**II-1-Staff-30**

Ref: E N/T1/S1/p. 1

At the above reference, PowerStream discusses its OPEB Deferral Account.

PowerStream has recovered OPEBs in rates previously.

1. Please indicate if OPEBs were recovered on a cash or accrual accounting basis for each year since PowerStream started to recover OPEBs.
2. Please complete the table below to show the difference, if any, between the actual cash benefit payments and the amounts recovered from ratepayers from the year PowerStream started recovering amounts for OPEBs.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **OPEBs** | **First year of recovery to 2011** | **2012** | **2013** | **2014**  | **2015** | **2016** | **Total** |
| Amounts included in rates |   |   |   |  |  |  |  |
|       OM&A |   |   |   |  |  |  |  |
|       Capital  |   |   |   |  |  |  |  |
|      Sub-total |   |   |   |  |  |  |  |
| Paid benefit amounts |   |   |   |  |  |  |  |
| Net excess amount included in rates greater than amounts actually paid |   |   |   |  |  |  |  |

1. Please describe what PowerStream has done with any recoveries in excess of cash benefit payments.

**Response:**

1. PowerStream cannot provide all of the information requested within the schedule for interrogatory responses. This time period in the table pre-dates the first rate case of the amalgamated company resulting from the PowerStream merger with Barrie Hydro Distribution Limited (EB-2012-0161). In its 2013 rate application and the current Application, PowerStream has used the accrual method.
2. PowerStream has provided the available data in Table II-1-Staff-30-1 below.

**Table II-1-Staff-30-1: OPEB Data ($ thousands)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** |
| **Amounts in rates1** |  |  |  |  |   |   |   |   |
| OM&A |   |   |   |   |  $ 1,198  |  $ 1,198  |  $ 1,198  | 875 |
| Capital |   |   |   |   |  $ 617  |  $ 617  |  $ 617  | 451 |
| **Total** |  **$ 1,345**  |  **$ 1,345**  |  **$ 1,345**  |  **$ 1,345**  |  **$ 1,815**  |  **$ 1,815**  |  **$ 1,815**  |  **$ 1,326**  |
| Amounts paid |  $ 393  |  $ 428  |  $ 319  |  $ 558  |  $ 628  |  $ 299  |   |   |
| Variance |  $ 952  |  $ 917  |  $ 1,026  |  $ 787  |  $ 1,187  |  $ 1,516  |   |   |

Note: The amount in rates shown for 2009 to 2012 is based on the budgeted OPEB costs on an accrued basis that are believed to have been used in the Barrie Hydro Distribution Inc. 2008 Cost of Service application and the PowerStream Inc. (pre-merger) 2009 Cost of Service application. PowerStream believes that this is accurate but would need to do more work to verify this.

The amount included in rates for the 2013 Cost of Service was the 2013 budgeted OPEB cost. Rates for 2014 and 2015 are based on the 2013 amount. The amount shown for Rates in 2016 represents the budgeted OPEB cost included in this Application.

1. Amounts recovered in rates in excess of cash benefits paid for OPEB are part of the funds retained in the business.