PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC

July 14, 2015

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: EB-2015-0004 – Hydro Ottawa Limited
2016 Distribution Rate Application
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Janigan
Counsel for VECC

Mr. Geoff Simpson, Chief Financial Officer Hydro Ottawa Limited
RegulatoryAffairs@HydroOttawa.com

REQUESTOR NAME	**VECC**
INFORMATION REQUEST	**# 1**
TO:	**Hydro Ottawa Limited/Ottawa/HOL**
DATE:	**July 14, 2015**
CASE NO:	**EB-2015-0004**
APPLICATION NAME	**2016 Electricity Distribution Rate Application**

1.0 ADMINISTRATION (EXHIBIT 1)

1.0-VECC-1
Reference: E-A/T2/S1

a) Please provide the Canada/Ontario actual CPI and GDP IPI inflation rate for the first 6 months of 2015.
b) Please provide the actual CPI (annual) inflation for 2012 through 2014.

1.0-VECC-2

Reference: Letter of Comment/Hershell Sax June 4, 2015; E-B/T1/S2/pg.188

a) In his letter of comment Mr. Sax notes that an Ottawa Sun Poll carried out in May 2015 showed that 97% of respondents opposed to HOL's rate increase. Please provide the referenced newspaper article and poll results.

1.0-VECC-3
Reference: Letter of Comment Kathleen Glasspool/James Hurd June 4, 2015

a) A number of letters of comment, including the one referenced, are from customers who participated in a survey done by or on behalf of Hydro Ottawa. These writers suggest that the customer outreach was designed to solicit the response desired by Ottawa Hydro. Please respond to this criticism.
b) As part of any of the survey's completed were customers informed that the rate increase was necessary to maintain system safety and reliability?

2.0 RATE BASE (EXHIBIT 2)

2.0 – VECC - 4
Reference: E-B/T1/S2/pg.48

a) Please provide the Productive time ratios for 2011 through 2014 and the associated projected (targets) for 2015 through 2020.

2.0-VECC-5
Reference: E-B/T1/S2 pgs. 69/236

a) At page 69 of the DSP it lists projects designed to reduce outage frequency and duration. Please provide the 2014 through 2019 actual/forecast expenditures on these programs.
b) HOL states that reliability driven projects are almost exclusively driven by automation projects. Table 3.4.8 shows that HOL is proposing to spend more than 6 times its average annual spending in this category between between 2015 and 2018 as compared to 2011 and 2014 (approx. 5.0m vs. $807k vs). Please provide the metric/targets that will be used to assess the efficacy of these programs in reducing outages and outage duration.
c) If these investments have no impact on reliability frequency or duration of what consequence will this be for management compensation or future rates?

2.0-VECC-6
Reference: E-B/T1/S2/pg.181

a) Please provide the number of customers in Casselman. Please also provide the growth in this service area from 2012 through 2014 and the forecast growth to 2020.
b) Please provide the estimated cost of the second transformer planned for this service area. Please also provide the estimated in-service date.
c) What other strategies have been considered/implemented to address the single supply issue for Casselman?
d) Please provide the business case/analysis for the transformer investment in Casselman.

2.0-VECC-7
Reference: E-B/T1/S2/pg.203

a) Please provide the 2015 – 2020 SCADA project expenditures
b) Please provide the targets/metrics used to measure the efficacy of the SCADA and WiMAX investments on reliability.

2.0-VECC-8
Reference: E-B/T1/S2/pg.222

a) The average annual system access commercial investments between 2011 and 2014 was $9,743,000. The average forecast investment for the period 2015 through 2018 is $12,830,000 or approximately 31% higher. We note a similar increase is not forecast for residential system access investments. Please explain why HOL believes it will see over 30% growth in the commercial system access expenditures over the next 4 years.
b) Please provide the 2015 actual (6 months) to date spending on this category. For comparison please provide the similar results for the 2014 Jan-June period.

2.0-VECC-9
Reference: E-B/T1/S2/pg.222

a) The average investment between 2011 and 2014 for "Damage to Plant" has been $960m. Please explain why the forecast amounts for 2015 through 2020 are significantly higher?
b) Does the 2013 category of "Damage to Plant" include costs related to the 2013 ice-storm? If so please identify those costs.

