

VECC INTERROGATORY #8

INTERROGATORY

Reference: H2/T7/S1

- a) The annual bill comparisons appear to be mislabelled as they show EB-2016-0215 rates as the same as those of EB-2016-0184 (both at 37.69). If this is correct please provide the correct rate comparison.
- b) What is the (approximate) rate impact for a residential customer of 3,048 m³ (heating and water) for each \$10 million reduction or increase in the revenue requirement (for simplicity assume the \$10 million change is in cost of capital)?

RESPONSE

- a) The annual bill comparisons are not mislabeled. Exhibit H2, Tab 7, Schedule 1 depicts the typical bill impacts comparing the Company's proposed 2017 rates and bills with the existing rates and bills. Column 1 depicts the typical annual bill based on the proposed EB-2016-0215 2017 rates, Column 2 depicts the typical annual bill based on the existing EB-2016-0186 July 1, 2016 QRAM rates. Column 3 depicts the dollar change in the bill. Column 4 depicts the percent change in the bill. The heading at the top of the chart indicates an estimated heat value of gas of 37.69 MJ per m³.
- b) Assuming a \$10 million dollar increase or decrease in revenue requirement (based on a corresponding change in the cost of capital), a typical residential customer's annual bill would increase or decrease accordingly by approximately 0.6% or approximately \$5 a year (all other things being equal).

Witness: J. Collier