

2016 Cost of Service Checklist

Chapleau Public Utilities Corporation

EB-2015-0060

Filing Requirement
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10-Aug-16

		Yes/No/N/A	Evidence Reference, Notes
GENERAL			
Ch 1 p4 & 5	Confidential Information - Practice Direction has been followed	Yes	Exhibit 1 - Page 2
2	Chapter 2 appendices in live Microsoft Excel format	Yes	
4	Text searchable and bookmarked PDF documents	Yes	
RESS Guideline	Two hardcopies of application sent to OEB the same day as electronic filing (p10 of RESS Guideline)	Yes	
EXHIBIT 1 - ADMINISTRATIVE DOCUMENTS			
<i>Management Discussion and Analysis</i>			
9	Plain language description of objectives and business plan and how they relate to the application and the RRFE objectives. Description of how customer feedback is reflected.	Yes	Exhibit 1
<i>Executive Summary</i>			
10	Revenue Requirement - service RR, change from previously approved, main drivers	Yes	Exhibit 1 - Page 27 - 28
10	Budgeting Assumptions - economic overview and identification of accounting standard used for test year and brief explanation of impacts arising from any change in standards	Yes	Exhibit 1 - Page 31
10	Load Forecast Summary - load and customer growth, change in kWh and customer numbers, methodology description	Yes	Exhibit 1 - Page 32
10 & 11	Rate Base and Capital Plan - major drivers of DSP, rate base for test year, change from last approved, capex for test year, change from last approved, costs for any REG-related, smart grid, regional planning projects, any O.Reg 339/09 planned recovery	Yes	Page 33-35 - NO Smart Grid, Regional Planning Projects or O Reg. 339/09 Plan Recovery
11	OM&A for test year and change from last approved, summary of drivers, inflation assumed, total compensation for test year and change from last approved.	Yes	Exhibit 1 - Page 36-39
11	Statement regarding use of OEB's cost of capital parameters; summary of any deviations	Yes	Exhibit 1 - Page 40
11	Cost Allocation & Rate Design - summary of any deviations from OEB methodologies, significant changes and summary of proposed mitigation plans	Yes	Exhibit 1 - Page 41
11	Deferral and Variance Accounts - total disposition (RPP and non-RPP), disposition period, new accounts requested	Yes	Exhibit 1 - Page 42
10 & 11 & 59	Bill Impacts - total impacts (\$ and %) for all classes for typical customers; all proposed changes that will have material impact on customers or discrete customer groups	Yes	Exhibit 1 - Page 43-46 (Includes Mitigation Plan)
<i>Customer Engagement</i>			
12	Overview of customer engagement activities; description of plans and how customer needs have been reflected in the application.	Yes	Exhibit 1 - Page 50-51
12	Discuss how customers were informed of the proposals being considered for inclusion in the application and the value of those proposals to customers i.e. costs, benefits, and the impact on rates	Yes	Exhibit 1 - Page 51
12	Discuss any feedback provided by customers and how the feedback shaped the final application	Yes	Exhibit 1 - Page 51-55
12	Reference any other communication sent to customers about the application i.e. bill inserts, town hall meetings or other forms of outreach and the feedback received from customers through these engagement activities	Yes	Exhibit 1 - Page 55
12	Complete Appendix 2-AC Customer Engagement Activities Summary - identify how outcomes have shaped the application	Yes	Exhibit 1 - Page 55
<i>Financial Information</i>			
12 & 42	Non-consolidated Audited Financial Statements for 2 most recent years (i.e. 3 years of historical actuals)	Yes	Exhibit 1 - Page 56 (See Attachment H)
12 & 13	Detailed reconciliation of AFS with regulatory financial results filed in the application, with identification of any deviations that are being proposed	Yes	Exhibit 1 - Page 57
13	Annual Report and MD&A for most recent year of parent company, if applicable	N/A	
13	Rating Agency Reports, if available; Prospectuses, etc. for recent and planned public issuances	N/A	
13	Any change in tax status	Yes	Exhibit 1 - Page 57
13	Existing accounting orders and departures from USoA including references to the accounting orders	Yes	Exhibit 1 - Page 57
13	Accounting Standards used for financial statements and when adopted	Yes	Exhibit 1 - Page 57
2 & 13	Confirmation that accounting treatment of any non-utility business has segregated activities from rate regulated activities	Yes	Exhibit 1 - Page 57
<i>Accounting Standards and Modified IFRS Applications</i>			
6	State accounting standard(s) used in historical, bridge and test years	Yes	Exhibit 1 - Page 58
6	Summary of changes to accounting policies and quantification of revenue requirement impact (Appendix 2-Y)	Yes	Exhibit 1 - Page 58-59
7	Identify all material changes, quantify and explain the changes in the adoption of IFRS, if none state that and explain why it would not be material	Yes	Exhibit 1 - Page 59

