



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 15, 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
EB-2009-0262 and EB-2010-0121
Clinton Power Corporation and West Perth Power Inc. – 2010 Electricity
Distribution Rate Applications**

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

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

cc: Clinton Power Corporation
Attention: Mr. Wally Curry, President & CEO

West Perth Power Inc.
Attention: Mr. Wally Curry, President & CEO

**WEST PERTH POWER INC.
2010 RATE APPLICATION**

(EB-2010-0121)

VECC'S INTERROGATORIES (ROUND #2)

(Numbering continues from Round #1 Interrogatories)

Question #29

Reference: VECC #1 a)

- a) Please provide more details regarding the data unavailability problems that led to the Application being filed 10 months after the Board's August 2009 filing date.

Question #30

Reference: VECC #6
OEB Staff #12 d) – f)

- a) Please provide an updated set of Continuity Statements (Exhibit 2/Tab 2/Schedule 2) that reflects the 2009 final values and corrects the various errors noted.
- b) Are the results provided in response to part (a) consistent with the Rate Base Summary provided in response OEB Staff #11. If not, please reconcile.

Question #31

Reference: VECC #9
OEB Staff #13

- a) Please provide an update on the anticipated delivery/in-service date for the RBD.

Question #32

Reference: VECC #8 g)

- a) Please provide the schedule requested in the original question.

Question #33

Reference: VECC #12
OEB Staff #19 – Steps # & #8
Exhibit 3/Tab 2/Schedule 2, page9

- a) Please comment on the level of the R^2 values for both equations, the implied robustness of the results and the appropriateness of using them for purposes of weather normalization.
- b) Please explain why no t-statistic was available since it is one of the outputs of most standard regression packages (parts (v) & (w) from original question).
- c) Please provide the requested data requested in parts (y) and (z) of the original question and indicate the period the data covers.

Question #34

Reference: VECC #14
OEB Staff #39 a)

- a) With respect to part (f), please provide a breakdown as to the estimated cost for each component listed. The cost components listed in OEB Staff #39 a) only total to \$162,000 not \$172,000.
- b) With respect to parts (f) & (g), please confirm that the internal management costs included here aren't already captured under another Administrative & General account.

Question #35

Reference: OEB Staff 37
VECC #14 (i) & (j)

- a) The file provided electronically in response to OEB Staff #37 indicates that all employee costs are capitalized. Please review and revise as necessary.
- b) Please reconcile any differences between the response to part (a) – above – and the response to VECC #14 (j).

Question #36

Reference: VECC #16

- a) Please indicate which Board Staff interrogatory response addresses part (d).
- b) Please provide a response to part (f).

Question #37

Reference: OEB Staff #18

- a) What is the basis/source of the prices used for each cost of power component?
- b) What portion of West Perth's 2009 sales to each customer class are RRP vs. non-RRP?

Question #38

Reference: OEB Staff #41

- a) Please confirm that there are no charges from EPTL included in the proposed revenue requirement for 2010.

Question #39

Reference: VECC #19

- a) Please indicate which OEB Staff interrogatory response provides the derivation, by rate class of revenues for 2010 based on current (2009) rates calculated as indicated in the original question. In the alternative, please respond to the original question.

Question #40

Reference: VECC #20 and #21
OEB Staff #59 c)

- a) Please reconcile the customer count used in the updated Cost Allocation (Sheet I6) with that presented in Exhibit 3. Please revise the Cost Allocation as necessary,
- b) Please confirm that the Miscellaneous Revenues and Total Revenue Requirement used in the Cost Allocation do not match the data in the RRWF.
- c) Please confirm that the updated Cost Allocation still includes the “cost” of the TOA in the revenue requirement (per Sheet I3).
- d) With respect to the updated Cost Allocation, please explain how the Distribution Revenue by Customer Class shown in Sheet O1 (Row #18) was determined. Please provide the volumes and rates used for each class.
- e) With respect to the response to VECC #21 f) and g), please indicate the specific SEC IR response being referred to and confirm that it directly addresses the questions asked. (Note: The referenced file does not appear to be in the OEB’s web drawer).

Question #41

Reference: VECC #22

- a) With respect to part (i), please explain why the very same question was confirmed in the response to Clinton’s interrogatories (VECC #20 a)) but not confirmed for West Perth.
- b) Please provide responses to parts (j), (m), (n) and (o). of the original question.

Question #42

Reference: VECC #23

- a) Please indicate which OEB Staff IR response specifically responds to this question. In the alternative, please provide a response.

Question #43

Reference: VECC #24 and #25
OEB Staff #66, 67 and #68

- a) The Board Staff responses do not specifically address the issues raised in the VECC IRs. Please provide the requested information.

Question #44

Reference: VECC #26, #27 and #28

- a) Are the revised continuity schedules available? If yes, please provide. If not, please indicate when they are expected to be completed.

**CLINTON POWER CORPORATION
2010 RATE APPLICATION**

(EB-2009-0262)

VECC'S INTERROGATORIES (ROUND #2)

(Numbering continues from Round #1 IRs)

Question #27

Reference: VECC #1 a)

- b) Please provide more details regarding the data unavailability problems that led to the Application being filed 10 months after the Board's August 2009 filing date.

