

**EB-2013-0416 HYDRO ONE DISTRIBUTION  
5 YEAR CUSTOM RATES APPLICATION**

**TECHNICAL CONFERENCE QUESTIONS OF THE CITY OF HAMILTON (C OF H) FOR  
HYDRO ONE NETWORKS INC. (HONI)**

**JULY 17, 2014**

- C of H 1. Exhibit I Tab 7.06 Schedule 4
- (a) What is the relationship between “uniformly increasing the revenue to be collected from all rate classes” and the actual costs to service the C of H street lighting class?
- C of H 2. Exhibit I Tab 7.06 Schedule 4
- (a) What is the effect of HONI’s modifications to the Board’s cost allocation model, modifications undertaken to accommodate HONI’s “specific circumstances”, on the rates proposed for the C of H street lighting class?
- C of H 3. Exhibit G1, Tab 3, Schedule 1, pp. 13 ff
- (a) Please provide details of the “additional efforts” required in relation to the street lighting class of the C of H?
  - (b) How does the weighing factor for the street lighting class compare to, for example, the weighing factor for the sentinel lighting class? What is the basis for the comparison?
  - (c) Please provide the evidence on which the weighing factor for the C of H street lighting class is based.
- C of H 4. Exhibit I Tab 7.06 Schedule 4
- (a) What are the “minimum system costs associated with serving the street lighting class” of the C of H?
  - (b) Please provide the evidence on which the determination of these minimum system costs is based.
- C of H 5. Deliberately left blank.

C of H 6. Exhibit I Tab 7.06 Schedule 4

- (a) Please provide copies of any reports or other records of discussions with field superintendents with respect to the number of devices per connection for the street lighting class, and for the C of H street lighting class in particular.

C of H 7. Exhibit I Tab 7.06 Schedule 4

- (a) Please describe the relationship between the number of connections and the actual costs for the street lighting class, in general, and the C of H street lighting class in particular.
- (b) What is the relevance of the number of connections, in determining the rates for the C of H street lighting class, if, in light of HONI's statement, at Exhibit G2, Tab 1, Schedule 1, page 6 of 7, HONI's rates for the street lighting customers "are developed on a per account basis, not per connection"?

C of H 8. Exhibit I Tab 7.06 Schedule 4

- (a) Please identify where the Board approved the increase in the revenue-to-cost ratio from the street lighting class to 0.93. Please provide a copy of the Board's decision or order to that effect.
- (b) The response to SEC Interrogatory 60 (Exhibit I, Tab 7.4, Schedule 9, SEC 60) lists 7 changes to the inputs used by the cost allocation model. For each of the 7 changes, please provide the evidence that supports a change in the revenue-to-cost ratio of the C of H street lighting class.

C of H 9. Exhibit I Tab 7.06 Schedule 4

- (a) Please describe the causal relationship between actual costs and the ratio of connections to devices.
- (b) What is the relevant share of customer-related and demand-related costs for the C of H street lighting class?

C of H 10. Exhibit I Tab 7.06 Schedule 4

- (a) What is the actual configuration, that is the ratio of connections to devices, for the C of H street lighting class?

C of H 11. Deliberately left blank.

C of H 12. Exhibit I Tab 7.06 Schedule 4

- (a) Why would the actual costs to serve a street lighting class be different for HONI and distribution utilities with similar geographic areas and population densities?

- (b) Is it HONI's position that there are no utilities in Ontario with comparable costs for serving their street lighting classes?

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