



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Buonaguro
Counsel for VECC
(416) 767-1666

November 6, 2008

VIA MAIL and E-MAIL

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

Dear Ms. Walli:

Re: Vulnerable Energy Consumers Coalition (VECC)
EB-2008-0277
Lakefront Utilities Inc. – 2008 Electricity Distribution Rate Application,
Request for Review and Vary

Please find enclosed the Interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

Lakefront Utilities Inc. (Lakefront)
Review and Vary Application Re:
Board Decision: EB-2008-0277

VECC's Interrogatories

Question #1

Reference: i) R&V Application, page 2, paragraph 2
ii) Response to VECC IR #6 b)

- a) In response to VECC #6 b) Lakefront indicated that it had sought "reprieve" from Measurement Canada regarding the seal status of its meters.
- Please provide a copy of Lakefronts' correspondence to Measurement Canada.
 - Please provide copies of any correspondence received from Measurement Canada on the matter.
 - What is the current status of Lakefronts' reprieve request?

Question #2

Reference: i) R&V Application, page 4, paragraph 11
ii) R&V Application, Tab 1, page 2

- a) Please provide a breakdown of the \$250,000 as between capital costs and OM&A costs.
- b) Please clarify precisely how many meters are being re-sealed by type of meter.
- c) What would be the 2008 revenue requirement associated with the \$250,000 spending. With respect to the capital cost portion of the \$250,000 please show the calculation of the associated depreciation and return on capital components of the revenue requirement impact.
- d) Why is Lakefront proposing to amortize the \$250,000 over three years?

Question #3

Reference:

- i) R&V Application, page 5, paragraph 15
- ii) R&V Application, Tab 1, page 2
- iii) Original Application, Exhibit 2/Tab 3/Schedule 1, page 1

- a) Please confirm whether the requested additional spending on voltage conversion program is required in 2008 in order to maintain a safe and reliable operation of Lakefront's distribution system. If yes, why was it not included in the original application?
- b) Please indicate whether Lakefront has actually started (as of November 1st, 2008) any of the conversion projects listed in Tab 1 (re reference (ii)).
- c) Given the current date, why is it reasonable to expect Lakefront to complete over \$325,000 in capital spending on voltage conversion in the 2008 rate year?
- d) Given the timing of Application, if the Board were to approve such spending, why is it reasonable to use a ½ year rule to estimate the revenue requirement impact? Should a shorter in-service period be used for the 2008 rate year? If not, why not?

Question #4

Reference:

- i) R&V Application, pages 7-8

- a) Does the \$55,271 represent all forecast interest income for the 2008 test year?
- b) Why is the \$55,271 considered to be interest on retained earnings?
- c) Can Lakefront identify any OEB precedents for excluding interest income from miscellaneous revenues?