Response to Energy Probe Interrogatories
2014 Electricity Distribution Rates
Niagara-on-the-Lake Hydro Inc.
EB-2013-0155

ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES

1. Foundation

1.1 Does the planning (regional, infrastructure investment, asset management etc.) undertaken by the applicant and outlined in the application support the appropriate management of the applicant's assets?

1.1-Energy Probe-1

Ref: Exhibit 2, Tab 3, Schedule 2

Please update Table 2.3.1 to reflect actual data for 2013. If actual 2013 data is not yet available, please update the table to reflect the most recent year-to-date information available for 2013, along with a forecast for the remainder of the year.

Response to 1.1-Energy Probe-1

Table 2.3.1 is updated below to reflect 2013 actuals (unaudited).

CATEGORY	Historical Period (previous plan[1] & actual)																Forecast Period (planned)				
	2009			2010			2011			2012			2013			2014	2015	2016	2017	2018
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual[2]	Var					
	$ '000		%	$ '000		%	$ '000		%	$ '000		%	$ '000		%	$ '000				
System Access		44	--		334	--		246	--		1,850	--		134	--	100	100	100	100	100
System Renewal		1,339	--		721	--		397	--		1,745	--		913	--	970	4,030	1,030	935	1,030
System Service		15	--		23	--		19	--		96	--		136	--	95	55	55	55	55
General Plant		407	--		449	--		397	--		491	--		140	--	120	65	65	160	65
TOTAL EXPENDITURE	-	1,805	--	-	1,527	--	-	1,059	--	-	4,182	--	-	1,322	--	1,285	4,250	1,250	1,250	1,250
System O&M		$ 839	--		$ 745	--		$ 817	--		$ 949	--		$ 894	--	$ 948	$ 963	$ 979	$ 994	$ 1,010
Checksum 2-BA1		-$ 0			-$ 0			$ 0			$ 0			12 months						

1.1-Energy Probe-2

Ref: Exhibit 2, Appendix 2A

Please confirm that other than the MTS#2 expenditure planned for 2015, NOTL Hydro does not have any significant out of the ordinary capital expenditures required in the 2015 through 2018 period. If this cannot be confirmed, please provide details of other significant projects over this period and indicate where in the distribution system plan they are identified.

Response to 1.1-Energy Probe-2

This will confirm that NOTL's complete list of material capital projects proposed for the years 2014-2018 is listed in the CDSP Exhibit 2, Appendix 2A. Other than the MTS#2 expenditure planned for 2015, NOTL Hydro does not have any significant out of the ordinary capital expenditures required in the 2015 through 2018 period.

1.2 Are the customer engagement activities undertaken by the applicant commensurate with the approvals requested in the application?

1.2-Energy Probe-3

Ref: Exhibit 1, Appendix 1B

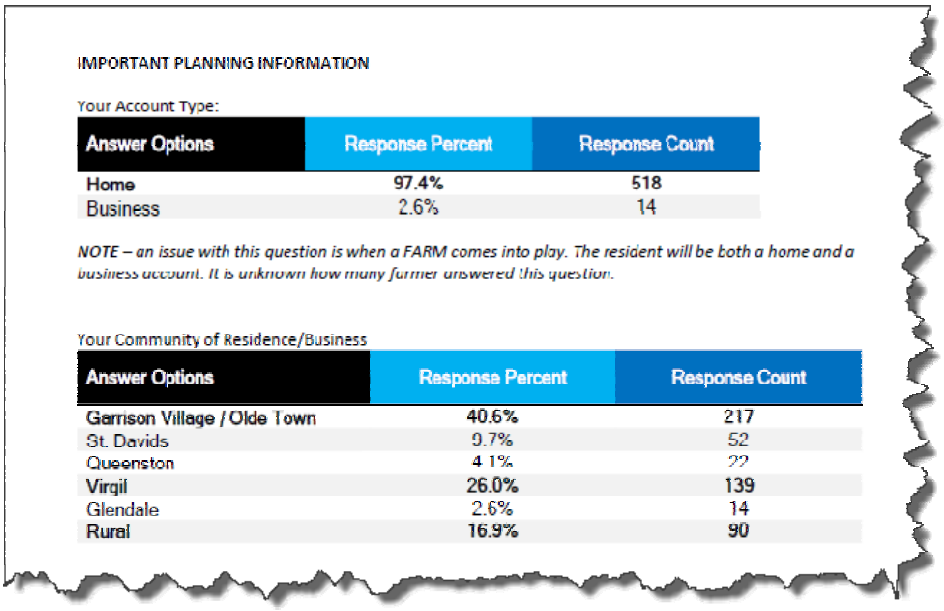
a) How many of the customers that responded to the survey were residential customers and how many were non-residential customers?

b) What feedback did the distributor receive from residential customers in terms of capital budgets, OM&A budgets, etc.?

c) What feedback did the distributor receive from non-residential customers in terms of capital budgets, OM&A budgets, etc.?

Response to 1.1-Energy Probe-3

a) These numbers are provided in the application in Appendix 1B to Exhibit 1 as follows:



IMPORTANT PLANNING INFORMATION

Your Account Type:

Answer Options	Response Percent	Response Count
Home	97.4%	518
Business	2.6%	14

NOTE – an issue with this question is when a FARM comes into play. The resident will be both a home and a business account. It is unknown how many farmer answered this question.

Your Community of Residence/Business

Answer Options	Response Percent	Response Count
Garrison Village / Olde Town	40.6%	217
St. Davids	9.7%	52
Queenston	4.1%	22
Virgil	26.0%	139
Glendale	2.6%	14
Rural	16.9%	90

b) c) Please see responses to IR #6 a) b) c) d)

2. Performance Measures

2.1 Does the applicant's performance in the areas of: (1) delivering on Board-approved plans from its most recent cost of service decision; (2) reliability performance; (3) service quality, and (4) efficiency benchmarking, support the application?

2.1-Energy Probe-4

Ref: Most Recent Cost of Service Decision

a) Please provide a list of all Board-approved plans from the most recent cost of service decision.

b) Please provide the evidence references in the current application that illustrates that the distributor is delivering on these approved plans.

Response to 2.1-Energy Probe-4

a) NOTL Hydro has reviewed the 2009 COS application and decision and to the best of our understanding, the only "plans" that appear to relate to this issue and interrogatory are the Board Directives in the decision, as set out in Exhibit 1, Tab 5, Schedule 21, Pages 1 to 5, of the current application[1].

b) Please refer to Exhibit 1, Tab 5 Schedule 21. This evidence indicates that NOTL Hydro complied with all the Directives.

[1] If the Interrogatory is referring to the rate base, revenue, capital and OM&A plans for 2009 in the 2009 COS application, the actuals for 2009 are extensively presented in various Tables in Exhibits 2 through 4, along with relevant variance explanations, as required by the filing guidelines.

2.1-Energy Probe-5

Ref: All Exhibits

a) Please provide the references to any performance efficiency benchmarking undertaken by the distributor.

b) Has the distributor considered benchmarking in relation to other distributors and/or to its own past historical performance? Please indicate where in the evidence this information has been provided for capital expenditures and OM&A expenses.

Response to 2.1-Energy Probe-5

a) NOTL Hydro has until just recently participated in an annual industry performance benchmarking survey conducted by an EDA affiliated company MEARIE. We have determined that the OEB Yearbook is actually a more complete resource for efficiency benchmarking. The recent Pacific Economics Group report commissioned by the O.E.B. provides comparative LDC statistics on TPF and Benchmarking. The O.E.B. website also provides a rates calculator that allows NOTL Hydro to compare the positioning of our residential rates amongst other LDCs. In 2013, NOTL Hydro conducted a Customer Engagement Survey that also provided valuable benchmarking information by which to gauge our performance. We also review our annual RRR filings to ensure that our performance indicators are continuously trending positively.

Our Mission and Values statement challenges our company to achieve the highest provincial safety award (Zero Quest) and to maintain our position amongst Erie-Niagara LDCs with an average comparative customer bill in the first quartile.

b) Our Mission and Values statements continuously challenge us to maintain and improve efficiency. For example, NOTL Hydro recently achieved the IHSA's Platinum Safety Award for Sustainability, making us the first LDC in the province to reach that pinnacle. NOTL Hydro has become aware that to sustain that level of safe practice operation, continuous and quality training is necessary. This level of training, safe and efficient equipment and clothing etc. is reflected in our OM&A budget. Our Mission Statement also dictates that we position our rates in the first quartile amongst the

local Erie-Niagara LDC group and this current application if approved would continue to maintain that position.

Our Asset Management Plan requires NOTL Hydro to annually examine our outage indices and service quality levels. Our 5 Year Capital Plan targets distribution assets due for replacement that are most likely to cause outages in upcoming years. NOTL Hydro has developed a solid inspection and maintenance program that includes reviewing worst performing feeders, equipment failures, review of potential new maintenance technologies and evaluation of the effectiveness of current maintenance practices.

While we believe that our current inspection and maintenance program is effective and is expected to continuously improve reliability, we must also be cognizant of our OM&A cost/customer relative to our industry. In 2012, our OM&A was $257.58 and was well-positioned amongst neighbouring and comparable LDCs. Through benchmarking, NOTL Hydro also compares FTE/customer with similar LDCs. Our current application (OM&A component)does not include any additional employees (despite continued customer growth) through the next rate rebasing period but does include software additions to improve our efficiency such as TeleWorks and File Nexus. The TeleWorks addition is in response to our customer survey results.

3. Customer Focus

3.1 Are the applicant's proposed capital expenditures and operating expenses appropriately reflective of customer feedback and preferences?

3.1-Energy Probe-6

Ref: Exhibit 1, Appendix 1B

a) Please provide all customer feedback and preferences received from residential customers with respect to capital expenditures in the bridge and test years.

b) Please provide all customer feedback and preferences received from non-residential customers with respect to capital expenditures in the bridge and test years.

c) Please provide all customer feedback and preferences received from residential customers with respect to OM&A expenses in the bridge and test years.

d) Please provide all customer feedback and preferences received from non-residential customers with respect to OM&A expenses in the bridge and test years.

e) Did the distributor ask customers (residential or non-residential) for feedback and preferences on employee compensation, including, but not limited to salary levels, salary increases, benefits and pensions? If yes, please provide the feedback received.

Response to 3.1-Energy Probe-6

a)b)c)d)

Our survey was not structured to specifically address these questions and is further complicated by the fact that distribution system or service improvements can be linked to both capital and OM&A expenditures. However, to best respond to the interrogatory, we have reviewed the survey responses, and in Attachment A[2] we have attempted to group survey

[2] See NOTL_IRR6_Energy Probe_Attachment A.pdf

responses that can be considered more relevant to the questions and have separated the responses by residential and non-residential and also included relevant 'written in' comments/feedback. A copy of the actual survey is also provided[3].

e) No. The LDC industry for the most part requires a highly trained, specialized and skilled workforce to operate effectively and efficiently. In order to attract and retain such employees, we must offer competitive wages and benefits that are determined by the local and provincial market. Collective agreements and management compensations are negotiated based on these market conditions all the while keeping our customers` affordability of rates in mind. We are of the opinion that polling our customers, uninformed as to labour market conditions and required skill sets, could not reasonably provide useful feedback.

[3] See NOTL_IRR6_Energy Probe_Attachment B.pdf

4. Operational Effectiveness

4.1 Does the applicant's distribution system plan appropriately support continuous improvement in productivity, the attainment of system reliability and quality objectives, and the associated level of revenue requirement requested by the applicant?

4.1-Energy Probe-7

Ref: Exhibit 2, Appendix 2A

a) Does the distributor agree that system reliability has to be attained, or does it have to be maintained? Please explain fully.

b) How has the distributor determined that its distribution system plan will result in continuous improvement in productivity? Please explain fully.

c) Does the distributor believe that its current level of system reliability and quality objectives need to be improved or that they are already high and need to be maintained?

d) What component or percentage of the associated revenue requirement does the distributor believe is directly related to the continuous improvement in productivity, the attainment of system reliability and quality objectives?

Response to 4.1-Energy Probe-7

a) It is our understanding that one of the objectives of the O.E.B.'s performance based regulation is to drive continuous improvement of all aspects of an LDC's operation. Accordingly, NOTL Hydro's CDSP is specifically geared to continuously improve our system reliability.

b) NOTL Hydro has taken the approach that a continuous improvement in productivity can be accomplished through efficient management of assets.

Distribution System Assets During the development of our Asset Management Plan, we chose goals and objectives recognized in a KPMG report as 'Industry Leading'. We are confident that our AM plan will deliver on the O.E.B.'s five objectives of a solid AM plan. We fully expect that

efficiently managing our system assets will assist with improving productivity.

System Tools and Practices Over the past several years, NOTL Hydro has procured recognized industry leading software systems (CIS, GIS, FIS, SCADA) that allow our employees to be more productive. Our recent fleet purchases ensure that our employees can work more safely and efficiently. NOTL Hydro continues to explore and participate in shared services and buying groups such as Utility Standards Forum and Utility Collaborative Services. Our rate application includes the purchase of additional software systems (File Nexus, Teleworks) that will further improve our operation. We are therefore, well positioned with the necessary tools to tackle future challenges.

NOTL Hydro Team Our employees are continuously trained to work safely and more efficiently while embracing new technology. NOTL Hydro has not added any additional employees (except one contract CDM) for several years and has no plans to increase our complement through this rate period to 2018 despite modest customer growth. Serving more customers at the same high level of service without additional employees continuously challenges our staff to improve productivity.

c) As per a), we will drive continuous improvement in system reliability and not accept status quo.

d) In NOTL's view the full revenue requirement is directly related to the continuous improvement in productivity, the attainment of system reliability and quality objectives. As such, in addition to File Nexus and TeleWorks software and the development of the Outage Management system, the attainment of system reliability and quality objectives is tightly interwoven into all aspects of our business activities. To estimate this percentage with any credible result would require a thorough study of our entire business processes that we believe is not achievable in the timelines of this process.

4.2 Are the applicant's proposed OM&A expenses clearly driven by appropriate objectives and do they show continuous improvement in cost performance?

4.2-Energy Probe-8

Ref: Exhibit 4, Tab 1, Schedule 2

Please explain how the changes shown in Table 4.1.5 for each of the following illustrates continuous improvement in cost performance between actual 2010 and forecast 2014:

a) OM&A cost per customer;

b) customers per FTE; and

c) OM&A cost per FTE.

Response to 4.2-Energy Probe-8

a) It is difficult to illustrate year over year cost performance improvements in the dynamic environment that Distributors operate. Ontario Energy Board regulatory requirements and public policy delivery expectations continue to place additional responsibilities and costs on LDCs. Since 2010, NOTL Hydro has implemented a smart meter system, new customer service guidelines and LEAP as well as connecting, paying and settling over 100 FIT/mFIT customers. Despite cooperatively sharing operating costs with 8 NEPA LDCs, the new AMI system is significantly more expensive when compared to the original manual system. The code requirement to implement new customer service rules related to LEAP also added software programming costs as well as annual LEAP contributions and complexity. Our new role as agents of green power has added significant cost to our operation such as the monthly cost of electronic payments. As illustrated in table 4.1.5, NOTL Hydro effectively reduced our number of FTE over this period despite adding approximately 8% more customers and our collective agreements have added increases lower than our Regional neighbours in this competitive skilled market.

b) NOTL Hydro has in fact reduced our FTE complement over this period despite adding approximately 8% more customers. Our FTE includes 2 employees primarily dedicated to the delivery of CDM program that are generally funded by the OPA. We should also note that our current rate

application does not propose to add any additional FTE over the next 5 years despite continued, modest customer growth.

c) As indicated above, NOTL Hydro's workforce has actually contracted during this period as approximately 2 employees have been dedicated to CDM and are primarily funded by the OPA. An equivalent of 1 employee is dedicated to water/waste water billing services which actually places the NOTL Hydro operational FTE complement closer to 16. The major contributors to the increase in OM&A over this period are listed in a) above. We ask that you review our OM&A per FTE against our industry comparators in a table prepared for 4.2-VECC-16 that clearly illustrates our comparative efficiency in this regard.

4.2-EnergyProbe-9

Ref: Exhibit 4, Tab 1, Schedule 1 &
Exhibit 1, Tab 1, Schedule 2

Please reconcile the inflation rate of 1.9% noted on page 3 of Exhibit 4, Tab 1, Schedule 1 with the rate of 1.6% noted on page 7 of Exhibit 1, Tab 1, Schedule 2. Please explain which rate or rates were used and which items the rate or rates were applied to.

Response to 4.2-Energy Probe-9

The inflation rate noted on page 3 of Exhibit 4, Tab 1, Schedule 1, was written as 1.9% in an early draft of the application and should have been changed to 1.6%, which was the basic inflationary rate used where necessary in the application, to match the GDP-IPI rate used in 2013 and 2014 IRM applications. Thus, the 1.6% stated on page 7 of Exhibit 1, Tab 1, Schedule 2 is correctly reflects what was used.

Please note however that a total of 162 non-zero, non-payroll, OM&A line items were individually assessed in preparing the forecast for the 2014 test year. Of these, in only 8 line-items were the basic 1.6% inflationary rate applied, such as office supplies, envelopes, postage, insurance and property tax. A further 108 line items were flat-lined, 3 line-items were increased but by less than 1.6% and 35 line-items were increased by more than 1.6%.

For the 2013 forecast, 163 line-items were individually assessed. A total of 96 line-items were flat-lined or reduced relative to 2012 actuals, 9 line-items were new in 2013, 1 line-item was increased but by less than 1.6% and 57 line-items were increased by more than 1.6%.

4.2-Energy Probe-10

Ref: Exhibit 4, Tab 1, Schedule 1

Please fully explain the addition of $61,834 in "Extraordinary deductions" shown in Table 4.1.2 for 2012. In particular, what are these deductions and why have they been added back in to the OM&A expense?

