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BY E-MAIL

November 24, 2011

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

Dear Ms. Walli:

**Re: Cooperative Hydro Embrun Inc.
2012 IRM3 Distribution Rate Application
Board Staff Interrogatories
Board File No. EB-2011-0164**

In accordance with the Notice of Application and Hearing, please find attached Board Staff interrogatories in the above proceeding. Please forward the following to Cooperative Hydro Embrun Inc. and to all other registered parties to this proceeding.

In addition please advise Cooperative Hydro Embrun Inc. that responses to interrogatories are due by December 15, 2011.

Yours truly,

Original Signed By

Suresh Advani

Encl.

**Cooperative Hydro Embrun Inc.
2012 Electricity Distribution Rates
EB-2011-0164
Board Staff Interrogatories**

1. Board Approved Disposition - 2010

Ref: Rate Generator Model

A portion of Sheet "9. 2012 Cont. Sched. Def_Var" from the Rate Generator Model is reproduced below.

		2011			Projected Interest on Dec-31-10 Balances				2.1.7 RRR	
Account Descriptions		Account Number	Interest Disposition during 2011 - instructed by Board	Unwinding Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	Unwinding Interest Balances as of Dec 31-10 Adjusted for Dispositions during 2011	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31-10 balance adjusted for disposition	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31-10 balance adjusted for disposition during 2011	Total Claim	As of Dec 31-10 *	
Group 1 Accounts										
	LV Variance Account	1550	\$ 3,893	\$ 576	\$ 23	\$ 8	4,500	\$ 4,468		
	RSVA - Wholesale Market Service Charge	1580	-\$ 67,321	-\$ 353	-\$ 1,210	-\$ 403	69,287	-\$ 67,674		
	RSVA - Retail Transmission Network Charge	1584	-\$ 89	-\$ 299	-\$ 6	-\$ 2	396	-\$ 388		
	RSVA - Retail Transmission Connection Charge	1586	-\$ 24,256	-\$ 586	-\$ 411	-\$ 137	25,390	-\$ 24,842		
	RSVA - Power (excluding Global Adjustment)	1588	\$ 35,087	\$ 1,047	\$ 144	\$ 48	35,942	\$ 36,134		
	RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 26,850	\$ 264	\$ 428	\$ 142	27,684	\$ 27,114		
	Recovery of Regulatory Asset Balances	1590	\$ -	\$ -			-			
	Disposition and Recovery of Regulatory Balances (2008) ¹	1595	\$ 4,564	\$ 9,943	\$ 36	\$ 12	14,555	\$ 14,507		
	Disposition and Recovery of Regulatory Balances (2009) ¹	1595	\$ -	\$ -			-			
Group 1 Sub-Total (including Account 1588 - Global Adjustment)			\$ -	\$ 21,272	\$ 10,592	-\$ 1,284	-\$ 428	12,392	-\$ 10,680	

- a) Board Staff notes that the amounts provided in the "2.1.7 RRR" column for the Group 1 accounts do not match the corresponding amounts provided by Embrun Hydro in the RRR filing.

Please provide an explanation for the apparent discrepancy. If this is an error, please submit correct amounts and Board Staff will make appropriate corrections in the model.

2. Unmetered Scattered Load and Street

Ref: Rate Generator Model

A portion of Sheet "4. Current MFC" from the Rate Generator Model is reproduced below.

Unmetered Scattered Load		
Service Charge	\$	39.47
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	0.09
Street Lighting		
Service Charge	\$	1.58
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	0.01

A portion of Sheet "13. Proposed MFC" from the Rate Generator Model is reproduced below.

Unmetered Scattered Load		
Service Charge	\$	39.47
Street Lighting		
Service Charge	\$	1.58

- a) Please confirm if the Service Charge for the Unmetered Scattered Load and Street Lighting rate classes is respectively "per customer" and "per connection". After confirmation, Board Staff will make the correction.

3. Specific Service Charges – Account History

Ref: Rate Generator Model

Ref. Tariff of Rates and Charges – Effective May 1, 2011

- a) Board Staff notes that the Specific Service Charge for “Account history” (\$15) is captured in Embrun Hydro’s Tariff of Rates and Charges – Effective May 1, 2011. Board Staff further notes that this charge is missing from Sheet “19. Other Charges” of the Rate Generator Model.

If this is an error, Board Staff will make the correction.

4. Service Charge and Volumetric Rates – Tax Savings Work Form

Ref: Shared Tax Savings Model

A portion of Sheet “3. Re-Based Bill Det & Rates” from the Shared Tax Savings Model is reproduced below.

Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distributio Volumetric Rate kW F
Residential	Customer	kWh	1,834	19,657,452		12.88	0.0120	
General Service Less Than 50 kW	Customer	kWh	162	4,976,291		20.02	0.0166	
General Service 50 to 4,999 kW	Customer	kW	12	4,387,835	12,779	241.54		4.475
Unmetered Scattered Load	Connection	kWh	20	95,536		52.55	0.0137	
Street Lighting	Connection	kW	407	388,274	1,066	1.86		7.552

- a) Board Staff notes that the Service Charge and Volumetric Rates for kWh and kW on this work form do not match the most current approved tariff, i.e. Embrun Hydro’s Tariff of Rates and Charges – Effective May 1, 2011.

Please provide an explanation for the apparent discrepancy. If this is an error, Board Staff will make appropriate corrections in the model.

6. LRAM Claims

Ref: 2006-2012 LRAM Report, Sept. 26, 2011

Elenchus notes that the sum of all LRAM calculations \$23,748.80 and that this amount is based on lost revenues from programs implemented from 2006-2010 with savings persisting to April 30, 2012.

- a) Please confirm that Cooperative Hydro Embrun has not collected any LRAM amounts it has requested in this application in past LRAM applications.
- b) Please confirm that Cooperative Hydro Embrun used final 2010 program evaluation results from the OPA to calculate its LRAM amount?
- c) If Cooperative Hydro Embrun did not use final 2010 program evaluation results from the OPA, please explain why and update the LRAM amount accordingly.
- d) Please discuss why Cooperative Hydro Embrun feels it is appropriate to collect LRAM for 2006-2010 programs from January 1, 2011 until April 30, 2012 when the 2011 program year is not yet complete, 2012 has not yet begun and both are using estimated lost revenue amounts based on the OPA Measures and Assumptions list available at the time of filing this application.
- e) If the OPA subsequently updates its Measures and Assumptions list following the 2011 program year (i.e. sometime in 2012 and before Cooperative Hydro Embrun files its next rate application), will Cooperative Hydro Embrun file an updated LRAM application seeking to recover or refund any variance between the requested LRAM amounts from January 1, 2011 – April 30, 2012 to the actual verified amounts from January 1, 2011 – April 30, 2012 calculated using the updated OPA Measures and Assumptions list? Please discuss the rationale for your response.