



London Hydro
111 Horton Street
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November 19, 2014

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: Application for a Distribution Licence Amendment Board File No. EB-2014-0292

Dear Ms. Walli:

Please find attached our response to Board Staff interrogatories.

If you require any further information, please contact the undersigned.

Respectfully yours,

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IR Responses

1. Section 5.1.3 a) of the DSC requires distributors, starting August 21, 2014, to install a MIST (interval) meter on any new installation that is forecast by the distributor to have a monthly average peak demand during a calendar year of over 50 kW. London Hydro applies for a temporary exemption from this DSC requirement with respect to the customers with monthly average peak demand greater than 50 kW but less than 200 kW.

a. Please provide historical annual number of customers with monthly average peak demand greater than 50 kW but less than 200 kW connected to the London Hydro's distribution system in the past five years.

London Hydro Response:

There have been approximately 1100 customers in the General Service greater than 50kW but less than 200kW rate category. From our records the following new services were installed for this GS>50 rate category:

1. Moved in 2014 = 76
2. Moved in 2013 = 130
3. Moved in 2012 = 84
4. Moved in 2011 = 76
5. Moved in 2010 = 56

b. Please identify a number of connection requests received by London Hydro from this group of customers after August 21, 2014.

London Hydro Response:

From this group of customers after August 21, 2014 London Hydro has put out 25 Work Orders and 12 Offer to Connects have been issued. There have been an additional 8 customers reclassified from GS<50 to GS>50.



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c. Please provide all costs incurred for the interim solution after August 21, 2014.

London Hydro Response:

The immediately available solution includes a fixed cost of \$820 for each meter plus \$93 annual communications cost. Due to communications limitations these meters will not be supported past 2018. Including 180\$ for installation, the cost for the interim solution would be approximately \$1,372 per meter.



2. In its application, London Hydro provided an estimated cost of \$100,000 that will be incurred if London Hydro required to comply with section 5.1.3 a) of the DSC starting August 21, 2014.

a. Please provide the incremental cost of meeting requirement of section 5.1.3 a) of the DSC.

London Hydro Response:

The desired metering solution has a meter cost of approx. \$250. This solution would leverage the already installed AMI communications network. Because the interim solution will present as a stranded asset requiring a re-installation before the DSC 5.1.3b date requirement, the incremental cost is the entire installation cost plus the communications costs per year. This total is \$1372 per question 1c above. Considering forecast volumes of these meters to be 70-90 per year, the total cost could range between approximately \$96,000-\$123,500.



3. Please identify when London Hydro will be able to replace the legacy pulse meters installed between August 21, 2014 and December 31, 2015 with MIST (interval) meters and provide estimated replacement cost.

London Hydro Response:

London Hydro is dependent on new expected features from the AMI vendor. Meter prototypes have been ordered and will be tested to ensure compliance with GS>50 MIST meter meteorology and data requirements. It is expected that these meters will be tested by end of Q3 2015 and be installed following. Since this solution is also expected for GS<50 customers, it provides a uniform metering solution for rate re-classification between the 50kW threshold and thus further lowering costs to these customers. Since this solution contains a lower cost communication method, there is an inherent cost saving business case to accelerate the replacement of GS>50 to MIST more broadly for existing customers.