2.0-VECC-10
Reference: E-B/T1/S2/pg.228

a) Please provide a table identifying all station asset investments by year, with project start and in-service dates for the period 2015 through 2020.

2.0-VECC-11
Reference: E-B1/T1/S2/pg. 243

a) For each year 2015 through 2020 please provide a table showing all the Hydro One projects for which a contribution (payment) is forecast and the

amount forecast for that project. If the annual figures do not add up to the "Hydro One Payments" row shown in Table 3.4.11 please explain the difference.

2.0-VECC-12
Reference: E-B1/T1/S3/pg. 16

a) Using the table at page 16 showing the 2015-2020 IT Strategy, please provide the total cost of each IT program (capital and ongoing incremental OM&A) and the expected in-service/implmentation date.

2.0-VECC-13
Reference: E-B-T5/S4

a) Please provide a chart or table similar to that shown below which shows outages by cause code for each year 2011 through 2014
b) Please provide HOL's forecast of the same for the years 2015 through 2020.

	Reliability Event Causes Year	%
1	Unknown	
2	Loss of Supply (HON sources)	
3	Defective Equipment/Failure	
4	Adverse Weather (other than lightning)	
5	Scheduled Outages (maintenance, replacements)	
6	Foreign Interference (motor vehicle accidents)	
7	Lightning	
8	Tree Contacts	

3.0 OPERATING REVENUE (EXHIBIT C)

3.0 –VECC -14
Reference: E-C/T1/S1, pg. 1

a) Please describe the purpose and provide the results of the "rate reclassification analysis" undertaken by Ottawa and referred to at lines 18-20.
b) With respect to the customer count historical and forecast values presented in the Itron report (i.e., Tables 5 and 6), please indicate for which years this "reclassification analysis" impacted the values shown and how.
c) Please provide a schedule that contrasts (where the results are different) the customer count and load forecast as developed by Itron versus what is proposed by Ottawa for the 2015-2020 as a result of the rate reclassification analysis.
d) Please describe how Ottawa developed load forecasts for the Sentinel Lights and Standby classes
e) Please explain how the Itron forecasts were adjusted in order to include Sentinel Lights and Standby loads and customers. As part of the response please provide a schedule that sets out for the years 2015-2020 the individual customer class and total load/customer count forecasts as prepared by Itron versus those proposed by Ottawa.
f) Please confirm that the adjustments Ottawa made to the Itron forecast for customer reclassification and to include Sentinel and Standby were to the Itron load forecast that include the CDM adjustments.

3.0 –VECC -15
Reference: E-C/Itron Report, pg. 1

a) Please provide a schedule that sets out the average annual customer/connection count by class starting in 2005 and the resulting geomean historical growth rate for each customer class.

3.0 –VECC -16
Reference: E-C/Itron Report, pg. 4 and 13-14
Preamble: The Report states that, for the Residential sector, the end-use energy intensities were derived from historical and forecast data from the recent OPA end-use forecast for the province.

a) Please provide either the report or a link to the OPA report that sets out the residential historical and forecast saturation and annual energy estimates or unit of energy consumption data used by Iron.
b) Please provide the relevant references which would demonstrate that the forecast data prepared by the OPA represents expected results prior to the implementation of any future CDM programs.
c) As part of its recent long-term forecast for Ontario, did the OPA produce regional long-term energy forecasts (i.e. for total load)? If so, please provide the OPA's long term energy forecast for the region encompassing Ottawa and provide the supporting reference(s).
d) Does Figure 8 set out the HeatIntensity, CoolIntensity and Other Intensity variables as used in the Resdential Model? If not, please provide a schedule that sets out the historic and forecast values for these parameters.

3.0 –VECC -17

Reference: E-C/Itron Report, pg. 4 and 13-14

Preamble: The Report states that, for the Commercial sector, the end-use energy intensities are based on forecast prepared by the US EIA.

a) Please provide either the report or a link to the EIA report that sets out the historical and forecast commercial energy intensities used by Itron.
b) Please provide relevant references which demonstrate that the forecast data prepared by the EIA represents expected results prior to the implementation of any future CDM programs.
c) Please provide a schedule that set outs the historic and forecast vales for EI_{Cool}, EI_{Heat}, and EI_{Other} as used in the Commercial models.

