

Responses to School Energy Coalition (“SEC”) Technical Conference Questions

SEC-1

Please provide a detailed table of rates, with each component of the 2016 rates from the 2015 DRO in one column, the proposed rates in this application at the same level of detail in the next, and a detailed explanation of each variance (including references to the evidence in this proceeding).

Response:

- 1 Please refer to Horizon Utilities' response to Technical Conference Question CCC-1.

SEC-2

Please provide “the precise credits and debits that will qualify for inclusion in the monthly billing deferral account, including the effect of monthly billing on the cost of working capital.”

Response:

- 1 The monthly billing deferral account would include the following debits in 2016:
- 2 • One time implementation costs including: the development of implementation plans; testing;
3 documentation and training; the provision of necessary programming changes for the
4 Customer Information System; and the development of a customer communications strategy
5 and related materials; and
- 6 • Incremental operating expenditures including: increased paper, printing, and mailing/postage
7 expenditures corresponding to increased billing volumes and Call Centre requirements; and
8 increased Call Centre staff to manage the increased call volumes arising from monthly billing.

SEC-3

Please provide “all impacts of the 1.6 MW forecast reduction in street lighting load, including impact on costs (what costs have to be re-allocated to other classes, and why) and the impact on revenues. Of interest also will be the reliability of the forecast, any proposed true-up, and why this is not being dealt with through a variance account so that it represents measured results rather than forecast results.”

Response:

- 1 Horizon Utilities provides the impact on costs and revenues of the 1.6MW forecast reduction in
- 2 Street Lighting load in Table 1 and Table 2 respectively, below.

3 Table 1 – Impact on Costs

Class	2016 Annual Filing EB-2015-0075	2016 Annual Filing (no reduction in SL demand)	Revenue Requirement Increase/(Decrease) as a result of 1.6MW reduction in SL load
Residential	\$72,857,939	\$72,742,788	\$115,151
GS<50kW	\$16,347,913	\$16,325,009	\$22,905
GS>50kW	\$23,747,446	\$23,711,006	\$36,440
Large Use (1)	\$2,297,147	\$2,293,036	\$4,112
Large Use (2)	\$941,926	\$941,550	\$376
Street Light	\$1,610,965	\$1,793,324	(\$182,359)
Sentinel	\$49,138	\$49,001	\$137
Unmetered Scattered Load	\$423,286	\$422,164	\$1,123
Standby	\$1,098,246	\$1,096,131	\$2,115
TOTAL	\$119,374,008	\$119,374,008	\$0

1 **Table 2 – Impact on Revenues**

Class	2016 Annual Filing EB-2015-0075	2016 Annual Filing (no reduction in SL demand)	Revenue Requirement Increase/(Decrease) as a result of 1.6MW reduction in SL load
Residential	\$73,828,617	\$73,821,511	\$7,106
GS<50kW	\$16,347,913	\$16,284,460	\$63,453
GS>50kW	\$22,808,920	\$22,704,339	\$104,581
Large Use (1)	\$2,601,996	\$2,601,815	\$181
Large Use (2)	\$823,234	\$819,773	\$3,461
Street Light	\$1,610,965	\$1,793,324	(\$182,359)
Sentinel	\$47,186	\$46,972	\$214
Unmetered Scattered Load	\$483,091	\$483,050	\$41
Standby	\$822,085	\$818,763	\$3,322
TOTAL	\$119,374,007	\$119,374,007	\$0

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