

Orangeville Hydro Limited (Orangeville Hydro)

EB-2015-0095

Application Analysis

Interrogatory #1: Tax Sharing

Ref: Tax Adjustment

Ref: Tab 7 of the Rate Generator Model

Orangeville Hydro's tax amounts recovered in rates are calculated on a base tax rate of 15.5%, the value of legislative tax changes enacted in 2015 may be more accurately calculated relative to a tax rate of 19.5%.

Orangeville Hydro was not eligible for the federal small business deduction in 2014 as its taxable capital exceeded \$15,000,000. Accordingly, OEB staff has provided a scenario using a tax rate of 19.5% as a comparator against legislative tax changes that occurred since 2014 in the event that the OEB decides that the appropriate tax rate to be used is 19.5%.

This would result in an incremental tax amount of \$46,125, of which 50% would be recovered from customers (i.e. \$23,062) instead of the \$41,528 proposed by Orangeville Hydro. Please see OEB staff's calculation below.



Incentive Regulation Model for 2016 Filers

Summary - Sharing of Tax Change Forecast Amounts

For the 2014 year, enter any Tax Credits from the Cost of Service Tax

	2014	2016
1. Tax Related Amounts Forecast from Capital Tax Rate Changes		
Taxable Capital (if you are not claiming capital tax, please enter your	19,316,095	\$ 19,316,095
Deduction from taxable capital up to \$15,000,000	\$ -	\$ -
Net Taxable Capital	\$ 19,316,095	\$ 19,316,095
Rate	0.00%	0.00%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -
2. Tax Related Amounts Forecast from Income Tax Rate Changes		
Regulatory Taxable Income	\$ 389,871	\$ 389,871
Corporate Tax Rate	19.50%	26.500%
Tax Impact	\$ 76,025	\$ 103,316
Grossed-up Tax Amount	\$ 94,441	\$ 140,566
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 94,441	\$ 140,566
Total Tax Related Amounts	\$ 94,441	\$ 140,566
Incremental Tax Savings		\$ 46,125
Sharing of Tax Amount (50%)		\$ 23,062

- (a) Please confirm if Orangeville Hydro agrees with OEB staff's calculation assuming a 19.5% tax rate is approved as the comparator.

No, OHL does not agree that the tax rate of 19.5% should be used to calculate the shared tax savings amount. OHL believes that as our rates were approved with a

15.5% tax rate, the shared tax savings difference should be calculated using this rate until our next rebasing. Please see below for the revenue requirement workform from EB-2013-0160 showing the Board Approved tax rate of 15.5%.



Taxes/PILs

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$727,560	\$723,195	\$723,195
2	Adjustments required to arrive at taxable utility income	(\$346,183)	(\$333,324)	(\$333,324)
3	Taxable income	<u>\$381,377</u>	<u>\$389,871</u>	<u>\$389,871</u>
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	\$59,113	\$48,596	\$48,596
6	Total taxes	<u>\$59,113</u>	<u>\$48,596</u>	<u>\$48,596</u>
7	Gross-up of Income Taxes	\$10,843	\$8,914	\$8,914
8	Grossed-up Income Taxes	<u>\$69,957</u>	<u>\$57,510</u>	<u>\$57,510</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$69,957</u>	<u>\$57,510</u>	<u>\$57,510</u>
10	Other tax Credits	\$ -	(\$11,834)	(\$11,834)
<u>Tax Rates</u>				
11	Federal tax (%)	11.00%	11.00%	11.00%
12	Provincial tax (%)	4.50%	4.50%	4.50%
13	Total tax rate (%)	<u>15.50%</u>	<u>15.50%</u>	<u>15.50%</u>

(b) If the answer to (a) is no, please provide Orangeville Hydro's revised calculation with an explanation.

The only revision required by OHL is due to the omission of the apprenticeship tax credit amounting to \$11,834 that was approved as part of our cost of service application EB-2013-0160. Please see below for the corrected STS-Tax Change tab from the IRM Rate Generator Model. Using a 15.5% tax rate, the amount has changed from \$41,528 to \$33,478.



