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March 14, 2008

VIA MAIL & E-MAIL

MS Kirsten Walli
Board Secretary
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Vulnerable Energy Consumers Coalition (VECC)
Interrogatories: RP-2007-0681
Hydro One Networks Inc. – 2008 Electricity Distribution Rate Application

Please find enclosed the interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

HYDRO ONE NETWORKS INC.
APPLICATION FOR 2008 DISTRIBUTION RATES
EB-2007-0681

VECC INTERROGATORIES

1. ADMINISTRATION (Exhibit A)

QUESTION #1

Reference: Exhibit A, Tab 8, Schedule 3, page 5, Table 2

Question:

a) Provide a Copy of Schedule A to the SLA for 2008 Services from Networks to its affiliates, including Hydro One Inc. [Exhibit A Tab 8 Schedule 3 Appendix B Page 8/9]

b) Confirm that there is no Market for Services provided by Networks to Affiliates (Outbound Services).

c) Confirm that the fully allocated costs of Networks is used to set the transfer price.

d) Provide a sample calculation of the 2008 costs of Financial Services provided by Networks to affiliates, including
   i. Time studies/estimates
   ii. Fully allocated costs of providing the total services
   iii. The return on capital employed
   iv. Direct Allocations to affiliates
   v. Indirect allocations to affiliates using cost drivers

e) Provide a breakdown and description of the methodology as to how the costs of the services provided by Networks to affiliates are allocated between Transmission and Distribution.

f) Why are the costs of 2008 Financial Services provided to Hydro One Inc, Telecom and Brampton lower than in the past? Please provide a detailed explanation.

g) Compare reconcile your answers to part c and d) to the Service Level Agreements Schedule A for 2008 as requested in Part A

QUESTION #2

Reference: Exhibit A, Tab 8, Schedule 3, page 5, Table 2

Question:

a) Provide a Copy of Schedule A to the SLA for 2008 Services from Hydro One Inc. to its affiliates, including Networks [Exhibit A Tab 8 Schedule 3 Appendix A Page 8/9]].

b) Confirm that there is no Market for Services provided to Networks by Hydro One Inc and Telecom (Inbound Services).

c) Confirm that the fully allocated costs of Hydro One Inc. and Telecom is used to set the transfer prices.

d) Provide a sample calculation of the 2008 costs of President/CEO Services provided to Networks and other affiliates, including
   i. Time studies/estimates
   ii. Fully allocated costs of providing the total services
   iii. The return on capital employed
   iv. Direct Allocations to affiliates
   v. Indirect allocations to affiliates using cost drivers
   vi. Why are the costs of 2008 Corporate Services provided to Networks lower than in the past? Please provide a detailed explanation

e) Why are the Telecom Services provided to Networks higher in cost than 2006 and 2007 Please provide a detailed explanation and highlight the cost drivers and/or expanded service levels.

f) Provide details of the Basis of the 2008 allocation of Corporate Services and Telecom Services to Transmission and Distribution.

g) Compare/reconcile your answers to part c, d, and e to Schedule A of the 2008 Service Level Agreements either as requested in part A, or filed at Exhibit A-8-3, Appendix E.

QUESTION #3

Reference: Exhibit A, Tab 14, Schedule 1, Sections 1.0-4.0 Tables

Question:

a) Confirm which Business Planning/Economic/Interest rate assumptions will be updated
   i. prior to hearing, and
   ii. prior to issuance of the Boards Decision/rate Order

b) Provide the latest Global Insight Dx O&M and Capital Indices for 2008 and highlight the impact that any material change will have on 2008 costs and Revenue Requirement.

c) Provide the HO's latest summary of Consensus Forecast Bond Rates and ST interest rates. Compare the impact of the changes on the 2008 Cost of Capital and revenue requirement.

d) Confirm that the Tax rates shown in Section 4.0 the final rates, including Capital tax.

e) What will HO do if Provincial tax rates change in the Spring 2008 Provincial Budget?

QUESTION #4

Reference: Exhibit A, Tab 14, Schedule 3, page 4

Preamble: *Hydro One Distribution's load forecast has incorporated the Board's latest decision for Hydro One Transmission Rate case (EB-2006-0501) to include 350 MW of natural conservation in the provincial CDM target of 1350 MW for 2007. The load forecast in 2008 also accounts for 251 MW of CDM program impacts assumed in the OPA's IPSP that was filed with the Board on August 29, 2007*

Question:

a) Confirm that the 350 MW of natural conservation is a minimum and provide the range of estimates.

b) Provide details of the assumptions underlying the 251 MW of CDM in the IPSP and how this relates to HO service areas and customers.

c) Confirm that OPA IPSP CDM forecast are regional and not utility-specific

QUESTION #5

Reference: Exhibit A, Tab 14, Schedule 3, pages 8-9 and Table 2

Preamble: *Hydro One Distribution does not currently have the data required to do a bottom-up analysis of the CDM impact on Hydro One's load forecast from the various CDM programs driven by various sources such as the Ontario Power Authority, Provincial Government and Federal Government.*

Question:

a) Does Table 2 (and Table 4 on Page 20) reflect HO's estimates of 2006-2008 CDM load reductions in its service area and embedded LDCs as filed in its reports with the Board? Please discuss and compare 2008 to the 251 MW in the OPA IPSP.

b) Provide the corresponding MW reductions (Summer and Winter peak).

c) Provide the impact on forecast revenues and the revenue sufficiency/deficiency of a 50GWh change in Residential/GS CDM energy consumed and a corresponding impact of a 10MW reduction in forecast peak load.

d) Comment further regarding when HO will comply with the Board's Direction for a bottom up forecast of CDM Impacts on Energy and Demand.

QUESTION #6

References: Exhibit A, Tab 14, Schedule 3, page 7;
Exhibit A, Tab 14, Schedule 3, pages 8-9

Preamble: *Approximately nine to ten thousand customers are added to Hydro One Distribution's customer base on an annual basis. Customer growth in 2007 and 2008 is expected to be approximately 11,000 and 9,400 respectively (2007 customer growth includes an addition of 1,100 customers from Terrace Bay). This compares to an average of about 12,000 customers that were added per year in the period 2002-2006. The lower figure for 2008 is attributed to a reduction in housing starts.*

Question:

a) Provide the Housing Start Forecast for HO service areas (and if available, actuals) for 2004-2007.

b) Provide the Housing Start Actual 2007 and Forecasts for Ontario for 2008 from Consensus Forecasts, the major Banks and from the Conference Board of Canada

QUESTION #7

Reference: Exhibit A, Tab 14, Schedule 3, page 20, Table 4

Question:

a) Provide the 2008 Load Forecast without CDM, but including natural conservation
    i. Total Energy and Demand
    ii. Residential Energy and Demand

b) Provide the corresponding 2006-2007 Winter/Summer peak MW with and without CDM.

c) Indicate the Average Dx Loss factors for 2006-2008.

d) Indicate the Residential average use and total consumption actual vs forecast for 2006 and 2007 and forecast 2008.

QUESTION #8

Reference: Exhibit A, Tab 15, Schedule 1, page 5, Table 1

Question:

a) Provide an updated version of Table 1 showing 2007 actual CSIs and forecast 2008 CSIs.

b) Indicate whether the number of ER events in 2004-2007 were System or Weather related.

c) Provide a short summary of HO Dx's response to OEB Staffs Proposed changes to CSIs

QUESTION #9

Reference: Exhibit A, Tab 15, Schedule 1, page 7, Table 2

Question:

a) Provide an updated version of Table 2 showing 2007 actual SQIs and forecast 2008 SQIs.

b) Hydro One deems a *force majeure* to have occurred when 10% or more of Hydro One customers have been interrupted by an event.
   i. Provide the Industry Technical Definition of a Force Majeure event (if different) and
   ii. Provide a summary whether the number and duration of events in 2004-2007 were system or weather related.

c) Provide a short summary of HO Dx's response to OEB Staffs Proposed changes to SQIs.

QUESTION #10

Reference: Exhibit A, Tab 15, Schedule 2

Preamble: The PA Summary Conclusion is that

The study has produced some useful results for the company. In particular, the results provide an accurate portrayal of the performance of the company, while at the same time demonstrating the importance of measuring and reporting performance in an appropriate manner to fit the individual situation for each utility. Hydro One's service territory has some
unique characteristics, most notably its low density, and the performance of the company appears different depending on whether or not those characteristics are taken into account in
measuring performance. Overall performance of the company rates as "good to very good"
when performance is normalized by the volume of assets (e.g. km of line). However, when measures that are normalized by customer base (e.g. spending or customer hours per customer served) are used, Hydro One performance appears to be less efficient. The low density/rural nature of the Hydro One system leads to this, since customer-normalized metrics tend to favor higher density systems.

Questions:

a) Provide in tabular form the following performance metrics for the Period 2004-2007 and Forecast 2008
   i. Assets $ per km of line; per customer; per GWh distributed
   ii. Capital $ per km of line; per customer; per GWh distributed
   iii. O&M $ per km of line; per customer; per GWh distributed

b) Compare and discuss the trends in the metrics.

c) Compare HO 2004-2006 3 year averages to the PA peer group in terms of Rank and discuss why HO ranks where it does.

d) What steps is HO taking to improve its performance?

e) With regard to Tree trimming what factors are contributing to HO's rank and what is HO doing to improve this?

