EB-2017-0049

Ontario Energy Board

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an Application by **Hydro One Networks Inc.**, pursuant to the *Ontario Energy Board Act* for an Order or Orders approving electricity distribution rates and charges commencing January 1, 2018;

Supplemental Interrogatories of Rogers Communications Canada Inc. to Hydro One Networks Inc.

August 2, 2018

REFERENCES

The following documents are referred to throughout these supplemental interrogatories:

Document	Short name
Exhibit H1, Tab 2, Schedule 3 31-Mar-2017	***Ex H1 - Joint Use Charges (31-Mar-2017)***
Exhibit H1, Tab 2, Schedule 3 *U*pdated 07-Jun-2017	***Ex H1 - Joint Use Charges (07-Jun-2017)***
Exhibit H1, Tab 2, Schedule 3 *U*pdated 26-Jun-2018	***Ex H1 - Joint Use Charges (26-Jun-2018)***
Supplemental Explanation of the Pole Rate Calculations Using New OEB Methodology - Hydro One's Reply to Procedural Order No. 6 28-May-2018	***Pole Rate Calculations (28-May-2018)***
Hydro One – Specific Service Charges – Wireline Pole Attachment Work Form 28-May-2018	***Pole Rate Work Form***
EB-2015-0141 – Decision and Rate Order 4-Aug-2016	***EB-2015-0141 Decision***
EB-2015-0304 – Report of the Ontario Energy Board – Wireline Pole Attachment Charges 22-Mar-2018	***Pole Attachment Report***
Responses of Hydro One to the 24 January 2018 interrogatories of Rogers Filed 12-Feb-2018	***Responses to Rogers Interrogatories***

REGULATORY PROCESS

In responding to these interrogatories, please provide complete responses and not use references to other documents in the proceeding or responses to interrogatories from other parties.

We want to make the process as efficient as possible. That is why we are providing this document in MSWord as well as PDF format in order for you to use the existing tables and not have to recreate them from scratch.

53-Rogers-S01: Hydro One's pole rate calculations

Ref: Ex H1 - Joint Use Charges (31-Mar-2017)
Ex H1 - Joint Use Charges (07-Jun-2017)
Pole Rate Calculations (28-May-2018)
Pole Rate Work Form
EB-2015-0141 Decision

1. We have inserted the values provided by Hydro One throughout this proceeding in the following table. Please confirm the values shown and complete the table by filling in the missing values.

	EB-2015-0141 Decision	Ex H1 - Joint Use Charges (31-Mar-2017)	Ex H1 - Joint Use Charges (07-Jun-2017)	Pole Rate Calculations (28-May-2018)	Pole Rate Calculations (28-May-2018)
	2014 actuals	2015 actuals	2016 actuals	2017 actuals	2018 forecast
DIRECT COSTS					
Admin Costs	$0.90	$ 0.92	$ 0.93		$1.59
Loss in productivity	$3.09	$ 3.15	$ 3.18		$3.20
Total Direct Costs	**$3.99**	**$ 4.07**	**$ 4.11**		**$4.79**
INDIRECT COSTS					
Net embedded cost	$944.49	$1,058.06	$1,178.33	$1,237.22	$1,290.58
Depreciation rate				1.82%	1.82%
Pre-tax carrying cost	8.49%	7.87%	7.79%		7.49%
Depreciation cost	$23.83	$25.77	$28.47	$31.97	$ 33.35
Pole maintenance	$4.69	$3.92	$4.08	$7.13	$7.25
Capital carrying cost	$80.19	$83.27	$91.79		$ 96.66
Total Indirect Costs	**$108.71**	**$112.96**	**$124.34**		**$137.26**
ALLOCATION					
No. of attachers	**1.3**	**1.3**	**1.3**	**1.38**	**1.35**
Allocation factor	**34.3%**	**34.3%**	**34.3%**	**30.57%**	**31.24%**
Allocate Indirect costs	$37.29	$38.75	$42.65		$ 42.88
Calculated rate	$41.28	$42.82	$46.76		$47.67
Adjust to 2018		**$43.99**	**$47.43**		**$47.67**

53-Rogers-S02: Costs of installed poles

Ref: Responses to Rogers Interrogatories

1. In **Rogers-03(1)**, we asked you to provide the 2017 average Net Embedded Cost (NEC) and the average current installed cost for various sizes of poles. You responded as follows:

   Hydro One does not track installed value per pole length. Hydro One's average pole cost in all types of situations, and setting conditions, for the yearly pole replacement program for 2016 is $8,350.

