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February 2, 2009

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: Vulnerable Energy Consumers Coalition (VECC)
EB-2008-0224
Canadian Niagara Power Inc. – Port Colborne – 2009 Electricity Distribution
Rate Application**

Please find enclosed the supplemental interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

Michael Buonaguro
Counsel for VECC

Canadian Niagara Power Inc. – Port Colborne (CNP-PC)
2009 Electricity Rate Application
Board File No. EB-2009-0224

VECC's Interrogatories

(Round #2)

Question #35

Reference: i) VECC #8
ii) Ogilvy Renault Letter of January 16, 2009, page 11

- a) Please provide an update (based on most current data available) as to the customer additions (i.e., increase in customer count by class) and new service connections for 2008 and reconcile the two values.

Question #36

Reference: i) VECC #6 a)
ii) Ogilvy Renault Letter of January 16, 2009, page 10

- a) Both references are based on 2008 approved rates. However, the volumetric charges are different for some customer classes. Also, in some cases both values differ from those reported at Exhibit 9/Tab 1/Schedule 2. Please reconcile.

Question #37

Reference: i) VECC #10 b)
ii) Ogilvy Renault Letter of January 16, 2009, page 10

- a) Please confirm that CNP-PC remits to the IESO (and/or other parties) the full \$60.30 / MWh for each (uplifted) kWh sold. The purpose of this question is to confirm that the \$60.30 / MWh is the appropriate value to use in determining CNP-PC's cash flow obligations.
- b) Please confirm whether any of CNP-PC's customers are registered market participants. If yes, what proportion of CNP-PC's overall kWh sales do they represent?

Question #38

Reference: i) VECC #11 b) & c)
ii) Ogilvy Renault Letter of January 16, 2009, page 7

- a) Please provide a summary of any corrections or revisions the Company has identified to date and update of CNP-PC's current proposed 2009 revenue requirement and revenue deficiency. Such an update would provide a useful basis for the upcoming Settlement Conference.

Question #39

Reference: i) OEB #40

- a) Has CNP-PC filed an updated version of its Rate Design Model as suggested in the response? If yes, please indicate where in the material filed it can be found.

Question #40

Reference: i) VECC #12 a)
ii) Ogilvy Renault Letter of January 16, 2009, page 7

- a) The response to VECC #12 a) indicates a significant difference between the 2004 weather normalized consumption values using CNP-PC's vs. HON's weather normalization methodologies. This difference raises questions about the accuracy of one or both of the methodologies. Please comment on why CNP-PC's weather normalization results should be considered reasonable – given the differences in the values.

Question #41

Reference: i) VECC #15 & 16 a)
ii) Exhibit 3/Tab 2/Schedule 1, page 21

- a) Please confirm that Stand-by customers generate revenues as follows:
- Distribution revenues based on GS 50-4999 rates (which were included in the Cost Allocation model as GS 50-4999 revenues), and
 - Stand-by revenues based on the Stand-by rates (which were treated as Miscellaneous Revenues in the Cost Allocation Model).

Question #42

Reference: i) VECC #17

- a) Has CNP-PC received any indication from the OEB that it will be “required” to re-base in for 2012 Rates?
- b) Absent a specific “requirement” from the OEB, is it CNP-PC’s intention to apply for re-basing for 2012 Rates?

Question #43

Reference: i) VECC #19 b), c) & d)

- a) Please confirm that the intensification program is a one-time spending for 2009 and that normal annual vegetation spending is in the order of \$85,000. If not, please explain.

Question #44

Reference: i) VECC #22 a)

- a) Please explain what additional service CNP-PC is obtaining from CNP-FE that leads to the increase in allocated costs for 2008 and 2009 as compared to 2006 and 2007.

Question #45

Reference: i) VECC #31 b)
ii) Ogilvy Renault Letter of January 16, 2009, pages 7-8

- a) Please provide the revised version of the Cost Allocation Review and Cost Allocation Revenue Distribution Tabs (from CNP-PC’s Rate Design Model) that support the modified results shown in reference (ii).

Question #46

Reference: i) VECC #30 a)

- a) In the excerpt provided, the revenues for the individual customer classes do not sum to the total revenue. The same circumstance exists in the cast of the overall revenue requirement. Indeed, the results filed appear to be exactly the same those from CNP-PC's 2007 Second Run. Please reconcile.