



Board Secretary
Ontario Energy Board
2300 Yonge St
27th Floor
Toronto, ON M4P 1E4

November 16, 2011

Dear Ms. Walli,

**Re: Halton Hills Hydro Inc. Interrogatory Responses to Vulnerable Energy Consumers
Coalition (VECC) in proceeding EB-2011-0271**

Halton Hills Hydro Inc. ("HHHI") hereby submits its responses to VECC Interrogatories to the Ontario Energy Board ("the Board").

Please find attached to this cover letter:

- 2 paper copies of the Interrogatory Responses to VECC in proceeding EB-2011-0271.
- 1 electronic copy of the Interrogatory Responses to VECC in proceeding EB-2011-0271.

A copy of the Interrogatory Responses to VECC has also been filed through the Web Portal and electronic copies forwarded to all intervenors in EB-2011-0271.

In the event of any additional information, questions or concerns, please contact David Smelsky, Chief Financial Officer, at dsmelsky@haltonhillshydro.com or (519) 853-3700 extension 225, or Tracy Rehberg-Rawlingson, Regulatory Affairs Officer, at tracyr@haltonhillshydro.com or (519) 853-3700 extension 257.

Sincerely,

(Original signed)

David J. Smelsky, CMA
Chief Financial Officer
Halton Hills Hydro Inc.

Cc: Arthur Skidmore, President & CEO, HHHI
Richard King, Counsel to HHHI
Intervenors in proceeding EB-2011-0271

HHHI Response to Vulnerable Energy Consumers Coalition (VECC) Interrogatories EB-2011-0217

GENERAL

1. Reference: Exhibit 1, Tab 1, Schedule 9, page 1

- a) The Conditions of Service found on HHHI's website indicate that they were last revised in February 2007. Please confirm that HHHI's Conditions of Service meet all the current requirements as set in out in the latest revision to the OEB Distribution System Code.
- b) Please explain what steps HHHI has taken to introduce the new Low-Income and LEAP requirements of the OEB.
- c) Please provide the amounts of security deposits that were returned to residential customers in 2008, 2009, 2010 and 2011 in accordance with section 2.4.23 of the Distribution System Code.

Response:

- a) HHHI is currently revising its Conditions of Service, which should be complete by the end of the second quarter 2012. The current Conditions of Service found on HHHI's website does not meet the current requirements set out in the latest revision of the Distribution System Code, however, HHHI has ensured that all internal procedures conform to the Distribution System Code.
- b) HHHI's efforts have included:
 - Contributing to LEAP financial assistance
 - Partnering with the Region of Halton (social agency)
 - Offering extended payment arrangements
 - Refunding deposits

- c) The amount s of security deposits returned to ALL customer in 2008, 2009 and 2010 are shown below in Table VECC 1-1:

Table VECC 1-1 : Deposit Refunds

Year	Total Deposit Amounts Refunded
2008	\$285,986.80
2009	\$250,263.44
2010	\$352,555.25
2011	\$302,085.70 (as at November 14, 2011)

2. Reference: Exhibit 2, Tab 1, Schedule 1, page 5/ Exhibit 2, Tab 3

- a) Please explain the decrease in reliability as indicated by the SAIDI, SAIFI and CAIDI indices – excluding loss of supply, and as shown at Table 2-3 and 2-28.
- b) Does HHI monitor its worst performing circuits. If not please explain why it does not use this performance indicator.

Response:

- a) HHHI has an operating agreement with Hydro One that specifies that Hydro One will make one attempt to reclose their breaker and re-energize our circuit within one (1) minute from an initial feeder lockout from their transformer station.

OEB reporting requires that any outage more than one (1) minute in duration must be reported.

HHHI had seven (7) outages in 2010 that were seven (7) minutes or less in duration (identified below) and each of these instances were reported according to OEB requirements. Each of these short duration outages could have been eliminated if Hydro One had re-energized HHHI's circuits within one (1) minute of the actual outage, according to the Operating Agreement. Three of the outages were identified as two (2) minutes in duration (as reported on Hydro One's Customer

Notification Board) but could have been as short as sixty-one (61) seconds in duration (which would still show up as two (2) minutes on the reporting board).

Date:	Duration:	# of Customers affected:
Jan 3, 2010	5minutes	3334
Jan 4, 2010	5 minutes	3334
Mar 10, 2010	7 minutes	3334
July 5, 2010	2 minutes	4001
July 5, 2010	2 minutes	4001
July 6, 2010	7 minutes	4001
July 11, 2010	2 minutes	3241

HCHI's reported SQI number for SAIFI in 2010 were 2.75. With the above noted outages removed, the SAIFI number would have been 1.55.

HCHI's 2009 SAIFI number was 1.48 and 2008 SAIFI number was 1.04. HCHI had an additional nine (9) feeder trips throughout the year that were longer in duration due to equipment failure, tree contacts and vehicle accidents that also would have played a major role in the slight increase seen in our re-calculated number compared to 2009 and 2008.

- b) The FIR (Field Interruption Report) system that HCHI has used for many years is paper-based, and is adequate for reporting gross statistics such as SAIDI, SAIFI and CAIFI.

RATE BASE

3. Reference: Exhibit 2, Tab 1, Schedule 2, page 13

- a) Please modify Table 2-4 to show and number all USoA accounts 1805 through 1980 and adding a column showing the Kinectrics IFRS useful life (range)

- b) Please create a table which compares and explains the variation as between the depreciation expense under CGAAP, MIFRS as adopted by HHHI and MIFRS as would be the case if the mid-point of the Kinectrics Study had been used for PP&E.

Response:

- a) A modified Table 2-4, shown as Table VECC 1-2, including USoA accounts and HHHI Kinectrics IFRS useful life range is presented below.

**Table VECC 1-2 : PP&E Components and Estimated Useful Life
(revised)**

Component	Previous Component	USoA	Existing Useful Life	Proposed Useful Life	Minimum	Typical	Maximum
Land	Land	1805	N/A	N/A			
Overhead poles, fully dressed	Overhead Poles	1830	25	50	40	44	50
Overhead conductors	Overhead Conductors & Devices	1835	25	50	50	60	77
Overhead line switches, reclosures, fault circuit indicators	Overhead Conductors & Devices	1835	25	40	30	50	60
Municipal substations – transformers incl grounding system	MS Station equipment	1850	25	35	32	45	55
Municipal substations - DC service station incl battery & chargers	MS Station equipment	1850	25	20	10	20	30
M.S. Switchgear	Overhead Conductors & Devices	1835	10	40	30	40	60
Underground primary cable incl utility chambers	Underground Conductors & Devices	1845	25	40	30	40	60
Underground secondary cable	Underground Services	1845	25	40	40	40	60
Underground ducts and transformer switchgear foundation	Underground Conduit	1840	25	50	30	50	80
Overhead transformers incl voltage regulator	Overhead Transformers	1850	25	40	30	40	60
Underground transformers incl fault indicators	Underground Transformers	1850	10	40	30	40	40
Underground switchgear and junction cubicle		1845	-	30	20	30	40
SCADA – battery, RTU, relay, IED		1980	15	20	15	20	30
Industrial/Commercial, wholesale Energy Meters	Interval Meters – 1 Phase, 3 Phase & Meters YE Adj	1860	25	20	20	30	60
PTs & CTs	Meters	1860	25	45	30	45	50
Smart meters - meters	Meters	1860	15	15	15	15	20
Smart meters - repeaters	Meters	1860	15	15	5	10	15
Smart meters – data concentrators	Meters	1860	15	15	10	20	20
Office Furniture and Equipment	Office Furniture and Equipment	1808	10	5	5	10	15
Computer Equipment Hardware	Computer Equipment Hardware	1920	5	3	3	4	5
Computer Software	Computer Software	1925	1	2	2	4	5
Vehicles – bucket trucks	Transportation Equipment	1930	5	12	5	10	15
Vehicles – trailers	Transportation Equipment	1930	5	15	5	15	20
Vehicles – vans/cars	Transportation Equipment	1930	5	8	5	8	10
Tools, Garage Equipment, Measurement & Testing Equipment	Tools, Garage Equipment, Measurement & Testing Equipment	1940	10	10	5	8	10
Stores Equipment	Stores Equipment	1935	10	10	5	8	10
Wireless Communication	Communication Equipment		-	10	2	5	10

- b) A table which compares and explains the variation between the depreciation expense under CGAAP, MIFRS as adopted by HHHI and MIFRS base on the mid-point of the HHHI Kinectrics Study that had been used for PP&E and is presented below as Table VECC 1-3 for 2011 and VECC 1-4 for 2012.

