Hydro 2000 Inc. – 2025 Cost of Service Application (EB-2024-0030)

Error Checking Items

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| Item # | Reference 1 | | | Reference 2  If applicable | Description | H2000 Response/Comments |
| 1 | Chap 2 appendices, Tab 2IB | | | Load forecast excel file | USL consumption does not match between the two references for 2025 and for streetlighting for 2024/2025. | Tab App 2-IB Load Forecast has been updated to mirror the load shown in the load forecast model and Exhibit 3 |
| 2 | Exhibit 7, page 17 | | | Cost allocation model, Tab revenue to cost|RR | Per reference 1, “All classes, except for the USL and Streetlights, fell within the acceptable ranges.” In reference 2, GS>50 TO 4999 and Street Lighting revenue to cost ratio is outside the OEB policy range.  Please confirm which reference is correct. | There are in fact 2 classes outside of the range, the evidence should have referred to the GS>50 class and Streetlights  Although H2000 recognizes the importance of accuracy, inputs and outputs of this nature tend to evolve throughout the process. This error has no significant impact on the processing of inputs for the application and undermines the efficiency objectives emphasized by the Small and Very Small Utility Working Group. |
| 3 | Exhibit 2, page 17 | | | Ch 2 Appendices tab 2-BB Service life | Table 10 – Depreciation Rates and Ch 2 Appendices tab 2-BB Service life do not match, ie, they contain different life spans for the same equipment classifications. (example underground conduit has 50 years in one, and 60 in the other) | The table at Exhibit 2 is a screenshot of tab 2-BB with unused assets hidden. |
| 4 | Ch 2 Appendices tab 2-AA | | |  | Row 32 values should be entered in row 35 instead. This way the sheet will calculate the Net and Gross of contributions. | Tab 2-AA has been updated accordingly.  Although H2000 recognizes the importance of accuracy, inputs and outputs of this nature tend to evolve throughout the process. This error has no significant impact on the processing of inputs for the application and undermines the efficiency objectives emphasized by the Small and Very Small Utility Working Group.  Furthermore, In 2-AA, the capital contribution is added, whereas in 2-AB, the contribution is subtracted. Ensuring consistency across these entries would be beneficial. |
| 5 | Ch 2 Appendices tab 2-AB | | | Ch 2 Appendices tab 2-AA  Exhibit 2, DSP, page 33 (pdf page 81) | The contributions from 2AA should be reflected for all years in 2-AB (for example, the contributions in system renewal should show up for 2022 and 2023)  Table 11 in the DSP shows system access contributions that are not reflected in 2-AB | Table 11 and Tab 2-AB have been updated accordingly.  Although H2000 recognizes the importance of accuracy, inputs and outputs of this nature tend to evolve throughout the process. This error has no significant impact on the processing of inputs for the application and undermines the efficiency objectives emphasized by the Small and Very Small Utility Working Group.  In 2-AA, the capital contribution is added, whereas in 2-AB, the contribution is subtracted. Ensuring consistency across these entries would be beneficial. |
| 6 | Ch 2 Appendices tab 2-AB | Ch 2 Appendices tab 2-AA | | The 5k of system access contributions is shown in 2-AA for 2025 only, and 2-AB for 2025-2030 | | Tab 2-AA has been updated accordingly |
| 7 | Ch 2 Appendices 2-AA | Exhibit 2, page 25, table 17 | | Table 17 of DSP does not match 2-AA. Looks like in Table 17 the $5k shown in meters was meant to be in capital contributions | | Table 17 of Ex 2 has been updated accordingly. |
| 8 | Ch 2 Appendices 2-AA | Exhibit 2, page 26, table 18 | | The values in Meters and Communications does not match in both references | |  |
| 9 | DSP Table 6, page 26 | | |  | The reliability indicators are entered in the wrong descriptions. Below is how the outage stats should be organized.  Total Outages: should include all outages regardless of cause, and be the largest number  LOS Adjusted: includes all outages except for those that were categorized as due to LOS  LOS and MED Adjusted: includes all outages except for those that were categorized as due to LOS or were reported as a MED. These should be the smallest numbers. | Table 6 at page 26 of the DSP has been corrected.  Please note that the format is the same as in the RRR. |
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| 10 | Exhibit 2, page 28 | | |  | Table 20, “total” for 2020 Additions should be a positive value, though it is shown as a negative value | Table 20 has been corrected accordingly |
