

UNDERTAKING RESPONSE

1 **UNDERTAKING J1.1:**

2 **Reference(s):** **none**

3

4 To provide a breakdown of additional revenues for the streetlighting class that are not
5 generated by distribution rates or under the THESI and City of Toronto Service
6 Agreement.

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UNDERTAKING RESPONSE

1 **RESPONSE:**

2

Revenues	Annual Base Case Budget 2009 (\$000)	Annual Base Case Budget 2010 (\$000)	Annual Base Case Budget 2011 (\$000)	Annual Base Case Budget 2012 (\$000)	Annual Base Case Budget 2013 (\$000)
City Service Fees	14,325	14,683	15,050	15,501	15,966
DECO					
BIA	1,477	1,148	1,177	1,212	1,249
Claims / Police CCTV / Relocates / Film Shoots	1,268	1,235	1,239	1,268	1,306
Interco WiFi	25	21	21	22	22
Total Revenue	17,095	17,087	17,487	18,003	18,543

UNDERTAKING RESPONSE

1 **UNDERTAKING J1.2:**

2 **Reference(s):** **none**

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4 To provide any agreement between the Energy Services company and the utility for joint
5 use of streetlighting assets.

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7 **RESPONSE:**

8 At Section F, Tab 20, Schedule 2 of the prefiled evidence we attached a Services
9 Agreement which details the costs for services that THESL provides to THESI.

10 However, there is no similar written agreement for joint use of streetlighting assets
11 between THESI and THESL. Because the streetlighting and distribution system was
12 built together over many years as one utility, an operational protocol exists whereby the
13 LDC may utilize streetlighting assets when it is practical to do so (e.g. to avoid digging or
14 re-digging a trench, avoid pole redundancies etc.). This situation also existed when the
15 City of Toronto owned the streetlighting system from January 1, 1989 to December 31,
16 2005.

UNDERTAKING RESPONSE

1 **UNDERTAKING J1.3:**

2 **Reference(s):** **none**

3

4 To analyze the distribution costs related to the Street Light Transaction.

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6 **RESPONSE:**

7 THESL understands the undertaking question to ask for an analysis of costs proposed in
8 the 2010 EDR application that may relate to 'streetlighting' activities.

9

10 Distribution and streetlighting assets are co-mingled. All costs proposed in the 2010
11 EDR application related to streetlighting are for inspection and repair or standardization
12 of distribution plant that is supplying streetlighting circuits and supply points. The use of
13 the word 'streetlighting' in the 2010 EDR is intended to describe what the distribution
14 plant is serving. THESL regrets any confusion that the use of that word may have caused
15 if it was understood differently.

16

17 It is impossible to do an asset condition inspection of assets serving streetlighting in
18 isolation from other distribution assets or vice-versa; it is a consequence of their
19 co-mingled arrangement.

20

21

UNDERTAKING RESPONSE

1 **UNDERTAKING J2.1:**

2 **Reference(s):** **none**

3

4 To confirm how Contact Voltage Level III Emergency costs are allocated.

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6 **RESPONSE:**

7 The extended remediation costs forecast for 2010 coming out of the contact voltage level
8 III emergency situation are being allocated to all customers according to the Board-
9 approved cost allocation model. In the contact voltage application, the *scanning* costs
10 were allocated to all customers according to the Board-approved cost allocation model
11 for secondary connections, and the *remediation* costs incurred during the level III
12 emergency were allocated directly to the streetlighting and USL customer classes.