Brantford Power Inc.

EB-2016-0058

OEB Staff Interrogatories

1-Staff-1

a) Please provide an update to capital, OM&A, cost of power, load forecast and revenue requirement to incorporate at least six months of actual data for 2016 in the bridge year.
b) 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 Brantford Power wishes to make to the amounts in the previous version of the RRWF included in the middle column. 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 in the final sheet of the model, such as a reference to an interrogatory response or an explanatory note.

1-Staff-2

Ref: Appendix 2-W, Bill Impacts

Upon completing all interrogatories from OEB staff and intervenors, please provide updated bill impacts for all classes at the typical consumption / demand levels (e.g. 750 kWh for residential, 2,000 kWh for GS<50, etc.), reflecting any changes made during the interrogatory process.

1-Staff-3

Ref: Responses to Letters of Comment

Following publication of the Notice of Application, the OEB received 1 letter of comment. Sections 2.1.9 of the Filing Requirements states that distributors will be expected to file with the OEB their response to the matters raised within any letters of comment sent to the OEB related to the distributor's application. If the applicant has not received a copy of the letters, they may be accessed from the public record for this proceeding.

Please file a response to any matters raised in the letter of comment referenced above. Going forward, please ensure that responses are filed to any subsequent matters that

may be raised in any further letters filed in this proceeding. All responses must be filed before the argument (submission) phase of this proceeding.

1-Staff-4

Ref: Conditions of Service

a) Please identify any rates and charges that are included in the Applicant's Conditions of Service, but do not appear on the OEB-approved tariff sheet, and provide an explanation for the nature of the costs being recovered through these rates and charges.
b) Please provide a schedule outlining the revenues recovered from these rates and charges from 2012 to 2014 inclusive, and the revenues forecasted for the 2015 bridge and 2016 test years.
c) Please explain whether, in the Applicant's view, these rates and charges should be included on the Applicant's tariff sheet of approved rates and charges.

1-Staff-5

Ref: Exhibit 1, Tab 1, Schedule 3, pg. 2

In its overview of the budget process methodology, Brantford Power has identified a specific requirement incorporating a review of alternative approaches to service delivery and the annualization of productivity savings achieved.

a) Please provide an itemized list of the productivity initiatives and resulting savings identified for 2015 during the preparation of the 2017 test year budget.
b) Please describe how these productivity savings were incorporated into the 2017 budget.

1-Staff-6

Ref: Exhibit 1, Attachment 1-F

In the 2015 reconciliation between the audited financial statements and the RRR, there is a reconciling item of $136k impairment loss that was due from affiliates on Brantford Power's audited financial statements but reclassified to expenses in the RRR. Please explain what this impairment loss pertains to, how impairment was determined and what the impact to Brantford Power's application was.

2-Staff-7

Ref: Exhibit 2, Tab 1, Schedule 1, pgs. 2-17
Ref: Appendix 2-C

With Regard to Brantford Power's proposed acquisition of land and building, please provide the following additional information:

a) Brantford Power states that the purchase of the property is not yet certain as of the filing of the application. Please provide a status update of the transaction, including:
    i) Has the final offer been accepted?
    ii) If so, what is the final purchase price?
    iii) Is the building currently occupied?
    iv) At what date will Brantford Power take possession of the building?
    v) Has a new lease been executed with the current tenant? If so, what is the term of the lease?
b) At page 13, Brantford Power states that it expects relocation to be underway by October 1, 2016 given that minimal changes are anticipated for the office portion of the facility. Please describe the changes that would be required to meet Brantford Power's space needs, with specific reference to:
    i) The current configuration of the office space as it compares to the configuration required to meet Brantford Power's specific organizational requirements;
    ii) The current configuration of common space as it compares to Brantford Power's needs;
    iii) The current finishes and furniture as compared to Brantford Power's needs;
    iv) Reconfiguration required to stock room, interior vehicle storage and any other utility space.
c) Brantford Power's analysis appears to be based on estimates provided by its real estate consultants. Has Brantford Power received actual construction/refurbishment estimates for the required work? If so, please provide an update to the proposed refurbishment costs, including contingencies.
d) Has Brantford Power retained a construction company to complete the required refurbishments? If so, please provide the proposed timeline to complete the work.
e) Please provide a table which compares the staff workspace in square feet as indicated in the AECOM space requirements, the amount of workspace to be occupied by Brantford Power, the amount to be occupied by Brantford Power

affiliates and the amount to be occupied by the existing tenant. On separate lines, please provide the same comparison for each of stock room space, interior vehicle storage, outdoor secure storage and total building space.

f) Based on the response to part e) above, please provide a comparison of the revenue requirement impact of including only the Brantford Power portion of the land and building in rate base with the revenue requirement impact of removal of non LDC operating costs and using rental income as an offset to OM&A, as proposed.

g) Please provide a calculation of the net present value of the option to lease which excludes the portion of the land and building applicable to Brantford Power affiliates and the remaining tenant.

h) At page 10, Brantford Power has provided an excerpt from a letter from AECOM that states:

> *Assuming the area is regularly shaped it should be more than adequate to accommodate Brantford Power's outdoor storage needs. An aerial view of the property indicates that the surrounding area is not developed. Improvements would be required to develop a secure site storage area.*

   i) Is the area regularly shaped?
   ii) Is it adequate to accommodate outdoor storage needs?
   iii) What improvements are required?
   iv) What is the proposed timeline for these improvements?
   v) What is the cost of these improvements?
   vi) Have these improvements been incorporated into the capital cost proposed?

i) OEB staff notes that Brantford Power has assumed that, despite uncertainties evident as at its May 4 application date, the transaction will be complete, refurbishments done and all staff relocated by December 31, 2016 to include this asset in the opening rate base for the 2017 test year. Is Brantford Power requesting OEB approval of its <u>proposed</u> cost in rate base for 2017? What treatment would Brantford Power propose for variances between proposed and actual cost?

j) Did Brantford Power consider applying for an ICM or an ACM during the IRM term to allow the OEB to consider the prudence of the <u>actual</u> cost of this asset for inclusion in rate base?

2-Staff-8

Ref: Exhibit 2 - Attachment A, pg. 16-17 (PDF 125-126)

"Some specific BPI Distribution System Plan cost savings are expected to be achieved through the following:

