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August 20, 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: EB-2012-0121Erie Thames Powerlines Corporation

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Janigan
Counsel for VECC

Encl.
cc. Erie Thames Powerlines Corporation
Attn: Mr. Graig Petit oeb@eriethamespwerlines.com

REQUESTOR NAME	**VECC**
INFORMATION REQUEST ROUND NO:	**# 1**
TO:	**Erie Thames Powerlines**
DATE:	**August 17, 2012**
CASE NO:	**EB-2012-0121**
APPLICATION NAME	**2013Cost of Service Electricity Distribution Rate Application**

NB: In these interrogatories the following acronyms have been used:

Service Territory of former Clinton Power Corporation: CPC

Service Territory of former West Perth Power Inc. : WPPI

Current amalgamated service territories: Erie Thames or ETPC

No issues list has been issued by the OEB. VECC has generally applied the issues list proposed by the applicant at Exhibit 1, Tab 1, Schedule 7. The issues list has been slightly modified to make it more closely conform to issues lists used in past Board proceedings.

General

1.1 Has the Utility responded appropriately to all relevant Board directions from previous proceedings?

1. Reference: Exhibit 1, Tab 1, Schedule 17

   a) Have the Conditions of Service been updated to be compliant with the new customer service rules for low-income electricity consumers which came into effect October 1, 2011?

   b) If yes, please explain what changes were made to Utility practice and the conditions of service. If not, please explain when these conditions of service will be changed to be compliant with the new Board rules.

1.2 Is the proposal to have retroactive rates appropriate?

2. Reference: Exhibit 2, Tab 1, Schedule 1 pages 9-11

   a) Is ErieThames seeking to have rates set retroactive to May1, 2012? If not what date is EPTC expecting to implement new rates?

1.3 Is service quality acceptable?

2. Reference: Exhibit 1, Tab 2, Schedule 5 / Exhibit 2, Tab 5, Schedule 2, page 126

   a) Please provide a table showing,for each of the three service areas (CPC, WPPI, EPTC), the annual SAID, SAIFI and CAIDI statistics for each year 2008 through 2011 excluding loss of supply.

   b) Please provide a similar table including loss of supply.

3. Reference: Exhibit 1, Tab 2, Schedule 5/ Exhibit 2, Tab 5, Schedule 2, page 126.

   a) Please provide a table similar to the one shown below which shows the number of, and reasons for, service interruptions. Please provide 1 table for each of the 3 different service territories.

Outage Code	Description	2009 Totals	2010 Totals	2011 Totals
	Scheduled			
	Supply Loss			
	Tree Contact			
	Lightning			
	Def.Equip.(other than pole)			
	Pole Failure			
	Weather			
	Human Element			
	Animals,Vehicle			
	Environment			
	Unknown			
	Total			

4. Reference: Exhibit 2, Tab 3, Schedule 1, Appendix 1, Table 2 and 3

   a) Please explain what specific employee compensation incentives are related to the Service Reliability Indices.

   b) Please show the amount of related compensation (bonus/incentives) related to these incentives that were awarded in each of the years 2008 through 2011. Please break this down by executive/management; unionized; and non-union.

Rate Base

2.1 Is the proposed rate base for 2012 appropriate?

5. Reference: Exhibit 2, Tab 3 / Exhibit 5, Tab 1, Schedule 2

    a) Please provide a detailed table showing the assets that were acquired from a related entity as part of the corporate restructuring following the 2009 strike.

2.2 Is the proposed capital expenditure program for 2012 appropriate?

6. Reference: Exhibit 2, Tab 3, Schedule 1

    a) Please update the Table at section 6.1 - 2012 Capital Assets - by Project to show actual expenditures to date.

7. Reference: Exhibit 2, Tab 3, Schedule 1, Section 6.1

    a) Please provide the capital projects assigned by USoA accounts for:

        - CPC for years 2010 (actuals and 2010 cost of service application forecast)
        - WPPI for 2010 (actual and 2010 cost of service application forecast)
        - FET for 2008 (actual and 2008 cost of service forecast), 2009 and 2010
        - ETPC (amalgamated Utility) for 2011 (actuals).

