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BY COURIER

April 20, 2011

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Ms. Walli:

**EB-2011-0085 – Erie Thames Powerlines Corporation Application for Service Area
Amendment – Hydro One Networks Inc. Interrogatory Questions**

I am attaching two (2) copies of Hydro One Networks (“Hydro One”) interrogatory questions on Erie Thames Powerlines Corporation’s Evidence.

A copy of this cover letter and the attached interrogatory questions have been filed in text-searchable electronic form through the Ontario Energy Board's Regulatory Electronic Submission System and the confirmation slip is also enclosed.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

c. Mr. Chris White, Erie Thames Powerlines Corporation

**Erie Thames Powerlines Corporation
EB-2011-0085**

Hydro One Networks Inc. Interrogatory Questions

**Reference: Erie Thames Application Section 7.1.2
Erie Thames Application Section 7.2.1**

Interrogatory # 1

- a) Please describe the route that Erie Thames proposes to follow, including any easements required, to connect the development.
- b) Please provide the estimated cost of obtaining any such easements.
- c) Please confirm if Erie Thames intends to ask for a permit for joint use in Hydro One's service territory along Harris St. to feed the Sifton subdivision.
- d) If a joint use permit is not requested, is Erie Thames intending to build plant in Hydro One's current service territory?
- e) Hydro One currently has facilities at the entrance to this subdivision. Is it Erie Thames' intention to put a pole right beside Hydro One's facilities?

**Reference: Erie Thames Application Appendix:
Reference 1: Tab 8 'Harris View Phase 1' Cost comparison table
Reference 2: Tab 8 Offer to Connect, Schedule 3, page 2
Reference 3: Tab 8 Economic Evaluation Model**

Interrogatory #2

In the comparison table (Reference 1) the Connection Rebates amount is \$95,162.58 (54 connections x 2010 credit of \$1,762.27). However, as described in the Offer to Connect and presented in the economic evaluation model ("EEM") (Reference 2), the connections will take place over a 5-year period and the rebate per connection declines each year. The total actual rebates shown in the EEM total \$81,636 in current dollars (Reference 3), the present value of those rebates will be somewhat lower.

- a) Please confirm which rebate amount is correct. The \$95,163 in Reference 1, or the \$81,636 in Reference 3?
- b) If the correct rebate is \$81,636, please update the comparison table in Reference 1 and other elements of the filing to reflect the present value of the actual rebates expected.
- c) If the correct rebate amount is \$95,163, please explain why the EEM model shows \$81,636.

Reference: Erie Thames Application Appendix, Tab 8, Schedule 4, page 2Interrogatory # 3

In Schedule 4, Erie Thames indicates that “If Erie Thames Powerlines Corporation is chosen to complete the contestable portion of the installation, there will be no inspection charges. However, if another contractor is chosen to complete the installation, inspection charges of \$87.64 per hour plus H.S.T. will be applied.”

The Distribution System Code, Section 3.2.9, indicates that the offer to connect should include an “amount for any additional costs that will occur as a result of the alternative bid option being chosen (including, but not limited to, inspection costs).”

- a) Please provide a total cost estimate for these inspection or any other charges should the developer choose to utilize a contractor other than Erie Thames.

Reference: Erie Thames Application Appendix, Tab 8, Schedule 4, page 2Interrogatory # 4

In Schedule 4, Erie Thames indicates that “Additional charges of \$360.00 + tax (2010 price) per service installation will be applied as per Erie Thames Powerlines Typical Residential Service Entrance specification.”

- a) Please describe the service provided for this charge and indicate where the total charges are included in the offer to connect.
- b) Does this charge cover the cost of secondary cable from the splice point to the meter base? If not, please indicate where in the offer to connect those costs have been included.

Reference: Erie Thames Application Appendix, Tab 8 ‘Harris View Phase 1’ Cost comparison tableInterrogatory # 5

The Distribution System Code, Section 3.2.9, indicates that the offer to connect should include the cost of overheads and administration.

- a) Please indicate the amount of overhead and administration costs, for both contestable and non-contestable work, that have been included in the Erie Thames’ offer to connect. If no costs have been included, please indicate the reasons why.
- b) Please indicate in what line item they appear in the above-referenced comparison table.

- c) Please provide a cost comparison table similar to that referenced above that shows non-contestable work only, and includes any credits and adjustments to costs based on the responses to this and other interrogatory questions (Questions 2-5).

