directs, and designs all operational activities of the IS department, as well provides direction and support for IT solutions that enhance mission-critical business operations. The Director of Information Systems will work closely with decision makers in other departments to identify, implement, and support cost-effective technology solutions for all aspects of the organization. This position also manages the Local Area Networks, Web applications, Accounts Online, Lotus Notes applications and is responsible for providing technical support for internal fiber optics applications, AM/FM, SCADA and other computer applications, as well as telecommunication, telephone and building security systems.

Project Leader/Senior Systems Analyst

Provide advanced and highly complex analysis, design, configuration, testing, implementation, documentation and staff training activities of software that includes or supports operating systems, file and application servers, databases and network environments, plan and coordinate the processes required for the provision of user applications and systems necessary for business operations, provide statistical reporting required for fulfilling LDC's business obligations and requirements to senior management and staff by extracting and manipulating data from various complex data structures, research and recommend various systems architects providing road maps for future and on-going development of new systems, apply proven communication and problem-solving skills to guide, assist and participate with the user group on issues related to the design, development and deployment of mission-critical information and software systems.

Senior Systems Analyst

Plans, designs, develops, and launches efficient business, financial, and operations systems in support of core organizational functions and business processes, including gathering and analyzing data in support of business cases, proposed projects, and systems requirements. Also responsible for generating and compiling reports based on research and findings, complete with probable causes and possible solutions to systems issues applying proven communication, analytical, and problem-solving skills to help maximize the benefit of IT system investments. Perform cost-benefit and return on investment analyses for proposed systems to aid management in making implementation decisions. Ensures compatibility and interoperability of in-house computing systems. Provides orientation and training to end users for all modified and new systems.

Technical Support Analyst

Responsible to install, maintain, upgrade and support all computing hardware, software, network, and AS/400 while ensuring optimal workstation performance and providing end user training and assistance where required , ensure the stable operation of in-house email messaging systems and their corresponding hardware and software, including planning, developing, installing, configuring, maintaining, supporting and optimizing all network connections and communication links, analyze and resolve all end-user messaging program and connectivity issues providing end-user training where required, develop written information about the organization's computing systems that aid in the development, use and support, ensure that end users are receiving the appropriate assistance including prioritization and resolution of end user requests, monitor and track problem resolution, ensure recording of call and problem resolution by client, ensure the preservation of vital information on daily media backups are complete and accurate and go to offsite storage, review audit trail every day, ensure that all software is licensed on all in-house PC's and record and document

all licensed information, including updating and recording of monthly Microsoft Select Agreement Releases and perform yearly disaster simulation - analyze and report on the outcome to Director of Information Systems.

Network Administrator

Ensures the stable operation of the in-house computer network. This includes planning, developing, installing, configuring, maintaining, supporting, and optimizing all network hardware, software, and communication links, analyze and resolve end user hardware and software computer problems in a timely and accurate fashion, provide end user training, ensures the security and integrity of data, data systems, and data networks across the entire organization including designing and implementing disaster recovery processes and business continuity procedures for re-establishing servers, databases, and operating systems in the event of a disruption, both minor and catastrophic. The Network Administrator also ensures the secure operation of the in-house computer systems, servers, and network connections including checking server and firewall logs, scrutinizing network traffic, establishing and updating virus scans, troubleshooting, analyzing and resolving security breaches and vulnerability issues in a timely and accurate fashion and conducting user activity audits where required

GIS Supervisor

This position is responsible for supervising the creation, ongoing maintenance and advancement of the Geographical Information System (GIS). The GIS manages our electric distribution system and outside plant assets through a connectivity model, various facilities databases and custom software applications. Ensures that map integrity and data quality are maintained to provide a high level of safety for line crews and cable locators. Map accuracy is essential, as the master map is used for distribution system planning, design, cable locates, SCADA and daily system switching operations. Supervises the AM/FM/GIS group, ensuring the timely and efficient creation of work order construction drawings to meet construction schedule deadlines, as well as standards and special drafting projects as required by end users.