8. Reference: Exhibit 2, Tab 3, Schedule 1;

    a) Please explain why the “Table <> Capital Spending” shows identical costs for all categories for the period 2013 through 2015.

9. Reference: Exhibit 2, Tab 5, Schedule 2, page 104;

Preamble: At page 104 its states “*that complete data required for condition assessment thorough this methodology is not presently available.*”

    a) In light of this statement what limitations/adjustmentswere made to the capital budget in the consideration of adopting the recommendations of the Report?

b) For the following asset categories please indicate whether the assessment was based on: (1) visual inspection only; (2) physical testing – oil testing, pole core analysis etc.; or (3) other – please describe. Please indicate the percentage of each asset category that wasvisuallyor physically tested.

- Poles
- Overhead Line Circuits
- OH Transformers
- UG Cables
- Distribution Pad Mounted transformers
- Distribution stations

10. Reference Exhibit 2, Tab 5, Schedule 2, page 127

a) The Asset Management Plan states that "[*O*]*wing to inadequate level of investment during the past years, investment levels over the next 10 year will need to be higher than the above indicated annual average investment level*." What is the basis of this statement?

b) Please provide details as to the level and nature of the underinvestment in each of the three service territories CPC, WPPI, FET over the past 10 years.

c) Please explain why EPTC and its predecessor companies have underinvested in capital over the past 10 years. In particular please explain the reasons for the inadequate in these service territories since 2006.

11. Reference: Exhibit 2, Tab 3, Schedule 1, Section 6.2.21

a) Please provide a table showing the SCADA and Smart Grid Capital expenditures, OM&A expendituresand associated consulting costs for the period 2011 through 2015.

b) Have any SCADA investments been made prior to 2011?

12. Reference: Exhibit 2, Tab 5, Schedule 2, page 134

a) Please describe the 2013 SCADA pilot project, including the cost of the pilot (both capital and OM&A), and the objectives of the program.

13. Reference: Exhibit 2, Tab 3, Schedule 1

Pre-amble: In the evidence Erie Thames classifies its capital projects as

- Sustainment/Enhancements
- Municipal Reconstruction
- Regulatory Requirements
- Substations
- Ongoing Asset Replacements
- Development/Subdivisions
- Customer Connections
- Fleet
- General Plan

Section 4 of the Asset Management Plan uses a slightly different set of classifications, including Smart Grid Initiatives, Preventative Maintenance and some similar classifications, including Motor Vehicle Fleet.

a) Please provide a table using the classification above (modified as necessary to conform with the Asset Management Plan) which shows the capital expenditures for Erie Thames for the period 2011 through 2016. Include in the capital contributions for each category.

14. Reference: Exhibit 2, Tab 5, Schedule 2, page 134

a) Please explain how the $285,000 annual expenditure for system extensions and regulatory obligations was calculated.

15. Reference: Exhibit 2, Tab 5, Schedule 2, page 137

a) Were there any reductions in vehicles subsequent to the amalgamation of utilities in 2011? Please explain

16. Reference: Exhibit 2, Tab 5, Schedule 2, page 138

a) Please explain how the estimates shown on page 138 of the Asset Management Plan were calculated.

17. Reference Exhibit 4, Tab 2, Schedule 1

a) Please provide a description of the plan to convert ETPC to a 27kV system. Please show the expected capital expenditures for this program for each of 2011 through 2016.

2.2 Is the proposed Working Capital Allowance for 2012 appropriate?

18. Reference: Exhibit 2, Tab 3, Schedule 1

a) On April 12, 2012, the OEB updated the default working capital allowance to 13% of controllable costs and the cost of power. In light of the late filing of this Application please explain why EPTC has not elected to use the most up-to-date working capital calculation?

b) Please calculate the adjustment to revenue requirement if a working capital allowance of 13% were used instead of the 15% proposed.

19. Reference: Exhibit 4, Tab 2, Schedule 1

a) Please confirm that all ETPL customers are currently billed monthly.

