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October 24, 2016

BY RESS & OVERNIGHT COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Enersource Hydro Mississauga Inc. Application for Distribution Rates
Effective January 1, 2017, Board File No. EB-2016-0002
Interrogatory Response – 1-Staff-5**

Please find attached an updated Excel version of Attachment F to Enersource's August 15th rate application filing. This updated version includes an IFRS Revenue Requirement Adjustment using 2015 Billing Determinants (Sheet 2), and a comparison against 2013 and 2015 Billing Determinants (Sheet 3).

Two hard copies of this letter and interrogatory responses will be sent to the Board in addition to filing this via RESS.

If you have any questions, please do not hesitate to contact me at (905) 283-4098.

Sincerely,

(Original signed by)

Gia M. DeJulio
Director, Regulatory Affairs

cc. Norm Wolff, Executive Vice-President and Chief Financial Officer, Enersource
Donald Lau, Case Manager, Ontario Energy Board
Richard Lanni, Counsel, Ontario Energy Board

Revenue Requirement Adjustment **4,108,820**

TABLE 1: CALCULATION OF REVENUE PROPORTIONS:

Rate Class	2013 Board Approved Tariff		2013 COS Billing Determinants		Fixed Revenue	Volumetric Revenue	Total Revenue	Fixed Charge % Total Revenue	Volumetric Charge % Total Revenue	Total % Revenue
	Monthly Fixed Charge	Volumetric Charge	Customers or Connections	kWh/kW						
FORMULAS	A	B	D	E	F = A * D * 12	G = B * E	H = F + G	I = F / H _{total}	J = G / H _{total}	K = H / H _{total}
RESIDENTIAL	12.83	0.0129	176,865	1,423,857,475	27,230,135	18,367,761	45,597,897	23.06%	15.56%	38.62%
GENERAL SERVICE LESS THAN 50 KW	39.49	0.0115	17,703	612,188,101	8,389,098	7,040,163	15,429,261	7.11%	5.96%	13.07%
GENERAL SERVICE 50 TO 499 KW	69.54	4.1853	3,950	6,222,022	3,296,196	26,041,029	29,337,225	2.79%	22.06%	24.85%
GENERAL SERVICE 500 TO 4,999 KW	1,583.69	2.1536	464	5,154,338	8,817,986	11,100,382	19,918,368	7.47%	9.40%	16.87%
LARGE USE	12,486.80	2.6731	9	1,737,267	1,348,574	4,643,887	5,992,462	1.14%	3.93%	5.08%
UNMETERED SCATTERED LOAD	8.15	0.0149	2,942	10,383,027	287,728	154,707	442,435	0.24%	0.13%	0.37%
STREET LIGHTING	1.37	10.4571	49,986	49,889	821,770	521,695	1,343,465	0.70%	0.44%	1.14%
Total			251,919	2,059,592,118	50,191,487	67,869,625	118,061,112	42.51%	57.49%	100.00%

TABLE 2: ALLOCATION OF PROPOSED IFRS REVENUE REQUIREMENT ADJUSTMENT BY CLASS:

Rate Class	Fixed Charge % Total Revenue	Volumetric Charge % Total Revenue	IFRS Adjustment Fixed	IFRS Adjustment Volumetric	Total IFRS Adjustment	Customers or Connections	kWh/kW	Fixed Charge Adjustment	Volumetric Charge Adjustment
FORMULAS	FROM TABLE 1	FROM TABLE 1				FROM TABLE 1	FROM TABLE 1	E / J / 12	F / K
RESIDENTIAL	23.06%	15.56%	947,676	639,244	1,586,920	176,865	1,423,857,475	0.75	-
GENERAL SERVICE LESS THAN 50 KW	7.11%	5.96%	291,961	245,015	536,977	17,703	612,188,101	1.37	0.0004
GENERAL SERVICE 50 TO 499 KW	2.79%	22.06%	114,716	906,293	1,021,008	3,950	6,222,022	2.42	0.1457
GENERAL SERVICE 500 TO 4,999 KW	7.47%	9.40%	306,888	386,321	693,209	464	5,154,338	55.12	0.0750
LARGE USE	1.14%	3.93%	46,934	161,619	208,553	9	1,737,267	434.57	0.0930
UNMETERED SCATTERED LOAD	0.24%	0.13%	10,014	5,384	15,398	2,942	10,383,027	0.28	0.0005
STREET LIGHTING	0.70%	0.44%	28,600	18,156	46,756	49,986	49,889	0.05	0.3639
Total	42.51%	57.49%	1,746,788	2,362,032	4,108,820	251,919	2,059,592,118		