QUESTION #11

Reference: Exhibit A, Tab 15, Schedule 3, page 10, Table 3

Preamble: *The Board does accept the submissions of intervenors regarding the expected benefits of the $4.75 million expenditure and directs Hydro One to include in its next main rates case filing a budget and a work plan to implement all the cost-effective line-loss reduction suggestions contained within the Kinetrics study. If Hydro One concludes that any of the recommendations in the Kinetrics study should not be implemented, it must clearly demonstrate the reasons for that position, and an accompanying budget and work plan for its preferred implementation plan.(4.3.10)*

Question:

a) What DLFs/TLFs are to be included in 2008 rates for each of the customer groups- the values in column 1 of Table 3 or the values arising from the Kinetrics Study- column 2?

b) Where is the Comprehensive Work Plan and Budget for Loss Reduction?

c) Provide a summary Table showing historic and forecast 2008 expenditures and describe how the 2008 plan relates to the new Kinetrics Study recommendations.

2. COST OF CAPITAL/DEBT (Exhibit B)

QUESTION #12

References: Exhibit B1, Tab 1, Schedule 1, Section 2.0;
Exhibit B1, Tab 2, Schedule 1, pages 4/5

Questions:

a) Provide Hydro One Networks' rationale for proposing a 60% debt/40% equity structure for 2008 rates rather than a transitional debt/equity structure.

b) Please provide a revised Capital Structure/Cost of Capital the deemed capital structure approved by the Board for 2008 Networks' transmission rates.

c) Please provide the actual Coupon (effective debt cost) for the 5 and 10 year debt issued in the latter part of 2007 and the amount mapped to Dx. Compare this to the forecast.

d) For debt to be issued in 2008 has HO updated the forecast effective coupon rate and/or the amounts to reflect latest bond rate forecasts? If not when will this be done?

QUESTION #13

Reference: Exhibit B2, Tab 1, Schedule 2, pages 4 - 5

Question:

a) For the debt that matured in 2007 (lines 1-9 page 4 the Schedule) in an amount of $ 237.2 million, provide a calculation of the impact on overall 2007 (and 2008) carrying cost and embedded debt cost due to replacement with lower denominated debt.

b) For the debt to be issued in 2008 (lines 24-26 page 5 the Schedule) in an amount of $434.1 million please calculate the impact of a change in the effective rate of 10 basis points on the 2008 carrying costs.

c) Please explain the increase in carrying costs and effective embedded debt rate between 2007 and 2008.

QUESTION #14

Reference: Exhibit B1, Tab 1, Schedule 1, page 3

Question:

a) Which of the following 2008 forecast debt amounts and rates will be updated prior to hearing and prior to issuance of the Board's Rate Order
   i. Embedded Debt
   ii. Third Party Long Term Debt
   iii. Short Term Debt

b) Since the January 2008 OEB Forecast is now available, please provide an updated version of the Table at B1T1S1 Page 3 Section 7

3. COST OF SERVICE (Exhibit C)

QUESTION #15

Reference: Exhibit C1 Tab 2 Schedule 2 Page 3- lines 15-25 and Tables 1, 2 and 3

Preamble: *The change in overall (Sustaining OM&A) spending for 2008 relative to historic expenditures is attributed to the following reasons:*
• Increased vegetation management line clearing and brush control to manage and improve reliability.
• Increased maintenance on distribution station transformers to restore the condition of these aging assets.
• Maintenance and other OM&A spending for Smart Meters.
• Continuing efforts on lines data collection and increased emphasis in defect corrections to manage reliability and safety.

Questions:

a) Discuss why the Demand (and budget) for Stations Maintenance is lower in 2008 than 2006-2007? Provide Activity levels for all three years.

b) Provide 2007 Line management trouble call volume and actual spending and discuss why the Line Management Trouble forecast of 49,100 is lower/higher than 2007.

QUESTION #16

References: Exhibit C1 Tab 2 Schedule 2 Pages 29-34 and Table 9
Exhibit C1 Tab 2 Schedule 2 Page 35 and Table 10
Exhibit D1, Tab 2, Schedule 1

Questions:

a) Provide the Business Plan for the Vegetation Management Program that supports the increase in Accomplishment and Budgets from 2006-2008.

b) What Arborist input was provided in preparing the Plan. If not covered in the Plan please describe?

c) Please update Table 10 on page 35 with 2007 actuals and 2008 forecast.

d) Provide either the latest ACA report for Vegetation Management or a summary of current conditions and remedial plans and budgets.

e) Discuss why HO Tree trimming cost per tree and per km of ROW are the highest/second highest of the Comparator group in the PA study [Exhibit A-15-2 Attachment A, Appendix C-39 and C-40.]

QUESTION #17

Reference: Exhibit C1, Tab 2, Schedule 5, page 9 and Table 2

Questions:

a) Provide reasons why meter reading costs are lower in 2008 compared to 2006 while metering OM&A is significantly higher.

b) Compare the 2008 meter reading Unit costs (per customer) to those identified in the PA Benchmarking Study [Exhibit A-15-2 Attachment A] and indicate the main components of costs included in the $13.97 per customer/yr cost in Appendix C page C-35.

QUESTION #18

Reference: Exhibit C1, Tab 2, Schedule 6, page 6 and Table 3

Questions:

a) Provide the 2006 and 2008 Service Schedules/Descriptions corresponding to the CCF&S services costs shown in Table 3.

b) For each category highlight the increase in service levels and costs adding to the total $10 million (13.5%) increase in CCF&S costs 2006-2008

QUESTION #19

Reference: Exhibit C1, Tab 2, Schedule 6, page 37 and Table 13

Question:

a) For each Category in Table 13 Provide a description of the Increased Service levels and costs adding to the total increase of $14 million (15%) in Asset Management costs 2006-2008.

QUESTION #20

Reference: Exhibit C1 Tab 3 Schedule 1
Exhibit C1 Tab 3 Schedule 2

Questions:

a) Provide the number of employees for each year 2004-2008 reflected in the Annual Networks Payroll table.

b) Provide similar tables to that attached below showing Compensation for each major employee group (e.g., Society Staff, PWU Staff, Management Staff, etc.). In each case, please also provide the number of staff in each category by year.

Number of Employees - Full-Time Equivalents (FTEs)					
	2002	**2003**	**2004**	**2005**	**2006**
Executives	8	6	5	5	5
Managerial	29	32	22	24	24
Management/Non-Union	247	240	145	160	168
Unionized	1,258	1,235	1,079	1,130	1,158

Compensation - Average Yearly Base Wage					
	2002	**2003**	**2004**	**2005**	**2006**
Executives	$ 159,543	$ 137,812	$ 163,696	$ 173,545	$ 178,347
Managerial	$ 106,243	$ 74,940	$ 104,604	$ 113,378	$ 116,860
Management/Non-Union	$ 73,045	$ 47,168	$ 71,798	$ 92,539	$ 94,271
Unionized	$ 59,558	$ 53,981	$ 62,159	$ 63,724	$ 65,747

Compensation - Average Yearly Overtime					
	2002	**2003**	**2004**	**2005**	**2006**
Executives	$ -	$ -	$ -	$ -	$ -
Managerial	$ 119	$ -	$ -	$ -	$ -
Management/Non-Union	$ 6,465	$ 2,731	$ 3,802	$ -	$ -
Unionized	$ 4,645	$ 4,538	$ 4,825	$ 6,085	$ 6,368

Compensation - Average Yearly Incentive					
	2002	**2003**	**2004**	**2005**	**2006**
Executives	$ 40,263	$ 51,393	$ 51,399	$ 59,590	$ 62,632
Managerial	$ 7,649	$ 8,050	$ 13,318	$ 14,608	$ 15,321
Management/Non-Union	$ 3,560	$ 2,294	$ 3,889	$ 4,175	$ 5,000
Unionized	$ 81	$ 61	$ 76	$ -	$ -

Compensation - Average Yearly Benefits					
	2002	**2003**	**2004**	**2005**	**2006**
Executives	$ 49,157	$ 157,059	$ 110,220	$ 71,938	$ 75,287
Managerial	$ 25,722	$ 23,403	$ 38,797	$ 39,373	$ 40,810
Management/Non-Union	$ 21,568	$ 19,449	$ 27,502	$ 33,805	$ 31,693
Unionized	$ 16,005	$ 18,435	$ 23,096	$ 22,679	$ 23,185

Total Compensation - Year over Year Percentage Increases - Interrogatory 26 (c)

Executives	**Total Compensation**	**Percent Increase**
2002	$ 1,991,705	
2003	$ 2,077,582	4.3%
2004	$ 1,626,575	-21.7%
2005	$ 1,525,360	-6.2%
2006	$ 1,581,330	3.7%

Managerial		
2002	$ 4,052,251	
2003	$ 3,404,583	-16.0%
2004	$ 3,447,813	1.3%
2005	$ 4,016,616	16.5%
2006	$ 4,151,784	3.4%

Management/Non-Union		
2002	$ 25,845,690	
2003	$ 17,194,176	-33.5%
2004	$ 15,513,673	-9.8%
2005	$ 20,882,720	34.6%
2006	$ 22,001,952	5.4%

Unionized		
2002	$ 101,003,650	
2003	$ 95,139,201	-5.8%
2004	$ 97,278,259	2.2%
2005	$ 104,511,440	7.4%
2006	$ 110,356,242	5.6%

QUESTION #21

Reference: Exhibit C1-3-2 Appendix "A" Page 2 line 5 (table) and Line 22

Questions:

a) Provide a Comparison of Pension Costs for 2006 and 2007 in the same format as the table at line 5.

b) Provide a Summary of the Pension Valuation submitted to FSCO in 2007.

c) Provide a commentary and Comparison to the previous actuarial valuation, including implications and costs for 2008 and beyond.

