

# Tab 1

**E.L.K. Charges to Hydro One Per E.L.K.Embedded Distributor Rate Class**

E.L.K. Table as Per November 10, 2016 Interrogatory Response to Hydro One IR 1b)						
Line		25%	50%	75%	100%	
1		321	642	963	1284	
2	Monthly Volume					
		kW				
3	Distribution Volumetric Rate	\$/kW	\$ 0.2751	\$ 0.2751	\$ 0.2751	\$ 0.2751
	Rate Rider for Disposition of Deferral/Variance					
4	Accounts (2016) - effective until April 30, 2017	\$/kW	\$ (2.1739)	\$ (2.1739)	\$ (2.1739)	\$ (2.1739)
5	Low Voltage Service Rate (*)	\$/kW	\$ 0.4388	\$ 0.4445	\$ 0.4500	\$ 0.4555
6	Retail Transmission Rate - Network Service Rate	\$/kW	\$ 2.2195	\$ 2.2195	\$ 2.2195	\$ 2.2195
	Retail Transmission Rate - Line and Transformation					
7	Connection Service Rate	\$/kW	\$ 1.5110	\$ 1.5110	\$ 1.5110	\$ 1.5110
8	*Incremental Hydro One costs to E.L.K. with occur whether Sellick is a E.L.K. or Hydro One customer					
9						
10	E.L.K. costs to Hydro One as Embedded Distributor					
11	Distribution Volumetric		\$ 88.31	\$ 176.61	\$ 264.92	\$ 353.23
12	Disposition of Deferral/Variance Accounts (2016)		\$ (697.82)	\$ (1,395.64)	\$ (2,093.47)	\$ (2,791.29)
13	Low Voltage Service		\$ 140.85	\$ 285.37	\$ 433.35	\$ 584.86
14	Retail Transmission Rate - Network Service		\$ 712.46	\$ 1,424.92	\$ 2,137.38	\$ 2,849.84
15	Retail Transmission Rate - Line and Transformation Connection		\$ 485.03	\$ 970.06	\$ 1,455.09	\$ 1,940.12
16	Total Monthly		\$ 1,052.10	\$ 2,105.60	\$ 3,162.56	\$ 4,223.05
17	Total Annual		\$ 12,625.21	\$ 25,267.16	\$ 37,950.71	\$ 50,676.62

**HYDRO ONE'S CORRECTION OF E.L.K.'S ARITHMETIC TOTALS ABOVE**

Hydro One Recalculation of E.L.K Identified Costs						
18						
19	Total Monthly		\$ 728.83	\$ 1,461.32	\$ 2,197.28	\$ 2,936.76
20	Total Annual		\$ 8,745.97	\$ 17,535.84	\$ 26,367.33	\$ 35,241.18

Sum Line 11-15  
 Line 19 x 12 months

# Tab 2

## FULLY ALLOCATED CONNECTION COSTS

**E.L.K.: Table as Per November 30, 2016 Reply Submission - Page 16**

Cost Item	E.L.K.	Hydro One
Non-contestable work	\$8,702.67	\$16,103.17
Contestable work	Not required	Not required
Civil works	Supplied by Sellick	Supplied by Sellick
Capital Contribution	\$0	\$0
Pole relocation cost (already incurred)	\$8,432.49	\$8,432.49
Incremental ST Charge	up to approx. \$125k	up to approx. \$125k
Incremental Embedded Distributor Charge	\$0	up to approx. \$50k
Materiality Threshold	\$50,000.00	\$1,000,000.00

**Hydro One: Table 1 - Fully Loaded Connection Costs for Sellick Connection\***

Distributor Serving Sellick	E.L.K.	Hydro One
<b>Cost Item</b>		
Non-contestable work	\$8,702.67	\$16,103.17
Contestable work	Not required	Not required
Civil works	Supplied by Sellick	Supplied by Sellick
Capital Contribution	\$0	\$0
Pole relocation cost (already incurred)	\$8,432.49	\$0
<b>One Time Connection Costs</b>	<b>\$17,135.16</b>	<b>\$16,103.17</b>
Annual Incremental "Embedded Distributor" Charge from ELK to H1		\$126,159.46 <sup>1</sup>
Annual Incremental Embedded Distributor Charge from H1 to ELK	\$124,564.66 <sup>2</sup>	(\$124,564.66) <sup>3</sup>
<b>Net Annual Incremental Settlement Between Distributors</b>	<b>\$124,564.66</b>	<b>\$1,594.80</b>

