

January 18, 2016

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27th Floor/ P.O. Box 2319 2300 Yonge St. Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: 2016 Cost of Service Rate Application – Interrogatory Request Responses

Halton Hills Hydro Inc.,

OEB Proceeding: EB-2015-0074

Halton Hills Hydro Inc. ("HHHI") hereby submits its Interrogatory Request Responses as per Procedural Order 1 dated November 23, 2015.

HHHI has submitted the following files through RESS:

- 1. Halton_IRR_EB-2015-0074_20160118 (pdf)
- 2. Halton_IRR_2016_EDDVAR_EB-2015-0074_20160118 (Excel)
- 3. Halton_IRR_2016_Cost_Allocation_Model_20160118 (Excel)
- 4. Halton_IRR_Rev_Reqt_Work_Form_20160118 (Excel)
- 5. Halton_IRR_2016_Test_year_Income_Tax_PILs_Workform_20160118 (Excel)
- 6. Halton_IRR_2016_Load Forecast_20160118 (Excel)
- 7. Halton_IRR_2006-2010 Final OPA CDM Results_20160118 (Excel)
- 8. Halton_Board_Appendix_2-PA_20160118 (Excel)

HHHI has couriered two (2) hardcopies of the pdf document to the Board offices and one (1) hardcopy each to Mr. Shepherd and Mr. Aiken as requested in their intervenor requests.

In the event of any additional information, questions or concerns, please contact David Smelsky, Chief Financial Officer, at dsmelsky@haltonhillshydro.com or (519) 853-3700 extension 208, or Tracy Rehberg-Rawlingson, Regulatory Affairs Officer, at tracyr@haltonhillshydro.com or (519) 853-3700 extension 257.

Sincerely,

(Original signed)

David J. Smelsky, CPA, CMA Chief Financial Officer

Cc: Arthur A. Skidmore, CPA, CMA, President & CEO Richard King, Counsel, HHHI Violet Binette, Project Advisor, OEB Intervenors of Record in EB-2015-0074

Interrogatory Responses Halton Hills Hydro Inc. (HHHI) 2016 Cost of Service - EB-2015-0074 January 18, 2016

GENERAL

1-Staff-1

Updated Revenue Requirement Work Form

Upon completing all interrogatories from OEB staff and intervenors, please provide an updated RRWF in working Microsoft Excel format with any corrections or adjustments that HHHI wishes to make to the amounts in the populated version of the RRWF filed in the initial applications. Entries for changes and adjustments should be included in the middle column on sheet 3 Data_Input_Sheet. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note. Such notes should be documented on Sheet 10 Tracking Sheet, and may also be included on other sheets in the RRWF to assist understanding of changes.

Response:

HHHI has updated the RRWF as requested, including Sheet 10 – Tracking Sheet. The revised Excel document has been filed through RESS.

1-Staff-2

Updated Appendix 2-W, Bill Impacts

Upon completing all interrogatories from OEB staff and intervenors, please provide an updated Appendix 2-W for all classes at the typical consumption / demand levels (e.g. 800 kWh for residential, 2,000 kWh for GS<50, etc.).

The bill impacts should reflect the regulatory charges set out in the Decision on Regulatory Charges for 2016, EB-2015-0294, issued on November 19, 2015.

Response:

HHHI has completed the Bill Impacts as requested. HHHI has made the following revisions:

- 1. Updated the Wholesale Market Charge from \$0.0044 current to \$0.0036 in 2016; and
- 2. Added the Ontario Energy Support Plan Charge of \$0.0011; and
- 3. Updated the Monthly Service Charge based on Interrogatory responses; and
- 4. Updated the Distribution Volumetric Rate based on Interrogatory responses; and
- 5. Updated the Low-Voltage Service Charge based on Interrogatory responses;
- 6. Updated the Deferral and Variance Account Rate Riders (include the Ice Storm Recovery) based on Interrogatory responses.

HHHI did not update the RTSR or the Commodity prices, nor did HHHI change the exclusion of the OCEB and DRC.

The Bill Impacts are show as Tables IRR - 1 to IRR - 7.

Table IRR - 1: Revised Bill Impacts (based on Interrogatory Responses) - Residential

			Cu	rrent Board-/	٩рр	roved			Proposed				lmį	oact
	Charge Unit		Rate (\$)	Volume		Charge (\$)		Rate (\$)	Volume		Charge (\$)	۱,	Change	% Change
Monthly Service Charge	Monthly	\$	12.7200	1	\$	12.72	\$	18.4500	1	\$	18.45	\$	5.73	45.05%
Smart Meter Rate Adder	·			1	\$	-			1	\$	-	\$	-	
Rate Rider for Disposition of Residual His	Monthly	\$	1.3100	1	\$	1.31	\$	-	1	\$	-	-\$	1.31	-100.00%
Rate Rider for Recovery of Stranded	Monthly	\$	1.1300											
Meter Assets-effective until April 30,				1	\$	1.13	\$	-	1	\$	-	-\$	1.13	-100.00%
2016														
Rate Rider for Ice Storm Recovery - effect	ti Monthly	\$	2.2300	1	\$	2.23	\$	2.3100	1	\$	2.31	\$	0.08	3.59%
	•			1	\$	_			1	\$	_	\$	_	
Distribution Volumetric Rate	per kWh	\$	0.0120	800	\$	9.60	\$	0.0110	800	\$	8.80	-\$	0.80	-8.33%
Smart Meter Disposition Rider	p	\$	-	800	\$	-	*		800	\$	-	\$	-	0.007.
LRAM & SSM Rate Rider		\$	-	800	\$	_			800	\$	-	\$	-	
Rate Rider for Disposition of LRAMVA	per kWh	\$	-		*					Ť		*		
Account (2016) - effective until April 30,		ľ		800	\$	_			800	\$	-	\$	-	
2018												'		
	•			800	\$	-			800	\$	-	\$	-	
	•			800	\$	-			800	\$	-	\$	-	
				800	\$	-			800	\$	-	\$	-	
				800	\$	-			800	\$	-	\$	-	
				800	\$	-			800	\$	-	\$	-	
				800	\$	-			800	\$	-	\$	-	
Sub-Total A (excluding pass through)					\$	26.99				\$	29.56	\$	2.57	9.52%
Rate Rider for Disposition of	Monthly	\$	-									1		
Deferral/Variance Group 2 Account				-	\$	-	\$	0.5800	1	\$	0.58	\$	0.58	
(2016) - effective until April 30, 2018														
Rate Rider for Disposition of	per kWh	\$	0.0033											
Deferral/Variance Accounts (2015) -				800	\$	2.64			800	\$	-	-\$	2.64	-100.00%
effective until April 30, 2016														
Rate Rider for Disposition of	per kWh	\$	-							١.		١.		
Deferral/Variance Accounts (2016) -				800	\$	-	-\$	0.0005	800	-\$	0.40	-\$	0.40	
effective until April 30, 2018														
Rate Rider for Disposition of Global	per kWh	\$	-							١.				
Adjustment Account-Applicable only for				800	\$	-	\$	-	800	\$	-	\$	-	
Non RPP Customers	I-VA/I-	φ.	0.0040	000	•	0.00	φ.	0.0000	000	φ.	0.00	_	4.40	440.070/
Low Voltage Service Charge Line Losses on Cost of Power	per kWh	\$	0.0012 0.1021	800 48	\$	0.96 4.92	\$	0.0026 0.1021	800 45	\$ \$	2.08 4.58		1.12	116.67% -6.98%
Smart Meter Entity Charge	per kWh Monthly	\$ \$	0.7900	40	\$	0.79		0.7900		\$	0.79		0.34	0.00%
Sub-Total B - Distribution (includes	MONTHLY	φ	0.7900		Ť	0.79	φ	0.7300						0.0076
Sub-Total A)					\$	36.30				\$	37.19	\$	0.89	2.44%
RTSR - Network	per kWh	\$	0.0074	848	\$	6.28	\$	0.0068	845	\$	5.74	-\$	0.53	-8.47%
RTSR - Line and Transformation	•	ļ ·										1		
Connection	per kWh	\$	0.0051	848	\$	4.33	\$	0.0052	845	\$	4.39	\$	0.07	1.56%
Sub-Total C - Delivery (including Sub-					4	40.00					47.00	_	0.40	0.000
Total B)					\$	46.90				\$	47.32	\$	0.42	0.90%
Wholesale Market Service Charge	per kWh	\$	0.0044	0.40	\$	2.70	\$	0.0000	845	\$	3.04	¢	0.60	10 540/
(WMSC)				848	Ф	3.73	Ф	0.0036	845	Ф	3.04	- ⊅	0.69	-18.51%
Rural and Remote Rate Protection	per kWh	\$	0.0013	848	¢.	1 10	¢	0.0043	0.45	\$	1.10	¢	0.00	0.400/
(RRRP)				848	\$	1.10	\$	0.0013	845	Ф	1.10	J-\$	0.00	-0.40%
Standard Supply Service Charge	Monthly	\$	0.2500	1	\$	0.25	\$	0.2500	1	\$	0.25	\$	-	0.00%
Debt Retirement Charge (DRC)				800	\$	-								
Ontario Electricity Support Program	per kWh						\$	0.0011	845	\$	0.93	1		
(OESP)												1		
TOU - Off Peak	per kWh	\$	0.0800	512		40.96		0.0800	512	\$	40.96		-	0.00%
TOU - Mid Peak	per kWh	\$	0.1220	144	\$	17.57		0.1220	144	\$	17.57		-	0.00%
TOU - On Peak	per kWh	\$	0.1610	144	\$	23.18	\$	0.1610	144	\$	23.18	\$	-	0.00%
Total Bill on TOU (before Taxes)					\$	133.70				\$	134.35		0.66	0.49%
HST			13%		\$	17.38		13%		\$	17.47		0.09	0.49%
Total Bill (including HST)					\$	151.08				\$	151.82	\$	0.74	0.49%
Ontario Clean Energy Benefit 1											4=			
Total Bill on TOU					\$	151.08				\$	151.82	\$	0.74	0.49%

Table IRR - 2 : Revised Bill Impacts (based on Interrogatory Responses) – General Service less than 50 kW

