

ONTARIO ENERGY BOARD

File No. EB-2018-0165

Exhibit No. K7.2

Date July 9, 2019 *jfs*

EB-2018-0165

Toronto-Hydro Electric System Limited

AMPCO Compendium

Panel 3

1 **CUSTOMER ENGAGEMENT**

2
3 **1. OVERVIEW**

4 Toronto Hydro undertook extensive Customer Engagement in connection with and as
5 part of the development of this CIR Application. Following the OEB's policy guidance,
6 Toronto Hydro developed a genuine understanding of its customers' needs and
7 preferences and analyzed and used the results of Engagement to inform its plans.
8 Toronto Hydro relies on both "Planning-specific" and "Ongoing" Customer Engagement
9 activities, as detailed in this Schedule.

10

11 **2. CUSTOMER ENGAGEMENT: POLICY GUIDANCE**

12 In conducting Customer Engagement, Toronto Hydro considered the Renewed
13 Regulatory Framework for Electricity Distributors ("RRF"), Chapter 5 of the Filing
14 Requirements for Electricity Distribution Rate Applications ("Filing Requirements"), the
15 Handbook for Utility Rate Applications, the EB-2014-0116 decision in respect of Toronto
16 Hydro's 2015-2019 rate application, and OEB decisions in other utilities' rate
17 applications.¹ A key theme of the OEB's guidance is that a utility's business plan be
18 informed by and responsive to customer needs and preferences. This requires an
19 expectation that the utility develop a genuine understanding of its customers' needs
20 and preferences, and is able to demonstrate how the development of its business plan
21 was informed by the results of Customer Engagement.

22

23 **3. PLANNING-SPECIFIC CUSTOMER ENGAGEMENT**

24 Toronto Hydro's Planning-specific Customer Engagement process was a multi-phased,
25 iterative process that equipped the utility with a genuine understanding of its

¹ For example, EB-2017-0024, Decision and Order.

1 customers' needs, preferences, and priorities so as to inform the utility's business plan.
2 The process spanned over 18 months, between late 2016 and mid-2018, and involved
3 over 10,000 Toronto Hydro customers of all sizes.
4

5 Toronto Hydro engaged Innovative Research Group ("Innovative"), a national consulting
6 firm with expertise in public opinion research (and experience in energy policy in
7 particular), to execute the utility's Planning-specific Customer Engagement. The
8 resulting final report (the "Innovative Report") can be found in Appendix A to this
9 Schedule.
10

11 Innovative executed the Planning-specific Customer Engagement in two phases. Phase
12 1 provided input into the development of the business plan, including the penultimate
13 Distribution System Plan ("DSP"). Phase 2 helped to refine the business plan, including
14 the final DSP.
15

16 **3.1 Phase 1**

17 Phase 1 of the Planning-specific Customer Engagement focused on assessing customer
18 needs and preferences in relation to outcomes relevant to Toronto Hydro's programs
19 and services. Phase 1 was conducted to generate a comprehensive view of customers'
20 priorities as a front-end input into Toronto Hydro's business plan.
21

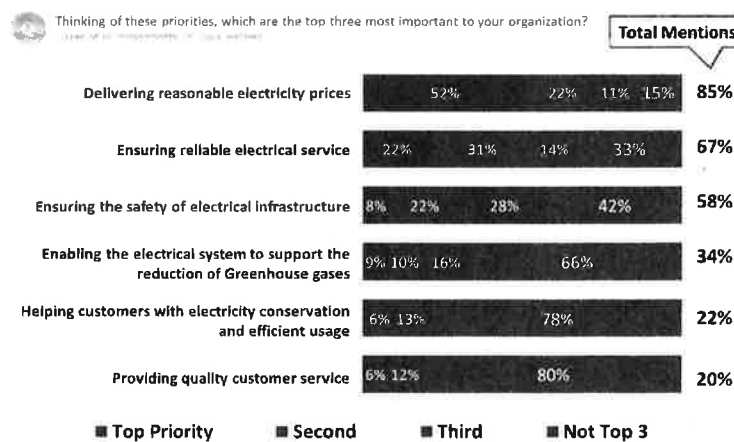
22 Innovative used a range of techniques to assess customers' needs and preferences.
23 Quantitative methods provided statistically valid results (e.g. surveys directed at
24 residential and small business customers). Qualitative methods provided constructive
25 context to supplement the statistical results (e.g. focus groups directed at residential,
26 small business and mid-market customers).

1 The Innovative Report discusses in detail the Phase 1 process and results. For example,
2 initial focus group engagement identified six key customer priorities:

- 3 1) Delivering reasonable electricity prices;
- 4 2) Ensuring reliable electrical service;
- 5 3) Ensuring the safety of electrical infrastructure;
- 6 4) Providing quality customer service;
- 7 5) Helping customers with electricity conservation and efficient usage;
- 8 6) Enabling the electrical system to support the reduction of greenhouse gases.

9
10 In the follow-up telephone survey, a majority of customers replied that each of these six
11 priorities were either “important” or “extremely important.” When asked to rank them,
12 low-volume customers prioritized “delivering reasonable electricity prices” first,
13 followed by “ensuring reliable electrical service.” By comparison, large customers with
14 average peak loads over 1 MW (“Key Accounts”) prioritized “ensuring electrical service”,
15 ahead of “delivering reasonable electricity prices”.²

16



17

Figure 1: Low-volume Customer Priority Rankings, Phase 1.

² Innovative Report, Exhibit 1B, Tab 3, Schedule 1, Appendix A, Executive Summary pg. 11.

1 Considering the entirety of the Phase 1 results, Innovative concluded that “customer
2 and stakeholder feedback from Phase 1 can be summarized by the following key points:

- 3 1) Keeping distribution price increases as low as possible;
- 4 2) Maintaining long-term performance for customers experiencing average or
5 better service;
- 6 3) Improve service levels for customers experiencing below average service or who
7 have special reliability needs (e.g. hospitals); and
- 8 4) Balancing other customer priorities (e.g. customer service) with the need to
9 contain rate increases.”³

10

11 The timing of Phase 1 allowed Toronto Hydro to leverage the results in a number of
12 ways. It informed the development of the Outcomes Framework (see Exhibit 1B, Tab 2,
13 Schedule 1), which became the lens through which the utility assessed the value to
14 customers of its program expenditure proposals. It informed the strategic parameters
15 established for the business plan, which included an upper limit of 3.5 percent as a cap
16 on the average annual increase to base distribution rates (see Exhibit 1B, Tab 1,
17 Schedule 1). Consequently, Phase 1 results informed the development of the
18 penultimate business plan that was taken back to customers during Phase 2 (see Exhibit
19 1B, Tab 1, Schedule 1; Exhibit 2B, Section E2).

