

GEC Interrogatories to HONI

1. Re: Ex.A, Tab 14, Sched. 2, p. 7, I. 6

The data provided in tabular form indicates that approximately 45% of proposed projects under the RESOP did not proceed to full CIAs as they were “outside threshold”.

- a. Please discuss the impact that expected investments in “renewable enabling improvements” and “expansions” at both the transmission and distribution level will have upon this constraint.
- b. What are HONI’s projections for the level of CIA requests, threshold rejections, CIA completions, cost estimate completions and connection cost recovery agreements completed (or in each case the analogous step under the new DSC and FIT rules) for 2009 (full year), 2010, and 2011?
- c. What are the prospects for expansion of the ‘green zone’ in the coming periods and how might this affect the work plan and budget?

2. Re: Ex.A, Tab 14, Sched. 2, p. 8, I. 19

HONI states that:

...connection requests that are in excess of existing available system capacity will be assessed with respect to whether they can be enabled with economic additions to wires facilities. The OPA will do this assessment for transmission, Hydro One Distribution and other LDC’s will do the assessment of distribution enabling investments. In both cases, the assessments will be guided by the Board’s direction with respect to cost allocation and the degree of risk that expected generation projects will not proceed.

- a. Please elaborate on what costs and benefits will be included in such assessments of economics.
- b. Please illustrate how the risk of projects not proceeding will be evaluated.

3. Re: Ex.A, Tab 14, Sched. 2, p. 4, l. 13 & p. 26, l. 27

HONI notes that its distribution plan will be updated to reflect the CDM programs associated with the forthcoming CDM targets and that the assembled portfolio will be available for the Board's review and approval by the end of 2009.

- a. Please explain what aspects of the distribution plan will be updated and what costs or inputs to rate setting (as opposed to externally recouped costs) might be affected.
- b. Please indicate what process HONI anticipates for any consultation, review and approval of the expanded plan.
- c. Are CDM research costs such as those incurred in developing plan targets and other CDM related costs that are not program-specific included in rates or are they fully recovered through the OPA (please provide details)?
- d. In keeping with the government's policy of having leading CDM goals, has HONI reviewed the experience in leading jurisdictions? If so please provide the information gathered and any analysis of that information.
- e. Please provide any research and reports on the setting of suitable targets that HONI has assembled to assist in the setting of a target under the GEA.
- f. Has HONI been asked to propose a target? If so, what has HONI proposed, how has that goal been developed, and how does it compare to that assumed in the load forecast?
- g. What level of CDM program impact is assumed in the load forecast and what is the potential impact on revenues if the enhanced CDM program is delayed or accelerated by 6 months or one year?