3.0 –VECC -18

Reference: E-C/Itron Report, pg. 6

a) Please explain why billing data prior to 2008 was not usable for estimating statistically acceptable forecast models.

3.0 –VECC -19

Reference: E-C/Itron Report, pg. 6-7 and 26

a) Please clarify what the MU and DCL customer classes are.
b) Please provide a schedule that for each year 2015 to 2020 compares the sum of the individual customer class forecasts (as developed by Itron) with

Itron's total sales forecast (per page 26).

c) Please provide a schedule that compares the 2015-2020 load forecasts for each class (before CDM adjustments): i) as initially developed by Itron versus ii) subsequent to any adjustments made by Irron to reconcile with the total sales forecast. Also, please explain how the total sales forecast was allocated to individual customer classes based on the individual rate class forecasts.

3.0 –VECC -20

Reference: E-C/Itron Report, pg. 6 & 10
July 2014 Filing Guidelines, Chapter 2, Section 2.6.1.1
EB-2011-0054, C1/1/1, page 4

a) How long a period of AMI data will be needed in order to satisfactorily estimate sales regression models at the customer class level?

b) Please explain why the period used to define "weather normal" differs for the period over which the models were estimated.

c) The most recent Filing Guidelines issued by the Board state that Applicants are to provide "In addition to the proposed test year load forecast, the load forecasts based on a) 10-year average and b) 20-year trends in HDD and CDD". Please provide revised versions of Table 1 based on: i) HDD and CDD values using a 10-year average for weather normal and ii) HDD and CDD value using a 20-year trend as the definition of weather normal.

d) In its 2012 Rate Application, Ottawa used the 10-year average as its definition of weather normal stating:

> *A ten year average from 2000 to 2009 was adopted as the appropriate definition of normal weather. This most recent 10 year average is more consistent with recent years' weather and has been used by and accepted in other electricity distribution rate applications for 2008, 2009 and 2010 (Toronto Hydro Electric System Limited EB-2005-0421, EB-2007-0680 and Veridian EB-2009-0140).*

Please explain why the definition was changed for the current application.

3.0 –VECC -21

Reference: E-C/Itron Report, pg. 12

b) What is the source of the historical and forecast population values set out in Table 4?

c) Is there a more recent forecast from the Conference Board regarding the economic outlook (GDP and RPI) for the Ottawa and Gatineau area? If so, please provide.

3.0 –VECC -22
Reference: E-C/Itron Report, pg. 16-20

a) Please explain why the calendar-month HDD and CDD value were used starting in 2013. Was this when suitable AMI data was available to determine billed energy values on a calendar month basis?
b) Please explain the basis for the 50/50 weighting used for population and RPI.

3.0 –VECC -23
Reference: E-C/Itron Report, pg. 20-24 and 44-48

a) Please explain the basis for the 50/50 weighting given to population and GDP.
b) Please describe the different explanatory variables used in the customer count models for the GS1000I, GS1000NI, GS1500 and GS5000 classes.

3.0 –VECC -24
Reference: E-C/Itron Report, pg. 24-26 and 49-52

a) Were there any CDM programs implemented for Ottawa's Large User class during the historical period used to estimate the model?
b) If the response to part b) is affirmative, to what extent is the impact of these programs captured by the "*GDPxTrend*" variable?
c) What is the "AR(1)" variable used in the Street Lighting sales model?

3.0 –VECC -25
Reference: E-C/Itron Report, pg. 6 and 26-28

a) Please provide a schedule that sets out the historical and forecast values for each of the three SysEI variables used for the System Purchase equation.
b) Does Ottawa make any purchases from distributed generators in its service area or other local distributors? If yes, how much has been purchased annually (2005-2014) and have these purchases been included in the Purchase values used to estimate the System Purchase equation?
c) Is the System Peak forecast used at all in the determination of the forecast billing determinants for 2016-2020? If so, how?
d) For each of 2012 and 2013, please compare the model predicted values for system purchases using:

i. The actual HDD and CDD values for the year versus
ii. The weather normal HDD and CDD values for the year.

3.0 –VECC -26
Reference: E-C/Itron Report, pg. 32-33

a) What is the basis for the 1.0062 and 1.0338 loss factors used to convert purchases to total sales?

