



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

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

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Buonaguro
Counsel for VECC
(416) 767-1666

October 8, 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-2010-0228
Hydro One Networks Inc. – New Rates and Fees Related to
Distribution Generation Projects

Please find enclosed the technical conference questions of VECC in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

cc: Ms. Anne-Marie Reilly

**HYDRO ONE NETWORKS INC.
APPLICATION FOR NEW RATES AND MISCELLANEOUS FEES
RELATED TO DISTRIBUTION GENERATING PROJECTS
EB-2010-0228**

VECC TECHNICAL CONFERENCE QUESTIONS

QUESTION TC #1

Reference: VECC #1 b)
OEB Staff #5 a)

Preamble: The response to Staff #5 a) states that the \$57.22 value was calculated using inputs from the RP-2003-0249 Decision.

- a) Please explain why the Hydro One Networks calculation assumes two telecom attachers when the Board Decision (see page 13) is based on 2.5 attachers.

QUESTION TC #2

Reference: OEB Staff #4 a)

Preamble: Hydro One Networks uses a 50' pole as the reference point, whereas the Board's RP-2003-0249 Decision (pages 9-10) used a 40' pole as the reference point for setting the joint use Telecom rate.

- a) Is Hydro One Network's use of a 50' pole predicated on the assumption that there are 2 utilities using the pole, with each requiring 10' of power space, whereas the Board Decision assumed only one LDC user? If not, please explain the basis for the change in pole size.
- b) If the 29.1% factor used by the Board to determine the Telecom joint use rate is based on a 40' pole, why is it appropriate to use the same factor (adjusted for number of attachments) when using a 50' pole as the reference?
- c) Please confirm that Hydro One Networks' determination of the generator's pole space responsibility assumes there is only one LDC (i.e., HONI) also using the pole and that any increase in pole size (over 50') is attributable to the generator. If not, please explain.
- d) How would Hydro One Networks adjust the rate applicable to generators if there was also a second LDC and/or more than one generator using the pole?

- e) Are there any other reasons (other than increased space requirements by the generator) that would lead to HON using a pole size of greater than 50'? If so, how does HON propose to take this into account in determining the charge to generators?

QUESTION TC #3

Reference: OEB Staff #4 a)

- a) With respect page 2, states that where a taller pole (relative to 50') is required the physical non-power space will remain the same. However, at Exhibit B/Tab 1/Schedule 1. page 6 it is stated that "the proportion of the available power space is 56.2% of the incremental height", which suggests that the non-power space increases with the higher pole. Please reconcile.
- b) With respect to page 2, please explain why with a 60' pole where the generator's space requirements are twice that of Hydro One Networks (20' vs. 10') the proposed charge is only 33% higher than the Hydro One Networks' cost.
- c) The total power space cost on a 50' pole is \$57.22 for 20' of space. However, the total power space cost on a 70' pole is \$71.53 for 40' of space. Please explain why the total cost only increases by 25% when the power space required increases by 100%.

QUESTION TC #4

Reference: Board Staff #8 a)

- a) With respect to the cost based time studies referred to please provide either i) the reference to where in the evidence for EB-2009-0096 the actual studies for large, medium and small generation projects can be found or ii) copies of studies if not provided as part to that hearing's record.

QUESTION TC #5

Reference: Energy Probe #6
OEB Staff #4 a)

- a) The response to Energy Probe suggests that the joint use rates charged to LDCs are negotiated; whereas the response to Board Staff indicates the currently applicable rate was approved by the OEB in EB-2005-0378. Please reconcile.