

**Hydro One Networks Inc.**

7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5680  
Cell: (416) 568-5534  
frank.dandrea@HydroOne.com



**Frank D'Andrea**

Vice President, Regulatory Affairs & Chief Risk Officer

BY COURIER

October 7, 2019

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli,

**EB-2019-0044 – Hydro One Networks Inc. – Distribution Rate Application for the Areas Formerly Served by Norfolk Power Distribution Inc., Haldimand County Hydro Inc., and Woodstock Hydro Services Inc. – Additional Interrogatory Responses**

On September 27, 2019, Hydro One Networks Inc. ("Hydro One") filed its interrogatory responses in the above-noted proceeding. Subsequently, on October 1, 2019, Hydro One received an additional set of interrogatories from OEB staff.

Please find attached Hydro One's additional interrogatory responses for this proceeding, which have been submitted electronically using the Board's Regulatory Electronic Submission System. Two (2) hard copies will be sent to the Board.

Sincerely,

ORIGINAL SIGNED BY JEFFREY SMITH ON BEHALF OF FRANK D'ANDREA

Frank D'Andrea

## OEB INTERROGATORY #6

### **Reference:**

OEB Staff Question Response #5

### **Interrogatory:**

Hydro One Networks' response to Staff Question #5 notes the following:

For the scenarios using Non-RPP commodity prices, the bill impacts in Appendix E, F and G (EB-2019-0044) used 12-month average (from July 2018 to June 2019) Weighted Average Hourly Spot Price (\$0.1197/kWh), instead of the default value (\$0.1101/kWh) in the IRM model. Attachment 1 to this response provides the updated IRM model for Norfolk service area reflecting this change.

- a) Appendices E, F, and G noted above are the tariffs for each respective former service area. Please confirm that Hydro One Networks intended the response to indicate Appendices B, C, and D, which are the Rate Generator Models for each respective acquired utility (which includes the bill impacts).
- b) Please provide the source of the \$0.1197/kWh calculation.
- c) Hydro One Networks provided the revised Norfolk service area model with the updated \$0.1197/kWh Weighted Average Hourly Spot Price. Please confirm if the same change is to be made for the Haldimand County Hydro and Woodstock Hydro service areas. If yes, please update the models provided with these staff follow-up questions.

### **Response:**

- a) Confirmed.
- b) The commodity price of \$0.1197/kWh was calculated as the 12-month average of the sum of Hourly Ontario Energy Price (HOEP) and actual Global Adjustment (GA) rate for the July 2018 to June 2019 period (see Table 1 below). Monthly HOEP and GA rates used in this calculation are based on the information available on Independent Electricity System Operator's (IESO) website at:  
<http://www.ieso.ca/Power-Data/Price-Overview/Hourly-Ontario-Energy-Price>.

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**Table 1: Derivation of the commodity price used by Hydro One**

<b>Month</b>	<b>HOEP (¢/kWh)</b>	<b>GA (¢/kWh)</b>	<b>Total Commodity Price (\$/kWh)</b>
Jul-18	3.04	7.74	0.1078
Aug-18	3.06	7.49	0.1055
Sep-18	2.99	8.58	0.1157
Oct-18	1.38	12.06	0.1344
Nov-18	2.51	9.86	0.1237
Dec-18	2.79	7.40	0.1019
Jan-19	2.78	8.09	0.1087
Feb-19	2.79	8.81	0.116
Mar-19	2.73	8.04	0.1077
Apr-19	1.56	12.33	0.1389
May-19	0.76	12.60	0.1336
Jun-19	0.48	13.73	0.1421
<b>Average:</b>			<b>0.1197</b>

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3 c) Confirmed. Updated models for Haldimand and Woodstock service areas are  
 4 provided as attachments 1 and 2, respectively, to this response.

**OEB INTERROGATORY #7**

**Reference:**

Rate Generator Models, Former Woodstock Hydro and Haldimand County Hydro Service Areas, Tab 20

**Interrogatory:**

Column M (i.e. whether the RTSR are demand or demand-interval) is not populated for the two former service areas noted above.

Please update the models provided with these staff follow-up questions.

**Response:**

Updated models for Haldimand and Woodstock service areas are provided as attachments 1 and 2 for interrogatory response I-1-OEB-006.