EXHIBIT 7 - COST ALLOCATION

Response to Ontario Energy Board Interrogatory 7-Staff-84

Ref: Exhibit 7, Tab 1, Schedule 1, p. 1 – Cost Allocation Model

Interrogatory:

On June 12, 2015, the OEB issued its letter outline the new policy regarding cost allocation for the street lighting class. The letter approved recommendations provided in the referenced report, prepared by Navigant Consulting Ltd. The report recommended the use of a "street lighting adjustment factor" instead of the number of connections for the allocation of primary and line transformer assets.

On page 1 of exhibit 7, Kingston Hydro stated that it used the OEB version 3.2 Cost Allocation Model for each of the 5 test years during the custom IR term.

a) Please provide an updated cost allocation study using the OEB version 3.3 Cost Allocation Model reflecting the changes adopted by the OEB's new cost allocation policy for the street lighting class, as well as any other updates to the application (i.e. working capital allowance).

Response:

a) Kingston Hydro has filed as part of this response live Excel versions of OEB 3.3 Cost Allocation Model for each of the 5 test years 2016-2020. The models being filed reflect the updated load forecast, as well as any other updates to the application.

By test year, for each of the test years 2016 through 2020, Input sheets I-6, I-8, Output O-1 and O-2 from the updated OEB version 3.3 Cost Allocation Model are provided as Attachment 1 to this response.

Response to the Ontario Energy Board Staff Interrogatory 7-Staff-84

Attachment 1

Ontario Energy Board

2016 Cost Allocation Model

EB-2015-0083

Sheet I6.1 Revenue Worksheet -

2016 CA

Total kWhs from Load Forecast	698,126,864
Total kWs from Load Forecast	1,029,084
Deficiency/sufficiency (RRWF 8. cell F51)	- 895,436
Miscellaneous Revenue (RRWF 5. cell F48)	576,998

			1	2	3	6	7	9
	ID	**Total**	**Residential**	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Billing Data								
Forecast kWh	**CEN**	698,126,864	188,042,904	86,732,020	273,255,734	147,081,903	1,818,158	1,196,145
Forecast kW	**CDEM**	1,029,084			745,973	278,065	5,046	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		377,495			283,450	94,045		
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	**CEN EWMP**	698,126,864	188,042,904	86,732,020	273,255,734	147,081,903	1,818,158	1,196,145

Existing Monthly Charge			$12.56	$25.85	$280.09	$5,164.00	$1.02	$11.55
Existing Distribution kWh Rate			$0.0154	$0.0106				$0.0141
Existing Distribution kW Rate					$2.0063	$1.0535	$4.6750	
Existing TOA Rate					$0.60	$0.60		
Additional Charges								
Distribution Revenue from Rates		$11,584,732	$6,536,804	$1,834,449	$2,609,164	$478,845	$89,061	$36,408
Transformer Ownership Allowance		$226,497	$0	$0	$170,070	$56,427	$0	$0
Net Class Revenue	**CREV**	$11,358,235	$6,536,804	$1,834,449	$2,439,094	$422,418	$89,061	$36,408

Ontario Energy Board

2016 Cost Allocation Model

EB-2015-0083

Sheet I6.2 Customer Data Worksheet -

			1	2	3	6	7	9
	ID	Total	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Billing Data								
Bad Debt 3 Year Historical Average	BDHA	$151,896	$117,882	$13,971	$20,044	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$52,875	$38,070	$11,632	$3,172			
Number of Bills	CNB	330,996	289,884	35,400.00	3,972.00	36.00	12.00	1,692.00
Number of Devices	CDEV						5,349	
Number of Connections (Unmetered)	CCON	2,802					2,661	141
Total Number of Customers	CCA	27,583	24,157	2,950	331	3	1	141
Bulk Customer Base	CCB	-						
Primary Customer Base	CCP	27,786	24,157	2,950	331	3	204	141
Line Transformer Customer Base	CCLT	27,774	24,157	2,950	321	1	204	141
Secondary Customer Base	CCS	26,672	24,157	2,212	161		1	141
Weighted - Services	CWCS	30,901	24,157	5,464	1,255	-	-	25
Weighted Meter -Capital	CWMC	6,217,648	4,692,522	841,126	674,000	10,000	-	-
Weighted Meter Reading	CWMR	476,712	289,884	37,523	143,938	5,367	-	-
Weighted Bills	CWNB	369,379	289,884	35,400	42,461	373	9	1,252

Bad Debt Data

Historic Year:	2012	95,865	74,398	8,817	12,650			
Historic Year:	2013	170,966	132,681	15,725	22,560			
Historic Year:	2014	188,857	146,566	17,370	24,921			
Three-year average		**151,896**	**117,882**	**13,971**	**20,044**	**-**	**-**	**-**

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I8 Demand Data Worksheet -

2016 CA

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP

Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12

Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCP	NCP 12

Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
CO-INCIDENT PEAK								
1 CP								
Transformation CP	TCP1	131,365	46,069	15,640	52,055	17,043	425	133
Bulk Delivery CP	BCP1	131,365	46,069	15,640	52,055	17,043	425	133
Total Sytem CP	DCP1	131,365	46,069	15,640	52,055	17,043	425	133
4 CP								
Transformation CP	TCP4	478,798	184,463	50,602	173,196	68,613	1,381	543
Bulk Delivery CP	BCP4	478,798	184,463	50,602	173,196	68,613	1,381	543
Total Sytem CP	DCP4	478,798	184,463	50,602	173,196	68,613	1,381	543
12 CP								
Transformation CP	TCP12	1,263,344	386,347	151,271	480,324	241,974	1,789	1,639
Bulk Delivery CP	BCP12	1,263,344	386,347	151,271	480,324	241,974	1,789	1,639
Total Sytem CP	DCP12	1,263,344	386,347	151,271	480,324	241,974	1,789	1,639
NON CO_INCIDENT PEAK								
1 NCP								
Classification NCP from Load Data Provider	DNCP1	157,967	51,326	21,359	57,543	27,169	425	144
Primary NCP	PNCP1	157,967	51,326	21,359	57,543	27,169	425	144
Line Transformer NCP	LTNCP1	145,471	51,326	21,359	54,236	17,980	425	144
Secondary NCP	SNCP1	98,538	51,326	15,551	31,092		425	144
4 NCP								
Classification NCP from Load Data Provider	DNCP4	580,397	201,009	72,910	200,613	103,595	1,698	573
Primary NCP	PNCP4	580,397	201,009	72,910	200,613	103,595	1,698	573
Line Transformer NCP	LTNCP4	533,180	201,009	72,910	188,432	68,558	1,698	573
Secondary NCP	SNCP4	351,145	201,009	53,085	94,780		1,698	573
12 NCP								
Classification NCP from Load Data Provider	DNCP12	1,450,498	458,350	186,527	530,424	268,434	5,095	1,667
Primary NCP	PNCP12	1,450,498	458,350	186,527	530,424	268,434	5,095	1,667
Line Transformer NCP	LTNCP12	1,266,421	458,350	186,527	437,135	177,647	5,095	1,667
Secondary NCP	SNCP12	851,521	458,350	135,809	250,600		5,095	1,667

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2016 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$11,358,235	$6,536,804	$1,834,449	$2,439,094	$422,418	$89,061	$36,408
mi	Miscellaneous Revenue (mi)	$576,998	$373,907	$73,432	$96,897	$18,564	$12,897	$1,301
	Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$11,935,233	$6,910,711	$1,907,882	$2,535,990	$440,982	$101,958	$37,709
	Factor required to recover deficiency (1 + D)	1.0788						
	Distribution Revenue at Status Quo Rates	$12,253,670	$7,052,138	$1,979,070	$2,631,381	$455,720	$96,082	$39,279
	Miscellaneous Revenue (mi)	$576,998	$373,907	$73,432	$96,897	$18,564	$12,897	$1,301
	Total Revenue at Status Quo Rates	$12,830,668	$7,426,045	$2,052,502	$2,728,278	$474,284	$108,980	$40,579
	Expenses							
di	Distribution Costs (di)	$2,850,863	$1,553,075	$378,620	$704,857	$158,448	$50,650	$5,213
cu	Customer Related Costs (cu)	$1,562,697	$1,178,516	$162,854	$202,255	$3,504	$12,981	$2,587
ad	General and Administration (ad)	$2,717,249	$1,665,678	$336,583	$567,605	$102,527	$40,063	$4,792
dep	Depreciation and Amortization (dep)	$1,825,384	$1,068,993	$243,319	$403,609	$80,955	$25,864	$2,644
INPUT	PILs (INPUT)	$211,786	$120,072	$28,242	$49,815	$9,583	$3,706	$368
INT	Interest	$1,487,697	$843,448	$198,388	$349,927	$67,318	$26,032	$2,583
	Total Expenses	$10,655,677	$6,429,783	$1,348,006	$2,278,068	$422,335	$159,297	$18,187
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$2,174,991	$1,233,109	$290,040	$511,588	$98,418	$38,059	$3,777
	Revenue Requirement (includes NI)	$12,830,668	$7,662,892	$1,638,046	$2,789,657	$520,754	$197,356	$21,964
	Revenue Requirement Input equals Output							
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$67,845,601	$38,500,775	$9,059,388	$15,868,819	$3,161,091	$1,138,313	$117,215
gp	General Plant - Gross	$8,982,484	$5,076,128	$1,197,101	$2,120,196	$418,801	$154,691	$15,568
accum dep	Accumulated Depreciation	($27,861,376)	($15,927,005)	($3,731,344)	($6,421,683)	($1,280,328)	($452,946)	($48,071)
co	Capital Contribution	($2,848,475)	($1,508,394)	($375,399)	($717,357)	($208,837)	($33,846)	($4,643)
	Total Net Plant	$46,118,234	$26,141,505	$6,149,746	$10,849,975	$2,090,727	$806,212	$80,069
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$87,863,612	$23,678,208	$10,914,722	$34,382,692	$18,506,673	$230,709	$150,608
	OM&A Expenses	$7,130,810	$4,397,269	$878,057	$1,474,717	$264,479	$103,694	$12,593
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	***$94,994,421***	***$28,075,478***	***$11,792,779***	***$35,857,409***	***$18,771,152***	***$334,403***	***$163,201***
	Working Capital	$12,349,275	$3,649,812	$1,533,061	$4,661,463	$2,440,250	$43,472	$21,216
	Total Rate Base	$58,467,508	$29,791,317	$7,682,807	$15,511,438	$4,530,976	$849,685	$101,286
	Rate Base Input equals Output							
	Equity Component of Rate Base	$23,387,003	$11,916,527	$3,073,123	$6,204,575	$1,812,391	$339,874	$40,514
	Net Income on Allocated Assets	$2,174,991	$996,262	$704,496	$450,210	$51,948	($50,317)	$22,392
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$2,174,991	$996,262	$704,496	$450,210	$51,948	($50,317)	$22,392

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2016 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
RATIOS ANALYSIS							
REVENUE TO EXPENSES STATUS QUO%	**100.00%**	**96.91%**	**125.30%**	**97.80%**	**91.08%**	**55.22%**	**184.76%**
EXISTING REVENUE MINUS ALLOCATED COSTS	**($895,436)**	($752,181)	$269,836	($253,667)	($79,772)	($95,397)	$15,745
	Deficiency Input equals Output						
STATUS QUO REVENUE MINUS ALLOCATED COSTS	**($0)**	($236,847)	$414,456	($61,379)	($46,470)	($88,376)	$18,615
RETURN ON EQUITY COMPONENT OF RATE BASE	9.30%	8.36%	22.92%	7.26%	2.87%	-14.80%	55.27%

Ontario Energy Board

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Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

2016 CA

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	6	7	9
	Residential	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Customer Unit Cost per month - Avoided Cost	$5.11	$6.29	$60.72	$109.47	$0.40	$1.51
Customer Unit Cost per month - Directly Related	$7.38	$9.03	$89.61	$173.92	$0.65	$2.45
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$13.62	$14.88	$109.53	$328.24	$5.93	$6.84
Existing Approved Fixed Charge	$12.56	$25.85	$280.09	$5,164.00	$1.02	$11.55