QUESTION #22

Reference: Exhibit C1, Tab 4, Schedule 2, Page 14-16 and Table 2

Preamble: *In the OEB's Decision with Reasons on Hydro One's recent Transmission rate filing (Ref EB-2006-0501), issued on August 16, 2007, the Board stated "in the [compensation] study that Hydro One is [now] preparing, the Board expects it to provide empirical evidence which reveals the relative productivity of its workforce in comparison to other utilities". A broad indicator of workforce productivity improvement is provided in Figure 3, which displays the amount of work accomplished per regular staff count (as indicated by work program spend in $million per regular staff count) for Hydro One Networks (total Distribution and Transmission businesses).*

Questions:

a) Why is the amount of work ($ spend) per regular staff count, a good measure?

b) Is the measure circular in that $ spend includes a high amount of staff/labour costs.

c) Compare the Amount of work per staff count to a classical Total Factor Productivity Factor in terms of inputs and outputs.

d) Breakdown the data and compare the Total Spend per employee between Transmission and Distribution.

e) Has HO conducted a TFP analysis for either Tx or Dx as have the Ontario (and other) gas utilities? If not why not? If so, then provide the results of the study.

f) How do HO labour rates compare to the other utilities in Table 2. Is the $million spend per employee a function of labour rates.

g) Compare HO Dx productivity 2003-2007 to the Board Approved Productivity Factor (X Factor) of 1.1 % for 2nd Generation IRM.

QUESTION #23

Reference: Exhibit C1 Tab 5 Schedule 1 Pages 4 -5 and Tables 1-4
Preamble: *The allocation of Asset Management, Operating and Customer Care Management costs is based on a time study, as submitted in the Transmission submission EB-2006-0501 Exhibit C1-5-1. This time study is still relevant and yields an appropriate result.*

Questions:

a) Provide a Summary of the 2008 Common Cost Allocation for Dx in the same format as Table 2 of C1 Tab5 Schedule 1 in EB-2005-0501 For convenience please include Table 2 for Tx including any necessary updates.

b) Refile the Rudden Report Exhibit C1T5 S1 of EB-2005-0501.

c) Refile the Time Study referred to above in this Proceeding.

d) Why is only ~$200,000 of Common CC&FS costs allocated to Hydro One Inc.? Is this a direct allocation or based on a time study or other cost drivers. Please provide details.

e) Why are no Asset Management Costs Allocated to Hydro One Inc.

f) Confirm if Hydro One Inc was an identified Business Unit In the Rudden Report and whether Hydro One Inc was One of the "buckets" for time study allocations or included in "Other".

g) How many "Buckets" were used ie Hydro One Networks (Tx and Dx) and "Other" or a larger number?

h) As well as Time allocation, indicate how much of the indirect allocations listed in Table 4 (totals) are based on other cost drivers and list the major Cost Drivers.

QUESTION #24

Reference: Exhibit C1, Tab 5, Schedule 2, pages 2-3

Preamble: *Beginning in 2007, Hydro One Networks is adjusting the overhead capitalization rate several times within the year as required to reflect actual changes in capital expenditures spending. This will improve the timeliness of the potential E-Factor true-up and result in a better alignment of overhead costs with the capital projects that they support. It is also proposed that the year-end E-Factor true-up, going forward, will be in included in the calculation of the overhead capitalization rate for the subsequent year.*

Questions:

a) Provide a full calculation of 2008 Dx Overhead Capitalization in the same format as the Rudden Report C1 Tab 5 Schedule 2 Attachment A.

b) Provide the E factor for 2007.

c) Provide a revised version of Table 2 including the E-factor for 2007.

d) Provide the $ Impact of the revision on 2008 OM&A and Revenue requirement

QUESTION #25

References: Exhibit C1, Tab 6, Schedule 1, page 2
Exhibit C2, Tab 5, Schedule 1, pages 1&2

Questions:

a) Provide the following Details of the increase 2006-2008 in Depreciation Expense related to Minor Fixed Assets
    i. What are the main drivers of the increase?
    ii. Details of Capital and OM&A Amounts depreciation rates and expense related to Cornerstone
    iii. The increase in blended asset pool depreciation rate from 2006 8.49 % to 2008 10.81%

b) Did Foster Associates examine Cornerstone? If so what depreciation treatment for O&M and Capital was recommended?

c) Did HO adopt this recommendation and is this reflected in the depreciation expense for minor assets for 2006-2008? Please elaborate

4. RATE BASE (Exhibit D)

QUESTION #26

References: Exhibit D1Tab 2 Schedule 1 Page 10 Table 4.2

Question:

a) Provide the 2007 Station Transformer Failure Rate.

QUESTION #27

References: Exhibit D1,Tab 2, Schedule 1, Page 15
Exhibit D1, Tab3, Schedule 1, Tables 3 and 4

Preamble: *In the past, the number of poles/year that have entered this Region (3) has been about 30,000 to 35,000, but over the next 10 years the number will increase to as much as 50,000, thereby increasing the number of poles expected to be found at end of life. This information indicates that in the future one can expect an increasing number of pole replacements.*

Questions:

a) Provide the 2006 ACA for poles and compare this to the 2008 ACA.

b) Does HO keep statistics on wood pole failures? If so provide this and discuss what the data show for 2004-2007?

c) Relate the need to accelerate pole replacement to the higher replacements planned for 2008 in terms of planned and actual units in 2006 and 2007.

d) Provide the unit costs for pole replacement 2006-2008.

QUESTION #28

References: Exhibit D1, Tab 3, Schedule 2, Page 23, Table 6

Preamble: *Activities associated generally with the government's regulations concerning minimum functionality, which account for $64.2 million and $136.5 million in 2007 and 2008 respectively, include the following work:*

- *Installing additional smart meters and advanced metering communications devices ("AMCDs");*
- *Building and expanding the advanced metering regional collector ("AMRC"), and underlying networks to accommodate an increasing number of meters coming on- stream; and*
- *Commissioning and placing into service, hardware and software for the advanced metering control computer ("AMCC") to enable it to communicate and transmit quality meter data to and from the meter data management and meter data repository (MDM/R) and the Company's CIS.*

Questions:

a) Summarize the 2007 Actual and 2008 forecast accomplishment for meters (units in service and costs).

b) Compare 2007 actuals to forecasts provided to the OEB in the combined hearing.

c) Provide 2007 and forecast 2008 unit costs (capital cost and installation).

d) Provide 2007 actual AMRC and AMCC costs.

e) Compare 2007 actuals to forecasts provided to the OEB in the combined hearing.

f) Provide forecast 2008 AMRC and AMCC costs.

QUESTION #29

References: Exhibit D1, Tab 3, Schedule 2, pages 27-28

Preamble: *Incremental functionality activities associated with effective use of the smart meters to provide time-differentiated billing to customers and provide Hydro One the ability to leverage its AMI system for other business benefits, which account for $12.5 million and $28.3 million in 2007 and 2008 respectively, include the following work:*

- *Upgrades to our CIS system to provide for Time of Use billing and related required settlement changes. This aspect of the Smart Meter program is rooted in the government's desire and directive to create a conservation culture of which time of use rates are an integral part;*
- *Integration of the end to end systems including business process redesign,*

This integration ties the AMI systems implemented under minimum functionality with the IESO's MDMR and Hydro One's CIS system to allow the collection of time differentiated consumption data required for TOU billing;

Questions:

a) Provide a breakdown of 2007 and 2008 costs above minimum functionality. (CAMF)

b) Indicate where the 2007 and forecast 2008 CAMF costs are being recorded.

c) If in the SM deferral account is interest being accrued?

d) Is HO is seeking recovery of 2007 and/or 2008 CAMF in this Application per F1 T1 S1 Table 2?

e) Provide any Board or Board staff directions regarding recovery of CAMF.

QUESTION #30

References: Exhibit D1, Tab 3, Schedule 3, page 2, Table 3

Preamble: *The actual number of (Generation connection) projects that will connect is still quite uncertain. As of June 30, 2007, 34 of the 113 projects that have received a CIA have gone on to request an estimate and 8 projects have actually signed a Connection and Cost Recovery Agreement (CCRA) committing to pay for connection. The forecast number of connections on which the plan is based is shown in Table 3 below.*

Questions:

a) Provide 2006 and 2007 forecast and actual generator connections and total costs.

b) Is the $4.4 million increase in distribution line upgrades (poles etc) reflected in the asset replacement sustaining capital budget or is it considered development capital? i.e. are 100% incremental resources applied for generator connections?

c) How are Under/over forecasts of generator connection activity treated for regulatory purposes.

d) Does the OPA have a forecast of small generators (# and Mw) connected to Dx? If so please provide a copy.

QUESTION #31

Reference: Exhibit D1, Tab 3, Schedule 5, pages 18-23

Preamble: *The Cornerstone Project envisions four staged replacements of core applications which are scheduled to occur between 2008 and 2011. Hydro One intends to retain outside consultants and software application vendors, through a competitive bidding process, to assist it with its replacement program.*

Questions:

a) Please provide the Business Plan and projected Capital and Operating Cost Summary for the Cornerstone Project. (The one page summary filed at D2 T2 S3 IT1 is not adequate for such a major multi-year project).

b) If not included in the response to a), provide the in-service dates for the major components.

c) Provide a copy of the Benefits Realization Plan and analysis for Cornerstone.

d) Relate the benefits listed at D1Tab3 Schedule 5 Page 22 to the BFRP.

e) Provide the projected split in Capital and Operating costs and benefits between Tx, Dx and Other Business units. 2007, 2008 forward.

5. REVENUE REQUIREMENT (Exhibit E) & REGULATORY ASSETS (Exhibit F)

QUESTION #32

References: Exhibit E1, Tab 1, Schedule 1, Page 3, Tables 2 and 3

Questions:

a) Provide a version of Table 3 that includes a column for 2007 actuals.

b) Provide a variance report for 2006-2007 in the same format as Table 3.

