Board Staff Interrogatories
2012 Electricity Distribution Rates
Hydro 2000 Inc. ("Hydro 2000")
EB-2011-0326

Administration

1. Ref: Conditions of Service

a) Please identify any rates and charges that are included in Hydro 2000's conditions of service, but do not appear on the Board-approved tariff sheet, and provide an explanation for the nature of the costs being recovered.
b) Please provide a schedule outlining the revenues recovered from these rates and charges from 2006 to 2010 and the revenue forecasted for the 2011 Bridge and 2012 Test years.
c) Please explain whether in Hydro 2000's view, these rates and charges should be included on Hydro 2000's tariff sheet.
d) In reference to Exhibit 8/ Tab 4/ Schedule 3, Hydro 2000 proposed changes to its Conditions of Service. It is Board staff's understanding that the Board does not approve Conditions of Service. Please confirm Hydro 2000's understanding of the same.

Capital Expenditures

2. Ref: Exhibit 2/ Tab 4/ Schedule 3/ Page 23 & 25– Overhead conductors

Hydro 2000 proposes capital expenditure for "Maintenance on overhead conductor devices" for 2011 and 2012, and the expenditures are $14,000 and $10,000 respectively. Hydro 2000 described that this work involves maintenance of Overhead distribution system following its yearly ESA inspection.

a) Please provide the details of this inspection.
b) Please explain how the costs are estimated.

3. Ref: Exhibit 2/ Tab 4/ Schedule 3/ Page 1 – Capital Project Tables

In the above reference, Hydro 2000 states that the totals presented in the capital summary table do not include capital contributions. However, footnote 1 states that "Capital contributions are taken into account for rate making purposes."

In reference to Exhibit 2/ Tab 3/ Schedule 4/ page 5, no capital contributions are included in the 2012 Fixed Asset Continuity Schedule. Please explain why the capital contributions are excluded from 2012 capital expenditures.

4. Ref: Exhibit 2/ Tab 6/ Schedule 1 – Service Reliability Indices

In Table 1 of the above reference, Hydro 2000 indicates that 2010 SAIDI, SAIFI, and CAIDI, for all interruptions, are 2.1, 0.64, and 3.29, respectively. And 2010 SAIDI, SAIFI, CAIDI, excluding Loss of Supply, are 3.24, 1.4, and 2.31, respectively. Please explain why the values of the SAIDI and SAIFI excluding Loss of Supply are higher than the values of the SAIDI and SAIFI with all interruptions.

Load and Customer Forecasting

5. Ref: Exhibit 3/ Tab 1/ Schedule 2/ Attachment 1 – Load Forecast - kWh

On page 5 of the load forecast report states: "the following table (Table 7) presents class specific weather normal historic and forecast values for those classes that have weather sensitive load. Class specific kWh consumption for weather sensitive classes is allocated based on the 2007 to 2010 average of each class' share in wholesale kWh, exclusive of distribution losses."

In the Table 6 of the same reference, the weather corrected wholesale KWh for 2011 and 2012 are 26,543,664 and 26,490,916 respectively.

a) Please provide the detailed calculations to demonstrate how 2011 and 2012 weather corrected wholesale kWh are allocated to each class as indicated in Table 7.
b) Please provide the distributor loss factor used to convert the wholesale kWh to retail kWh for 2011 and 2012.
c) Please confirm whether the 2012 weather normalized load forecast includes any CDM adjustment. If so, please provide the amount of the adjustment made in 2012.

Operating, Maintenance and Administrative ("OM&A") Expenses

6. Ref: Exhibit 4/ Tab 2/ Schedule 1/ Appendix 2-E – Summary of OM&A Expenses

Please identify the inflation rate used for 2011 and 2012 OM&A forecast and the source document for the inflation assumptions.

7. Ref: Exhibit 4/ Tab 2/ Schedule 1/ Page 3/ Appendix 2-G – OM&A Cost Driver Table

In the above reference, Hydro 2000 provides its OM&A cost driver table for the period from 2008 to 2012. However, the closing balance for each year does not match the balances provided in Exhibit 4/ Tab 2/ Schedule 1/ Appendix 2-E. Please reconcile the difference or provide a revised Appendix 2-G.