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Materiality Thresholds			
13 & 14	Materiality threshold; additional details beyond the threshold if necessary	Yes	Exhibit 1 - Page 59
Administration			
Ch 1 p4	Certification by senior officer that evidence is accurate, consistent and complete	Yes	Exhibit 1 - Page 48
14	Table of Contents	Yes	Exhibit 1 - Page 4-5
14	Primary contact information (name, address, phone, fax, email)	Yes	Exhibit 1 - Page 7
14	Identification of legal (or other) representation	Yes	Exhibit 1 - Page 7
14	Applicant's internet address for viewing of application and any social media accounts used by the applicant to communicate with customers	Yes	Exhibit 1 - Page 8
14	Statement identifying customers materially affected by the application	Yes	Exhibit 1 - Page 43
14	Statement identifying where notice should be published and why	Yes	Exhibit 1 - Page 6
14	Bill impacts - distribution only impacts for 800 kWh residential and 2000 kWh GS<50 (sub-total A of Appendix 2-W) to be used for notice	Yes	Exhibit 1 - Page 6
15	Form of hearing requested and why	Yes	Exhibit 1 - Page 6
15	Requested effective date	Yes	Exhibit 1 - Page 6
15	List of approvals requested (and relevant section of legislation), including accounting orders	Yes	Exhibit 1 - Page 47
3	In advance of scheduled application - meet threshold established in OEB letter (April 20, 2010)	Yes	Exhibit 1 - Page 48
3	Aligning rate year with fiscal year - request for proposed alignment	N/A	
2 & 15	Statement identifying all deviations from Filing Requirements; identify concerns with models or changes to models	Yes	Exhibit 1 - Page 49
15	Statement identifying and describing any changes to methodologies used vs previous applications	Yes	Exhibit 1 - Page 49
15	Identification of OEB Directives from previous OEB Decisions, and how addressed	Yes	Exhibit 1 - Page 49
15	Reference to Conditions of Service - LDC does not need to file Conditions of Service, but must provide reference to website and confirm version is current; identify if there are changes to Conditions of Service (a) since last CoS application or (b) as a result of the current application	Yes	Exhibit 1 - Page 48
15	Description of Service Area (including map, communities served)	Yes	Exhibit 1 - Page 11
15 & 16	Identification of embedded and/or host distributors; if partially embedded provide %load from host distributor	Yes	Exhibit 1 - Page 13
16	Statement as to whether or not the distributor has had any transmission or high voltage assets deemed by the OEB as distribution assets and whether or not there are any such assets the distributor is seeking approval for in this application	N/A	
16 & 17	Corporate Governance: Description of corporate and utility organizational structure, corporate entities relationship chart; identify any planned changes - Number of Directors on Board, number of independent directors, how independent judgement is facilitated - Board Mandate; Schedule of Board Meetings - Continuing Education for directors - Identify whether Board has adopted written code for directors, officers and employees; provide written code, where available, and describe how compliance is monitored - Process for Nomination of Directors - Committees - function and charter for each committee - Audit Committee - number of independent members, whether members are financially literate	Yes	Exhibit 1 - Page 13-26
17	Responses to matters raised in letters of comment filed	N/A	
Scorecard Performance Evaluation			
9	Discussion of performance for each scorecard measure over last five years	Yes	Exhibit 1 - Page 60-66
9	Explain performance drivers, discuss continuous improvement plans, include targets, discuss how self-assessment has informed business plan and application	Yes	Exhibit 1 - Page 60-66
EXHIBIT 2 - RATE BASE			
Overview			
18	Completed Fixed Asset Continuity Schedule (Appendix 2-BA)	Yes	Exhibit 2 - Page 3
4 & 18	Opening and closing balances, average of opening and closing balances for gross assets and accumulated depreciation; working capital allowance (historical actuals, bridge and test year forecast)	Yes	Exhibit 2 - Page 3-4

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		Yes/No/N/A	Evidence Reference, Notes
18	Continuity statements (year end balance, including interest during construction and overheads). Explanation for any restatement (e.g. due to change in accounting standards) Year over year variance analysis; explanation where variance greater than materiality threshold Hist. OEB-Approved vs Hist. Actual Hist. Act. vs. preceding Hist. Act. Hist. Act. vs. Bridge Bridge vs. Test	Yes	Exhibit 2 - Page 4-8
18 & 19	Opening and closing balances of gross assets and accumulated depreciation must correspond to fixed asset continuity statements. If not, an explanation must be provided (e.g., WIP, ARO). Reconciliation must be between YE 2015 and YE 2016 net book value balances reported on Appendix 2-BA and balances included in rate base calculation	Yes	Exhibit 2 - Page 8
Gross Assets - PP&E and Accumulated Depreciation			
19	Breakdown by function and by major plant account; description of major plant items for test year	Yes	Exhibit 2 - Page 9
19	Summary of approved and actual costs for any ICM(s) approved in previous IRM applications	N/A	
19 & 40	Continuity statements must reconcile to calculated depreciation expenses and presented by asset account	Yes	Exhibit 2 - Page 10-30
Allowance for Working Capital			
20	Working Capital - 7.5% allowance or Lead/Lag Study or Previous OEB Direction	Yes	Exhibit 2 - Page 31
20	Cost of Power must be determined by split between RPP and non-RPP customers based on actual data, use most current RPP (TOU) price, use current UTR. Should include SME charge.	Yes	Exhibit 2 - Page 31-35
20	Lead/Lag Study - leads and lags measured in days, dollar-weighted	N/A	
Treatment of Stranded Assets Related to Smart Meter Deployment			
21 & 22	Stranded Meters - if the recovery of stranded conventional meters replaced by smart meters has not been reviewed and approved, a proposal for a Stranded Meter Rate Rider must be made Explanation for approaches that are not the OEB approach Completed Appendix 2-S.	N/A	Exhibit 2 - Page 35
Capital Expenditures/Planning			
23	As applicable - file evidence that demonstrates that regional issues have been appropriately considered and where applicable addressed in developing the applicant's proposed capital expenditure plan. As part of its planning an applicant should consider municipal planning, including any plans for expansion of boundaries from a regional perspective to demonstrate the most cost effective solutions are being considered.	Yes	Exhibit 2 - Page 33-43
Capital Expenditures/Distribution System Plan			
24	DSP filed as a stand-alone document; a discrete element within Exhibit 2	Yes	Exhibit 2 - Page 43
Ch 5 p9	Where applicable, explanation for section headings other than Chapter 5 headings; cross reference table	N/A	
Ch 5 p9-10	Distribution System Plan Overview - key elements, sources of cost savings, period covered, vintage of information on investment drivers, changes to asset management process since last DSP filing, dependencies	Yes	Exhibit 2 - Attachment I
Ch 5 p10-11	Coordinated Planning with 3rd parties - description of consultations - deliverables of the Regional Planning Process, or status of deliverables - OPA letter in relation to REG investments (Ch 5 p8&9) and Dx response letter	Yes	Exhibit 2 - Attachment I
Ch 5 p11	Performance Measurement - identify and define methods and measures used to monitor DSP performance - summary of performance and trends over historical period. Must include SAIFI and SAIDI for all interruptions and all interruptions excluding loss of supply - explain how information has affected DSP	Yes	Exhibit 2 - Attachment I
Ch5 p12	Asset Management Process Overview - description of AM objectives/corporate goals and how Dx ranks objectives for prioritizing investments	Yes	Exhibit 2 - Attachment I
Ch5 p12	Inputs/Outputs of the AM process and information flow for investments; flowchart recommended	N/A	
Ch 5 p13	Overview of Assets Managed - description of service area (including evolution of features in forecast period affecting DSP), - description of system configuration - service profile and condition by asset type (tables and/or figures) - date data compiled - assessment of degree the capacity of system assets is utilized	N/A	
Ch 5 p13-14	Asset Lifecycle Optimization - description of asset lifecycle optimization policies and practices, including asset replacement and refurbishment, maintenance planning criteria and assumptions - description of asset life cycle risk management policies and practices, assessment methods and approaches to mitigation	N/A	