2.3 Is the proposed Green Energy Act Plan appropriate?

20. Reference: Exhibit 2, Tab 5, Schedule 3, page 153

a) EPTL is seeking a deferral account for “qualifying expenditures” related to its Green Energy Plan. Please explain the type of investments that would constitute a “qualifying expenditure”

b) Does EPTL have estimates as to quantum of costs that would be booked into this account?

c) In what way would these investments differ from the normal Utility investments?

d) Would EPTL be seeking provincial recovery of all or some of these costs?

e) Are there any Green Energy Plan costs being sought for recovery in 2012 rates?

Load Forecast and Operating Revenue

3.1 Is the proposed load forecast methodology including weather normalizationcustomer/connections and load forecast for the test year appropriate?

21. Reference: Exhibit 3, Tab 2, Schedule 1, Section 2

a) Please provide a revised version of Table 2 that also includes 2010 weather adjusted values as well as 2011 actual and weather adjusted actual values.

22. Reference: Exhibit 3, Tab 2, Schedule 1, Section 3

a) Please provide revised versions of Tables 3-5 that include the actual 2011 and weather adjusted actual values.

b) How was the average kW, Non-coincident kW and Coincident kW values determined for Table 6?

c) Are the kW values in Table 6 used at all in the Application (e.g. in the Cost Allocation)?

d) Please provide a Table that sets out for 2006-2012 the total (consolidated) Residential class kWh use, the number of customers and the average use per customer (both actual and weather normalized).

23. Reference: Exhibit 3, Tab 2, Schedule 1, Section 4

a) Please revise Table 8 so as to also include the number of customers and kWh/customer weather adjusted.

b) Please provide revised versions of Tables 8-10 that include the 2011 actual and weather adjusted actual values.

c) Please provide a Table that sets out for 2006-2012 the total (consolidated) GS<50 class kWh use, the number of customers and the average use per customer (both actual and weather normalized).

24. Reference: Exhibit 3, Tab 2, Schedule 1, Section 5
Exhibit 3, Tab 2, Schedule 1, Section 12

a) Please provide revised versions of Tables 13-15 that include the 2011 actual values.

b) Please provide revised versions of Tables 18-19 that include the 2011 actual values.

c) Please provide a Table that sets out for 2006-2012 the total (consolidated) GS>50 class kWh use, the number of customer and the average use per customer (both actual and weather normalized).

d) Section 5 suggests that the IESO Energy Growth is used to escalate the 2010 values for all GS>50 sub-groups. Section 12 (part b) states that "historic trending and extrapolation" were used to forecast load for the GS>50 class. Please explain more fully how the 2011 and 2012 load forecasts for this class were prepared.

e) If IESO forecast of energy growth was used, what alternative escalation factors did EPTC consider and why was IESO forecast energy growth chosen?

25. Reference: Exhibit 3, Tab 2, Schedule 1, Section 6
Exhibit 3, Tab 2, Schedule 1, Section 12

a) Please confirm that Section 6.1 (Tables 22-24) deals with GS>1000 but less than 3000.

b) Please provide a Table that sets out the (consolidated) GS 1,000-4,999 kWh class kWh use, number of customers and average use per customer for each year from 2008 to 2012. Please include 2011 actual values if available.

c) Section 12 parts c) and d) state that "historic trending and extrapolation were used to forecast load" for the GS 1,000-2,999 class and also for the GS 3,000-4,999 class. Please explain more fully how the load forecast for the GS 1,000-4,999 class was developed for each sub-group.

d) Please provide revised versions of Tables 22 and 25 that include the 2011 actual use and number of customers.

26. Reference: Exhibit 3, Tab 2, Schedule 1, Section 7

a) Please provide a revised version of Table 30 that includes the actual 2011 values.

b) How were the forecast values for 2011 and 2012 established?

