



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC

August 4, 2023

VIA E-MAIL

Ms. Nancy Marconi
Registrar (registrar@oeb.ca)
Ontario Energy Board
Toronto, ON

Dear Ms. Marconi:

**Re: EB-2023-0049 Renfrew Hydro Inc.
January 1, 2024 Cost of Service Rates
Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)**

Please find attached the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

A handwritten signature in black ink, appearing to read 'M. Garner', is written in a cursive style.

Mark Garner
Consultants for VECC/PIAC

Email copy:
Steven Head, Director of Finance, Renfrew Hydro
regulatory@renfrewhydro.com

Michael Buonaguro, Counsel to the Applicant
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For interrogatory clarifications please contact Mark Garner at 647-408-4501 or markgarner@rogers.com

REQUESTOR NAME	VECC
TO:	Renfrew Hydro Inc. (RHI or Renfrew Hydro)
DATE:	August 4, 2023
CASE NO:	EB-2023-0049
APPLICATION NAME	2023 Cost of Service Rate Application

1.0 ADMINISTRATION (EXHIBIT 1)

1.0-VECC-1

Reference: Exhibit 1, page 43

“The Town of Renfrew has recently (December 2022) decided to change Renfrew Hydro’s Board composition from three to five Directors. The Shareholder is working on revising By-Law(s) to accommodate this change in structure and update the existing governance practices. These changes are scheduled to become effective at Renfrew Hydro’s Annual General Meeting which will take place at the end of June 2023”

- a) What is the incremental annual cost to Renfrew of adding two more Directors.

1.0-VECC-2

Reference: Exhibit 1, page 63/Schedule 12 Attachment C page 2 of 40

- a) The Scorecard referenced in the evidence (linked to web site) does not include 2022 results. Please provide an updated scorecard which includes that year’s results.

1.0-VECC-3

Reference: Exhibit 1, pages 64-

“The PEG analysis is an instrument that measures utilities’ cost efficiencies. Renfrew Hydro’s results have been trending in a positive way for the past several years and our goal is to continue improving and Renfrew Hydro Inc. move from our present “Stretch Factor Cohort” of three (3) to 1 a more efficient two (2).”

- a) The Summary of Cost Benchmarking Results shown at page 66 show no improvement in the Stretch Factor Cohort between 2020 and 2025 please clarify how Renfrew is working toward moving to Cohort #2.

1.0-VECC-4

Reference: Exhibit 1, page 67

Billing OM&A Per Customer

2017	2018	2019	2020	2021	Avg.
65.00	68.01	72.16	71.82	79.42	71.28

- a) What are the reasons for the increase in billing OM&A per customer between the years 2017 and 2021.
- b) Was the “bump” increase in 2021 related to the outsourcing of billing to Erie Thames Powerline due to the temporary vacancy of the Billing Supervisor in that year?

1.0-VECC-5

Reference: Exhibit 1, Appendix E- 2023 Customer Satisfaction Survey,

- a) What was the cost of the ADVANIS survey?

2.0 RATE BASE (EXHIBIT 2)

2.0-VECC -6

Reference: Exhibit 2, Appendix 2-2, Distribution System Plan, (DSP) page 107 of 176

“Renfrew Hydro leases its main operational building and has divested all its previously owned administration and garage facilities.”

- a) When were the buildings referred to above divested and what were the net gain (loss) on these buildings/lands?

2.0-VECC -7

Reference: Exhibit 2, DSP

- a) Please explain how the \$30,000 in new subdivision costs in 2024 has been calculated and how much of that cost is expected to be recovered in capital contributions.

