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Frank D'Andrea

Vice President, Reliability Standards and Chief Regulatory Officer

BY EMAIL, RESS AND COURIER

December 19, 2019

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

Dear Ms. Long,

**EB-2019-0045 – Hydro One Remote Communities Inc. – 2020 Distribution Rate
Application – Interrogatory Responses**

Please find attached Hydro One Remote Communities Inc.'s responses to Ontario Energy Board ("OEB") staff interrogatories received December 10, 2019.

This filing has been submitted electronically using the OEB's Regulatory Electronic Submission System and two (2) copies will be sent via courier.

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea

OEB STAFF INTERROGATORY #1

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Reference:

Exhibit B1, Tab 2, Schedule 1

Interrogatory:

Please provide the adapted Rate Generator Model in Excel format.

Response:

The adapted Rate Generator Model in Excel format is provided as Attachment 1 of this interrogatory response.

1 **OEB STAFF INTERROGATORY #2**

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3 **Reference:**

4 Exhibit A, Tab 2, Schedule 1, Pages 1-2

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6 **Interrogatory:**

7 Hydro One Remotes notes that it is “seeking approval of increased base rates for the
8 distribution and generation of electricity of 1.5% effective May 1, 2019.”

9 a) Please confirm the May 1, 2019 date as a typographical error.

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11 b) Please update the Excel copy of the model, as provided in Staff Question-1, with the
12 2020 input price index of 2.0% as announced by the OEB on October 31, 2019.

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14 **Response:**

15 a) At the Exhibit A, Tab 2, Schedule 1, p. 2 reference, Remotes notes that it is
16 “...seeking approval of increased base rates for the distribution and generation of
17 electricity of 1.5 percent **relative** [emphasis added] to rates effective May 1, 2019”,
18 as such this is not a typographical error.

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20 b) Attachment 1 of Staff Question-1 has been updated with the 2020 input price index of
21 2.0%.

OEB STAFF INTERROGATORY #3

Reference:

Exhibit B1, Tab 2, Schedule 1

Interrogatory:

The new Ontario Electricity Rebate of 31.8% replaces the 8% Provincial Rebate. Remote Communities customers are automatically eligible for this rebate starting on and after November 1, 2019.

An example of a bill impact sheet from the OEB's 2020 Rate Generator Model is shown below. The new Ontario Electricity Rebate is shown in the second to last line item.

The adapted Rate Generator Model's bill impacts for Hydro One Remotes, beginning on PDF page 31 of the above noted reference, does not show the 31.8% rebate.

- a) Please explain why.
- b) If this is in error, please correct the Excel version of the model as provided in Staff-1.

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0432	
Proposed/Approved Loss Factor	1.0432	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.90	1	\$ 24.90	\$ 25.36	1	\$ 25.36	\$ 0.46	1.85%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ 0.0001	750	\$ 0.08	\$ 0.0002	750	\$ 0.15	\$ 0.08	100.00%
Sub-Total A (excluding pass through)			\$ 24.98			\$ 25.51	\$ 0.54	2.14%
Line Losses on Cost of Power	\$ 0.1280	32	\$ 4.15	\$ 0.1280	32	\$ 4.15	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ 0.0007	750	\$ 0.53	\$ 0.0015	750	\$ 1.13	\$ 0.60	114.29%
CBR Class B Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.0017	750	\$ 1.28	\$ 0.0017	750	\$ 1.28	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 31.49			\$ 32.63	\$ 1.14	3.60%
RTSR - Network	\$ 0.0067	782	\$ 5.24	\$ 0.0070	782	\$ 5.48	\$ 0.23	4.48%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0057	782	\$ 4.46	\$ 0.0060	782	\$ 4.69	\$ 0.23	5.26%
Sub-Total C - Delivery (including Sub-Total B)			\$ 41.19			\$ 42.80	\$ 1.60	3.89%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	782	\$ 2.66	\$ 0.0034	782	\$ 2.66	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	782	\$ 0.39	\$ 0.0005	782	\$ 0.39	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.1010	480	\$ 48.48	\$ 0.1010	480	\$ 48.48	\$ -	0.00%
TOU - Mid Peak	\$ 0.1440	135	\$ 19.44	\$ 0.1440	135	\$ 19.44	\$ -	0.00%
TOU - On Peak	\$ 0.2080	135	\$ 28.08	\$ 0.2080	135	\$ 28.08	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 140.50			\$ 142.10	\$ 1.60	1.14%
HST	13%		\$ 18.26	13%		\$ 18.47	\$ 0.21	1.14%
Ontario Electricity Rebate	31.8%		\$ (44.68)	31.8%		\$ (45.19)	\$ (0.51)	-
Total Bill on TOU			\$ 114.08			\$ 115.39	\$ 1.30	1.14%

Filed: 2019-12-19

EB-2019-0045

Exhibit I

Tab 1

Schedule 3

Page 2 of 2

1 **Response:**

2 a) Please refer to b) below.

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4 b) Attachment 1 of Staff Question-1 has been updated to include the new Ontario
5 Electricity Rebate of 31.8%.

OEB STAFF INTERROGATORY #4

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Reference:

Interrogatory:

The proposed tariffs under the “Non-Payment of Account” section show the following charges:

Late Payment – per month	%	1.50
Late Payments – per annum	%	19.56
Collection/disconnection/load limiter/reconnection – if in community	\$	30.00

As per the Rate Order in EB-2017-0183, effective July 1, 2019, OEB staff will update the tariff to read:

Late Payment – per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection – if in community	\$	30.00

Please confirm Hydro One Remotes’ acceptance of the above.

Response:

Hydro One confirms acceptance that as per the Rate Order in EB-2017-0183, effective July 1, 2019, OEB staff will update the tariff to remove the explicit reference to the “Late Payment – per annum” line item as illustrated in this interrogatory.