		Cu	rrent Board-	Арр	roved			Proposed				Imp	act
01 11-11		Rate	Volume		Charge		Rate	Volume		Charge	١,		0/ 01
Charge Unit		(\$)		_	(\$)	•	(\$)		_	(\$)	_	Change	% Change
Monthly Service Charge Monthly	\$	27.5100	1	\$	27.51	\$	31.4900	1	\$	31.49	\$	3.98	14.47%
Smart Meter Rate Adder		0.0400	1	\$	-	_		1	\$	-	\$	-	400.000
Rate Rider for Disposition of Residual His Monthly	\$	2.8400	1	\$	2.84	\$	-	1	\$	-	-\$	2.84	-100.00%
Rate Rider for Recovery of Stranded Mete Monthly			1	\$	-			1	\$		\$		
Rate Rider for Ice Storm Recovery - effect Monthly	\$	4.8700	1	\$	4.87	\$	5.0400	1	\$	5.04	\$	0.17	3.49%
			1	\$	-			1	\$		\$		
Distribution Volumetric Rate per kWh	\$	0.0085	2,000	\$	17.00	\$	0.0097	2,000	\$	19.40	\$	2.40	14.12%
Smart Meter Disposition Rider			2,000	\$	-			2,000	\$	-	\$	-	
LRAM & SSM Rate Rider			2,000	\$	-			2,000	\$	-	\$	-	
Rate Rider for Disposition of LRAMVA Actiper kWh			2,000	\$	-			2,000	\$	-	\$	-	
_			2,000	\$	-			2,000	\$	-	\$	-	
			2,000	\$	-			2,000	\$	-	\$	-	
			2,000	\$	-			2,000	\$	-	\$	-	
			2,000	\$	-			2,000	\$	-	\$	-	
			2,000	\$	-			2,000	\$	-	\$	-	
			2,000	\$	-			2,000	\$	-	\$	-	
Sub-Total A (excluding pass through)				\$	52.22				\$	55.93	\$	3.71	7.10%
Rate Rider for Disposition of per kWh	\$	0.0032											
Deferral/Variance Accounts (2015) -			2,000	\$	6.40			2,000	\$	-	-\$	6.40	-100.00%
effective until April 30, 2016													
Rate Rider for Disposition of per kWh													
Deferral/Variance Accounts (2016) -			2,000	\$	-	\$	0.0001	2,000	\$	0.20	\$	0.20	
effective until April 30, 2018			_,,,,,	Ť		*		_,,,,,	Ť		Ť		
Rate Rider for Disposition of Global per kWh													
Adjustment Account-Applicable only for			2,000	\$	_	\$	_	2,000	\$	_	\$	_	
Non RPP Customers			2,000	ľ		Ψ		2,000	*		*		
TVOIT TO COCCOMO!			2,000	\$	_			2,000	\$	_	\$	_	
Low Voltage Service Charge per kWh	\$	0.0011	2,000	\$	2.20	\$	0.0025	2,000		5.00	,	2.80	127.27%
Line Losses on Cost of Power per kWh	\$	0.1021	120	\$	12.30		0.1021	112	\$	11.44		0.86	-6.98%
Smart Meter Entity Charge Monthly	\$	0.7900	120	\$	0.79	\$	0.7900	1	\$	0.79	\$	0.00	0.00%
Sub-Total B - Distribution (includes	Ψ	0.7300	·	Ė	0.13	Ψ	0.7300	'	Ė		Ť		
Sub-Total A)				\$	73.91				\$	73.36	-\$	0.55	-0.74%
RTSR - Network per kWh	\$	0.0066	2,120	\$	13.99	\$	0.0061	2,112	\$	12.88	-\$	1.11	-7.94%
RTSP - Line and Transformation											Ľ		
Connection per kWh	\$	0.0048	2,120	\$	10.18	\$	0.0049	2,112	\$	10.35	\$	0.17	1.68%
Sub-Total C - Delivery (including Sub-	1												
Total B)				\$	98.08				\$	96.59	-\$	1.49	-1.52%
Wholesale Market Service Charge per kWh	\$	0.0044	0.400	_		_	2 2222	0.440	_		<u> </u>	4.70	10 = 10
(WMSC)	1		2,120	\$	9.33	\$	0.0036	2,112	\$	7.60	-\$	1.73	-18.51%
Rural and Remote Rate Protection per kWh	\$	0.0013							١.		١.		
(RRRP)	Ť		2,120	\$	2.76	\$	0.0013	2,112	\$	2.75	-\$	0.01	-0.40%
Standard Supply Service Charge Monthly	\$	0.2500	1	\$	0.25	\$	0.2500	1	\$	0.25	\$	_	0.00%
Debt Retirement Charge (DRC) per kWh	\$	0.0070	2,000	\$	14.00	-	0.007	2,000	\$	14.00		_	0.00%
Ontario Electricity Support Program per kWh	Ψ	0.0010	2,000	Ψ	11.00				ľ		*		0.007
(OESP)						\$	0.0011	2,112	\$	2.32	1		
TOU - Off Peak per kWh	\$	0.0800	1,280	¢	102.40	\$	0.0800	1,280	Ф	102.40	¢	_	0.00%
TOU - Mid Peak per kWh	\$	0.1220	360	\$	43.92		0.1220	360	\$	43.92		-	0.00%
TOU - On Peak per kWh	\$	0.1220	360		57.96		0.1220	360		57.96		_	0.00%
100 Oil Fax perkWil	Ψ	0.1010	300	φ	31.30	Ψ	0.1010	300	φ	31.30	φ	-	0.00%
Total Bill on TOU (before Taxes)					220 70				¢	327.79		0.00	0.270
HST	1	13%		\$ \$	328.70 42.73		13%		\$ \$	42.61		0.90 0.12	-0.27 % -0.27%
	1	13%		\$	371.43		13%		\$	370.41		1.02	-0.27% -0.27%
Total Dill (including UCT)	1			ıΦ	3/143			1	ıδ	.5/U.41	1-D	1.02	-0.27%
Total Bill (including HST)					07 1. 10				Ľ	0.0	Ť		
Total Bill (including HST) Ontario Clean Energy Benefit ¹ Total Bill on TOU				\$	371.43				\$	370.41		1.02	-0.27%

Table IRR - 3 : Revised Bill Impacts (based on Interrogatory Responses) – General Service 50 to 999 kW

			Cu	rrent Board-	Арр	roved			Proposed				lmı	act
			Rate	Volume		Charge		Rate	Volume		Charge			
	Charge Unit		(\$)			(\$)		(\$)			(\$)	_	Change	% Change
Monthly Service Charge	Monthly	\$	77.5000	1	\$	77.50	\$	90.7200	1	\$	90.72	\$	13.22	17.06%
Smart Meter Rate Adder		_		1	\$	-			1	\$	-	\$	-	
Rate Rider for Ice Storm Recovery - effect	Monthly	\$	51.2800	1	\$	51.28	\$	53.0700	1	\$	53.07	\$	1.79	3.49%
,	•			1	\$	-			1	\$	-	\$ \$	-	
	•			1	\$	-				\$	-	\$	-	
Distribution Volumetric Rate	per kW	\$	3.4560	500	\$	1,728.00	\$	4.0208	500	\$	2,010.40	\$	282.40	16.34%
Smart Meter Disposition Rider	pei kw	φ	3.4300	500	\$	1,720.00	φ	4.0200	500	\$	2,010.40	\$	202.40	10.34 /0
LRAM & SSM Rate Rider				500	\$	_			500	\$		\$	-	
Rate Rider for Disposition of LRAMVA Ad	per kW	\$	_	500	\$	_			500	\$	_	\$	_	
That's rader let Dieposition et Eta intritit	po. Kii	Ť		500	\$	_			500	\$	_	\$	_	
•	•			500	\$	_			500	\$	-	\$	-	
,	•			500	\$	-			500	\$	-	\$	-	
,	•			500	\$	-			500	\$	-	\$	-	
,	•			500	\$	-			500	\$	-	\$	-	
,	•			500	\$	-			500	\$	-	\$	-	
Sub-Total A (excluding pass through)					\$	1,856.78				\$	2,154.19	\$	297.41	16.02%
Rate Rider for Disposition of	per kW	\$	1.1260											
Deferral/Variance Accounts (2015) -				500	\$	563.00			500	\$	-	-\$	563.00	-100.00%
effective until April 30, 2016														
Rate Rider for Disposition of Global	per kW	\$	0.0293											
Adjustment Account (2015) - effective				500	\$	14.65			500	\$	_	-\$	14.65	-100.00%
until April 30, 2016 - Applicable only for				000	Ψ	11.00			000	Ψ		*	11.00	100.0070
Non RPP Customers														
Rate Rider for Disposition of Global	per kW	\$	-											
Adjustment Account (2016) - effective				500	\$	_	\$	0.4745	500	\$	237.25	\$	237.25	
until April 30, 2018 - Applicable only for					,		*			Ť		ľ		
Non-RPP Customers														
Rate Rider for Disposition of	per kW	\$	-									١.		
Deferral/Variance Accounts (2016) -				500	\$	-	\$	0.0571	500	\$	28.55	\$	28.55	
effective until April 30, 2018	I-\A/		0.4704	500	φ.	000.70	Φ.	4.0554	500		F07.70	,	004.00	400.040/
Low Voltage Service Charge	per kW	\$	0.4734	500	\$	236.70	\$	1.0554	500	\$	527.70	\$	291.00	122.94%
Line Losses on Cost of Power Smart Meter Entity Charge		\$	0.7900	- 1	\$ \$	0.70	\$ \$	0.7000	- 1	\$ \$	0.70	\$	-	0.000/
Sub-Total B - Distribution (includes		Ф	0.7900	ı		0.79	Φ	0.7900	ı		0.79	Ė	-	0.00%
Sub-Total A)					\$	2,671.92				\$	2,948.48	\$	276.56	10.35%
RTSR - Network	per kW	\$	2.8647	500	\$	1,432.35	\$	2.6426	500	\$	1,321.30	-\$	111.05	-7.75%
RTSR - Line and Transformation	•											1		
Connection	per kW	\$	2.0574	500	\$	1,028.70	\$	2.1070	500	\$	1,053.50	\$	24.80	2.41%
Sub-Total C - Delivery (including Sub-						F 400 07					E 202 00		400.04	0.740/
Total B)					\$	5,132.97				\$	5,323.28	\$	190.31	3.71%
Wholesale Market Service Charge	per kWh	\$	0.0044	348,276	\$	4 500 44	\$	0.0006	346,896	\$	1,248.83	æ	202 50	10 540/
(WMSC)				346,276	Ф	1,532.41	Ф	0.0036	340,890	ф	1,246.63	1-2	283.59	-18.51%
Rural and Remote Rate Protection	per kWh	\$	0.0013	348,276	\$	452.76	\$	0.0013	346,896	\$	450.96	Φ.	1.79	-0.40%
(RRRP)				340,270	Ψ	452.70	φ	0.0013	340,090	ľ	450.90	1	1.79	-0.40%
Standard Supply Service Charge	Monthly	\$	0.2500	1	\$	0.25	\$	0.2500	1	\$	0.25		-	0.00%
Debt Retirement Charge (DRC)	per kWh	\$	0.0070	328,500	\$	2,299.50	\$	0.007	328,500	\$	2,299.50	\$	-	0.00%
Ontario Electricity Support Program							\$	0.0011	346,896	\$	381.59	1		
(OESP)							,							
Average IESO Wholesale Market Price	per kWh	\$	0.0906	348,276	\$	31,553.78	\$	0.0906	346,896	\$	31,428.78	 -\$	125.00	-0.40%
T (B)	M . 1 . 4 5 .				Ĺ	46.004.50					40 771 77	•	000.00	
Total Bill on Average IESO Wholesale	warket Price		4007		\$	40,971.67		4007		\$	40,751.60		220.07	-0.54%
HST			13%		\$	5,326.32		13%		\$	5,297.71		28.61	-0.54%
Total Bill (including HST)					\$	46,297.99				\$	46,049.31	J-\$	248.68	-0.54%
Ontario Clean Energy Benefit 1	Market Drie-				٠	46 207 00					46 040 24		240.00	0.540
Total Bill on Average IESO Wholesale	Warket Price				\$	46,297.99				Þ	46,049.31	-2	248.68	-0.54%

Table IRR - 4 : Revised Bill Impacts (based on Interrogatory Responses) – General Service 1,000 to 4,999 kW