Response to 4.2-Energy Probe-10

The extra-ordinary deduction is a Scientific Research and Experimental Development Tax ("SRED") Incentive of $61,384 for NOTL Hydro 2010 and 2011 research and development programs, recorded in OEB account "6310[4] – Unusual Deductions". An explanation of the adding-back can be assisted by examining NOTL Hydro's RRR 2.1.13 report for 2012 for "General Administration", shown below:

	A	B	C	D	E	F
1	Trial Balance mapped to Financial Statement Grouping INCOME STATEMENT					
2	Account	I/S Section	I/S Line Grouping	GL Account Description	2012	INCOME STATEMENT
103						
104	5605	Other expenditure	General administration	ADMIN EXECUTIVE SALARIES & EX	$ 74,818	
105	5610	Other expenditure	General administration	ADMIN MGMT SALARIES & EXPENSE	$ 104,053	
106	5615	Other expenditure	General administration	ADMIN STAFF SALARIES & EXPENS	$ 101,497	
107	5620	Other expenditure	General administration	ADMIN OFFICE SUPPLIES & EXP	$ 30,698	
108	5630	Other expenditure	General administration	ADMIN OUTSIDE SERVICES AUDITO	$ 51,195	
109	5635	Other expenditure	General administration	ADMIN PROPERTY INSURANCE	$ 27,130	
110	5640	Other expenditure	General administration	ADMIN INJURIES & DAMAGES	$ 27,713	
111	5645	Other expenditure	General administration	ADMIN RETIREES PENSIONS & BEN	$ 25,249	
112	5650	Other expenditure	General administration	ADMIN REG EXPENSES TRANSITION	$ 37,105	
113	5660	Other expenditure	General administration	ADMIN GENERAL ADVERTISING EXP	$ 3,345	
114	5665	Other expenditure	General administration	ADMIN MISC GENERAL EXPENSES	$ 34,197	
115	5675	Other expenditure	General administration	ADMIN MTCE OF GENERAL PLANT	$ 116,034	
116	5680	Other expenditure	General administration	ESA FEES	$ 4,653	
117	6105	Other expenditure	General administration	TAXES PROPERTY	$ 27,424	
118	6205	Other expenditure	General administration	DONATIONS	$ 4,850	
119	6305	Other expenditure	General administration	EXTRAORDINARY DEDUCTIONS	$ (61,834)	$ 608,325
120						
121	4340	Other expenditure	Financial expense	PROFIT/LOSS ON INVESTMENT	$ (118,201)	
122	6005	Other expenditure	Financial expense	INTEREST ON LONG TERM DEBT	$ 580,094	
123	6035 Part 1	Other expenditure	Financial expense	OTHER INTEREST EXPENSE	$ 30,130	$ 492,022
124						
125	5705	Other expenditure	Amortization	AMORTIZATION EXPENSE	$ 1,782,092	$ 1,782,092
126						$ 4,198,288
127						
128		Net income before income taxes				$ (657,790)
129						
130	6110	Income taxes	Current	TAXES FEDERAL INCOME TAX	$ 462,731	
131	6115	Income taxes	Future	Provision for Future Income Taxes	$ (306,381)	$ 156,350
132						
133		Net income for the year				$ (501,448)

On page 2 of the 2012 Financial Statements, the line of "General Administration" within "Other Expenditure" shows an amount of $608,325, as also indicated in the extract of 2.1.13 above. However, this amount results in an understatement

[4] Row 119 of the 2.1.13 sheet above shows the account erroneously as 6305.

of General Administration OM&A due to the SRED credit amount of $61,834 included in the $608,325 in the audited Financial Statement. Therefore, the $61,834 needed to be added back to get a true General Administration total.

4.2-Energy Probe-11

Ref: Exhibit 4, Tab 1, Schedule 2

a) Please break out the $184,671 shown as a cost driver related to the disposition of account 1556 in 2012 in Table 4.1.4 into the amounts incurred in each year for 2009 through 2012.

b) Because this adjustment is fully reversed in 2013, does this mean that any of the costs actually incurred in 2012 were onetime costs and do not continue in 2013, or do the incremental costs for smart meters shown in drivers 5, 6, & 7 in 2013 reflect the 2012 costs incurred?

c) Please provide a table that shows the actual and forecasted smart meter related costs for each of 2012, 2013 and 2014 that reconciles with related cost drivers shown in Table 4.1.4.

d) Why are there no cost drivers showing the decrease in meter reading, meter maintenance, etc. for the stranded meters as they were replaced by the smart meters over the period shown in the cost driver table?

e) Please confirm that the OM&A forecasts would have been $4,000 higher, except for the change to capitalization in preparation for the movement to IFRS. If this cannot be confirmed, please provide the 2013 and 2014 OM&A forecasts assuming no changes were made in preparation for the movement to IFRS.

Response to 4.2-Energy Probe-11

a) The Table below shows the annual amounts recorded in account 1556 from 2009 to 2012, totaling $184,671. Please note that after June 2012, the smart meter OM&A costs were no longer recorded to account 1556, so that the 2012 amount is only for January to June 2012.

OM&A	Last Rebasing Year (2009 Actuals)	2010 Actuals	2011 Actuals	2012 Actuals	2013 Bridge Year	2014 Test Year
Reporting Basis	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP
Opening Balance (2009=Board Approved)	CGAAP	$ -	$ -	$ -	$ -	$ -
Driver #4 - Smart Meters - DVA disposition	$ -	$ -	$ -	$ 184,671	-$ 184,671	$ -
				To June 2012		
Annual amounts	*$ 1,327*	*$ 45,873*	*$ 91,829*	*$ 45,642*		
				$ 184,671		

b) The costs actually incurred in 2012 related to the DVA disposition total amount of $184,671 were $45,642 for the period Jan-Jun 2012, as shown in a) above. These costs continue in 2013 and are reflected in drivers 5 and 6 only. Driver 7 (UCS billing services) was never recorded in account 1556[5]. The subtotals for drivers 4, 5 and 6 can be seen in the Table in c) below.

c) The requested Table is provided below. The amounts in green are the year-to-year change amounts corresponding to the driver Table 4.1.4 but split year-to-year for 2009 to 2012 as per a) above. The amounts in blue are the annual amounts.

The DVA account amounts are split to show the meter reading and meter maintenance portions and to show the annual amounts from 2009 to 2012. The total of these amounts ($184,671) was moved to regular OM&A from the variance account in 2012.

OM&A Smart Meter Related Costs	Last Rebasing Year (2009 Actuals)	*Change per Driver Table 4.1.4*	2010 Actuals	*Change per Driver Table 4.1.4*	2011 Actuals	*Change per Driver Table 4.1.4*	2012 Actuals	*Change per Driver Table 4.1.4*	2013 Bridge Year	*Change per Driver Table 4.1.4*	2014 Test Year
Driver #4 - Smart Meters - DVA account - Meter Reading	$ -	*$ 30,704*	$ 30,704	*-$ 3,933*	$ 26,770	*-$ 7,731*	$ 19,040	*-$ 19,040*	No smart meter reading and mtce costs were recorded in DVA account 1556 after June 2012		
Driver #4 - Smart Meters - DVA account - Meter Mtce	$ 1,327	*$ 13,842*	$ 15,169	*$ 49,890*	$ 65,059	*-$ 38,457*	$ 26,602	*-$ 26,602*			
Driver #5 - Smart Meters - Meter Reading	All smart meter reading and mtce costs were recorded in DVA account 1556 until June 2012					*$ 42,269*	$ 42,269	*$ 21,731*	$ 64,000	*$ 1,000*	$ 65,000
Driver #6 - Smart Meters - Meter Maintenance						*$ 27,539*	$ 27,539	*$ 12,361*	$ 39,900	*$ 800*	$ 40,700
Subtotals	**$ 1,327**	***$ 44,546***	**$ 45,873**	***$ 45,957***	**$ 91,829**	***$ 23,620***	**$ 115,450**	***-$ 11,550***	**$ 103,900**	***$ 1,800***	**$ 105,700**
Driver #7 - Smart Meters - UCS Billing services	$ -	*$ 61,124*	$ 61,124	*$ 14,554*	$ 75,678	*$ 2,025*	$ 77,703	*$ 5,565*	$ 83,268	*$ 1,280*	$ 84,548
Totals	**$ 1,327**	***$ 105,670***	**$ 106,997**	***$ 60,511***	**$ 167,507**	***$ 25,645***	**$ 193,153**	***-$ 5,985***	**$ 187,168**	***$ 3,080***	**$ 190,248**

d) In considering the appropriate level of granularity and key items for the cost driver Table 4.1.4, it was of course impractical to include every cost element. Therefore, the approach taken was to focus on externally driven costs and the Distribution System Plan, and to limit the analysis to 10 drivers. IBEW contract rates and inflation, Drivers 1 and 2, were felt to be essential to include as major drivers of cost. LEAP, Driver 3, was relevant as a mandated cost. Smart meters, Drivers 4 to 7, were clearly important to show the effect

[5] Please also refer to NOTL Hydro's response to Board Staff 4.2-Staff-7.

of this major Ontario initiative. Drivers 8 and 9 flowing from the Distribution System Plan were included to show their effect on OM&A cost. Ontario One Call, Driver 10, reflects the legally-required membership of Ontario One Call as of 2012 which increased OM&A costs. All other drivers, increases or decreases, internal or external, are subsumed in the "all other costs" line, which therefore would include decreases related to the removal of stranded meters.

As an indication of the order of magnitude of the decrease, the following information is offered. The Table in c) above shows that smart meter reading and maintenance costs started in 2009 at a small amount of $1,327 recorded in variance account 1556 at that time. NOTL Hydro's total non-smart meter reading and maintenance costs in 2009, recorded in accounts 5175 and 5310, were $53,395 for all customer classes combined. The portion of this amount for the ultimately stranded residential and GS<50kW meters would be a savings, subsumed in the combined decrease for "all other costs" from 2009 to 2014 of $75,481 shown in Table 4.1.4.

e) NOTL Hydro confirms that the OM&A forecasts would have been $4,000 higher except for the capitalization change referred to in the interrogatory.

4.2-Energy Probe-12

Ref: Exhibit 4, Tab 1, Schedule 2

Please provide the most recent actual year-to-date figures available for 2013 in the same level of detail as shown in Table 4.1.1, along with the figures for the corresponding period in 2012.

Response to 4.2-Energy Probe-12

The following Table is an update of Table 4.1.1 using 2013 actuals (unaudited). The corresponding period in 2012 is the full year so no change to the 2012 amounts is required.

Table 4.1.1 Updated	Last Rebasing Year (2009 Board-Approved)	Last Rebasing Year (2009 Actuals)	2010 Actuals	2011 Actuals	2012 Actuals	2013 Actual (Unaudited)	2014 Test Year
Operations	$ 373,710	$ 399,162	$ 350,388	$ 424,014	$ 469,005	$ 459,770	$ 532,044
Maintenance	$ 521,359	$ 439,868	$ 394,912	$ 392,884	$ 479,908	$ 434,244	$ 416,132
Billing and Collecting	$ 318,798	$ 315,290	$ 333,308	$ 402,377	$ 550,877	$ 495,697	$ 534,260
Community Relations	$ 1,020	$ 3,584	$ 3,949	$ 2,445	$ 729	$ 331	$ 12,300
Administrative and General	$ 629,254	$ 659,991	$ 686,992	$ 682,468	$ 640,886	$ 748,242	$ 720,526
Total	**$ 1,844,140**	**$ 1,817,894**	**$1,769,548**	**$1,904,187**	**$2,141,405**	**$ 2,138,285**	**$2,215,262**
%Change (year over year)			-2.7%	7.6%	12.5%	-0.1%	3.6%

4.2-Energy Probe-13

Ref: Exhibit 4, Tab 2, Schedule 1

a) Please explain the significant increase in billing costs shown in Table 4.2.1 between 2009 of $156,272 to $289,522 in 2011 and then from the 2011 amount to the forecasted amount of $368,645 in 2014. In both cases, please separate out in the explanation all costs related to smart meters.

b) Does NOTL Hydro bill all rate classes on a monthly basis? If so, is this a change from the 2009 cost of service proceeding?

c) Please provide the average number of customers (not connections) by rate class for each of 2012, 2013 and 2014, using the most recent information available for 2013. Please confirm that the distributor issues bills based on customers and not connections.

Response to 4.2-Energy Probe-13

a) NOTL Hydro has provided a Table and information regarding the increase in billing costs in response to 4.2-VECC-18 which is reproduced below.

The following Table provides the requested cost elements of 5315 (customer billing) and further details for the period 2009 to 2014:

5315 Billing	Vendor	2009 Approved	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual (unaudited)	2014 Forecast
Billing labour	Internal NOTL Hydro	$ 99,159	$ 68,093	$ 78,983	$ 132,380	$ 168,711	$ 158,964	$ 190,036
Billing expenses		$ 67,585	$ 78,482	$ 49,406	$ 79,871	$ 81,787	$ 91,121	$ 86,748
Retail Service labour and expenses		$ 26,676	$ 32,441	$ 20,274	$ 20,802	$ 17,002	$ 18,218	$ 20,960
Retail Service HUB costs	UCS/ITM/ ERTH	$ 4,885	$ 7,116	$ 5,538	$ 7,880	$ 8,770	$ 9,830	$ 9,000
RSVA/RCVA adjustments	Internal	$ (25,643)	$ (29,860)	$ (17,110)	$ (21,485)	$ (19,086)	$ (22,777)	$ (22,646)
Northstar CIS billing and hosting services	UCS*	$ -	$ -	$ 61,124	$ 75,678	$ 77,703	$ 81,408	$ 82,803
MDMR Support		$ -	$ -	$ -	$ -	$ -	$ 1,718	$ 1,745
Prior-year sales credit		$ -	$ -	$ -	$ (5,603)	$ (9,255)	$ (8,945)	$ -
Totals		$ 172,662	$ 156,272	$ 198,217	$ 289,522	$ 325,633	$ 329,538	$ 368,645

[Overall Northstar costs are shared by UCS members based on customer counts*

With regard to billing labour costs, the billing department staff (Billing Supervisor and 3 Customer Account Representatives in 2009, Business Manager and 3 Customer Account Representatives in 2014) has remained at 3 FTEs from 2009 to 2014. However, the proportion of their time among the functions of billing, retail services, collecting and services provided to the affiliate ESNI (for water heater billing and water billing for the Town of NOTL) has changed from 2009 to 2014. A summary is provided below, showing that the proportion of their time for billing increased from 28.4% in the 2009 Board approved to 58.6% in the 2014 Forecast.

Billing Staff Hours*	Hours		% of Hours	
	2009 Board Approved	2014 Forecast	2009 Board Approved	2014 Forecast
Billing	1,712	3,451	28.4%	58.6%
Collecting	1,621	847	26.9%	14.4%
Retail	468	197	7.8%	3.3%
Sub-total to OM&A	3,801	4,495	63.0%	76.3%
ESNI - Water Heaters	570	-	9.4%	0.0%
ESNI - Water Billing	1,664	1,398	27.6%	23.7%
Total	6,035	5,893	100%	100%
**** Including all Departments, billing hours are as follows:***				
Billing Department	*1,712*	*3,451*		
Other Departments	*170*	*148*		
Total	*1,882*	*3,599*		

With regard to the prior-year sales credit from UCS, this is a credit back to all UCS members in the event that a "profit" is made by UCS, as UCS is set up on a non-profit basis. A credit is not guaranteed and hence is not included in the 2014 forecast.

The "5315 Billing" Table above shows Northstar CIS billing and hosting services and MDMR support which are the costs related to smart meters.

Regarding increases "to and from" the specific year 2011, the Table provides the requested information.

The billing labour cost increase from 2009 to 2011 also reflects a change in mix of billing staff hours among functions as described for 2009 to 2014 in the "Billing Staff Hours" Table above.

b) NOTL Hydro bills all rate classes on a monthly basis and has done so for almost 13 years since March 12, 2001. Thus, this is not a change since the 2009 COS proceeding.

c) The average number of customers (not connections) by rate class for each of 2012, 2013 and 2014, using the most recent information available for 2013 is as follows:

Average Number of Customers	2012 Actual	2013 Actual	2014 Forecast
Residential	6,742	6,911	7080
GS<50kW	1,253	1,252	1252
GS>50kW	118	120	124
Streetlights	5	5	5
USL	22	22	21
Total	8,139	8,308	8,482

NOTL Hydro issues bills as follows:

- Residential, GS<50kW and GS>50kW:
    - One bill to each customer, except:
    - If a customer has more than one meter, one bill to each customer for each meter
- Streetlights:
    - One bill to each of 5 customers, i.e. not based on the number of streetlight connections. The customers are:
        - Town of NOTL urban
        - Town of NOTL rural
        - City of St, Catharines
        - City of Niagara Falls
        - Region of Niagara
- Unmetered scattered loads (USL):
    - One bill to each customer. However, there is a one-to-one relationship between USL customers and USL connections, so the bills issued are the same as if one bill to each connection.

4.2-Energy Probe-14

Ref: Exhibit 4, Tab 2, Schedule 2

Are any of the costs for the FTEs shown in Table 4.2.3 covered by the OPA or any other source? If yes, please explain whether the costs included in Table 4.2.3 include or exclude these costs. If the former, please provide a version of Table 4.2.3 that only includes costs to be recovered through rates as recoverable OM&A expenses and capitalized amounts.

Response to 4.2-Energy Probe-14

The FTEs shown in Table 4.2.3 are the grand total FTEs covered by all sources, including the OPA. Correspondingly, the costs in Table 4.2.3 include all sources.

The Table below restates Table 4.2.3 only including costs to be recovered through rates as either recoverable OM&A expenses or capitalized amounts. All other sources are removed.

ENERGY PROBE 14

Employee Costs
only including costs to be recovered in rates as recoverable OM&A and capitalized amounts

	Last Rebasing Year - 2009-Board Approved	Last Rebasing Year - 2009-Actual	2010 Actuals	2011 Actuals	2012 Actuals	2013 Bridge Year	2014 Test Year
Number of Employees (FTEs including Part-Time)[1]							
Management (including executive)	4.6					4.9	4.9
Non-Management (union and non-union)	12.1					10.8	11.3
Total	16.7	-	-	-	-	15.7	16.2
Total Salary and Wages including ovetime and incentive pay							
Management (including executive)	$ 428,643	*$ 452,560*	*$ 444,782*	*$ 446,183*	*$ 477,419*	$ 508,501	$ 527,957
Non-Management (union and non-union)	$ 694,213	*$ 601,677*	*$ 657,227*	*$ 697,214*	*$ 722,402*	$ 722,618	$ 775,826
Total	$ 1,122,856	$ 1,054,237	$ 1,102,009	$ 1,143,397	$ 1,199,821	$ 1,231,118	$ 1,303,783
Total Benefits (Current + Accrued)							
Management (including executive)	$ 82,360	*$ 94,243*	*$ 89,959*	*$ 100,666*	*$ 107,594*	$ 107,634	$ 109,127
Non-Management (union and non-union)	$ 148,878	*$ 145,786*	*$ 140,261*	*$ 153,407*	*$ 161,454*	$ 173,026	$ 176,562
Total	$ 231,238	$ 240,029	$ 230,219	$ 254,073	$ 269,049	$ 280,661	$ 285,689
Total Compensation (Salary, Wages, & Benefits)							
Management (including executive)	$ 511,004	*$ 546,803*	*$ 534,741*	*$ 546,850*	*$ 585,014*	$ 616,135	$ 637,083
Non-Management (union and non-union)	$ 843,091	*$ 747,462*	*$ 797,488*	*$ 850,621*	*$ 883,856*	$ 895,644	$ 952,389
Total	$ 1,354,094	$ 1,294,266	$ 1,332,229	$ 1,397,470	$ 1,468,870	$ 1,511,779	$ 1,589,472

Please note that:

- NOTL Hydro has made its best efforts to remove non-recoverable amounts for the data for 2009 to 2012 actuals and split the remainder into management and non-management. However, a reliable split of the employee FTE data as between recoverable and non-recoverable items has not proven feasible.
- The data for 2009 Approved, 2013 Bridge and 2014 Test were able to be calculated from the individual employee data in the detailed Excel models used in the 2009 and 2014 COS applications.