8. Ref: Exhibit 4/ Tab 2/ Schedule 1/ Page 2/ Appendix 2-F – Detailed OM&A Expense Table

a) In the above reference, the Customer Billing cost (account 5315) is shown as increasing from $81,079 in 2008 to $115,734 in 2012, an increase over 42%. Most of this increase occurs in the 2010/2011 period. Please explain the reasons for these increases.
b) In the above reference, the Bad Debt Expense (account 5335) is shown as increasing from $8,391 in 2008 to $12,000 in 2012, an increase over 43%. Most of this increase occurs in the 2010/2011 period. Please explain the reasons for these increases.

9. Ref: Exhibit 4/ Tab 2/ Schedule 1/ Page 4/ Appendix 2-H – Regulatory Cost Schedule

In the above reference, Hydro 2000 provides its Regulatory cost schedule for the Test year.

a) The Test year amount for Consultants' costs for regulatory matters is $50,000. Please confirm whether this amount consists of two amortized amounts of $35,000, related to the rate application, and $15,000, related to the transition to IFRS.
b) If the answer to (a) is affirmative, please confirm whether the amortized amount of $35,000, related to the rate application has included intervenor costs.
c) The Test year amount for Operating expenses associated with other resources allocated to regulatory matters is $30,000. The Bridge year amount for this same item is $17,000.
    i. Please provide the details of the costs consists of.
    ii. Please explain the reason(s) for this significant increase from the Bridge year to Test year.

10. Ref: Exhibit 4/ Page 31 - Low Income Energy Assistance Program (LEAP)

Please state whether or not Hydro 2000 has included an amount in its 2012 Test year revenue requirement for any legacy program(s), such as Winter Warmth. If so, please identify the amount and provide a breakdown identifying the cost of each program along with a description of each program.

11. Ref: Exhibit 4/ Page 50 – 51 - Ontario Municipal Employees Retirement System Pension Expense

OMERS has announced a three-year contribution rate increase for its members and employers for the years 2011, 2012, and 2013. Please state whether or not Hydro 2000's proposed pension costs include this increase. If so, please provide the forecasted increase by years and the documentation to support the increases. If not, please state how Hydro 2000 proposes to deal with this increase.

12. Ref: Exhibit 4/ Tab 7/ Schedule 1 – Depreciation Expense

On page 5 of the above reference, the amount for 2012 depreciation expense is $76,702.32. However, in reference to Exhibit 2/ Tab 3/ Schedule 3/ Page 1, the annual amortization expense for 2012 is $566,346. Please reconcile these two numbers and the differences found in 2008, 2009, 2010 and 2011.

Green Energy Plan

13. Ref: Exhibit 4/ Tab 2/ Schedule 5;
Filing Requirements: Distribution System Plans – Filing under Deemed Condition of Licence, issued March 25, 2010 [EB-2009-0397], Part II, p.5 "Requirement to file GEA Plan";
Filing Requirements, Part V, Section 2, p.11-12 "Planned development of the system to accommodate renewable generation connection"

At reference Exhibit 4/ Tab 2/ Schedule 5, Hydro 2000 states that:

> Having reviewed the Basic Green Energy Plans currently before the Board, Hydro 2000 has taken the approach that it needs to gain knowledge, experience and expertise before it can invest in the necessary resources to complete such a Plan. Hydro 2000 also seeks to gain efficiencies in working with its cohorts and minimizing its costs by earning from other applications.

The Filing Requirements, Part II, page 5 allows the Board to “require the preparation and filing of a GEA Plan from a distributor at a time other than the time set out in [the] Filing Requirements, or may exempt a distributor from the requirement to file a GEA Plan.”

The Filing Requirements, Part V, section 2, p.11-12 state in part that:

> Where a distributor is aware that no applications from renewable generators have been received by the OPA through the FIT program for connection within the distributor’s service area, and the distributor has not received requests for microFIT connection, the description of the planned development of the system may consist of the following, in lieu of the information referred to above:
>
> - A statement regarding the lack of FIT applications and microFIT connection requests; and
> - The letter of comment from the OPA.

a) Has Hydro 2000 received any applications from renewable generators to connect to its system?

b) If the answer to (a) is no, please outline the reasons why Hydro 2000 chose not to file a statement regarding the lack of FIT applications and the OPA letter of comment?

c) If the answer to (a) is yes, please explain why Hydro 2000 is seeking an exemption instead of asking for a delay to file its Plan as permitted by the Filing Requirements.

d) If Hydro 2000 is still seeking an exemption then please provide the Board with evidence supporting this request, namely information pertaining to:
   - Future foreseeable connections over the 5 year horizon; and,
   - Hydro 2000’s technical ability to accommodate any renewable connection request over the 5 years.

