ATIKOKAN HYDRO INC.

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May 7, 2013

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

Dear Ms. Walli:

**Re: Board Staff Interrogatories
Atikokan Hydro Inc.
2013 Smart Meter Cost Recovery
Board File No. EB-2013-0019**

Atikokan Hydro Inc. is pleased to submit its responses for Board Staff and VECC Interrogatories regarding EB-2013-0019 Cost of Service study.

The Application includes the following Exhibits
Response Atikokan_EB_2013_0019_BdStaff_IRs_final.pdf

These responses have been filed electronically with the Board today and two (2) paper copies will be delivered to the Board Secretary.

If you require further information please contact me.

Regards,

Wilf Thorburn

**Wilf Thorburn
CEO Secretary/Treasurer
Atikokan Hydro Inc**

Board staff Interrogatories

1-Staff-1 OM&A Expenses

On page 4 of the Application, Atikokan Hydro Inc. (“Atikokan”) states:

> The final audited allowable costs were $173,465. The Board Decision and Order for EB-2011-0293 allowed for 50% of the amount originally claimed, or $112,104 to be recovered in rates. The recovery for this amount was addressed in the final rate order. This application EB-2013-0019, seeks an incremental recovery for the disposition of $61,632 for OM&A costs for smart meters [which is the difference between the Board approved amount [50%] and the results of the Regulatory audit.

Board staff calculates that the difference between the final audited costs and the 50% allowed in the Board’s Decision and Order EB-2011-0293 is $61,362, which would correspond with Table 1 shown on page 4 of the Application.

Please confirm the amount of incremental smart meter-related OM&A that Atikokan is seeking recovery for in this Application.

Response:

Atikokan Hydro confirms that the amount claimed should be $61,362 as per table 4. There was a typo in the text in the application

1-Staff-2 Effective/Implementation Date

On page 6 of the Application, Atikokan states:

> Atikokan Hydro is asking for a June 30, 2013 implementation date for the recovery amounts with a sunset date of August 31, 2015. This will result in a 26 month recovery period for the Incremental Smart Meter Disposition Rider, ending August 31, 2015.

Please confirm that the effective date that Atikokan is seeking in this Application is for July 1, 2013 with a sunset of the SMDR on August 31, 2015.

Response:

Atikokan Hydro confirms that the effective date is July 1, 2013 and the sunset of the SMDR would be August 31, 2015.

1-Staff-3 Bill Impacts

Please provide the following bill impacts based on the proposed SMDRs and SMIRRs and based on Atikokan Hydro's 2013 IRM Decision and Order EB-2012-0105 for rates effective May 1, 2013, in the format shown on Table 6 on page 9 of the Application:

a) Residential, 581 kWh per month consumption;

Consumption **581** **kWh**

		Current Board-Approved			Proposed			Impact	
	Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge		$ 34.1500	1	$ 34.15	$ 34.1500	1	$ 34.15	$ -	0.00%
Smart Meter Rate Adder		$ -	1	$ -		1	$ -	$ -	
Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
Smart Meter Entity	monthly	$ 0.7900	1	$ 0.79	$ 0.7900	1	$ 0.79	$ -	0.00%
Distribution Volumetric Rate		$ 0.0135	581	$ 7.84	$ 0.0135	581	$ 7.84	$ -	0.00%
Low Voltage Rate Adder			581	$ -		581	$ -	$ -	
Volumetric Rate Adder(s)			581	$ -		581	$ -	$ -	
Volumetric Rate Rider(s)			581	$ -		581	$ -	$ -	
Smart Meter Disposition Rider			581	$ -		581	$ -	$ -	
LRAM & SSM Rider			581	$ -		581	$ -	$ -	
GA Deferral/ Variance Account		$ 0.0004	581	$ 0.23	$ 0.0004	581	$ 0.23	$ -	0.00%
non RPP Deferral/Variance Account Disposition Rate Rider		$ 0.0009	581	$ 0.52	$ 0.0009	581	$ 0.52	$ -	0.00%
Smart Meter Cost Rec Rider	monthly	$ 0.4800	1	$ 0.48	$ 0.4800	1	$ 0.48	$ -	0.00%
Stranded Meter Rider	monthly	$ 0.3900	1	$ 0.39	$ 0.3900	1	$ 0.39	$ -	0.00%
Incremental SMDR	monthly			$ -	$ 2.7900	1	$ 2.79	$ 2.79	
Incremental SMIRR	monthly			$ -	$ 1.0600	1	$ 1.06	$ 1.06	
Sub-Total A - Distribution				**$ 44.41**			**$ 48.26**	**$ 3.85**	**8.67%**
RTSR - Network		$ 0.0065	626.222	$ 4.07	$ 0.0065	626.222	$ 4.07	$ -	0.00%