20

21 Innovative developed a high-level, two-page “Placemat” summary of the findings of its
22 work in support of Toronto Hydro’s Phase 1 Customer Engagement activities. The
23 Customer Engagement Placemat provided an easily accessible version of the key results
24 of Phase 1 Customer Engagement.

³ Ibid., pg. 5

1 **3.2 Phase 2**

2 Phase 2 provided additional insight about customers' needs and preferences prior to the
3 completion of the business plan. The purpose of Phase 2 was threefold:

- 4 • To confirm customer needs, preferences, and priorities identified in Phase 1;
- 5 • To solicit customer feedback on the content of Toronto Hydro's proposed plans
6 and the subsequent rate impact including customer preferences toward
7 particular capital programs where trade-offs on pacing existed; and
- 8 • To solicit customer feedback on Toronto Hydro's planning development process,
9 including the customer engagement process.

10

11 The Phase 2 approach involved two different methods: a workbook and surveys.

12 Innovative developed an online workbook to gather input from any interested
13 residential, small business, or mid-market customer. Toronto Hydro took a number of
14 steps to increase the visibility of the workbook, including: emailing over 200,000
15 residential and small business customers notifying them about the workbook;
16 advertising the workbook in the utility's electronic newsletter delivered to nearly
17 200,000 customers; and promoting the workbook through social media posts, which
18 made over 40,000 impressions (Twitter and Facebook).

19

20 Innovative developed surveys based on the feedback from the online workbook. A
21 randomly recruited telephone survey was executed for residential, small business and
22 mid-market customers, and an online survey was done to gather input from Key
23 Account customers. All Key Account customers were notified by email about the survey
24 and reminder emails were sent to encourage its completion. Details about both surveys
25 are provided in the Innovative Report.

1 Based on the results, Innovative concluded that customers' needs and preferences
2 identified in Phase 1 were consistent with customer feedback received in Phase 2.
3 Customers were also strongly supportive of the customer engagement process used to
4 collect and use customer needs and preferences.

5
6 Innovative further concluded that customers generally supported Toronto Hydro's
7 proposed plan, and that "majorities of residential, small business, mid-mark and key
8 account customers say [the utility] should stick with its proposed plan or do more."⁴
9 Innovative also found a range of customer support for the various investment pacing
10 trade-offs presented to customers. For example, a majority of customers favoured a
11 more limited involvement by Toronto Hydro in support of microgrids, in contrast to
12 strong support for increasing the pace of investments in monitoring and control
13 equipment and network units.

14
15 In response to the conclusion that customers generally supported the plan, Toronto
16 Hydro made only modest refinements to its plan. Given the particularly strong support
17 across customer classes for programs that address the risk of network vault floods and
18 fires (i.e. Network Unit Renewal and Network Condition Monitoring & Control), Toronto
19 made minor adjustments to the pace of these programs to address these issues at an
20 accelerated pace over the 2020-2024 period. Exhibit 2B, Section E2.3 discusses in detail
21 how Customer Engagement results are reflected in the 2020-2024 Capital Expenditure
22 Plan, including the final adjustments made in response to Phase 2 results.

⁴ Ibid. pg. 3.

1 3.2.1 *Continuous Improvement*

2 The Planning-specific Customer Engagement described in this evidence represents an
3 evolution in the process used in connection with Toronto Hydro's 2015 CIR Application
4 in a number of important ways. Phase 1 was introduced as an entirely new process and
5 purposefully sequenced to inform the development of the business plan.

6
7 The Phase 2 process was changed in a number of ways. Customers were provided
8 specific information about Toronto Hydro's planning process, how it solicited feedback
9 from customers, and information about Toronto Hydro's cost benchmarking
10 performance. The results of the Phase 1 engagement were summarized and customers
11 were again asked to rank priorities to evaluate if the needs and preferences that
12 informed the business plan had changed. Program-specific information, including
13 activities, outcomes, and bill impacts were shared in respect of trade-offs where
14 customer input was sought. And customers participating in the online workbook were
15 shown the estimated net bill impact of their trade-off choices and allowed to change
16 their responses if desired.

17
18 3.2.2 *Ongoing Customer Engagement*

19 Ongoing Customer Engagement occurs and informs decision-making at Toronto Hydro
20 through the range of interactions that are primarily intended to deliver valued customer
21 services.

22
23 Toronto Hydro's customer services, outlined in the Customer Care program (Exhibit 4A,
24 Tab 2, Schedule 14), respond to the needs of the utility's wide array of customers. The
25 utility serves a large and diverse base of approximately 768,000 customers, ranging from
26 individual residential consumers to large industrial and commercial businesses. Toronto