4.3 Are the applicant's proposed operating and capital expenditures appropriately paced and prioritized to result in reasonable rate increases for customers, or is any additional rate mitigation required?

[No Interrogatory]

5. Public Policy Responsiveness

5.1 Do the applicant's proposals meet the obligations mandated by government in areas such as renewable energy and smart meters and any other government mandated obligations?

5.1-Energy Probe-15

Ref: Current Application

a) Please provide a list of the obligations mandated by government in 2010 through to the current time.

b) For each of the obligations noted in (a) above, please explain how the distributor has met those obligations.

Response to 5.1-Energy Probe-15

a) Since 2010, we believe that obligations mandated by the government would include the requirement to connect, accept and settle Renewable Generators, smart meter network development and interaction with the MDM/R, implementation of the OCEB and LEAP/new Customer Service rules.

b) NOTL Hydro is of the opinion that we have met and continue to meet all of the obligatory functions outlined in a) above

6. Financial Performance

6.1 Do the applicant's proposed rates allow it to meet its obligations to its customers while maintaining its financial viability?

[No Interrogatory]

6.2 Has the applicant adequately demonstrated that the savings resulting from its operational effectiveness initiatives are sustainable?

6.2-Energy Probe-16

Ref: Exhibits 1, 2 & 4

a) Please describe, with references to the evidence, the operational effectiveness initiatives that the distributor has or is planning to undertake.

b) Please show now these initiatives have, or will result in savings to ratepayers.

c) Please explain how the savings identified in part (b) above are sustainable.

Response to 6.2-Energy Probe-16

a) Since our last rate re-basing application in 2009, NOTL Hydro has moved to a new CIS system that has proven to be 'smart meter' ready, fully functionally and well supported for the long-term. We implemented the new CIS system through a cooperative arrangement, Utility Collaborative Services (UCS), by which 10 LDCs share a Harris Northstar system and associated operating costs. This long-term arrangement allows us to hold the line on cost increases through this cooperative arrangement. Similarly, NOTL Hydro worked with the Ontario Utility Smart Meter (OUSM) group and then the Niagara Erie Power Alliance (NEPA) to select and then procure a Sensus AMI system. NOTL Hydro signed a long-term contract with Sensus (along with 7 NEPA members) for the maintenance and operation of the AMI system for the life of the product. This cooperative arrangement, versus an individual contract, reduced costs and certainly held the line on future cost increases.

Our AMI plan as presented ensures that we optimally manage our assets and can maintain a low cost operating plan for the long term. Our 5 Year Capital Plan presented will replace the remaining old 4 kV overhead infrastructure and continuously improve our operational effectiveness. While major storms continue to negatively affect our distribution system, we believe that the damage from the recent December ice storm was minimized and is proof that our system is robust. The replacement of the remaining legacy 4 kV system over the next 10 years with a more efficient 27.6 kV system will continue to

reduce distribution system losses and outage calls to the benefit of customers.

In our effort to hold the line on operational cost increases, this rate application does not propose the addition of staff over the next 5 years despite our continuous modest growth in customers. In order to accomplish this feat, we must continue to work more efficiently and make use of technology to better serve our customers. Our implementation of an Outage Management system, File Nexus and TeleWorks are examples of our approach to continuously improve service to our growing customer base without adding additional staff.

b) As indicated in our application, NOTL Hydro is not proposing to add any additional staff members through the current rate period despite continued modest customer growth. We have estimated that an additional employee would add approximately $70,000-90,000/year in costs. Our line loss improvements continue to benefit our customers. This application proposes to reduce our line loss factor from 4.63% to 3.79% which we expect will directly save our customers $150,000/year. Our CDSP promises to further reduce line losses down to the 3.0% range or an additional $140,000 in savings over the next 5 years which is quite aggressive for a rural LDC.

c) Our initiatives and resulting savings identified in a) and b) above are reflected in our application and are sustainable over the 5 year plan presented. Distribution line loss reduction and associated customer savings is sustainable providing that our CDSP plan as presented is approved. The CDSP ensures that our assets are optimally maintained and replaced, ensuring that our system losses continue to be reduced as we replace aging infrastructure and move to a more efficient 27.6 kV system. Further, we are confident that our current complement of FTEs can be maintained for the next 5 years provided that we implement the new technological tools proposed in this application.

7. Revenue Requirement

7.1 Is the proposed Test year rate base including the working capital allowance reasonable?

7.1-Energy Probe-17

Ref: Exhibit 1, Tab 5, Schedule 16

The last paragraph states that there are no transmission assets for which NOTL Hydro is seeking Board approval to be deemed as distribution assets in the present application. Please confirm that NOTL Hydro is not requesting any additional transmission assets to be deemed as distribution assets but is requesting the assets noted earlier in the evidence to continue to be deemed distribution assets.

Response to 7.1-Energy Probe-17

NOTL Hydro is not requesting any additional transmission assets to be deemed as distribution assets in this application but is requesting the assets noted earlier in the evidence to continue to be deemed distribution assets.

7.1-Energy Probe-18

Ref: Exhibit 2, Tab 1, Schedule 1

Please confirm that the Taxes Other than Income Taxes shown in Table 2.1.1(b) are only property taxes and do not include any historical capital taxes. If this cannot be confirmed, please separate the property taxes from the capital taxes for the years shown.

Response to 7.1-Energy Probe-18

Except for 2009 Approved, the values in Table 2.1.1 (b) are the totals of property tax and capital tax as recorded in OEB account "6105 – Taxes other than Income Taxes". Below is a Table showing the separation of these totals:

Year	Property Taxes	Capital Taxes	Total Taxes Other than Income Taxes
	$	$	$
2009 Approved	34,650	[15,428 was not included]	34,650
2009 Actual	31,505	11,000	42,505
2010 Actual	26,673	5,000	31,673
2011 Actual	28,483	Nil	28,483
2012 Actual	27,424	Nil	27,424
2013 Bridge	28,146	Nil	28,146
2014 Test	28,596	Nil	28,596

For 2009 Approved, the approved capital tax amount of $15,428 was excluded from the working capital calculation in the 2009 COS.

For 2009 Actual to 2012 Actual, the actual capital taxes are as shown in the Response Table above and were incorrectly included in the working capital calculation. For 2013 Bridge and 2014 Test, capital taxes continue as nil, the same as 2011 and 2012 actuals.

The difference in treatment of capital taxes between the 2009 COS and 2014 COS is a result of a misunderstanding of what should be included in "Taxes other than Income Taxes" in the 2014 COS revenue requirement calculator model that was used. However, as the 2011 through 2014 capital taxes are $nil, the working capital calculations for those years are not affected.

7.1-Energy Probe-19

Ref: Exhibit 2, Tab 2, Schedule 1

a) How many months of actual data are included in the 2013 forecast of capital additions shown in Table 2.2.5?

b) Please update Table 2.2.5 to reflect the most recent actual additions closed to rate base in 2013, along with the forecast for the remainder of the year.

c) Please update Table 2.2.6 to reflect any changes to 2014 additions closed to rate base as a result of any changes in 2013 reflected in part (b) above.

Response to 7.1-Energy Probe-19

a) Table 2.2.5 was prepared when 7 months of actual data was available. The 2013 forecast in this Table was NOTL Hydro's 2013 capital budget, which at that time was forecast to be on target.

b) Table 2.2.5 is updated below to reflect the actual 2013 additions for the full year[6]. In addition, the update includes the entries for two truck disposals referred to in the response to Energy Probe 22.

[6] I.e. no remainder forecast is required.

Table 2.2.5 – Fixed Asset Continuity Schedule – 2013 (updated)

			Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
12	1611	Computer Software (Formally known as Account 1925)	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
CEC	1612	Land Rights (Formally known as Account 1906)		$ -	$ -	$ -	#REF!		#REF!	#REF!	#REF!
N/A	1805	Land	$ 258,134	$ -	$ -	$ 258,134	$ -	$ -	$ -	$ -	$ 258,134
47	1808	Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1815	Trans Stn Equip >50 Kv-Other-York	$ 1,915,162	$ -	$ -	$ 1,915,162	-$ 449,087	-$ 32,129	$ -	-$ 481,216	$ 1,433,946
47	1815	Trans Stn Equip >50 Kv-Tx - York	$ 827,000	$ -	$ -	$ 827,000	-$ 196,413	-$ 17,763	$ -	-$ 214,176	$ 612,824
47	1815	Trans Stn Equip >50 Kv-Other-Conc 5	$ 2,010,750	$ -	$ -	$ 2,010,750	-$ 346,145	-$ 34,587	$ -	-$ 380,732	$ 1,630,018
47	1815	Trans Stn Equip >50 Kv-Tx -Conc 5	$ 670,096	$ -	$ -	$ 670,096	-$ 125,643	-$ 14,519	$ -	-$ 140,162	$ 529,934
47	1820	Distribution Station Equipment <50 kV	$ 160,630	$ -	$ -	$ 160,630	-$ 112,703	-$ 47,927	$ -	-$ 160,630	-$ 0
47	1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1830	Poles, Towers & Fixtures	$ 5,094,579	$ 252,116	-$ 29,886	$ 5,316,810	-$ 2,964,062	-$ 77,879	$ 28,188	-$ 3,013,753	$ 2,303,057
47	1835	Overhead Conductors & Devices	$ 6,652,606	$ 132,181	-$ 27,867	$ 6,756,920	-$ 3,813,945	-$ 69,233	$ 26,009	-$ 3,857,169	$ 2,899,751
47	1840	Underground Conduit	$ 4,988,108	$ 261,599	$ -	$ 5,249,706	-$ 2,282,798	-$ 52,842	$ -	-$ 2,335,640	$ 2,914,066
47	1845	Underground Conductors & Devices	$ 8,810,757	$ 507,775	$ -	$ 9,318,533	-$ 4,642,700	-$ 145,230	$ -	-$ 4,787,931	$ 4,530,602
47	1850	Line Transformers	$ 7,860,290	$ 234,149	-$ 18,951	$ 8,075,489	-$ 3,915,307	-$ 122,411	$ 14,532	-$ 4,023,187	$ 4,052,302
47	1855	Services - Overhead	$ 575,400	$ 75,797	$ -	$ 651,197	-$ 132,293	-$ 8,809	$ -	-$ 141,102	$ 510,094
47	1855	Services - Underground	$ 2,308,811	$ 180,000	$ -	$ 2,488,811	-$ 629,751	-$ 45,511	$ -	-$ 675,262	$ 1,813,549
47	1860	Meters - CT/PTs component	$ 451,702	-$ 2,519	$ -	$ 449,183	-$ 320,713	-$ 4,433	$ -	-$ 325,146	$ 124,036
47	1860	Meters - Other component	$ 280,257	$ 30,000	$ -	$ 310,257	-$ 174,998	-$ 8,390	$ -	-$ 183,388	$ 126,869
47	1860	Meters - Stranded	$ 349,266	$ -	-$ 349,266	$ -	-$ 247,020	-$ 9,462	$ 256,482	$ -	$ -
47	1860	Meters (Smart Meters)	$ 1,699,032	$ 19,478	$ -	$ 1,718,509	-$ 281,584	-$ 113,918	$ -	-$ 395,502	$ 1,323,008
N/A	1905	Land	$ 49,000	$ -	$ -	$ 49,000	$ -	$ -	$ -	$ -	$ 49,000
47	1908	Buildings & Fixtures - HQ	$ 1,044,958	$ 1,060	$ -	$ 1,046,018	-$ 366,588	-$ 17,268	$ -	-$ 383,856	$ 662,162
47	1908	Buildings & Fixtures - PCB shed	$ 8,690	$ -	$ -	$ 8,690	-$ 7,085	-$ 357	$ -	-$ 7,442	$ 1,249
13	1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1915	Office Furniture & Equipment (10 years)	$ 214,125	$ 2,509	$ -	$ 216,633	-$ 170,861	-$ 8,736	$ -	-$ 179,597	$ 37,037
8	1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	1920	Computer Equipment - Hardware	$ 376,140	$ 38,762	$ -	$ 414,902	-$ 337,918	-$ 33,090	$ -	-$ 371,008	$ 43,894
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)				$ -				$ -	$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)				$ -				$ -	$ -
12	1925	Computer Software	$ 1,711,417	$ 104,895	$ -	$ 1,816,312	-$ 1,545,851	-$ 118,784	$ -	-$ 1,664,636	$ 151,677
12	1925	Computer Software (CIS TOU upgrade)	$ 170,000	$ -	$ -	$ 170,000	-$ 51,000	-$ 34,000	$ -	-$ 85,000	$ 85,000
10	1930	Transportation Equipment<3 tons	$ 141,065	$ 53,681	-$ 35,341	$ 159,405	-$ 129,358	-$ 14,054	$ 35,341	-$ 108,071	$ 51,334
10	1930	Transportation Equipment>3 tons	$ 940,581	$ -	$ -	$ 940,581	-$ 317,468	-$ 79,761	$ -	-$ 397,229	$ 543,352
10	1930	Transportation Equipment-trailer	$ 38,458	$ -	$ -	$ 38,458	-$ 38,458	$ -	$ -	-$ 38,458	$ -
10	1930	Transportation Equipment-old account									
8	1935	Stores Equipment	$ 24,684	$ -	$ -	$ 24,684	-$ 18,375	-$ 1,043	$ -	-$ 19,417	$ 5,266
8	1940	Tools, Shop & Garage Equipment	$ 463,313	$ 3,242	$ -	$ 466,555	-$ 400,141	-$ 24,382	$ -	-$ 424,524	$ 42,031
8	1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1950	Power Operated Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1955	Communications Equipment	$ 54,383	$ -	$ -	$ 54,383	-$ 38,445	-$ 3,991	$ -	-$ 42,436	$ 11,947
8	1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1970	Load Management Controls Customer Premises				$ -				$ -	$ -
47	1975	Load Management Controls Utility Premises				$ -				$ -	$ -
47	1980	System Supervisor Equipment	$ 325,968	$ -	$ -	$ 325,968	-$ 215,219	-$ 51,595	$ -	-$ 266,814	$ 59,154
47	1980	System Supervisor Equipment - smartgrid	$ -	$ 237,952	$ -	$ 237,952	$ -	-$ 18,227	$ -	-$ 18,227	$ 219,726
47	1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1990	Other Tangible Property				$ -				$ -	$ -
47	1995	Contributions & Grants - Poles	-$ 231,683	-$ 382,910	$ -	-$ 614,593	$ 62,117	$ 8,587	$ -	$ 70,705	-$ 543,888
47	1995	Contributions & Grants - Wires	-$ 235,221	-$ 25,000	$ -	-$ 260,221	$ 71,105	$ 3,316	$ -	$ 74,421	-$ 185,801
47	1995	Contributions & Grants - OH services	-$ 137,549	-$ 25,000	$ -	-$ 162,549	$ 49,028	$ 1,936	$ -	$ 50,964	-$ 111,584
47	1995	Contributions & Grants - Conduit	-$ 781,544	-$ 44,878	$ -	-$ 826,422	$ 203,427	$ 10,122	$ -	$ 213,550	-$ 612,872
47	1995	Contributions & Grants - UG conductor	-$ 1,644,448	-$ 68,265	$ -	-$ 1,712,712	$ 553,918	$ 30,232	$ -	$ 584,150	-$ 1,128,562
47	1995	Contributions & Grants - UG services	-$ 1,435,421	-$ 25,000	$ -	-$ 1,460,421	$ 403,556	$ 27,097	$ -	$ 430,653	-$ 1,029,768
47	1995	Contributions & Grants - Transformers	-$ 2,140,168	-$ 1,456	$ -	-$ 2,141,625	$ 630,529	$ 39,685	$ -	$ 670,214	-$ 1,471,411
47	1995	Contributions & Grants - Building	-$ 13,000	$ -	$ -	-$ 13,000	$ 3,380	$ 205	$ -	$ 3,585	-$ 9,415
47	1995	Contributions & Grants - Meters	-$ 7,344	$ -	$ -	-$ 7,344	$ 3,024	$ 294	$ -	$ 3,318	-$ 4,026
47	1995	Contributions & Grants - Trucks	-$ 9,722	$ -	$ -	-$ 9,722	$ 9,722	$ -	$ -	$ 9,722	$ 0
	etc.					$ -				$ -	$ -
						$ -				$ -	$ -
		Sub-Total	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$ -				$ -	$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				$ -				$ -	$ -
		Total PP&E	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**#REF!**

c) Table 2.2.6 is updated below to reflect the revised 2014 opening balances and associated revisions in accumulated depreciation resulting from the changes in b). In addition, the update includes the re-allocation of $30,000

referred to in the response to Energy Probe-22, and the changes in capital contributed projects referred to in the response to Energy Probe-20. NOTL Hydro is not proposing any other changes to the 2014 capital additions.

