



**PUBLIC INTEREST ADVOCACY CENTRE
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April 19, 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-2012-0084
PUC Distribution Inc.**

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: PUC Distribution Inc.
Ms. Jennifer Uchmanowicz

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
PUC Distribution Inc. (PUC) 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: Application, Status Meter Program Status, Page 1

Preamble: PUC installed 29,385 residential and 3,239 GS<50 kW smart meters by October 31, 2011 which represents the entire population of mandated smart meters and is 100% complete. PUC installed 158 GS>50 kW meters in 2011 and an additional 183 meter installations are planned for 2012.

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

VECC Question # 2

Reference: Application, Status Meter Program Status, Page 1

- 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 and total costs for each meter type.

Class	Type of Meter	Quantity	Average Cost	Total Meter Cost per Meter Type
Residential				
GS<50 kW				
GS>50 kW				

VECC Question # 3

Reference: Application, Residential and Commercial Deployment of Sensus Smart Meters, Page 3

Preamble: PUC researched the effort required and costs associated with the mass deployment and concluded that the most cost-effective approach to converting the conventional residential meters to smart meters was to utilize a third-party contractor.

a) Please provide a comparison of the two options.

VECC Question # 4

Reference: Application, Residential and Commercial Deployment of Sensus Smart Meters, Page 3

Preamble: Given the complexity of installation, PUC decided to install the approximate 3,273 meters, GS<50 kW class, with PUC staff.

a) Please discuss the installation complexities.

b) Please provide the average cost per installed meter (capex + opex) using PUC staff.

c) Please confirm whether or not PUC staff costs have been included in the smart meter costs.

VECC Question # 5

Reference: Application, Integration with MDMR, Page 8

Preamble: With many technical steps and challenges to overcome, PUC's ability to meet these timelines was to a large extent contingent upon various software systems delivering the promised functionality and suppliers meeting their contractual obligation.

a) Please compare PUC's planned unit testing, system integration testing and qualification testing dates to actual dates and discuss any variances.

VECC Question # 6

Reference: Application, Transition to TOU Pricing, Page 8

Preamble: PUC applied to the OEB for an extension to the mandatory TOU pricing data for 1,181 GS<50 kW PPP customers from October 2011 to March 2012. The request was premised on the fact that interval data delivered from certain 3 phase meters is

suspect due to the improper time-alignment of the consumption intervals.

- a) Please discuss the improper time-alignment is issue further and how it impacted smart meter deployment.

VECC Question # 7

Reference: Smart Meter Recovery 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/or 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 # 8

Reference: Smart Meter Model (V2_17)

Preamble: 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 the tables on page 2 and 3 of Tab 1 Schedule 5 by customer class based on customer class cost causality as per part (a). Re-calculate the SMDR & SMIRR Rate Riders based on cost causality by customer class.
- c) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue collected by customer class.

VECC Question # 9

Reference: Tab 1, Schedule 5, Pages 2-3

- a) Please provide the cost allocation methodology used to calculate the rate riders in Table 1 on Page 2 and Table 2 on Page 3.

VECC Question # 10

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 summarize PUC’s operational efficiencies and cost savings.

VECC Question # 11

Reference: General

Preamble: VECC observes that in other Smart Meter Recovery applications, a summary comparison of actual smart meter deployment costs to budget is provided as well as a capital and OM&A cost variance analysis.

- a) Please provide this information for PUC.