OSHAWA PUC NETWORKS INC.

Undertaking TC1.1

1. To provide the incentive targets used by the company internally;
2. To provide the 2014 and 2015 corporate scorecard for OPUCN;
3. To add any thoughts on other potential metrics or targets.

Response:

The following table illustrates OPUCN's internal corporate targets for 2015 and 2014:

Measurement	2015 Targets	2014 Targets
Safety		
Metric	No lost time injuries	No lost time injuries
Standard	Achieve progression with IHSA ZeroQuest Program	Achieve progression with IHSA ZeroQuest Program
Reliability		
SAIDI	89.18 minutes	89.18 minutes
SAIFI	1.456	1.456
Customer Service		
Calls answered within 30 seconds	70%	70%
Paperless billing	12,000	11,000
HR		
Average sick days per employee	4.25 days or less	3.80 days or less
Financial		
Expense control	Achieve budget	Achieve budget

In addition to the internal targets, OPUCN monitors its compliance with the Board's service quality indicators and RRR reporting requirements.

OPUCN anticipates further discussion with the parties of what metrics may be appropriate for evaluation of OPUCN's performance during the proposed Custom IR plan term, and would prefer to develop a proposal for consideration by the Board through those discussions.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.2

To advise OPUCN's percentage of revenue requirement at risk.

Response:

Estimated Percent of Revenue at Risk					
	2015	2016	2017	2018	2019
OM&A	12,205	12,689	12,984	13,197	13,269
Estimated amortization	3,696	4,585	4,724	4,790	4,803
PILs	261	385	487	574	585
Estimated interest and income	5,465	5,575	5,761	6,256	6,742
Revenue offsets	- 1,334	- 1,504	- 1,628	- 1,448	- 1,513
Total revenue requirement at risk	20,293	21,730	22,328	23,368	23,887
Revenue requirement	21,649	23,427	24,581	26,343	27,368
Percent of revenue requirement at risk	94%	93%	91%	89%	87%
Rate base					
Opening fixed assets	82,729	86,209	88,066	88,989	102,990
Controllable additions	7,176	6,442	5,647	18,790	5,911
Amortization	- 3,696	- 4,585	- 4,724	- 4,790	- 4,803
Ending fixed assets	86,209	88,066	88,989	102,990	104,097
Average fixed assets	84,469	87,138	88,528	95,989	103,543
Working capital	133,021	135,203	137,142	139,070	140,060
Cost of power	- 120,817	- 122,515	- 124,158	- 125,874	- 126,791
Expenses	12,204	12,688	12,984	13,196	13,269
Working capital allowance	1,587	1,649	1,688	1,716	1,725
Rate base	86,056	88,787	90,216	97,705	105,268
Blended interest and ROE	6.35%	6.28%	6.39%	6.40%	6.40%
Interest and net income	5,465	5,575	5,761	6,256	6,742

The foregoing table reflects analysis of revenue requirement at risk which includes (see top portion of table): i) OM&A; ii) amortization on 2015 opening fixed assets and plan term controllable capital additions (derived in the second portion of the table and found at the second line of the table); and iii) working capital components net of cost of power (derived in the third portion of the table). Based upon this analysis, the estimated

revenue requirement at risk by OPUCN ranges between 94% and 87% for 2015 and 2019 respectively.

Upon removing the revenue produced by higher than normal customer growth the estimated revenue requirement at risk by OPUCN ranges between 92% and 78% for 2015 and 2019 respectively. The cumulative impact on revenue from higher than normal customer growth is approximately $6.6 million.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.3

To update Tables 2-31, 2-32 and 2-39; for Appendix 2-BA to be updated; in excel format; to answer all parts of the question at 2-Energy Probe-4, but based on the updated capital expenditures, including the changes from this morning.

Response:

Tables 2-31, 2-32 and 2-39 are all variants of Chapter 2 Appendices, which have been updated and filed through RESS as an excel workbook, "OPUCN_Chapter2_Appendices_for 2015 to 2019_RUN_3_20150527.xlsm". The relevant appendices that address this undertaking are "App.2-AA_Capital Projects"; "App.2-AB_Capital Expenditures"; and "App.2-BA2_Fx Asst Cnt.MIFRS yy".

As per page 133 of the Transcript for - Technical Conference on May 21, 2015, the information noted above sets out the responses for the remaining items listed in the undertaking.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.4

To review and either confirm or correct the contribution figures in 2-Energy Probe-5 and 2-SEC-12.

Response:

The contribution figures in Table 2-5 for 2014 were incorrect. Table 2-5 is a reproduction of Chapter 2 Appendix 2-AB, which contains the correct amount. Please see tabs "App.2-AB_Capital Expenditures" and "App.2-BA2_Fx Asst Cnt.MIFRS 14" in updated Chapter 2 Appendices excel workbook, which has been filed through RESS, filename "OPUCN_Chapter2_Appendices_for 2015 to 2019_RUN_3_20150527.xlsm".