Reference: Erie Thames Application Section 7.1.2, page 5

Interrogatory # 6

Erie Thames contends that “approval of this application would reduce customer confusion and provide for consistency in the provision of CDM Programs within the community”.

- a) Apart from OPA-contracted province-wide programs, what regional or local CDM programs have Erie Thames had approved by the OEB?
- b) If the response to part a) is none, does Erie Thames intend to apply for and run its own LDC-funded CDM programs?

Reference: Erie Thames Application Section 7.1.2, page 5, Section 7.2, page 9

Interrogatory #7

The applicant discusses the reliability issues on 38M50 and how they negatively impact Erie Thames customers.

- a) Please explain how Erie Thames’ reliability, feeding from the 38M50 feeder, could differ from Hydro One’s reliability since both companies will use that same feeder to serve the Sifton development?
- b) In the above mentioned reference on lines 29-30, Erie Thames wrote “incidents on the 38M50 in Hydro One’s service area have in the past caused interruption to Erie Thames customers.” Please specify if these ‘incidents’ were upstream or downstream of Erie Thames’ service territory (see Tab 6, Diagram of Existing Circuit).
- c) If the incidents were downstream, how could this impact reliability in Erie Thames’ service territory?
- d) If an upstream incident were to occur, please confirm that reliability for the Sifton subdivision would be the same if either Hydro One or Erie Thames provided service to it.
- e) Is Erie Thames planning to build another 27.6 kV feeder to the end of their service territory to connect this development, rather than use the M50? If so, what are the costs and where have they been included in the application?

Reference: Erie Thames Application Section 7.1.2, page 5, lines 34-37Interrogatory # 8

“Due to the location of the subject area and the fact that Erie Thames has an operation centre within the municipal boundaries of the Town of Ingersoll, Erie Thames crews would respond to any emergency outages in the subject area within 20 minutes”

- a) Please confirm that Hydro One has a service centre in Beachville which is approximately 10 kms from the proposed development.
- b) Please indicate the type of service truck (i.e. pick-up truck or bucket truck) and the number of crew and their qualifications that Erie Thames sends out as first response to emergency calls.

Reference: Erie Thames Application Section 7.1.2, page 9, lines 32-36Interrogatory # 9

“Erie Thames has an aggressive 3 year cycle vegetation maintenance program. Hydro One’s vegetation management cycle is 7 years. Timely outages are usually the result of severe wind storms that take down trees and snapped poles. The frequency of Erie Thames’ maintenance program reduces the risk of an outage.”

- a) Please confirm that if Erie Thames used the 38M50 feeder to access the subdivision, it would be subject to the same outages caused from vegetation management practices as would Hydro One, if Hydro One served the subdivision.
- b) Please confirm whether the distribution lines to be installed by Erie Thames in the new subdivision will be overhead or underground, and if underground, that vegetation management practices within the subdivision are not relevant to this application.

**Reference: Erie Thames Application, page 6, lines 23 - 24
Erie Thames Application, Tab 4, Map 4.**Interrogatory # 10

Page 6 of the application lines 23-24 read, “If Hydro One connects the subject area, customers would be added rather than eliminating load transfer arrangements.”

Further on Map 4, Tab 4 Erie Thames has identified existing long term load transfer customers.

- a) Please confirm whether there will be any existing LTLTs eliminated if Erie Thames’ application is approved, and if so identify them and how they would be eliminated.

Reference: Erie Thames Application, page 6, lines 21-24Interrogatory # 11

In the above reference, Erie Thames equates retail point of supply with load transfer arrangements.

- a) Please confirm that retail point of supply (RPS) and load transfers are not the same, and if Hydro One connects the subdivision through a RPS using the 38M50 feeder there would be no difference between Hydro One's quality of service at the subdivision and Erie Thames'.
- b) Please confirm that there is no OEB prohibition on using a RPS for new connections.
- c) Please confirm that using a RPS for new connections is common practice within Ontario.
- d) Please confirm (see Tab 6, Diagram of Existing Circuit) that Erie Thames is itself supplied through a RPS on the 38M50 and 38M49 feeders from Hydro One's Ingersoll TS, which first passes through Hydro One Distribution's service area before reaching Erie Thames service area, at which points there are primary meters (PME-38M49 and PME-38M50)