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		Yes/No/N/A	Evidence Reference, Notes
Ch 5 p14-15	Capital Expenditure Plan Summary for significant projects and activities to be undertaken - capability to connect new load or Gx customers, total annual capex over forecast period by investment category, description of how AMP and Capex planning have affected capital expenditures for each category - list, description and total capital cost of material capital expenditures sorted by category (table recommended) - information related to Regional Planning Process (Needs Assessment Report, Regional Planning Status Letter, Regional Infrastructure Plan - as appropriate) - description of customer engagement - Dx expectations of system development over next 5 years - list, description and total capital cost of projects planned in response to customer preferences, to take advantage of technology based opportunities, to study innovative processes (table recommended)	Yes	Exhibit 2 - Attachment I
Ch 5 p15	Capital Expenditure Planning Process Overview - description of capex planning objectives/criteria/assumptions, relationship with AM objectives, policy on consideration of non-distribution alternatives, processes used to identify projects in each investment category, customer feedback and impact on plan, method and criteria used to prioritise REG investments	Yes	Exhibit 2 - Attachment I
Ch 5 p16	System Capability Assessment for REG - REG applications > 10 kW, number and MW of REG connections for forecast period, capacity of Dx to connect REG, connection constraints	Yes	Exhibit 2 - Attachment I
Ch 5 p16-18 Ch 2 p24	Capital Expenditure Summary by Investment Category - completed Table 2 of Ch 5 for historical and forecast period, explanation of markedly different variances plan vs actual, explanation of markedly different variances year over year Table 2 of Ch 5 is provided in Excel format in Appendix 2-AB (must provide actual totals for historical years, as a minimum)	Yes	Exhibit 2 - Attachment I
Ch5 p19	Overall Plan - comparative expenditures by category over historical period, forecast impact of system investment on O&M, drivers of investments by category, information related to Dx system capability assessment	Yes	Exhibit 2 - Attachment I
Ch 5 p19-25	Material Investments - For each project that meets materiality threshold set in Ch 2 p10 - general information - total capital, customer attachments, dates, risks, variances, REG investments - evaluation criteria - may include: efficiency, customer value, reliability, etc. - category specific requirements for each project - system access, system renewal, system service, general plant (as applicable)	Yes	Exhibit 2 - Attachment I
24	Capital Expenditures - completed Appendix 2-AA showing capex on a project specific basis for 4 historical years, bridge and test; explanation of variances, accounting treatment for projects with life cycle greater than one year	Yes	Exhibit 2 - Page 44-45
24	Non-distribution activities - capital expenditures and reconciliation to total capital budget	Yes	Exhibit 2 - Page 45
8 & 25	Capitalization policy, changes to capitalization since previous rebasing - explanations must be provided. The changes must be identified and the causes of the changes must also be identified, e.g. changes to depreciation expense and capitalization policy in 2012 or 2013 per the OEB July 17, 2012 letter.	Yes	Exhibit 2 - Page 46-47
25	Capitalization of overhead - Completed Appendix 2-D regarding overhead costs on self-constructed assets Burden rates must be identified; changes from last rebasing must be identified; LDC must identify burden rates prior to and after the change	N/A	Exhibit 2 - Page 47 - CPUC does not apply O/H Expense to Capitalization
Costs of Eligible Investments for Connection of Qualifying Generation Facilities			
25	For Eligible Investments - proposal to divide costs per O.Reg. 330/09	N/A	CPUC has no connection to REG Facilities
25	Where applicable, file a draft accounting order to establish variance account tracking IESO payment revenues against actual spending	N/A	CPUC has no connection to REG Facilities
26	As applicable Appendices 2-FA through 2-FC must be filed identifying eligible investments	N/A	CPUC has no connection to REG Facilities
New Policy Options for the Funding of Capital			
26	Distributor may propose ACM capital project coming into service during Price Cap IR (a discrete project documented in DSP). Provide cost and materiality calculations to demonstrate ACM qualification	Yes	Exhibit 2 - Page 49-50
Addition of ICM Assets to Rate Base			
27	Distributor with previously approved ICM(s) - schedule of ICM amounts, variances and explanation	N/A	CPUC has not previously approved ICMs
27 & 28	Balances in Account 1508 sub-accounts, reconciliation with proposed rate base amounts; recalculated revenue requirement should be compared with rate rider revenue	N/A	
Service Quality and Reliability			
28	5 historical years of ESQRs, explanation for any under-performance vs standard and actions taken	Yes	Exhibit 2 - Page 52
28	5 historical years of SAIDI and SAIFI - for all interruptions and all interruptions excluding loss of supply, explanation for any under-performance vs 5 year average and actions taken	Yes	Exhibit 2 - Page 51-52
28	Distributors may propose SAIDI and SAIFI benchmarks different than 5 year average; provide rationale	N/A	
28	Completed Appendix 2-G	Yes	

