



PUBLIC INTEREST ADVOCACY CENTRE

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March 7, 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: EB-2012-0126 Greater Sudbury Hydro Inc.

Please find enclosed the supplementary interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Janigan
Counsel for VECC

Cc: GSHI - Nancy Whissell - nancy.whissell@sudburyhydro.com

REQUESTOR NAME	VECC
INFORMATION REQUEST NO:	Supplementary Interrogatories # 2
TO:	Greater Sudbury Hydro Inc. (GSHI or Sudbury)
DATE:	January 23, 2012
CASE NO:	EB-2012-0126
APPLICATION NAME	2013 Cost of Service Electricity Distribution Rate Application

NB – Interrogatories resume at last VECC IR no. 46

1. GENERAL (Exhibit 1)

1.0-VECC-47s

Reference: 1-Staff-2

- a) Upon completing your responses to all interrogatories please provide an updated RRWF with any corrections or adjustments.
- b) Please provide a table in the format shown below and which shows all the proposed adjustments made from the original filing in both the original and supplementary interrogatories. An example of the table requested is shown below:

Reference	Item	Regulated Return On Capital	Regulated Rate Of Return	Rate Base	Working Capital	Working Capital Allowance	Amortization	PILs	OM&A	Service Revenue Requirement
	Original Submission October 2012	2,875,064	6.97%	41,694,299	51,873,750	6,743,588	1,379,137	-	6,325,500	10,579,701
Board Staff IR #4, Board Staff IR #5c(b) & EP IR #7	Update of Smart Meter Model and Capital Contingency Schedule to reflect actual SM additions for 2012 & proposed 2013	6,067		87,000	0	-	6,000		-	12,067
		2,881,131	6.97%	41,781,299	51,873,750	6,743,588	1,385,137		6,325,500	10,591,768

2. RATE BASE (Exhibit 2)

2.0-VECC- 48s

Reference: 2-Energy Probe -4

- a) Please file the updated RRWF showing the adjustment in the table requested in 47s and also showing the results if smart meters are added to the 2013 opening balance and stranded meters are removed (as per 2-Energy Probe-4).

2.0 – VECC – 49s

Reference: 2-Energy Probe -5 /2-SEC-5

The evidence in respect to the 2012 and 2013 Continuity Schedules filed in the original evidence and the schedules updated in the interrogatory response has changed significantly.

- a) Please explain the significant change in accounts 1805 (Land) and 1808 (Building Improvements). Please confirm or update the project cost figures used in response to 2-SEC-5.
- b) Please also explain the change in accounts 1611 (Software) and 1920 (Computer Hardware)

2.0 – VECC – 50s

Reference: 2-Staff-6

- a) Please provide details as to the breakdown of GEA capital costs. Specifically explain the vehicle costs including whether this is for a vehicle purchased specifically for this program or is an allocation of existing vehicle costs.

2.0 – VECC – 51s

Reference: 2-VECC-4.0

- a) In contrast to Billing and Collecting, IT capital investments in the SCADA system has been significant and ongoing since 2009. Please explain why. What is GSHI long-run annual capital costs for this system?

3. LOAD FORECAST (Exhibit 3)

3.0-VECC – 52s

Reference: 3.0-Energy Probe 12 c)

- a) What were the actual 2012 values for the weather related variables (SudHDD and SudCDD) as used in the regression equations for Residential, GS<50 and GS>50?

3.0-VECC –53s

Reference: 3.0-Energy Probe 15 a) & d)

- a) With respect to Energy Probe 15 a), should the first table shown in the updated Appendix 2-F also include for 2012 preliminary results the \$113,669 attributable to Interest on Related Party Balances (Account #4405) as shown in the last table provided in the response?
- b) With respect to Energy Probe 15 d), this response shows a 2012 value of \$149,029 for Interest on Related Party Balances whereas Energy Probe 15 a) shows an updated value of \$113,669 and the initial application showed a value of \$233,200. Please reconcile the response to Energy Probe 15 d) with these other values.

