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BY EMAIL and RESS

November 11, 2013
Our File: EB20130287

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2013-0287 – THESL Smart Meter Application – SEC Submissions

We are counsel to the School Energy Coalition (“SEC”). Pursuant to Procedural Order No. 1, these are SEC’s submissions with respect to the Toronto Hydro-Electric System Limited (“THESL”) application for recovery of costs for deployed of smart meters.

SEC has reviewed the evidence in the proceeding and submits that THESL’s proposed smart meter costs are reasonable. SEC accepts THESL’s explanation for the increase in per meter costs over time as set out in responses to Board Staff Interrogatories 3 and 4. Further, the costs are consistent with what the Board has previously approved for THESL’s smart meters for 2006-07 and 2011.

SEC does have a concern with how THESL has calculated the revenue requirement, as it has not been done in accordance with the Board’s Smart Meter Model. SEC agrees with the submissions of Board Staff that the use of CAPEX versus in-service additions for the \$5,611,816 of computer software expenditures THESL has recorded as being spent in 2008 but only went into service in 2009, is incorrect and over-recovers from ratepayers. In SEC’s submissions, the Board should require THESL to re-calculate the SMDR and SMIRR based on the run of the Smart Meter Model provided in response to Board Staff Interrogatory 5. Even though ultimately this change may not be material, as suggested by Board, Staff Board policy should have been followed by THESL in calculating the revenue requirement.

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All of which is respectfully submitted.

Yours very truly,
Jay Shepherd P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and Intervenors (by email)