Cost of Capital and Rate of Return

14. Ref: Exhibit 5/ Tab 1/ Schedule 2 – Cost of Capital parameters

In the above reference, Hydro 2000 states: “The proposed cost rates for cost of capital in 2012 are presented on the last page of Exhibit 5, Tab 1, Schedule 2, Attachment 1. The rates shown for short-term debt and return on equity are those set out in the Board’s letter of March 3, 2011, *Cost of Capital Parameter Updates for 2011 Cost of Service Application*. “

a) Please confirm whether Hydro 2000 will update the ROE and short term debt rate based on the new parameters for 2012 for May 1 rates.

b) Please also confirm whether the updated deemed Long term debt rate will be used based on the new parameters for 2012 for May 1 rates.

Cost Allocation

15. Ref: Exhibit 7/ Tab 1/ Schedule 1 – Cost Allocation Model

In reference to page 26 of the Board Report *Review of Electricity Distribution Cost Allocation Policy* (EB-2010-0219) dated March 31, 2011, the Board states that “the Board is of the view that default weighting factors should be utilized only in exceptional circumstances. …Default values and the basis on which they were derived will be included in the documentation; however, any distributor that proposes to use those default values will be required to demonstrate that they are appropriate given their specific circumstances.”

Hydro 2000 is following the Board’s requirement and provides its own weighting factors for Services (account 1855) and for Billing and Collecting in worksheet I5.2. The change in weighting factors appears to have had a sizable effect on the class revenue requirements and revenue to cost ratios produced by the cost allocation model.

a) Please describe the basis for the weighting factors used by Hydro 2000 in worksheet I5.2.

b) In order to understand the impact of Hydro 2000’s weighting factors, please provide the worksheet O1 for an alternative run of the 2012 model in which the weighting factors are based on default values:

	Residential	GS<50	GS>50	Streetlight	USL
Services	1	2	10	1	1
Billing and Collecting	1	2	7	1	5

Rate Design

16. Ref: Exhibit 8/ Tab 3/ Schedule 4/ Attachment 1 – Low Voltage

a) Table 8.3.4 listed the 2012 proposed total Low Voltage cost as $100,429. Please provide the details of how this proposed amount is determined.

b) Please provide the actual Low Voltage costs for 2008, 2009 and 2010.

17. Ref: Exhibit 8/ Tab 3/ Schedule 5/ Attachment 1/ Page 1 and Table C1 – Loss Factors

a) Board Staff notes that Hydro 2000's actual distribution loss factor (DLF), i.e. the loss factor in Hydro 2000's system (line G in Table C1) has increased from 1.0304 to 1.0535 over a one year period from 2009 to 2010. Please provide an explanation for this increase.

b) Please describe any steps that are contemplated to decrease the DLF during the Test year (2012) and/or during a longer planning period.

18. Ref: Exhibit 8/ Tab 4/ Schedule 2 – Bill Impacts

Please reconcile and explain the difference of the bill impacts as stated in the following table.

Reference	Residential	GS < 50 kW
Exh.8/T4/S2/table H4 – Bill Impact summary	7.2%	3.9%
Exh.7/T2/S1/p.1 /Table 1	7.00%	3.80%
Exh.1/T2/S3 – RRWF Bill Impact	9.26%	5.99%

LRAM / SSM

19. Ref: Exhibit 9/ Tab 3 – 2006-2012 LRAM Report, Sept. 28, 2011

Elenchus notes that the sum of all LRAM calculations is $13,512.26 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 Hydro 2000 has not collected any LRAM amounts it has requested in this application in past LRAM applications.

b) Please confirm that Hydro 2000 used final 2010 program evaluation results from the OPA to calculate its LRAM amount.

c) If Hydro 2000 did not use final 2010 program evaluation results from the OPA, please explain why and update the LRAM amount accordingly.

d) Please confirm when Hydro 2000's last load forecast was approved by the Board.

e) Please identify the CDM savings that were included in Hydro 2000's last Board approved load forecast for CDM programs deployed from 2006 to 2010 inclusive.

f) Please provide an updated table with an LRAM amount exclusive of any persisting CDM savings that take place after Hydro 2000's last Board-approved load forecast.

