

**Board Staff Interrogatories
On Evidence Filed by Hydro One Networks
Inc. (“Hydro One”) on January 11, 2013**

**Application for Service Area
Amendments**

Horizon Utilities Corporation

EB-2012-0047

January 23, 2013

1. Ref: Hydro One Evidence, Page 2

Hydro One states that “the Application seeks to carve out, from the territory of HONI, the incumbent LDC, existing, long-standing customers already being served by HONI’s facilities, without discussion or negotiation with HONI, the incumbent LDC”.

In Part Two of the Application, Horizon states that Hydro One had initially agreed to the transfer of the three customers. Part Two of the Application contains an email from Hydro One which suggests that there had been some discussion or negotiation.

- a) Please explain why Hydro One states that there has not been any negotiation or discussion with Hydro One regarding the transfer of the customers listed in Part Two of the Application.
- b) With regard to the email from Horizon to Hydro One, attached at “Part II – Attachment 4”, please advise as to whether Rob Davidson or Tammy O’Sullivan responded to the email, and the nature of the response.

2. Ref: Hydro One Evidence, Page 2

Hydro One states that “the Application seeks to carve out, from the territory of HONI, the incumbent LDC, a new school being built, which school was wrongfully connected by HUC during the construction phase.”

Please provide evidence and rationale in support of Hydro One’s allegation that the school was wrongfully connected by the applicant during the construction phase.

3. Ref: Hydro One Evidence, Pages 3 and 4

Hydro One states that its costs to service the proposed development in Part One of the Application is lower than the applicant and has provided a table for comparison purposes.

- a) Please provide a table providing a breakdown of all the non-contestable and contestable costs to connect the development.
- b) Please provide Hydro One's economic evaluation based on methodology and inputs described in Appendix B of the Distribution System code. Please provide a detailed description of all capital costs included in the economic evaluation. Please provide the capital contribution amount resulting from the economic evaluation, which will be required from the customer.

Hydro One states that given the construction of the Hydro One reinforcement line to Binbrook, service to customers in the area in question will not require further upstream capital additions by Hydro One or additional costs. This suggests that Hydro One will need to expand its infrastructure to serve the development in Part One of the Application.

- a) If there are existing assets in the area that are capable of supplying the customer, please provide a detailed description of the assets and the date on which these assets were constructed.
- b) If there are no existing assets in the area capable of serving the development, please explain why Hydro One believes it will not incur any expansion costs to serve this new development. If there are expansion costs, please explain who will be responsible for these costs to connect this development and how these costs will be allocated to this development.

4. Ref: Hydro One Evidence, Page 6

Hydro One states that "vacant land inside an incumbent's service territory should not be carved out and transferred to another LDC by means of an SAA application".

- a) Please advise if this statement applies to contested SAA applications or uncontested SAA applications, or both.

5. Ref: Hydro One Evidence, Pages 7 and 12

Hydro One states that it will have assets readily available to service the new school development (Part Four of the Application).

- a) Please provide a detailed description of the assets in the area that are capable of supplying the customer and the date on which these assets were constructed.
- b) Please indicate whether these assets will become redundant in the event that the proposed amendment is granted and if so, explain how the costs for stranded equipment will be addressed. If these assets will not become redundant, please indicate what existing loads they are now, or will be serving, if the amendment were granted.
- c) If there are no existing assets in the area capable of serving the development, please explain why Hydro One believes it will not incur any expansion costs to serve this new development. If there are expansion costs, please explain who will be responsible for these costs to connect this development and how these costs will be allocated to this development.

Hydro One has provided an attachment containing Hydro One's service contract with the customer in Part Four of the Application. The Hamilton-Wentworth District School Board filed a letter dated December 19, 2012 comparing the costs of being served by Hydro One and the applicant and concluding that its overall costs are higher if it is served by Hydro One.

- a) On what basis is the customer determined to be Sub Transmission customer rather than General Service customer?
- b) Is Hydro One able to provide an estimate for service of the customer as a General Service customer, so that costs can be directly compared with Horizon?

- c) Is there any reason why Hydro One is not able to serve the customer as a General Service customer?
- d) Please provide Hydro One's economic evaluation based on methodology and inputs described in Appendix B of the Distribution System code, and based on this customer being served as a General Service customer.
- e) Please provide a detailed description of all capital costs included in the economic evaluation.
- f) Please provide the capital contribution amount resulting from the economic evaluation, which will be required from the customer.
- g) Please provide a clearly itemized table with a breakdown of all the costs (non-contestable and contestable) between Hydro One and Horizon (side by side) to connect the customer as a General Service customer.
- h) Has there been any discussion between Hydro One and Horizon regarding the investment by Horizon in the transformation facilities being provided by Horizon for the school? If so, please provide such information.

6. Ref: Hydro One Evidence, Page 7

In Section 7.1.2 of the Application, Horizon states that there is sufficient capacity on its existing underground distribution facilities, which are located in the adjacent phases bordering on the new phase development, to supply the load for the proposed sub-division (Part One of the Application) whereas Hydro One's distribution facilities in the area are currently not sufficient to supply the load for the development and would require additional investment. Horizon has stated that Hydro One's network of lines in the area is essentially the same as for the previous six phases of the Summit Park development. Hydro One did not contest applications by

Horizon Utilities that allowed the earlier phases of the development to be connected to Horizon's system.

- a) Please provide a detailed description of the assets that Hydro One will rely upon to provide service to:
 - i. the proposed sub-division (Part One of the Application);
 - ii. the new school development (Part Four of the Application).

- b) Please confirm whether these assets are currently available to provide service. If not, please provide a detailed explanation of when these assets will be available to provide the required service.

- c) Please describe the density of Hydro One's distribution system in the areas adjacent to all the proposed amendment areas listed in the Application and provide a comparison to the density of Horizon's distribution system in these same areas.

- d) Please provide the following information:
 - i. Nameplate Rating of the NEBO TS supply transformer and summer and winter Long Term and Short Term ratings.

 - ii. Minimum ratings of each section of the relevant line sections of 27.6 kV M3 feeder, including the express section, the proposed Hydro One section, and the Horizon section.

 - iii. The location of sectionalizing assets on the Hydro One feeder, including breakers, disconnects, fuses etc. which would provide protection discrimination and ensure that faults on the proposed Hydro One section would not affect the integrity of the Horizon section of the line, and vice versa.

7. Ref: Hydro One Evidence, Page 8

- a) In the first paragraph, Hydro One claims as a strategic advantage, the availability of underground locates through Ontario One Call service. Why would such access not be available to Horizon?
- b) Please explain why service reliability in Hydro One's urban areas would necessarily be "the same or better than service in HUC's" area.
- c) Please explain how reliability of the Horizon 27.6 kV system might be affected by the addition of the Hydro One Rymal Road leg to the NEBO TS circuits, including how faults on the Hydro One Rymal Road leg would be isolated from Horizon's system, and how the Horizon section would be isolated from Hydro One's feeders for faults on the Horizon section.
- d) Hydro One refers to Appendix A, which is an Area Study for Hydro One's service territory, and Appendix B, regarding the Loop Feed to Binbrook. These documents are undated. Please provide a copy of the covering letter or email which accompanied issue of this document, or other evidence of when the document was created.

8. Ref: Hydro One Evidence, Page 11

- a) Please provide a detailed description of the Hydro One assets being used to serve the customers listed in Part Two and Part Three of the Application.
- b) Please provide a more detailed breakdown of the estimated stranded costs of assets of \$15,000. Please distinguish the stranded costs related to the customers in Part Two of the Application from the customers in Part Three of the Application.