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EXHIBIT 3 - OPERATING REVENUE			
<i>Load and Revenue Forecasts</i>			
28	Customer, volume and revenue forecast methodologies and data	Yes	Exhibit 3 - Page 2
29	Explanation of causes, assumptions and adjustments for volume forecast. Economic assumptions and data sources for customer and load forecasts	Yes	Exhibit 3 - Page 2
29	Explanation of weather normalization methodology.	Yes	Exhibit 3 - Page 6
29	Completed Appendix 2-IA	Yes	
29 & 30	Multivariate Regression Model - rationale for choice, regression statistics, explanation for any unintuitive relationships, explanation of modeling approaches and alternative models tested, explanation of weather normalization methodology, sources of data for endogenous and exogenous variables, explanation of any constructed variables; data used in load forecast must be provided in Excel format, including derivation of constructed variables	Yes	Exhibit 3 - Page 6-10
30 & 31	NAC Model - rationale for choice, data supporting NAC variables, description of accounting for CDM including licence conditions, discussion of weather normalization considerations	Yes	Exhibit 3 - Page 11-14
29 & 31	CDM Adjustment - account for CDM in 2016 load forecast. Consider impact of persistence of historical CDM and impact of new programs. Adjustments may be required for IESO reported results which are full year impacts.	Yes	Exhibit 3 - Page 14
31	CDM savings for 2016 LRAMVA balance and adjustment to 2016 load forecast; data by customer class. Provide rationale for level of CDM reductions in 2016 load forecast.	Yes	Exhibit 3 - Page 14
31 & 32	Completed Appendix 2-I	Yes	
<i>Accuracy of Load Forecast and Variance Analyses</i>			
32	Schedule of volumes, revenues, customer/connection count by class and total system load: 5 years historical, OEB approved, 5 years historical weather normalized, bridge year and test year.	Yes	Exhibit 3 - Page 11-14
32	Customer count increases or decreases for test year - explanation by class; confirmation of year end or average format	Yes	Exhibit 3 - Page 15-17
32	Explanation for any changes in definition or composition of class	N/A	
32	Weather normalized average consumption per customer for historical 5 years, bridge and test	Yes	Exhibit 3 - Page 17-18
33	Explanation of net change in average consumption from last OEB approved, and actual historical, bridge and test - for each rate class	Yes	Exhibit 3 - Page 19-20
33	Details of development of billed kW	Yes	Exhibit 3 - Page 21-22
33	Revenues on existing and proposed rates for the test year	Yes	Exhibit 3 - Page 3-6
33	Variance analysis of volumes, revenues, customer/connection count and total system load: Hist. OEB-Approved vs Hist. Actual Hist. OEB-Approved vs Hist. Actual (weather normalized) Hist. Act. vs. preceding Hist. Act. (weather normalized) Hist. Act. vs. Bridge (weather normalized) Bridge vs. Test (weather normalized)	Yes	Exhibit 3 - Page 3-6
33	Data used to determine forecasts must be filed as live Excel spreadsheet	Yes	
<i>Other Revenue</i>			
33	Completed Appendix 2-H	Yes	
33	Variance analysis - year over year, historical, bridge and test	Yes	Exhibit 3 - Page 25-26
33	Any new proposed specific service charges, or proposed changes to rates or application of existing specific service charges	N/A	Exhibit 3 - Page 26
33	Revenue from affiliate transactions, shared services, corporate cost allocation	N/A	Exhibit 3 - Page 26
EXHIBIT 4 - OPERATING COSTS			
<i>Overview</i>			
35	Brief explanation of test year OM&A levels, cost drivers, significant changes, trends, inflation rate assumed, business environment changes	Yes	Exhibit 4 - Page 3-4
<i>Summary and Cost Driver Tables</i>			
35	Summary of recoverable OM&A expenses; Appendix 2-JA	Yes	Exhibit 4 - Page 5-6
35	OM&A cost drivers; Appendix 2-JB	Yes	Exhibit 4 - Page 7-13
35	Recoverable OM&A Cost per customer and per FTE; Appendix 2-L	Yes	Exhibit 4 - Page 14-16
35	Identification of change in OM&A in test year in relation to change in capitalized overhead.	N/A	
35	OM&A variance analysis for test year with respect to bridge and historical years; Appendix 2-D	N/A	