   (a) Is this response still valid?

   (b) If you do not track installed value per pole length, what do you track with respect to the installed costs of your poles?

   (c) If you do not track installed value per pole length, how did you come up with an average value of $8,350 for 2016? Is this a weighted average? What is it based on? Please show the calculation you used to come up with this value.

   (d) You claim that you do not track installed value per pole length, but if your auditors, shareholders or the Board were to ask you how much more expensive it is to install a 50-foot pole with multiple power facilities versus a 40-foot foot pole with only single power facilities (on average and under similar installation conditions), what information would you provide?

   (e) For the purpose of this question, assume the most common installation conditions for a pole in Hydro One's territory. If we assign a value of 100% as a baseline for the installation costs (materials and labour) of a 40-foot pole, provide the relative installation costs, as a percentage of the 40-foot pole, for the other lengths of joint use poles. Please use 2017 values.

Pole Height	Installed Cost Relative to 40' pole
<=25	
30	
35	
40	100%
45	
>=50	

2. In **Rogers-03(3)**, we asked you to describe under what circumstances poles other than the standard 40-foot pole would be used. While we understand that any size of pole can accommodate a telecom attachment, it would appear that each size or type of pole is designed for a particular purpose or application. Under this assumption, we have attempted to interpret and reproduce your responses in the table below in order to describe the primary or principle application of each type of pole. Please review this table and confirm that we have done so properly. If we have not done so, please make the necessary corrections.

Pole Height	Primary purpose or application
<=25	- Secondary power and telecom service poles - Backlot construction (No vehicle access)
30	- Secondary power and telecom service poles - Backlot construction (No vehicle access)
35	- Secondary power and Telecom service poles - Road crossing
35	- Guying poles for road crossings (stub pole)
40	- Standard LDC/Telecom JUP - Side of a road
45	- Standard LDC/Telecom JUP - Road or highway crossing
50	- Standard LDC/Generator JUP - Along the side of a road
55-60	- Standard LDC/Generator JUP - Road or highway crossing
Above 65	- LDC/Generator JUP (HONI + multiple circuits) - Deep ditches and ravines

3. In **Rogers-03(4)**, we asked you why telecom attachers should contribute to the costs of larger poles in circumstances where they do not require the additional height, and you responded as follows:

For long road crossings, and in designing at maximum sag, poles above 40 ft. need to be used to allow the carrier to be able to stay a safe distance above the ground. This is also the case when crossing a road that has deep ditches, as well as when running parallel to a highway to cross driveways, or obstacles.

(a) Is this response still valid?

(b) Of the total number of poles 50 feet or higher, how many are required for clearance issues (*i.e.*, road crossings, deep ditches and ravines)?

4. Please provide the total number of telecom attachers per joint use pole for each size of pole listed for the years 2017 and 2018 (forecast).

Pole Height	2017	2018
<=25		
30		
35		
35		
40		
45		
50		
55-60		
Above 65		

53-Rogers-S03: Costs per pole vs number of poles

Ref: EB-2015-0141 Decision
Ex H1 - Joint Use Charges (31-Mar-2017)
Ex H1 - Joint Use Charges (07-Jun-2017)
Pole Rate Calculations (28-May-2018)

1. The table below was created using the data provided by Hydro One throughout this proceeding and the EB-2015-0141 proceeding. We have calculated the percentage changes since 2014.

	2014 actuals	2015 actuals	2016 actuals	2017 actuals	2018 forecast
Total poles	1,575,195	1,571,384	1,562,984	1,564,628	1,566,272
Percentage change	--	*-0.2%*	*-0.8%*	*-0.7%*	*-0.6%*
Joint use poles	576,068			525,492	537,719
Percentage change	--			*-8.8%*	*-6.7%*
Gross book value	$1,649	$1,783	$1,970	$2,067	$ 2,158
Percentage change	--	*8%*	*19%*	*25%*	*31%*
NEC	$1,111	$1,245	$1,386	$1,456	$ 1,518
Percentage change	--	*12%*	*25%*	*31%*	*37%*

(a) Please confirm the values provided in the above table, fill in the missing values and correct any errors.