\*Analysis assumes 100% Sellick load scenario as has been utilized throughout this case

<sup>1,3</sup> Detailed calculations for these figures are provided in Hydro One Table 3

<sup>2</sup> Detailed calculations for this figure is provided in Hydro One Table 2

**Hydro One : Table 2**  
**Sellick Served by E.L.K.: Net Settlements with Hydro One\***

Line

1	Scenario		25%	50%	75%	100%
2	<b>Monthly Volume - Sellick</b>					
3	Monthly Volume	kW	300	600	900	1200
4	Monthly Volume - ELK Loss Adjusted (7.03%)	kW	321	642	963	1284
5	Monthly Volume Plus HONI TLA (1%)	kW	303	606	909	1212
6	Monthly Volume - HONI Loss Adjusted (3.4%)	kW	313	627	940	1253
7	<b>2016 Hydro One Networks Inc. Sub-Transmission Rates and Charges - Delivery Component</b>					
8	Facility Charge for Connection to Common ST Lines Rate	\$/kW	\$ 1.1740	\$ 1.1740	\$ 1.1740	\$ 1.1740
9	Rate Rider for Disposition of Deferral/Variance Account (General) - effective until Dec. 31, 2016	\$/kW	\$ 0.3151	\$ 0.3151	\$ 0.3151	\$ 0.3151
10	Retail Transmission Network Service Rate	\$/kW	\$ 3.3396	\$ 3.3396	\$ 3.3396	\$ 3.3396
11	Retail Transmission Line Connection Service Rate	\$/kW	\$ 0.7791	\$ 0.7791	\$ 0.7791	\$ 0.7791
12	Retail Transmission Transformation Connection Service Rate	\$/kW	\$ 1.7713	\$ 1.7713	\$ 1.7713	\$ 1.7713
13	<b>E.L.K. ST Charges to Be Paid to Hydro One</b>					
14	Common ST - Distribution Volumetric		\$ 355.72	\$ 711.44	\$ 1,067.17	\$ 1,422.89
15	Rate Rider for Disposition fo Deferral/Variance Account		95.48	190.95	286.43	381.90
16	Retail Transmission Network Service		1046.30	2092.61	3138.91	4185.21
17	Retail Transmission Line Connection Service		244.09	488.19	732.28	976.37
18	Retail Transmission Transformation Connection Service		554.95	1109.90	1664.86	2219.81
19	<b>Total Monthly</b>		<b>\$ 2,296.55</b>	<b>\$ 4,593.09</b>	<b>\$ 6,889.64</b>	<b>\$ 9,186.18</b>
20	<b>Total Annual (HST-In)</b>		<b>\$ 31,141.16</b>	<b>\$ 62,282.33</b>	<b>\$ 93,423.49</b>	<b>\$ 124,564.66</b>

Line 5 x Line 8  
 Line 5 x Line 9  
 Line 6 x Line 10  
 Line 6 x Line 11  
 Line 6 x Line 12

\*Analysis is based on 2016 rates which have been used throughout this proceeding