OEB Appendix 2-AC Customer Engagement Activities Summary

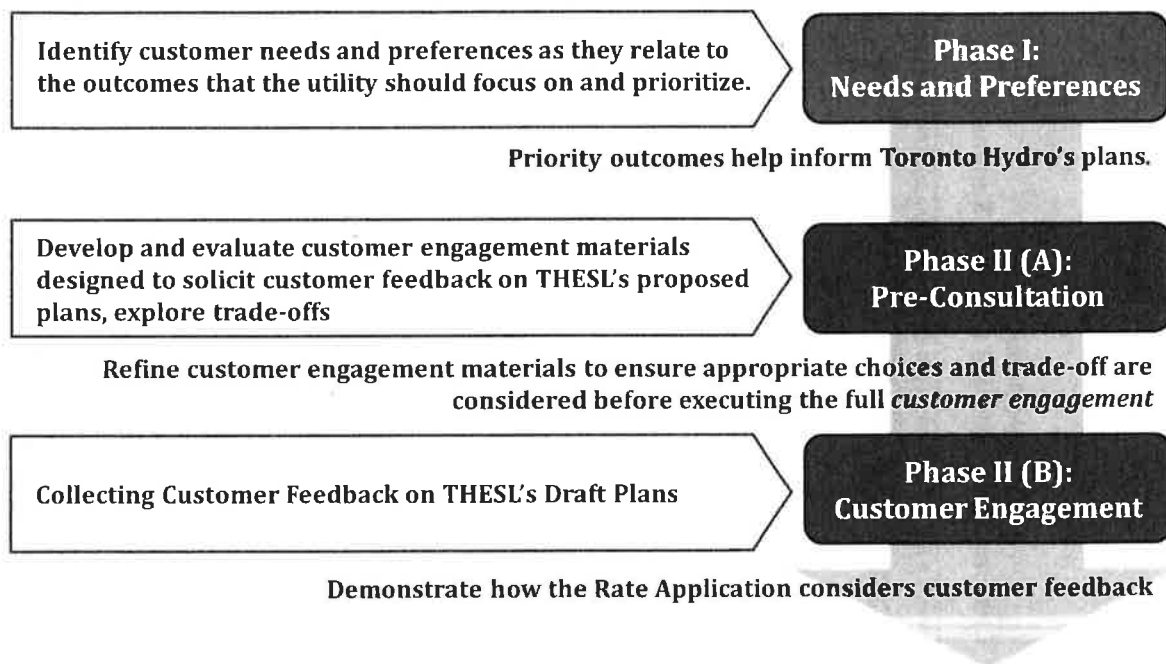
Provide a list of customer engagement activities	Provide a list of customer needs and preferences identified through each engagement activity	Actions taken to respond to identified needs and preferences. If no action was taken, explain why.
Planning-Specific Customer Engagement: Phase I - Low Volume Customer Focus Groups - Mid-Market Customer Focus Groups - Low-Volume Customer Needs and Preferences Survey - Key Account Needs and Preferences Survey - Stakeholder In-depth Interviews	Various, including identification and ranking of six key customer priorities. Please refer to: - Exhibit 1B, Tab 3, Schedule 1 - Exhibit 1B, Tab 3, Schedule 1, Appendix A (Innovative Report, Executive Summary and Phase 1 Appendices)	- Informed the development of the Outcomes Framework - Informed the strategic parameters established for the business plan, which included an upper limit of 3.5% as a cap on the average annual increase to base distribution rates. - Informed the development of the penultimate business plan that was taken back to customers during Phase 2 Customer Engagement. See also: - Exhibit 1B, Tab 2, Schedule 1 - Exhibit 1B, Tab 1, Schedule 1 - Exhibit 2B, Section E2 - Exhibit 4A, Tab 1, Schedule 1
Planning-Specific Customer Engagement: Phase II - Online Customer Feedback Portal ("Workbook") - Residential Telephone Survey - Small Business Telephone Survey - Mid-Market Telephone Survey - Key Account Online Survey	Various, including general support for the business plan and strong support for doing more to address the risk of network vault floods and fires. Please refer to: - Exhibit 1B, Tab 3, Schedule 1 - Exhibit 1B, Tab 3, Schedule 1, Appendix A (Innovative Report, Executive Summary and Phase 2 Appendices)	- Customers generally supported Toronto Hydro's proposed plan. - Minor adjustments to the pace of two capital programs to address the risk of network vault floods and fires that received particularly strong support across customers classes. See also: - Exhibit 2B, Section E2
Ongoing Customer Engagement	Various Please refer to: - Exhibit 1B, Tab 3, Schedule 1 - Exhibit 4A, Tab 2, Schedule 14	- Informs the continuous improvement of Toronto Hydro's customer services - Informs the execution of Toronto Hydro's capital work - Informs the development of Toronto Hydro's capital programs

THESL's proposed plans, and explore trade-offs in relation to specific programs and the associated bill impacts, as well as the pacing and prioritization of investments.

4. **Re-Examining the Business Plan and DSP:** In 2018, THESL revised the utility's business plan and DSP in response to **Phase II** customer engagement feedback as part of their OEB requirement to demonstrate how customer feedback has been considered in the development of their **2020 CIR Application** before filing with the OEB.

3.4.3 Consultation Process Overview

The diagram below provides an overview of INNOVATIVE's multi-phased customer engagement process, designed to support the consultation requirements of THESL's 2020 CIR application. This customer engagement program was designed as an iterative process where each subsequent phase of the consultation built on learnings from previous phases and the components within.



1. **Phase I (2016-2017)** set out to identify customer needs and preferences as they relate to the outcomes that the utility should focus on and prioritize. This was executed using a combination of both qualitative and quantitative research methodologies. In addition to engaging low-volume, mid-market and large use customers, INNOVATIVE also conducted a series of in-depth interviews with stakeholders who represent a cross-section of views from various customer groups.

This first phase of the customer engagement provided THESL's information to help inform Toronto Hydro's business planning, including the penultimate DSP.

2. **Phase II (A) – Consultation Materials Design and Evaluation.** The next phase of this process was to develop and evaluate customer engagement materials designed to solicit customer feedback on THESL's proposed plans, and explore trade-offs in relation to specific programs and the associated bill impacts, as well as the pacing and prioritization of investments.

Following the development of THESL's penultimate DSP, INNOVATIVE began the process of translating detailed financial and technical documents into customer-facing consultation materials. The developed customer consultation materials took the form of an online customer feedback portal.

Customer testing focus groups were conducted before the launch of the online customer feedback portal. These focus groups were intended to ensure the portal used language that was accessible to customers and that it provided an appropriate amount and substance of information, in order for customers to provide an informed opinions on THESL's proposed plan.

3. **Phase II (B) - Customer Engagement.** The next phase of the customer engagement integrated research-based consultation tools, with traditional voluntary-based tools. The online customer feedback portal provided an opportunity for customers who wished to participate in the consultation to have their say. This process also provided a clear understanding of needs and preferences across the broader customer base. This final phase of the customer engagement was divided into two components:

- **Qualitative Component:** An online workbook allowed us to determine the range of views held by THESL customers regarding the plan and trade-offs.
- **Quantitative Component:** Randomly recruited telephone surveys of residential, small commercial (GS < 50 kW), and mid-market (GS > 50 kW) customers and an online survey of large use (Key Account) customers was the final step in the consultation process. Randomly recruited surveys allow for generalizable conclusions that can be applied to the broader population of THESL customers. The surveys were developed based on the feedback from the online customer feedback portal. Incentives were used to allow for a longer survey which allowed more topics to be covered.

Phase I Customer Engagement Summary

	Methodology	Dates	Quantity	
Qualitative Research				
Residential	Focus Groups	Dec. 5 & 6, 2016	2 groups	
Small Business (GS < 50 kW)	Focus Groups	Dec. 5 & 6, 2016	2 groups	
Mid-Market (GS > 50 kW)	Focus Groups	Feb. 28 – Mar. 1, 2017	4 groups	
Stakeholders (NGOs, Industry Associations)	In-depth Interviews	June 12-30, 2017	10 interviews	
	Methodology	Field Dates	Targeted Sample Size	Final Completes
Low-Volume Telephone Survey				
Residential	Telephone	Dec. 7-14, 2016	n=400	n=416
Small Business (GS < 50 kW)			n=200	n=211
Total Low-Volume Customer Completes			n=600	n=627
Key Accounts				
Large Use Customers (2MW+)	Online	Feb. 23 – Mar. 24, 2017	N/A	n=63

Summary of Customer Priorities

Priorities	Residential*	GS < 50 kW*	GS > 50 kW**	Key Accounts ^g
1 st	Prices	Prices	Price	Reliability
2 nd	Reliability	Reliability	Reliability	Price
3 rd	Safety	Safety	ETOR / Communications	Environmental Risk Mitigation (Reliability)

* Feedback from **residential** and **GS < 50 kW** customers obtained through both focus groups and telephone surveys.

