# INTERROGATORY RESPONSE - OEB Staff-1

**Question-1**

**TOPIC**

Need for Service Area Amendment

**REFERENCE**

1. Filing Requirements for Service Area Amendment Applications; March 12, 2007

2. Hydro One Service Area Amendment Application, August 18, 2022

3. Hydro Ottawa Contested Service Area Amendment Application, September 2, 2022

**PREAMBLE**

Section 7.2.1 b) of Ref. 1 requires a comparison of "the proximity of the proposed connection to an existing, well developed electricity distribution system". Hydro One's response on p. 9 of Ref. 2 is "The proposed new connection lies along Hydro One's existing distribution system, requiring minimal incremental investment to connect, $7,878, whereas Hydro Ottawa would require an approximate 1 km line expansion to service this customer at a far more significant cost."

**INTERROGATORY**

a) Hydro Ottawa's response to 7.2.1 b) on p. 10 of Ref. 3 does not provide information on "proximity". Does Hydro Ottawa accept Hydro One's evidence with regard to the length of line expansion Hydro Ottawa requires to connect the customer? If not, please provide and explain Hydro Ottawa's position on proximity.

b) Please indicate whether Hydro Ottawa believes the information Hydro One filed in Ref. 2, pp. 15 - 16 in relation to section 7.5.5 of Ref. 1 is consistent with Hydro Ottawa's understanding of the upgraded electrical infrastructure necessary for each distributor to serve the area, and if not, please explain any issues Hydro Ottawa may have with the information Hydro One provided.

**RESPONSE**

a) As background, Hydro Ottawa notes that the requested pole line expansion and lands prior to the location Hydro Ottawa is requesting the expansion, is constructed within Hydro Ottawa's service territory. This is a result of Hydro One's distribution station being embedded within Hydro Ottawa's service territory. As a result, Hydro One has lay along poles throughout Hydro Ottawa's service territory. Specifically, the lay along poles being considered are not lay along as a result of running beside Hydro Ottawa's service territory, rather because they run through Hydro Ottawa's service territory. As such, in the Casselman region, Hydro One system is such that the foundational distribution assets are more closely connected to Hydro Ottawa's customers than its own.

Hydro Ottawa's Casselman F1 circuit's closest location and proposed connection point to service the customer will require a system expansion of approximately 850m, which is a smaller distance than the approximate distance provided by Hydro One, by about 15%. Hydro Ottawa was not able to confirm the actual distance with Hydro One for the reasons outlined in Hydro One's email response of August 24, 2022. Please see HONI-2 part a) for the attached email.

b) Hydro Ottawa believes the information provided by Hydro One Ref. 1 accurately reflects Hydro One's scope to serve the customer. However, Hydro Ottawa does not agree with Hydro One's reflection of the Hydro Ottawa scope to serve the customer.

Hydro Ottawa agrees with the following scope as described by Hydro One in Ref. 1:

- 1. Installation of a connection tap from the existing Hydro Ottawa owned feeder to a new Hydro Ottawa owned feeder on Hydro One owned pole. Upon field confirmation, this joint-use configuration will trigger an upgrade to existing Hydro One poles.
- 3. Hydro One will need to upgrade poles from Lafleche Blvd and Principale St to the Customer location, which includes crossing Hwy 417, to accommodate a new 8 kV feeder circuit from Hydro Ottawa.
- 6. Hydro Ottawa will need to purchase and install a revenue meter.

Hydro Ottawa wished to provide the following corrections to scope as described by Hydro One in Ref. 1:

- 2. Hydro Ottawa's Casselman F1 circuit's closest location and proposed connection point to service the new customer will require a system expansion of approximately 850m, which is a smaller distance than the approximate distance provided by Hydro One, by about 15%.
- 4. On August 24, 2022 Hydro One declined Hydro Ottawa's August 23, 2022 request for servicing information, due to Hydro One's recently-filed SAA Application regarding the subject customer connection. In the absence of Hydro One's servicing information, Hydro Ottawa estimates that the most efficient use of the assets is achieved by connecting to the existing Hydro One pole being utilized to supply the customer, thereby eliminating the need for a new terminal pole.
- 5. Further, to support the objective of an efficient use of assets, for which the customer has paid for, Hydro Ottawa would request power transformer and current transformer test cards from Hydro One, re-commission the assets if viable and utilize this equipment such that new costs would not be incurred.

