



***PUBLIC INTEREST ADVOCACY CENTRE***  
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March 12, 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: EB-2011-0250**

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

<b>REQUESTOR NAME</b>	<b>VECC</b>
<b>INFORMATION REQUEST ROUND NO:</b>	<b>2<sup>nd</sup> Round IRs</b>
<b>TO:</b>	<b>Lakefront Utilities Inc.</b>
<b>DATE:</b>	<b>March 12, 2012</b>
<b>CASE NO:</b>	<b>EB-2011-0250</b>
<b>APPLICATION NAME:</b>	<b>2012 Electricity Distribution Rate Application</b>

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**1. Reference: VECC IR # 4, Board Staff IR # 14 (see also Board Staff Supplementary # 64)**

- a) Please provide the SAIDI,SAIFI and CAIDI figures excluding supply for 2006, 2007, and 2008.
- b) If these figures are unavailable, please explain why and include the correspondence sent to the OEB explaining the inability to file this data.

**2. Reference : VECC IR # 5**

- a) In the response to the interrogatory it states that LUI will spend \$175k for sub-station upgrades. Is this amount included in the current application as spending in 2012?
- b) If the LUI Board approves the sub-station project referred to in this interrogatory is it LUI's intention to apply for further relief under the OEB's IRM incremental capital module policy? If so when is this application anticipated to be filed?

**3. Reference: VECC IR # 6 (see also Board Staff supplementary IR # 83)**

- a) Does the \$100,000 listed as the spending on underground conduit for the period 2012 to 2015 represent the total amount of forecast spending for the period (i.e. \$25,000 per year), or is it an annual amount (i.e. \$100,000 per year)?
- b) Please amend the table provided in this response by adding the capital contribution for each of the years 2009 through 2012-15.
- c) Please provide a description of "Project 1" and "Project 2".

- d) Does this table include sub-division conduit projects? If not please add a separate row for these projects.
- e) Why does the Town of Cobourg not pay a capital contribution to cover the incremental costs as between underground conduit and the equivalent overhead service?
- f) What is the incremental cost in 2012 for underground conduit where the incremental costs are not recovered through a contribution-in-aid of construction?

**4. Reference: Exhibit 2, pages 89 – Municipal Radio Initiative**

- a) Please explain why LIU is part of the municipal radio program.
- b) What benefit does this initiative provide to electricity ratepayers?
- c) Does LIU know of any other electricity utility with a similar program?

**5. Reference: VECC IR # 18**

- a) Please provide a breakdown of account 5340 showing which separates the amounts for (i) financial system update; (ii) fees for Utilismart Services; (iii) other costs
- b) What are the Utilismart fees for the years 2010 through 2012?
- c) What alternatives, or process does LUI use to ensure its fees to Utilismart are reasonable (e.g. competitive tendering)?

**6. Reference: Exhibit 2, pages 78 - 89**

- a) The evidence shows that LUI expects to spend \$375,000 on building improvements, \$25,000 on office equipment and \$160,000 on computer hardware (including the upgrade of the telephone system, but excluding the radio initiative). Please provide separately for each of 2008, 2009, and 2010 the spending on building improvements; office equipment, and computer hardware.

**7. Reference: VECC IR # 19**

- a) The evidence at Exhibit 4, page 28 refers to fees. The response to the interrogatories indicates that the costs in question are capital costs not ongoing fees. Please confirm that LUI has not included in this application any ongoing OM&A costs for fees from KTI/Sensus.

**8. Reference:       VECC IR # 20**

- a) Please expand the table provided in this interrogatory to include the costs for Directors, Management Fees and Admin/Training for the years 2008 through 2010.

**9. Reference:       VECC IR #22**

- a) What is the actual 2011 year end customer count by class? Please contrast with the customer count (by class) as of the 2010 year end.
- b) Please confirm how the two customers discussed on pages 7-8 were treated for purposes of Table 3-9.
- c) The discussion on page 17 (lines 21-22) suggests that new customers who would typically be USL will now be metered. What adjustments have been made to the other customer class counts (e.g., GS<50) to account for this?

**10.Reference:       VECC # 23**

- a) Please explain what is meant by a “straight line pass thru methodology”.
- b) What methodology was used to determine the 50/50 split for internet and fibre rental?

**11.Reference:       VECC # 24**

- a) The response states that LUI allocates a “percentage of time to this particular account [for] six individual employees..” Are these six employees of LUSI?
- b) What percentage of their salary and benefit costs are allocated to LUI in 2012?