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I6.1 Revenue Worksheet -

2017 CA

Total kWhs from Load Forecast	693,295,773
Total kWs from Load Forecast	1,025,644
Deficiency/sufficiency (RRWF 8. cell F51)	- 440,492
Miscellaneous Revenue (RRWF 5. cell F48)	583,921

			1	2	3	6	7	9
	ID	**Total**	**Residential**	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Billing Data								
Forecast kWh	**CEN**	693,295,773	187,260,718	84,778,808	273,818,458	144,444,566	1,821,740	1,171,483
Forecast kW	**CDEM**	1,025,644			747,509	273,079	5,056	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		376,392			284,034	92,358		
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	**CEN EWMP**	693,295,773	187,260,718	84,778,808	273,818,458	144,444,566	1,821,740	1,171,483

Existing Monthly Charge			$16.40	$26.84	$314.28	$5,734.00	$0.90	$6.15
Existing Distribution kWh Rate			$0.0126	$0.0109				$0.0122
Existing Distribution kW Rate					$2.0517	$1.1818	$9.5484	
Existing TOA Rate					$0.60	$0.60		
Additional Charges								
Distribution Revenue from Rates		$12,489,375	$7,143,890	$1,858,443	$2,827,242	$529,149	$106,176	$24,476
Transformer Ownership Allowance		$225,835	$0	$0	$170,420	$55,415	$0	$0
Net Class Revenue	**CREV**	$12,263,540	$7,143,890	$1,858,443	$2,656,821	$473,734	$106,176	$24,476

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I6.2 Customer Data Worksheet -

			1	2	3	6	7	9
	ID	Total	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Billing Data								
Bad Debt 3 Year Historical Average	BDHA	$151,896	$117,882	$13,971	$20,044	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$52,875	$38,070	$11,632	$3,172			
Number of Bills	CNB	332,364	291,732	34,812	4,116	36	12	1,656
Number of Devices	CDEV						5,361	
Number of Connections (Unmetered)	CCON	2,805					2,667	138
Total Number of Customers	CCA	27,697	24,311	2,901	343	3	1	138
Bulk Customer Base	CCB	-						
Primary Customer Base	CCP	27,903	24,311	2,901	343	3	207	138
Line Transformer Customer Base	CCLT	27,891	24,311	2,901	333	1	207	138
Secondary Customer Base	CCS	26,793	24,311	2,176	167		1	138
Weighted - Services	CWCS	31,011	24,311	5,375	1,300	-	-	25
Weighted Meter -Capital	CWMC	6,245,592	4,722,437	827,155	686,000	10,000	-	-
Weighted Meter Reading	CWMR	480,608	291,732	36,935	146,574	5,367	-	-
Weighted Bills	CWNB	372,151	291,732	34,812	44,000	373	9	1,225

Bad Debt Data

Historic Year:	2012	95,865	74,398	8,817	12,650			
Historic Year:	2013	170,966	132,681	15,725	22,560			
Historic Year:	2014	188,857	146,566	17,370	24,921			
Three-year average		**151,896**	**117,882**	**13,971**	**20,044**	**-**	**-**	**-**

Ontario Energy Board

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Sheet I8 Demand Data Worksheet -

2017 CA

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP

Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12

Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCP	NCP 12

Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
CO-INCIDENT PEAK								
1 CP								
Transformation CP	TCP1	130,621	45,878	15,288	52,163	16,737	425	131
Bulk Delivery CP	BCP1	130,621	45,878	15,288	52,163	16,737	425	131
Total Sytem CP	DCP1	130,621	45,878	15,288	52,163	16,737	425	131
4 CP								
Transformation CP	TCP4	476,009	183,696	49,462	173,553	67,383	1,383	532
Bulk Delivery CP	BCP4	476,009	183,696	49,462	173,553	67,383	1,383	532
Total Sytem CP	DCP4	476,009	183,696	49,462	173,553	67,383	1,383	532
12 CP								
Transformation CP	TCP12	1,254,950	384,740	147,864	481,313	237,635	1,792	1,605
Bulk Delivery CP	BCP12	1,254,950	384,740	147,864	481,313	237,635	1,792	1,605
Total Sytem CP	DCP12	1,254,950	384,740	147,864	481,313	237,635	1,792	1,605
NON CO_INCIDENT PEAK								
1 NCP								
Classification NCP from Load Data Provider	DNCP1	156,901	51,113	20,878	57,662	26,682	425	141
Primary NCP	PNCP1	156,901	51,113	20,878	57,662	26,682	425	141
Line Transformer NCP	LTNCP1	143,449	51,113	20,878	54,348	16,544	425	141
Secondary NCP	SNCP1	98,036	51,113	15,201	31,156		425	141
4 NCP								
Classification NCP from Load Data Provider	DNCP4	576,466	200,173	71,268	201,026	101,738	1,702	561
Primary NCP	PNCP4	576,466	200,173	71,268	201,026	101,738	1,702	561
Line Transformer NCP	LTNCP4	525,603	200,173	71,268	188,820	63,080	1,702	561
Secondary NCP	SNCP4	349,300	200,173	51,890	94,975		1,702	561
12 NCP								
Classification NCP from Load Data Provider	DNCP12	1,440,646	456,443	182,326	531,516	263,621	5,105	1,633
Primary NCP	PNCP12	1,440,646	456,443	182,326	531,516	263,621	5,105	1,633
Line Transformer NCP	LTNCP12	1,246,995	456,443	182,326	438,035	163,452	5,105	1,633
Secondary NCP	SNCP12	847,048	456,443	132,751	251,116		5,105	1,633

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2017 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$12,263,540	$7,143,890	$1,858,443	$2,656,821	$473,734	$106,176	$24,476
mi	Miscellaneous Revenue (mi)	$583,921	$378,613	$73,141	$99,396	$18,499	$12,990	$1,282
	Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$12,847,461	$7,522,503	$1,931,584	$2,756,217	$492,233	$119,165	$25,758
	Factor required to recover deficiency (1 + D)	1.0359						
	Distribution Revenue at Status Quo Rates	$12,704,032	$7,400,490	$1,925,196	$2,752,251	$490,750	$109,989	$25,356
	Miscellaneous Revenue (mi)	$583,921	$378,613	$73,141	$99,396	$18,499	$12,990	$1,282
	Total Revenue at Status Quo Rates	$13,287,953	$7,779,103	$1,998,338	$2,851,647	$509,249	$122,979	$26,638
	Expenses							
di	Distribution Costs (di)	$2,901,238	$1,584,412	$378,983	$723,547	$157,480	$51,614	$5,201
cu	Customer Related Costs (cu)	$1,589,263	$1,198,740	$162,388	$208,860	$3,538	$13,179	$2,559
ad	General and Administration (ad)	$2,762,850	$1,696,865	$336,353	$582,644	$101,332	$40,883	$4,773
dep	Depreciation and Amortization (dep)	$1,967,120	$1,158,034	$257,797	$437,369	$82,657	$28,435	$2,829
INPUT	PILs (INPUT)	$245,679	$140,150	$32,232	$58,043	$10,437	$4,393	$424
INT	Interest	$1,565,740	$893,191	$205,415	$369,916	$66,518	$27,995	$2,704
	Total Expenses	$11,031,890	$6,671,392	$1,373,167	$2,380,379	$421,961	$166,500	$18,491
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$2,256,063	$1,286,993	$295,982	$533,009	$95,845	$40,338	$3,897
	Revenue Requirement (includes NI)	$13,287,953	$7,958,385	$1,669,149	$2,913,387	$517,806	$206,838	$22,388
	Revenue Requirement Input equals Output							
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$71,397,289	$40,735,450	$9,376,861	$16,788,060	$3,164,076	$1,211,330	$121,512
gp	General Plant - Gross	$9,568,771	$5,441,084	$1,254,682	$2,268,959	$419,089	$168,468	$16,489
accum dep	Accumulated Depreciation	($29,757,628)	($17,082,936)	($3,917,752)	($6,903,418)	($1,321,499)	($482,087)	($49,937)
co	Capital Contribution	($2,848,475)	($1,511,556)	($369,472)	($725,729)	($203,335)	($33,837)	($4,547)
	Total Net Plant	$48,359,957	$27,582,043	$6,344,320	$11,427,873	$2,058,330	$863,874	$83,517
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$87,261,261	$23,581,363	$10,669,596	$34,455,650	$18,175,962	$231,177	$147,512
	OM&A Expenses	$7,253,351	$4,480,017	$877,723	$1,515,051	$262,350	$105,677	$12,533
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	*$94,514,612*	*$28,061,380*	*$11,547,320*	*$35,970,701*	*$18,438,312*	*$336,854*	*$160,046*
	Working Capital	$12,286,900	$3,647,979	$1,501,152	$4,676,191	$2,396,981	$43,791	$20,806
	Total Rate Base	$60,646,856	$31,230,022	$7,845,471	$16,104,064	$4,455,311	$907,665	$104,323
	Rate Base Input equals Output							
	Equity Component of Rate Base	$24,258,742	$12,492,009	$3,138,188	$6,441,626	$1,782,124	$363,066	$41,729
	Net Income on Allocated Assets	$2,256,063	$1,107,711	$625,170	$471,268	$87,288	($43,520)	$8,147
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$2,256,063	$1,107,711	$625,170	$471,268	$87,288	($43,520)	$8,147

Ontario Energy Board

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Sheet O1 Revenue to Cost Summary Worksheet -

2017 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
RATIOS ANALYSIS							
REVENUE TO EXPENSES STATUS QUO%	**100.00%**	**97.75%**	**119.72%**	**97.88%**	**98.35%**	**59.46%**	**118.98%**
EXISTING REVENUE MINUS ALLOCATED COSTS	**($440,492)**	($435,882)	$262,436	($157,170)	($25,573)	($87,673)	$3,371
	Deficiency Input equals Output						
STATUS QUO REVENUE MINUS ALLOCATED COSTS	**($0)**	($179,282)	$329,189	($61,740)	($8,557)	($83,859)	$4,250
RETURN ON EQUITY COMPONENT OF RATE BASE	9.30%	8.87%	19.92%	7.32%	4.90%	-11.99%	19.52%

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

2017 CA

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	6	7	9
	Residential	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Customer Unit Cost per month - Avoided Cost	$5.19	$6.39	$60.81	$111.57	$0.40	$1.53
Customer Unit Cost per month - Directly Related	$7.49	$9.16	$89.67	$176.34	$0.66	$2.48
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$13.93	$15.20	$109.38	$326.47	$6.20	$7.03
Existing Approved Fixed Charge	$16.40	$26.84	$314.28	$5,734.00	$0.90	$6.15

Ontario Energy Board

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Sheet I6.1 Revenue Worksheet -

2018 CA

Total kWhs from Load Forecast	690,031,470
Total kWs from Load Forecast	1,026,015
Deficiency/sufficiency (RRWF 8. cell F51)	- 428,102
Miscellaneous Revenue (RRWF 5. cell F48)	580,278

			1	2	3	6	7	9
	ID	**Total**	**Residential**	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Billing Data								
Forecast kWh	**CEN**	690,031,470	186,243,142	82,438,874	273,991,419	144,385,384	1,825,321	1,147,330
Forecast kW	**CDEM**	1,026,015			747,982	272,967	5,066	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		376,534			284,213	92,321		
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	**CEN EWMP**	690,031,470	186,243,142	82,438,874	273,991,419	144,385,384	1,825,321	1,147,330

Existing Monthly Charge			$19.78	$27.60	$322.99	$5,880.00	$1.03	$6.35
Existing Distribution kWh Rate			$0.0087	$0.0112				$0.0127
Existing Distribution kW Rate					$2.1314	$1.2250	$10.9179	
Existing TOA Rate					$0.60	$0.60		
Additional Charges								
Distribution Revenue from Rates		$12,939,243	$7,427,565	$1,868,229	$2,950,806	$546,065	$121,720	$24,858
Transformer Ownership Allowance		$225,920	$0	$0	$170,528	$55,392	$0	$0
Net Class Revenue	**CREV**	$12,713,323	$7,427,565	$1,868,229	$2,780,278	$490,672	$121,720	$24,858

