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**BY E-MAIL**

December 5, 2015

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Niagara-on-the-Lake Hydro Inc. (“NOTL Hydro”)  
2015 Distribution Rate Application  
Board Staff Interrogatories  
Board File No. EB-2014-0097**

In accordance with Procedural Order #1, please find attached Board Staff's interrogatories in the above noted proceeding. The applicant and all intervenors have been copied on this filing.

NOTL Hydro's responses to interrogatories are due on December 24, 2014.

Yours truly,

*Original Signed By*

Stephen Vetsis  
Analyst – Applications & Regulatory Audit

Encl.

**Niagara-on-the-Lake Hydro Inc. (“NOTL Hydro”)  
 EB-2014-0097**

**Board Staff Interrogatories**

**2015 IRM Model**

**Interrogatory #1**

**Ref: 2015 IRM Model, Tab 14 – “RTSR RRR Data”**

**Ref: Manager’s Summary, page 7**

Rate Class	Rate Description	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	z	L
RESIDENTIAL	Retail Transmission Rate - Network Service Rate	\$/kWh	67,121,534	-		
RESIDENTIAL	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	67,121,534	-		
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Network Service Rate	\$/kWh	34,819,170	-		
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	34,819,170	-		
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate	\$/kW	35,856,874	100,252		
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	35,856,874	100,252		
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	42,724,121	90,561		
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	42,724,121	101,972		
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Network Service Rate	\$/kWh	236,038	-		
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	236,038	-		
STREET LIGHTING	Retail Transmission Rate - Network Service Rate	\$/kW	1,160,024	3,238		
STREET LIGHTING	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1,160,024	3,238		

On page 7 of the Manager’s Summary, NOTL Hydro states:

Please note that the difference between the kW determinants for network versus connection GS > 50 kW interval customers reflects that the demand applicable to network charges is “7-7” demand, whereas the regular demand definition is applicable to connection charges.

Board staff notes that NOTL Hydro’s 2013 RRR 2.1.5 filing indicates a total kW demand of 216,254 kW for the GS > 50 kW. The sum of the metered kW for connection charges for interval and non-interval metered customers in the GS > 50 kW, shown on tab 14 of 2015 IRM model, is 202,224 kW.

- (A) NOTL Hydro has stated that the standard definition of demand is applicable to connection charges. Please explain why the total metered kW provided for GS > 50 kW customers (both interval and non-interval metered) does not reconcile to NOTL Hydro’s RRR 2.1.5 filing.
- (B) If the values provided by NOTL Hydro were in error, please provide the correct figures and Board staff will make the necessary corrections to the model.

**2015 Incremental Capital Workform**

**Interrogatory #2**

**Ref: 2015 Incremental Capital Workform, Sheet C1.1**

A section of Sheet C1.1 of the 2015 Incremental Capital Workform is reproduced below.

Rate Class	Fixed Metric	Vol Metric	Billed		
			Customers or	Billed kWh	Billed kW
			Connections	A	B
Residential	Customer	kWh	7,061	67,855,093	0
General Service Less Than 50 kW	Customer	kWh	1,226	35,118,069	0
General Service 50 to 4,999 kW	Customer	kW	127	79,438,754	202,224
Unmetered Scattered Load	Customer	kWh	22	222,197	0
Street Lighting	Connection	kW	1,981	1,167,738	3,238

Board staff is unable to reconcile the billed kWh and billed kW data provided on sheet C1.1 with NOTL Hydro’s 2013 RRR 2.1.5 filing. Board staff also notes that the 2013 billed kWh shown in the 2015 Incremental Capital Workform does not match the data in NOTL Hydro’s RTSR model.

- (A) Please reconcile the consumption and demand data on sheet C1.1 of the 2015 Incremental Capital Workform. If the values are in error, please provide the correct figures and Board staff will make the appropriate changes to the model.

**Manager’s Summary**

**Interrogatory #3**

**Ref: Manager’s Summary, page 10**

On Table 3.1 of page 10 of the Manager’s Summary, NOTL Hydro has provided its expected capital expenditures for all projects to be undertaken in 2015.

- (A) Please provide an explanation for why each of the projects, excluding the transformer replacement at MTS#2, are deemed to be non-discretionary.
- (B) If any projects are deemed discretionary, please provide an updated table including only NOTL Hydro’s non-discretionary capital projects and update sheet E3.1 of the Incremental Capital Workform model to reflect NOTL Hydro’s 2015 non-discretionary capital budget.

**Interrogatory #4**

**Ref: Manager’s Summary, page 42**

On page 42 of the Manager’s Summary, NOTL Hydro states that “the numbers of residential and GS < 50 kW customers for use in allocating account 1551 are the averages of the 2013 and 2014 year-end numbers approved in the 2014 CoS.”

- (A) Given that the balances for disposition in account 1551 were incurred in 2013, please explain why 2014 data for customer numbers would be used to determine the allocation.

- (B) Please provide the allocation of account 1551 if 2012 year-end and 2013 year-end customer numbers are used instead.

**Interrogatory #5**

**Ref: Manager's Summary, pages 33 – 42**

On pages 30 – 42 of the Manager's Summary, NOTL Hydro describes the approach it has taken to the disposition of Group 1 Deferral and Variance Account ("DVA") balances.

- (A) Please confirm whether or not NOTL Hydro serves any customers that are Wholesale Market Participants. If so, please explain how Group 1 DVA balances have been allocated to those customers.
- (B) Please confirm whether or not NOTL Hydro serves any class A customers. If so, please explain how NOTL Hydro has allocated balances in Account 1589 – Global Adjustment to those customers.