

2014 Cost of Service Checklist

Cooperative Hydro Embrun Inc.

EB-2013-0122

Filing Requirement
Page # Reference

Date: May 10, 2013

	Yes/No/NA	Evidence Reference, Notes
GENERAL		
6 Text searchable and bookmarked (RESS Guidelines - bookmarks for large files)	Yes	
Ch. 1 p4 Confidential Information - cover letter, confidential version of document and redacted version	Yes	
2 In Advance of Scheduled Application, distributor must clearly demonstrate why and how it cannot adequately manage its resources and financial needs during the remainder of its IRM plan period (April 20, 2010 letter) NOTE: There is a preliminary threshold issue to address before the application is processed (including the completeness check).	Yes	
2 Effective Date other than May 1 - analysis of benefits and ratemaking implications (April 15, 2010 letter, Appendix B)	Yes	E1.T1.S4
EXHIBIT 1 - ADMINISTRATIVE DOCUMENTS		
5 When was forecast prepared and when approved by management and/or Board of Directors	Yes	E1.T1.S1
11 Application - including certification from senior officer that evidence is accurate	Yes	E1.T1.S1
11 Publication information	Yes	E1.T1.S2
11 Date rate order required	Yes	E1.T1.S1
11 Primary contact	Yes	E1.T1.S1
11 List of approvals requested	Yes	E1.T1.S1
12 Proposed Issues List	Yes	E1.T1.S3
12 Description of Operating Environment (including map, identification of host/embedded distributors)	Yes	E1.T1.S6
12 Identification of embedded distributors	Yes	E1.T1.S6
12 Organizational Structure and identification of affiliated entities	Yes	E1.T1.S7
12 Identification of any planned changes in corporate structure	Yes	E1.T1.S7
12 Identification of accounting treatment of any non-utility business	Yes	E1.T1.S6
6 & 13 Identification of Board Directives from previous Board Decisions, and how addressed	Yes	E1.T1.S8
12 Reference to Conditions of Service - LDC does not need to file Conditions of Service, but should provide reference to website. LDC should identify if there are rates and changes in the Conditions of Service.	Yes	E1.T1.S14
13 Summary of Application (timing, key elements of application, bill impact)	Yes	E1.T2.S1
13 Budget Overview - budget directives, guidelines, economic assumptions	Yes	E1.T2.S3
13 Schedule of overall revenue sufficiency/deficiency	Yes	E1.T2.S5
13 Schedule/breakdown of most recent Board approved revenue requirement	Yes	E1.T2.S6
13 RRWF - Excel	Yes	E1.T2.S7
Financial Information		
14 Audited Financial Statements for 2 most recent historical years (i.e. 3 years of historical actuals)	Yes	E1.T3.S1
14 Pro Forma Financial Statements for Bridge and Test Years	No	Seeking exemption on the basis that the cost of BDO producing pro-formas would exceed the usefulness
14 Detailed reconciliation of AFS with regulatory financial results	Yes	E1.T3.S3
14 Annual Report and MD&A for most recent year of parent company	Yes	E1.T2.S8
14 Materiality Threshold and justification if different than level outlined in EB-2007-0673	Yes	E1.T4.S1
10 & 13 Identification of accounting standard for financial reporting purposes under which application is filed. If adopting IFRS for financial reporting purposes by January 1, 2013, file 2013 cost of service applications on the basis of MIFRS.	Yes	E1.T1.S5
IFRS (Assumes Adoption)		
11 Summary of changes to accounting policy since last rebasing and identify the associated revenue requirement impacts (e.g. capitalization of overheads)	Yes	E1.T1.S4
USGAAP or Other Accounting Standard		