Incentive Regulation Model for 2016 Filers

Summary - Sharing of Tax Change Forecast Amounts

For the 2014 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)

11,834

1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2014	2016
Taxable Capital (if you are not claiming capital tax, please enter your Board-Approved Rate Base)	19,316,095	\$ 19,316,095
Deduction from taxable capital up to \$15,000,000	\$ -	\$ -
Net Taxable Capital	\$ 19,316,095	\$ 19,316,095
Rate	0.00%	0.00%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -

2. Tax Related Amounts Forecast from Income Tax Rate Changes

Regulatory Taxable Income	\$ 389,871	\$ 389,871
Corporate Tax Rate	15.50%	26.500%
Tax Impact	\$ 48,596	\$ 91,482
Grossed-up Tax Amount	\$ 57,510	\$ 124,465
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 57,510	\$ 124,465
Total Tax Related Amounts	\$ 57,510	\$ 124,465
Incremental Tax Savings		\$ 66,955
Sharing of Tax Amount (50%)		\$ 33,477

**Interrogatory #2:
Ref: Sheet 3, 2015 Continuity Schedule**

A portion of Sheet 5 “2015 Continuity Schedule” is reproduced below.

Account Descriptions	Account Number	2012					
		Board-Approved Disposition during 2012	Adjustments during 2012 - other ¹	Closing Principal Balance as of Dec-31-12	Opening Interest Amounts as of Jan-1-12	Interest Jan-1 to Dec-31-12	Board-Approved Disposition during 2012
Group 1 Accounts							
LV Variance Account	1550	(198,282)		235,090	(3,946)	1,587	(5,871)
Smart Metering Entity Charge Variance	1551						
RSVA - Wholesale Market Service Charge	1580	(315,051)		(577,430)	(5,469)	(7,966)	(5,134)
RSVA - Retail Transmission Network Charge	1584	(104,307)		11,512	(1,415)	(137)	(2,270)
RSVA - Retail Transmission Connection Charge	1586	(55,452)		(3,415)	1,880	(273)	1,559
RSVA - Power (excluding Global Adjustment)	1588	126,334		(142,216)	3,724	226	7,884
RSVA - Global Adjustment	1589	252,342		103,319	5,950	2,585	3,445
Disposition and Recovery/Refund of Regulatory Balances (2008) ⁴	1595_(2008)			(410,678)	(16,298)	(6,377)	
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁴	1595_(2009)			0	0		
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁴	1595_(2010)	84,480	9,087	(51,650)	0	(648)	(81,496)
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁴	1595_(2011)			0	0		
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁴	1595_(2012)			0	0		
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁴	1595_(2013)			0	0		
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁴ <i>Not to be disposed of unless rate rider has expired and balance has been audited</i>	1595_(2014)			0	0		
RSVA - Global Adjustment	1589	252,342	0	103,319	5,950	2,585	3,445
Total Group 1 Balance excluding Account 1589 - Global Adjustment		(462,278)	9,087	(938,786)	(21,525)	(13,586)	(85,329)
Total Group 1 Balance		(209,936)	9,087	(835,467)	(15,575)	(11,001)	(81,884)
LRAM Variance Account (only input amounts if applying for disposition of this acco)	1568			0			
Total including Account 1568		(209,936)	9,087	(835,467)	(15,575)	(11,001)	(81,884)

The table below from Orangeville Hydro’s 2012 IRM Decision and Order dated March 22, 2012 (EB-2011-0190, Table 3, page 8) which identifies the principal and interest amounts approved for disposition, is reproduced below.

Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance	Interest Balance	Total Claim
LV Variance Account	1550	-\$198,282	-\$5,871	-\$204,153
RSVA - Wholesale Market Service Charge	1580	-\$315,051	-\$5,134	-\$320,186
RSVA - Retail Transmission Network Charge	1584	-\$104,307	-\$2,270	-\$106,577
RSVA - Retail Transmission Connection Charge	1586	-\$55,452	\$1,559	-\$53,893
RSVA - Power (excluding Global Adjustment)	1588	\$126,334	\$7,884	\$ 134,219

RSVA - Power - Sub- Account – Global Adjustment	1588	\$252,342	\$3,445	\$ 255,786
Disposition and Recovery of Regulatory Balances (2008)	1595	\$0	\$0	\$ 0
Disposition and Recovery of Regulatory Balances (2009)	1595	\$0	\$0	\$ 0
Group 1 Total		-\$294,416	-\$387	-\$294,804

- a) Orangeville Hydro has reported OEB-approved disposition (principal) amount of \$84,480 and interest amount of (\$81,496) in account 1595 (2010) in year 2012 on the continuity schedule. This balance cannot be reconciled with Orangeville Hydro's 2012 IRM (EB-2011-0190). Please provide explanation for the balances.

The table provided by the Board above does not include accounts 1521 and 1562, which were approved as part of the disposition in EB-2011-0190.

The variance for account 1521 was approved for disposition in the decision EB-2011-0190:

“The Board approves, on a final basis, Orangeville’s request for the disposition of principal and interest balances in Account 1521 totalling \$10,354 over a one-year period. The Board directs Orangeville to close Account 1521 as of May 1, 2012.”

The variance for account 1562 was also approved for disposition in the decision EB-2011-0190:

“The Board approves the recovery of a debit balance of \$302,174, including carrying charges to April 30, 2012 over a one year disposition period from May 1, 2012 to April 30, 2013.”

Please see table below showing the grand total of the OEB-approved disposition (principal) amount of \$84,480 and interest amount of (\$81,496).

Account Name	Account	Principal	Interest Balance	Total Claim
	Number	Balance		
LV Variance Account	1550	(\$198,282)	(\$5,871)	(\$204,153)
RSVA - Wholesale	1580	(\$315,051)	(\$5,134)	(\$320,186)
Market Service Charge				
RSVA - Retail Transmission Network Charge	1584	(\$104,307)	(\$2,270)	(\$106,577)
RSVA - Retail Transmission Connection Charge	1586	(\$55,452)	\$1,559	(\$53,893)
RSVA - Power	1588	\$126,334	\$7,884	\$134,219
(excluding Global Adjustment)				
RSVA - Power - Sub-Account – Global Adjustment	1588	\$252,342	\$3,445	\$255,786
Disposition and Recovery of Regulatory Balances (2008)	1595	\$0	\$0	\$0
Disposition and Recovery of Regulatory Balances (2009)	1595	\$0	\$0	\$0
Group 1 Total		(\$294,416)	(\$387)	(\$294,804)
SPC Variance Acct	1521	(\$10,266)	(\$88)	(\$10,354)
Deferred PILS	1562	\$220,202	\$81,972	\$302,174
Total Other Accounts		\$209,936	\$81,884	\$291,820
Grand Total Claim		\$84,480	(\$81,497)	\$2,984

- b) Please explain the principal adjustment during 2012 in account 1595 (2010) in amount of \$9,087.

The principal adjustment of \$9,087 originated from an unbilled revenue calculation, as explained in the decision EB-2012-0155 “Orangeville Hydro noted that “this initial overstatement was caused by an unbilled revenue calculation amounting to \$9,086.94 being included in the amount of \$64,281 recovered from customers in 2010. The unbilled revenue was not reversed in 2011 thus overstating the amount of revenue billed in 2011 by \$9,086.94.”

Also in EB-2012-0155, the Board did not allow this adjustment to be included in the rate regulated activities, “As such, Board staff submitted that for regulatory purposes, the charge to Orangeville Hydro should be recorded in the non-utility expense account so

that this amount is not recorded and included as part of Orangeville Hydro's rate-regulated activities. The Board will not adjust for this error."

Therefore the principal adjustment during 2012 in account 1595 (2010) in the amount of \$9,087 is due to the write off to account 4380.