Monthly S 179,8390 1 S 196,7600 1 S 196,760 S 5,7000 1 S 196,760 S 5,7000 S 1,7000				Cu	rrent Board-	Арр	roved			Proposed				lm	act
Monthly Service Charge Sharm Affect Reak Addre Rate Rider for Ice Storm Recovery - effect Monthly Rate Rider for Ice Storm Recovery - effect Monthly S 490,5500 1 1 \$ 490,550 \$ 507,6300 1 1 \$ 507,63 \$ 170,80 \$ 1 \$ 5 0.5 \$. \$. \$. \$. \$. \$. \$. \$. \$. \$					Volume					Volume		-	l .		
Sanat Mere Rate Adder Rate Adder Rate Rider for Ice Storm Recovery - effect Monthly \$480.5500 1 \$ 490.55 \$507.6300 1 \$ 507.63 \$17.08													_		% Change
Rate Ridder for los Storm Recovery - effect Monthly \$ 490.550 1 \$ 490.550 1 \$ 5.760 5 5.760 1 \$ 5.760 5 5 5 5 5 5 5 5 5	I	Monthly	\$	179.9300	1		179.93	\$	195.7600	1				15.83	8.80%
Simple S					1		-			1				-	
Sample S	Rate Rider for Ice Storm Recovery - effect	Monthly	\$	490.5500	1		490.55	\$	507.6300	1		507.63		17.08	3.48%
Desirbution Volumetric Rate					1		-			1		-		-	
Distribution Volumentic Rate Sama Mater Disposition of LRAMN A AC Sama Mater Disposition of LRAMN A Sama Mater Disp					1		-			1		-		-	
Saman Meter Disposition Rider					1		-			1	\$	-		-	
LRAMA & SSM Rate Rider for Disposition of LRAMVA Act or kW \$ 2.500 \$ - 2.500 \$ - 2.500 \$ - 3 - 2.500 \$ - 3 - 2.500 \$ - 3 - 2.500 \$ - 3 - 3 - 2.500 \$ - 3 - 3 - 2.500 \$ - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 -	Distribution Volumetric Rate	per kW	\$	3.1683	2,500	\$	7,920.75	\$	3.3998	2,500	\$	8,499.50	\$	578.75	7.31%
Rate Rider for Disposition of LRAMVA ACT on KW \$ 2,500 \$	Smart Meter Disposition Rider				2,500	\$	-				\$	-	\$	-	
2,500 \$ 2,500 \$ 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 2,500 \$ 5 5 2,500 \$ 5 2,500 \$ 5 5 2,500 \$ 5 2,500 \$ 5 5 2,500 \$ 5 -	LRAM & SSM Rate Rider				2,500	\$	-			2,500	\$	-	\$	-	
2,500 \$	Rate Rider for Disposition of LRAMVA Ac	per kW	\$	-	2,500	\$	-			2,500	\$	-	\$	-	
2,500 \$					2,500	\$	-			2,500	\$	-	\$	-	
Sub-Total A (excluding pass through)	`				2,500	\$	-			2,500	\$	-	\$	-	
Sub-Total A (excluding pass through)	`				2,500	\$	-			2,500	\$	-	\$	-	
Sub-Total A (excluding pass through)	`				2,500	\$	-			2,500	\$	-	\$	-	
Sub-Total A (excluding pass through)	`					\$	-			2,500	\$	-	\$	-	
Sub-Total A (excluding pass through)	•					\$	-				\$	_	\$	-	
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Per kW \$ - 2,500 \$ - \$ 0.4704 \$ 2,500 \$ 1,176.00 \$	Sub-Total A (excluding pass through)				_,0	_	8.591.23			_,	_		_	611.66	7.12%
Deletral/Variance Accounts (2015) - effective until April 30, 2016 Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers Rate Rider for Disposition of Slobal Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Slobal Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deletral/Variance Accounts (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deletral/Variance Accounts (2016) - effective until April 30, 2018 - Per kW \$ - 2,500 \$ \$ - \$ 0.0674 \$ 2,500 \$ \$ 1,176.00 \$ 1,1776.00 \$ 1,1776.00 \$ 1,1776.00 \$ 1,1777.00		per kW	\$	1,1717		_	3,001.20				-	5,202.00	Ť		27
effective until April 30, 2016 Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers Rate Rider for Disposition of Global Per kW \$ -		po	_		2 500	\$	2 929 25			2 500	\$	_	-\$	2 929 25	-100.00%
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferal/Variance Accounts (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferal/Variance Accounts (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferal/Variance Accounts (2016) - effective until April 30, 2018 - Secondary (2016) - effective until April 30, 2018 - Secondary (2016) - effective until April 30, 2018 - Secondary (2016) - effective until April 30, 2018 - Secondary (2016) - Secondary (2016) - effective until April 30, 2018 - Secondary (2016) -	, , ,				2,000	Ψ	2,020.20			2,000	Ψ		*	2,020.20	100.0076
Adjustment Account (2016) - effective until Apil 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective until Apil 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective until Apil 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until Apil 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Per kW \$ 2,500 \$ 1,176.00 \$	· · ·	ner kW	\$	0.0305											
Until April 30, 2016 - Applicable only for Non RPP Customers Rate Rider for Disposition of Global Adjustment Account (2016) - effective 2,500 \$ - \$ 0.4704 2,500 \$ 1,176.00	·	perkvv	Ψ	0.0000											
Non RPP Customers Rate Rider for Disposition of Global Per kW \$ - 2.500 \$ - \$ 0.4704 2.500 \$ 1,176.00 \$ 1,					2,500	\$	76.25			2,500	\$	-	-\$	76.25	-100.00%
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferral/Valrance Accounts (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deferral/Valrance Accounts (2016) - effective until April 30, 2018 - Octobro (2016) - effective until April 30, 2018 - Octobro (2016) - effective until April 30, 2018 - Octobro (2016) - effective until April 30, 2018 - Octobro (2016) - Octobro (20															
Adjustment Account (2016) - effective until April 30, 2018 - Applicable only for Non RPP Customers Rate Rider for Disposition of Deer kW \$ - 2,500 \$ - \$ 0.0674 \$ 2,500 \$ \$ 1,176.00 \$ 1,177.00 \$ 1,176.00 \$ 1,177.00 \$ 1,17	I	nor kW	æ												
until April 30, 2018 - Applicable only for Non RPP Customers 2,500 \$ - \$ 0.4/04 2,500 \$ 1,176.00 1,1	· ·	perkvv	Ф	-											
Non RPP Customers Rate Rider for Disposition of per kW \$ 2,500 \$ - \$ 0.0674 2,500 \$ 168.50 \$ 1	· · · · · · · · · · · · · · · · · · ·				2,500	\$	-	\$	0.4704	2,500	\$	1,176.00	\$	1,176.00	
Rate Rider for Disposition of Deforal/Variance Accounts (2016) - effective until April 30, 2018															
Deferral/Variance Accounts (2016) - effective until April 30, 2018 168.50 168.			_												
effective until April 30, 2018 Low Voltage Service Charge per kW \$ 0.4734 2,500 \$ 1,183.50 \$ 1.0554 2,500 \$ 2,638.50 \$ 1,455.00 12		per kvv	\$	-		_		_			_		٦		
Low Voltage Service Charge	` '				2,500	\$	-	\$	0.0674	2,500	\$	168.50	\$	168.50	
Line Losses on Cost of Power per kWh \$ 0.7900 1 \$ 0.7900 1 \$ 0.7900 1 \$ 0.7900 1 \$ 0.7			_					_			١.		١.		
Smart Meter Entity Charge \$ 0.7900 1 \$ 0.79 \$ 0.7900 1 \$ 0.79 \$ 5.7900 1 \$ 0.7900		•		0.4734	2,500		1,183.50		1.0554	2,500				1,455.00	122.94%
Sub-Total B - Distribution (includes Sub-Total A) \$ 12,781.02 \$ 13,186.68 \$ 405.66 \$ Sub-Total A) \$ 12,781.02 \$ 13,186.68 \$ 405.66 \$ Sub-Total A) \$ 12,781.02 \$ 13,186.68 \$ 405.66 \$ Sub-Total C - Delivery (including Sub-Total B) \$ 2.6426 2,500 \$ 6,606.50 \$ 555.25 -		per kWh		-	-		-		-	-				-	
Sub-Total A Sub-Total A Sub-Total A Sub-Total B Sub-Total C - Delivery (including Sub-Total B) Sub-Total Bill (including HST) Sub-Total Bill (including HST			\$	0.7900	1	\$	0.79	\$	0.7900	1	\$	0.79	\$	-	0.00%
Sub-Total A RTSR - Network per kW \$ 2.8647 2.500 \$ 7,161.75 \$ 2.6426 2,500 \$ 6,606.50 \$ 555.25 - RTSR - Line and Transformation per kW \$ 2.0574 2,500 \$ 5,143.50 \$ 2.1070 2,500 \$ 5,267.50 \$ 124.00 Sub-Total C - Delivery (including Sub-Total B) \$ 25,086.27 \$ 25,060.68 \$ 25.59 Wholesale Market Service Charge per kWh \$ 0.0044 1,696,320 \$ 7,463.81 \$ 0.0036 1,689,600 \$ 6,082.56 \$ 1,381.25 -1 RTSR - Network per kWh \$ 0.0044 2,500 \$ 5,143.50 \$ 2.1070 2,500 \$ 5,267.50 \$ 124.00 Sub-Total B Wholesale Market Service Charge per kWh \$ 0.0044 1,696,320 \$ 7,463.81 \$ 0.0036 1,689,600 \$ 6,082.56 \$ 1,381.25 -1 RTSR - Network Per kWh \$ 0.0044 1,696,320 \$ 7,463.81 \$ 0.0036 1,689,600 \$ 6,082.56 \$ 1,381.25 -1 RTSR - Network Per kWh \$ 0.0013 1,696,320 \$ 2,205.22 \$ 0.0013 1,689,600 \$ 2,196.48 \$ 8.74 -1 RTSR - Network Per kWh \$ 0.0013 1,696,320 \$ 0.0013 1,689,600 \$ 2,196.48 \$ 8.74 -1 RTSR - Network Per kWh \$ 0.0013 1,696,320 \$ 0.0013 1,689,600 \$ 1,689,600 \$ 1,896,00 \$ 1,896	· ·					\$	12.781.02				\$	13.186.68	\$	405.66	3.17%
RTSR - Line and Transformation per kW \$ 2.0574 2,500 \$ 5,143.50 \$ 2.1070 2,500 \$ 5,267.50 \$ 124.00						Ė	·				Ė		Ľ		
Connection Sub-Total C - Delivery (including Sub-Total B) \$ 25,086.27 \$ 25,060.68 \$ 25.59 \$		per kW	\$	2.8647	2,500	\$	7,161.75	\$	2.6426	2,500	\$	6,606.50	-\$	555.25	-7.75%
Sub-Total C - Delivery (including Sub-Total B) \$ 25,086.27 \$ 25,060.68 \$ 25.59		ner kW	\$	2 0574	2 500	\$	5 143 50	\$	2 1070	2 500	\$	5 267 50	s	124 00	2.41%
Total B		•	Ψ	2.0014	2,000	Ψ	5,145.50	Ψ	2.1070	2,000	Ψ	5,207.00	<u> </u>	127.00	2.71/0
Wholesale Market Service Charge (WMSC)	Sub-Total C - Delivery (including Sub-					¢	25 086 27				¢	25 060 68	٠,	25 50	-0.10%
(WMSC)						9	23,000.27				¥	23,000.00	Ψ	20.00	-0.1076
Rural and Remote Rate Protection (RRRP) \$ 0.0013 1,696,320 \$ 2,205.22 \$ 0.0013 1,689,600 \$ 2,196.48 \$ 8.74 - 1,689,600 \$ 2,196.48 \$ 8.74 - 1,696,320 \$ 0.25 \$ 0.25 \$ 0.25 \$ 0.25 \$ 0.007 1,600,000 \$ 11,200.00 \$ 11,200.00 \$ 11,200.00 \$ 11,200.00 \$ 1,858.56 \$ 0.0011 1,689,600 \$ 1,858.56 \$ 0.0011 1,858.56 \$ 0.00	Wholesale Market Service Charge	per kWh	\$	0.0044	1 606 320	6	7 /62 91	9	0 0036	1 690 600	9	6 092 56	•	1 201 25	10 510/
RRRP	(WMSC)				1,090,320	φ	1,403.81	φ	0.0036	1,009,000	Φ	0,002.00	l ^{-φ}	1,301.25	-18.51%
Standard Supply Service Charge Monthly \$ 0.2500 1 \$ 0.25 \$ 0.2500 1 \$ 0.25 \$ -	Rural and Remote Rate Protection	per kWh	\$	0.0013	4 000 000	φ.	0.005.00	•	0.0040	4 000 000	•	0.400.40	L .	0.74	0.400/
Debt Retirement Charge (DRC)	(RRRP)				1,696,320	Ъ	2,205.22	Ъ	0.0013	1,689,600	Ъ	2,196.48	- \$	8.74	-0.40%
Debt Retirement Charge (DRC)	Standard Supply Service Charge	Monthly	\$	0.2500	1	\$	0.25	\$	0.2500	1	\$	0.25	\$	-	0.00%
Ontario Electricity Support Program (OESP) Average IESO Wholesale Market Price per kWh \$ 0.0906 1,696,320 \$ 153,686.59 \$ 0.0906 1,689,600 \$ 1,858.56 \$ 0.0906 1,689,600 \$ 153,077.76 -\$ 608.83 Total Bill on Average IESO Wholesale Market Price HST		•	\$	0.0070	1.600.000			\$	0.007	1.600.000				-	0.00%
(OESP) Average IESO Wholesale Market Price per kWh \$ 0.0906 1,696,320 \$ 153,686.59 \$ 0.0906 1,689,600 \$ 153,077.76 -\$ 608.83 Total Bill on Average IESO Wholesale Market Price HST 13% \$ 25,953.48 13% \$ 25,690.30 -\$ 263.17 Total Bill (including HST) \$ 225,595.61 \$ 223,308.03 -\$ 2,287.58 Ontario Clean Energy Benefit 1			Ť		, ,	Ĺ	.,	٦					ľ		2.2070
Average IESO Wholesale Market Price per kWh \$ 0.0906 1,696,320 \$ 153,686.59 \$ 0.0906 1,689,600 \$ 153,077.76 -\$ 608.83 - Total Bill on Average IESO Wholesale Market Price HST 13% \$ 25,953.48 13% \$ 25,690.30 -\$ 263.17 - Total Bill (including HST) \$ 225,595.61 \$ 223,308.03 -\$ 2,287.58 -								\$	0.0011	1,689,600	\$	1,858.56	1		
HST 13% \$ 25,953.48 13% \$ 25,690.30 -\$ 263.17 - Total Bill (including HST) \$ 225,595.61 \$ \$ 223,308.03 -\$ 2,287.58 - Ontario Clean Energy Benefit 1	l` '	per kWh	\$	0.0906	1,696,320	\$	153,686.59	\$	0.0906	1,689,600	\$	153,077.76	-\$	608.83	-0.40%
HST 13% \$ 25,953.48 13% \$ 25,690.30 -\$ 263.17 - Total Bill (including HST) \$ 225,595.61 \$ \$ 223,308.03 -\$ 2,287.58 - Ontario Clean Energy Benefit 1	Total Bill on Average ICCO Whaterste	Market Drie				¢	100 040 44				•	107 647 70	6	2 024 44	-1.01%
Total Bill (including HST) \$ 225,595.61 \$ 223,308.03 \$ 2,287.58 - Ontario Clean Energy Benefit 1 \$ 225,595.61 \$ 223,308.03 \$ 2,287.58 -	ı	Warket Price		400/			-		400/						
Ontario Clean Energy Benefit 1			1	13%					13%						-1.01%
	, , ,					\$	225,595.61				\$	223,308.03	-\$	2,287.58	-1.01%
T (B' A							005 505 51					000 000 00		0.007.50	4
Total Bill on Average IESO Wholesale Market Price \$ 225,595.61 \$ 223,308.03 -\$ 2,287.58	I otal Bill on Average IESO Wholesale	Market Price				\$	225,595.61				\$	223,308.03	-\$	2,287.58	-1.01%