27. Reference: Exhibit 3, Tab 2, Schedule 1, Section 8

a) Pease provide a table that sets out the total actual use in 2010 and 2011 (kWh and billing kW) and the forecast use for 2012 for Clinton, West Perth, (former) Erie Thames and the consolidated utility.

b) How were the forecast values for 2011 and 2012 established? In particular, what was the basis for the forecast increase in Street Light load for the (former) Erie Thames service area?

28. Reference: Exhibit 3, Tab 2, Schedule 1, Section 9

a) Pease provide a table that sets out the total actual use in 2010 and 2011 (kWh and billing kW) and the forecast use for 2012 for Clinton, West Perth, (former) Erie Thames and the consolidated utility.

29. Reference: Exhibit 3, Tab 2, Schedule 1, Section 10

a) Pease provide a table similar to Table 49 based on 2011 actual values.

30. Reference: Exhibit 3, Tab 2, Schedule 1, Section 11

a) Pease provide tables similar to Tables 50-51 based on 2011 actual values.

31. Reference: Exhibit 3, Tab 2, Schedule 1, Section 12
Exhibit 3, Tab 2, Schedule 2

a) With respect to Schedule 2 (pages 1-3), are the customer count values shown year-end or average annual values?

b) Please provide the actual customer count for 2011 for each of the Tables shown on pages 1-3 of Schedule 2.

c) Please provide the consolidated customer count by class as of June 30, 2012 and as of June 30, 2011

d) How was the Net System Load Shape (Section 12, 1st page) determined and what customer classes is it meant to include?

e) Tab 2, Schedule 1, Section 12 (2nd page) states that a liner trend line was used to project customer growth in 2012 for Residential and GS<50. However, in Tab 2, Schedule 2 (page 3) it appears that a more qualitative approach was used. Please provide the forecast customer counts for each of these two classes based a linear trend line staring with 2006.

f) With respect to Tab 2, Schedule 1, Section 12 (2nd page), please provide a schedule that sets out the determination of the "weather adjusted kWh per customer per month" for each of the Residential and GS<50 classes that was used in conjunction with the forecast customer count to forecast load for 2012 for each of these two classes.

g) Please prepare a forecast for 2012 Large Use class load, using actual data to date for 2012 along with the historical 2011 use for the Large Use class and applying the same methodology as set out in Section 12, part e).

32. Reference: Exhibit 3, Tab 2, Schedule 1, Section 12
Guidelines for Electricity Distributor Conservation and Demand Management (EB-2012-0003), pages 12 and 14

a) Has ETPC included the impact of CDM programs (up to and including 2011 programs) in its Load Forecast?

b) If yes, please explain how program impacts (i.e., what years' programs) have been reflected in the Load Forecast.

c) If the impacts of the 2011 CDM programs are not reflected in the forecast, please address the issues required as per the first full paragraph on page 13 of the Board's Guidelines.

d) Please provide a copy of the OPA's report on ETPC's 2011 CDM program results for each of the three service areas.

e) Please provide a copy of the OPA's 2010 report on ETPC's CDM activity results for each of the three service areas.

3.2 Is the test year forecast of other revenues appropriate?

33. Reference: Exhibit 3, Tab 3, Schedule 1, page 1

a) Please explain why the Retail Services Revenues are forecast to decline to zero in 2011 and 2012 while the STR revenues increase.

b) Please explain the significant increase in Late Payment Charge revenues forecast for 2011 over 2010.

34. Reference: Exhibit 3, Tab 3, Schedule 2, page 1

a) What was the impact on 2012 OM&A of moving the billing staff over to ETPC? Where in Exhibit 4 is can this change be seen?

b) Please explain more fully the portion of the $160,000 decrease due changes in how revenues are posted to the GL by Clinton and West Perth. In particular, why is there no offset in revenues somewhere else?

Operating Costs

4.1 Is the proposed 2012 OM&A forecast appropriate?

35. Reference: Exhibit 4, Tab 2, Schedule 1

a) Please file the 2010 Board approvedOM&A Detailed Cost Table for CPC and WPPI.

b) Please file the 2008 Board approved OM&A Detailed Cost Table for EPTL

36. Reference: Exhibit 4, Tab 2

a) Please provide the costs for 2008 through 2012 (combined) of all voluntary memberships, such as the EDA. Please identify each separately.