2.0-VECC -8

Reference: Exhibit 2, DSP pages 107, 166-

Figure 5.3.3.2-D: Renfrew Hydro Vehicles

Year	Make	Description	Fuel Type	Age (Years)
1986	GMC	Radial Boom Derrick	Diesel	37
2000	Freightliner	Double Bucket	Diesel	23
2009	International	Radial Boom Derrick	Diesel	14
2009	Ford	Utility Dump	Diesel	14
2017	Chevrolet	½ Ton Pick Up	Gasoline	6
2018	Freightliner	Single Bucket	Diesel	5
2021	Chevrolet	¾ Ton Pick Up	Gasoline	2

“The forecasted total of \$1,440K in capital additions during 2023. Expenditures were made in the Transportation equipment category of \$585K for a new double bucket truck to replace a 23-year-old double bucket truck.”

- a) Is RHI still expecting to take delivery of the new double bucket truck and dispose of the old one in 2023?
- b) Please indicate whether the vehicle has been ordered, the current expected delivery date and (if ordered) the actual price paid for the vehicle.
- c) Has the Utility Dump Truck expected to be replaced in 2024 been ordered? If yes please provide the final cost and delivery date.

2.0-VECC -9

Reference: Exhibit 2, Appendix 2-AA / DSP page 151 of 176

- a) Using Appendix 2-AA please provide an update showing the 2023 amounts incurred to date (or the last reporting period) and, if required any changes to 2024 due to adjustments needed to the 2023 budgeted projects. Specifically address the status of the following 2023 projects:
 - I. Hunters Gate Phase 5;
 - II. 785 O’Brien Road (Starbucks);
 - III. Mat-Te-Way Pole Line Extension;
 - IV. MS-1 Feeder Breaker Replacement;
 - V. Raglan St. S – Pole Replacement.
- b) Please confirm (or correct that the Mat-Te-Way Pole Line Extension shown in Appendix 2-AA is the same project described as in the DSP as the “Arena Expansion Project”

2.0-VECC -10

Reference: Exhibit 2, Appendix 2AA, DSP page 155, Table 5.4.3.4, page 161

Table 5.4.3.4 - B: System Renewal Investments (2023-2028)

System Renewal	2023	2024	2025	2026	2027	2028
B1: Replace/Rebuild Overhead Assets	250,000	245,000	310,000	260,000	295,000	310,000
B2: Replace/Rebuild Underground Assets	0	20,000	0	40,000	0	0
B3: Station Upgrades	0	160,000	0	0	0	0
B4: Transformer Replacements	0	0	30,000	0	30,000	30,000
B5: Reactive Replacements	50,000	50,000	90,000	90,000	90,000	90,000
System Renewal Total	300,000	475,000	430,000	390,000	415,000	430,000

- a) Please confirm (or correct) that the \$50,000 shown in the table above for the years 2023 and 2024 are the same as that included in 92 of Appendix 2-AA and described as “Individual projects <10,000.
- b) Please explain how the reactive budget is estimated.

2.0-VECC -11

Reference: Exhibit 2, DSP, page 163

- a) Is Renfrew Hydro proposing to include the \$150,000 identified as “MS-4 & 5 Engineering Design and Civil Works” in the 2023 rate base calculation?
- b) If yes, please explain how these investments meet the “used or useful” criteria in 2023 (i.e., as opposed to being included as work in progress).

2.0-VECC -12

Reference: Exhibit 2, page 21 & DSP, pages 164-

- a) With respect to the “C2 SCADA” project is it Renfrew’s plan to seek incremental funding (i.e., ICM) at some later date for this project?

3.0 OPERATING REVENUE (EXHIBIT 3)

3.0-VECC -13

Reference: Exhibit 3, page 3
Load Forecast Model, Customer Growth-Tab 4

Preamble: The Application states:

“We have one ongoing (in progress) new subdivision in our distribution service area and there has been consideration for two (2) other potential developments; however, nothing has yet been confirmed. RHI is predicting a similar pattern of growth to what we have experienced over the past several years.”

- a) Since 2017 what has been the annual increase in customer count for the Residential and GS<50 classes due to new subdivisions as opposed to infill up to and including 2022?
- b) For the referenced new subdivision, what is the forecast increase in customer count (Residential and GS<50) in each of 2023 and 2024?

