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May 18, 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-2012-0086
Cambridge and North Dumfries Hydro 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,

(ORIGINAL SIGNED BY)

Michael Janigan
Counsel for VECC
Encl.

cc: Cambridge and North Dumfries Hydro Inc.
Mr. John Grotheer

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
Cambridge and North Dumfries Hydro Inc. (CND) for an order or orders
approving or fixing just and reasonable
distribution rates to be effective July 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: 1.0 Application, Page 3

Preamble: CND indicates that TOU billing was required to be in place for all Residential and GS<50 kW customers by February 1, 2012 but due to delays with the implementation of EnergyIPr7.2 by the IESO, CND is currently unable to bill customers at TOU rates. CND will be able to do so once the IESO is ready.

- a) Please discuss the nature of the delays and provide a status update on CND's plan and timing regarding implementation of TOU billing.

VECC Question # 2

Reference: 2.0 Manager's Summary, Page 6

Preamble: On Page 6, CND indicates it has applied for approval of capital expenditures of \$8,177,996 and total OM&A costs of \$1,081,766 related to its smart meter deployment.

- a) CND's smart meter recovery model (Sheet 2) indicates total OM&A costs of \$1,283,726. Please reconcile.

VECC Question # 3

Reference: 2.0 Manager's Summary, Page 7

Preamble: CND indicates that it has initially identified \$155,000 per year in savings from no longer requiring residential and GS<50 kW customer meters to be read.

- a) Please discuss how these savings are being accounted for in this application.

VECC Question # 4

Reference: 3.0 Smart Meter Program Status, Page 8

Preamble: Table 1 provides the program status both from the number of meters installed and the financial perspective.

- a) Please provide a schedule that compares the smart meter financial forecasts in CND's previous applications to the current application and explain any variances.
- b) Please complete the following table to show average costs based on meter type.

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

VECC Question # 5

Reference: Smart Meter Recovery Model

- a) Sheet 2 shows smart meter installations in 2009, 2010 and 2011, smart meter capital costs (1.1.1) for 2009, 2010 and 2011, whereas installation costs (1.1.2) are shown for 2010 only. Please explain.

VECC Question # 6

Reference: 5.0 Smart Meter Procurement Process, Page 8

Preamble: CND indicates its own staff completed the more complex General Service meter conversions.

- a) Please discuss how the above cost is accounted for in this application.
- b) Please provide a summary of incremental internal labour costs incurred by CND to deploy smart meters in terms of positions, contract type (permanent vs. temporary, part-time vs. full-time), length of employment and work activities.

VECC Question # 7

Reference: 10.0 Smart Meter Incremental Rate Rider Calculation (SMIRR), Page 14

Preamble: CND indicates it has included the monthly Smart Meter Charge of \$.81 that the IESO applied to the OEB to recover.

- a) Please discuss the rationale for including this charge.
- b) Please provide the total cost and line item where this amount is reflected in the current application.

VECC Question # 8

Reference: 10.0 Smart Meter Incremental Rate Rider Calculation (SMIRR), Table 9 2012 OM&A Costs, Page 15

- a) As part of Table 9, CND provides a breakdown of Other AMI Expenses. Please explain AMI Test Environment (Powerstream Test RNI).

VECC Question # 9

Reference 1: Smart Meter Model (V2_17)

Preamble: COLLUS 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 rationale for CND’s proposed cost allocation methodology.
- b) Please complete a separate smart meter revenue requirement model by rate class.
- c) Please re-calculate the SMDR & SMIRR rate riders based on cost causality by rate class.
- d) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue collected by customer class.