** Feedback from **GS > 50 kW** customers obtained through focus groups.

^g Feedback from **Key Account** customers obtained through an online survey.

Customer and stakeholder feedback from Phase I can be summarized by the following key points:

1. Keeping distribution price increases as low as possible;
2. Maintaining long-term performance for customers experiencing average or better service;
3. Improve service levels for customers experiencing below average service or who have special reliability needs (e.g. hospitals); and,
4. Balancing other customer priorities (e.g. customer service) with the need to contain rate increases.

Phase I customer feedback informed THESL's business planning, including the penultimate DSP. THESL's plans were later refined based on feedback from the Phase II customer engagement.

An overview of customer priorities can be found below in the **Phase I: Toronto Hydro Customer Priorities** table. At the conclusion of Phase I, INNOVATIVE provided a two-page summary with the overview table and the key results of the low volume and Key Accounts surveys for reference

2.2 Phase II Customer Engagement

In 2017, THESL planners used customer and stakeholder feedback, collected throughout the Phase I customer engagement program, to help align the 2020 CIR DSP and operational programs with customer expectations.

Phase II of the engagement took place in the spring of 2018 and focused on three goals:

- confirming the customer needs, preferences and priorities identified in Phase I;
- soliciting customer feedback on the content of its proposed plans and subsequent rate impact including customer preferences towards particular capital projects where trade-offs on pricing exist,
- soliciting customer feedback on THESL's planning development process, including the customer engagement process.

INNOVATIVE worked with THESL staff to translate the penultimate business plan and DSP into consultation materials that a typical customer could understand. Consultation materials were designed to provide meaningful feedback.

The following section summarizes customer feedback from an online feedback portal among low-volume customers, telephone surveys among low-volume and mid-market customers, and an online survey among Key Account customers.

Phase II Customer Engagement Summary

	Methodology	Field Dates	Targeted Sample Size	Final Completes
Online Feedback Portal				
Residential	Online	April 26 – May 28, 2018	N/A	n=10,165
Small Business (GS < 50 kW)			N/A	n=181
Total Online Feedback Portal Completes			N/A	n=10,346
Surveys				
Residential	Telephone	May 1 – 10, 2018	n=600	n=600
Small Business (GS < 50 kW)	Telephone	May 2 – 14, 2018	n=200	n=215
Mid-Market (GS > 50 kW)	Telephone	May 3 – 11, 2018	n=200	n=202
Key Accounts	Online	June 7 – 15, 2018	N/A	n=XX

2.2.1 Customer Needs

A strong majority of Toronto Hydro customers are both familiar with the utility and satisfied with the services they receive. When asked if there is anything in particular that Toronto Hydro could do to improve services, customers respond with either “*nothing*” or “*reduce the price*” – this is consistent with all rate classes.

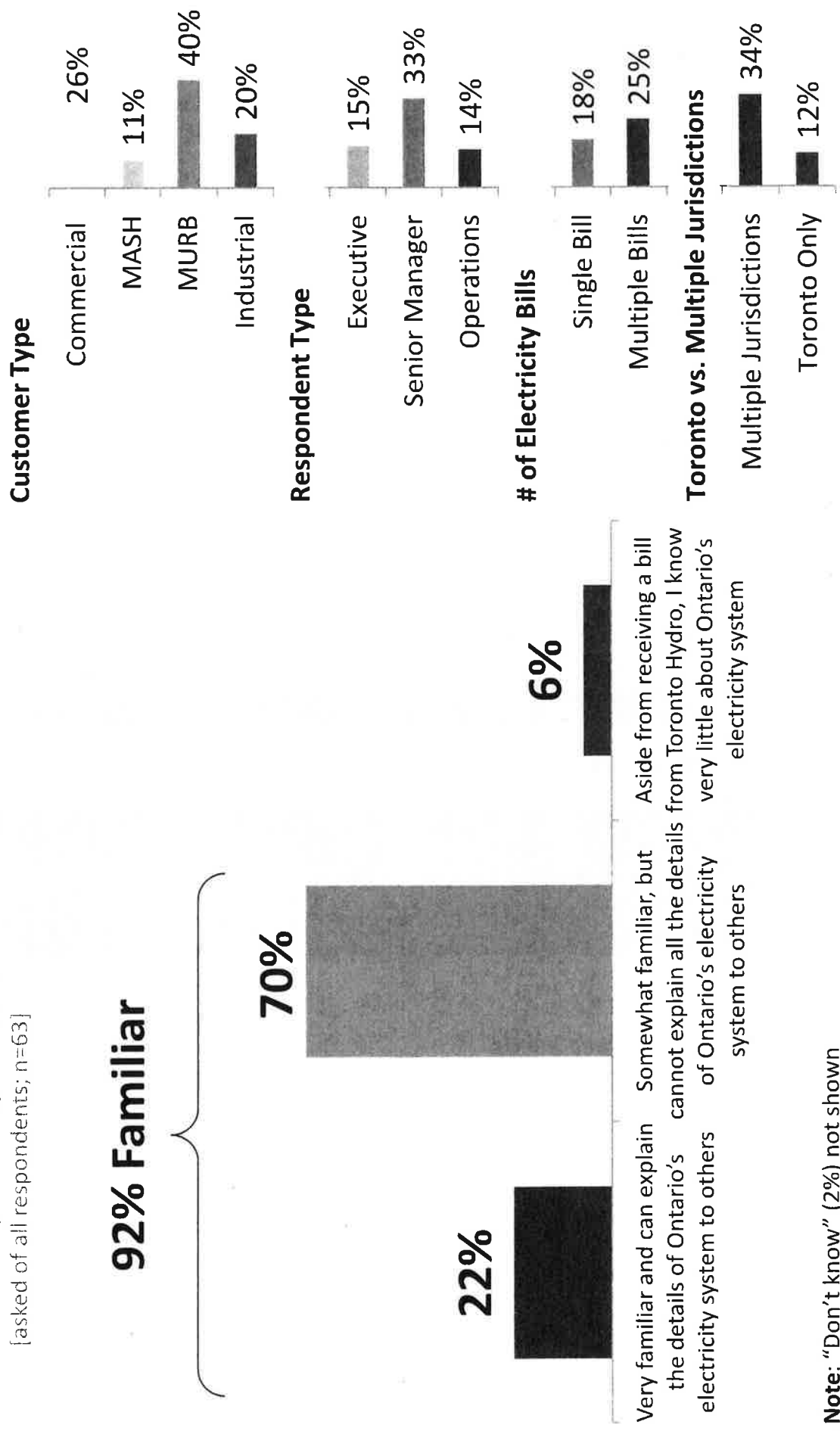
Familiarity: Nine-in-10 (92%) are familiar with Ontario's electricity system; 22% are very familiar



