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July 11, 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-2012-0263
Bluewater 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: Bluewater Power Distribution Corporation
Leslie Dugas

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

Bluewater Power Distribution Corporation (Bluewater Power) for an order or orders approving or fixing just and reasonable distribution rates to be effective November 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: Application, Page 5, Page 25

“The capital and OM&A costs included for recovery for Minimum Functionality are \$6.7M or \$188.92 per customer (see Section 5.0 of this Application). There is no published average for Minimum Functionality costs only, and there are only 14 applications¹ that have been filed for final disposition in the last six months for comparison purposes. Based on that relatively small sample, the average claim for Minimum Functionality is \$194.93 per customer.”

“The total capital and OM&A costs included for recovery for Beyond Minimum Functionality costs is \$2.55M or \$72.09 per customer (see Section 6.0 of this Application). There is no published average for Beyond Minimum Functionality costs only, and there are only 14 applications that have been filed for final disposition in the last six months. Based on that relatively small sample, the average claim is approximately \$11.84 per customer.”

Reference 2: Application, Page 25

The total amount claimed in this application for recovery as Beyond Minimum Functionality is \$2.53M or \$71.49 per customer. There is no published average for Beyond Minimum Functionality, and there are only 14² applications for Smart Meter cost recovery that have been filed to-date in 2012. The footnotes list the applications.

- a) Please provide the underlying data and analysis that was used to derive the above average costs calculated by Bluewater Power based on data from the 14 applications.

VECC Question # 2

Reference: Application, Page 10, 3.0 Smart Meter Program Status

Preamble: In Table 3.1, Bluewater Power provides a summary of the smart meters installed by year.

- a) Please summarize the types of meters installed for each rate class.
- b) Please complete the following table to show the calculation of average costs based on individual meter types.

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

VECC Question # 3

Reference: Application, Page 17

Preamble: The evidence states “The end goal of the selection process was to find the best fit for our territory and to learn from the experience of others to better mitigate known project risks.”

- a) Please summarize the known project risks.

VECC Question # 4

Reference: Application, Page 19

Preamble: The evidence states “Due to a delay in the availability of meter stock from Sensus, the completion of the mass installation was delayed into 2011. This delay of approximately 6 months posed the potential to increase costs of the installation, which could have materially compromised the budget. However, successful negotiations with Honeywell resulted in the amount over budget being limited to approximately \$25,000.

- a) Please provide a breakdown and description of the over budget costs.

VECC Question # 5

Reference: Application, Page 40

Preamble: The application indicates “It is worth noting that those OM&A costs which relate primarily to meter reading are only included in this application up to April 30, 2012; from that point where the AMI replaces foot reading by meter readers, the costs form part of regular OM&A after May 1, 2012 as costs were already incorporated into rates relating to meter reading.”

- a) Please confirm the amount of meter reading savings and how these savings are accounted for in this application.

VECC Question # 6

Reference: Application, Page 29

Preamble: The evidence indicates “Smart Meters created additional steps in the business process compared to prior work processes and, therefore, one of the goals during the review of processes was to increase productivity through automation where possible in order to balance the introduction of additional steps associated with Smart Meters. The end result was increased automation that has allowed Bluewater Power to accommodate Smart Meters with no incremental permanent staff.”

- a) Please provide a summary of incremental internal labour costs incurred by Bluewater Power to implement its smart meter program in terms of positions, contract type (permanent vs. temporary, part-time vs. full-time), length of employment and work activities.

VECC Question # 7

Reference 1: Smart Meter Model (V2_2.21)

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.
- c) Please provide a table that summarizes the total Smart Meter Rate Adder Revenue and associated interest collected by customer class.

VECC Question # 8

Reference: Application, Page 6

Preamble: With this application Bluewater Power has proposed a disposition date of November 1, 2012, suggesting the need for a SMDR for costs up to October 31, 2012 and a SMIRR for the months of November and December of 2012. Bluewater Power has proposed an alternative approach, including November and December costs in the SMDR application despite the proposed November 1, 2012 implementation date of the proposed SMDR.

- a) Please provide a breakdown of the forecasted November and December 2012 costs.