**Hydro One: Table 3**  
**Sellick Served by Hydro One: Net Settlements with E.L.K\***

Line	Scenario		25%	50%	75%	100%
2	<b>Monthly Volume - Sellick</b>					
3	Monthly Volume	kW	300	600	900	1200
4	Monthly Volume - ELK Loss Adjusted (7.03%)	kW	321	642	963	1284
5	Monthly Volume Plus HONI TLA (1%)	kW	303	606	909	1212
6	Monthly Volume - HONI Loss Adjusted (3.4%)	kW	313	627	940	1253
7	<b>2016 E.L.K. Energy Inc. Embedded Distributor Rates and Charges - Delivery Component</b>					
8	Service Charge Rate	\$	\$ 1,849.57	\$ 1,849.57	\$ 1,849.57	\$ 1,849.57
9	Distribution Volumetric Rate	\$/kW	\$ 0.2751	\$ 0.2751	\$ 0.2751	\$ 0.2751
10	Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	\$ (2.1739)	\$ (2.1739)	\$ (2.1739)	\$ (2.1739)
11	Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kW	\$ 3.6847	\$ 3.6847	\$ 3.6847	\$ 3.6847
12	Low Voltage Service Rate (*)	\$/kW	\$ 0.4332	\$ 0.4332	\$ 0.4332	\$ 0.4332
13	Retail Transmission Rate - Network Service Rate	\$/kW	\$ 2.2195	\$ 2.2195	\$ 2.2195	\$ 2.2195
14	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	\$ 1.5110	\$ 1.5110	\$ 1.5110	\$ 1.5110
15	<b>E.L.K. Charges to Hydro One Per Embedded Distributor Service Classification</b>					
16	Service Charge		\$ 1,849.57	\$ 1,849.57	\$ 1,849.57	\$ 1,849.57
17	Distribution Volumetric		\$ 82.53	\$ 165.06	\$ 247.59	\$ 330.12
18	Disposition of Deferral/Variance Accounts (2016)		\$ (652.17)	\$ (1,304.34)	\$ (1,956.51)	\$ (2,608.68)
19	Disposition of Global Adjustment Account (2016)		\$ 1,105.41	\$ 2,210.82	\$ 3,316.23	\$ 4,421.64
20	Low Voltage Service		\$ 129.96	\$ 259.92	\$ 389.88	\$ 519.84
21	Retail Transmission Rate - Network Service		\$ 712.66	\$ 1,425.32	\$ 2,137.98	\$ 2,850.64
22	Retail Transmission Rate - Line and Transformation Connection		\$ 485.17	\$ 970.33	\$ 1,455.50	\$ 1,940.67
23	<b>Total Monthly</b>		<b>\$ 3,713.13</b>	<b>\$ 5,576.68</b>	<b>\$ 7,440.24</b>	<b>\$ 9,303.79</b>
24	<b>Total Annual (HST-In)</b>		<b>\$ 50,349.99</b>	<b>\$ 75,619.81</b>	<b>\$ 100,889.64</b>	<b>\$ 126,159.46</b>
25	<b>2016 Hydro One Networks Inc. Sub-Transmission Rates and Charges - Delivery Component</b>					
26	Facility Charge for Connection to Common ST Lines	\$/kW	\$ 1.1740	\$ 1.1740	\$ 1.1740	\$ 1.1740
27	Rate Rider for Disposition of Deferral/Variance Account (General) - effective until Dec. 31, 2016	\$/kW	\$ 0.3151	\$ 0.3151	\$ 0.3151	\$ 0.3151
28	Retail Transmission Network Service Rate	\$/kW	\$ 3.3396	\$ 3.3396	\$ 3.3396	\$ 3.3396
29	Retail Transmission Line Connection Service Rate	\$/kW	\$ 0.7791	\$ 0.7791	\$ 0.7791	\$ 0.7791
30	Retail Transmission Transformation Connection Service Rate	\$/kW	\$ 1.7713	\$ 1.7713	\$ 1.7713	\$ 1.7713
31	<b>E.L.K. Embedded Distributor Charges to be Paid Back to Hydro One</b>					
32	Common ST - Distribution Volumetric		\$ 355.72	\$ 711.44	\$ 1,067.17	\$ 1,422.89
33	Rate Rider for Disposition of Deferral/Variance Account		\$ 95.48	\$ 190.95	\$ 286.43	\$ 381.90
34	Retail Transmission Network Service		\$ 1,046.30	\$ 2,092.61	\$ 3,138.91	\$ 4,185.21
35	Retail Transmission Line Connection Service		\$ 244.09	\$ 488.19	\$ 732.28	\$ 976.37
36	Retail Transmission Transformation Connection Service		\$ 554.95	\$ 1,109.90	\$ 1,664.86	\$ 2,219.81
37	<b>Total Monthly</b>		<b>\$ 2,296.55</b>	<b>\$ 4,593.09</b>	<b>\$ 6,889.64</b>	<b>\$ 9,186.18</b>
38	<b>Total Annual (HST-In)</b>		<b>\$ 31,141.16</b>	<b>\$ 62,282.33</b>	<b>\$ 93,423.49</b>	<b>\$ 124,564.66</b>
39						
40	<b>HONI Net Settlement With E.L.K If Sellick Connects to HONI</b>		<b>\$ (19,208.83)</b>	<b>\$ (13,337.48)</b>	<b>\$ (7,466.14)</b>	<b>\$ (1,594.80)</b>