OSHAWA PUC NETWORKS INC.

Undertaking TC1.5

To update Tables 2-1 and/or 2-5 to reflect the updated capital expenditure forecast, as per 2-Energy Probe-3 and 2-Energy Probe-5.

Response:

Please see below updated Table 2-1:

Account Description	Board-Approved	Actual		Bridge Year	Test Years at Proposed Rates				
	2012	2012	2013	2014	2015	2016	2017	2018	2019
Opening Fixed Assets, Net Book Value	60,896,584	61,933,453	69,526,603	76,200,678	82,729,353	91,997,070	97,120,247	105,525,349	126,031,774
Closing Fixed Assets, Net Book Value	68,036,873	69,526,603	76,200,678	82,729,353	91,997,070	97,120,247	105,525,349	126,031,774	131,746,957
Average Fixed Assets, Net Book Value	64,466,729	65,730,028	72,863,640	79,465,015	87,363,212	94,558,659	101,322,798	115,778,562	128,889,366
Cost of Power	97,524,785	96,181,988	102,012,056	103,265,711	121,753,004	123,398,383	124,932,769	126,524,410	126,944,746
Operation Expenses	982,254	1,167,906	919,397	1,374,416	1,292,681	1,484,147	1,593,497	1,579,144	1,410,513
Maintenance Expenses	1,409,450	1,094,190	1,313,715	1,096,733	1,346,279	1,375,515	1,405,469	1,436,077	1,467,354
Billing and Collecting Expenses	2,433,401	2,398,127	2,462,960	2,464,873	2,653,062	2,715,401	2,780,102	2,846,477	2,914,572
Administrative and General Expenses	6,505,765	6,430,919	6,361,731	6,158,401	6,758,945	6,951,957	7,040,000	7,166,447	7,304,996
Taxes Other than Income Taxes	149,350	149,309	152,292	113,474	158,445	161,613	165,007	168,473	172,010
Working Capital	109,005,005	107,422,438	113,222,151	114,473,607	133,962,415	136,087,016	137,916,845	139,721,027	140,214,191
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	13.0%	13.0%	13.0%	13.0%	13.0%
Working Capital Allowance	16,350,751	16,113,366	16,983,323	17,171,041	17,415,114	17,691,312	17,929,190	18,163,734	18,227,845
Rate Base	80,817,479	81,843,394	89,846,963	96,636,056	104,778,325	112,249,971	119,251,988	133,942,295	147,117,211

For Table 2-5 please see tab “App.2-AB_Capital Expenditures” in updated Chapter 2 Appendices excel workbook, which has been filed through RESS, filename “OPUCN_Chapter2_Appendices_for 2015 to 2019_RUN_3_20150527.xlsm”.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.6

To provide the updated models as in 2-Energy Probe-14, the tables and figures shown on pages 146, 147 and 149.

Response:

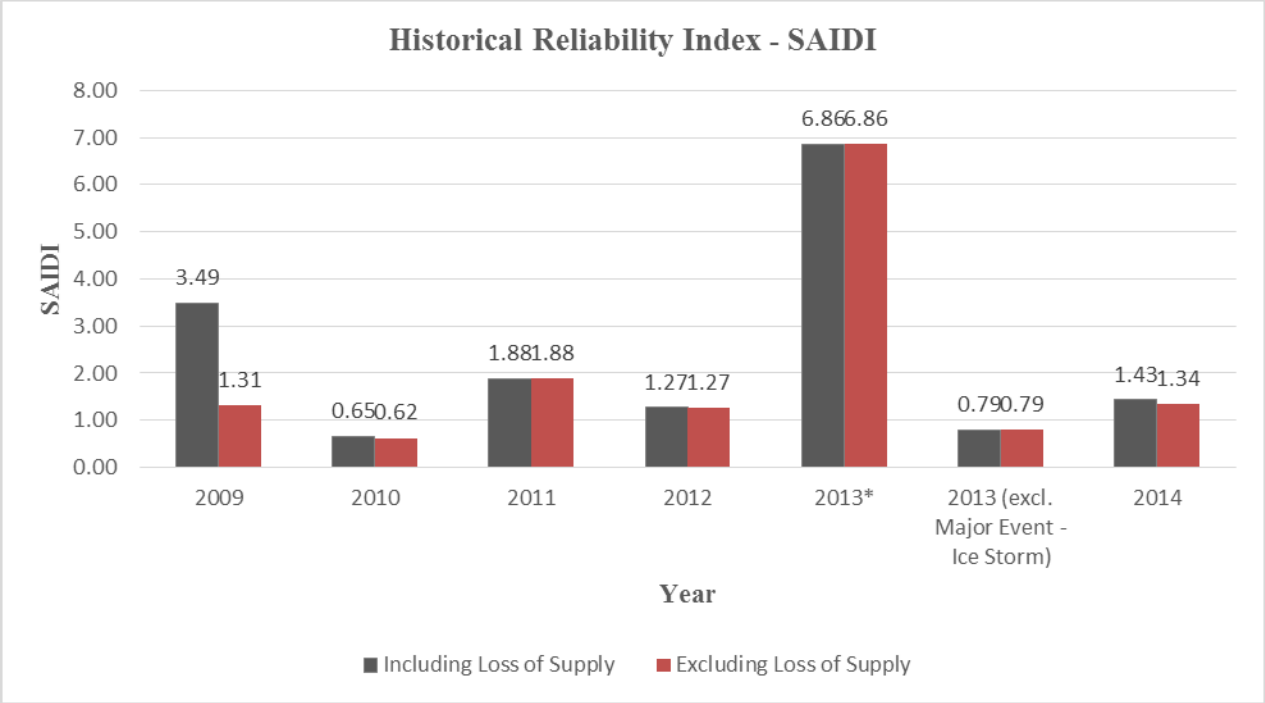
Table 2-52 – Appendix 2-G Reported Electricity Service Quality Requirements (ESQR)