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I6.2 Customer Data Worksheet -

			1	2	3	6	7	9
	ID	Total	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Billing Data								
Bad Debt 3 Year Historical Average	BDHA	$151,896	$117,882	$13,971	$20,044	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$52,875	$38,070	$11,632	$3,172			
Number of Bills	CNB	333,696	293,592	34,236	4,200	36	12	1,620
Number of Devices	CDEV						5,373	
Number of Connections (Unmetered)	CCON	2,808					2,673	135
Total Number of Customers	CCA	27,808	24,466	2,853	350	3	1	135
Bulk Customer Base	CCB	-						
Primary Customer Base	CCP	28,017	24,466	2,853	350	3	210	135
Line Transformer Customer Base	CCLT	28,005	24,466	2,853	340	1	210	135
Secondary Customer Base	CCS	26,912	24,466	2,140	170		1	135
Weighted - Services	CWCS	31,103	24,466	5,286	1,327	-	-	24
Weighted Meter -Capital	CWMC	6,276,014	4,752,546	813,469	700,000	10,000	-	-
Weighted Meter Reading	CWMR	484,883	293,592	36,359	149,566	5,367	-	-
Weighted Bills	CWNB	374,307	293,592	34,236	44,898	373	9	1,199

Bad Debt Data

Historic Year:	2012	95,865	74,398	8,817	12,650			
Historic Year:	2013	170,966	132,681	15,725	22,560			
Historic Year:	2014	188,857	146,566	17,370	24,921			
Three-year average		**151,896**	**117,882**	**13,971**	**20,044**	**-**	**-**	**-**

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I8 Demand Data Worksheet -

2018 CA

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP

Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12

Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCP	NCP 12

Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
CO-INCIDENT PEAK								
1 CP								
Transformation CP	TCP1	129,974	45,628	14,866	52,196	16,730	426	128
Bulk Delivery CP	BCP1	129,974	45,628	14,866	52,196	16,730	426	128
Total Sytem CP	DCP1	129,974	45,628	14,866	52,196	16,730	426	128
4 CP								
Transformation CP	TCP4	473,719	182,698	48,097	173,662	67,355	1,386	521
Bulk Delivery CP	BCP4	473,719	182,698	48,097	173,662	67,355	1,386	521
Total Sytem CP	DCP4	473,719	182,698	48,097	173,662	67,355	1,386	521
12 CP								
Transformation CP	TCP12	1,248,955	382,650	143,783	481,617	237,538	1,796	1,572
Bulk Delivery CP	BCP12	1,248,955	382,650	143,783	481,617	237,538	1,796	1,572
Total Sytem CP	DCP12	1,248,955	382,650	143,783	481,617	237,538	1,796	1,572
NON CO_INCIDENT PEAK								
1 NCP								
Classification NCP from Load Data Provider	DNCP1	156,072	50,835	20,302	57,698	26,671	426	139
Primary NCP	PNCP1	156,072	50,835	20,302	57,698	26,671	426	139
Line Transformer NCP	LTNCP1	142,621	50,835	20,302	54,382	16,537	426	139
Secondary NCP	SNCP1	97,357	50,835	14,781	31,175		426	139
4 NCP								
Classification NCP from Load Data Provider	DNCP4	573,489	199,085	69,301	201,153	101,696	1,705	550
Primary NCP	PNCP4	573,489	199,085	69,301	201,153	101,696	1,705	550
Line Transformer NCP	LTNCP4	522,634	199,085	69,301	188,939	63,054	1,705	550
Secondary NCP	SNCP4	346,832	199,085	50,458	95,035		1,705	550
12 NCP								
Classification NCP from Load Data Provider	DNCP12	1,433,337	453,963	177,294	531,852	263,513	5,115	1,599
Primary NCP	PNCP12	1,433,337	453,963	177,294	531,852	263,513	5,115	1,599
Line Transformer NCP	LTNCP12	1,239,669	453,963	177,294	438,312	163,385	5,115	1,599
Secondary NCP	SNCP12	841,039	453,963	129,087	251,275		5,115	1,599

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2018 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$12,713,323	$7,427,565	$1,868,229	$2,780,278	$490,672	$121,720	$24,858
mi	Miscellaneous Revenue (mi)	$580,278	$376,708	$71,431	$99,502	$18,472	$12,920	$1,246
	Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$13,293,601	$7,804,273	$1,939,660	$2,879,780	$509,144	$134,640	$26,104
	Factor required to recover deficiency (1 + D)	1.0337						
	Distribution Revenue at Status Quo Rates	$13,141,425	$7,677,677	$1,931,139	$2,873,900	$507,195	$125,819	$25,695
	Miscellaneous Revenue (mi)	$580,278	$376,708	$71,431	$99,502	$18,472	$12,920	$1,246
	Total Revenue at Status Quo Rates	$13,721,703	$8,054,385	$2,002,570	$2,973,402	$525,667	$138,739	$26,941
	Expenses							
di	Distribution Costs (di)	$2,952,525	$1,613,683	$377,666	$742,303	$161,223	$52,462	$5,188
cu	Customer Related Costs (cu)	$1,616,281	$1,219,887	$162,001	$214,908	$3,571	$13,382	$2,532
ad	General and Administration (ad)	$2,809,215	$1,726,443	$335,066	$597,783	$103,637	$41,537	$4,749
dep	Depreciation and Amortization (dep)	$2,101,260	$1,238,011	$269,657	$471,432	$88,852	$30,345	$2,963
INPUT	PILs (INPUT)	$314,370	$179,392	$40,395	$74,975	$13,444	$5,630	$534
INT	Interest	$1,617,512	$923,015	$207,845	$385,765	$69,175	$28,966	$2,747
	Total Expenses	$11,411,162	$6,900,431	$1,392,630	$2,487,165	$439,902	$172,322	$18,713
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$2,310,540	$1,318,484	$296,896	$551,047	$98,813	$41,376	$3,924
	Revenue Requirement (includes NI)	$13,721,703	$8,218,915	$1,689,526	$3,038,212	$538,714	$213,698	$22,637
	Revenue Requirement Input equals Output							
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$74,509,601	$42,571,829	$9,582,973	$17,654,667	$3,315,219	$1,260,879	$124,034
gp	General Plant - Gross	$10,051,344	$5,718,386	$1,290,875	$2,405,322	$442,319	$177,410	$17,033
accum dep	Accumulated Depreciation	($31,791,818)	($18,295,980)	($4,097,748)	($7,420,409)	($1,414,584)	($511,260)	($51,837)
co	Capital Contribution	($2,848,475)	($1,512,526)	($361,666)	($731,532)	($204,480)	($33,816)	($4,455)
	Total Net Plant	$49,920,652	$28,481,709	$6,414,433	$11,908,048	$2,138,473	$893,213	$84,775
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$86,396,142	$23,330,768	$10,320,834	$34,296,970	$18,073,425	$230,429	$143,715
	OM&A Expenses	$7,378,021	$4,560,013	$874,733	$1,554,994	$268,431	$107,381	$12,469
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	***$93,774,163***	***$27,890,781***	***$11,195,567***	***$35,851,964***	***$18,341,856***	***$337,811***	***$156,184***
	Working Capital	$12,190,641	$3,625,802	$1,455,424	$4,660,755	$2,384,441	$43,915	$20,304
	Total Rate Base	$62,111,293	$32,107,511	$7,869,857	$16,568,804	$4,522,915	$937,128	$105,079
	Rate Base Input equals Output							
	Equity Component of Rate Base	$24,844,517	$12,843,004	$3,147,943	$6,627,521	$1,809,166	$374,851	$42,032
	Net Income on Allocated Assets	$2,310,540	$1,153,954	$609,940	$486,237	$85,765	($33,583)	$8,228
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$2,310,540	$1,153,954	$609,940	$486,237	$85,765	($33,583)	$8,228

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Sheet O1 Revenue to Cost Summary Worksheet -

2018 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
RATIOS ANALYSIS							
REVENUE TO EXPENSES STATUS QUO%	**100.00%**	**98.00%**	**118.53%**	**97.87%**	**97.58%**	**64.92%**	**119.01%**
EXISTING REVENUE MINUS ALLOCATED COSTS	**($428,102)**	($414,642)	$250,134	($158,432)	($29,571)	($79,057)	$3,466
	Deficiency Input equals Output						
STATUS QUO REVENUE MINUS ALLOCATED COSTS	**($0)**	($164,530)	$313,044	($64,811)	($13,048)	($74,959)	$4,304
RETURN ON EQUITY COMPONENT OF RATE BASE	9.30%	8.99%	19.38%	7.34%	4.74%	-8.96%	19.58%

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

2018 CA

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	6	7	9
	Residential	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Customer Unit Cost per month - Avoided Cost	$5.30	$6.53	$61.97	$113.53	$0.41	$1.54
Customer Unit Cost per month - Directly Related	$7.62	$9.33	$91.14	$178.91	$0.67	$2.51
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$14.22	$15.53	$111.02	$336.13	$6.39	$7.18
Existing Approved Fixed Charge	$19.78	$27.60	$322.99	$5,880.00	$1.03	$6.35

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I6.1 Revenue Worksheet -

2019 CA

Total kWhs from Load Forecast	685,891,912
Total kWs from Load Forecast	1,026,394
Deficiency/sufficiency (RRWF 8. cell F51)	- 428,251
Miscellaneous Revenue (RRWF 5. cell F48)	590,370

			1	2	3	6	7	9
	ID	**Total**	**Residential**	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Billing Data								
Forecast kWh	**CEN**	685,891,912	185,263,300	79,142,304	274,077,767	144,455,963	1,828,903	1,123,675
Forecast kW	**CDEM**	1,026,394			748,217	273,101	5,076	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		376,668			284,303	92,366		
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	**CEN EWMP**	685,891,912	185,263,300	79,142,304	274,077,767	144,455,963	1,828,903	1,123,675

Existing Monthly Charge			$23.30	$28.16	$330.54	$6,076.00	$1.16	$6.56
Existing Distribution kWh Rate			$0.0045	$0.0116				$0.0130
Existing Distribution kW Rate					$2.2143	$1.2597	$12.2662	
Existing TOA Rate					$0.60	$0.60		
Additional Charges								
Distribution Revenue from Rates		$13,381,705	$7,717,996	$1,865,916	$3,072,811	$562,761	$137,222	$24,999
Transformer Ownership Allowance		$226,001	$0	$0	$170,582	$55,419	$0	$0
Net Class Revenue	**CREV**	$13,155,704	$7,717,996	$1,865,916	$2,902,229	$507,341	$137,222	$24,999

Ontario Energy Board

2016 Cost Allocation Model

EB-2015-0083

Sheet I6.2 Customer Data Worksheet -

			1	2	3	6	7	9
	ID	Total	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Billing Data								
Bad Debt 3 Year Historical Average	BDHA	$151,896	$117,882	$13,971	$20,044	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$52,875	$38,070	$11,632	$3,172			
Number of Bills	CNB	335,040	295,464	33,660	4,284	36	12	1,584
Number of Devices	CDEV						5,385	
Number of Connections (Unmetered)	CCON	2,811					2,679	132
Total Number of Customers	CCA	27,920	24,622	2,805	357	3	1	132
Bulk Customer Base	CCB	-						
Primary Customer Base	CCP	28,131	24,622	2,805	357	3	212	132
Line Transformer Customer Base	CCLT	28,119	24,622	2,805	347	1	212	132
Secondary Customer Base	CCS	27,033	24,622	2,104	174		1	132
Weighted - Services	CWCS	31,196	24,622	5,197	1,353	-	-	24
Weighted Meter -Capital	CWMC	6,306,632	4,782,849	799,783	714,000	10,000	-	-
Weighted Meter Reading	CWMR	489,171	295,464	35,783	152,557	5,367	-	-
Weighted Bills	CWNB	376,474	295,464	33,660	45,796	373	9	1,172