- *Asset condition inspections and comprehensive data collection will provide a better understanding of each asset's stage in their lifecycle which will lead to more cost effective decisions with respect to maintenance, refurbishment and replacement decisions. BPI has not been able to quantify the capital or System O&M savings resulting from this as BPI will complete the first full 3-year cycle of inspections using the ODM in 2017.*
- *Proactive maintenance and replacement of plant will reduce reactive maintenance costs and improve service to customers, will result in fewer and shorter duration outages and will have a beneficial impact on the cost of outages to customers. A structured program will also smooth financial rate impacts in an effort to avoid disruptive rate spikes to address the volume of plant reaching end of life. BPI has not been able to quantify the capital or System O&M savings resulting from this as the improved financial reporting and analysis tools in the financial information system was only implemented at the end of 2016.*
- *Joint use underground construction with telecoms, where appropriate, will reduce underground cable installation costs for replacement of existing underground subdivision cable at end-of-life. BPI has not been able to quantify the capital or System O&M savings resulting from this due to the unknowns related to which of the budget and forecast projects will allow BPI to share space and costs.*
- *Improved use of the Geographic Information System (GIS) to capture and access plant attribute data (i.e. nameplate data, condition, inspection/maintenance histories, etc.) will aid in cost control through optimization of the asset's lifecycle. BPI has not been able to quantify the capital or System O&M savings resulting from this as BPI will complete the first full 3-year cycle of inspections using the ODM in 2017.*
- *Prudent investment in distribution automation (i.e. remotely operated switches), as part of Smart Grid development, will improve day-to-day switching operations and have a positive impact on improving outage restoration time thereby mitigating customer outage costs. BPI has not been able to quantify the capital or System O&M savings resulting from this as the current penetration level of the remotely operated switches does not yet provide sufficient coverage in the service area to identify quantitative improvements.*
- *Coordination of plant inspection with maintenance reduces operating costs. Contractors performing tree trimming and infra-red testing also carry out visual inspections of adjacent plant. Exception reports are generated, as required, for follow-up remediation efforts by BPI. BPI has not been able to quantify the capital or System O&M savings resulting from this because the practice has been in place for a number of years. This is an ongoing, persistent activity.*
- *The use of distribution system design standards purchased from Enersource in 2006, significantly reduces unit costs for standard development and equipment approvals. BPI has not been able to quantify the capital or System O&M savings resulting from this as the standards have been in place and in use since 2006. This is an ongoing and persistent activity.*
- *Certain maintenance activities (i.e. painting transformers) help extend the life of the equipment thereby deferring replacement costs for a number of years. BPI has not been able to quantify the capital or System O&M savings resulting from this as there are no 'control' assets that are not receiving maintenance to compare to.*
- *Mobile equipment (i.e. laptops and tablets) in use provides paperless access to GIS information, maps, schematics, drawings and standards for inspection crews and Operations supervisors. During the period of the DSP BPI intends to expand the use of mobile equipment to all work crews to enable*

Workforce Management. BPI has not been able to quantify the capital or System O&M savings resulting from this as full Workforce Management is not yet implemented.

For a portion of the general plant projects, completing the implementation of the outage management system as the customer information system is being implemented rather than before will save BPI the cost of a second integration with the legacy customer information system. BPI did not quantify the savings attributable to completing the projects in this order."

a) Has Brantford Power estimated capital or system O&M savings for each of the cost saving sources listed above?
    i. If yes, please provide details of the calculation of O&M savings.
b) Are the trends in O&M spending related to these cost savings being tracked?
    i. If yes, please provide this data.
    ii. If no, please describe the steps being taken by Brantford Power going forward to ensure adequate tracking of O&M spending trends and cost savings trends.

2-Staff-9

Ref: Exhibit 2 - Attachment A, pg. 18 (PDF 127)

"The Optimal Decision Model (ODM) used by BPI to prioritize system renewal projects continually benefits from this updated data. The ODM draws information from the GIS system and the Customer Information System (CIS) in addition to inspection reports and input from qualified staff. While the ODM continues to use asset condition assessment to determine remaining useful life, in addition to risk assessment to determine probable consequence of failure and probability of failure, and combines them according to the asset risk analysis flowchart, it has moved beyond this to develop asset deterioration models. In these models, the estimated service life and a deterioration curve are combined to determine the remaining service life.

By using deterioration curves, the remaining service life is determined using classification and regression trees. This analysis works best when there is detailed asset data available to determine condition influencing factors and to have a reasonable sample set. This method of analysis has helped BPI to more clearly define the risks and be better able to assign or implement risk mitigation strategies."

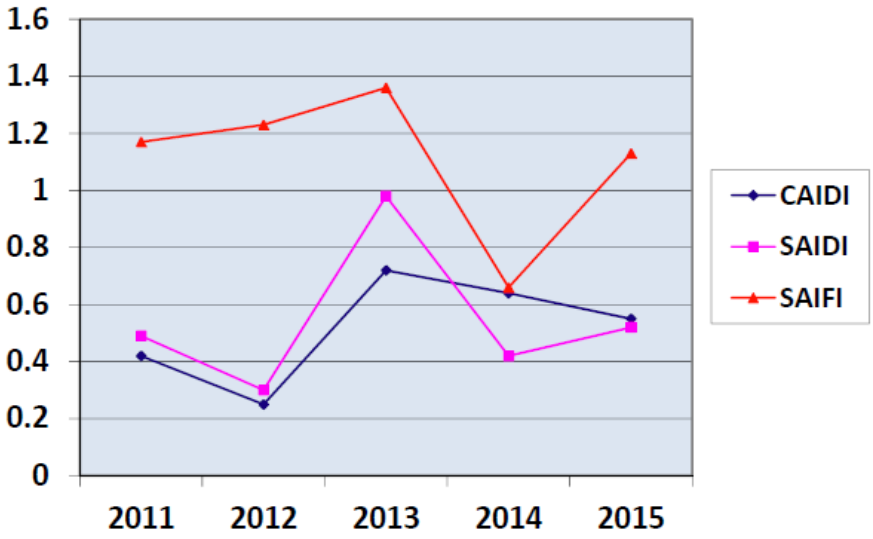
a) Please provide a concrete example of the ODM output results and show how these results are being used to prioritize projects.
b) Has Brantford Power tracked the effectiveness of implementing its ODM to date?
    i. If yes, please provide this data.
    ii. If no, please describe the steps being taken by Brantford Power going forward to ensure adequate tracking and effective implementation of the ODM results.

c) Does Brantford Power's asset management process identify specific projects or does it point to general areas of concern? Please provide details.

2-Staff-10

Ref: Exhibit 2 - Attachment A, pg. 32 (PDF 141)

Figure 5: Reliability Trends for the Historical Period (including loss of supply)

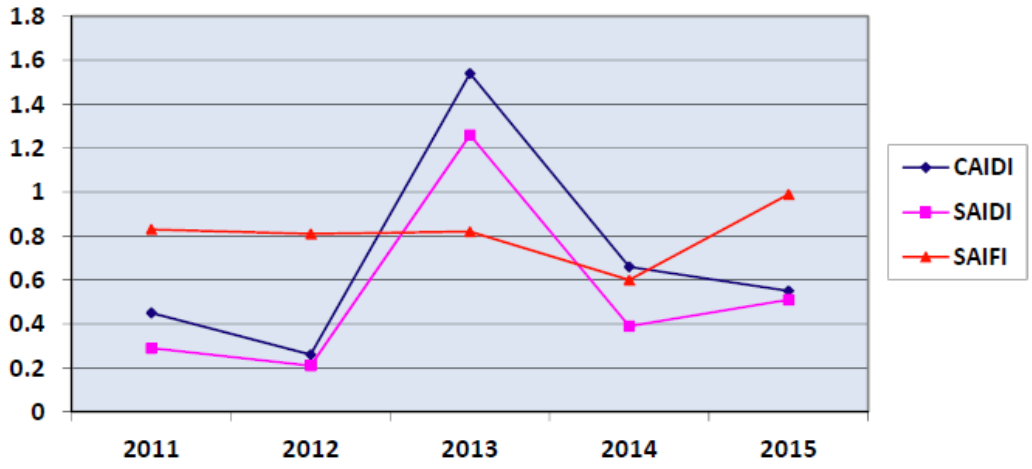


a) In a revised graph, please present the 2011 - 2015 reliability trend information in Figure 5 excluding the December 2013 event.

