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August 22, 2011

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-2011-0128
PowerStream Inc. - Smart Meter Cost Recovery Application

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

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

EB-2011-0128

ONTARIO ENERGY BOARD

IN THE MATTER OF
the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B), as amended;

AND IN THE MATTER OF an Application by PowerStream Inc.
for an order or orders approving or fixing just and reasonable distribution rates related to Smart Meter deployment, to be effective November 1, 2011.

Information Requests of the Vulnerable Energy Consumers Coalition (VECC)

VECC Question # 1

References: PowerStream Smart Meter Cost Recovery Application, Smart Meter Program Costs

Preamble: In this Application, PowerStream is seeking the recovery of costs related to the installation of 69,393 smart meters in the North rate zone from inception of the program to April 30, 2011, and 21, 725 smart meters from January 1, 2010 to April 30, 2011 in the South rate zone.

a) Please complete the following table to show the actual and planned smart meter installations by year, rate zone & customer class.

Year	North Zone Residential	North Zone GS < 50kW	Total North Zone	South Zone Residential	South Zone GS< 50kW	Total South Zone
2006 Actual						
2007 Actual						
2008 Actual						
2009 Actual						
2010 Actual						
Jan 1 to April 30, 2011						
2011 Forecast						
Total						
Number of Outstanding Installations						
Total Number of						

Customers						

VECC Question # 2

Reference: PowerStream Smart Meter Cost Recovery Application, Page 17 Table 1 & Page 30 Table 12, Summary of Smart Meter Capital Costs

Preamble: Table 1 and Table 12 provide details on smart meter capital costs for the North and South Zones, respectively by customer class.

a) For the North Zone, please provide the actual smart meter installations and capital costs for the years 2006, 2007, 2008, 2009 and 2010 by customer class. Please breakdown the full capital costs to show meter costs, installation costs and all other cost categories separately by customer class.

b) For the South Zone, please provide the actual smart meter installations and capital costs for the years 2006, 2007, 2008 and 2009 by customer class. Please breakdown the full capital costs to show meter costs, installation costs and all other cost categories separately by customer class.

c) Table 12 shows that PowerStream was able to reduce the average installed cost per meter for the residential and GS<50 kW meters in 2011. Please explain.

d) The total installed cost per meter and the installed cost per meter by customer class for the North rate zone (Page 12) is significantly less than the installed costs per meter for the South rate zone (Page 12). Please explain.

VECC Question # 3

References: PowerStream Smart Meter Cost Recovery Application, Pages 24-26, Tables 5, 6 & 7

Preamble: Appendix 1includes worksheets that calculate revenue requirement, net fixed assets and the rate rider to recover smart meter costs for the North rate zone.

a) Please provide a copy of these worksheets by customer class.

b) Please recast Tables 5, 6 and 7 by customer class based on the revised worksheets. Reconcile to Tables 5, 6 & 7.

VECC Question # 4

References: PowerStream Smart Meter Cost Recovery Application, Page 38-40, Table 17, 18 & 19

Preamble: Appendix 2 includes worksheets that calculate revenue requirement, net fixed assets and the rate rider to recover smart meter costs for the South rate zone.

a) Please provide a copy of these worksheets by customer class.

c) Please recast Tables 17, 18 and 19 by customer class based on the revised worksheets. Reconcile to Tables 17, 18 and 19.

VECC Question # 5

References: PowerStream Smart Meter Cost Recovery Application, Smart Meter Disposition and Smart Meter Incremental Revenue Requirement Calculations

a) Based on the responses to questions regarding costs, revenue requirement and rate riders by customer class, please provide a summary and comparison to as filed, of the rate changes for each rate zone.

b) Please update the bill impacts for each rate zone as required.

