

1 **Westario INTERROGATORY #1**

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3 **Interrogatory**

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5 WP. HONI.1 **Reference:** Impact on Distributors and Their Customers

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7 • EB-1999-0216 Hydro One Networks Reply Submission re: Chatham-Kent Hydro
8 Application, page 3 of 17; lines 4-8.
9 • EB-1999-0260 Hydro One Networks Submission re: Veridian Connections
10 Application page 3 of 25, lines 4-7.

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12 **Preamble:** HONI states in its submissions that: “The Veridian Application
13 ignores the financial impact and cost of upstream capacity additions or
14 regional load balancing for networks.” A similar statement is made in
15 Chatham-Kent.

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17 **Request:** (a) What would be the constituent costs that would be incurred
18 by Hydro One in order to provide upstream capacity (“Upstream Costs”)?
19 (b) What are the Upstream Costs in each of the Applications? (c) Are
20 these costs that have been incurred or would be incurred in the future? (d)
21 What load balancing costs are associated with each of the applications? (e)
22 What is the amount of the load balancing costs in each of the
23 Applications?

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26 **Response**

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28 (a) Networks’ costs to provide and/or improve distribution upstream capacity would
29 include investments that add new network assets and/or reinforce existing network
30 assets. This activity includes, but is not limited to, the addition of Low Voltage (LV)
31 distribution feeders, distribution stations, rural distribution circuits, new connection
32 points to the transmission system, protection schemes to increase loadability, voltage
33 conversions of existing networks, the addition of capacitors, regulators, and other
34 similar equipment to improve and/or support capacity.

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36 (b) As indicated in Networks’ Exhibit J8-10-24, Networks does not maintain asset
37 information on the basis of the applicants proposed boundaries therefore cannot
38 provide the information requested.

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40 (c) These costs have been incurred and will continue to be incurred into the future.
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- 1 (d) Networks undertake voltage & current surveys and protection studies, which includes
2 load-balancing activity, on a cyclic basis across the whole of its network in the
3 province.
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- 5 (e) Networks make significant investment to complete the above mentioned surveys and
6 studies, each year. However it, does not segregate or consolidate these activities and
7 costs by amendment application area, or by upper tier, lower tier or single tier
8 municipality, but rather on a provincial basis.
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