Table IRR - 5: Revised Bill Impacts (based on Interrogatory Responses) – Street Lighting

			Current Board-	Арр	roved			Proposed				lm	oact
	Charge Unit	Rate (\$)	Volume		Charge (\$)		Rate (\$)	Volume		Charge (\$)	9	Change	% Change
Monthly Service Charge	Monthly	\$ 2.23	00 1	\$	2.23	\$	1.1600	1	\$	1.16	-\$	1.07	-47.98%
Smart Meter Rate Adder	,		1	\$	-			1	\$	-	\$	-	
Rate Rider for Ice Storm Recovery - effect	Monthly	\$ 0.63	00 1	\$	0.63	\$	0.6500	1	\$	0.65	\$	0.02	3.17%
,	•		1	\$	-			1	\$	-	\$	-	
· ·	•		1	\$	-			1	\$	-	\$	-	
			1	\$	-			1	\$	-	\$	-	
Distribution Volumetric Rate	per kW	\$ 30.06	8 645	\$	19,389.22	\$	15.6666	645	\$	10,104.96	-\$	9,284.26	-47.88%
Smart Meter Disposition Rider			645	\$	-			645	\$	-	\$	-	
LRAM & SSM Rate Rider			645		-			645	\$	-	\$	-	
,			645	\$	-			645	\$	-	\$	-	
,			645	\$	-			645	\$	-	\$	-	
			645	\$	-			645	\$	-	\$	-	
,	•		645	\$	-			645	\$	-	\$	-	
	•		645	\$ \$	-			645	\$	-	\$	-	
	•		645	\$	-			645 645		-	\$	-	
Sub-Total A (excluding pass through)			645	\$	19,392.08			040	\$	10,106.77	- \$	9,285.31	-47.88%
Rate Rider for Disposition of	per kW	\$ 1.13	2	Ψ	13,332.00				Ψ	10, 100.11	۳	3,200.01	-41.00/0
Deferral/Variance Accounts (2015) -		0	645	\$	729.62			645	\$	-	-\$	729.62	-100.00%
effective until April 30, 2016				ľ					*		ľ		
Rate Rider for Disposition of Global	per kW	\$ 0.02	95										
Adjustment Account (2015) - effective			645	\$	19.03			645	\$		-\$	19.03	-100.00%
until April 30, 2016-Applicable only for			043	ıΨ	19.03			040	Φ	-	-φ	19.03	-100.00%
Non RPP Customers													
Rate Rider for Disposition of Global	per kW	\$ -											
Adjustment Account (2016) - effective			645	\$	_	\$	0.4552	645	\$	293.60	\$	293.60	
until April 30, 2018-Applicable only for			0.10	*		Ψ	0.1002	0.10	Ψ	200.00	*	200.00	
Non RPP Customers													
Rate Rider for Disposition of	per kW	\$ -									l.		
Deferral/Variance Accounts (2016) -			645	\$	-	\$	0.0618	645	\$	39.86	\$	39.86	
effective until April 30, 2018	nor k\\/	¢ 0.22	88 645	φ.	245 20	¢.	0.7443	645	\$	400.07	\$	264 77	400.000/
Low Voltage Service Charge Line Losses on Cost of Power	per kW	\$ 0.33	043	\$ \$	215.30	\$	0.7443	040	\$	480.07	\$	264.77	122.98%
Smart Meter Entity Charge		\$ 0.79	00 1	\$	0.79	\$	0.7900	1	\$	0.79	1 '	-	0.00%
Sub-Total B - Distribution (includes		ψ 0.70		Ė		Ť	0.7000	,					
Sub-Total A)				\$	20,356.82				\$	10,921.10	-\$	9,435.72	-46.35%
RTSR - Network	per kW	\$ 2.03	645	\$	1,312.12	\$	1.8766	645	\$	1,210.41	-\$	101.72	-7.75%
RTSR - Line and Transformation	per kW	\$ 1.45	9 645	\$	935.83	\$	1.4859	645	\$	958.41	\$	22.57	2.41%
Connection	·	Ψο	0.0	Ť		Ψ.		0.0	_		Ļ		2,0
Sub-Total C - Delivery (including Sub- Total B)	•			\$	22,604.77				\$	13,089.91	-\$	9,514.86	-42.09%
Wholesale Market Service Charge	per kWh	\$ 0.00	499,195	\$	2,196.46	\$	0.0036	497,218	\$	1,789.98	Φ.	406.48	-18.51%
(WMSC)			499, 193	Ψ	2,190.40	φ	0.0030	497,210	φ	1,705.50	-φ	400.40	-10.51/6
Rural and Remote Rate Protection	per kWh	\$ 0.00	3 499,195	\$	648.95	\$	0.0013	497,218	\$	646.38	-\$	2.57	-0.40%
(RRRP)											1		
Standard Supply Service Charge	Monthly	\$ 0.25		\$	0.25	\$	0.2500	170.050	\$	0.25		-	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.00	0 470,850	\$	3,295.95	\$	0.007	470,850	\$	3,295.95	\$	-	0.00%
Ontario Electricity Support Program (OESP)						\$	0.0011	497,218	\$	546.94			
Average IESO Wholesale Market Price	per kWh	\$ 0.09	499,195	\$	45,227.08	\$	0.0906	497,218	\$	45,047.91	-\$	179.17	-0.40%
Tatal Pill on Assess 1500 W.	Marilar D.				70.070 :-				_	00.070.00	<u>^</u>	40.400.00	40.0001
Total Bill on Average IESO Wholesale	e Market Price		0/	\$	73,973.47		4007		\$	63,870.39		10,103.08	-13.66%
HST Total Bill (including HST)		13	%	\$ \$	9,616.55 83,590.02		13%		\$	8,303.15 72,173.54		1,313.40 11,416.48	-13.66% -13.66%
Ontario Clean Energy Benefit 1				Φ	03,380.02				φ	12,113.04	-Φ	11,410.48	-13.00%
Total Bill on Average IESO Wholesale	Market Price			\$	83,590.02				\$	72,173.54	-\$	11,416 48	-13.66%
The same of the same	arnot i noc			Ť	00,000.02				Ť	12,110.04	Ť	11,410.40	10.0076

Table IRR - 6: Revised Bill Impacts (based on Interrogatory Responses) – Sentinel Lighting

