

**From:** Stephen Vetsis  
**Sent:** February-04-16 3:39 PM  
**To:** BoardSec  
**Cc:** 'garmstrong@veridian.on.ca'; Tracey Strong ([tstrong@veridian.on.ca](mailto:tstrong@veridian.on.ca))  
**Subject:** EB-2015-0106 Veridian Connections Inc.: Updated rate model

Hi,

Please see the attached, updated rate model for Veridian Connections Inc.'s 2016 Price Cap IR rate application. Through discussions with OEB staff, some updates and corrections have been made to Veridian's rate model. The changes are summarized below.

The rate model has been updated to:

- 1) Correct the inputs related to calculation of the shared tax savings amount.
- 2) Correct the billing determinants used to calculate the rate design transition for the seasonal residential class.
- 3) Increase the transition period to 5 years for implementing the rate design transition for the seasonal residential class.

In updating the billing determinants for the seasonal residential class, it was discovered that the fixed rate for the seasonal residential class would have to increase by \$4.13 in order to implement the change. Veridian proposed increase the transition period for the seasonal residential class to 5 years in order to for the change to the fixed rate to be below the \$4 threshold identified in the OEB's filing requirements.

The shared tax savings amount of \$2,849 does not produce material rate riders for all classes. As a result, Veridian has updated it proposal to move the \$2,849 balance to account 1595 for future disposition.

Regards,

Stephen Vetsis

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