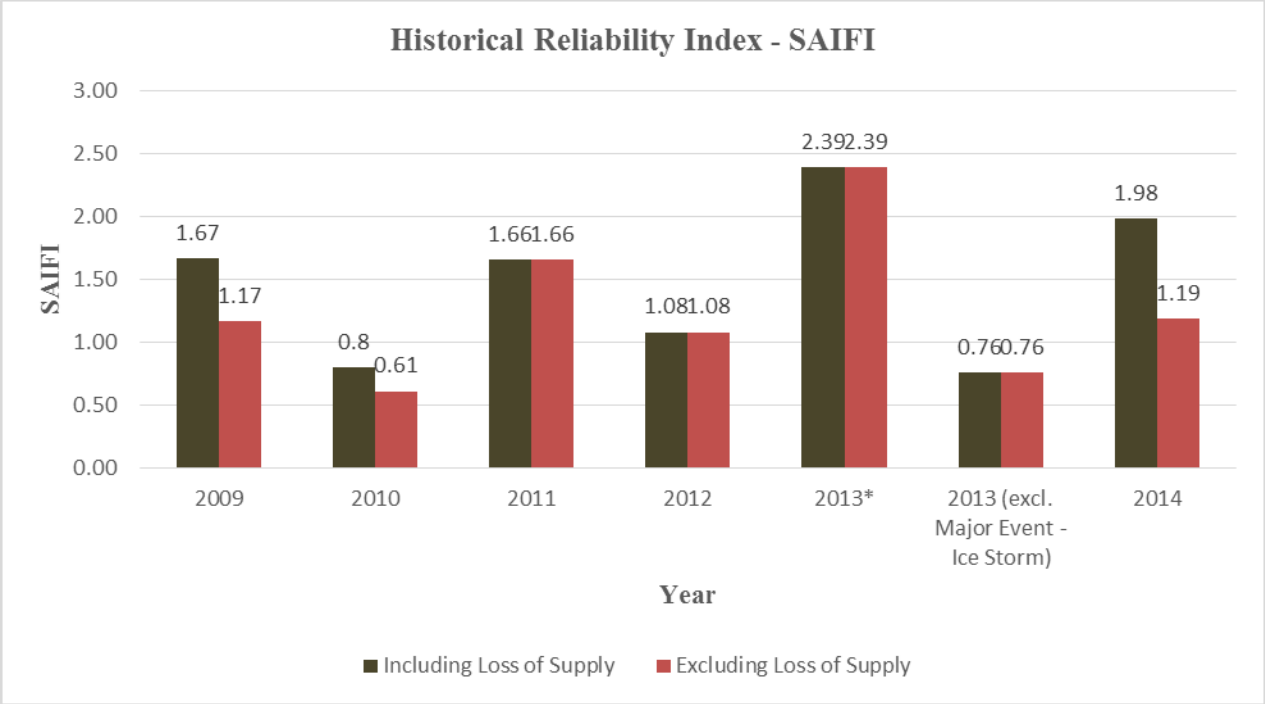
Metric	OEB Minimum Standard	2009	2010	2011	2012	2013	2014
Connection of New Services (LV)	90% within 5 days	100.00%	92.30%	91.00%	96.52%	97.60%	95.60%
Connection of New Services (HV)	90% within 10 days	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Appointments Scheduling	90% on a yearly basis	100.00%	99.90%	100.00%	100.00%	100.00%	100.00%
Appointments Met	90% on a yearly basis	100.00%	99.10%	99.90%	99.90%	98.90%	100.00%
Missed Appointments Rescheduled	100% on a yearly basis	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Telephone Accessibility	65% within 30 seconds	56.10%	59.20%	71.30%	71.30%	71.50%	72.00%
Telephone Call Abandon Rate	10% or less after 30 seconds	5.50%	4.30%	2.10%	2.20%	1.60%	1.90%
Written Responses to Inquiries	80% within 10 days	100.00%	100.00%	99.40%	99.40%	100.00%	100.00%
Emergency Response (Urban)	80% within 60 minutes	100.00%	100.00%	100.00%	100.00%	85.71%	100.00%
Emergency Response (Rural)	80% within 120 minutes	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 2-53 – Appendix 2-G Reported Service Reliability Indicators (SAIDI & SAIFI)

