



VIA RESS, EMAIL AND COURIER

October 20, 2008

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

Dear Ms. Walli:

**Re: AMPCO Interrogatories
2009 Electricity Distribution Rates: Niagara-on-the-Lake Hydro Inc.
Board File No. EB-2008-0237**

In accordance with Procedural Order No. 1 dated October 1, 2008, attached please find AMPCO's interrogatories on the above application.

Please contact Christine Dade at 416-938-5143 if you have any questions or require any further information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Adam White", written over a horizontal line.

Adam White
President

Association of Major Power Consumers in Ontario

www.ampco.org

372 Bay Street, Suite 1702
Toronto, Ontario M5H 2W9

P. 416-260-0280
F. 416-260-0442

**AMPCO Interrogatories
2009 Electricity Distribution Rates**

**Niagara-on-the Lake Hydro (NOTL) Inc.
EB-2008-0237**

Interrogatory #1

Ref: Exhibit 8, Tab 1, Schedule 2, Pages 1 – 6

In Table 1 and Table 2 NOTL details the level of overcontribution from the GS>50KW class both in real dollars and in cost ratio ranges. All other classes are below the cost of service.

In Table 3, NOTL notes its proposed approach to move the cost ratios of some classes to 100% for the 2009 year, but still shows that the GS>50 kW class still subsidizing all other classes of customers.

- a) Over what period of time is NOTL planning to move its cost allocation ratios to 100% for all customer classes?
- b) Why does NOTL use the GS>50 KW class as a “balancing” instead of other classes?
- c) Please provide an explanation of the statement on Page 3, line 20 -22, “...*OEB proposed range and corresponds to a movement of approximately 48% of the way from what the ratio was in the cost allocation filing per Table 2 towards the 100% level*” and include any calculations if possible?

Interrogatory #2

Ref: Exhibit 9, Tab 1, Schedule 1, Page 1 (table)

The table shows Service Revenue Requirement - OM&A as \$1,898,111. When OM&A is divided by 7916 customers, the OM&A cost per customer = \$239.78. The PEG report, updated July 10, 2008, shows 2007 OM&A costs per customer as \$227 and the average over the last three years as \$207.

Please provide an explanation and details on the increase of OM&A cost to customer rates from the 2007 data provided to the OEB through the RRR's and the costs noted in the PEG report issued July 10, 2008.

Interrogatory #3

Ref: Exhibit 9, Tab1, Schedule 8, Page 1

Please provide the data for the following table:

Customer Size	# of Customers	Total Annual kWh's	Average Monthly Usage	Average Peak kW –monthly
50 kW – 250 kW				
251 kW– 500 kW				
501 kW – 1000 kW				
1001kW – 3000kW				
3001 kW- 5000 kW				

Interrogatory #4

Ref: Exhibit 8, Tab 1, Schedule 2, Page 4, lines 11-15

- a) Please confirm whether NOTL's 2009 revenue requirement includes costs for sentinel lights.
- b) Please indicate when NOTL plans to discontinue Sentinel Light service to its customers.

Interrogatory #5

Ref: Exhibit 9, Tab 1, Schedule 1, Page 5, Lines 14-16

Please provide the detailed calculations underlying NOTL's proposal to reduce the transformer cost allowance from \$0.60 to \$0.56 per kW.

Interrogatory #6

Ref: Exhibit 9, Tab 1, Schedule 1, Page 3

- a) In reference to the OEB Cost Allocation methodology, please provide a table of monthly fixed charges that would be calculated for each customer class served by NOTL using the three methods in the OEB methodology: a) avoided cost, b) directly related customer costs and c) minimum system with PLCC adjustment.
- b) Please provide a copy of the 2006 cost allocation study submitted to the OEB.