



***PUBLIC INTEREST ADVOCACY CENTRE  
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC***

**ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7**

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: [piac@piac.ca](mailto:piac@piac.ca). <http://www.piac.ca>

Michael Buonaguro  
Counsel for VECC  
(416) 767-1666

December 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-2011-0170**

Please find enclosed the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

**HYDRO ONE NETWORKS INC.**  
**APPLICATION FOR THE USE OF USGAAP IN ITS DISTRIBUTION BUSINESS**  
**(EB-2011-0399)**

**VECC'S INTERROGATORIES**

**QUESTION #1**

**Reference:** Exhibit A/Tab 3/Schedule 1, pages 2-3

- a) Were there any other directives or findings in the Board's EB-2011-0268 Decision that are relevant to Hydro One Networks' Distribution business? If yes, please identify them and indicate what actions Hydro One Networks has taken or is taking in response.

**QUESTION #2**

**Reference:** Exhibit A/Tab 3/Schedule 1, page 4  
EB-2011-0268, OEB Staff IR #5

- a) With respect to page 4 lines 9-11, please provide a copy of Hydro One Networks' response to OEB Staff IR #5 (EB-2011-0268) and indicate if any revisions or updates are required.
- b) With respect to page 4, lines 13-15, please describe the inefficiencies and increased cost that would occur if Hydro One Networks' distribution business was required to use MIFRS.

### **QUESTION #3**

**Reference:** Exhibit A/Tab 3/Schedule 1, page 4  
Exhibit C/Tab 1/Schedule 2, Attachment 3  
EB-2011-0268, OEB Staff IR #15

- a) For purposes of this proceeding please file a copy of OEB Staff IR #15 (EB-2011-0268) and indicate if any revisions/updates are required.

### **QUESTION #4**

**Reference:** Exhibit B/Tab 1/Schedule 1  
EB-2011-0268, VECC IR #2

- a) For purposes of this proceeding please file a copy of VECC IR #2 (EB-2011-0268) and indicate if any revisions/updates are required.

### **QUESTION #5**

**Reference:** Exhibit B/Tab 2/Schedule 3, July 15<sup>th</sup> Letter, page 3  
Exhibit C/Tab 1/Schedule 1, pages 3-4  
EB-2011-0268, OEB Staff #14

- a) For purposes of this proceeding please file a copy of OEB Staff #14 (EB-2011-0268) and indicate if any revisions/updates are required.
- b) Is the reason for the “significant permanent increase in the revenue requirement” referred to on page 3 (lines19-21) the long-run increase in annual depreciation expenses discussed on page 4? If not, what is the reason?

## **QUESTION #6**

**Reference:** Exhibit B/Tab 2/Schedule 3, July 15<sup>th</sup> Letter, page 3  
Exhibit C/Tab 1/Schedule 1, page 4  
EB-2011-0268 Decision, pages 13-14  
EB-2011-0268, OEB Staff IR #17

**Preamble:** The OEB has indicated that it will “require Hydro One Distribution to file the information required on page 19 of the Board’s Addendum, and particularly to address the potential disadvantages raised by intervenors and Board Staff of the increased difficulty in benchmarking Hydro One Distribution to other Ontario distributors if Hydro One uses the USGAAP accounting standard”.

- a) Hydro One Networks is asking the Board to approve the adoption of USGAAP for its distribution business prior to its next rate application where it is expected to address concerns the adoption of USGAAP may create regarding the benchmarking of its distribution business. Is there any additional information (apart from that in OEB Staff IR #17) that Hydro One Networks can provide at this time that would address this issue and/or provide some assurance to parties that this issue can/will be adequately resolved.

## **QUESTION #7**

**Reference:** Exhibit C/Tab 1/Schedule 1, page 2  
EB-2011-0268, OEB Staff #12

- a) For purposes of this proceeding please file a copy of OEB Staff #12 (EB-2011-0268) and indicate if any revisions/updates are required.

### **QUESTION #8**

**Reference:** Exhibit C/Tab 1/Schedule 1, page 4  
EB-2011-0268, OEB Staff IR #9 and #10

- a) For purposes of this proceeding please file copies of OEB Staff #IR 9 and IR #10 (EB-2011-0268) and indicate if any revisions/updates are required.

### **QUESTION #9**

**Reference:** Exhibit D/Tab 1/Schedule 1, page 2  
EB-2011-0268, OEB Staff IR #13

- a) For purposes of this proceeding please file a copy of OEB Staff #13 (EB-2011-0268) and indicate if any revisions/updates are required.

### **QUESTION #10**

**Reference:** Exhibit D/Tab 1/Schedule 1, page 2  
EB-2011-0268, LPMA IR #3

- a) For purposes of this proceeding please file a copy of LPMA IR #3 (EB-2011-0268) and indicate if any revisions/updates are required.