Line 8 x 1 account  
 Line 3 x Line 9  
 Line 3 x Line 10  
 Line 3 x Line 11  
 Line 3 x Line 12  
 Line 4 x Line 13  
 Line 4 x Line 14  
 Sum Line 16-22  
 Line 21 x 12 months + HST

Line 5 x Line 26  
 Line 5 x Line 27  
 Line 6 x Line 28  
 Line 6 x Line 29  
 Line 6 x Line 30  
 Sum Line 32-36  
 Line 37 x 12 months + HST

Line 36 - Line 22

\*All analysis is based on 2016 rates which have been used throughout this proceeding

**Table 4: RECONCILIATION OF ELK'S INVOICE TO HYDRO ONE ILLUSTRATION**


	Date	Time	
<b>Start Date</b>	1-Nov-16	1	
<b>End Date</b>	30-Nov-16	24	
Total Energy without losses	890,313.00	kWh	
Total Energy with losses	952,902.00	kWh	
Network Peak (7am to 7pm)	1,871.800	kW	2,003.39
Monthly Peak kW	1,988.000	kW	2,127.76
Manual loss factor used:	1.0703		

Charge	Price \$/kWh	Billing Quantity	Net Amount
<b>Electricity</b>			
Electricity @ SPOT	0.016406	952,902.00	\$ 15,633.31
Global Adjustment	0.12271	890,313.00	\$ 109,250.31
<b>Regulatory Charges</b>	<b>0.0049</b>		<b>\$ 5,717.66</b>
WMSC RRRP Chg	0.0013	952,902.00	\$ 1,238.77
WMSC IESO Chg	0.0036	952,902.00	\$ 3,430.45
WMSC OESP Chg	0.0011	952,902.00	\$ 1,048.19
Standard Supply Administration Charge	0.25	1	\$ 0.25
<b>Delivery</b>			<b>\$ 13,922.80</b>
Distribution Volumetric	0.2751	1,988	\$ 546.90
LV charge	0.4332	1,988	\$ 861.20
Rider for Disp Def/Var Accts 2016	-2.1739	1,988	\$ (4,321.71)
Rider for Disp GA Acct 2016	3.6847	1,988	\$ 7,325.18
<b>Transmission Charges</b>			
Transmission Charges	1.5110	2,128	\$ 3,215.04
Transmission Network	2.2195	2,003	\$ 4,446.52
<b>Monthly Charges</b>			
Service Charge Monthly	1849.6700	1	\$ 1,849.67
<b>Total</b>			<b>\$ 144,524.08</b>
13% HST			\$ 18,788.13
Late Payment Charge			\$ 108.16
<b>Grand Total</b>			<b>\$ 163,420.37</b>

ADJUSTED USAGE (KWh)

952,902.00

Billing Reconciliation  
 Variance  
**\$ (109.80)**



Account Number: 40010890-00 Name: HYDRO ONE Service Address: 020018830 ESSEX DS #

Meter Number	Read Dates		Billing Days	Type	Meter Readings			Usage		Units	Power	Adjst. Factor	
	Present	Previous			Present	Previous	Mult	Base	Billed				
ELE: J000407	2016-12-01	2016-11-01	30	MR						890313	952902	kWh	1.0703
ELE: J000407	2016-12-01	2016-11-01	30	MR						1988.00	1988.00	kW	1.0703