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Program Delivery Costs with Variance Analysis			
35 & 36	Completed Appendix 2-JC OM&A Programs Table - completed by program or major functions; include variance analysis limited to variances that are outliers, between test year and last OEB approved and most recent actuals, including an explanation for each significant change whether the change was within or outside the applicant's control and explanation of why.	Yes	Exhibit 4 - Page 17-18
36	For each significant change within the applicant's control describe business decision that was made to manage the cost increase/decrease and the alternatives	Yes	Exhibit 4 - Page 19-23
Compensation			
36	Employee Compensation - completed Appendix 2-K	Yes	Exhibit 4 - Page 25
36	Description of compensation strategy	Yes	Exhibit 4 - Page 24
36 & 37	Explanation for material changes to head count and compensation: year over year variances, inflation, plans for new employees, details on collective agreements, basis for performance pay, filing of any relevant studies	Yes	Exhibit 4 - Page 26-28
37	Details of employee benefit programs including pensions for last OEB approved, historical, bridge and test; must agree with tax section	Yes	Exhibit 4 - Page 26-28
37	Most recent actuarial report on employee benefits, pension and OPEBs	N/A	Exhibit 4 - Page 26
Shared Services and Corporate Cost Allocation			
37	Identification of all shared services among affiliates and parent company	Yes	Exhibit 4 - Page 29
37	Allocation methodology for corporate and shared services, list of costs and allocators, including any third party review	Yes	Exhibit 4 - Page 30
38	Completed Appendix 2-N for service provided or received for historical, bridge and test; including reconciliation with revenue included in Other Revenue	Yes	Exhibit 4 - Page 31-67
38	Shared Service and Corporate Cost Variance analysis - test year vs last OEB approved and most recent actual	Yes	Exhibit 4 - Page 30
38	Identification of any Board of Director costs for affiliates included in LDC costs	Yes	Exhibit 4 - Page 30
Non-Affiliate Services, One-Time Costs, Regulatory Costs			
38	Purchased Non-Affiliated Services - file a copy of procurement policy (signing authority, tendering process, non-affiliate service purchase compliance)	Yes	Exhibit 4 - Page 69-79
38	Explanation for procurements above materiality threshold without competitive tender	Yes	Exhibit 4 - Page 71
38	Identification of one-time costs in historical, bridge, test; explanation of cost recovery in test (or future years)	Yes	Exhibit 4 - Page 68
39	Regulatory costs - breakdown of actual and forecast, supporting information related to CoS application, proposed recovery (i.e. amortized?). Completed Appendix 2-M	Yes	Exhibit 4 - Page 80-81
LEAP, Charitable and Political Donations			
39	LEAP - the greater of 0.12% of forecasted service revenue requirement or \$2,000 should be included in OM&A and recovered from all rate classes	Yes	Exhibit 4 - Page 84
39	Statement whether test year revenue requirement includes legacy low income energy assistance programs. If yes, identify programs	Yes	Exhibit 4 - Page 84
40	Charitable Donations - amounts paid from last OEB approved rebasing application up to test year	Yes	Exhibit 4 - Page 84
40	Detailed information for any proposal to recover charitable donations (outside of assistance for payment of electricity bills). Any non-recoverable contributions identified and removed from revenue requirement.	Yes	Exhibit 4 - Page 84
40	Confirm that no political contributions have been included for recovery	Yes	Exhibit 4 - Page 84
Depreciation, Amortization and Depletion			
40	Explanations for any useful lives of an asset that are proposed that are not within the ranges contained in the Kinectrics Report	Yes	Exhibit 4 - Page 83
19 & 40	Depreciation, Amortization and Depletion details by asset group for historical, bridge and test years. Include asset amount and rate of depreciation/amortization. Must agree to accumulated depreciation in Appendix 2-BA under rate base.	Yes	Exhibit 4 - Page 84-89
41	Identify any Asset Retirement Obligations and associated depreciation	Yes	Exhibit 4 - Page 90
41	Identify historical depreciation practice and proposal for test year. Variances from half year rule must be documented and supporting rationale provided	Yes	Exhibit 4 - Page 90
41	Copy of depreciation/amortization policy, or equivalent written description; summary of changes to depreciation/amortization policy since last CoS	Yes	Exhibit 4 - Page 91
41	Explanation of any deviations from the practice of depreciating significant parts or components of PP&E separately	Yes	Exhibit 4 - Page 91

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41 & 42	Regulatory Accounting changes for depreciation expense - use of Kinectrics study or another study to justify changes in useful life - list detailing all asset service lives tied to USoA, detail differences in TUL from Kinectrics and explain differences outside of minimum and maximum TUL range from Kinectrics - Appendix 2-BB - recalculation to determine average remaining service life of opening balance on date of making depreciation changes - If further depreciation expense policy changes or changes in asset service lives are made (subsequent to January 1, 2013) they must be identified and a detailed explanation of the changes provided -File applicable depreciation appendices as provided in Chapter 2 MIFRS Appendices (Appendix 2-CA to 2-CK)	Yes	Exhibit 4 - Page 90
PILs and Property Taxes			
42	Completed version of the PILs model (PDF and Excel); derivation of adjustments for historical, bridge, test years	Yes	Exhibit 4 - Page 92
42	Supporting schedules and calculations identifying reconciling items	Yes	Exhibit 4 - Page 92-93
42	Most recent federal and provincial tax returns	Yes	Exhibit 4 - Page 93
12 & 42	Financial Statements included with tax returns if different from those filed with application	Yes	Exhibit 4 - Page 93
42	Calculation of Tax Credits; redact where required (filing of unredacted versions is not required)	Yes	Exhibit 4 - Page 93
42	Supporting schedules, calculations and explanations for other additions and deductions	Yes	Exhibit 4 - Page 93
42	Explanation of how property tax amounts are derived	Yes	Exhibit 4 - Page 94
43	Exclude from regulatory tax calculation any non-recoverable or disallowed expenses	Yes	Exhibit 4 - Page 93
43	Completion of Integrity checks listed on p.43; statement confirming completion	Yes	Exhibit 4 - Page 94
Conservation and Demand Management			
45	LRAMVA - disposition of balance - statement indicating use of most recent input assumptions when calculating lost revenue - statement indicating reliance on most recent CDM evaluation report from IESO; copy of report - Tables for each rate class showing lost revenue by year; list of programs applicable to rate class - lost revenue calculations - energy savings by class and OEB-approved variable charge - statement that indicates if carrying charges are requested - Third party report for any OEB-approved programs	Yes	Exhibit 4 - Page 95-96
EXHIBIT 5 - COST OF CAPITAL AND CAPITAL STRUCTURE			
Capital Structure and Cost of Capital			
46	Statement that LDC adopts OEB's guidelines for cost of capital and confirms that updates will be done. Alternatively - utility specific cost of capital with supporting evidence	Yes	Exhibit 5 - Page 2
46	Completed Appendix 2-OA for last OEB approved and test year; total capitalization (debt and equity) must equate to total rate base	Yes	Exhibit 5 - Page 2-3
46	Completed Appendix 2-OB for historical, bridge and test years	Yes	Exhibit 5 - Page 3
46	Explanation for any changes in capital structure	N/A	
46	Calculation of cost for each capital component	N/A	
46	Profit or loss on redemption of debt	N/A	
46	Copies of promissory notes or other debt arrangements with affiliates	N/A	
47	Explanation of debt rate for each existing debt instrument	N/A	
47	Forecast of new debt in bridge and test year - details including estimate of rate	Yes	Exhibit 5 - Page 4
47	Notional Debt - difference between actual debt thickness and deemed debt thickness attracts the weighted average cost of actual long-term debt rate (unless 100% equity financed)	Yes	Exhibit 5 - Page 4
Not-for-Profit Corporations			
48	Not for Profit Corporations - evidence that excess revenue is used to build up operating and capital reserves	N/A	
48	Detailed calculation for test year revenue requirement based on its Reserve Requirement	N/A	
48	The proposed reserves and rationale for the need to establish each reserve, the time period of building up the reserves, and the procedure and policy of each reserve	N/A	
48	Description of the governance of the not-for-profit corporation	N/A	