RTSR - Line and Transformation Connection		$ 0.0037	626.222	$ 2.32	$ 0.0037	626.222	$ 2.32	$ -	0.00%
Sub-Total B - Delivery (including Sub-Total A)				**$ 50.80**			**$ 54.65**	**$ 3.85**	**7.58%**
Wholesale Market Service Charge (WMSC)		$ 0.0044	626.222	$ 2.76	$ 0.0044	626.222	$ 2.76	$ -	0.00%
Rural and Remote Rate Protection (RRRP)		$ 0.0012	626.222	$ 0.75	$ 0.0012	626.222	$ 0.75	$ -	0.00%
Special Purpose Charge			626.222	$ -		626.222	$ -	$ -	
Standard Supply Service Charge		$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)		$ 0.0070	581	$ 4.07	$ 0.0070	581	$ 4.07	$ -	0.00%
Energy			626.222	$ -		626.222	$ -	$ -	
Cost of Power first 600		$ 0.0680	600	$ 40.80	$ 0.0680	600	$ 40.80	$ -	0.00%
Cost of Power remaining		$ 0.0790	26.2223	$ 2.07	$ 0.0790	26.2223	$ 2.07	$ -	0.00%
Total Bill (before Taxes)				**$ 101.49**			**$ 105.34**	**$ 3.85**	**3.79%**
HST		13%		$ 13.19	13%		$ 13.69	$ 0.50	3.79%
Total Bill (including Sub-total B)				**$ 114.69**			**$ 119.04**	**$ 4.35**	**3.79%**
Ontario Clean Energy Benefit (OCEB)		-10%		**-$ 11.47**	-10%		**-$ 11.90**	**-$ 0.43**	**3.75%**
Total Bill (including OCEB)				**$ 103.22**			**$ 107.14**	**$ 3.92**	**3.80%**

Loss Factor	**(1)**	7.78%	7.78%

b) Residential, 800 kWh per month consumption;

Consumption: 800 kWh

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge		$ 34.1500	1	$ 34.15	$ 34.1500	1	$ 34.15	$ -	0.00 %
Smart Meter Rate Adder		$ -	1	$ -		1	$ -	$ -	
Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
Smart Meter Entity	monthly	$ 0.7900	1	$ 0.79	$ 0.7900	1	$ 0.79	$ -	0.00 %
Distribution Volumetric Rate		$ 0.0135	800	$ 10.80	$ 0.0135	800	$ 10.80	$ -	0.00 %
Low Voltage Rate Adder			800	$ -		800	$ -	$ -	
Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
Volumetric Rate Rider(s)			800	$ -		800	$ -	$ -	
Smart Meter Disposition Rider			800	$ -		800	$ -	$ -	
LRAM & SSM Rider			800	$ -		800	$ -	$ -	
GA Deferral/ Variance Account		$ 0.0004	800	$ 0.32	$ 0.0004	800	$ 0.32	$ -	0.00 %
non RPP Deferral/Variance Account Disposition Rate Rider		$ 0.0009	800	$ 0.72	$ 0.0009	800	$ 0.72	$ -	0.00 %
Smart Meter Cost Rec Rider	monthly	$ 0.4800	1	$ 0.48	$ 0.4800	1	$ 0.48	$ -	0.00 %
Stranded Meter Rider	monthly	$ 0.3900	1	$ 0.39	$ 0.3900	1	$ 0.39	$ -	0.00 %
Incremental SMDR	monthly			$ -	$ 2.7900	1	$ 2.79	$ 2.79	
Incremantal SMIRR	monthly			$ -	$ 1.0600	1	$ 1.06	$ 1.06	
Sub-Total A - Distribution				**$ 47.65**			**$ 51.50**	**$ 3.85**	**8.08 %**
RTSR - Network		$ 0.0065	862.268	$ 5.60	$ 0.0065	862.268	$ 5.60	$ -	0.00 %
RTSR - Line and Transformation Connection		$ 0.0037	862.268	$ 3.19	$ 0.0037	862.268	$ 3.19	$ -	0.00 %

