



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

Utility Name Halton Hills Hydro Inc.

Service Territory Name Town of Halton Hills

Assigned EB Number EB-2014-0079

Name and Title David J. Smelsky, Chief Financial Officer

Phone Number 519-853-3700 ext 208

Email Address dsmelsky@haltonhillshydro.com

Date 20/10/2014

Last COS Re-based Year 2012

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

- | | |
|-------------------------------|------------------------------|
| 1. Info | 8. Transformer Allowance |
| 2. Table of Contents | 9. R C Ratio Revenue |
| 3. Re-Based Bill Det & Rates | 10. Proposed R C Ratio Adj |
| 4. Removal of Rate Adders | 11. Proposed Revenue |
| 5. Re-Based Rev From Rates | 12. Proposed F V Rev Alloc |
| 6. Decision Cost Revenue Adj | 13. Proposed F V Rates |
| 7. Revenue Offsets Allocation | 14. Adjust To Proposed Rates |



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to set up the rate classes, enter the re-based billing determinants from your last cost of service application and enter the current service charge and volumetric distribution rates as found on your most current Tariff of rates and charges.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
RES	Residential - Time of Use	Customer	kWh	19,530	210,212,474		12.52	0.0118	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,694	54,285,767		27.08	0.0084	
GSGT50	General Service 50 to 999 kW	Customer	kW	176	117,338,024	328,299	76.28		3.4016
GSGT50	General Service 1,000 to 4,999 kW - Interval Meters	Customer	kW	13	108,192,394	293,909	177.10		3.1184
USL	Unmetered Scattered Load	Connection	kWh	175	838,540		6.64	0.0044	
Sen	Sentinel Lighting	Connection	kW	175	380,342	810	4.98		18.8596
SL	Street Lighting	Connection	kW	4,474	2,778,881	7,820	2.19		29.5874
	Rate Class 8	Connection	kW						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to remove any rate adders included in current rates. Most applicants will not need to make an entry on this sheet.

Rate Class	Current Tariff Service Charge A	Current Tariff Distribution Volumetric Rate kWh B	Current Tariff Distribution Volumetric Rate kW C	Service Charge Rate Adders D	Distribution Volumetric kWh Rate Adders E	Distribution Volumetric kW Rate Adders F
Residential - Time of Use	12.52	0.0118	0.0000	0.00	0.0000	0.0000
General Service Less Than 50 kW	27.08	0.0084	0.0000	0.00	0.0000	0.0000
General Service 50 to 999 kW	76.28	0.0000	3.4016	0.00	0.0000	0.0000
General Service 1,000 to 4,999 kW - Interval Meters	177.10	0.0000	3.1184	0.00	0.0000	0.0000
Unmetered Scattered Load	6.64	0.0044	0.0000	0.00	0.0000	0.0000
Sentinel Lighting	4.98	0.0000	18.8596	0.00	0.0000	0.0000
Street Lighting	2.19	0.0000	29.5874	0.00	0.0000	0.0000



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to calculate current revenue from rate classes.

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Base Service Charge D	Current Base Distribution Rate kWh E	Current Base Distribution Rate kW F	Service Charge Revenue *12 H = B * E	Distribution Volumetric Rate Revenue kWh I = C * F	Revenue Requireme nt from Rates I	Service Charge % Revenue K = G / J	Distribution Volumetric Rate % Revenue kWh L = H / J	Distribution Volumetric Rate % Revenue kW M = I / J	Total % Revenue N = J / R
Residential - Time of Use	19,530	210,212,474	0	12.52	0.0118	0.0000	2,934,187	2,480,507	0	54.2%	45.8%	0.0%	59.9%
General Service Less Than 50 kW	1,694	54,285,767	0	27.08	0.0084	0.0000	550,482	456,000	0	54.7%	45.3%	0.0%	11.1%
General Service 50 to 999 kW	176	117,338,024	328,299	76.28	0.0000	3.4016	161,103	0	1,116,742	12.6%	0.0%	87.4%	14.1%
Interval Meters	13	108,192,394	293,909	177.10	0.0000	3.1184	27,628	0	916,526	2.9%	0.0%	97.1%	10.4%
Unmetered Scattered Load	175	838,540	0	6.64	0.0044	0.0000	13,944	3,690	0	79.1%	20.9%	0.0%	0.2%
Sentinel Lighting	175	380,342	810	4.98	0.0000	18.8596	10,458	0	15,276	40.6%	0.0%	59.4%	0.3%
Street Lighting	4,474	2,778,881	7,820	2.19	0.0000	29.5874	117,577	0	231,373	33.7%	0.0%	66.3%	3.9%
							3,815,379	2,940,197	2,279,917	9,035,494			100.0%
							O	P	Q	R			



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to enter the Revenue Cost Ratios as determined from column G on Sheet "10. Proposed R C Ratio Adj" of the applicant's 2014 Revenue to Cost Ratio Adjustment Workform (V2.0) or latest COS Decision and Order.

