



**PUBLIC INTEREST ADVOCACY CENTRE**  
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February 13, 2013

**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-2012-0479**  
**Whitby Hydro Electric 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: Whitby Hydro Electric Corporation  
Ramona Abi-Rashed

**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

Whitby Hydro Electric Corporation (Whitby Hydro) for an order or orders  
approving or fixing just and reasonable  
distribution rates to be effective May 1, 2013 to reflect the  
recovery of costs for deployed smart meters.

**Information Requests of the Vulnerable Energy Consumers Coalition (VECC)**

**VECC Question # 1**

**Reference:** Manager's Summary, Page 7, Capital and Operating Costs

- a) Please confirm the basis for forecasted 2012 costs in the application.
- b) If 2012 actuals are available, please update the smart meter model and rate riders accordingly.
- c) Please provide a comparison of original budgeted costs vs. actual costs and explain any variances greater than 10%.

**VECC Question # 2**

**Reference:** Manager's Summary, Page 4

Preamble: The evidence indicates WHEC participated in the London Hydro RFP process along with a consortium of Local Distribution Companies ("LDCs").

- a) Please discuss if Whitby Hydro worked in collaboration with other utilities in addition to the London RFP process, to implement its smart meter program.
- b) Please discuss any operational efficiencies and benefits resulting from any collaboration with other utilities and explain how any savings are accounted for in this application.

**VECC Question # 3**

**Reference:** Manager's Summary, Page 5

Preamble: The evidence indicates “Util-Assist lead a competitive process on behalf of WHEC for the disposal of old meter assets. Barrie Metals Ltd. was the successful bidder on the price per pound for the meter quotation submitted.” (Meter Disposal 2008)

- a) Please confirm how meter disposal costs are reflected in the current application.

#### **VECC Question # 4**

**Reference:** Manager’s Summary, Page 6

Preamble: The evidence states “During contract negotiations, WHEC decided on the purchasing option to own its AMI system and to have it operated by the AMI Vendor.”

- a) Please provide the cost benefit analysis that this decision is based on.
- b) Please identify the AMI Vendor and confirm Whitby Hydro’s annual fees to the AMI Vendor to operate the AMI system.

#### **VECC Question # 5**

**Reference:** Manager’s Summary, Page 6

Preamble: The evidence states “Projected 2012 operating costs include monthly user fees for meter reading and communication costs, salary and expenses for an incremental Settlement Analyst staff position to administer the Smart Meter and TOU programs.”

- a) Please confirm when the Settlement Analyst position was filled in 2012.

#### **VECC Question # 6**

**Reference:** Manager’s Summary, Page 9

- a) Please confirm how Costs for Customer Owned Equipment are reflected in the current application.

#### **VECC Question # 7**

**Reference:** Smart Meter Recovery Model, Sheet 2

- a) Please explain the \$136,799 in line 1.3.1 Computer Hardware costs in 2010.
- b) Please provide a breakdown and details of the costs under line 1.5.3 Professional Fees by year.

- c) Please provide a breakdown and details of the costs under line 1.5.4 Integration by year.
- d) Please provide a breakdown and details of the costs under line 1.5.5 Program Management by year.
- e) Please provide a breakdown and details of the costs under line 1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc. by year to show how these costs are required for Whitby Hydro's smart meter program and how these costs are incremental.
- f) Please provide a breakdown and details of the costs under line 2.1.2 Other, by year.
- g) Please explain the costs under line 2.2.1 maintenance costs and account for the increase in 2012.
- h) Please explain the \$42,000 cost in 2013 for Software Maintenance (line 2.3.2).
- i) Please provide a breakdown and details of the costs under line 2.3.2 Other, by year.
- j) Please provide a breakdown and details of the costs under line 2.5.6 Other AMI Expenses, by year.
- k) Please provide a breakdown and details of the costs under line 2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06.
- l) Please provide a breakdown and details of the costs under line 2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc. to show how these costs are required for Whitby Hydro's smart meter program and how these costs are incremental.

## **VECC Question # 8**

**Reference 1:** Manager's Summary, Cost Allocation, Page 12

**Reference 2:** Smart Meter Model

**Reference 3:** Board Guideline G-2011-0001, Smart Meter Funding and Cost Recovery – Final Disposition, dated December 15, 2011, Page 19

Preamble: Reference 1 indicates Whitby Hydro applied the methodology provided in version 3.01 of the Smart Meter Model provided by the Board for the purpose of allocating the SMDR and SMIRR. The Guideline states (Reference 2), "The Board views that, where practical and where data is available, class specific SMDRs should be

calculated on full cost causality.”

- a) Whitby Hydro tracked cost data by customer class. Please complete a separate smart meter revenue requirement model by rate class based on full cost causality by rate class.
- b) Please re-calculate the SMDR & SMIRR rate riders based on full cost causality by rate class.
- c) If Whitby Hydro is unable to provide separate smart meter revenue requirement models by rate class, please provide a detailed explanation.