EB-2015-0107

Wasaga Distribution Inc.

Application for electricity distribution rates and other charges beginning May 1, 2016

SUPPLEMENTAL INTERROGATORIES OF ENERGY PROBE RESEARCH FOUNDATION ("ENERGY PROBE")

January 15, 2016

WASAGA DISTRIBUTION INC.
2016 RATES REBASING CASE
EB-2015-0107

ENERGY PROBE RESEARCH FOUNDATION
SUPPLEMENTAL INTERROGATORIES

Please note that all the supplemental interrogatories relate to the lead-lag study filed in response to 2-Energy Probe-5

2-Energy Probe-33S

Ref: page 3

Please explain what is meant by "this study has relied on board staff submissions".

2-Energy Probe-34S

Ref: page 5

a) **Please explain why WDI has and needs 3 billing cycles. Please explain why with smart meters used for residential and GS < 50 customers these rate classes need 2 billing cycles.**

b) **What is the relevance of the size of the geographical service area for cycles 1 and 2?**

c) **Please explain why the average billing dates for cycles 2 and 3 are so much higher than those for cycle 1 if they are all calculated from the service period end?**

d) **What does WDI mean by ledgers and what is the relevance of 8 different ledgers in relation to the billing lag?**

2-Energy Probe-35S

Ref: page 5

a) **Please illustrate the statement that "these are processed the week after the previous due date from the prior period" using the example of a residential customer that has their meter read on June 15. Based on this starting point, please show, based on the average billing, collection and payment processing lags the dates on which the invoices are billed, collected and deposited into the WDI bank account. Please also show the due date for this bill. Please then show the corresponding dates for the meter read of July 15.**

b) **Does WDI use the standard due date of 16 days after the billing date, plus 3 days allowance for mail? If not, what does WDI use?**

2-Energy Probe-36S

Ref: page 6

a) **The evidence indicates that WDI has used 3 days to account for the processing, printing and mailing of the bill.**

Please explain the status of the billing prior to the addition of this 3 day lag. In other words, what has been done after 22.443 days (Table 1.4) given that the bill has not yet been processed.

b) **How many days after the end of the service period does WDI receive the information from the IESO it needs to start invoicing its customers?**

2-Energy Probe-37S

Ref: page 7

a) **Approximately what percentage, based on revenues, of bills are paid by mail?**

b) **Approximately what percentage, based on revenues, of bills are paid through payments made at banks or through online banking, including the one chartered bank noted in the payment processing discussion?**

c) **Please confirm that payments made by customers at a bank or though online banking are not considered to have been made by mail.**

d) Do WDI's GS > 50 customers pay by mail or by direct deposit or some other form? Please explain fully and provide details if there is a combination of payment methods.

2-Energy Probe-38S

Ref: page 12

a) Please confirm that the PILs payable for 2014 was $44,455, as shown on the tax form. If this cannot be confirmed, please indicate the tax payable for 2014 and provide the source of this figure.

b) When was the excess over the installment payments made in 2014 of $37,800 made?

2-Energy Probe-39S

Ref: page 13

a) Does WDI have a monthly or quarterly reporting period for the HST?

b) Please confirm that WDI is required to remit any net HST owing by the last day of the month following the end of the reporting period. If this cannot be confirmed, please explain.

c) Please confirm that the HST is remitted to the government based on when the bills are issued to customers. For example, if a bill is issued in June, the associated HST is remitted to the government at the end of July. If this is not correct, please explain.

d) Please confirm that the HST is based on when an invoice is received by WDI and that the credit is deducted from the amount remitted to the government at the end of the month following the reporting period. If this cannot be confirmed, please explain.

e) With respect to Table 1.11, please indicate which line items attract HST and which items do not.

2-Energy Probe-40S

Ref: Tables 1.4, 1.5, 1.6 and 1.7

a) Please explain why and how the total revenues shown in Table 1.4 of $12.083 million can be lower than the IESO charges of $13.439 million and the Hydro One charges of $1.835 million.

b) Does Table 1 include revenues for distribution and cost of power? If not, please provide a revised Table 1 that includes all revenues by rate class for distribution and cost of power.

c) Please show how the average sales per month in Table 1.5 of $1,952,784 relates to the total revenues shown in Table 1.4.

d) Please show the calculations used to arrive at the pro-rate sales (yearly) of $22,992,453 shown in Table 1.5 and please explain why this figure is different than the total revenue shown in Table 1.4.

e) Please explain why the costs shown in Tables 1.6 and 1.7 do not match the cost of power figures shown in Table 2-15 in Exhibit 2.Please reconcile the total revenues shown in Table 1.4 with the figures shown in Table 3.1 in Exhibit 3 of $3,556,761 and the total cost of power figure of $14,506,669 shown in Table 2-15 of Exhibit 2.