Sub-Total B - Delivery (including Sub-Total A)				**$ 56.45**			**$ 60.30**	**$ 3.85**	**6.82 %**
Wholesale Market Service Charge (WMSC)		$ 0.0044	862.268	$ 3.79	$ 0.0044	862.268	$ 3.79	$ -	0.00 %
Rural and Remote Rate Protection (RRRP)		$ 0.0012	862.268	$ 1.03	$ 0.0012	862.268	$ 1.03	$ -	0.00 %
Special Purpose Charge			862.268	$ -		862.268	$ -	$ -	
Standard Supply Service Charge		$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00 %
Debt Retirement Charge (DRC)		$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00 %
Energy			862.268	$ -		862.268	$ -	$ -	
Cost of Power first 600		$ 0.0680	600	$ 40.80	$ 0.0680	600	$ 40.80	$ -	0.00 %
Cost of Power remaining		$ 0.0790	262.268	$ 20.72	$ 0.0790	262.268	$ 20.72	$ -	0.00 %
Total Bill (before Taxes)				**$ 128.64**			**$ 132.49**	**$ 3.85**	**2.99 %**
HST		13%		$ 16.72	13%		$ 17.22	$ 0.50	2.99 %
Total Bill (including Sub-total B)				**$ 145.37**			**$ 149.72**	**$ 4.35**	**2.99 %**
Ontario Clean Energy Benefit (OCEB)		-10%		**-$ 14.54**	-10%		**-$ 14.97**	**-$ 0.43**	**2.96 %**
Total Bill (including OCEB)				**$ 130.83**			**$ 134.75**	**$ 3.92**	**3.00 %**
Loss Factor	**(1)**	7.78%			7.78%				

c) GS < 50 kW, 2000 kWh per month consumption; and

Consumption 2000 kWh

		Current Board-Approved			Proposed			Impact	
	Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge	monthly	$ 74.4300	1	$ 74.43	$ 74.4300	1	$ 74.43	$ -	0.00 %
Smart Meter Rate Adder		$ -	1	$ -		1	$ -	$ -	
Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
Smart Meter Entity	Monthly	$ 0.7900	1	$ 0.79	$ 0.7900	1	$ 0.79	$ -	0.00 %
Distribution Volumetric Rate	per kWh	$ 0.0094	2000	$ 18.80	$ 0.0094	2000	$ 18.80	$ -	0.00 %
Low Voltage Rate Adder			2000	$ -		2000	$ -	$ -	
Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
Volumetric Rate Rider(s)			2000	$ -		2000	$ -	$ -	
Smart Meter Disposition Rider			2000	$ -		2000	$ -	$ -	
LRAM & SSM Rider			2000	$ -		2000	$ -	$ -	
Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0007	2000	$ 1.40	$ 0.0007	2000	$ 1.40	$ -	0.00 %
Smart Meter Cost Rec Rider	monthly	$ 0.7800	1	$ 0.78	$ 0.7800	1	$ 0.78	$ -	0.00 %
Stranded Meter Rider	monthly	$ 0.3900	1	$ 0.39	$ 0.3900	1	$ 0.39	$ -	0.00 %
Incremental SMDR	monthly		1	$ -	$ 3.2100	1	$ 3.21	$ 3.21	
Incremantal SMIRR	monthly	$ -	1	$ -	$ 1.3900	1	$ 1.39	$ 1.39	
Sub-Total A - Distribution				**$ 96.59**			**$ 101.19**	**$ 4.60**	**4.76 %**
RTSR - Network	per kWh	$ 0.0058	2155.67	$ 12.50	$ 0.0058	2155.67	$ 12.50	$ -	0.00 %
RTSR - Line and Transformation Connection	per kWh	$ 0.0032	2155.67	$ 6.90	$ 0.0032	2155.67	$ 6.90	$ -	0.00 %
Sub-Total B - Delivery (including Sub-Total A)				**$ 115.99**			**$ 120.59**	**$ 4.60**	**3.97 %**
Wholesale Market Service Charge	per kWh	$ 0.0044	2155.67	$ 9.48	$ 0.0044	2155.67	$ 9.48	$ -	0.00 %