3.0-VECC –54s

Reference: 3.0-Staff 15 d) & e), 16 d) & e) and 17 d) & e)

- a) Is the decision to include a variable based solely on its statistical significance and the change in R^2 value?
- b) If the inclusion of a variable must also have an “intuitive basis”, please explain the intuitive basis for using change in employment to explain the level (as opposed to the change) in electricity usage for a customer class.

3.0-VECC –55s

Reference: 3.0-Staff 19

- a) Please confirm that the City’s conversion of traffic lights to LED units was not done as part of an OPA program.
- b) If it was part of an OPA program, please reconcile this with the reported 2006-2011 CDM results which show no savings for Street Lights (see 3/1/3/, page 2 and VECC #23 e)).

3.0-VECC –56s

Reference: 3.0-Staff 22

- a) Please provide a schedule that sets out the derivation of the “Weather Normalized 2013F” by customer class (totaling 954,365,970 kWh).

- b) Please indicate how/why the 954,365,970 kWh value differs from the values show in Table 1 of Exhibit 3, Tab 1, Schedule 3 (952,928,286 kWh and 951,705,881 kWh).

3.0-VECC –57s

Reference: 3.0-VECC 23

3.0-Staff 21 (2)

- a) With respect to part VECC 23 (e), please revise the response such that the 2011-2014 CDM Target column is based on “20% of Target” as originally requested. (Note: The change to 20% reflects the fact that the preceding columns already include the impact of the 2011 CDM programs).
- b) Please provide an alternative response to part (a) where the 2011-2014 CDM Target column is based on 24% - per Staff 21 (2).
- c) Please reconcile the differences in the 2013 persistence of 2006-2011 programs as reported in VECC #23 parts (e) and (g).

3.0-VECC –58s

Reference: 3.0-VECC #24 c)

- a) Please explain the basis for the decline in revenues from SSS Admin fees (per Appendix 2-F) as between 2011 and 2013 when the total number of Residential and GS<50 customers is increasing and the number of customers in contracts with retailers is decreasing.

4.OM&A

4-VECC-59s

Reference: 4-Staff-27 /4.0-VECC-27

- a) In the comparison of monthly billing costs with and without water billing there does not appear to be any costs associated with the activity of acquiring water billing data and presenting that data on the Hydro bill. Nor does there appear to be any costs associated with collecting and remitting monies to the City, or consideration of reduction in customer service issues. Please explain if these costs were considered in the analysis of standalone Hydro billing and how.

- b) Has GSHI completed a formal analysis of the costs and benefits of losing the contract for city water billing? If so please provide that analysis.

4-VECC-60s

Reference: 4-VECC- 25s

- a) Please provide the ESA safety audit report in question.

COST ALLOCATION (Exhibit 7)

7.0-VECC – 61s

**Reference: 7.0-AMPCO 10
7.0-Energy Probe 28
7.0-VECC 39 b)
7.0-VECC 40 a)**

- a) Please confirm whether i) all GS>50 customers have interval meters or ii) just GS>50 customers with loads over 1,000 kW have interval meters.
- b) If all GS>50 customers do not have interval meters, please confirm that the GS>50 load profile was only updated for actual 2011 data for those customers (typically greater than 1,000 kW) that have interval meters as opposed to all customers as suggested in the Elenchus 2013 CA Study, page 6.
- c) For those GS>50 customers with interval meters, does Sudbury perform all of the data review and validation for the GS>50 class? If so, how is the relative cost of this effort factored into the Billing weighting factors when for Residential and GS<50 customers this service is performed by the SME/IESO?

7.0-VECC – 62s

Reference: 7.0-Energy Probe 27

- a) With respect to the response to part (b), please confirm that, despite the reference in the original question to “meters”, the response was with respect to the treatment of services. If not, what is the practice with respect to services?

7.0-VECC – 63s

**Reference: 7.0-Staff 32 b)
7.0-Energy Probe 29 a)**

- a) Based on the revised CA model filed with Staff 32, please update Table 5 from the original Application.

7.0-VECC – 64s

Reference: 7.0-VECC 29 f)

- a) Please explain where the current connected load information for Street Light and USL customers that is given monthly to billing staff comes from.

-End of Document-