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**BY E-MAIL**

December 5, 2012

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

Dear Ms. Walli:

**Re: Cambridge and North Dumfries Hydro Inc.  
2013 IRM Distribution Rate Application  
Board Staff Interrogatories  
Board File No. EB-2012-0111**

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

In addition please advise Cambridge and North Dumfries Hydro Inc. that responses to interrogatories are due by January 14, 2013.

Yours truly,

*Original Signed By*

Suresh Advani

Encl.

**Cambridge and North Dumfries Hydro Inc.  
2013 Electricity Distribution Rates  
EB-2012-0111  
Board Staff Interrogatories**

**1. Regulatory Component**

Ref: Rate Generator Model

A portion of Sheet “4. Current Tariff Schedule” from the Rate Generator Model is reproduced below.

**Embedded Distributor Service Classification**

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge - effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge - effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Board staff notes that the Regulatory Component of Monthly Rates and Charges, i.e. Wholesale Market Service Rate, Rural Rate Protection Charge and Standard Supply Service Administrative Charge do not apply to the Embedded Distributor Service Classification. Board staff further notes that this is reflected in Cambridge and North Dumfries Hydro’s (“CND”) current tariff<sup>1</sup>.

If the charges provided in the Rate Generator Model is an error, Board staff will make the relevant correction.

<sup>1</sup>

[http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/359979/view/final\\_rate\\_or\\_der\\_CambridgeNorthDumfries\\_20120823.PDF](http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/359979/view/final_rate_or_der_CambridgeNorthDumfries_20120823.PDF)

## 2. Rate Riders for Deferral/Variance Account Disposition (2013) and Global Adjustment Sub-Account Disposition (2013)

Ref: Rate Generator Model

A portion of Sheet “11. Proposed Rates” from the Rate Generator Model is reproduced below.

Rate Rider for Deferral/Variance Account Disposition (2013) - effective until May 01, 2014

Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until May 01, 2014

A portion of Sheet “13. Final Tariff Schedule” from the Rate Generator Model is reproduced below.

Rate Rider for Deferral/Variance Account Disposition (2013) - effective until May 01, 2014

Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until May 01, 2014

A portion of Sheet “8. Calculation of Def-Var RR” from the Rate Generator Model is reproduced below.

Please indicate the Rate Rider Recovery Period (in years)

1

Board staff notes that the “Effective until” date for the “Rate Rider for Deferral/Variance Account Disposition (2013)” and “Rate Rider for Global Adjustment Sub-Account Disposition (2013)” for all rate classifications is shown as May 01, 2014.

Board staff further notes that a disposition period of one year effective from May 1, 2013 will be effective until April 30, 2014.

- a. If the input into the Rate Generator model is an error, Board staff will make the necessary corrections.

### 3. Group 1 Accounts

Ref: Rate Generator Model

A portion of Sheet “5. 2013 Continuity Schedule” from the Rate Generator Model is reproduced below.