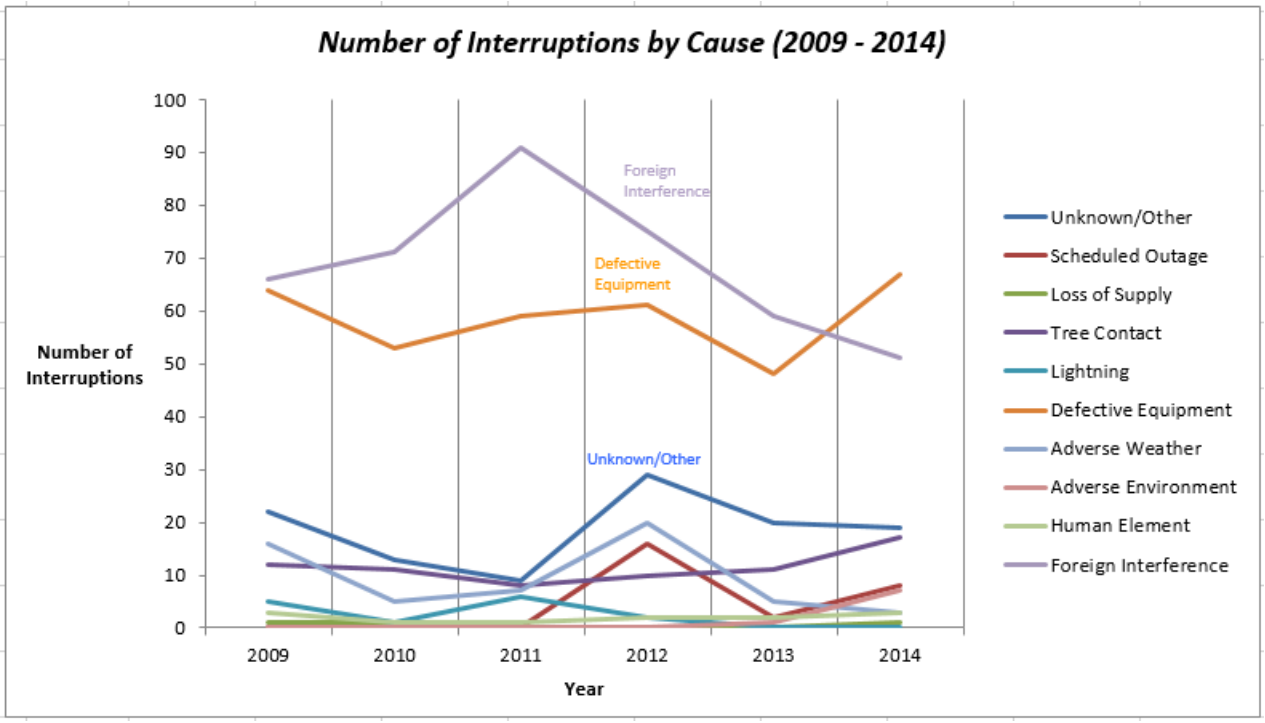
	Includes Outages Caused by Loss of Supply							Excludes Outages Caused by Loss of Supply						
	2009	2010	2011	2012	2013	2013*	2014	2009	2010	2011	2012	2013	2013*	2014
SAIDI	3.49	0.65	1.88	1.27	0.79	6.86	1.43	1.31	0.62	1.88	1.27	0.79	6.86	1.34
SAIFI	1.67	0.80	1.66	1.08	0.76	2.39	1.98	1.17	0.61	1.66	1.08	0.76	2.39	1.19

* Includes December 2013 Ice Storm.


Historical Reliability Index - SAIDI
SAIDI
8.00
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
3.49
1.31
0.65
0.62
1.88
1.88
1.27
1.27
6.86
6.86
0.79
0.79
1.43
1.34
2009
2010
2011
2012
2013*
2013 (excl. Major Event - Ice Storm)
2014
Year
Including Loss of Supply
Excluding Loss of Supply


Historical Reliability Index - SAIFI
SAIFI
3.00
2.50
2.00
1.50
1.00
0.50
0.00
1.67
1.17
0.8
0.61
1.66
1.66
1.08
1.08
2.39
2.39
0.76
0.76
1.98
1.19
2009
2010
2011
2012
2013*
2013 (excl. Major Event - Ice Storm)
2014
Year
Including Loss of Supply
Excluding Loss of Supply

Total number of Outages by Root Cause (2009-2014)



OSHAWA PUC NETWORKS INC.