Interrogatory #3

Ref: Portion of Sheet 3 “2015 Continuity Schedule” is reproduced below

		2014					
Account Descriptions	Account Number	Closing Principal Balance as of Dec-31-14	Opening Interest Amounts as of Jan-1-14	Interest Jan-1 to Dec-31-14	Board-Approved Disposition during 2014	Adjustments during 2014 - other ²	Closing Interest Amounts as of Dec-31-14
Group 1 Accounts							
LV Variance Account	1550	479,576	9,108	7,523	8,121	2,519	11,029
Smart Metering Entity Charge Variance	1551	2,155	149	189		28	366
RSVA - Wholesale Market Service Charge	1580	(179,610)	(18,442)	(3,540)	(19,618)	(3,646)	(6,009)
RSVA - Retail Transmission Network Charge	1584	104,707	2,039	1,885	944	644	3,624
RSVA - Retail Transmission Connection Charge	1586	48,740	332	629	(19)	177	1,157
RSVA - Power (excluding Global Adjustment)	1588	(226,382)	(5,518)	362	(6,731)	(984)	591
RSVA - Global Adjustment	1589	441,658	8,985	2,213	7,116	936	5,018
Disposition and Recovery/Refund of Regulatory Balances (2008) ⁴	1595_(2008)	4,330	(24,524)	2,072			(22,452)
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁴	1595_(2009)	0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁴	1595_(2010)	(48,118)	80,090	(707)		(236)	79,146
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁴	1595_(2011)	0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁴	1595_(2012)	0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁴	1595_(2013)	0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁴	1595_(2014)	(18,957)	0	(543)			(543)
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>							
RSVA - Global Adjustment	1589	441,658	8,985	2,213	7,116	936	5,018
Total Group 1 Balance excluding Account 1589 - Global Adjustment		166,443	43,234	7,869	(17,303)	(1,498)	66,908
Total Group 1 Balance		608,100	52,219	10,082	(10,188)	(562)	71,926
LRAM Variance Account (only input amounts if applying for disposition of this account)	1568	0	0				0

- a) Please explain the amounts entered in the column AQ “Adjustments during 2014 other”.

The adjustments made in column AQ “Adjustments during 2014 other” were required to ensure a correct Total Claim amount. These adjustment amounts represent the interest calculated for January 1, 2015 to April 30, 2015 on the disposition of 2013 variance balances from EB-2014-0103. As can be seen in the below screen shot, when these adjustment amounts are not included, they become part of the Total Claim for the current application for 2016 rates. Therefore if the interest adjustments are not included in the AQ adjustment column, they are now included in the amount being disposed of for a second time.

Please note the interest adjustments below in column AQ were deleted for illustration purposes. For example, in account 1595_(2010) without the \$236 interest adjustment the \$236 amount now appears in the Total Claim balance when the Total Claim for this account should be \$0. Therefore an adjustment was originally included in column AQ representing the interest calculated for January 1, 2015 to April 30, 2015 on the disposition of 2013 variance balances from EB-2014-0103.

Variance Continuity Schedule not including Adjustment in Column AQ subsequently included in Total Claim