| 11 | Exhibit 2, page 46 | | | Exhibit 2, DSP Page 7 (pdf page 55) | Page 46 states “H2000 currently operates one 44KV and one 115KV which technically could be classified as “high voltage which are still expected to be treated as distribution assets”.  Page 7 of DSP states that both Alfred and Plantagenet are fed by 8.32kV feeders.  Please reconcile or correct as required. | The statement at page 46 has been corrected accordingly |
| 12 | Exhibit 2, DSP page 14. (Pdf page 62) | | |  | DSP Section 2.2.2 starts with an incomplete sentence. It is not clear what is being conveyed. |  |
| 13 | Cost Allocation Model, Tab I7.1 | | |  | Column I and L are not complete for all meters. | The formula has been corrected. H2000 observes that the cells are locked and recommends that the OEB address this issue in their models.  H2000 did not update its rate design as the impact is minimal. Instead, H2000 commits to updating it during the IR phase. |
| 14 | Exhibit 4, page 30, table 14 | | | Chapter 2 Appendices, 2M | Total one-time costs for the2025 application and 1/5 of 2020 cost of service costs do not match between the two references. | Table 14 has been updated. H2000 notes that the totals did not change, only the composition. |
| 15 | Exhibit 5, Appendices | | |  | Current promissory notes of long-term debts are not provided | Invalid Error Checking: Page of Exhibit 5 clearly indicates in 2 paragraphs that H2000 does not have any debt instruments. |
| 16 | Chapter 2 Appendices, 2-JA  Chapter 2 Appendices, 2-L | | | Chapter 2 Appendices, 2-JB  Exhibit 2, page 31, table 22  Exhibit 2, page 43, table 32 | 2-JA has expenses for 3500-Distribution Expense – Operations for 2023 that does not match 2-JB (or exhibit 2 table 22). This makes the Total OMA off as well   * This error flows into Ch. 2 appendix 2-L, which then does not match Exhibit 2 table 32 | Tab 2-JA has been updated accordingly. 2-L was updated automatically |
| 17 | Exhibit 2, DSP, Table 1, page 5 (53 of the pdf) | | | Chapter 2 Appendices, 2-AB | The two references do not reconcile. For example:   1. General plant planned, 2020, in Table 1 $350, in 2-AB $3,500 2. System renewal and contributions in 2022 don’t match between the 2 | Table 1 has been corrected accordingly |
| 18 | Exhibit 2, DSP, Table 3, p.18 (66 of pdf) | | | Exhibit 2, DSP, p.18 (66 of pdf) | The line states that H2000 has 15 single phase and 1 three phase pad-mounted tx The table showing tx data only shows 11 tx | The Table at page 66 has been corrected. |
| 19 | Exhibit 2, DSP, Table 3, p.21 (69 of pdf) | | | Exhibit 2, DSP, p.21 (69 of pdf) | The line states that H2000 has 709 poles across its service area. The table shows that there are 419 poles. | The Table at page 69 has been corrected. |
| 20 | Exhibit 4, page 12, Table 4 | | | Chapter 2 Appendices, 2-L | Reference 1 shows discrepancies in the following values compared to Reference 2:   * 2020 BA Admin Expenses * 2020 BA Total Recoverable OM&A * 2020 BA Number of Customers * 2020 BA Customers/FTEs * 2020 BA OM&A cost per customer * 2020 BA OM&A cost per FTE * 2023 O&M * 2023 Total Recoverable OM&A * 2023 OM&A cost per customer * 2023 OM&A cost per FTE   Please confirm which reference is correct. | The errors in 2023 are related to Error Check #16 and have been corrected in Chapter 2 appendices and Ex 4.  The number of customers in Table 4 was incorrect. All other references were related to this one change.  Although H2000 recognizes the importance of accuracy, inputs and outputs of this nature tend to evolve throughout the process. This error has no significant impact on the processing of inputs for the application and undermines the efficiency objectives emphasized by the Small and Very Small Utility Working Group. |
| 21 | Exhibit 4, page 7, Table 2 | | | Chapter 2 Appendices, 2- JA | Reference 1 shows different amounts for 2023 Operations, O&M Subtotal, and %Change compared to the values in Reference 2.  Please confirm which reference is correct. | The errors in 2023 are related to Error Check #16 and have been corrected in Chapter 2 appendices and Ex 4. |
| 22 | Chapter 2 Appendices, Tab 2R Loss factors | | | Bill Impact Model | Total loss factor does not match between the two references. Should be updated to 1.0786 in the Bill Impact Model. | The Bill Impact model was showing the loss factor rounded to 2 decimals. H2000 has updated it to 3 decimals which reconciles with Chapter 2 appendices. |