TABLE 3: PROPOSED 2017 BASE DISTRIBUTION RATES BY CLASS

Rate Class	2016 Board Approved Tariff		IFRS Adjustment Charge		Proposed 2017 Rates @1.95%		Revenue Test		
	Monthly Fixed Charge	Volumetric Charge	Fixed Charge Adjustment	Volumetric Charge Adjustment	Monthly Fixed Charge	Volumetric Charge	Fixed	Volumetric	Total
FORMULAS			FROM TABLE 2	FROM TABLE 2					
RESIDENTIAL	15.75	0.0102	0.7477	-	19.14	0.0069	40,632,703	9,871,034	50,503,737
GENERAL SERVICE LESS THAN 50 KW	41.47	0.0121	1.3744	0.0004	43.68	0.0127	9,279,165	7,801,715	17,080,880
GENERAL SERVICE 50 TO 499 KW	73.04	4.3959	2.4202	0.1457	76.93	4.6301	3,646,560	28,808,704	32,455,264
GENERAL SERVICE 500 TO 4,999 KW	1,663.38	2.2620	55.1163	0.0750	1,752.01	2.3825	9,755,175	12,280,319	22,035,494
LARGE USE	13,115.07	2.8076	434.5717	0.0930	13,813.86	2.9572	1,491,897	5,137,432	6,629,329
UNMETERED SCATTERED LOAD	8.56	0.0156	0.2836	0.0005	9.02	0.0164	318,304	170,623	488,927
STREET LIGHTING	1.44	10.9833	0.0477	0.3639	1.52	11.5685	909,759	577,142	1,486,900
							66,033,563	64,646,969	130,680,532

TABLE 4: RATE DESIGN TRANSITION:

	Current Rates	2013 COS BD	Revenue From Rates	Current F/V Split	Decoupling Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates	Revenue at New F/V Split	Annual Rate Increase (1.95%)
Fixed	15.75	176,865	33,427,485.00	69.7%	10.1%	2.28	79.8%	18.03	38,268,600.42	0.35
Variable	0.0102	1,423,857,475	14,523,346.25	30.3%			20.2%	0.0068	9,682,230.83	0.0001
			47,950,831.25						47,950,831.25	

Revenue Requirement Adjustment **4,108,820**

TABLE 1: CALCULATION OF REVENUE PROPORTIONS:

Rate Class	2015 Board Approved Tariff		2015 COS Billing Determinants		Fixed Revenue	Volumetric Revenue	Total Revenue	Fixed Charge % Total Revenue	Volumetric Charge % Total Revenue	Total % Revenue
	Monthly Fixed Charge	Volumetric Charge	Customers or Connections	kWh/kW						
FORMULAS	A	B	D	E	F = A * D * 12	G = B * E	H = F + G	I = F / H _{total}	J = G / H _{total}	K = H / H _{total}
RESIDENTIAL	13.22	0.0133	181,140	1,475,669,385	28,736,050	19,626,403	48,362,452	23.67%	16.17%	39.84%
GENERAL SERVICE LESS THAN 50 KW	40.68	0.0119	17,894	650,941,022	8,735,135	7,746,198	16,481,333	7.20%	6.38%	13.58%
GENERAL SERVICE 50 TO 499 KW	71.64	4.3118	3,971	6,019,041	3,413,789	25,952,899	29,366,688	2.81%	21.38%	24.19%
GENERAL SERVICE 500 TO 4,999 KW	1,631.56	2.2187	452	4,543,515	8,849,581	10,080,697	18,930,278	7.29%	8.30%	15.59%
LARGE USE	12,864.22	2.7539	9	1,732,631	1,389,336	4,771,492	6,160,828	1.14%	3.93%	5.08%
UNMETERED SCATTERED LOAD	8.40	0.0153	2,968	10,752,937	299,174	164,520	463,694	0.25%	0.14%	0.38%
STREET LIGHTING	1.41	10.7732	50,174	71,869	848,944	774,255	1,623,200	0.70%	0.64%	1.34%
Total			256,608	2,149,730,398	52,272,010	69,116,464	121,388,474	43.06%	56.94%	100.00%

TABLE 2: ALLOCATION OF PROPOSED IFRS REVENUE REQUIREMENT ADJUSTMENT BY CLASS:

Rate Class	Fixed Charge % Total Revenue	Volumetric Charge % Total Revenue	IFRS Adjustment Fixed	IFRS Adjustment Volumetric	Total IFRS Adjustment	Customers or Connections	kWh/kW	Fixed Charge Adjustment	Volumetric Charge Adjustment
FORMULAS	FROM TABLE 1	FROM TABLE 1				FROM TABLE 1	FROM TABLE 1	E / J / 12	F / K
RESIDENTIAL	23.67%	16.17%	972,673	664,325	1,636,997	181,140	1,475,669,385	0.7531	-
GENERAL SERVICE LESS THAN 50 KW	7.20%	6.38%	295,671	262,197	557,869	17,894	650,941,022	1.3770	0.0004
GENERAL SERVICE 50 TO 499 KW	2.81%	21.38%	115,552	878,467	994,019	3,971	6,019,041	2.4249	0.1459
GENERAL SERVICE 500 TO 4,999 KW	7.29%	8.30%	299,545	341,217	640,762	452	4,543,515	55.2259	0.0751
LARGE USE	1.14%	3.93%	47,027	161,508	208,535	9	1,732,631	435.4348	0.0932
UNMETERED SCATTERED LOAD	0.25%	0.14%	10,127	5,569	15,695	2,968	10,752,937	0.2843	0.0005
STREET LIGHTING	0.70%	0.64%	28,735	26,207	54,943	50,174	71,869	0.0477	0.3647
Total	43.06%	56.94%	1,769,330	2,339,490	4,108,820	256,608	2,149,730,398		

TABLE 3: PROPOSED 2017 BASE DISTRIBUTION RATES BY CLASS

Rate Class	2016 Board Approved Tariff		IFRS Adjustment Charge		Proposed 2017 Rates @1.95%		Revenue Test		
	Monthly Fixed Charge	Volumetric Charge	Fixed Charge Adjustment	Volumetric Charge Adjustment	Monthly Fixed Charge	Volumetric Charge	Fixed	Volumetric	Total
FORMULAS			FROM TABLE 2	FROM TABLE 2					
RESIDENTIAL	15.75	0.0102	0.7531	-	19.15	0.0069	41,626,784	10,230,226	51,857,009
GENERAL SERVICE LESS THAN 50 KW	41.47	0.0121	1.3770	0.0004	43.68	0.0127	9,379,850	8,297,286	17,677,136
GENERAL SERVICE 50 TO 499 KW	73.04	4.3959	2.4249	0.1459	76.94	4.6304	3,666,177	27,870,650	31,536,827
GENERAL SERVICE 500 TO 4,999 KW	1,663.38	2.2620	55.2259	0.0751	1,752.12	2.3827	9,503,492	10,825,711	20,329,203
LARGE USE	13,115.07	2.8076	435.4348	0.0932	13,814.74	2.9574	1,491,992	5,124,050	6,616,042
UNMETERED SCATTERED LOAD	8.56	0.0156	0.2843	0.0005	9.02	0.0164	321,142	176,694	497,836
STREET LIGHTING	1.44	10.9833	0.0477	0.3647	1.52	11.5692	913,209	831,466	1,744,675
							66,902,646	63,356,083	130,258,729

TABLE 4: RATE DESIGN TRANSITION:

	Current Rates	2013 COS BD	Revenue From Rates	Current F/V Split	Decoupling Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates	Revenue at New F/V Split	Annual Rate Increase (1.95%)
Fixed	15.75	176,865	33,427,485.00	69.7%	10.1%	2.28	79.8%	18.03	38,268,600.42	0.35
Variable	0.0102	1,423,857,475	14,523,346.25	30.3%			20.2%	0.0068	9,682,230.83	0.0001
			47,950,831.25						47,950,831.25	

Rate Class	Fixed Charge Adjustment (2015 Billing Determinants)	Fixed Charge Adjustment (2013 Billing Determinants)	Difference	%	Volumetric Charge Adjustment (2015 Billing Determinants)	Volumetric Charge Adjustment (2013 Billing Determinants)	Difference	%	2015 Fixed Billing Determinants	2015 Variable Billing Determinants	Change in Fixed Revenue	Change in Variable Revenue	Change in Total Base Distribution Revenue
RESIDENTIAL	0.7531	0.7477	0.0054	0.72%	-	-	-	0.00%	181,140	1,475,669,385	11,720	-	11,720
GENERAL SERVICE LESS THAN 50 KW	1.3770	1.3744	0.0026	0.19%	0.0004	0.0004	0.0000	0.64%	17,894	650,941,022	560	1,672	2,232
GENERAL SERVICE 50 TO 499 KW	2.4249	2.4202	0.0047	0.20%	0.1459	0.1457	0.0003	0.20%	3,971	6,019,041	226	1,741	1,967
GENERAL SERVICE 500 TO 4,999 KW	55.2259	55.1163	0.1095	0.20%	0.0751	0.0750	0.0001	0.20%	452	4,543,515	594	677	1,271
LARGE USE	435.4348	434.5717	0.8631	0.20%	0.0932	0.0930	0.0002	0.20%	9	1,732,631	93	320	414
UNMETERED SCATTERED LOAD	0.2843	0.2836	0.0007	0.24%	0.0005	0.0005	(0.0000)	-0.13%	2,968	10,752,937	24	7	17
STREET LIGHTING	0.0477	0.0477	0.0000	0.10%	0.3647	0.3639	0.0007	0.20%	50,174	71,869	28	52	80
TOTAL											13,246	4,455	17,701