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49	If there are approved reserves from previous OEB decisions provide the following: -any changes to the reserve policies and rationale for the changes since last CoS -limits of any capital and/or operating reserves as approved by the OEB and identify decisions -current balances of any established capital and/or operating reserves -list withdrawals from capital and operating reserves, identify amounts and purpose of withdrawal -if limits on capital and operating reserves achieved provide a proposal for utilization of amounts -if limits on reserves not achieved provide rationale and the detail for its forecast of the Reserve Requirement for the test year	N/A	
EXHIBIT 6 - REVENUE DEFICIENCY/SUFFICIENCY			
49	Calculation of delivery-related Revenue Deficiency/Sufficiency (excluding cost of power and associated costs): net utility income, rate base, actual return on rate base, indicated rate of return, requested rate of return, deficiency/sufficiency, gross deficiency/sufficiency. Deficiency/sufficiency must also be net of other costs (e.g. LV costs, RSVAs, smart meter and other DVA balances).	Yes	Exhibit 6 - Page 2-5
50	Summary of drivers for test year deficiency/sufficiency, how much each driver contributes; references in application evidence mapped to drivers	Yes	Exhibit 6 - Page 5
50	Impacts of any changes in methodologies to deficiency/sufficiency	Yes	Exhibit 6 - Page 6
<i>Revenue Requirement Work Form</i>			
50	RRWF - in PDF and Excel. Revenue requirement, def/sufficiency, data entered in RRWF must correspond with other exhibits	Yes	Exhibit 6 - Page 2
EXHIBIT 7 - COST ALLOCATION			
<i>Cost Allocation Study Requirements</i>			
51	Completed cost allocation study reflecting test year loads and costs. Live Excel version of 2015 cost allocation model will be filed (updated load profiles or scaled version of HONI CAIF). Model must be consistent with test year load forecast, changes to customer classes and load profiles.	Yes	Exhibit 7 - Page 2
51	Description of weighting factors, and rationale for use of default values (if applicable)	Yes	Exhibit 7 - Page 2-3
51	Hard copy of sheets I-6, I-8, O-1 and O-2 (first page)	Yes	Exhibit 7 - Page 3
52	<u>Host Distributor</u> - evidence of consultation with embedded Dx - Statement regarding embedded Dx support for approach to allocation of costs - If embedded Dx is separate class - class in cost allocation study and Appendix 2-P - If new embedded Dx class - rationale and supporting evidence (cost of serving, load served, asset ownership information, distribution charges); include in cost allocation study and Appendix 2-P - If embedded Dx billed as GS customer - , include with the GS class in cost allocation model and Appendix 2-P. Provide cost of serving, load served, asset ownership information, distribution charges, appropriateness of rate class. File Appendix 2-Q.	N/A	
53	<u>Unmetered Loads (including Street Lighting)</u> - Confirmation of communication with unmetered load customers when proposing changes to the level of the rates and charges or the introduction of new rates and charges	Yes	Exhibit 7 - Page 3
53	<u>Standby Rates</u> - if seeking approval on final basis, provide evidence that affected customers have been advised. If seeking changes to standby charges, provide rationale and evidence that affected customer have been advised.	N/A	
54	<u>New customer class or eliminated customer class</u> - rationale and restatement of revenue requirement from previous CoS	N/A	
<i>Class Revenue Requirements and Revenue to Cost Ratios</i>			
54	Completed Appendix 2-P; supporting information for any proposal to re-balance rates	Yes	Exhibit 7 - Page 4-5
55	Proposal to re-balance to bring R:C ratio within OEB policy ranges; any proposal to for further re-balancing beyond test year.	Yes	Exhibit 7 - Page 6
55	If Cost Allocation Model other than OEB model used - exclude LV, exclude DVA such as smart meters	N/A	
EXHIBIT 8 - RATE DESIGN			
56	Monthly fixed charges - 2 decimal places; variable charges - 4 decimal places	Yes	Exhibit 8 - Page 2
56	Current and Proposed F/V proportion with explanation for any changes (billing determinants from proposed load forecast). Analysis must be net of adders and riders.	Yes	Exhibit 8 - Page 2-4
56	Table comparing current and proposed fixed charge with floor and ceiling from cost allocation study.	Yes	Exhibit 8 - Page 8
57	<u>Rate Design Policy</u> - LDCs filing in first half of 2015 for Jan 1, 2016 rates may request a transition beginning with 2017 rates. Otherwise, LDCs will propose changes to residential rates consistent with policy to transition to fully fixed monthly distribution service charge. Completed Appendix 2-PA	Yes	Exhibit 8 - Page 5-7