Director of Engineering

The Director of Engineering manages the Engineering Division, responsible for the planning, design and co-ordination of distribution system expansions and enhancements to provide safe, reliable electricity supply to new and existing customers in a timely and cost-effective manner and also provides technical guidance and support to other staff, departments and affiliated Guelph Hydro Inc. companies. Manages planning and design of major supply facilities and distribution feeder system to provide for load growth and monitors work order and department costs on an on-going basis. Prepares annual distribution system capital budget for approval by senior management, provides load forecasts, statistical reports and technical reports for senior management, the Board of Directors, IEMO, Electrical Distributors Association, Ontario Energy Board, and Canadian Electrical Association. Human Resources Management of supervisory, technical and support staff including hiring, training and development, administering GHESI policies and the Collective Agreement, developing and implementing the company's strategy in the areas of Engineering and will be a key leadership partner on the GHESI Senior Team.

Planning & Standards Supervisor/Engineer

Assists the Director of Engineering in preparation of the annual distribution system capital budget and monitors work order costs on an on-going basis, planning of the electric power distribution and street lighting systems in a manner consistent with requirements of GHESI, the Ontario Energy Board's Distribution System Code, CSA and the Electrical Safety Authority, load forecasting and analysis of the distribution feeder system to ensure that adequate facilities are provided to accommodate load growth, develops distribution system and street lighting designs, standards and specifications and provides technical guidance to other staff and departments, provides statistical and technical reports for senior management, the Board of Directors, IEMO, Electrical Distributors Association, Ontario Energy Board, Canadian Electrical Association and provides Human Resources Management of staff including training, development, and administering GHESI policies and the Collective Agreement.

Distribution Design Supervisor

Supervises the Distribution Design Department, which is responsible for design of electric power distribution and street lighting systems and coordination of servicing arrangements for major subdivision developments.
Supervises activities related to preparation of designs, cost estimates, bills of material, drawings, work instructions, coordination of contract work, inspections and project costing / invoicing regarding extensions and changes to the electrical distribution and street lighting systems in a manner consistent with requirements of GHESI, the Ontario Energy Board's Distribution System Code and the Electrical Safety Authority. Liaise with customers, developers, consultants, municipal staff, other utilities, contractors and other departments to facilitate the design and construction of extensions and changes to the electrical distribution and street lighting systems, including the preparation of agreements and correspondence. Administers joint use, including the preparation of agreements, invoicing, and review of applications.

Technical Services Supervisor
Supervise activities related to connections of residential services, electrical servicing for commercial and industrial projects and locating of underground utility plant in a manner consistent with requirements of GHESI, the OEB's Distribution System Code and the Electrical Safety Authority, including design and coordination of related construction, metering and billing activities and approval of project costing / invoicing, tendering for the annual locate services contract, monitoring performance, resolving scheduling and customer issues, and compiling annual statistics, respond to customer, contractor, consultant, legal and other inquiries relating to the supply of electricity and GHESI facilities, review Committee of Adjustment and zoning amendment applications.

Director of Operations
A key partner on the Senior Management team, responsible for developing and implementing the company's strategy in the areas of Operations. This Division is responsible for the following functions: underground and overhead infrastructure, overhead lines and underground capital construction and maintenance, station capital construction and maintenance, control room operations (including emergency response & co-ordination with Hydro One Transmission and Independent Electricity System Operator), purchasing and stores, fleet purchasing & maintenance, and Southgate building maintenance. Directs the functions and activities of the Operations Divisions at a high level in order to construct, maintain and operate a safe, reliable and cost- effective distribution system. Develop and administer a safe-work culture/environment following the requirements of company policies/practices, WSIB, IHSA, OHSA, MoE, MTO, ESA and CSA, and any other applicable legislation. Coordinates and recommends annual budgets for Capital, Operating and Maintenance programs and administers approved budgets throughout the year. Provides timely information and support to the COO and the GHESI Board on major issues, builds relationships with the community, City staff and Council, consultants, developers, and contractors, ensuring that Contractors meet all company requirements, in particular, health, safety and respect in the workplace.

