

**Guelph Hydro Electric Systems Inc. (EB-2014-0077)  
 Board staff Interrogatories**

**Interrogatory #1**

**Tab 6 – Billing Det. for Def-Var**

Board staff has updated Guelph Hydro’s Rate Generator model to version 1.1, issued on August 8, 2014. As a result, tab 6 (column O) now lists the number of Residential and General Service < 50kW for the allocation of Account 1551 Smart Metering Entity Charge. Please confirm that the figures noted below are correct.

<b>Number of Customers for Residential and GS&lt;50 classes<sup>3</sup></b>
47,157
3,788

(A) If Guelph Hydro does not agree with the above figures, please provide the correct information and Board staff will make the necessary adjustments to the model.

**Interrogatory #2**

**Tab 11 – STS – Tax Change**

**2. Tax Related Amounts Forecast from Income Tax Rate Changes**

Regulatory Taxable Income	\$ 651,546	\$ 651,546
Corporate Tax Rate	26.25%	21.13%
Tax Impact	\$ 42,281	\$ 8,910
<b>Grossed-up Tax Amount</b>	<b>\$ 57,330</b>	<b>\$ 11,296</b>

Board staff is unable to reconcile the figures entered for “Regulatory Taxable Income”, “Tax Impact” and “Grossed-up Tax Amount”. Board staff believes the figures should be \$636,434 (Regulatory Taxable Income), \$11,145 (Tax Impact) and \$15,112 (Grossed-up Tax Amount) as found in Guelph Hydro’s previous cost of service Revenue Requirement Workform (EB-2011-0123).

(A) Please confirm if Guelph Hydro agrees and Board staff will make the necessary corrections to the model.

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

**Interrogatory #3**  
**Tab 15 – RTSR – UTRs & Sub-TX**

Hydro One Sub-Transmission Rates	Unit	Effective January 1, 2013	Effective January 1, 2014	Effective January 1, 2015
Rate Description		Rate	Rate	Rate
Network Service Rate	kW	\$ 3.18	\$ 3.23	\$ 3.18
Line Connection Service Rate	kW	\$ 0.70	\$ 0.65	\$ 0.70
Transformation Connection Service Rate	kW	\$ 1.63	\$ 1.62	\$ 1.63
Both Line and Transformation Connection Service Rate	kW	\$ 2.33	\$ 2.27	\$ 2.33

Board staff notes that in the column labelled “Effective January 1, 2015”, the incorrect Hydro One Sub-Transmission Rates have been entered. Board staff notes that the rates effective January 1, 2014 should be entered into the green input cells.

- (A) Please confirm if Guelph Hydro agrees and Board staff will make the necessary corrections to the model.
- (B) If the answer to (A) is no, please provide an explanation for the discrepancy.

**Interrogatory #4**  
**Manager’s Summary, Page 39**

In its Manager’s Summary, Guelph Hydro notes that:

In its 2012 Cost of Service Application (file number EB-2011-0123), the Board approved Load Forecast was adjusted at the purchased kWhs level (wholesale), and no breakdown per customer class was detailed (retail sales).

Therefore, in this Application, Guelph Hydro has allocated the CDM adjustment for the impact of CDM programs to the 2012 Test Year load forecast to each rate class proportionately based on the class kWh and kW compared to the total of all classes. Guelph Hydro has used the same methodology approved by the Board in the two Cost of Service proceedings: file number EB-2012-0107 (Blue Water Distribution Corporation) and file number EB-2012-0145 (Lakeland Power Distribution Ltd.) for the calculation of the approved CDM adjustment at the customer class level.

- (A) Please confirm Guelph Hydro’s proposed billing determinants for its current IRM Application reconcile with Guelph Hydro’s most recent board-approved load forecast (EB-2011-0123).
- (B) If not, please provide an explanation.
- (C) Please confirm that Guelph Hydro is not requesting disposition of the balance in its LRAMVA.

**Interrogatory #5**  
**REG Funding Adder**

On page 18 of the *Filing Requirements For Electricity Distribution Rate Applications: 2014 Edition for 2015 Rate Applications*, issued July 25, 2014, the Board stated that “the cost recovered through the funding adder will be subject to a prudence review in the first cost of service application following the implementation of the funding adder”.

- (A) Does Guelph Hydro agree that the cost of the GEA funding adder true-up that it has applied for is immaterial and any variance will be captured in the appropriate variance account?
  
- (B) Please state if and what impact would arise from deferring the true-up of the GEA funding adder amounts until such time.