Bad Debt Data

Historic Year:	2012	95,865	74,398	8,817	12,650			
Historic Year:	2013	170,966	132,681	15,725	22,560			
Historic Year:	2014	188,857	146,566	17,370	24,921			
Three-year average		**151,896**	**117,882**	**13,971**	**20,044**	**-**	**-**	**-**

Ontario Energy Board

2016 Cost Allocation Model

EB-2015-0083

Sheet I8 Demand Data Worksheet - 2019 CA

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP

Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12

Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCP	NCP 12

Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
CO-INCIDENT PEAK								
1 CP								
Transformation CP	TCP1	129,162	45,388	14,271	52,212	16,738	427	125
Bulk Delivery CP	BCP1	129,162	45,388	14,271	52,212	16,738	427	125
Total Sytem CP	DCP1	129,162	45,388	14,271	52,212	16,738	427	125
4 CP								
Transformation CP	TCP4	470,914	181,737	46,174	173,717	67,388	1,389	510
Bulk Delivery CP	BCP4	470,914	181,737	46,174	173,717	67,388	1,389	510
Total Sytem CP	DCP4	470,914	181,737	46,174	173,717	67,388	1,389	510
12 CP								
Transformation CP	TCP12	1,241,431	380,637	138,034	481,769	237,654	1,799	1,539
Bulk Delivery CP	BCP12	1,241,431	380,637	138,034	481,769	237,654	1,799	1,539
Total Sytem CP	DCP12	1,241,431	380,637	138,034	481,769	237,654	1,799	1,539
NON CO_INCIDENT PEAK								
1 NCP								
Classification NCP from Load Data Provider	DNCP1	155,021	50,568	19,490	57,716	26,684	427	136
Primary NCP	PNCP1	155,021	50,568	19,490	57,716	26,684	427	136
Line Transformer NCP	LTNCP1	142,679	50,568	19,490	54,399	17,659	427	136
Secondary NCP	SNCP1	96,506	50,568	14,190	31,185		427	136
4 NCP								
Classification NCP from Load Data Provider	DNCP4	569,775	198,037	66,529	201,216	101,746	1,708	538
Primary NCP	PNCP4	569,775	198,037	66,529	201,216	101,746	1,708	538
Line Transformer NCP	LTNCP4	523,146	198,037	66,529	188,999	67,334	1,708	538
Secondary NCP	SNCP4	343,789	198,037	48,440	95,065		1,708	538
12 NCP								
Classification NCP from Load Data Provider	DNCP12	1,424,132	451,575	170,205	532,020	263,642	5,125	1,566
Primary NCP	PNCP12	1,424,132	451,575	170,205	532,020	263,642	5,125	1,566
Line Transformer NCP	LTNCP12	1,241,396	451,575	170,205	438,450	174,475	5,125	1,566
Secondary NCP	SNCP12	833,545	451,575	123,925	251,354		5,125	1,566

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Sheet O1 Revenue to Cost Summary Worksheet -

2019 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$13,155,704	$7,717,996	$1,865,916	$2,902,229	$507,341	$137,222	$24,999
mi	Miscellaneous Revenue (mi)	$590,370	$383,347	$70,959	$102,668	$19,118	$13,045	$1,232
	Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$13,746,074	$8,101,343	$1,936,876	$3,004,898	$526,460	$150,268	$26,231
	Factor required to recover deficiency (1 + D)	1.0326						
	Distribution Revenue at Status Quo Rates	$13,583,955	$7,969,236	$1,926,657	$2,996,704	$523,857	$141,689	$25,813
	Miscellaneous Revenue (mi)	$590,370	$383,347	$70,959	$102,668	$19,118	$13,045	$1,232
	Total Revenue at Status Quo Rates	$14,174,325	$8,352,583	$1,997,616	$3,099,373	$542,975	$154,735	$27,044
	Expenses							
di	Distribution Costs (di)	$3,004,730	$1,643,308	$372,493	$762,967	$167,510	$53,287	$5,165
cu	Customer Related Costs (cu)	$1,643,758	$1,241,412	$161,586	$221,064	$3,605	$13,587	$2,505
ad	General and Administration (ad)	$2,856,360	$1,755,342	$331,248	$614,799	$108,146	$42,110	$4,714
dep	Depreciation and Amortization (dep)	$2,193,526	$1,288,947	$273,241	$499,685	$97,492	$31,165	$2,997
INPUT	PILs (INPUT)	$372,747	$211,461	$46,431	$90,633	$17,005	$6,600	$617
INT	Interest	$1,715,308	$973,104	$213,668	$417,074	$78,254	$30,370	$2,839
	Total Expenses	$11,786,429	$7,113,573	$1,398,667	$2,606,222	$472,011	$177,119	$18,837
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$2,387,896	$1,354,666	$297,449	$580,613	$108,938	$42,278	$3,952
	Revenue Requirement (includes NI)	$14,174,325	$8,468,239	$1,696,117	$3,186,835	$580,949	$219,397	$22,789
	Revenue Requirement Input equals Output							
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$78,246,601	$44,604,678	$9,758,583	$18,804,958	$3,642,022	$1,309,736	$126,625
gp	General Plant - Gross	$10,533,844	$5,960,638	$1,311,465	$2,568,020	$492,230	$184,092	$17,400
accum dep	Accumulated Depreciation	($33,939,211)	($19,559,907)	($4,243,347)	($7,992,448)	($1,549,737)	($540,140)	($53,634)
co	Capital Contribution	($2,848,475)	($1,513,696)	($350,381)	($736,790)	($209,462)	($33,789)	($4,358)
	Total Net Plant	$51,992,759	$29,491,713	$6,476,321	$12,643,740	$2,375,052	$919,899	$86,034
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$86,325,895	$23,329,187	$9,959,834	$34,486,734	$18,176,578	$232,076	$141,486
	OM&A Expenses	$7,504,848	$4,640,061	$865,327	$1,598,830	$279,261	$108,984	$12,384
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	***$93,830,743***	***$27,969,249***	***$10,825,161***	***$36,085,563***	***$18,455,839***	***$341,060***	***$153,870***
	Working Capital	$12,197,997	$3,636,002	$1,407,271	$4,691,123	$2,399,259	$44,338	$20,003
	Total Rate Base	$64,190,756	$33,127,715	$7,883,592	$17,334,863	$4,774,312	$964,237	$106,037
	Rate Base Input equals Output							
	Equity Component of Rate Base	$25,676,302	$13,251,086	$3,153,437	$6,933,945	$1,909,725	$385,695	$42,415
	Net Income on Allocated Assets	$2,387,896	$1,239,010	$598,948	$493,151	$70,964	($22,384)	$8,207
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$2,387,896	$1,239,010	$598,948	$493,151	$70,964	($22,384)	$8,207

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2019 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
RATIOS ANALYSIS							
REVENUE TO EXPENSES STATUS QUO%	**100.00%**	**98.63%**	**117.78%**	**97.26%**	**93.46%**	**70.53%**	**118.67%**
EXISTING REVENUE MINUS ALLOCATED COSTS	**($428,251)**	($366,896)	$240,759	($181,937)	($54,489)	($69,129)	$3,442
	Deficiency Input equals Output						
STATUS QUO REVENUE MINUS ALLOCATED COSTS	**$0**	($115,656)	$301,499	($87,462)	($37,974)	($64,662)	$4,256
RETURN ON EQUITY COMPONENT OF RATE BASE	9.30%	9.35%	18.99%	7.11%	3.72%	-5.80%	19.35%

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Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

2019 CA

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	6	7	9
	Residential	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Customer Unit Cost per month - Avoided Cost	$5.39	$6.66	$63.04	$115.03	$0.41	$1.56
Customer Unit Cost per month - Directly Related	$7.73	$9.47	$92.39	$181.10	$0.68	$2.53
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$14.45	$15.81	$112.59	$356.72	$6.54	$7.29
Existing Approved Fixed Charge	$23.30	$28.16	$330.54	$6,076.00	$1.16	$6.56

Ontario Energy Board

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Sheet I6.1 Revenue Worksheet -

2020 CA

Total kWhs from Load Forecast	682,447,699
Total kWs from Load Forecast	1,028,072
Deficiency/sufficiency (RRWF 8. cell F51)	- 321,999
Miscellaneous Revenue (RRWF 5. cell F48)	600,697

			1	2	3	6	7	9
	ID	**Total**	**Residential**	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Billing Data								
Forecast kWh	**CEN**	682,447,699	184,359,435	75,933,648	274,516,295	144,705,330	1,832,484	1,100,508
Forecast kW	**CDEM**	1,028,072			749,414	273,572	5,086	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		377,283			284,757	92,525		
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	**CEN EWMP**	682,447,699	184,359,435	75,933,648	274,516,295	144,705,330	1,832,484	1,100,508

Existing Monthly Charge			$26.97	$28.60	$337.90	$6,275.85	$1.28	$6.73
Existing Distribution kWh Rate			$0.0000	$0.0121				$0.0133
Existing Distribution kW Rate					$2.2986	$1.2938	$13.5517	
Existing TOA Rate					$0.60	$0.60		
Additional Charges								
Distribution Revenue from Rates		$13,840,124	$8,019,476	$1,865,343	$3,198,551	$579,878	$151,822	$25,055
Transformer Ownership Allowance		$226,370	$0	$0	$170,854	$55,515	$0	$0
Net Class Revenue	**CREV**	$13,613,755	$8,019,476	$1,865,343	$3,027,697	$524,363	$151,822	$25,055

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I6.2 Customer Data Worksheet -

			1	2	3	6	7	9
	ID	Total	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Billing Data								
Bad Debt 3 Year Historical Average	BDHA	$151,896	$117,882	$13,971	$20,044	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$52,875	$38,070	$11,632	$3,172			
Number of Bills	CNB	336,408	297,348	33,096	4,368	36	12	1,548
Number of Devices	CDEV						5,397	
Number of Connections (Unmetered)	CCON	2,814					2,685	129
Total Number of Customers	CCA	28,034	24,779	2,758	364	3	1	129
Bulk Customer Base	CCB	-						
Primary Customer Base	CCP	28,248	24,779	2,758	364	3	215	129
Line Transformer Customer Base	CCLT	28,236	24,779	2,758	354	1	215	129
Secondary Customer Base	CCS	27,154	24,779	2,068	177		1	129
Weighted - Services	CWCS	31,290	24,779	5,108	1,380	-	-	23
Weighted Meter -Capital	CWMC	6,337,728	4,813,346	786,382	728,000	10,000	-	-
Weighted Meter Reading	CWMR	493,482	297,348	35,219	155,548	5,367	-	-
Weighted Bills	CWNB	378,665	297,348	33,096	46,694	373	9	1,146

Bad Debt Data

Historic Year:	2012	95,865	74,398	8,817	12,650			
Historic Year:	2013	170,966	132,681	15,725	22,560			
Historic Year:	2014	188,857	146,566	17,370	24,921			
Three-year average		**151,896**	**117,882**	**13,971**	**20,044**	**-**	**-**	**-**

Ontario Energy Board

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Sheet O1 Revenue to Cost Summary Worksheet -