Hydro Ottawa currently rents 34 poles from Hydro One in Casselman. Hydro Ottawa's Joint Use Agreement with Hydro One is based upon a "mutual desire by both Parties to work together for their respective benefit, and to ensure that joint use is planned and implemented where feasible because it is the right approach and provides the optimal outcome for each party's Customers that it serves, its employees and stakeholders." Therefore, Hydro Ottawa's proposal aligns with the outcomes set out in the Joint Use Agreement. However, Hydro Ottawa would also be able to construct a separate pole line along the east side of Principale Street. While this would not be the preferable option, it could be done for a comparable price to the estimate provided by Hydro One, should Hydro One not be able to accommodate Hydro Ottawa's system expansion on their pole line.

# INTERROGATORY RESPONSE - OEB Staff-2

**Question-2**

**TOPIC**

Rates

**REFERENCE**

1. Hydro Ottawa submissions, September 2, 2022, Attachment 1, p. 4

**PREAMBLE**

Hydro Ottawa estimated that based on distribution charges alone, the Customer[1] will pay 3.4 times more if served by Hydro One.

**INTERROGATORY**

a) Please provide a detailed calculation of the Customer's monthly total bill (including distribution charges) payable to Hydro Ottawa in Excel. Please provide all applicable assumptions for the estimates.

b) Please explain whether additional load associated with connection of the Customer would impact low voltage charges paid by Hydro Ottawa's customers. Please provide an estimate of potential increase, if applicable.

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**RESPONSE**

a) Please see Attachment OEB 2(A): Customer Monthly 2022 Bill for the calculation and the complete assumptions used in the calculation of the Customer's monthly total bill. In addition, the supporting Rate Order can be found in Attachment OEB 2(B): Hydro Ottawa GS 50 to 1,499 kW 2022 Rate Order.

[1] In the OEB's Notice of Hearing and Procedural Order No.1, the Customer is defined as the new customer located at 626 Principale St. in the Municipality of Casselman.

While completing this request for information, Hydro Ottawa noted that the distribution volumetric charge used was mistakenly taken from the 2022 proposed model. This has resulted in a change to the distribution charge of $46.54. The original calculation has been included for transparency of tying to the Original evidence.

Hydro Ottawa has provided a total monthly bill both with and without rate riders. Hydro Ottawa believes comparisons should be completed without rate riders as they are temporary in nature. Hydro Ottawa notes its monthly bill is lower when including rate riders.

b) For the Casselman station only the Common Sub-Transmission (Common ST) Line charge applies. Hydro Ottawa does not have an hourly load profile of the Customer and as a result does not know to what extent the Customer will contribute to the system peak which this charge is based on. In addition, if the Customer's load does not have a peak that is coincident to the relevant system peak, it could result in the Customer sharing the existing low voltage charges in Hydro Ottawa's service territory.

Hydro Ottawa would like to note that the charge would be the same regardless if the Customer's development was at Hydro Ottawa's boundary or embedded within the service territory. As a result, it is not different from other new developments being connected in Hydro Ottawa's service territory where low voltage charges are applied. Hydro Ottawa is estimated to pay approximately $96K in Common ST Line charges for the Casselman delivery point in 2023.

Lastly, low voltage charges have been incorporated into the Customers monthly bill estimate.