Construction Superintendent
Plan, co-ordinate and manage the construction of overhead and underground distribution systems, providing construction and maintenance knowledge and expertise (according to the acts and regulations that regulate the electric industry i.e. O.H.S.A., D.S.C., E.S.A., W.S.I.B., E&USA, GHESI Policy & Procedures, etc.) to department staff, other departments and other Utilities. Develop and manage operational health and safety practices. Attend various training, utility functions and meetings for keeping current with electrical industry. Establish system maintenance programs and monitor performance to meet P.B.R. regulations and to improve system reliability. Manage GHESI fleet including specifications, recommendations to purchase, maintenance to ensure that MTO, CVOR and O.H.S.A. regulations are adhered to. Prepare and monitor Budget for Line Construction Department, Fleet Maintenance and Fleet acquisition. Identify and co-ordinate the Training needs of Line Construction Staff, Vehicle Maintenance and other departments covered under O.H.S.A. and C.V.O.R. regulations. Participate in Supervisory On-Call 7/24.

Line Construction Supervisor (3 positions)
Accountable for construction, maintenance and operation of overhead and underground distribution systems. Responsibilities include supervision of line crews involved in the construction and maintenance of both overhead and underground distribution systems, ensuring the safe and productive performance of the work, understand, practice and reinforce E&U.S.A. Safety Rules, M.T.O. Regulations, O.H.S.A. Act and all other applicable legislation, arrange and conduct safety meetings as required, be responsible for vehicles and equipment under his control - work with the Maintenance Department to ensure that such vehicles and equipment are kept in good repair. Prepares job plans, applies for Switch Orders/Work Permits, reviews work with Engineering and co-ordinates work with and for Contractors. Participates in Supervisory On-Call system.

Supervisor Purchasing and Building Services
Responsible for the management and administration of both the Purchasing and Stores Facility Departments, including developing operating budgets for both Purchasing and Stores Department, supervision and training of staff, ensuring that company policies are followed, keeping abreast of legislative rules that impact our facilities, such as Fuel Handling Act, OHSA, WHMIS, Propane Handling Practices etc.
Purchase of Goods and Services - Responsible for the purchasing of all goods and services, review of below reorder reports to eliminate stock-outs of inventory items, review of expediting reports to ensure timely deliveries, develop partnership arrangements with suppliers for specific commodities, sources potential new suppliers with improved products, evaluates vendor performance, monitors a Purchasing Policy that clearly defines approval authority and responsibility, manages the procurement cycle from need to disposal, monitors commodity pricing volatility and determine best opportunities for purchasing certain commodities.
Management of Materials and Warehousing for the Stores Department – includes monitoring Stores Department strategic plan with Stock-keeper (lead hand), facilitates annual inventory count, close month end and period end for

Purchasing and Inventory in HTE, ensures that cycle counts are conducted on an ongoing basis, coordinates storage, handling and disposal of hazardous or regulated materials, recycling of used equipment, scrap and obsolete items, safe guarding of inventory assets and tools, insuring that lift trucks, scales, electronic loading dock are tested yearly and are kept in good working order, creating and analyzing various reports and assists with Materials Requirement Planning (MRP) by continually communicating with Engineering and Operations Departments.

