



**Clarification Question –
TMMC - 5**

Toyota Motor Manufacturing Canada Inc. (“TMMC”)

to

Energy+ Inc. (“Energy+”)

EB-2018-0028

New Question Not Previously Sent to Energy+

Clarification TMMC-5

Topic: Standby Rate Proposal

Reference: **Energy+ Response to IR-TMMC-11**

Preamble: In its response to Question 11, Sub-Question 1, Energy+ provided the net book value and annual depreciation expense of the assets used exclusively by TMMC. In its response to Question 15, Sub-Question 4, Energy+ provided an electric one-line diagram that shows the interconnection between the Energy+ distribution system and TMMC.

1. Is the net book value specified in response to Question 11 inclusive of all Energy+ distribution facilities shown on the electric one-line diagram?
2. If the net book value is not inclusive of all Energy+ distribution facilities, please identify what Energy+ distribution facilities are not included and explain the rationale for excluding them.
3. Provide a schedule showing the initial asset value (\$670,019) separated by USoA account.

RESPONSES:

1. The asset information provided in Response to IR-TMMC-11 was an estimate of the value of the assets that are used exclusively by TMMC.

The preamble to IR-TMMC-11 references Energy+ response to TMMC April 10, 2018 Question 10, Sub-Question 1 and clearly states:

“The assets used exclusive to TMMC would mainly be the 795MCM aluminum wire and associated clamps/bracket/insulators/bolts along with two TMMC specific load break switches and a few solid blade switches.”

This was the question asked in IR-TMMC-11 (Energy+ has added the highlight in yellow):

1. Provide estimates, based on average data from the associated asset groups, of the asset value, net book value and annual depreciation expense for **assets used exclusively** to provide service to TMMC. If Energy+ cannot provide such estimates, please explain the reasons why not.

Therefore, the asset value identified in Response to IR-TMMC-11 does not include all of the Energy+ distribution facilities shown on the electric one-diagram. Energy+ was asked to provide the values for the exclusive assets, which was provided.

2. Energy+'s rationale for not including all other distribution facilities assets in the net book value in Response to IR-TMMC-11 is that Energy+ understood the question to ask for the value of assets used exclusively to provide service to TMMC.

With respect to the other distribution facilities assets shown on the electric one-diagram, Energy+ described these in Energy+'s Response to TMMC April 10, 2018 Question 10, (which is also included in the preamble to IR-TMMC-12) whereby Energy+ stated:

"There are relatively few assets used exclusively for TMMC since almost all the poles are multi-circuit (two or three 27.6kV circuits with one circuit used to supply TMMC and other circuit(s) used to supply other customers). The only poles exclusive to TMMC are located at the Preston TS."

Please refer to Response to Clarification Question TMMC-3.

3. The total estimated asset value of \$670,019 would have been recorded in USoA Account 1835, Overhead Conductors and Devices.