

1 **Rogers Cable Communications Inc. INTERROGATORY #1 List 1**

2
3 **Interrogatory**

4
5 [Reference: Ex. G11T41S5] The evidence cites a fixed service charge for USL customers
6 derived from the Cost Allocation Study of \$27.80, being the sum of a starting fixed
7 service charge of \$33.95 and a derived USL credit of \$6.15.

8
9 [Reference: Ex. GL1T41S2, p.2J] The evidence cites a proposed fixed charge for the
10 General Service Energy Billed customer class of \$35.79.

- 11
- 12 (a) Please confirm the quantum of the fixed and variable charge components
13 proposed for legacy general service energy billed customers for 2010.
- 14
- 15 (b) Please confirm that the variable charge for legacy USL customers is proposed to
16 be the same as the variable charge for legacy GSe customers.
- 17
- 18 (c) Please reconcile the \$33.95 fixed charge cited in the first referenced exhibit and
19 the \$35.79 fixed charge cited in the second referenced exhibit.
- 20
- 21 (d) Please document the derivation (i.e. component elements) of the proposed \$6.15
22 USL fixed charge credit.
- 23
- 24 (e) In EB-2007-0681 the USL credit was derived as \$6.86 [see Ex. G1/T4/S5 in that
25 proceeding]. Please reconcile and explain the decrease in USL fixed charge
26 credits from the EB-2007-0681 proceeding to the current proceeding.

27
28
29 **Response**

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- 31 a) The fixed service charge for legacy general service energy billed customers is \$33.62.
32 The corresponding variable charge is 3.8 cents/kWh.
- 33
- 34 b) Yes, the variable charge for legacy USL customers is proposed at 3.8 cents/kWh the
35 same as the variable charge for legacy GSe customers.
- 36
- 37 c) The fixed service charge of \$33.95 for legacy GSe customers shown in Exhibit G1,
38 Tab 4, Schedule 5 is composed of the fixed service charge of \$33.62 plus USL meter
39 charge of \$0.33. The fixed service charge of \$35.79 in Exhibit G1, Tab 4, Schedule 2
40 is the fixed service charge of \$33.62 plus the smart meter charge of \$2.17.
- 41
- 42 d) The USL fixed credit is derived from the cost allocation model. Further details on the
43 component elements can be found in Exhibit G2, Tab 1, Schedule 1 Attachment 1,
44 Tab O3.5 USL Metering Credit.

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Exhibit H

Tab 8

Schedule 1

Page 2 of 2

- 1 e) The USL credit has declined since the EB-2007-0681 proceeding for the following
2 two reasons:
3
- 4 • USoA 5065 – Meter Expense has seen a significant reduction due to the mass
5 deployment of Smart Meters for Residential and General Service Energy
6 customers. As per OEB guideline, Smart Meter costs are being maintained in a
7 separate Regulatory Asset Account.
8
 - 9 • The mass deployment of Smart Meters has brought down the meter and meter
10 related costs, changing the underlying meter capital costs and allocation to the
11 General Service Energy class. Please refer to Exhibit G2, Tab 1, Schedule 1,
12 Attachment 1, Tab 17.1 for further details.

1 **Rogers Cable Communications Inc. INTERROGATORY #3 List 1**

2
3 **Interrogatory**

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5 [Reference: Ex. G1/T31SI] The referenced exhibit provides the revenue to cost ratios
6 resulting from Hydro One's cost allocation study in support of this application.

- 7
8 (a) Please provide a revenue to cost ratio for legacy USL customers. Please provide
9 all detail in support of the derivation of the ratio.
- 10
11 (b) If a precise revenue to cost ratio for legacy USL customers cannot be provided,
12 please provide the basis for the requested approval for distribution charges
13 proposed for USL customers in this application, and explain how the Board can
14 conclude that the proposed USL charges are in accord with the directions
15 provided in the Board's November 28, 2007 EB-2007-0667 report - Application
16 of Cost Allocation for Electricity Distributors - at Page 9 regarding USL
17 customers.

18
19
20 **Response**

- 21
22 a) To provide separate revenue to cost ratio for legacy USL customers, a substantial
23 amount of effort and information that is not readily available, would be required to re-
24 run the cost allocation. The effort would include making modifications to the OEB
25 cost allocation model and developing load data for USL customers separately. This
26 can not be accomplished within the Interrogatory response timelines.
- 27
28 b) The requested approval of the distribution charges proposed for USL customers is
29 based on the review and approval of USL charges by the Board in proceeding EB
30 2007- 0681. Please see the OEB Decision with Reasons for proceeding EB 2007-
31 0681, pages 26 - 28.