

**Vulnerable Energy Consumers Coalition (VECC) INTERROGATORY #4 List2**

**Interrogatory**

**REFERENCE:** i) Supplemental Evidence, page 2, lines 8-15  
ii) Updated Exhibit A, Tab 1, Schedule 1, page 4, lines 14-22  
iii) Board Decision, EB-2008-0053, page 4

- a) How long a transition period does HONI anticipate will be required? What would be the major impediments to establishing a date for the completion of the transition?
- b) VECC notes that in other Decisions the Board has set a time frame for the completion of the transaction and required that a new application be made if the transaction was not completed by that date. Does HONI consider that such an approach would be appropriate in this case?
- c) If not, why not?
- d) If yes, what does HONI consider would be a reasonable timeframe and why?
- e) If the Board adopted such an approach and the transaction were not completed, would the 1% rate reduction granted to NPDI remain in effect?

1 *Response*

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- 3 a) As noted at page 4, line 1 of the Supplemental Evidence, up to an 18 month
- 4 transitional period is contemplated. At present, the major impediment to
- 5 completion of the transition is business system integration. As a result, Hydro
- 6 One requests that the Board's Conditions of Approval allow the contemplated
- 7 transactions closing within 18 months of issuance of the Board's order in this
- 8 proceeding.
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- 10 b) to d) HONI suggests that a more appropriate approach, if completion has not
- 11 occurred by the end of the transitional timeframe, would be for HONI to inform
- 12 the Board and request an extension. The Board could then decide what process is
- 13 required to consider the request. In HONI's view, this would be a more flexible
- 14 and efficient regulatory approach. It is also consistent with the approach the
- 15 Board uses in its Conditions of Approval for Leave-to-Construct applications, in
- 16 which the applicant is required to inform the Board of material changes to the
- 17 project's timing.
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- 19 e) Hydro One disagrees with this premise and Hydro One has indicated in part b)
- 20 above. However, if the transaction was not completed (i.e., did not close) there
- 21 would be no basis for the 1% rate reduction to continue.