Under the column labeled "Direction", the applicant can choose "No Change" (i.e: no change in that rate class ratio), "Change" (i.e: Board ordered change from COS decision) or "Rebalance" (i.e: to apply any offset adjustments required).

Rate Class	Direction	Current Year 2014	Transition Year 1 2015	Transition Year 2 2016	Transition Year 3 2017	Transition Year 4 2018	Transition Year 5 2019
Residential - Time of Use	No Change	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%
General Service Less Than 50 kW	No Change	110.00%	110.00%	110.00%	110.00%	110.00%	110.00%
General Service 50 to 999 kW	No Change	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%
General Service 1,000 to 4,999 kW - Interval Meters	No Change	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%
Unmetered Scattered Load	No Change	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%
Sentinel Lighting	No Change	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%
Street Lighting	No Change	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to allocate the Revenue Offsets (miscellaneous revenue, cell F47) found in the last COS to the various rate classes in proportion to the allocation from the Cost Allocation informational filing.

Rate Class	Informational Filing	Percentage Split	Allocated Revenue
	Revenue Offsets		Offsets
	A	C= A / B	E = D * C
Residential - Time of Use	782,324	67.50%	782,324
General Service Less Than 50 kW	183,918	15.87%	183,918
General Service 50 to 999 kW	108,387	9.35%	108,387
General Service 1,000 to 4,999 kW -			
Interval Meters	40,714	3.51%	40,714
Unmetered Scattered Load	1,823	0.16%	1,823
Sentinel Lighting	3,348	0.29%	3,348
Street Lighting	38,532	3.32%	38,532
	1,159,046	100.00%	1,159,046
	B		D



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to remove the transformer allowance from volumetric rates. In Cell E47, enter your Transformer Allowance as per your 2014 Revenue to Cost Ratio Adjustment Workform (V2.0) or your last CoS Decision. Under the column labeled "Transformer Allowance in Rates" select "Yes" if included in that rate class or "No" if not included. Once selected, apply the update button to reveal input cells in which you can enter the number of kW's and the transformer rate for each rate class.

Rate Class	Transformer Allowance In Rate	Transformer Allowance A	Transformer Allowance kW's C	Transformer Allowance Rate E	Volumetric Distribution Rate F	Billed kW's G	Adjusted Volumetric Distribution Rate $I = (F * (G - C) + (F - E) * C) / G$
Residential - Time of Use	No						
General Service Less Than 50 kW	No						
General Service 50 to 999 kW	Yes	(57,229)	114,458	(0.5000)	3.4016	328,299	3.5759
General Service 1,000 to 4,999 kW - Interval Meters	Yes	(150,229)	300,458	(0.5000)	3.1184	293,909	3.6295
Unmetered Scattered Load	No						
Sentinel Lighting	No						
Street Lighting	No						
		- 207,458	414,916			622,208	
		B	D			H	



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

The purpose of this sheet is to calculate revenue by rate class that includes Revenue Offsets and excludes Transformer Allowance prior to Revenue Cost Ratio Adjustment re-allocation.

Rate Class	Billed Customers or Connections		Billed kWh		Billed kW		Base Service Charge	Distribution Volumetric Rate kWh	Base Distribution Volumetric Rate kW	Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Revenue Requirement from Rates	Allocated Revenue Offset	Adjusted Revenue						
	A	B	C	D	E	F										G = A * D * 12	H = B * E	I = C * F	J = G + H + I	K	L = J + K
Residential - Time of Use	19,530	210,212,474	0	0	12.52	0.0118	0.0000			2,934,187	2,480,507	0	5,414,694	782,324	6,197,018						
General Service Less Than 50 kW	1,694	54,285,767	0	0	27.08	0.0084	0.0000			550,482	456,000	0	1,006,483	183,918	1,190,401						
General Service 50 to 999 kW	176	117,338,024	328,299	0	76.28	0.0000	3.5759			161,103	0	1,173,971	1,335,074	108,387	1,443,461						
General Service 1,000 to 4,999 kW - Interval Meters	13	108,192,394	293,909	0	177.10	0.0000	3.6295			27,628	0	1,066,755	1,094,382	40,714	1,135,096						
Unmetered Scattered Load	175	838,540	0	0	6.64	0.0044	0.0000			13,944	3,690	0	17,634	1,823	19,457						
Sentinel Lighting	175	380,342	810	0	4.98	0.0000	18.8596			10,458	0	15,276	25,734	3,348	29,082						
Street Lighting	4,474	2,778,881	7,820	0	2.19	0.0000	29.5874			117,577	0	231,373	348,950	38,532	387,482						
										3,815,379	2,940,197	2,487,375	9,242,952	1,159,046	#####						
										O	P	Q	R								