(b) Since 2014, the total number of poles for 2017 and 2018 have decreased by 0.7% and 0.6% respectively. Yet, for the same years, the gross book value per pole increased by 25% and 31%, and the NEC per pole increased by 31% and 37%.

Please explain how the number of poles can drop slightly but the NEC can increase by a wide margin. What is driving the increase to net embedded cost?

In responding to this question, please provide all evidence and calculations that substantiate your response.

53-Rogers-S04: Number of poles and attachers

Ref: Ex H1 - Joint Use Charges (07-Jun-2017)
Ex H1 - Joint Use Charges (26-Jun-2018)
Pole Rate Calculations (28-May-2018)
Pole Rate Work Form
EB-2015-0141 Decision

1. The table below was created using the data provided by Hydro One throughout this proceeding and the EB-2015-0141 proceeding. We have calculated the change between 2017 and 2018.

Total Poles	**2017**	**2018**	**Delta**
30	223,024	218,682	-4,342
35	500,014	496,621	-3,393
40	432,907	437,937	5,030
45	233,978	237,925	3,947
50 and higher	163,968	165,657	1,689
Unknown	10,737	9,450	-1,287
Total	**1,564,628**	**1,566,272**	1,644
Joint Use Poles	**2017**	**2018**	**Delta**
30	48,615	48,775	160
35	143,681	146,379	2,698
40	151,467	156,110	4,643
45	108,754	112,277	3,523
50 and higher	71,930	73,139	1,209
Unknown	1,045	1,039	- 6
Total	**525,492**	**537,719**	**12,227**
ATTACHERS	**2017**	**2018**	**Delta**
Telecom	302,268	303,394	1,126
Overlashers	-	-	-
Bell Canada	331,238	331,238	-
Streetlights	77,341	77,341	-
LDC Generators	14,263	14,267	4
Total	**725,110**	**726,240**	**1,130**

(a) Please confirm the values provided in the table above. If there are any errors or omissions, please correct them.

(b) Between 2017 and 2018, you forecast that joint use poles (*i.e.*, poles with third party attachers) will increase by 12,227. However, the number of attachers will only increase by 1,130. Intuitively, this does not seem to

correlate. How can joint use poles increase without a corresponding increase in the number of attachers on those poles? Please explain, providing all necessary supporting calculations and assumptions, how this is possible.

(c) If LDC/Generator attachers always use joint use poles that are at least 50 feet, how is it possible that, for 2017, there are 71,930 joint use poles that are 50 feet or higher, but only 14,263 LDC/Generator attachers?

What kinds of attachers are on the remaining 57,677 poles?

Please explain, with all necessary supporting calculations and assumptions.

(d) If telecom attachers that overlash to the existing strand of other telecom attachers are required to get a permit and pay the pole attachment charge, why do you show the number of overlashers as zero?

53-Rogers-S05: Poles that are replaced

Ref: Responses to Rogers Interrogatories

1. Please provide a detailed description of what process is required for Hydro One to replace a joint use pole (*i.e.*, a pole that has third party attachers on it). In your description, please include:
   - Notification of attachers and timelines;
   - Design and engineering;
   - Make-ready work and apportionment of make-ready costs;
   - Cutover or transfer of Hydro One facilities and all attacher facilities to the replacement pole.

2. In **Rogers-04(1),** we asked you to provide the number of joint use poles that were replaced pursuant to a proactive pole replacement or other capital program (as opposed to replacement as part of ongoing maintenance). You responded as follows:

   Hydro One is unable to supply this information because we do not track to this level of granularity.

   (a) If you do not track to this level of granularity, what do you track with respect to pole replacements?

   (b) Please describe the reasons or the conditions under which you replace poles.

   (c) Which account codes are used to record pole replacement expenditures?

   (d) How do you identify which poles require replacement?

