Hydro One Networks Inc.

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Susan Frank

Vice President and Chief Regulatory Officer Regulatory Affairs



BY COURIER

February 19, 2013

Ms. Kirsten Walli Secretary Ontario Energy Board Suite 2700, 2300 Yonge Street P.O. Box 2319 Toronto, ON. M4P 1E4

Dear Ms. Walli:

EB-2012-0442 - Varna Wind Inc., Section 92 Leave to Construct Hydro One Networks Interrogatory Questions

In accordance with Procedural Order 1, I am attaching two (2) copies of Hydro One Networks interrogatory questions in the above proceeding.

A copy of this cover letter and the attached interrogatory questions have been filed in text-searchable electronic form through the Ontario Energy Board's Regulatory Electronic Submission System and the confirmation slip is also enclosed.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

c – Intervenors (Electronic Only)



Bluewater Wind Energy Centre EB-2012-0442

Hydro One Networks Inc. Interrogatories

Preamble

A distributor is obliged by legislation (Electricity Act, 1998, s. 28) to connect and serve customers in its Service Area while meeting certain requirements respecting service quality, reliability and cost. Distributors must meet these and other obligations even when their customers reside on the other side of the road behind high-voltage transmission lines. The increasing need of electricity 'generator-transmitters' and distributors to share the same rights of way, therefore, also implies the need to share certain responsibilities and incremental costs fairly. Hydro One is interested in the development of generic protocols that will enable parties to such arrangements to manage their mutual interests in balance with customer and community needs.

Questions

- 1. Hydro One will likely require access to properties of its distribution customers which may lie behind NextEra's high voltage line, to, among other things, provide a new connection, upgrade or expand existing service, maintain or repair its assets or restore power. This would require that Hydro One route its line across the road and undertake a "perpendicular crossing" of NextEra assets and share the right of way. To physically accommodate this access, a variety of scenarios are anticipated, such as
 - Hydro One installing underground assets,
 - NextEra installing a new pole mid-span at Hydro One's request to accommodate a specific road crossing,
 - Hydro One attaching its distribution lines to either an existing or new (i.e., higher, if needed) NextEra pole, as a tenant in a joint use arrangement.

These different types of configurations could drive higher costs that Hydro One would not have otherwise incurred in the absence of NextEra's adjacent facilities.

- a) Does NextEra believe that these higher costs are in the interest of provincial ratepayers, and that provincial ratepayers should therefore bear the incremental costs via a Boardapproved mechanism?
- b) Does NextEra believ that the higher costs of such arrangements should be borne by customers of the electricity distibutor in this case Hydro One?
- c) Does NextEra agree that Hydro One should be required to bear only those "base" costs that it would normally have incurred in the absence of NextEra's assets, and that NextEra should bear any incremental costs that Hydro One may incur over and above those "base" costs?



- d) What principles and methodology would NextEra suggest for allocating the higher costs between itself and Hydro One in cases such as the above?
- e) Given that Hydro One (or other distributors) may incur those higher costs well into the future, and that NextEra possesses a long-term contract and proposes to install long-life assets for this project, what should be the duration of such cost sharing, and why? ?
- 3. Please provide the service requirements that NextEra is obliged to follow, or should be obliged to follow, for the following:
 - a) Time to have service crews on site once requested (e.g., for emergency response, or to allow the distributor to restore power or repair assets as a result of storm damage)?
 - b) The Notice period that NextEra requires prior to establishing work protection or other necessary operating arrangements to enable Hydro One to safely undertake planned or unplanned work in close electrical proximity to NextEra assets, when needed?
 - c) Other service obligations that NextEra may need to undertake as an occupant of road allowance in proximity to Hydro One, to ensure the safety of the public and of work crews of both companies during emergency restoration or other work?
 - d) Has NextEra begun to develop any protocols for working with Hydro One in such cases, and when does NextEra expect such protocols to be in place?
- 4. What is NextEra's process for notifying Hydro One of its plans for building lines and circuits that require Hydro One's involvement, to allow the timely development of agreements addressing logistical and cost arrangements, such as those discussed above?