

November 23, 2011  
Sent by courier, email, and RESS

Kirsten Walli  
Board Secretary  
Ontario Energy Board,  
2300 Yonge St.  
Suite 2700, P.O. Box 2319  
Toronto, Ontario  
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Canada

Dear Ms. Walli:

**Re: OEB File No. EB-2011-0123  
Guelph Hydro Electric Systems Inc. (Guelph Hydro)  
2012 Electricity Distribution Rate Application**

Please find accompanying this letter, two copies of Guelph Hydro's updated evidence with respect to its Application for Electricity and Distribution Rates and Charges effective January 1, 2012.

There are two updates:

1. Exhibit 2, Tab 4, Schedule 6, Appendix D – Green Energy Act Plan
  2. Smart Meter Disposition Rate Rider Calculation
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1. Guelph Hydro is updating the evidence in respect to the Green Energy Act Plan filed with the Board on June 30, 2011 based on the following grounds:
    - The following Basic GEA Plan has been revised as of November 23, 2011, to update the plan elements timing and corresponding expenditures into a 2012-2015 timeframe. The original plan anticipated a 2011-2015 plan timeframe with OEB approval obtained early in 2011 in order to commence proposed projects in 2011. The revised plan anticipates OEB approval in late 2011 or early 2012, with an early 2012 plan start.
    - There are no changes to enabling renewable generation connection plan into 2012-2015 timeframe; therefore, no update to OPA letter is necessary.

All the updated paragraphs, table and sections were right side bordered.

The scope of the update covers the following:

Exhibit 2:

1. E2/T4/S6 – Revised title page
2. E2/T4/S6 – The text of the Summary was changed by adding the reason for update.
3. E2/T4/S6 – Table 1 – recalculates Capital Summary for 2011 and 2012 years
4. E2/T4/S6 – Table 2 – recalculates OM&A Summary
5. E2/T4/S6 – Table 3 – updated Total Capital and OM&A Expenditures
6. E2/T4/S6 – Table – recalculates costs to support in-home display messaging project
7. E2/T4/S6 – Table – revision of the costs to support electric vehicle pilot
8. E2/T4/S6 – Table – updated costs to support and develop smart grid education for schools
9. E2/T4/S6 – Table – recalculates costs to support the demonstration “Smart Grid – Smart Home”
10. E2/T4/S6 – Table – amended costs to add additional technical staffing resources.

Instructions for updating copies of pre-filed evidence are provided as **Attachment B** to this letter.

2. Guelph Hydro is updating its Smart Meter Disposition Rate Rider calculation. The updates consist in:
  - a. Formulas correction for revenue collected via the existing funding rate adder from September to December 2011 (Smart Meter Model – Sheet 8 “Funding\_Adder\_Revs”)
  - b. 2012 Cost of Capital parameters update based on the Cost of Capital Parameters determined by the OEB on November 10, 2011 (for the deemed ST debt rate and ROE) and the LT Debt rate of 5.264%.
  - c. 1556- Operating expenses, amortization expenses, and carrying charges have been detailed in Sheet “8A.Opex\_Interest\_monthly” of the Smart Meter model.
  - d. The Disposition Smart Meter Rate Riders have been calculated based on Guelph Hydro’s response to the Board Staff’s technical conference interrogatory TCQ 19.

The Smart Meter model (Guelph\_updated\_2012 Smart Meter Model\_ 20111123.xls) accompanied by the Smart Meter Disposition Rate Rider model (Guelph\_Smart Meter\_Disposition\_Rate\_Rider\_20111123.xls) have been submitted only in Excel format via RESS.

Should there be any questions, please do not hesitate to contact me.

Respectfully Submitted,



Cristina Birceanu

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EB-2011-0123 - 2012 Guelph Hydro Electricity Systems Inc.

Electricity Distribution Rate Application - Attachment B, Update Instructions

Updates

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