Consumers Council of Canada (CCC) INTERROGATORY #2 List 2

Interrogatory

Ref: C1/T5/S1, p. 2

Issue 1.1
Issue: Are the Affiliate Services Agreements still cost effective and efficient in delivering services? Have any changes occurred in these arrangements since the 2006 distribution rates proceeding?

Please provide one schedule which sets out Common Cost Allocation for 2006 in the same format as that provided for 2007 and 2008 in Tables 1& 2.

Response

Hydro One Common Cost Allocation
2006 OM&A Costs ($ Millions)

	Total OM&A Costs					Direct Charges					Inergi Charges (1)					Common Charges			
	Total	Tx	Dx	Tx %		Total	Tx	Dx	Tx %		Total	Tx	Dx	Tx %		Total	Tx	Dx	Tx %
Sustaining	390.5	155.9	234.6	39.9%		390.5	155.9	234.6	39.9%			0.0	0.0				0.0	0.0	
Development	10.2	5.7	4.5	56.1%		10.2	5.7	4.5	56.1%			0.0	0.0				0.0	0.0	
Operations	57.4	40.7	16.7	71.0%		20.4	14.2	6.2	69.6%			0.0	0.0			37.0	26.5	10.5	71.7%
Shared Serv. & Other	253.2	101.7	151.5	40.2%	=	(36.1)	(29.5)	(6.6)	81.7%	+	105.9	31.4	74.5	29.7%	+	183.4	99.7	83.7	54.4%
Taxes	76.3	71.7	4.6	94.0%		76.3	71.7	4.6	94.0%			0.0	0.0				0.0	0.0	
Total	787.6	375.7	411.9	47.7%		461.3	218.0	243.3	47.3%		105.9	31.4	74.5	29.7%		220.4	126.2	94.1	57.3%

NOTES
(1) Inergi charges include allocations to Tx & Dx only, does not include allocations to other subs