2-Staff-11

Ref: Exhibit 2 - Attachment A, pg. 33 (PDF 142)

Figure 7: Reliability Trends for the Historical Period (excluding loss of supply)



a) Please explain why the values in Figure 7 are higher when excluding loss of supply than when including loss of supply (i.e.: compared to Figure 5 shown in 2-Staff-3).
b) Please explain what caused the deterioration in SAIFI and SAIDI from 2014 to 2015.
c) Please explain what caused the deterioration in SAIFI, SAIDI and CAIDI from 2011 to 2015.
d) In a revised graph, please present the 2011 - 2015 reliability trend information in Figure 7 excluding the December 2013 event.

2-Staff-12

Ref: Exhibit 2 - Attachment A, pg. 34-35 (PDF 143-144)

Figure 9: Short Duration Outages by Feeder

Feeder	2011	2012	2013	2014	2015	5-Year Average
12M12	4	0	0	0	0	1
12M13	0	1	1	0	1	1
12M23	4	8	3	6	1	4
64M21	5	5	1	2	8	4
64M22	3	3	1	7	4	4
64M23	2	1	4	2	1	2
64M24	2	5	7	4	1	4
64M25	2	5	2	1	1	2
64M26	6	9	13	14	5	9
64M27	9	5	5	3	8	6
64M28	10	6	3	5	5	6
64M29	5	4	1	2	4	3
64M30	8	5	4	1	1	4
PM1	9	3	1	3	2	4
PM2	4	0	3	5	4	3
PM3	0	0	0	0	0	0
PM7	0	0	0	0	0	0
PM8	9	2	11	4	6	6
Total Short Duration Outages	82	62	60	59	52	63

a) Please explain the reasons for the comparatively high number of outages for the following feeders:
   - 64M26
   - 64M27
   - 64M28
   - PM8

b) Please explain what is being done to improve performance of these feeders.

2-Staff-13

Ref: Exhibit 2 - Attachment A, pg. 40 (PDF 149)

"To improve the SAIDI and SAIFI trends (excluding loss of supply), BPI plans System Service projects that will focus on shortening the duration of outages that customers experience."

a) Please clarify whether Brantford Power plans System Service projects that will focus on shortening the duration of outages that customers experience, as opposed to reducing the frequency of outages that customers experience?
b) If Brantford Power's primary focus is shortening the duration of outages, please explain how reducing outage duration will improve SAIFI.
c) Are there any projects that would reduce the frequency of outages? If yes, please provide details.

2-Staff-14

Ref: Exhibit 2 - Attachment A, pg. 41 (PDF 150)

"BPI monitors progress of spending on capital projects in the current budget year.

This measure does not have a direct impact on the projects included in this DSP. This measure is an internal measure that allows BPI to better manage project spending and respond earlier in the year should the spending deviate from the approved budget within the applicable year."

a) With reference to the above statement, is Brantford Power's project expenditure monitoring focused upon individual project spending or on overall project spending in the current budget year?
b) If it is focused on overall project spending, is the number of projects changed in response to specific projects being over/under budget?

2-Staff-15

Ref: Exhibit 2 - Attachment A, pg. 50 (PDF 159)

"Risk for individual assets is determined based on the following criticality determinants as part of the distribution system:

- *Condition of the asset.*

- *Location of the asset. For example, assets located along snow route roads or major intersections have a higher risk of deterioration.*
- *Frequency of maintenance of an asset would indicate a higher risk of failure of that asset if the maintenance program is not in place. Thus, the asset management program would assign a higher risk to this asset, notwithstanding maintenance, for the purpose of identification.*
- *Number of customers that are affected by the asset. This implies that higher the number of customers, the more critical that asset is.*
- *The usage history associated to that asset. Usage is the average energy consumed by the customers connected to a particular asset over a given period of time. Therefore a higher energy usage would assign a higher criticality to the asset."*

a) Please define "criticality" as used in the quoted paragraph.
b) Please specify which of the above listed criteria are considered "criticality related parameters".
c) Please specify which, if any, of the above listed criteria are considered probability of failure metrics, and which, if any, are considered as being consequence metrics.
d) Please describe the relationship between risk, criticality, probability of failure and consequence of failure.

2-Staff-16

Ref: Exhibit 2 - Attachment A, pg. 50 (PDF 159)

"The Risk Weight and Outage Weight were determined based on BPI's operation and engineering staff opinion and tested to ensure that those projects that were deemed of higher importance by staff were highest on the priority list. Risk Weight and Outage Weight have been reviewed by staff approximately every two years since the original determinations were made."

a) Please provide an example of "Risk Weight" and "Outage Weight" being changed following the most recent review of these weightings.
b) How does Brantford Power guard against changing the weightings based upon one-time events rather than (evolving) trends? (Said differently, how does Brantford Power differentiate between "signal" and "noise" in the data?)
c) How does Brantford Power ensure that weightings are changed in response to (evolving) future trends rather than "business as usual" historic patterns?

2-Staff-17

Ref: Exhibit 2 - Attachment A, pg. 54 (PDF 163)

"The relation between PoF, CHI and ERL is as follows:

- *When the asset condition is very poor (CHI=1), regardless of the Estimated Remaining Life (ERL), the probability of failure (PoF) is Almost certain and given a PoF score of 4.*
- *When the asset condition is poor (CHI=2), regardless of the Estimated Remaining Life (ERL), the probability of failure (PoF) is likely and given PoF a score of 3.*
- *When the asset condition good (CHI=3) and the ERL (%) is less than 45%, the probability of failure (PoF) is somewhat likely and given a PoF score of 2.*
- *When the asset condition is excellent (CHI=4) and the ERL (%) is more than 45%, the probability of failure (PoF) is Unlikely and given PoF a score of 1.*

In the absence of historical condition data of an asset, the Estimated Remaining Life (ERL) is applied to determine the replacement dates."

a) In the case of the following statement permutation, please describe whether CHI or ELR governs, why they govern, and what happens to the PoF:
"When the asset condition is good (CHI=3) AND the ERL (%) is greater than 45%"
b) In the case of the following statement permutation, please describe whether CHI or ELR governs, why they govern, and what happens to the PoF:
"When the asset condition is excellent (CHI=4) AND the ERL (%) is less than 45%"
c) How often is ERL used to determine asset replacement dates due to an absence of historical asset condition data?
d) What are the most common reasons for an absence of historical asset condition data?

2-Staff-18

Ref: Exhibit 2 - Attachment A, pg. 59 (PDF 168)

"According to the City's Official Plan, the City is expected to grow to a population of approximately 139,000 by the year 2031. This will be an average growth of 2.4% per year for the next fifteen years, based on new industrial and residential development forecasted over the long-term. Based on this, BPI projects a customer growth rate in line with the predicted population growth rate of approximately 0.9%. This would imply a customer base of approximately 41,300 by the end of the forecast period."

a) Please reconcile the predicted 0.9% rate of customer growth with the expected 2.4% average population growth rate.
b) Although the growth is anticipated to take place over the next 15 years, the City is planning to service the majority of remaining city residential lands over the next

5 years, thereby requiring Brantford Power to accelerate its normal level of System Access expenditures.

i. Is Brantford Power able to influence the timing and scope of the City-planned projects to optimize its own capital projects?
ii. If yes, please explain why Brantford Power is not pushing back on the accelerated development since it appears to be causing early expenditures.

