



PUBLIC INTEREST ADVOCACY CENTRE

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ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

December 30, 2009

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor; 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: EB-2009-0139 Toronto Hydro Electric System Limited 2010 Rates
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)
on the Evidence of the Smart Sub-metering Working Group (SSMWG)**

Please find enclosed interrogatories to SSMWG on the above Evidence.

Yours truly,

Original signed

Michael Buonaguro
Counsel for VECC
Encl.

cc. Dennis O'Leary Counsel to SSMWG

Toronto Hydro-Electric System Limited
2010 Rates Application
Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)
On Evidence Filed on Behalf of the Suite Sub-Metering Working Group

VECC Question #1

Reference: Exhibit SSMWG Evidence Page 1

Preamble: In Paragraph 1 Mr Hanser States

"I provide evidence of the degree to which the revenues from the provision of this service fail to fully cover the costs of such services resulting in a cross-subsidization from THESL's regulated business to a competitively offered service in a series of tables at the end of this statement".

- a) Is Mr. Hanser aware that
 - i. THESL and all other utilities are required to provide smart meters to customers in the Residential and GS<50 kw classes and
 - ii. THESL customers pay both a rate rider to cover some of the historic costs and SM rate adder pending final disposition of deferral accounts recording the prudently incurred SM costs and
 - iii. these costs are/will be recovered from all ratepayers (including Suite sub-metered) in those classes?
- b) Provide a list of the important differences related to the rate treatment of costs for suite metering and THESL's smart metering Program.
- c) If as claimed by SSMWG, the costs for installation and operation of in-suite meters are different than for residential Smart Metering, provide a Comparison Table that illustrates these differences and demonstrates the basis of the claim of cross subsidy.
- d) If the costs of Suite sub-metering are materially different from SM, what regulatory approach(es) does SSMWG advocate based on other jurisdictions--for example creation of subclasses of residential customers.

VECC Question #2

References: Exhibit SSMWG Evidence Page 8 paras. 16 and 17

Preamble: Mr Hanser States

"The high end of my cost assumption for each suite-meter is \$747. It is derived by dividing the total 2007-2010 external capital costs related to suite metering (\$6.4 million) by the total 2007-2010 installed suite meters (8,564). The data for this computation were provided by THESL's responses to SSMWG's Interrogatories #1 and #3. On the lower cost end, I have assumed a \$444 cost per suite-meter. This cost is derived by dividing the THESL's total 2010 capital cost related to suite metering (\$2.4 million) by the number of 2010 forecasted installed suitemeters (5,600).6

- a) Does SSMWG believe the above Capital costs are in the appropriate range from its members' direct experience?
- b) Provide the experience- based cost range from its members
- c) Provide the basis of the annual O&M cost of \$210
- d) Provide the range of O&M costs from the experience of SSMWG members

VECC Question #3

References: Exhibit SSMWG Evidence Attachment Case 1A and Case 2A

- a) Provide a copy of the Revenue requirement Spreadsheet in Excel Format
- b) Provide a copy of Workpaper assumptions for New and Converted costs
- c) Provide more details of the rate revenue calculations at lines 23-26 including the references to THESL's proposed 2010 rate schedules
- d) What is the basis of the assumption of 450kwh/month in the context of Condominiums?
- e) Provide revenue calculations for consumptions of 250 and 750 kwh/month
- f) Explain the peak demand assumption of 2 kw
- g) Explain the basis of no change in revenue at lines 23/24