



October 16, 2014

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**RE: Brantford Power Inc.
Application for Distribution Rates Effective January 1, 2015
Board File EB-2014-0187
Responses to Interrogatories**

Please find attached the interrogatory responses of Brantford Power Inc. (BPI) in the above-mentioned proceeding.

BPI is filing these responses via RESS and will additionally mail two hard copies to the Board. VECC will also be forwarded these responses.

Sincerely,

Original Signed By

**Paul Kwasnik,
President & CEO**

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BPI Responses to Board Staff Interrogatories

Board Staff Interrogatory #1

Ref: Rate Generator – Tab 14 RTSR RRR Data

Rate Description	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor
Retail Transmission Rate - Network Service Rate	\$/kWh	282,501,947	-	1.0420
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	282,501,947	-	1.0420
Retail Transmission Rate - Network Service Rate	\$/kWh	99,838,335	-	1.0420
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	99,838,335	-	1.0420
Retail Transmission Rate - Network Service Rate	\$/kW	534,621,114	1,408,738	-
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	534,621,114	1,408,738	-
Retail Transmission Rate - Network Service Rate	\$/kWh	1,552,345	-	1.0420
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	1,552,345	-	1.0420
Retail Transmission Rate - Network Service Rate	\$/kW	448,778	1,369	-
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	448,778	1,369	-
Retail Transmission Rate - Network Service Rate	\$/kW	7,386,717	22,581	-
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	7,386,717	22,581	-
Retail Transmission Rate - Network Service Rate	\$/kW	-	159,286	-
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	-	159,286	-

A. Please confirm the Applicable Loss Factor in column F has been entered incorrectly and should be 1.0349 as copied below from the current tariff sheet and Board staff will correct the model. If the Applicable Loss Factor is 1.0420 please explain.

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0349
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0246

Response:

BPI agrees to have the loss factor adjusted to 1.0349 by Board Staff. BPI entered the loss factor which was applicable at the time that these billing determinants were billed to customers. The loss factor of 1.0349 was implemented beginning March 1, 2014, and would therefore not have applied to BPI's RRR data for 2013. 1.0420 represented the Loss Factor in place prior to March 1 2014.

Board Staff Interrogatory #2

Ref: Managers Summary – Page 21 – RSVA One-Time Variance Account

- A. In the first paragraph the amount of \$284,402 is stated as a debit amount and in the second paragraph it is stated as a credit amount, please confirm which is correct.

Response:

The correct amount is a debit of \$284,402, as was presented in the first paragraph.

- B. In the above reference, Brantford Power states Board staff requested in the 2013 COS proceeding they calculate the rate riders that would result if the one-time amount of \$284,402 was reduced from the balance of the account. Board staff notes that the settlement agreement in BP's last cost of service proceeding (EB-2012-0109) notes on page 45 that all parties agreed to certain changes to the DVAs and that Attachment N to the settlement agreement was agreed to by all parties. Board staff notes that Attachment N does not include account 1582. Please explain further why BP is of the view that this account should have been disposed as part of the last COS proceeding.

Response:

As set out in the RSVA One-Time Variance Account section of BPI's Application and Evidence, BPI unintentionally carried forward an adjustment which had been made in order to answer an interrogatory posed by Board Staff (9-Staff-31 c), into the Deferral and Variance Account model supporting the Settlement Agreement in its 2013 cost of service rate application.

In its response to interrogatory 9-Staff-31c, BPI indicated that it did not intend to amend its application by removing these amounts, maintaining that the amount of \$284,402 should be passed through to ratepayers.

No further interrogatories related to Account 1582 were submitted. BPI did not propose any adjustments to its initial application related to Account 1582 in any of its interrogatory responses.

At page 45 of the Settlement Agreement, under Issue 9.1 (Are the account balances, cost allocation methodology and disposition plan appropriate?), the Parties agreed for the purposes of settlement that the deferral and variance account balances, as set out “in the evidence cited above, adjusted for the matters discussed below, are appropriate.”

The “evidence cited above” in this statement includes Exhibit 9 in the original evidence (which requests the recovery of the balance in Account 1582), as well as the response to Interrogatory 9-Staff-31, which establishes BPI’s continued intention to collect the amount in question from ratepayers.

The “matters discussed below” in Settlement Agreement section 9 include no mention of any changes to account 1582 or amounts related to this account.

BPI submits that these references show that BPI intended for the amount of \$284,402 to be passed on to customers, though the DVA model filed with the Settlement Proposal did not reflect this balance due to the clerical error discussed in the current Application.

BPI has described in its Application its intention to carry the amount of \$284,402 as a component of Account 1582 until its next opportunity to dispose of Group 2 account balances. BPI continues to respectfully request confirmation that this approach is agreeable to the Board. Alternatively, BPI would be amenable to correcting this item at an earlier time.

Board Staff Interrogatory #3

Ref: Managers Summary – Attachment D – Proposed Tariff and Rates

A. Please provide an excel version of the proposed tariff and rates.

Response:

Please find an excel version of the Proposed Tariff of Rates, as Attachment A.

