

**HALTON HILLS HYDRO INC.
2012 RATE APPLICATION (EB-2011-0271)**

VECC'S TECHNICAL CONFERENCE QUESTIONS

TCQ #1 **Reference: VECC #36**

Preamble: The response to part c) states that historical customer numbers reported in Table 3-10 are correct and the response to part a) indicates that the values reported for 2004-2010 are for June of each year.

The response to part b) states that the values for part b) are based on the total number of customers/connections for each rate class. The response to part c) also suggests that the values in Appendix A are incorrect, e.g. the customer count value of 24,904 reported in Appendix A for June 2012 is really a June 2008 value.

A review of Table 3.10 would suggest that all of the values in Appendix A are "off" by two years, e.g., the January 2006 value used in Appendix A is really the January 2004 value.

- a) Confirm if the above statements are correct. If not correct, reconcile the data in Table 3.10 with that used in Appendix A.
- b) If the preamble is correct, then please confirm if the (incorrect) customer count data series in Appendix A was used to estimate HHI's load forecast model. The excel load forecast model filed with the Application suggests it was.
- c) If the preamble is correct, then please confirm that the forecast customer counts used in Appendix A to forecast 2011 and 2012 purchases are incorrect. If not, please reconcile the 2011 and 2012 customer counts in Appendix A with those in Table3-12.
- d) If required, please provide a re-estimation of the load forecast model and update the forecast for 2011 and 2012.

TCQ #2

**Reference: VECC #43 (Table VECC 2-5)
Board Staff #77 (Table OEB 2-1)
Updated Smart Meter Model**

- a) Please reconcile the following differences in total capital costs reported for Smart Meters:
- VECC #43 - \$3,779,873
 - OEB #77 - \$3,768,873
 - Smart Meter Model - \$3,779,876
- b) With respect to VECC #43 (Table VECC 2-5), please indicate what the values in the “audited” columns represent. In most cases, the value is equal to the sum of the Residential and GS<50 values, but not in all. Is it meant to represent the sum of the values for the two classes and, if so, why does it not do so in some cases (i.e., sum of total Residential and GS<50 capital spending is \$3,688,995 not \$3,779,873)?
- c) Please reconcile the capital cost spending reported for Residential:
- VECC #43 - \$3,312,650
 - OEB #77 - \$3,403,529
- d) Please reconcile the capital spending reported for GS<50:
- VECC #43 - \$376,345
 - OEB #77 - \$365,345
- e) With respect to Table OEB 2-1 please explain why the number of installed smart meters for both the Residential and GS<50 classes is less than the number of customers reported for each class (e.g., in the case of Residential 19,085 smart meters vs. 19,726 customers).
- f) Based on the responses to the foregoing questions, please calculate the installed (capital) cost per meter for the Residential and GS<50 classes.
- g) Please provide documentation to support the average capital cost per meter based on meter type (single vs. 3-phase) and show how this reconciles with the Class average capital cost calculated above and in the allocation of Smart Meter Revenue Requirement to classes per Table OEB 2-1.

TCQ #3 **Reference: VECC #44**

Preamble: The response provided does not fully response to the question as asked. Please calculate the following and ensure the values reconcile to the OEM SM model as filed.

- a) 2007-2011 Revenue Requirement by Class based on Capital Cost as the driver/allocator.
- b) True-up the Smart Meter Adder revenue collected to date (end of 2011) by class and compare to revenue requirement by class.
- c) Determine revenue requirement per class for 2012.
- d) Provide revised SMIRR and SMDRR for each class.

TCQ #4 **Reference: VECC #38 a)**
 VECC #43
 Cost Allocation Model, Sheet I7.1

- a) With respect to VECC #43, for each of the four rows under Capital Costs, in which USOA account will the costs be recorded?
- b) In Cost Allocation Sheet I7.1 the cost of smart meters for Residential and GS<50 is reported as \$185. Depending on the response to part a), please explain why capital cost other than those attributed to the Meters USOA account were included in the capital cost weighting factor for smart meters.
- c) VECC #38 a) indicates that HHI did not track smart meter costs by customer class. However, VECC #43 sets out meter costs by customer class that are different (on a per customer basis) for Residential and GS<50 customers. Please calculate the capital cost of smart meters by customer class based on the results reported in VECC #43 (corrected as necessary for the responses to the previous question) and, then, update Sheet I7.1 accordingly.

TCQ #5 **Reference: Energy Probe #57**

- a) What months of actual data are included in the 2011 year to date value reported?
- b) Please explain the significant increase in “Rent from Electric Property” in the 2011 year to date value (\$274,365) versus the 2011 forecast value in the Application (\$191,493).

TCQ #6 **Reference: Energy Probe #64 e)**

- a) Is HHI changing its' applied for 2012 customer count forecast to reflect this response?
- b) If yes, please confirm that the load forecast and cost allocation will have to be adjusted accordingly.