   (e) How do you budget which poles will be replaced in a given year and in future years?

   (f) Please complete the following tables regarding the number of poles replaced for each year stated.

Total poles replaced

Pole Height	2014	2015	2016	2017
<=25				
30				
35				
35				
40				
45				
50				
55-60				
Above 65				

Joint use poles replaced

Pole Height	2014	2015	2016	2017
<=25				
30				
35				
35				
40				
45				
50				
55-60				
Above 65				

3. In each of the years 2014 to 2017, how many poles were replaced as part of (1) ongoing pole maintenance and (2) a proactive pole replacement program due to the requirements of Hydro One, other LDCs or third party generators?

4. In each of the years 2014 to 2017, how many joint use poles that had telecom attachers were replaced?

   If your response is that Hydro One does not track to this level of granularity, please explain how you can conduct pole replacements without knowing who is on the poles and arranging the transfer to the replacement pole.

53-Rogers-S06: Number and types of attachers

Ref: Responses to Rogers Interrogatories

1. Please complete and confirm the entries in the following table using the most current information available (2017). Please enter actual numerical values and not references to OEB orders or evidentiary documents.

Attacher	Qty (end of 2017)	Current Rate	2017 Rate	2018 Rate
Telecom attachers				
Bell pole-sharing (Full)		N/A		N/A
Bell pole-sharing (Clearance)				
Other Telecom (Full)		$41.28		$47.43
Other Telecom (Clearance)		$30.96		$47.43
Generator Telecom		$41.28		$47.43
Total Telecom				
Other attachers				
Generator power facilities				$85.25
LDC power facilities				$85.25
Streetlights		$2.04		$2.04
Total Other				
Wireless attachers				
Bell antennas and wireless equip.				
Other antennas and wireless equip				
Total Wireless				

2. In your response to **Rogers-05(1)** regarding the number of Bell clearance poles, you responded with "N/A". What does this mean? Is it that Bell does not have any clearance poles? Or is it that Bell clearance poles are included in a different row in the table? Regardless of the answer, please provide the number of clearance poles used by Bell.

3. In **Rogers-05(2)**, **Rogers-05(8)(b)** and **Rogers-05(8)(c)**, we asked you why streetlights continue to pay only $2.04 when compared to other pole attachers, and whether Hydro One was under-recovering its costs and therefore requiring the ratepayers to subsidize these attachments. You responded as follows:

For streetlight rates of $2.04 per year, $2.04 is a rate that was negotiated over 25 years ago for a light to be attached to a distribution 20 pole. Over the years, municipalities have lobbied the provincial government for the right to charge utilities for poles occupying their municipal right of ways. If Hydro One were to increase that rate, there is a risk that municipalities may get the right to charge for poles on right of ways, which would significantly increase the burden on the Hydro One ratepayer.

(a) To your knowledge, when was the last time a municipality lobbied the provincial government for the right to charge utilities for their poles on municipal rights-of-way? Please provide evidence of such lobbying efforts.

(b) You state that if Hydro One were to increase the streetlight rate, there is a risk that municipalities may obtain the right to charge for poles on their rights-of-way. Please describe the nature and quantum of this "risk". What would have to be done from a legislative point of view to make this happen?

(c) You state that if municipalities get the right to charge for poles on municipal rights-of-way, this would *significantly* increase the burden on Hydro One ratepayers.

(i) What do you mean by "significantly"?

(ii) Have you actually assessed the quantum of this risk that this may impose on residential ratepayers? If so, what is that value? How much more would residential ratepayers end up paying?

(d) Provide a list of the top ten municipalities that are using Hydro One poles for streetlights and show how many poles each municipality utilizes. Please use 2017 numbers.

4. We understand that Bell and Telus have been very active in the deployment of small cell antennas in the Province of Ontario, including on utility poles.

(a) Has Hydro One entered into any agreements with Bell or other telecoms to allow them to attach antennas or other wireless equipment to Hydro One's joint use poles, now or in the future?

(b) What is the pole attachment rate under these agreements?