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		Yes/No/N/A	Evidence Reference, Notes
RTSRs and Other Charges			
58	Retail Transmission Service Rate Work Form - PDF and Excel	Yes	Exhibit 8 - Page 9
58	RTSR information must be consistent with working capital allowance calculation	Yes	Exhibit 8 - Page 9
58	If proposing changes to Retail Service Charge - evidence of consultation and notice	Yes	Exhibit 8 - Page 9
58 & 59	Wholesale Market Service Rate - reflect \$0.0057/kWh in application or justify otherwise	Yes	Exhibit 8 - Page 9
59	Smart Metering Entity Charge - reflect \$0.79/month in application for Residential and GS<50	Yes	Exhibit 8 - Page 10
59	Specific Service Charge description/purpose/reason for new and revised SSC; calculations to support charges	Yes	Exhibit 8 - Page 10
59	Identify any rates and charges in Conditions of Service that do not appear on tariff sheet. Explain nature of costs, provide schedule outlining revenues or capital contributions 2011-2014, bridge and test years. Whether these charges should be included on tariff sheet	Yes	Exhibit 8 - Page 10
60	Ensure revenue from SSCs corresponds with Operating Revenue evidence	Yes	Exhibit 8 - Page 10
60	If not on monthly billing, provide details of plan to transition by Dec 31, 2016 to monthly billing.	Yes	Exhibit 8 - Page 10
60	Forecast of LV cost, sum of host distributors charges	Yes	Exhibit 8 - Page 10
60	Low Voltage Cost (historical, bridge, test), variances and explanations for substantive changes	Yes	Exhibit 8 - Page 10
60	Support for forecast LV, e.g. Hydro One Sub-Transmission charges	Yes	Exhibit 8 - Page 10
60	Allocation of LV cost to customer classes (typically proportional to Tx connection revenue)	Yes	Exhibit 8 - Page 11
60	Proposed LV rates by customer class	Yes	Exhibit 8 - Page 11
Loss Factors			
60	Proposed SFLF and Total Loss Factor for test year	Yes	Exhibit 8 - Page 12
60	Statement as to whether LDC is embedded including whether fully or partially	Yes	Exhibit 8 - Page 13
61	Study of losses if required by previous decision	Yes	Exhibit 8 - Page 13
61	3-5 years of historical loss factor data - Completed Appendix 2-R	Yes	Exhibit 8 - Page 13
61	Explanation of losses >5%	Yes	Exhibit 8 - Page 13
61	If proposed loss factor >5%, action plan to reduce losses going forward	Yes	Exhibit 8 - Page 13
61	Explanation of SFLF if not standard	Yes	Exhibit 8 - Page 13
Rates and Bill Impacts			
61	Current Tariff of Rates and Charges	Yes	Exhibit 8 - Page 14-21
61	Proposed Tariff of Rates - Appendix 2-Z; ensure each change is explained and supported in appropriate section of the application	Yes	Exhibit 8 - Page 22-31
61	Explanation of changes to terms and conditions of service if changes affect application of rates	Yes	Exhibit 8 - Page 31
61	Calculations of revenue per class under current and proposed rates; reconciliation of rate class revenue and other revenue to total revenue requirement	Yes	Exhibit 8 - Page 33
61	Completed Appendix 2-V (Revenue Reconciliation)	Yes	Exhibit 8 - Page 32
62	Bill Impacts - completed Appendix 2-W for all classes for representative samples of end-users. Must provide residential 800 kWh and GS<50 2,000 kWh. Commodity and regulatory charges held constant	Yes	Exhibit 8 - Page 34-36
Rate Mitigation			
63	Default number of transition years for rate design policy change is 4. Where the change in the residential rate design will result in the fixed charge increasing by more than \$4/year, a distributor may propose an additional transition year. LDC may propose an alternative in the event an additional transition year is insufficient.	Yes	Exhibit 8 - Page 37
63	Assessment of combined effect of rate design policy change and other impacts from rebasing - LDC must evaluate bill impact for residential customer at 10th consumption percentile. Describe methodology for determination of 10th consumption percentile. File mitigation plan for whole residential class if impact >10% for these customers.	Yes	Exhibit 8 - Page 37
63 & 64	Mitigation plan if total bill increase for any customer class is >10% including: specification of class and magnitude of increase, description of mitigation measures, justification, revised impact calculation. Appendix 2-W must reflect any mitigation plan proposed.	Yes	Exhibit 8 - Page 37
64	Rate Harmonization Plans, if applicable - including impact analysis	N/A	

