

Hydro 2000 Inc. (EB-2014-0081)

Application Analysis

Tab 1 – Information Sheet

- Staff notes that the last cost of service rebasing year entered should be 2012 (EB-2011-0326). Please confirm if Hydro 2000 Inc. agrees and staff will make the necessary correction to the model.

Hydro 2000 Inc confirms that the COS should be 2012.

Tab 4 – Current Tariff Schedule

- For the Street lighting rate class, the service charge should be listed on a “per connection” basis as is on Hydro 2000 Inc.’s current tariff. Please confirm and staff will select the appropriate descriptor.

Hydro 2000 Inc. confirms that the service charge should be “per connection”

- For the Unmetered Scattered Load rate class, the service charge should be listed on a “per connection” basis as is on Hydro 2000 Inc.’s current tariff. Please confirm and staff will select the appropriate descriptor.

Hydro 2000 Inc. confirms that the service charge should be “per connection”

Tab 5 – 2014 Continuity Schedule

- Hydro 2000 Inc. has not entered projected interest from Jan. 1, 2014 to December 31, 2014 and from January 1, 2015 to April 30, 2015 on December 31, 2013 balances adjusted for disposition during 2014 (i.e. columns BC and BD). Please provide the applicable projected interest amounts by account number for each column and staff will update the model.

Please see the excel spreadsheet included.

- In its Manager’s Summary, Hydro 2000 notes that in populating the model, it noticed there was an error in the cost of power and global adjustment accounts. The cost of power account (1588) should be credited \$(1,781,002) and the global adjustment account (1589) should be debited the same amount. Please explain the nature of this adjustment. Was this solely done to the RRR figures entered into the Rate Generator model.

The Adjustment was done also in the RRR filings quarter ending in June 2014 when we noticed the error.

Tab 6 – Billing Det. for Def-Var

- Board staff notes that on Tab 5 of the model, Hydro 2000 has a total claim of a credit of \$(3,935) in Account 1595 – Disposition of Recovery/Refund of Regulatory Balances (2011). On Tab 6 in column L, Hydro 2000 has not entered the recovery proportion amount per rate class to allocate the amount noted in Tab 5. Please provide the percentages for each rate class and staff will update the model.

Based on the Deferral and variance model of 2011 tab F1.1 table allocation percentages that was used to distribute the amount is as followed.

Residential	15239230	/	25041446	=	60.85%
GS less 50Kw	4739498	/	25041446	=	18.93%
GS over 50 Kw	4701848	/	25041446	=	18.78%
Unmetered	18487	/	25041446	=	0.07%
Streetlight	342383	/	25041446	=	1.37%
			Total	=	100%

Tab 9 – STS – Billing Det & Rates

Rate Class	Units	Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW (if applicable)
RESIDENTIAL	\$/kWh	1,061	14,578,597	
GENERAL SERVICE LESS THAN 50 KW	\$/kWh	142	4,672,050	
GENERAL SERVICE 50 TO 4,999 KW	\$/kW	12	4,632,461	11,847
STREET LIGHTING	\$/kW	368	343,757	969
UNMETERED SCATTERED LOAD	\$/kWh	6	18,329	
microFIT				

- Typographical error – street lighting kW should be 959 as per previous cost of service. Please confirm if Hydro 2000 Inc. agrees and staff will make the necessary correction to the model.

Hydro 2000 confirms it is a typographical error and street lighting kW should be 959 as per previous cost of service.

- Staff notes that the monthly service charges and volumetric rates (columns G, H and I) are based on 2013 numbers because of the error on Tab 1. Hydro 2000 Inc. should have input its 2012 CoS figures. Please confirm if Hydro 2000 Inc. agrees and staff will correct

the figures entered in columns G, H and I. If Hydro 2000 Inc. does not agree, please provide an explanation for the figures entered.

Hydro 2000 agrees that staff will correct the figures.

Tab 16 – RTSR – Historical Wholesale

Hydro One	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	6,201	\$2.65	\$ 16,433	6,201	\$0.64	\$ 3,969	6,201	\$1.50	\$ 9,302	\$ 13,271
February	5,784	\$2.65	\$ 15,328	5,784	\$0.64	\$ 3,702	5,784	\$1.50	\$ 8,676	\$ 12,378
March	4,611	\$2.65	\$ 12,219	4,611	\$0.64	\$ 2,951	4,611	\$1.50	\$ 6,917	\$ 9,868
April	4,029	\$2.65	\$ 10,677	4,029	\$0.64	\$ 2,579	4,029	\$1.50	\$ 6,044	\$ 8,623
May	3,003	\$2.65	\$ 7,958	3,003	\$0.64	\$ 1,922	3,003	\$1.50	\$ 4,505	\$ 6,427
June	3,176	\$2.65	\$ 8,416	3,176	\$0.64	\$ 2,033	3,176	\$1.50	\$ 4,764	\$ 6,797
July	3,535	\$2.65	\$ 9,368	3,535	\$0.64	\$ 2,262	3,535	\$1.50	\$ 5,303	\$ 7,565
August	3,143	\$2.65	\$ 8,329	3,103	\$0.64	\$ 1,986	3,103	\$1.50	\$ 4,655	\$ 6,641
September	2,734	\$2.65	\$ 7,245	2,827	\$0.64	\$ 1,809	2,827	\$1.50	\$ 4,241	\$ 6,050
October	3,216	\$2.65	\$ 8,522	3,554	\$0.64	\$ 2,275	3,554	\$1.50	\$ 5,331	\$ 7,606
November	4,993	\$2.65	\$ 13,231	4,687	\$0.64	\$ 3,000	4,687	\$1.50	\$ 7,031	\$ 10,031
December	6,077	\$2.65	\$ 16,104	5,924	\$0.64	\$ 3,791	5,924	\$1.50	\$ 8,886	\$ 12,677
Total	50,502	\$ 2.65	\$ 133,830	50,434	\$ 0.64	\$ 32,279	50,434	\$ 1.50	\$ 75,655	\$ 107,934

- Staff is unable to reconcile the rates entered for the Hydro One Network, Line Connection and Transformation Connection to the Hydro One Sub-Transmission Rates located at Tab 15. Staff notes that the historical rates should be entered as such:
 - Network: \$3.18
 - Line Connection: \$0.70
 - Transformation Connection: \$1.63

Hydro 2000 apologize it used the 2012 rates instead of the 2013 rates. Hydro 2000 confirms the above rates.

- Please confirm if Hydro 2000 Inc. agrees and staff will update the model. If not, please provide an explanation for the rates entered.

Please see answer above.

Deferral and Variance Account Disposition

Chapter 3 of the Filing Requirements note that “distributors must establish separate rate riders to recover the balances in the RSVAs from Market Participants (“MPs”) who must not be allocated the RSVa account balances related to charges for which the MPs settle directly with the IESO (e.g. wholesale energy, wholesale market services).”

Chapter 3 of the Filing Requirements also note that “distributors who serve Class A customers per O.Reg 429/04 (i.e. customers greater than 5 MW) must propose an appropriate allocation

for the recovery of the global adjustment variance balance based on their settlement process with the IESO”.

- Please confirm that Hydro 2000 Inc. does not serve any MPs or Class A customers.

Hydro 2000 has no MPs or Class A customers.