37. Reference: Exhibit 4, Tab 2, Schedule 2

a) Please provide the OM&A Cost per customer and per FTEE for CPC, WPPI and ETPC for 2008 through 2010

b) Please provide the OM&A cost per customer and per FTEE for the cohort of utilities defined by the Board to be most like EPTC.

38. Reference: Exhibit 4, Tab 2, Schedule 1, 3

    a) Please provide the detailed variance analysis (accounts 5005 through 6205) for OM&A as between 2011 actuals and 2012 forecast.

    b) Specifically provide details on accounts: 5315 (Customer Billing); 5310 (Meter Reading); 5645 (Employee Pension and Benefits); and 5665 (Miscellaneous General Expenses).

    c) Please explain why there are no bad debt forecast costs for 2012 (account 5335).

39. Reference: Exhibit 4, Tab 2, Schedule 3

    a) Please provide the 2012 detailed OM&A actuals to date by USoA account.

40. Reference: Appendix 2H

    a) Please provide an explanation of the $85,000 for on-going regulatory consulting.

4.2 Are the compensation costs and employee levels appropriate?

41. Reference: Exhibit 4, Tab 2, Schedule 4

    a) Please provide details as to the contract with ETPL staff, including the when the contract was negotiated and the annual increases including that for 2012.

    b) When does ETPC expect to complete negotiations on a new contract?

42. Reference: Exhibit 4, Tab 2, Schedule 4

    a) Please modify Appendix 2-K (Employee Costs) to show the Actual and Board approved 2010 employee costs for WPPI and CPC.

    b) Provide modify Appendix 2-K to show the 2008 actual and Board Approved employee costs for EPTC adding a row to show the affiliate FTEs for 2008 through 2010 ETPC.

43. Reference: Exhibit 4, Tab 2, Schedule 4, page 2, Appendix 2-K.

    a) Please explain why the proportion of OM&A capitalized increases significantly in 2012.

4.3 Are the allocation and shared service costs appropriate?

44. Reference: Exhibit 4, Tab 2, Schedule 5

    a) For each of the services offered by the affiliate companies please describe the nature of the service; the method of allocation and the total cost being allocated. Please show the allocation percentage for each of 2010 through 2012

    b) For the period 2010 through 2012 for Human Resource, Legal and IT services please provide the number of staff in each category supporting the utility.

    c) For the affiliate service of rent, please describe what space is being rented and for what purpose.

45. Reference: Exhibit 4, Tab 2, Schedule 5

    a) In respect to the Ecaliber billing services please provide the cost per bill.

    b) When was this contract last tendered? Was it competitively tendered at that time?

    c) Please provide details as to the due diligence ETPC has undertaken to ensure its billing costs are competitive.

4.4 Is the proposed level of Depreciation/Amortization expense for the 2012 Test Year appropriate?

46. Reference: Exhibit 4, Tab 2, Schedule 6

    a) Please explain why there is no depreciation for smart meters (account 1860)

47. Please provide the Depreciation, Amortization and Depletion schedules for 2010 and 2011.

Capital Structure and Cost of Capital

5.1 Is the proposed long term debt cost for 2012 appropriate?

48. Reference: Exhibit 5, Tab 1, Schedule 2

a) Please file a table listing all the current and forecast long-term debt for 2012. Use this table to show the derivation of the weighted average cost of long-term debt and the interest costs for 2012.