2-Staff-19

Ref: Exhibit 2 - Attachment A, pg. 86 (PDF 195)

"The capital project selection and prioritization methodology focuses capital funding on those assets that pose the greatest risk. By selecting asset replacement or renewal projects that focus on areas containing large numbers of high risk assets, it can be quantitatively shown that the projects selected are achieving the highest cost and value possible by reducing the overall system risk. The Risk Management Strategy is consistent with BPI's Corporate Risk Policy and manages the overall system risk. The Lifecycle Management Strategy uses asset information to plan infrastructure renewal projects based on asset condition assessments and Estimated Remaining Life (ERL). All assets are to be replaced at 90% of their useful life. This value is used as each asset's Estimated Service Life (ESL). Using Year of Installation, ESL, ERL, and Condition Health Index (CHI) for each asset in the Asset Database, the probability of failure (PoF) is calculated. PoF values are used in the ODM's risk matrix to calculate the risk level of each asset."

a) Please show how "useful life" as used in the sentence "All assets are to be replaced at 90% of their useful life" is determined.
b) Please show the quantitative relationships between the term "useful life" and the other terms used in the quoted paragraph: Estimated Service Life (ESL), Condition Health Index (CHI), Estimated Remaining Life (ERL) and Probability of Failure (PoF).
c) Is "Risk level" as used in the quoted paragraph synonymous with "Probability of Failure"?
d) Why aren't (very) low risk or similar assets allowed to run to fail?
e) Please explain why "the projects selected are achieving the highest cost … possible by reducing the overall system risk" is the correct strategy for Brantford.

2-Staff-20

Ref: Exhibit 2 - Attachment A, pg. 87 (PDF 196)

"BPI's asset deterioration models are divided into two parts. The first part determines the estimated service life of a group of assets and the remaining service life for each asset. The second part determines the

deterioration curve for each of the groups of assets. Data requirements for each of the two parts, developed models, and future steps are also presented.

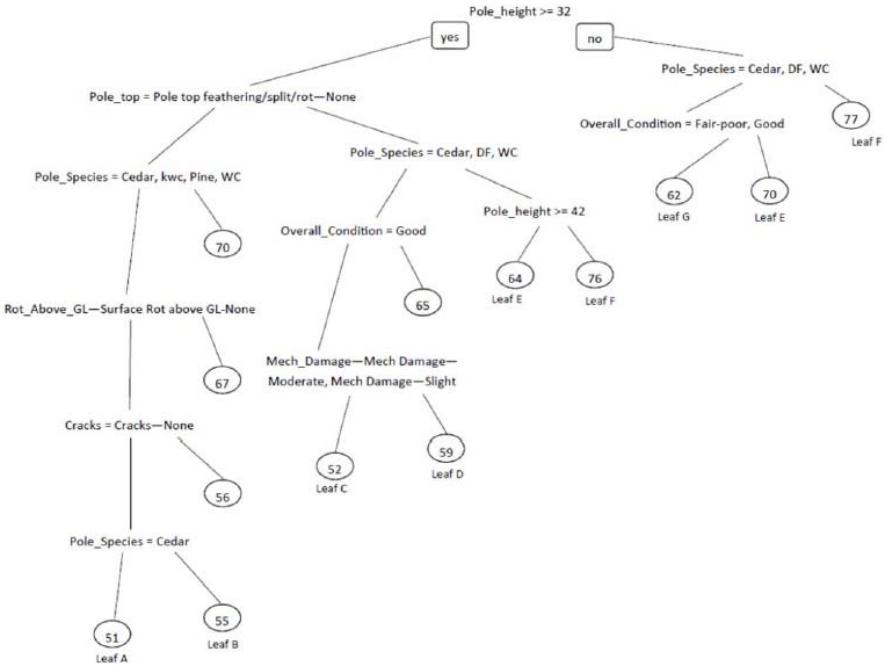
In order to determine remaining service life of an asset, and by extension, that of an asset class, service life data is required. This includes a remaining service life assigned to each asset by an inspector, using historic replacement data, or using industry standards for estimated service life."

a) Please show the quantitative relationship, if any, between the Estimated Service Life and Remaining Service Life of an asset.
b) Does Brantford Power use the pure age (i.e.: raw calendar age) of the asset to estimate the Remaining Service Life for most of its assets?
    i. If yes, please explain why an adjusted age based on a condition assessment is not used.

2-Staff-21

Ref: Exhibit 2 - Attachment A, pg. 89 (PDF 198)

Figure 46: Poles Tree Diagram



a) Please identify the decision criteria used at each bifurcation point in the tree diagram shown in Figure 46 (or confirm that the assumption in each case is left branch = "Yes" and right branch = "No").

b) Please confirm if the circled numbers equate to the percentage of Remaining Service Life of the pole.
    a. If this is not the case, please provide an interpretation of the numbers.
    b. If this is the case, please confirm that the tree diagram never results in a pole having a Remaining Service Life higher than “77”, or lower than “51”.

2-Staff-22

Ref: Exhibit 2 - Attachment A, pg. 89 (PDF 198)
Ref: Exhibit 2 - Attachment A, pg. 90 (PDF 199)

“Deterioration curves were created by determining a representative age for each CHI and interpolating between them as well. Deterioration curves were developed for each leaf in the tree. Below is the scaled equation for the curve segments:”

$$CHI = \begin{cases} 4 \; if \; x \leq 0.35 \\ -8.7986x^2 + 5.843x + 3.0391 \; if \; 0.35 < \; x \; < 0.9 \\ 1 \; if \; x \geq 0.9 \end{cases}$$

“The equation for Transformer deterioration curves is given below:”

$$CHI = \begin{cases} 5 \; if \; x \leq 0.04 \\ 4.335x^2 - 8.853357x + 5.364 \; if \; 0.04 < \; x \; < 0.83 \\ 1 \; if \; x \geq 0.83 \end{cases}$$

a) Please explain how the above pole and transformer equations were derived, and provide examples of how they are used in practice.
b) What parameter does “x” represent?

2-Staff-23

Ref: Exhibit 2 - Attachment A, pg. 94 (PDF 203)

“Upstream capability (i.e. HONI TS, transmission, etc.) to accommodate new load and generation are determined through the Regional Planning process. Currently, as determined by Hydro One, there are generation connection limitations on the Z bus feeders at Brantford TS. No other generator connection limitations exist.”

a) Please describe how the Z bus restrictions could be mitigated quickly if an interconnection request was received by a potential generation customer.

