

# SCHEDULE A

Updated: 2018-05-24  
EB-2017-0049  
Exhibit JT 3.23  
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## UNDERTAKING – JT 3.23

### Undertaking

With reference to Interrogatory Exhibit I, Tab 49, Schedule BLC 5, Part b, to examine whether a response is doable or if it is not doable; and if not why not.

### Response

In response to Undertaking JT 3.23, Hydro One has reviewed the information requested under part b) of I-49-BLC-5 and is providing the requested material in this updated submission. The percentage split of seasonal customers between the UR, R1 and R2 classes is based on the same information as in the Seasonal report previously prepared for proceeding EB-2016-0315, updated to incorporate the results of the recent rate class review, as discussed in Exhibit G1, Tab 02, Schedule 1.

Hydro One also notes that sub-part iii of the question asks that the density factors, weightings, and other factors for the “new” Seasonal class consisting only of R2-Seasonal customers be maintained at the currently proposed values for the combined Seasonal class. This is not appropriate as the new R2-Seasonal class would consist of a substantially different subset of customers than the current Seasonal class that includes both medium and low density seasonal customers. As such, Hydro One completed the requested cost allocation model run using the density factors, weightings, and other factors appropriate for a Seasonal class consisting solely of R2-Seasonal customers. Hydro One has adopted all the R2 class weighting factors for the new “R2-Seasonal” class, with the exception of the Meter Reading weighting factor. The new R2-Seasonal class consists of relatively more water access and dispersed service points than the typical R2 year-round residential customers, and so Hydro One has applied the current, higher, meter reading weight for the existing status-quo Seasonal class to the new R2-seasonal class.

Table 1 in Attachment 1 to this response shows a version of the 2018 Rate Design Sheet similar to Exhibit H1, Tab 1, Schedule 2, page 1, with adjustments described above. This table is also provided in Excel format.

