



**PUBLIC INTEREST ADVOCACY CENTRE
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October 07, 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-2013-0287
Toronto Hydro-Electric System Limited**

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,

A handwritten signature in black ink, appearing to be 'Michael Janigan', written in a cursive style.

Michael Janigan
Counsel for VECC
Encl.

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
 Toronto Hydro-Electric Systems Limited for an order or orders
 approving or fixing just and reasonable
 distribution rates to be effective May 1, 2014 to reflect the
 recovery of costs for deployed smart meters.

Information Requests of the Vulnerable Energy Consumers Coalition (VECC)

VECC Question # 1

Reference: EB-2013-0287 Application, Page 6

Preamble: Table 3: Smart Meter Costs (\$/unit installed) provides combined installed meter capital costs for the residential and GS<50 kW customer classes.

- a) Please provide Table 3 with separate installed meter capital costs for the residential and GS<50 customer classes.
- b) Please provide total OPEX costs and OPEX costs by customer class.

VECC Question # 2

Reference: EB-2013-0287 Application, Page 7

Preamble: THESL indicates a greater proportion of the more expensive three-phase smart meters and fewer single-phase smart meters were installed in the latter years of deployment (2008 through 2010).

- a) Please provide a breakdown of the type and quantity of smart meters installed by customer class by year for the period 2006 to 2010.
- b) Please complete the following table to show the average installed cost by meter type.

Class	Type of Meter	Quantity	Installed Cost	Average Costs
Residential				

GS<50 kW				
GS>50 kW				

- c) Please provide the relative increase of three-phase smart meters compared to single-phase smart meters installed by customer class.

VECC Question # 3

Reference: EB-2013-0287 Application, Page 6

Preamble: THESL indicates the increase in the per unit smart meter installed costs in the years 2008 to 2010 can be partly attributed to a greater number of smart meter installations in difficult and/or costly locations.

- a) Please provide the number of smart meter installations for difficult and/or costly locations by customer class and year.
- b) Please provide the installed meter costs for difficult and/or costly locations by customer class and by year.
- c) Please confirm the percentage of total meters that are installed in difficult and/or costly locations.
- d) Please provide further details on the reasons for difficult or costly locations, the frequency of occurrence and explain THESL’s approach to resolving these issues.

VECC Question # 4

Reference: EB-2013-0287 Application, Page 7

- a) Please explain why for Meter Capital Cost (relative to standard 2008), the GS<50 kW smart meters relative cost factor decreased from 4.4 in 2009 to 3.5 in 2010.
- b) Please confirm standard residential meters are single-phase meters.

VECC Question # 5

Reference: EB-2013-0287 Application, Page 8

Preamble: THESL indicates its customer communication costs in 2010 increased slightly from 2009.

- a) Please provide the nature and quantum of customer communication costs for the years 2008, 2009 & 2010.

VECC Question # 6

Reference: Guideline G-2011-0001 Smart Meter Funding and Cost Recovery – Final Disposition, Page 8

Preamble: The Board’s Guideline G-2011-0001 states “In many 2011 EDR rate applications, whether incentive regulation mechanism (“IRM”) or cost of service, the Board determined that the existing or proposed Smart Meter Funding Adder (“SMFA”) would cease on April 30, 2012. THESL seeks discontinuation of the SMFA effective April 30, 2014.

- a) Please provide THESL’s Board approval for a SMFA that continues beyond April 30, 2012.
- b) Please provide a table that summarizes the total SMFA revenue collected by customer class by year.

VECC Question # 7

Reference 1: Smart Meter Model

Preamble: THESL completed the Smart Meter Model (Appendix F) to calculate the proposed Smart Meter Incremental Rate Rider and the proposed Smart Meter Disposition Rate Rider.

Reference 2: Board Guideline G-2011-0001, Smart Meter Funding and Cost Recovery – Final Disposition, dated December 15, 2011, Page 19

Preamble: The Guideline states, “The Board views that, where practical and where data is available, class specific SMDRs should be calculated on full cost causality.

Reference 3: Application, Page 15, “THESL submits that these allocations are in accordance with the Smart Meter Guidelines and the Board’s previous smart meter clearance decisions.”

- a) Please summarize the cost allocation methodology used by THESL to calculate the SMDR rate riders in relation to the Smart Meter Guidelines and the Board’s previous

smart meter clearance decisions.

- b) Please discuss if THESL kept records by class and if accounts 1556 and 1555 are segregated by rate class? If not, why not?
- c) Please complete a separate smart meter revenue requirement model by customer class based on full cost causality by rate class. Please provide live smart meter models.

VECC Question # 8

Reference: Appendix F, Smart Meter Model, Tab 2 Smart Meter Costs

- a) Please provide a breakdown and explanation of costs for 1.5.1 Customer Equipment.
- b) For 1.5.1 Customer Equipment, please discuss THESL's treatment and tracking of labour and associated costs, and material and parts cost for customer-owned equipment.
- c) Please provide a breakdown and explanation of costs for 1.5.5 Program Management.
- d) Please explain the reason for the increase in costs in 2010 compared to 2009 for 1.6.1 Capital Costs Beyond Minimum Functionality.
- e) Please provide a breakdown and explanation of costs for 2.5.3 Program Management.
- f) Please provide a breakdown and explanation of costs for 2.5.6 Other AMI Expenses.

VECC Question # 9

Please provide a breakdown of the positions and cost of additional incremental permanent and contract staff hired by year for the deployment of smart meters and implementation of TOU rates.