

HYDRO ONE INTERROGATORY #4

INTERROGATORY

How would Wirebury calculate the compensation to a host LDC for under-valued, under-utilized and/or stranded assets? Please describe the assets types, which will, are to be included or excluded from this calculation.

RESPONSE

Any compensation paid to an affected distributor would be based on that distributor demonstrating that the assets in question have been constructed exclusively for the lands and structures that are the subject of the service area amendment. This would entail proof that no benefit is provided to the affected distributor's remaining system or customers by the assets in question. A simple test would be for the affected distributor to demonstrate that the assets in question could be abandoned without adversely impacting other customers, new or in the future, with no other system changes or additions. Please refer to Wirebury's responses to Board Staff at Ex. J12, T10, S7 and to the LDC Coalition at Ex. J12, T15, S10.

