



PUBLIC INTEREST ADVOCACY CENTRE
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December 22, 2010

VIA MAIL and E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: EB-2010-0142
NOTICE OF APPLICATION AND HEARING FOR AN ELECTRICITY
DISTRIBUTION RATE CHANGE
Toronto Hydro-Electric System Limited

Please find enclosed the interrogatories of VECC in the above noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED (THESL)
2011 RATE APPLICATION (EB-2010-0142)

VECC INTERROGATORIES RE:
SUITE-METERED SUB-CLASS COST ALLOCATION

(Note: Numbering Continues from First Round)

QUESTION #48

Reference: i) Cost of Service Study for Individually Metered Suites in Multi-Unit Residential Buildings (BDR Report), page 6

- a) Please explain how the pro-ration of the billed consumption to derive annualized use was performed (i.e., was the pro-ration done over the entire year of just relative to the use in the billing periods bracketing the calendar year?).

QUESTION #49

Reference: BDR Report, pages 8-11

- a) Please confirm the definition of “weather normal” (i.e., years included and average HDD and CDD values) as used by Hydro One Networks for purposes of determining THES’s overall Residential Hourly Load Curve.
- b) Please describe how THES weather normalized the hourly load data for the Suite-Metered sub-class, including the definition of “weather normal” (i.e., years included and average HDD and CDD values).
- c) If the HDD and CDD values reported in parts (a) and (b) are different, please provide the following:
- A schedule that sets out the various CP and NCP values for the Suite-Metered sub-class using each set of values.
 - A schedule that sets out the various CP and NCP values for the (residual) non-Suite-Metered sub-class using each set of values.

QUESTION #50

Reference: BDR Report, pages 7 and 11-13

- a) Based on the characteristics of Suite-Metered customers (as described on page 7), please explain why the January load profile for the two sub-classes are reasonably

similar (Figure 4.2) in term of both level and shape but the July profiles (Figure 4.4) are not.

QUESTION #51

Reference: BDR Report, pages 16-17

- a) Please indicate the following:
 - In what USOA account is the cost associated with Account Set-Up recorded in and how are these costs allocated to customer classes. Please provide the value of the allocator by customer class, including the Suite-metered sub-class.
 - How are the revenues from the Account Set-Up Charge allocated to customer classes? Please provide the values of the allocator by customer class, including the Suite-Metered sub-class.
- b) Does THES have a Disconnect charge that is levied when customers are “disconnected”? If yes, what is the charge and please confirm whether the same charge is applicable to all residential customers.
- c) Further to part (b), please indicate the following:
 - In what USOA account is the cost associated with Disconnection activities recorded in and how are these costs allocated to customer classes. Please provide the value of the allocator by customer class, including the Suite-metered sub-class.
 - How are the revenues from the Disconnect Charge (if there is one) allocated to customer classes? Please provide the values of the allocator by customer class, including the Suite-Metered sub-class.

QUESTION #52

Reference: BDR Report, page 17

- a) With respect to Field Service Trucks, if an outage problem is isolated to a particular multi-residential building (or local area containing such a building) why wouldn't a field service truck be dispatched to check THES's connection/service to the customer(s) concerned?
- b) Please reconcile the \$179 and \$297 capital costs for meters quoted in the Report with the values used in the Cost Allocation Model – Sheet I7.1. The comparable values here appear to \$95 and \$130.

QUESTION #53

Reference: BDR Report, page 19

- a) Please provide a schedule that shows fully the derivation of the additional 2009 capital costs and 2009 expenses related to the additional planning efforts associated with SMSC.
- b) Please describe in greater detail the adjustments made in Schedule O5 to account for the difference in planning costs.
- c) The discussion on page 19 makes reference to \$39 million in capital being allocated to SMSC. However, the capital allocated to SMSC (per Sheet O1) is \$182 M in Gross Assets and \$91.6 M in Net Plant. Please reconcile.

QUESTION #54

Reference: BDR Report, pages 19-20

- a) Please clarify whether it is 30% of the multi-residential buildings or 30% of the Suite-Metered customers in the multi-residential buildings that are served by the secondary infrastructure.
- b) If the response to part (a) is “buildings”, how many of the Suite-Metered customers are served by secondary infrastructure and has this distinction been properly reflected in the Cost Allocation analysis?
- c) Please confirm that, once the # of customers served at primary versus secondary voltages has been identified, the Cost Allocation model determines the appropriate allocation of the capital and maintenance costs associated with poles, wires and transformers and no “adjustments” are required to the results.

QUESTION #55

Reference: BDR Report, page 21

- a) Please describe the types of administrative and marketing activities that are directly incurred for suite metering.

QUESTION #56

Reference: BDR Report, page 21

- a) Please confirm that, for purposes of applying the “Minimum System” concept each Suite-Metered customer was treated as a separate connection point. If not, please describe how the minimum system costs were determined.
- b) If part (a) is confirmed, please comment on reasonableness of such an approach in the case where a number of suite-metered customers may occupy the same building.