

**Board Staff Interrogatory #10**

**RATE BASE (Exhibit B1/Tab4/Sch2)**

**Question:**

**Please provide an update on all 2008 capital projects. Please provide details of projects that are postponed, shelved or incomplete.**

**Response:**

**Table Staff 10-1: 2008 Capital Projects**

PROJECT DESCRIPTION	Amount	Amount	Actual	Amount
	\$(000)	\$(000)	Amount	\$(000)
	2007	2008	2008	2009
<b>1. Sustainment Capital</b>				
1a. Pole or Line Replacements / Upgrades	2,538	5,319	5,416	4,454
1b. Transformer Station Enhancements / Upgrades	253	4,528	3,468	3,232
1c. Asset Condition Assessment Program	0	2,092	461	5,339
1d. Distribution System Voltage Conversions	2,231	2,838	117	3,465
1e. Switchgear Replacements / Upgrades / Refurbishments	1,222	1,316	799	1,239
1f. Cable Replacement	118	1,063	629	333
1g. Load Transfers From Other LDC's	283	651	403	0
1h. Distribution Transformer Enhancements / Upgrades / Refurbishment	832	741	543	261
1i. Load Interrupter Switch Replacement	386	386	291	409
1j. Distributor Station Enhancements / Upgrades	45	93	168	472
1k. Unforeseen Capital Projects	463	375	1,257	414
<b>Total Sustainment Capital</b>	<b>8,373</b>	<b>19,401</b>	<b>13,552</b>	<b>19,618</b>
<b>2. Development Capital</b>				
2a. Transformer Stations - Additional Capacity	1,556	14,217	5,914	22,771
2b. Residential Subdivisions	4,440	5,119	4,083	5,019
2c. Distribution System Plant Re-Location	1,877	2,268	1,052	5,892
2d. New Commercial Services	90	183	633	181
2e. Distribution Stations - Additional Capacity	376	127	289	0
2f. New Overhead or Underground Lines	3,645	1,439	3,362	6,742
2g. Unforeseen Capital Projects	464	375	221	414
<b>Total Development Capital</b>	<b>12,448</b>	<b>23,728</b>	<b>15,554</b>	<b>41,019</b>
<b>3. Operations Capital</b>				
3a. System Operation Automation	2,005	2,872	1,857	1,819
3b. Unplanned Equipment Replacement	1,835	1,609	3,050	1,678
3c. Suite-Metering Costs	1,708	1,472	1,715	1,086
3d. Fleet	2,277	1,315	2,112	887
3e. Wholesale Meters	239	416	266	256
3f. Tools	347	312	260	310
3g. Smart Grid Program	0	273	4	505
3h. Meter Re-Verification and Replacement Program	629	204	502	390
3i. Asset Condition Assessment Model Development	108	167	200	25
3j. Geographic Information System	53	137	361	101
3k. Conservation & Demand Management - Smart Meter Pilot	769	0	0	0
3l. System Control Room	1,970	0	0	0
3m. Storm Damage To Distribution System	1,016	1,302	320	617
3n. Conservation & Demand Management - Load Control Devices	630	0	0	0
<b>Total Operations Capital</b>	<b>13,587</b>	<b>10,080</b>	<b>10,647</b>	<b>7,674</b>
<b>4. Other Miscellaneous Capital</b>				
4a. Information Technology Enhancements	2,139	1,222	444	823
4b. Customer Information System Enhancements	872	1,666	429	1,351
4c. Financial System Enhancements	1,407	1,170	939	303
4d. New Computer Equipment / Replacement	420	908	680	800
4e. New Head Office	17,687	794	6,977	381
4f. Software Purchase	231	483	217	297
<b>Total Other Miscellaneous Capital</b>	<b>22,756</b>	<b>6,243</b>	<b>9,686</b>	<b>3,955</b>
<b>5. Total Smart Meters Program</b>	<b>10,225</b>	<b>6,994</b>	<b>6,667</b>	<b>12,975</b>
<b>Total Capital Expenditures</b>	<b>67,389</b>	<b>66,446</b>	<b>56,106</b>	<b>85,241</b>

PowerStream's capital program is characterized by a few very large projects. 2008 actuals were predominately influenced by a large delayed expenditure from 2007 (Head Office at \$6.2 M), and a large postponed expenditure into 2009 (Markham TS at \$8.8 M). This represents a net under spending in 2008 of \$2.6 M.

Additionally, the following major projects from 2008 have been postponed, shelved or are incomplete:

- Asset Condition Assessment \$1.6 M – spending postponed
- Voltage Conversion \$2.7 M – spending postponed
- Scada Upgrades \$1.0 M – spending postponed
- CIS Enhancements \$1.2 M – spending postponed

Refer to EP 4 for a description of additions to 2008.