2-Staff-24
Ref: Exhibit 2 - Attachment A, pg. 96-97 (PDF 205-206)

Figure 51: System Access Capital Projects Forecast

Project	2017 Priority Ranking	2017 Forecast Cost	2018 Forecast Cost	2019 Forecast Cost	2020 Forecast Cost	2021 Forecast Cost
New Services (Roll Ins)	5	267,585	305,234	324,131	333,128	95,275
Non Residential Connections - Overhead	2	246,579	198,288	225,483	227,463	230,301
Non Residential Connections - Underground	3	469,527	386,584	382,993	384,443	385,934
New Overhead Transformers	NR	34,888	38,465	42,407	46,712	47,646
New Underground Transformers	4	321,680	354,652	391,004	430,688	439,302
Metering – New Customers	NR	90,508	91,389	92,565	94,034	94,034
Relocation – Shellard Lane	NR	0	165,690	0	0	0
Relocation – Dalhousie Street (Clarence to Brant)	NR	0	0	1,536,800	0	0
Relocation – Colborne-Dalhousie-Brant-Icomm Intersections	NR	0	0	124,000	0	0
Relocates – City & MTO	NR	20,000	232,800	20,000	381,550	110,000
New Subdivisions/Townhomes	1	739,250	783,605	857,530	872,315	295,706
Capital Contributions	NR	-479,000	-479,000	-479,000	-479,000	-479,000
Other Expenditures Below Materiality Threshold	NR	0	30,500	8,000	50,000	50,000
Total System Access		1,711,017	2,108,207	3,525,913	2,341,333	1,269,198

a) Please confirm if all projects shown in Figure 51 are based upon customer interconnection or other third party infrastructure-related requests.
b) Please confirm if all customer interconnection or third party infrastructure-related requests are considered to be non-discretionary.
    i. If yes, please explain what the priority ranking column in Figure 51 is indicating.
    ii. If no, please provide a list of customer interconnection requests that are considered to be discretionary.
c) Given the significant increase in System Access spending in the middle three years of this forecast, does Brantford Power have the latitude to defer any of these projects beyond 2021, or to flatten the overall forecast spend pattern?

2-Staff-25

Ref: Exhibit 2 - Attachment A, pg. 97 (PDF 206)

*"**Relocation – Dalhousie Street (Clarence to Brant):** The City is reconstructing this section and it is an opportunity to bring the system up to today's standard and save money on restoration. The 3 blocks covered*

under this project do not have any electrical infrastructure allowing for growth. The project covers new junction boxes, vaults, concrete encased duct banks required for additional pipe and underground services. BPI needs to install plant consistent with the rest of the downtown area. This project is not material in the test year. The project will not be in-service until 2019."

a) Given the cost of the project described in the quoted paragraph ($1,536,800), are there other expenditures in the System Access or any other expenditure categories that can be deferred or rescheduled to levelize the rate of capital spend?

2-Staff-26

Ref: Exhibit 2 - Attachment A, pg. 98 (PDF 207)

Figure 52: System Renewal Capital Projects Forecast

Project	2017 Priority Ranking	2017 Forecast Cost	2018 Forecast Cost	2019 Forecast Cost	2020 Forecast Cost	2021 Forecast Cost
Conversion to 27kV and/or Ownership	NR	63,669	66,853	70,195	73,705	77,391
RTU Replacement	NR	0	0	150,000	0	0
Lynwood Drive	NR	0	0	0	153,000	0
Pole Replacement	6	199,574	207,250	199,574	207,250	199,574
Rebuild – General	NR	26,841	29,592	32,625	35,969	39,656
Rebuild – Oak Park Road	NR	83,600	0	0	0	0
Rebuild – Vault Replacements	NR	91,219	77,677	78,936	79,898	81,176
Rebuild – Line Transformers	7	142,410	143,834	145,272	146,725	148,192
Metering - Replace Existing	NR	0	0	167,199	0	0
Total System Renewal		607,313	525,206	843,801	696,547	545,989

a) The Metering and RTU projects both have forecast single expenditures in year 2019, which is the peak expenditure year in the overall capital forecast. Please confirm if Brantford Power has the latitude to reschedule or defer spending in this category to levelize the rate of capital spend.

2-Staff-27

Ref: Exhibit 2 - Attachment A, pg. 99 (PDF 208)

Figure 53: System Service Capital Projects Forecast

Project	2017 Priority Ranking	2017 Forecast Cost	2018 Forecast Cost	2019 Forecast Cost	2020 Forecast Cost	2021 Forecast Cost
SCADA	10	113,800	63,900	63,200	63,200	63,200
Downtown Automation	NR	0	250,000	0	0	0
Automated Reclose Switches	11	195,755	117,042	96,640	144,960	144,960
Line Capacitors	12	112,000	112,000	0	0	0
Other Expenditures Below Materiality Threshold	NR	19,688	49,970	0	0	87,000
Total System Service		441,243	592,912	159,840	208,160	295,160

a) Expenditures in the System Service category peak in the first two years. Please confirm if Brantford Power has the latitude to reschedule or defer any of the 2017 and 2018 System Service projects to levelize the rate of capital spend.

2-Staff-28

Ref: Exhibit 2 - Attachment A, pg. 99-100 (PDF 208-209)

Figure 54: General Plant Capital Projects Forecast

Project	2017 Priority Ranking	2017 Forecast Cost	2018 Forecast Cost	2019 Forecast Cost	2020 Forecast Cost	2021 Forecast Cost
Capital Contribution to HONI (115kV Switches)	NR	0	3,752,548	0	0	0
Vehicle Replacements	13	425,000	400,000	350,000	225,000	375,000
Office Furniture and Computer Hardware	NR	35,800	17,800	36,900	10,400	40,800
SIP-Other	NR	0	57,188	396,200	0	0
Customer Information System Implementation	8	682,149	0	0	0	0
Operations and Customer Service OMS	9	239,904	0	0	0	0
Other Expenditures Below Materiality Threshold	NR	25,000	25,000	25,000	0	0
Total General Plant		1,407,853	4,252,536	808,100	235,400	415,800

a) Please explain why the planned contribution to the HONI 115 kV Switches project is treated as a General Project expenditure.

2-Staff-29

Ref: Exhibit 2 - Attachment A, pg. 100 (PDF 209)

*"**SIP-Other** – This project is for the purchase of and implementation of other systems BPI deemed necessary in order to complete the systems integration projects as identified in the study completed in 2013. This project is not material in the test year.*

***Customer Information System Implementation** – This project is for the implementation of a new customer information system. In 2017, this is the #8 priority project.*

***Operations and Customer Service OMS** – This project is for the purchase of and implementation of a new outage management system. In 2017, this is the #9 priority project."*

a) Please confirm if it is possible to defer the SIP project into 2021 or out of the present forecast period. If not, why not?
b) Please confirm if it is possible to defer the Customer Information System Implementation project into 2021 or out of the present forecast period. If not, why not?
c) Please confirm if it is possible to defer the Operations and Customer Service OMS project into 2021 or out of the present forecast period. If not, why not?

2-Staff-30

Ref: Exhibit 2 - Attachment A, pg. 101 (PDF 210)

"The plan identifies the following features:

- *To support the near and medium term needs, the following options were presented:*
  - Addition of capacitor banks at Powerline TMS to provide reactive power support
  - Addition of 115 kV transmission switching facilities at Brant TS
  - Implementing conservation targets
  - Demand response opportunities"

a) Please confirm if there are any capital costs in this DSP relating to the "implementation of conservation targets" or "demand response opportunities".
    i. If yes, please provide a list of these projects.