Account Descriptions		Account Number	Adjustments during 2014 other *	Closing Interest Amounts as of Dec-31-14	Principal Disposition during 2015 - instructed by Board	Interest Disposition during 2015 - instructed by Board	Closing Principal Balances as of Dec-31-2014 Adjusted for Dispositions	Closing Interest Balances as of Dec-31-2014 Adjusted for Dispositions during 2015 †	Projected Interest from Jan 1, 2015 to December 31, 2015 on Dec-31, 2014 balance selected for disposition during 2015 ‡	Projected Interest from January 1, 2016 to April 30, 2016 on Dec-31, 2014 balance adjusted for disposition during 2014 ‡	Total Claim	As of 01/01/16 April
Group 1 Accounts												
24	LT Variance Account	550		0.5%	278,976	1,063	200,600	(2,993)		2,207	736	-200,999
25	Smart Metering Entry Charge Variance	551		338	5,725	261	(3,578)	77		(19)	(10)	(3,546)
26	RSVA - Wholesale Market Service Charge	550		(2,363)	(166,638)	(18,497)	(12,372)	19,044		(142)	(149)	(2,716)
27	RSVA - Retail Transmission Network Charge	554		2,900	79,931	3,671	(16,234)	(892)		(167)	(56)	(16,198)
28	RSVA - Retail Transmission Connection Charge	556		300	39,548	1,099	3,192	(100)		301	34	3,247
29	RSVA - Power (including Global Adjustment)	559		1,575	(89,189)	(2,728)	(197,366)	4,307		(1,846)	(155)	(183,916)
30	RSVA - Global Adjustment	559		4,002	87,637	5,612	354,020	(15,178)		3,894	1,298	357,606
31	Disposition and Recover/Refund of Regulatory Balances (2008)*	1595_2008		(22,452)			4,330	(22,452)		48	6	(18,058)
32	Disposition and Recover/Refund of Regulatory Balances (2009)*	1595_2009		0			0	0		0	0	0
33	Disposition and Recover/Refund of Regulatory Balances (2010)*	1595_2010		79,362	(48,188)	79,347	0	0		0	0	234
34	Disposition and Recover/Refund of Regulatory Balances (2011)*	1595_2011		0			0	0		0	0	0
35	Disposition and Recover/Refund of Regulatory Balances (2012)*	1595_2012		0			0	0		0	0	0
36	Disposition and Recover/Refund of Regulatory Balances (2013)*	1595_2013		0			0	0		0	0	0
37	Disposition and Recover/Refund of Regulatory Balances (2014)*	1595_2014		(1943)			(16,957)	(1943)		0	0	0
38	RSVA - Global Adjustment	559		0	4,002	87,637	5,612	354,020		(15,178)		357,606
40	Total Group 1 Balance excluding Account 559 - Global Adjustment			0	68,406	170,809	79,061	(4,367)		30	53	4,002
41	Total Group 1 Balance			0	72,498	258,447	84,673	349,654		4,095	1,352	362,379
42	LFAM Variance Account (only input amounts if applying for disposition of this account)	558		0	0	0	0	0		0	0	0
43	Total including Account 558			0	72,498	258,447	84,673	349,654		4,095	1,352	362,379

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

* Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide amounts for adjustments and include supporting documentation.

† For RSVA accounts only, report the net balance to the account during the year. For all other accounts, record the net balance during the year.

‡ If the LDC's are new year begins on January 1, 2016, the projected interest is recorded from January 1, 2015 to December 31, 2015 on the December 31, 2014 balance adjusted for the disposition balances approved by the Board in the 2015 rate decision. If the LDC's are new year begins on May 1, 2016, the projected interest is recorded from January 1, 2015 to April 30, 2016 on the December 31, 2014 balances adjusted for the disposed interest balances approved by the Board in the 2015 rate decision.

§ Include Account 559 as part of Group 1 accounts (lines 31-37) to review and disposition the recovery (or refund) period has been completed. If the process for refund period has not been completed, do not include the respective balance in Account 559 for disposition at this time.

- b) Please provide explanations for the variance in each account in the column BA "Variance RRR vs. 2014 Balance (Principal + Interest).

The variance in this column corresponds directly to the adjustment amounts included in column AQ "Adjustments during 2014 Other". The variance occurred because the 2014 year end balances did not include these adjustment amounts, as they represent the interest calculated for January 1, 2015 to April 30, 2015 on the disposition of 2013 variance balances from EB-2014-0103.

Interrogatory #4

Ref: Managers Summary pg, Global Adjustment

In its current application, Orangeville Hydro is requesting a rate rider for the disposition of Global Adjustment in the amount of a debit of \$356,619 based on non-RPP consumption. This represents 2014 transactions of a debit of \$354,020.43 and interest amounts up to April 30, 2015. In 2013, Orangeville Hydro showed transactions in the amount of a debit of \$87,637.27. Orangeville Hydro disposed of all balances in Account 1589 in its last rate application EB-2014-0103.