3.0 –VECC -27
Reference: E-C/Itron Report, pg. 33-35
Attachment C-1-F-CDM Excel File
June Update, CDM Plan – Hydro Ottawa

a) Please confirm that the assumed annualized savings for 2014 from 2014 CDM programs as used in the forecast is the 42,400,000 kWh value shown in Appendix 2-I.
b) In order to help in understanding the calculation of the CDM adjustments (per the CDM Excel File), please provide an explanation as to how Ottawa:
    i. Determined the manual adjustment required to 2014 sales in order to account for the impact of 2014 CDM programs implemented after August 2014.
    ii. Determined the manual adjustment required to 2015-2020 sales to account for the impact of 2014 CDM programs implemented after August 2014.
c) Please provide any reports that Ottawa has received from the IESO/OPA regarding the results of 2014 CDM programs.
d) Please provide copies of any plans Ottawa has submitted to the IESO/ OPA regarding how it intends to achieved its 2015-2020 CDM target (in addition to that filed with the June Updates and submitted to the IESO in May 2015).
e) Please provide a schedule that sets out the annual CDM savings for 2015-2020 as shown in: i) the Application (Appendix 2-I) with the CDM savings for years 2015-2020 and ii) the CDM Plan filed with the June Updates and submitted to the IESO in May 2015. Where there are differences please explain and indicate the values Ottawa proposes to use (now) for purposes of its Application.
f) Please provide copies of any reports/reviews prepared by the IESO/OPA regarding Ottawa's 2015-2020 CDM plans.
g) Please provide a summary schedule that sets out the annual CDM

adjustment made to the load forecast (as submitted) for the years 2015-2020 and for each year show the contribution of CDM programs implemented in that year and each of the previous years.

h) Please provide a schedule that incorporates both Tables 2 and 3 from the Itron Report (adding in the totals for each year) and which also shows the CDM by customer class for each year.
i) Please provide the equivalent of Table 1 (Exhibit C/Tab 1/Schedule 1, page 2) prior to the CDM adjustment total forecast sales for the years 2015-2020 both before and after the CDM adjustment.

3.0 –VECC -28

Reference: E-C/Itron Report, pg. 33-35
Appendix 2-I – last table

a) Appendix 2-I indicates that the amount to be used for the 2015 LRAMVA is 39,500,000 kWh. Please clarify whether this is correct and, if so, why Ottawa would not use for any LRAM claim for 2015 the CDM included in its last (EB-2011-0054) rate application.
b) Please provide a schedule that sets out the LRAMVA amounts (i.e. total kWh) that Ottawa would propose for 2016-2020. In doing so, please explain how each of the annual values were derived from its currently proposed load forecast and CDM adjustments – recognizing that the LRAMVA amounts are based on annualized savings.
c) Please provide a breakdown by customer class of the LRAMVA amounts for each year per part (b) and explain how the values were established.

3.0 –VECC -29

Reference: E-A/T2/S1, pg. 12

a) Please confirm that Ottawa CIR proposal does not include any future updates or revisions to the load forecast over the 2016-2020 period.

3.0 –VECC -30

Reference: E-C/T2/S1
Appendix 2-H

a) Please provide the year to date Other Revenue for 2015 (broken down per Appendix 2-H) and indicate what months are included.
b) Please provide a breakdown of the Other Revenues forecast for 2017-2020 (per the RRWFs) per the categories used in Appendix 2-H.

4.0 OPERATING COSTS (EXHIBIT D)

4.0 -VECC -31
Reference: E-B-T1/S2/pg.35

a) Please provide the annual membership and associated costs for each of the years 2011 through 2016 for:
   i. Electricity Distributors Association
   ii. Electrical Contractor Association
   iii. Canadian Standards Association
   iv. Center for Energy Advancement

4.0 – VECC - 32
Reference: E-D/T1/S3/pg.11

a) Please provide the vegetation management program costs for each of 2012 through 2016.
b) Please explain how Ottawa measures the reduction in outages associated with the vegetation program.
c) Please provide the tree contact outage reduction targets associated with this program.

4.0-VECC-33
Reference: E-D/T1/pg.7/Table 8

a) Please provide the OM&A amounts for 2012 through 2016 for Customer & Community Relations showing separately the amounts for: (1) call center, (2) web site costs, and (3) other community relations.