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EXHIBIT 2 - RATE BASE			
15	Opening and Closing balances, average of opening and closing balances for gross assets and accumulated depreciation; working capital allowance (historical actual, bridge and test year forecast)	Yes	E2.T1.S4
15	Continuity statements (year end balance, including interest during construction and overheads). Year over year variance analyses where variance greater than materiality for: Hist. Brd-Approved vs Hist. Actual Hist. Act. Vs previous Hist. Act. Bridge vs. Test	Yes	E2.T1.S4
16	Gross Assets Breakdown by Function and by major plant account	Yes	E2.T1.S3
17	Working Capital - 13% or Lead/Lag Study or Previous Board Direction	Yes	E2.T1.S6
18 & 55	Smart Meters - completed deployment? Dx should have completed deployment. If not, smart meter model must be filed, and supporting information per G-2011-0001. This will likely be filed as part of Exhibit 9	Yes	E2.T1.S7
19	Stranded Meters - proposed treatment for recovery should be filed. Completed Appendix 2-S. This could be filed as part of Exhibit 9.	Yes	E2.T1.S7
<i>Capital Expenditures</i>			
20	Capital Expenditures - summary of 5 historical years, bridge year and test year including contributed capital and CWIP	Yes	E2.T2.S4
20	Completed Appendix 2-A	Yes	E2.T2.S2
20	Projects over materiality threshold - scope purpose, cost, dates, explanation of variances, etc	Yes	E2.T2.S5
20 & 21	Changes to capitalization since previous rebasing - explanations must be provided Capitalization policy - Applicants adopting IFRS by Jan 1, 2013 must adhere to IFRS capitalization accounting requirements	Yes	E2.T2.S6
21	Asset Management Plan or explanation why no plan provided.	Yes	E2.T2.S7
21	3 year forecast of capex	Yes	E2.T2.S7
21	Asset condition studies if undertaken	Yes	E2.T2.S7
<i>Green Energy Act</i>			
6	Basic or detailed GEA plan or request for deferral EB-2009-0397 Filing Requirements	Yes	E2.T2.S8
9	Overview of ren gx connection plans or smart grid plans	Yes	E2.T2.S8
	Evidence of consultation with host distributor and OPA (comment letter). EB-2009-0397 Filing Requirements (p7)	No	seeks expemption on the basis of the number of planned connection are immaterial.
<i>Other</i>			
22	HST - statement whether adjustments made to reflect implementation, analysis of increases and decreases Service Quality - 3 historical years of ESQRs, explanation for under-performance	Yes	E2.T2.S9
23	Reliability - 3 historical years of SAIDI, SAIFI, CAIDI - for all interruptions and all interruptions excluding loss of supply, explanation for under-performance	Yes	E2.T3.S1