Monthly Service Charge Monthly Smart Meter Rate Adder Rate Rider for Ice Storm Recovery - effect Monthly Distribution Volumetric Rate per kW Smart Meter Disposition Rider LRAM & SSM Rate Rider	у	Rate (\$) \$ 5.060 \$ 1.250 \$ 19.161	1 0 1 1 1 1	\$ \$ \$ \$ \$ \$	Charge (\$) 5.06 - 1.25 -	\$	Rate (\$) 6.1400	Volume 1 1	\$	Charge (\$) 6.14	\$	Change	% Change 21.34%
Monthly Service Charge Monthly Smart Meter Rate Adder Rate Rider for Ice Storm Recovery - effect Monthly Distribution Volumetric Rate per kW Smart Meter Disposition Rider	y y	\$ 5.060 \$ 1.250	1 0 1 1 1 1	1.	5.06						_		
Smart Meter Rate Adder Rate Rider for Ice Storm Recovery - effect Monthly Distribution Volumetric Rate Smart Meter Disposition Rider	у	\$ 1.250	1 0 1 1 1 1	1.	-		6.1400			6 14	\$		
Rate Rider for Ice Storm Recovery - effect Monthly Distribution Volumetric Rate per kW Smart Meter Disposition Rider			1 1 1	\$ \$ \$	1.25 - -	\$				0.11		1.06	21.34%
Distribution Volumetric Rate per kW Smart Meter Disposition Rider			1 1 1	\$ \$ \$		Ф	4 2000	1	\$	- 1.00	\$	- 0.04	2 200/
Smart Meter Disposition Rider	1	\$ 19.161	1 1 4 1	\$ \$	-		1.2900	1	\$	1.29	\$	0.04	3.20%
Smart Meter Disposition Rider	1	\$ 19.161	1 4 1	\$				1	\$		\$		
Smart Meter Disposition Rider		\$ 19.161	4 1		_			1	\$	_	\$	_	
Smart Meter Disposition Rider		,		\$	19.16	\$	23.2620	1	\$	23.26	\$	4.10	21.40%
LRAM & SSM Rate Rider			1	\$	-			1	\$	-	\$	- 1	
			1	\$	-			1	\$	-	\$	-	
			1	\$	-			1	\$	-	\$	-	
			1	\$	-			1	\$	-	\$	-	
			1	\$	-			1	\$	-	\$	-	
			1	\$	-			1	\$	-	\$	-	
•			1	\$	-			1	\$	-	\$	-	
•			1 1	\$ \$	-			1	\$	-	\$	-	
Sub-Total A (excluding pass through)			1	\$	25.47			ı	\$	30.69	\$	5.22	20.50%
Rate Rider for Disposition of per kW	,	\$ 1.494	2	Ψ	20.47				Ψ	50.03	Ψ	J.22	20.00/0
Deferral/Variance Accounts (2015) -		0	1	\$	1.49			1	\$	-	-\$	1.49	-100.00%
effective until April 30, 2016				ľ					Ċ		ľ		
Rate Rider for Disposition of Global per kW	'												
Adjustment Account (2015) - effective			1	\$	_			1	\$	_	\$	_	
until April 30, 2016-Applicable only for				*					Ψ		*		
Non RPP Customers													
Rate Rider for Disposition of Global per kW	′												
Adjustment Account (2016) - effective			1	\$	=	\$	-	1	\$	-	\$	-	
until April 30, 2018-Applicable only for Non RPP customers													
Rate Rider for Disposition of per kW	,	\$ -											
Deferral/Variance Accounts (2016) -		Ψ	1	\$	_	\$	0.1265	1	\$	0.13	\$	0.13	
effective until April 30, 2018				*		•	011200		۳	00	*	0.10	
Low Voltage Service Charge per kW	,	\$ 0.340	8 1	\$	0.34	\$	0.7598	1	\$	0.76	\$	0.42	122.95%
Line Losses on Cost of Power per kW	/h	\$ 0.073	2 39	\$	2.86	\$	0.0732	36	\$	2.66	-\$	0.20	-6.98%
Smart Meter Entity Charge		\$ 0.790	0 1	\$	0.79	\$	0.7900	1	\$	0.79	\$	-	0.00%
Sub-Total B - Distribution (includes				\$	30.96				\$	35.03	\$	4.07	13.15%
Sub-Total A) RTSR - Network per kW	,	. 0.046	7 4		0.04	œ	4 0050	4				0.40	7.750/
RTSR - Network per kW RTSR - Line and Transformation	1	\$ 2.043	7 1	\$	2.04	\$	1.8853	1	\$	1.89	-\$	0.16	-7.75%
Connection per kW	′	\$ 1.481	1	\$	1.48	\$	1.5168	1	\$	1.52	\$	0.04	2.41%
Sub-Total C - Delivery (including Sub-					04.40				•	20.40		2.05	44.450/
Total B)				\$	34.48				\$	38.43	\$	3.95	11.45%
Wholesale Market Service Charge per kW	/h	\$ 0.004	4 689	\$	3.03	\$	0.0036	686	\$	2.47	-\$	0.56	-18.51%
(WMSC)				ľ	0.00	Ψ	0.0000	000	Ψ	2	*	0.00	10.0170
Rural and Remote Rate Protection per kW	/h	\$ 0.001	689	\$	0.90	\$	0.0013	686	\$	0.89	-\$	0.00	-0.40%
(RRRP)		ф 0.0E/						1					
Standard Supply Service Charge Monthly Debt Retirement Charge (DRC) per kW		\$ 0.250 \$ 0.007		1 \$	0.25 4.55	\$	0.2500 0.007	650	\$	0.25 4.55		-	0.00% 0.00%
Ontario Electricity Support Program	'''	φ 0.007	0 650	Φ	4.00	Φ					Φ	-	0.00%
(OESP)						\$	0.0011	686	\$	0.76	1		
RPP - Tier 1 per kW	h l	\$ 0.080	0 416	\$	33.28	\$	0.0800	416	\$	33.28	\$	-	0.00%
RPP - Tier 2 per kW		\$ 0.122			14.27	\$	0.1220	117		14.27		-	0.00%
									Ĺ				
Total Bill on TOU (before Taxes)				\$	90.77				\$	94.91		4.14	4.56%
HST		13	%	\$	11.80		13%		\$	12.34		0.54	4.56%
Total Bill (including HST)				\$	102.57				\$	107.24	\$	4.68	4.56%
Ontario Clean Energy Benefit 1				•	400 57				*	107.04		4.00	4 EC0/
Total Bill on TOU				\$	102.57				\$	107.24	φ	4.68	4.56%

Table IRR - 7 : Revised Bill Impacts (based on Interrogatory Responses) – Un-Metered Scattered Load

			Cu	rrent Board-	Appr	oved			Proposed	_			Imp	act
			ate	Volume		Charge		Rate	Volume		Charge			
	Charge Unit		(\$)		Ļ	(\$)	_	(\$)		_	(\$)	_	Change	% Change
Monthly Service Charge	Monthly	\$	6.7500	1	\$	6.75	\$	7.9000	1	\$	7.90	\$	1.15	17.04%
Smart Meter Rate Adder	NA this	Φ.	0.0000	1	\$	-	Φ.	0.0000	1	\$	-	\$	-	0.400/
Rate Rider for Ice Storm Recovery - effe	Ctiviontniy	\$	0.9600	1	\$	0.96	\$	0.9900	1	\$	0.99	\$ \$	0.03	3.13%
	4			1	\$	-			1	\$	-	\$	-	
	•			1	\$	-			1	\$		\$	-	
Distribution Volumetric Rate	per kWh	\$	0.0045	150	\$	0.68	\$	0.0053	150	\$	0.80	\$	0.12	17.78%
Smart Meter Disposition Rider	por kvvn	ľ	0.0010	150	\$	-	Ψ	0.0000	150	\$	-	\$	-	11.10%
LRAM & SSM Rate Rider				150	\$	-			150	\$	-	\$	-	
	•			150	\$	-			150	\$	-	\$	-	
	*			150	\$	-			150	\$	-	\$	-	
				150	\$	-			150	\$	-	\$	-	
				150	\$	-			150	\$	-	\$	-	
				150	\$	-			150	\$	-	\$	-	
				150	\$	-			150	\$	-	\$	-	
				150	\$				150	\$	-	\$	-	
Sub-Total A (excluding pass through		•	0.0000		\$	8.39				\$	9.69	\$	1.30	15.50%
Rate Rider for Disposition of Deferral/Variance Accounts (2015) -	per kWh	\$	0.0032	450	\$	0.40			450	\$		¢	0.40	400.000/
effective until April 30, 2016				150	3	0.48			150	Ъ	-	-\$	0.48	-100.00%
Rate Rider for Disposition of Global	per kWh													
Adjustment Account (2015) - effective	perkwii													
until April 30, 2016-Applicable only for				150	\$	-			150	\$	-	\$	-	
Non RPP Customers														
Rate Rider for Disposition of Global	per kWh													
Adjustment Account (2016) - effective				.=-	 		•			_				
until April 30, 2018-Applicable only for				150	\$	-	\$	-	150	\$	-	\$	-	
Non RPP Customers														
Rate Rider for Disposition of	per kWh	\$	-											
Deferral/Variance Accounts (2016) -				150	\$	-	\$	0.0002	150	\$	0.03	\$	0.03	
effective until April 30, 2018														
Low Voltage Service Charge	per kWh		0.0011	150	\$	0.17	\$	0.0025	150	\$	0.38		0.21	127.27%
Line Losses on Cost of Power	per kWh		0.0732	9	\$	0.66	\$	0.0732	8	\$	0.61	-\$	0.05	-6.98%
Smart Meter Entity Charge		\$	0.7900	1	\$	0.79	\$	0.7900	1	\$	0.79	\$	-	0.00%
Sub-Total B - Distribution (includes Sub-Total A)					\$	10.48				\$	11.49	\$	1.01	9.67%
RTSR - Network	per kWh	\$	0.0066	159	\$	1.05	\$	0.0061	158	\$	0.97	-\$	0.08	-7.94%
RTSR - Line and Transformation	·	i i			l					ľ		l .		
Connection	per kWh	\$	0.0048	159	\$	0.76	\$	0.0049	158	\$	0.78	\$	0.01	1.68%
Sub-Total C - Delivery (including Sul	b-				\$	12.29				\$	13.24	¢	0.94	7.67%
Total B)					Ψ	12.23				¥	13.24	Ψ	0.34	7.07/
Wholesale Market Service Charge	per kWh	\$	0.0044	159	\$	0.70	\$	0.0036	158	\$	0.57	-\$	0.13	-18.51%
(WMSC)					ľ	0.70	Ψ	0.0000	100	Ť	0.0.	ľ	00	10.0170
Rural and Remote Rate Protection	per kWh	\$	0.0013	159	\$	0.21	\$	0.0013	158	\$	0.21	-\$	0.00	-0.40%
(RRRP)	Manthh	\$	0.2500	4	¢	0.05	\$	0.2500	1	\$	0.25	\$		0.00%
Standard Supply Service Charge Debt Retirement Charge (DRC)	Monthly per kWh	Ψ	0.2500	1 150	Ψ	0.25 1.05	-	0.2500	150	Ψ	1.05	_	-	0.00%
Ontario Electricity Support Program	perkwii	Φ	0.0070	150	Φ	1.05	Φ	0.007	150	Φ	1.05	Φ	-	0.00%
(OESP)							\$	0.0011	158	\$	0.17			
RPP - Tier 1	per kWh	\$	0.0800	96	s	7.68	\$	0.0800	96	\$	7.68	\$	_	0.00%
RPP - Tier 2	per kWh		0.1220		\$	3.29		0.1220	27	\$	3.29		-	0.00%
					L		Ĺ			Ĺ		L		
Total Bill on TOU (before Taxes)					\$	25.47				\$	26.46	\$	0.99	3.88%
HST			13%		\$	3.31		13%		\$	3.44		0.13	3.88%
Total Bill (including HST)					\$	28.79				\$	29.90	\$	1.12	3.88%
Ontario Clean Energy Benefit ¹ Total Bill on TOU														
					\$	28.79				\$	29.90	1.8	1.12	3.88%

Ref: Exhibit 1, Tab 1, Schedule 1, page 5

- a) Does HHHI propose to file a lead lag study in support of a WCA percentage different than 7.5%?
- b) If yes, when will this study be filed as part of this application?

Response:

- a) Please refer to 2-Staff-1.
- b) Please refer to 2-Staff-1.

Ref: Exhibit 1, Tab 2, Schedule 1, pages 16-17

- a) Please update the status of the transformer station build, including any expenditures incurred in 2015 and forecast for 2016, 2017 and 2018 based on the latest information available.
- b) The evidence states that HHHI reviewed several options and have chosen the most cost effective solution. Please provide all business cases and analysis for the chosen option and all other options considered.

Response:

a) Land acquired and detailed design RFP issued in 2015. Expenditures in 2015 are estimated at \$1M Forecast Expenditures:

2016: \$6.4M 2017: \$8.3M 2018: \$3.3M

b) Please refer to the IESO NWGTA Region IRRP Report shown in Appendix B of HHHI's DSP (Exhibit 2, Appendix A)

Ref: Exhibit 1, Tab 2, Schedule 1, page 18

Please confirm that HHHI has not included any CDM related costs or incentives in the calculation of the revenue requirement or deficiency. If this cannot be confirmed, please quantify any costs or incentives included in this application.

Response:

HHHI confirms that no CDM related costs or incentives are included in the calculation of the 2016 revenue requirement or deficiency.