How familiar are you with the various parts of Ontario's electricity system, how they work together and which parts Toronto Hydro is responsible for?
[asked of all respondents; n=63]

Segmentation ▶▶

Respondents who say "Very Familiar":



Note: "Don't know" (2%) not shown

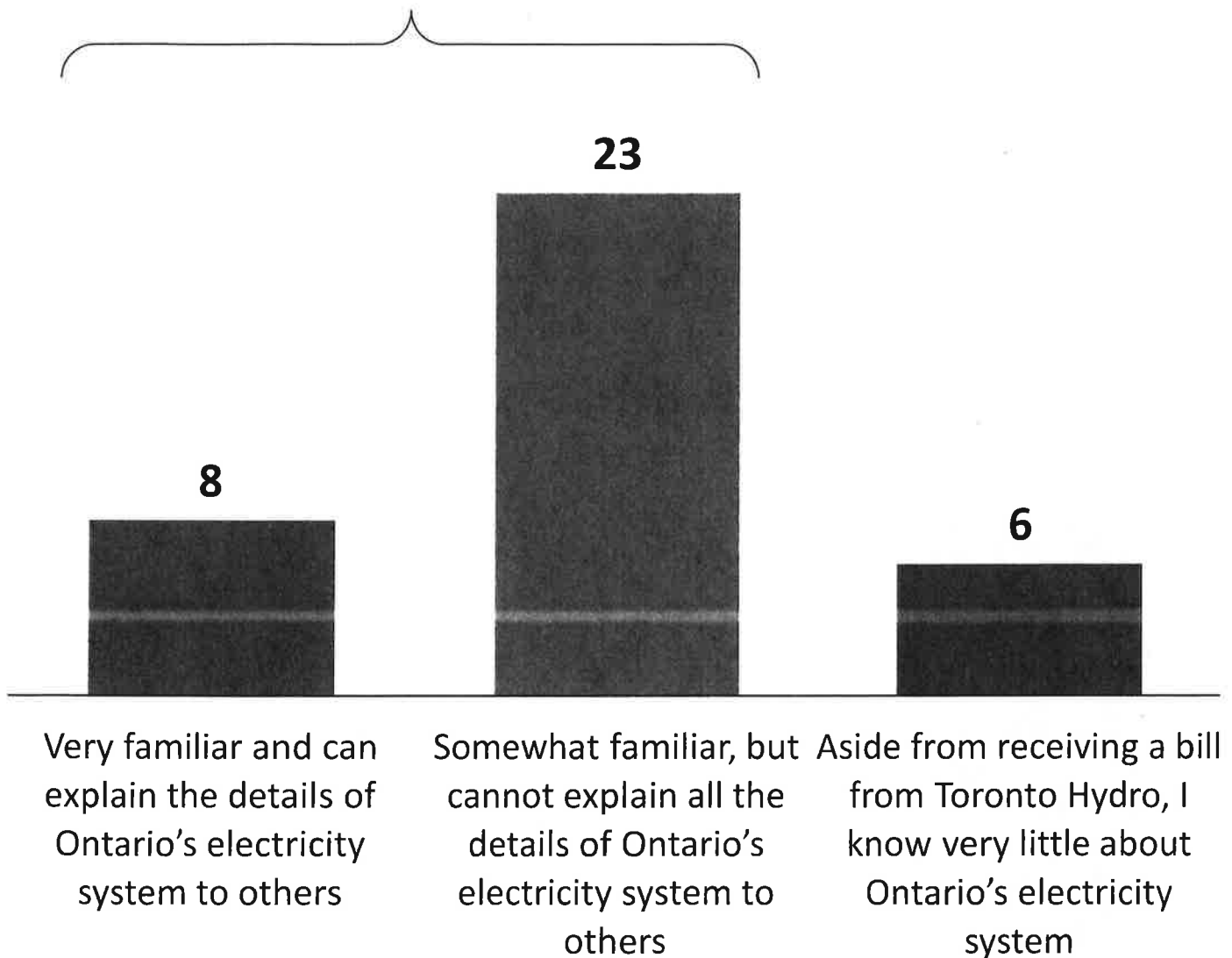
Familiarity with Electricity System

Q

How familiar are you with the various parts of Ontario's electricity system, how they work together and which parts Toronto Hydro is responsible for?

[asked all respondents, n=37]

Familiar: **31**



Customer Priorities



In response to customer engagement efforts over the past year, Toronto Hydro customers identified a diverse range of customer stated priorities, ranging from price and reliability to customer service, outages and helping customers conserve electricity.

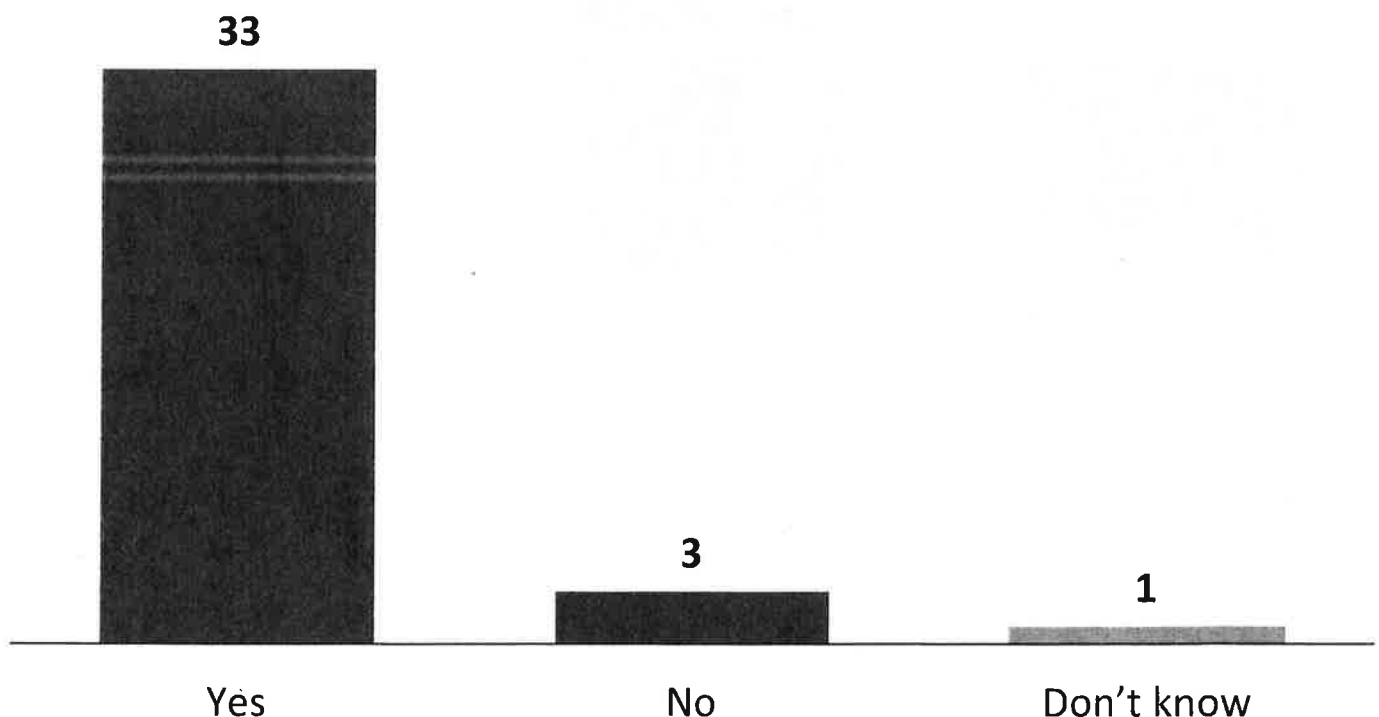
Understanding that not all customers value and prioritize the same things, Toronto Hydro is working to find a balance that works for all customers.