4.0-VECC-34
Reference: E-D/T1/S4

a) Please explain how the forecast of defective equipment contribution to SAIFI is derived.

4.0-VECC-35
Reference: E-D1/S8/pg.1-6

a) Please amend Appendix 2-K to show Board approved for 2012
b) Please show the calculation which underpins the statement that the wage increases for 2013-2016 are on average 10% lower than the previous three year collective agreement.
c) Does HOL provide post-retirement benefits to all new employees?

4.0-VECC-36
Reference: E-D1/S8/pg.1-6

a) Appendix 2-M appears to show that HOL is not seeking to recover any one-time regulatory costs associated with this application. Please confirm whether this is correct.
b) Please explain the ongoing intervenor and consultant costs ($131,722 and $160,711 respectively).
c) In the alternative please provide a table (below 2-M) which shows all one-time costs associated with this application. Please provide an update showing the legal and consulting costs incurred to date for the application.

4.0 – VECC -37
Reference: E-D/T5/S2 – Table 2
Appendix D-5(A)

a) With respect to Table 2, please revise so as to include the kWh savings attributable to the non-Residential programs and reconcile the totals for each year with those reported by the OPA.
b) Please reconcile the reported kWh results by program as shown in Table 2 with the results set out in the OPA Report (Table 1). For example, the 2011 and 2012 totals for Residential do not appear to be consistent.
c) Please provide a schedule that sets out how the reported kW results as shown in Table 2 were derived from the results set out in the OPA Report (Table 1).
d) Please confirm that the kW values reported by the OPA represent the impact on the annual peak as opposed to the impact on monthly peak demand.
e) Please indicate how Ottawa derived the impact on billing kW from the OPA reported results.

4.0 – VECC -38
Reference: E-D/T5/S2- Table 3

a) Please provide a schedule that sets out the total CDM adjustments included in the load forecasts underpinning Ottawa's approved rates for 2011 through 2013 and provide references to the relevant rate application filing supporting each. In each case, please indicate program years the adjustments were meant to capture (e.g. did the load forecast underpinning the 2012 (and 2013) approved rates included a manual adjustment for the impact of 2011 CDM programs?).
b) Please provide a schedule that sets out the breakdown of the total adjustments per part (a) by customer class as incorporated in the load forecast for each of these years and provide references to the relevant rate applications.
c) Please provide a schedule that calculates , by year (2011-2013) and customer class, the difference between the actual reported impact for 2011-2013 CDM results from programs implemented in 2011-2013 and the CDM adjustment incorporate in the load forecast underpinning the year's rates.
d) Please reconcile results per part c) with the units of energy or demand used in Table 3.

4.0 – VECC -39
Reference: E-D/T5/S2 – Tables 2 and 3
Appendix D-5(A)
EB-2014-0099, Exhibit 4, Appendix 4-N, pg. 3

a) Does Ottawa agree that the kW values reported for Demand Response programs represent kW under contract and that the contracted kW may not have been exercised in each month of the actual years in question, if at all? If not, why not?
b) Like many other electricity distributors, North Bay Hydro Distribution Limited contracted with a 3rd party (in their case IndEco Strategic Consulting Inc.) to perform the LRAMVA calculations for its recent COS Application. In its Report (referenced above), IndEco offered the following explanation for excluding the kW impact of Demand Response Programs from the LRAMVA calculations:

For customer classes where the LDC charges for distribution based on

the customer's peak monthly demand (kW in the month), the system peak reductions are only partially relevant. For initiatives like lighting upgrades in businesses operating during normal business hours, the peak demand reductions are likely to be maintained throughout the year, including during the customer's monthly peaks, and so may be used to estimate lost revenue. For other programs, in particular demand response programs, the customer's monthly peak may not correspond to the system's peak. Further, even if they are coincident, if a demand response event is called, and the customer's monthly peak is shaved, it is likely that the customer's second highest peak in the month is only slightly less than their highest peak. Thus, the impact on distribution revenues of the demand response program is likely to be minimal, and is assumed to have zero impact on lost load.
Thus, no distribution revenues are estimated to be lost from large general service customers' participation in demand response programs.

Does Ottawa concur with this rationale and agree that the impact of demand response programs should be excluded? If not, why not?

