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**Frank D'Andrea**  
Vice President, Regulatory Affairs & Chief Risk Officer

BY EMAIL AND RESS

September 10, 2020

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

Dear Ms. Long:

**EB-2020-0059 – Waterloo North Hydro Inc. 2021 Rates Application – Hydro One Networks Inc. Interrogatories to Applicant**

As directed in the Ontario Energy Board's ("OEB") Procedural Order No. 1 issued August 24, 2020, Hydro One Networks Inc. ("**Hydro One**") is filing the enclosed Interrogatories for Waterloo North Hydro Inc.

An electronic copy of the interrogatories has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in cursive script that reads "Frank D'Andrea".

Frank D'Andrea

**Hydro One Networks Inc. Interrogatories**  
**2021 Electricity Distribution Rates Application**  
**Waterloo North Hydro Inc. (WNH)**

**September 10, 2020**

**HONI 1:**

References:

1. Exhibit 8, Attachment 8-4, 2020 Current Tariff of Rates
2. Exhibit 8, Attachment 8-5, 2021 Proposed Tariff of Rates
3. Exhibit 8, page 11 of 28, table 8-8
4. Exhibit 8, page 19 of 28, table 8-15A
5. Exhibit 9, page 31 of 41, table 9-15

As per reference #5, WNH is proposing to allocate \$3,745 of Account 1550 (LV Variance Account) balance, \$12,211 of Account 1584 (RSVA – Retail Transmission Network Charge) balance and \$7,592 of Account 1586 (RSVA – Retail Transmission Connection Charge) balance to the Embedded Distributor rate class.

As per reference #1, the Embedded Distributor rate class currently (2020) does not pay RTSR and LV charges. As per references #2, #3 and #4, WNH is proposing that the Embedded Distributor rate class will not pay any RTSR and LV charges in 2021.

Given that the Embedded Distributor rate class did not contribute to accounts 1550, 1584 and 1586, please explain why WNH proposes to allocate these account balances to the Embedded Distributor rate class.

**HONI 2:**

References:

6. Exhibit 9, page 35 of 41, table 9-21
7. Exhibit 8, Attachment 8-3, Tariff Schedule and Bill Impact Model, Bill impact table

As per reference #6, all proposed rate riders are on a \$ per kWh basis. As per reference #7, in the detailed bill impact tables for the Embedded Distributor Service Classification and other demand billed rate classes, the bill impact of the “Total Deferral/Variance Account Rate Riders” and the “Additional Volumetric Rate Riders” are calculated using kW Peak Demand (instead of kWh usage).

Please correct the bill impact calculations of the “Total Deferral/Variance Account Rate Riders” and the “Additional Volumetric Rate Riders”, or explain why the current calculations are appropriate.

**HONI 3:**

References:

8. Exhibit 8, Attachment 8-4, 2020 Current Tariff of Rates
9. Exhibit 8, Attachment 8-5, 2021 Proposed Tariff of Rates
10. Exhibit 8, Attachment 8-3, Tariff Schedule and Bill Impact Model, Bill impact table for Embedded Distributor Service Classification

As per reference #8, the current (2020) total loss factor for the Embedded Distributor rate class (Primary metered Customer >5,000 kW) is 1.0047. As per reference #9, the proposed total loss factor for the Embedded Distributor rate class (Primary metered Customer >5,000 kW) is 1.0036.

As per reference #10, a current total loss factor of 1.0362 and a proposed loss factor of 1.0353 are used in the bill impact calculations.

Please correct the Embedded Distributor rate class loss factors used in the bill impact calculations or explain why the current calculations are appropriate.