Director of Communications and Metering

Key partner on the GHESI Senior Team. Manages the AM/FM/GIS, Communications, Metering and Operations departments, in a manner consistent with the requirements of GHESI and its customers, including Human Resources Management of supervisory, technical and support staff including hiring, training and development, administering GHESI policies and the Collective Agreement. Manages the planning, design and implementation of significant GHESI projects such as AM/FM/GIS, SCADA, SCADA Communication system, MV90, etc., ensuring these systems functionally support GHESI's operational needs in delivering safe, reliable and effective electricity supply facilities, in a manner consistent with requirements of GHESI, the IEMO, the Ontario Energy Board, CSA and Electrical Safety Authority and monitors work order and department costs on an on-going basis. Manages the departmental support for special GHESI projects - this may include support of planning, designing, procurement and construction activities as well as sales, marketing and promotional activities. Provides technical guidance and support to other staff, departments and divisions, in a variety of areas including metering & billing, information systems; engineering standards & specifications. Prepares annual Engineering and Operations budgets for approval by senior management and provides statistical and technical reports for senior management, the Board of Directors, IEMO, Electrical Distributors Association, Ontario Energy Board, and Canadian Electrical Association.

Key Account Manager

Manages relationships with key Commercial and Industrial customers, responding to billing issues, technical inquiries and assists them in their efforts to improve their electrical efficiency, including Power Factor analysis, liaise with large customers to educate, promote and support Conservation and Demand Management (CDM) programs, maintains a thorough knowledge of applicable regulatory changes, supports efforts in designing and delivering CDM programs to other customer classes, as required.

Communications & Operating Supervisor

Responsible for designing, planning, coordinating, training and supervising staff, providing high level design and planning of Fibre Optic Network to allow for future expansion, monitors and manages the Fibre Optic Network, responsible for configuration, management and support of SCADA system, provides software development and support for specialized Engineering and Operations software (SCADA, System Planning, GIS applications) to GHESI, ensures that GHESI's distribution system is monitored and controlled in a safe and effective manner and power interruptions are restored to normal as quickly as can safely be accomplished. Liaise with Hydro One on day-to-day and emergency operating concerns and special projects. Liaise with large customers on questions of power quality.

Metering Supervisor

This position is responsible for supervising and training the Metering and Electrical Maintenance staff, ensuring a safe and productive performance of work, understanding and reinforcing GHESI safety rules and procedures. The function of this position is to ensure that these department duties are carried out efficiently, accurately, and in a safe manner. The Metering Department is responsible for the installation, verification and maintenance of all revenue class metering, including interval metering requiring daily interrogation and data validation. The Electrical Maintenance Department is responsible for the inspection and maintenance of transformers, vaults and various tools and equipment, as well as building maintenance as directed. The Supervisor plans and schedules Metering and Electrical Maintenance activities, including capital and maintenance work programs and is responsible for all revenue metering functions, including equipment specifications, programming, testing and record keeping. Offers support to all Metering and Electrical Maintenance activities. Manages budgets and inventory; evaluates equipment and materials and prepare reports.

Appendix Guelph_VECC_IRR_#22b_JobDescriptions_2009_to_2012

2009 JOB DESCRIPTION SUMMARIES

Manager of Information Systems

The Manager of Information Systems is a developmental position leading to the Director of Information Systems. This efficiency combined the role of the former GIS Supervisor and Director of Information Systems. Please refer to 2008 listing for a description of these two positions. The position became the Director of Information Systems in June, 2011.

Systems Analyst

Responsible for interpreting, analyzing and implementing requests for computer system maintenance and computer system enhancements from user departments as well as providing analytical and technical assistance to both the computer operations area and the end user departments. Additionally, the incumbent is responsible for accurately translating user requests into workable computerized applications. Assists in the systematic analysis of particular business problems and applies appropriate technical programming skills to develop computerized solutions, Design, writes and tests computer programs utilizing a standard, structured methodology, assists with analysis, design and programming of new, computerized systems, provides consultative and educational assistance in the area of automated systems to all levels of personnel throughout the organization, assumes responsibility for maintaining of documentation for all new and enhanced systems/programs.

