RESPONSES TO OEB STAFF INTERROGATORIES

INTERROGATORY 146:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 5-6, p. 9, p. 11
Exhibit 9, Tab 3, Schedule 1, p. 1
EB-2014-0116, Decision and Order, p. 46

a) Please provide rationale supporting the proposal to not change the existing transformer allowance credit (Exhibit 8 / Tab 1 / Schedule 1 / p. 5).

b) Please provide illustrative examples showing the application of standby charges to a generation customer applying different assumptions regarding the status of generation output (and associated requirements for standby power) in a given month (Exhibit 8 / Tab 1 / Schedule 1 / p. 6).

c) In the context of the OEB's findings in Toronto Hydro's 2015-2019 Custom IR proceeding that loss factors should be updated at the next rebasing proceeding (EB-2014-0116 / Decision and Order / p. 46), please explain why a line loss study was completed only for the Large Use rate class (Exhibit 8 / Tab 1 / Schedule 1 / p. 9).

d) For the rate riders associated with: (a) the sale of property (excluding those property sales part of the OCCP); (b) accounts receivable credits; and (c) funds collected related to excess expansions deposits, please confirm that there are currently no existing DVAs in which the credit amounts are encumbered (Exhibit 8 / Tab 1 / Schedule 1 / p. 11).

e) Please explain why the proceeds from the sale of the 50 / 60 Eglinton Ave. property are not included in the balance of the OCCP variance account (Exhibit 8 / Tab 1 / Schedule 1 / p. 11).

f) Please show the calculation supporting the $8.0 million after-tax gain related to the sale of the 50 / 60 Eglinton Ave. property (Exhibit 8 / Tab 1 / Schedule 1 / p. 11). Please also confirm that this amount is included in deferred gain on disposals line in the rate rider calculation schedule (Exhibit 9 / Tab 3 / Schedule 1 / p. 1 / Line 11). If not, please explain. If yes, please explain what else is included in the noted line item (as the total for that line item is $11.7 million).

g) With respect to the accounts receivable credits ($3.2 million), please explain why no credits accrued after 2011 (Exhibit 8 / Tab 1 / Schedule 1 / p. 11).

RESPONSE:

a) Toronto Hydro understands that the Transformer Allowance credit is set generically for all LDCs in the past, and therefore does not propose any updates to the current rate.

b) <u>Standby Rate Structure</u>

The Standby Facilities Charges are composed of an Administration Charge and the Standby Facilities Rate, applicable to the Billed Backup Demand, as described below:

1) Contract Backup Demand is the reserved kVA capacity as agreed between the customer and THESL.
2) Standby Facilities Rate – this rate is applicable for each kVA/month of Billed Backup Demand. The Billed Backup Demand will be equal to the Contract

Backup Demand, depending on whether the reserved capacity is actually drawn upon. For customers who own their transformers, the Standby Facilities Charge will be net of the transformer allowance credit.

3) Administration Charge – A monthly administration charge will be applied to cover the incremental cost of monitoring, billing, and administration related to providing Standby Facilities service.

The typical billing of Standby Facilities charges are illustrated in the following examples with the following assumptions:

- Customer with a face plate generator of 2,000 kVA opting in for a Contract Backup Demand of 2,000 kVA.

Example 1

Parallel Generation Operational for the Entire Billing Month

If in any particular month, the generator is fully operational with no downtime, the customer will pay the Standby Facilities Charge in addition to the regular monthly distribution charges.

Contract Backup Demand	2,000 kVA
Peak Metered Demand	5,000 kVA

Monthly Charges:

Standard Distribution Monthly Service Charge
+ Standard Variable Distribution Charge = 5000 kVA * applicable class distribution rates
+ Standby Facilities Charge = 2000 kVA * applicable Standby Facilities rates
+ Standby Administration Charge

Example 2

Parallel Generator Operational for only Part of the Billing Month

In months during which the generator is operational part of the time, the customer will not be billed for Standby Facilities Charge (to avoid double billing) since the standby facility demand is already captured in the regular peak demand meter.