Table VECC 1-3 : 2011 Depreciation Expenses

2011 Depreciation Expenses					
CCA Class	OEB	Description	CGAAP	MIFRS as Adopted by HHHI	MIFRS Based on Mid Point of Kenectrics Study
N/A	1805	Land	-	-	-
47	1808	Buildings	123,208	80,087	49,140
13	1810	Leasehold Improvements	-	-	-
47	1815	Transformer Station Equipment >50 kV	-	-	-
47	1820	Distribution Station Equipment <50 kV	171,170	146,833	132,386
47	1825	Storage Battery Equipment	-	-	-
47	1830	Poles, Towers & Fixtures	667,369	269,784	295,106
47	1835	Overhead Conductors & Devices	259,369	97,419	80,084
47	1840	Underground Conduit	47,015	20,042	20,042
47	1845	Underground Conductors & Devices	194,713	81,617	81,617
47	1850	Line Transformers	283,997	121,748	121,748
47	1855	Services (Overhead & Underground)	106,132	60,783	60,783
47	1860	Meters	41,936	28,270	19,213
47	1860	Meters (Smart Meters)	-	-	-
N/A	1905	Land	-	-	-
CEC	1906	Land Rights	-	-	-
47	1908	Buildings & Fixtures	2,922	-	-
13	1910	Leasehold Improvements	-	-	-
8	1915	Office Furniture & Equipment (10 years)	-	-	-
8	1915	Office Furniture & Equipment (5 years)	76,384	3,629	14,520
10	1920	Computer Equipment - Hardware	210,573	27,004	33,606
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-	-	-
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-	-	-
12	1925	Computer Software	382,884	93,624	107,980
10	1930	Transportation Equipment	300,629	160,092	202,391
8	1935	Stores Equipment	6,981	(2,246)	2,440
8	1940	Tools, Shop & Garage Equipment	55,809	17,210	86,147
8	1945	Measurement & Testing Equipment	-	-	-
8	1950	Power Operated Equipment	-	-	-
8	1955	Communications Equipment	-	-	-
8	1955	Communication Equipment (Smart Meters)	-	-	-
8	1960	Miscellaneous Equipment	-	-	-
47	1975	Load Management Controls Utility Premises	56,390	11,828	10,667
47	1980	System Supervisor Equipment	57,324	39,461	39,461
47	1985	Miscellaneous Fixed Assets	-	-	-
47	1995	Contributions & Grants	(248,341)	(118,086)	(121,542)
	etc.		-	-	-
			-	-	-
		Total	2,796,463	1,139,102	1,235,791
10		Transportation	\$ 300,629	\$ 160,092	\$ 202,391
8		Stores Equipment			
			\$ 2,495,835	\$ 979,010	\$ 1,033,400

Table VECC 1-4 : 2012 Depreciation Expenses

2012 Depreciation Expenses					
CCA Class	OEB	Description	CGAAP	MIFRS as Adopted by HHHI	MIFRS Based on Mid Point of Kenectrics Study
N/A	1805	Land	-	-	-
47	1808	Buildings	123,208	82,064	50,479
13	1810	Leasehold Improvements	-	-	-
47	1815	Transformer Station Equipment >50 kV	-	-	-
47	1820	Distribution Station Equipment <50 kV	174,097	152,917	137,942
47	1825	Storage Battery Equipment	-	-	-
47	1830	Poles, Towers & Fixtures	783,799	343,098	372,712
47	1835	Overhead Conductors & Devices	344,516	126,334	107,204
47	1840	Underground Conduit	65,091	28,062	29,042
47	1845	Underground Conductors & Devices	210,671	88,643	89,396
47	1850	Line Transformers	300,121	128,283	128,699
47	1855	Services (Overhead & Underground)	110,007	60,785	60,785
47	1860	Meters	41,936	27,901	18,844
47	1860	Meters (Smart Meters)	251,625	251,625	251,625
N/A	1905	Land	-	-	-
CEC	1906	Land Rights	-	-	-
47	1908	Buildings & Fixtures	6,043	-	-
13	1910	Leasehold Improvements	-	-	-
8	1915	Office Furniture & Equipment (10 years)	-	-	-
8	1915	Office Furniture & Equipment (5 years)	82,586	19,736	37,601
10	1920	Computer Equipment - Hardware	235,795	134,832	85,261
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-	-	-
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-	-	-
12	1925	Computer Software	283,236	155,699	87,520
10	1930	Transportation Equipment	329,254	210,198	260,057
8	1935	Stores Equipment	8,647	3,546	4,523
8	1940	Tools, Shop & Garage Equipment	57,968	52,314	75,171
8	1945	Measurement & Testing Equipment	-	-	-
8	1950	Power Operated Equipment	-	-	-
8	1955	Communications Equipment	-	-	-
8	1955	Communication Equipment (Smart Meters)	-	-	-
8	1960	Miscellaneous Equipment	-	-	-
47	1975	Load Management Controls Utility Premises	56,390	12,037	10,859
47	1980	System Supervisor Equipment	60,875	46,844	46,844
47	1985	Miscellaneous Fixed Assets	-	-	-
47	1995	Contributions & Grants	(288,091)	(90,557)	(99,104)
	etc.		-	-	-
			-	-	-
		Total	3,237,776	1,834,363	1,755,461
10		Transportation	\$ 329,254	\$ 210,198	\$ 260,057
8		Stores Equipment			
			\$ 2,908,522	\$ 1,624,165	\$ 1,495,404

4. Reference: Exhibit 2, Tab 2, Schedule 3

- a) Please provide a table which shows for the years 2007 through 2015 which shows; (1) Total number of System Poles; (2) number of existing poles replaced in that year; (3) number of new poles added in that year.
- b) In the table please provide the dollar cost (CGAAP) associated with each category.

Response:

- a) Please refer to HHHI interrogatory response to SEC question 3.
- b) Dollar cost by category is not available as HHHI has adopted a pooling methodology for pole assets.

5. Reference: Exhibit 2, Tab 2, Schedule 3, Table 2-17

- a) As part of the budgeting process (or otherwise) does the Manager of Engineering and Operations propose to the HHHI executive a list of capital projects to be undertaken in any given year?
- b) If yes, please provide a list of those projects that were proposed in the years 2008, 2009, 2010 and 2011.
- c) Please provide the comparable list projects that were ultimately approved for each of those years.

Response:

- a) Yes.
- b) Please refer to Appendix VECC 1-A.
- c) Please refer to Appendix VECC 1-A.

6. Reference: Exhibit 2, Tab 2, Schedule 3, page 12

- a) HHHI states that a number of projects originally set out in the 2008 cost of service application were deferred due to “the impact of the worldwide economic recession.” Among those projects listed were a

new transfer station and distribution substation. Please provide a complete list of all the projects and the associated estimated cost that were included in the 2008 rate application, but were not undertaken.

- b) Please provide the local impacts of the “worldwide economic recession” that were considered in the decision to delay these projects.
- c) Please calculate the 2012 revenue requirement impact of delaying these projects (i.e. assuming they had been completed in 2008/2009 as originally projected).

Response:

- a) Please refer to HHHI’s 2012 Cost of Service Application, dated August 26, 2011, Exhibit 2, Tab 1, Schedule 3, page 2 and Exhibit 2, Tab 2, Schedule 3, page 1 for the projects and costs requested.
- b) Local impacts of the “worldwide economic recession” that were considered in the decision to delay these projects includes, but is not limited to:
 - Reduced expansion (ie subdivision growth – builders not proceeding with planned projects)
 - A delay in Phases 2 and 3 of a specific retirement living project
 - Industrial growth along the Steeles Avenue/Highway 401 corridor did not move forward after inquiries and plans had been recorded
- c) The delay in projects was a timing issue only with no impact on the 2012 revenue requirement.