VECC Question # 6

References: PowerStream Smart Meter Cost Recovery Application, Page 21 Table 4 & Page 35 Table 16, OM&A Costs

a) Table 4 on Page 21 and Table 16 on Page 35 show a breakdown of 2010-2011 OM&A Costs for the North rate zone and South rate zone, respectively. Please provide a detailed explanation of each of the categories listed: AMI Systems Operation, Maintenance, Customer Communication, and Change Management.

b) For the North rate zone, please provide a breakdown of the OM&A costs for meters installed in 2008, 2009, 2009 and 2011by customer class.

c) For the South rate zone, please provide a breakdown of the OM&A costs for meters installed in 2010 and 2011by customer class.

VECC Question # 7

Reference: PowerStream Smart Meter Cost Recovery Application, Page 12

Preamble: The evidence states, “Due to delays in availability of approved 3-phase smart meters, PowerStream was unable to complete the planned installations for the GS<50 kW class in 2010.

Please explain the cause of the delays in availability of 3-phase meters and when the delay ended.

VECC Question # 8

Reference: PowerStream Smart Meter Cost Recovery Application, Page 15

Preamble: Approximately 2% of residential installations required more expensive smart meters. These installations were for larger 400 amp services and for installations where there was a need for a meter with enhanced communication capabilities.

a) Please provide a description of the more expensive residential smart meters.

b) Please provide the total number of meters installed by year.

c) Please describe the situation where a residential installation would require enhanced communication capabilities.

VECC Question # 9

Reference: PowerStream Smart Meter Cost Recovery Application, Page 19 Table 2 & Page 33 Table 14

Preamble: Table 2 and Table 14 provide a comparison of 2010 estimated to actual capital costs for the North rate zone and South rate zone, respectively. For the north and south rate zones, the actual capital costs for programming of billing systems was higher than estimated spending to meet the many changes to the requirements from the Provincial MDM/R.

PowerStream indicates it has accrued $200,000 for programming of its billing systems to meet new billing requirements and of this amount $45,000 has been allocated in the North rate zone (Page 18) and $155,000 has been allocated to the South rate zone (Page 32) based on the total number of smart meters installed in each zone.

Please provide a breakdown of Customer Billing Costs by customer class for each rate zone.

VECC Question # 10

Reference: PowerStream Smart Meter Cost Recovery Application, Page 11, Provincial Meter Data Management and Repository (MDM/R)

Preamble: PowerStream has not included any amounts in the actual or projected costs for charges for use of the Provincial MDM/R. PowerStream anticipates being permitted to recover these costs at a later date. PowerStream estimated the 2010 MDM/R costs for the South rate zone at $441,000 (Page 34).

Please provide the actual and projected cost information for the MDM/R charges for each rate zone by year.

VECC Question # 11

Reference: PowerStream Smart Meter Cost Recovery Application, Page 20, Table 3

Preamble: Table 3 provides a comparison of Estimated to Actual OM&A Costs (North). PowerStream indicates that the favourable variance in the AMI operational costs is mainly due to lower pricing for monthly system monitoring than was available at the time the estimate was prepared.

a) Please provide details on the change in monthly system monitoring costs.

b) Please provide more details on the need for more effort and cost related to the start of TOU billing.

VECC Question # 12

Reference: PowerStream Smart Meter Cost Recovery Application, Page 21 Table 4 & Page 35 Table 16

Preamble: Tables 4 and 16 provide the 2010 actual and 2011 actual (unaudited) and 2011 projected OM&A costs for each rate zone.

Please provide the detailed calculation for the last three columns of each Table.

VECC Question # 13

Reference: PowerStream Smart Meter Cost Recovery Application, Page 23

Preamble: PowerStream is not seeking disposition of its stranded meter costs at this time. The net book value of the stranded conventional meters was $3.4 million at April 30, 2011. Proceeds on the stranded meters are captured in account 1555 as an offset to the costs in the deferral account.

Please provide the calculation of the proceeds captured in account 1555.

VECC Question # 14

Reference: PowerStream Smart Meter Cost Recovery Application, Page 33

Preamble: The 2010 Smart Meter Funding adder did not contain any estimated costs for program management, consulting and professional fees for contracts, which was an oversight in calculating the adder.

Please provide a breakdown of these costs by customer class.