**Attachment OEB-2(A) Customer Monthly 2022 Bill**

General Service 50-1499 kW Service Classification

| Distribution | | 2022 OEB-Approved | 2022 Proposed |
|---|---|---|---|
| Service Charge | $ | 200 | |
| Distribution Volumetric Rate | $/kW | 5.6423 | 5.6065 |
| | | | |
| Low Voltage | $/kW | 0.01989 | |
| Rate Rider for DVA | $/kW | -0.4347 | |
| Rate Rider for Group 2 | $/kW | -0.1964 | |
| Rate Rider for LRAM | $/kW | -0.0144 | |
| Global Adjustment Rate Rider - Available Only for Non-RPP Cust | $/kWh | 0.0006 | |
| Rate Rider for DVA - Applicable only for Non-Wholesale Market P | $/kW | -0.2069 | |
| RTSR - Network Service Rate | $/kW | 3.5955 | |
| RTSR - Line & Transformation Connection Service Rate | $/kW | 2.1118 | |

| Regulatory | | 2022 OEB-Approved |
|---|---|---|
| Wholesale Market Service Charge (WMS) | $/kWh | 0.0034 |
| Rural and Remote Rate Protection Charge (RRRP) | $/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge | $ | 0.25 |

| Commodity | | 2022 rate used in OEB Bill Impact Model |
|---|---|---|
| Average IESO Wholesale Market Price | $/kWh | 0.1036 |

| Billing Determinates | | OEB Bill Impact |
|---|---|---|
| Based on Typical Bill Impacts | **Consumption** | 255,500 |
| Customer Provided | **Demand** | 1,300 |
| Customer Provided | **Units** | 1 |

**Attachment OEB-2(A): Customer Monthly 2022 Bill**

| | | |
|---|---|---|
| **Consumption - Based on Typical Bill Impacts** | **255,500** | **kWh** |
| **Demand - Customer Provided** | **1,300** | **kW** |
| **Units - Customer Provided** | 1 | |

| | Charge Unit | 2022 Approved - Without Rate Riders | | |
|---|---|---|---|---|
| | | Rate ($) | Volume | Charge ($) |
| Monthly Service Charge | **Monthly** | 200.00 | 1 | $ 200.00 |
| Distribution Volumetric Rate | **per kW** | $ 5.6423 | 1,300 | $ 7,334.99 |
| LRAM Rate Rider | **per kW** | | 1,300 | $ - |
| Deferral/Variance Account Disposition Rate Rider Class 2 | **per kW** | | 1,300 | $ - |
| **Sub-Total A (excluding pass through)** | | | | **$ 7,534.99** |
| Deferral/Variance Account Disposition Rate Rider Class 1 | **per kW** | | 1,300 | $ - |
| Global Adjustment Rate Rider | **per kWh** | | 255,500 | $ - |
| Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP | **per kW** | | 1,300 | $ - |
| Low Voltage Service Charge | **per kW** | $ 0.01989 | 1,300.00 | $ 25.86 |
| Line Losses on Cost of Power | | $ 0.1036 | 8,635.90 | $ 894.68 |
| **Sub-Total B - Distribution (includes Sub-Total A)** | | | | **$ 8,455.53** |
| RTSR - Network | **per kW** | $ 3.5955 | 1,300.00 | $ 4,674.15 |
| RTSR - Line and Transformation Connection | **per kW** | $ 2.1118 | 1,300.00 | $ 2,745.34 |
| **Sub-Total C - Delivery (including Sub-Total B)** | | | | **$ 15,875.02** |
| Wholesale Market Service Charge (WMSC) | **per kWh** | $ 0.0034 | 264,136 | $ 898.06 |
| Rural and Remote Rate Protection (RRRP) | **per kWh** | $ 0.0005 | 264,136 | $ 132.07 |
| Standard Supply Service Charge | **Monthly** | $ 0.2500 | 1 | $ 0.25 |
| **Regulatory Charges** | | | | **$ 1,030.38** |
| Average IESO Wholesale Market | | $ 0.1036 | 255,500 | $ 26,469.80 |
| | | | | |
| **Total Bill - Non-RPP (before Taxes)** | | | | **$ 43,375.20** |
| HST | | 13% | | $ 5,638.78 |
| **Total Bill (including HST)** | | | | $ 49,013.97 |
| ***Provincial Rebate*** | | 17.0% | | |
| **Total Bill (incl Prov. Rebate)** | | | | **$ 49,013.97** |

| | |
|---|---|
| **Loss Factor - Approved Secondary Metered Customer < 5,000 kW** | 3.3800% |