2010 JOB DESCRIPTION SUMMARIES

Chief Operating Officer

The Chief Operating Officer is the overall primary management and leadership Officer of Guelph Hydro Electric Systems Inc. with a reporting relationship to the Board of Directors of GHESI, accountable to lead the implementation of strategic and operational business plans, including the LDC's revenue requirements and net income, legal and regulatory compliance and delivery of short and long term objectives. As the leader of the majority of the Corporation's employees, including all IBEW represented employees', the COO has a solid track record of best practices in employee relations and is values driven. Overall responsibility for leading all GHESI functions include: regulatory affairs, ensuring legal and regulatory compliance relating to safety, employment law, labour relations, and the Ontario Energy Board (OEB) and maintenance of the LDC's license, ultimate accountability and authority, subject only to GHESI Board oversight, for deciding issues under the Collective Agreement, CDM and related "smart grid", communications, billing, customer inquiry and credit, distribution system planning and load forecasting, coordinating system capacity requirements with transmission, development of construction standards and specifications, project design for supply to residential, commercial and industrial developments, design of underground and overhead infrastructure, development of SCADA system, overhead lines and underground capital construction and maintenance, and transformer station construction and maintenance, control room operations, including emergency response and co-ordination with Hydro One, electrical maintenance, metering, purchasing and stores, fleet purchasing and maintenance, inspection of construction by contractors, provision of underground locates, building maintenance, coordinate and recommend annual budgets for Capital, Operations and Maintenance Programs and CDM programs. Monitor approved budgets throughout the year and be accountable for variances, provide timely reports and support to the CEO and the GHESI Board, collaboratively works with the CEO and all CEO direct reports in the development of the annual and five year strategic and business plans of the Corporation for approval by the Board of Directors, and the implementation of the approved plan, articulates, represents and reinforces the vision, mission and values of the Corporation, be a member of the Emergency Operations Control Group (EOCG) and depending on needs and regulatory restrictions, may be required to oversee the operations of non-regulated projects.

Director of Communications

Responsible for developing an annual Corporate Communications strategy and budget designed to enhance the company image with all audiences, address issues, support key business initiatives, drive change, and focus employee efforts on achieving organizational objectives. Leads all internal and external communications activities including strategic communications planning, issues management, crisis communications, brand and reputation management, media relations, community relations,, event management, stakeholder engagement, customer communications including social marketing, website development and management, employee communications and supports conservation and demand management (CDM) marketing efforts.. Provides strategic communications and marketing expertise and counsel, as well as writing and speechwriting services for senior management and Board members of any of the Guelph Hydro companies. Serves as company spokesperson and represents the company at industry and community events. Serves on industry and community task forces (ex. EDA Communicators' Council, City of Guelph Mayor's Task Force on Energy). Responsible for planning, developing and implementing communications strategies and plans to support key corporate initiatives such as sustainability, time-of-use pricing, community energy projects and conservation and demand management. Responsible for the writing, design and production of print/electronic materials including the high profile annual Sustainability Report, executive presentations, videos, advertising and customer communication materials. Plans and coordinates events including public information sessions, focus groups, surveys, speaking engagements, workshops, media events, VIP visits, facility tours, exhibits and trade shows, Manages outsourced relationships with graphic designers, printers, photographers, website developers, etc.

Manager of Regulatory Affairs

Responsible for building key relationships with government, regulators, industry peers with goal of providing maximum value to customers and stakeholders. Working with Billing, Accounting, Engineering and Information Systems, develops all required rate filings and regulatory reporting and ensures compliance with all industry regulations, provides recommendations for the development of codes and regulations of the Ontario Energy Board (OEB), the Ministry of Energy, the Independent Electricity System Operator (IESO) and all other codes and regulations enacted, through active participation and representation on all essential working groups and through establishing and maintaining industry contacts, determines distribution revenue requirements and rates to recover costs of operations, capital, taxes, and shareholder return, represents GHESI at all hearings and respond to all interventions, maintains current knowledge and ensures compliance of all relevant statutes and regulations including the Retail Settlement Code, the Distribution Settlement Code, the Standard Supply Service Code, the Affiliate Relationship Code, the Rate Handbook, Market Rules, Electricity and Gas Inspection Act, Personal Information Protection and Electronic Documents Act (PIPEDA), etc.

