

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Sched. B);

AND IN THE MATTER OF applications by Centre Wellington Hydro, Veridian Connections Inc., EnWin Powerlines Ltd., Eire Thames Powerlines Corp., Chatham-Kent Hydro Inc., Essex Powerlines Corp., Cooperative Hydro Embrun Inc. and Hydro One Networks Inc. pursuant to subsection 74(1) of the *Ontario Energy Board Act, 1998* to amend Schedule 1 of their Transitional Distribution Licences.

RP-2003-0044

**Responses to Vulnerable Energy Consumer's Coalition Interrogatories
September 18, 2003**

Question 1

Please comment and provide FortisOntario's view as to whether having a defined service area is important to a distributor in terms of meeting its obligations under section 3.4.1 of the Distribution System Code "to plan and build the distribution system for reasonable forecast load growth".

Response

FortisOntario's view is that a defined service area is helpful but not necessarily important in meeting this obligation. What is more important for planning and building a distribution system for reasonable forecast load growth is an understanding of the economic development in the areas likely to be served by the distributor. Economics will allow the distributor to estimate how much of this development it is likely to serve. However, forecasts by their nature are subject to estimates and assumptions.

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Question 2

- (a) Does FortisOntario agree that customers making such choices should be required to pay the costs associated with their decisions? If not, please explain why.
- (b) Does FortisOntario agree that, in cases involving a service area amendment, other customers of the distributor offering the connection and the incumbent distributor and its customers should be held harmless from an economic perspective? If not, please explain why?

Response

- (a) FortisOntario agrees.
- (b) FortisOntario agrees as long as this is interpreted reasonably. Some of the arguments about stranded assets and inefficiencies from duplication do not appear to FortisOntario to be reasonable. Other customers of the distributor offering the connection are held harmless as long as there are no direct subsidies. Other customers of the incumbent distributor are held harmless as there is no impact on their rates. The incumbent distributor is held harmless as it is not incurring any additional costs.

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Question 3

Does FortisOntario agree that, under the Ontario Energy Board Consumer Protection and Governance Act, the Board has the ability to adopt more expeditious processes for approving applications, as opposed to holding public hearings in each case?

Response

FortisOntario will leave the interpretation of the Acts to the lawyers but would welcome more expeditious processes at the Ontario Energy Board. FortisOntario believes that establishing processes that avoid any requirement for Board approvals is the most efficient if possible.