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October 31, 2008

BY EMAIL & BY COURIER

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge St, Suite 2701 Toronto ON M4P 1E4

Dear Ms. Walli:

CNPI Eastern Ontario Power – EB-2008-0222 CNPI Fort Erie – EB-2008-0223 CNPI Port Colborne – EB-2008-0224 2009 Rates Rebasing Applications

Energy Probe Interrogatories to CNPI - Port Colborne

Pursuant to Procedural Order No. 1, issued by the Board on October 10, 2008, Energy Probe Research Foundation (Energy Probe) is hereby filing two hard copies of its Interrogatories directed to CNPI – Port Colborne (EB-2008-0224). For clarity, Energy Probe will file interrogatories separately for each of CNPI's utilities in this proceeding. An electronic version of this communication will be forwarded in PDF format.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh

Case Manager

cc: Douglas Bradbury, Canadian Niagara Power Inc. (By email)

R. Scott Hawkes, Canadian Niagara Power Inc. (By email)

Charles Keizer, Ogilvy Renault LLP (By email) Peter T. Faye, Counsel to Energy Probe (By email)

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 Canadian Niagara Power Inc. – Port Colborne for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2009.

INTERROGATORIES OF ENERGY PROBE RESEARCH FOUNDATION ("ENERGY PROBE")

October 31, 2008

CANADIAN NIAGARA POWER INC. – PORT COLBORNE 2009 RATES REBASING CASE EB-2008-0224

ENERGY PROBE RESEARCH FOUNDATION INTERROGATORIES

Interrogatory #1

Ref: Exhibit 2, Tab 1, Schedule 1, App. A

Page 2 of the appendix describes the distribution system.

- a) Why does the utility transform the supply from Hydro One to a less efficient voltage rather than distribute power at 27.6/16 kV?
- b) What are the utility's line and transformation losses?
- c) Has the utility conducted any studies to evaluate the cost efficiencies of converting to the higher distribution voltage and abandoning its low voltage substations and ratio banks? If yes, please provide details of the analysis.

Interrogatory # 2

Ref: Exhibit 2, Tab 1, Schedule 1, App. A

Page 3 of the appendix describes the SCADA system employed to monitor the distribution system. Has the utility benchmarked its operations with similar sized utilities to determine whether its control room and SCADA expenditures are comparable? If yes, please provide details.

Interrogatory # 3

Ref: Exhibit 2, Tab 3, Schedule 1, App. A

Page 16 describes an upgrade to the 4.16 kV circuit on Killally Street East.

- a) What specifically does the upgrade consist of? What specific benefits will be realized from the upgrade?
- b) Are the 4.16 kV feeders from the distribution station radial, looped or networked?
- c) If radial, how will upgrading individual feeder conductors increase transfer capability between feeders?
- d) The 2008 budget for this project is \$150,000 and the 2009 budget is \$200,000. What is the estimated total cost of the project? What is its scheduled completion date?

Interrogatory #4

Ref: Exhibit 2, Tab 3, Schedule 1, App. A

Reference is made on Page 16 to the Empire Road upgrade which appears to be a single to three phase conversion on the 16 kV feeder and a betterment to the underbuilt 4.16 kV feeder. These improvements are said to be associated with providing "adequate supplies to and from Beach Road DS". The 2008 budget for the project is \$75,000 and the 2009 budget is \$75,000.

- a) Please explain the need for these improvements in more detail.
- b) What is the total estimated project cost and when is it scheduled to be complete?

Interrogatory #5

Ref: Exhibit 2, Tab 3, Schedule 1, App. A

The Royal Road subdivision upgrade is described as costing \$100 k in 2008.

- a) What is the total project cost?
- b) What kind of cable is presently in the ground and what kind of cable is going to be installed in the rebuild?

Interrogatory #6

Ref: Exhibit 2, Tab 3, Schedule 1, App. A

Reclosers were installed on 27.6 kV feeders in 2007 and more are budgeted for 2009. What is the utility's policy for the number of recloser installations in series on a feeder?

Interrogatory #7

Ref: Exhibit 4, Tab 2, Schedule 5, App. A

This appendix contains details of compensation forming part of the revenue requirement of the utility. Executive compensation and benefits costs have been omitted. Please supply the missing information or provide the reason for omitting it.