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Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Kirsten Walli
Board Secretary

**Re: Haldimand County Hydro Inc.
2013 IRM3 Electricity Distribution Rate Application (EB-2012-0129)
Responses to Interrogatories**

Dear Ms. Walli:

Haldimand County Hydro Inc. filed an application with the Ontario Energy Board (the "Board") on November 12, 2012 seeking approval for changes to distribution rates and other charges to be effective May 1, 2013.

Pursuant to the *Notice of Application and Hearing for an Electricity Distribution Rate Change*, issued November 19, 2012, Board Staff filed interrogatories on December 14, 2012. Haldimand County Hydro was required to file responses by January 16, 2013.

Two hard copies of Haldimand County Hydro's complete responses to all interrogatories are now enclosed. An electronic copy in PDF format was submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

In addition, an electronic copy in PDF format was forwarded via email to Vulnerable Energy Consumers Coalition, the only intervenor of record in this rate application proceeding EB-2012-0129.

These responses to interrogatories are respectfully submitted for the Board's consideration.

Yours truly,
HALDIMAND COUNTY HYDRO INC.

Original signed by

Jacqueline A. Scott
Finance Manager

**Haldimand County Hydro Inc.
2013 Electricity Distribution Rates
EB-2012-0129
Board Staff
Interrogatory Responses**

RTSR Workform

Interrogatory #1

Ref: RTSR Workform_Excludes HONI, Tab 4 – “RRR Data”

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	171,241,285		1.0680		182,885,692	-
General Service Less Than 50 kW	kWh	57,101,452		1.0680		60,984,351	-
General Service 50 to 4,999 kW	kW	29,326,720	95,668		42.02%	29,326,720	95,668
General Service 50 to 4,999 kW – Interval Metered	kW	89,216,393	237,050		51.58%	89,216,393	237,050
Unmetered Scattered Load	kWh	406,515		1.0680		434,158	-
Sentinel Lighting	kW	385,924	1,069		49.48%	385,924	1,069
Street Lighting	kW	2,281,811	6,646		47.06%	2,281,811	6,646

(A) Please confirm if the data entered in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is in fact not adjusted by HCHI’s Board approved loss factor.

Response

Haldimand County Hydro Inc. (“HCHI”) confirms that the data entered in the model “Haldimand 2013 RTSR MODEL V3 Excludes HONI 20121109” in tab “4. RRR Data” in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is not adjusted by HCHI’s Board approved loss factor.

Interrogatory #2

Ref: RTSR Workform_HONI, Tab 4 – “RRR Data”

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Embedded Distributor	kW	74,192,250	264,787	1.0305	38.40%	76,455,114	272,863

(A) Please confirm if the data entered in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is in fact not adjusted by HCHI’s Board-approved loss factor for its Embedded Distributor – Hydro One Networks Inc. rate class.

Response

HCHI confirms that the data entered in the model “Haldimand 2013 RTSR MODEL V3 HONI 20121109” in tab “4. RRR Data” in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is not adjusted by HCHI’s Board approved loss factor for its Embedded Distributor – Hydro One Networks Inc. rate class.

Rate Generator Model

Interrogatory #3

Ref: Rate Generator Model_Excludes HONI, Tab 4 – “Current Tariff Schedule”

Board staff notes that for the Unmetered Scattered Load, Sentinel Lighting and Street Lighting rate classes, HCHI has not selected the line item “Service Charge” to be on a per connection basis as currently found on HCHI’s current Tariff of Rates and Charges.

- (A) If HCHI agrees that the service charge for the above rate classes should be on a per connection basis, please confirm, and Board staff will make the necessary corrections to the model.

Response

HCHI agrees that the service charge for the Unmetered Scattered Load, Sentinel Lighting, and Street Lighting rate classes should be on a “per connection” basis as found on HCHI’s current Tariff of Rates and Charges effective November 1, 2012.

HCHI requests that Board staff make the necessary corrections to the model “Haldimand 2013 IRM Rate Generator V2.3 Excludes HONI 20121109” on tab “4. Current Tariff Schedule”.

- (B) If the answer to (A) is no, please provide an explanation.

Interrogatory #4

Ref: Rate Generator Model_Excludes HONI and Rate Generator Model_HONI, Tab 5 – “2013 Continuity Schedule”

Board staff notes that column BZ – “Principal Disposition during 2012 – instructed by Board” and column CA – “Interest Disposition during 2012 – instructed by Board” in HCHI’s continuity schedules do not reconcile to the figures approved for disposition in HCHI’s previous IRM Board decision.