Ref: Exhibit 1, Tab 2, Schedule 2

- a) Please confirm that HHHI's achieved rate of return was more than 300 basis points above the allowed return on equity in each of 2012, 2013 and 2014 based on the information shown in Table 1-2.
- b) Please expand Table 1-2 to include current/preliminary results for 2015.
- c) Did HHHI advise the OEB that it had exceeded the 300 basis point threshold in 2012, 2013 and/or 2014?
- d) Did the OEB request any information from HHHI to explain why it exceeded the 300 basis point threshold in 2012, 2013 and/or 2014? If yes, please provide the letters(s) from the OEB and any response from HHHI.
- e) Please explain the tax result that resulted in the over earning by more than 300 basis points, including an explanation of the changes. In particular, please explain what is meant by "expense amounts capitalized under MIFRS requirements".
- f) Please quantify, by year, the amounts capitalized under MIFRS requirements that were subsequently expensed for PILs purposes. Are the amounts capitalized under MIFRS requirements still included in rate base? Please explain fully.
- g) Please provide a version of Table 1-2 that reflects the achieved return on equity, excluding the result of the tax recovered by HHHI.

Response:

- a) Please refer to 4-Staff-36.
- b) Not available at this time.
- c) No.
- d) Please refer to EB-2014-0211 and EB-2014-0079.
- e) Please refer to:
 - i. HHHI response to OEB IR 4-Staff-37
 - ii. EB-2014-0211
 - iii. EB-2014-0079
- f) Table IRR 8 below quantifies by year, the amounts capitalized under MIFRS requirements that were expensed for PILs purposes. The amounts capitalized under MIFRS requirements remain in rate base.

Table IRR - 8: As per Schedule 1 of the Corporate tax returns

•	
	Capitalized under
	MIFRS; Expensed for
Taxation Year	PILs
2010	\$ 126,118
2011	377,303
2012	2,036,092
2013	2,164,901
2014	2,393,443
	\$ 7,097,857

Table IRR - 9: HHHI's Achieved Return on Equity, Excluding the Result of Tax Recovered by HHHI

Return on Equity	2010	2011	2012	2013	2014
Deemed	8.57%	8.57%		8.82%	8.82%
Achieved - Exh 1 page 41	7.59%	9.14%		14.97%	12.91%
Achieved - Exh 1 App 1-K	7.5570	9.14%			12.91%
Tromotou Exit Eripp Ex		5.2.77	2010070	2113776	
LRAM - EB-2011-0271			\$ 384,800		
Tax recovered				\$ 977,797	\$ 452,226
Achieved Return on Equity,					
Excluding the result of tax					
recovered by HHHI	7.59%	9.14%	11.03%	9.97%	10.85%

Ref: Exhibit 1, Appendix 1-J

Please explain and quantify any costs associated with HHCEC that are included in the revenue requirement of HHHI, such as Board of Director expenses, etc. For each cost included in the test year revenue requirement, please provide the historical cost included in the OM&A for each of 2012 through 2014 and the forecast or 2015.

Response:

Please refer to evidence filed in Exhibit 4, Tab 3, Schedule 3 pages 71 through 73.

Attached as Attachment 1 to these interrogatories is a table (provided in both .pdf and Excel formats) comparing the most recent (2014 RRR, and 2014 benchmarking) results of twenty-four Ontario distributors similar to the Applicant, including the Applicant. With respect to these comparison tables:

- a. Please identify any distributors on the list that the Applicant feels are not appropriate comparators, and provide reasons for that conclusion. Please identify any distributors that the Applicant feels should be on the list, and are not, and provide reasons for that conclusion.
- b. With respect to the OEB efficiency assessment:
 - i. Please confirm that the Applicant regularly keeps its overall cost performance at least 25% below predicted costs using the PEG model. Please provide any studies, reports or other documents the Applicant has in its possession discussing the reasons for that consistent performance.
 - ii. Please confirm that, even with a 24.4% rate increase in 2016 based on forecast increases in cost of service, the Applicant plans to remain at a level at least 25% below predicted costs in 2016. Please provide a forecast, if possible, of the Applicant's 2016 actual costs as a percentage of predicted costs using the PEG model.
- c. With respect to cost per customer, please confirm that nineteen of the comparator distributors had 2014 costs per customer lower than the Applicant, and the Applicant's cost per customer was 13.6% higher than the average of all of the comparators. Please provide any exogenous reasons (for example, customer mix) that should be taken into account in analyzing this metric.
- d. With respect to OM&A per customer and Distribution Revenue per customer:
 - i. Please explain why the OM&A per customer figure is higher than the OM&A per customer for 2014 as reported in the Application.
 - ii. Please confirm that the Applicant's OM&A per customer is 10th best of the comparator distributors, and the Applicant's Distribution Revenue per customer is also 10th best of the comparator distributors. Please provide details of any data inconsistencies or other anomalies known to the Applicant that would make these comparisons incorrect.
- e. Please provide any studies, reports or other materials in the possession of the Applicant analyzing the impact of the Applicant'sd customer growth on its cost structure and/or any specific cost performance metrics. By way of example, and without intending to limit the scope of the question, has Halton Hills Hydro investigated the extent, if any, to which the newness of its distribution assets impacts its operating and maintenance costs, or the extent, if any, to which its customer demographics impact its billing and collection costs (including such things as e-billing uptake, etc.)?

Response:

a) HHHI proposes inserting the last column "PEG Report – Assignment by Group". Referring to "Table 5" of the PEG Report – July 2015; and has arranged the table in order of efficiency by Stretch Factor Assignment by Group. The revised Table is shown as Table IRR - 10.

HHHI is the only distributor in the comparator list assigned to Group I; considered to be a better cost performer in accordance with the PEG Report.

Table IRR - 10: Revised SEC Comparator's Table (1)

								Ef	ficiency A	ssessme	ent				
	# of														PEG Report -
	Customer	OM&A/	DX. Rev/	Gross PPE/	Net PPE/	Aging							Cost per	Cost per	Assignment
Company	s	Customer	Customer	Customer	Customer	Ratio	2010	2011	2012	2013	2014	3 Year	Customer	km of Line	by Group
HALTON HILLS HYDRO INC.	21,534	\$246.30	\$475.89	\$2,682.71	\$2,424.87	90.39%	-27.2%	-24.9%	-27.5%	-35.7%	-31.3%	-31.5%	701	9,886	Group I
WELLAND HYDRO-ELECTRIC SYSTEM CORP.	22,470	\$277.20	\$412.69	\$2,485.05	\$1,209.00	48.65%	-19.6%	-16.2%	-10.4%	-15.2%	-17.3%	-14.3%	483	23,278	Group II
OSHAWA PUC NETWORKS INC.	54,731	\$204.78	\$361.92	\$3,105.41	\$1,558.90	50.20%	-21.7%	-18.0%	-14.5%	-17.4%	-18.1%	-16.7%	519	29,881	Group II
ESSEX POWERLINES CORPORATION	28,640	\$235.64	\$406.15	\$2,401.82	\$1,545.55	64.35%	-17.0%	-17.1%	-12.6%	-17.2%	-12.7%	-14.2%	524	32,562	Group II
ENTEGRUS	40,503	\$230.35	\$492.53	\$3,281.01	\$1,778.28	54.20%	-13.1%	-13.4%	-10.9%	-12.5%	-16.7%	-13.4%	533	22,585	Group II
NEWMARKET-TAY	34,871	\$231.48	\$504.72	\$3,060.63	\$1,581.13	51.66%	-14.6%	-21.0%	-19.5%	-19.5%	-18.6%	-19.2%	566	23,340	Group II
MILTON HYDRO DISTRIBUTION INC.	35,111	\$243.34	\$460.29	\$3,776.17	\$2,058.51	54.51%	-4.1%	-3.0%	-37.6%	-4.5%	-4.0%	-15.4%	679	23,629	Group II
HALDIMAND COUNTRY HYDRO INC.	21,323	\$352.62	\$620.61	\$3,737.07	\$2,238.68	59.90%	-27.6%	-24.1%	-18.7%	-23.7%	-23.6%	-22.0%	711	8,762	Group II
KINGSTON HYDRO CORPORATION	27,356	\$236.44	\$468.79	\$2,385.37	\$1,461.64	61.27%	0.1%	2.2%	2.4%	3.7%	-3.6%	0.8%	501	38,384	Group III
BRANTFORD POWER INC.	38,789	\$235.71	\$445.98	\$2,625.12	\$1,631.01	62.13%	3.8%	-2.5%	4.7%	0.7%	-3.6%	0.6%	503	39,047	Group III
WESTARIO POWER INC.	22,822	\$230.83	\$439.14	\$2,760.53	\$1,765.65	63.96%	-3.1%	-0.2%	-1.4%	2.2%	-4.2%	-1.1%	540	23,829	Group III
GUELPH HYDRO ELECTRIC SYSTEMS INC.	52,963	\$271.51	\$552.15	\$2,872.28	\$2,374.91	82.68%	12.4%	14.7%	-2.0%	0.8%	-4.8%	-2.0%	601	28,683	Group III
THUNDER BAY HYDRO	50,482	\$273.13	\$404.65	\$3,843.00	\$1,805.57	46.98%	9.6%	8.0%	-2.8%	8.2%	7.4%	4.2%	606	26,864	Group III
WHITBY HYDRO ELECTRIC CORPORATION	41,488	\$255.33	\$542.70	\$3,694.88	\$1,707.55	46.21%	0.4%	-3.0%	-7.0%	-0.9%	-6.8%	-6.5%	628	24,275	Group III
CAMBRIDGE and NORTH DUMFRIES HYDRO INC.	52,684	\$274.29	\$525.45	\$4,067.29	\$2,090.55	51.40%	-10.1%	-7.8%	-3.3%	0.5%	-1.9%	-1.6%	634	29,241	Group III
BLUEWATER POWER DISTRIBUTION CORPORATION	36,115	\$336.47	\$596.97	\$2,715.63	\$1,441.75	53.09%	-3.2%	1.7%	6.4%	5.9%	0.3%	4.2%	637	29,216	Group III
NORTH BAY HYDRO DISTRIBUTION INC.	23,975	\$273.36	\$598.12	\$4,542.57	\$2,197.31	48.37%	3.6%	5.5%	5.8%	5.4%	8.2%	6.5%	659	27,926	Group III
NIAGARA PENINSULA ENERGY INC.	51,824	\$329.23	\$624.45	\$4,653.17	\$2,319.69	49.85%	5.4%	5.2%	10.2%	1.1%	7.7%	6.4%	742	19,458	Group III
WATERLOO NORTH HYDRO INC.	54,674	\$259.20	\$626.65	\$5,866.41	\$3,415.97	58.23%	-3.1%	6.4%	4.3%	10.6%	11.0%	8.6%	760	26,299	Group III
PETERBOROUGH DISTRIBUTION INCORPORATED	36,058	\$241.81	\$430.11	\$2,828.61	\$1,605.72	56.77%	14.0%	15.6%	13.2%	14.5%	14.5%	14.1%	585	37,415	Group IV
FESTIVAL HYDRO INC.	20,362	\$322.01	\$558.73	\$3,818.56	\$1,914.97	50.15%	20.5%	18.0%	20.2%	19.6%	16.6%	18.8%	634	50,028	Group IV
GREATER SUDBURY HYDRO INC.	47,187	\$328.46	\$505.18	\$4,129.28	\$1,650.06	39.96%	-2.4%	14.1%	16.7%	4.8%	14.9%	12.2%		30,698	Group IV
PUC DISTRIBUTION INC.	33,487	\$329.60	\$557.07	\$4,269.92	\$2,525.27	59.14%	-8.5%	-5.2%	13.4%	22.7%	14.6%	16.9%	664	29,886	Group IV
CANADIAN NIAGARA POWER	28,627	\$329.51	\$653.78	\$4,829.35	\$2,944.46	60.97%	16.4%	15.6%	10.0%	13.8%	12.9%	12.2%	749	21,202	Group IV
Averages of 24 Distributors	36,587	\$272.86	\$511.03	\$3,517.99	\$1,968.62	55.96%	-3.7%	-2.1%	-2.5%	-1.3%	-2.5%	-2.2%	617	27,349	