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EXHIBIT 3 - OPERATING REVENUE		
23 & 24 Operating Revenue - customer, volume and revenue forecast, weather normalization methodology	Yes	E3.T1.S2
23 Load and revenue forecast, variance analyses, other revenue	Yes	E3.T1.S4
23 Economic assumptions and data sources for load and customer forecast	Yes	E3.T1.S4
24 Impact arising from persistence of historical CDM and forecast impact from new programs (by class)	Yes	E3.T1.S5
24 Regression Model - rationale for choice, regression statistics, explanation of weather methodology, description of accounting for CDM including licence conditions, sources of data for endogenous and exogenous variables	Yes	E3.T1.S4
25 Information demonstrating accuracy of load forecast for past 5 years	Yes	E3.T1.S4
25 Schedule of volumes, revenues, customer count and total system load: 5 years historical, Board approved, 5 years historical weather normalized, bridge year and test year.	Yes	E3.T1.S4
25 Load forecast variance analysis	Yes	E3.T1.S4
26 Weather normalized consumption per class for historical 5 years, bridge and test	Yes	E3.T1.S4
26 Class variance explanation	Yes	E3.T1.S4
26 Customer count explanation; confirmation of year end or average format	Yes	E3.T1.S4
26 Details of development of billing kW	Yes	E3.T1.S4
26 Revenues on existing and proposed rates	Yes	E3.T2.S2
26 Data used to determine forecast should be filed as Excel	Yes	EB-2013-0122 2014 COS Load Forecast Worksheet May 10 2013
<i>Other Revenue</i>		
26 Breakdown of other distribution revenue accounts	Yes	E3.T3.S2
26 Completed Appendix 2-F	Yes	E3.T3.S2
26 Variance analysis - historical revenue with bridge and test	Yes	E3.T3.S3
26 Any new proposed specific service charges	Yes	E3.T3.S4
EXHIBIT 4 - OPERATING COSTS		
27 & 14 Manager's Summary: cost drivers, inflation rates, materiality threshold	Yes	E4.T1.S1
28 Summary of Recoverable OM&A Expenses - Completed Appendix 2-I	Yes	E4.T1.S2
28 Detailed OM&A Expenses by Account - Completed Appendix 2-G	Yes	E4.T1.S3
28 OM&A Cost Drivers - Completed Appendix 2-J	Yes	E4.T1.S4
28 OM&A Cost per customer and per FTE - Completed Appendix 2-L	Yes	E4.T1.S5
28 & 30 Variance analysis of change in OM&A expense, historical, bridge and test (including any change in capitalization noted in Appendix 2-D)	Yes	E4.T1.S6
30 Completed Appendix 2-H	Yes	E4.T1.S3
28 One time costs in historical, bridge and test years	Yes	E4.T1.S1
29 & 28 Regulatory costs - breakdown of actual and forecast, supporting information related to CoS application, proposed recovery (ie amortized?). Completed Appendix 2-M	Yes	E4.T1.S8
29 LEAP - the greater of 0.12% of Board approved revenue requirement or \$2,000 should be included in OM&A and recovered from all rate classes	Yes	E4.T1.S10
29 The amount paid in charitable donations from last Board approved CoS. Recovery of charitable donations will not be allowed.	Yes	E4.T1.S9
<i>Employee Compensation</i>		
30 Completed Appendix 2-K	Yes	E4.T2.S2
30 Details of employee benefit programs charged to OM&A - historical, bridge and test	Yes	E4.T2.S1
<i>Shared Services and Corporate Cost Allocation</i>		

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Depreciation/Amortization/Depletion			
32	Details by asset group for historical, bridge and test years. Should tie back to accumulated depreciation balances in continuity schedule under rate base. Significant parts or each item of PP&E must be depreciated separately.	Yes	E4.T5.S1
32	Identify any Asset Retirement Obligations and associated depreciation	Yes	E4.T5.S2
32	Variances from the half year rule must be documented with supporting rationale	Yes	E4.T5.S4
33	Copy of depreciation/amortization policy, or equivalent written description	Yes	E4.T5.S5
33	Summary of changes to depreciation/amortization policy since last CoS	Yes	E4.T5.S1
33	Assuming filing on MIFRS - must use Kinectrics or provide its own study for useful lives; require listing of asset service lives and explanations where different from Kinectrics TUL; recalculation to determine average remaining life of opening balance of assets on transition date to IFRS	Yes	E4.T5.S3
PILs and Property Taxes			
33	Completed version of the PILs model	Yes	EB-2013-0122 CHE 2014 IncomeTax PILs Workform May 10 2013
34	Supporting schedules and calculations	Yes	E4.T6.S2
34	Most recent federal and provincial tax returns	Yes	E4.T6.S3
34 & 35	Complete integrity checks	Yes	E4.T6.S1
GEA Plan			
CDM Costs			
EXHIBIT 5 - COST OF CAPITAL AND CAPITAL STRUCTURE			
39	Statement that LDC adopting Board's guidelines for cost of capital and confirming updates will be done. Alternatively - utility specific cost of capital with supporting evidence	Yes	E5.T1.S1
39	Completed Appendix 2-OA and 2-OB for historical, bridge and test	Yes	EB-2013-0122 CHE 2014 OEB Appendices May 7 2013
39	Explanation for any changes in capital structure	Yes	E5.T1.S1
40	Calculation of cost for each capital component	Yes	E5.T1.S1