## Attachment OEB-2(A): Customer Monthly 2022 Bill

| | | |
|---|---|---|
| **Consumption - Based on Typical Bill Impacts** | **255,500** | **kWh** |
| **Demand - Customer Provided** | **1,300** | **kW** |
| **Units - Customer Provided** | 1 | |

| | Charge Unit | 2022 Approved - With Rate Riders | | |
|---|---|---|---|---|
| | | Rate ($) | Volume | Charge ($) |
| Monthly Service Charge | **Monthly** | 200.00 | 1 | $ 200.00 |
| Distribution Volumetric Rate | **per kW** | $ 5.6423 | 1,300 | $ 7,334.99 |
| LRAM Rate Rider | **per kW** | -$ 0.0144 | 1,300 | -$ 18.72 |
| Deferral/Variance Account Disposition Rate Rider Class 2 | **per kW** | -$ 0.1964 | 1,300 | -$ 255.32 |
| **Sub-Total A (excluding pass through)** | | | | **$ 7,260.95** |
| Deferral/Variance Account Disposition Rate Rider Class 1 | **per kW** | -$ 0.4347 | 1,300 | -$ 565.11 |
| Global Adjustment Rate Rider | **per kWh** | $ 0.0006 | 255,500 | $ 153.30 |
| Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP | **per kW** | -$ 0.2069 | 1,300 | -$ 268.97 |
| Low Voltage Service Charge | **per kW** | $ 0.01989 | 1,300.00 | $ 25.86 |
| Line Losses on Cost of Power | | $ 0.1036 | 8,635.90 | $ 894.68 |
| **Sub-Total B - Distribution (includes Sub-Total A)** | | | | **$ 7,500.71** |
| RTSR - Network | **per kW** | $ 3.5955 | 1,300.00 | $ 4,674.15 |
| RTSR - Line and Transformation Connection | **per kW** | $ 2.1118 | 1,300.00 | $ 2,745.34 |
| **Sub-Total C - Delivery (including Sub-Total B)** | | | | **$ 14,920.20** |
| Wholesale Market Service Charge (WMSC) | **per kWh** | $ 0.0034 | 264,136 | $ 898.06 |
| Rural and Remote Rate Protection (RRRP) | **per kWh** | $ 0.0005 | 264,136 | $ 132.07 |
| Standard Supply Service Charge | **Monthly** | $ 0.2500 | 1 | $ 0.25 |
| **Regulatory Charges** | | | | **$ 1,030.38** |
| Average IESO Wholesale Market | | $ 0.1036 | 255,500 | $ 26,469.80 |
| | | | | |
| **Total Bill - Non-RPP (before Taxes)** | | | | **$ 42,420.38** |
| HST | | 13% | | $ 5,514.65 |
| **Total Bill (including HST)** | | | | $ 47,935.03 |
| ***Provincial Rebate*** | | 17.0% | | |
| **Total Bill (incl Prov. Rebate)** | | | | **$ 47,935.03** |

| | |
|---|---|
| **Loss Factor - Approved Secondary Metered Customer < 5,000 kW** | 3.3800% |

**Attachment OEB-2(A): Customer Monthly 2022 Bill**

| | | |
|---|---|---|
| **Consumption - Based on Typical Bill Impacts** | **255,500** | **kWh** |
| **Demand - Customer Provided** | **1,300** | **kW** |
| **Units - Customer Provided** | 1 | |