2020 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$13,613,755	$8,019,476	$1,865,343	$3,027,697	$524,363	$151,822	$25,055
mi	Miscellaneous Revenue (mi)	$600,697	$390,118	$70,460	$106,009	$19,721	$13,171	$1,218
	Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$14,214,452	$8,409,594	$1,935,802	$3,133,706	$544,084	$164,993	$26,273
	Factor required to recover deficiency (1 + D)	1.0237						
	Distribution Revenue at Status Quo Rates	$13,935,754	$8,209,156	$1,909,463	$3,099,309	$536,765	$155,413	$25,647
	Miscellaneous Revenue (mi)	$600,697	$390,118	$70,460	$106,009	$19,721	$13,171	$1,218
	Total Revenue at Status Quo Rates	$14,536,451	$8,599,274	$1,979,922	$3,205,319	$556,486	$168,584	$26,866
	Expenses							
di	Distribution Costs (di)	$3,057,884	$1,673,914	$367,190	$785,040	$172,483	$54,111	$5,146
cu	Customer Related Costs (cu)	$1,671,701	$1,263,282	$161,186	$227,323	$3,638	$13,794	$2,476
ad	General and Administration (ad)	$2,904,300	$1,784,500	$327,264	$633,149	$112,062	$42,645	$4,680
dep	Depreciation and Amortization (dep)	$2,240,240	$1,315,099	$270,423	$518,109	$102,409	$31,231	$2,969
INPUT	PILs (INPUT)	$418,657	$235,529	$50,400	$104,335	$20,440	$7,278	$674
INT	Interest	$1,780,665	$1,001,770	$214,366	$443,765	$86,938	$30,957	$2,868
	Total Expenses	$12,073,447	$7,274,093	$1,390,831	$2,711,720	$497,970	$180,018	$18,814
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$2,463,004	$1,385,642	$296,510	$613,813	$120,253	$42,820	$3,967
	Revenue Requirement (includes NI)	$14,536,451	$8,659,735	$1,687,341	$3,325,533	$618,223	$222,837	$22,782
	Revenue Requirement Input equals Output							
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$82,116,876	$46,639,272	$9,913,346	$20,105,929	$3,975,773	$1,353,406	$129,150
gp	General Plant - Gross	$10,939,344	$6,142,052	$1,316,518	$2,731,493	$543,671	$188,012	$17,597
accum dep	Accumulated Depreciation	($36,156,094)	($20,858,712)	($4,382,885)	($8,620,322)	($1,670,287)	($568,472)	($55,416)
co	Capital Contribution	($2,848,475)	($1,517,103)	($340,045)	($745,444)	($207,834)	($33,780)	($4,270)
	Total Net Plant	$54,051,651	$30,405,510	$6,506,934	$13,471,656	$2,641,323	$939,166	$87,061
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$85,890,194	$23,214,914	$9,555,801	$34,540,946	$18,207,445	$232,524	$138,564
	OM&A Expenses	$7,633,885	$4,721,696	$855,641	$1,645,512	$288,183	$110,551	$12,302
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	*$93,524,079*	*$27,936,610*	*$10,411,442*	*$36,186,457*	*$18,495,628*	*$343,075*	*$150,867*
	Working Capital	$12,158,130	$3,631,759	$1,353,487	$4,704,239	$2,404,432	$44,600	$19,613
	Total Rate Base	$66,209,781	$34,037,269	$7,860,422	$18,175,896	$5,045,755	$983,766	$106,674
	Rate Base Input equals Output							
	Equity Component of Rate Base	$26,483,913	$13,614,908	$3,144,169	$7,270,358	$2,018,302	$393,506	$42,670
	Net Income on Allocated Assets	$2,463,004	$1,325,181	$589,092	$493,598	$58,516	($11,434)	$8,051
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$2,463,004	$1,325,181	$589,092	$493,598	$58,516	($11,434)	$8,051

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O1 Revenue to Cost Summary Worksheet -

2020 CA

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
RATIOS ANALYSIS							
REVENUE TO EXPENSES STATUS QUO%	**100.00%**	**99.30%**	**117.34%**	**96.39%**	**90.01%**	**75.65%**	**117.93%**
EXISTING REVENUE MINUS ALLOCATED COSTS	**($321,999)**	($250,141)	$248,462	($191,827)	($74,139)	($57,844)	$3,491
	Deficiency Input equals Output						
STATUS QUO REVENUE MINUS ALLOCATED COSTS	**$0**	($60,461)	$292,581	($120,214)	($61,737)	($54,253)	$4,084
RETURN ON EQUITY COMPONENT OF RATE BASE	9.30%	9.73%	18.74%	6.79%	2.90%	-2.91%	18.87%

Ontario Energy Board

2016 Cost Allocation Model

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Sheet I8 Demand Data Worksheet -

2020 CA

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP

Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12

Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCP	NCP 12

Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	6 Large Use >5MW	7 Street Light	9 Unmetered Scattered Load
CO-INCIDENT PEAK								
1 CP								
Transformation CP	TCP1	128,473	45,167	13,693	52,296	16,767	428	123
Bulk Delivery CP	BCP1	128,473	45,167	13,693	52,296	16,767	428	123
Total Sytem CP	DCP1	128,473	45,167	13,693	52,296	16,767	428	123
4 CP								
Transformation CP	TCP4	468,542	180,850	44,302	173,995	67,504	1,392	499
Bulk Delivery CP	BCP4	468,542	180,850	44,302	173,995	67,504	1,392	499
Total Sytem CP	DCP4	468,542	180,850	44,302	173,995	67,504	1,392	499
12 CP								
Transformation CP	TCP12	1,235,131	378,779	132,437	482,540	238,064	1,803	1,508
Bulk Delivery CP	BCP12	1,235,131	378,779	132,437	482,540	238,064	1,803	1,508
Total Sytem CP	DCP12	1,235,131	378,779	132,437	482,540	238,064	1,803	1,508
NON CO_INCIDENT PEAK								
1 NCP								
Classification NCP from Load Data Provider	DNCP1	154,121	50,321	18,700	57,809	26,730	428	133
Primary NCP	PNCP1	154,121	50,321	18,700	57,809	26,730	428	133
Line Transformer NCP	LTNCP1	140,642	50,321	18,700	54,486	16,573	428	133
Secondary NCP	SNCP1	95,732	50,321	13,615	31,235		428	133
4 NCP								
Classification NCP from Load Data Provider	DNCP4	566,601	197,071	63,832	201,538	101,921	1,712	527
Primary NCP	PNCP4	566,601	197,071	63,832	201,538	101,921	1,712	527
Line Transformer NCP	LTNCP4	515,637	197,071	63,832	189,301	63,194	1,712	527
Secondary NCP	SNCP4	341,003	197,071	46,476	95,217		1,712	527
12 NCP								
Classification NCP from Load Data Provider	DNCP12	1,416,313	449,371	163,304	532,871	264,097	5,135	1,534
Primary NCP	PNCP12	1,416,313	449,371	163,304	532,871	264,097	5,135	1,534
Line Transformer NCP	LTNCP12	1,222,244	449,371	163,304	439,152	163,747	5,135	1,534
Secondary NCP	SNCP12	826,697	449,371	118,900	251,756		5,135	1,534

Ontario Energy Board

2016 Cost Allocation Model

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Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

2020 CA

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	6	7	9
	Residential	**GS <50**	**GS>50-Regular**	**Large Use >5MW**	**Street Light**	**Unmetered Scattered Load**
Customer Unit Cost per month - Avoided Cost	$5.46	$6.73	$63.73	$116.06	$0.42	$1.58
Customer Unit Cost per month - Directly Related	$7.80	$9.54	$93.18	$182.77	$0.69	$2.56
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$14.57	$15.97	$113.58	$370.94	$6.61	$7.35
Existing Approved Fixed Charge	$26.97	$28.60	$337.90	$6,275.85	$1.28	$6.73

EXHIBIT 7 – COST ALLOCATION

Response to Ontario Energy Board Staff Interrogatory 7-Staff-85

Ref: Exhibit 7, Tab 1, Schedule 1, pp. 2-3 – Weighting Factors

Interrogatory:

Kingston Hydro provided the following weighting factors, which remain constant over the custom IR period.

	1	2	3	6	7	9
	Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
Insert Weighting Factor for Services Account 1855	1.0	2.5	7.8	11.5	0.0	0.2
Insert Weighting Factor for Billing and Collecting	1.0	1.0	10.7	10.4	0.7	0.7

Kingston Hydro notes that these factors were developed based on Kingston Hydro's evaluation of the costs of providing services to customer classes.

a) Please provide specific details as to how these weighting factors were developed.

Response:

a) Kingston Hydro developed the weighting factors for Services Account 1855 and for Billing and Collecting using the weighting factor calculation examples provided in OEB version 3.2 Cost Allocation Model, tab 'Instructions'.

For Services Account 1855, the cost of the service drop (the amount that would be recorded in 1855) to an average customer in each class, (taking into account

Conditions of Service) was calculated for each customer class using current cost data. The Residential average service drop cost was then established as a 1.0 weighting factor and other class weighting factors were calculated using their class average cost of a service drop relative to the Residential class cost. Detail of the Street Lighting class zero weighting factor is provided in 7-VECC-36 interrogatory response.

For the Billing and Collecting, the 2014 actual cost of providing these services and the 2016 forecast customer counts were used in establishing the factors. 2014 actual cost by vendor was detailed and then each vendor cost was evaluated based on Kingston Hydro's knowledge of customer class cost causality and a weighting for each class determined. Then 2016 forecast class customer counts were applied to the weightings to allocate each vendor cost across the classes. Total costs allocated to each customer class were tallied. Residential total allocated cost was established as a 1.0 weighting factor and other classes final weighting factors were calculated using their class total cost relative to the Residential class cost.

EXHIBIT 7 – COST ALLOCATION

Response to Ontario Energy Board Staff Interrogatory 7-Staff-86

Ref: Exhibit 7, Tab 3, Schedule 2 – Appendix 2-P (C)

Interrogatory:

Kingston Hydro has proposed the following revenue to cost ratios from 2016 – 2020, as shown below:

2016 - 2020

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.66	97.81	98.36	99.37	100.40	85 - 115
GS < 50 kW	120.00	118.63	116.90	115.30	114.37	80 - 120
GS 50 to 4,999 kW	97.74	97.82	97.48	96.42	95.12	80 - 120
Large User	98.42	100.00	98.78	94.30	89.68	85 - 115
Street Lighting	54.00	58.00	62.00	66.00	70.00	70 - 120
Unmetered Scattered Load (USL)	120.00	118.45	117.32	116.30	115.97	80 - 120
Standby Approved on an Interim Basis						0
						0
0						

a) Please explain why Kingston Hydro is moving away from parity for the Large use and the GS>50 customer classes after 2017, rather than lowering the revenue to cost ratio for the GS<50 customer class.

b) In a letter, issued June 12, 2015, the OEB determined that the revenue to cost ratio policy range for street lighting should be narrowed from the current 70%-120% to 80%-120%. The OEB further noted that this change in policy is effective immediately. Please update Kingston Hydro's revenue to cost ratios to comply with this policy or in the alternative, please explain why Kingston Hydro chooses not to apply the policy.

Response:

a) Per the OEB's cost allocation policy, the revenue-to-cost ratio target range for GS < 50, GS 50 to 4,999 kW and Large User is 80%-120%, 80%-120%, and 85%-115% respectively. Kingston Hydro's understanding of the OEB's cost allocation policy is that where a class is within its target range, status quo rate increases are preferred and that the distributor is not supposed to manage cost allocation within the target range. Since for 2018-2020 the GS 50 to 4,999kW and Large User classes were within their respective target ranges, Kingston Hydro proposed status quo rate increases for these classes.

b) Kingston Hydro filed its 2016 Custom IR application June 1, 2015 based upon the cost allocation policy in effect at that time. It was subsequent to this filing that the OEB issued an update to cost allocation policy for the Street Lighting class. In Kingston Hydro's 2016 Custom IR application the Street Lighting revenue-to-cost ratio was below the bottom of the target range of 70% and Kingston Hydro proposed a phase-in of the movement to the bottom of the range so that by 2020, the Street Lighting class proposed revenue-to-cost ratio was 70%.

Kingston Hydro has populated the updated the Cost Allocation (CA) model version 3.3 issued July 16, 2015 and has filed the live Excel version for each year 2016-2020. CA model version 3.3 takes into account the street lighting adjustment factor addressed in the OEB's letter issued June 12, 2015. Interrogatory response to 7-Staff-84 provides updated Input sheets I-6, I-8, Output O-1 and O-2 from the updated CA model version 3.3.

Kingston Hydro's proposed revenue to cost ratio phase-in to the bottom of the target range by 2020 has been updated to reflect the new policy range lower bound. More specifically, the Street Lighting class proposed revenue to cost ratio for 2020 is 80% rather than the 70% proposed in the initial application.

EXHIBIT 7 – COST ALLOCATION

Response to Energy Probe Interrogatory 7-Energy Probe-40

Ref: Exhibit 7, Tab 1, Schedule 1, Attachment 1

Interrogatory:

Please provide a revised Table 7 from Attachment 1 that shows the status quo revenue to cost ratios for all rate classes for each year shown, if the hourly load profiles prepared by Hydro One for the 2006 CAIF were used for all classes, including the Large Use class.