Contract Backup Demand	2,000 kVA
Peak Metered Demand with generation off	7,000 kVA

Monthly Charges:

Standard Distribution Monthly Service Charge
+ Standard Variable Distribution Charge = 7000 kVA * applicable class distribution rates
+ Standby Facilities Charge = 0 kVA * applicable Standby Facilities rates
+ Standby Administration Charge

c) Toronto Hydro has complied with the OEB's findings, and is in fact proposing updated loss factors for all rate classes. Toronto Hydro, and most other LDC's, have two sets of Distribution Loss Factors – one for Large User class, and one for all other classes. Toronto Hydro has undertaken a detailed engineering study of losses for the Large User class. For the remaining classes, the OEB's Loss Factor model, which nets Large User usage from both total purchased energy and total sales, appropriately captures the resulting losses for the other rate classes.

d) Confirmed.

e) The OCCP DVA specifically related to the sale of 5800 Yonge Street and 28 Underwriters. The 50/60 Eglinton properties were not designated for inclusion in that OEB-approved account.

f) See Table 1 below for the calculation supporting the $8.0 million after-tax gain related to the sale of 50/60 Eglinton property and reconciliation to the $11.7 million amount requested for clearance.

Table 1: After-tax gain calculation for sale of 50/60 Eglinton

50/60 Eglinton	
Proceeds	14.6
Disposal costs	(2.6)
Net Book Value	(2.7)
Pre-tax gain	9.3
Tax expense on gain	(1.3)
Accounting gain net of tax (Dec 31, 2017)	8.0
Tax rate true up (June 2018)	0.4
After-tax gain	8.4
Tax saving (grossed-up)	3.0
Carrying charges	0.3
Total for clearance	11.7

g) The Accounts Receivable ("AR") credits being requested for clearance relate to credits that existed in Toronto Hydro's previous billing system. Toronto Hydro changed billing in 2011 and attempted to return the credits to specific customers. However, Toronto Hydro has limited access to legacy data and is unable to track down information to make it possible to return the credits to the specific customers due to lack of data (i.e. customer forwarding information or the reasons for the existing credit). As noted in Exhibit 8, Tab 1, Schedule 1, section 4.7, Toronto Hydro has since implemented changes ensuring reasonable efforts to return all outstanding AR credits to customers directly.

RESPONSES TO OEB STAFF INTERROGATORIES

INTERROGATORY 147:

Reference(s): Exhibit 8, Tab 2, Schedule 1, p. 2

a) Please provide a discussion of the types of services that fall under the Service Call – Customer Owned Equipment specific service charge (Exhibit 8 / Tab 2 / Schedule 1 / p. 2).

b) Please explain the demand billable charge structure that Toronto Hydro proposes to apply for the services that fall under the Service Call – Customer Owned Equipment category (Exhibit 8 / Tab 2 / Schedule 1 / p. 2).

RESPONSE:

a) Service Call – Customer Owned Equipment applies in instances when Toronto Hydro crews are dispatched to inspect equipment and/or advise customers concerning electricity supply issues not directly related to the Toronto Hydro distribution system. In most instances, Toronto Hydro does not perform any work since the equipment is customer owned. However, work such as making an area safe in the case of damaged customer equipment (wiring or structures), or correcting stray voltage associated with customer owned equipment, may be performed by Toronto Hydro crews, and is proposed to be recovered on a cost basis.

b) Toronto Hydro proposes to eliminate the specific service charge component of this service and charge on a cost basis for calls attended by Toronto Hydro.

RESPONSES TO OEB STAFF INTERROGATORIES

INTERROGATORY 148:

Reference(s): Toronto Hydro Conditions of Service (2019)

Preamble:

In Toronto Hydro's updated 2019 Conditions of Service[1], there seem to be a number of charges for different services that do not have a dollar amount set out but instead the methodology for charging customers for those services is discussed.

For example, Section 1.7.5 (page 12 of the Conditions of Service) states that customers requiring vault access shall pay a fair and reasonable charge based on cost recovery principles for a Toronto Hydro person-in-attendance.

a) Please provide a list of all the services set out in the Conditions of Service where Toronto Hydro charges for a service and there is no dollar amount set out for the charge and instead a methodology for calculating the charge is discussed.

b) For each of the services listed in response to part (a), please provide the following:
   i. The average charge applied for the service.
   ii. The total amount collected in each year 2015-2017.
   iii. How the amounts collected are treated (e.g. are they considered revenues offsets).
   iv. The forecast amount for 2020 (and references to where the amounts are accounted for in terms of offsets to the revenue requirement).