BILLING SUMMARY	
Previous Balance as of: 2016-11-21	132,567.10
Payments as of 2016-12-19	-130,579.58
Adjustments as of 2016-12-19	-12,512.15
Interest Charges as of: 2016-12-19	0.00
Balance Forward as of: 2016-12-19	-10,524.83
Current Charges as of: 2016-12-19	163,544.49
Total Amount Due	153,019.86

PREVIOUS BALANCE		\$132,567.10
Provincial Benefit Adjust 12/1		-12,512.15
PAYMENT 12/02/2016		-130,579.58
<b>BALANCE FORWARD</b>		<b>-10,524.83</b>

	RATE	USAGE	Charges
<b>Your Electricity Charges:</b>			
Electricity			
WAP Paid	0.016406	952902	15,633.32
Global Adjustment	0.122710	890313	109,250.33
Delivery			14,935.60
Regulatory Charges			5,717.67
<b>Other Charges:</b>			
Late Payment Charge			108.16
HST #86656 7787 RT001			18,802.41
Adjustments:			
<b>CURRENT CHARGES</b>			<b>\$163,544.49</b>
<b>TOTAL AMOUNT DUE</b>			<b>\$153,019.86</b>

USAGE HISTORY		
Month	Days	Elec. Usage

# Tab 3





**E.L.K. Response:**

**Please see response to HONI 1 (c) (Second Round).**

**Hydro One Networks Inc. Interrogatory Questions for E.L.K**

**Topic:** Economic Efficiency - Recovery of ST Charges at Kingsville TS

**HONI – 1 (Second Round)**

**Reference:**

1. Exhibit 6 of ELK Response to Board Staff Interrogatories, September 8, 2016
2. The sensitivity analysis provided by Hydro One estimates that ELK's costs as an ST customer will range anywhere between \$31,000 and approximately \$125,000 annually. – Hydro One Intervenor Evidence, Att. 1-4: Scenario Analysis of Annual Incremental ELK ST Charges at Kingsville TS
3. "To assist the Board, E.L.K. has updated its bill comparison after incorporating the incremental sub transmission charges that were provided in the Hydro One evidence. E.L.K. utilized its cost allocation and rate design models from its last Cost of Service to give an accurate reflection of the impact of Hydro One's incremental charges. E.L.K. specifically took into account all of the incremental ST charges. Exhibit 3 provides the details of this analysis for each of the 4 loading scenarios provided by Hydro One. Notably, the monthly savings to be received by Sellick[s] continues to range between \$873.66 and \$849.43 (depending on the loading scenario assumed)". - ELK Revised Evidence, Paragraph 3, Issued October 6, 2016
4. Exhibit 3 of ELK Revised Evidence, Issued October 6, 2016

**Interrogatory:**

- a) In contrast to ELK's original submission provided in Exhibit 6 of ELK's response to Board staff interrogatories (Reference 1), please confirm that, after taking into account Hydro One's expected charges to E.L.K. at Kingsville TS (Reference 2), E.L.K's revised evidence (Reference 3) anticipates recovering approximately an additional \$120 to \$420 annually from Sellick.

**E.L.K. Response:**

**E.L.K. is unable to replicate the exact \$120 to \$420 but E.L.K's analysis indicates these numbers are close to the numbers determined by E.L.K.**

**As a result, E.L.K. confirms that, after taking into account Hydro One's expected charges to E.L.K. at Kingsville TS (Reference 2), E.L.K's revised evidence (Reference 3) anticipates recovering approximately an additional \$120 to \$420 annually from Sellick**

- b) Please explain how ELK expects to pay the \$31,000-\$125,000 incremental charge if ELK expects to collect only a maximum of \$420 annually from the Customer. Will all other ELK ratepayers pay the difference? Please explain.



### **E.L.K. Response:**

#### **Part 1**

This question relates to certain incremental upstream charges that E.L.K. would incur due to the incremental load caused by Sellick assuming Sellick becomes a customer of E.L.K.