Board staff notes that the Board approved amounts for disposition in HCHI’s previous IRM decision (EB-2011-0170) were as follows:

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-\$79,821	-\$2,531	-\$82,352
RSVA - Wholesale Market Service Charge	1580	-\$608,186	-\$15,423	-\$623,609
RSVA - Retail Transmission Network Charge	1584	\$54,135	\$2,559	\$56,694
RSVA - Retail Transmission Connection Charge	1586	-\$191,378	-\$2,984	-\$194,362
RSVA - Power (excluding Global Adjustment)	1588	-\$4,531	-\$1,506	-\$6,037
RSVA - Power – Global Adjustment Sub-Account	1588	-\$492,148	-\$14,474	-\$506,622
Recovery of Regulatory Asset Balances	1590	0	0	0
Disposition and Recovery of Regulatory Balances (2008)	1595	0	0	0
Disposition and Recovery of Regulatory Balances (2009)	1595	0	0	0
Group 1 Total		-\$1,321,929	-\$34,359	-\$1,356,288

- (A) If HCHI agrees, please confirm, and re-file the Rate Generator models with the figures approved for disposition, noted in the table above.

Response

HCHI requires that Board staff review (i.e. combine) both Rate Generator models, (i) “Haldimand 2013 IRM Rate Generator V2.3 Excludes HONI 20121109”; and (ii) “Haldimand 2013 IRM Rate Generator V2.3 HONI 20121109” when comparing columns BZ – “Principal Disposition during 2012 – instructed by Board” and columns CA – “Interest Disposition during 2012 – instructed by Board” to the Board approved amounts for disposition in HCHI’s IRM Rate Application Decision and Order issued April 4, 2012 for rates effective May 1, 2012 (EB-2011-0170).

HCHI has combined columns BZ and CA from tab “5. 2013 Continuity Schedule” of each Rate Generator model in Table 1 below.

Table 1 – Group 1 DVA Balances Approved for Disposition in 2012

		All Rate Classes Excluding Embedded Distributor			Embedded Distributor - Hydro One Networks Inc.			TOTAL All Rate Classes		
		Principal Disposition during 2012 - instructed by Board	Interest Disposition during 2012 - instructed by Board	Total Claim	Principal Disposition during 2012 - instructed by Board	Interest Disposition during 2012 - instructed by Board	Total Claim	Principal Disposition during 2012 - instructed by Board	Interest Disposition during 2012 - instructed by Board	Total Claim
		(Column BZ)	(Column CA)		(Column BZ)	(Column CA)				
Low Voltage	1550	\$ (79,821)	\$ (2,530)	\$ (82,351)	\$ -	\$ -	\$ -	\$ (79,821)	\$ (2,530)	\$ (82,351)
Wholesale Market Service Charge	1580	\$ (516,958)	\$ (13,158)	\$ (530,116)	\$ (91,228)	\$ (2,265)	\$ (93,493)	\$ (608,186)	\$ (15,423)	\$ (623,609)
Retail Transmission Network Charge	1584	\$ (1,814)	\$ 603	\$ (1,211)	\$ 55,949	\$ 1,956	\$ 57,905	\$ 54,135	\$ 2,559	\$ 56,694
Retail Transmission Connection Charge	1586	\$ (214,029)	\$ (4,001)	\$ (218,030)	\$ 22,651	\$ 1,017	\$ 23,668	\$ (191,378)	\$ (2,984)	\$ (194,362)
Power (excluding Global Adjustment)	1588	\$ 62,161	\$ 341	\$ 62,502	\$ (66,692)	\$ (1,847)	\$ (68,539)	\$ (4,531)	\$ (1,506)	\$ (6,037)
Power - Global Adjustment sub-account	1588	\$ (390,707)	\$ (11,830)	\$ (402,537)	\$ (101,441)	\$ (2,644)	\$ (104,085)	\$ (492,148)	\$ (14,474)	\$ (506,622)
Total		\$ (1,141,168)	\$ (30,575)	\$ (1,171,743)	\$ (180,761)	\$ (3,783)	\$ (184,544)	\$ (1,321,929)	\$ (34,358)	\$ (1,356,287)

The total claim for all Rate Classes combined does agree to Board approved amounts for disposition in HCHI’s IRM decision, EB-2011-0170.

(B) If the answer to (A) is no, please confirm, and provide an explanation for the figures entered in columns BZ and CA in both Rate Generator models provided.

Interrogatory #5

Ref: Rate Generator Model_Excludes HONI, Tab 5 – “2013 Continuity Schedule”

Ref: Manager’s Summary, Page 12

Board staff is unable to reconcile column CG in HCHI’s Rate Generator Model to HCHI’s RRR 2.1.7 filings as at December 31, 2011, which were re-submitted on November 9, 2012.