[1] https://www.torontohydro.com/sites/electricsystem/business/ConditionsofService/Pages/default.aspx.

RESPONSE:

a) Please refer to Appendix A to this response for a list of the services.

b)

(i) Toronto Hydro groups the services referenced in Appendix A into four categories. Please see the average charge per invoice for each category in Table 1 below.

Table 1: Average Charge per Invoice for Service Categories

Grouping	Reference in Appendix A	Average charge per Invoice*
Isolations	(f) 2.2 Disconnections (g) 2.2.1 Disconnection & Reconnection – Process and Charges (h) 2.3.6 Emergency Backup Generation Facilities (j) 3.1.1.2 Services Over Swimming Pools (m) 3.4.1 Electrical Requirements	$1,685
Customer and Temporary Services	(a) 1.1.1 Distribution Overview (b) 1.7.5 Customer-Owned Equipment, Infrastructure, and Property (i) 2.6 Temporary Services (k) 3.1.2 Underground Services for Individual Residences (l) 3.2 General Service (n) 3.8 Unmetered Connections	$2,988
Customer Connections*	(c) 2.1 Connections - Process and Timing (d) 2.1.1.1 & 2.1.2 Expansions / Offer to Connect	See Exhibit 2B, Section E5.1, Page 14
Relocations*	(e) 2.1.5 Relocation of Plant	Exhibit 2B, Section E5.2, Page 7

*Customer Connections and Relocations are not charged on an invoice basis and each have dedicated Toronto Hydro programs described in the Distribution System Plan, Exhibit 2B at Sections E5.1 and E5.2, respectively. As a result, these categories are excluded from responses below to questions (ii), (iii), and (iv) under part (b).

(ii) The amounts collected for each year from 2015 to 2017 are noted below. Table 2 below shows revenues based on cost recovery principles for charges in the Conditions of Service.

Table 2: Revenues for Charges in Conditions of Service ($ Millions)

	2015	2016	2017
Isolations	0.4	0.7	1.5
Customer and Temporary Services	3.8	4.5	3.5

(iii) The amounts collected and referenced in the table above for Isolations and Customer and Temporary Services are included as part of Toronto Hydro's Revenue Offsets (Exhibit 3, Tab 2, Schedule 2).

(iv) The forecast amounts are noted in Table 3 below. The amounts are part of Account 4325 – Merchandise and Jobbing Revenue, specifically Isolation and part of Customer and Temp Services.

Table 3: Forecast Amounts in 2020 ($ Millions)

	2020
Isolations	1.3
Customer and Temporary Services	5.8

APPENDIX A: LIST OF SERVICES IN THE CONDITIONS OF SERVICE WITH NO DOLLAR AMOUNT SET OUT

All services below are charged based on actual costs unless otherwise noted as following a specific OEB methodology (e.g. customer connections).

Reference		Description of the Service
a	1.1.1 Distribution Overview	Study to consider a customer request for a non-standard 4KV connection.
b	1.7.5 Customer-Owned Equipment, Infrastructure, and Property	Access to customer owned vaults. Note: Toronto Hydro has issued a proposed amendment to this section of the Conditions of Service. The proposed amendment is planned for a February 1, 2019 release and includes one free 2 hour limit per year solely for the purpose of completing any fire equipment inspections required by applicable law.
c	2.1 Connections - Process and Timing	Design review in the preparation of an offer to connect.
d	2.1.1.1 Connection Charges And 2.1.2 Expansions / Offer to Connect	Completion of a customer connection. Any expansion and variable connection costs associated with the installation (in the form of a capital contribution and Expansion Deposit) are calculated based upon DSC Appendix B Economic Evaluation Model.
e	2.1.5 Relocation of Plant	Customer request to relocate Toronto Hydro assets.
f	2.2 Disconnections	Customer request to remove Toronto Hydro assets from a private property.
g	2.2.1 Disconnection & Reconnection – Process and Charges	Disconnection and reconnection of electricity supply that does not involve a simple disconnection/reconnection at the meter or at the pole.
h	2.3.6 Emergency Backup Generation Facilities	Installation of a meter base plug-in transfer device (that are in excess of a simple overhead and underground service disconnection and reconnection)