5. In **Rogers-05(2)**, we asked how Hydro One intends to treat the revenues it may receive from wireless attachments, and whether it would adjust the wireline telecom pole attachment rate to reflect the additional revenues derived from these new pole attachments. You responded as follows:

Wireless attachment revenue will not be used to reduce the regulated amount for wireline attachments. It will be reported as external revenue, which will reduce Hydro One's distribution rate revenue requirement.

(a) Does this statement still reflect your views?

(b) If you do not intend to adjust the wireline attachment rate, please provide a rationale for this decision and explain why it would still be reasonable from a rate-making perspective.

(c) Has this treatment of wireless attachment revenues been approved by the OEB? What makes you think that the Board would approve this approach?

53-Rogers-S07: NEC and power-specific assets

Ref: Pole Rate Calculations (28-May-2018)
Pole Rate Work Form
EB-2015-0141 Decision
Pole Attachment Report
Responses to Rogers Interrogatories

1. In your response to **Rogers-06(1)**, you stated that no pole replacement costs had been included in *Pole Maintenance Expenses*. You also stated that poles replaced at the request of a third party are capitalized at the cost, less the third party's contribution, and the third party's contribution is inserted into *Account 1830* as a negative value.

   (a) Are these responses still valid?

   (b) Please provide a page from your audited financial statements or other suitable documents that demonstrates this practice of including a third party's contribution as a negative value in *Account 1830*.

2. In your response to **Rogers-06(2)**, you confirmed that power assets and other equipment owned or operated by Hydro One that are located on poles owned by other parties such as Bell are included in *Account 1830*, and therefore the calculation of NEC.

   We then asked you to provide a value for these assets (or your best estimate) for the years 2015, 2016 and 2017. You responded that Hydro One does not specifically track the cost of these fixtures separately in *Account 1830*.

   (a) If you do not "specifically track the cost of these fixtures separately", then please explain what you do track with respect to these fixtures.

   (b) If you still claim to have no viable numbers, please provide your best estimate. In doing so, please show how the number was obtained with supporting calculations, documents, assumptions and rationale. Who from Hydro One (including their title and job description) prepared this estimate?

   (c) Do you agree that these costs should not be included in the common costs of the pole that are shared with the telecom attacher?

   (d) Please describe what fixtures and other equipment Hydro One has installed on Bell-owned poles.

   (e) How many Bell-owned poles does Hydro One use for its power facilities? Please provide your answer for each of the years 2014-2018.

3. The following questions have to do with make-ready costs paid by telecom attachers.

   (a) Please describe the process under which a prospective telecom attacher is required to pay make-ready costs to attach to a joint use pole.

   (b) In **Rogers-06(2)(a)**, we asked you to provide the value of make-ready costs paid by telecom attachers in each of the years 2015-2017. You responded that you do not "track to this level of granularity".

   Please explain how it is that you do not have records of make-ready costs paid by telecom attachers when you have to invoice them for such costs? What records of make-ready costs do you maintain?

   (c) In your response to **Rogers-06(2)(b)**, you asserted that telecom make-ready costs are included as a negative value in *Account 1830.* Please provide evidence from your 2017 audited financial statements that demonstrates this practice.

4. In your response to **Rogers-06(4),** you confirmed that, unless a common anchor is used, a telecom attacher is responsible for the costs of its own guying and anchors.

   (a) Is this response still valid?

   (b) Are the costs of guying and anchoring for all poles included in *Account 1830*? What is the value of these costs for the years 2017 and 2018.

   (c) If your response is that you do not track to this level of granularity, then please provide an estimate, including all assumptions and rationale to support the estimate. Who from Hydro One, including their title and job description, prepared this estimate?

   (d) If a telecom attacher is responsible for its own guying and anchors, why should guys and anchors be included as part of the NEC for the purpose of determining the pole attachment rate? Shouldn't these fall under pole-specific costs? Explain why or why not.

5. In your response to **Rogers-07(1)**, you stated that, over the last 10 years, 3,356 poles were replaced to accommodate the facilities of generators.

   (a) How many poles were replaced for this purpose in each of the years 2014 to 2017?

   (b) How many poles do you expect to replace for this purpose in 2018?

(c) What is the value of the capital contributions provided by the generators for these poles in each of the years 2014 to 2017?

