

Comments to Board Staff Regarding Adjustments made to Hydro One Brampton Networks Inc. 2016 IRM Application Board File Number EB-2015-0078 - Due October 1, 2015:

- Board Staff to update Sheet 3 of the model to reflect Board-approved dispositions in 2014 and 2015.
 - Board Staff made adjustments to the entries in the Deferral and Variance Account Continuity Table at Sheet 3 to more accurately reflect Board-approved dispositions. There is no change to the balances in the accounts.

Response:

Hydro One Brampton agrees with the changes to Sheet 3.

Hydro One Brampton made an adjustment to the “Board-Approved Disposition during 2014” Column and transferred the amounts between “Disposition and Recovery/Refund of Regulatory Balances (2013)” and “Disposition and Recovery/Refund of Regulatory Balances (2014)”. This adjustment causes two offsetting differences of \$3,702,184 in the column “Variance RRR vs. 2014 Balance (*Principal+ Interest*)”. This adjustment was required to correctly reflect the amounts approved to the correct “Disposition and Recovery/Refund of Regulatory Balances” sub accounts. HOBNI will make an adjustment to its RRR submission in its next quarterly filing.

In addition, an adjustment was made to the columns “Principal Disposition during 2015 – instructed by Board” (\$86,304), and “Interest Disposition during 2015 – instructed by Board” (\$1,269), for amounts omitted in the initial Rate Generator Model filed, to reflect amounts that were approved by the Board in its 2015 Cost of Service Rate application.

- Board staff to update Sheet 9 of the model to reflect billing determinants as reported by Hydro One Brampton.
 - Board Staff made adjustments to kWh as described in your email of September 17, 2015 to reflect additional rate classes. These adjustments result in slight changes to Hydro One Brampton's RTSRs as originally filed. (Please note that these adjustments were not applied to the billing determinants on Sheet 4, as the model would not permit. As you are not proposing disposition of DVAs at this time, this is not an issue. For consistency's sake, I will see about getting this cleaned up in the final model).

Response:

Hydro One Brampton agrees with the changes made to Sheet 9 and the resulting impacts to the RTSR tab.

- Board staff to complete all changes above using the revised version of the rate generator model, including bill impacts. This model will be populated by Board staff using the data as shown in Hydro One Brampton's rate generator as filed.
 - Board Staff made adjustments to the rate generator model, relating to the bill impacts.

Response:

Hydro One Brampton made some updates to tab "18. Bill Impacts" to override some values used in this tab that the Model did not accommodate for as follows:

- USL Class Bill Impact Example (consumption 21,296 kWh):
 - The number of connections for the USL Class Bill Impact example was changed from 1 to 186 for both "Current Board-Approved" and "Proposed" sections of the bill impact to reflect the number of connections a typical USL customer would have. The model needs to be updated to accommodate multiple connections for this class.
 - The Deferral/Variance Account Rate Riders for the "Current Board Approved" section of the bill impact was changed to (\$0.0013) per kWh to reflect the rate riders in effect for this class in 2015.
- Street Lighting Class Bill Impact Example (demand 7,922kW):
 - The number of connections for the Street lighting Class Bill Impact example was changed to from 1 to 20,614 for both "Current Board-Approved" and "Proposed" sections of the bill impact to reflect the number of connections a typical street lighting customer would have. The model needs to be updated to accommodate multiple connections for this class.
 - The Deferral/Variance Account Rate Riders for the "Current Board Approved" section of the bill impact was changed to \$0.3512 per kW to reflect the rate riders in effect for this class in 2015.
- Embedded Distributor Class (demand 4,000 kW):
 - The Debt Retirement Charge ("DRC") was eliminated for both "Current Board-Approved" and "Proposed" sections of the bill impact as DRC is not billed to this class of customers.
- Distributed Generation [DGEN] Class (consumption 156 kWh):
 - The Deferral/Variance Account Rate Riders for the "Current Board Approved" section of the bill impact was changed to \$0.0010 per kWh to reflect the rate riders in effect for this class in 2015.
- Residential Service Class Non-RPP Retailer (consumption 346 kWh):

- The Deferral/Variance Account Rate Riders for the “Current Board Approved” section of the bill impact was changed to \$0.0009 per kWh to reflect the rate riders in effect for this class in 2015.

Board Staff made two other adjustments:

- Update to Sheet 15 to reflect the Board’s approved GDP-IPI for 2016 of 2.1%

Response:

Hydro One Brampton confirms the adjustment was made to the Rate Generator Model.

- Adjustments to the calculations on Sheet 7 (Shared Tax Savings) to reflect the tax credits approved in Hydro One Brampton’s 2015 cost of service proceeding. This adjustment is for clarification only; the overall result continues to be no change in tax rates for 2016, as originally filed.

Response:

Hydro One Brampton agrees with this adjustment to Rate Generator Model.