Reference		Description of the Service
i	2.6 Temporary Services	Installation of temporary supply services (that are in excess of a simple overhead temporary service installation and removal)
j	3.1.1.2 Services Over Swimming Pools	Rerouting of overhead service conductors over swimming pools in excess of 30 meters.
k	3.1.2 Underground Services for Individual Residences	Customer request for an underground service in an overhead area.
l	3.2 General Service	Customer request to construct and install civil infrastructure that forms part of a connection asset on customer property.
m	3.4.1 Electrical Requirements	Customer request for a disconnection and reconnection of a customer owned substation that does not involve a simple disconnection/reconnection at the meter or at the pole.
n	3.8 Unmetered Connections 3.8.2 Traffic & Railway Crossing Signals, Pedestrian X-Walk Signals/Beacons, Bus Shelters, Telephone Booths, CATV Amplifiers, TTC Switching Devices, and Miscellaneous Small Fixed Loads	Installation of an unmetered service: For an unmetered overhead supply connection, Toronto Hydro will recover any applicable variable costs. For an unmetered underground supply connection, Toronto Hydro will recover the actual costs for the connection.

RESPONSES TO OEB STAFF INTERROGATORIES

INTERROGATORY 149:

Reference(s): Exhibit 8, Tab 6, Schedule 1

a) For each rate class, please provide a table showing the sub-total A amounts for each year 2010-2024 in the following two ways:
   i) Including rate riders
   ii) Excluding rate riders

RESPONSE:

a) Please see Appendix A to this response, which includes 2010-2024 Sub-total A amounts including and excluding rate riders for all rate classes. Please note that amounts are based on a typical customer usage for each rate class and consistent with Bill impacts presented at Exhibit 8, Tab 6, Schedule 1.

APPENDIX A: 2010-2024 Sub-total A Amounts

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Expected	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed	2024 Proposed
	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
Residential - 750 kWh															
i Sub-Total A including Rate Riders	31.26	30.6	30.57	31.74	32.18	30.25	36.81	39.23	40.98	43.63	41.31	42.68	43.75	45.64	47.47
ii Sub-Total A excluding Rate Riders	30.04	29.65	29.65	29.84	30.17	30.17	36.88	39.03	40.6	41.6	42.14	43.51	44.58	46.47	48.3
Competitive Sector Multi-Unit Residential - 300 kWh[1]															
i Sub-Total A including Rate Riders	-	-	-	26.63	26.26	25.2	27.36	29.63	31.62	33.61	32.72	33.81	34.66	36.16	37.61
ii Sub-Total A excluding Rate Riders	-	-	-	24.93	25.2	25.2	27.7	29.89	31.68	33.1	33.4	34.49	35.34	36.84	38.29
General Service < 50 kW - 2,000 kWh															
i Sub-Total A including Rate Riders	70.78	70.61	70.61	73.45	82.9	76.26	94.64	101.93	99.56	107.87	103.25	106.7	109.38	114.12	118.71
ii Sub-Total A excluding Rate Riders	69.7	69.24	69.24	69.89	70.66	70.66	86.83	93.14	98.19	101.98	105.65	109.1	111.78	116.52	121.11
General Service 50-999 kW - 200 kVA															
i Sub-Total A including Rate Riders	1,156.75	1,164.63	1,163.73	1,213.89	1,257.53	1,197.40	1,453.46	1,564.60	1,628.94	1,739.17	1,679.30	1,735.56	1,779.41	1,856.83	1,931.63
ii Sub-Total A excluding Rate Riders	1,152.29	1,154.68	1,154.68	1,165.80	1,178.61	1,178.61	1,423.22	1,526.54	1,609.29	1,671.24	1,725.73	1,781.99	1,825.84	1,903.26	1,978.06
General Service 1,000-4,999 kW - 2,000 kVA															
i Sub-Total A including Rate Riders	8,789.08	9,963.73	9,656.35	10,072.37	10,191.31	9,784.48	11,483.66	12,555.43	13,378.69	14,211.33	13,816.49	14,278.14	14,637.83	15,273.21	15,887.16
ii Sub-Total A excluding Rate Riders	8,747.40	9,585.86	9,585.86	9,678.06	9,784.48	9,784.48	11,689.49	12,538.06	13,217.52	13,726.36	14,163.09	14,624.74	14,984.43	15,619.81	16,233.76
Large Use - 9,700 kVA															
i Sub-Total A including Rate Riders	44,687.52	50,904.48	49,298.23	51,478.37	52,088.26	50,007.83	59,065.92	65,062.02	70,581.76	73,196.71	71,187.04	73,570.07	75,426.75	78,705.26	81,872.75
ii Sub-Total A excluding Rate Riders	44,440.46	48,992.93	48,992.93	49,464.19	50,007.83	50,007.83	60,158.67	64,526.14	68,023.43	70,642.26	73,087.27	75,470.30	77,326.98	80,605.49	83,772.98
Street lighting - 2,700 kVA															
i Sub-Total A including Rate Riders	114,725.63	113,109.30	98,996.96	103,202.80	104,358.29	100,284.27	99,151.07	107,582.88	113,641.34	124,079.96	122,806.09	126,857.16	130,030.30	135,623.93	141,066.36
ii Sub-Total A excluding Rate Riders	100,005.63	98,356.96	98,356.96	99,262.97	100,284.27	100,284.27	104,116.37	111,683.91	117,742.37	122,280.68	126,287.20	130,338.27	133,511.41	139,105.04	144,547.47
USL - 285 kWh															
i Sub-Total A including Rate Riders	24	23.5	22.72	23.79	24.07	23.1	28.55	30.77	32.42	34.77	33.82	34.95	35.83	37.38	38.87
ii Sub-Total A excluding Rate Riders	22.78	22.63	22.63	22.84	23.1	23.1	28.46	30.53	32.18	33.42	34.58	35.71	36.59	38.14	39.63

