

Grimsby Power Inc. (EB-2014-0076) Board staff Interrogatories

Interrogatory #1 Tab 11 – STS – Tax Change

Summary - Sharing of Tax Change Forecast Amounts

For the 2012 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)	13,000
--	--------

	2012	2015
1. Tax Related Amounts Forecast from Capital Tax Rate Changes		
Taxable Capital (if you are not claiming capital tax, please enter your Board-Approved Rate Base)	\$ 16,641,297	\$ 16,641,297
Deduction from taxable capital up to \$15,000,000	\$ -	\$ -
Net Taxable Capital	\$ 16,641,297	\$ 16,641,297
Rate	0.00%	0.00%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -
2. Tax Related Amounts Forecast from Income Tax Rate Changes		
Regulatory Taxable Income	\$ 290,478	\$ 290,478
Corporate Tax Rate	15.50%	15.50%
Tax Impact	\$ 32,024	\$ 32,024
Grossed-up Tax Amount	\$ 37,898	\$ 37,898

Board staff is unable to reconcile the following amounts to Grimsby Power's previous cost of service Revenue Requirement Work Form (EB-2011-0273):

- Tax Credits: \$13,000
- Corporate Tax Rate: 15.50%
- Tax Impact: \$32,024

Grimsby Power's previous Board-approved Revenue Requirement Work Form, notes the following figures:

- Tax Credits: \$0
- Corporate Tax Rate: 11.54%
- Tax Impact: \$33,524

Board staff notes that if Grimsby Power agrees to the above changes, the tax savings amount changes from \$0 to \$15,385 resulting in a tax sharing amount of \$7,692 (50%).

- (A) Please confirm if Grimsby Power agrees with the above changes, and Board staff will make the necessary corrections to the workform.
- (B) If the answer to (A) is no, please provide an explanation for the figures entered.
- (C) If the answer to (A) is yes, please confirm if Grimsby Power wishes to transfer the tax sharing amount in Account 1595 for disposition at a future date due to insignificant rate riders.

Interrogatory #2**Tab 16 – RTSR Historical Wholesale**

IESO	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	19,727	\$3.63	\$ 71,610	20,320	\$0.75	\$ 15,240	20,320	\$1.77	\$ 35,997	\$ 51,237
February	19,542	\$3.63	\$ 70,937	19,542	\$0.75	\$ 14,656	19,542	\$1.77	\$ 34,589	\$ 49,246
March	18,077	\$3.63	\$ 65,620	18,077	\$0.75	\$ 13,558	18,077	\$1.77	\$ 31,996	\$ 45,554
April	16,775	\$3.63	\$ 60,894	16,851	\$0.75	\$ 12,638	16,851	\$1.77	\$ 29,826	\$ 42,464
May	19,055	\$3.63	\$ 69,171	19,184	\$0.75	\$ 14,388	19,184	\$1.77	\$ 33,956	\$ 48,344
June	22,938	\$3.63	\$ 83,265	25,109	\$0.75	\$ 18,832	25,109	\$1.77	\$ 44,444	\$ 63,276
July	23,946	\$3.63	\$ 86,924	23,946	\$0.75	\$ 17,960	23,946	\$1.77	\$ 42,385	\$ 60,344
August	19,884	\$3.63	\$ 72,179	20,307	\$0.75	\$ 15,230	20,307	\$1.77	\$ 35,944	\$ 51,174
September	24,475	\$3.63	\$ 88,843	25,739	\$0.75	\$ 19,304	25,739	\$1.77	\$ 45,558	\$ 64,862
October	15,495	\$3.63	\$ 56,246	16,285	\$0.75	\$ 12,213	16,285	\$1.77	\$ 28,824	\$ 41,037
November	17,487	\$3.63	\$ 63,476	17,918	\$0.75	\$ 13,439	17,918	\$1.77	\$ 31,715	\$ 45,154
December	16,955	\$3.63	\$ 61,546	19,081	\$0.75	\$ 14,311	19,081	\$1.77	\$ 33,773	\$ 48,084
Total	234,356	\$ 3.63	\$ 850,712	242,360	\$ 0.75	\$ 181,770	242,360	\$ 1.77	\$ 429,008	\$ 610,778

Board staff is unable to reconcile the rate entered in the column “Transformation Connection” to the UTR effective January 1, 2013 for the Transformation Connection Service Rate. Board staff notes the rate should be \$1.85.

- (A) If Grimsby Power agrees, please confirm, 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 rate of \$1.77 entered.

Interrogatory #3**Appendix 6 – LRAM calculations**

Grimsby Power has requested the approval to dispose of the balance in Account 1568 – LRAMVA, which includes a balance of \$67,275 including carrying charges up to December 31, 2013.

- (A) Please confirm that Grimsby Power has not included any lost revenues attributable to 2013 CDM programs.
- (B) Please confirm that the LRAMVA balance is attributable to 2011 and 2012 CDM programs in 2011, 2012 and 2013.
- (C) Please confirm Grimsby Power’s last Board-approved load forecast did not include any CDM amounts.