Smart Meters

20. Ref: Exhibit 9 /Tab 3/ Schedule 2 & 3 – Smart Meter Costs

a) Please confirm whether Hydro 2000 is using the smart meter disposition rate rider ("SMDR") to recover the residual revenue requirement that is made up of smart meter costs up to the time of disposition, less amounts collected through the smart meter funding adder and associated interest. If not, please explain why.

b) In reference to Exhibit 9/ Tab 3/ Schedule 2/ page 1, it states: "Hydro 2000 is applying for the transfer of its Smart Meter Related Capital expenditures in the amount of $223,059 from account 1555 to the capital asset account 1860-Meters."
   i. Please confirm whether the associated accumulated depreciation of installed smart meters are also added to rate base. If so, please provide the amount.

c) In reference to Exhibit 9/ Tab 3/ Schedule 2/ page 2, it states: "Hydro 2000 is also seeking approval to dispose of the remaining balance in account 1555 which represents revenues collected from the smart meter funding adders from June 6, 2006 to April 12, 2012." Please confirm whether the revenues collected from the smart meter funding adders are disposed through the SMDR. If not, please explain why.

d) In reference to Exhibit 9/ Tab 3/ Schedule 2/ page 2, it states: "Hydro 2000 is also applying for the transfer of its Smart Meter Related OM&A expenditures in the amount of $38,386 from account 1556 to OM&A account 5065-Meter Expense. ……Of the $38,386, $22,472 are consider "one time" costs. Hydro 2000 proposes to recover these costs over a period of 4 years."
   i. Please clarify why the amount of $22,472 is transferred to an OM&A expense account and not recovered by way of the SMDR.

e) In reference to Exhibit 9/ Tab 3/ Schedule 2/ page 2, it states: "Distributors scheduled to file 2012 cost of service application would be expected to apply for the disposition of smart meter costs, subsequent inclusion in rate base, and for recovery of stranded costs, in that application. Hydro will be filing for a prudence review in parallel with this application." Please clarify whether Hydro 2000 is seeking a prudence review of the smart meter costs in this instant application.

f) In reference to Exhibit 9/ Tab 3/ Schedule 3/ page 1, Hydro 2000 includes $20,679 of 2011 expenses related to the MDMR in account 1555.
   i. Please explain the nature of the expenses of $20,679 for MDMR.
   ii. Please also confirm whether or not these expenses are for meter data functions that are the responsibility of the Smart Meter Entity.
   iii. If the expenses are for meter data functions that are the responsibility of the Smart Meter Entity, please provide the reasons for why these expenses are recoverable pursuant to O.Reg.426/06.

g) Please provide average total capital costs per installed meter and average total OM&A costs per installed meter.

21. Ref: Exhibit 9 /Tab 3/ Schedule 3 – Smart Meter Model

Please rerun and submit the attached Board Smart Meter Model which adjusts for the following two matters:

a) Corrects for compounded interest on funding adder revenues, and
b) Adds simple interest expense on the opening monthly balance for OM&A and amortization expenses.

Miscellaneous

22. Ref: Harmonized Sales Tax (HST)

The PST and GST were harmonized effective July 1, 2010. Historically, unlike the GST, the PST was included as an OM&A expense and was also included in capital expenditures. Due to the harmonization of the PST and GST, regulated utilities may benefit from a reduction in OM&A expenses and capital expenditures on an actual basis.

a) Please state whether or not the applicant has adjusted its Test Year revenue requirement to account for reductions to OM&A expense and capital expenditures that the applicant realized due to the implementation of the HST effective July 1, 2010. If yes, please identify separately the amounts of commodity tax savings for OM&A and capital and provide an explanation of how each of those amounts was derived. If no, please identify the amounts in OM&A expense and capital expenditures for the Test Year that were previously subject to PST and are now subject to HST.
b) The Board's decision on the applicant's 2010 IRM application established a deferral account and directed the applicant to record the incremental input tax credits it receives on distribution revenue requirement items that were previously subject to PST and which become subject to HST. Tracking of these amounts would continue in the deferral account until the

effective date of the applicant's next cost of service rate order. Has Hydro 2000 recorded any HST Input Tax Credits or other HST related items in PILs account 1592? If yes, please describe what has been recorded and provide supporting evidence showing how the tracking was done. If not, please explain why not.

23. Ref: Revenue Requirement Work Form (RRWF)

a) Based on the responses to the interrogatories from all parties, please submit a Microsoft Excel file containing an updated RRWF that represents any changes the applicant wishes to make to the amounts in the previous version of the RRWF included in the middle column.
b) Please provide a list of all changes made to Hydro 2000's original application (by exhibit), including an updated derivation of its revenue requirement, PILs calculation, base rates, rate adders/riders, and bill impacts.

