

**Grimsby Power Inc.
2013 IRM Rate Application
Board Staff Interrogatories**

**1. Ref: 2012 IRM3 Tax Savings Work Form, page 5
Ref: Revenue Requirement Work Form EB-2011-0273**

Board Staff notes some discrepancies in the tax rates entered into the 2013 Tax Savings Work form.

- a) Please confirm that GPI's 2012 rates were set on the basis of a 11.54% tax rate.
- b) Please provide an explanation of the 2012 tax rate of 15.50% entered in the tax savings work form with the 2012 approved rate being 11.54%. If this is an error Board Staff will update your work form.



The image shows the cover of the Ontario Energy Board Revenue Requirement Work Form, Version 2.20. It features a header with the Ontario Energy Board logo and title. Below the header, there are two photographs: one of a power transmission tower against a sunset sky, and another of industrial piping. The bottom section of the cover is a dark blue banner with the text "Grimsby Power Inc. Taxes/PILs" in white.

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$626,032	\$628,191	\$627,044
2	Adjustments required to arrive at taxable utility income	(\$286,400)	(\$339,567)	(\$336,567)
3	Taxable income	\$339,632	\$288,625	\$290,478
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	\$52,643	\$33,234	\$33,524
6	Total taxes	\$52,643	\$33,234	\$33,524
7	Gross-up of Income Taxes	\$9,656	\$4,325	\$4,374
8	Grossed-up Income Taxes	\$62,299	\$37,558	\$37,898
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$62,299	\$37,558	\$37,898
10	Other tax Credits	\$ -	\$ -	\$ -
<u>Tax Rates</u>				
11	Federal tax (%)	11.00%	11.00%	11.00%
12	Provincial tax (%)	4.50%	0.51%	0.54%
13	Total tax rate (%)	15.50%	11.51%	11.54%

2. Ref: 2012 IRM3 RTSR Work form, page 4

Please confirm that the amounts entered into the columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” have not been adjusted by GPI’s Board-approved loss factor.



In the green shaded cells, enter the most recent reported RRR billing determinants. Please ensure that billing determinants are non-loss adjusted.

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	92,957,574		1.0526		97,847,142	-
General Service Less Than 50 kW	kWh	18,152,180		1.0526		19,106,985	-
General Service 50 to 4,999 kW	kW	18,976,513	57,183		45.48%	18,976,513	57,183
General Service 50 to 4,999 kW – Interval Metered	kW	50,717,673	123,211		56.42%	50,717,673	123,211
Street Lighting	kW	1,591,659	4,411		49.46%	1,591,659	4,411
Unmetered Scattered Load	kWh	387,435		1.0526		407,814	-