Note 1: Competitive Sector Multi-Unit Residential rates were first approved as part of 2013 Toronto Hydro Decision and Order (EB-2012-0064)

RESPONSES TO ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO INTERROGATORIES

INTERROGATORY 107:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 2, Table 1

Please recast Table 1 to show the Distribution only Bill Impacts.

RESPONSE:

Please refer to Toronto Hydro's response to interrogatory 1B-SEC-13.

RESPONSES TO ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO INTERROGATORIES

INTERROGATORY 108:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 3

THESL indicates in order to maintain the revenue-to-cost ratio at exactly 1.0 for the CSMUR class, rates are adjusted downwards for this class and the extra revenue requirement is allocated to those classes with revenue-to-cost ratios below 1.0 proportionally to the amounts those classes were below their allocated costs. Please provide the extra revenue amounts allocated to each rate class below their allocated costs.

RESPONSE:

Table 1 below shows the extra revenue from the CSMUR class, and that revenue reassigned to those rate classes that are below the 1.0 revenue to cost ratio.

Table 1: CSMUR Revenue to Cost Adjustment

Rate Classes	Revenue Requirement Changes by Class	Adjustments by Rate Class
GS < 50kW	-	$297,827
GS 1,000-4,999 kW	-	$82,216
Large Use	-	$134,664
Unmetered Scattered Load	-	$4,901
CSMUR	-$519,608	-
Total	-$519,608	$519,608

RESPONSES TO ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO INTERROGATORIES

INTERROGATORY 109:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 5, Table 2

Please explain the negative CA Model Floor and CA Model Ceiling values for the Large Use class.

RESPONSE:

Please refer to Toronto Hydro's response to interrogatory 8-VECC-57.

RESPONSES TO ENERGY PROBE RESEARCH FOUNDATION INTERROGATORIES

INTERROGATORY 61:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 3

Preamble:

"In its EB-2010-0142 decision, the OEB directed Toronto Hydro to set rates for the CSMUR class so that the revenue-to-cost ratio for this class is 1.0. In the 2020 cost allocation exercise, based on current rates (adjusted for the 2020 revenue requirement) the CSMUR class would have a revenue-to-cost ratio of 1.014. In order to maintain the revenue-to-cost ratio at exactly 1.0, rates are adjusted downwards for this class. The extra revenue requirement is allocated to those classes with revenue-to-cost ratios."