Table 2.2.6 – Fixed Asset Continuity Schedule – 2014 (updated)

			Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
12	1611	Computer Software (Formally known as Account 1925)	#REF!			#REF!	#REF!			#REF!	#REF!
CEC	1612	Land Rights (Formally known as Account 1906)		$ -	$ -	$ -	#REF!			#REF!	#REF!
N/A	1805	Land	$ 258,134	$ -	$ -	$ 258,134	$ -	$ -	$ -	$ -	$ 258,134
47	1808	Buildings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1815	Trans Stn Equip >50 Kv-Other-York	$ 1,915,162	$ 5,000	$ -	$ 1,920,162	-$ 481,216	-$ 32,174	$ -	-$ 513,390	$ 1,406,772
47	1815	Trans Stn Equip >50 Kv-Tx - York	$ 827,000	$ -	$ -	$ 827,000	-$ 214,176	-$ 17,763	$ -	-$ 231,939	$ 595,061
47	1815	Trans Stn Equip >50 Kv-Other-Conc 5	$ 2,010,750	$ -	$ -	$ 2,010,750	-$ 380,732	-$ 34,587	$ -	-$ 415,319	$ 1,595,431
47	1815	Trans Stn Equip >50 Kv-Tx -Conc 5	$ 670,096	$ -	$ -	$ 670,096	-$ 140,162	-$ 14,519	$ -	-$ 154,681	$ 515,416
47	1820	Distribution Station Equipment <50 kV	$ 160,630	$ -	$ -	$ 160,630	-$ 160,630	$ -	$ -	-$ 160,630	-$ 0
47	1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1830	Poles, Towers & Fixtures	$ 5,316,810	$ 224,000	-$ 182,000	$ 5,358,810	-$ 3,013,753	-$ 83,150	$ 182,000	-$ 2,914,903	$ 2,443,906
47	1835	Overhead Conductors & Devices	$ 6,756,920	$ 312,750	-$ 215,000	$ 6,854,670	-$ 3,857,169	-$ 72,925	$ 215,000	-$ 3,715,094	$ 3,139,576
47	1840	Underground Conduit	$ 5,249,706	$ 222,000	$ -	$ 5,471,706	-$ 2,335,640	-$ 56,562	$ -	-$ 2,392,202	$ 3,079,504
47	1845	Underground Conductors & Devices	$ 9,318,533	$ 285,000	$ -	$ 9,603,533	-$ 4,787,931	-$ 154,039	$ -	-$ 4,941,969	$ 4,661,563
47	1850	Line Transformers	$ 8,075,489	$ 241,250	-$ 80,000	$ 8,236,739	-$ 4,023,187	-$ 127,311	$ 50,000	-$ 4,100,497	$ 4,136,242
47	1855	Services - Overhead	$ 651,197	$ 40,000	$ -	$ 691,197	-$ 141,102	-$ 11,054	$ -	-$ 152,156	$ 539,040
47	1855	Services - Underground	$ 2,488,811	$ 100,000	$ -	$ 2,588,811	-$ 675,262	-$ 48,622	$ -	-$ 723,884	$ 1,864,927
47	1860	Meters - CT/PTs component	$ 449,183	$ -	$ -	$ 449,183	-$ 325,146	-$ 4,383	$ -	-$ 329,529	$ 119,654
47	1860	Meters - Other component	$ 310,257	$ 30,000	$ -	$ 340,257	-$ 183,388	-$ 9,282	$ -	-$ 192,670	$ 147,587
47	1860	Meters - Stranded	$ -			$ -	$ -			$ -	$ -
47	1860	Meters (Smart Meters)	$ 1,718,509	$ 10,000	#REF!	#REF!	-$ 395,502	-$ 114,901	$ -	-$ 510,402	#REF!
N/A	1905	Land	$ 49,000	$ -	$ -	$ 49,000	$ -	$ -	$ -	$ -	$ 49,000
47	1908	Buildings & Fixtures - HQ	$ 1,046,018	$ 5,000	$ -	$ 1,051,018	-$ 383,856	-$ 17,319	$ -	-$ 401,175	$ 649,843
47	1908	Buildings & Fixtures - PCB Shed	$ 8,690	$ -	$ -	$ 8,690	-$ 7,442	-$ 357	$ -	-$ 7,798	$ 892
13	1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1915	Office Furniture & Equipment (10 years)	$ 216,633	$ 5,000	$ -	$ 221,633	-$ 179,597	-$ 8,428	$ -	-$ 188,025	$ 33,609
8	1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	1920	Computer Equipment - Hardware	$ 414,902	$ 5,000	$ -	$ 419,902	-$ 371,008	-$ 22,511	$ -	-$ 393,519	$ 26,383
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -			$ -	$ -			$ -	$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ -			$ -	$ -			$ -	$ -
12	1925	Computer Software	$ 1,816,312	$ 190,000	$ -	$ 2,006,312	-$ 1,664,636	-$ 111,673	$ -	-$ 1,776,308	$ 230,004
12	1925	Computer Software (CIS TOU upgrade)	$ 170,000	$ -	$ -	$ 170,000	-$ 85,000	-$ 34,000	$ -	-$ 119,000	$ 51,000
10	1930	Transportation Equipment<3 tons	$ 159,405	$ -	$ -	$ 159,405	-$ 108,071	-$ 13,468	$ -	-$ 121,539	$ 37,866
10	1930	Transportation Equipment>3 tons	$ 940,581	$ -	$ -	$ 940,581	-$ 397,229	-$ 79,761	$ -	-$ 476,989	$ 463,592
10	1930	Transportation Equipment-trailer	$ 38,458	$ -	$ -	$ 38,458	-$ 38,458	$ -	$ -	-$ 38,458	$ -
10	1930	Transportation Equipment-old account				$ -				$ -	$ -
8	1935	Stores Equipment	$ 24,684	$ 5,000	$ -	$ 29,684	-$ 19,417	-$ 1,293	$ -	-$ 20,710	$ 8,974
8	1940	Tools, Shop & Garage Equipment	$ 466,555	$ 5,000	$ -	$ 471,555	-$ 424,524	-$ 15,302	$ -	-$ 439,826	$ 31,729
8	1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1950	Power Operated Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1955	Communications Equipment	$ 54,383	$ -	$ -	$ 54,383	-$ 42,436	-$ 3,991	$ -	-$ 46,427	$ 7,956
8	1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
47	1970	Load Management Controls Customer Premises	$ -		$ -	$ -	$ -			$ -	$ -
47	1975	Load Management Controls Utility Premises	$ -		$ -	$ -	$ -			$ -	$ -
47	1980	System Supervisor Equipment	$ 325,968	$ -	$ -	$ 325,968	-$ 266,814	-$ 31,797	$ -	-$ 298,610	$ 27,357
47	1980	System Supervisor Equipment - smartgrid	$ 237,952	$ -	$ -	$ 237,952	-$ 18,227	-$ 18,227	$ -	-$ 36,453	$ 201,499
47	1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -
47	1990	Other Tangible Property	$ -			$ -	$ -			$ -	$ -
47	1995	Contributions & Grants - Poles	-$ 614,593	-$ 375,000	$ -	-$ 989,593	$ 70,705	$ 17,900	$ -	$ 88,604	-$ 900,988
47	1995	Contributions & Grants - Wires	-$ 260,221	-$ 25,000	$ -	-$ 285,221	$ 74,421	$ 3,732	$ -	$ 78,153	-$ 207,068
47	1995	Contributions & Grants - OH services	-$ 162,549	-$ 25,000	$ -	-$ 187,549	$ 50,964	$ 2,353	$ -	$ 53,317	-$ 134,232
47	1995	Contributions & Grants - Conduit	-$ 826,422	-$ 25,000	$ -	-$ 851,422	$ 213,550	$ 10,660	$ -	$ 224,210	-$ 627,212
47	1995	Contributions & Grants - UG conductor	-$ 1,712,712	-$ 25,000	$ -	-$ 1,737,712	$ 584,150	$ 31,268	$ -	$ 615,418	-$ 1,122,294
47	1995	Contributions & Grants - UG services	-$ 1,460,421	-$ 25,000	$ -	-$ 1,485,421	$ 430,653	$ 27,653	$ -	$ 458,306	-$ 1,027,115
47	1995	Contributions & Grants - Transformers	-$ 2,141,625	$ -	$ -	-$ 2,141,625	$ 670,214	$ 39,701	$ -	$ 709,915	-$ 1,431,710
47	1995	Contributions & Grants - Building	-$ 13,000	$ -	$ -	-$ 13,000	$ 3,585	$ 205	$ -	$ 3,790	-$ 9,210
47	1995	Contributions & Grants - Meters	-$ 7,344	$ -	$ -	-$ 7,344	$ 3,318	$ 294	$ -	$ 3,612	-$ 3,732
47	1995	Contributions & Grants - Trucks	-$ 9,722	$ -	$ -	-$ 9,722	$ 9,722	$ -	$ -	$ 9,722	$ 0
	etc.					$ -				$ -	$ -
						$ -				$ -	$ -
		Sub-Total	**#REF!**	**$ 1,185,000**	**#REF!**	**#REF!**	**#REF!**	**-$ 1,005,631**	**$ 447,000**	**#REF!**	**#REF!**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$ -				$ -	$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				$ -				$ -	$ -
		Total PP&E	**#REF!**	**$ 1,185,000**	**#REF!**	**#REF!**	**#REF!**	**-$ 1,005,631**	**$ 447,000**	**#REF!**	**#REF!**

7.1-Energy Probe-20

Ref: Exhibit 2, Tab 2, Schedule 1

Please explain the drop in contributions and grants from $382,000 in 2012 to $221,000 in 2013 and $150,000 in 2014.

Response to 7.1-Energy Probe-20

Actual calculations (unaudited) indicate capital contributed projects of $572,509 in 2013, which is $190,509 more than the level of $382,000 in 2012. These amounts are variable as they are customer driven which is beyond our control. Based on these numbers, we have decided to change our forecast for 2014 capital contributed projects to $500,000. This change has no effect on the net additions of $1,285,000 in 2014. This change is reflected in the response to Energy Probe-19.

7.1-Energy Probe-21

Ref: Exhibit 2, Tab 2, Schedule 1

a) Please confirm that all of the stranded meters have been removed from rate base as shown in Table 2.2.5 in 2013.

b) Please explain what is included in Meters - CP/PTs components and Meters - Other Component and why these amounts are not associated with the stranded meters.

Response to 7.1-Energy Probe-21

a) NOTL Hydro confirms that all of the stranded meters have been removed from rate base as shown by the "Meters – Stranded" row, cost disposals and accumulated depreciation disposals entries, in Table 2.2.5 in 2013, resulting in a net book value of zero at the end of 2013.

b) Over the years, a number of customers have installed electrical services exceeding 200 amps that required the use of instrument transformers (CTs/PT's) but their actual load positioned them in the GS<50 kW rate class. Upon moving to smart meters, only the meter was 'stranded' or required to be replaced in these installations and the balance of the equipment remains in use. In addition to current and potential transformers, this account would also include test blocks, meter wiring, mounting components and associated labour and equipment.

7.1-Energy Probe-22

Ref: Exhibit 2, Tab 2, Schedule 1

Both Tables 2.2.5 (2013) and 2.2.6 (2014) show additions for transportation equipment < 3 tons. However, there are no disposals of vehicles shown in either 2013 or 2014.

a) Please confirm that the vehicles added in both 2013 and 2014 are net additions to the fleet.

b) If (a) is not confirmed, please explain why there are no disposals shown for the vehicles being replaced. Are any vehicles disposed of fully depreciated? If not, please provide the remaining NBV of the vehicles being replaced when they are disposed of.

Response to 7.1-Energy Probe-22

a) The vehicles are not net additions to the fleet. The second truck was replaced early, in 2013 instead of 2014. Both replaced trucks were disposed of in 2013. The total of capital projects for 2014 is unchanged, as the $30,000 that was intended for the truck in 2014 is re-allocated to software upgrades to accommodate updated software cost estimates for 2014.

b) The disposal entries that were required in Tables 2.2.5 and 2.2.6 were inadvertently missed in preparation of the application. The two vehicles that were replaced (both in 2013 in the event) were both fully depreciated.

Table 2.2.5 (2013) has been updated to include the truck disposal entries and Table 2.2.6 (2014) has been updated to re-allocate the $30,000 from the truck to software upgrades. The updated Tables are included in the response to Energy-Probe-19.

7.1-Energy Probe-23

Ref: Exhibit 2, Tab 3, Schedule 2

Please provide a revised Table 2.3.2 for 2013 and 2014 to reflect the most recent actuals for 2013 along with a forecast for the remainder of 2013, including any carryover or other change to 2014. Please ensure the additions correspond to the response to 2-Energy Probe-4.

Response to 7.1-Energy Probe-23

A revised Table 2.3.2 is provided below reflecting the 2013 actuals (unaudited). Thus, there is no remainder of 2013 to forecast.

The only change to 2014 referred to in Energy Probe-22 above is the re-allocation of $30,000 from trucks < 3 tons (was in the miscellaneous category) to new software upgrades.

Revised Table 2.3.2

Projects	2008	2009	2010	2011	2012	2013 Actuals (unaudited)	2014 Test Year
Reporting Basis	**CGAAP**	**CGAAP**	**CGAAP**	**CGAAP**	**CGAAP**	**CGAAP**	**CGAAP**
Rural O/H Rebuild/Conversion							
York Rd - Shepard to Parkway	52,844						
Queenston Rd, Concession 5-7		224,429					
Stewart Rd Pole replacement			80,527				
Line 6 Conversion					168,859		
Line 5 conversion					277,419		
Expansions- Developers CCRA				51,946	55,825	31,463	55,000
Line 3 conversion						174,780	
Concession 2 Rebuild						93,428	
Concession 2 Line 7-9 Rebuild							200,000
Queenston Rd / Concession 5	254,285						
Creek Rd Feeder pole replacement			115,364				
Lakeshore Rd pole replacements					272,825		
Line 7 pole replacements					149,789		
Concession 4 rebuild						190,655	
Concession 6 rebuild Line 6-8							155,000
York Rd rebuild Concession 2-3							140,000
Line 4 rebuild Concession 2-3							110,000
Sub-Total	307,129	224,429	195,891	51,946	924,717	490,326	660,000
U/G Project Rebuild/Conversion							
Chatauqua Rebuild	347,833	755,138	315,047				
Old Town Burial/Conversion					163,450		330,000
Garrison Subd cable injection				127,380			
Simcoe St burial/conversion					409,150	441,611	
Sub-Total	347,833	755,138	315,047	127,380	572,600	441,611	330,000
Other Projects							
Transformer Station Upgrades	187,738						
Software Upgrades (CIS/FIS/File Nexus and other)	93,273	265,475				40,259	95,000
New CIS/FIS software			299,834				
Line truck #1			85,681	202,210			
Line truck #2				104,115	246,447		
System Integration (GIS,CIS,ODS)					83,993	64,636	95,000
Sub-Total	281,011	265,475	385,515	306,325	330,440	104,895	190,000
From Variance Accounts							
Smart Meters *(Approved. From USoA 1555)*					1,699,032		
CIS upgrade for TOU *(Approved. From USoA 1555)*					170,000		
Smart Grid *(Requested. From USoA 1534)*						237,952	
Sub-Total	0	0	0	0	1,869,032	237,952	0
Miscellaneous	531,027	#REF!	#REF!	#REF!	#REF!	47,431	5,000
Total	**1,467,000**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**1,322,215**	**1,185,000**
Less Renewable Generation Facility Assets and Other Non Rate-Regulated Utility Assets *(input as negative)*							
Total	**1,467,000**	**#REF!**	**#REF!**	**#REF!**	**#REF!**	**1,322,215**	**1,185,000**

7.1-Energy Probe-24

Ref: Exhibit 2, Tab 4, Schedule 1

a) Please explain why NOTL Hydro has not included the Adjustment to Address Bias Towards Unfavourable Variance or the Adjustment to Clear Existing Variance in either the RPP or non-RPP prices used for 2014 shown in Table 2.4.4.

b) Please update the 2014 cost of power calculations to reflect the OEB's Regulated Price Plan Price Report dated October 17, 2013.

Response to 7.1-Energy Probe-24

a) NOTL Hydro believes that it did indeed include the Adjustment to Address Bias Towards Unfavourable Variance and the Adjustment to Clear Existing Variance in the RPP price of $0.08395 per kWh in Tables 2.4.2 and 2.4.4, consistent with Table ES-1 on Page 4 of the OEB's RPP Price Plan Report dated April 5, 2013, shown below:

Table ES-1: Average RPP Supply Cost Summary (for the 12 months from May 1, 2013)

RPP Supply Cost Summary for the period from May 1, 2013 through April 30, 2014		Current
Forecast Wholesale Electricity Price		$19.33
Load-Weighted Price for RPP Consumers ($ / MWh)		$21.05
Impact of the Global Adjustment ($ / MWh)	+	$66.12
Adjustment to Address Bias Towards Unfavourable Variance ($ / MWh)	+	$1.00
Adjustment to Clear Existing Variance ($ / MWh)	+	($4.21)
Average Supply Cost for RPP Consumers ($ / MWh)	=	**$83.95**

With regard to the non-RPP price, it is NOTL Hydro's understanding that as has been done in the past, the Bias Towards Unfavourable Variance or the Adjustment to Clear Existing Variance should be included in the RPP price only and not in the Non-RPP price since these amounts are only applicable to the RPP price and methodology. Consequently, in Table 2.4.4, NOTL Hydro used the average market price of $0.01933 per kWh plus the GA rate of $0.06612 per kWh = total rate of $0.08545 for non-RPP.

b) The RPP price in the October 17 report is $0.08900 per KWh per the Table below.

Table ES-1: Average RPP Supply Cost Summary (for the 12 months from November 1, 2013)

RPP Supply Cost Summary for the period from November 1, 2013 through October 31, 2014		Current
Forecast Wholesale Electricity Price		$19.67
Load-Weighted Price for RPP Consumers ($ / MWh)		$21.56
Impact of the Global Adjustment ($ / MWh)	+	$67.93
Adjustment to Address Bias Towards Unfavourable Variance ($ / MWh)	+	$1.00
Adjustment to Clear Existing Variance ($ / MWh)	+	($1.50)
Average Supply Cost for RPP Consumers ($ / MWh)	=	**$89.00**

The updated cost of power calculations are provided below using the RPP price of $0.08900 per kWh and a non-RPP price of: $0.01967 (average market price) + $0.06793 (Global adjustment)= $0.08760 per kWh, per Page 3 of the report. The update also includes the revised RTSR rates per NOTL Hydro's response to 8.5-VECC-38.