2-Staff-31

Ref: Exhibit 2 - Attachment A, pg. 113-114 (PDF 222-223)

Figure 61: Customer Priorities

Key Driver	Residential Customers (91% of all customers)	Business Customers (9% of all customers)	Weighted Average Rating
Value of Service	19%	11%	18%
Affordability of Service	15%	9%	14%
Overall Quality of Customer Service	12%	21%	13%
Reliability of Service	9%	21%	10%
Billing Accuracy	11%	Not Ranked	10%
Overall Quality of Communication	8%	Not Ranked	7%
Being Leader in the Community	Not Ranked	10%	1%

a) Given that the top two drivers for Residential customers are Value and Affordability of Service, and both of these drivers are related to the cost of service, please show how Brantford Power has adjusted its capital spending plans to minimize rate impacts and to distribute expenditures evenly throughout the forecast period.

2-Staff-32

Ref: Exhibit 2 - Attachment A, pg. 123 (PDF 232)

"System Renewal:

- *2012 included the final year of a multi-year project to remove submersible transformers from residential areas and replace these with pad mount transformers.*
- *BPI forecasts the replacement of the Remote Terminal Unit (RTU) at Powerline MTS in 2019. The RTU will be 15 years old and at its end of life.*
- *BPI plans to replace the non-interval meters located at its GS>50kW customers in 2019. BPI is required by the OEB to complete the conversion of all remaining non-interval meters for this customer class no later than August 2020."*

a) Please confirm if the 15 year end of life assessment for the RTU is based on actuarial estimates or Brantford Power 's understanding that the equipment will not be serviceable after 2019.

b) Is the scheduled replacement of the non-interval meters in 2019 discretionary or non-discretionary (in respect of both need and timing)?

2-Staff-33

Ref: Exhibit 2 - Attachment A, pg. 125-126 (PDF 234-235)

"Relocation or replacement of existing plant normally results in an asset being replaced with a similar one, so there would be little or no change to resources for ongoing System O&M purposes (i.e. inspections still need to be carried out on a periodic basis as required per the DSC). There may be some slight life advantages when a working older piece of equipment is replaced with a newer one that would impact on System O&M repair related charges. Overall the system investments in this category are expected to put neutral pressure on System O&M costs.

Replacement of end-of-life plant with new plant will still require the allocation of resources for ongoing System O&M purposes. Repair would be the most significant System O&M activity impacted by new plant. Certain assets, such as poles, offer few opportunities for repair related activities and generally require replacement when deemed at end of normal life or critically damaged. Other assets such as direct buried cable offer opportunities for repair related activities (e.g. splices) up to a point where further repairs are not warranted due to end of life conditions. New primary cable installed in duct replaces direct buried primary cable and is expected to provide higher reliability and life. This will shift response activity for a cable failure from repair (System O&M) to replacement (Capital). If assets approaching end of life are replaced at a rate that maintains equipment class average condition then one would expect little or no change to System O&M costs under no growth scenarios but would still see upward System O&M cost pressure on positive growth scenarios (more cumulative assets to maintain each year). Replacement rates that improve equipment class average condition could result in lowering certain maintenance activities costs (e.g. pole testing, reactive repairs, etc.). Overall this is expected to put downward pressure on System O&M repair related costs."

a) Please confirm if the present level of incremental capital additions is expected to materially impact O&M costs on an annual basis through the forecast period.
    i. If yes, please quantify the impact.
b) Please confirm if System Renewal projects help reduce the requirement for emergency call-outs and unplanned outages by removing assets with higher risk of failure from the operating asset fleet.
    i. If yes, would this effect help to offset any anticipated O&M increases arising from incremental plant additions?
c) Brantford Power indicates in its evidence that System Renewal projects will not materially reduce overall O&M costs. Is it possible for Brantford Power to defer the proposed Renewal projects beyond the forecast period to mitigate rate impacts of other non-discretionary projects?

2-Staff-34

Ref: Exhibit 2 - Attachment A, pg. 126 (PDF 235)

"BPI uses the following six criteria for prioritizing and pacing of capital expenditures.

1. *Safety*
2. *Access*
3. *Renewal*
4. *General Plant*
5. *Reliability*
6. *Timely, Accurate Communication"*

a) Please explain how Renewal and General Plant are used as "criteria" for prioritizing and pacing capital expenditures.

2-Staff-35

Ref: Exhibit 2 - Attachment A, pg. 161 (PDF 270)

Project ID: MP-008
Project/Activity Name: Pole Replacement

Efficiency, Customer Value, Reliability – Alternatives (5.4.5.2 B1.c.iv)
The alternatives are run to failure or defer. The non-destructive testing has already identified particular poles as having less than 60% remaining strength and possibly of being in danger of imminent failure. Failure puts the public at risk of personal injury or property damage and puts customers at risk of unplanned outage. Choices related to the type of poles are considered. Choices are wood vs concrete. Concrete is used in heavy traffic areas; BPI identified specific areas based on susceptibility to motor vehicle accidents. Wood poles are less expensive and are therefore used throughout the majority of BPI's service area. Concrete poles sometimes require 3rd party assistance and often result in an outage. Replacements are on a like-for-like basis.

a) Please confirm if Brantford Power ever opts for the "run to failure" alternative for any of its assets.
b) Please confirm if the strategy of run to failure is primarily motivated by economic factors, or by other factors.
    i. If other factors, please provide details.

3-Staff-36
Ref: Exhibit 3, Tab 2, Schedule 2, pgs. 1 and 3

Brantford Power states that the monthly flag variables control for seasonal variability in power purchases during the spring and fall months. The prediction model outline lists an April flag and a May flag.

a) Please explain how variability in fall power purchases has been explained in the model.

3-Staff-37

Ref: Exhibit 3, Tab 2, Schedule 2, pg. 3

Brantford Power states that the Negative Impact Variable reflects the impact of CDM on the load forecast, as well as the impact of economic conditions in the service area. The model also incorporates Real Ontario GDP.

a) Please explain how economic effects are explained by the model, when the derivation of the variable on page 4 of the evidence appears to reflect only CDM savings.
b) Please explain why multiple variables are required to reflect economic conditions.

3-Staff-38

Ref: Exhibit 3, Tab 2, Schedule 2, pg. 3

OEB staff notes that customer numbers have not been included in the model.

a) Please explain why customer numbers (or other customer growth variables) have not been included in the model.

3-Staff-39

Ref: Exhibit 3, Tab 3, Schedule 1, pg. 5

Brantford Power states that it had significantly increased disconnection notices in 2015.

a) Please explain why.
b) What actions has Brantford Power taken to address this issue?

4-Staff-40

Ref: Exhibit 4, Tab 2, Schedule 1

Brantford Power has described its budget process in this exhibit.

a) Does the budget process specifically consider bill impacts?
b) Was Brantford Power's Board of Directors given information regarding the proposed bill impacts in this application?
c) If so, were the bill impacts specifically approved by the Board of Directors?

4-Staff-41

Ref: Exhibit 4, Tab 2, Schedule 1, page 3

Brantford Power states that its senior leadership team considers feedback received and direction from the Board of Directors prior to finalizing the budget. Please provide examples of the feedback received and resulting changes to the 2017 budget.

4-Staff-42

Ref: Exhibit 4, Tab 2, Schedule 1, page 3

Table 4.2-B opening balance for the last rebasing year of $8,854,025 is the OEB approved OM&A expense from Brantford Power's last cost of service. Brantford Power has included a "final settlement reduction from 2013 COS" as a cost driver in this table. Please explain why the final settlement adjustment is not included in the opening balance?