In order to evaluate the impact on Sellick as a customer of E.L.K., the additional Hydro One upstream costs such as ST and transmission cost to E.L.K. need to be included in the Board Approved cost allocation and rate design models for low voltage and retail transmission service to determine the rate impact on Sellick from the additional costs. The additional costs and volumes associated with Sellick are included in ELK's cost allocation and rate design models for all E.L.K. customers and the cost are distributed across all rate classes in accordance with Board policy. The resulting rates for the E.L.K. rate class for which Sellick is assigned are used to determine the impact on Sellick. As a result, Sellick will experience a maximum additional cost of around \$400 from the incremental charge of \$31,000-\$125,000.

To provide additional insight, this response will now refer to the Base Case and the 100% Case outlined in response to c) below. The Base Case reflects the cost allocation and rate design supporting the current approved Low Voltage Service Rate for the General Service 50 to 4,999 kW class of \$0.4332 / kW. The 100% Case is the scenario in which Hydro One estimates that E.L.K.'s additional costs as an ST customer will be approximately \$125,000 annually. The \$125,000 includes about \$22,000 of low voltage charges, \$89,000 in retail transmission charges and \$14,000 in HST charges. As shown in response to c) below when the additional \$22,000 of low voltage charges are included in the OEB approved LV cost allocation and rate design model along with the additional volume for Sellick the resulting Low Voltage Service Rate for the General Service 50 to 4,999 kW class is \$0.4555 / kW. The difference in LV service rate between \$0.4555/kW and \$0.4332/kW is \$.0223 /kW. When this difference is applied to the Sellick demand of 1,284 kW per month the result is \$28.65 per month or \$343.90 per year. This means of the \$22,000 of additional LV charges Sellick will pay \$343.90 per year of this amount and other E.L.K ratepayers will pay the difference.

E.L.K. has been informed by Sellick that when the new plant at the new location opens, the existing plant owned by Sellick within the E.L.K. service territory will decrease consumption by 325 KW (i.e. the business and process will move over to the new building). This fact does not appear to be reflected in Hydro One's scenarios or estimates regarding incremental load.

With regards to Hydro One retail transmission charges of \$89,000, E.L.K.s total transmission charges are \$2.5 million. As a result, it is E.L.K.'s view that once the additional Hydro One transmission charges, which are less than 4% of E.L.K's total transmission cost, are included in the OEB's approved retail transmission service rate model along with the additional volume for Sellick there will be minimal or no impact on E.L.K's retail transmission rates. The \$89,000 will be distributed to each rate class and the amount assigned to Sellick will be the amount already included in the Base Case

With regards to additional HST charges this will be collected from each E.L.K customer as the low voltage and retail transmission charges are collected.



**Part 2.**

To be comparable, the Board also needs to take into consideration the incremental upstream charges that Hydro One would incur from E.L.K. as an Embedded Distributor of E.L.K. due to the incremental load cause by Sellick assuming Sellick becomes a customer of Hydro One. The following table outlines these incremental upstream charges from E.L.K to Hydro One assuming Sellick becomes a customer of Hydro One. These charges will not occur if Sellick is a E.L.K. customer. The scenarios included in the table are consistent with the scenarios used by Hydro One to develop the range of incremental ST charges of between \$31,000 and \$125,000 annually that Hydro One will charge E.L.K. Since Hydro One is an Embedded Distributor of E.L.K., the load associated Sellick will impact E,L.K. whether Sellick is a E.L.K. customer or a Hydro One customer. As a result, the incremental ST charges will occur in both cases.