QUESTION #33

References: Exhibit E3, Tab 1, Schedule 1, Page 2, Tables 1 and 2

Questions:

a) Why is the increase in 2008 joint use regulated revenues only $0.2 million given the projected increase in generator connections.

QUESTION #34

References: Exhibit E3, Tab 1, Schedule 1, page 6, Table 6

Questions:

a) Explain why no prior year's Late Payment Charge volumes are shown in Table 6. Provide the 2004-2007 volume data and revenues.

b) Provide the basis of the 2008 forecast of $14.5 million and explain any material changes relative to prior years.

QUESTION #35

Reference: Exhibit F1, Tab 1, Schedule 1, page 10

Questions:

a) Provide a breakdown by year of PMO services and costs that CapGemini management function provides for "meter installation and field services".

b) Explain why Hydro One outsourced the services of CapGemini rather than providing the services with internal resources.

c) Please breakdown the services and costs that the PMO function provides for "billing and customer care".

d) Explain why the PMO function for billing and customer care cannot be provided by Hydro One'

7. SMART METERS

QUESTION #36

References: Exhibit F1Tab 1 Schedule 1 Page 11 Table 7

Questions:

a) Why is HO seeking recovery of under-recovery of SM costs for minimum functionality from June 1 2007-April 30, 2008?

b) Provide a breakdown of the Total SM actual costs and revenue requirement at May 1 2007, December 31, 2007 and forecast May 1, 2008 in the same format as used in the SM Combined Hearing. (includes Units and capital and Operating costs for meters and AMCD/AMRC etc.)

c) Relate the under-recovery amounts in Tables 5 and 7 to the Total Cost. Please provide the calculations of the revenue requirement amounts of $6.1 million, $10.6 million, and $11.7 million for December 31, 2006, December 31, 2007, and April 30, 2008, respectively.

d) Provide details of SM main account 1555 – smart meter capital and recovery offset variance account, and main account 1556 – smart meter OM&A variance account in 2007 and for 2008. Show details of subaccounts and balances under accounts 1555 and 1556.

e) Provide Details of Interest calculations for Accounts 1555 and 1556 and sub-accounts at May 1, 2007, December 31, 2007 and May 1, 2008.

6. COST ALLOCATION AND RATE DESIGN (Exhibit G)

QUESTION #37

Reference: Exhibit G1, Tab 1, Schedule 1, page 3, lines 3-7

Question:

a) The referenced text suggests that there are no customers within any of the 88 Acquired Utilities that meet the definition for the R2 Residential (Low Density) class. Please reconcile this with proposed treatment of Caledon's customers (Exhibit G1, Tab 2, Schedule 3, page 3).

QUESTION #38

Reference: Exhibit G1, Tab 2, Schedule 1, page 1, lines 9-23

Preamble: *Elsewhere in its Application Hydro One Networks states (Exhibit G1, Tab 2, Schedule 2, page 1) it has three basic customer groups:*

- *Legacy Retail Customers*
- *Acquired Utility Customers and*
- *Embedded Customers*

Question:

a) Please describe if and how the current characterization of Hydro One's customer groups provided in Schedule 1 differs from the customer classes described in Schedule 2.

b) Please provide a "definition" for Hydro One's current Embedded (LV) customer class.

c) Please provide a schedule that sets out the various delivery voltages for Hydro One's current Embedded (LV) customers and the number of "Embedded" customers served at each voltage. Furthermore, please report the numbers for Directs and LDCs separately.

d) Does Hydro One Networks currently have (or expect to have prior to April 30, 2009) any distributed generators as customers who would be considered "Embedded" customers? If so, how many and at what voltages are they connected?

e) Please provide a definition of Hydro One's "Sub-Transmission (ST) system" as used on page 1, line 19.

f) Please clarify how the 500 kW is applied for purposes of the proposed customer classification definition of Sub-Transmission. For example, is it meant to represent the customer's maximum monthly demand or the customer's average monthly demand?

g) Please clarify how the 50 kW is applied for purposes of customer classification (per Exhibit G1, Tab 2, Schedule, page 6). For example, is it meant to represent the customer's maximum monthly demand or the customer's average monthly demand?

h) Is this definition for the 500 kW demarcation (per part (f)) consistent with that used for the 50 kW demarcation (per part (g))? If not, why not?

i) Does Hydro One have any large customers with demands over 500 kW (per lines 21-22) that do not provide their own transformation? If so please provide a schedule that indicates how many there are broken down by current customer class and delivery voltage.

j) Does Hydro One have any customers with demands under 500 kW that provide their own transformation facilities? If so please provide a schedule that indicates how many there are broken down by current customer class and delivery voltage.

k) Is the 500 kW value used at all in the current definitions of Hydro One's customer classes? If so, please indicate where.

l) Please explain the rationale for using 500 kW as the demarcation point for ST customers.

m) Please explain why the definition for the ST system uses 13.8 kV as the demarcation point as opposed to say higher (e.g. 27.6 kV) or lower voltage (e.g. 8.32 kV).

n) Are there any customers that are directly connected to Hydro One facilities at voltages of 13.8 kV or higher that have demands of less than 500 kW?

o) Please provide a schedule that sets out delivery voltages for Hydro One's current Legacy Retail customers (including Transmission customers) and indicate the number of customers served at each voltage by customer class. (Note: For purpose of the response, all customers served at less than 750 volts can be grouped together).

p) Please provide a schedule that sets out delivery voltages for Hydro One's current Acquired Utility customers (including Large Use customers) and indicate the number of customers served at each voltage by customer class. (Note: For

purpose of the response, all customers served at less than 750 volts can be grouped together).

QUESTION #38

Reference: Exhibit G1, Tab 2, Schedule 2, pages 2-4

Question:

a) With respect to the current Farm class, at what voltages are single phase vs. three-phase customers served?

b) With respect to the GS class, at what voltages are single phase vs. three phase customers served?

c) Please provide the definition of the "sub-transmission" system used for purposes of currently identifying existing "Transmission" Customers per page 4.

d) Are there any Residential or Farm customers currently served off the sub-transmission system? If so, please indicate how many of each. Please also confirm whether these customers are charged Residential/Farm rates or LV rates.

QUESTION #39

Reference: Exhibit G1, Tab 2, Schedule 2, page 5

Question:

a) How are Low Use Secondary Services treated by Hydro One for purposes of Cost Allocation:
   - Are they considered a separate customer? If so, please explain why.
   - Are they considered a separate connection? If so, please explain why.

b) How many of the 2,500 customers fall into each of the following classes: Residential Year-Round, Residential Seasonal, Farm and General Service?

QUESTION #40

Reference: i) Exhibit G1, Tab 2, Schedule 3, pages 2-7
ii) Exhibit G2, Tab 3, Schedule 1

Question:

a) Please confirm that there were no former R2 Legacy customers that were reclassified as R1. If there were, please revise Table 2 accordingly.

b) If part (a) is confirmed, please indicate whether or not a comprehensive review was done of R2 Legacy customers to see if any qualified for R1 status. If no such review was done, please explain why.

c) Please provide a schedule that shows for each of the 88 Acquired Utilities, the split of current Residential customers between the new Urban and R1 customer classes. Note: For Caledon please also include R2.

d) What are the current criteria that a customer must meet to qualify for RRRP (per page 3, lines 8-9)?

e) Will any of the Acquired Utilities customers (e.g. Caledon customers) reclassified as R2 qualify for RRRP? If not, why not?

f) The text suggests that all energy billed Farm customers were reclassified as R2 Residential (per page 3, lines 7-8). Is this correct? If so:
- Do all current energy billed Farm customers fall in the R2 density zone?
- Do all current energy billed Farm customers qualify for RRRP?
- Do all current energy-billed Farm customers meet the definition of a Residential customer as set out at Exhibit G2, Tab 5, Schedule 1, pages 2-3? If not, how many do not and why are they reclassified as R2?

QUESTION #41

Reference: Exhibit G1, Tab 2, Schedule 3, page 7

Question:

a) Please provide the specific EB-2005-0528 reference.

b) Do all the 48 distributed generators currently classified as T-Class have loads in excess of 500 kW? (Note: Please use the same "definition" for 500 kW as defined in response to Question #2.)

c) Are all of the 32 Distributed generators currently classified as GS-three phase demand billed? If not, how are they currently classified?

d) Please provide a schedule that breaks down the 32 Distributed Generators (currently service on GS rates) by service voltage. Please also include in the schedule the one acquired GS customer.

e) How does Hydro One determine that a customer with a generator will be classified as a "distributed generator" customer as a opposed to being classified to one of the other customer classes?

f) Why has Hydro One created only one "Distributed Generator" customer class as opposed to two – one for ST connected customers and one for lower voltage connected customers?

g) How many Sentinel Light customers were there in 2006?

h) How many Sentinel Light customers in 2006 were also billed for service under another customer classification? Please provide a breakdown.

i) For the customers identified in response to part (h):
- How many were billed for Sentinel Light service using the same bill as for their other service?
- How many received their Sentinel Light service from the same connection point as their other service?
- For purposes of Cost Allocation, were these Sentinel Light customers considered as a separate customer and/or connection? Please explain why.

QUESTION #42

Reference: Exhibit G1, Tab 2, Schedule 3, pages 8 - 9

Question:

a) How many embedded LDCs have service points where the connection is at less than 13.8 kV?

b) How many delivery points for these LDCs are at less than 13.8 kV?

c) How many of these LDCs are only served by Hydro One distribution at voltages of less than 13.8 kV?

d) Please provide a schedule that breaks down both the number of ST cutomer delivery points by delivery voltage.

