

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

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> Michael Buonaguro Counsel for VECC (416) 767-1666

March 20, 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-2012-0039 Orangeville Hydro Limited

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,

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Michael Buonaguro Counsel for VECC Encl.

cc: Orangeville Hydro Limited Jan Howard

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

Orangeville Hydro Limited (Orangeville Hydro) 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, 2. Collaboration of LDCs, Page 5

<u>Preamble:</u> Orangeville Hydro indicates the cost benefit of the services agreement was reviewed and renewed in January 0f 2010.

a) Please provide a summary of the cost benefit of the services agreement with Util-Assist Inc.

VECC Question # 2

Reference: Manager's Summary, 3. Status of Implementation of Smart Meters, Page 6

<u>Preamble:</u> Orangeville Hydro has installed a total of 11,105 smart meters as of December 31, 2011, which represents 100% of total meters.

- a) Please provide the average cost per meter by year and customer class on a total cost basis (capex + opex) and capex only.
- b) Please discuss any variances (>10%) in average costs per year.

VECC Question #3

Reference: Manager's Summary, 6.2 Meter Deployment, Page 8

<u>Preamble:</u> The evidence indicates that shortly after Trilliant was selected as the winning proponent, Olameter acquired Trilliant resulting in Olameter providing the deployment services. The impact of this ownership change was evaluated and based on the existing relationship between Olameter and the LDCs and their performance in

the industry, awarding the contract was deemed appropriate.

a) Please discuss the impact of this ownership change on pricing, schedules and total costs.

VECC Question # 4

Reference: Manager's Summary, 6.2 Meter Deployment, Page 8

<u>Preamble:</u> In 2011, Orangeville installed the remaining general service meters and the residential meters that include new customers as well as the more difficult installations such as meters located inside the customer's premises.

- a) What percentage of meter installations are difficult installations (by customer class).
- b) Please provide a cost comparison of standard meter installations with difficult installations (by customer class).

VECC Question # 5

Reference: Manager's Summary, 3. Status of Implementation of Smart Meters, Page 6

- 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	Meter Cost	Installation	Installed Cost	Average Cost
Residential						
GS<50 kW						

- c) Please discuss if internal staffing resources were used to install any meters.
- d) Please provide a breakdown of incremental internal resources for the deployment of smart meters including positions (contract vs. permanent), cost and work functions.

VECC Question # 6

Reference: Manager's Summary, 9. Integration with MDM/R, Page 12

Preamble: The first time-of-use bills were mailed to customers on October 18, 2011.

a) As of this date, what percentage of eligible customers are receiving time-of-use bills?

VECC Question # 7

Reference: Manager's Summary, 12. Web Presentment, Page 12

<u>Preamble:</u> Harris was chosen as the software provider in the delivery of web presentment to its customer base. Orangeville expects to implement this process live in January 2012.

a) Please provide an update on implementing this process.

VECC Question # 8

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

<u>Preamble:</u> Orangeville indicates with the mass deployment of AMI systems, security of the AMI network is critical. Orangeville has forecasted 2012 costs for a security audit between their Customer Information System (CIS) and Operational Data Storage System (ODS).

a) Please provide: the status of the selection of the audit partner and the in-depth security review at one participating utility that has the Sensus solution; the commencement date of the annual security audit for Orangeville Hydro; and Orangeville's forecasted 2012 costs for a security audit.

VECC Question # 9

Reference 1: Smart Meter Model (V2_17)

<u>Preamble:</u> Orangeville Hydro 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

<u>Preamble:</u> 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 complete a separate smart meter revenue requirement model by rate class.

- b) Please recast the Tables on pages 20 to 24 by customer class based on customer class cost causality as per part (a).
- c) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue collected by customer class.

VECC Question # 10

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

<u>Preamble:</u> 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).

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

VECC Question # 11

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

<u>Preamble:</u> 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 summarize Orangeville Hydro's operational efficiencies and cost savings.