7. Reference: Exhibit 2, Tab 2, Schedule 3, Tables 2-14 through 2-18

Preamble: The purpose of this interrogatory is to understand which capital projects were at the discretion of the utility and which were required to customer demands

- a) HHHI list a number of reasons for capital expenditures (for example, “Government-initiated”). Please provide a table which for each year, 2008 through 2012, which separates capital expenditures into those that were undertaken due to customer demand (i.e. the request of a third party such as road authority or developer) and those that were capacity related (i.e. the projects due to increased customer demand), from those that were at the utility’s discretion.

Response:

Please refer to Appendix VECC 1-B.

8. Reference: Exhibit 2, Tab 3, Schedule 3, page 3

- a) Do the amounts in Tables 2-24 through 2-26 represent the entire forecasted capital expenditures for 2013 through 2015?
- b) If no, please provide the complete forecast of capital expenditures for those years.
- c) If yes, please explain why the expected capital expenditures are significantly lower in 2013 through 2015 as compared to 2011 and 2012.

Response:

- a) Please refer to HHHI interrogatory response to Energy Probe question 17.
- b) Please refer to HHHI interrogatory response to Energy Probe question 17.
- c) Not applicable.

9. Reference: Exhibit 2, Tab 3, Schedule 6

- a) Please provide the total cost (separated by capital and OM&A) of the Green Energy Plan.
- b) Please provide the expected adjustment to rate base for each year of the plan.

Response:

- a) The total cost of the Green Energy Plan has been included, by project, in the capital projects, by year. Please see HHHI 2012 Cost of Service Rate Application, dated August 26, 2011, Exhibit 2, Appendices B and C.
- b) The expected adjustment to rate base for each year of the plan has already been included in HHHI's 2012 Cost of Service Rate Application, dated August 26, 2011.

LOAD FORECAST AND REVENUE OFFSETS

10. Reference: Exhibit 3, Tab 2, Schedule 1, pages 2 and 6-7

- a) What other combinations of independent variables did HHHI test prior to selecting the prediction model set out on page 6? Please provide the equivalent of Table 3-6 for all models tested with Adjusted R Squared values in excess of 90%.
- b) Did HHHI test any formulations that included local indicators of economic performance (e.g. local unemployment rates)? If yes, what were the results?

Response:

- a) HHHI did not test any other independent variables.
- b) Not applicable.

11. Reference: Exhibit 3, Tab 2, Schedule 1, page 9

- a) Please provide a table that sets out for 2009 and 2010 the following:
 - The actual purchases for each year
 - The actual HDD and CDD values for each year
 - The "weather normal" HDD and CDD values for each year (as defined by Oshawa)
 - The HDD and CDD coefficients per HHHI's regression model
 - The weather normal adjustment for each year based on the product of a) the HDD and CDD coefficients and b) the differences between the actual and "weather normal" values for HDD and CDD respectively.

- The estimated “weather normal purchases” calculated by adjusting actual purchases by the values calculated in the preceding bullet.
- b) Please confirm whether the 4.496 GWh adjustments for CDM were made to purchased as opposed to billed energy.

Response:

- a) Please see HHHI interrogatory response to Energy Probe question 24.
- b) Yes, the 4.496 GWh adjustments for CDM were made to purchased energy as opposed to billed energy.

12. Reference: Exhibit 3, Tab 2, Schedule 1, page 12

- a) Please provide HHHI’s actual customer/connection count by customer class as of June 30, 2011.

Response:

HHHI’s customer count as of June 30, 2011 is shown below in Table VECC 1-5.

Table VECC 1-5 : Customer Counts at June 30, 2011

Customer Class	Count as at June 30, 2011
Residential	19100
Small Commercial (<50)	1682
GS>50	218
Intermediate Service	0
Large User	0
UMSL	146
Sentinel Lighting	177
Street Lighting	4387

13. Reference: Exhibit 3, Tab 3, Schedule 1, page 1

- a) How many Micro-Fit customers does HHHI currently have? How many are forecast for year-end 2011 and 2012?

- b) Where is the revenue from Micro-Fit service charges captured in Table 3-23?
- c) Where is the revenue for SS Admin charges captured in Table 3-23? What are the revenues for 2010, 2011 and 2012?
- d) What is included in USOA #4080 and why are there no values prior to 2011?
- e) Please explain the decrease in USOA #4210 from \$242,986 in 2010 to roughly \$190,000 in 2011 and 2012.
- f) Please explain what the \$396,000 in USOA #4375 represents in 2011 and 2012 and why there are no expenses in USOA #4380.
- g) Please explain why there is no Interest and Dividend Income (USOA #4405) included for 2011 or 2012?

Response:

- a) HHHI currently has forty-four (44) microFIT customers connected. HHHI forecasts an additional sixteen (16) customers for year-end 2011 with the potential of more than sixteen (16) additional customers in 2012.
- b) Please refer to HHHI interrogatory response to Board Staff question 18 part c).
- c) The SSS Administration charges are included in account 4080 in the table. The revenue for 2010, 2011 and 2012 is presented in Table VECC 1-6 below.

Table VECC 1-6 : SSS Administration Charge Revenue

SSS Administration Charges	2010	2011	2012
4080 Distribution Services Revenue	\$ 55,965	\$ 57,000	\$ 57,853

- d) The SSS Administration charges are included in account 4080 in the table. Prior to 2011, the SSS Administration charge was included in distribution revenues.
- e) Please refer to HHHI interrogatory response to Energy Probe question 29 part d).

- f) Please refer to HHHI interrogatory response to Energy Probe question 32.
- g) The forecasted interest (Account 4405) for 2011 is \$161,013 and \$ 110,956 for 2012.

OPERATING COSTS

14. Reference: Exhibit 4, Tab 2, Schedule 3, page 2 Table 4-10

- a) Please provide the explanation for the Additional OM&A resulting from Modified IFRS as shown in this table (\$206,621 and \$286,621). If related to changes in capitalization policy please indicate where the associated change is found in the capital budgets.

Response:

Please refer to HHHI interrogatory response to Energy Probe question 6.

15. Reference: Exhibit 4, Tab 2, Schedule 6, page 1

- a) What was the annual wage increase in the prior labour agreement and for what period did it cover.
- b) What date does the current union agreement expire.
- c) When are negotiations for the years 2013 and beyond expected to begin?

Response:

- a) The prior labour agreement was for the period April 1, 2006 to March 31, 2010, with a wage increase in year 1 of 3.25% and 3.00% for year 2, year 3 and year 4.
- b) The current union agreement expires March 31, 2013.
- c) Negotiations are anticipated to commence, early in Quarter1 of 2013, prior to the expiry date of the current collective agreement.

16. Reference: Exhibit 4, Tab 2, Schedule 6, page 2

- a) What was the percentage salary increase provided to Managers for the period 2008 to 2012?
- b) What was the associated increase in benefits during the same period?

Response:

- a) Management salary increases are based upon individual merit and inflation. Increases range from 1.0% to 3.0%.
- b) Increases in benefits are a direct result of increases in the cost of group benefit premiums, OMERs, and employer payroll related costs (CPP, EI, EHT).

17. Reference: Exhibit 4, Tab 2, Schedule 6, page 2, Table 4-16

Please explain the increase in unionized benefits from Board approved in 2008 of \$562,635 to the forecast 2012 amount of \$827,630.

Response:

Increases in benefits are a direct result of increases in the cost of group benefit premiums, OMERs, and employer payroll related costs (CPP, EI, EHT).

18. Reference: Exhibit 4, Tab 2, Schedule 6, page 2, Table 4-16

- a) Please explain how the management incentive estimates are derived.

Response:

Management incentive is based upon achieving predetermined performance targets. Depending on the management position, potential incentive earns range from 5.0% to 15.0% of base salary.

COST OF CAPITAL

19. Reference: Exhibit 5, Tab 1, Schedule 3, page 1, Table 5-7

- a) Table 5-7 indicates that the promissory note held by the Town of Halton Hills will pay the Town \$858,753 in 2012. Is this correct or does the note continue to pay the interest rate of 6.25% to the Town and the table represent the amount claimed for rates by HHHI?
- b) If HHHI is now paying less than 6.25% (or the original terms of the note) please provide the sections of the note agreement that allow for its renegotiation.
- c) Is the note pre-payable and if yes, on what terms?
- d) Has HHHI investigated alternative sources of financing for long-term debt? If yes, please provide the results of that investigation. If no, please explain HHHI's plans to renegotiate this debt prior to its term in 2015.

