



October 17, 2014

**Delivered by Courier and Filed Electronically via RESS**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
26th Floor, Box 2319  
Toronto, ON, M4P 1E4

Dear Ms. Walli

**Re: PowerStream Inc. (OEB Electricity Distributor License ED-2004-0420)  
2015 IRM Distribution Rate Application – Board File No. EB-2014-0108  
Interrogatory Responses**

Accompanying this letter, please find two copies of PowerStream Inc.'s Interrogatory Responses filed in accordance with the Board's Procedural Order No. 1.

The Responses have been filed electronically via RESS and delivered by e-mail to the intervenor of record in this matter.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

Tom Barrett  
Manager, Rate Applications

Encls.  
cc: Mr. Colin A. Macdonald, PowerStream Inc.

**EB-2014-0108**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** an application by PowerStream Inc.  
for an order approving just and reasonable rates and other  
charges for electricity distribution to be effective January 1,  
2015.

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**POWERSTREAM INC.**  
**INTERROGATORY RESPONSES**

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**October 17, 2014**

1 **Board Staff Interrogatory No. 1**

2 **Ref: Table 5-2 – LRAMVA for 2011**

3 **Ref: Table 5-3 – LRAMVA for 2012**

4 The 2011 and 2012 Board approved distribution rates used in the tables referenced above do  
5 not match the distribution rates in the 2011 and 2012 Board approved tariff schedules.

6 A. Please confirm and attach the source document used to populate the 2011 and 2012 Board-  
7 Approved distribution rates.

8 B. If necessary, update all applicable tables and models to reflect the correct LRAMVA balance.

9 **RESPONSE:**

10 A. In calculating the LRAMVA amounts by rate class that are presented in Tables 5-2 and  
11 5-3, the lost volumes were multiplied by the appropriate variable distribution rates for the  
12 period. Appropriate variable distribution rates were determined in accordance with the  
13 *Guidelines for Electricity Distributor Conservation and Demand Management* (EB-2012-  
14 0003), which states that “volumetric rate riders for disposition of deferral and variance  
15 account balances should not be included in the calculation; however, volumetric rate  
16 riders for tax sharing or related forgone revenue should be included”. Consequently, the  
17 distribution rates used for calculation of LRAMVA mounts exclude Regulatory Assets  
18 recovery riders, as well as Low Voltage charges; however, volumetric rate riders for Tax  
19 Sharing are included.

20 The distribution rates for each calendar year are calculated as a weighted average of  
21 distribution rates per Board-Approved Schedules of Rates and Tariffs for the respective  
22 calendar year. For example, 2011 distribution rates are calculated as the weighted  
23 average of 2010 (May 1, 2010 to April 30, 2011) and 2011 (May 1, 2011 to April 30,  
24 2012) distribution rates, using weights of 4/12 and 8/12, respectively. To illustrate the  
25 exact methodology, the calculations of 2011 and 2012 distribution rates are presented  
26 below in Tables 1 and 2.

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**Table 1: Calculation of Variable Distribution Rates (2011)**

	May 1, 2010 Rates			May 1, 2011 Rates			2010 4 Months	2011 8 months	Weighted Annual Rate	Monthly Rate (2011)
	Dx Rate	Tx Rate Rider	Net Dx Rate	Dx Rate	Tx Rate Rider	Net Dx Rate				
	A	B	C A + B	D	E	F D + E	G C x 4	H F x 8	I G + H	J I / 12
<b>PowerStream South Rate Zone (2011)</b>										
Residential	0.0134	(0.0002)	0.0132	0.0134	(0.0003)	0.0131	0.0528	0.1048	0.1576	\$0.0131
GS<50	0.0115	(0.0001)	0.0114	0.0115	(0.0002)	0.0113	0.0456	0.0904	0.1360	\$0.0113
GS>50	3.4668	(0.0233)	3.4435	3.4730	(0.0417)	3.4313	13.7740	27.4504	41.2244	\$3.4354
<b>PowerStream North Rate Zone (2011)</b>										
Residential	0.0137	(0.0003)	0.0134	0.0136	(0.0005)	0.0131	0.0536	0.1048	0.1584	\$0.0132
GS<50	0.0163	(0.0002)	0.0161	0.0163	(0.0003)	0.0160	0.0644	0.1280	0.1924	\$0.0160
GS>50	1.8200	(0.0280)	1.7920	1.8233	(0.0504)	1.7729	7.1680	14.1832	21.3512	\$1.7793

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**Table 2: Calculation of Variable Distribution Rates (2012)**

	May 1, 2011 Rates			May 1, 2012 Rates			2010 4 Months	2011 8 months	Weighted Annual Rate	Monthly Rate (2012)
	Dx Rate	Tx Rate Rider	Net Dx Rate	Dx Rate	Tx Rate Rider	Net Dx Rate				
	A	B	C A + B	D	E	F D + E	G C x 4	H F x 8	I G + H	J I / 12
<b>PowerStream South Rate Zone (2012)</b>										
Residential	0.0134	(0.0003)	0.0131	0.0135	(0.0004)	0.0131	0.0524	0.1048	0.1572	\$0.0131
GS<50	0.0115	(0.0002)	0.0113	0.0116	(0.0003)	0.0113	0.0452	0.0904	0.1356	\$0.0113
GS>50	3.4730	(0.0417)	3.4313	3.5036	(0.0501)	3.4535	13.7252	27.6280	41.3532	\$3.4461
<b>PowerStream North Rate Zone (2012)</b>										
Residential	0.0136	(0.0005)	0.0131	0.0137	(0.0006)	0.0131	0.0524	0.1048	0.1572	\$0.0131
GS<50	0.0163	(0.0003)	0.0160	0.0164	(0.0004)	0.0160	0.0640	0.1280	0.1920	\$0.0160
GS>50	1.8233	(0.0504)	1.7729	1.8393	(0.0650)	1.7743	7.0916	14.1944	21.2860	\$1.7738

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B. As can be seen in part A, PowerStream has used the appropriate approved rates in its calculation of the LRAMVA amount. No adjustments are deemed necessary.