3.0-VECC -14

Reference: Exhibit 3, page 7 and pages 8-9
Load Forecast Model, Customer Growth-Tab 4

Preamble: The Application states:

“Renfrew Hydro did not adjust the growth numbers for residential in our bridge (2023) and test (2024) years.” (pages 8-9)

“Renfrew Hydro did not adjust the growth numbers for our General Service < 50kW in both our bridge (2023) and test (2024) years.” (page 9)

- a) Please provide a schedule that sets out the actual customer count for each class based on the most recent month for which actual data is available and indicate the month concerned. In the same schedule please provide the 2022 customer count, by class, for the same month.
- b) Despite the statement of pages 8-9, it is noted that in Tab 4 the 2023 and 2024 forecast customer counts for the Residential and GS<50 customer classes have been adjusted from those calculated using the historic geomean. Please reconcile.
 - i. If the forecasts have been adjusted from the results based on the geomean, please explain the basis for the adjustments.
- c) Please explain why the 2023 and 2024 Streetlight customer/connection count is held constant at the 2022 level when a new subdivision is being put in place and the number of Residential customers is increasing.

3.0-VECC -15

Reference: Exhibit 3, pages 4-5 and 11
Load Forecast Model, Tabs 6 & 6.1

Preamble: The Application states (page 11):

“The overall system total consumption has remained relatively flat as shown in Figure 3.11 below. There were some minor variances year over year and the Covid pandemic impacted consumption in both 2020 and 2021.”

- a) Did RHI undertake any analysis (e.g., testing regression models that included a Covid variable in the relevant months) to determine whether COVID-19 had an impact on power purchases in 2020 through 2022?
 - i. If yes, please indicate what analysis was undertaken and provide the results.
 - ii. If not, why not, given the statement on page 11?

3.0-VECC -16

Reference: Exhibit 3, page 4
Load Forecast Model, Tab 6

- a) Do the Monthly Purchased Power values used in Tab 6 (column C) include purchases from microFit and other embedded generators as well as any load transfers?
- b) If not, please re-do the Load Forecast Model including purchases from embedded generators and load transfers in the Purchased Power values used.

3.0-VECC -17

Reference: Exhibit 3, page 6

- a) It is noted that the coefficient for “Daylight Hours” is not statistically significant. Why was this variable included in the regression model used to forecast power purchases?
- b) Please re-do the load forecast, excluding “Daylight Hours” from the regression model.

3.0-VECC -18

**Reference: Exhibit 3, page 8
Load Forecast Model, Tab 7**

- a) It is noted that for the Residential and GS<50 classes (i.e., the weather sensitive classes) the volume forecasts for 2024 are based on each class's percentage of 2022 power purchases. Please provide a schedule that compares the actual HDD and CDD values for 2022 with the weather normal values used for purposes of forecasting 2024 power purchases.
- b) Based on a comparison of the actual 2022 HDD and CDD values with the weather normal values would one expect that forecasts using percentages based on 2022 actual sales would over or under state 2024 usage for each class on a weather normal basis?

4.0 OPERATING COSTS (EXHIBIT 4)

4.0 -VECC -19

Reference: Exhibit 4, page 11

- a) The Board approved 2017 maintenance budget was \$171k. RHI subsequently spent less than this amount in every subsequent year. The Utility is seeking to spend less than this in 2024 (\$155k). Please explain this trend and how the Utility can safely and reliability operate with this lower amount.
- b) Is the lower trend in maintenance spending offset or compensated by higher spending trend in operations (\$282k vs \$482k 2017 as compared to 2024)? If so explain how.

4.0 -VECC -20

Reference: Exhibit 4

- a) What is the Community Relations budget generally spent on?
- b) Please provide the spending on customer surveys separately from what is expected to be spent on the Community Safety Program in 2024.

4.0 -VECC -21

Reference: Exhibit 4, Appendix 2-JC

- a) How is the bad debt expense of \$24,000 in 2024 estimated?