Question #28

Reference: VECC #5 a)

- c) Please explain the significant increase in capital spending on underground facilities (Accounts #1840 & 1845) in 2009 over 2008.

Question #29

Reference: VECC #6 b)

- b) Reference is made to an "attached comprehensive report". However, there appears to be no attachment. Please provide a copy of the referenced assessment and/or indicate where it has been previously filed.

Question #30

Reference: VECC # 7 a)

- b) Please provide the information requested in the original interrogatory.

Question #31

Reference: Exhibit 2, Tab 2, Schedule 3, pages 9-10

- a) The Continuity Statements show \$40,000 in additions to Meters (Account #1860) for 2010. Please explain this spending. Please confirm that spending on smart meters is recorded in a variance account and not included in rate base..

Question #32

Reference: VECC #10

- d) With respect to part (d), please confirm that the June 8, 2010 load forecast values were used in the Cost Allocation and Rate Design sections of the Application.
- e) Given the low R^2 values for both equations, please comment on the robustness of the results and the appropriateness of using them for purposes of weather normalization.
- f) Please explain why no t-statistic was available since it is one of the outputs of most standard regression packages (parts (h) & (i)).
- g) With respect to parts (n) and (o), what month is the data for/up to?

Question #33

Reference: VECC #13

- c) With respect to part (a), please provide a breakdown as to the estimated cost for each component listed.

Question # 34

Reference: VECC #14
OEB Staff #34

- c) With respect to VECC #14 (a), the values reported in OEB #34 do not match those in Exhibit 2/Tab 2 – the Continuity Schedule (after removing the bucket truck @ \$240,000). Please reconcile the asset values reported for purposes of determining depreciation with those reported in the Continuity Schedule.

- d) With respect to VECC #14 (b), is the “error” in the Continuity Schedules only with respect to Poles and Wires (#1830) or are corrections required to other accounts?
- e) Please provide updated 2010 depreciation and rate base values that incorporate these corrections. Please show the revised values by asset account.

Question #35

Reference: VECC #17

- b) The responses to the OEB Staff IRs do not appear to provide the requested information. Please provide a specific cross reference to the OEB Staff response(s) where the information can be found or provide the schedules requested.

Question #36

Reference: VECC #18
OEB Staff #44 a) and #45 c)

- f) In response to OEB Staff #44 a), a revised cost allocation is provided using EPTL data. However, the load data used in Sheet I6, the revenue requirement reported in Sheet O1 and the Miscellaneous Revenue by customer class reported in Sheet O1 all appear to have the same issues as identified in VECC #18 parts c) through f). Please provide a revised version of this Cost Allocation run with the corrected load data, corrected revenue requirement, correct treatment of the TOA and a reconciled allocation of miscellaneous revenues.
- g) OEB Staff #45 makes reference to an “updated” 2010 Cost Allocation (based on Atikokan’s load profiles). VECC has been unable to locate this file on the Board’s web site and requests that a copy be filed.
- h) With respect to the file provided in response to part (b), please confirm that the cost and load data addresses the issues noted in VECC #18.

Question #37

Reference: VECC #19

- a) It is assumed the response references SEC #15. The table provided therein does not address the question originally asked. Please provide a response to VECC #19..
- b) Please provide a schedule that sets out how the Distribution Revenues by Class as shown in the Cost Allocation Model (i.e., Totalling \$530,539 were determined). Please clarify the basis for the rates used.

Question #38

Reference: VECC #20

- c) The results for part (b) do not represent the MSC ceiling for each class, but rather just 120% of the current MSC value. Please correct the response.
- d) Please provide a response to parts (g) and (h).

Question #39

Reference: VECC #22 and #23

- b) The Board Staff responses do not specifically address the issues raised in the VECC IRs. Please provide the requested information.

Question #40

Reference: VECC #24 and #26

- b) Are the revised continuity schedules available? If yes, please provide. If not, please indicate when they are expected to be completed.

Question #41

Reference: OEB Staff #11 b)

- a) Please provide an update on the expected delivery/in-service date for the bucket truck.

Question #42

Reference: OEB 13 a) & d)

- a) Please provide the details supporting the revised 2010 Cost of Power expense of \$2,912,793 (per the electronic spreadsheet provided). For each cost component, please confirm if the rates used have changed from those shown in response to part (d).
- b) What is the basis/source of the prices used for each cost of power component?
- c) What portion of Clinton's 2009 kWh sales to each customer class are RRP vs. non-RPP?

Question #43

Reference: OEB #23 d) and e)

- a) Please indicate the status of the preparation of the response to these interrogatories.

Question #44

Reference: OEB #28

- a) Please confirm that there are no charges from EPTL included in the proposed revenue requirement for 2010.

Question #45

Reference: OEB #56 b)

- a) Please indicate the status/results of Clinton's review.

Question #46

Reference: OEB #30
VECC #13 c)

- a) The file provided electronically in response to OEB Staff #30 indicates that all employee costs are capitalized. Please review and revise as necessary.