Undertaking TC1.7

With reference to Exhibit 2, Tab A, Schedule 1, Table 4, Page 9, entitled "Working Capital Study", to redo the calculation with the right number of days in each month.

Response:

Please refer to spreadsheet – Response to TC1.7 filed through RESS.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.8

To explain how the four days added for the billing processing time in the calculation of service lag relates to the three days included in the calculation of the billing lag, as per 2.0-Energy Probe-18.

Response:

The four days were accounted for twice and should be removed from the service lag resulting in the following:

- As filed – 20.41 for 2012, and 21.44 for 2013.
- Revised to 16.41 for 2012, and 17.44 for 2013.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.9

To respond to Part (b) of 2.0-Energy Probe-22 in respect of consumption.

Response:

Please refer to spreadsheet – Response to TC1.9 filed through RESS.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.10

To reconcile Part (c) to Table 11 of the study in the response to 2.0-Energy Probe-25.

Response:

Please refer to spreadsheet – Response to TC1.10 filed through RESS.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.11

To provide, in respect of the three authors named in interrogatory response 2.0-VECC-18, a list of the lead-lag studies that they have prepared anywhere in North America for the last three years for a regulated electricity or natural gas distributor, provide the utility name, and, if possible, the proceeding number in which that study was considered.

Response:

E&Y has provided the following response:

Authors - Mathieu Chretien, Chris Stepanuik and Stephen Tsai

Mathieu Chretien, an EY Senior Manager with over 10 years of experience, was the principal author and has not previously completed a Lead Lag study with EY.

The authors are part of EY's Working Capital Advisory Services. The practice is a dedicated service line within EY that assists companies in evaluating working capital requirements and the impact to these requirements through optimization and alignment to leading practices of commercial terms, processes and policies (including Meter to Cash, Procure to Pay and Forecast to Fulfil cycle).

EY authors have significant cash conversion cycle advisory services experience with North American utilities including:

- NB Power
- Newfoundland Power
- Bruce Power
- Exelon
- Southern Company

EY has significant experience in preparing Lead Lag studies with North American utilities including:

- Duke Energy
- South Jersey Gas Company (twice)
- Progress Energy
- Dominion Resources
- NStar Gas

OSHAWA PUC NETWORKS INC.

Undertaking TC1.12

To update the tables in 3-Energy Probe-30 and 3-Energy Probe-33 to reflect actual data for 2014.

Response:

In response to 3.0-Energy Probe-30, OPUCN provides the following table [Exhibit 3, page 14, Table 3-11]:

	2012 Board-Approved	2012 Audited	2013 Audited	2014 Bridge Year	2015 Test Year
Rate Base	$ 80,817,479	$ 81,096,747	$ 89,846,963	$ 96,636,056	$ 104,777,719
Deemed Equity	40%	40%	40%	40%	40%
ROE	9.42%	9.42%	9.42%	9.42%	9.42%
Deemed Net Income	$ 3,045,203	$ 3,055,725	$ 3,385,434	$ 3,641,247	$ 3,948,024
Off Ramp Dead Band - Upper +3.0%	$ 4,015,012	$ 4,028,886	$ 4,463,597	$ 4,800,879	$ 5,205,357
Off Ramp Dead Band - Lower -3.0%	$ 2,075,393	$ 2,082,564	$ 2,307,270	$ 2,481,614	$ 2,690,692
Actual Net Income Adjusted for Deemed Interest		$ 3,017,461	$ 2,132,724	$ 2,498,121	$ 540,148
Deemed ROE		9.30%	5.93%	6.46%	1.29%
Deemed ROE Deficiency		-0.12%	-3.49%	-2.96%	-8.13%
Earnings for Accounting		$ 3,515,664	$ 2,901,889	$ 3,098,103	$ 1,021,674
Equity		56%	56%	50%	50%
Equity for Accounting		$ 37,742,089	$ 38,943,978	$ 40,342,081	$ 39,563,755
ROE for Accounting		9.31%	7.45%	7.68%	2.58%
ROE Deficiency		-0.11%	-1.97%	-1.74%	-6.84%

In response to 3.0-Energy Probe-33, OPUCN provides the following tables [Exhibit 3, Tables 3-23, 3-24 and 3-25]:

Description	Residential	GS<50 kW	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	USL	Total
Annual Average Customer Count									
2008 Board Approved	47,243	3,845	522	2	9	11,650	77	305	63,653
2012 Board Approved	49,920	3,961	518	1	10	12,762	22	313	67,507
2003	43,320	3,689	559	3	5	10,059	35	292	57,961
2004	43,980	3,627	530	3	6	10,262	30	294	58,731
2005	44,599	3,662	522	2	8	10,499	30	295	59,615
2006	45,439	3,741	525	2	9	10,831	29	298	60,873
2007	46,320	3,749	523	2	9	11,281	27	301	62,211
2008	47,058	3,794	534	3	9	11,622	26	301	63,345
2009	47,603	3,860	525	2	10	11,801	26	303	64,128
2010	48,115	3,929	513	1	10	11,996	25	307	64,894
2011	48,651	3,889	521	1	10	12,128	24	303	65,525
2012	49,021	3,851	512	1	11	12,213	24	296	65,927
2013	49,516	3,905	500	1	11	12,333	24	295	66,584
2014 Bridge Year (Actual)	50,203	3,953	503	1	11	12,465	24	296	67,454

Description	Residential	GS<50 kW	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	USL	Total
Annual Average Customer Count									
2008 Board Approved	47,243	3,845	522	2	9	11,650	77	305	63,653
2012 Board Approved	49,920	3,961	518	1	10	12,762	22	313	67,507
2015 Test Year (Regression)	51,709	4,071	518	1	11	12,838	23	296	69,467
2016 Test Year (Regression)	53,260	4,193	533	1	12	13,224	22	296	71,541
2017 Test Year (Regression)	54,858	4,319	549	1	12	13,620	22	296	73,677
2018 Test Year (Regression)	56,503	4,449	566	1	12	14,029	21	297	75,878
2019 Test Year (Regression)	58,198	4,582	583	1	13	14,450	20	297	78,144

Description	Residential	GS<50 kW	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	USL	Total
Annual Average Consumption per Average Customer Connection									
2008 Board Approved	10,312	36,436	687,468	30,069,991	8,995,178	865	530	12,597	17,928
2012 Board Approved	9,945	33,406	693,751	33,402,763	7,817,531	865	1,729	10,248	16,502
2003	10,564	32,861	503,120	67,702,885	19,234,418	831	1,320	10,000	19,614
2004	10,190	35,847	680,438	44,857,678	10,946,011	852	927	10,000	19,211
2005	10,896	37,113	694,080	31,452,417	8,935,595	875	1,464	10,000	18,887
2006	10,264	35,866	680,165	29,827,223	9,472,796	868	1,495	12,434	18,251
2007	10,212	35,302	686,701	30,905,923	11,541,111	860	1,563	12,687	18,385
2008	10,003	34,762	660,979	18,584,408	11,381,475	837	1,509	11,206	17,638
2009	9,831	33,170	666,256	18,290,145	9,182,904	865	1,415	9,340	16,883
2010	9,913	33,414	693,140	33,402,763	8,078,314	869	1,432	9,238	16,811
2011	9,960	34,897	690,748	37,740,699	7,990,802	845	1,492	9,154	16,948
2012	9,655	34,175	661,471	40,812,737	7,316,965	830	1,492	9,292	16,287
2013	9,599	33,905	674,247	42,326,219	7,197,839	736	1,492	9,330	16,192
2014 Bridge Year (Actual)	9,671	33,834	669,465	42,700,435	7,400,031	735	1,492	9,175	16,184

In response to 3.0-Energy Probe-33, OPUCN provides the following tables [Exhibit 3, Tables 3-31, 3-32 and 3-33]:

Description	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	Total
Billed Demand (kW)						
2003	806,199	349,045	197,712	23,227	127	1,376,310
2004	957,451	243,131	135,214	23,585	123	1,359,503
2005	913,899	154,705	142,187	24,114	120	1,235,026
2006	893,943	134,252	178,422	24,802	118	1,231,537
2007	887,017	135,954	214,029	25,740	115	1,262,855
2008	876,464	124,131	204,487	26,489	109	1,231,680
2009	861,503	89,007	190,299	27,041	102	1,167,952
2010	871,715	70,585	195,141	27,634	99	1,165,174
2011	867,070	83,704	192,700	27,830	100	1,171,404
2012	846,459	89,554	182,189	27,720	100	1,146,022
2013	843,160	92,753	184,241	25,276	100	1,145,530
2014 Bridge Year (Actual)	831,789	93,203	186,714	25,520	100	1,137,326