4.0 -VECC -22

Reference: Exhibit 4, Appendix 2-JC

- a) Please explain why there are no amounts for property insurance (account 5635) or rent (account 5670) after 2018.
- b) If these reductions are due to changes in how RHI pays for its office and garage space please provide clarification as to any of other changes to capital and OM&A related to facilities that have changed since 2017.

4.0 -VECC -23

Reference: Exhibit 4, page 33

- a) If RHI is a member of the EDA please provide the annual membership fees for each year 2017 through 2024 (forecast).
- b) Please provide the CHEC membership fees for the years 2017 -2024 (forecast).

4.0 -VECC -24

Reference: Exhibit 4, page 47

One Time Cost of Service Application Costs

Consultant Costs	\$116,000.00
Legal	\$35,000.00
Public Notice	\$1,000.00
Interrogatories	\$25,000.00
Settlement/Oral hearing	\$25,000.00
Reply submission	\$5,000.00
Intervenor costs	\$30,000.00
Rate Order	\$3,000.00
Total Cost of Service Filing costs	\$240,000.00

- a) Please provide an update to the above table adding a column to show the amounts spent to date on each of the categories.

4.0 -VECC -25

Reference: Exhibit 4, page 41, Appendix 2-K

- a) Please provide a list of positions and number of FTEs in each position i) in 2017; ii) currently (i.e., 2023) and iii) as proposed for 2024.

5.0 COST OF CAPITAL AND RATE OF RETURN (EXHIBIT 5)

5.0-VECC-26

Reference: Exhibit 5, page 12

- a) Renfrew Hydro is significantly under leveraged having actual debt of only \$3,485,182 as compared to the total long-term debt capital structure of \$5,286,831. Please explain the reasons for the significant divergence from the rate making capital structure.
- b) Two of the four cost of debt instruments are related to the purchase of vehicles. Why does RHI believe that vehicle loan rates are representative of the long-term debt that would normally be used for financing longer life electricity distribution assets? Specifically, what steps has RHI taken to understand the potential cost (interest) of debt used for vehicles as compared that available by lenders for the purpose of supporting the capital expenditures in the Distribution System Plan presented in this proceeding?

5.0-VECC-27

Reference: Exhibit 5, page 12

- a) Please recalculate the weighted cost of debt as calculated using Appendix 2-OB but which weights the notional debt of \$1,801,649 (i.e., \$5,286,831 – \$3,485,182) under the following two scenarios:
 - i. Notional debt at a cost rate of 4.88%
 - ii. Notional debt at a cost rate of 3.88%
- b) For each of i) and ii) please calculated the revenue requirement impact of the change.

5.0-VECC-28

Reference: Exhibit 5, Appendix D

- a) Is 119871 Canada Inc. (Capital Lease Debt #3) an affiliate or related company to Renfrew Hydro?

6.0 CALCULATION OF REVENUE DEFICIENCY/SURPLUS (EXHIBIT 6)

6.0-VECC-29

Reference: Exhibit 6, page 29

- a) For each of the USOAs set out in Appendix 2-H, please explain how RHI forecasted the 2023 and 2024 amounts.
- b) Please provide a schedule that sets out, for each of the USOAs set out in Appendix 2-H, the 2023 year-to-date values and the values for 2022 for the same months.
- c) In which account are the revenues from the microFIT service charge recorded?

6.0-VECC-30

Reference: Exhibit 6, page 37

Preamble: The Application states:

“Other Distribution revenues are expected to increase by \$51,718. Primarily, this comes from resetting of pole attachment fees from the previous Cost-of-service at \$22.35 per year to the latest rate of \$36.05. RHI has also informed the Town of Renfrew that commencing 2024 they will also be receiving pole attachment charges for their street lights at this same rate.”