Response:

- a) Table 5-7 is correct. HHHI will pay the Town \$858,753 in 2012, subject to the OEB's cost of capital parameter update for 2012.
- b) Please refer to HHHI interrogatory response to OEB Board Staff question 35 part c.
- c) Please refer to HHHI interrogatory response to OEB Board Staff question 35 part a.
- d) HHHI has not investigated alternative sources of financing for long-term debt. At this time, HHHI does not have plans to renegotiate this debt

COST ALLOCATION

20. Reference: Exhibit 7, Tab 1, Schedule 1, pages 1-2 Exhibit 7, Tab 1, Schedule 2, page 1 HHHI, 2012 Application, Cost Allocation Model

- a) Do all GS<50 customers have the same single-phase smart meters as used for residential customers? If not, what other types of meters are

used, how many customers use there alternative meters and what is the comparable cost?

- b) In the Cost Allocation Model, Sheet I7.1 what is the basis for the smart meter cost used (i.e., scope of costs included and year of purchase assumed)?
- c) Are the costs used for the other meter types in Sheet I7.1 derived on the same basis (i.e., scope of costs and year of purchase assumed)?

Response:

- a) There are approximately seven hundred and sixty (760) General Service less than 50 kW 3-phase customers that have an Alpha 3 meter.
- b) The basis for the smart meter cost is the average cost per customer to install a smart meter, including the meter and labour. As these costs are averaged, the year of purchase has not been taken directly into consideration.
- c) The costs of the other meter types have been derived on the same basis.

21. Reference: Exhibit 7, Tab 1, Schedule 2, page 3

- a) With respect to Table 7-4 please clarify whether the first column represents the 2011 Revenue to Cost ratios or the 2012 (Status Quo) Revenue to Cost Ratio.
- b) Assuming the ratios for all classes whose 2012 Status Quo ratio is within the Board's Target Range remain unchanged and the ratios for those classes where the ratio exceeds the Board's Target Range are reduced to the upper end of the Range, what is the shortfall in revenue for 2012?
- c) Now assuming this shortfall is recovered by first increasing the ratio for class with the lowest revenue to cost ratio up to the point where it equals the second lowest and then increasing these two up to the point where it equals the third lowest, and continuing until the revenue shortfall is addressed – what would be the resulting revenue to cost ratios for each class?

Response:

- a) The first column in Table 7-4 represents the 2012 (Status Quo) Revenue to Cost ratios.
- b) For classes whose 2012 Status Quo ratio is within the Board's Target Range remain unchanged and the ratios for those classes where the ratio exceeds the Board's Target Range are reduced to the upper end of the Range the shortfall in revenue for 2012 is \$126,977.
- c) The revenue to cost ratios for each class resulting from the required changes are presented in the Table VECC 1-7 below.

Table VECC 1-7 : Revised Revenue to Cost Ratios

Class	Check Revenue Cost Ratios from 2012 Cost Allocation Model - Line 75 from O1 in CA	Proposed Revenue to Cost Ratio
Residential	98%	98%
GS < 50 kW	104%	104%
GS >50 to 999 kW	87%	94%
GS 1000 to 4,999 kW	137%	120%
Sentinel Lights	82%	94%
Street Lighting	105%	105%
USL	130%	120%
TOTAL	100.0%	

RATE DESIGN

22. Reference: Exhibit 8, Tab 1, Schedule 1, page 4

- a) With respect to Table 8-4, please provide a schedule that sets out the calculation of the current fixed variable split for each customer class based on 2011 rates and 2012 billing determinants. For the GS>50 classes, please calculate the split using the variable revenue reduced for the transformer allowance.
- b) With respect to lines 10-11, please confirm that for the GS<50 and USL classes the current (2011) monthly service charge exceeds the ceiling amount calculated by the 2012 Cost Allocation for each class.

Response:

- a) A table that sets out the calculation of the current fixed variable split for each customer class based on 2011 rates and 2012 billing determinants is presented below.

Distribution Rate Allocation Between Fixed & Variable Rates For 2012 Test Year										
Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	6,246,392	61.87%	14.40	\$0.0135	\$ 3,407,410	\$ 2,838,983		6,246,392	171,898	6,418,290
GS < 50 kW	1,063,108	10.53%	29.64	\$0.0093	\$ 579,433	\$ 483,675		1,063,108	39,441	1,102,548
GS >50 to 999 kW	1,471,168	14.57%	92.54	\$4.0852	\$ 195,160	\$ 1,276,008	\$ 57,229	1,528,397	105,741	1,634,137
GS 1000 to 4,999 kW	857,115	8.49%	166.87	\$3.4913	\$ 24,125	\$ 832,990	\$ 150,229	1,007,344	91,245	1,098,589
Sentinel Lights	32,654	0.32%	3.46	\$13.0922	\$ 13,278	\$ 19,376		32,654	345	32,999
Street Lighting	386,703	3.83%	2.39	\$32.3670	\$ 130,097	\$ 256,606		386,703	1,812	388,514
USL	38,316	0.38%	12.77	\$0.0085	\$ 30,308	\$ 8,008		38,316	720	39,036
TOTAL	10,095,456	100%			\$ 4,379,810	\$ 5,715,646	\$ 207,458	\$10,302,913	\$ 411,201	\$10,714,114
Forecast Fixed/Variable F					42.510%	55.476%	2.014%	100.000%		

- b) It is confirmed that for the GS<50 and USL classes the current (2011) monthly service charge exceeds the ceiling amount calculated by the 2012 Cost Allocation for each class.

23. Reference: Exhibit 8, Tab 2, Schedule 1, page 1

- a) In Table 8-7, please confirm that the RTSR rates used are the proposed rate for 2012. Please also indicate the basis for the billing determinants these values were applied to in order to determine the "Basis for Allocation".
- b) Please explain more fully how the \$411,201 value for 2012 LV charges to HHHI was determined.
- c) Please provide a schedule that sets 2010 billing quantities for HHHI's ST charges from Hydro One. In the same schedule indicate the results of applying Hydro Ones 2011 approved ST rates to these billing determinants.

Response:

- a) HHHI confirms that the RTSR rates used are the proposed rates for 2012. The billing determinants that were applied in order to determine the "Basis for Allocation are the volumes from the 2012 load forecast.
- b) The \$411,201 LV charges are the estimated charges from Hydro One.
- c) Table VECC 1-8 shows the requested ST charges from Hydro One.

Table VECC 1-8 : Hydro One ST Charges

Month	KW non-adj Units	2011 Rate	2011 Amount
JANUARY	79,511	\$ 0.485	\$ 38,563
FEBRUARY	76,497	\$ 0.485	\$ 37,101
MARCH	68,876	\$ 0.485	\$ 33,405
APRIL	9,264	\$ 0.485	\$ 4,493
APRIL	53,730	\$ 0.680	\$ 36,537
MAY	89,647	\$ 0.680	\$ 60,960
JUNE	95,769	\$ 0.680	\$ 65,123
JULY	101,610	\$ 0.680	\$ 69,095
AUGUST	97,155	\$ 0.680	\$ 66,065
SEPTEMBER	73,473	\$ 0.680	\$ 49,962
OCTOBER	67,961	\$ 0.680	\$ 46,213
NOVEMBER	73,831	\$ 0.680	\$ 50,205
DECEMBER	65,973	\$ 0.680	\$ 44,862
DECEMBER	9,425	\$ 0.680	\$ 6,409
TOTALS	962,722		\$ 608,992

24. Reference: Exhibit 8, Tab 4, Schedule 1, page 2

- a) The evidence states that five of HHHI's feeders have a Hydro One loss factor of 3.48% while two have a loss factor of 0.6%. It also states that weighting these loss factors yields 3.4%. Please explain the basis for the weighting used as the simple application of 5/7th and 2/7th respectively does not yield 3.4%.

Response:

Please refer to HHHI interrogatory response to Energy Probe question 44.