Please reconcile this statement with the proposed CSMUR R/C ratios in 2021-2024.

RESPONSE:

Please refer to Toronto Hydro's response to interrogatory 7-EP-60 part (a).

RESPONSES TO ND HANN INTERROGATORIES

INTERROGATORY 132:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 4, p. 5 of 12

Please provide in a table by year the actual monthly fixed charge and the variable kVA or kWh portion for the period 2009 to 2018.

RESPONSE:

Please refer to Toronto Hydro's response to interrogatory 8-SEC-94.

RESPONSES TO ND HANN INTERROGATORIES

INTERROGATORY 133:

Reference(s): Exhibit 8, Tab 1, Schedule 1, lines 6-24, p. 9 of 12

There does not appear to be any reduction for street and traffic light load. Did Navigant double count street light, traffic light and other non metered consumption in determining the loses factor? [sic]

RESPONSE:

The non-metered load is not double-counted; losses are derived by conducting CYME simulation studies solely for the Large User class. Losses were calculated by comparing:

- the difference in feeder losses calculated by CYME; with
- the Large User load versus the feeder losses calculated by CYME when the Large User load alone is added to each feeder.

Non-metered load may be included in the feeder load data obtained from SCADA. However, in these instances, the non-metered load would be included in the CYME feeder load model, both before and after the Large User load is modeled in CYME, and therefore would not produce additional losses.

RESPONSES TO ND HANN INTERROGATORIES

INTERROGATORY 134:

Reference(s): Exhibit 8, Tab 2, Schedule 1, UPDATED: Sep 14, 2018, p. 3 of 5, line 1-10

What processes are in place to ensure that the Wireline Attachements do not exceed the capacity of the pole to withstand wind and ice loading including the overload factor? [sic]

RESPONSE:

Toronto Hydro has a permitting process which requires third party licensees to submit a plan (drawings, instructions) and pole loading analysis for locations with proposed wireline attachments. The plan and pole loading analysis is reviewed by Toronto Hydro to ensure it complies with the requirements of Section 4 of Ontario Regulation 22/04 – Electrical Distribution Safety. This includes a review of pole loading with wireline attachments to ensure it withstands wind and ice loading, as per CSA C22.3 No.1-15 requirements.

RESPONSES TO SCHOOL ENERGY COALITION INTERROGATORIES

INTERROGATORY 93:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p.6

How many customers, by class, have been charged the standby rate in 2018.

RESPONSE:

In 2018, there were five customers with standby contracts.

The approved rates consist of a monthly administration charge, a fixed monthly charge, and a variable Standby Facility rate that matches both the fixed and variable rates for the applicable rate class for each customer.

All five customers were billed the approved monthly administration charge of $224.98 every month. However, none of the customers were billed for the Standby Facility charge. This is because their generators were not active for an entire billing cycle, which means that they continued to attract the standard distribution charges every billing cycle based on their metered usage.

RESPONSES TO SCHOOL ENERGY COALITION INTERROGATORIES

INTERROGATORY 94:

Reference(s): Exhibit 8, Tab 6, Schedule 1

Please provide a table that shows for each year between 2005 and 2024, the approved/forecast monthly fixed and variable charge, as well as any approved fixed and/or variable ICM riders, for each rate class.

RESPONSE:

Please see Appendix A to this response.