(d) You also stated that these capital contributions were included as a negative value in *Account 1830*. Please provide evidence from your audited financial statements that demonstrate this transaction.

6. Hydro One has chosen to complete the OEB's Work Form, which allows an LDC to input its "Distributor Specific Inputs". Hydro One has done this for all the cost inputs and number of poles and attachers. Yet, despite the Work Form having a cell to input a specific percentage for power-only assets, you have simply chosen to use 15%.

   In the Pole Attachment Working Group (PAWG) proceeding leading up to the *Pole Attachment Report*, Hydro One provided a detailed "proxy" for calculating the percentage of power-specific assets on joint use poles. This proxy methodology came up with a ratio of 17%, which was then whittled down to 15% to take into account certain extraordinary expenses. (It should be noted that the calculations and assumptions in this proxy were not challenged or substantiated.)

   Given that Hydro One has now decided to seek a pole attachment rate based on its distributor-specific factors, please provide a detailed analysis that calculates the power-specific asset percentage, using a methodology similar to the proxy provided by Hydro One in the PAWG proceeding. (Rogers reserves the right to review and challenge whatever Hydro One prepares, whether through additional interrogatories or a technical conference.)

7. Does Account 1830 include structures such as towers that are not poles? If so, what is the 2017 and 2018 (forecast) values of these assets?

53-Rogers-S08: LDC/Generator Pole Attachment Rate

Ref: Ex H1 - Joint Use Charges (26-Jun-2018)
Pole Rate Calculations (28-May-2018)
Pole Rate Work Form

1. In all versions of your calculations for the LDC/Generator pole attachment rate, you applied Hydro One's productivity factor to a variety of components of that rate, including:

   - the CPI adjustment to determine the rates from 2018 to 2022;
   - loss of productivity costs; and
   - administrative costs.

   (a) How come you use a productivity factor for the pole attachment rate for LDC/Generator attachers but not for telecom attachers? It is, after all, the same pole. Please explain this inconsistency.

   (b) If your answer is that, in the **Pole Attachment Report**, the OEB determined that there should be no productivity factor for telecom attachers, then please explain why this inconsistency in rate-making practice should exist and should not offend regulatory principles.

2. When calculating the 2018 LDC/Generator pole attachment rate, you used 2016 actuals for NEC to derive a 2017 rate. You then adjusted the 2017 rate with CPI and your productivity factor in order to come up with a 2018 rate. Yet, in calculating the 2018 pole attachment rate for telecom attachers, you used forecast numbers for 2018.

   (a) Please confirm that, in the **EB-2015-0141 Decision**, the OEB directed that Hydro One should use historical, and not forecast, numbers when calculating the telecom pole attachment rate. If this is not the case, then provide your understanding of this decision.

   (b) Please confirm that the **Pole Attachment Report** does not require an LDC to use forecast costs for the telecom pole attachment rate. If this is not the case, then provide your understanding of this report.

   (c) Please explain why the pole attachment rate for LDC/Generator attachers uses *historical* numbers (actuals) but the rate for telecom attachers uses *forecast* figures? It is, after all, the same pole. Please explain this inconsistency.

(d) If your answer is that the **Pole Rate Work Form** includes a column for 2018 forecast numbers, then please explain why this inconsistency in rate-making should exist and should not offend regulatory principles.

3. In *Figure 1* at p.106 of **Ex H1 - Joint Use Charges (26-Jun-2018)**, you demonstrate that each of the two power attachers, Hydro One and the LDC/Generator, is responsible for 38.6% of the space on a 50 foot pole. Combined, the two power attachers are responsible for 77.2% of the pole and the associated common costs. This leaves 22.8% for the telecom attachers.

However, the methodology you use for telecom attachers assigns 31.2% of the space (and 31.2% of the common costs) to the telecom attachers. As we see it, for these kinds of poles, Hydro One is recovering at least 108.4% of its common costs.

Please confirm our understanding and explain why Hydro One is over-recovering its common costs by 8.4% and explain why the telecom attacher allocation factor for these poles should not be 22.8%. If you do not agree, please explain why.