DEFERRAL AND VARIANCE ACCOUNTS / SMART METERS

25. Reference: Exhibit 9, Tab 4, Schedule 3, Tables 9-17, 9-18

- a) Provide a table that shows **by class**, the AMCD Capital invested, the revenue requirement and SM funding adder revenue collected from 2006-2011.
- b) For the residential class provide the average unit installed cost for single phase (and three phase meters) and the numbers and total costs for 2006-2010.
- c) Provide similar installed costs for the other classes.

Response:

- a) HHHI has recorded capital and OM&A costs as per Board Guidelines and as such, has not tracked these costs by class.
- b) Please refer to HHHI response to part a above.
- c) Please refer to HHHI response to part a above.

26. Reference: Exhibit 9 Tab 4 Schedule 3 and Table 9-19

- a) Using installed class- specific installed capital cost (question (a) above) as the cost driver/allocator provide a version of Table 9-19 that allocates the revenue requirements, revenue collected and net balance attributable to each rate class (exclude all costs and identify separately costs related to stranded meters).
- b) Please compare the result to Table 9-14 and comment on the differences.
- c) Assuming that the total forecast of capital and operating costs to the end of 2011 was approved for disposition and recovery; provide in tabular form similar to Table 9-15 an estimate of the Smart Meter Disposition Rate Rider **per class** using the allocation of Revenue Requirement based on installed Capital Cost of meters for each class, and showing separately stranded meter costs.

Response:

- a) Please refer to HHHI response to question 25 part a above.
- b) Please refer to HHHI response to question 25 part a above.
- c) Please refer to HHHI response to question 25 part a above.

27. Reference: Exhibit 9, Tab 2, Schedule 3, page 1

- a) In respect to the request for a CDM Tier 3 Deferral Account, what is the forecast balance in this account at the end of 2011 and 2012?

Response:

HHHI currently has two program options before the OPA and is waiting for authorization to proceed with an application to the Board for approval. These options and projected costs are explained in the following Tables VECC 1-9 and VECC 1-10.

Table VECC 1-9 : Whole Home Program Costing

	2011	2012
Incentives cost	\$0	\$123,383
Detailed program design	\$30,000	\$20,250
Program delivery	\$0	\$44,632
EM&V	\$0	\$0
Total	\$30,000	\$188,265

Table VECC 1-10 : Water Load Control Program Costing

	2011	2012
Incentives cost	\$0	\$81,689
Detailed program design	\$30,000	\$20,250
Program delivery	\$0	\$20,746
EM&V	\$0	\$0
Total	\$30,000	\$122,686

LRAM

28. Reference: Exhibit 10, Tab 1, Schedule 3 / Exhibit 10 Appendix A Tables 7 and 10 Indeco Report

- a) When will OPA results for 2010 Programs be available and how may this affect the LRAM and Load forecast?
- b) Please provide the results (kwh) actual and forecast by year 2005-2012 for all OPA- funded **Residential** programs for 2005-2010.
- c) List and confirm OPAs input assumptions for EKC 2006 including the measure life and unit kwh savings for Compact Fluorescent Lights and Seasonal Light Emitting Diodes. Confirm some of these assumptions were changed in 2007 and again in 2009 and compare the values.
- d) Confirm/ demonstrate whether the claimed savings shown in the response to part b) reflect the measure lives in place at the time the programs were run or reflect the latest OPA Measures and Assumptions list values.
- e) Demonstrate that savings for EKC 2006 Mass market measures 13-15W Energy Star CFLs etc. have been removed from the 7-year LRAM in Table 7 of the Indeco Report (also Table 10-4) from December 31 2010 onward

Response:

- a) The final OPA-verified results of the 2010 OPA programs were received via an email to HHHI from LDC support (LDC.Support@powerauthority.on.ca) dated September 19, 2011.

The LRAM claimed by HHHI was updated to incorporate the final OPA-verified results of the 2010 OPA programs. All other assumptions and inputs remained unchanged from the claim originally filed as Exhibit 10 of HHHI's cost of service application EB-2011-0271.

HHHI recommends that its LRAM claim be updated from the original claim of \$426,806, to a claim of \$383,381, including \$17,239 in carrying charges. The requested SSM claim remains at \$1,417.

Table VECC 1-11

Rate class	Updated LRAM	SSM
Residential	\$276,155	(\$448)
GS < 50 kW	\$73,353	\$436
GS 50 to 999 kW	\$28,060	\$1,430
GS 1,000 to 4,999 kW	\$5,813	\$0
Total	\$383,381	\$1,417

The updated two-year rate riders are as follows.

Table VECC 1-12

Class	Updated LRAM	Updated carrying charges	SSM	Updated total	Unit	2012 forecasted billed kWh/kW	Updated two year rate rider \$/unit
Residential	\$261,496	\$14,659	(\$448)	\$275,707	kWh	210,909,970	0.0007
GS<50 kW	\$71,782	\$1,572	\$436	\$73,789	kWh	51,848,139	0.0007
GS 50 - 999 kW	\$27,176	\$884	\$1,430	\$29,490	kW	326,358	0.0452
GS 1,000 - 4,999 kW	\$5,688	\$125	\$0	\$5,813	kW	281,618	0.0103
Total	\$366,142	\$17,239	\$1,417	\$384,798			

At a four-digit level of precision, the residential two-year rate rider did not change. The two-year GS < 50 kW rate rider decreased from \$0.0010/kWh to \$0.0007/kWh. The two-year GS 50-999 kW rate rider decreased from \$0.0562/kW to \$0.0452/kW and the two-year GS 1,000-4,999 kW rate rider decreased from \$0.0190/kW to \$0.0103/kW.

- b) The table below provides the kWh results by year for 2006-2012 for all 2006-2010 OPA-funded residential programs. This table reflects the updated LRAM claim that uses final 2010 OPA program results. No LRAM is being claimed for any programs started in 2005.

Table VECC 1-12

OPA Residential programs	Net annual energy savings (kWh)							
	2006	2007	2008	2009	2010	2011	2012	Total
2006 Cool & Hot Savings Rebate	68,838	68,838	68,838	68,838	68,838	68,838	17,209	430,237
2006 Every Kilowatt Counts	1,786,180	1,786,180	1,786,180	1,786,180	230,295	230,295	57,574	7,662,885
2006 Secondary Fridge Pilot	27,886	27,886	27,886	27,886	27,886	27,886	0	167,314
2007 Cool & Hot Savings Rebate	0	110,614	110,614	110,614	110,614	110,614	26,343	579,413
2007 Every Kilowatt Counts	0	663,069	654,960	654,960	654,960	654,960	158,148	3,441,057
2007 Great Refrigerator Roundup	0	62,353	62,353	62,353	62,353	62,249	15,536	327,198
2007 Social Housing Pilot	0	60,265	60,265	60,265	60,265	60,265	15,066	316,389
2007 Summer Savings	0	725,320	122,254	46,275	46,275	46,275	11,569	997,969
2008 Cool Savings Rebate	0	0	127,010	127,010	127,010	127,010	31,753	539,794
2008 EKC	0	0	644,737	641,932	641,932	641,932	136,213	2,706,745
2008 Great Refrigerator Roundup	0	0	114,648	114,648	114,648	114,648	28,662	487,254
2008 peaksaver®	0	0	3,659	3,659	3,659	3,659	915	15,550
2008 Summer Sweepstakes	0	0	215,106	77,622	77,622	77,622	19,405	467,377
2009 Cool Savings Rebate	0	0	0	158,732	158,732	158,732	39,542	515,737
2009 EKC	0	0	0	276,010	264,557	264,557	66,139	871,264
2009 Great Refrigerator Roundup	0	0	0	131,602	131,602	131,602	32,850	427,655
2009 peaksaver®	0	0	0	341	341	341	85	1,109
2010 Cool Savings Rebate	0	0	0	0	150,909	150,909	37,727	339,546
2010 EKC	0	0	0	0	105,574	105,574	26,393	237,541
2010 Great Refrigerator Roundup	0	0	0	0	167,936	167,936	41,984	377,856
Total	1,882,904	3,504,524	3,998,509	4,348,926	3,206,007	3,205,904	763,114	20,909,889

- c) The table below compares the final OPA-verified 2006 EKC results used to calculate the LRAM claim for 2006 EKC CFLs and seasonal light emitting diodes (SLEDs) to the final OPA-verified 2007 EKC results and the 2009 OPA Measures and Assumptions list.