4-Staff-43

Ref: Exhibit 4, Tab 2, Schedule 1, page 7

Brantford Power's application contains no actual data for 2016. Procurement and implementation of the new FIS have begun with a forecast in-service date of December 31, 2016.

a) Please provide a status update for this project.
b) Is the expected in-service date still December 31, 2016?
c) Please provide an update to the forecast costs.
d) Please provide a copy of the RFP.
e) Please provide a decision matrix employed in the decision process (you may redact applicants' names), indicating the preferred vendor.

4-Staff-44

Ref: Exhibit 4, Tab 2, Schedule 1, page 10

Brantford Power has amortized the implementation costs of its system improvements over 5 years, similar to the process employed in a custom IR application.

a) Please explain why Brantford Power believes that this treatment is appropriate in a one year cost of service application.

4-Staff-45

Ref: Exhibit 4, Tab 2, Schedule 1, page 10, Table 4.2-C

Brantford Power's new FIS is proposed to be in service December 31, 2016. Please explain why the annual support fees for the current FIS continue to be paid to the City of Brantford after the new FIS is implemented.

4-Staff-46

Ref: Exhibit 4, Tab 2, Schedule 1, page 11

Brantford Power has deferred its new CIS project until 2017, after completion of the FIS.

a) Please provide a status update for the CIS project, given any known delays in the FIS implementation.
b) How do any delays in implementing FIS or CIS affect the implementation of proposed OMS and TOU?

4-Staff-47

Ref: Exhibit 4, Tab 2, Schedule 1, page 13

The OMS and TOU systems have been budgeted based on a vendor quote.

a) Please describe the specific procurement processes that would be undertaken for these projects.
b) Please provide an update on the status and costs for these projects.

4-Staff-48

Ref: Exhibit 4, Tab 2, Schedule 1, page 13

Brantford Power is forecasting a decrease in services provided to affiliates in 2017 due to the plan to sell BGI to the City of Brantford in 2016.

a) Please provide the proportion of executive services provided to each affiliate in each of 2014, 2015 and 2016.
b) Please provide a status update on the proposed sale of BGI.

4-Staff-49

Ref: Exhibit 4, Attachment 4-K, page 19

One of the next steps identified in the compensation review process is identifying the frequency of future reviews. What are Brantford Power's plans regarding future compensation reviews?

4-Staff-50

Ref: Exhibit 4, Tab 4, Schedule 2

Brantford Power has provided two sets of tables in its variance analysis for FTEs. Please explain the difference between these sets of tables.

4-Staff-51

Ref: Exhibit 4, Tab 4, Schedule 2

Brantford Power's FTEs have increased by 14% from 58 to 66 from 2013 OEB-approved. OEB staff notes that some of these positions are temporary.

a) Please provide the number of permanent and temporary positions contained in the 2017 test year.
b) Please provide the end date of the temporary positions included in the 2017 test year.

4-Staff-52

Ref: Exhibit 4, Tab 4, Schedule 2, page 2

Brantford Power introduced its STI program to senior leadership in 2014.

a) For each of 2014 and 2015, please provide the total possible maximum payout and actual total amount paid (NB – total, not per person)
b) Please provide the KPIs and KPI targets and actual performance for each of these years.
c) Please describe any plans that Brantford Power has to roll out the program to other levels of staff.

4-Staff-53

Ref: Exhibit 4, Tab 5, Schedule 1, page 2

Brantford Power plans to negotiate a new shared services agreement to be effective January 1, 2017.

a) Please provide a status update for these negotiations.
b) If complete, please provide a copy of the new agreement.
c) If complete, please outline any impacts to Brantford Power's OM&A costs arising from the new agreement. Please include these impacts in the revisions requested in the response to 1-Staff-1, above.

4-Staff-54

Ref: Exhibit 4, Tab 7, Schedule 2

Brantford Power has included $13,560 in Incremental Costs related to its cost of service application. Please describe these costs.

4-Staff-55

Ref: Exhibit 4, Tab 4, Schedule 4, Page 2
Brantford Power provided the actuarial expense from 2013 to 2017. Please complete the 2017 Chapter 2 Appendix 2-KA.

4-Staff-56

Ref: Exhibit 4, Attachment 4-A
Brantford Power provided the 2015 Actuarial Report which determined the 2015 net benefit cost. Did Brantford Power obtain an actuarial report for the transition to IFRS? If yes, please provide the report and indicate the change in OPEBs due to the transition to IFRS.

4-Staff-57

Ref: Exhibit 4, Tab 9, Schedule 1, Pages 9, 11-15
With regards to the depreciation schedules from 2013 to 2017:

a) Please explain why the useful lives on new additions for each account is different each year from 2013 to 2017 (E.g. Account 1830 is 18.31 years, 47.33 years, 43.19 years, 27.04 years, 26.67 years from 2013 to 2017).
b) Please explain how the useful lives in the depreciation schedules reconcile to that in Chapter 2 Appendix 2-BB (E.g. Account 1830 is 45 years).
c) There is a depreciation expense adjustment from the loss on retirement of assets of $100k in 2017.
    i. Please explain to what this loss pertains.
    ii. No other gains or losses on retirement of assets were included from 2013 to 2016. Please explain why this is the case and please explain Brantford Power's process for identifying gains and losses on retirement of assets.

4-Staff-58

Ref: Attachment 4-F PILS model
Ref: Attachment 4-G 2015 Draft tax return
Ref: Exhibit 2, Tab 1, Schedule 1, Pages 11 and 32
Ref: Exhibit 4, Tab 9, Schedule 1, Page 7

a) Historical Year UCC is $57.5M in the PILS model and $56.8M in Schedule 8 of the 2015 tax return, a difference of $743k. Please explain the difference between the UCCs and revise the PILS model as needed.
b) In Exhibit 2, the cost of the new "Property B" of $14.5M is included in rate base in 2016, where $4.5M is allocated to land and $10.25M is allocated to building (page 32).
    i. Please explain how this allocation was determined.
    ii. Please explain why the $10.25M is added to the PILS model UCC in Class 1 at 4% and not Class 1 Enhanced at 6%. Please revise the PILS model as needed.
c) In the PILS model, depreciation expense of $3.9M is added back to 2017 net income before taxes. In Exhibit 4, 2017 depreciation expense for rate setting purposes is $3.7M (after fully allocated depreciation). Please explain why $3.7M is not used in the PILS model. If the reason is due to an error, please revise the model accordingly.

4-Staff-59

Ref: Exhibit 4, Tab 10, Schedule 2, Page 2
Property tax of $120,247 for 2017 does not appear to be included in the RRWF.

a) Please update the RRWF for property taxes.