Response:

A revised Table 7 that shows the status quo revenue to cost ratios for all rate classes for each year shown (updated to OEB CA model 3.3 and for the new street lighting CA policy), using the hourly load profiles prepared by Hydro One for the 2006 CAIF for all classes is shown below:

Table 7: Revenue to Cost Ratios

Customer Class	Kingston-2011	Kingston-2016 Status Quo Rates	Kingston-2017 Status Quo Rates	Board Target Range
Residential	91.07	96.76	97.43	85-115
GS < 50 kW	129.90	122.96	119.40	80-120
GS > 50 Regular	108.13	97.23	97.73	80-120
Large Use	85.00	99.11	100.94	85-115
Street Light	104.84	55.25	59.67	70-120
USL	121.18	184.38	119.42	80-120
Total	100.00	100.00	100.00	

Customer Class	Kingston-2018 Status Quo Rates	Kingston-2019 Status Quo Rates	Kingston-2020 Status Quo Rates	Board Target Range
Residential	97.96	98.91	100.06	85-115
GS < 50 kW	117.78	116.14	114.44	80-120
GS > 50 Regular	97.33	96.38	95.10	80-120
Large Use	99.69	95.27	90.62	85-115
Street Light	64.65	70.18	75.83	70-120
USL	118.45	118.22	116.79	80-120
Total	100.00	100.00	100.00	

EXHIBIT 7 – COST ALLOCATION

Response to Energy Probe Interrogatory 7-Energy Probe-41

Ref: Exhibit 7, Tab 1, Schedule 1, Attachment 1

Interrogatory:

a) Has the cost allocation model been prepared based on the new cost allocation policy for the street lighting rate class that was issued by the Board on June 12, 2015? If not, please update the response to the previous interrogatory to also reflect the new cost allocation policy for the street lighting rate class.

b) Based on the response to part (a) above, please provide a revised Appendix 2-P summary table that shows by year the status quo and proposed revenue to cost ratios for all rate classes.

Response:

a) The OEB issued its update to cost allocation policy for the Street Lighting class after Kingston Hydro filed its 2016 Custom IR application on June 1, 2015. The cost allocation model filed as part of Kingston Hydro's 2016 Custom IR application was prepared based on the cost allocation policy in effect at that time and not the new cost allocation policy issued by the Board on June 12, 2015.

The response to interrogatory 7-Energy Probe-40 reflects the new cost allocation policy for street lighting policy with the revenue to cost ratio phase-in proposed in the application and also reflects the original load forecast filed in the application.

b) The following revised Appendix 2-P summary tables show by year the status quo and proposed revenue to cost ratios for all rate classes using load profiles prepared by Hydro One for the 2006 CAIF, including Large Use class:

Class	Status Quo Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	96.76	97.43	97.96	98.91	100.06	85 - 115
GS < 50 kW	122.96	119.40	117.78	116.14	114.44	80 - 120
GS 50 to 4,999 kW	97.23	97.73	97.33	96.38	95.10	80 - 120
Large User	99.11	100.94	99.69	95.27	90.62	85 - 115
Street Lighting	55.25	59.67	64.65	70.18	75.83	80 - 120
Unmetered Scattered Load (USL)	184.38	119.42	118.45	118.22	116.79	80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.30	97.43	97.96	98.91	100.06	85 - 115
GS < 50 kW	120.00	118.80	117.21	115.56	113.94	80 - 120
GS 50 to 4,999 kW	97.75	97.73	97.33	96.38	95.10	80 - 120
Large User	99.11	100.94	99.69	95.27	90.62	85 - 115
Street Lighting	60.21	64.62	69.69	75.13	80.00	80 - 120
Unmetered Scattered Load (USL)	120.00	118.80	117.84	116.83	114.50	80 - 120
Standby Approved on an Interim Basis						0
						0
0						

EXHIBIT 7 – COST ALLOCATION

Response to Energy Probe Interrogatory 7-Energy Probe-42

Ref: Exhibit 7, Tab 3, Schedule 2, Table 1 & Attachment 5

Interrogatory:

Please explain why Kingston is proposing to change the revenue to cost ratios for those ratios where the status quo figures are already within the Board approved ranges.

Response:

For 2016, the adjustment down of GS<50 kW and Unmetered Scattered Load revenue to cost ratios (R/C) to the upper bound of their Board approved target ranges, and the first year of proposed phase-in of Street Lighting to the lower bound result in 2016 status quo figures within the Board approved ranges for other classes being adjusted so as to reconcile to the overall 2016 revenue requirement.

For 2017-2020, Kingston's proposed R/C ratios for those where status quo figures are already within the Board approved ranges are essentially the status quo figures except for adjustments as required to reconcile with the overall revenue requirements for each of these years due to the proposed phase-in of the Street Lighting R/C ratio to the lower bound by 2020.

EXHIBIT 7 – COST ALLOCATION

Response to Vulnerable Energy Consumers Coalition Interrogatory 7-VECC-36

Reference: E7/T1/S1, pg. 1-3

Interrogatory:

a) Please explain the basis for the zero weighting factor for the Street Light class in regard to Services. Does the City perform all the work and provide all the materials for Services at the time of installation?

b) Who maintains the Service connection for the Street Light class and, if it is Kingston Hydro, how are the costs recorded and recovered?

Response:

a) The basis for the zero weighting factor for the Street Lighting class in regard to Services is that the customer is responsible for paying for the service drop and all maintenance and replacement associated with it going forward.

b) Utilities Kingston co-ordinates the maintenance of the Service connection.

EXHIBIT 7 – COST ALLOCATION

Response to Vulnerable Energy Consumers Coalition Interrogatory 7-VECC-37

Reference: E7/T1/S1, Attachment 1, pg. 5-7
Kingston Hydro's Cost Allocation models

Interrogatory:

a) What is the impact on the resulting revenue to cost ratios of using the updated load profiles for the Large Use class as opposed to the hourly profile prepared for the 2006 CAIF?

b) Please explain why the revenues at current rates shown in the Cost Allocation models (Tabs I6.1 and O1) don't match the revenues at current rates as shown in E3/T2/S1, Attachment 1. For example, for 2016, the cost allocation model shows $11,365,359 while Exhibit 3 shows $11,840,603.

Response:

a) The resulting status quo revenue to cost ratios using the hourly profile prepared the 2006 CAIF including Large Use is provided in response to 7-Energy Probe-41 interrogatory. The status quo revenue to cost ratios for Large Use using the 2006 CAIF are year over year about one percent higher in comparison to the Large Use status quo revenue to cost ratios in the application that make use of the updated load profiles for Large Use.

b) 2016 Cost Allocation Model, Sheet I6.2 Customer Data, the number of customers for the GS 50 to 4,999 kW should be 337.

E3/T2/S1, Attachment 1 revenue at current rates, the transformer discount allowance rate should be a credit ($0.60) throughout the tables.

Making the above two changes reconciles for example 2016 in the Cost Allocation Model (Tabs I6.1 and O1) to Exhibit 3; revenues at current rates will then both show $11,385,527.

EXHIBIT 7 – COST ALLOCATION

Response to Vulnerable Energy Consumers Coalition Interrogatory 7-VECC-38

Reference: E7/T1/S1, Attachment 1, pg. 8-9
Kingston Hydro's Cost Allocation models

Interrogatory:

a) Sheet I8 of the Cost Allocation model has no NCP values for the Large Use class for either Line Transformers (LTNCP) or Secondary (SNCP). However, Sheet I6.1 and Exhibit 8, Tab 1, Schedule 1 (pages 8-10) both report that only slightly more than 1/3 of the Large Use load is eligible for the Transformer Ownership Allowance suggesting the majority of the load uses Kingston Hydro-owned transformers. Please reconcile.

Response:

a) Kingston Hydro has one Large Use customer eligible for the Transformer Ownership Allowance. Sheet I8 of the OEB version 3.3 Cost Allocation Model being filed as part of response to 7-Staff-84 interrogatory has been updated to reflect this.

EXHIBIT 7 – COST ALLOCATION

Response to Vulnerable Energy Consumers Coalition 7-VECC-39

Reference: E7/T3/S2 and Appendix 2-P
OEB – New Cost Allocation Policy for Street Lighting – Cost Allocation Model Update, July 2015

Interrogatory:

a) Please provide updated cost allocation model runs for 2016-2020 using the Board's July 2015 Cost Allocation model.

b) Based on the results of part (a), please provide an updated version of Appendix 2-P for 2016-2020.

Response:

a) Please see 7-Staff-84 interrogatory response.

b) An updated version of Appendix 2-P for 2016-2020 reflecting updated cost allocation model runs for 2016-2020 per 7-Staff-84 is provided in the following Attachment 1 and an updated Excel version of Appendix 2-P has been filed.

Response to Vulnerable Energy Consumers Coalition

Interrogatory 7-VECC-39

Attachment 1

Appendix 2-P
Cost Allocation - 2016

Please complete the following four tables.

A) Allocated Costs

2016 Row 40 CA

Classes	Costs Allocated from Previous Study	%	Costs Allocated in Test Year Study (Column 7A)	%
Residential	$ 7,166,577	60.86%	$ 7,662,892	59.72%
GS < 50 kW	$ 1,700,371	14.44%	$ 1,638,046	12.77%
GS 50 to 4,999 kW	$ 2,282,143	19.38%	$ 2,789,657	21.74%
Large Use	$ 465,454	3.95%	$ 520,754	4.06%
Street Lighting	$ 111,797	0.95%	$ 197,356	1.54%
Unmetered Scattered Load (USL)	$ 49,290	0.42%	$ 21,964	0.17%
Standby Approved on an Interim Basis	$ -	0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total	$ 11,775,632	100.00%	$ 12,830,668	100.00%

Notes

1 Customer Classification - If proposed rate classes differ from those in place in the previous Cost Allocation study, modify the rate classes to match the current application as closely as possible.

2 Host Distributors - Provide information on embedded distributor(s) as a separate class, if applicable. If embedded distributor(s) are billed as customers in a General Service class, include the allocated cost and revenue of the embedded distributor(s) in the applicable class. Also complete Appendix 2-Q.

3 Class Revenue Requirements - If using the Board-issued model, in column 7A enter the results from Worksheet O-1, Revenue Requirement (row 40 in the 2013 model). This excludes costs in deferral and variance accounts. Note to Embedded Distributor(s), it also does not include Account 4750 - Low Voltage (LV) Costs.

B) Calculated Class Revenues

2016 Row 18 CA Row 23 CA RateMaker Col K Row 19 CA

Classes (same as previous table)	Column 7B Load Forecast (LF) X current	Column 7C L.F. X current approved rates X	Column 7D LF X proposed rates	Column 7E Miscellaneous Revenue
Residential	$ 6,536,804	$ 7,052,138	$ 7,120,429	$ 373,907
GS < 50 kW	$ 1,834,449	$ 1,979,070	$ 1,892,223	$ 73,432
GS 50 to 4,999 kW	$ 2,439,094	$ 2,631,381	$ 2,631,388	$ 96,897
Large Use	$ 422,418	$ 455,720	$ 478,625	$ 18,564
Street Lighting	$ 89,061	$ 96,082	$ 105,950	$ 12,897
Unmetered Scattered Load (USL)	$ 36,408	$ 39,279	$ 25,056	$ 1,301
Standby Approved on an Interim Basis				
0				
Total	$ 11,358,235	$ 12,253,670	$ 12,253,671	$ 576,998
	existing	(1 + d)		

Notes:

1 Columns 7B to 7D - LF means Load Forecast of Annual Billing Quantities (i.e. customers or connections X 12, (kWh or kW, as applicable). Revenue Quantities should be net of Transfomrer Ownership Allowance. Exclude revenue from rate adders and rate

2 Columns 7C and 7D - Column total in each column should equal the Base Revenue Requirement

3 Columns 7C - The Board cost allocation model calculates "1+d" in worksheet O-1, cell C21. "d" is defined as Revenue Deficiency/ Revenue at Current Rates.

