



**Greater Sudbury Hydro Inc**  
**Hydro du Grand Sudbury Inc**

empowering communities  
le pouvoir aux communautés



500 Regent Street | 500, rue Regent  
Sudbury ON P3E 3Y2

t 705.675.7536 x2359  
f 705.675.0529  
w sudburyhydro.com

**December 18, 2013**

**Ms Kirsten Walli**  
**Board Secretary**  
**Ontario Energy Board**  
**PO Box 2319**  
**27th Floor - 2300 Yonge Street**  
**Toronto, ON M4P 1E4**

**RE: Greater Sudbury Hydro Inc - Responses to Interrogatories 2014 IRM4 Application EB2013-0131**

**Dear Ms Walli,**

**Please find attached the complete responses to the Board Staff interrogatories in the above noted proceeding.**

**Should you require further information or clarification, please do not hesitate to contact the undersigned at 1-705-675-0514 or via email at [erin.connelly@shec.com](mailto:erin.connelly@shec.com).**

**Respectfully submitted,**

**Erin Connelly, CPA, CA**  
**Acting Regulatory Officer**

**cc: Frank Kallonen, President and CEO - Greater Sudbury Hydro Inc.**  
**Nancy Whissell, Vice President - Corporate Services - Greater Sudbury Hydro Inc.**

**Board Staff Interrogatories**

**RTSR Model**

**Interrogatory #1**

**Reference:** RSTR Model, Tab 4 – “RRR Data”

Please confirm that the data entered in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is not adjusted by GSHI’s Board approved loss factor.

**GSHI Response**

GSHI confirms that the data entered in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” is not adjusted by GSHI’s Board approved loss factor.

**Interrogatory #2**

**Reference:** RSTR Model, Tab 6 – “Historical Data”

- A. Please explain the differences in rates charged in the month of December for the Hydro One “Network”, “Line Connection” and “Transformation Connection” rates.
- B. If any changes are required, please, confirm, and Board staff will make the necessary corrections to the model.

**GSHI Response**

GSHI confirms that, in error, GSHI included charges from Hydro One that were in January of the following year, therefore the Hydro One bill covered 5 days into the following year. GSHI has corrected that error in the chart below and also realized that 5 days from the beginning of the year were missing from January. Please make the necessary corrections to the model as shown for January and December:

Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	23,160	\$2.65	61,373	17,829	\$2.14	38,154	4,849	\$1.50	7,274	\$ 45,427
February	19,634	\$2.65	52,030	15,130	\$2.14	32,378	4,655	\$1.50	6,983	\$ 39,361
March	18,010	\$2.65	47,727	13,893	\$2.14	29,731	4,258	\$1.50	6,387	\$ 36,118
April	14,139	\$2.65	37,468	10,975	\$2.14	23,487	3,367	\$1.50	5,051	\$ 28,537
May	13,133	\$2.65	34,802	10,399	\$2.14	22,254	2,814	\$1.50	4,221	\$ 26,475
June	14,922	\$2.65	39,543	11,636	\$2.14	24,901	3,315	\$1.50	4,973	\$ 29,874
July	14,478	\$2.65	38,367	11,165	\$2.14	23,893	3,316	\$1.50	4,974	\$ 28,867
August	13,775	\$2.65	36,504	10,561	\$2.14	22,601	3,342	\$1.50	5,013	\$ 27,614
September	13,929	\$2.65	36,912	10,818	\$2.14	23,151	3,165	\$1.50	4,748	\$ 27,898
October	15,492	\$2.65	41,001	11,804	\$2.14	25,261	3,816	\$1.50	5,724	\$ 30,985
November	18,845	\$2.65	49,939	14,421	\$2.14	30,861	4,543	\$1.50	6,815	\$ 37,675
December	17,368	\$2.65	46,025	13,445	\$2.14	28,773	4,400	\$1.50	6,599	\$ 35,372
<b>Total</b>	<b>196,885</b>	<b>2.65</b>	<b>521,691</b>	<b>150,076</b>	<b>2.14</b>	<b>325,443</b>	<b>45,840</b>	<b>1.50</b>	<b>68,759</b>	<b>\$ 394,202</b>

## **Tax-Sharing Model**

### ***Interrogatory #3***

**Reference:** Tax-Sharing Model, Tab 5 – “Z-Factor Tax Changes”

Board staff is unable to reconcile the figures “Regulatory Taxable Income” and “Tax Impact” to GSHI’s Revenue Requirement Work Form from its previous cost of service rate proceeding (EB-2012-0126). Board staff notes that the total “Grossed-up Tax Amount” figure does match the figure as found in GSHI’s previous cost of service proceeding Revenue Requirement Work Form.

- A. Please provide evidence for the figures entered in the above noted line items.
- B. If changes are required, please confirm, and Board staff will make the necessary corrections to the model.

### ***GSHI Response***

GSHI used the “Settlement Agreement” Taxable Income and not the “Per Board Decision” Taxable Income from the Revenue Requirement Workform of EB-2012-0126. This is due to the fact that there is an error in the Revenue Requirement Workform from EB-2012-0126. Referring to the Revenue Requirement Workform in the Decision and Rate Order for EB-2012-0126 Appendix L, page 4, line 2 “Adjustments required to arrive at taxable utility income” was originally (\$2,485,166) and the Settlement Agreement amount was adjusted to (\$1,673,848). The settlement agreement amount of (\$1,673,848) should also be brought forward to the “Per Board Decision” column, instead, in error, the original adjustment amount of (\$2,485,166) was brought forward. Therefore the “Per Board Decision” column should agree to the Settlement Agreement Taxable Income of 1,522,471 and thus this is the figure that GSHI used for this IRM’s tax sharing model. Please also refer to Appendix F – 2013 PILS from the same Decision and Rate Order for EB-2012-0126 which also shows the taxable income of \$1,522,471.

## **Rate Generator Model**

### ***Interrogatory #4***

**Reference:** Rate Generator Model, Tab 3 – “Rate Class Selection”

Board staff notes that GSHI has not entered the MicroFit rate class onto tab 3 of the model.

- A. Please confirm that GSHI wishes for Board staff to rectify this omission.

### ***GSHI Response***

GSHI confirms that, in error, we did not enter the MicroFit rate class onto tab 3 of the model. Please rectify this omission in the Rate Generator Model.

### ***Interrogatory #5***

**Reference:** Rate Generator Model, Tab 4 – “Current Tariff Schedule”

Board staff notes that for the Unmetered Scattered Load rate class, GSHI has not entered its “Service Charge” for that class to be on a “per connection” basis as found in its current Tariff of Rates and Charges.

- A. If this is an error, please confirm, and Board staff will make the necessary correction to the model.
- B. If the answer to (A) is no, please explain the change in nomenclature.

### ***GSHI Response***

GSHI confirms that, in error, we did not enter its Service Charge for Unmetered Scattered Load rate class on a per connection basis. Please update the model with the necessary change to have the Service Charge for Unmetered Scattered Load to be per connection.