

**2-Staff-43**  
**Project Pacing**  
**Ref: 2-Staff-10c**

Rideau St. Lawrence Distribution stated that the GIS system and desired level of spending supports the pacing of asset replacement. If the GIS system recommendation conflicts with the desired level of spending, how does Rideau St. Lawrence Distribution manage those conflicts?

Response:

The GIS system is a tool that provides information to RSL that is used for planning capital expenditures. RSL considers the priority ranking of the projects, and balances that information with the overall desired level of spending.

**2-Staff-44**  
**Capital Expenditures**  
**Ref: 2-Staff-14b**

Since Rideau St. Lawrence Distribution has not forecasted any System Access amount, when a System Access project materializes does it take away from the work that could be done on System Renewal? If so, how does Rideau St. Lawrence Distribution keep up with projected System Renewal needs?

Response:

When a material System Access project materializes, RSL considers the impact of the additional work on available resources. The availability and cost of outside contractors to assist with the work is also considered. If necessary, RSL reviews scheduled System Renewal projects, and determines if any of the projects can be deferred for a year.

**2-Staff-45**  
**Station Summaries**  
**Ref: 2-Staff-17**

Rideau St. Lawrence Distribution provided a station assessment for Prescott MS#3. The secondary structure for MS3 was recommended to be changed but it is not on the project list. Please explain the plans for Prescott MS#3. Are there plans to amalgamate MS2 and MS3 since they are so close together geographically?

Response:

The recommended change is in our overall plan, but is not included within the five-year period of the rate application. There are no current plans to amalgamate the two stations.

**2-Staff-46**  
**Capital Projects**  
**Ref: 2-VECC-11**  
**Ref: 2-VECC-15**

a) Please explain why the capital contribution is greater than the forecasted project cost? Does Rideau St. Lawrence Distribution refund the excess capital contribution?

Response:

The contributed capital invoiced to the customer was based on the original estimate approved by the Municipality of South Dundas. The actual cost of the project was slightly less than the estimate. The excess contributed capital will be refunded.

b) Please explain why Campbell road extension was originally forecasted at \$41k but actual came in at \$92k

Response:

The Municipality decided to increase the scope of the original project. The scope of the project added a second street and virtually doubled the size of the job. The forecast was based on the original project plan that had one street.

**4-Staff-47**  
**LRAMVA**  
**Ref: 4-Staff-27d**

In the Summary tab of the excel file "RSL\_Live Excel LRAMVA\_20170329", a LRAMVA threshold of 944,691 kWh is used, but 1,020,000 kWh was approved as part of the 2012 COS application. Please confirm whether the threshold is correct and provide rationale for using a lower threshold to determine the LRAMVA than what was approved in the Settlement Agreement.

Response:

The amount of 944,691 kWh used in the above-referenced spreadsheet does not include distribution losses. The load forecast reduction of 1,020,000 kWh included losses.

**5-Staff-48**  
**Promissory Note**  
**Ref: 5-Staff-28**

Rideau St. Lawrence Distribution stated the last negotiated change in the Promissory note was in 2012 from 4.99% to 4.41%.

a) Has Rideau St. Lawrence Distribution tried to renegotiate the rate for the Promissory Note from 2012 till now? If not, why?

Response:

The RSL Board decided to reduce the interest rate paid from 4.99% to 4.41% following the 2012 Cost of Service rate application. Each year, when the OEB updates its Long-Term Debt Rate, our Board considers whether or not to negotiate the rate paid on the notes. With the exception of 2013, our rate paid has been below the rate set by the OEB.