Cost Allocation

6.1 Is the proposed cost allocation methodology for 2012 appropriate?

49. Reference: Exhibit 7, Tab 1, Schedule 1

a) With respect to the Cost Allocation models dated June 4, 2012, please confirm that these are the cost allocation results (existing and updated classes) that ETPC is relying on. . If not, what cost allocation model results is it relying on for its Application.

b) Please explain why the revenue at current rates (Sheet I6.1, Rows 39-41) is different as between the two models.

c) Please provide a schedule that sets out the derivation of 2012 revenues at 2011 rates that takes into account the fact that each service area has different rates for 2011. In doing, please ensure that the rates used do not include any rate riders or adders (e.g. smart meter or low voltage) and also account for the transformer discount's impact on revenues.

d) In the response to part c) please show separately the total fixed and variable revenues (the later net of the transformer ownership allowance) for each customer class and calculate the overall fixed-variable split for each class based on current rates.

e) With respect to Sheet I5.2 has ETPC undertaken any review of the appropriateness of using the default weighting factors for services and billing for its circumstances as directed by the Board's EB-2010-0219 Report on Electricity Distribution Cost Allocation Policy (page 26)? If yes, please provide the associated analyses/reports.

f) With respect to Sheet I7.1, do all GS<50 customers and Residential customers have the same type of smart meter? If not, please update the unit costs used in this Sheet.

g) Please explain why the revenue at current rates used in the Cost Allocation Model (Sheet O1) does not match the revenue at current rates used in the deficiency calculation in Exhibit 6, Tab 2, Schedule 2.

50. Reference: Exhibit 7, Tab 1, Schedule 2

a) The text on the 2nd page states that the Table on the first page reflects the Cost Allocation based on the existing customer classes. However, the 2012 DDR at current rates and the Miscellaneous Revenues by class do not match those in the June 4th Cost Allocation model. Please reconcile.

b) The text on the 2nd page states that the Table on the 3rd page reflects the updated customer classes. However, the actual table is based on the existing customer classes. Please reconcile and revise.

c) For both Tables, the policy ranges used for the customer class R/C ratios do not match those set out in the Board's EB-2010-0219 Report on Electricity Distribution Cost Allocation Policy. Please revise as appropriate.

d) Also, in the Tables provided on the first and third pages please explain the various references to/use of 2006 and 2009 revenues.

e) Based on the foregoing, please provide updated versions of both tables.

f) Also, please provide a completed copy of Appendix 2-O per Chapter 2 of the Board's Filing Guidelines. The material filed does not match the required tables.

51. Reference: Exhibit 7, Tab 1, Schedule 2

a) Please confirm that, based the Cost Allocation using the updated classes, the only customer classes outside the Board Policy ranges based on Status Quo rates are:
- Large Use – at 122.23% vs. 120%
- USL – at 28.55% vs. 80%
- Sentinel Lights – at 76.51% vs. 80%
- Embedded Distributor – at 71.42% vs. 80% (lower boundary for all GS and LU classes)

b) Please calculate the resulting revenue shortfall/excess assuming that each of the R/C ratios for each of the four classes noted in part (a) are moved to the upper/lower end of the policy range as appropriate.

c) If there is a revenue shortfall, by how much would the R/C ratio for USL, Sentinel Lights and Embedded Distributors all have to change so that the resulting common value recovered the shortfall?

d) If there is a revenue excess, by how much would the Large Use R/C ratio have to decrease in order to eliminate the revenue excess?

Rate Design

7.1 Is the derivation of the proposed base distribution rates appropriate?

52. Reference: Exhibit 8, Tab 1, Schedule 1
Exhibit 8, Tab 1, Schedule 6

a) Please confirm that the Board's EB-2007-0667 Report (Application of Cost Allocation to Electricity Distributors – page 12) rejected the use of 120% mark-up and set the ceiling at the MSC value base on minimum system with PLCC adjustment.

b) Please provide a schedule that compares ETPC's proposed 2012 MSC (excluding any rate riders or adders) for each customer class with this value as found in Sheet O2 of the Cost Allocation based on updated classes.

c) Please provide the derivation of the MSC (excluding any rate riders or adders) for each customer class, showing that it is based on the existing fixed variable split (calculated exclusive of any rate riders or adders) and the proposed Base Distribution Revenue Requirement allocated to each customer class. In the same schedule please show that the resulting variable charge is equivalent the proposed Distribution Volumetric Rate for each class as set out in Exhibit 8, Tab 1, Schedule 6.

d) In its Rate Design, how has ETPC provided for the recovery of the "cost" of the transformer ownership allowance discount?