- a) Please provide a schedule that sets out the calculation of the pole rental revenues for 2022, 2023 and 2024, showing the number of poles and the rate used for each year. For 2024 please indicate the number of streetlight poles for which the Town of Renfrew will be paying a rental charge?
- b) Does the \$36.05 represent the 2023 charge or the anticipated charge for 2024 after adjusting for the OEB's 2024 inflation factor (4.8% per the OEB's letter of June 29, 2023)?
 - i. If based on the 2023 charge, please update the forecast 2024 Other Distribution Revenue to incorporate the 2024 inflationary adjustment to the pole rental charge.
- c) Has RHI received any feedback from the Town of Renfrew regarding its proposal to apply the pole attachment charge to the Town's street lights? If yes, what was it?

7.0 COST ALLOCATION (EXHIBIT 7)

7.0-VECC-31

Reference: Exhibit 7, page 4

Preamble: The Application states:
“On Sheet 14, Break-out of Assets, RHI updated the allocation of the accounts based on 2024 values.”

- a) Please provide a schedule that compares the asset breakout for USOA 1830, 1835, 1840 and 1845 as used in the last COS Application with that used in the current Application. Please explain any changes of more than five percentage points.

7.0-VECC-32

Reference: Exhibit 7, page 6

- a) Were the Billing and Collecting weighting factors by customer class based on management judgement or on an analysis of each customer class's requirement of the various components of the Billing and Collecting costs?
 - i. If based on an analysis, please provide a copy.

7.0-VECC-33

Reference: Cost Allocation Model, Tabs I6.2, I7.1 and I7.2
RRWF, Load Forecast Tab
Load Forecast Model, Tab 4 – Customer Growth

- a) The Load Forecast Model, the RRWF and Tab I6.2 of the Cost Allocation Model all show the 2024 GS<50 Customer count as 458. However, in Tabs I7.1 and I7.2 the number of GS<50 Meters and Meter Reads are shown as 460 and 465 respectively. Please reconcile.
- b) The Load Forecast Model, the RRWF and Tab I6.2 of the Cost Allocation Model all show the 2024 Residential Customer count as 3,922. However, in Tabs I7.1 and I7.2 the number of Residential Meters and Meter Reads are shown as 3,902. Please reconcile.
- c) The Load Forecast Model, the RRWF and Tab I6.2 of the Cost Allocation Model all show the 2024 GS>50 Customer count as 42. However, in Tabs I7.1 and I7.2 the number of GS>50 Meters and Meter Reads are shown as 50 and 45 respectively. Please reconcile.

7.0-VECC-34

Reference: Cost Allocation Model, Tabs I6.1, I6.2 and I8

- a) Tab I6.1 shows that for the GS>50 class 57,878 kW of the forecast 104,523 kW billing demand receives the transformer ownership discount. However, I6.2 shows that all GS>50 customer use RHI transformers and secondary facilities. Similarly, in Tab I8 the PNCP4, LTNCP4 and SNCP4 values are all the same – again indicating that all GS>50 customers use RHI transformers and secondary. Please reconcile.

7.0-VECC-35

Reference: Exhibit 7, page 7

Preamble: The Application states:

“RHI is currently working with Metersense in order to update and correct some data for its Residential and GS<50 customers as approximately 30% of GS<50 data is currently being reported as Residential load in Metersense. RHI has adjusted this data to agree to RHI’s billing statistic totals by keeping the hourly load profile of GS<50 customers consistent with the 70% appropriately classified GS<50 customers, while removing the same data, on an hourly basis, from the Residential load.”

- a) What analysis has RHI undertaken to confirm that the GS<50 customers currently included in the Residential class have an overall load profile equivalent to that of the GS<50 customers that are currently reported in the GS<50 data?