Deferral and Variance Accounts

24. Ref: Exhibit 9 – General

Has Hydro 2000 made any adjustments to deferral and variance account balances that were previously approved by the Board, subsequent to the balance sheet date that was cleared in the most recent rates proceeding? If yes, please provide explanations for the nature and amounts of the adjustments and include supporting documentation.

25. Ref: Exhibit 9 / Schedule 1 - 2 – Special Purpose Charges

According to the Board letter of April 23, 2010 on the Special Purpose Charge: "In accordance with section 9 of the SPC Regulation, recovery of your SPC assessment is to be spread over a one-year period, starting from the date on which you begin billing to recover your assessment. The request for disposition of the balance in "Sub-account 2010 SPC Variance" and "Sub-account 2010 SPC Assessment Carrying Charges" should be made after that one-year period has come to an end, and all bills that include amounts on account of that assessment have come due for payment."

a) Please confirm Hydro 2000's SPC assessment amount and provide a copy of the original SPC invoice.
b) Please complete the following table related to the SPC.

SPC Assessment (Principal Balance)	Amount recovered from customers in 2010	Carrying Charges for 2010	Dec. 31, 2010 Year End Principal Balance	Dec. 31, 2010 Year End Carrying Charges Balance	Amount Recovered from Customers in 2011	Carrying Charges for 2011	Forecasted December 31, 2011 Year End Principal Balance	Forecasted December 31, 2011 Year End Carrying Charges Balance	Total for Disposition (Principal & Interest)

26. Ref: Exhibit 9 / Schedule 1 - 2 – Cost of Power

In regards to account 1588 RSVA Power and 1588 RSVA Sub-account Global Adjustment:

a) Please provide a breakdown of energy sales and cost of power expense, as reported in the audited financial statements, by Uniform System of Accounts (USoA) account number.
b) Please reconcile these numbers to the audited financial statements.
c) If there is a difference between the energy sales and cost of power expense reported numbers, please explain why Hydro 2000 is making a profit or loss on the commodity.
d) Does Hydro 2000 pro-rate IESO Charge Type 146 Global Adjustment into the RPP portion and non-RPP portion? If not, why not? If so, please provide the supporting spreadsheet for the year 2010 which prorates the IESO Charge Type 146 Global Adjustment into RPP and non-RPP portions.
e) Is the RPP portion included in the 4705 control account and then incorporated into the variance reported in the 1588 control account? If not, why not? If so, please provide journal entries for the month of December 2010 to record the RPP portion of global adjustment in Account 4705 control account and incorporated into the variance reported in Account 1588 control account.
f) Is the non-RPP portion included in Account 4705 sub-account Global Adjustment and then incorporated into the variance reported in Account 1588 sub-account Global Adjustment? If not, why not? If so, please provide journal entries for the month of December 2010 to record the non-RPP portion of global adjustment in Account 4705 sub-account Global Adjustment and incorporated into variance reported in Account 1588 sub-account Global Adjustment.
g) If any of part “d”, “e”, or “f” above is not followed, please make appropriate adjustments and file the updated evidence. Please provide explanations for the changes made by Applicant, if any.

27. Ref: Decision and Order, Hydro 2000 Inc., EB-2009-0229, dated April 12, 2010, page 11-12

The Board decision, in part stated the following:

> The Board will approve the disposition of the December 31, 2008 balances and projected interest to April 30, 2010 as reported by Hydro 2000 but not on a final basis. Any adjustments to the 2008 Group 1 account balances shall be brought forward to the Board in Hydro 2000's next rate proceeding.

Hydro 2000 did not bring forward to the Board in its EB-2010-0089 proceeding any adjustments to the 2008 Group 1 account balances as per Decision and Order EB-2009-0229. In addition, Hydro 2000 did not apply to the Board to dispose of the December 2008 balances on a final basis in its IRM proceeding EB-2010-0089.

Please file any adjustments to the 2008 Group 1 account balances that were disposed on an interim basis in EB-2009-0229, as directed by the Board in that Decision and Order.

28. Ref: Exhibit 9 / Tab 2/ Schedule 2, Table 9.2.21 Global Adjustment Rate Rider and Table 9.2.2.2 Group 1 and Group 2 Rate Rider

a) Hydro 2000 has calculated the Global adjustment rate rider for recovery over a one year period, but the remaining deferral and variance account credit balances are to be refunded to the customers over 2 years. Please provide the rationale for not proposing the rate riders for a consistent term.
b) Please provide calculations for the recovery of Global adjustment over 2 years.