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EXHIBIT 6 - REVENUE DEFICIENCY/SUFFICIENCY			
40 & 41	Calculation of Revenue Deficiency/Sufficiency: net utility income, rate base, actual return on rate base, indicated rate of return, requested rate of return, def/sufficiency, gross def/sufficiency. Should correspond with calculations in RRWF	Yes	E6.T1.S1
41	Summary of drivers for test year def/sufficiency	Yes	E6.T2.S1
41	References in evidence mapped to drivers	Yes	E6.T2.S1
41	Impacts of any changes in methodologies to def/sufficiency	Yes	E6.T2.S1
EXHIBIT 7 - COST ALLOCATION			
42	Completed cost allocation study reflecting future loads. Excel version of 2013 cost allocation model (updated load profiles or scaled version of HONI CAIF)	Yes	E5.T1.S1
42	Description of weighting factors and rationale for use of default	Yes	E5.T1.S1
42	Hard copy of sheets I-6, I-8, O-1 and O-2	Yes	E5.T1.S1
42	Host Dx - information on cost of serving embedded Dx, Appendix 2-Q	Yes	E5.T1.S1
43 & 44	Completed Appendix 2-P, updating status quo and summarizing any proposed changes to R:C ratios	Yes	E5.T1.S1
EXHIBIT 8 - RATE DESIGN			
45	Current and Proposed F/V proportion with explanation for any changes	Yes	E8.T1.S3
45	Table comparing current and proposed fixed charge with floor and ceiling from cost allocation study.	Yes	E8.T1.S3
45	Class specific RTSRs	Yes	E8.T2.S1
45	RTSR Work Form	Yes	E8.T3.S1
46	Retail Service Charges	Yes	E8.T3.S1
46	If proposing RSC changes - evidence of consultation and notice	Yes	E8.T3.S2
46	Specific Service Charges	Yes	E8.T3.S1
47	Forecast of LV Cost (forecast volumes and forecast host Dx rates)	Yes	E8.T5.S1
47	Allocation of LV cost to customer classes	Yes	E8.T5.S2
47	Proposed LV rates by customer class	Yes	E8.T1.S2
47	3-5 years of historical loss factor data - Completed Appendix 2-R	Yes	E8.T6.S1
47	Explanation of SFLF if not standard	Yes	E8.T6.S1
47	Explanation of losses >5%; action plan to address	Yes	E8.T1.S1
48	Current and Proposed Rate Tariff	Yes	E8.T7.S2
48	Calculations of revenue per class under current and proposed rates	Yes	E8.T1.S5
48	Reconciliation of rate class revenue and other revenue to total revenue requirement	Yes	E8.T1.S5
48	Explanation for proposed changes to terms and conditions of service	Yes	E1.T1.S14
48	Completed Appendix 2-V (Revenue Reconciliation)	Yes	E8.T1.S5
48	Bill Impacts - completed Appendix 2-W for all classes for representative samples of end-users. MUST provide residential 800 kWh and GS<50 2,000 kWh.	Yes	E8.T8.S2

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EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS			
51	List of all outstanding DVA and sub-accounts; provide description of DVAs that were used differently than as described in the APH Identification of which accounts will continue going forward	Yes	E9.T1.S1
51	Completed DVA continuity schedule - Excel format	Yes	E9.T1.S2
51	Explanation if continuity schedule differs from trial balance in RRR and AFS	Yes	E9.T1.S1
51	Interest rates applied to calculate carrying charges	Yes	E9.T1.S3
51	Breakdown of energy sales and cost of power by USoA - as reported in AFS. Provide explanation if making a profit or loss on commodity.	Yes	E9.T1.S1
52	Confirmation that IESO GA charge is pro-rated into RPP and non-RPP; provide explanation if not confirmed.	Yes	E9.T1.S7
52	HST/OVAT ITC - analysis that supports conformity with Dec 2010 APH FAQ (particularly #4) Applicant must state whether entries to sub-account 1592 cover Jul 1-2010 up to start of new rate year (year of rebasing)	Yes	E9.T1.S1
54	Identify all accounts for which LDC is seeking disposition; identify DVA for which LDC is not proposing disposition and the reasons why	Yes	E9.T1.S2
54	Proposed rate riders (Separate rate rider for RSVA GA for non-RPP customers). Default disposition period of 1 year and provide explanation for deviations from default period.	Yes	E9.T1.S4
54	Indicate if balances match AFS; show all calculations	Yes	E9.T1.S1

TOTAL "NO"

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