Engineer-in-training

This position is a key driver for implementing new technology within our distribution system. Develops long and short term planning models and plan system changes and improvements for the reliable and efficient operation of the distribution system, monitors load growth trends and prepares load forecasts for internal and external users, works with the integration of distributed generation into the distribution system, coordinates the development of construction standards, material specifications and material standards to conform to changes in construction methods, new regulations and new technology, prepares technical reports on special assignments.

Business Analyst

Reporting to the Manager of Accounting, this role entails investigating business systems (Legacy and Client/Server), documents system requirements for business and financial reporting and analysis, identifying options for improving business systems and bridging the needs of the business with the use of IT. The Analyst reviews and edits requirements, specifications, business processes and recommendations related to proposed IT solutions, develops functional specifications and system design specifications for business departments, leads testing efforts of new software and processes, ensures issues are identified, tracked, reported on and resolved in a timely manner, works with the organization's departments to assess needs and to identify required changes, communicates needed changes to IT development team, assists in enforcement of project deadlines and schedules, communicates and applies project standards and manages resources in accordance with project schedule.

HR and Payroll Advisor

Assists the VP of HR in providing professional human resources and analytical expertise in all HR disciplines, including, compensation, benefits, recruitment, succession planning, development and training, performance management, labour negotiations, policies and procedures, budgeting, cost/benefit analyses, and human resources and wellness programs, shares the Payroll Officer role, responsible for meeting all payroll and related statutory deadlines, including T4's, and legal and contractual requirements relating to payroll, initiates and oversees the implementation of payroll efficiencies, document and maintain payroll procedures and controls, assists in meeting the company's training and development needs, assists in the development and maintenance of a system that will coordinate and schedule all training needs and maintain all corporate records related to employee training, keep up to date on all human resources and payroll related legislative and regulatory changes and best practices, assist the VP of HR in writing and updating policies, maintain employee and departmental records as per legislative and Company requirements, provide administrative and records management support to the Vice-president of Human Resources and work on special projects, as required.

Manager of Customer Service and Billing

The Manager – Customer Service and Billing is responsible for overseeing all aspects of GHESI's Customer Service and Billing department to ensure accurate, timely bill production, resolution of customer issues, and cooperation with other departments to provide timely information to customers (e.g. CDM, etc.). In addition to overseeing the department's resources, the Manager is also responsible for working with other departments such as Accounting, Regulatory, and Operations to anticipate and plan for new regulatory or market requirements that could have a significant impact on the department. Responsibilities include monitoring level and quality of customer service provided by department employees to ensure standards are met or exceeded, resolving escalated customer service and billing issues, identify the impact of regulatory changes, and propose innovative solutions to ensure the company is able to meet regulatory deadlines arising from legislated changes, communicate and ensure employees are trained on regulatory changes and market related issues, work with IS department to develop test strategies and scripts for required system changes to accommodate regulatory changes and to debug problems, identify and analyze opportunities to improve customer service levels and efficiency within the department and potentially other departments that may be impacted - this may include more extensive use of web-based customer interfaces, interactive voice response systems, smart phone applications, and in-home display devices, identify and manage appropriate departmental resources to assist in the delivery of the Company's Conservation and Demand Management programs and other programs that may involve customers.