4 Columns 7E - If using the Board-issued Cost Allocation model, enter Miscellaneous Revenue as it appears in Worksheet O-1, row 19.

C) Rebalancing Revenue-to-Cost (R/C) Ratios

2016

Class	Previously Approved Ratios Most Recent Year: 2011	Status Quo Ratios (7C + 7E) / (7A)	Proposed Ratios (7D + 7E) / (7A)	Policy Range
	%	%	%	%
Residential	93.28	96.91	97.80	85 - 115
GS < 50 kW	120.00	125.30	120.00	80 - 120
GS 50 to 4,999 kW	107.00	97.80	97.80	80 - 120
Large Use	93.00	91.08	95.47	85 - 115
Street Lighting	104.00	55.22	60.22	80 - 120
Unmetered Scattered Load (USL)	120.00	184.76	120.00	80 - 120

Standby Approved on an Interim Basis	0.00			
0				

Notes

1 Previously Approved Revenue-to-Cost Ratios - For most applicants, Most Recent Year would be the third year of the IRM 3 period, e.g. if the applicant rebased in 2009 with further adjustments over 2 years, the Most recent year is 2011. For applicants whose most recent rebasing year is 2006, the applicant should enter the ratios from their Informational Filing.

2 Status Quo Ratios - The Board's updated Cost Allocation Model yields the Status Quo Ratios in Worksheet O-1. Status Quo means "Before Rebalancing".

D) Proposed Revenue-to-Cost Ratios
2016

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.80					85 - 115
GS < 50 kW	120.00					80 - 120
GS 50 to 4,999 kW	97.80					80 - 120
Large Use	95.47					85 - 115
Street Lighting	60.22					80 - 120
Unmetered Scattered Load (USL)	120.00					80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Note
1 The applicant should complete Table D if it is applying for approval of a revenue to cost ratio in 2014 that is outside the Board's policy range for any customer class. Table (d) will show the information that the distributor would likely enter in the IRM model) in 2014. In 2015 Table (d), enter the planned ratios for the classes that will be 'Change' and 'No Change' in 2014 (in the current Revenue Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision – Cost Revenue Adjustment', column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Appendix 2-P
Cost Allocation - 2017

Please complete the following four tables.

A) Allocated Costs

2017			Row 40 CA	
Classes	**Costs Allocated from Previous Study**	**%**	**Costs Allocated in Test Year Study (Column 7A)**	%
Residential	$ 7,166,577	60.86%	$ 7,958,385	59.89%
GS < 50 kW	$ 1,700,371	14.44%	$ 1,669,149	12.56%
GS 50 to 4,999 kW	$ 2,282,143	19.38%	$ 2,913,387	21.93%
Large User	$ 465,454	3.95%	$ 517,806	3.90%
Street Lighting	$ 111,797	0.95%	$ 206,838	1.56%
Unmetered Scattered Load (USL)	$ 49,290	0.42%	$ 22,388	0.17%
Standby Approved on an Interim Basis		0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total	$ 11,775,632	100.00%	$ 13,287,953	100.00%

Notes

1 Customer Classification - If proposed rate classes differ from those in place in the previous Cost Allocation study, modify the rate classes to match the current application as closely as possible.

2 Host Distributors - Provide information on embedded distributor(s) as a separate class, if applicable. If embedded distributor(s) are billed as customers in a General Service class, include the allocated cost and revenue of the embedded distributor(s) in the applicable class. Also complete Appendix 2-Q.

3 Class Revenue Requirements - If using the Board-issued model, in column 7A enter the results from Worksheet O-1, Revenue Requirement (row 40 in the 2013 model). This excludes costs in deferral and variance accounts. Note to Embedded Distributor(s), it also does not include Account 4750 - Low Voltage (LV) Costs.

B) Calculated Class Revenues

2017	Row 18 CA	Row 23 CA	RateMaker Col K	Row 19 CA
Classes (same as previous table)	**Column 7B Load Forecast (LF) X current**	**Column 7C L.F. X current approved rates X**	**Column 7D LF X proposed rates**	**Column 7E Miscellaneous Revenue**
Residential	$ 7,143,890	$ 7,400,490	$ 7,400,708	$ 378,613
GS < 50 kW	$ 1,858,443	$ 1,925,196	$ 1,913,489	$ 73,141
GS 50 to 4,999 kW	$ 2,656,821	$ 2,752,251	$ 2,752,228	$ 99,396
Large User	$ 473,734	$ 490,750	$ 490,788	$ 18,499
Street Lighting	$ 106,176	$ 109,989	$ 121,463	$ 12,990
Unmetered Scattered Load (USL)	$ 24,476	$ 25,356	$ 25,355	$ 1,282
Standby Approved on an Interim Basis				
0				
Total	$ 12,263,540	$ 12,704,032	$ 12,704,031	$ 583,921
	existing	1 + d		

Notes:

1 Columns 7B to 7D - LF means Load Forecast of Annual Billing Quantities (i.e. customers or connections X 12, (kWh or kW, as applicable). Revenue Quantities should be net of Transfomrer Ownership Allowance. Exclude revenue from rate adders and rate

2 Columns 7C and 7D - Column total in each column should equal the Base Revenue Requirement

3 Columns 7C - The Board cost allocation model calculates "1+d" in worksheet O-1, cell C21. "d" is defined as Revenue Deficiency/ Revenue at Current Rates.

4 Columns 7E - If using the Board-issued Cost Allocation model, enter Miscellaneous Revenue as it appears in Worksheet O-1, row 19.

C) Rebalancing Revenue-to-Cost (R/C) Ratios

2017

Class	**Previously Approved Ratios** **Most Recent Year: 2011**	**Status Quo Ratios** **(7C + 7E) / (7A)**	**Proposed Ratios** **(7D + 7E) / (7A)**	**Policy Range**
	%	**%**	**%**	**%**
Residential	93%	97.75	97.75	85 - 115
GS < 50 kW	120%	119.72	119.02	80 - 120
GS 50 to 4,999 kW	107%	97.88	97.88	80 - 120
Large User	93%	98.35	98.35	85 - 115
Street Lighting	104%	59.46	65.00	80 - 120
Unmetered Scattered Load (USL)	120%	118.98	118.98	80 - 120

Standby Approved on an Interim Basis	0%			
0				

Notes

1 Previously Approved Revenue-to-Cost Ratios - For most applicants, Most Recent Year would be the third year of the IRM 3 period, e.g. if the applicant rebased in 2009 with further adjustments over 2 years, the Most recent year is 2011. For applicants whose most recent rebasing year is 2006, the applicant should enter the ratios from their Informational Filing.

2 Status Quo Ratios - The Board's updated Cost Allocation Model yields the Status Quo Ratios in Worksheet O-1. Status Quo means "Before Rebalancing".

D) Proposed Revenue-to-Cost Ratios
2017

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.80	97.75				85 - 115
GS < 50 kW	120.00	119.02				80 - 120
GS 50 to 4,999 kW	97.80	97.88				80 - 120
Large User	95.47	98.35				85 - 115
Street Lighting	60.22	65.00				80 - 120
Unmetered Scattered Load (USL)	120.00	118.98				80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Note
1 The applicant should complete Table D if it is applying for approval of a revenue to cost ratio in 2014 that is outside the Board's policy range for any customer class. Table (d) will show the information that the distributor would likely enter in the IRM model) in 2014. In 2015 Table (d), enter the planned ratios for the classes that will be 'Change' and 'No Change' in 2014 (in the current Revenue Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision – Cost Revenue Adjustment', column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Appendix 2-P
Cost Allocation - 2018

Please complete the following four tables.

A) Allocated Costs

2018 Row 40 CA

Classes	Costs Allocated from Previous Study	%	Costs Allocated in Test Year Study (Column 7A)	%
Residential	$ 7,166,577	60.86%	$ 8,218,915	59.90%
GS < 50 kW	$ 1,700,371	14.44%	$ 1,689,526	12.31%
GS 50 to 4,999 kW	$ 2,282,143	19.38%	$ 3,038,212	22.14%
Large User	$ 465,454	3.95%	$ 538,714	3.93%
Street Lighting	$ 111,797	0.95%	$ 213,698	1.56%
Unmetered Scattered Load (USL)	$ 49,290	0.42%	$ 22,637	0.16%
Standby Approved on an Interim Basis	$ -	0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total	$ 11,775,632	100.00%	$ 13,721,703	100.00%

Notes

1 Customer Classification - If proposed rate classes differ from those in place in the previous Cost Allocation study, modify the rate classes to match the current application as closely as possible.

2 Host Distributors - Provide information on embedded distributor(s) as a separate class, if applicable. If embedded distributor(s) are billed as customers in a General Service class, include the allocated cost and revenue of the embedded distributor(s) in the applicable class. Also complete Appendix 2-Q.

3 Class Revenue Requirements - If using the Board-issued model, in column 7A enter the results from Worksheet O-1, Revenue Requirement (row 40 in the 2013 model). This excludes costs in deferral and variance accounts. Note to Embedded Distributor(s), it also does not include Account 4750 - Low Voltage (LV) Costs.

B) Calculated Class Revenues

2018 Row 18 CA Row 23 CA RateMaker Col K Row 19 CA

Classes (same as previous table)	Column 7B Load Forecast (LF) X current	Column 7C L.F. X current approved rates X	Column 7D LF X proposed rates	Column 7E Miscellaneous Revenue
Residential	$ 7,427,565	$ 7,677,677	$ 7,677,829	$ 376,708
GS < 50 kW	$ 1,868,229	$ 1,931,139	$ 1,920,151	$ 71,431
GS 50 to 4,999 kW	$ 2,780,278	$ 2,873,900	$ 2,873,997	$ 99,502
Large User	$ 490,672	$ 507,195	$ 507,197	$ 18,472
Street Lighting	$ 121,720	$ 125,819	$ 136,669	$ 12,920
Unmetered Scattered Load (USL)	$ 24,858	$ 25,695	$ 25,580	$ 1,246
Standby Approved on an Interim Basis				
0				
Total	$ 12,713,323	$ 13,141,425	$ 13,141,422	$ 580,278

Notes:

1 Columns 7B to 7D - LF means Load Forecast of Annual Billing Quantities (i.e. customers or connections X 12, (kWh or kW, as applicable). Revenue Quantities should be net of Transfomrer Ownership Allowance. Exclude revenue from rate adders and rate

2 Columns 7C and 7D - Column total in each column should equal the Base Revenue Requirement

3 Columns 7C - The Board cost allocation model calculates "1+d" in worksheet O-1, cell C21. "d" is defined as Revenue Deficiency/ Revenue at Current Rates.

4 Columns 7E - If using the Board-issued Cost Allocation model, enter Miscellaneous Revenue as it appears in Worksheet O-1, row 19.

C) Rebalancing Revenue-to-Cost (R/C) Ratios

2018

Class	Previously Approved Ratios Most Recent Year: 2011	Status Quo Ratios (7C + 7E) / (7A)	Proposed Ratios (7D + 7E) / (7A)	Policy Range
	%	%	%	%
Residential	93%	98.00	98.00	85 - 115
GS < 50 kW	120%	118.53	117.88	80 - 120
GS 50 to 4,999 kW	107%	97.87	97.87	80 - 120
Large User	93%	97.58	97.58	85 - 115
Street Lighting	104%	64.92	70.00	80 - 120
Unmetered Scattered Load (USL)	120%	119.01	118.50	80 - 120

Standby Approved on an Interim Basis	0%			
0				

Notes

1 Previously Approved Revenue-to-Cost Ratios - For most applicants, Most Recent Year would be the third year of the IRM 3 period, e.g. if the applicant rebased in 2009 with further adjustments over 2 years, the Most recent year is 2011. For applicants whose most recent rebasing year is 2006, the applicant should enter the ratios from their Informational Filing.

2 Status Quo Ratios - The Board's updated Cost Allocation Model yields the Status Quo Ratios in Worksheet O-1. Status Quo means "Before Rebalancing".

