



***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](mailto:piac@piac.ca). <http://www.piac.ca>

Michael Janigan  
Counsel for VECC  
613-562-4002

November 27, 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-2012-0147 Midland Power Utility Corporation**

Please find enclosed the 2<sup>nd</sup> round interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Janigan  
Counsel for VECC

Encl.

cc. Midland Power Utility Corporation - Christine Bell - [cbell@midlandpuc.ca](mailto:cbell@midlandpuc.ca)

<b>REQUESTOR NAME</b>	<b>VECC</b>
<b>INFORMATION REQUEST ROUND NO:</b>	<b># 2</b>
<b>TO:</b>	<b>Midland Power Utility</b>
<b>DATE:</b>	<b>November 26, 2012</b>
<b>CASE NO:</b>	<b>EB-2012 -0147</b>
<b>APPLICATION NAME</b>	<b>2012 Cost of Service Electricity Distribution Rate Application</b>

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**31.0 REFERENCE: VECC#8 c)**

- a) Please provide the results (i.e., equations, adjusted R-squared values and t-statistics) for the following models:

Model #1:

Independent variables to include: HDD, CDD, Number of Days in Month, Number of Peak Hours, GDP

Model#2

Independent variables to include: HDD, CDD, Number Days in Month, Number of Peak Hours, Employment

- b) If the Adjusted-R Square value for either equation in part (a) exceeds 85% - please provide the projected 2013 purchases using the model and also provide the 2011, 2012 and 2013 values used for GDP/employment.

**VECC TCQ#2**

**32.0 REFERENCE: VECC 24 a)**

- a) Were internal Midland Staff costs incurred to install the Rex 2 meters on GS<50 customers capitalized and are they included in the rate base proposed for 2013?
- b) If the response to part (a) is no, how were these costs treated?
- c) If the response to part (a) is yes, please indicate the amount and recalculate the cost of GS<50 smart meters so as to include these costs.

### **VECC TCQ#3**

#### **33.0 REFERENCE: VECC 25 a) and VECC 28 a)**

- a) The revenue to cost ratios quoted in these responses as the starting point based on VECC #24 (i.e., 96.94% for GS>50 and 111.7% for Residential) don't match those in Sheet O1 of the CA model filed with the interrogatory responses. What is the basis for the CA Model filed with the interrogatory responses?
- b) Please provide the CA Model consistent with the results of VECC #24 and based on the revised load forecast per VECC 9 e).
- c) With respect to VECC 25 a), please explain how if the Street Lighting and USL ratios are being reduced to 120% the offsetting adjustment to the GS>50 ratio is also a reduction (from 96.94% to 82.55%). One would have expected the GS>50 ratio to increase.

**\*\*\*End of Document\*\*\***