53-Rogers-S09: Pole Maintenance

Ref: Pole Rate Calculations (28-May-2018)
Pole Rate Work Form
Pole Attachment Report
Ex H1 - Joint Use Charges (26-Jun-2018)

1. In the PAWG Proceeding, two LDCs provided estimates of what portion of pole maintenance costs should be allocated to telecom attachers. Hydro One, with a pole population of roughly 1.5 million poles, proposed 5% and Hydro Ottawa, with just over 3% of Hydro One's pole population, proposed 92%. In the absence of any additional data and, without an exploration of why this huge disparity existed, the Board determined that it would be appropriate to use the median or average of **5%** and **92%,** to come up with **48**.**5%.**

   (a) Please confirm if that is also your understanding of how the Board came up with a figure of **48.5%.**

   (b) If this is not your understanding, provide what your understanding is.

2. Hydro One has chosen to complete the OEB's Work Form, which allows an LDC to input its "Distributor Specific Inputs". Hydro One has done this for all the cost inputs, as well as the number of poles and attachers. Yet, despite the Work Form requiring a specific input for allocation of pole maintenance costs, Hydro One has chosen to use **48.5%.**

   (a) Please explain why Hydro One has used **48.5%** when it calculated and proposed **5%** in the PAWG Proceeding.

   (b) Please substantiate why you believe **48.5%** is the appropriate number in light of your **5%** calculation.

3. At page 109 of ***Ex H1 - Joint Use Charges (26-Jun-2018)***, you calculate pole maintenance cost for LDC/Generator attachers, arriving at a figure of **$4.08** per pole. Yet, in this proceeding, you are proposing **$7.13** for telecom attachers.

   Please explain why you think it is reasonable for telecom attachers to pay a larger share of the pole maintenance costs than the LDC/Generators when the LDC/Generators take up more space on a pole.

4. Please demonstrate how you determined the **5%** allocation in the PAWG Proceeding, showing all calculations and assumptions.

5. Please provide a detailed calculation for *Pole Maintenance Expenses*, similar to what you have provided in your calculations for the LDC/Generator pole attachment rates.

53-Rogers-S10: Admin Costs of $1.59

Ref: Pole Rate Calculations (28-May-2018)

In your Admin Costs of **$1.59** per pole, you include $1,109,258 for "Joint Use Staff Specific Labour".

1. Please describe in detail each of the applicable staff, including their job title and the functions they perform in their roles in support of these Admin Costs.

2. In addition to telecom attachments, do these staff members perform administrative work in respect of LDC/Generator attachments, Bell attachments (under pole-sharing arrangements) and streetlights?

3. In the years 2015, 2016 and 2017, how many permits did they review and issue for:

   (a) Telecom attachments that are required to pay the pole attachment rate;

   (b) LDC/Generator attachments;

   (c) Bell attachments (under pole-sharing arrangements); and

   (d) streetlights.

53-Rogers-S11: Loss of Productivity Costs of $3.20

Ref: Pole Rate Calculations (28-May-2018)

1. For your Loss of Productivity Costs of **$3.20** per pole, you use $2,321,078 for labour and vehicles associated with trouble calls dispatched on behalf of telecom attachers.

   (a) In 2017, how many, and what percentage, of these trouble calls were associated with Bell attachments (under pole-sharing arrangements)?

   (b) You describe numerous activities (Labour Types) required in connection with these trouble calls, such as DOMC, RLM and Clerical – Scheduling/CIS. For each Labour Type in this table, please describe what the acronyms mean and what activities are undertaken.

2. You state that the Loss of Productivity costs are based on 2017 hours and 2018 Labour Dollars. What is the difference between 2017 Labour Dollars and 2018 Labour Dollars? How were 2018 Labour Dollars determined?

53-Rogers-S12: LDCs acquired by Hydro One

Ref: Responses to Rogers Interrogatories

1. Will the proposed pole attachment rate for Hydro One apply to Norfolk Power, Haldimand County Hydro and Woodstock Hydro? If not, what pole attachment rate will apply to these three LDCs and when will it come into effect?

2. Have you done any kind of analysis to demonstrate that these three LDCs share substantially similar pole costs and number or telecom attachers as Hydro One has used in this proceeding?