| | Charge Unit | Per Original Evidence | | |
|---|---|---|---|---|
| | | Rate ($) | Volume | Charge ($) |
| Monthly Service Charge | **Monthly** | 200.00 | 1 | $ 200.00 |
| Distribution Volumetric Rate | **per kW** | $ 5.6065 | 1,300 | $ 7,288.45 |
| LRAM Rate Rider | **per kW** | | 1,300 | $ - |
| Deferral/Variance Account Disposition Rate Rider Class 2 | **per kW** | | 1,300 | $ - |
| **Sub-Total A (excluding pass through)** | | | | **$ 7,488.45** |
| Deferral/Variance Account Disposition Rate Rider Class 1 | **per kW** | | 1,300 | $ - |
| Global Adjustment Rate Rider | **per kWh** | | 255,500 | $ - |
| Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP | **per kW** | | 1,300 | $ - |
| Low Voltage Service Charge | **per kW** | $ 0.01989 | 1,300.00 | $ 25.86 |
| Line Losses on Cost of Power | | $ 0.1036 | 8,635.90 | $ 894.68 |
| **Sub-Total B - Distribution (includes Sub-Total A)** | | | | **$ 8,408.99** |
| RTSR - Network | **per kW** | $ 3.5955 | 1,300.00 | $ 4,674.15 |
| RTSR - Line and Transformation Connection | **per kW** | $ 2.1118 | 1,300.00 | $ 2,745.34 |
| **Sub-Total C - Delivery (including Sub-Total B)** | | | | **$ 15,828.48** |
| Wholesale Market Service Charge (WMSC) | **per kWh** | $ 0.0034 | 264,136 | $ 898.06 |
| Rural and Remote Rate Protection (RRRP) | **per kWh** | $ 0.0005 | 264,136 | $ 132.07 |
| Standard Supply Service Charge | **Monthly** | $ 0.2500 | 1 | $ 0.25 |
| **Regulatory Charges** | | | | **$ 1,030.38** |
| Average IESO Wholesale Market | | $ 0.1036 | 255,500 | $ 26,469.80 |
| | | | | |
| **Total Bill - Non-RPP (before Taxes)** | | | | **$ 43,328.66** |
| HST | | 13% | | $ 5,632.73 |
| **Total Bill (including HST)** | | | | $ 48,961.38 |
| ***Provincial Rebate*** | | 17.0% | | |
| **Total Bill (incl Prov. Rebate)** | | | | **$ 48,961.38** |

| | |
|---|---|
| **Loss Factor - Approved Secondary Metered Customer < 5,000 kW** | 3.3800% |

# Hydro Ottawa Limited

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2022

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

**EB-2021-0035**

## GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,500 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

*Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.*

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge | $ | 200 |
| Distribution Volumetric Rate | $/kW | 5.6423 |
| Low Voltage Service Rate | $/kW | 0.01989 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022 | $/kW | (0.1802) |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022 | $/kW | (0.2545) |

# Hydro Ottawa Limited

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2022

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

| | | EB-2021-0035 |
|---|---|---|
| Rate Rider for Group 2 Accounts - effective until December 31, 2022 | $/kW | (0.1964) |
| Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022 | $/kW | (0.0144) |
| Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022 | $/kWh | 0.0006 |
| Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2022 | $/kW | (0.2069) |
| Retail Transmission Rate - Network Service Rate | $/kW | 3.5955 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | $/kW | 2.1118 |

### MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|---|---|---|
| Wholesale Market Service Rate (WMS) - not including CBR | $/kWh | 0.003 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | $/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | $/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | $ | 0.25 |

# INTERROGATORY RESPONSE - OEB Staff-3

**Question-3**

**TOPIC**

Rates

**REFERENCE**

1. Hydro Ottawa submissions, September 2, 2022, sections 7.3.3 and 7.5.3

**PREAMBLE**

In section 7.3.3 of its submissions dated September 2, 2022, Hydro Ottawa stated that there is no expected bill impact to Hydro Ottawa's customers and Hydro One's customers may benefit from the expansion work.

In section 7.5.3, it was stated that "As the estimated revenue that will offset the costs, no contribution is required by the customer."

**INTERROGATORY**

a) Please confirm a capital contribution in the amount of $16,950 and a performance security in the amount of $791,000 are required to be paid by the Customer in accordance with the Offer to Connect.

b) Please explain how Hydro One's customers may benefit from the expansion work. Could Hydro One's customers be better off if the Customer is served by Hydro Ottawa other than Hydro One? If so, please explain why.