Description	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	Total
Billed Energy (kWh)						
2003	281,244,126	169,257,213	96,172,091	8,359,781	45,541	555,078,751
2004	360,631,980	112,144,196	65,676,068	8,743,099	27,821	547,223,164
2005	361,962,669	62,904,833	67,016,961	9,182,978	43,197	501,110,638
2006	357,086,593	59,654,446	80,518,764	9,398,525	42,595	506,700,923
2007	359,144,720	61,811,846	103,869,997	9,704,521	41,408	534,572,492
2008	352,632,150	46,461,021	102,433,272	9,725,840	39,233	511,291,516
2009	349,784,301	36,580,289	87,237,589	10,202,758	36,792	483,841,729
2010	355,234,224	33,402,763	80,783,141	10,427,904	35,812	479,883,844
2011	359,534,375	37,740,699	79,908,016	10,253,017	35,812	487,471,919
2012	338,342,507	40,812,737	76,828,137	10,139,708	35,812	466,158,901
2013	337,123,668	42,326,219	79,176,233	9,082,284	35,812	467,744,216
2014 Bridge Year (Actual)	336,406,114	42,700,435	81,400,346	9,155,875	35,812	469,698,582

Description	GS 50 to 999 kW	Large User	GS>1,000 kW	Streetlight	Sentinel Light	Total
Ratio kW to kWh						
2003	0.29%	0.21%	0.21%	0.28%	0.28%	0.25%
2004	0.27%	0.22%	0.21%	0.27%	0.44%	0.25%
2005	0.25%	0.25%	0.21%	0.26%	0.28%	0.25%
2006	0.25%	0.23%	0.22%	0.26%	0.28%	0.24%
2007	0.25%	0.22%	0.21%	0.27%	0.28%	0.24%
2008	0.25%	0.27%	0.20%	0.27%	0.28%	0.24%
2009	0.25%	0.24%	0.22%	0.27%	0.28%	0.24%
2010	0.25%	0.21%	0.24%	0.27%	0.28%	0.24%
2011	0.24%	0.22%	0.24%	0.27%	0.28%	0.24%
2012	0.25%	0.22%	0.24%	0.27%	0.28%	0.25%
2013	0.25%	0.22%	0.23%	0.28%	0.28%	0.24%
2014 Bridge Year (Actual)	0.25%	0.22%	0.23%	0.28%	0.28%	0.24%
Rate Applied	0.25%	0.23%	0.22%	0.27%	0.29%	0.24%
Geometric Mean	0.25%	0.23%	0.22%	0.27%	0.29%	0.24%

OSHAWA PUC NETWORKS INC.

Undertaking TC1.13

To provide a spreadsheet that starts with run 2 using the Conference Board of Canada's unemployment forecast for the whole period.

Response:

Please refer to spreadsheet – Response to TC1.13 filed through RESS.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.14

To explain the reason for increases in accounts 4235, 4360, and 4390 as compared to the forecast.

Response:

Account 4235 Miscellaneous Service Revenues – ($108k higher than forecast)

This is primarily due to higher than trend collection charges in 2014.

Account 4360 Loss on Disposition of Utility and Other Property – ($116k lower than forecast)

The final calculations of loss on retirement/disposition is carried out at year end, and is difficult to forecast precisely in advance relative to the activity that actually takes place/equipment that is actually retired/disposed of during the year.

Account 4390 Miscellaneous Non-Operating Income – ($41k higher than forecast)

This is primarily due to higher than expected recoveries from scrap disposal in 2014.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.15

To provide itemization of the costs of studies that exceed $100,000 in 4-Staff-32, subject to confidentiality caveats, if necessary.

Response:

There were no cost studies that exceeded $100,000.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.16

To provide a response to Part (c) of 4-Energy Probe-40.

Response:

The interrogatory 4-Energy Probe-40 requested Table 4-7 updated to show 2014 actuals. Please see updated table 4-7 below:

Table 4-7 – OM&A 2011 – 2019

	2011 Actual (CGAAP)	2012 Board Approved (MIFRS)	2012 Actual (MIFRS)	2013 Actual (MIFRS)	2014 Bridge Year (MIFRS) - Actual
Opening Balance	9,112,991	11,480,220	10,322,790	11,240,450	11,210,095
Salaries & Wages	384,911	(103,433)	604,308	480,709	(124,326)
Benefits	225,216	6,308	297,750	(304,935)	(5,429)
Allocated Expenses	324,165	13,690	222,220	(319,978)	271,390
Other	275,508	(156,335)	(206,618)	113,849	(143,834)
Total OM&A	**10,322,790**	**11,240,450**	**11,240,450**	**11,210,095**	**11,207,896**

	2015 Test Year (MIFRS)	2016 Test Year (MIFRS)	2017 Test Year (MIFRS)	2018 Test Year (MIFRS)	2019 Test Year (MIFRS)
Opening Balance	11,207,896	12,204,749	12,688,633	12,984,076	13,196,617
Salaries & Wages	680,355	445,955	201,712	146,413	11,997
Benefits	35,396	87,333	58,950	30,680	25,099
Allocated Expenses	(216,130)	(119,064)	(96,180)	(98,344)	(100,557)
Other	497,231	69,661	130,961	133,792	136,290
Total OM&A	**12,204,749**	**12,688,633**	**12,984,076**	**13,196,617**	**13,269,445**

OSHAWA PUC NETWORKS INC.