53. Reference: Exhibit 8, Tab 1, Schedule 7

a) Please provide a Schedule setting out the calculation of the class revenues as shown in Column A of the Table.

b) Please explain why the total revenue shown here is not equal to the total base distribution revenue requirement as shown in Sheet O1 of the Cost Allocation model.

c) Please explain why the total Transformer Allowance value shown in the Table (Column B) does not equal the transformer ownership allowance value as shown in Sheet I6.1 of the Cost Allocation.

7.2 Are the specific Service Charges appropriate?

54. Reference: Exhibit 1, Tab 2, Schedule 1 – Specific Service Charges

a) The reference to Exhibit 8, Schedule 6, Tab 1 does not appear to be correct. Please revise as necessary.

b) Please confirm that the current (2012) Specific Service Charges are the same for all three service areas: (former Erie Thames; WWPI and CPC.

c) If not, where are they currently different?

7.3 Are the proposed changes to Low Voltage rates appropriate?

55. Reference: Exhibit 8, Tab 1, Schedule 11

a) Please explain what “service area” the first table on the second page is meant to reflect.

b) Please explain why the 2011 actual LV costs shown at the bottom of the second page for EPTC overall ($658,603.6) do not reconcile with sum of the 2011 Expenses shown in the preceding tables for the individual service areas.

c) Please confirm what the actual cost of LV service from HON was for 2011.

7.4 Are the proposed Loss Factors appropriate?

56. Reference: Exhibit 8

a) Please indicate where in Exhibit 8 ETPC explains its proposal with respect to loss factors for 2012.

Deferral and Variance Accounts

8.1 Are the account balances, cost allocation methodology and disposition period appropriate?

57. Reference: Exhibit 9, Tab 1, Schedule 1

a) Please provide details as to why it is unable to give an accounting of account 1562 PILs for both WPPI and CPC.

b) When does ETPC expect to be able to provide the necessary information to the Board.

8.2 Are the proposed new deferral and variance accounts appropriate? (See Green Energy Plan)

Smart Meters

9.1 Is the proposed elimination of the Smart Meter Rate Adder and the inclusion of the Smart Meter Incremental Rate Rider appropriate?

58. Reference: Exhibit 9, Tab 1, Schedule 5

a) Is ETPC proposing to include ongoing smart meter OM&A and capital costs as part of its 2012 revenue requirement?

b) If not please explain why not?

c) If yes, please provide the 2012 smart meter costs (OM&A, capital and depreciation costs)

59. Reference: Exhibit 9, Tab 1, Schedule 1

a) Please provide a summary table to the derivation of the smart meter disposition rate rider in the following form:

	Total	Residential	GS <50
Allocators			
LDC Average SmartMeterUnitCost		$	$
SmartMeterCost		$	$
Allocation ofSmartMeterCosts	100.0%	%	%
Numberofmeters installed			
Allocation ofNumberofmeters installed	100.0%	%	%
TotalReturn (deemed interestplus return on equity)	$	$	$
Amortization	$	$	$
OM&A	$	$	$
Total BeforePILs	$	$	$
PILs	$	$	$
TotalRevenue Requirement2006 to 2011	$	$	$
	100.0%	%	%
SmartMeterRate Adder Revenues	($)		
Carrying Charge	($)		
SmartMeterTrue-up	$	$	$
Metered Customers			
Recovery Period in Months			
Rate Rider to RecoverSmartMeterCosts Yr	$	$	$

9.2 Is the Smart Meter Disposition Rate Rider appropriate?

60. Reference: Exhibit 9, Tab 1, Schedule 5

a) Why is ETPC not proposing to calculate the smart meter disposition rate rider on a class specific basis.

b) Is it the contention of EPTC that there are no cost differences between the classes for the cost and installation of smart meters?