DP1	DP2	BO	BP	BQ	BS	BT	BU	BV	BW	BX	BZ	BC	CA	CB	CC	CD	CE	CF	
2011												2012				Projected Interest on Dec-31-11 Balances			
Opening Principal Amounts as of Dec 31/11	Transactions (Credit) during 2011 excluding interest and adjustments *	Board Approved Disposition during 2011	Other * Adjustments during Q1 2011	Other * Adjustments during Q2 2011	Other * Adjustments during Q3 2011	Other * Adjustments during Q4 2011	Closing Principal Balance as of Dec-31-11	Opening Interest Amount as of Jan-1-12	Interest Jan 1 to Dec-31-11	Board Approved Disposition during 2011	Adjustments during 2011 - other *	Closing Interest Amounts as of Dec-31-11	Principal Disposition during 2012 - instructed by Board	Interest Disposition during 2012 - instructed by Board	Closing Principal Balances as of Dec 31-11 Adjusted for Dispositions	Closing Interest Balances as of Dec 31-11 Adjusted for Dispositions	Projected Interest from Jan 1, 2012 to December 31, 2012 on Dec 31-11 balance adjusted for disposition during 2012 *	Projected Interest from January 1, 2013 to April 30, 2013 on Dec 31-11 balance adjusted for disposition during 2012 *	Total Claims
42,050	87,200						127,856	14,540	1,322						127,856	12,296	1,863		128,819
(2,295,043)	(740,010)						(2,761,867)	33,536	(46,722)						(2,761,867)	(13,939)	(46,820)		(2,857,479)
1,381,050	1,330,362						2,462,040	15,544	29,789						2,462,040	45,342	26,132		2,543,575
106,400	570,436						675,264	23,340	1,363						675,264	30,703	9,337		716,624
(241,910)	100,894						(141,016)	46,362	(3,799)						(141,016)	42,563	(2,073)		(100,526)
(476,254)	3,954,564						3,076,310	(36,535)	50,187						3,076,310	19,648	45,222		3,141,180
0							0	0							0	0			0
0							0	0							0	0			0
0							0	0							0	0			0
(1,977,019)	4,613,876	0	0	0	0	0	3,436,805	89,637	32,900	0	0	121,857	0	0	3,436,805	121,857	50,521	0	3,609,183
(690,757)	1,059,252	0	0	0	0	0	360,495	120,236	(10,071)	0	0	102,209	0	0	360,495	102,209	5,239	0	468,003
(476,254)	3,954,564	0	0	0	0	0	3,076,310	(36,535)	50,187	0	0	19,648	0	0	3,076,310	19,648	45,222	0	3,141,180
76,207							76,207	229,222	1,120	0	0	230,342	76,207	230,795	0	1779	373	0	0
(1,930,846)	4,613,876	0	0	0	0	0	3,513,032	378,939	33,280	0	0	362,159	76,207	230,795	3,436,805	121,634	50,894	0	3,609,183
179,665	(260,930)						(81,277)	1,346	(206)			1,140	(81,270)	739	0	401	(400)	0	0
0							0	0				0			0	0			0
(101,159)	4,362,880	0	0	0	0	0	3,431,741	320,285	33,074	0	0	363,339	(1,063)	271,454	3,436,804	121,889	50,494	0	3,609,183

Board staff notes that on page 8 of CND’s 2011 IRM Decision (EB-2010-0068)<sup>2</sup>, the Board directed the disposition of December 31, 2009 Group 1 account balances plus projected carrying charges to April 30, 2011. Board staff further notes that columns BO and BW, i.e. “Board Approved Disposition during 2011” related respectively to principal and interest in the continuity schedule do not reflect the Board’s decision.

- Please explain this discrepancy and update the evidence where required.

<sup>2</sup> [http://www.ontarioenergyboard.ca/OEB/ Documents/2011EDR/dec\\_order\\_Cambridge-NorthDumfries\\_20110328.pdf](http://www.ontarioenergyboard.ca/OEB/ Documents/2011EDR/dec_order_Cambridge-NorthDumfries_20110328.pdf)

#### 4. Non-Loss Adjusted Metered Billed kWh and kW

Ref: RTSR Model

A portion of Sheet “4. RRR Data” from the RTSR Model is reproduced below.

Page 1

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	401,509,896		1.0286		412,993,079	-
General Service Less Than 50 kW	kWh	166,898,747		1.0286		171,672,051	-
General Service 50 to 999 kW	kW	462,251,411	1,363,932		46.45%	462,251,411	1,363,932
General Service 1,000 to 4,999 kW	kW	264,299,008	594,349		60.95%	264,299,008	594,349
Large Use	kW	193,617,710	429,511		61.79%	193,617,710	429,511
Unmetered Scattered Load	kWh	2,001,390		1.0286		2,058,630	
Street Lighting	kW	10,011,985	28,184		48.69%	10,011,985	28,184
Embedded Distributor	kW		92,217		0.00%	-	92,217

- a. 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 CND’s Board-approved loss factor.

Board staff notes that “Non-Loss Adjusted Metered kWh” provided for the Street Lighting rate class is 10,011,985 kWh. Board staff further notes that the value reported by CND in the RRR 2.1.5 is 10,044,985 kWh.

- b. If the input into the RTSR model is an error, Board staff will make the necessary correction.