Undertaking TC1.17

To illustrate calculations for the OM&A costs in the second-last line of the table in response to Part (a) of 4-Energy Probe-40.

Response:

A live version of Table 4-4 has been filed through RESS, filename "TC1.17 Table 4-4 Excel Workbook.xlsx".

The objective is to convert forecast OM&A costs to 2012 equivalent $'s, using the IRM rate as the inflation factor. As noted in the application (Exhibit 4, page 9) this showed OM&A per customer to be lower in real terms in 2019 than the amount approved by the Board in 2012 Rate Application.

TABLE 4-4 – OM&A COSTS PER CUSTOMER

	OM&A per Customer	2011	2012	2012	2013	2014	2015	2016	2017	2018	2019
	$000's except per customer	Actual	Approved	Actual	Actual	Actual	Test	Test	Test	Test	Test
	Number of Customers	53,071	54,410	53,395	53,933	54,670	56,309	57,999	59,739	61,531	63,377
A	OM&A Costs ($000s)	10,323	11,480	11,240	11,210	11,208	12,205	12,689	12,984	13,197	13,269
	OM&A per Customer	195	211	211	208	205	217	219	217	214	209
	Inflation Adjusted										
	Inflation % (IRM Rate)				1.08%	1.55%	1.45%	1.45%	1.45%	1.45%	1.45%
B	OM&A Costs				11,090	10,919	11,720	12,011	12,115	12,137	12,029
C	OM&A per Customer	195	211	211	206	200	208	207	203	197	190

OSHAWA PUC NETWORKS INC.

Undertaking TC1.18

To update cost driver table in 4-Energy Probe-43, Part (a) to reflect updated OM&A forecast.

Response:

Please refer to tab “App.2-JB_OM&A_Cost _Drivers” in updated Chapter 2 Appendices excel workbook, which has been filed through RESS, filename “OPUCN_Chapter2_Appendices_for 2015 to 2019_RUN_3_20150527.xlsm”.

OSHAWA PUC NETWORKS INC.

Undertaking TC1.19

To file updated PILS schedules.

Response:

The following excel workbooks have been filed through RESS:

- OPUCN_PILs Workform 2015_RUN_3_20150527.xlsm
- OPUCN_PILs Workform 2016_RUN_3_20150527.xlsm
- OPUCN_PILs Workform 2017_RUN_3_20150527.xlsm
- OPUCN_PILs Workform 2018_RUN_3_20150527.xlsm
- OPUCN_PILs Workform 2019_RUN_3_20150527.xlsm

OSHAWA PUC NETWORKS INC.

Undertaking TC1.20

To provide updated Revenue Requirement Work Forms in 6-Energy Probe-60 using requested column changes.

Response:

The requested column changes have been made to the revenue requirement work forms. The following excel workbooks have been filed through RESS:

- OPUCN_Rev_Reqt_Work_Form_V4_2015_RUN_3_20150527.xlsm
- OPUCN_Rev_Reqt_Work_Form_V4_2016_RUN_3_20150527.xlsm
- OPUCN_Rev_Reqt_Work_Form_V4_2017_RUN_3_20150527.xlsm
- OPUCN_Rev_Reqt_Work_Form_V4_2018_RUN_3_20150527.xlsm
- OPUCN_Rev_Reqt_Work_Form_V4_2019_RUN_3_20150527.xlsm

OSHAWA PUC NETWORKS INC.

Undertaking TC1.21

To clarify the calculation of five-year increase and percentage for the GS over 50 class in 8-SEC-38.

Response:

This question, in reference to 8-SEC-38, was assuming no smoothing rate rider, what would be the five-year increase for the GS>50 rate class, as compared to the $2,159.04 (and 43.45%) currently shown in response to 8-SEC-38?

As discussed at the Technical Conference, the total amount payable over the 5 year period should essentially be the same whether the rate increases are subject to smoothing or not. Where there is a difference, it is because the net total of the individual rate riders, which are rounded to 4 decimal places for billing purposes, do not equal zero over the 5 years.

In the case of the GS 50 To 999 KW class, the cumulative total of the individual rate riders over the five years is $0.0221 (using latest numbers). The cumulative total $'s collected from the proposed rate riders nets out at $43 over the five year period, close to the objective of zero.

For the GS>50 class, the equivalent of the $2,159 and 43.45% smoothed rate impact as shown in 8-SEC-38 would be $1,495 and 30.10% without smoothing. The five-year increases shown under rate smoothing for the other rate classes could also be slightly different from those if no rate smoothing were applied, and could be higher or lower.