9.1 Is the proposed Stranded Meter rate rider appropriate?

61. Reference: Exhibit 9, Tab 1, Schedule 1

a) Why is ETPC proposing not to dispose of its stranded meter costs in 2012?

b) When does ETPC expect to dispose of these balances?

c) Please provide separately for the three service territories the amounts to be recovered for stranded meters.

LRAM/SSM

10.1 Is the proposal related to LRAM/SSM appropriate?

62. Reference: Exhibit10, Tab 1, Schedule 4

a) Please provide the source of the Measure Life in Appendix A.

63. Reference: Exhibit 10, Tab 1, Schedule 4

a) In the 2012 cost of service application of Halton Hills Hydro Inc. Indeco also filed a review of CDM programs (see EB-2011-0271, Exhibit 10, Appendix A). The reports were completed by the consultant within one month of each other (Halton Hills August 2011 and Erie Thames September of 2011). A comparison of Tables 9 and 10 (SSM and LRAM Inputs respectively) with similar tables in the Halton Hills report's Table 8 and 9 (SSM and LRAM respectively) show sometimes significantly different "measure life" for identical programs. In many cases the measure life of the Erie Thames program is significantly greater. Please explain why there would be differences in measured lives for identical program offered by different utilities.

64. Reference: Exhibit10, Tab 1, Schedule 4, page 3

a) Please provide the calculation supporting the use of the weighted average cost of capital used for the SSM claim.

b) When does ETPC expect to dispose of these balances?

65. Reference: Exhibit 10, Tab 1, Schedule 4

a) List and confirm OPAs input assumptions for EKC 2006 including the measure life and unit kwh savings for Compact Fluorescent Lights and Seasonal Light Emitting Diodes. Confirm some of these assumptions were changed in 2007 and again in 2009 and compare the values.

b) Demonstrate that savings for EKC 2006 Mass market measures 13-15W Energy Star CFLs etc. have been removed from the LRAM claim in the Indeco Report.

66. Reference: Exhibit 10, Tab 1, Schedule 4

a) Is the current LRAM claim the only claim filed by EPTC or its predecessors? If not, provide a copy of the prior claim(s).

b) Identify all Mass market measures (CFLs etc.) installed in 2006 with measure lives of 4 years or less for which savings have been claimed in any prior claim.

c) Adjust the current Third Tranche LRAM claim as necessary to reflect the measure lives (and Unit savings) for any/all measures that have expired starting in 2010.

Mitigation Plan

67. Reference: Exhibit 11

a) Please provide a schedule that sets out for the most recent 12 month period the actual number of CPC Residential customers whose monthly use falls into the following ranges:
- 0-250 kWh
- >250-500 kWh
- >500-800 kWh
- >800-1500 kWh
- >1500 kWh

68. Reference: Exhibit 8, Tab 1, Schedule 8
Exhibit 11, Tab 1, Schedule 1

a) The detailed bill impacts for Clinton's GS<50 customers as shown in Exhibit 8 do not appear to exceed the 10% threshold as suggested in Exhibit 11. Please substantiate the claim that the bill impacts for Clinton's GS<50 customers are greater than 10% prior to mitigation.

b) Please indicate the range of monthly usage over which the bill impact for GS<50 customers will be greater than 10% and the number of GS<50 customers whose usage falls in this range based on the most recent 12 months data.

c) The detailed bill impacts for Clinton's GS>50-999 customers as shown in Exhibit 8 do not appear to exceed the 10% threshold as suggested in Exhibit 11. Please substantiate the claim that the bill impacts for Clinton's GS>50 customers are greater than 10% prior to mitigation.

d) Based on their usage patterns over the most recent 12 months how many of the 17 GS>50-999 customers will see bill impacts greater than 10%? (Note: There is no need to provide customers' names or usage levels)

69. Reference: Exhibit 11, Tab 1, Schedule 2

a) Please explain why the cost of mitigation is all recovered through a fixed charge as opposed to being recovered through both fixed and variable charges.

b) Please recalculate the fixed and volumetric mitigation rate riders required assuming the mitigation costs for each class are recovered using the fixed-variable split for the class.

END OF DOCUMENT