2014 Load Forecast	**kWh**	**kW**	**2012 %RPP**
Residential	67,875,319		97%
General Service< 50 kW	37,894,182		91%
General Service> 50 kW	80,718,464	199,309	7%
Streetlights	1,248,464	3,377	9%
Unmetered Loads	240,322		100%
TOTAL	**187,976,750**	**202,686**	

Electricity - Commodity RPP					
Class per Load Forecast RPP	**2014 Forecasted Metered kWhs**	**2014 Loss Factor**		**2014**	
Residential	65,525,522	1.0379	68,008,939	$0.08900	$6,052,796
General Service< 50 kW	34,643,348	1.0379	35,956,331	$0.08900	$3,200,113
General Service> 50 kW	5,589,435	1.0379	5,801,275	$0.08900	$516,313
Streetlights	109,111	1.0379	113,246	$0.08900	$10,079
Unmetered Loads	240,322	1.0379	249,430	$0.08900	$22,199
TOTAL	**106,107,738**		**110,129,221**		**$9,801,501**

Electricity - Commodity Non-RPP					
Class per Load Forecast	**2014 Forecasted Metered kWhs**	**2014 Loss Factor**		**2014**	
Residential	2,349,797	1.0379	2,438,854	$0.08760	$213,644
General Service< 50 kW	3,250,834	1.0379	3,374,041	$0.08760	$295,566
General Service> 50 kW	75,129,029	1.0379	77,976,419	$0.08760	$6,830,734
Streetlights	1,139,353	1.0379	1,182,535	$0.08760	$103,590
Unmetered Loads	0	1.0379	0	$0.08760	$0
TOTAL	**81,869,013**		**84,971,848**		**$7,443,534**

Transmission - Network		**Volume**			
Class per Load Forecast		**Metric**		**2014**	
Residential		kWh	70,447,793	$0.0072	$507,224
General Service< 50 kW		kWh	39,330,371	$0.0066	$259,580
General Service> 50 kW		kW	199,309	$2.6853	$535,204
Streetlights		kW	3,377	$2.0249	$6,838
Unmetered Loads		kWh	249,430	$0.0066	$1,646
TOTAL					**$1,310,492**

Transmission - Connection		**Volume**			
Class per Load Forecast		**Metric**		**2014**	
Residential		kWh	70,447,793	$0.0013	$91,582
General Service< 50 kW		kWh	39,330,371	$0.0013	$51,129
General Service> 50 kW		kW	199,309	$0.4602	$91,722
Streetlights		kW	3,377	$0.3558	$1,201
Unmetered Loads		kWh	249,430	$0.0013	$324
TOTAL					**$235,959**

Wholesale Market Service				
Class per Load Forecast			**2014**	
Residential		70,447,793	$0.0044	$309,970
General Service< 50 kW		39,330,371	$0.0044	$173,054
General Service> 50 kW		83,777,694	$0.0044	$368,622
Streetlights		1,295,781	$0.0044	$5,701
Unmetered Loads		249,430	$0.0044	$1,097
TOTAL		**195,101,069**		**$858,445**

Rural Rate Assistance				
Class per Load Forecast			**2014**	
Residential		70,447,793	$0.0012	$84,537
General Service< 50 kW		39,330,371	$0.0012	$47,196
General Service> 50 kW		83,777,694	$0.0012	$100,533
Streetlights		1,295,781	$0.0012	$1,555
Unmetered Loads		249,430	$0.0012	$299
TOTAL		**195,101,069**		**$234,121**

	2014
4705-Power Purchased	$17,245,035
4708-Charges-WMS	$858,445
4714-Charges-NW	$1,310,492
4716-Charges-CN	$235,959
4730-Rural Rate Assistance	$234,121
4751 IESO SME Charges	$76,504
TOTAL	**19,960,556**

7.1-Energy Probe-25

Ref: Exhibit 2, Tab 4, Schedule 1

For each of the components of the cost of power shown in Table 2.4.2, please indicate when NOTL pays the corresponding invoices.

Response to 7.1-Energy Probe-25

All components of the cost of power in Table 2.4.2 are paid to the IESO in accordance with the Market Participant due dates set out in the IESO Physical Settlement Schedule and Payments Calendar for the respective year, obtained from the IESO website at www.ieso.ca/imoweb/market/sspc_pm2013.asp or www.ieso.ca/imoweb/market/sspc_pm2014.asp . These monthly payment due dates are typically on a day from the 16th to the 19th of the month.

7.2 Are the proposed levels of depreciation/amortization expense appropriately reflective of the useful lives of the assets and the Board`s accounting policies?

7.2-Energy Probe-26

Ref: Exhibit 4, Tab 3, Schedule 1 &
Exhibit 6, Tab 1, Schedule 1

a) Please explain the difference in depreciation shown for 2014 of $1,021,373 shown in Table 4.3.7 in Exhibit 4, Tab 3, Schedule 1 and the figure of $929,588 shown in Table 6.1.1 in Exhibit 6, Tab 1, Schedule 1.

b) If the difference noted in part (a) is related to the expensing/capitalization of the transportation equipment and tools related depreciation, please show how much has been expensed and included in OM&A and how much has been capitalized in 2014.

Response to 7.2-Energy Probe-26

a) The difference is explained as follows based on data in Table 4.3.7:

Item	Accumulated Depreciation
Total Additions – Table 4.3.7	$1,021,373
Less:	
Acct 1930 Trucks < 3 tons	$10,732
Acct 1930 Trucks > 3 tons	$79,761
Acct 1935 Stores Equipment	$1,293
Depreciation - Table 6.1.1[7]	$929,588

[7] Numbers may appear to add due to rounding

b) The total difference is $91,785, of which 40% is estimated to be in support of operating jobs and is expensed ($36,714) and 60% is estimated to be in support of capital jobs and is capitalized ($55,071).

7.3 Are the proposed levels of taxes appropriate?

7.3-Energy Probe-27

Ref: Exhibit 4, Tab 4, Schedule 1

Please confirm that NOTL Hydro does not have any positions that qualify for the Ontario Co-Op Education Tax Credit.

Response to 7.3-Energy Probe-27

NOTL Hydro confirms that it does not have any positions that qualify for the Ontario Co-Op Education Tax Credit.

7.4 Is the proposed allocation of shared services and corporate costs appropriate?

7.4-Energy Probe-28

Ref: Exhibit 1, Tab 5, Schedule 14

Are there any costs included in the test year revenue requirement of NOTL Hydro associated with costs incurred for services provided to NOTL Hydro from any of the corporate entities shown on page 2? If yes, please provide a breakdown of the costs for each of 2009 through 2014.

Response to 7.4-Energy Probe-28

No, there are no costs included in the test year revenue requirement of NOTL Hydro associated with costs incurred for services provided to NOTL Hydro from any of the corporate entities shown on page 2.

7.4-Energy Probe-29

Ref: Exhibit 4, Tab 2, Schedule 3 &
Exhibit 4, Tab 1, Schedule 1

Table 4.2.6 shows a 2014 amount of $120,500 in costs incurred by NOTL Hydro on behalf of ESNI.

a) Is this amount included in the recoverable OM&A expenses shown in Table 4.1.1?

b) If the response to part (a) is yes, is the revenue received from ESNI (excluding the markup) used to reduce the recoverable OM&A expense each year?

Response to 7.4-Energy Probe-29

a) The recoverable OM&A totals in Table 4.1.1 do not include any costs incurred by NOTL Hydro on behalf of ESNI. Thus, the $120,500 is not included in the 2014 OM&A of $2,230,707.

b) N/a

7.5 Are the proposed capital structure, rate of return on equity and short and long term debt costs appropriate?

7.5-Energy Probe-30

Ref: Exhibit 5, Tab 1, Schedule 1

a) What is the status of the 10-year loan referenced on page 2? In particular, please provide the amount, term, rate and provider of any such loan if an agreement has been reached with a party.

b) Has NOTL Hydro approached Infrastructure Ontario for the 10 year loan? If not, why not?

Response to 7.5-Energy Probe-30

a) NOTL Hydro has not yet sought the 10-year loan referenced on Page 2. However, anticipated cash requirements in 2014 and the need and timing for the loan continue to be monitored.

b) NOTL Hydro has not yet approached Infrastructure Ontario for the loan. However, when NOTL Hydro requires loans, normal practice is to approach Infrastructure Ontario along with other financial institutions to determine the best terms.

7.5-Energy Probe-31

Ref: Exhibit 5, Tab 1, Schedule 2

Please update the 2014 table found in Table 5.1.1 to reflect the cost of capital parameters applicable to 2014 cost of service applications, as issued by the Board on November 25, 2013.

Response to 7.5-Energy Probe-31

The requested update of 2014 in Table 5.1.1 is provided below:

Table 5.1.1 Updated

Line No.	Particulars	Capitalization Ratio			Cost Rate		Return
		2014					
		Application					
		(%)		($)	(%)		($)
	Debt						
1	Long-term Debt	56.00%		$13,965,813	4.88%		$681,532
2	Short-term Debt	4.00%	(1)	$997,558	2.11%		$21,048
3	**Total Debt**	60.0%		$14,963,371	4.70%		$702,580
	Equity						
4	Common Equity	40.00%		$9,975,580	9.36%		$933,714
5	Preferred Shares			$ -			$ -
6	**Total Equity**	40.0%		$9,975,580	9.36%		$933,714
7	**Total**	100.0%		$24,938,951	6.56%		$1,636,294

7.6 Is the proposed forecast of other revenues including those from specific service charges appropriate?

7.6-Energy Probe-32

Ref: Exhibit 3, Tab 3, Schedule 2

a) Please provide the most recent year-to-date figures available for 2013 in the same level of detail as found in Table 3.3.11, along with the figures from the corresponding period in 2012 (note that account 4305 Regulatory Debits is not required for 2013).

b) The evidence (page 2) indicates that late payment charges have been estimated for 2013 and 2014 at levels similar to 2012. However, Table 3.3.11 shows a reduction of about $6,500 between 2012 and 2013 and 2014. Please explain.

c) What was the loss on disposition (account 4360) of $33,473 in 2012 related to?

d) The evidence indicates that a loan to an affiliate was repaid in full in 2012. How much was the principle repayment, and where has that money gone since it does not appear to have increased the bank balance upon which interest is earned?

Response to 7.6-Energy Probe-32

a) Table 3.3.11 is updated below based on unaudited 2013 amounts. The corresponding period in 2012 is the whole year, so the 2012 figures below are the same as in the original Table 3.3.11.

To assist in like-for-like comparison, an additional column is added to show the unaudited actual 2013 excluding items budgeted at zero in 2014 for rate setting purposes, i.e. OPA revenues and expenses[8] (4375 and 4380), annual change in fair value of NOTL Hydro's two CIBC swap loans[9] (4340) and variance account interest[10] (part of 4405).

[8] See explanation in Exhibit 3 Tab 3 Schedule 2 page 6.
[9] See explanation in Exhibit 3 Tab 3 Schedule 2 page 5.
[10] See explanation in Exhibit 3 Tab 3 Schedule 2 page 8

Energy Probe-32a
Other Operating Revenue (excluding 2013 Regulatory Debits)

USoA #	USoA Description	2009 Actual	2010 Actual	2011 Actual[2]	2012 Actual[2]	2013 actual		Test Year
						Exc 4305	Exc. Items not in Test*	2014
	Reporting Basis	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP
4080 (part) and 4086	SSS Administration Revenue	$ 27,935	$ 21,983	$ 22,984	$ 23,919	$ 24,567	$ 24,567	$ 25,483
4082	Retail Services Revenues	$ 8,531	$ 8,415	$ 7,816	$ 6,432	$ 5,696	$ 5,696	$ 8,017
4084	Service Transaction Requests Revenues	$ 107	$ 194	$ 153	$ 67	$ 41	$ 41	$ 151
4210	Rent from Electric Property	$ 70,070	$ 75,137	$ 75,070	$ 76,655	$ 77,447	$ 77,447	$ 79,100
4225	Late Payment Charges	$ 43,050	$ 41,139	$ 48,275	$ 44,532	$ 39,750	$ 39,750	$ 38,000
4235	Specific Service Charges	$ 47,754	$ 41,414	$ 47,203	$ 63,564	$ 98,309	$ 98,309	$ 76,330
4305	Regulatory Debits	$ -	$ -	$ -	$ -	$ -		$ -
4324	Special Purpose Charge Recovery	$ -	$ 42,302	$ -	$ 0	$ -	$ -	$ -
4325	Revenues from Merchandise, Jobbing, Etc.	$ 80,148	$ 49,533	$ 48,547	$ 52,664	$ 39,615	$ 39,615	$ 49,800
4340	Profits & Losses from Fin. Instr. Hedges	$ 139,806	$ 8,170	-$ 85,871	$ 118,201	$ 110,409		$ -
4355	Gain on Disposition of Property	$ 9,451	$ 6,064	$ 53,986	$ 49,000	$ 5,120	$ 5,120	$ -
4360	Loss on Disposition of Property	-$ 12,744	$ -	$ -	-$ 33,473	-$ 7,942	-$ 7,942	-$ 30,000
4375	Revenues from Non-Utility Operations	$ 219,129	$ 321,075	$ 381,059	$ 359,244	$ 304,116		$ -
4380	Expenses from Non-Utility Operations	-$ 269,597	-$ 302,003	-$ 364,732	-$ 291,177	-$ 327,826		$ -
4390	Miscellaneous Non-Operating Income	$ 21,249	$ 86,188	$ 20,287	$ 4,626	$ 6,432	$ 6,432	$ 6,900
4405	Interest and Dividend Income	$ 26,351	$ 42,921	$ 168,707	-$ 55,981	$ 14,157	$ 6,113	$ 7,000
Specific Service Charges		$ 47,754	$ 41,414	$ 47,203	$ 63,564	$ 98,309	$ 98,309	$ 76,330
Late Payment Charges		$ 43,050	$ 41,139	$ 48,275	$ 44,532	$ 39,750	$ 39,750	$ 38,000
Other Operating Revenues		$ 106,643	$ 105,729	$ 106,022	$ 107,073	$ 107,752	$ 107,752	$112,751
Other Income or Deductions		$ 213,793	$ 254,251	$ 221,984	$ 203,105	$ 144,082	$ 49,339	$ 33,700
Total		$ 411,240	$ 442,533	$ 423,485	$ 418,273	$ 389,893	$ 295,150	$260,781

** 4340, 4375, 4380, 4405 for variance accounts*

b) The 2013 and 2014 estimates of late payment charges in the application were in fact based on the 2013 year-to-date totals as of July 2013, pro-rated to a full year, i.e. $21,804 x 12/7 = $37,378, rounded to $38,000. The statement on Page 2 was based on the original intent as to how to estimate 2013 and 2014, but should have been revised when the pro-ration method just mentioned was used later as a better estimate in preparation of the application. The unaudited total at year-end for 2013 is $39,750.

c) The $33,473 loss in 2012 was the loss on the retirement of transformers. A similar loss of $30,000 in 2013 and 2014 is shown in Exhibit 3 Tab 3 Schedule 2 Page 1, Table 3.3.11, and is correspondingly reflected in the "Disposals" columns [cost $80,000, accumulated depreciation $50,000] for transformers in the fixed asset continuity schedules for 2013 and 2014, i.e. in Tables 2.2.5 and 2.2.6 of Exhibit 2 Tab 2 Schedule 1.

d) The principal repayment referred to on Page 7 of 8 of Exhibit 3, Tab 3, Schedule 2 was $600,000, paid by deposit of a cheque from ESNI into NOTL Hydro's operating bank account at the CIBC on August 30, 2012, thus increasing the cash balance on that day. The lower bank deposit interest amount shown in the Table on Page 7 for account 4405 in 2012 relative to 2011 reflects the fact that, notwithstanding this ESNI payment, the overall operating account balances resulting from all activity in 2012 were less than in 2011.

7.7 Has the proposed revenue requirement been accurately determined from the operating, depreciation and tax (PILs) expenses and return on capital, less other revenues?

7.7-Energy Probe-33

Ref: Exhibit 6

a) Please update Table 6.1.1. and the RRWF found in Appendix 6A to reflect any changes or corrections resulting from the interrogatory responses, as well as the updated cost of capital parameters applicable to 2014 cost of service applications as issued by the Board on November 25, 2013.

b) Please provide a tracking sheet showing the changes and/or corrections made to the revenue deficiency/sufficiency calculation as noted in part (a) above. For each change, please provide a reference to the associated interrogatory response that results in the change.

Response to 7.7-Energy Probe-33

a) The updated Table 6.1.1 is provided below reflecting changes resulting from the interrogatory responses, as well as the updated cost of capital parameters applicable to 2014 cost of service applications as issued by the Board on November 25, 2013.

The updated RRWF is provided separately as an Excel file and also as Appendix C to these interrogatories.

Table 6.1.1 Revenue Deficiency/Sufficiency (Updated)

	A	B	C	D
5	**Description**	**2013 Bridge Actual**	**2014 Test Existing Rates**	**2014 Test - Required Revenue**
6	**Revenue**			
7	Revenue Deficiency			(255,796)
8	Distribution Revenue	5,059,576	4,844,096	4,844,096
9	Other Operating Revenue (Net)	(396,410)	260,781	260,781
10	**Total Revenue**	**4,663,166**	**5,104,877**	**4,849,080**
11				
12	**Costs and Expenses**			
13	Administrative & General, Billing & Collecting	1,221,443	1,267,085	1,267,085
14	Operation & Maintenance	960,446	948,177	948,177
15	Depreciation & Amortization	985,790	911,109	911,109
16	Property Taxes	28,146	28,596	28,596
17	Return on PP&E			0
18	Deemed Interest	871,411	723,666	723,666
19	**Total Costs and Expenses**	**4,067,237**	**3,878,635**	**3,878,635**
20				
21	**Utility Income Before Income Taxes**	**595,929**	**1,226,242**	**970,446**
22				
23	**Income Taxes:**			
24	Corporate Income Taxes	1,957	76,380	36,732
25	**Total Income Taxes**	**1,957**	**76,380**	**36,732**
26				
27	**Utility Net Income**	**593,972**	**1,149,862**	**933,714**
28				
29				
30	**Income Tax Expense Calculation:**			
31	Accounting Income	595,929	1,226,242	970,446
32	Tax Adjustments to Accounting Income	(538,145)	(656,048)	(656,048)
33	**Taxable Income**	**57,784**	**570,194**	**314,398**
34	**Income tax expense before credits**	**8,957**	**88,380**	**48,732**
35	**Credits**	**7,000**	**12,000**	**12,000**
36	**Income Tax Expense**	1,957	76,380	36,732
37	**Tax Rate**	15.50%	15.50%	15.50%
38				
39	**Actual Return on Rate Base:**			
40	Rate Base	24,444,044	24,938,951	24,938,951
41				
42	Interest Expense	871,411	723,666	723,666
43	Net Income	593,972	1,149,862	933,714
44	**Total Actual Return on Rate Base**	**1,465,384**	**1,873,529**	**1,657,381**
45				
46	**Actual Return on Rate Base**	5.99%	7.51%	6.65%
47				
48	**Required Return on Rate Base:**			
49	Rate Base	24,444,044	24,938,951	24,938,951
50				
51	**Return Rates:**			
52	Return on Debt (Weighted)	5.94%	4.84%	4.84%
53	Return on Equity	8.01%	9.36%	9.36%
54				
55	Deemed Interest Expense	871,411	723,666	723,666
56	Return On Equity	783,187	933,714	933,714
57	**Total Return**	**1,654,599**	**1,657,381**	**1,657,381**
58				
59	**Expected Return on Rate Base**	6.77%	6.65%	6.65%
60				
61	**Revenue Deficiency After Tax**	**189,215**	**(216,148)**	**0**
62	**Revenue Deficiency Before Tax**	**223,923**	**(255,796)**	**0**

b) The following is a list of the changes cross-referenced to the interrogatories and the associated revenue requirement adjustments in the RRWF:

Topic	**Interrogatory Response**	**RRWF reference**
Specific Service Charges increase	7.1-VECC-22	See RRWF 3. Data Input Sheet, Note 13
O&M reduction	4.2-VECC-15	See RRWF 3. Data Input Sheet, Note 14
1576 update	9.1-Staff-27	n/a
Capital Parameters update	7.5-Energy Probe-31	-
Truck disposals update	7.1-Energy Probe-22	See RRWF 3. Data Input Sheet, Note 10
Capital Contributions update	7.1-Energy Probe-20	-
FA Continuity update	7.1-Energy Probe-20	See RRWF 3. Data Input Sheet, Note 10 and Note 15
Cost of Power update	7.1-Energy Probe-24	See RRWF 3. Data Input Sheet, Note 12
RTSR update	8.5-VECC-38	n/a

8. Load Forecast, Cost Allocation and Rate Design

8.1 Is the proposed load forecast, including billing determinants an appropriate reflection of the energy and demand requirements of the applicant?

