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February 23, 2010

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-2009-0186
Hydro Hawkesbury Inc. – 2010 Electricity Distribution Rate
Application

Please find enclosed the interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

Hydro Hawkesbury Inc. ("HHI")

Board File Number EB-2009-0186

Round #2 Interrogatories of the Vulnerable Energy Consumers' Coalition ("VECC")

(Note: Numbering continues from First Round)

Question #27

Reference: VECC #5 d) and g)

- a) Based on the class percentages set out in response to 5 d) and HHI's forecast sales by customer class for 2010, please provide a calculation of the non-RPP kWh's forecast for 2010.

Question #28

Reference: VECC #5 h)

- a) Please confirm that the \$68,765.10 is the actual LV cost for 2009. If not, please explain what the value represents.
- b) What adjustments were made to the 2009 costs in order to develop the projection for 2010?

Question #29

Reference: VECC #6 a) and b)

- a) The original 6 a) question asked for HHI to reconcile whether the LV costs for 2010 were \$70,600 or \$105,452. The response in part 6 b) includes tables with both values. Which value is the correct one for 2010?
- b) Please confirm that the rates proposed in Exhibit 8 were developed using \$70,600. Based on the response to part (a), please revise the rates proposed in Exhibit 8 as necessary.

Question #30

Reference: Board Staff #9 i)

- a) Please confirm that 2008 weather normal purchases are greater than actual 2008 purchases.
- b) If the response to part a) is yes, please confirm that for weather sensitive classes the share of actual purchases in 2008 will be less than the share of weather normal purchases.
- c) Based on the response to parts (a) and (b), please confirm that applying the actual 2008 share of purchases for weather sensitive classes to the 2010 weather normalized purchases forecast will understate the weather normalized 2010 sales for these classes. If not, please explain why.
- d) Please provide a schedule that sets out the HHI's forecast purchases for 2010; its total 2010 forecast retail sales and the implied loss factor for 2010. Please contrast this implied loss factor with HHI's historic loss factor and its proposed loss factor for 2010.

Question #31

Reference: Board Staff #18
VECC #11 b)

- a) Please explain why HHI considers the 2006 Cost Allocation results to be the appropriate starting point for the revenue to cost ratios for each class.

Question #32

Reference: VECC #10 b) & c)

Preamble: The response makes reference to dropping some of the comparators and resubmitting evidence.

- a) Please provide whatever additional evidence HHI wishes the Board to consider with respect to proposed 2010 fixed charges.
- b) Please confirm what HHI's proposal is with respect to the 2010 fixed charges for each customer class.
- c) The response to 10 c) states that HHI has the second lowest residential volumetric rate in the Ontario. Based on this fact, please explain why its fixed charge should be considered as too low.

Question #33

Reference: Board Staff #19

- a) Please provide the basis for the \$2.97 / kW Networks charge and the \$0.73 / kW Line Connection Charge used in the calculations.
- b) Please re-do the calculations using \$2.66 and \$0.70 respectively for Networks and Line Connection charges.

Question #34

Reference: Board Staff #11

- a) Please indicate when HHI first realized that its costs for drafting the rebasing evidence would exceed the initially estimated amount of \$80,000, by \$30,000.

Question #35

Reference: Board Staff #16

- a) If possible, please provide the historical amounts paid in PST for each year 2006-2009 inclusive with projected figures for 2009 if actual are unavailable. In providing this information, please show separately the amounts of PST paid on OM&A spending and capital expenditures for each year.

Question #36

Reference: VECC #8 b)

- a) Please provide the impact of the changes made to Accounts 4325 and 4330 on the 2010 revenue requirement.

Question #37

Reference: VECC #23 b)

- a) Please confirm that actual OM&A costs in 2004 were \$818,074 for HHI. If unable to so confirm, please provide actual 2004 OM&A costs.