In addition to the changes proposed by Board Staff, BPI has identified that, for the Standby Power Service Classification, the phrase “Approved on an Interim Basis” should appear after “Monthly Rates and Charges – Delivery Component”.

B. Please confirm the Rate Rider for Disposition of Residual Historical Smart Meter Costs –effective until date should be December 31, 2017 not April 30, 2017. If confirmed, Board staff will update the model.

Response:

BPI confirms that the correct effective ending date should be December 31, 2017, on both the Residential and General Service less than 50 kW sheets.

C. Please confirm the Rate Rider for Smart Metering Entity Charge – effective until date should be October 31, 2018 not December 31, 2017. If confirmed, Board staff will update the model.

Response:

BPI confirms that the correct effective ending date should be October 31, 2018 for the Smart Metering Entity Rate Rider on both the Residential and General Service less than 50 kW sheets.

- D. Please confirm the Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015 should be (0.7414) not (0.7413). If confirmed, Board staff will update the model.

Response:

BPI confirms that for the Street Lighting Service Classification, the Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015 should be (0.7414).

- E. Please confirm the Embedded Rate Class is missing the Rate Rider for Disposition of Deferral/Variance Accounts (2015) for Wholesale Market Participants of 0.0683. If confirmed, Board staff will update the model.

Response:

BPI confirms that, for the Embedded Distributor Service Classification, the rate rider is missing the description “for Wholesale Market Participants”.

- F. Please confirm Meter dispute charge plus Measurement Canada fees (if meter found correct should be \$ 30.00 not % 30.0000. If confirmed, Board staff will update the model.

Response:

BPI confirms that the Meter dispute charge plus Measurement Canada fees (if meter found correct) should be \$30.00 and not % 30.0000

Board Staff Interrogatory #4

Ref: Managers Summary – Page 17 – Section 2.6 – LRAM Persistence
Ref: Attachment G – 2013 Burman Energy LRAMVA Report

Preamble

On Page 17 of the Manager's Summary, Brantford notes that it is applying for the disposition of an LRAM claim associated with the persistence of 2006 to 2010 programs in 2012 and that Burman Energy has calculated this amount to be \$116,047.82.

On page 3 of the Burman LRAM report in Attachment G, it states that the requested persisting 2006-2010 lost revenue amount of \$118,455.70 represents LRAM calculations for persistence of 2006-2010 programs in 2011 only. The Burman Report later notes that persisting lost revenues in 2012 are equal to \$116,047.82.

In addition to the persisting 2012 LRAM amounts, Burman also notes that Brantford should be eligible for the persisting 2013 LRAM amounts but had recommended including this amount in a future application as it is premature to include these results at this time.

- A. Please confirm that Brantford has received approval of its persisting lost revenues from 2006-2010 CDM programs in 2011 and recovered \$118,455.70 as part of its 2013 rate application (EB-2012-0109).

Response:

BPI confirms that it received approval of its claim for persisting lost revenues for 2006-2010 programs in 2011 in its Decision in EB-2012-0109. BPI is currently recovering the amount of 118,455.70 through a rate rider which will expire December 31, 2014.

- B. Please confirm that in this application, Brantford is only requesting approval of persisting lost revenues in 2012 from 2006 to 2010 CDM Programs for the total amount of \$116,047.82.

Response:

BPI confirms it is only requesting the persisting lost revenues in 2012 of 2006 to 2010 CDM programs for the amount of \$116,047.82. BPI confirms it is not requesting the persistence of these 2006 to 2010 programs in 2013 in this Application.

However, BPI is also requesting the disposition of the amount in Account 1568 - LRAMVA associated with the impact of 2011 and 2012 CDM programs in 2012 (and associated carrying charges), amounting to \$107,734. The balance in this account has been included in the DVA disposition outlined in Attachment B - Proposed Deferral and Variance Rate Rider Calculation. Therefore, the LRAMVA disposition associated with 2011 and 2012 program savings in 2012 is included in the Rate Riders for the Disposition of Deferral/Variance Accounts included in BPI's proposed Tariff of Rates and Charges (Attachment D).

BPI notes that the Rate Rider for the recovery of LRAM (2012) entered in the Bill Impact calculation for the General Service 50 to 4999 kW class contains a typo. This should appear as \$0.0150/kW rather than \$0.0156/kW.

- C. Please confirm that Brantford has received approval of an updated load forecast, inclusive of CDM amounts, as part of its 2013 cost of service application.

Response:

BPI confirms that the load forecast approved in its 2013 cost of service application included a consideration of CDM impacts.

- D. If Brantford confirms the question posed in 7(c) above, please discuss why Brantford feels it is appropriate to recover persisting lost revenues from 2006 to 2010 CDM programs in 2013 when its load forecast was approved as part of its 2013 cost of service application.

Response:

BPI respectfully submits that it is still appropriate to recover persisting lost revenues from these programs occurring in 2013 because the rates in place during all of 2013 were based on the load forecast approved in BPI's 2008 cost of service. As shown in the excerpt from the Board's Decision in this case, included in the current Application at page 18 of 26, no impacts of CDM were incorporated into the 2008 load forecast.