In February and March of 2017, Key Account customers told Toronto Hydro that the three most important priorities were:

1. Ensuring reliable electrical service;
2. Delivering reasonable electricity prices, and;
3. Preventing or reducing the length of prolonged power outages caused by extreme weather (e.g. high winds, floods and ice storms)

Are these three customer identified priorities aligned with what you expect Toronto Hydro to focus on?

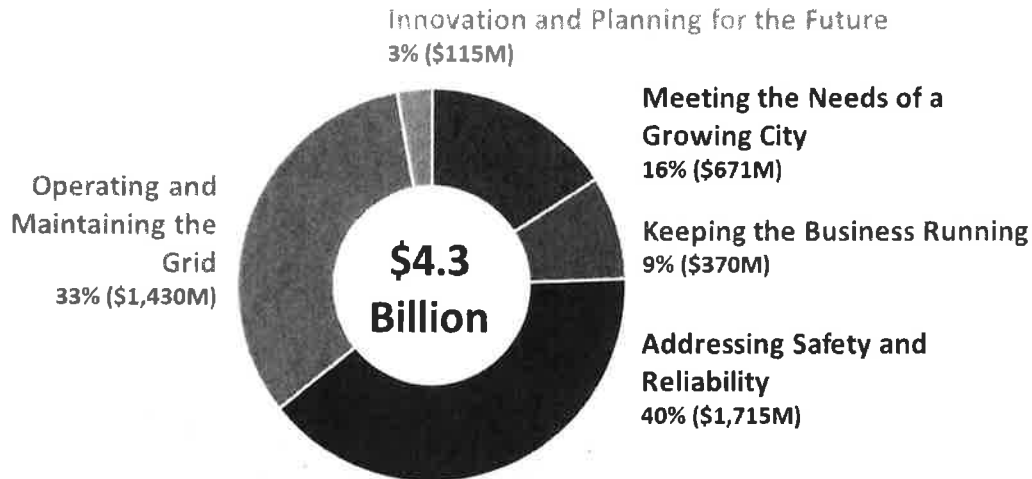
[asked all respondents, n=37]



H. INVESTMENT ALTERNATIVES SUMMARY

- H18. **Toronto Hydro** has drafted a plan totaling approximately \$4.3B over five years. The plan considered Toronto Hydro's legal obligations, engineering expertise and customers' needs and preferences when developing the plan. **There are five key budget categories.**

To learn more about each category, simply hover over the title.



Toronto Hydro's proposed plan focuses on delivering current levels of reliability and customer service for most customers and targeted improvements for customers experiencing below average service or who have special reliability needs, such as hospitals, industrial customers, and financial centres.

This proposed plan could translate into an annual average increase in your distribution rates of between 2.3% and 3.9% from 2020 to 2024.

- H19. With regards to Toronto Hydro's proposed plan, which of the following statements best represents your view? **[READ LIST; ROTATE 01 and 03]**

01	Toronto Hydro should improve service even if that means an annual increase that exceeds the proposed plan.
02	Toronto Hydro should stick with the proposed plan to deliver current levels of reliability and customer service for most customers and targeted improvement for customers experiencing below average service or who have special reliability needs.
03	Toronto Hydro should keep increases below the proposed plan, even if that could mean reductions in service.
88	Other [Please specify]
98	Don't know

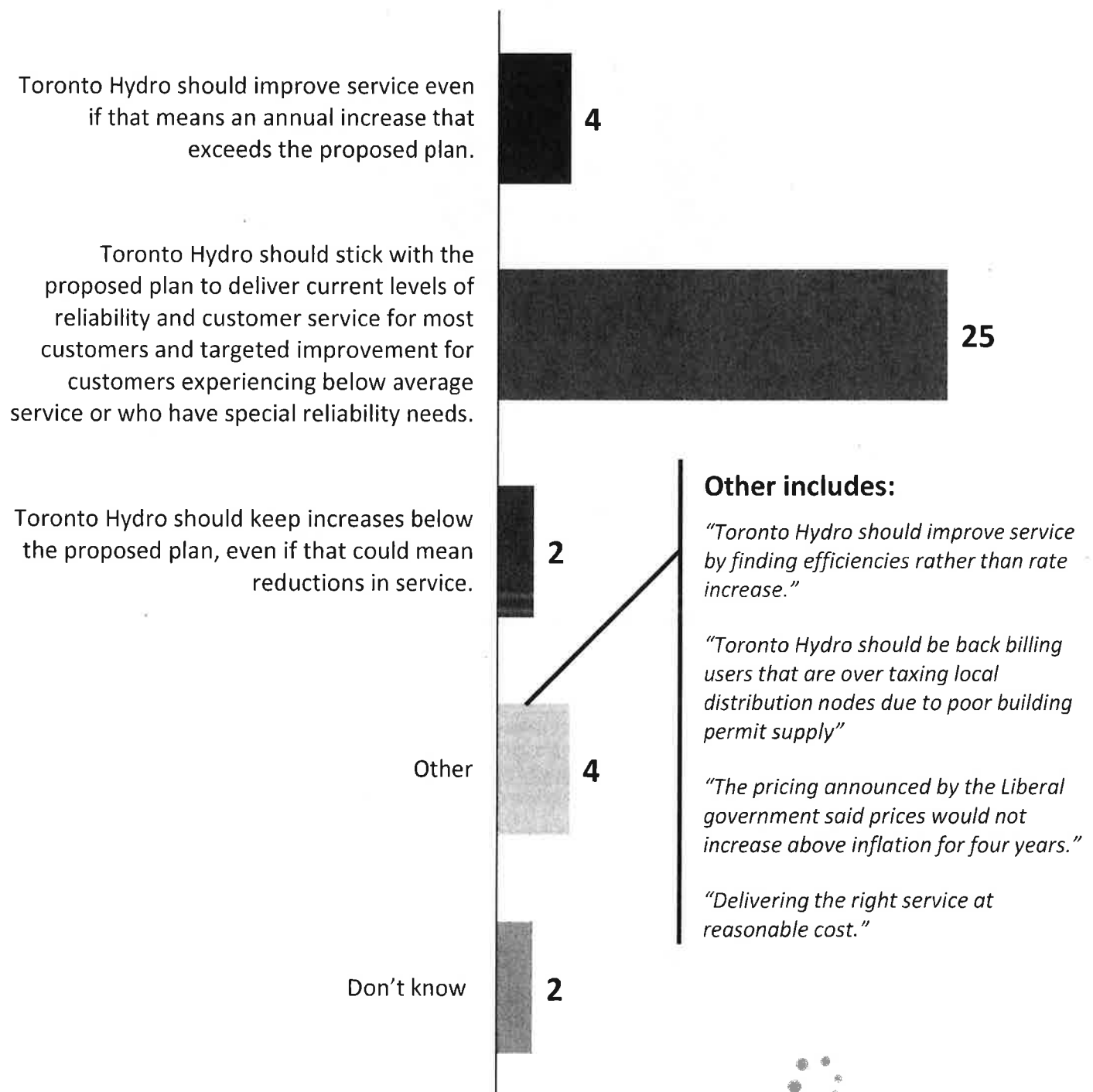
- H20. And why do you say that? **[OPEN]**