4-Staff-60

REF: Exhibit 4, Attachment 4-H, Burman Report

a) Please confirm that Brantford is requesting approval of lost revenues that totals $283,013.93 and is made up of the following components:
    - Lost revenues in 2013 from persisting 2006-2010 CDM savings in 2013 in the amount of $118,381.22; and,
    - Lost revenues in 2013 and 2014 (in account 1568) from savings from 2011, 2012, 2013 and 2014 CDM programs in 2013 and 2014 in the amount of $164,632.71.
b) Please provide all LRAM and LRAMVA calculations included within Brantford's application and the Burman report in live, unlocked MS Excel format.
c) Please provide all historic LRAM and LRAMVA requests for disposition and approvals that Brantford has received in the past.
d) Please provide additional rationale that supports Brantford's request to collect LRAM amounts related to the persisting savings of historic 2006-2010 CDM programs in 2013. In your response, please refer to Brantford's delayed 2012 cost of service application.
e) Related to Brantford's 2013 load forecast and CDM manual adjustment, please provide responses to the questions below:
    i) Please explicitly show the CDM amounts that were included as part of Brantford's 2013 load forecast.
    ii) Please expand on the discussion at Exhibit 4, Tab 11, Schedule 3, Page 2 of 3, where Brantford discusses its LRAMVA baseline. Please provide the CDM manual adjustment that was included and approved as part of Brantford's 2013 cost of service application.
    iii) Please reconcile the Load Forecast CDM Component rows of the Brantford Power LRAMVA Calculation table on page 13 of 18 of the Burman report with the CDM manual adjustment amounts included in Brantford's load forecast that were approved as part of Brantford's 2013 cost of service application.
f) Brantford is requesting to recover LRAMVA amounts in 2013 and 2014 related to the persisting CDM savings from 2011 and 2012 CDM programs. Please

discuss the appropriateness of this request as Brantford had an updated load forecast, based on actual historic data (including CDM savings from 2011 and 2012), approved as part of its 2013 cost of service application.

g) Staff has identified a number of inconsistencies between Brantford's 2013 Final Results from the IESO and those savings included in its LRAMVA calculations. Specifically, the net energy savings in 2013 for the following 2013 CDM programs appear to not reconcile:
    - Conservation Instant Coupon Booklet
    - Home Assistance Program
    - HVAC
    - HVAC Incentives
    - DR-3
    - Energy Audit
    - New Construction
    - Business Retrofit
    - High Performance New Construction
h) Please remove any demand savings related to demand response programs (Demand Response 3) in accordance with the OEB's Report (EB-2016-0182) issued on May 19, 2016.

7-Staff-61

Ref: Exhibit 7, Tab 1, Schedule 2 and Attachment 7-C

Brantford Power notes that its previous rates were designed without factoring in the expected transformer allowance credit. As a consequence, the Embedded Distributor rates have increased to address this shortfall.

a) Please confirm that Brantford Power is not proposing to recover the past shortfall.
b) OEB staff notes that the communication with Energy+ included in Attachment 7-Cdoes not appear to specifically address this increase. Was Energy+ made aware of this situation?
c) Energy+ indicates in its response to Brantford Power's communication that it would prefer a direct allocation methodology, although it accepts the current methodology for this application. Please calculate the total cost that would be allocated to Energy+ under a direct allocation methodology.

9-Staff-62

Ref: Exhibit 9, Tab 1, Schedule 1, Pages 3, 4
Brantford Power is requesting an accounting order to establish a new deferral account to capture any material variances in capital or OM&A resulting from the introduction of the Cap and Trade Program.

a) Per the Filing Requirements, in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria of causation, materiality and prudence must be met. Please discuss how the requested account meets the eligibility criteria.
b) Please explain how Brantford Power is planning to distinguish cost variances solely attributable to the cap and trade program (as compared to other cost pressures that may arise from year to year).

9-Staff-63

Ref: Exhibit 9, Tab 1, Schedule 1, Page 19
Ref: Exhibit 1, Attachment 1-E, 2015 Audited Financial Statements
Ref: Exhibit 1, Attachment 1-F
Table 9.1E shows energy sales and cost of power of $107.3M. Energy sales are $110M and cost of power is $108.6M in Brantford Power's 2015 audited financial statements. In Brantford Power's RRR filing of the trial balance mapping to audited financial statements, Brantford Power shows a $3.3M adjustment to energy sales and a $1.36M adjustment to cost of power to reclassify RSVAs to a separate line item pertaining to movement in regulatory balances.

a) Please explain the components within the reclassification amounts and how the amounts are derived.
b) Please explain how this ensures that Brantford Power is not making a profit or loss on energy.

9-Staff-64

Ref: Exhibit 9, Tab 1, Schedule 1, Pages 4-15
With regards to the proposed disposition of Account 1582 RSVA One Time:

a) Please confirm that the adjustment relates to 2002 to 2005 balances.

b) Please confirm that the 2005 account balance excluding the adjustment was disposed on a final basis in the 2006 EDR.
c) Please explain why Brantford Power did not disclose the adjustment to the OEB during the 2006 EDR proceeding as it appeared that Brantford Power knew of the adjustment during the 2006 EDR proceeding.
d) Please confirm that the corresponding reallocation adjustment has been included in Account 1580 and was disposed. Please indicate when the adjustment was disposed.

9-Staff-65

Ref: DVA Continuity Schedule

In the DVA continuity schedule, Account 1508 Other Regulatory Assets – Sub-account Other, $173.6k is requested for disposition. From Brantford Power's 2013 cost of service application, the account appears to be for the difference between the existing approved GS>50 kW 2008 rates and a new rates determined in the EB-2009-0063 proceeding as a result of establishing an embedded distributor rate class. The account was disposed in Brantford Power's 2013 cost of service application. It appears that the account was to capture the difference in the rates from the 2008 rate proceeding to Brantford Power's next rebasing application in 2013.

a) Please explain why further amounts were added to the account after the disposition in Brantford Power's 2013 cost of service application.
b) Please explain why this account is to be continued going forward.

9-Staff-66

Ref: Exhibit 9, Tab 1, Schedule 1, page 17
Ref: DVA Continuity Schedule

Brantford Power is requesting disposition of Account 1592 PILS and Tax Variance for 2006 and Subsequent Years – Sub-account HST/OVAT ITCs for $37.5k. Brantford Power had already disposed of this account in its 2013 cost of service proceeding as per its settlement agreement DVA continuity schedule. Any impacts arising from the establishment of the HST were to be reflected in base rates going forward. Therefore, no amounts should be recorded after the disposal of this account.

a) Please explain why Brantford Power has recorded amounts in this account following the account's disposition.

b) If Brantford Power agrees that no amounts should have been recorded, please remove the requested disposition from the DVA continuity schedule and the associated rate riders.

9-Staff-67

Ref: DVA Continuity Schedule

Brantford Power's proposed account 1589 Global Adjustment disposition rate riders to be calculated based on kWh or kW depending on the class. Please revise the Global Adjustment rate riders to kWhs for all classes as per the Filing Requirements for 2017 Rate Applications. If Brantford Power wishes to continue with its initial proposal, please explain why.

9-Staff-68

Ref: DVA Continuity Schedule

Ref: Exhibit 9, List of Attachments, Page 2

Due to the timing of the OEB's updated DVA continuity schedule, Brantford Power's schedule does not show Account 1580, sub-accounts CBR for Class A and Class B.

a) Please update the DVA continuity schedule to show the two sub-accounts, separate from the main control Account 1580 WMS (i.e. the control account is not to include any CBR related amounts)
b) Please request disposition of the CBR sub-account for Class B in accordance with the Accounting Guidance issued for CBR, dated July 25, 2016. Please update the rate rider calculations.
c) Brantford Power had 3 Class A customers in 2015. However, in the RRR 2.1.7 trial balance filed with the OEB, Brantford Power shows $0 for Account 1580, sub-account CBR for Class A. Please explain why there is a $0 balance in the sub-account.