

Technical Conference Questions

Niagara Peninsula Energy Inc.

EB-2010-0138

1. Service Reliability Indices

Ref: Board staff Interrogatory # 5

Please provide the 2010 SAIFI index, to complement the SAIDI update provided in the response.

2. Telephone Accessibility

Ref: VECC Interrogatory # 20

NPEI provided at pp. 50-51 information that showed performance during 2010 that fell far below the standard, whereas the performance reported in the Application for 2009 was marginally below standard. NPEI also provided an explanation of corrective measures undertaken, and showed monthly statistics for the latter months of 2010 and early 2011.

- a) Please confirm that the corrective measures taken are responsible for the improved performance, and that NPEI expects to maintain the Telephone Service Factor above 65% in the future.
- b) Please explain why the percentage of general inquiries picked up within 30 seconds is systematically lower than the percentage of billing, collections, and specific service calls.

3. Asset Management Plan & Asset Condition Assessment

Ref: SEC Interrogatory # 3, Appendix C

NPEI's 2011 Business Plan includes approximately \$4.5 million for replacement of deteriorated facilities, at p. 22 of the Asset Management Plan, calculated as the total Sustaining Capital less the road work and minor betterments projects. Sustaining Capital is planned to stay at approximately a constant level through the period to 2015. However, the Asset Condition Assessment (Appendix A to the Asset Management Report) shows at p. vi that Kinectrics had identified slightly more than \$2 million for replacements, and this amount gets progressively smaller through the period.

- a) Does the 2011 capital expenditure plan include a significant amount of replacement of assets beyond those recommended by Kinectrics, and if so, how does NPEI identify which assets to replace?
- b) Please reconcile NPEI's plan for sustaining capital (Appendix C, p. 24) above \$5 million annually, with the Kinectric's recommendation which is below \$1.7 million by 2014.

4. LEAP contribution

Ref: Board staff Interrogatory # 3 & Energy Probe Interrogatory # 28

NPEI stated in its response to staff # 3 that there is no cost included for LEAP. In its response to Energy Probe, the information appears to be that an amount is included for LEAP but not for any other contribution.

Please confirm whether the requested revenue requirement includes the amount of \$38,906.

5. Revenue to Cost Ratios after 2011

Ref: Exhibit 7, p. 32

The Application proposes that ratios will be adjusted to the Board's target range over the next three years.

- a) For the sake of completeness, please expand on NPEI's proposal for revenue to cost ratios of the Street Light and Sentinel Light rate classes, by specifying ratios for each year until they are at the target range.
- b) Please confirm that the increased proceeds are intended to decrease the ratio of the GS>50 kW class in each year.