

VERIDIAN CONNECTIONS INTERROGATORY #17

INTERROGATORY

In paragraph 70, Wirebury outlines a filing process under which the customer first makes a decision between the offers of competing distributors, then the successful distributor (if not the incumbent) applies to the Board for a service area amendment. As part of this application, it is proposed that the embedded distributor will apply for an amendment to the host's distribution rates to provide for a 'wheeling rate'.

- (a) In the absence of a host distributor 'wheeling rate' at the time that Wirebury conveys an offer to connect to a prospective embedded customer, how does Wirebury propose to support its own distribution rate structure for that customer? Does Wirebury propose a departure from 'cost-based' distribution rates?
- (b) How does Wirebury propose to design a 'wheeling rate' on behalf of a host distributor?

RESPONSE

- (a) Wirebury is not proposing a departure from cost-based rates. As indicated in LDC Coalition's interrogatory, Ex. J12, T15, S16, Wirebury has proposed a province wide wheeling rate that would be consistently applied to all host distributors. Since wheeling is an upstream cost to the embedded distributor, it should be treated no differently than transmission costs and therefore would not be included in the utility's distribution rates.
- (b) The design of a wheeling rate was discussed in Wirebury's response to the LDC Coalition at Ex. J12, T15, S16.

