



PUBLIC INTEREST ADVOCACY CENTRE
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February 24, 2012

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)
Submission of VECC Interrogatories EB-2011-0434
Midland Power Utility Corporation

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.

cc: Midland Power Utility Corporation
Ms. Phil Marley

ONTARIO ENERGY BOARD

IN THE MATTER OF

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

AND IN THE MATTER OF an Application by
Midland Power Utilities Corporation for an order or orders
approving or fixing just and reasonable
distribution rates to be effective May 1, 2012 to reflect the
recovery of costs for deployed smart meters.

Information Requests of the Vulnerable Energy Consumers Coalition (VECC)

VECC Question # 1

Reference: Manager's Summary, 6. Project Specifics, Page 7

Preamble: Midland PUC indicates that final negotiations with Silver Spring Networks stalled and successful negotiations with the second best value bidder, Elster Metering resulted in the procurement contract.

- a) Please discuss when and why the negotiations with Silver Spring Networks stalled, when the contract with Elster commenced, and how this impacted Midland PUC's smart meter deployment.

VECC Question # 2

Reference: Manager's Summary, 6. Project Specifics, Page 7

Preamble: Midland PUC indicates that shortly after Trilliant was selected for meter deployment, Olameter acquired Trilliant resulting in Olameter providing the deployment services.

- a) Please discuss the impact this change had on smart meter deployment unit costs and provide the timelines for the award of the contract to Trillium and change to Olameter.

VECC Question # 3

Reference: Manager's Summary, Meter Deployment, Page 7

Preamble: As at December 31, 2011, 6828 residential and GS<50 kW meters have been installed representing 100% deployment of smart meter infrastructure.

- a) Please summarize the types of meters installed for each rate class.
- b) Please complete the following table to show the average installed cost per meter type.

Class	Type of Meter	Quantity	Installed Cost	Average Costs
Residential				
GS<50 kW				
GS>50 kW				

VECC Question # 4

Reference: Manager's Summary, 9. Integration with MDM/R, Page 9

Preamble: Midland PUC indicates the project plan called for Unit Testing to be executed on January 17, 2011 but due to some delays, was completed on March 7, 2011.

- a) Please provide specific details on the nature of the delays related to contractual obligations.

VECC Question # 5

Reference: Manager's Summary, 13. Annual Security Audit, Page 11

Preamble: Midland PUC indicates going forward an annual security audit has been budgeted.

- a) Please provide the annual security audit budget moving forward.

VECC Question # 6

Reference: Manager's Summary, 16. Cost Variance, Page 14

Preamble: Midland PUC indicates installation costs were reduced due to the use of internal staffing resources for the installation of GS<50 kW meters.

- a) Compare the average installed cost per meter for installation by internal staff vs. Olameter for the GS<50 kW meter.
- b) Please discuss if internal staff were used to install residential meters. If not, why not?

VECC Question # 7

Reference: Smart Meter Model

Preamble: Midland PUC indicates as shown in Appendix 8, the average Midland PUC cost of installing a smart meter for the residential class is \$87 and \$241 for the General Service < 50 kW class.

- a) VECC was unable to locate Appendix 8 in the evidence. Please provide the calculations to arrive at the average costs noted above.

VECC Question # 8

Reference: Smart Meter Model (V2_17)

Preamble: Midland PUC completed the Smart Meter Model provided by the OEB and used the data to arrive at the proposed Smart Meter Incremental Rate Rider and the proposed Smart Meter Disposition Rate Rider.

Reference 2: Board Guideline G-2011-0001, Smart Meter Funding and Cost Recovery – Final Disposition, dated December 15, 2011, Page 19

Preamble: The Guideline states, “The Board views that, where practical and where data is available, class specific SMDRs should be calculated on full cost causality.”

- a) Please provide the calculations in the Smart Meter Model by customer class.
- b) Please recast Tables 5, 6, 7 and 2 by customer class based on cost causality as per part (a). Reconcile to Tables 7, 8, 9 and 2 in the application.
- c) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue collected by customer class.

VECC Question # 9

Reference: Board Guideline G-2011-0001, Smart Meter Funding and Cost Recovery – Final Disposition, dated December 15, 2011, Cost Beyond Minimum Functionality, Page 17

Preamble: The Guideline indicates that costs for TOU rate implementation, CIS upgrades, web presentation, etc. may be recoverable and that in its application a distributor should show how these costs are required for its smart meter deployment program and how they are incremental to the distributor's normal operating costs. Sheet 2 of the Smart Meter Model shows audited costs under Capital Costs Beyond Minimum Functionality (category 1.6.3) & OM&A Costs Beyond Minimum Functionality (category 2.6.3) for 2010, 2011 and 2012 and later.

a) Please demonstrate how these costs are incremental to normal operating costs.

VECC Question # 10

Reference: Smart Meter Model

Preamble: Sheet 2 shows actual/planned number of meters installed for the GS>50 kW class. The sheet shows 75 installed by end of 2011 and 8 forecast for 2012, for a total of 83.

a) Please explain if any capital or operating costs have been allocated to this rate class for recovery in this application.

b) If yes, please provide the nature, justification and cost per meter separately from the residential and GS<50 kW customers.

c) If no, please discuss how Midland PUC is proposing to recover these costs?

VECC Question # 11

Reference: Smart Meter Model

Preamble: Sheet 2 provides Total Smart Meter OM&A Costs.

a) Please provide a breakdown of the total number and cost of additional incremental permanent and contract staff hired by year for the deployment of smart meters and include the work functions for each position. Please provide all assumptions.

VECC Question # 12

Reference: General

Please confirm the timing of Midland PUC's next Cost of Service application.

VECC Question # 13

Reference: Board Guideline G-2011-0001, Smart Meter Funding and Cost Recovery – Final Disposition, dated December 15, 2011, Page 19

Preamble: The Guidelines state, “The Board also expects that a distributor will provide evidence on any operational efficiencies and cost savings that result from smart meter implementation.”

a) Please provide a summary of any operational efficiencies and cost savings..