| 23 | RTSR Workform, Tab 3 | | |  | Please confirm what year’s RRR data has been input in Tab 3. It should be the most recent historical year available. | Confirmed |
| 24 | CH 2, Appendix 2-AB | | CH 2, Appendix 2-BA | The “Actual net capital expenditures” provided in Ref. 1 do not match the Total PP&E Additions in Ref 2 for 2020, 2021, 2022, 2023. Please reconcile and update the references accordingly. | | The additions match. The difference is the disposals. This is explained several times in the evidence |
| 25 | PDF Appendix 2-BA in Exhibit 2 | | CH 2, Appendix 2-BA | PDF version of Appendix 2-BA in Exh 2 doesn’t match Excel version of Appendix 2-BA (all the amount of “Accumulated Depreciation” in PDF version 2-BA has opposite sign “+”/”-“to Excel version 2-BA)  Please confirm that reference 1 should have a negative sign. | | The accumulated depreciation in Exhibit 2 is derived from H2000’s internal models, which subtract accumulated depreciation from gross assets. However, the LOCKED OEB models add the (+) gross assets to the (-) accumulated depreciation.  Although H2000 recognizes the importance of accuracy, inputs and outputs of this nature tend to evolve throughout the process. This error has no significant impact on the processing of inputs for the application and undermines the efficiency objectives emphasized by the Small and Very Small Utility Working Group. |
| 26 | CH 2, Appendix 2-AB | |  | Cell AG 8 remained unfilled. Please confirm whether capital expenditures equal to ISA. | | H2000 has updated the dropdown to display "YES." However, H2000 notes that this input is nearly imperceptible and should be removed as it is already a filing requirement which H2000 met at page 6 under table 3. |
| 27 | DVA Continuity, Tab 2a, (EB-2024-0030) | | DVA Continuity, Tab 3 (EB-2023-0028) | The opening balance of 2023 Interest in Account 1595 – sub account 2022 doesn’t match the ending balance amount in the last proceeding (2024 IRM application) | |  |
| 28 | DVA Continuity, Tab 2b, (EB-2024-0030) | | DVA Continuity, Tab 2b (EB-2019-0041) | The opening balance of 2018 in Group 2 doesn’t match the ending balance amount in the last proceeding (2019 COS application), specifically, “Pole Attachment Revenue Variance” was approved for disposition ($652) in last COS application, however, the Group 2 continuity doesn’t show this amount in “OEB approved disposition” column. | |  |
| 29 | DVA Continuity, Tab 2a | |  | The 2023 OEB approved disposition should all be recorded in Account 1595-2023. Cell BE38 and BJ 38 should be grouped into Account 1595-2023 | |  |
| 30 | Exhibit 9, Section 9.2.5, page 12 | | |  | Hydro 2000 notes there is Appendix A in the Exhibit 9, however, Exhibit 9 does not have any appendix attached. Please provide Appendix A as mentioned in the statement. | The statement related to Appendix A has been removed. H2000 confirms that there are no appendices in Ex 9 |
| 31 | Exhibit 9, Section 9.2.1, page 5 | | | Exhibit 9, Section 9.2.5, page 12 | In Ref 1, it notes last disposition of its 1588/1589 DVA balances in its 2023 IRM; In Ref 2, it notes the disposition of balances where the values for accounts 1588/1589 are entered in 2018 to 2023 and interest until April 30, 2025. Please confirm for which period the amounts requested for disposition in this application of both 1588 and 1589. | The statement has been corrected to show data entered in 2023. |
| 32 | Exhibit 9, Section 9.1, page 3 | | | Exhibit 9, Section 9.2.1, page 6 | In Ref 1, it notes the disposition of Group 1 is $100,585 which includes Account 1595-sub account (2019) & (2020); In Ref 2, it notes Hydro 2000 is not proposing to dispose any 1595 balances. Please confirm whether Hydro 2000 is requesting to dispose Account 1595 – sub account (2019) & (2020) and update the evidence. | H2000 is disposing of 2019 and 2020, the statement has been corrected in Ex 9 |
| 33 | DVA Continuity, Tab 2a | | | Exhibit 9, Section 9.2.1, page 6 | In Ref 1, it shows “Yes” in column BU for the disposition of Account 1595-sub account (2019) & (2020); In Ref 2, it notes Hydro 2000 is not proposing to dispose any 1595 balances. Please confirm whether Hydro 2000 is requesting to dispose Account 1595 – sub account (2019) & (2020) and update the evidence and continuity. | H2000 is disposing of 2019 and 2020, the statement has been corrected in Ex 9 |
| 34 | DVA Continuity, Tab 2a | | | DVA Continuity, Tab 2b | Please fill in column BU in both Ref 1 and Ref 2, indicating whether the account is requested to dispose or not |  |