7.0-VECC-36

Reference: Exhibit 7, page 7

Load Profile Excel File – 2022 Data for Cost Allocation

- a) In the Load Profile excel file the Residential and GS<50 classes are treated as weather sensitive whereas the GS>50 class is not. Has RHI undertaken any analysis to confirm that the GS>50 class load is not weather sensitive?
- b) Please confirm that, for the Residential and GS<50 classes, the basis for the percentage of load that is weather sensitive in each month is based on the load forecast model developed for wholesale purchases which includes usage by the “non-weather sensitive” customer classes.
- i. If confirmed, why are these percentages appropriate given they include the loads for customer classes that are not considered to be weather sensitive?
- c) Per the Load Profile excel file (Columns K & P in Tabs 3a and 3b), please confirm that for any given day, the same adjustment factor for the

difference between the actual HDD/CDD versus the weather normal HDD/CDD is applied to each hour of the day (e.g., for January 1, 2022 the same HDD adjustment factor of 0.82 was used for all hours of the day).

- i. If confirmed, please indicate what analysis RHI has undertaken to confirm that this is a reasonable assumption.
- d) Per the Load Profile excel file (Columns I & N in Tabs 3a and 3b), please confirm for each month the same HDD and CDD adjustment factors were used for each of the Residential and GS<50 rate classes (e.g., for January 2018 the HDD adjustment factor used was 32% for all customer classes).
- i. If confirmed, please indicate what analysis RHI has undertaken to confirm that the Residential and GS<50 classes both that the same degree of weather sensitivity.
- e) Please confirm that, for the Residential and GS<50 classes, the weather normal load in each hour is determined by adjusting the weather sensitive portion of the hourly load by the ratio of the average (i.e., weather normal) HDD/CDD value for that day to the actual HDD/CDD value for that
- i. Please confirm that the value of the ratio will be “1.0” (such that there will be no adjustment) when the actual HDD/CDD value is zero.
 - ii. Please confirm that such results occur even if there is a difference between the actual HDD/CDD value and the weather normal HDD/CDD value which would suggest that an “adjustment” should be made.
 - iii. Please confirm that this situation arises in the data set used by RHI
 - iv. Please confirm that by using “ratio” to determine the weather adjustment, the per degree day adjustment depends on the actual HDD/CDD value for the day/month and will vary accordingly.

7.0 – VECC –37

Reference: Exhibit 7, pages 7-8

- a) Please provide a revised version of RHI’s 2024 Cost Allocation Model where HONI’s 2004 load profiles are used to determine the demand allocators in Tab I8.

7.0 – VECC –38

Reference: Exhibit 7, pages 7-8

Preamble: The Application states:

“RHI, with the assistance of Hydro Ottawa staff, have adjusted the formula in column E of HDD and CDD sorted tabs in the forecast model to normalize very small and/or very large discrepancies in HDD and CDD observations based on the 10-year average. The new formula eliminates the large adjustments for days when the

temperature is very close to the baseline of 18 degrees. The results created co-incident peak and non-coincident peak which are typical of RHI's loads, prior to adjustments for weather. Without these adjustments, certain days created factors exceeding 10 and skewed results showing, in some cases, Residential and GS<50 load being greater than GS > 50 load."

- a) With reference to the 2022 data set used by RHI, please illustrate the "problem" that the new formula is meant to address.
- b) Please explain how the revised formula addresses this problem and how RHI determined which to which hours the adjusted formula should apply.

7.0-VECC-39

Reference: Exhibit 7, page 14

Preamble: The Application sets out the following proposed changes to the R/C ratios:

Table 7.9: Proposed Allocation

Revenue to Cost Ratio Allocation

Customer Class Name	Calculated R/C Ratio	Proposed R/C Ratio	Variance
Residential	102.27%	100.00%	0.02
General Service < 50 kW	122.02%	113.93%	0.08
General Service > 50 to 4999 kW	81.12%	90.93%	-0.10
Unmetered Scattered Load	107.48%	107.95%	-0.00
Street Lighting	101.29%	107.73%	-0.06

Target Range	
Floor	Ceiling
0.85	1.15
0.80	1.20
0.80	1.20
0.80	1.20
0.80	1.20

- a) Please explain more fully why it is appropriate to move the R/C ratios for USL and Street Lighting further away from 100%.
- b) Please explain more fully why it is appropriate to reduce the GS>50 ratio below the 120% ceiling set by the OEB.
- c) Please explain more fully why it is appropriate to reduce the Residential R/C ratio from 102.27% to 100.0%.