8.1-Energy Probe-34

Ref: Exhibit 3, Tab 2, Schedule 1

Please explain why the loss factor used to convert power purchases to billed energy is the average from 2003 to 2012 rather than the average over the same period over which the power purchase equation was estimated.

Response to 8.1-Energy Probe-34

Although power purchase data was available for the period 1996 to 2012, billed energy data was available only from 2003. Hence, actual loss factors and their average could be calculated only for the period 2003 to 2012.

8.2-Energy Probe-35

Ref: Exhibit 3, Tab 2, Schedule 1

a) Please re-estimate the power purchase equation with the addition of a fall flag variable (1 in each of September, October and November, 0 otherwise) and a trend variable that starts with a value of 1.0 in January 1996 and increases by 1.0 in each subsequent month. Please provide the regression results as found on pages 7 and 10 for this equation. Please also provide the resulting forecast for 2014.

b) Please provide a table showing, to two decimal places, the Mean Absolute Percent Error, calculated on both a monthly and annual basis for the NOTL Hydro equation and the equation requested above in part (a).

c) Please show the impact on revenues at current 2013 rates on the change in the load forecast, by rate class, that results from the use of the equation requested in part (a) above.

Response to 8.2-Energy Probe-35

a) The load forecast model based on the Energy Probe request is provided with this response (NOTL_Load Forecast - 2014_EP35.xlsx).

The regression results as provided on Page 7 are:

NOTL Hydro's Monthly Predicted Kwh Purchases
= Heating Degree Days * 3,405
+ Cooling Degree Days * 30,791
+ Ontario Real GDP Monthly % * 79,176
+ Spring Flag * (1,019,431)
+ Summer tourist season flag * 684,016
+ CDM Activity * (4.37)
+ Days in month * 494,098
+ Fall flag * (232,388)
+ Trend * 9,370
= Intercept of (13,121,047)

The regression results as provided on Page 10 are:

Statistic	**Value**
R Square	97%
Adjusted R Square	97%
Mean Absolute Percent Error	2.25%
F Test	670
T-stats by Coefficient	
Heating Degree Days	15.7
Cooling Degree Days	23.0
Ontario Real GDP Monthly %	7.0
Spring Flag	(11.6)
Summer Tourist Flag	5.6
CDM Activity	(4.2)
Days in Month	12.8
Fall Flag	(2.4)
Trend	2.3
Intercept	(8.4)

The resulting forecast for 2014 is:

	Predicted Purchases (kWh)
Jan-14	16,695,982
Feb-14	14,969,519
Mar-14	15,289,631
Apr-14	14,230,251
May-14	14,482,077
Jun-14	16,080,067
Jul-14	19,492,853
Aug-14	19,355,349
Sep-14	16,336,429
Oct-14	15,372,780
Nov-14	15,337,439
Dec-14	16,707,161
	194,349,538

b) The Mean Absolute Percent Errors (Annual and Monthly[11]) for the requested model including Fall Flag and Trend are provided below:

[11] Monthly values are taken from the Load Forecast regression Excel files

	A	B	C	D
45	ENERGY PROBE	Purchased Kwh	Predicted Purchases	Absolute Percent Error
46	1996	137,138,484.00	134,718,157.58	1.76
47	1997	135,913,545.00	136,477,521.53	0.41
48	1998	143,381,600.00	144,988,607.39	1.12
49	1999	152,311,035.00	153,903,747.61	1.05
50	2000	156,667,497.00	158,864,898.83	1.40
51	2001	165,931,549.00	165,046,388.76	0.53
52	2002	176,920,132.90	174,432,955.69	1.41
53	2003	174,477,589.00	174,055,406.82	0.24
54	2004	178,152,405.00	175,620,086.51	1.42
55	2005	188,569,914.00	188,875,966.18	0.16
56	2006	182,453,427.00	183,495,784.16	0.57
57	2007	188,506,590.00	188,685,798.12	0.10
58	2008	182,813,235.00	184,940,710.52	1.16
59	2009	178,335,380.83	179,334,271.53	0.56
60	2010	186,321,134.66	186,155,740.61	0.09
61	2011	188,636,352.00	186,972,023.02	0.88
62	2012	189,168,670.89	189,130,476.42	0.02
63			MEAN ON ANNUAL BASIS	0.76%
64			MEAN ON MONTHLY BASIS	2.25%

The Mean Absolute Percent Errors (Annual and Monthly) for the NOTL model excluding Fall Flag and Trend are provided below:

	A	B	C	D
68	NOTL	Purchased Kwh	Predicted Purchases	Absolute Percent Error
69	1996	137,138,484.00	134,826,320.02	1.69
70	1997	135,913,545.00	135,956,268.24	0.03
71	1998	143,381,600.00	144,644,405.66	0.88
72	1999	152,311,035.00	154,236,213.17	1.26
73	2000	156,667,497.00	159,709,880.52	1.94
74	2001	165,931,549.00	165,846,865.77	0.05
75	2002	176,920,132.90	175,207,446.22	0.97
76	2003	174,477,589.00	174,074,041.91	0.23
77	2004	178,152,405.00	174,837,462.18	1.86
78	2005	188,569,914.00	188,383,383.54	0.10
79	2006	182,453,427.00	183,447,501.63	0.54
80	2007	188,506,590.00	189,275,554.83	0.41
81	2008	182,813,235.00	185,570,635.32	1.51
82	2009	178,335,380.83	178,435,180.32	0.06
83	2010	186,321,134.66	184,469,801.87	0.99
84	2011	188,636,352.00	186,686,295.31	1.03
85	2012	189,168,670.89	190,091,284.76	0.49
86			MEAN ON ANNUAL BASIS	0.83%
87			MEAN ON MONTHLY BASIS	2.32%

NOTL Hydro would like to make the following additional comments and observations regarding these models:

- The same fall flag variable (Sep/Oct/Nov = 1) as suggested by Energy Probe was one of the variables considered in the process of using multiple stepwise backward regression using the XLSTAT statistical add-in for Excel. The XLSTAT process automatically removed this variable due to multi-co-linearity, as indicated in the “Models Summary”

sheet and the sheets for Models 1 through 8a in the file "NOTL_Regression Models_Bdstaff IR20_1.xlsx" submitted with NOTL Hydro's response to the Board staff IRs.

- The F Test value is lower (670) for the Energy Probe model than for the NOTL model (822).
- In the Energy Probe model, the Fall Flag and Trend variables have P-values significantly larger than the other variables as shown in the "Purchased Power Model" sheet of the Excel file "NOTL_Load Forecast - 2014_EP35.xlsx", cells AC19 to AC27.

c) NOTL Hydro's current 2013 rates are:

Existing 2013 Rate Year - Distribution Revenue Rates

	Fixed Charges		Charges	
Customer Class	**Connection**	**Customer**	**kW**	**kWh**
Residential		18.31		0.0129
GS < 50 kW		45.97		0.0138
GS >50 to 4999 kW		328.41	2.5664	
Street Lighting	4.98		19.4795	
USL		54.31		0.0163

Based on the load forecast in the application, the 2014 revenue at current rates is $4,844,096 as shown in cell C8 of Table 6.1.1 in Exhibit 6, Tab 1, Schedule 1 and calculated as follows:

2014 Revenue at Current 2013 Rates
Load Forecast in Application

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	67,875,319		84,484		1,546,901	875,592	2,422,493		2,422,493	50.01%
GS < 50 kW	37,894,182		15,651		719,462	522,940	1,242,401		1,242,401	25.65%
GS >50 to 4999 kW	80,718,464	199,309	1,475		484,386	511,506	995,892	21,894	973,998	20.11%
Street Lighting	1,248,464	3,377		24,369	121,357	65,777	187,134		187,134	3.86%
USL	240,322		261		14,152	3,917	18,069		18,069	0.37%
	187,976,750	**202,686**	**101,870**	**24,369**	**2,886,257**	**1,979,732**	**4,865,989**	**21,894**	**4,844,096**	**100%**

Based on the the use of the equation requested in part (a) above, the 2014 revenue at current rates is $4,855,541 as calculated below[12]:

2014 Revenue at Current 2013 Rates
Load Forecast per Energy Probe 35 a)

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	68,306,598		84,484		1,546,901	881,155	2,428,057		2,428,057	50.01%
GS < 50 kW	38,116,608		15,651		719,462	526,009	1,245,471		1,245,471	25.65%
GS >50 to 4999 kW	81,161,368	200,405	1,475		484,386	514,318	998,704	21,894	976,810	20.11%
Street Lighting	1,248,464	3,377		24,369	121,357	65,777	187,134		187,134	3.86%
USL	240,322		261		14,152	3,917	18,069		18,069	0.37%
	189,073,360	**203,781**	**101,870**	**24,369**	**2,886,257**	**1,991,177**	**4,877,434**	**21,894**	**4,855,541**	**100%**

[12] The streetlights and USL revenues are the same in each case as these classes were determined not to be weather sensitive as per Table 3.2.15 in Exhibit 3, Tab 2, Schedule 15, page 16.

8.2 Is the proposed cost allocation methodology including the revenue-to-cost ratios appropriate?

[No Interrogatory]

8.3 Is the proposed rate design including the class-specific fixed and variable splits and any applicant-specific rate classes appropriate?

8.3-Energy Probe-36

Ref: Exhibit 8, Tab 1, Schedule 7 &
Exhibit 3, Tab 2, Schedule 1

Tables 8.1.10, 8.1.11 and 8.1.12 calculate the average number of customers to calculate revenues. However, in Exhibit 3, Tab 2, Schedule 1 (page 2) it is stated that the total customers and connections are on a mid-year basis. Please reconcile.

Response to 8.3-Energy Probe-36

Line 119 on Page 2 of Exhibit 3, Tab 2, Schedule 2 is inadvertently worded in error and should read "Total customers and connections are on a year-end basis and streetlights are measured as connections". Thus, the customer numbers in Table 3.2.3 are correct as year-end numbers and are used correctly in Tables 8.1.10 through 8.1.12 in determining average customer numbers for purposes of calculating revenues. No recalculation of any amounts in the application is required as a result of the wording error on Page 2.

8.4 Are the proposed Total Loss Adjustment Factors appropriate for the distributor's system and a reasonable proxy for the expected losses?

[No Interrogatory]

8.5 Is the proposed forecast of other regulated rates and charges including the proposed Retail Transmission Service Rates appropriate?

[No Interrogatory]

8.6 Is the proposed Tariff of Rates and Charges an accurate representation of the application, subject to the Board's findings on the application?

[No Interrogatory]

9. Accounting

9.1 Are the proposed deferral accounts, both new and existing, account balances, allocation methodology, disposition periods and related rate riders appropriate?

9.1-Energy Probe-37

Ref: Exhibit 9, Tab 3, Schedule 5

a) The evidence indicates that all of the materials utilized during this disaster were from existing inventory. Is this inventory included in rate base? If not, please explain why not.

b) Were any of the materials and labour included in the costs associated with this disaster capitalized, or were all of the costs expensed? Please show the amount capitalized and the amount expensed.

c) If none of the costs were capitalized, please explain why not.

Response to 9.1-Energy Probe-37

a) The materials used were removed from assets and therefore are no longer in the rate base. However, any replenishing materials were added to assets in the normal way for material purchases in 2013 and would therefore be included in the rate base calculation.

b) All of the materials and labour were charged to variance account # 1572. None were capitalized and none were expensed to regular OM&A.

c) All of the costs were included in the variance account as stated above. Please note that in the recording of costs resulting from this lightning storm event and in the preparation of the Z-Factor request in this application, NOTL Hydro was guided by and followed the identical approach as was approved in NOTL Hydro's Z-Factor application related to a wind storm in 2011 (case EB-2011-0186).

9.2 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified, and is the treatment of each of these impacts appropriate?

[No Interrogatory]

~ End ~

Attachment A

Customer Survey Results

For Response to 3.1-Energy Probe-6

Customer Focus | **Capital Expenditures and Operating Exp.**

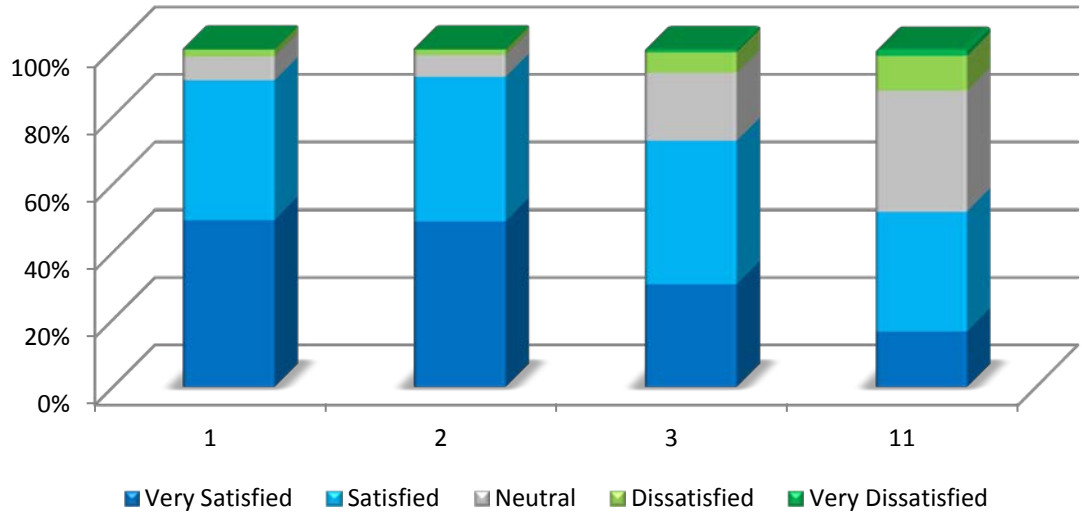
The following are the open ended responses from surveys. They have been categorized for ease of reading.

A

Please provide all customer feedback and preferences received from **residential** customers with respect to **CAPITAL EXPENDITURES** in the bridge and test years.

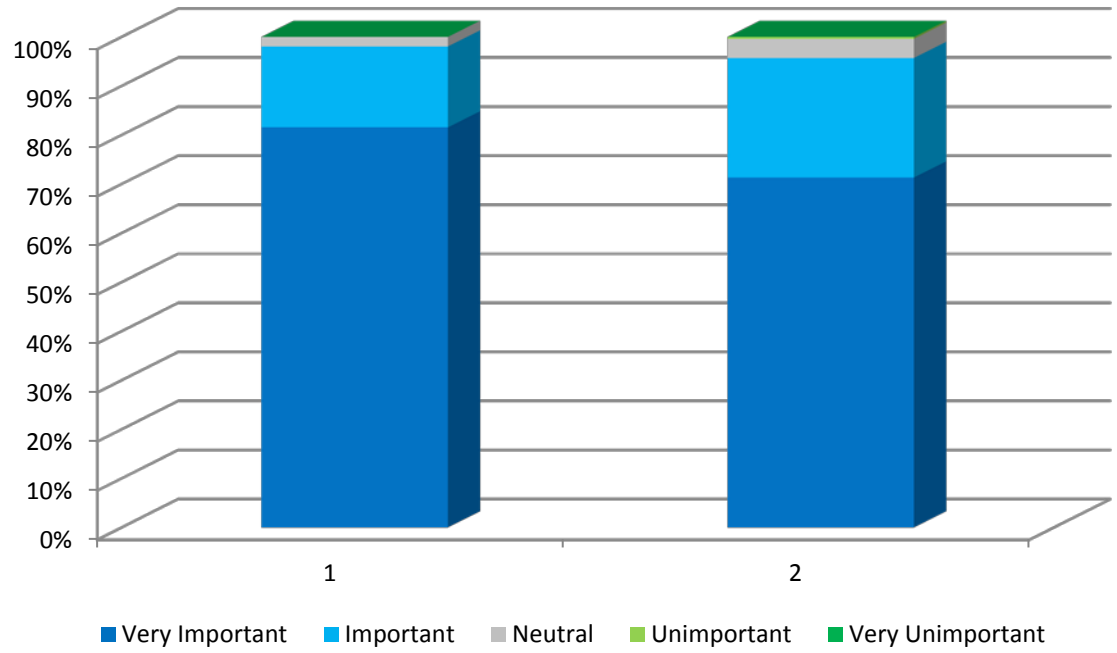
We asked **"Please rate YOUR EXPERIENCE with NOTL Hydro's performance on the following services"**

Question Text	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
1 Reliability of service from NOTL Hydro	49.51%	41.29%	7.05%	1.96%	0.20%
2 Quality of service from NOTL Hydro	49.12%	42.66%	6.46%	1.57%	0.20%
3 Value of service from NOTL Hydro	30.47%	42.38%	20.12%	6.05%	0.98%
11 Unplanned power outages - frequency	16.47%	35.52%	35.71%	10.32%	1.98%



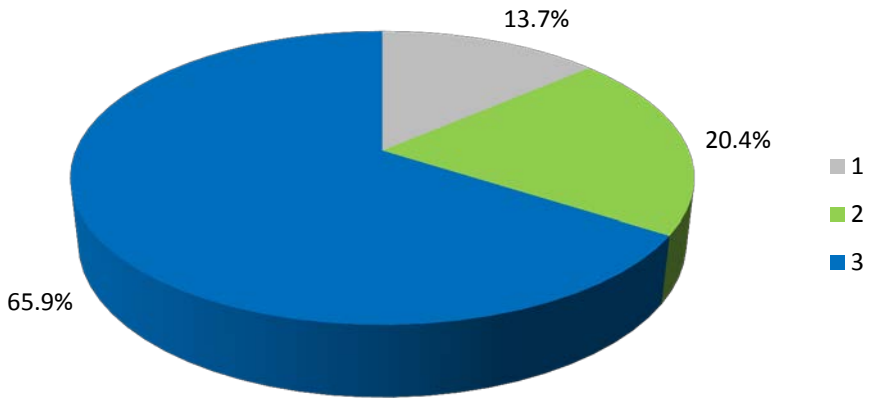
We asked **"Please rate the importance of the following services to you"**

