

1 UNDERTAKING NO. J3.9: WITH REFERENCE TO THE SCHEDULE IN CCC 44, TO
2 RECONCILE THE TWO NUMBERS. ALSO, TO ADVISE HOW THE NUMBER REQUESTED
3 WAS DERIVED.

4

5 **RESPONSE:**

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7 The amounts shown for 2016 to 2020 Smart Grid capital expenditures in Section IV, Tab 2,
8 TCQ-39, Appendix A-D (as shown on pages 3272 to 3277 of 4065) or Table 6 of Exhibit G, Tab
9 2, Section 5.4.1, Page 9 of 11 (as shown on page 439 of 4065) are the capital budget amounts
10 for these years.

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12 Table G-CCC-44-2: Smart Grid Expenditures, shown in the response to interrogatory G-CCC-44
13 (Application Section III, Tab 1, Exhibit G), shows the smart grid capital spending in the smart
14 grid capital deferral account up to December 31, 2015 and when it goes into service and is
15 added to rate base. In-service additions for 2014 and 2015 were added to the 2015
16 closing/2016 opening rate base. The remaining costs related to projects going into service in
17 2016 were added as part of 2016 additions to rate base.

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19 With respect to the costs shown for Home Technologies and Green Button, these are primarily
20 for the Smart Home project in partnership with the Ministry of Energy and Rogers and the
21 Dynamic Pricing projection in partnership with the Ministry of Energy and Energate.
22 Approximately \$10,000 was spent on the Green Button program pilot in partnership with the
23 Ministry of Energy.

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25 These are separate capital amounts from different periods so there is no reconciliation. Both
26 are added to rate base when they are expected to be in-service.

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28 As the smart grid pilot projects relate to emerging technologies and ideas, it is not possible to
29 identify future spending by specific projects. The capital amounts budgeted for 2016 to 2020 in
30 Section IV, Tab 2, TCQ-39, Appendix A-D (as shown on pages 3272 to 3277 of 4065) or Table

- 1 6 of Exhibit G, Tab 2, Section 5.4.1, Page 9 of 11 (as shown on page 439 of 4065) are based on
- 2 the historical level of spending on smart grid pilot projects.