



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

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Janigan
Counsel for VECC
(613) 562-4002 ext. 26

July 03, 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-2012-0261
Orillia Power Distribution Corporation

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: Orillia Power Distribution Corporation
Mr. Pat Hurley

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

Orillia Power Distribution Corporation (Orillia Power) for an order or orders approving or fixing just and reasonable distribution rates to be effective October 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, Status of Implementation of Smart Meters

Preamble: In Table 1, Orillia Power provides a summary of the smart meters installed and the capital expenditures and operating expenses by year.

- a) Please provide a calculation of the average costs per meter on a total cost basis (capex + opex) and capex only. Please break out the costs beyond minimum functionality separately from costs related to minimum functionality.
- b) Please provide a schedule that compares the smart meter financial forecasts (capital & OM&A) in Orillia Power's previous applications to the current application and explain any variances greater than 5%.
- c) Please provide a summary of incremental internal labour costs incurred by Orillia Power 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 # 2

Reference: Application, Page 2, Status of Implementation of Smart Meters

- a) 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 # 3

Reference: Application, Page 8, Transition to Time-of-Use Pricing

Preamble: Orillia Power indicates it requested and was granted an extension to its mandated date of June 2011 to November 2011 due to prolonged delays experienced in the delivery of 3-phase meters.

- a) Please discuss any other challenges Orillia Power encountered during its smart meter implementation. Please include the corresponding impact on pricing, costs, process/timelines.

VECC Question # 4

Reference: Application, Page 12, Justification for Costs that Exceed Minimum Functionality

Preamble: The Board's Guideline G-2011-0001 (Section 3.4 Costs Beyond Minimum Functionality) states on Page 17:

Costs for other matters such as CIS changes or TOU bill presentment may be recoverable, but the distributor will have to support these costs and will have to demonstrate how they are required for the smart meter deployment program and that they are incremental to the distributor's normal operating costs.

- a) Please provide a breakdown and description of the costs by year identified in the smart meter model under sections 1.6.3 and 2.6.3.

VECC Question # 5

Reference: Smart Meter Model (V2_17) 20120523

- a) Please provide a breakdown of Other AMI Expenses under section 2.5.6 on Sheet 2 of the model.
- b) On line 1.1.2 on Sheet 2 of the model, Orillia Power shows installation costs of \$126,201, \$17,140 and \$245,322 for 2009 to 2011, respectively. Please explain the significant decrease in 2010 and increase in 2011.
- c) Column S of Sheet 2 shows OM&A expenses for 2012. Please provide a table that summarizes the one-time expenses (in 2012 only) and ongoing expenses for meters installed, as of December 31, 2011.

VECC Question # 6

Reference: Application, Page 16, Smart Meter Incremental Rate Rider Calculation

Preamble: Orillia Power indicates that cost savings realized from lower meter reading costs in 2012 are offset by increased labour costs related to the projected administrative and meter maintenance costs.

- a) Please quantify the operational savings by year related to the reduction of meter reading expenses and confirm how these savings are reflected in the smart meter application.
- b) Please identify any other operational efficiencies and cost savings that Orillia Power has experienced or anticipates will result from smart meter implementation.

VECC Question # 7

Reference 1: Smart Meter Model (V2_17)

Preamble: Orillia Power 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 complete a separate smart meter revenue requirement model by rate class. (This should include any revisions to the model resulting from interrogatory responses)
- b) Please re-calculate the SMDR & SMIRR rate riders based on full cost causality by rate class.
- a) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue and associated interest collected by customer class.