



PUBLIC INTEREST ADVOCACY CENTRE
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December 10, 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)
Notice of Intervention: EB-2010-0291**

**Great Lakes Power Transmission LP – Application for 2011 and 2012
Rates**

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

Great Lakes Power Transmission LP ("GLPT")

Board File Number EB-2010-0291

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

Question #1 Organizational Charts

Reference: Exhibit 1 Tab 1 Schedule 12 Appendices A and B

- a) Have there been any changes in either The Utility Organizational Structure or the Corporate Entities Relationship Chart since GLPT's previous application? If so, please provide a brief explanation of all changes.

Question #2 Third Line TS 115 kV Redevelopment Project

Reference: Exhibit 2 Tab 1 Schedule 1 page 7 and
Exhibit 9 Tab 1 Schedule 5 page 1

Preamble: The first referenced page states that *"With the completion of the main construction phases of this project, the existing 115 kV section of the station will be retired and removed from GLPT's rate base. The net book value of the assets to be removed from rate base at the end of 2011 is \$910,534."*

The second reference states that GLPT is proposing to begin recovery of this amount, net of any gains or recoveries, beginning January 1, 2011.

- a) Are there any regulatory or accounting considerations or issues raised by effectively beginning recovery of these net costs while the assets to be retired are still in rate base?
- b) What efforts will GLPT undertake to get gains or recoveries from the assets to be retired?

Question #3 Third Line TS 115 kV Redevelopment Project

Reference: Exhibit 2 Tab 1 Schedule 1 pages 4-8

- a) Please provide a status update on this project. Has Phase I been completed?

Question #4 Capital Expenditure Projects, 2011 and 2012

Reference: Exhibit 2 Tab 1 Schedule 1 pages 2-22

- a) Please provide a summary table showing, for each project identified in the referenced pages, the forecast costs to be incurred in 2011 and 2012 separately, the estimated in-service date of the project, and the amounts to be included in rate base in 2011 and 2012 separately.
- b) Does GLPT use the half-year rule with respect to depreciation?

Question #5 HST Savings on Capital Expenditures

Reference: Exhibit 2 Tab 1 Schedule 1

- a) Has GLPT reflected PST-related savings on capital expenditures for 2010, 2011, and 2012 now that the HST has been implemented? If so, please explain how GLPT has adjusted these costs. If not, why not?

Question #6 Capital Budgeting

Reference: Exhibit 2 Tab 5 Schedule 1

- a) Please identify who or which entity gives final approval to GLPT's capital budgets.
- b) Please provide a copy of the capital budgets for 2010, 2011, and 2012 as approved by GLPT along with the dates on which these budgets were approved.
- c) Does GLPT have a multi-year capital plan? If so, please provide a copy of the most recently approved multi-year capital plan.

Question #7 Rate Base - Summary and Continuity

Reference: Exhibit 2 Tab 2 Schedule 1 pages 4-6

- a) Please provide details with respect to Additions to Account #1930, Transportation Equipment, in 2010, 2011, and 2012.
- b) Please provide the 2010 year-to-date Additions to Account #1930.
- c) Please explain why no disposals are shown for Account #1930 in 2010, 2011, and 2012.

Question #8 Working Capital Allowance

Reference: EB-2010-0291 Exhibit 2 Tab 4 Schedule 1 page 1 Table 2-4-1 A and
EB-2009-0408 Exhibit 2 Tab 4 Schedule 1 page 1 Table 2-4-1 A

- a) Please provide a summary of GLPT's 2011 and 2012 Working Capital Requirements in a similar format to the information provided in Table 2-4-1 A in the 2010 rates application (EB-2009-0408).

Question #9 Operating Revenue

Reference: Exhibit 3 Tab 1 Schedule 1 page 1, Table 3-1-1 A

- a) Please provide the most recent year-to-date actual operating revenue for 2010.
- b) Please provide the year-to-date actual operating revenue for 2009 over the same period in 2010 as in GLPT's response to part a) of this interrogatory.

Question #10 Other Income

Reference: Exhibit 3 Tab 1 Schedule 2

- a) Please explain how GLPT has estimated Net Rent from Electric Property in 2011 and in 2012.
- b) Does GLPT recover its full cost of capital for assets used in providing Merchandising and Jobbing services provided by GLPT to other parties? If so, please the amounts of such recoveries in 2010, 2011, and 2012. If not, how is the cost recovery "full"?
- c) Please explain how GLPT estimated Revenues from Merchandising, Jobbing, Etc. in 2011 and in 2012.
- d) Please explain the large difference between 2010 approved Revenues from Merchandising, Jobbing, Etc. and 2010 forecasted Revenues from Merchandising, Jobbing, Etc.

Question #11 OM&A Costs

Reference: Exhibit 4 Tab 2 Schedule 1

- a) Are there any amounts included in GLPT's revenue requirements application, either directly or indirectly (e.g., as a component of management fees charged) for Directors or

Board(s) of Directors of affiliated or related non-utility entities? If so, please provide full details of the amounts included and the recipients of these amounts.

Question #12 Shared Services & Corporate Cost Allocation

Reference: Exhibit 4 Tab 2 Schedule 3 pages 1-2

- a) Please explain how GLPT has forecasted the 2010, 2011, and 2012 Office Complex costs for Rent and for Operations and Maintenance.
- b) Please provide the actual year-to-date 2010 Office Complex costs for Rent and for Operations and Maintenance.

Question #13 New/Forecasted Debt

Reference: Exhibit 5 Tab 1 Schedule 1 page 4

- a) Has GLPT considered obtaining any new debt requirements from Infrastructure Ontario? If so, please indicate why GLPT has chosen to secure new debt financing from its partners at the Board's deemed long-term debt rate. If not, why not?