**Hydro Ottawa Limited**

**EB-2014-0085**

**Application Analysis**

**Sheet 6 – Billing Det. For Def-Var**



Staff notes that Hydro Ottawa used the Board’s Rate Generator Model version 1.0. Staff has updated the Model to the new version 1.1. Please confirm that the number of customers for the Residential and GS <50 classes in “Column O” are correct.

**Response**

As per the instructions on the 2015 IRM report; it states to ‘*use the most recent Board Approved volumetric forecast, if there is a material difference between the latest Board Approved volumetric forecast and the recent 12-month actual volumetric forecast, use the recent 12-month actual data’*. Hydro Ottawa believes that the difference is not material (in the 1-2%) range; therefore Hydro Ottawa used the most recent OEB approved customer numbers:

**Residential:** 280,517

**GS<50:**             23,629

**Staff: Corrected.**

**Sheet 11 – STS Tax Change**

A portion of Sheet 11 is reproduced below.



A portion of Sheet 6 of the Revenue Requirement Work Form, version 2.20 is reproduced below (“RRWF”) EB-2011-0054



* Board staff notes that the data entered into the Grossed-up Tax Amount does not reconcile with Hydro Ottawa’s 2012 Revenue Requirement Workform. Staff believes that the correct amount is $6,003,036. If this is an error, Board staff will update your work form.

**Response**

The difference of the Grossed-up Tax Amount between the 2015 IRM application of $6,002,939 and the amount as per the 2012 RRWF of $6,003,036 is the number of decimal places used to calculate the tax impact, 26.06% vs. 26.0612% respectively.  This creates a difference of $97.  Hydro Ottawa recommends keeping the original amount from the 2015 IRM application of $6,002,939 for the Grossed-up Tax Amount.

**Staff: No change required**

**Low Voltage Service Charge Rate – to 5 decimal places**

The 2015 IRM Rate Generator Model only allows for 4 decimal places. Hydro Ottawa’s rates in past decisions and orders have approved Hydro Ottawa’s Low Voltage Service Charge to 5 decimal places.  Please confirm that Hydro Ottawa’s approved rates for LV Service Charges are changed to 5 decimal places.  The rate should be 0.00006 $/kWh**,** not the 0.0001 $/kWh.

**Staff: Low Voltage Service Charge updated to 5 decimal places**