



***PUBLIC INTEREST ADVOCACY CENTRE***  
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February 23, 2010

**VIA MAIL AND EMAIL**

Ms. Kirsten Walli  
Board Secretary  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli

**Re: Vulnerable Energy Consumers Coalition (VECC)  
EB-2009-0408 & EB-2009-0409  
Great Lakes Power Transmission Inc. – Transmission Revenue  
Requirement Change and Deferral Account Request**

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

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

Great Lakes Power Transmission LP ("GLPT") 2010 Transmission Rate Application  
Board File Number EB-2009-0408  
1<sup>st</sup> Round Interrogatories of the Vulnerable Energy Consumers' Coalition

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**Question #1** OSCC

**Reference:** Ex 1/T2/S1 page 16

a) Were there any incremental savings as a result of GLPT no longer providing OSCC services to the generation division? If so, please quantify; if not, why not?

**Question #2** PILS Calculation

**Reference:** Ex 1/T2/S4

a) Please explain how the "Provision for Income Taxes" was calculated for each year in the table.

**Question #3** Capital Projects in Service, 2007-2010

**Reference:** Ex 2/T1/S1 pages 3-38

**Preamble:** The evidence states on page 3 that "[t]he in-service date of each capital expenditure described in this section has occurred or will occur between 2007 and 2010."

a) For each project described in this section, please provide the planned in-service date and, where applicable, the actual in-service date.

**Question #4** Actual vs. Forecast CapEx

**Reference:** Ex 2/T1/S1 page 77, Table 2-1-1 C

- a) Please expand this table to show, for each year 2006-2009, the *ex ante* budgeted capital expenditures.
- b) Please provide the corporate capital budgets as approved by the Board of Directors for the transmission business for each year 2006-2010 inclusive.

**Question #5** Working Capital Allowance ("WCA")

**Reference:** Ex 2/T4/S1 page 1, Table 2-4-1 A

- a) Please provide a copy of the working cash study accepted by the Board in EB-2005-0241.
- b) Please identify any cost categories in the study for which GLPT expects that material changes in the lag days have occurred since 2006.

**Question #6** HST and PST – Capital Spending

**Reference:** Ex 2

- a) Please provide the actual provincial sales tax paid with respect to transmission capital expenditures for each year 2006-2009 inclusive.
- b) Please provide the projected provincial sales tax paid with respect to transmission capital expenditures for 2009.
- c) Please provide the estimated provincial sales tax paid with respect to transmission capital expenditures for 2010.
- d) Has GLPT reflected capital expenditure savings expected with the implementation on July 1, 2010 of the HST with respect to its 2010 capital expenditures and rate base?

**Question #7** Other Income, Merchandise and Jobbing, Accounts 4325 and 4330

**Reference:** Ex 3/T1/S2 page 1

- a) Given that for 2006 through 2010, the revenues and expenses from these activities have resulted in approximately zero net revenues, is there a net benefit by undertaking these activities?

**Question #8** Income Taxes

**Reference:** Ex 4/T1/S1 page 1, Table 4-1-1 A

- a) Please confirm that the income tax amounts for the years 2006-2008 inclusive were the income taxes actually paid on behalf of the transmission division for each of these years; if unable to so confirm, please provide corrected numbers.
- b) Please indicate how the income tax allocated to the transmission division was calculated for 2006-2008 inclusive.
- c) Please confirm that the income tax amounts for the years 2009 and 2010 correspond to the income taxes projected to be actually paid on behalf of GLPT for both of these years; if unable to so confirm, please provide corrected numbers.

**Question #9** Legal Structure

**Reference:** Ex 1/T1/S12, Appendix B, pages 5-6

- a) Please provide a high-level commentary with respect to the costs and benefits of the current corporate entities relationships to (i) the parent and (ii) to GLPT's customers.

**Question #10** HST and PST – OM&A Expenses

**Reference:** Ex 4

- a) Please provide the actual provincial sales tax paid with respect to transmission OM&A expenditures for each year 2006-2009 inclusive.
- b) Please provide the projected provincial sales tax paid with respect to transmission OM&A expenditures for 2009.
- c) Please provide the estimated provincial sales tax paid with respect to transmission OM&A expenditures for 2010.
- d) Has GLPT reflected OM&A expenditure savings expected with the implementation on July 1, 2010 of the HST with respect to its 2010 revenue requirement?

**Question #11** OM&A Costs and Transmission Service Revenues

**Reference:** Ex 4/T2/S1 page 2 and Ex 3/T1/S1 page 1

- a) Please confirm that starting from 2006 actuals, OM&A spending approximately doubles over the four-year period to 2010 (increasing by an annual compounded rate of over 18%) while transmission service revenues are flat over this same period.

**Question #12** Energy Audit on the Building Complex

**Reference:** Ex 4/T2/S1 page 7

**Preamble:** The pre-filed evidence states that GLPT will implement the recommendations of the audit in its portion of the complex.

- a) Will the non-GLPT areas of the complex also have the audit recommendations implemented also?
- b) If the answer to the previous part is "No," to what extent will potential energy savings by GLPT be adversely affected?
- c) If the answer to a) is "Yes," please indicate who will pay for the implementation and who will benefit from it.

**Question #13** COO North American Transmission Costs and Allocation

**Reference:** Ex 4/T2/S1 pages 26 and 28

- a) Please provide a list of all the entities under the purview of the North American transmission COO.
- b) Please describe precisely how the allocation of these costs to GLPT was determined.

**Question #14** OM&A Costs, Accounts 4810 and 4845

**Reference:** Ex 4/T2/S1 page 9 and Ex 4/T2/S2 page 6

- a) For each year 2006-2009 inclusive, please provide the total costs in these accounts and the amounts allocated to the generation and the distribution businesses.

**Question #15** Incentive Plan

**Reference:** Ex 4/T2/S3 page 4

- a) For each year 2006-2010 inclusive, please provide a comprehensive list of the financial drivers and corporate performance objectives that were used for the transmission business.
- b) For each year 2006-2010 inclusive, please provide the operating plans on which the performance objectives and financial drivers are based.
- c) Please elaborate on the three key performance criteria listed on lines 8-9, indicating how the criteria are weighted, etc.
- d) Please indicate whether non-regulated GLPL entities employ similar incentive plans.
- e) Please provide the operating budgets approved by the Board of Directors for the transmission business for each year 2006-2010 inclusive.

**Question #16** Shared Services for the 2009 Bridge Year

**Reference:** Ex 4/T2/S4 page 1, Table 4-2-4 A and page 11, Table 4-2-4 B

- a) Please indicate how the 2009 amounts shown in these two tables can be reconciled.

**Question #17** Cost of Equity

**Reference:** Ex 5

- a) Please indicate whether GLPT intends to issue new equity in 2010 or thereafter.