

Wirebury Connections Inc. INTERROGATORY #32

Interrogatory

In its evidence in the Enwin license amendment application, Networks contends that municipal boundaries do not provide a proper foundation for service area amendments.

Reference: p.7, L1-3

- a) If this is the case, what weight should the Board give to the existing license boundaries, which to a large extent have been set on the basis of municipal boundaries?
- b) Please explain why, at one point in time, municipal boundaries were appropriate determinants of service area boundaries, including Networks boundaries, and now they are not appropriate factors to consider when adjusting the same boundaries?
- c) Would it be more practical and efficient for the Board to set service area boundaries based on existing distribution plant? If not, please explain why.

Response

- a) See Networks' Exhibit J8-10-09. The Board should place the same weight on all existing service area boundaries, whether they conform to municipal boundaries or not. Whatever the basis for the foundation of the existing boundaries, these are the going forward boundaries of the LDCs in the new statutory framework. In addition, Networks does not accept the premise of the question that licensed boundaries "to a large extent have been set on the basis of municipal boundaries."
- b) See Networks' Exhibit J8-10-09.
- c) No. Basing licence service boundaries on existing distribution plant would not be appropriate for a number of reasons. First, planning has already occurred for licensed areas. Second, it would not provide the licensed LDC the incentive to plan in a comprehensive fashion for growth in its service territory. Third, neighbouring LDCs would be exposed to planning risk for areas, however small, between their existing plant. Fourth, the seeming elegance of the scheme is short-lived because Networks, which serves many embedded LDCs from its distribution lines and has many other lines that traverse the service territory of other LDCs, would have significant overlap

Filed: 2003-09-18

RP-2003-0044

Exhibit J8

Tab 12

Schedule 32

Page 2 of 2

1 with the “distribution plant” of other LDCs. And fifth, the burden for the Board in
2 administering the changes to service territories would likely be onerous.
3