QUESTION #43

Reference: i) Exhibit G1, Tab 2, Schedule 4
ii) Exhibit G2, Tab 3, Schedule 1, page 3

Question:

a) Who should a customers contact if they believe their density classification is incorrect?

b) What process has Hydro One established to address queries by either individual customers or local municipalities that their density classification is incorrect?

c) Page 3 of Reference (ii) provides a list of communities analyzed under the density review. How was the density classification of customers in the other acquired utilities established?

QUESTION #44

Reference: Exhibit G1, Tab 2, Schedule 5, Table 1

Question:

a) Table 1 suggests that there is no Acquired Utility for which all of its residential customers were reclassified as Urban Residential (i.e., all 88 are affected by R1). Please confirm that this is the case.

QUESTION #45

Reference: i) Exhibit G1, Tab 2, Schedule 5, page 5
ii) Exhibit G1, Tab 4, Schedule 2, pages 1-2

Question:

a) Is the range of fixed charges provided for R2 Residential (Reference (ii), Table 1) before or after the application of RRRP?

b) On page 1 of Reference (ii) it states that Hydro One is proposing to introduce a nominal service charge for Street and Sentinel Lights of $1 / account / month. However, on page 2 of the same reference the footnote to Table 1 states the charge is per connection. Please reconcile.

c) Please provide the approved Street and Sentinel Light rates for other LDCs that Hydro One considered in drawing its conclusion that $1 / account / month was consistent with the charges of other LDCs for this type of service (per Reference (ii)).

QUESTION #46

Reference: Exhibit G1, Tab 2, Schedule 5, pages 7- 9

Question:

a) Please confirm whether the results set out in Table 3 are based on:
- The first year's results of the four year implementation plan, or
- The results assuming the harmonization was accomplished in one year.

b) If the response to part (a) is that its represents the impact of harmonization in one-year, please re-do Table 3 based on the 2008 results expected from the four year implementation plan.

c) Do the impacts set out in Table 3 include the changes in Rate Riders proposed for 2008? If not, please re-do Table 3 to reflect both the impact of the proposed change in rate riders for 2008 and (if necessary) the first year of the four year harmonization plan.

d) With respect to page 9 (lines 16-18), please clarify what is meant by the statement that "all Acquired customers would, on average, have a total yearly bill of less than 10%, including the impact of the 2008 revenue requirement increase".

e) Does the statement referenced in part (e) also include the impact of the proposed changes in the rate riders? If not, please indicate the impact of including the changes proposed to the rate riders.

QUESTION #47

Reference: Exhibit G1, Tab 2, Schedule 6

Question:

a) Please explain why the fixed monthly service charge for General Service – Energy Billed is the appropriate rate to apply. It is noted that many of these customers are associated with Residential accounts (Exhibit G1, Tab 2, Schedule 2, page 5).

QUESTION #48

Reference: Exhibit G1, Tab 3, Schedule 1, pages 1-2

Question:

a) Please confirm that the $1,067 M revenue requirement is prior to any allowance for $42 M in external revenues and that the revenues required from 2008 distribution rates are $1,024.3 M (after allowances for rounding). If not, please explain why.

b) Exhibit G2, Tab 1, Schedule 1 (page 5) states that the $1,067 M already includes the cost of Transformer Ownership Allowance. Please indicate where in the Application this "cost" was described and included in the work-up of the $1,067 M.

c) Please provide a schedule setting out the details of the adjustment process outlined on page 1 (lines 23-28). In doing so please show:
   - The 2007 revenues by customer class prior to any adjustment and clarify whether the revenues are net of the transformer ownership allowance.
   - How the $42 M in external revenues were accounted for in the adjustment.

QUESTION #49

Reference: Exhibit G1, Tab 3, Schedule 1, pages 2-4

Question:

a) How many of the customers in Hydro One's ST class have average monthly peak demands in excess of 5,000 kW?

b) Why is it appropriate to apply the +/- 15% range adopted by the OEB for the Large User class to Hydro One's Sub-Transmission class?

c) What would be the revenue to cost ratio for the ST class if, rather than not recovering $2.5 M of the 2008 Revenue Requirement (per page 4), the rates for the ST class were increased to recover the $2.5 M.

d) Is it Hydro One's view that the OEB requires LDCs to move their revenue to cost ratios to within the ranges provided in its November 27, 2007 Report as part of their 2008 Rate Applications? If yes, where is this direction explicitly provided?

e) Please provide a Schedule that sets out the revenues to be recovered through 2008 distribution rates for each customer class based on Hydro One's proposed target

revenue to cost ratios. Note: This is different from Table 2 which shows total Revenue Requirement including the allocation of Miscellaneous Revnues,

QUESTION #50

Reference: i) Exhibit G1, Tab 4, Schedule 1, pages 1-3
ii) Exhibit G1, Tab 4, Schedule 4, pages 3-4

Question:

a) The Reference (i) defines HVDS as providing transformation service from above to under 50 kV. However, Reference (ii) states that HVDS only provides step-down to 44 kV and 13.8 kV. Please clarify which definition is correct.

b) The two definitions in Reference (i) relating to Low Voltage Distribution Stations are inconsistent with the definitions provided at lines 10-20 on page 3 of Reference (ii). Please reconcile.

c) What are the voltages of the common lines describe in Reference (i) at page 2, line 19 and what is the definition of a "common line"? Do they include both ST lines and primary lines?

d) Please provide a schedule that sets out:
- The current (2007) gross fixed charge for the R2 Residential class and the monthly RRRP amount
- The proposed (2008) gross fixed charge for the R2 Residential class and the (proposed) monthly RRRP amount.

e) How is the proposed monthly RRRP amount determined? For example:
- Is there a fixed pool of RRRP dollars that are divided equally between all qualifying customers? or
- Is the per customer RRRP discount fixed at some amount (if so please describe how) and applied to all qualifying customers?

QUESTION #51

Reference: Exhibit G1, Tab 4, Schedule 2, pages 1-2

Question:

a) Please provide the results for each of the three methods for determining fixed charges as applied to each of the customer classes proposed by Hydro One, using the 2008 cost allocation.

b) Please confirm that the proposed fixed charges for UGe and GSe shown in Table 1 are prior to any increase to recover the USL revenue shortfall discussed on page 2, lines 8-13.

c) Is the calculation of the fixed charge range for Street Lights and Sentinel Lights and the results shown in Table 1, done on a per account or per connection basis?

QUESTION #52

Reference: i) Exhibit G1, Tab 4, Schedule 3, page 1, lines 21-22
ii) Exhibit G1, Tab 7, Schedule 1, page 1, lines 3-5
iii) Exhibit G1, Tab 8, Schedule 2, pages 1-4

Question:

a) Please explain what is meant by "total average bill impacts" (per References (i) and (ii)). Is this meant to be:
- The average bill impact for all customers in the class?
- The bill impact for an average customer?

b) If the response to (a) is the bill impact for an average customer – please provide the consumption characteristics assumed for the average customer in each of Hydro One's proposed customer classes.

QUESTION #53

Reference: Exhibit G1, Tab 4, Schedule 4, page 4

Preamble: *The discussion on page 4 regarding the fixed charge states:*
- *The $188 charge is based on the OEB Cost Allocation method c) of determining fixed charges (lines 19-20)*
- *This value ($188) is lower than the fixed charge that would be determined using the fixed Revenue Requirement estimated by the Cost Allocation Methodology (lines 17-19)*

Question:

a) If the proposed $188 is based on Method c) and it is Method c) that produces the upper end of the fixed charge range prescribed by the OEB, why is the proposed value lower than the fixed charge that would be determined using the Cost Allocation Methodology?

b) The text on page 4 (lines 12-13) indicates those cases where a fixed charge will apply:

i. Are there specific ST customer delivery points that do not fit either of the "cases" described and will not be assessed a fixed charge?
ii. If so, how many delivery points are there in total and how many will not attract a fixed charge?
iii. If so, why is the fixed charge not applied to all delivery points?

c) For purposes of the Cost Allocation Methodology are customer-related costs allocated to ST customers on a per account basis (e.g., each embedded distributor is one customer) or on a per delivery point basis (e.g. each delivery point to an entity is "counted" as a customer)? (Note: Where the allocator is based on weightings, the response should reflect whether the weightings are applied per account or per delivery point).

d) If the response to Part (d) is suggests that a combination of account-based and delivery point-based allocators is used, please provide a schedule that sets out each USOA account that is jointly/totally customer-related (per Appendices 7.2 and 7.3 of the Board's September 2006 Cost Allocation Report) and indicate whether the ST class allocator is in each case is based on number of delivery points or number of accounts.

e) The text on page 4 (lines 21-22) states that the lower fixed charge results in a higher volumetric charge:
i. Which volumetric charge is higher?
ii. Is this volumetric charge applied to all ST customers?
iii. If not, why it appropriate to lower the fixed charge and increase the volumetric charge?

f) In cases where the customer owns the lines emanating from the HVDS, is each line emanating from the HVDS considered a separate delivery point? If not, why not?

g) Please provide a schedule that sets out the number of ST customers and the number of ST delivery points (broken down between customer use of a common ST line and customer delivery at the HVDS).

