**Guelph Hydro Electric Systems Inc.**

**2017 Price Cap IR Application (EB-2016-0075)**

**Application Analysis**

**November 3, 2016**

**Interrogatories**

**Interrogatory #1**

**Ref: IRM Model – Tab 3: Account 1580 Variance WMS – Sub-account CBR Class B**

On tab 3 of the 2017 IRM model, Guelph Hydro includes the balance of account 1580 sub-account CBR Class B in amount of $355,984 in the total group 1 disposition. As indicated in the model, if a distributor has Class A customer(s), 1580 sub-account CBR Class balance will be disposed through a rate rider calculated outside the model if significant.

1. Please confirm whether or not Guelph Hydro proposes to dispose the balance of $355,984 in account 1580 sub-account CBR Class B in the 2017 IRM process.

**Guelph Hydro’s response:**

Guelph Hydro confirms that it proposes to dispose the balance of $355,984 in account 1580 sub-account CBR Class B in the 2017 IRM process from which the amount of $22,416.30 belongs to the new Class A customers that contributed to Class B CBR balance from January 1 to June 30, 2015 (please see the response IR 1 b)).

1. If your answer to a) is yes, please provide the associated rate rider (to be entered on tab 18 “Additional Rates” of the model) and its calculation.

**Guelph Hydro’s response:**

Guelph Hydro re-calculated the CBR rate riders as presented in Table 1. For the new Class A customers that contributed to the CBR Class B balance from January 1 to June 30, 2015, Guelph Hydro is proposing to recover the amount of $22,416.30 in 12 monthly equal payments as presented in Table 2 below (please also see the Excel file Guelph\_IRRs\_CBR Rate Riders\_20161003,Tab 1 and 2).

**Table 1 – CBR Rate Riders Calculation for Class B Customers**

**Table 2 – CBR Monthly Payments Calculation for the New Class A Customers that Contributed to Class B Jan. 1 to June 30, 2015**

