

November 8, 2018

Kirsten Walli  
Board Secretary  
Ontario Energy Board,  
2300 Yonge St.  
Suite 2700, P.O. Box 2319  
Toronto, Ontario  
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Dear Ms. Walli:

**Re: OEB File No. EB-2018-0036  
Guelph Hydro Electric Systems Inc. (Guelph Hydro) Responses to Board Staff  
November 7 Call**

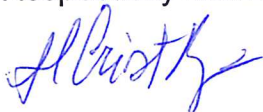
Please find enclosed with this letter Guelph Hydro's responses to Board Staff questions and directions received during the call on November 7, 2018.

Guelph Hydro has filed an electronic version of its responses via RESS along with the following live Excel files:

- Updated 2019IRM Rate Generator model
- Updated LRAMVA work-form
- Updated GA Analysis work-form
- IESO Invoice Adjustment Analysis

Should there be any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,



Cristina Birceanu

Vice-President of Regulatory Affairs, Customer Care and Billing



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**Guelph Hydro Responses  
Board Staff November 7 Conference Call Questions  
Guelph Hydro Electric Systems Inc.  
EB-2018-0036**

**As discussed during the conference call on November 7, 2018, Guelph Hydro agreed to the following:**

- 1. The recalculated amount of \$405k is the IESO invoice adjustment for CT148 in 2017.**

**Guelph Hydro's Response:**

Guelph Hydro confirms that the recalculated amount of \$405,169.26 (including the December 2017 true-up) is the IESO invoice adjustment for CT 148 in 2017.

- 2. The \$405k needs to be allocated between Account 1588 and Account 1589 using the 2017 RPP and non-RPP portions.**

**Guelph Hydro's Response:**

Guelph Hydro agrees to allocate the IESO invoice adjustment amount of \$405,169.26 between Account 1588 and Account 1589 using the 2017 RPP and Non-RPP portions. Guelph Hydro's proposed calculation is presented in response to item 4 below.

- 3. The RPP portion that is allocated to Account 1588 is to be accrued for the claim back from the IESO. As a result, there is no impact on Account 1588 balance.**

**Guelph Hydro's Response:**

Guelph Hydro agrees to accrue the RPP portion of the IESO invoice adjustment to Account 1588. There will be no impact on the Account 1588 balance as a result.

**The next steps are:**

- 4. To provide a proposal and supporting calculation for the allocation of the \$405k IESO invoice adjustment. Please provide a clean copy of the excel file to calculate the \$405k without the STPP and STPF files.**

**Guelph Hydro's Response:**

Guelph Hydro proposes to allocate the IESO invoice adjustment amount of \$405,169.26 between RPP and Non-RPP using Guelph Hydro's 2017 data from RRR 2.1.5.4 Demand & Revenue. The proposed allocation of the adjustment is summarized in Table 1 below and presented in Table 4 of the updated Guelph\_IESO Invoice Adjustment Analysis\_20181108 file.

**Table 1: Guelph Hydro's Allocation Proposal**

<b>Guelph Hydro's proposal to allocate the IESO adjustments between RPP and non-RPP</b>	<b>IESO Adjustments Allocation</b>	<b>\$405,169.26</b>
<b>Estimated RPP Proportion</b>	<b>46.20%</b>	<b>\$187,188.20</b>
<b>Estimated non-RPP Proportion</b>	<b>53.80%</b>	<b>\$217,981.06</b>

The RPP percentage allocation of 46.20% was determined by dividing RPP 477,444,083 kWh (cell D15 from GA Analysis Work Form, Tab GA 2017) by the sum of RPP 477,444,083 kWh and Non-RPP Class B 556,233,587 kWh (cell D18 from GA Analysis Work Form, Tab GA 2017). Based on the above percentage allocations, the RPP portion of the IESO invoice adjustment is \$187,188.20 and the Non-RPP portion of the IESO invoice adjustment is \$217,981.06.

- 5. To provide the updated IRM rate generator model incorporating the updated DVA balances (including the LRAM change)**

**Guelph Hydro's Response:**

Guelph Hydro has filed an updated IRM Rate Generator model to incorporate the updated DVA balances for Account 1589 GA and Account 1568 LRAMVA.

Guelph Hydro reduced the 2017 balance in Account 1589 by the RPP portion of \$187,188.20 in Tab 3.Continuity Schedule, cell BF29.

Guelph Hydro has also filed an updated LRAMVA Work Form to reflect one month of eligible streetlight demand savings. The updated LRAMVA balance is \$620,646 (principal of \$606,218 and carrying charges of \$14,428). Guelph Hydro updated the IRM Rate Generator Model to reflect the revised 2017 balance for Account 1568. In Tab 3.Continuity Schedule, Guelph Hydro updated the 2017 principal balance (cell BD43) to \$606,218, 2017 carrying charges (cell BK43) to \$3,562, and 2018 carrying charges (cell BQ43) to \$10,866.

- 6. To provide an updated GA Analysis Workform incorporating the updated balance for account 1589 and updated reconciling items.**

**Guelph Hydro's Response:**

Guelph Hydro has filed an updated GA Analysis Work Form to incorporate the IESO invoice adjustments as reconciling items for the RPP and Non-RPP portions.