- b)
 - i. HHHI is unable to confirm, due to the fact HHHI does not have access to the specific business conditions and assumptions used in the PEG Report calculation for HHHI. However, with reference to Table 3 (A) and Table 3 (B) of the PEG Report July 2015, HHHI is consistent in the summary of cost performance results.
 - ii. HHHI is unable to confirm, due to the fact HHHI does not have access to the specific business conditions and assumptions used in the PEG Report calculation for HHHI.
- c) When comparing LDC to LDC in the table below, it is important to understand that the PEG Econometric Model takes into consideration company specific business parameters. The PEG Report is based on the results of a statistical cost benchmarking study designed to make inferences on individual distributors' cost efficiency. An econometric model is used to predict the level of cost associated with each distributor's operating conditions. The model used to determine the cost efficiency of distributors is based on econometrics. Distributor cost in the PEG model is estimated as a function of business conditions faced by each distributor. These business conditions include the number of customers served and the price of inputs such as labour and capital. The Distributor's actual cost is then compared to that

predicted by the model. The percentage difference between actual and predicted cost is the measure of cost performance. Distributor's with larger negative differences between actual and predicted costs are considered to be better cost performers. With reference to the table below HHHI's 3 Year Efficiency Assessment is -31.5%

The PEG Report – Assignment by Group is very important to understanding the overall efficiency of a distributor. There are five (5) possible Group Assignments, with Group I being the most efficient through to Group V being the least efficient. HHHI is one of six distributors in Group I and the only distributor in Group I within the comparator table below.

HHHI's 2014 Total Cost per Customer was \$701 derived from ((\$5,200,809 OM&A + \$9,894,897 CapEx) / 21,534 Customers). HHHI's 2013 Total Cost per Customer was \$642. This increase, in part, is a reflection of the increase in CapEx as HHHI rebuilds and invests in infrastructure in preparation to accommodate customer growth. This is also supported by the fact HHHI has a 90.39% "Aging Ratio".

This interrogatory is written in a way that encourages the reader to reach a false conclusion. It is important to clarify that this interrogatory is referring to "Total Cost" per Customer versus Total OM&A per Customer. There are other benchmarking measures in the comparative table that are conveniently ignored; such as "Cost per km of Line". HHHI, with 89.6% rural territory, is 2nd with Cost per km of line at \$9,886.

Table IRR - 11: Revised SEC Comparator's Table (2)

	l							Ff	ficiency A	ssessme	nt		l	l	
	#of							-,,	, researcy , r						PEG Report -
	Customer		,										l		Assignment
Company	s	OM&A/ Customer	DX. Rev/ Customer	Gross PPE/ Customer	Net PPE/ Customer	Aging Ratio	2010	2011	2012	2013	2014	3 Year	Cost per Customer	Cost per km of Line	by Group
WELLAND HYDRO-ELECTRIC SYSTEM CORP.	22,470	\$277.20	\$412.69	\$2,485.05		48.65%	-19.6%	-16.2%	-10.4%	-15.2%	-17.3%	-14.3%	483	23,278	Group II
KINGSTON HYDRO CORPORATION	27,356	\$236.44	\$468.79	\$2,385,37		61.27%	0.1%	2.2%	2.4%	3.7%	-3.6%	0.8%	501	38.384	Group III
BRANTFORD POWER INC.	38,789	\$235.71	\$445.98	\$2,625,12	\$1,631,01	62.13%	3.8%	-2.5%	4.7%	0.7%	-3.6%	0.6%	503	39,047	Group III
OSHAWA PUC NETWORKS INC.	54,731	\$204.78	\$361.92	\$3,105.41	\$1,558.90	50.20%	-21.7%	-18.0%	-14.5%	-17.4%	-18.1%	-16.7%	519	29,881	Group II
ESSEX POWERLINES CORPORATION	28,640	\$235.64	\$406.15	\$2,401.82	\$1,545.55	64.35%	-17.0%	-17.1%	-12.6%	-17.2%	-12.7%	-14.2%	524	32,562	Group II
ENTEGRUS	40,503	\$230.35	\$492.53	\$3,281.01	\$1,778.28	54.20%	-13.1%	-13.4%	-10.9%	-12.5%	-16.7%	-13.4%	533	22,585	Group II
WESTARIO POWER INC.	22,822	\$230.83	\$439.14	\$2,760.53	\$1,765.65	63.96%	-3.1%	-0.2%	-1.4%	2.2%	-4.2%	-1.1%	540	23,829	Group III
NEWMARKET-TAY	34,871	\$231.48	\$504.72	\$3,060.63	\$1,581.13	51.66%	-14.6%	-21.0%	-19.5%	-19.5%	-18.6%	-19.2%	566	23,340	Group II
PETERBOROUGH DISTRIBUTION INCORPORATED	36,058	\$241.81	\$430.11	\$2,828.61	\$1,605.72	56.77%	14.0%	15.6%	13.2%	14.5%	14.5%	14.1%	585	37,415	Group IV
GUELPH HYDRO ELECTRIC SYSTEMS INC.	52,963	\$271.51	\$552.15	\$2,872.28	\$2,374.91	82.68%	12.4%	14.7%	-2.0%	0.8%	-4.8%	-2.0%	601	28,683	Group III
THUNDER BAY HYDRO	50,482	\$273.13	\$404.65	\$3,843.00	\$1,805.57	46.98%	9.6%	8.0%	-2.8%	8.2%	7.4%	4.2%	606	26,864	Group III
WHITBY HYDRO ELECTRIC CORPORATION	41,488	\$255.33	\$542.70	\$3,694.88	\$1,707.55	46.21%	0.4%	-3.0%	-7.0%	-0.9%	-6.8%	-6.5%	628	24,275	Group III
FESTIVAL HYDRO INC.	20,362	\$322.01	\$558.73	\$3,818.56	\$1,914.97	50.15%	20.5%	18.0%	20.2%	19.6%	16.6%	18.8%	634	50,028	Group IV
CAMBRIDGE and NORTH DUMFRIES HYDRO INC.	52,684	\$274.29	\$525.45	\$4,067.29	\$2,090.55	51.40%	-10.1%	-7.8%	-3.3%	0.5%	-1.9%	-1.6%	634	29,241	Group III
BLUEWATER POWER DISTRIBUTION CORPORATION	36,115	\$336.47	\$596.97	\$2,715.63	\$1,441.75	53.09%	-3.2%	1.7%	6.4%	5.9%	0.3%	4.2%	637	29,216	Group III
GREATER SUDBURY HYDRO INC.	47,187	\$328.46	\$505.18	\$4,129.28	\$1,650.06	39.96%	-2.4%	14.1%	16.7%	4.8%	14.9%	12.2%	648	30,698	Group IV
NORTH BAY HYDRO DISTRIBUTION INC.	23,975	\$273.36	\$598.12	\$4,542.57	\$2,197.31	48.37%	3.6%	5.5%	5.8%	5.4%	8.2%	6.5%	659	27,926	Group III
PUC DISTRIBUTION INC.	33,487	\$329.60	\$557.07	\$4,269.92	\$2,525.27	59.14%	-8.5%	-5.2%	13.4%	22.7%	14.6%	16.9%	664	29,886	Group IV
MILTON HYDRO DISTRIBUTION INC.	35,111	\$243.34	\$460.29	\$3,776.17	\$2,058.51	54.51%	-4.1%	-3.0%	-37.6%	-4.5%	-4.0%	-15.4%	679	23,629	Group II
HALTON HILLS HYDRO INC.	21,534	\$246.30	\$475.89	\$2,682.71	\$2,424.87	90.39%	-27.2%	-24.9%	-27.5%	-35.7%	-31.3%	-31.5%	701	9,886	Group I
HALDIMAND COUNTRY HYDRO INC.	21,323	\$352.62	\$620.61	\$3,737.07	\$2,238.68		-27.6%		-18.7%	-23.7%	-23.6%	-22.0%	711	8,762	Group II
NIAGARA PENINSULA ENERGY INC.	51,824	\$329.23	\$624.45	\$4,653.17	\$2,319.69	49.85%	5.4%	5.2%	10.2%	1.1%	7.7%	6.4%	742	19,458	Group III
CANADIAN NIAGARA POWER	28,627	\$329.51	\$653.78	\$4,829.35	\$2,944.46		16.4%	15.6%	10.0%	13.8%	12.9%	12.2%	749	21,202	Group IV
WATERLOO NORTH HYDRO INC.	54,674	\$259.20	\$626.65	1-/	. ,	58.23%	-3.1%	6.4%	4.3%	10.6%	11.0%	8.6%	760	26,299	Group III
Averages of 24 Distributors	36,587	\$272.86	\$511.03	\$3,517.99	\$1,968.62	55.96%	-3.7%	-2.1%	-2.5%	-1.3%	-2.5%	-2.2%	617	27,349	

d) i. The difference in OM&A per customer is explained in Table IRR - 12.

Table IRR - 12: OM&A per Customer – RRR vs. Rate Application

	<u>t</u>	Та	Application - able 4-15	
\$ 246.30	B/A	\$	197.03	D/C
19,623			19,623	
1,701			1,701	
210			211	
			170	
			4,477	
			147	
21,534	A		26,329	
			26,285	С
791,622			791,622	
615,219			615,219	
3,896,954			3,772,100	
5,303,795	В		5,178,941	D
included above			24,054	
included above			100,799	
5,303,795			5,303,794	
	19,623 1,701 210 21,534 791,622 615,219 3,896,954 5,303,795 included above included above	19,623 1,701 210 21,534 A 791,622 615,219 3,896,954 5,303,795 B included above	19,623 1,701 210 21,534 A 791,622 615,219 3,896,954 5,303,795 B included above included above	19,623 19,623 1,701 1,701 210 211 170 4,477 147 21,534 A 26,329 791,622 791,622 615,219 615,219 3,896,954 3,772,100 5,303,795 B 5,178,941 included above 24,054 included above 100,799

- ii. HHHI confirms that its OM&A per customer and its Distribution Revenue per customer, as presented in the comparator table, is 10th best of the 24 comparator distributors. HHHI is not aware of any known anomalies that would make comparisons incorrect.
- e) HHHI's Distribution System Plan (DSP), Appendix 'A' of Exhibit 2, provides extensive detail and a comprehensive strategy for asset management as well as prudent, cost effective guidance for capital expenditures. In addition, the PEG Report July 2015 also supports the fact that HHHI is a very cost efficient distributor.

HHHI currently does not have any other reports, studies or other materials in its possession that would support otherwise any other specific cost performance metric(s).

Ref: Ex. 1/2/1 p. 17, 31

Please provide details of the "knowledge mapping exercise" referred to, and provide the most recently updated document detailing that initiative and its status.

Response:

The Knowledge Mapping exercise is designed to capture the knowledge and insights of individual employees and to build a HHHI information database that serves to mitigate the following risks:

- Effective Succession Planning the collection of information and practices that employees use to perform their roles enables for a smoother and more consistent transition between personnel.
- Gap analysis the information collected through the exercise is used to analyze current levels of
 proficiency and the potential requirement of additional knowledge and skills among individuals and
 groups.
- In-depth understanding of job functions within HHHI with an in-depth understanding of job functions, increased opportunities exist for job design and organizational structure.

Ref: [1/2/1 p. 18]

Please provide full details of all costs, if any, included in the 2016 revenue requirement associated with training of the customer care staff relating to the CDM framework. If those costs are not included in the revenue requirement, please advise how they are funded.