8.0 RATE DESIGN (EXHIBIT 8)

8.0-VECC-40

Reference: Exhibit 8, page 4

Preamble: The Application contains the following two tables:

Table 8.2: Proposed Fixed/Variable Proportion

Customer Class Name	Proposed Rates at Current Fixed to Variable Split		
	Rate	Fixed %	Variable %
Residential	\$31.51	100.00%	0.00%
General Service < 50 kW	\$37.80	49.01%	50.99%
General Service > 50 to 4999 kW	\$291.56	26.12%	73.88%
Unmetered Scattered Load	\$27.22	95.86%	4.14%
Street Lighting	\$2.74	86.33%	13.67%

Table 8.3: Minimum and Maximum Fixed Charge as per Cost Allocation Model

Customer Class Name	Cost Allocation - Minimum Fixed Rate (b)			Cost Allocation - Maximum Fixed Rate (b)		
	Rate	Fixed %	Variable %	Rate	Fixed %	Variable %
Residential	\$9.40	29.84%	70.16%	\$21.73	68.97%	31.03%
General Service < 50 kW	\$18.34	48.52%	51.48%	\$35.90	94.95%	5.05%
General Service > 50 to 4999 kW	\$30.89	10.59%	89.41%	\$87.86	30.13%	69.87%
Unmetered Scattered Load	\$11.47	42.13%	57.87%	\$22.10	81.17%	18.83%
Street Lighting	\$0.81	29.57%	70.43%	\$3.34	122.06%	-22.06%

- a) Please explain how for the GS<50 class a fixed charge percentage of 49.01% yields a monthly service charge of \$37.80 (Table 8.2) while a fixed charge percentage of 94.95% yields a monthly service charge of \$35.90 (Table 8.3).
- b) Please explain how for the GS>50 class a fixed charge percentage of 26.12% yields a monthly service charge of \$291.56 (Table 8.2) while a fixed charge percentage of 30.13% yields a monthly service charge of \$87.86 (Table 8.3).

8.0-VECC-41

Reference: Exhibit 8, page 5
RTSR Model, Tabs 3 and 5

- a) Please confirm that both the customer class usage data in Tab 3 and the billed data in Tab 5 are based on 2022 actuals. If not confirmed, please provide as revised RTSR Model where the same year's data is used in both Tabs.

8.0-VECC-42

Reference: Exhibit 8, page 7

Preamble: The Application states: *“The following chart shows the Retail Service Charges currently in effect and RHI is seeking approval of the annual Incentive rate mechanism inflationary rate to be determined at a later date by the OEB. As a placeholder, RHI has entered the 2023 IRM rate of 3.7%.”*

- a) Please update the 2024 Retail Service Charges using the 4.8% inflationary factor per the OEB’s letter of June 29, 2023.

8.0-VECC-43

Reference: Exhibit 8, page 10

- a) Please update the proposed 2024 Pole Attachment Rate using the 4.8% inflationary factor per the OEB’s letter of June 29, 2023

8.0-VECC-44

Reference: Exhibit 8, page 14
Load Forecast Model, Tab 6

- a) For the years 2018, 2019, 2020 and 2022 the annual A(2) values in Table 8.12 match the sum of the monthly purchases in the Load Forecast Model (Tab 6, Column C) for that year. However, for 2021 the two values do not match. Please reconcile.

9.0 DEFERRAL AND VARIANCE ACCOUNTS (EXHIBIT 9)

9.0 –VECC -45

Reference: Exhibit 9, page Letter of October 14, 2015

- a) Please the disposition period sought for i) Group 1 Accounts and ii) Group 2 accounts.

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