Revenue to Cost Ratio Adjustment Model

for 2015 IRM Filers

Proposed Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue	Current Revenue Cost Ratio	Re-Allocated Cost	Proposed Revenue Cost Ratio	Final Adjusted Revenue	Dollar Change	Percentage Change
	A	B	C = A / B	D	E = C * D	F = E - C	G = (E / C) - 1
Residential - Time of Use	\$ 6,197,018	0.96	\$ 6,455,227	0.96	\$ 6,197,018	-\$ 0	0.0%
General Service Less Than 50 kW	\$ 1,190,401	1.10	\$ 1,082,182	1.10	\$ 1,190,401	\$ 0	0.0%
General Service 50 to 999 kW	\$ 1,443,461	0.96	\$ 1,503,605	0.96	\$ 1,443,461	-\$ 0	0.0%
General Service 1,000 to 4,999 kW - II	\$ 1,135,096	1.20	\$ 945,914	1.20	\$ 1,135,096	\$ 0	0.0%
Unmetered Scattered Load	\$ 19,457	1.20	\$ 16,214	1.20	\$ 19,457	\$ 0	0.0%
Sentinel Lighting	\$ 29,082	0.96	\$ 30,294	0.96	\$ 29,082	-\$ 0	0.0%
Street Lighting	\$ 387,482	1.20	\$ 322,902	1.20	\$ 387,482	\$ 0	0.0%
	<u>\$ 10,401,998</u>		<u>\$ 10,356,339</u>		<u>\$ 10,401,998</u>	<u>-\$ 0</u>	<u>0.0%</u>

Out of Balance **0**

Final ? **Yes**



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

Proposed Revenue from Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue By Revenue Cost Ratio A	Allocated Re- Based Revenue Offsets B	Revenue Requirement from Rates Before Transformer Allowance C = A - B	Re-based Transformer Allowance D	Revenue Requirement from Rates E = C + D
Residential - Time of Use	\$ 6,197,018	\$ 782,324	\$ 5,414,694	\$ -	\$ 5,414,694
General Service Less Than 50 kW	\$ 1,190,401	\$ 183,918	\$ 1,006,483	\$ -	\$ 1,006,483
General Service 50 to 999 kW	\$ 1,443,461	\$ 108,387	\$ 1,335,074	-\$ 57,229	\$ 1,277,845
General Service 1,000 to 4,999 kW - Interval Meters	\$ 1,135,096	\$ 40,714	\$ 1,094,382	-\$ 150,229	\$ 944,153
Unmetered Scattered Load	\$ 19,457	\$ 1,823	\$ 17,634	\$ -	\$ 17,634
Sentinel Lighting	\$ 29,082	\$ 3,348	\$ 25,734	\$ -	\$ 25,734
Street Lighting	\$ 387,482	\$ 38,532	\$ 348,950	\$ -	\$ 348,950
	<u>\$ 10,401,998</u>	<u>\$ 1,159,046</u>	<u>\$ 9,242,952</u>	<u>-\$ 207,458</u>	<u>\$ 9,035,494</u>