QUESTION #54

Reference: Exhibit G1, Tab 4, Schedule 4, pages 1-4

Question:

a) Please provide a schedule that sets out the proposed 2008 rates for the ST Class, the 2008 billing quantities associated with each "rate" and the resulting revenues. Please reconcile the total revenues with the propose ST Revenue Requirement set out in Exhibit G1, Tab 3, Schedule 1, Table 2.

b) Please provide a schedule that:
   - Lists each of the USOA expense/revenue accounts that contributes to the Revenue Requirement and each of asset accounts (including Working Capital) that contribute to Rate Base allocated to the ST Class
   - Identifies the allocator(s) used to allocate each account in the preceding bullet to the ST class.
   - Identifies both the total dollars and the dollars allocated to the ST class for each of the accounts in the first bullet – broken by allocators when more than one is used.

c) Based on the results from part (b), please describe how the portion of the ST Revenue Requirement to be recovered by each ST Proposed Monthly Charge in Table #1 (including the fixed charges) was determined. In doing so, please indicate how the proposed revenue to cost ratio of 1.15 was incorporated into the derivation of the rates (e.g., are all of the rates based on 115% of costs?).

d) Please explain why:
   - The rates for Common/Shared lines; HVDSs and LVDSs are all decreasing but
   - The rates for Specific LV Lines and Specific Distribution Lines are increasing.

QUESTION #55

Reference: Exhibit G1, Tab 4, Schedule 4, page 2, lines 1-9

Question:

a) Please provide a schedule that indicates:
   i. The number of ST customers with one delivery point vs. multiple delivery points
   ii. The number of ST customers with multiple delivery points where all of the relevant delivery points will be aggregated for purposes of the ST Line charges vs. those where ST Line charges will not be based on aggregate demand over all the relevant delivery points.
   iii. The number of ST customers with multiple delivery points where the all of the relevant delivery points will be aggregated for purposes of the HVDS charges vs. those customers where HVDS charges will not be based on aggregate demand over all the relevant delivery points.

b) Please clarify whether the "after October 1998" qualification applies to both non-renewable and renewable generation or just the latter.

QUESTION #56

Reference: Exhibit G1, Tab 4, Schedule 5, page 2

Question:

a) With reference to Sheet O3.5 (Exhibit G2-1-1, Attachment A), does the 97,005 customers used to determine the Metering Unit Cost represent: a) the total customers in the GSe class or b) the number of metered customers in the GSe class? If the former, please explain why.

b) With respect to Input Sheet I6 of the Cost Allocation Study (Exhibit G2-1-1, Attachment A):
- Does the Weighted Meter Capital Allocator for GSe reflect the fact that some GSe customers are not metered (i.e., those customers effectively get a "zero" weighting)? If not, why not?
- Does the Weighted Meter Reading Allocator for GSe reflect the fact that some GSe customers are not metered (i.e., those customers effectively get a "zero" weighting)? If not, why not?

c) Please reconcile the number of unmetered connections reported in the Application for the GSe class (4,917) with the value used in the Cost Allocation Study (zero – per Input Sheet I6).

QUESTION #57

Reference: Exhibit G1, Tab 4, Schedule 6

Question:

a) Please provide a schedule that sets out the derivation of the 14 cents/kWh discount for energy billed customer with their own transformers. Please indicate the sources for any data used in the derivation.

b) What was the value calculated by the Cost Allocation Model for the Transformer Ownership Allowance? Please provide the reference as to where in the Model (Exhibit G2-1-1, Attachment A) filed by Hydro One this value is found.

c) Why is Hydro One proposing to continue with the $0.60/kW as opposed to using the value produced by the Cost Allocation Model?

QUESTION #58

Reference: Exhibit G1, Tab 5, pages 2-4

Question:

a) The first Allocation Principle (page 2, lines 10-12) states that "if costs were incurred for the benefit of all customers irrespective of their energy use, number of customers would be the recommended allocator". Please explain why, if number of customers is not the "cost driver", it is a better allocator in such circumstances than for example using share of total distribution costs allocated to each customer class as the "allocator".

b) The second Allocation Principle (page 2, lines 13-16) states that if costs were included in the Revenue Requirement as OM&A then the OM&A allocated to each customer class would be the appropriate allocator. Please explain how this approach is consistent with the principle of cost causality rather than looking at the Cost Allocation treatment of the of the associated OM&A expense itself.

c) Please confirm what USOA Account OEB costs are recorded (e.g. General and Administration). Please explain why the recovery of the Regulatory Assets pertaining to OEB Costs using the same allocation as the Cost Allocation Model applied to OEB costs expensed in 2008 would not be appropriate.

QUESTION #59

Reference: Exhibit G1, Tab 6, Schedule 1, pages 2-5

Question:

a) No reference is made by Hydro One Networks to the Wholesale Meter Pool and related charges. Does Hydro One Networks' Distribution business pay any Wholesale Meter charges? If not, why not? If yes, please undertake the following:
   - Provide the forecasts costs for 2008 and a schedule setting out the calculation on the cost.
   - Explain how the costs will be allocated to customer classes and, then, recovered from the customers in each class.

b) Please provide a schedule setting out the values of billing parameters by class used to establish the rates in Table 2. Please reconcile any differences between these values and those set out in G1, Tab 5, Schedule 3, Table 1.

QUESTION #60

Reference: Exhibit G1, Tab 7, Schedule 1, pages5-7

Question:

a) Please confirm that in the 2006 EDR process there was no change in the classification of customers, the allocation of costs to customer classes nor any change in the fixed/variable split by customer class.

b) Please confirm that in the current Application, Legacy customer in the residential classes will see a change in the fixed/variable split used for distribution rates. If not, please explain.

c) Please confirm that, with a shift in the fixed/variable split, the bill impact for the Basic Distribution Bill will vary by usage.

d) If parts (a) through (c) are confirmed, why is it appropriate to only use the average customer profile by customer class when assessing bill impacts.

e) Table 4 (page 7) shows that there are existing farm customers who are currently receiving RRA that will be transferred to the new GSd class. Will these customers continue to receive RRA? If not, why not?

f) For each of the new Residential Classes (UR, R1 and R2) please provide:
   - A schedule that sets out the number of customers broken down into a frequency distribution based on monthly use at 200 kWh/month intervals.
   - A schedule that sets out the number of customer broken into a frequency distribution based on Total Bill Impact (including Distribution, Riders and RTSR) at 0.5% intervals using the Target Distribution Rates.
   - A schedule that sets out the number of customer broken into a frequency distribution based on Basic Distribution Bill Only Impact at 0.5% intervals using the Target Distribution Rates.

QUESTION #61

Reference: Exhibit G1, Tab 7, Schedule 2

Question:

a) What is the "average customer per LDC rate class" used to determine the bill impacts (page 1, line 14)?

QUESTION #62

Reference: i) Exhibit G1, Tab 8, Schedule 1, pages 1-4
ii) Exhibit G1, Tab 7, Schedule 1, page 6, Table 4

Question:

a) Please provide a schedule similar to Table 4 (Reference (ii)), but based on the proposed 2008 mitigated distribution rates per Reference (i).

b) With respect to the UR class shown in Table 1 (Reference (i)), please explain the following:
- Since none of the average customers in the classes mapped to UR have total bill impacts exceeding 10% (per Reference (ii)), why are the target rates being "mitigated" for 2008?
- What is the basis for the "mitigated rates"?

c) With respect to the R1 class shown in Table 1 (Reference (i)), please explain the following:
- Since none of the average customers in the classes mapped to R1 have total bill impacts exceeding 10% (per Reference (ii)), why are the target rates being "mitigated" for 2008?
- What is the basis for the "mitigated rates"?

d) With respect to the R2 class shown in Table 1 (Reference (i)), please explain the following:
- Since none of the average customers in the classes mapped to R2 have total bill impacts exceeding 10% (per Reference (ii)), why are the target rates being "mitigated" for 2008?
- What is the basis for the "mitigated rates"?

e) With respect to the R2 class charges shown in Table 1 (Reference (i)):
- What is meant by the footnote "Nominal fixed Charge"?
- What is the level of RRA for 2008?
- Why is there a range for the "Nominal fixed Charge" for Legacy customers proposed for 2008?
- Why is there a range of volumetric charges proposed for the R2 class for 2008, but no similar range for the UR and R1 classes?

f) Please confirm that the ranges shown in Table 4 (Reference (i)) for each customer class reflect the total impacts on the average customer in each of the existing classes which is being mapped to the proposed class. If not, please explain the basis for the range.

g) With respect to the R2 class, please confirm that without mitigation the highest total bill impact for an average customer was 1.1% (per Reference (ii)), whereas

after mitigation it is 9% (per Reference (i), Table 2). If this is not the case, please explain. If it is, please explain why such a mitigation plan for these customers is appropriate.

h) It is understood that there is a revenue requirement shortfall due to Hydro One's proposed revenue to cost ratios per Exhibit G1, Tab 3, Schedule 1, Table 2. However, is there also a further shortfall in revenues from Legacy retail customers as a result of the proposed 2008 Mitigated Distribution rates or do the proposed rates for each customers class yield the proposed revenue to cost ratios set out in Exhibit G1, Tab 3, Schedule 1, Table 2? If there is an additional shortfall, please provide a schedule setting out the calculation of the amount? Also, please confirm whether this amount will be recorded in the proposed deferral account (per Reference (i), page 2).