Question Text	Very Important	Important	Neutral	Unimportant	Very Unimportant
1 Reliability of service	81.55%	16.50%	1.94%	0.00%	0.00%
2 Lowest "delivery" rates possible	71.35%	24.37%	3.90%	0.39%	0.00%



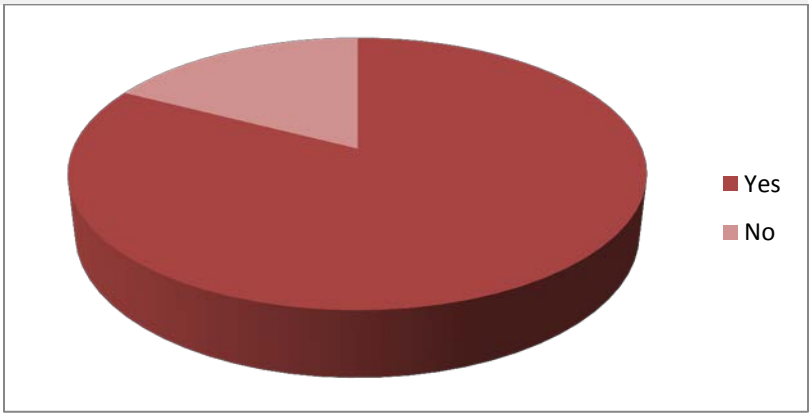
We asked **"Please select the following scenario that is most satisfactory to you concerning unplanned power outages"**

Answer Options	Response Percent	Response Count
1 I am satisfied with potentially decreasing the chances of outages if rates are slightly higher	13.7%	69
2 I am satisfied with potentially increasing the chances of outages if rates are slightly lower	20.4%	103
3 I am satisfied with the current investment and reliability of service	65.9%	333



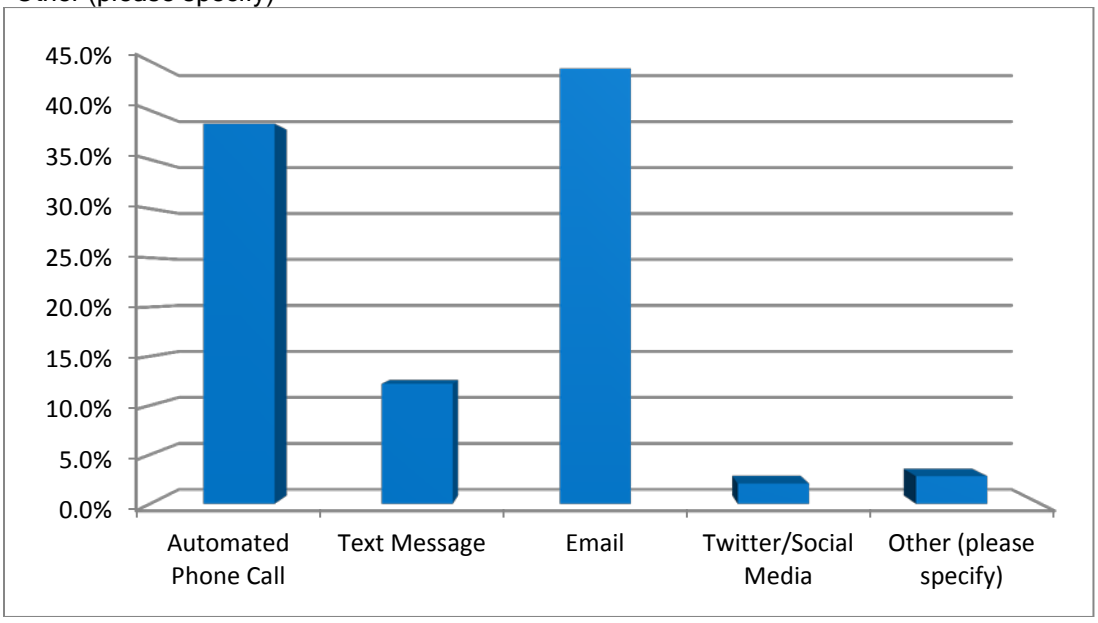
We asked **"Would you like status updates from NOTL Hydro if an unplanned power outage occurs at your home or business in NOTL?"**

Answer Options	Response Percent	Response Count
Yes	82.6%	418
No	17.4%	88



As a follow-up question, we asked **"You have indicted that you would like to be notified with outage status updates. How would you like to be notified? (check all that apply)"**

Answer Options	Response Percent	Response Count
Automated Phone Call	38.6%	206
Text Message	12.2%	65
Email	44.3%	236
Twitter/Social Media	2.1%	11
Other (please specify)	2.8%	15



Written Feedback from Residential Customers

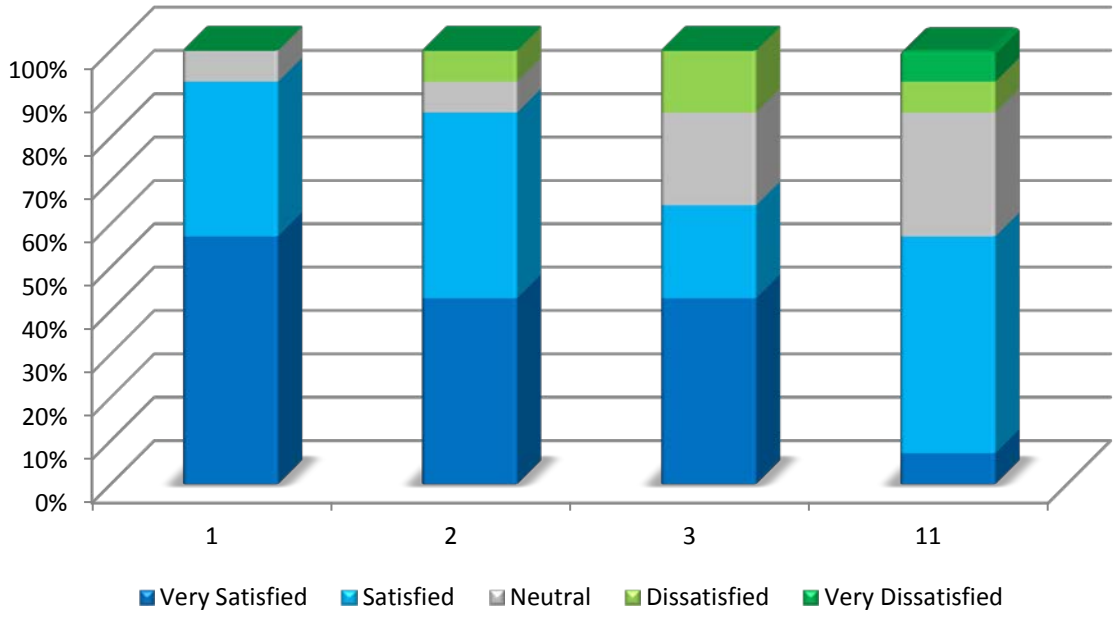
- With the community tending towards an older demographic (reired, fixed income) it is important to keep rates as low as possible. 6/11/2013 8:27 PM
- We have one of the highest electricity rates in the country which is indefensible. Poor planning,poor investment decisions,poor management!! I strenuously oppose any rate increases in the foreseeable future. 6/11/2013 2:23 PM
- I consider Ontario Hydro rates extremely high (and I compare to other areas where I live, and have lived recently) - much of that is out of your control, but you need to push back on ON Hydro. They need to remove spending waste in their organization. The service is acceptable, costs to consumer needs to be kept as low as possible considering the high costs already in place. 6/11/2013 2:35 PM
- Why are we still paying off the debt for ontario hydro 6/11/2013 3:31 PM
- I am not at all happy with the number of outages in the Old Town. These happen several times a year; (LAST NIGHT AT 4 A.M. FOR INSTANCE). Sure, usually all it means is resetting all the clocks, but having the morning alarm clock disabled is bad. I may be getting up early for something important. Sometimes unsaved information has been lost on the computer too, and my security alarm is not happy with these outages, so I feel I cannot set the alarm when I go away. Many of the questions on page one of this survey are completely irrelevant to me, so there should be a column I could check saying 'Not Applicable'. Most of my 'neutral' answers fall into this category. I am also not happy with all the add-ons and fixed charges that complicate the bill and ensure that even when I am away I can be sure of incurring substantial charges. 6/20/2013 3:20 PM
- Your question regarding unplanned power outages is unfair and somwhat arrogant in the answers that are provided for selection. To be clear I am refering to the following: "Please select the following scenario that is most satisfactory to you concerning unplanned power outages." I am not willing to pay more for fewer outages nor less for the chance of more frequent outages. Your organization is paid very well to provide reliable service and payment, whether more or less regarding outages, is a ridiculous proposal to present to your customers. I am not satisfied with the current reliability and it is your responsibility to improve the service reliablility with the resources you are already provided with. 6/27/2013 8:11 PM

B

Please provide all customer feedback and preferences received from **non-residential** customers with respect to **CAPITAL EXPENDITURES** in the bridge and test years.

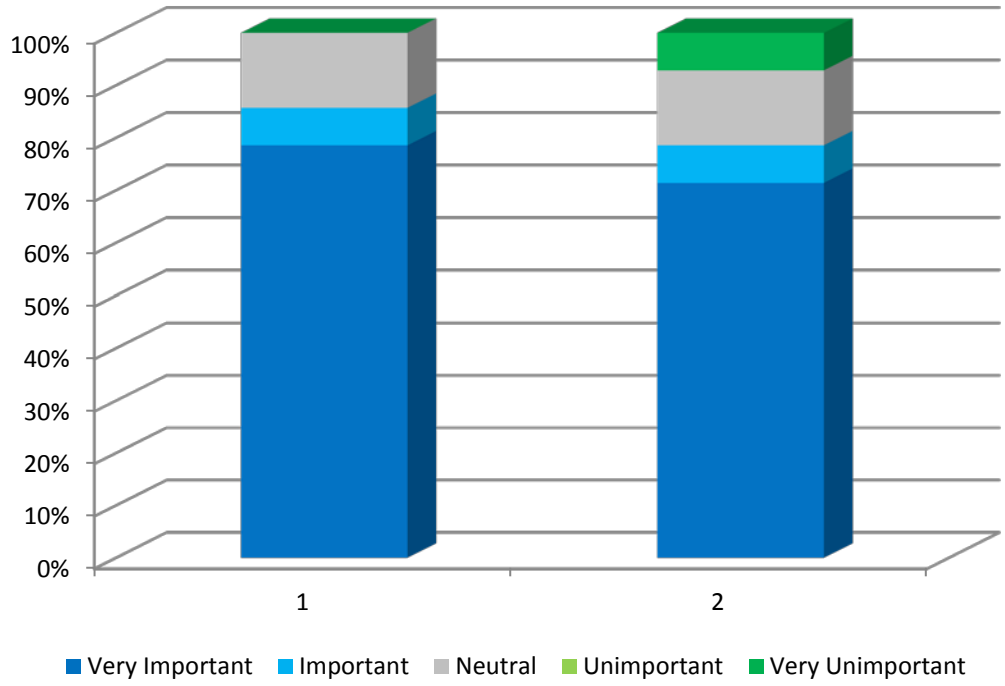
We asked **"Please rate YOUR EXPERIENCE with NOTL Hydro's performance on the following services"**

Question Text	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
1 Reliability of service from NOTL Hydro	57.14%	35.71%	7.14%	0.00%	0.00%
2 Quality of service from NOTL Hydro	42.86%	42.86%	7.14%	7.14%	0.00%
3 Value of service from NOTL Hydro	42.86%	21.43%	21.43%	14.29%	0.00%
11 Unplanned power outages - frequency	7.14%	50.00%	28.57%	7.14%	7.14%



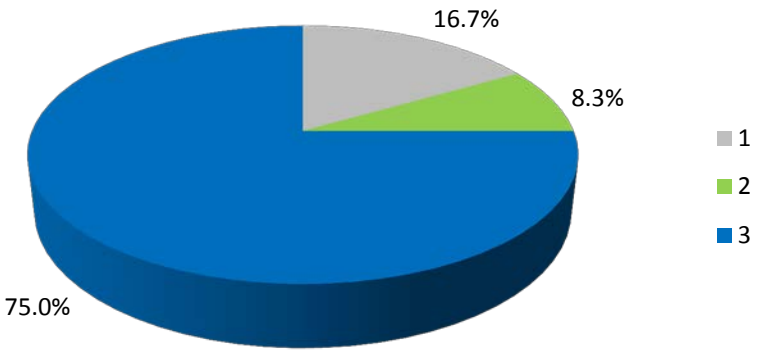
We asked **"Please rate the importance of the following services to you"**

Question Text	Very Important	Important	Neutral	Unimportant	Very Unimportant
Reliability of service	78.57%	7.14%	14.29%	0.00%	0.00%
Lowest "delivery" rates possible	71.43%	7.14%	14.29%	0.00%	7.14%



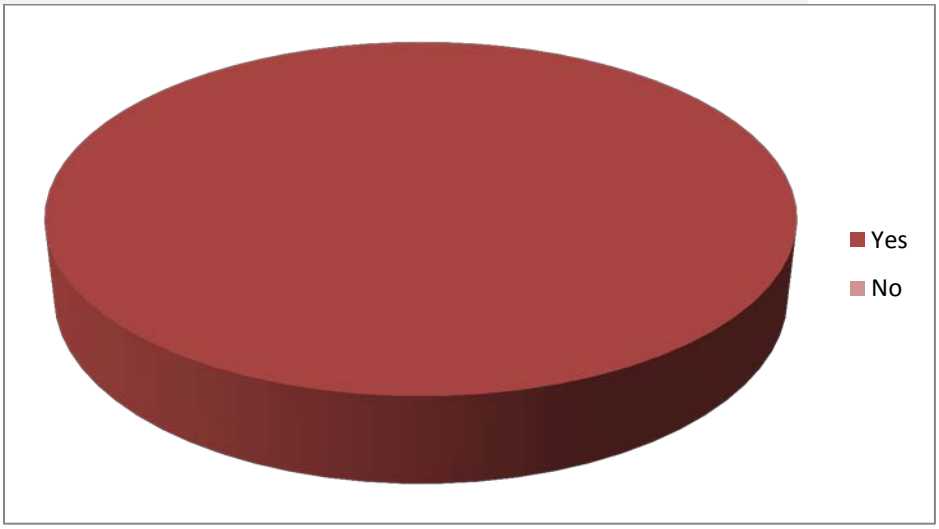
We asked **"Please select the following scenario that is most satisfactory to you concerning unplanned power outages"**

Answer Options	Response Percent	Response Count
I am satisfied with potentially decreasing the chances of outages if rates are slightly higher	16.7%	2
I am satisfied with potentially increasing the chances of outages if rates are slightly lower	8.3%	1
I am satisfied with the current investment and reliability of service	75.0%	9



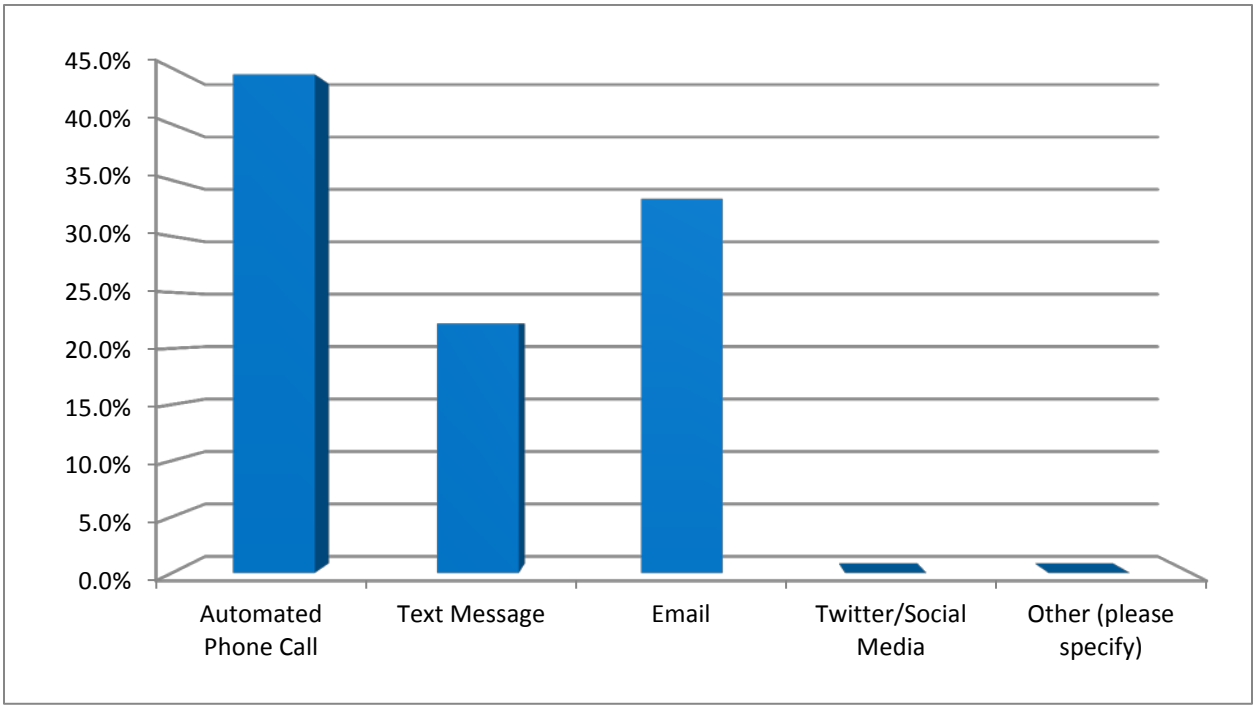
We asked **"Would you like status updates from NOTL Hydro if an unplanned power outage occurs at your home or business in NOTL?"**

Answer Options	Response Percent	Response Count
Yes	100.0%	14
No	0.0%	0



As a follow-up question, we asked **"You have indicted that you would like to be notified with outage status updates. How would you like to be notified? (check all that apply)"**

Answer Options	Response Percent	Response Count
Automated Phone Call	44.4%	8
Text Message	22.2%	4
Email	33.3%	6
Twitter/Social Media	0.0%	0
Other (please specify)	0.0%	0



Written Feedback from non-Residential Customers

There is no written feedback from non-residential customers

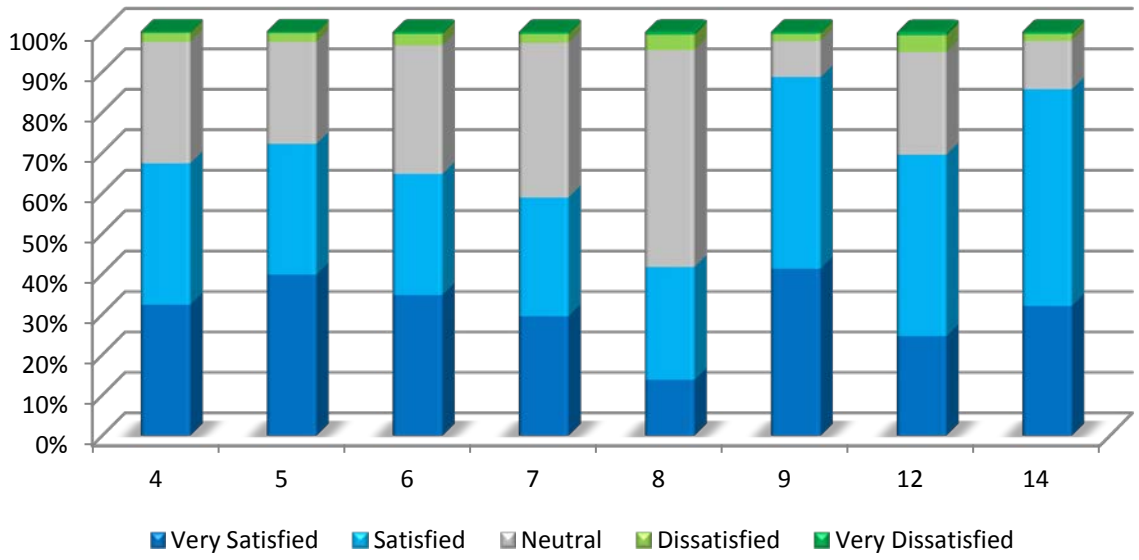
C

Please provide all customer feedback and preferences received from **residential** customers with respect to **OM&A EXPENDITURES** in the bridge and test years.