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

Proposed fixed and variable revenue allocation

Rate Class	Revenue Requirement from Rates A	Service Charge % Revenue B	Distribution Volumetric Rate % Revenue kWh C	Distribution Volumetric Rate % Revenue kW D	Service Charge Revenue E = A * B	Distribution Volumetric Rate Revenue kWh F = A * C	Distribution Volumetric Rate Revenue kW G = A * D	Revenue Requirement from Rates by Rate Class H = E + F + G
Residential - Time of Use	\$ 5,414,694	54.2%	45.8%	0.0%	\$ 2,934,187	\$ 2,480,507	\$ -	\$ 5,414,694
General Service Less Than 50 kW	\$ 1,006,483	54.7%	45.3%	0.0%	\$ 550,482	\$ 456,000	\$ -	\$ 1,006,483
General Service 50 to 999 kW	\$ 1,277,845	12.6%	0.0%	87.4%	\$ 161,103	\$ -	\$ 1,116,742	\$ 1,277,845
General Service 1,000 to 4,999 kW - Ir	\$ 944,153	2.9%	0.0%	97.1%	\$ 27,628	\$ -	\$ 916,526	\$ 944,153
Unmetered Scattered Load	\$ 17,634	79.1%	20.9%	0.0%	\$ 13,944	\$ 3,690	\$ -	\$ 17,634
Sentinel Lighting	\$ 25,734	40.6%	0.0%	59.4%	\$ 10,458	\$ -	\$ 15,276	\$ 25,734
Street Lighting	\$ 348,950	33.7%	0.0%	66.3%	\$ 117,577	\$ -	\$ 231,373	\$ 348,950
	<u>\$ 9,035,494</u>				<u>\$ 3,815,379</u>	<u>\$ 2,940,197</u>	<u>\$ 2,279,917</u>	<u>\$ 9,035,494</u>



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

Proposed fixed and variable rates

Rate Class	Service Charge	Distribution Volumetric	Distribution Volumetric	Re-based Billed Customers or Connections	Re-based Billed	Re-based Billed	Proposed Base Service Charge	Proposed Base	Proposed Base
	Revenue	Rate Revenue kWh	Rate Revenue kW		kWh	kW		Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW
	A	B	C	D	E	F	G = A / D / 12	H = B / E	I = C / F
Residential - Time of Use	\$ 2,934,187	\$ 2,480,507	\$ -	19,530	210,212,474	0	12.52	0.0118	-
General Service Less Than 50 kW	\$ 550,482	\$ 456,000	\$ -	1,694	54,285,767	0	27.08	0.0084	-
General Service 50 to 999 kW	\$ 161,103	\$ -	\$ 1,116,742	176	117,338,024	328,299	76.28	-	3.4016
General Service 1,000 to 4,999 kW - Interval Meters	\$ 27,628	\$ -	\$ 916,526	13	108,192,394	293,909	177.10	-	3.1184
Unmetered Scattered Load	\$ 13,944	\$ 3,690	\$ -	175	838,540	0	6.64	0.0044	-
Sentinel Lighting	\$ 10,458	\$ -	\$ 15,276	175	380,342	810	4.98	-	18.8596
Street Lighting	\$ 117,577	\$ -	\$ 231,373	4,474	2,778,881	7,820	2.19	-	29.5874



Revenue to Cost Ratio Adjustment Model for 2015 IRM Filers

Proposed adjustments to Base Service Charge and Distribution Volumetric Rate. Enter the adjustments found in column M and N below into Sheet 24 of the 2015 IRM Rate Generator Model.

Rate Class	Proposed Base			Current Base			Adjustment		
	Proposed Base	Distribution	Proposed Base	Current Base	Distribution	Current Base	Required Base	Adjustment Required	Required Base
	Service Charge	Volumetric	Distribution	Service Charge	Volumetric	Distribution	Service Charge	Base Distribution	Distribution
	A	B	C	D	E	F	G = A - D	H = B - E	I = C - F
Residential - Time of Use	\$ 12.52	\$ 0.0118	\$ -	\$ 12.52	\$ 0.0118	\$ -	\$ -	\$ -	\$ -
General Service Less Than 50 kW	\$ 27.08	\$ 0.0084	\$ -	\$ 27.08	\$ 0.0084	\$ -	\$ -	\$ -	\$ -
General Service 50 to 999 kW	\$ 76.28	\$ -	\$ 3.4016	\$ 76.28	\$ -	\$ 3.4016	\$ -	\$ -	\$ -
General Service 1,000 to 4,999 kW - Interval Meters	\$ 177.10	\$ -	\$ 3.1184	\$ 177.10	\$ -	\$ 3.1184	\$ -	\$ -	\$ -
Unmetered Scattered Load	\$ 6.64	\$ 0.0044	\$ -	\$ 6.64	\$ 0.0044	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	\$ 4.98	\$ -	\$ 18.8596	\$ 4.98	\$ -	\$ 18.8596	\$ -	\$ -	\$ -
Street Lighting	\$ 2.19	\$ -	\$ 29.5874	\$ 2.19	\$ -	\$ 29.5874	\$ -	\$ -	\$ -