Table VECC 1-13

	OPA-verified Final 2006 EKC results used for the 2006 EKC LRAM claim		OPA-verified Final 2007 EKC results		From 2009 OPA M&A list	
	Measure life	Gross savings (kWh/a)	Measure life	Gross savings (kWh/a)	Measure life	Gross savings (kWh/a)
2006 EKC Energy Efficient Measure						
Energy Star® CFL	4	104	8	43	8	43

	OPA-verified Final 2006 EKC results used for the 2006 EKC LRAM claim		OPA-verified Final 2007 EKC results		From 2009 OPA M&A list	
2006 EKC Energy Efficient Measure	Measure life	Gross savings (kWh/a)	Measure life	Gross savings (kWh/a)	Measure life	Gross savings (kWh/a)
SLEDs	30	31	5	14	5	14

Input assumptions for CFLs and SLEDs have changed periodically, including most recently in 2009, as reflected in updates to the generic OPA Measures and Assumptions list. However, where there is a program specific evaluation, as there is for the 2006 EKC, that information provides the most appropriate input values for the calculation of its associated LRAM claim.

- d) The claimed savings shown in response to part b) do not reflect the latest generic OPA Measures and Assumptions list values. They also do not reflect the assumptions in place at the time the programs were run.

The claimed savings shown in response to part b) reflect inputs from the final OPA-verified program specific evaluations for all OPA-funded residential programs. OPA advises that these program results are prepared in a manner consistent with OPA current practice, and are the same values used to report progress against provincial conservation targets.

Where there are program specific evaluations, as there are for OPA-funded residential programs that information provides more specific and appropriate input values than the generic ones in the measures and assumptions lists. The use of program-specific evaluations of OPA-funded residential programs for LRAM calculations is appropriate and has been accepted by both Board Staff in its submissions and the Board itself in several decisions, including those on Hydro One Brampton (EB-2010-0132; Decision and Order, April 4, 2011) and Burlington Hydro (EB-2010-0067; Decision and Order, March 17, 2011). In both of these decisions, the use of program-specific evaluations of OPA-funded programs for the calculation of LRAM is explicitly addressed and approved.

- e) Savings for the EKC 2006 Mass market 13-15W CFLs were not included in the LRAM claim from December 31, 2009 onward. These CFLs were installed in 2006 with a measure life of 4 years.

Exhibit 10 Appendix A Table 10 of the IndEco report provides the contributions on a measure-by-measure basis to the total LRAM claim. The contributions of EKC 2006 mass market 13-15W CFLs are \$33,999 for the Spring campaign and \$50,410 for the Autumn campaign. The tables below show how these amounts were derived.

Table VECC 1-14

2006 EKC CFLs - Spring Campaign	2006	2007	2008	2009	2010	2011	Jan to Apr 2012	LRAM claimed
Number of units	6,670 ×	6,670 ×	6,670 ×	6,670 ×	0	0	0	
Energy savings (kWh/a)	104.4 ×	104.4 ×	104.4 ×	104.4 ×	0	0	0	
Net to gross ratio	90% ×	90% ×	90% ×	90% ×	0%	0%	0%	
Electricity rate (\$/kWh)	0.0119 =	0.0115 =	0.0132 =	0.0133 =	0	0	0	
LRAM pre-carrying charges	\$7,458 +	\$7,207 +	\$8,272 +	\$8,335 +	\$0	\$0	\$0	
Carrying charges	\$1,157 =	\$784 =	\$512 =	\$273 =	\$0	\$0	\$0	
LRAM (2012\$)	\$8,615	\$7,991	\$8,785	\$8,608	\$0	\$0	\$0	\$33,999

29. Reference: Exhibit 10, Appendix A, Table10 Indeco Report

- Is the current LRAM claim the only claim filed by HHHI. If not, provide a copy of the equivalent to Table 10 (i.e. a list of all input assumptions used at that time include sources)
- If not available in equivalent format, list the input assumptions including free-ridership, Kwh savings and measure life for all **Third Tranche** programs and sources of those assumptions used in the LRAM claim for 2006-2010 Programs.
- Identify all Mass market measures (CFLs etc.) installed in 2006 with measure lives of 4 years or less for which savings have been claimed in any prior claim.
- Adjust the current Third Tranche LRAM claim as necessary to reflect the measure lives (and Unit savings) for any/all measures that have expired starting in 2010.

Response:

- a) No, the current LRAM claim is not the only claim filed by HHH. HHH had filed a previous LRAM claim as part of its 2008 rate application. See OEB file number EB-2007-0696 Exhibit 9. This LRAM claim was for lost revenue in 2005 and 2006 from 2005 and 2006 Third Tranche programs. The total LRAM claim was \$8,721 recovered over a one-year period commencing May 1, 2008.

The current LRAM claim did not consider any lost revenue from any programs included in the previous LRAM claim. An equivalent Exhibit 10, Appendix A Table 10 for the previous LRAM claim is not available.

- b) The input assumptions, including free-ridership, kWh savings and measure life for Third Tranche programs used in the current LRAM claim for 2006-2010 programs is available as part of Exhibit 10, Appendix A Table 10 of the IndEco report. For reference, they are provided again in the table below.

Note that the current LRAM claim included Third Tranche programs from 2007 only. None of these Third Tranche programs (nor any programs included in the current LRAM claim) were included in HHH's previous LRAM claim.

Table VECC 1-15

Third Tranche Programs	Energy Efficient Measure	Measure life	Free riders	Annual energy savings (kWh/a)	Assumption Source
2007 Customer Coupon - Appliance Survey	15 W CFL	4	30%	44	2011 OPA M&A list
2007 System Loss Reductions - Municipal Lighting Retrofits	1 lamp T8	5	30%	45	2011 OPA Quasi M&A list
	2 lamp T8	5	30%	61	2011 OPA Quasi M&A list
	4 lamp T8	5	30%	167	2011 OPA Quasi M&A list
	13 W CFL	3	30%	125	2011 OPA Quasi M&A list
	15 W CFL	3	30%	119	2011 OPA Quasi M&A list
	26 W CFL	3	30%	196	2011 OPA Quasi M&A list
	26 W indoor flood	3	30%	88	2011 OPA M&A list
	250 W Metal Halide	4	30%	648	2008 OEB TRC inputs
	3W EXIT sign	5	30%	166	2011 OPA Quasi M&A list
2007 System Loss Reductions - HHH Lighting Retrofits	1 lamp T8	5	30%	45	2011 OPA Quasi M&A list
	2 lamp T8	5	30%	61	2011 OPA Quasi M&A list
	4 lamp T8	5	30%	167	2011 OPA Quasi M&A list
	15 W CFL	3	30%	119	2011 OPA Quasi M&A list
	26 W CFL	3	30%	196	2011 OPA Quasi M&A list

Note: 250W metal halides are not included in the 2011 OPA Measures and Assumptions lists.

The best available source of input assumptions for this measure was the 2008 OEB TRC input list.

- c) No measures included in the current LRAM claim were included in any prior claim. This includes mass-market measures (CFLs etc.) installed in 2006 with measure lives of four years or less.

- d) No adjustments to the current LRAM claim are needed in order to reflect measure lives (and unit savings) for measures that have expired starting in 2010.

The current LRAM claim already accounts for any measures that have expired before the full span of the LRAM claim. The LRAM claim is based on lost revenue over the individual measures lives of each measure included. For example, if a measure has expired starting in 2010, LRAM was only claimed for that measure from the year in which it was installed until the end of 2009.