		Scenarios			
		25%	50%	75%	100%
Monthly Volume	kW	321	642	963	1,284
Distribution Volumetric Rate	\$/kW	\$0.2751	\$0.2751	\$0.2751	\$0.2751
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	(\$2.1739)	(\$2.1739)	(\$2.1739)	(\$2.1739)
Low Voltage Service Rate (*)	\$/kW	0.4388	0.4445	0.4500	0.4555
Retail Transmission Rate - Network Service Rate	\$/kW	\$2.2195	\$2.2195	\$2.2195	\$2.2195
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	\$1.5110	\$1.5110	\$1.5110	\$1.5110
(*) Incremental Hydro One costs to E.L.K. with occur whether Sellick is a E.L.K. or Hydro One customer					
E.L.K. cost to Hydro One as Embedded Distributor					
Distribution Volumetric		\$88.31	\$176.61	\$264.92	\$353.23
Disposition of Deferral/Variance Accounts (2016)		(\$697.82)	(\$1,395.64)	(\$2,093.47)	(\$2,791.29)
Low Voltage Service		\$140.85	\$285.37	\$433.35	\$584.86
Retail Transmission Rate - Network Service		\$712.46	\$1,424.92	\$2,137.38	\$2,849.84
Retail Transmission Rate - Line and Transformation Connection Service		\$485.03	\$970.06	\$1,455.09	\$1,940.12
Total Monthly		\$1,052.10	\$2,105.60	\$3,162.56	\$4,223.05
Total Annual		\$12,625.21	\$25,267.16	\$37,950.71	\$50,676.62

**The Board also needs to determine how these incremental charges would flow through the Hydro One rate models to assess the impact on Sellick.**



c) With respect to Reference 3, please provide the results of the cost allocation and rate design run for all of E.L.K's rate classes?

To conduct a fair and rationale comparison, the Board would also need to consider the impact of the incremental charges E.L.K. would charge to Hydro One (assuming Sellick becomes a customer of Hydro One) on the cost allocation and rate design run for all of Hydro One's rate classes.

The requested cost allocation and rate design of LV charges is provided below for the Base Case and 100% Case referenced in b).

Calculation of Low Voltage Rates by Rate Class - Base Case						
Customer Class	LV Adj. Allocated	Calculated kWh	Calculated kW	Volumetric Rate Type	LV/ Adj. Rates/kWh	LV Adj. Rates/ kW
Residential	115,182	95,979,438	0	kWh	0.0012	
General Service < 50 kW	35,639	32,594,962	0	kWh	0.0011	
General Service 50 to 4,999 kW	92,727	66,668,106	214,067	kW		0.4332
Street Lighting	2,038	2,225,084	6,083	kW		0.3351
Sentinel Lighting	5	5,564	15	kW		0.3421
Unmetered Scattered Load	207	188,991	0	kWh	0.0011	
Embedded Distributor - Hydro One	41,605	42,996,782	96,049	kW		0.4332
<b>TOTALS</b>	<b>287,404</b>	<b>240,658,928</b>	<b>316,213</b>			

Low Voltage Costs Allocated by Customer Class - 100% Case					
Customer Class	Retail Transmission Connection Rate		Basis for Allocation (\$)	Allocation Percentages	Allocated \$
	per kWh	per kW			
Residential	0.0046		440,902	39.19%	121,117
General Service < 50 kW	0.0042		136,423	12.13%	37,475
General Service 50 to 4,999 kW		1.6581	379,882	33.76%	104,354
Street Lighting		1.2827	7,802	0.69%	2,143
Sentinel Lighting		1.3096	20	0.00%	5
Unmetered Scattered Load	0.0042		791	0.07%	217
Embedded Distributor - Hydro One		1.6581	159,261	14.16%	43,749
<b>TOTALS</b>			<b>1,125,081</b>	<b>100%</b>	<b>309,061</b>



Calculation of Low Voltage Rates by Rate Class -100% Case						
Customer Class	LV Adj. Allocated	Calculated kWh	Calculated kW	Volumetric Rate Type	LV/ Adj. Rates/kWh	LV Adj. Rates/ kW
Residential	121,117	95,979,438	0	kWh	0.0013	
General Service < 50 kW	37,475	32,594,962	0	kWh	0.0011	
General Service 50 to 4,999 kW	104,354	66,668,106	229,103	kW		0.4555
Street Lighting	2,143	2,225,084	6,083	kW		0.3524
Sentinel Lighting	5	5,564	15	kW		0.3598
Unmetered Scattered Load	217	188,991	0	kWh	0.0011	
Embedded Distributor - Hydro One	43,749	42,996,782	96,049	kW		0.4555
<b>TOTALS</b>	<b>309,061</b>	<b>240,658,928</b>	<b>331,249</b>			