Therefore, the rates collected from customers during 2013 did not reflect any CDM reductions, and as a result, lost revenues continued to occur in 2013.

- E. Please discuss why Brantford feels it is premature to recover the persisting 2013 lost revenues from 2006 to 2010 programs in this application when the 2013 program year is fully complete.

Response:

At the time that BPI was preparing this Application, the final CDM savings results for 2013 had not yet been released by the OPA. BPI intends to apply for the recovery of the persisting 2013 lost revenues from 2006 to 2010 at a later time.

- F. If available, please provide Brantford's 2013 persisting lost revenue amount from 2006 to 2010 CDM programs.

Response:

At this time, this amount is not available.

BPI Responses to VECC Interrogatories

VECC Interrogatory #1

Ref: Page 19 Table #7

- a) Please confirm Brantford Power has not recovered any of the LRAM amounts proposed for recovery in this application in a previous application.

Response:

BPI confirms it has not recovered any of the LRAM amounts proposed for recovery in this application in a previous application.

- b) Please confirm the LRAM claim for persisting savings in 2012 associated with 2006-2010 CDM programs reflects the measure lives and unit savings for any/all measures that have expired prior to or in 2011 and 2012.

Response:

BPI confirms the LRAM claim for persisting savings in 2012 associated with 2006-2010 CDM programs reflects the measure lives and unit savings for any/all measures that have expired prior to or in 2011 and 2012 as reflected in the final report released by the OPA for 2006-2010 CDM Results in BPI's service territory

- c) Please adjust the LRAM as necessary to reflect the measure lives and unit savings for any/all measures that have expired in 2011 and 2012.

Response:

Consistent with the response to section b) above, no adjustments are necessary.

d) Please provide the customer count for each rate class and include a reference.

Response:

The following chart sets out the customer count for each rate class. The table is based on BPI's RRR (section 2.1.2) report for Q4 of 2013.

Table #1 – Customer Numbers by Class

Customer Class	Number of Customers or Connections (2013 Q4 RRR)
Residential	35,351
General Service Less Than 50 kW	2,762
General Service 50 to 4999 kW	430
Embedded	3
Street Light	10,075
Sentinel Light	659
USL	472

VECC Interrogatory #2

- a) Please identify the CDM component by customer class that was included in Brantford Power's last cost of service application.

Response:

The following table sets out the kWh CDM adjustment by customer class which was included in BPI's 2013 COS. This table corresponds to Table 11 in BPI's Settlement Agreement:

Table #2: CDM Adjustment by Customer Class

CDM Adjustment	CDM Adjustment Allocator	Settlement
Weather Corrected Forecast		925,868,051
Total CDM Adjustment		(2,538,855)
Residential Weather Normal Forecast		283,078,627
Residential CDM Adjustment	27%	(673,430.62)
Residential CDM Adjusted Forecast		282,405,197
GS<50 Weather Normal Forecast		98,973,624
GS<50 CDM Adjustment	36%	(904,860.72)
GS<50 CDM Adjusted Forecast		98,068,763
GS>50 Weather Normal Forecast (kWh)		534,364,578
GS>50 CDM Adjustment (kWh)	38%	(960,563.40)
GS>50 CDM Adjusted Forecast (kWh)		533,404,014
GS>50 CDM Adjusted Forecast (kW)		1,357,900.00
Total Weather Normal, CDM Adjusted Billed Energy Forecast (including USL; Sentinel and Street Lights)		923,329,196

- b) Please provide a Table similar to Table #7 to show the calculation of the proposed 2015 LRAMVA rate riders.

Response:

Below, please see the requested calculation. BPI notes that the claim for LRAMVA has been included in the Deferral and Variance Account Rate Riders proposed in its Application. BPI has not proposed separate rate riders for LRAMVA. If separate rate riders are required, BPI will adjust the Deferral and Variance Account Rate Riders to reflect this.

Table #3: Calculation of LRAMVA Component of Deferral and Variance Account Rate Riders

Customer Class	Allocated LRAMVA (per Attachment F)	Billing Determinants (2013 Actual, RRR)		Proposed LRAMVA component of DVA Rate Rider
Residential	\$ 44,473.45	kWh	282,501,947	0.0002
General Service Less than 50 kW	\$ 17,516.71	kWh	99,838,335	0.0002
General Service 50 to 4999 kW	\$ 45,743.84	kWh	1,408,738	0.0325
Total	\$ 107,734.00			

- c) Please confirm that the kW savings values reported for the Demand Response 3 program are contracted values and not actual demand reductions in each year.

Response:

The kW savings values used for the calculation of lost revenues from the Demand Response 3 program come from the final verified CDM savings reports prepared by the OPA. The kW savings reported represent net contracted values in each year.

- d) Does Brantford Power have any record as to how much actual demand reduction was achieved in each year due to the Demand Response 3 program? If so, how much was the actual demand reduction in each year and was the demand reduction coincident with the peak interval used to establish the customers' billing demands?

Response:

BPI does not have any record as to how much actual demand reduction was achieved in each year due to the Demand Response 3 program.

Attachment A-
Excel Version of Tariff of Rates
(Sent as live excel document)