

HAWKESBURY HYDRO INC.
2025 RATE APPLICATION (EB-2024-0031)
PRE-SETTLEMENT FOLLOW-UP AND CLARIFICATION QUESTIONS

VECC-CQ-1

REFERENCE: Commitment Response #27
Exhibit 3, page 6

PREAMBLE: Exhibit 3 states:
“HHI purchases electricity from Hydro One, the IESO and embedded generation (MicroFit). In preparing for the Cost-of-Service application, the utility proposes to use a 10-year historical regression.
The following table summarizes the annual wholesale purchases for the ten years 2014 to 2023 as reported to OEB in RRR annual filing “2.1.5 Supply & Delivery Information”.
Commitment Response #27 states:
“HHI has reviewed the inputs to its load forecast and confirms that the embedded generation (MicroFit) load is not included in the wholesale forecast, and thus was not considered in determining the supply facility loss.”

- a) Exhibit 3 indicates that embedded generation (MicroFit) was included in the purchases power values used in the regression analysis, whereas the response to Commitment #27 indicates it was not. Please clarify.

HHI: HHI confirms that, in response to Commitment 27 and following further investigation, it was determined that the MicroFIT was not included in the Wholesale values.

VECC-CQ-2

REFERENCE: Commitment Response #13 d)

- a) The response does not explain why there are no revenues shown for accounts #4082, #4084 or #4086 as originally requested. Please provide a response.

HHI: Account 4082/4084 includes both revenue and expense items that offset each other. Historically, any variances have been recorded in variance accounts 1518/1548, which are now being discontinued. The 2025 forecasted revenue for Account 4082 is \$(7,792), calculated based on a historical average.

		2023	2022	2021	2020	2019	2018	Total	Average
4082	Revenues	-\$8,594	-\$7,639	-\$8,268	-\$9,090	-\$7,631	-\$5,530		-\$7,792
4082	Expenses	\$5,520	\$5,520	\$5,520	\$5,520	\$5,520	\$5,520		\$5,520
		-\$3,074	-\$2,119	-\$2,748	-\$3,570	-\$2,111	-\$10		
4082	Variances	\$3,074	\$2,119	\$2,748	\$3,570	\$2,111	\$10		
		\$0	\$0	\$0	\$0	\$0	\$0		
1518	Variances	\$3,074	\$2,119	\$2,748	\$3,570	\$2,111	\$10	\$13,633	
4084	Revenues	-\$96	-\$59	-\$57	-\$54	-\$80	-\$20		-\$61
4084	Expenses	\$3,431	\$3,267	\$3,172	\$3,115	\$3,055	\$2,995		\$3,172
		\$3,334	\$3,208	\$3,115	\$3,061	\$2,975	\$2,975		
4084	Variances	-\$3,334	-\$3,208	-\$3,115	-\$3,061	-\$2,975	-\$2,975		
		\$0	\$0	\$0	\$0	\$0	\$0		
1548	Variances	-\$3,334	-\$3,208	-\$3,115	-\$3,061	-\$2,975	-\$2,975	-\$18,669	

HHI: Account 4086:

		2023	2022	2021	2020	2019	2018
40800000	SSS Administration Fee	-\$16,691	-\$16,651	-\$16,538	-\$16,431	-\$16,343	-\$16,283

VECC-CQ-3

REFERENCE: Commitment Response #14

- a) The response does not provide a calculation of the pole attachment revenues for 2025 as originally requested. Please provide.

HHI: \$37,708 is derived as such: 921 poles * \$37.78 = \$34,795+ interest.

VECC-CQ-4

REFERENCE: Commitment Responses #22 & #23
Cost Allocation Model, Tab I4

PREAMBLE: It is noted that the analysis provided in the Commitment Responses only accounts for \$6,346 of the \$35,366 in capital recorded in account #1855.

- a) Based on HHI's Conditions of Service, for each customer class please outline what Services (account #1855) costs are paid for by HHI and what costs the customer is responsible for.

Residential Customers:

Customer Responsibility: Pay for connection costs beyond the first 30 meters of connection allowance.

HHI Responsibility: Cover the cost of the 30M of connection allowance and essential infrastructure (e.g., transformers, meters).

General Service Customers

Customer Responsibility: Pay for all connection-related costs, including service lines, transformers, meters, and any required system upgrades.

HHI Responsibility: Maintain the broader distribution system.