Response:

There are no incremental training costs for customer care staff relating to the CDM framework.

1-SEC-4

Ref: [1/2/1 p. 19]

Please provide details of the Applicant's plan to promote electronic billing and payment options, including any internal planning documents or presentations relating to that plan.

Response:

Please refer to 4-Staff-35 parts (e) and (f).

Ref: [1/2/1, p. 20, 29]

Please describe how the Applicant intends to respond to the transfer tax exemption referred to, and the evolving policies of the provincial government relating to LDC consolidation. Please include in the response details of the Applicant's M&A strategy, if any. Please describe how the possibility of merger with other LDCs is affected, if at all, by the Applicant's strong focus on the local community.

Response:

There is no formal "M&A Strategy" at this time and/or there is no further information to provide than what is stated in section 3.2.4 on page 29 of 1/2/1.

Ref: [1/2/1, p. 21, and Appendix 2-AC]

Prior to the RRFE, what were the primary methods used by the Applicant to get feedback from its customers, and to learn their preferences? Please advise what changes in customer engagement strategy were implemented as a result of RRFE, the cost of those changes, and the incremental knowledge of customer preferences, concerns, and input that have arisen as a result of those changes. Please provide a list of customer preferences and feedback that the Applicant heard in the customer engagement relating to this Application, and were not previously known to the Applicant.

Response:

Examples of customer engagement prior to October 2012 include:

- 2009 Town Hall meetings with customers regarding smart metering implementation, also meetings with various community groups and rate payers associations
- Annual participation in community events approximately 20 events annually fall fairs, etc. to engage with customers about conservation, smart meters, Time-of-Use billing and discuss customer preferences
- 2011 Customer Service Survey
- 2011 TOU implementation
 - o Web portal focus group
 - o Public meetings
- 2012 Community Open House of Halton Hills Hydro office
- 2012 launched Halton Hills Hydro Facebook page & LinkedIn page
- 2013 Launched Twitter account

Customer engagement strategy has continued to be refined based on customer preference and technology changes. Changes in direct response to the RRFE were:

- Implementation of First Contact Resolution internal processes only no additional cost
- Increased customer survey requirements: New requirements for two surveys every two years Public Safety Survey and Customer Satisfaction Survey. Prior to RRFE we conducted one Customer Satisfaction Survey every three years.
 - o Prior to RRFE, Survey costs annualized were @\$7,700
 - o Since RRFE, Survey costs annualized will be @\$19,000 a substantial increase.

Key customer preferences and feedback relating to this Application:

- Customers did not know that HHH portion of the residential bill was only \sim 20%. They thought it was much higher.
- Customers were surprised to learn that HHH only has 52 employees, they thought we had a significantly larger staff
- 19% of our customers feel that zero outages are acceptable in a year
- 62% of customers prefer pro-active replacement over run-to-failure even if it costs more
- 53% of customers were willing to pay more for increased tree trimming.

Ref: [1/2/2 p. 25]

Please provide details of the last ten "new ideas and emerging trends in the industry", identified by the Applicant's research, that the Applicant has adopted or plans to adopt.

Response:

The statement referred to is in the Safety section of the application:

Adopted Trends:

- Mutual Aid Orientation
- Enhanced Site Security
- Return to Work Program
- Risk Assessment for all HHHI tasks
- Basic H&S Safety Training to all HHHI staff
- Working @ Heights Training
- Training Resource Sharing with Regional Utilities (i.e. Oakville Hydro Electricity Distribution Inc. and Milton Hydro Distribution Inc.)
- Ergonomic Training for Inside Staff
- Provide JHSC Basic Certification to staff

Researched Trends:

- Employee Wellness Training
- Digital MSDS documents w/ automated updates

Ref: [1/2/2, p. 28]

Aside from the benchmarking work done by the Board, what benchmarking has the Applicant done of its rates and the costs underlying its rates? Please provide any studies, reports or other documents benchmarking the Applicant's costs and/or rates to other LDCs or other businesses.

Response:

The PEG benchmarking report was created to provide a provincial level insight using an econometric model that normalizes operating efficiencies, thus removing the necessity of any specific cohort comparisons.

Ref: [1/3/1, p. 43]

Please confirm that the reduced working capital allowance from 15% to 7.5% reduced the deficiency by about \$350,000. Please confirm that increased depreciation increased the deficiency by \$970,000. Please advise why those cost drivers are not included in Table 1-4. Please reconcile Table 1-4 with Table 6-5.

Response:

Reducing working capital allowance from 15% to 7.5% in 2016 reduced the revenue deficiency by \$333,000 and this impact is captured in the rate of return amount in Table 1- 4. Table 6 - 5 shows the revenue deficiency between the 2015 revenue at exiting rates and the proposed 2016 revenue requirement. Table 1-4 shows the main cost drivers for 2016.

Ref: [1/3/2, p. 44]

Please describe the "top-down approach" used to control OM&A. Please provide details of any external benchmarks or other sources of information used to establish a reasonable overall OM&A level, independent of bottom-up budget asks.

Response:

The annual budget process is initiated by the Executive Team, supported by the HHHI Board of Directors, setting out the budget guidelines, assumptions and expected outcomes. The guidelines will include target and benchmark ratios such as:

- Operating margin (EBIT ÷ total electricity revenue)
- Net margin (net income ÷ total electricity revenue)
- Return on equity (net income ÷ total equity)
- Return on Total Assets (net income ÷ total assets)
- Operating ratio (total OM&A ÷ total revenue)
- Construction Capital based on the Distribution System Plan (DSP)
- Current year inflation trend based on the consumer price index Ontario; an average of the current year CPI and compared with the prior year CPI

Ref: [1/4/1, p. 65]

Please how responses to an online survey can be included in the calculation of the margin of error. Please confirm that online surveys cannot be considered statistically valid samples.

Response:

Online survey responses came from our customer list. 4365 residential and commercial customers were emailed with a link to the online survey. 930 or 21.3% of those customers who received the e-mail completed the survey. These responses represent a valid sample of the 4365 customers polled. The goal of our survey was to seek customer input. Online responses were consistent with telephone and focus group responses. Given current trends in the research industry, the Margin of Error for online and telephone surveys is not typically combined. The margin of error for the telephone survey alone was +/- 4.6%, 19 times out of 20.

1-SEC-12

Ref: [1/5/1, p. 74]

Please provide the most recent consolidated financial statements of Halton Hills Community Energy Corporation.

Response:

The request for consolidated financial statements of Halton Hills Community Energy Corporation is outside the scope of this application and proceeding.

Ref: [1/8/1, p. 80]

With respect to SouthWestern Energy Inc.:

- a) Please describe the business of the affiliate.
- b) Please file the most recent financial statement of the affiliate.
- c) Please confirm that the affiliate has only one employee, and 2014 revenues of less than \$700,000.
- d) Please describe the role of the affiliate in the \$1.8 million LED conversion project for the Town of Halton Hills, as set out in more detail in Attachment 2 to these interrogatories. Please provide a detailed budget for the project, showing all services to be provided by the Applicant, or performed by the employees of the Applicant, related to the project, and how each of those services will be costed. Please show where each cost to be incurred by the Applicant related to this project is included in the Application, and where recovery of that cost from a third party, whether the affiliate or some other party, is also included in the Application.

Response:

- a) SouthWestern Energy Inc. (the Affiliate) is a privately owned corporation, incorporated under the laws of the Province of Ontario. The principal activities of the Affiliate are to provide water meter reading and billing services for residents in the municipality of Halton Hills, as well as energy related services such as sentinel light rentals, streetlight and traffic light maintenance.
- b) The Affiliate is a private corporation; the financial statements are not available for distribution.
- c) The Affiliate has more than one employee and revenue greater than \$700,000.
- d) The \$1.8 million LED conversion project is a business transaction between the Affiliate and the Town of Halton Hills. The Affiliate's fulfilment obligation for this project does not involve the utilization of resources from HHHI and has no impact on HHHI ratepayers.

Ref: [1/8/1, p. 82]

Please provide the full text of the current Shareholder Direction of the Applicant, the current Shareholder Direction of the Applicant's parent company, and any prior Shareholder Direction of the Applicant or the parent company dated after January 1, 2012.

Response:

The full text of the current Shareholder Direction of the Applicant, the current Shareholder Direction of the Applicant's parent company, and any prior Shareholder Direction of the Applicant or the parent company dated after January 1, 2012 are the properties of the Town of Halton Hills and to the knowledge of HHHI, have not been made public.

1-SEC-15

Ref: [1/8/1, p. 84]

Please provide any budget or rate application presentation given to the Board of Directors at its November, 2015 Board meeting.

Response:

There was no presentation made to the Board of Directors at its November 2015 Board meeting. The Cost of Service Rate Application, including the 2016 budget, was reviewed and approved by HHHI's Board of Directors prior to its submission on August 28, 2015.

Ref: [1/App. 1-D/2014, p. 5]

Please file the OEB PP&E Review dated January 14, 2014.

Response:

The OEB PP&E Review dated January 14, <u>2014</u> is actually in reference to the OEB PP&E Review dated January 14, 2013, which is shown in Appendix IRR - A.

1-SEC-17

Ref: [1/App. 1-D/2014, p. 5]

Please confirm that, for each of the Term Loans listed, the Applicant is subject to interest rate changes annually.

Response:

Confirmed.

Ref: [1/App. 1-H]

Please identify all references in the Code of Conduct to promoting the best interests of the customers.

Response:

Section 2 - Core Principles

Integrity

- never disclose confidential or sensitive information inappropriately;
- treat fellow employees, customers and all others with respect, honesty, courtesy and dignity. Any form of harassment or violence including behaviours that demean, threaten or humiliate others will not be tolerated;
- be honest, trustworthy, reliable and dependable in fulfilling all of your duties.

Performance Excellence

take accountability for their work and for their results. Be committed to giving their full efforts in
everything they do and recognize that they must continue to seek new ways to be more effective and
efficient;

Citizenship

It is the expectation of HHCEC and its affiliates that all employees, directors and agents will:

- act in a way that protects the health and safety of the public, our contractors, fellow employees and themselves;
- act in an environmentally responsible manner; and
- respect and support the social and cultural diversities of the communities where they live, work and serve.

Section 7 – Confidentiality

HHCEC and its affiliates will make all reasonable efforts to protect confidential information with respect to its customers, its employees, its business partners and Shareholder. No employee, director or agent will take action that knowingly violates any disclosure of information legislation. Information will be provided, as required, to regulatory and government agencies

Section 8 – Proprietary Information

As a provider of services to the public, HHCEC and its affiliates have available certain customer related information. This information is and must be strictly controlled, and no employee, director or agent should use such information in any manner which is not authorized by HHCEC or its affiliates or the customer. Proprietary information must be protected from unauthorized access or disclosure during and after employment with HHCEC and/or its affiliates. All documents and records belonging to HHCEC and/or its affiliates must be returned when an employee leaves employment.

Section 12 – Our Community and Environment

HHCEC and its affiliates are committed to being socially and environmentally responsible, recognizing that the competitive pressures for economic growth and cost efficiency must be integrated with environmental stewardship. The implementation of creative ideas for waste management and reduction, recycling and re-use

programs is encouraged. The HHCEC and its affiliates are committed to responsibly managing all aspects of its business to meet or exceed recognized environmental, health and safety standards and legal requirements.

1-VECC-1

Reference: E1/T4/pg.63

a) Please provide the most recent telephone survey report.

Response:

a) The HHHI 2014 Customer Satisfaction Survey report can be found in Exhibit 2, DSP Appendix H. As part of Customer Engagement, HHHI also had a telephone survey conducted. The Customer Engagement report can be found in Exhibit 2, DSP Appendix I.