Opinion of Toronto Hydro's Proposed Plan



With regards to Toronto Hydro's proposed plan, which of the following statements best represents your view?

[asked all respondents, n=37]



Opinion of Toronto Hydro's Proposed Plan



And why do you say that?

[asked all respondents, n=37]

Improve Service (n=4)

Reliability:

- "This will prevent occasional brief outages that affect our operation"
- "Reliability is the most important aspect of the system"
- "Reliability is Key - prices will increase regardless"

Maintain Service (n=25)

Increase is reasonable as long as the service quality can be maintained:

- "The increase of 3.9 percent over four years is appropriate as long as service and reliability is not reduced"
- "I agree that the service should be at least maintained or even improved even we have to pay the related cost with an increase in distribution charges of maximum up to 4%"
- "New customer accounts should not impact existing rates but it is important to maintain the grid and ensure reliability"

Can't Afford More:

- "We don't need another price increase as cost of living is already high. So maintaining is key"
- "We have paid enough for the hydro"

Generally Positive:

- "That would be in our best interest"
- "It's consistent with the objectives from its customers"
- "The right thing to do"

Reduce Cost (n=2)

No comment:

- "No comment"
- "No further comments"

Note: "Don't Know" (2) and "Other" (4) not shown.

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															
1 Sub-Total A including Rate Riders	31.26	30.60	30.57	31.74	32.18	30.15	36.81	39.23	40.98	43.63	43.31	43.68	43.75	45.64	47.47
annual change - %	3.31	-0.66	-0.01	1.17	0.44	-1.93	1.56	2.42	1.75	2.65	-2.32	1.37	1.07	1.89	1.83
2 Sub-Total A excluding Rate Riders	11.86	11.81	11.78	12.00	12.00	11.81	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
annual change - %	0.00	-0.43	-0.26	1.86	0.00	-0.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Sub-Total A including Rate Riders	30.04	28.79	28.79	30.74	30.17	28.34	30.81	37.23	40.98	43.63	43.31	43.68	43.75	45.64	47.47
annual change - %	2.65	-0.39	0.00	0.15	0.13	0.00	0.15	1.15	1.37	2.50	2.34	1.37	1.07	1.89	1.83
4 Sub-Total A excluding Rate Riders	11.86	11.81	11.78	12.00	12.00	11.81	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
annual change - %	0.00	-0.43	-0.26	1.86	0.00	-0.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Competitive Sector Multi-Unit Residential - 300 kWh															
1 Sub-Total A including Rate Riders	-	-	-	26.63	26.26	25.20	27.16	29.63	31.62	33.61	32.72	33.81	34.66	36.16	37.61
annual change - %	-	-	-	-0.37	-1.06	-3.66	2.16	2.27	1.99	1.99	-0.89	1.09	0.85	1.50	1.45
2 Sub-Total A excluding Rate Riders	-	-	-	24.93	25.20	25.20	27.16	29.63	31.62	33.61	32.72	33.81	34.66	36.16	37.61
annual change - %	-	-	-	0.11	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Service < 50 kW - 2,000 kWh															
1 Sub-Total A including Rate Riders	70.78	70.61	70.61	73.45	82.90	78.26	94.64	101.93	99.56	107.87	108.25	106.70	109.38	114.12	118.71
annual change - %	9.50	-0.17	0.00	2.84	9.45	-6.64	18.18	7.29	-2.37	8.31	-0.62	3.45	2.68	4.74	4.59
2 Sub-Total A excluding Rate Riders	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50	15.50
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Sub-Total A including Rate Riders	69.70	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24	69.24
annual change - %	8.76	-0.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 Sub-Total A excluding Rate Riders	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49	14.49
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Service 50-999 kW - 200 kVA															
1 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
annual change - %	93.37	7.88	-0.90	30.16	43.64	-40.13	256.05	131.14	64.34	110.23	-55.87	56.26	43.85	77.42	74.80
2 Sub-Total A excluding Rate Riders	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36	8.36
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Sub-Total A including Rate Riders	1,152.29	1,154.68	1,154.68	1,185.80	1,178.61	1,185.80	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
annual change - %	89.42	2.39	0.00	11.12	12.81	0.00	244.61	103.32	82.75	61.95	54.49	56.26	43.85	77.42	74.80
4 Sub-Total A excluding Rate Riders	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40	8.40
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Service 1,000-4,999 kW - 2,000 kVA															
1 Sub-Total A including Rate Riders	8,789.08	9,963.73	8,656.35	10,073.37	10,191.31	9,784.48	11,483.66	12,555.43	13,178.60	14,211.33	13,816.49	14,278.14	14,037.83	15,271.21	15,887.16
annual change - %	-666.75	1,374.65	-1,307.38	416.02	118.94	-406.83	1,699.18	1,071.77	823.76	832.64	-394.84	461.65	-241.31	1,213.38	613.95
2 Sub-Total A excluding Rate Riders	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Sub-Total A including Rate Riders	8,747.40	9,958.73	8,651.35	10,068.37	10,186.31	9,779.48	11,478.66	12,550.43	13,173.60	14,206.33	13,811.49	14,273.14	14,032.83	15,266.21	15,882.16
annual change - %	-602.95	1,353.33	-1,306.38	413.02	113.31	-401.83	1,693.68	1,065.77	818.60	827.64	-389.84	456.65	-246.31	1,208.38	608.95
4 Sub-Total A excluding Rate Riders	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Large User - 9,700 kVA															
1 Sub-Total A including Rate Riders	46,687.53	50,904.48	48,238.33	51,478.37	51,083.26	50,007.83	59,055.93	65,062.02	70,581.76	73,196.71	71,187.04	73,570.07	75,426.75	78,705.26	81,877.75
annual change - %	4,216.95	9,216.15	-2,666.15	2,240.04	-385.11	-1,077.55	9,047.10	8,976.10	5,513.74	2,614.95	-2,009.67	2,383.03	1,856.68	3,278.51	3,167.49
2 Sub-Total A excluding Rate Riders	10.30	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99	13.99
annual change - %	46,697.83	50,918.47	48,252.32	51,492.36	51,100.25	50,021.84	59,069.92	65,075.91	70,595.75	73,210.70	71,199.03	73,584.06	75,440.74	78,719.25	81,891.74
annual change - %	8.99	10.30	0.00	1.00	1.10	0.00	20.30	7.30	5.40	3.80	3.30	3.30	2.50	4.20	3.90
Street Lighting - 2,700 kVA															
1 Sub-Total A including Rate Riders	114,725.63	113,109.30	98,996.96	103,202.80	104,358.39	100,284.27	99,151.07	107,582.88	113,641.34	124,079.96	122,800.09	126,857.18	130,950.30	135,623.93	141,066.36
annual change - %	47,118.76	-1,616.33	-14,112.34	4,205.84	1,155.49	-4,074.02	-1,133.71	8,431.81	6,058.46	10,438.62	-1,177.87	4,051.07	3,713.14	5,591.63	5,442.43
2 Sub-Total A excluding Rate Riders	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70	69.70
annual change - %	100,005.63	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96	98,339.96
annual change - %	3,418.76	1,648.67	0.00	906.01	1,021.30	0.00	1,021.30	7,667.54	6,058.46	10,438.62	-1,177.87	4,051.07	3,713.14	5,591.63	5,442.43
annual change - %	48.00	-1.60	0.00	0.90	1.00	0.00	3.80	7.30	5.40	3.80	3.30	3.30	2.50	4.20	3.90
USL - 285 kVA															
1 Sub-Total A including Rate Riders	24.00	23.50	22.72	23.79	24.07	23.11	28.55	30.77	32.42	34.77	33.82	34.95	35.83	37.38	38.87
annual change - %	8.82	-0.50	-0.78	1.07	0.28	-0.97	5.45	2.22	1.65	2.35	-0.95	1.13	0.88	1.55	1.49
2 Sub-Total A excluding Rate Riders	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10	58.10
annual change - %	22.78	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63	22.63
annual change - %	7.11	-0.15	0.00	0.21	0.26	0.00	5.16	2.07	1.65	2.24	1.16	1.13	0.88	1.55	1.49
3 Sub-Total A including Rate Riders	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44	45.44
annual change - %	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note 1: Competitive Sector Multi-Unit Residential rates were first approved as part of 2013 Toronto Hydro Decision and Order (EB-2012-0054)