Witness: ANDRE Henry

**Table 1 – 2018 Rate Design with I-49-BLC-5 part b adjustments**

	Number of Customers	GWh	kWs	Revenue	Costs Allocated from Previous Study (2017)		Allocated Costs	Misc Rev	Revenue from Rates	2017 R/C Ratio	R/C Ratio from the CAM	Target 2018 R/C Ratio	Total rev to be collected	Shifted Rev	% Change in revenue from rates	Fixed Charge (\$/month)	Revenue from Fixed Charge	Fixed Rev %	Revenue from Volumetric Charge	Volumetric Charge (\$/kWh)	Volumetric Charge (\$/kW)	CSTA Rate Adders (\$/kW)	Hopper Foundry Rate Adder (\$/kW)	Total Volumetric Charge (\$/kW)
					(A)	(B)																		
LIR	228,192	2,048	-	\$ 97,201,928	\$ 79,598,952	0.42%	\$ 92,100,224	6.14%	\$ 5,125,181	\$ 92,076,747	1.10	1.06	1.06	97,201,928	-	0.0%	\$ 27.83	\$ 75,532,617	82%	\$ 16,544,130	\$ 0.0081			
RI	519,799	6,212	-	\$ 395,346,901	\$ 292,927,936	19.26%	\$ 339,201,961	21.66%	\$ 14,977,428	\$ 354,499,493	1.10	1.11	1.11	395,346,901	(156,789)	0.0%	\$ 37.58	\$ 239,426,883	59%	\$ 117,405,810	\$ 0.0225			
<b>R2</b>	<b>329,410</b>	<b>4,539</b>	<b>-</b>	<b>\$ 534,664,454</b>	<b>\$ 544,114,242</b>	<b>37.07%</b>	<b>\$ 690,291,899</b>	<b>37.36%</b>	<b>\$ 17,045,794</b>	<b>\$ 617,618,671</b>	<b>0.95</b>	<b>0.95</b>	<b>0.95</b>	<b>\$ 534,664,454</b>	<b>-</b>	<b>0.0%</b>	<b>\$ 88.83</b>	<b>\$ 350,081,815</b>	<b>68%</b>	<b>\$ 167,536,655</b>	<b>\$ 0.0369</b>			
Seasonal R2	78,544	343	-	\$ 61,618,419	\$ 108,746,448	7.41%	\$ 79,871,267	4.77%	\$ 2,026,919	\$ 99,592,906	1.04	0.98	0.86	61,618,419	-	0.0%	\$ 40.77	\$ 38,427,812	64%	\$ 21,165,094	\$ 0.0617			
GSB	69,484	2,104	-	\$ 192,061,115	\$ 161,477,751	11.00%	\$ 159,037,370	10.60%	\$ 5,163,653	\$ 159,897,462	0.99	1.02	1.02	192,061,115	-	0.0%	\$ 28.87	\$ 31,719,871	20%	\$ 125,166,591	\$ 0.0595			
GSB	5,406	2,342	8,025,918	\$ 144,916,859	\$ 152,368,182	10.38%	\$ 149,099,563	9.94%	\$ 2,818,413	\$ 142,098,447	0.95	0.97	0.97	144,916,859	-	0.0%	\$ 103.56	\$ 6,717,987	5%	\$ 135,380,460	\$ 0.0637	\$ 16,8679	\$ 0.0078	\$ 16,9384
UGS	18,074	598	-	\$ 22,951,112	\$ 22,785,478	1.55%	\$ 22,400,661	1.49%	\$ 887,474	\$ 22,953,637	0.95	1.02	1.02	22,951,112	-	0.0%	\$ 24.12	\$ 6,231,493	24%	\$ 16,832,144	\$ 0.0281			
UGS	1,744	1,058	2,832,322	\$ 30,114,739	\$ 31,755,025	2.16%	\$ 31,545,043	2.10%	\$ 834,915	\$ 29,479,825	0.95	0.95	0.95	30,114,739	-	0.0%	\$ 101.75	\$ 2,129,760	7%	\$ 27,350,064	\$ 9.8564	\$ 0.0837		\$ 9,7201
SI Lgt	5,323	1,21	-	\$ 12,627,804	\$ 12,719,453	0.87%	\$ 13,497,695	0.90%	\$ 403,394	\$ 12,224,410	0.95	0.94	0.94	12,627,804	-	0.0%	\$ 4.11	\$ 852,512	2%	\$ 11,881,898	\$ 0.0586			
Sen Lgt	23,987	20	-	\$ 6,465,680	\$ 7,616,002	0.52%	\$ 6,268,136	0.42%	\$ 3,079,639	\$ 3,398,041	0.95	1.03	1.03	6,465,680	-	0.0%	\$ 3.19	\$ 916,903	27%	\$ 2,489,138	\$ 0.1211			
USG	5,997	24	-	\$ 3,385,030	\$ 2,953,443	0.20%	\$ 2,802,577	0.16%	\$ 126,913	\$ 3,298,117	1.10	1.17	1.11	3,319,005	(168,005)	-5.1%	\$ 35.46	\$ 2,381,783	77%	\$ 798,310	\$ 0.0290			
DGen	1,152	18	184,739	\$ 3,740,576	\$ 7,407,470	0.50%	\$ 6,445,239	0.43%	\$ 175,585	\$ 3,564,981	0.81	0.58	0.63	4,063,400	322,824	9.1%	\$ 196.15	\$ 2,712,713	70%	\$ 1,175,091	\$ 6.3608	\$ 0.0637		\$ 6,4245
ST	808	15,528	29,977,946	\$ 54,787,309	\$ 53,453,334	3.64%	\$ 55,440,314	3.70%	\$ 1,264,602	\$ 53,522,707	0.95	0.99	0.99	54,787,309	-	0.0%	N/A **	\$ 10,014,216	19%	\$ 43,508,489	N/A **			N/A **
	<b>1,300,516</b>	<b>33,957</b>	<b>41,020,926</b>	<b>\$ 1,499,881,927</b>	<b>\$ 1,467,624,315</b>	<b>100%</b>	<b>\$ 1,499,881,927</b>	<b>100%</b>	<b>\$ 53,630,485</b>	<b>\$ 1,446,251,442</b>					<b>(0)</b>		<b>\$ 789,027,367</b>		<b>\$ 687,224,075</b>					

\*\* ST rates are calculated on a separate sheet

Total Rev (K+L) \$ 1,446,251,442  
 Misc Rev (C) \$ 53,630,485  
 Total Rev Req \$ 1,499,881,927

Rate Class	2017 Current Fixed Charge	2018 All-Fixed Charge	Phase-In Period (Remaining Years)	Annual Increase in Fixed Charge	2018 Proposed Fixed Charge
LIR	\$ 34.70	\$ 33.92	3	\$ -3.05	\$ 27.83
RI	\$ 33.77	\$ 59.49	6	\$ 3.79	\$ 37.58
R2	\$ 80.33	\$ 131.34	6	\$ 8.50	\$ 88.83
Seasonal R2	\$ 39.23	\$ 63.23	6	\$ 4.49	\$ 40.77