We asked **"Please rate YOUR EXPERIENCE with NOTL Hydro's performance on the following services"**

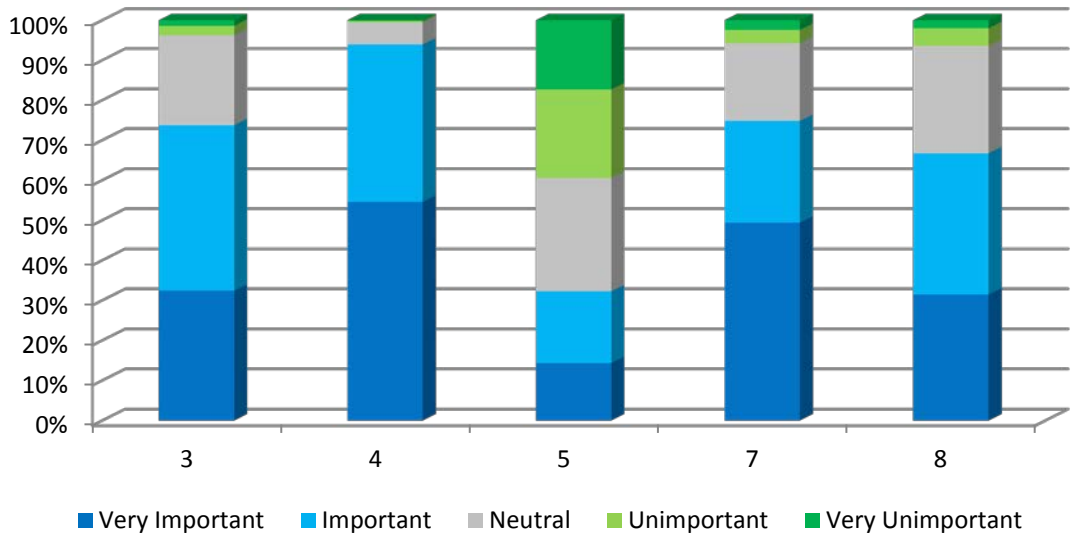
Question Text	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
4 Staff ability to answer questions	32.41%	34.99%	30.02%	2.19%	0.40%

5 Staff courtesy and helpfulness	39.84%	32.35%	25.25%	2.17%	0.39%
6 Online access to your account	34.83%	29.91%	31.84%	2.78%	0.64%
7 Online access to your electric consumption	29.55%	29.34%	38.33%	2.14%	0.64%
8 Access to conservation programs	13.84%	27.88%	53.67%	3.77%	0.84%
9 Providing timely and accurate customer bills	41.33%	47.37%	8.97%	1.75%	0.58%
12 Unplanned power outages - restoring power in a timely manner	24.61%	44.88%	25.39%	4.13%	0.98%
14 Overall satisfaction with NOTL Hydro's service	32.11%	53.58%	11.99%	1.74%	0.58%



We asked **"Please rate the importance of the following services to you"**

Question Text	Very Important	Important	Neutral	Unimportant	Very Unimportant
3 Conservation program availability	32.41%	41.35%	22.47%	2.39%	1.39%
4 Customer service	54.58%	39.38%	5.46%	0.39%	0.19%
5 Availability of local counter service to pay bills	14.37%	17.91%	28.35%	22.05%	17.32%
7 Online access to your account	49.39%	25.41%	19.47%	3.28%	2.46%
8 Technology to assist you with managing your electrical consumption	31.45%	35.28%	26.81%	4.44%	2.02%



Written Feedback:

- From my personal viewpoint--i am very satisfied with service, everyone including me (seniors) would welcome lower ,cost but we need to know that when we turn on on the switch--the lights come on! 6/11/2013 4:17 PM
- Excellent service. Thank you. 6/21/2013 6:18 PM
- From my perspective a well run utility and important to keep under local admin. 6/25/2013 4:51 PM
- My only real disappointment is the number of very short power outages. Overall, I am satisfied wtih NOTL Hydro. I am not satisfied with the cost of water and sewage, which happens to be on the same bill as hydro. 6/11/2013 2:23 PM
- Focus should be on reducing your operating costs and passing those efficiencies back to customers in terms of lower rates. Electricity rates in Ontario are outrageous and not competitive. 6/11/2013 3:00 PM
- In a planned outage last year, a piece of paper was placed in the door handle. It blew of into the shrubbery and our first notice of the planned outage was when the power went off. It was a fairly long outage for upgrading and not helpful. Better notification necessary (if not already in place.) Otherwise, we are happy with the service. 6/11/2013 3:39 PM

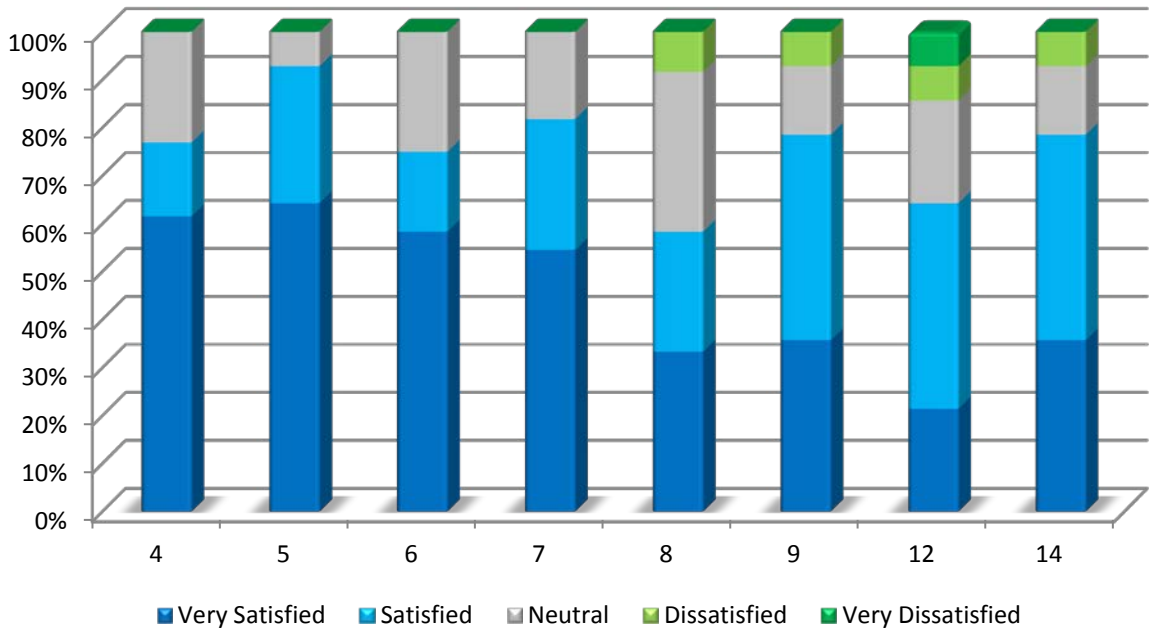
D

Please provide all customer feedback and preferences received from **non-residential** customers with respect to **OM&A EXPENDITURES** in the bridge and test years.

We asked **"Please rate YOUR EXPERIENCE with NOTL Hydro's performance on the following services"**

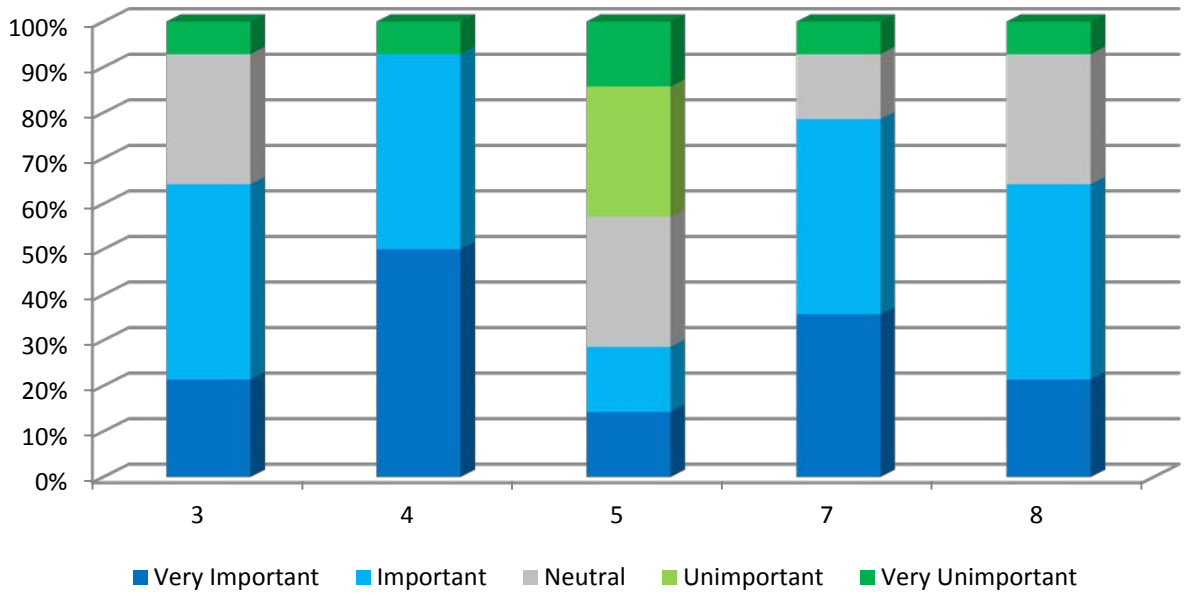
Question Text	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
4 Staff ability to answer questions	61.54%	15.38%	23.08%	0.00%	0.00%
5 Staff courtesy and helpfulness	64.29%	28.57%	7.14%	0.00%	0.00%
6 Online access to your account	58.33%	16.67%	25.00%	0.00%	0.00%
7 Online access to your electric consumption	50.00%	25.00%	16.67%	0.00%	0.00%
8 Access to conservation programs	33.33%	25.00%	33.33%	8.33%	0.00%
9 Providing timely and accurate customer bills	35.71%	42.86%	14.29%	7.14%	0.00%

12 Unplanned power outages - restoring power in a timely manner	21.43%	42.86%	21.43%	7.14%	7.14%
14 Overall satisfaction with NOTL Hydro's service	35.71%	42.86%	14.29%	7.14%	0.00%



We asked **"Please rate the importance of the following services to you"**

Question Text	Very Important	Important	Neutral	Unimportant	Very Unimportant
3 Conservation program availability	21.43%	42.86%	28.57%	0.00%	7.14%
4 Customer service	50.00%	42.86%	0.00%	0.00%	7.14%
5 Availability of local counter service to pay bills	14.29%	14.29%	28.57%	28.57%	14.29%
7 Online access to your account	35.71%	42.86%	14.29%	0.00%	7.14%
8 Technology to assist you with managing your electrical consumption	21.43%	42.86%	28.57%	0.00%	7.14%



BUSINESS OPEN ENDED RESPONSES

We received five open ended responses. None of them fit your questions but they have been listed below with identifiable information removed:

- Our location is a church. We are classed as a business and as such our delivery charges are higher than for residential. Obviously we are not residential. As we feel we are also not a business generating revenues and profits, but a church/institution who must raise revenue through the gracious giving s of our congregation, we feel there should be a separate account class, with lower fixed costs to represent organizations like us. We have done a tremendous amount of work within our church to reduce energy cost, but alas this only applies to our electricity consumption and has little impact on the fixed costs. Our monthly bills remain high for this reason. It is a struggle. 6/12/2013 10:14 AM
- #3 should have had another option, Try to improve service without increasing rates 6/11/2013 9:19 PM
- To stay competetive in todays business world we have to be efficient and economical. Our plan for the future will likely be generating our own electricty needs . Turbine generation with a possible connection to the grid. Would like to sit around the table with Niagara on the Lake hydro to work out a plan ###. 6/11/2013 4:22 PM
- We have both home and business accounts. 6/18/2013 12:39 AM
- I am not a fan of you spending my money for community needs. It makes you look good but its our money! Get it? 7/9/2013 3:03 PM

Attachment B

Customer Survey Form

For Response to 3.1-Energy Probe-6

Niagara On-The-Lake HYDRO

CUSTOMER ENGAGEMENT SURVEY

As part of Niagara-on-the-Lake Hydro's upcoming distribution rate application, we want your feedback to help plan our future capital investment focus and customer support levels for the years ahead. The results of this survey will help identify the needs and expectations of our community. This survey will take 5 minutes of your time and will influence the next 5+ years of your service in NOTL.

Please rate **YOUR EXPERIENCE** with NOTL Hydro's performance on the following services:

Topic	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied
Reliability of service from NOTL Hydro	❑	❑	❑	❑	❑
Quality of service from NOTL Hydro	❑	❑	❑	❑	❑
Value of service from NOTL Hydro	❑	❑	❑	❑	❑
Staff ability to answer questions	❑	❑	❑	❑	❑
Staff courtesy and helpfulness	❑	❑	❑	❑	❑
Online access to your account	❑	❑	❑	❑	❑
Online access to your electric consumption	❑	❑	❑	❑	❑
Access to conservation programs	❑	❑	❑	❑	❑
Providing timely and accurate customer bills	❑	❑	❑	❑	❑
Communication of planned power outages	❑	❑	❑	❑	❑
Unplanned power outages - frequency	❑	❑	❑	❑	❑
Unplanned power outages - restoring power in a timely manner	❑	❑	❑	❑	❑
Level of involvement in the community *(Christmas parade, food drive, etc)*	❑	❑	❑	❑	❑
Overall satisfaction with NOTL Hydro's service	❑	❑	❑	❑	❑

Please rate the **IMPORTANCE** of the following services to you:

Topic	Very Important	Important	Neutral	Unimportant	Very Unimportant
Reliability of service	❑	❑	❑	❑	❑
Lowest "delivery" rates possible	❑	❑	❑	❑	❑
Conservation program availability	❑	❑	❑	❑	❑
Customer service	❑	❑	❑	❑	❑
Availability of local counter service to pay bills	❑	❑	❑	❑	❑
Availability of local drop box to pay bills	❑	❑	❑	❑	❑
Online access to your account	❑	❑	❑	❑	❑
Technology to assist you with managing your electrical consumption	❑	❑	❑	❑	❑
Having a locally owned & operated electric utility	❑	❑	❑	❑	❑

This survey is also available online at **www.NOTLhydro.com**

ADDITIONAL QUESTIONS ON PAGE 2

1. Please select the following scenario that is most satisfactory to you concerning unplanned power outages:

❑I am satisfied with potentially decreasing the chances of outages if rates are slightly higher
❑I am satisfied with potentially increasing the chances of outages if rates are slightly lower
❑I am satisfied with the current investment and reliability of service

2. Would you like status updates from NOTL Hydro if an unplanned power outage occurs at your home or business in NOTL?

❑Yes ❑No

2B. If yes, how would you like to be notified? *(check all that apply)*

❑Automated Phone Call ❑Text Message ❑Email ❑Twitter/Social Media ❑Other _____

3. Do you regularly access your NOTL Hydro account online?

❑Yes ❑No ❑Never ❑I was unaware of this option

3B. If yes, have you used the Customer Connect feature allowing you to see hourly electric consumption?

❑Yes ❑No ❑I was unaware of this option

4. Do you currently have any green generation *(solar panel, wind turbine, etc)* **installed on your property?**

❑Yes ❑No

4B. Do you plan on installing green generation on your property?

❑Yes, within 1 year ❑Yes, within 5 years ❑Yes, more than 5 years ❑No ❑Unsure

5. Do you currently own a plug-in electric vehicle?

❑Yes ❑No

5B. Do you plan on purchasing a plug-in electric vehicle in the future?

❑Yes, within 1 year ❑Yes, within 5 years ❑Yes, more than 5 years ❑No ❑Unsure

6. Niagara-on-the-Lake Hydro offers conservation & efficiency incentives through the new "saveONenergy" programs. Are you aware of any of these programs? *(example: Fridge & Freezer Pick-up, Retrofit Program, Small Business Lighting Initiative, etc.)*

❑Yes ❑No

IMPORTANT PLANNING INFORMATION

What is your Account Type?

❑Home ❑Business

What community do you consider your account located?

❑Garrison Village/Olde Town ❑St. Davids ❑Queenston ❑Virgil ❑Glendale ❑Rural

What is your street address? _____

(to be used for planning based on electric vehicle & green generation intent)

Please mail or drop off your responses directly to NOTL Hydro's office located at:

PO Box 460
8 Henegan Road
Virgil, ON
L0S 1T0

An online version of this survey is available on www.NOTLhydro.com. If you have additional feedback for us to consider, please include a letter with this survey.

PLEASE SUBMIT YOUR RESPONSES BY JULY 15, 2013