



PUBLIC INTEREST ADVOCACY CENTRE
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September 3, 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: EB-2010-0002–Hydro One Networks Inc Transmission
Vulnerable Energy Consumers Coalition (VECC)**

Please find enclosed the interrogatories of VECC to the evidence submitted by CME.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

**HYDRO ONE NETWORKS
2011-2012 TRANSMISSION RATE APPLICATION
(EB-2010-0002)**

**VECC INTERROGATORIES REGARDING
EVIDENCE FILED BY CME**

Question #1

Reference: Page 4 and Appendix C, T9

- a) Please explain how the forecast cost for CDM programs were established and indicate whether the costs are meant to reflect the increased spending required to meet the Minister's Directive regarding CDM targets for electricity distributors.

Question #2

Reference: Page 4 and Appendix C, T11

- a) Please explain the basis for the 2009 Distribution Revenue figure. The OEB's 2009 Statistical Yearbook reports a value of \$2,877 M for Total Revenue less Cost of Power and Related Costs.
- b) What is the basis for the assumption that distribution revenues will increase at 3% per annum in 2010 – 2012 and then 1.5% thereafter.

Question #3

Reference: Pages 7-8

- a) Please confirm whether the IESO energy forecast represents the MWhs billed to consumers. If not, please confirm that, in order to estimate consumer impacts, the value used (142.9 TWh) would need to be reduced to account for losses.
- b) Please confirm that the determination of the unit cost impacts does not account for the fact that the distribution costs only apply to a portion of the total kWh sold, i.e., do not apply to transmission-connected end-use customer such as large industry.
- c) If possible please restate the unit cost impacts distinguishing between: i) Non-Residential (Transmission Connected); ii) Non-Residential (Distribution Connected); and iii) Residential.