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June 13, 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-2012-0245
Sioux Lookout 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,

Michael Janigan
Counsel for VECC
Encl.

cc: Sioux Lookout Hydro Inc.
Ms. Deanne Kulchyski

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
Sioux Lookout Hydro Inc. for an order or orders
approving or fixing just and reasonable
distribution rates to be effective September 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, Page 2

Preamble: Sioux Lookout indicates it expected to implement Time-of-use (TOU) billing in June 2011. The actual implementation was delayed until September 2011.

- a) Please explain the nature of the delay.
- b) Please discuss any significant opportunities and challenges Sioux Lookout experienced and the resulting impact on the deployment of smart meters.

VECC Question # 2

Reference: Application, Page 2

Preamble: On Page 2, the application states:

“The Northwest Group contracted with Kinetiq Canada Ltd. (Kinetiq) to prove that the Elster automated metering infrastructure (AMI) system was meeting the provincial standard, to integrate the AMI data with the meter data management repository (MDM/R), to reconcile the meter data sent to the MDM/R matched the data received back to the utility, and finally to automate business processes so as to avoid increasing staffing in the Billing Department.”

- a) Please summarize the incremental employee costs related to smart meter deployment. Please identify the positions, contract type (permanent vs. temporary, part-time vs. full-time), length of employment and work activities.
- b) Please discuss if Sioux Lookout’s internal staff installed any residential or general service smart meters and how these costs are reflected in the current application.

VECC Question # 3

Reference: Application, Page 2, Program Status

- a) Please summarize the types of meters installed for each rate class.
- b) Please complete the following table to show average costs based on meter type. Please provide a description of "Other Costs".

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

VECC Question # 4

Reference: Application, Page 3

Preamble: Sioux Lookout is seeking true-up costs related to the 2,675 smart meters installed since the inception of the smart meter implementation program.

- a) Please provide a schedule of the capital and OM&A costs by year and the average cost per meter on a total cost basis (capex + opex) and capex only.

VECC Question # 5

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 identify any operational efficiencies and cost savings that Sioux Lookout has experienced or anticipates will result from smart meter implementation. Please quantify any savings.
- b) Please discuss how any savings are reflected in this application or another application.

VECC Question # 6

Reference: Application, Page 7

Preamble: Sioux Lookout indicates that the weighted average price per meter is \$141.08 for residential customers and \$168.06 for GS<50 kW customers.

a) Please provide this calculation.

VECC Question # 7

Reference 1: Application, Page 7

Preamble: Sioux Lookout indicates it calculated the rate riders on the cost methodology proposed in PowerStream's application EB-2011-0128.

- a) Please confirm how the following costs are allocated to each class in Sioux Lookout's proposed allocation methodology in its application:
- Return
 - Amortization
 - OM&A expenses
 - PILs
 - SMFA

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."

- b) Please complete a separate smart meter revenue requirement model by rate class.
- c) Please re-calculate the SMDR & SMIRR rate riders based on full cost causality by rate class.
- d) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue collected by customer class.