(WMSC)									
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0012	2155.67	$ 2.59	$ 0.0012	2155.67	$ 2.59	$ -	0.00 %
Special Purpose Charge			2155.67	$ -		2155.67	$ -	$ -	
Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00 %
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00 %
Energy			2155.67	$ -		2155.67	$ -	$ -	
Cost of Power first 600	per kWh	$ 0.0680	600	$ 40.80	$ 0.0680	600	$ 40.80	$ -	0.00 %
Cost of Power remaining	per kWh	$ 0.0790	1555.67	$ 122.90	$ 0.0790	1555.67	$ 122.90	$ -	0.00 %
Total Bill (before Taxes)				**$ 306.01**			**$ 310.61**	**$ 4.60**	**1.50 %**
HST		13%		$ 39.78	13%		$ 40.38	$ 0.60	1.50 %
Total Bill (including Sub-total B)				**$ 345.79**			**$ 350.99**	**$ 5.20**	**1.50 %**
Ontario Clean Energy Benefit (OCEB)		-10%		**-$ 34.58**	-10%		**-$ 35.10**	**-$ 0.52**	**1.50 %**
Total Bill (including OCEB)				**$ 311.21**			**$ 315.89**	**$ 4.68**	**1.50 %**
Loss Factor	**(1)**	7.78%			7.78%				

d) GS > 50 kW, 100 kw demand, 30,000 kWh per month consumption.

	Consumption	30000	kWh						
		100	kW						
		Current Board-Approved			Proposed			Impact	
	Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	monthly	550.40	1	$ 550.40	550.40	1	$ 550.40	$ -	0.00 %
Smart Meter Rate Adder		$ -	1	$ -		1	$ -	$ -	
Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
Service Charge Rate Rider(s)	monthly	$ -	1	$ -	$ -	1	$ -	$ -	
Distribution Volumetric Rate	per kW	$ 2.1802	100	$ 218.02	$ 2.1802	100	$ 218.02	$ -	0.00 %
Volumetric Rate Adder(s)			100	$ -		100	$ -	$ -	
Volumetric Rate Rider(s)			100	$ -		100	$ -	$ -	
Smart Meter Disposition Rider			100	$ -		100	$ -	$ -	
GA Deferral/ Variance Accont non RPP	per kW	$ 0.1410	100	$ 14.10	$ 0.1410	100	$ 14.10	$ -	0.00 %
Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.1984	100	$ 19.84	$ 0.1984	100	$ 19.84	$ -	0.00 %
Smart Meter Cost Rec Rider	monthly	$ 3.8000	1	$ 3.80	$ 3.8000	1	$ 3.80	$ -	0.00 %
Stranded Meter Rider	monthly	$ 0.3900	1	$ 0.39	$ 0.3900	1	$ 0.39	$ -	0.00 %
Incremental SMDR	monthly	$ -	1	$ -	$ 6.1200	1	$ 6.12	$ 6.12	
Incremantal SMIRR	monthly	$ -	1	$ -	$ 3.7100	1	$ 3.71	$ 3.71	
Sub-Total A - Distribution				**$ 806.55**			**$ 816.38**	**$ 9.83**	**1.22 %**
RTSR - Network	per kW	$ 2.3530	100	$ 235.30	$ 2.3530	100	$ 235.30	$ -	0.00 %
RTSR - Line and Transformation	per kW	$ 2.4963	100	$ 249.63	$ 2.4963	100	$ 249.63	$ -	0.00 %

Connection									
Sub-Total B - Delivery (including Sub-Total A)				**$ 1,291.48**			**$ 1,301.31**	**$ 9.83**	**0.76 %**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0044	100	$ 0.44	$ 0.0044	100	$ 0.44	$ -	0.00 %
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0012	100	$ 0.12	$ 0.0012	100	$ 0.12	$ -	0.00 %
Special Purpose Charge			100	$ -		100	$ -	$ -	
Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00 %
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	30000	$ 210.00	$ 0.0070	30000	$ 210.00	$ -	0.00 %
Commodity			100	$ -		30000	$ -	$ -	
Other Charges (kWh)	per kWh	0.0130	32,334.00	$ 420.34	$ 0.0130	32,334.00	$ 420.34	$ -	0.00 %
Cost of Power Commodity (kWh)		0.0684	32,334.00	$ 2,211.65	$ 0.0684	32,334.00	$ 2,211.65	$ -	0.00 %
Total Bill (before Taxes)				**$ 4,134.28**			**$ 4,144.11**	**$ 9.83**	**0.24 %**
HST		13%		$ 537.46	13%		$ 538.73	$ 1.28	0.24 %
Total Bill (including Sub-total B)				**$ 4,671.73**			**$ 4,682.84**	**$ 11.11**	**0.24 %**
Loss Factor		7.78%			7.78%				