

Renfrew Hydro Inc. ("Renfrew Hydro")

EB-2014-0110

Application Analysis

1. A portion of Sheet 6 – Billing Det. for Def-Var is reproduced below.

| Rate Class | Unit | Metered kWh | Metered kW |
|---------------------------------|--------|-------------------|----------------|
| RESIDENTIAL | \$/kWh | 30,486,731 | |
| GENERAL SERVICE LESS THAN 50 KW | \$/kWh | 11,531,242 | |
| GENERAL SERVICE 50 TO 4,999 KW | \$/kW | 44,119,354 | 115,813 |
| UNMETERED SCATTERED LOAD | \$/kWh | 155,619 | |
| STREET LIGHTING | \$/kW | 1,118,710 | 3,104 |
| microFIT | | | |
| | Total | 87,411,656 | 118,917 |

Board staff is unable to reconcile the data entered in the column "Metered kWh" and "Metered kW" to Renfrew Hydro's previous cost of service application (EB-2009-0146).

- a) Please provide an explanation for the figures entered in the column labelled "Metered kWh" and "Metered kW".
- b) If any changes are required, please confirm the correct amounts, and Board staff will make the necessary adjustments to the model.

RENFREW HYDRO RESPONSE:

We have used the most recent 12 month actual volumetric data as filed in the RRR filing. We believe there is a material difference between the 2010 approved volumes and the most recent volumetric data. Refer to comparison table.

| Rate Class | 2010 COS - kwh | 2010 COS-kw | 2013 – RRR - kwh | 2013-RRR-Kw |
|--------------|-------------------|-------------|---------------------|-------------|
| Residential | 31,881,465 | | 30,486,713 | |
| GS<50 | 12,958,689 | | 11,513,242 | |
| GS>50 | 52,616,773 | 142,778 | 44,119,354 | 115,813 |
| USL | 142,827 | | 155,619 | |
| Street light | 1,121,141 | 3,110 | 1,118,710 | 3,104 |
| Total | 98,720,895 | 145,888 | 87,393,638 | 118,917 |

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2. Ref: Manager's Summary – Page 8 of 79

Board staff notes that Renfrew Hydro did not specify the disposition period for its Group 1 Account Balances in its Manager's Summary. Please confirm that Renfrew Hydro is requesting a one-year disposition period for its Group 1 Account Balances. The total balance of the Group 1 accounts is a credit of \$98,409. This amount results in a total credit claim of \$0.0011 per kWh, which exceeds the pre-set disposition threshold. If not, please discuss.

RENFREW HYDRO RESPONSE:

We confirm that Renfrew Hydro requests a one(1) year disposition period for its Group1 account balances.

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3. A portion of Sheet 14 – RTSR RRR Data is reproduced below.

| Rate Class | Rate Description | Unit | Non-Loss | Non-Loss |
|---------------------------------|--|--------|-------------------------|------------------------|
| | | | Adjusted Metered kWh | Adjusted Metered kW |
| RESIDENTIAL | Retail Transmission Rate - Network Service Rate | \$/kWh | 29,364,576 | - |
| RESIDENTIAL | Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 29,364,576 | - |
| GENERAL SERVICE LESS THAN 50 KW | Retail Transmission Rate - Network Service Rate | \$/kWh | 9,926,947 | - |
| GENERAL SERVICE LESS THAN 50 KW | Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 9,926,947 | - |
| GENERAL SERVICE 50 TO 4,999 KW | Retail Transmission Rate - Network Service Rate | \$/kW | - | 115,813 |
| GENERAL SERVICE 50 TO 4,999 KW | Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | - | 115,813 |
| UNMETERED SCATTERED LOAD | Retail Transmission Rate - Network Service Rate | \$/kWh | 155,619 | - |
| UNMETERED SCATTERED LOAD | Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 155,619 | - |
| STREET LIGHTING | Retail Transmission Rate - Network Service Rate | \$/kW | - | 3,104 |
| STREET LIGHTING | Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | - | 3,104 |

Staff notes that the data entered above does not reconcile to the RRR 2.1.5 data as filed by Renfrew Hydro, with the exception of the GS 50 to 4,999 kW, Unmetered Scattered Load and Street Lighting rate classes. Staff believes the following data should be applicable:

| RRR 2.1.5 | | |
|--------------------------|-------------|------------|
| Rate Class | Metered kWh | Metered kW |
| Residential | 30,486,731 | |
| GS <50 kW | 11,531,242 | |
| GS 50 to 4,999 kW | 44,119,354 | 115,813 |
| Unmetered Scattered Load | 155,619 | |
| Street Lighting | 1,118,710 | 3,104 |

- a) Please confirm if Renfrew Hydro agrees and staff will make the necessary corrections to the model. If not, please provide an explanation for the figures entered.