QUESTION #63

Reference: i) Exhibit G1, Tab 8, Schedule 1, Table 1
ii) Exhibit G2, Tab 5, Schedule 1, pages 8-14

Question:

a) With respect to the R2 Class rates, please explain:
- Why there is a range of volumetric rates in Reference (i) but only one volumetric rate in Reference (ii).
- The difference between the range of fixed charges set out in Reference (i) and the range set out in Reference (ii).

b) With respect to Seasonal rates, please explain:
- The difference in the range of fixed charges as between the two references.
- The difference in the range of variable charges as between the two references.

c) With respect to the GSd class, please explain:
- The difference in the range of fixed charges as between the two references.

d) With respect to the GSe class, please explain:
- Why Reference (i) has a single volumetric charges while there are a range of volumetric charges for the metered and unmetered GSe classes in Reference (ii).
- The difference between the range of fixed charges noted in Reference (i) with that noted for metered and unmetered GSe customers in Reference (ii). Note: The $0.35 adder allowance for USL does not account for all of the discrepancies.

e) For those classes where there is range of fixed charges (based on the existing Legacy customer class), please explain:

- Why differing fixed charges are proposed
- How the proposed fixed charges were established

QUESTION #64

Reference: Exhibit G1, Tab 10, Schedule 1, pages 3 - 5

Question:

a) With reference to page 3 (lines 6-8), based on a weighted average (using energy) what would be the TLF for the Sub-Transmission class?

b) Please provide an illustrative numerical example of the situation described on per page 5, lines 12-18 and how the adjustment would be done in situations where there is no metering at the customer supply point.

c) What is Hydro One Distribution's historical experience with respect to Distribution losses? Please provide values for 2003-2007.

d) Please confirm that total system losses consist of both technical losses and non-technical losses such as theft of power, meter inaccuracies, billing errors, etc.

e) Were the existing loss factors for customer classes other than ST based on technical loss factor considerations only or did they address non-technical losses as well?

f) Please explain why the approach proposed for various ST customers (page 5, lines 1-5) wouldn't unfairly burden other customer classes with all of the non-technical losses. Why hasn't Hydro One proposed an adder to the ST loss factor for non-technical losses as suggested by Kinectrics (G1-10-1, Attachment A, pages 20-21)?

QUESTION #65

Reference: Exhibit G2, Tab 1, Schedule 1, page 2

Preamble: *Section 3.0 outlines the approach used to determine the density weighting factors for lines and transformers. The text states that for lines "customer density weighting factors were developed by calculating for all feeders the number of customers by customer class each feeder and assigning the total distance of feeders to the various customer classes proportionately".*

Question:

a) Please provide a schedule that sets out all of the USOA accounts that are allocated in whole (or in part) based on density weighted allocation factors.

b) With respect to the schedule provided per part (a), please indicate for each USOA account the density factors for each customer class used in weighting customer and/or demand allocators.

c) Please provide more details as to how the density factors for lines were determined, such as:
- For which overhead lines (i.e. voltages) were density factors calculated? Related to this, for which categories of overhead lines (Sub-Transmission, Primary and Secondary) were density factors developed
- It appears that the analysis was done by "feeder". Please describe what the definition of a "feeder" is in this context. Are feeder voltages specific?

d) Please provide an illustrative example of how the Customer density weightings for lines were determined assuming a small number of feeders that represent the cross-section of the line voltages in Hydro One's distribution system with a mix of customer classes connected to each.

e) To what types of transformers are weighting factors applied for purposes of allocation? In contrast, what transformation facilities are allocated without the use of density weighting factors?

f) Was the same definition of feeder (page 2, line 15) used for the development of the transformer weightings?

g) For purposes of the transformer weightings, is the feeder identification used to associate transformers to feeders based on the high or low side voltage of the transformer? Please provide the rationale for the choice.

h) Please confirm that for the Transformer Customer Density weightings the NBV of the transformers on each feeder were assigned to customer classes proportional to

the number of customers by class using the feeder. Please provide an illustrative example.

QUESTON #66

Reference: Exhibit G2, Tab 1, Schedule 1, page 5

Question:

a) What is meant by the term "approved Revenue Requirement" (line 12)?

b) What is the value of the Transformer Ownership Allowance included in the Revenue Requirement?

c) With respect to Input Sheet I6, please indicate in which USOA accounts the Transformer Ownership Allowance is included. If more than one account, please indicate the amount included in each account and the basis for the split.

d) Based on the account(s) where the Transformer Ownership Allowance is included, please describe how the cost of the Transformer Ownership Allowance is allocated to customer classes.

e) Please provide a schedule that sets out the amount (total dollars) of the Transformer Ownership Allowance that is received (by way of a rate discount) by each customer class.

f) Please provide the results (i.e. revenue to cost ratios per Output Sheet O1) of an alternative Cost Allocation run where:
   - The cost of the transformer ownership allowance is not included in the Allocation.
   - The revenues included in the run for each customer class are net of the transformer ownership allowance.

QUESTION #67

Reference: Exhibit G2, Tab 1, Schedule 1, pages 5-7

Question:

a) Is the Working Capital associated with USOA 1985 (Sentinel Lights) allocated directly to the Sentinel Light class (page 6, lines 5-7)? If not, why not?

b) Why was a portion of Wholesale Meter costs reclassified to stations with primary below 50 kV (page 6, line 10)?

QUESTION #68

Reference: Exhibit G2, Tab 1, Schedule 1, page 7, lines 13-16

Question:

a) Please provide an explanation as to what stations (in terms of voltages (high and low side) and customers served) are assigned to each of the five breakout groups for Transformation Station Equipment (page 7, lines 13-16).

b) Please provide a schedule that indicates how these five groups align with the HVDS-high; HVSD-low and Shared LVDS charge categories proposed for the ST class.

c) Are there any assets in this category that are "shared" between ST and Other Retail customers? If yes, into which sub-accounts are they assigned? If not, please reconcile this situation with that presented in RP-2000-0023 (Exhibit E, Tab 2, Schedule 2, page 19) where a portion of the both HVDS and LVDS stations were shared.

d) How were the breakout percentages for Transformer Station Equipment (Account #1815 per Exhibit G2-1-1, Attachment A, page 16) determined?

e) In its RP-2000-0023 Application, Hydro One separated out Regulating Stations and treated them similar to LV lines (see Exhibit E, Tab 2, Schedule 2, page 19). How are Regulating Stations treated in the current Cost Allocation?

f) Please clarify what facilities are included in Account #1815 versus #1820.

g) Please clarify what facilities are included in #1820-2 versus #1820-3. How was the cost split between the two sub-accounts established?

QUESTION #69

Reference: Exhibit G2, Tab 1, Schedule 1, page 7, lines 18-22
Exhibit G2, Tab 1, Schedule 1, Attachment A, page 16

Question:

a) Please provide a schedule setting out how was Account 1830 (Poles, Towers and Fixtures) broken out into: i) Sub-transmission Bulk Delivery, ii) Primary and iii) Secondary? In describing the approach used please clarify the following:

- The definition of the each of the three breakout groups (i.e., what are the different voltages for the lines carried by each group?
- How the breakout methodology captured any differences in costs of the types of poles and towers used for each of the three groups?

b) What types (e.g., size/class) of Poles/Towers are used for i) Sub-transmission Bulk Delivery, ii) Primary and iii) Secondary facilities? Please provide a schedule that for each of the three groups indicates the number of poles/towers by type.

c) Please provide a schedule that sets out the current replacement cost for each size/class of pole employed by Hydro One Networks per part (b).

d) Based on the results from (b) and (c) please calculate:
- The weighted (by km) average replacement cost of for a Sub-transmission, Primary and Secondary pole/tower.
- A revised percentage split between Sub-transmission, Primary and Secondary using the km associated with each and the average cost per pole as determined in the preceding bullet.

e) The additional Sub-Accounts created for 1830-3 and 1830-4 suggest that Sub-transmission (Bulk) and Primary facilities are used exclusively by either the ST class or Other Classes. A similar observation applies to sub-accounts #1835-3 and #1835-4:
- Please confirm if there are any Sub-transmission or Primary facilities in these accounts that are shared as between the ST customers and the Other customers.
- If yes, how is this accounted for in the cost allocation methodology?
- If no. please reconcile this circumstance with that presented in RP-2000-0023 (Exhibit E, Tab 2, Schedule 2, page 13) where a substantial portion of the then LV Lines were shared.

QUESTION #70

Reference: Exhibit G2, Tab 1, Schedule 1, page 7, lines 24-28

Question:

a) Please provide a schedule that sets out how Account 1835 (Overhead Conductors and Devices) broken out into: i) Sub-transmission Bulk Delivery, ii) Primary and iii) Secondary? In describing the approach used please clarify how the breakout methodology captured any differences in cost per km for the conductor/wire in each of the three groups.

b) What types of conductor are used in each of the three groups? Please provide a schedule that sets out for each of the three groups:
   - the different types of conductor used,
   - the km of line by type of conductor, and
   - the replacement cost per km for each.

c) Base on the results from (b) please calculate:
   - The weighted (by km) average replacement cost of for a km of Sub-transmission, Primary and Secondary conductor.
   - A revised percentage split between Sub-transmission, Primary and Secondary using the km associated with each and the average cost per km as determined in the preceding bullet.

d) Where does Hydro One include the facilities that would normally be reported as Services (Account 1855)?

QUESTION #71

Reference: Exhibit G2, Tab 1, Schedule 1

Question:

a) Please provide the results of an alternative 2008 Cost Allocation Run where Accounts #1830 and #1835 are split between Sub-transmission; Primary and Secondary using the percentages derived in response to Questions #69 d) and #70 c).

QUESTION #72

Reference: Exhibit G2, Tab 1, Schedule 1, page 8, lines 2-3

Question:

a) How was account 1850 (Line Transformers) broken out between LV and Other End Use Customers? Please confirm whether LV is equivalent to ST customers. If not please, explain.

QUESTION #73

Reference: i) Exhibit G2, Tab 1, Schedule 1, page 10
ii) Exhibit G2-1-1, Attachment A, pages 35-36

Question:

a) Please explain why the alternative allocation of Miscellaneous External Revenues proposed by Hydro One (Reference (i), lines 20-21 and Reference (ii), page 36) is considered the "proper allocation.

b) Please define each of the allocation factors used in this alternative allocation explain why it is more appropriate.

c) Please explain how the individual class values for the following rows on page 36 were calculated:
- Allocated Costs based on Alloc External Revenues
- CREV+Unique Allocation of Miscellaneous Revenues

Please provide a numerical example of each using the UR class.

d) Please explain how the "Revenue to Cost Ratio – External Unique Allocation" was determined and provide a numerical example using the UR class.