APPENDIX VECC 1-A

2008 Capital Projects	
Project Description	Projected Cost
Distribution System Rebuilds and Upgrades	\$ 520,449
Substations	\$ 532,484
Transformer Station	\$ 322,400
SCADA	\$ 24,000
PCB Decontamination	\$ 27,560
Winston Churchill - 5 SideRoad to Steeles Combination road widening and Load Transfer	\$ 819,867
Steeles and Winston Churchill Blvd. Road Widening	\$ 93,916
Steeles Ave - Trafalgar to Winston Churchill Road Widening	\$ 1,159,205
27th SideRoad Rebuild	\$ 120,794
Technical Services/Recoverable Services	\$ 493,375
Total 2008 Capital Additions	\$ 4,114,050

2009 Capital Projects	
Project Description	Projected Cost
Distribution System Rebuilds and Upgrades	\$ 1,158,600
Substations	\$ 740,200
Transformer Station	\$ 1,059,000
SCADA	\$ 84,400
Steeles Ave - Trafalgar to Winston Churchill Road Widening	\$ 1,171,600
Steeles Ave and Winston Churchill Blvd	\$ 518,200
Wildwood Road	\$ 248,700
27th SideRoad Rebuild	\$ 111,900
Technical Services	\$ 396,400
Total 2009 Capital Additions	\$ 5,489,000

2010 Capital Projects	
Project Description	Projected Cost
Trafalgar MS, Engineering, Land Acquisition	\$ 180,030
Substation Bus Metering Upgrade - Willow, Queen, Mountainview	\$ 14,810
Glen Williams Substation - 8kV bus upgrade Eng Only	\$ 12,070
Glen Williams Substation - Outfit New Control house	\$ 27,640
Glen Williams Substation - Upgrade Bus Metering	\$ 17,620
Grounding Ball Studs for Acton Stations - Material Only	\$ 2,870
Mountainview Substation - Brick Work Repair	\$ 51,710
Willow Substation - Fence Grounding Assessment - Eng Only	\$ 3,190
Queen Substation - Fence Grounding Assessment - Eng Only	\$ 3,190
Glen Williams Substation - Ground Grid and Fault Study, Fence - Eng Only	\$ 7,630
Ballinafad Substation - Ground System Re-design - Eng Only	\$ 7,630
Development SEL Protection Relay and Comm Processor - Material	\$ 10,370
Ashgrove Substation - Fence Grounding Assessment (Co-Lo Issues) Eng Only	\$ 3,190
Ashgrove Substation - Outfit New Control House	\$ 27,640
Silvercreek Substation - Feeder Reconfiguration	\$ 103,396
Substation Battery Maintenance Site Provision & Mobile Charger - Eng Only	\$ 6,610
Cross Substation - Re-paint 4kV SWGR	\$ 8,710
Transformer Re-inhibit Program	\$ 27,714
Norval Substation - New Street Service for Meter House	\$ 7,768
Station and Line Oil Reclosure Overhaul Program	\$ 45,060
Gravel Approach to Armstrong Substation Risers - Eng Only	\$ 2,450
Willow Substation - New Station Battery	\$ 2,276
Pole Replacements - 2010 (Estimated)	\$ 203,338
Pole Relocations on Queen Street, Georgetown	\$ 87,962
Reconductoring WCB from Guelph Street on Old Pine Crest Road to CNR Tracks on WCB	\$ 74,063
Pole Relocation on Steeles Avenue between WCB and Trafalgar Road	\$ 713,049
Steeles Avenue - James Snow Parkway to Trafalgar Road	\$ 22,740
Pole Relocations on Highway #25 at 5 Side Road	\$ 51,920
8th Line - 3Ph 44kV to 8.32kV Conversion from 27th Side Road to Glen Williams Substation	\$ 103,790
Convert 8.32kV Line to 27.6kV (9th Line - Steeles Avenue to 5 SDRD, Approx. 2950M)	\$ 541,298
Pole Relocations - 10th SideRoad between 9th Line and WCB (Design), Region PR-1437C and PR-2478	\$ 12,524
8th Line - 5 Side Road to 10 Side Road	\$ 5,920
Pole, Conductor, Transformer, and Switch Replacements on Church Street East, Acton	\$ 8,880
Kingham Road Poletrans Conversion	\$ 608,605
Acton Rear Yard Pole Replacement Program	\$ 5,920
Total 2010 Capital Additions	\$ 3,013,583

2011 Capital Projects	
Project Description	Projected Cost
River Substation Transformer Fans	\$ 20,319
Ashgrove Substation Outfit New Control House	\$ 32,899
Silvercreek Substation - Feeder Reconfiguration (re-budget)	\$ 109,417
Glen Williams Substation - Outfit New Control House	\$ 32,899
Mobile Truck Radio Repeater	\$ 10,122
SCADA Radio Expansion (3 year project)	\$ 52,613
Norval 44kV Feeder Communications Re-design	\$ 16,603
Continuation of Cyber Security Project from 2010	\$ 7,566
Substation Painting Program	\$ 8,121
Pole Replacements - 2011	\$ 777,092
Regulator Relocation from 3rd Line (Acton)	\$ 56,522
Switchgear Replacement, John Street, Georgetown	\$ 72,111
5th Line South Phase Reconfiguration for Scada-Mate Switch (2)	\$ 31,533
SCADA Infrastructure for 2011 - Scada-Mate Switches (Qty: 2)	\$ 136,209
27.6kV Extension up Trafalgar Road (10 Side Road to 15 Side Road - Ph1)	\$ 179,683
27.6kV Extension / loop on 5 Side Road to _____. Eng Only	\$ 11,083
Pole Trans Conversion - Phase 2 at Kingham Rd., Acton	\$ 621,268
Wireless Fault Indicators - Various Locations	\$ 40,903
Convert 8.32kV Line to 27.6kV (8th Line - 5th SdRd to Steeles Ave) Eng Only	\$ 5,366
Convert 8.32kV Line to 27.6kV (8th Line - 5th SdRd to 10th SdRd) Eng Only	\$ 5,366
44kV and Extend 8.32kV - 27th Side Road	\$ 315,170
4kV - Extend F3 Feeder from Armstrong Subs to Sinclair Ave & Guelph	\$ 272,110
Reconducting Main St (from River Dr to first pole North of CN Tracks)	\$ 110,237
GIS - ESRI Implementation	\$ 67,080
44kV Distribution Automation (Procurement & Installation 12 Load-break SWs)	\$ 437,324
Wallace Street and McDonald Blvd - Relocate Poles and Anchors	\$ 16,469
Steeles Avenue - James Snow Parkway to 5th Line South (Phase 2 - Stage 1)	\$ 439,529
Pole Relocations on 10th Side Road between 9th Line and WCB Eng Only	\$ 4,553
Generation - FIT	\$ 6,708
Microfit	\$ 751
Total 2011 Capital Additions	\$ 3,897,626