D) Proposed Revenue-to-Cost Ratios
2018

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.80	97.75	98.00			85 - 115
GS < 50 kW	120.00	119.02	117.88			80 - 120
GS 50 to 4,999 kW	97.80	97.88	97.87			80 - 120
Large User	95.47	98.35	97.58			85 - 115
Street Lighting	60.22	65.00	70.00			80 - 120
Unmetered Scattered Load (USL)	120.00	118.98	118.50			80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Note
1 The applicant should complete Table D if it is applying for approval of a revenue to cost ratio in 2014 that is outside the Board's policy range for any customer class. Table (d) will show the information that the distributor would likely enter in the IRM model) in 2014. In 2015 Table (d), enter the planned ratios for the classes that will be 'Change' and 'No Change' in 2014 (in the current Revenue Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision – Cost Revenue Adjustment', column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Appendix 2-P
Cost Allocation - 2019

Please complete the following four tables.

A) Allocated Costs

2019			Row 40 CA	
Classes	**Costs Allocated from Previous Study**	**%**	**Costs Allocated in Test Year Study (Column 7A)**	%
Residential	$ 7,166,577	60.86%	$ 8,468,239	59.74%
GS < 50 kW	$ 1,700,371	14.44%	$ 1,696,117	11.97%
GS 50 to 4,999 kW	$ 2,282,143	19.38%	$ 3,186,835	22.48%
Large User	$ 465,454	3.95%	$ 580,949	4.10%
Street Lighting	$ 111,797	0.95%	$ 219,397	1.55%
Unmetered Scattered Load (USL)	$ 49,290	0.42%	$ 22,789	0.16%
Standby Approved on an Interim Basis	$ -	0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total	$ 11,775,632	100.00%	$ 14,174,325	100.00%

Notes

1 Customer Classification - If proposed rate classes differ from those in place in the previous Cost Allocation study, modify the rate classes to match the current application as closely as possible.

2 Host Distributors - Provide information on embedded distributor(s) as a separate class, if applicable. If embedded distributor(s) are billed as customers in a General Service class, include the allocated cost and revenue of the embedded distributor(s) in the applicable class. Also complete Appendix 2-Q.

3 Class Revenue Requirements - If using the Board-issued model, in column 7A enter the results from Worksheet O-1, Revenue Requirement (row 40 in the 2013 model). This excludes costs in deferral and variance accounts. Note to Embedded Distributor(s), it also does not include Account 4750 - Low Voltage (LV) Costs.

B) Calculated Class Revenues

2019	Row 18 CA	Row 23 CA	RateMaker Col K	Row 19 CA
Classes (same as previous table)	**Column 7B Load Forecast (LF) X current**	**Column 7C L.F. X current approved rates X**	**Column 7D LF X proposed rates**	**Column 7E Miscellaneous Revenue**
Residential	$ 7,717,996	$ 7,969,236	$ 7,968,877	$ 383,347
GS < 50 kW	$ 1,865,916	$ 1,926,657	$ 1,917,249	$ 70,959
GS 50 to 4,999 kW	$ 2,902,229	$ 2,996,704	$ 2,996,831	$ 102,668
Large User	$ 507,341	$ 523,857	$ 523,837	$ 19,118
Street Lighting	$ 137,222	$ 141,689	$ 151,502	$ 13,045
Unmetered Scattered Load (USL)	$ 24,999	$ 25,813	$ 25,659	$ 1,232
Standby Approved on an Interim Basis				
0				
Total	$ 13,155,704	$ 13,583,955	$ 13,583,955	$ 590,370

Notes:

1 Columns 7B to 7D - LF means Load Forecast of Annual Billing Quantities (i.e. customers or connections X 12, (kWh or kW, as applicable). Revenue Quantities should be net of Transfomrer Ownership Allowance. Exclude revenue from rate adders and rate

2 Columns 7C and 7D - Column total in each column should equal the Base Revenue Requirement

3 Columns 7C - The Board cost allocation model calculates "1+d" in worksheet O-1, cell C21. "d" is defined as Revenue Deficiency/ Revenue at Current Rates.

4 Columns 7E - If using the Board-issued Cost Allocation model, enter Miscellaneous Revenue as it appears in Worksheet O-1, row 19.

C) Rebalancing Revenue-to-Cost (R/C) Ratios

2019

Class	**Previously Approved Ratios** **Most Recent Year: 2011**	**Status Quo Ratios** **(7C + 7E) / (7A)**	**Proposed Ratios** **(7D + 7E) / (7A)**	**Policy Range**
	%	**%**	**%**	**%**
Residential	93%	98.63	98.63	85 - 115
GS < 50 kW	120%	117.78	117.22	80 - 120
GS 50 to 4,999 kW	107%	97.26	97.26	80 - 120
Large User	93%	93.46	93.46	85 - 115
Street Lighting	104%	70.53	75.00	80 - 120
Unmetered Scattered Load (USL)	120%	118.67	118.00	80 - 120

Standby Approved on an Interim Basis	0%			
0				

Notes

1 Previously Approved Revenue-to-Cost Ratios - For most applicants, Most Recent Year would be the third year of the IRM 3 period, e.g. if the applicant rebased in 2009 with further adjustments over 2 years, the Most recent year is 2011. For applicants whose most recent rebasing year is 2006, the applicant should enter the ratios from their Informational Filing.

2 Status Quo Ratios - The Board's updated Cost Allocation Model yields the Status Quo Ratios in Worksheet O-1. Status Quo means "Before Rebalancing".

D) Proposed Revenue-to-Cost Ratios
2019

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.80	97.75	98.00	98.63		85 - 115
GS < 50 kW	120.00	119.02	117.88	117.22		80 - 120
GS 50 to 4,999 kW	97.80	97.88	97.87	97.26		80 - 120
Large User	95.47	98.35	97.58	93.46		85 - 115
Street Lighting	60.22	65.00	70.00	75.00		80 - 120
Unmetered Scattered Load (USL)	120.00	118.98	118.50	118.00		80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Note

1 The applicant should complete Table D if it is applying for approval of a revenue to cost ratio in 2014 that is outside the Board's policy range for any customer class. Table (d) will show the information that the distributor would likely enter in the IRM model) in 2014. In 2015 Table (d), enter the planned ratios for the classes that will be 'Change' and 'No Change' in 2014 (in the current Revenue Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision – Cost Revenue Adjustment', column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Appendix 2-P
Cost Allocation - 2020

Please complete the following four tables.

A) Allocated Costs

2020			Row 40 CA	
Classes	**Costs Allocated from Previous Study**	**%**	**Costs Allocated in Test Year Study (Column 7A)**	%
Residential	$ 7,166,577	60.86%	$ 8,659,735	59.57%
GS < 50 kW	$ 1,700,371	14.44%	$ 1,687,341	11.61%
GS 50 to 4,999 kW	$ 2,282,143	19.38%	$ 3,325,533	22.88%
Large User	$ 465,454	3.95%	$ 618,223	4.25%
Street Lighting	$ 111,797	0.95%	$ 222,837	1.53%
Unmetered Scattered Load (USL)	$ 49,290	0.42%	$ 22,782	0.16%
Standby Approved on an Interim Basis	$ -	0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total	$ 11,775,632	100.00%	$ 14,536,451	100.00%

Notes

1 Customer Classification - If proposed rate classes differ from those in place in the previous Cost Allocation study, modify the rate classes to match the current application as closely as possible.

2 Host Distributors - Provide information on embedded distributor(s) as a separate class, if applicable. If embedded distributor(s) are billed as customers in a General Service class, include the allocated cost and revenue of the embedded distributor(s) in the applicable class. Also complete Appendix 2-Q.

3 Class Revenue Requirements - If using the Board-issued model, in column 7A enter the results from Worksheet O-1, Revenue Requirement (row 40 in the 2013 model). This excludes costs in deferral and variance accounts. Note to Embedded Distributor(s), it also does not include Account 4750 - Low Voltage (LV) Costs.

B) Calculated Class Revenues

2020	Row 18 CA	Row 23 CA	RateMaker Col K	Row 19 CA
Classes (same as previous table)	**Column 7B Load Forecast (LF) X current**	**Column 7C L.F. X current approved rates X**	**Column 7D LF X proposed rates**	**Column 7E Miscellaneous Revenue**
Residential	$ 8,019,476	$ 8,209,156	$ 8,208,999	$ 390,118
GS < 50 kW	$ 1,865,343	$ 1,909,463	$ 1,899,911	$ 70,460
GS 50 to 4,999 kW	$ 3,027,697	$ 3,099,309	$ 3,099,472	$ 106,009
Large User	$ 524,363	$ 536,765	$ 536,742	$ 19,721
Street Lighting	$ 151,822	$ 155,413	$ 165,099	$ 13,171
Unmetered Scattered Load (USL)	$ 25,055	$ 25,647	$ 25,527	$ 1,218
Standby Approved on an Interim Basis				
0				
Total	$ 13,613,755	$ 13,935,754	$ 13,935,749	$ 600,697

Notes:

1 Columns 7B to 7D - LF means Load Forecast of Annual Billing Quantities (i.e. customers or connections X 12, (kWh or kW, as applicable). Revenue Quantities should be net of Transfomrer Ownership Allowance. Exclude revenue from rate adders and rate

2 Columns 7C and 7D - Column total in each column should equal the Base Revenue Requirement

3 Columns 7C - The Board cost allocation model calculates "1+d" in worksheet O-1, cell C21. "d" is defined as Revenue Deficiency/ Revenue at Current Rates.

4 Columns 7E - If using the Board-issued Cost Allocation model, enter Miscellaneous Revenue as it appears in Worksheet O-1, row 19.

C) Rebalancing Revenue-to-Cost (R/C) Ratios

2020

Class	**Previously Approved Ratios** **Most Recent Year: 2011**	**Status Quo Ratios** **(7C + 7E) / (7A)**	**Proposed Ratios** **(7D + 7E) / (7A)**	**Policy Range**
	%	**%**	**%**	**%**
Residential	93%	99.30	99.30	85 - 115
GS < 50 kW	120%	117.34	116.77	80 - 120
GS 50 to 4,999 kW	107%	96.39	96.39	80 - 120
Large User	93%	90.01	90.01	85 - 115
Street Lighting	104%	75.65	80.00	80 - 120
Unmetered Scattered Load (USL)	120%	117.93	117.40	80 - 120

Standby Approved on an Interim Basis	0%			
0				

Notes

1 Previously Approved Revenue-to-Cost Ratios - For most applicants, Most Recent Year would be the third year of the IRM 3 period, e.g. if the applicant rebased in 2009 with further adjustments over 2 years, the Most recent year is 2011. For applicants whose most recent rebasing year is 2006, the applicant should enter the ratios from their Informational Filing.

2 Status Quo Ratios - The Board's updated Cost Allocation Model yields the Status Quo Ratios in Worksheet O-1. Status Quo means "Before Rebalancing".

D) Proposed Revenue-to-Cost Ratios

Class	Proposed Revenue-to-Cost Ratios					Policy Range
	2016	2017	2018	2019	2020	
	%	%	%	%	%	%
Residential	97.80	97.75	98.00	98.63	99.30	85 - 115
GS < 50 kW	120.00	119.02	117.88	117.22	116.77	80 - 120
GS 50 to 4,999 kW	97.80	97.88	97.87	97.26	96.39	80 - 120
Large User	95.47	98.35	97.58	93.46	90.01	85 - 115
Street Lighting	60.22	65.00	70.00	75.00	80.00	80 - 120
Unmetered Scattered Load (USL)	120.00	118.98	118.50	118.00	117.40	80 - 120
Standby Approved on an Interim Basis						0
						0
0						

Note

1 The applicant should complete Table D if it is applying for approval of a revenue to cost ratio in 2014 that is outside the Board's policy range for any customer class. Table (d) will show the information that the distributor would likely enter in the IRM model) in 2014. In 2015 Table (d), enter the planned ratios for the classes that will be 'Change' and 'No Change' in 2014 (in the current Revenue Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision – Cost Revenue Adjustment', column d), and enter TBD for class(es) that will be entered as 'Rebalance'.