RESPONSES TO BUILDING OWNERS AND MANAGERS ASSOCIATION INTERROGATORIES

INTERROGATORY 121:

Reference(s): Exhibit U, Tab 1A, Schedule 2, p. 5

a) Table 3 provides bill increases for each rate class for each year of the 2020-2024 plan. Please provide a similar table which shows the updated distribution charge increase for each rate case for each year of the plan. Please do not include the impact of any rate riders in the table.

b) Please provide a similar table to the one requested in (a) above, but inclusive of the impacts of any rate riders anticipated over the plan term.

RESPONSE:

a) Table 1 below provides a summary for 2020-2024 base distribution bill changes for all rate classes.

Table 1: Base Distribution Bill Change

	Change in bill	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed	2024 Proposed
Residential	<i>\$/30 days</i>	0.54	1.37	1.07	1.89	1.83
	<i>%</i>	1.3	3.3	2.5	4.2	3.9
Competitive Sector Multi-Unit Residential	<i>\$/30 days</i>	0.20	1.09	0.85	1.50	1.44
	<i>%</i>	0.6	3.3	2.5	4.3	3.9
General Service <50 kW	<i>\$/30 days</i>	4.07	3.45	2.69	4.75	4.59
	<i>%</i>	4.0	3.3	2.5	4.2	3.9
General Service 50-999 kW	<i>\$/30 days</i>	54.13	56.28	43.87	77.46	74.84
	<i>%</i>	3.2	3.3	2.5	4.2	3.9

	Change in bill	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed	2024 Proposed
General Service 1,000-4,999 kW	\$/30 days	485.15	463.58	361.18	637.95	616.32
	%	3.5	3.3	2.5	4.2	3.9
Large Use	\$/30 days	2569.34	2,388.19	1,860.80	3,286.69	3,175.65
	%	3.6	3.3	2.5	4.2	3.9
Street Lighting	\$/30 days	3,986.27	4,052.96	3,174.76	5,596.06	5,444.86
	%	3.3	3.2	2.4	4.2	3.9
Unmetered Scattered Load	\$/30 days	-3.34	0.98	0.76	1.35	1.31
	%	-10.0	3.3	2.5	4.2	3.9

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2 b) Table 2 below provides summary for 2020-2024 distribution bill changes including
3 Rate Riders for all rate classes.

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5 **Table 2: Distribution Bill Change including Rate Riders**

	Change in bill	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed	2024 Proposed
Residential	\$/30 days	-3.28	0.94	1.07	1.33	1.83
	%	-7.0	2.2	2.4	2.9	3.9
Competitive Sector Multi-Unit Residential	\$/30 days	-1.63	0.96	0.85	0.94	1.44
	%	-4.6	2.9	2.5	2.6	3.9
General Service <50 kW	\$/30 days	-4.87	2.11	2.69	4.19	4.59
	%	-4.3	1.9	2.4	3.7	3.9
General Service 50-999 kW	\$/30 days	-391.69	232.00	43.87	77.46	74.84
	%	-18.3	13.3	2.2	3.8	3.6
General Service 1,000-4,999 kW	\$/30 days	-3,829.18	2,462.58	361.18	637.95	616.32
	%	-20.6	16.7	2.1	3.6	3.4
Large Use	\$/30 days	-483.69	-933.09	1,860.80	3,286.69	3,175.65
	%	-0.6	-1.1	2.3	4.0	3.7
Street Lighting	\$/30 days	-6,410.20	6,161.23	3,174.76	5,596.06	5,444.86
	%	-5.0	5.0	2.5	4.3	4.0
Unmetered Scattered Load	\$/30 days	-5.73	0.78	0.76	1.35	1.31
	%	-16.2	2.6	2.5	4.3	4.0