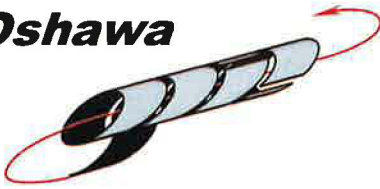


Oshawa



EB-2014-0101

K1.1

June 30, 2015

PUC Networks Inc.

100 Simcoe Street South, Oshawa, ON L1H 7M7 • Tel. (905) 723-4623 • Fax (905) 743-5220 • E-mail
contactus@opuc.on.ca

May 13, 2015

VIA RESS AND COURIER

Ms. Kirsten Walli
ONTARIO ENERGY BOARD
P.O. Box 2319, 2th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

**Re: EB-2014-0101: Oshawa PUC Networks Inc. (OPUCN) 2015-2019 Rates.
OPUCN Responses to Interrogatories.**

Dear Ms. Walli:

Pursuant to delivering OPUCN's responses to interrogatories on May 8, 2015 and as noted in a number of OPUCN's responses, OPUCN is filing an update which addresses those requests not fully addressed in the responses.

The following schedule provides a summary of the updates made and their impact on OPUCN's proposed revenue requirement for each of the planned rate years 2015 – 2019. Accompanying the schedule below, OPUCN is filing updated excel spreadsheets that provide further details relating to the updates/

Yours truly,

Phil Martin, OPUCN

c. Harold Thiessen, OEB STAFF
Jennifer Lea, OEB STAFF COUNSEL
Intervenors of Record

Responses to Interrogatories - Updates

As noted in our letter dated and filed with the Board on May 8, 2015, a number of the interrogatories requested updates to various data sets for 2014 actuals. In addition to interrogatory responses filed with the Board on May 8, 2015, OPUCN is providing updated models.

Following are lists of the interrogatories which included requests for updated data with a brief description of the action taken and impact the updates had on key application elements. Updated models have been filed to accompany this report which will provide more details on the outcome of the updates.

The table below summarises the changes to the Base Revenue Requirement (dollars expressed in thousands unless noted otherwise) resulting from each update.

Rate Application UPDATES - Revenue Requirement Impacts

	2015	2016	2017	2018	2019	Total	Cumulative Total
Revenue Requirement As Filed Jan 29, 2015	21,565	23,548	24,391	25,605	26,194		
1. Updating with 2014 Actuals	21,450	23,369	24,424	25,675	26,223		
Increase / (Decrease)	(115)	(178)	32	70	29	(162)	(162)
% Increase / (Decrease)	-0.5%	-0.8%	0.1%	0.3%	0.1%	-0.1%	
2. Tax Updates (CCA Class 10 to 50, Adjusted Tax Credits)	21,402	23,284	24,356	25,614	26,190		
Increase / (Decrease)	(48)	(86)	(67)	(61)	(33)	(295)	(457)
% Increase / (Decrease)	-0.2%	-0.4%	-0.3%	-0.2%	-0.1%	-0.2%	
3. Updated Post-Retirement Benefits Actuarial Valuation	21,521	23,427	24,529	25,773	26,348		
Increase / (Decrease)	119	143	173	159	158	752	295
% Increase / (Decrease)	0.6%	0.6%	0.7%	0.6%	0.6%	0.6%	
4. Updated Load Forecast	21,524	23,429	24,538	25,786	26,361		
Increase / (Decrease)	3	2	8	13	13	39	334
% Increase / (Decrease)	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	
5. DSP/Capital Updates to capacity solutions (HONI TS contributions & new MS9 substation) - Increased Capex of \$14.0m.	21,649	23,427	24,581	26,343	27,368		
Increase / (Decrease)	126	(2)	44	558	1,006	1,731	2,065
% Increase / (Decrease)	0.6%	0.0%	0.2%	2.1%	3.7%	1.4%	

Actuals Updated - All Exhibits

In response to multiple requests, OPUCN has updated the models with 2014 actuals. The result is a net overall decrease in revenue requirement of \$162 over the 2015-2019 rate period. This includes an increase in capital spend in 2015 of \$1.06 million related to work not completed in 2014 as forecast and held in WIP at December 2014.

Tax Updates – Exhibit 4

In response to the following interrogatories, OPUCN updated its forecast tax credits related to apprentices, and revised CCA mapping of computer hardware capital additions to CCA Class 50 from Class 10; 4-Energy Probe-50 and 4-Energy Probe-54. This results in an overall decrease in revenue requirement of \$457 over the 2015-2019 rate period.

Updated Post-Retirement Valuation – Exhibit 4

In response to interrogatory 4.0-Staff-31, OPUCN has incorporated the effects of the updated actuarial valuation of its post-retirement benefits liability. This results in an overall increase in revenue requirement of \$752 over the 2015-2019 rate period.

Updated Load Forecast

In response to the following interrogatories, OPUCN updated its proposed load forecast: 1.0-CCC-17; 3.0-Staff-25; 3.0-Energy Probe-33; 3.0-Energy Probe-34; 3.0-VECC-26; 3.0-VECC-27; and 3.0-VECC-31. This results in an overall increase in revenue requirement of \$39 over the 2015-2019 rate period.

The load forecast update included the following items:

- 1) Updated average customer connections, billing consumption and demand for 2014 reflecting actual results;
- 2) Updated HDD and CDD weather data for 2014;
- 3) Updated unemployment data from the Conference Board of Canada;
- 4) Revised CDM results per OPUCN's CDM Plan filed on May 1, 2015 with the IESO for the years 2015 through 2020;
- 5) Revised persistence data from the IESO in relation to historical CDM programs; and
- 6) Revised Rate Class Energy Model.

Updated Capital Spend Related to HONI TS Contributions & MS9

In response to the following interrogatories, OPUCN updated its forecast for capital expenditures: 1.0-EP-2; 1.0-CCC-24; 2.0-Staff-5; 2.0-Staff-6; 2.0-Staff-8; 2.0-EP-3; 2.0-EP-12; and 2.0-CCC-28. The result is an overall increase in revenue requirement of \$1,731 over the 2015-2019 rate period.

In response to 2.0-Staff-6, completion of the final HONI local planning report is expected by Q2 2015. Based on OPUCN latest estimates and the latest correspondence from HONI, OPUCN is estimating the net Capital program increase for the revised load growth plan will be \$14 million. The updates to the DSP include removal of \$6.5 million for two breaker positions at Wilson TS and Thornton TS no longer being considered; additional station neutral reactors required at both

stations as well as OPUCN's substations at a cost to OPUCN of \$1.5 million; \$13.5 million capital contribution from OPUCN for HONI Enfield TS; and a cost of \$5.5 million for two feeders from Enfield to supply MS9.

Updated Models

To accompany this summary, OPUCN is filing the following updated models:

- 1) Detailed Cost Allocation model for each year 2015 to 2019
- 2) PILs Workform model for each year 2015 to 2019
- 3) Revenue Requirement Work Form (RRWF) model for each year 2015 to 2019
- 4) Chapter 2 Appendices workbook covering years 2015 to 2019
- 5) Load Forecast Model
- 6) RTSR Model