2011 JOB DESCRIPTION SUMMARIES

Customer Service Supervisor

The Customer Service Supervisor leads a team of customer service staff whose duties include processing customer transactions and responding to customer inquiries relating to rates, consumption and changes in Ontario's electricity market. Responsibilities include supervision of customer inquiry staff including distribution of work assignments, resolving personnel conflicts, approving vacations, managing sick time attendance, effective coaching of staff, managing performance, dealing with WSIB issues including ensuring a safe work environment consistent with the requirements of WSIB, OHSA, Company values, policies and procedures. Ensuring phone coverage, tracking and reporting telephone statistics, acts as contact for retailers and Application Service Providers, resolving issues and concerns related to retailer associated customer accounts, retail billing and settlements, investigates and follow-up for correcting and canceling consumption data sent to retailers through Electronic Transaction (EBT), develops, implements and provides information to customers relating to Conservation and Demand Management (C&DM) programs and events in conjunction with the Communication and C&DM group, handles difficult customers/escalated concerns in person and on the phone and assists with regulatory changes in the Customer Information System.

Energy Services Representative (2 positions)

Responsible for promoting and delivering technology and services to residential, commercial and industrial customers, developing and presenting reports, such as Power Factor analysis reports including estimated corrections required, billing histories and other functions associated with Energy Services, assist in delivery of Ontario Power Authority (OPA) conservation programs with the goal of achieving and exceeding CDM targets, assist in the formulation and development of new products and services, assist in developing seminars, demonstrations, presentations, marketing materials and present a variety of conservation programs to residential, commercial and industrial markets, assist with energy management/conservation displays at trade shows and events, act as a contact to residential and business accounts to develop and maintain a consulting-oriented relationship that may be leveraged to promote services and technologies as they are made available, respond to inquiries regarding energy management, either on site or by telephone, provide technical support with respect to features of a building such as lighting, HVAC, and other energy consuming systems, assist customers with cost to operate various appliances/equipment, provide high level energy audits/lighting surveys to commercial and industrial accounts, keep current on new legislation and regulatory requirements pertaining to energy conservation and assist with administration and tracking of various programs.

Part-time Administrative Assistant

Works in a collaborative team environment with the confidential administrative assistants, coordinating and keeping each other informed, and providing back-up for each other and providing confidential administrative support to senior employees and other departments, assists with meeting and event planning, including booking meeting rooms, ordering meals, ensuring adequate supplies, such as refreshments on hand, etc., assists in the management and maintenance of the corporate records management system, including classification, printing labels, file lists and make up files and binders, as required, assists with the preparation of materials for Board and Board Committee meetings and other duties, as required.

Regulatory Analyst

Reporting directly to the Manager of Regulatory Affairs, responsibilities include: preparation of monthly, quarterly, and annually regulatory reports, ability to manage and deal with confidential and price sensitive information and develop and maintain a very good understanding of the OEB's Practice Direction on Confidential Filings, assist on preparing business cases and rate applications, interpret regulatory codes and ensure the compliance with the regulatory requirements, prepare business analyzes (e.g. rate changes and bill impact, revenue requirement), ensure monthly electronic transactions and submissions with the Independent Electricity System Operator (IESO), and Ontario Energy Board (OEB), prepare and maintain annual customer and load forecast, revenue forecast and provide regular analysis of load revenue and usage patterns, develop and maintain regulatory models to assist with the company's overall regulatory strategy.

2012 JOB DESCRIPTION SUMMARIES FOR GUELPH HYDRO ELECTRIC
RATE FILING APPLICATION

Communications Coordinator/Specialist

Working under the direction and guidance of the Director of Corporate Communications, assists in the development and execution of internal and external communications strategies and plans. Responsibilities include the writing of content for press releases, articles, advertisements, emails, customer communication materials, Company websites and social media sites; development, maintenance, daily administration and analytics reporting for Company websites and social media sites; digital photo manipulation; maintenance of a library of digital images and photography; development, production and proofreading of advertisements and customer communication materials; management of outsourced relationships with promotional item suppliers, graphic designers, printers, photographers, etc.; assistance with the development of CDM marketing materials if required by the Director of Metering and Conservation; attendance at corporate, community or industry events as a representative of the Company and photographer; event planning, logistics and management; maintenance of distribution lists; administrative support for the Director; and back-up support for the Director for media and public relations.