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**RESPONSE**

a) The Offer to Connect was written with costs for the scenario of Hydro Ottawa serving the customer from the outset. If the customer is temporarily connected to Hydro One's system, Hydro Ottawa's connection costs would not be required as Hydro One would have provided the equipment and

collected those costs from the customer. Hydro Ottawa would transfer the customer's connection to Hydro Ottawa's expanded system.

A performance amount of $791,000 would be required from the Developer. This cost is mainly driven by Hydro One's estimate for the pole expansion which is estimated to be plus or minus 50%. As a result the performance amount could be less. Hydro Ottawa does not expect it to be more as it would otherwise be more economical for Hydro Ottawa to build a new pole line in its service territory.

Please also see response to interrogatory HONI-6 part b).

b) Per Hydro Ottawa and Hydro One's Joint Use Agreement, the following is paid by Hydro Ottawa if pole expansion work is completed:

1. Extra height costs for a pole above 15.2m (50')
2. Residual value of the existing pole as determined in the Residual cost table
3. Cost of labour, freight and work equipment plus overhead
4. Other miscellaneous expenses such as Make Ready Line Clearing, advertising, Permit Fees, special work equipment, switching or contract work.

Expansion work will be required on Hydro One poles per Hydro Ottawa's request for joint use. These poles are assumed to be at the end of their financial life as no residual value appears to be provided in the Hydro One quote related to the pole line upgrade. Regardless, Hydro Ottawa would be responsible for that cost. As such, Hydro Ottawa will be paying for the pole replacement with the exception of the standard cost of a bare pole. As Hydro Ottawa is sharing the cost of the new poles, Hydro One's customers would be better off as this lessens the burden to Hydro One's customers to replace aged poles. In addition, Hydro One could potentially take advantage of the upgrade to enhance the pole at a lower incremental cost and take advantage of work already being performed.

# INTERROGATORY RESPONSE - OEB Staff-4

**Question-4**

**TOPIC**

Proposed Facilities to Serve the Customer

**REFERENCE**

1. Hydro One Application, August 18, 2022, section 7.5.5

**PREAMBLE**

Hydro One provided the minimum work that it anticipates Hydro Ottawa to undertake to connect the Customer.

1. Installation of a connection tap from the existing Hydro Ottawa owned feeder to a new Hydro Ottawa owned feeder on Hydro One owned pole. Upon field confirmation, this joint use configuration will trigger an upgrade to existing Hydro One poles.

2. Installation of a new feeder, approximately 1 km in length, traveling south to the Customer location on Hydro One owned existing pole line.

3. Hydro One will need to upgrade poles from Lafleche Blvd and Principale St to the Customer location, which includes crossing Hwy 417, to accommodate a new 8 kV feeder circuit from Hydro Ottawa.

4. Hydro Ottawa will need to install a terminal pole on the Customer side and connect the new feeder at the terminal pole.

5. Hydro Ottawa will need to purchase and install associated power system devices: switches, fuses, current transformer and power transformer.

6. Hydro Ottawa will need to purchase and install a revenue meter.

7. Hydro Ottawa will need to terminate Customer's primary connection and install conductor at a terminal pole.

**INTERROGATORY**

a) Please provide a detailed list of new and/or upgraded electrical infrastructure necessary for Hydro Ottawa to serve the Customer besides the investments identified by Hydro One.

b) Please specify when Hydro Ottawa expects to complete the connection work and be ready to serve the Customer.

c) Please clarify whether Hydro Ottawa expects to utilize its proposed facilities for other customers in the subject area and in regions adjacent to the subject area.

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**RESPONSE**

a) In addition to the investment identified by Hydro One, Hydro Ottawa would be required to upgrade several Hydro Ottawa owned poles (expected to be 3-4) at and around the intersection of LaFleche Blvd. and Principale St., including appropriate guying and anchoring.