RESPONSE to 8-SEC-94

Table 1: 2005-2024 base Distribution Charges

Customer Class	Charges[1]	Charge unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Expected	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed	2024 Proposed
Residential	Service Charges	$ per 30 days	13.64	11.96	12.00	14.85	16.85	18.25	18.25	18.25	19.16	19.36	18.63	22.78	27.69	32.63	37.46	42.14	43.51	44.58	46.47	48.30
	Distribution Volumetric Charges	$/kWh	0.01730	0.01540	0.01550	0.01550	0.01432	0.01572	0.01520	0.01520	0.01582	0.01599	0.01538	0.01880	0.01512	0.01063	0.00552					
Competitive Sector Multi-Unit Residential[2]	Service Charges	$ per 30 days									17.84	18.03	17.35	19.07	22.94	26.80	30.56	33.40	34.49	35.34	36.84	38.29
	Distribution Volumetric Charges	$/kWh									0.02692	0.02720	0.02617	0.02877	0.02315	0.01627	0.00845					
General Service <50 kW	Service Charges	$ per 30 days	18.27	16.02	16.07	19.37	21.44	24.30	24.30	24.30	25.50	25.77	24.80	30.47	32.68	34.45	35.78	37.07	38.28	39.22	40.88	42.49
	Distribution Volumetric Charges	$/kWh	0.02070	0.01840	0.01850	0.01990	0.01975	0.02270	0.02247	0.02247	0.02358	0.02383	0.02293	0.02818	0.03023	0.03187	0.03310	0.03429	0.03541	0.03628	0.03782	0.03931
General Service 50-999 kW	Service Charges	$ per 30 days	29.23	25.74	25.82	29.78	32.69	35.49	35.56	35.56	37.32	37.71	36.29	43.82	47.00	49.55	51.46	52.17	53.87	55.20	57.54	59.80
	Distribution Volumetric Charges	$/kVA per 30 days	5.6300	4.9600	4.9800	5.2600	5.1509	5.5840	5.5956	5.5956	5.8720	5.9341	5.7116	6.8970	7.3977	7.7987	8.0989	8.3678	8.6406	8.8532	9.2286	9.5913
General Service 1,000-4,999 kW	Service Charges	$ per 30 days	803.72	715.08	717.42	725.80	705.35	659.80	686.46	686.46	720.40	728.02	700.68	837.09	897.86	946.52	982.96	940.29	970.94	994.83	1037.01	1077.76
	Distribution Volumetric Charges	$/kVA per 30 days	4.6600	4.1500	4.1600	4.4100	4.3230	4.0438	4.4497	4.4497	4.6696	4.7190	4.5419	5.4262	5.8201	6.1355	6.3717	6.6114	6.8269	6.9948	7.2914	7.578
Large Use	Service Charges	$ per 30 days	3070.72	2749.29	2758.30	2883.81	2639.04	2874.02	3009.11	3009.11	3157.88	3191.30	3071.47	3694.97	3963.22	4178.03	4338.88	4128.03	4262.60	4367.46	4552.64	4731.56
	Distribution Volumetric Charges	$/kVA per 30 days	3.9500	3.5400	3.5500	3.9100	3.9348	4.2852	4.7406	4.7406	4.9749	5.0275	4.8388	5.8210	6.2436	6.5820	6.8354	7.1092	7.3410	7.5216	7.8405	8.1486
Street Lighting	Service Charges (per device)	$ per 30 days	0.29	0.26	0.26	0.66	0.89	1.32	1.30	1.30	1.36	1.37	1.32	1.37	1.47	1.55	1.61	1.66	1.71	1.75	1.82	1.89
	Distribution Volumetric Charges	$/kVA per 30 days	4.0800	3.5900	3.6000	15.3700	19.7581	29.2169	28.7248	28.7248	30.1450	30.4640	29.3201	30.4431	32.6533	34.4231	35.7484	36.9360	38.1401	39.0783	40.7352	42.3361
Unmetered Scattered Load	Service/Connection Charges	$ per 30 days	2.55	2.27	2.28	3.29	3.77	5.42	5.33	5.33	5.59	5.65	5.44	6.70	7.19	7.58	7.87	8.15	8.42	8.63	8.99	9.34
	Distribution Volumetric Charges	$/kWh	0.02010	0.01790	0.01800	0.03670	0.04174	0.06090	0.06070	0.06070	0.06373	0.06440	0.06195	0.07634	0.08188	0.08632	0.08964	0.09273	0.09575	0.09811	0.10227	0.10629

Note 1: The Charges include ICM Rate Riders

Note 2: Competitive Sector Multi-Unit Residential rates were first approved as part of 2013 Toronto Hydro Decision and Order (EB-2012-00-64)

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 57:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 5

a) With respect to Table 2, please explain why the Floor and Ceiling value for the LU class are both negative.