29. Ref: Exhibit 4 / Tab 1/ Schedule 4/ Page 2, line 6-7

Hydro 2000 has indicated that its deferral and variance accounts were reviewed and restated for Global adjustment. Also, that the RRR filings were revised accordingly.

a) Were any other accounts besides Global Adjustment restated? If so, then please provide the account numbers.
b) Please provide the following information for each account that was restated:
    i) Account number, dollar impact, year that was impacted and restated
    ii) Have any of the impacted and restated accounts been previously disposed on final basis by the Board? If so, then

please provide the account number, dollar impact and the year impacted.

c) Please file a copy of the Deloitte and Touche report.

30. Ref: Exhibit 9 / Tab 2/ Schedule 1/ Attachment 1, page 1

In its application, Hydro 2000 stated,

> The only account that is being excluded from the proposed disposition is account 1592.

Why is Hydro 2000 not proposing disposition of account 1592?

31. Ref: Exhibit 9/ Tab 2/ Schedule 3 – Account 1562

The Board accepted the settlement in the combined PILs proceeding that regulatory assets and liabilities should be excluded in the determination of the balance in account 1562.[1] In order to comply with this direction, Applicants must use SIMPIL[2] model sheet TAXREC3 to record tax items that should not true up to ratepayers.

In the 2002 SIMPIL model in sheet TAXREC cell C65 $18,353 has been entered. From the 2002 tax return schedule T2S1 this amount is described as "Amortissement frais de transition" which in English means transition costs.

In the 2003 SIMPIL model in sheet TAXREC cell C65 $22,530 has been entered. From the 2003 tax return schedule T2S1 this amount is described as "Amortissement frais de transition" which in English means transition costs.

Please explain why these regulatory asset amounts were not entered on SIMPIL sheet TAXREC3 to avoid the true-up to ratepayers consistent with the decision in the combined proceeding.

Modified International Financial Reporting Standards

32. Ref: Exhibit 1/ Tab 2/ Schedule 3;
Exhibit 1/ Tab 3/ Schedule 1 – Attachment 3 (of 3): 2010 Audited Statements with 2009 comparative information;
Exhibit 4/ Tab 2/ Schedule 2/ page 2

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[1] EB-2008-0381, Decision and Order, June 24, 2011, Settlement Agreement, Issue #4, page 8.

[2] Spreadsheet implementation model for payments-in-lieu of taxes

On page 6 of its 2010 Audited Statements and under note section 2, Future accounting changes - New accounting framework, Hydro 2000 stated the following:

> The Corporation, a qualifying entity with rate-regulated activities, selected the option proposed by the Canadian Accounting Standards Board **to defer its adoption of International Financial Reporting Standards for the first time until its period beginning on January 1, 2012.** The impact of this transition has not yet been determined [emphasis added].

In reference to Exhibit 4/ Tab 2/ Schedule 2/ Page 2, Hydro 2000 stated the following:

> While many other utilities have been collecting IFRS funds for 1-2 years, Hydro 2000 has not. Moreover, unlike other larger utilities, Hydro 2000 does not have qualified internal resources that can undertake such a project. The utility currently uses the accounting firm of Deloitte and Touche to perform its accounting function. The utility believes that its distribution revenues at current rates did not permit them to hire external consultants to convert from CGAAP to IFRS.
>
> Hydro 2000 has consulted with its auditor, financial system support and similarly-situated utilities in arriving at an estimated one-time incremental cost of $60,000 to complete the transition to IFRS. One quarter of the total cost ($15,000) has been included in the Test year projections for account '5630-Outside Services Employed', to enable full recovery over four years.

a) Does Hydro 2000 currently use the accounting firm of Deloitte and Touche to perform both its regulatory and non-regulatory accounting functions?
b) If Deloitte and Touche provides day-to-day accounting function services to Hydro 2000, please provide the cost of this function for the historical year 2010, the bridge year 2011, and the Test year 2012.
c) Please confirm if Hydro 2000 did not file its 2012 rebasing application under MIFRS because of a lack of adequate financial resources.
d) Please confirm that $60,000 is the one-time cost to complete Hydro 2000's transition to IFRS.
e) As per its note of 2010 audited financial statements, please confirm that Hydro 2000 will adopt IFRS as of January 1, 2012.
f) Is Hydro 2000 planning to prepare its 2012 audited financial statements under IFRS and its 2011 financial information under IFRS for comparative purposes?
g) Please provide details regarding Hydro 2000's transition plan to MIFRS.