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		Yes/No/N/A	Evidence Reference, Notes
EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS			
65	List of all outstanding DVA and sub-accounts; provide description of DVAs that were used differently than as described in the APH	Yes	Exhibit 9 - Page 2-3
65	Completed DVA continuity schedule for period following last disposition to present - live Excel format	Yes	Exhibit 9 - Page 2
65	Interest rates applied to calculate carrying charges (month or quarter)	Yes	Exhibit 9 - Page 2
65	Explanation if account balances in continuity schedule differs from trial balance in RRR and AFS	Yes	Exhibit 9 - Page 4
65	Identification of Group 2 accounts that will continue/discontinue going forward, with explanation	Yes	Exhibit 9 - Page 4
65	Statement as to any new accounts, and justification.	Yes	Exhibit 9 - Page 5
65	Statement whether any adjustments made to DVA balances previously approved by OEB on final basis; explanation, amount of adjustment and supporting documents	Yes	Exhibit 9 - Page 5
65	Breakdown of energy sales and cost of power by USoA - as reported in AFS mapped and reconciled to USoA. Provide explanation if making a profit or loss on commodity.	Yes	Exhibit 9 - Page 5
65	Statement confirming that IESO GA charge is pro-rated into RPP and non-RPP; provide explanation if not pro-rated.	Yes	Exhibit 9 - Page 5
66	If not addressed previously, disposition of Account 1592 - Completed Appendix 2-TA	N/A	Exhibit 9 - Page 6
66	If not addressed previously, disposition of Account 1592 sub-account HST/OVAT ITC - analysis that supports conformity with Dec 2010 APH FAQ (particularly #4) Applicant must state the period that the account covers (i.e. Jul 1-2010 up to start of new rate year (year of rebasing)). Completed Appendix 2-TB	N/A	Exhibit 9 - Page 6
67	Request for disposition of Account 1508 sub-account IFRS transition costs - completed Appendix 2-U - statement whether any one time IFRS transition costs are embedded in 2016 revenue requirement, where and why it is embedded, and the quantum - explanation for each category of cost recorded in 1508 sub-account, how it meets criteria of one time IFRS admin incremental costs - explanation for material variances in Account 1508 sub-account IFRS Transition Costs Variance - statement that no capital costs, ongoing IFRS compliance costs are recorded in 1508 sub-account; provide explanation if this is not the case	Yes	Exhibit 9 - Page 6
68 & 69	1575 IFRS-CGAAP PP&E account - Account 1575 and 1576 can't be used interchangeably - breakdown of balance, Appendix 2-EA - listing and quantification of drivers - a breakdown for quantification of any accounting changes arising from IFRS in relation to PP&E - volumetric rate rider to clear 1575; - rate of return component is to be applied to 1575 but not recorded in 1575 - statement confirming no carrying charges applied to 1575 explanation for the basis of the proposed disposition period to clear Account 1575 rate rider - show the balance in DVA continuity schedule	N/A	
69 & 70	Changes to depreciation and capitalization in 2012 or 2013 - 1576 IFRS-CGAAP PP&E account - Appendix 2-BA must not be adjusted for 1576 - breakdown of balance related to 1576, Appendix 2-EB or 2-EC - volumetric rate rider to clear 1576; - rate of return component is to be applied to 1576 but not recorded in 1576 - statement confirming no carrying charges applied to 1576 - explanation for the basis of the proposed disposition period to clear Account 1576 rate rider - show the balance in DVA continuity schedule	Yes	Exhibit 9 - Page 7-20
70	Retail Service Charges - material balance in 1518 or 1548 - confirm variances are incremental costs of providing retail services; identify drivers for balances - provide schedule identifying all revenues and expenses listed by USoA for 2013, actual/forecast for bridge and test year - state whether Article 490 of APH has been followed; explanation if not followed	Yes	Exhibit 9 - Page 20-21
71	Retail Service Charges - zero balance in 1518 or 1548 - state whether Article 490 of APH has been followed; explanation if not followed	Yes	Exhibit 9 - Page 21
71	Identify all accounts for which LDC is seeking disposition; identify DVA for which LDC is not proposing disposition and the reasons why	Yes	Exhibit 9 - Page 21
71	Statement whether DVA balances before forecasted interest match the last AFS; explain any variances	Yes	Exhibit 9 - Page 22

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		Yes/No/N/A	Evidence Reference, Notes
71	Provide an explanation of variance > 5% between amounts proposed for disposition and amounts reported in RRR for each account.	Yes	Exhibit 9 - Page 22-23
71	Provide explanations if variances are < 5% threshold if the variances in question relate to: (1) matters of principle (i.e. conformance with the APH or prior OEB decisions, and prior period adjustments); and/or, (2) the cumulative effect of immaterial differences over several accounts total to a material difference between what is proposed for disposition in total before forecasted interest and what is recorded in the RRR filings	Yes	Exhibit 9 - Page 23
71	Show relevant calculations: rationale for allocation of each account, proposed billing determinants and length of disposition period.	Yes	Exhibit 9 - Page 24-25
71	Propose charge type (fixed or variable) for recovery purposes in accordance with Rate Design Policy	Yes	Exhibit 9 - Page 24-25
71	Propose rate riders for recovery or refund of balances that are proposed for disposition. The default disposition period is one year; if the applicant is proposing an alternative recovery period must provide explanation.	Yes	Exhibit 9 - Page 24-25
71	Establish separate rate riders to recover balances in the RSVA's from Market Participants who must not be allocated the RSVA balances related to charges for which the MP's settle directly with the IESO.	Yes	Exhibit 9 - Page 25
72	New DVA - must meet causation, materiality, prudence criteria; include draft accounting order	Yes	Exhibit 9 - Page 25
<i>Global Adjustment</i>			Exhibit 9 - Page 25
72 & 73	Description of settlement process with IESO or host distributor, specify GA rate used for each rate class, itemize process for providing estimates and describe true-up process, details of method for estimating RPP and non-RPP consumption, treatment of embedded generation/distribution. LDCs are expected to use accrual accounting.	Yes	Exhibit 9 - Page 5
73	Identify number of Class A customers served in 2014 and on July 1, 2015. Provide combined peak demand facotr for each period. Propose allocation for recovery of GA variance balance.	N/A	

TOTAL "NO"

0