



PUBLIC INTEREST ADVOCACY CENTRE
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August 21, 2015

VIA 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-2015-0141 – Motion to Review & Vary EB-2013-0416/EB-2014-0247
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)**

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

Yours truly,

A handwritten signature in black ink, appearing to be 'Michael Janigan', written in a cursive style.

Michael Janigan
Counsel for VECC

cc. All Parties, EB-2015-0141

REQUESTOR NAME	VECC
INFORMATION REQUEST ROUND NO:	# 1
TO:	Hydro One Networks Inc. - Distribution
DATE:	August 19, 2015
CASE NO:	EB-2015-0141
APPLICATION NAME	Motion to Review and Vary EB-2013-0416/EB-2014-0247

VECC - #1

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31
EB-2013-0416, Updated Cost Allocation Model (June 2014)

- a) Please provide the derivation of the \$745.86 2015 forecast net embedded cost per distribution pole owned by Hydro One Networks (at the time of the Application).
- b) Please indicate how the number of poles used in the calculation was determined.
- c) Please provide an asset continuity schedule for the period January 1, 2013 through to year end 2015 for Hydro One Distribution owned poles (i.e. OEB USOA #1830). As part of the schedule, please indicate which values are actual as opposed to forecast.
- d) Please show how the numerator used in the calculation of the \$745.86 reconciles with the values provided in response to part c).
- e) If the 2015 values used for the numerator differ from those reported in Hydro One Networks Cost Allocation model (Tab I4, Row 40), please reconcile the differences.

VECC - #2

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31
EB-2013-0416, Updated Cost Allocation Model (June 2014)

- a) Please provide the derivation of the \$12.68 Depreciation per Pole. Please reconcile any differences between the 2015 depreciation expense used in this calculation and the 2015 depreciation expense reported in the response to VECC #1, part c).
- b) If the 2015 value used for the numerator differs from that reported in Hydro One Networks Cost Allocation model (Tab I4, Row 40), please reconcile the

differences.

VECC - #3

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31

- a) Please provide the derivation of the \$63.32 Capital Carrying cost.
- b) Please reconcile the cost of capital used in the calculation with the cost of capital set out in Exhibit B of the Application.
- c) Does the value used for the cost of capital include a mark-up of ROE for income taxes? If not, please re-do the calculation with this adjustment.

VECC - #4

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31
EB-2013-0416, Updated Cost Allocation Model (June 2014)

- a) Please provide the derivation of the \$82.41 Maintenance cost per Pole.
- b) What activities are included in the total Maintenance costs used in the numerator of the calculation?
- c) Does the value used for Maintenance costs include all of the costs for Maintenance as reported in the Cost Allocation model (USOA #5120 - Tab I3, Row 392)? If not, please explain.
- d) Does the value used for Maintenance costs include any allocation of Administration costs (Acct. 5615), Executive/Management costs (Acct. 5605/5610) or Maintenance Supervision & Engineering Costs (Acct. 5105)?

VECC - #5

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31-34 and page 38

- a) Please confirm that the 21.9% space allocation factor used in the OEB decision was based on the assumption there were 2.5 (non-utility) attachers per pole.
- b) How many of Hydro One Networks' distribution poles have 3rd party attachers that use the "communications "space".
- c) What are the total number of 3rd party attachments on these poles that pay: i) the OEB approved rate or ii) a different rate established via a separate agreement/contract. In each please indicate who the parties are and the nature of their attachments. Please reconcile the values provide with the volumes set out on page 38.
- d) Based on the responses to parts b) and c), what are average number of attachers per Hydro One Networks distribution pole that has attachments.
- e) Are there any 3rd party attachers in the communications space that do not pay for

an attachment to Hydro One Networks poles? If so, who and why?

- f) It is noted (page 32) that there are also other LDCs and generators that have power line attachments to Hydro One Networks' distribution poles.
- How many LDCs and generators have attachments on poles that also have attachments in the communications space?
 - How many actual LDC/generator attachments does this represent?
 - Are there any other attachments in the power space? If so, please outline what they are and how many of such attachments are on poles that also have attachments in the communications space.
- g) Do any of the poles with attachments in the communications space also have Sentinel Light attachments? If so, how many and these included in the responses provided to parts (b), (c) and (f)
- h) Please provide a schedule that sets out the derivation of the communication space allocation factor applicable to Hydro One Networks (equivalent to the 21.9% utilized by the OEB), taking into account the number of 3rd party attachers using the communication space and the number of 3rd party attachers (e.g. other LDCs and generators) using the power space.

VECC - #6

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31

- a) What specific activities are included under Loss of Productivity?
- b) For each of these activities please indicate how the costs associated with Loss of Productivity were determined (including the numeric values used) and their contribution to the overall value of \$1.51.

VECC - #7

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31

- a) What specific activities are included under Administration?
- b) For each of these activities please indicate how the costs associated with Administration were determined (including the numeric values used) and their contribution to the overall value of \$0.85.

VECC - #8

Reference: EB-2013-0416, Exhibit G2/Tab 5/Schedule 1/page 31

- a) Do any of the 2015 values used in Table 16 change as a result of the Board's Decision re EB-2013-0416? If so, please indicate what the changes are and update Table 16 accordingly.

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