4.0 – VECC -40
Reference: E-D/T5/S2- Table 3
E-I/T8/S1, pg. 9 – Table 4

a) Please reconcile the differences between the LRAM amounts by customer class set out in Table 4 (E-I/T8/S1) with the results in Table 3 of E-D/T5/S2.

5.0 COST OF CAPITAL AND RATE OF RETURN (EXHIBIT E)

5.0-VECC-41
Reference: E-E/T1/S1/pg.1

a) Please provide Appendix 2-OA for 2013 and 2014.

5.0-VECC-42
Reference: E-E/T1

a) Please clarify the cost of capital adjustment formula: Is the proposal to recalculate the revenue requirement with an adjustment for changes to long-term debt (forecast and embedded) only in 2018? If so why has HOL included its forecast for 2019 and 2020?

b) With respect to long-term debt what is the principle/rationale underpinning an adjustment to debt using a forecast as opposed to making the adjustment based on actual embedded debt at the time of the annual adjustment?
c) What is the principle/rationale underpinning an adjustment to long-term debt, but not short –term debt or return on equity?

5.0-VECC-43
Reference: E-E1/T1/S1

a) For the table labeled 2015, please confirm the rates for all Promissory Notes which show a start date of July 15.
b) Have all these notes been finalized?

6.0 CALCULATION OF REVENUE DEFICIENCY/SURPLUS (EXHIBIT F)

N/A

7.0 COST ALLOCATION (EXHIBIT G)

7.0 – VECC –44
Reference: E-G/T1/S1, pg. 2

a) Please confirm that the revenue to cost ratio for Sentinel Lighting continues to be outside the Board's approved range even in 2020.
b) What would be the resulting revenue to cost ratios and total bill impacts for Sentinel Lighting if, starting 2017, the ratio was increased in equal amounts so as to reach 80% in 2020?

7.0 – VECC –45
Reference: E-G/t1/S1, Appendix 2-P

a) Please explain why, when the ratio for Standby is significantly below 100%, the Company is not proposing to move it closer to 100%.

7.0 – VECC –46
Reference: E-G/Elenchus Report, page 8

a) What is the impact on the allocation results for 2016 of using the 2013 interval data for Large Use customer to establish the hourly load profile as opposed simply scaling the 2006 CAIF profile for the class?

7.0 – VECC –47
Reference: Cost Allocation Models – Tab I5.2

a) Please explain how the weighting factors for Services were established.
b) Please explain how the weighting factors for Billing & Collecting were established.

8.0 RATE DESIGN (EXHIBIT H)

8.0 –VECC -48
Reference: E-H/T1/S1, pg. 3
E-H/T2/S1, pg. 1

a) Please indicate what the Residential Service charge for 2016 would be if the Residential revenue requirement was to be recovered entirely through a fixed charge.
b) Please indicate what the 2016 Residential monthly service charge, would be assuming current fixed-variable split, was increased ¼ of the way to this value.
c) Please provide the resulting Residential bill impacts (i.e. the Residential tables in Appendix 2-W) if this service charge (per part (b)) was adopted and the variable charge decreased accordingly.
d) Based on the most recent 12 months of billing data please indicate how many Residential customers fall into each of the following average monthly use categories:
   - 0-100 kWh
   - >100-250 kWh
   - >250-500 kWh
   - >500-800 kWh
   - >800-1,000 kWh
   - >1,000-1,500 kWh
   - >1,500-2,000 kWh
   - >2,000 kWh

8.0 –VECC -49
Reference: E-H/T4/S1, pg. 1

a) Please confirm that Ottawa has informed Retailers of the proposed change in Retail Service Charges.

8.0 –VECC -50
Reference: E-H/T7/S1, pg. 2 and Tables 1 & 2

a) Please describe the formulaic inflation adjustment that will be used for the years 2017-2020.
b) With the exception of the Disconnect/Reconnect and Service Call charges, all of the revised and new service charges set out in Tables 1 and 2 escalate over the 2016-2020 period. In all cases, is this escalation the result of the application of the formulaic inflation adjustment described in part (a)? If not, please explain the basis for the annual changes.

