**West Coast Huron Energy Inc.**

**EB-2017-0083**

**OEB Staff Questions**

**Question #1:**

Reference: Response to Question 6 from Preliminary GA Analysis Questions

In this response the applicant describes the nature of the true-up that is recorded in 1b of both the 2015 and 2016 GA Analysis Workforms.

1. Please confirm that these true-up adjustments were not actually recorded in the applicant’s G/L until 2017.
2. If the answer to the above is yes, then please also confirm that the sum of both 2015 and 2016 true-up adjustments would need to be captured as a principle adjustment to the December 31, 2016 balance in account 1589 per the continuity schedule in the 2018 IRM Rate Generator Model.

**Question #2:**

Reference: Response to Question 8 from Preliminary GA Analysis Questions

The applicant has described a G/L error that was identified with respect to the calculation of RPP consumption used in the monthly settlement (Form 1598) with the IESO during 2015 and 2016.

1. Given that these errors directly impact the 2015 and 2016 settlements with the IESO, has the applicant notified the IESO of these errors and have they been resolved as of yet?
2. If the response to the above is yes, please also provide backup from the IESO that shows that the above errors have now been settled and that the amounts correspond to what the applicant has proposed as an adjustment in Note 5 of both the 2015 and 2016 GA Analysis Workforms.

**Question #3:**

Reference: Response to Question 9 from Preliminary GA Analysis Questions

In this response the applicant describes an error associated with the methodology that they used to allocate IESO charge type 148 between accounts 1588 and 1589.

1. Does this error impact the applicant’s settlements with the IESO during 2015 and 2016? If so, has the applicant notified the IESO and have these errors now been settled with them? Please provide related correspondence with the IESO to support your response.

**Question #4:**

Reference: DVA Continuity Schedule in 2018 IRM Rate Generator Model

1. Please update the December 31, 2016 balances for accounts 1588 and 1589 to reflect the impact of the adjustment from both the 2015 and 2016 GA Analysis Workforms. Please record these amounts in the “Principle Adjustments” column of the continuity schedule.

**Questions #5:**

Reference: 2018 IRM Rate Generator Model, Tab 1, Information Sheet.

1. Please confirm if the rate year that the Group 1 accounts were last cleared should be 2016 (i.e. In 2016 IRM Application, the OEB approved the disposition of Group 1 Accounts balance as of December 31, 2014, including interest projected to April 30, 2016. Note that WCHE did not seek disposition of Group 1 account balances in 2017 IRM application because the balances did not exceed the pre-set disposition threshold.)

**Questions #6:**

Reference: 2018 IRM Rate Generator Model, Tab 3, Continuity Schedule.

1. As noted in question 5a), the year in which the Group 1 account balances were last disposed was in 2016 IRM application, where account balances as of December 31, 2014 were disposed. For all Group 1 Accounts except for Account 1595, WCHE should start inputting data from 2014 by entering the Principal and Interest Adjustments columns under 2013. Please revise the continuity schedule accordingly.

**Questions #7:**

Reference: 2018 IRM Rate Generator Model, Tab 3 Continuity Schedule

1. As required in Note 5 of the Continuity Schedule: Account 1580 RSVA WMS balance inputted into this schedule is to exclude any amounts relating to CBR. CBR amounts are to be inputted into Account 1580 sub-accounts CBR Class A and Class B separately. Please revise Account 1580 accordingly.

**Questions #8:**

Reference: 2018 IRM Rate Generator Model, Tab 8 STS – Tax Change

1. Please explain why the Taxable Capital entered in cell L19 does not agree to the approved Total Rate Base in 2013 COS Application (EB-2012-0175) Appendix 2 – RRWF model, filed July 19, 2013, which is $8,787,771.
2. Please explain why the Regulatory Taxable Income entered in cell L30 does not agree to the approved Taxable income in 2013 COS Application (EB-2012-0175) Appendix 2 – RRWF model, filed July 19, 2013, which is $51,491.

**Questions #9:**

Reference: Clarification of certain items in 2018 IRM Rate Generator Model

Please clarify whether or not the following item in the 2018 IRM Model should be revised, if so, please update the model accordingly; if not, please explain why it should not be revised.

1. Tab 3 Continuity Schedule, cell BQ21:BQ37, the interest rate should be 0.011/12\*9+0.015/12\*3=0.012. Cell BR21:BR37, the interest rate should be 0.015/12\*4=0.005