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By electronic filing

November 16, 2012

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27<sup>th</sup> floor Toronto, ON M4P 1E4

Dear Ms Walli,

Hydro One Networks Inc. ("Hydro One")2013 Electricity Distribution Rate ChangeBoard File No.:EB-2012-0136Our File No.:339583-000143

Further to our letter of November 12, 2012, please find enclosed Technical Conference Questions submitted on behalf of Canadian Manufacturers & Exporters ("CME"). Once again, we apologize for the late delivery of these questions which we are planning to pose during the Technical Conference on November 22, 2012.

Yours very truly,

Peter C.P. Thompson, Q.C.

PCT\slc enclosure

c. Anne-Marie Reilly (Hydro One) D.H. Rogers (Rogers Partners LLP) Intervenors EB-2012-0136 Paul Clipsham

OTT01: 5373002: v1

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

**AND IN THE MATTER OF** an Application by Hydro One Networks Inc. for an order or orders approving just and reasonable rates and other charges for electricity distribution effective January 1, 2013.

## TECHNICAL CONFERENCE QUESTIONS FROM CANADIAN MANUFACTURERS & EXPORTERS ("CME") FOR HYDRO ONE NETWORKS INC. ("HYDRO ONE")

1. With respect to Hydro One's response at Exhibit I, Tab 17, Schedule 4.01; the Board's expectation expressed at page 25 of its October 18, 2012 Renewed Regulatory Framework for Electricity ("RRFE") Report that "... distributors ... consider total bill increases when they engage in planning ..."; and total electricity price increases that electricity consumers are likely facing over the years 2013 to 2016, CME seeks further details with respect to the customers that Hydro One classifies as manufacturers, including the different rates under which members of this constituency take service, as well as Hydro One's estimates of the total electricity price increases that these customers are likely facing in 2013 and the four (4) years beyond.

In the context of those likely total electricity price increases, we also seek Hydro One's best estimates of the extent to which its 2013 and 2014 settled transmission rates, its proposed distribution rates in 2013 and in years, the Global Adjustment ("GA"), and other factors comprise components of the total "all in" price increases that manufacturers are likely facing.

Having regard to the foregoing, we seek from Hydro One the following additional information:

- (a) The total number of distribution customers used for the purposes of deriving the rate impacts shown in Exhibit E1, Tab 3, Schedule 1;
- (b) The number of customers in each rate class and sub-class that Hydro One classifies as manufacturers;
- (c) The consumption in each rate class and sub-class attributable to customers that Hydro One classifies as manufacturers, with that total amount expressed as a percentage of the total consumed by all customers;
- (d) The proportion, expressed as a percentage, of demand-related costs allocated to each rate class serving manufacturers, for which the manufacturers in that class are responsible, along with the proportion, expressed as percentage, of the company's total demand-related costs for which manufacturers are responsible;

- (e) Using the data that Hydro One considers to be appropriate, Hydro One's best estimate of the approximate total "all in" electricity price increases its manufacturer customers are facing in 2013 over 2012 and year over year thereafter to 2016;
- (f) The proportion of the estimated price increases provided in response to subparagraph (e) attributable to each of the following:
  - (i) Hydro One Distribution proposed rate increases;
  - (ii) Hydro One Transmission rate change;
  - (iii) The GA with a breakdown between the various factors the contribute to the GA to be provided to the extent that Hydro One internally has estimates of these components; and
  - (iv) Other factors.

Respectfully submitted on behalf of CME this 16<sup>th</sup> day of November, 2012.

Peter C.P. Thompson, Q.C. Borden Ladner Gervais LLP Counsel for CME

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