8.0 –VECC -51
Reference: E-H/T7/S1, pg. 3-5

a) Over the past couple of years what has been the average time required to respond to an individual “special billing service request”?
b) What types of billing related information will Ottawa provide its customers without charging (I.e. what constitutes a non-special billing request)?
c) With respect to the proposed revised Temporary Service charges, please explain why in all three cases the proposed rate exceeds the calculated cost.

8.0 –VECC -52
Reference: E-H/T7/S1, pg.5 (Section 3.3) and Attachment 7(A)

a) Please confirm that in developing the specific charge for access to power poles Ottawa has followed the Board’s methodology as approved in RP-2003-0249.
b) With respect to Admin costs, please indicate what each of the three activities identified in the worksheet are for and the how the level of work activity was determined.
c) Also, with respect to Admin-Permits, please indicate how the $123,906 cost was determined – as there are no activity “units” shown.
d) With respect to Loss In Productivity, please indicate what each of the three

activities are for and how the level of work activity was determined in each case.

e) What do the rates used (i.e. the $95, $5.80, $44 and $33) include. Is it just direct labour and vehicle costs or are there any overheads also included?
f) Please explain how each of the four line items under Indirect costs were determined.
g) What was the basis for the assumption there are 2 third party attachers?
h) Please show the derivation of the 25.9% allocation factor.
i) Given the calculation based on 2013 costs, what inflationary adjustment should be applied to derive 2016 costs?
j) Have the 3rd party pole attachers been advised of Ottawa's proposal to increase their rates?

8.0 –VECC -53
Reference: E-H/T7/S1, pg. 6 – Section 4.0

a) The first paragraph in section 4.0 suggests that the proposed revised retail service charges are based on a "detailed review and analysis of costs". However, the second paragraph suggests the proposed rates were determined by applying the 2013-2015 IRM rate increases and the percentage increase in revenue requirement for the years thereafter. Please clarify how the new charges for 2016 were determined.
b) Please provide any analysis undertaken regarding the costs of providing Retailer services.

8.0 –VECC -54
Reference: E-H/T7/S1, pg. 6 – Section 5.1

a) What activities are included in the cost determination (e.g. meter reading, meter maintenance, etc.)?
b) Does the costing include any allowance to recover overheads such as Administration costs and/or General Plant costs?

8.0 –VECC -55
Reference: E-H/T7/S1, pg. 7 (Section 6.1)

a) In the case of the Disconnect/Reconnect at Meter – New Account, who does Ottawa Hydro propose to recover the charge from if the "financially responsible account holder" is unknown?

8.0 –VECC -56
Reference: E-H/T7/S1, pg. 8 (Section 6.4)

a) Given that Ottawa is proposing to "charge" customers for missed appointments, is Ottawa willing to compensate (i.e. pay customers) in the event that its crews fail to attend at an arranged appointment time? If not, why not?
b) How much advance notice is required from the customer in order avoid the missed appointment charge?

8.0 –VECC -57
Reference: E-H/T10/S1, Current 2015 Rates, pg. 7 and Proposed 2016 Rates, pg. 7

a) Please explain why the current Standby Rates have charges for GS 50-1499; GS 1500-4999 and Large Use customers whereas the 2016 proposed rates only has Standby Rates for GS 1500-4999 customers.

9.0 DEFERRAL AND VARIANCE ACCOUNTS (EXHIBIT 9)

9.0 –VECC -58
Reference: E-I/T4/S1

The Board's policy with respect to account 1508 states:

A. A distributor shall use this account to record one-time administrative incremental IFRS transition costs, which are not already approved and included for recovery in distribution rates.
B. The costs authorized for recording in this account shall be incremental one-time administrative costs caused by the transition of accounting policies, procedures, systems and processes to IFRS. The incremental costs eligible for inclusion in this account may include professional accounting and legal fees, salaries, wages and benefits of staff added to support the transition to IFRS and associated staff training and development costs.

Ontario Energy Board Issued: December 2011 Accounting Procedures Handbook (pg.17).

a) HOL is seeking to dispose of $982,326 and $5,869 in internal staff costs. Please explain why this proposal is not in contravention of the Board's policy. Specifically please what staff costs are being sought for recovery.

9-VECC-59
Reference: E-I/T8/S1

a) Please provide the order showing Board approval for account 1535. Please explain what is booked into this account and why HOL is seeking continuation of the account.

End of document