

PUBLIC INTEREST ADVOCACY CENTRE LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

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Michael Janigan Counsel for VECC

November 17, 2014

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-2014-0301

Essex Powerlines Corporation

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,

Michael Janigan Counsel for VECC

Encl.

cc: Essex Powerlines Corporation

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

Essex Powerlines Corporation (Essex) for an order approving a Smart Meter Disposition Rate Rider ("SMDR") and a Smart Meter Incremental Revenue Requirement Rate Rider ("SMIRR"), each to be effective January 1, 2015.

Information Requests of the Vulnerable Energy Consumers Coalition (VECC)

VECC-1

Reference: General

a) Please provide the amount, percentage and nature of unaudited costs proposed for recovery in this application.

VECC-2

Reference 1: Paragraph 31

Reference 2: 2014 Smart Meter Model, Sheet 2

<u>Preamble:</u> At Reference 1, Essex indicates its "smart meter application is requesting recovery for the 27,922 smart meters installed in its service territory during the smart meter initiatives." At Reference 2, the total number of smart meters installed is 27,857. Please reconcile.

VECC-3

Reference: 2014 Smart Meter Model, Sheet 2

Preamble: Essex installed 26,031 residential and 1,826 GS<50 kW smart meters.

a) Please complete the following table to show the average installed cost by meter type and customer class.

Class	Type of Meter	Quantity	Installed Cost	Average Costs
Residential				
GS<50 kW				

VECC-4

Reference: Paragraph 33

<u>Preamble:</u> Essex indicates its Capital and OM&A costs relating to new (growth) smart meter installs post – 2011 have not been included for recovery in this application. EPLC will include any costs beyond the period of this application as part of its next Cost of Service application.

a) Please explain further why these costs are not included in this application.

VECC-5

Reference: Paragraph 34

<u>Preamble:</u> Essex's Operating Costs have increased due to the installation of Smart Meters, but certain cost savings have resulted due to the implementation of smart meters, namely the manual meter reading costs. Reduced costs resulting from the smart meter program have not been reflected in the smart meter model as EPLC will consider them in its next cost of service rate application.

a) Please quantify the savings.

VECC-6

Reference: Paragraph 38

<u>Preamble:</u> Essex indicates the smart meter funding adder revenue was collected from other classes other than Residential and GS<50 kW but the amount is not significant based on the overall revenues collected.

a) Please explain how the revenue from other rate classes was reallocated.

VECC-7

Reference 1: 2014 Smart Meter Model

<u>Preamble:</u> Essex completed the Smart Meter Model to calculate the proposed Smart Meter Disposition Rate Rider (SMDR) and proposed Smart Meter Incremental Rate Rider (SMIRR).

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

<u>Preamble:</u> The Guideline states, "The Board views that, where practical and where

data is available, class specific SMDRs should be calculated on full cost causality.

- a) Please discuss if Essex kept records by customer class and if accounts 1556 and 1555 are segregated by rate class? If not, why not?
- b) Please provide the SMFA amounts collected by rate class.
- c) Please complete a separate smart meter revenue requirement model by customer class based to recalculate the SMDR and SMIRR rate riders based on full cost causality by rate class. Please provide live smart meter models.
- d) Please summarize the recalculated SMDRs and SMIRRs by customer class based on the results of part (c).

VECC-8

Reference: 2014 Smart Meter Model, Sheet 2

- a) Sheet 2: In 2008 there are smart meter costs and installation costs (Lines 1.1.1 & 1.1.2) but no smart meters are shown as installed. Please explain.
- b) Sheet 2: Please explain the higher installation costs in 2010 and 2011 compared to 2009.
- c) Sheet 2: Line 2.2.6 Other AMI Expenses: Please provide an explanation of these costs in 2009 and 2010.
- d) Sheet 10A: Please explain why the number of smart meters installed in the GS<50 kW customer class differs from the smart meters installed for this class shown on Sheet 2 of the Model.</p>