APPENDIX VECC 1-B

Table 2-14 : 2008 Project Costs					
			Capacity	Gov't	LDC Discretion (Reliability)
Projects	Actual				
Meter Replacement	\$ 151,911	LDC			\$ 151,911
Transformer Replacements	\$ 177,079	LDC			\$ 177,079
Expansion Rebates	\$ 154,949	Capacity	\$ 154,949		
Services	\$ 429,743	Capacity	\$ 429,743		
Facility Upgrade	\$ 115,162	LDC			\$ 115,162
Hardware/Software Upgrades	\$ 118,045	LDC			\$ 118,045
Glen Williams Substation	\$ 479,729	Capacity	\$ 479,729		
Fleet purchases	\$ 325,815	LDC			\$ 325,815
Feeder Extension to Bal F1 to 27 Sideroad	\$ 311,320	LDC			\$ 311,320
Willow Street-bus metering	\$ 67,118	LDC			\$ 67,118
Substation Bus Metering Upgrade	\$ 67,118	LDC			\$ 67,118
32 Sideroad install new conductor	\$ 188,710	LDC			\$ 188,710
Projects under materiality	\$ 224,229	LDC			\$ 224,229
Total	\$ 2,810,928		\$ 1,064,421	\$ -	\$ 1,746,507
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Table 2-15 : 2009 Project Costs					
			Capacity	Gov't	LDC Discretion (Reliability)
Projects	Actual				
Wildwood Road - Pole Line Relocation	\$ 297,635	Gov't		\$ 297,635	
WCB/Steeles Avenue - Pole Relocation - Intersection	\$ 86,826	Gov't		\$ 86,826	
WCB Road Widening	\$ 721,799	Gov't		\$ 721,799	
27 Sideroad N of WCB - Pole Line Reconstruction	\$ 80,654	Capacity	\$ 80,654		
River Substation - Installation of new 10MVA transformer	\$ 470,342	Capacity	\$ 470,342		
4th Line/22 Sideroad Pole Line Upgrade	\$ 280,434	LDC			\$ 280,434
Projects under materiality	\$ 263,720	LDC			\$ 263,720
Total	\$ 2,201,410		\$ 550,996	\$ 1,106,260	\$ 544,154
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Table 2-16 : 2010 Project Costs					
			Capacity	Gov't	LDC Discretion (Reliability)
Projects	Actual				
Pole Replacements - 2010	\$ 222,644	LDC			\$ 222,644
Pole Relocations on Queen Street, Georgetown	\$ 77,375	Gov't		\$ 77,375	
Reconductoring WCB from Guelph Street on Old Pine Crest Road to CNR Tr	\$ 74,063	LDC			\$ 74,063
8th Line - 3-Phase 44kV to 8.32kV Conversion from 27 Side Road	\$ 103,790	LDC			\$ 103,790
Kingham Road Pole Trans Conversion	\$ 599,725	LDC			\$ 599,725
SCADA-Mate Automated Switches for 27.6kV (2)	\$ 88,039	LDC			\$ 88,039
44kV Switches (2) Feeder ties	\$ 90,595	LDC			\$ 90,595
SCADA Windows Migration - 2nd payment	\$ 56,786	LDC			\$ 56,786
Transformers	\$ 627,913	LDC			\$ 627,913
IT GIS	\$ 96,698	LDC			\$ 96,698
Projects under materiality	\$ 269,672	LDC			\$ 269,672
Total	\$ 2,307,300		\$ -	\$ 77,375	\$ 2,229,925
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Table 2-17 : 2011 (Bridge Year) Projected Capital Projects					
Project Description	Projected Cost		Capacity	Gov't	LDC Discretion (Reliability)
River Substation Transformer Fans	\$ 20,319	LDC			\$ 20,319
Ashgrove Substation Outfit New Control House	\$ 32,899	LDC			\$ 32,899
Silver Creek Substn. - Feeder Reconfiguration (re-budget)	\$ 109,417	LDC			\$ 109,417
Glen Williams Substaion - Outfit New Control House	\$ 32,899	LDC			\$ 32,899
Mobile Truck Radio Repeater	\$ 10,122	LDC			\$ 10,122
SCADA Radio Expansion (3 years project)	\$ 52,613	LDC			\$ 52,613
Norval 44 kV Feeder Communications Re-design	\$ 16,603	LDC			\$ 16,603
Continuation of Cyber Security Project from 2010	\$ 7,566	LDC			\$ 7,566
Substation Painting Program	\$ 8,121	LDC			\$ 8,121
Pole Replacements - 2011	\$ 777,092	LDC			\$ 777,092
Regulator Relocation from 3rd Line (Acton)	\$ 56,522	LDC			\$ 56,522
Switchgear Replacement, John Street, Georgetown	\$ 72,111	LDC			\$ 72,111
5th Line South Phase Reconfiguration for Scada-Mate Switch (2)	\$ 31,533	LDC			\$ 31,533
SCADA Infrastructure for 2011 - Scada-Mate Switches (QTY: 2)	\$ 136,209	LDC			\$ 136,209
27.6kV Extension up Trafalgar Road (10 Side Road to 15 Side Road- ph1)	\$ 179,683	LDC			\$ 179,683
27.6kV Extension/loop on 5 Side to _____. Design Only	\$ 11,083	LDC			\$ 11,083
POLE TRANS CONVERSION - PHASE 2 at KINGHAM RD., ACTON	\$ 621,268	LDC			\$ 621,268
WIRELESS FAULT INDICATORS - VARIOUS LOCATIONS	\$ 40,903	LDC			\$ 40,903
Convert 8.32kV Line to 27.6kV (8th Line: 5th SdRd to Steeles) - Eng Only	\$ 5,366	LDC			\$ 5,366
Convert 8.32kV Line to 27.6kV (8th Line: 5th SdRd to 10th SdRd) - Eng Only	\$ 5,366	LDC			\$ 5,366
44kV and Extend 8.32kV - 27 Side Road	\$ 315,170	LDC			\$ 315,170
4kV -extend F3 feeder from Armstrong Subs to Sinclair Av & Guelph	\$ 272,110	LDC			\$ 272,110
Reconducting Main St (from River Dr to first pole North of CN track)	\$ 110,237	LDC			\$ 110,237
GIS-ESRI implementation	\$ 67,080	LDC			\$ 67,080
44kV Distribution Automation (Procurement & installation 12 Load-break SWs)	\$ 437,324	LDC			\$ 437,324
Wallace Street and McDonald Blvd.Relocate Poles and Anchors	\$ 16,469	Gov't		\$ 16,469	
Steeles Avenue - James Snow Parkway to 5th Line South (Phase 2 - Stage 1)	\$ 439,529	Gov't		\$ 439,529	
Pole Relocations on 10 Side Road between 9th Line and WCB (Engineering Design)	\$ 4,553	Gov't		\$ 4,553	
Generation - FIT	\$ 6,708	Gov't		\$ 6,708	
Microfit	\$ 751	Gov't		\$ 751	
HVAC Cooling Tower	\$ 146,075	LDC			\$ 146,075
Telephone System Upgrade	\$ 30,720	LDC			\$ 30,720
Web Self-Service etc.	\$ 89,000	LDC			\$ 89,000
Replacement of one-third PC's	\$ 49,000	LDC			\$ 49,000
Vehecile Replacement	\$ 228,000	LDC			\$ 228,000
Plotter, scanner, copier	\$ 21,000	LDC			\$ 21,000
Tools	\$ 29,320	LDC			\$ 29,320
Dual redundant firewalls	\$ 4,000	LDC			\$ 4,000
Total 2011 Capital Additions	\$ 4,494,743		\$ -	\$ 468,010	\$ 4,026,733
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Table 2-18 : 2012 (Test Year) Projected Capital Projects					
			Capacity	Gov't	LDC Discretion (Reliability)
Project Description	Projected Cost				
SCADA Radio Expansion (Year 2 of 3)	\$ 52,613	LDC			\$ 52,613
Ballinafad Substn. - Feeder Re-configuration	\$ 109,417	LDC			\$ 109,417
8 kV Rel improv - Silver Creek MS	\$ 107,978	LDC			\$ 107,978
Substation Painting Program	\$ 8,121	LDC			\$ 8,121
Pole Replacements - 2012	\$ 1,200,000	LDC			\$ 1,200,000
Smart Grid Infrastructure for 2012 - Scada-Mate Switches (QTY: 2)	\$ 125,614	LDC			\$ 125,614
W.C.B. -5 Sd Rd to Norval (Design 2012)	\$ 24,950	LDC			\$ 24,950
27.6kV Extension up Trafalgar Road - (10 Sd Rd to 15 Sd Rd) Phase 2 (2012)	\$ 327,972	LDC			\$ 327,972
Cutout Replacement program (AB Chance Porcelain Cutout in particular)	\$ 35,173	LDC			\$ 35,173
Pole Trans Conversion - Phase 3 at Kingham Rd. Acton -Final	\$ 653,459	LDC			\$ 653,459
Convert 8.32kV Line to 27.6kV (8th Line: 5th SdRd to Steeles) - Build/Construct	\$ 470,876	LDC			\$ 470,876
44kV Dist Automation (Procurement & inst 6 Load-break SWs in 2012)	\$ 437,324	LDC			\$ 437,324
Steeles Avenue - Trafalgar Rd to 5th Line South (Phase 2 - Stage 2)	\$ 496,638	Gov't		\$ 496,638	
Pole Relocations on Steeles Av between WCB & Trafalgar Rd (PR-2044B)	\$ 1,047,701	Gov't		\$ 1,047,701	
10 Sd Rd (2-Lane Reconst from 9th Ln to WCB). PR-1437C	-\$ 639	Gov't		-\$ 639	
Convert inView Lite to inView Premium) Meter Reading	\$ 45,000	LDC			\$ 45,000
ERP System	\$ 350,000	LDC			\$ 350,000
Green Energy Initiative	\$ 1,400,000	LDC			\$ 1,400,000
Generation - FIT	\$ 6,708	Gov't		\$ 6,708	
Microfit	\$ 20,124	Gov't		\$ 20,124	
Total 2012 Capital Additions	\$ 6,919,025		\$ -	\$ 1,570,531	\$ 5,348,494
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