QUESTION #74

Reference: i) Exhibit G2-1-1, Attachment A, pages 35 and 47
ii) OEB RP-2005-0317, Section 10.3

Question:

a) Please confirm that Hydro One followed the Board's direction regarding the allocation of Administrative and General Costs.

b) Please breakdown Hydro One's A&G Expenses ($122,080,727) between:
- Property Insurance
- Community Safety Programs
- Remaining A&G Expense

c) Please indicate where in Exhibit G2-1-1, Attachment A the allocation of each of these components of A&G Expenses to customer classes is shown.

d) Unless fully set out in Exhibit G2-1-1, Attachment A, please provide a schedule that show the allocation of each of the components described in part (b) to customer classes including the definition and values for the allocator used in each case.

e) With respect to Reference (i), page 35, please provide a schedule that shows the costs directly allocated to each customer class (Total = $7,169,250) by USOA account.

f) Please confirm that the O&M costs directly allocated to customer classes were included in the Allocation Base used to pro-rate the "Remaining A&G" costs from part (b) above to customer classes. If this is not the case, please provide an alternate Cost Allocation Run where remaining A&G costs are pro-rated to customer classes based on the O&M costs allocated to classes (including directly allocated O&M).

g) If the response to part (f) is confirmed in the positive, please reconcile the following:
- The General and Administration costs allocated to UR represent 31.8% of Distribution and Customer Related Expenses assigned to the Class.
- The General and Administration costs allocated to ST represent 23.5% of Distribution, Customer-Related and Directly Allocated expenses assigned to the Class – a significantly lower percentage.

QUESTION #75

Reference: Exhibit G2, Tab 1, Schedule 1, pages 11-12

Question:

a) Exhibit G2-1-1, Attachment A does not appear to include Output Sheet 2.1 as referenced on pages 11, line 10 – please provide.

b) Exhibit G2-1-1, Attachment A does not appear to include Output Sheets 3.1 or 3.2, referenced on page 12, lines 4-12 – please provide

QUESTION #76

Reference: Exhibit G2-1-1, Attachment B, pages 6-8

Question:

i. With reference to pages 6-7, why if there are over 25,000 5 kVA transformers on Hydro One's system are no costs available for this type of transformer?

ii. Why was 7.2 kV selected as the appropriate high-side voltage (per page 8)?

iii. Using the extrapolation technique described on page 7, what is the estimated replacement cost of a 5 kVA 1-phase overhead transformer with a high-side voltage of 7.2 kV?

iv. Please confirm that the PLCC associated with a minimum system based on a 5 kVA transformer would be roughly 2,000 watts per customer.

v. Please clarify what classes of customers are included in the 1,165,092 customer count.

QUESTION #77

Reference: Exhibit G2-1-1, Attachment B, pages 9-13

Question:

a) Please explain the basis for Hydro One's estimate that 65% of historical distribution costs (for conductors) are associated with Primary facilities. Similarly, please explain the basis for the 15% attributed to Secondary facilities.

b) If the basis of the estimates (per part (a)) is distance, please confirm that this does not account for the fact the cost of conductors varies by voltage capability.

c) For the Primary and Secondary components of Hydro One's distribution system, please indicate the dominant types of conductor used (based on km) and the km associated with each. If the km are not available, just indicate the types of conductor used predominantly of each "component".

d) What is the current standard cost for 1 km of each type of line identified in response to part (c) – using the same costing approach as outlined at the bottom of page 10?

e) Based on a weighted average or simply using the most predominant types of conductor employed please determine a Minimum System ratio for Primary facilities using:
- The per km cost from part (d) and
- The $9,109 / km cost for the Minimum Component.

f) Where in Hydro One's USOA accounts are the costs of service drops provided to customers at voltages greater than 750V included? How are the costs of these facilities allocated to customers?

g) Please provide examples of where the accepted practice is to split Secondary facilities (not Services) using a 95% ratio for the Minimum System.

h) Since different customers use the Primary and Secondary Systems, why wasn't a separate minimum system ratio established and applied to each?

QUESTION #78

Reference: Exhibit G2, Tab 1, Schedule 1

Question:

a) Please provide the results of an alternative 2008 Cost Allocation run where:
- Accounts #1830 and #1835 are split between Sub-transmission, Primary and Secondary as per Questions #69 d) and #70 c).
- The minimum system and PLCC for Line Transformers is based on a 5 kVA transformer per Question #76.
- A separate minimum system percentage is used for Primary and Secondary conductors
- The minimum system percentage for Secondary conductors is 95%.
- The minimum system percentage for Primary conductors based on the results of Question #77, part (e) above.

QUESTION #79

Reference: i) Exhibit G2, Tab 2, Schedule 1
ii) Exhibit G1, Tab 8, Schedule 21

Question:

a) With respect to Table 6 in Reference (i), please explain how the LDC year 1 energy rate of $0.024/kWh is determined.

b) Table 6 of Reference (i) suggests that all acquired LDC residential customers in a particular customer class will have the same energy rate (e.g., for R1 it is $0.0271 / kWh). However, Table 1 in Reference (ii) shows different mitigated energy rates for the different Acquired LDCs whose residential customers are in the same customer class. Please reconcile.

c) With respect to Reference (ii), pages 1, please explain how "average total bill impacts" (per lines 19-20) are determined.

d) Please clarify how the proposed rates for each customer class in each Acquired Utility were determined. Please confirm if the following understanding is correct and, if not, make any corrections required:
- The proposed service charge is determined using the procedure illustrated in Table 6 of Reference (i).

- The proposed energy rate was set at the target energy rate – unless the average total bill impact exceeded 10%.
- If the average total bill impact exceeded 10%, then the energy rates was reduced so that the impact would be below 10%. (Note: Please clarify what is meant by below 10%, e.g., 9.99%)

e) With respect to Reference (ii), page 1, please provide a schedule that for each customer class lists all of the Acquired Utilities with customers in that class and for each Acquired Utility indicates the shortfall in revenues due to the proposed mitigation measure (per lines 24-26). What is the resulting total shortfall by customer class.

f) Please describe more fully the recovery plan for this shortfall (per Reference (ii), pages 1, line 25 to page 2, line 2). In particular please provide more details regarding the period of time over which the shortfall will be recovered and what is meant by the term "same group" (per page 2, line 1).

g) Please confirm that the impact ranges shown in Tables 8-10 are for the average customer in the class using the Target Rates.

h) Please provide a set of tables similar to Tables 8-10, but based on the proposed distribution rates for the Acquired Utilities.

QUESTION #80

Reference: Exhibit G2, Tab 4, Schedule 1, pages 2-3

Question:

a) Is the Coincident Peak for customers in the ST Class measured at each customer's delivery point or is it adjusted for losses and measured at the Transmission Delivery Point? If the former, please recalculate the allocated charges based on the ST Coincident Peak marked up for losses.

b) Why is the Coincident Peak of the ST class used for all Transmission charges when Line and Transformation Connection are charged on a NCP basis?

c) Please recalculate the allocation of Line and Transformation Connection costs by allocating Total Connection costs to all classes (including the ST Class) using the approach set out on page 3, lines 22-28.

QUESTION #81

Reference: Exhibit G2, Tab 2, Schedule 5, pages 1-4

Question:

a) Please provide a Schedule that lists the number of UR customers (per new classification) in the Hydro One's Legacy System and in each Acquired LDC.

b) On the Schedule provided in response to part (a) please indicate of those customer now in the new UR class:
- The number of former Caledon OH-01 customers that use more than 2,000 kWh per month
- The number of former Quinte West residential customers that use less than 500 kWh per month

QUESTION #82

Reference: Exhibit G2, Tab 2, Schedule 5, pages 5-27

Question:

a) Please provide a Schedule that lists the number of R1 customers (per new classification) in the Hydro One's Legacy System and in each Acquired LDC.

b) On the Schedule provided in response to part (a) please indicate of those customer now in the new R1 class:
- The number of former Ailsa Craig residential customers that use less than 250 kWh per month.
- The number of former Arkona residential customer that use less than 500 kWh per month.
- The number of former Arran-Elders residential customers that use less than 500 kWh per month
- The number of former Blyth residential customers that use less than 500 kWh per month.
- The number of former Champlain residential customers that use less than 250 kWh per month.
- The number of former Fenelon Falls residential customers that use less than 500 kWh per month.
- The number of former Kirkfield residential customers that use less than 500 kWh per month
- The number of former Lanark Highlands residential customers that use less than 250 kWh per month
- The number of former Malahide residential customers that use less than 250 kWh per month

- The number of former North Dorchester residential customers that use less than 250 kWh per month
- The number of former North Dundas residential customers that use less than 250 kWh per month.
- The number of former North Glengarry residential customers that use less than 500 kWh per month
- The number of former North Stormont residential customers that use less than 500 kWh per month.
- The number of former Perth East residential customers that use less than 500 kWh per month
- The number of former Quinte West residential customer that use less than 500 kWh per month.
- The number of former Ramara residential customers that use less than 500 kWh per month
- The number of former Rockland residential customers that use less than 500 kWh per month
- The number of former Severn residential customers that use less than 250 kWh per month
- The number of former Glengarry residential customers that use less than 500 kWh per month
- The number of former Thorndale residential customer that use less than 500 kWh per month.
- The number of former Tweed residential customers that use less than 500 kWh per month
- The number of former Wardsville residential customers that use less than 250kWh per month.
- The number of former Woodville residential customers that use less than 500 kWh per month.