- a) Please explain the large balance in Account 1589 Global Adjustment, which is about four times relative to 2013 when assessed by transaction.

There was a larger disparity between the 1st estimate and the Actual GA in 2014. In 2013 the average difference over the year between the 1st estimate and the Actual rate was .0007 and in 2014 the average over the year was .0036. This pricing difference coupled with the increase in consumption for the Non-RPP customers in 2014 thereby increased the Account 1589 Global Adjustment variance in 2014.

- b) Please provide non-RPP consumption every month for the last two years.

	2013	2014
	Non RPP consumption	Non RPP consumption
Unbilled Prior Year	(10,113,651)	(10,970,991)
January	9,974,214	11,100,548
February	11,505,874	11,630,856
March	10,517,346	10,316,268
April	10,783,076	11,307,572
May	10,491,215	11,772,150
June	10,951,526	10,875,547
July	10,770,972	11,118,785
August	11,078,604	11,330,507
September	11,367,725	11,489,680
October	11,615,644	11,296,363
November	11,316,170	11,137,760
December	10,612,027	12,270,463
Year End Unbilled	10,970,991	10,498,103
Total Non-RPP Consumption	131,841,733	135,173,611

- c) Please provide RPP consumption every month for the last two years.

	2013	2014
	RPP consumption	RPP consumption
Unbilled Prior Year	(11,029,707)	(13,034,661)
January	10,361,611	12,456,249
February	12,101,311	12,677,708
March	11,899,028	11,562,726
April	9,822,966	10,566,188
May	10,063,363	9,840,781
June	8,933,275	9,031,871
July	8,901,697	8,459,696
August	10,915,791	9,772,829
September	9,871,552	9,360,295
October	7,861,533	8,290,194
November	9,517,756	9,336,303
December	10,492,879	10,821,656
Year End Unbilled	13,034,661	12,098,695
Total RPP Consumption	122,747,716	121,240,531

- d) Please provide a table showing consumption comparison for 2014 and 2015.

	2014		Total 2014	2015		Total 2015
	RPP consumption	Non RPP consumption		RPP consumption	Non RPP consumption	
Unbilled Prior Year	(13,034,661)	(10,970,991)	(24,005,652)	(12,098,695)	(10,498,103)	(22,596,799)
January	12,456,249	11,100,548	23,556,797	12,118,305	10,540,747	22,659,052
February	12,677,708	11,630,856	24,308,564	12,999,822	11,290,924	24,290,746
March	11,562,726	10,316,268	21,878,994	11,907,700	10,732,255	22,639,955
April	10,566,188	11,307,572	21,873,760	10,357,739	11,007,657	21,365,396
May	9,840,781	11,772,150	21,612,931	9,971,859	10,512,295	20,484,154
June	9,031,871	10,875,547	19,907,418	9,305,185	10,921,715	20,226,900
July	8,459,696	11,118,785	19,578,481	9,779,115	10,971,997	20,751,112
August	9,772,829	11,330,507	21,103,336	10,635,952	10,872,170	21,508,122
September	9,360,295	11,489,680	20,849,975	10,814,872	11,010,171	21,825,043
October	8,290,194	11,296,363	19,586,557	9,776,157	11,196,094	20,972,251
November	9,336,303	11,137,760	20,474,063			
December	10,821,656	12,270,463	23,092,119			
Year End Unbilled	12,098,695	10,498,103	22,596,799			
Total RPP Consumption	121,240,531	135,173,611	256,414,142	95,568,012	98,557,922	194,125,934

- e) Do any changes in billing patterns or settlement practices explain the increase in the value from 2013 to 2014? Please explain any other reasons for the change in the balances.

No, there have been no changes in billing patterns or settlement practices in the past two years. Please see the answer to part a) for explanation of the reason for the changes in the balances.

- f) Please state if Orangeville Hydro's billing systems have changed materially during the past two years.
No, there have been no changes in OHL's billing systems in the past two years.