Account	Account Number	RRR 2.1.7 as per Rate Generator Model (col. CG)	RRR 2.1.7 as filed November 9, 2012
LV Variance Account	1550	(113,426)	(113,426)
RSVA - Wholesale Market Service Charge	1580	(1,073,239)	(1,252,070)
RSVA - Retail Transmission Network Charge	1584	(48,836)	(16,004)
RSVA - Retail Transmission Connection Charge	1586	(229,575)	(228,651)
RSVA - Power (excluding Global Adjustment)	1588	(19,194)	(133,612)
RSVA - Power - Sub-account - Global Adjustment	1588	(548,572)	(613,998)
Recovery of Regulatory Asset Balances	1590	-	-
Disposition and Recovery/Refund of Regulatory Balances (2008) ⁵	1595	-	-
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁵	1595	-	-
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁵	1595	(85,204)	-

(A) Please provide an explanation for the differences seen above.

Response

Similar to HCHI’s response to Board staff interrogatory #4, both Rate Generator models, (i) “Haldimand 2013 IRM Rate Generator V2.3 Excludes HONI 20121109”; and (ii) “Haldimand 2013 IRM Rate Generator V2.3 HONI 20121109”, need to be combined in order to reconcile to the revised RRR 2.1.7 filing as at December 31, 2011 submitted November 9, 2012 on the Board’s electronic filing website.

HCHI has combined column CG from tab “5. 2013 Continuity Schedule” of each Rate Generator model in Table 2 below.

Table 2 – Rate Generator DVA Balances Reconciled to RRR 2.1.7

		All Rate Classes Excluding Embedded Distributor	Embedded Distributor - Hydro One Networks Inc.	TOTAL All Rate Classes		
Deferral and Variance Account	Account No.	RRR 2.1.7 as per Rate Generator Model	RRR 2.1.7 as per Rate Generator Model	RRR 2.1.7 as per Rate Generator Model	RRR 2.1.7 as filed November 9, 2012	Difference
		(Column CG)	(Column CG)	(Column CG)		
Low Voltage	1550	\$ (113,426)	\$ -	\$ (113,426)	\$ (113,426)	\$ -
Wholesale Market Service Charge	1580	\$ (1,073,239)	\$ (178,831)	\$ (1,252,070)	\$ (1,252,070)	\$ -
Retail Transmission Network Charge	1584	\$ (48,836)	\$ 32,832	\$ (16,004)	\$ (16,004)	\$ -
Retail Transmission Connection Charge	1586	\$ (229,575)	\$ 923	\$ (228,652)	\$ (228,651)	\$ (1)
Power (excluding Global Adjustment)	1588	\$ (19,194)	\$ (114,418)	\$ (133,612)	\$ (133,612)	\$ -
Power - Global Adjustment sub-account	1588	\$ (548,572)	\$ (65,426)	\$ (613,998)	\$ (613,998)	\$ -
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	\$ (85,204)	\$ -	\$ (85,204)	\$ (85,204)	\$ -
Total		\$ (2,032,842)	\$ (324,920)	\$ (2,357,762)	\$ (2,357,761)	\$ (1)

Note: Account 1595 sub-account – “Disposition and Recovery/Refund of Regulatory Balances (2010)” in the amount of \$(85,204) forms part of the balance of Account 1595 in the amount of \$(345,531) filed on RRR 2.1.7. The instructions in the Rate Generator model on tab “5. 2013 Continuity Schedule” are as follows:

“Include Account 1595 as part of Group 1 accounts (lines 31, 32, and 33) for review and disposition if the recovery (or refund) period has been completed. If the recovery (or refund) period has not been completed, do not include the respective balance in Account 1595 for disposition at this time.”

Line 33 refers to Account 1595 sub-account “Disposition and Recovery/Refund of Regulatory Balances (2010)” for which the recovery (or refund) period has been completed by HCHI for disposition at this time.

The following Table 3 provides the reconciliation between Account 1595 as filed on RRR 2.1.7 and the individual sub-accounts of Account 1595 as filed on RRR 2.1.1 on February 29, 2012 for balances as at December 31, 2011.

Table 3 – Reconciliation of Account 1595 Sub-accounts

Deferral and Variance Account	Account No.	RRR 2.1.1 Deferral / Variance Accounts as at December 31, 2011	RRR 2.1.7 as filed November 9, 2012
		(Column CG)	
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	\$ (85,204)	
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	\$ (224,297)	
Deferral of Tax Sharing Refund (2011) (per Board Decision issued March 28, 2011 for 2011 IRM3 Rate Application EB-2010-0086)	1595	\$ (35,851)	
Total		\$ (345,352)	\$ (345,352)

(B) If changes are required, please confirm the correct RRR 2.1.7 amounts as at December 31, 2011, and re-file the Rate Generator model with the correct information.