Hydro Ottawa wishes to highlight that the installation of a new feeder is estimated to be approximately 850m, however, the exact distance is not known. On August 24, 2022 Hydro One declined Hydro Ottawa's August 23, 2022 request for servicing information, due to Hydro One's recently-filed SAA Application regarding the subject customer connection. In the absence of Hydro One's servicing information, Hydro Ottawa estimates that the most efficient use of the assets is achieved by connecting to the existing Hydro One pole being utilized to supply the customer, thereby eliminating the need for a new terminal pole. Further, to support the objective of an efficient use of assets, for which the customer has paid for, Hydro Ottawa would request power transformer and current transformer test cards from Hydro One, re-commission the assets if viable and utilize this equipment such that new costs would not be incurred.

b) Hydro Ottawa cannot confirm a completion date at this time, as the Hydro One schedule for the pole upgrade work is not presently known. This represents the majority of the work needed for Hydro Ottawa to be able to serve the customer. Please refer to part a) for additional context.

c) Hydro Ottawa could expect to utilize its proposed facilities for other customers in the region aligned to the Municipality's Community Improvement Plan. However, no customer requests currently exist.

# INTERROGATORY RESPONSE - OEB Staff-5

**Question-5**

**TOPIC**

Joint Use Pole Attachment Agreement

**REFERENCE**

1. Hydro One Application, August 18, 2022, section 7.5.4

**PREAMBLE**

Hydro One noted that Hydro Ottawa would have to enter into a Joint Use Pole Attachment Agreement with Hydro One where recurring annual joint use levies would be charged to Hydro Ottawa on a per pole basis.

**INTERROGATORY**

a) Please provide an estimate of the total joint use levies per year.

b) Please explain how the annual joint use levies will be recovered. (e.g., Will Hydro Ottawa pass the annual joint use levies to the Customer, or will Hydro Ottawa include it in its revenue requirement?)

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**RESPONSE**

a) The total joint use levies, per year, to service the Customer at 626 Principale St. will be approximately $2,330 (prior to taxes). This estimated levy is based on Hydro One's 2022 specific charge to Local Distribution Companies ("LDCs") for power space on a 60' power pole for 15 poles.[1]

As noted in the response to interrogatory HONI-3 part g) Hydro Ottawa's Casselman F1 circuit is currently 1,420m and will be approximately 2,270m after the proposed expansion. An exact

[1] Based on preliminary information, HOL has estimated 15 (+/- 4 poles) HONI poles required to service 626 Principale St.

distance is not known as Hydro One indicated on August 24, 2022 that they were not in a position to confirm or provide the information requested by Hydro Ottawa on August 23, 2022, pertaining to the servicing of the customer, due to their associated SAA Application submission.

There are currently 34 Hydro One poles (excluding the additional poles required to service 626 Principale St.) in Casselman that are rented to Hydro Ottawa under our Joint Use Agreement with Hydro One.

Hydro Ottawa's Joint Use Agreement ("Agreement") with Hydro One is based on a "mutual desire by both Parties to work together to their respective benefit, and to ensure that Joint Use is planned and implemented where appropriate because it is the right thing to do for each Party's Customers that it serves, its employees and stakeholders." The Agreement covers fees and charges that includes the annual permit fee ('levy'), as well as make-ready costs.

Where new Hydro One poles are required by Hydro Ottawa to service 626 Principale St, Casselman, Hydro Ottawa will pay Hydro One the following make-ready cost:

1. Extra height costs for a pole above 15.2m (50')
2. Residual value of the existing pole as determined in the Residual cost table
3. Cost of labour, freight and work equipment plus overhead
4. Other miscellaneous expenses such as Make Ready Line Clearing, advertising, Permit Fees, special work equipment, switching or contract work

Section 1.3 of the Joint Use Agreement stipulates that the cost of removing the replaced pole shall be borne by the Owner.

b) Levy costs are included in operating, maintenance, and administration expenses ("OM&A"). An average OM&A expense, per customer class, is used in an economic evaluation calculation to account for incremental OM&A costs.

In addition, OM&A costs (which includes levy costs) and capital costs, net of capital contribution, are included in the revenue requirement.