RENFREW HYDRO RESPONSE:

Renfrew Hydro agrees with Board staff and asks that the necessary corrections be made.

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4. **Sheet 15 – RTSR – UTRs & Sub-Tx (as filed)**
Hydro One Sub-Transmission Rate Rider 9A

| Hydro One Sub-Transmission Rate Rider 9A | Unit | Effective January 1, 2013 | Effective January 1, 2014 | Effective January 1, 2015 |
|--|------|---------------------------|---------------------------|---------------------------|
| Rate Description | | Rate | Rate | Rate |
| RSVA Transmission network - 4714 - which affects 1584 | kW | \$ - | \$ 0.1465 | \$ 0.1465 |
| RSVA Transmission connection - 4716 - which affects 1586 | kW | \$ - | \$ 0.0667 | \$ 0.0667 |
| RSVA LV - 4750 - which affects 1550 | kW | \$ - | \$ 0.0475 | \$ 0.0475 |
| RARA 1 - 2252 - which affects 1590 | kW | \$ - | \$ 0.0419 | \$ 0.0419 |
| RARA 1 - 2252 - which affects 1590 (2008) | kW | \$ - | -\$ 0.0270 | -\$ 0.0270 |
| RARA 1 - 2252 - which affects 1590 (2009) | kW | \$ - | -\$ 0.0006 | -\$ 0.0006 |
| Hydro One Sub-Transmission Rate Rider 9A | kW | \$ - | \$ 0.2750 | \$ 0.2750 |

Hydro One Sub-Transmission Rate Rider 9A is effective until December 31, 2014 (Hydro One Networks tariff, p.10, EB-2013-0141). Therefore set to zero in the "Effective January 1, 2015" column.

| Hydro One Sub-Transmission Rate Rider 9A | Unit | Effective January 1, 2013 | Effective January 1, 2014 | Effective January 1, 2015 |
|--|------|---------------------------|---------------------------|---------------------------|
| Rate Description | | Rate | Rate | Rate |
| RSVA Transmission network - 4714 - which affects 1584 | kW | \$ - | \$ 0.1465 | |
| RSVA Transmission connection - 4716 - which affects 1586 | kW | \$ - | \$ 0.0667 | |
| RSVA LV - 4750 - which affects 1550 | kW | \$ - | \$ 0.0475 | |
| RARA 1 - 2252 - which affects 1590 | kW | \$ - | \$ 0.0419 | |
| RARA 1 - 2252 - which affects 1590 (2008) | kW | \$ - | -\$ 0.0270 | |
| RARA 1 - 2252 - which affects 1590 (2009) | kW | \$ - | -\$ 0.0006 | |
| Hydro One Sub-Transmission Rate Rider 9A | kW | \$ - | \$ 0.2750 | \$ - |

a) If Renfrew Hydro is in agreement, Board staff will make the relevant correction.

RENFREW HYDRO RESPONSE:

Renfrew Hydro is in agreement to this change.

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5. A portion of Sheet 25 – Other Charges & LF is reproduced below.

| 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 | 1.0810 |
| Total Loss Factor – Primary Metered Customer | 1.0802 |

- a) Board staff notes that the description for “Total Factor – Primary Metered Customer - 1.0802” should be “Total Loss Factor – Primary Metered Customer < 5,000 kW – 1.0802”. If Renfrew Hydro is in agreement, Board staff will make the relevant correction.

RENFREW HYDRO RESPONSE:

Renfrew Hydro is in agreement with this change.

J. Thomas Freeman
Dec. 4, 2014

6. Class A Consumers/Market Participants

Chapter 3 of the Filing Requirements notes that “distributors must establish separate rate riders to recover the balances in the RSVAs from Market Participants (“MPs”) who must not be allocated the RSPA 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.

- a) Please confirm whether or not Renfrew Hydro serves any consumers that are Wholesale Market Participants (“WMPs”).
- i. If yes:
 - i. Have these consumers been WMPs throughout the entire time over which variances accumulated in the RSPA accounts proposed for disposition?
 - ii. Please confirm that RSPA account balances have not been allocated to WMP customers as they settle these charges directly with the IESO.

RENFREW HYDRO RESPONSE:

Renfrew Hydro confirms that it does not serve any consumer that are Wholesale Market Participants.

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- b) Please confirm whether or not Renfrew Hydro serves any class A consumers that settle energy charges directly with Renfrew Hydro. If yes, please explain how balances in account 1589 (Global Adjustment) have been allocated to these consumers.

RENFREW HYDRO RESPONSE:

Renfrew Hydro confirms it does not serve any class A consumers.

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