RESPONSE:

a) The indicated values calculated on Tab O2 of the OEB's Cost Allocation model are determined using the model logic.

The negative values for the Large Use class are primarily due to the allocation of Miscellaneous Revenue (which is a negative value) to the Large Use class. The allocated Miscellaneous Revenues exceed the allocated cost components resulting in a calculated negative value for the theoretical fixed rates. Toronto Hydro notes that a similar result was included in its 2015 CIR filing for the floor value and that it has also seen other LDC cost allocation models with similar results.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 58:

Reference(s): Exhibit 8, Tab 1, Schedule 1, pp. 5-6
Exhibit 8, Tab 1, Schedule 2, p. 1, Table 2 and Section 2.6
Exhibit 8, Tab 3, Schedule 2, p. 5
Cost Allocation Model, RRWF, Tab I6.2

Preamble:

The proposed 2020 Tariff Sheet for Street Lighting indicates that the service charge is applied per device as does Tab 1, Schedule 2. However, in Table 2 the Floor and Ceiling values for Street Lighting are calculated on a per connection basis.

a) Is the service charge to be applied to Street Lighting on a per connection or per device basis?
    i) If per connection, please confirm that the proposed Tariff Sheets require revision.
    ii) If per device, please revise Table 2 accordingly.

RESPONSE:

The service charge to be applied for Street Lighting is per device. The values in Table 2 of Exhibit 8, Tab 1, Schedule 1 are correct. However, the title is not correct because this table comes directly from the OEB's cost allocation model and cannot be changed as this section of the model is password protected.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 59:

Reference(s): Exhibit 8, Tab 1, Schedule 1, p. 6 (Section 2.7)
Exhibit 8, Tab 3, Schedule 2, p. 7

a) Section 2.7 states that the fixed monthly charge for Standby matches the fixed rate for the applicable class. However, in the proposed 2020 Tariff Sheet the same service charge ($245) is applicable to all customer classes. Please reconcile.

b) Please provide a schedule that sets out for each rate classification and for the years 2015-2017 i) the number of Standby customers, ii) the kVA to which the Standby Rate (not the standard Distribution Rate) was applied and iii) the total Standby Revenues.

c) What are the forecast customer count, billing quantities and revenues from Standby Rates for 2020 for each customer class and how are they accounted in the revenue requirement determination and cost allocation? For example, are the revenues treated as Other Revenue or are the loads and customer counts included in the load forecast, cost allocation and rate determination.

RESPONSE:

a) The $245.00 Service Charge on the Tariff sheets is the monthly administration charge, and is the same charge for all customer classes. Section 2.7 of Exhibit 8, Tab 1, Schedule 1 inadvertently listed a fixed monthly charge as part of the standby rate. In

fact, only the administration fee and the variable rate (matching the normal rate class for the generation customer) are applicable under the standby charge.

b) The table below shows the 2015-2017 number of Standby customers by class, the kVA, and the amount of revenue from the standby facilities charge alone.

Table 1 – Number of Standby Customers and Standby Revenue

	2015 (May 1 2015)	2016 (Mar 1 2016)	2017 (Jan 1 2017)
Number of Customers on Standby			
GS - 1000 to 4999	3	3	3
Large User	2	2	2
Standby Rates			
Standby Monthly Service Charge (per 30 days)	$202.01	$209.75	$224.98
Standby Distribution Volumetric Rate			
GS - 1000 to 4999 (per kVA/30days)	$4.5419	$5.4262	$5.8201
Large User (per kVA/30 days)	$4.8388	$5.8210	$6.2436
Revenue from Standby Rates			
Monthly Service Charge	$12,121	$12,469	$13,499
Distribution Volumetric Rate	$0	$0	$0
kVA Applied	0	0	0

c) Currently, the small amount of revenue from the monthly administration fee is captured in a miscellaneous revenue account. This revenue is included in revenue offsets in the cost allocation and rate determination models. As shown above, there have been no standby variable charges due to customers drawing from the Toronto Hydro system monthly. The unused standby load is already embedded in the historical billing data and therefore included in the load forecast and resulting distribution revenue forecasts.