## CURRICULUM VITAE OF HENRY ANDRE

### EDUCATION:

#### **University of Toronto**

Toronto, Ontario (1987)

Master of Applied Science

#### **University of Toronto**

Toronto, Ontario (1985)

Bachelor of Applied Science

### PROFESSIONAL QUALIFICATION(S):

*Professional Engineers Ontario* (1988)

### INDUSTRY EXPERIENCE

<b>1986 – Present:</b>	<i>Hydro One Networks Inc. / Ontario Hydro Services Company</i>
2016 – present	Director, Pricing and Compliance, Regulatory Affairs, Corporate Finance
2010 – 2016	Manager, Transmission & Distribution Pricing, Regulatory Affairs, Corporate & Regulatory Affairs
2008 – 2010	Manager, Rate Applications, Regulatory Affairs, Corporate & Regulatory Affairs
2006 – 2008	Manager, Transmission Rates, Regulatory Affairs, Corporate & Regulatory Affairs
2004 – 2006	Senior Engineer, System Investment, Asset Management
2001 – 2004	Senior Advisor, Business Integration, Asset Management
1998 – 2000	Senior Analyst, Performance Division, Regulatory and Governmental Affairs
1998 – 2000	Senior Analyst, Performance Division, Regulatory and Governmental Affairs
1995 - 1998	Engineer, Strategy and Regulatory Affairs, GRID System
1992 - 1995	Project Engineer, Transmission Projects, Engineering & Construction
1988 - 1991	Assistant Project Engineer, Transmission Lines Programs, Engineering & Construction
1986 - 1987	Research Engineer, Research Division

### APPEARANCE(S) BEFORE THE ONTARIO ENERGY BOARD:

<b>EB-2006-0501:</b>	Hydro One Networks Inc. 2007-2008 Electricity Transmission Revenue Requirement Application
<b>EB-2010-0002:</b>	Hydro One Networks 2011–2012 Electricity Transmission Revenue Requirement Application
<b>EB-2013-0416:</b>	Hydro One Networks 2015–2019 Distribution Rates Application
<b>EB-2016-0160:</b>	Hydro One Networks 2017-2018 Transmission Rates Application

## CURRICULUM VITAE OF WILLIAM CHENG

### EDUCATION:

#### **University of Toronto**

Toronto, Ontario (1987)

Master of Economics

#### **University of Western Ontario**

Toronto, Ontario (1986)

Bachelor of Economics

### INDUSTRY EXPERIENCE

**1988 – Present:**                    *Hydro One Networks Inc. / Ontario Hydro Services Company*

2013 – present	Manager, Transmission & Distribution Settlement
2005 – 2013	Team Lead, Transmission & Distribution Settlement
1999 - 2005	Strategic Planner, Transmission Pricing
1997 - 1999	Senior Analyst
1995 - 1999	Senior Pricing Strategist
1993 - 1995	Senior Analyst
1988 - 1993	Economist

## CURRICULUM VITAE OF JOHN SIEBERT

### INDUSTRY EXPERIENCE:

**July 1986 – Present:**    *Hydro One Networks Inc. / Ontario Hydro Services Company*

2016 - Present	Customer Operations Manager, Provincial Lines, Essex
2014 – 2016	Front Line Manager, Chatham-Kent/Acting Customer Manager, Essex
2014	Front Line Manager, Provincial Line, Zone 1 North and South Apprentice/Project Crew
2013 – 2014	Acting Customer Operations Manager, Provincial Lines, Chatham-Kent
2009 – 2012	Front Line Manager, Provincial Lines, Essex
2007 – 2009	Union Trades Supervisor Level II, Provincial Lines, Essex
2004 – 2007	Union Trades Supervisor Level III, Provincial Lines, Essex
1986 – 2004	Regional Powerline Maintainer, Provincial Lines, including 4 year apprenticeship

### PROFESSIONAL QUALIFICATION(S):

*Zone 1 Joint Health & Safety Committee Member* (January 2011- present)

*Utility Work Protection Code, Code Advisory Group, Provincial Lines Society Rep* (January 2013 – July 2014)

*Queen's IRC Certificate – Organizational Development Foundations* (October 2013)