



THE BOARD OF DIRECTORS

Chair, GAIL REGAN
President, Cara Holdings Ltd.

President, PATRICIA ADAMS
MAX ALLEN
Producer, IDEAS, CBC Radio
ANDREW COYNE
National Editor, Maclean's
GLENN FOX
Professor of Economics, University of Guelph
IAN GRAY
President, St. Lawrence Starch Co.
CLIFFORD ORWIN
Professor of Political Science, University of Toronto

Secretary/Treasurer, ANNETTA TURNER
ANDREW ROMAN
Barrister & Solicitor, Miller Thomson
ANDREW STARK
Rotman School of Management, University of Toronto
GEORGE TOMKO
Resident Expert, PSI Initiative, University of Toronto
MICHAEL TREBILCOCK
Chair, Law & Economics, University of Toronto
MARGARET WENTE
Columnist, The Globe and Mail

March 24, 2011

BY EMAIL & COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2010-0131
Horizon Utilities Corporation – 2011 Cost of Service Application
Energy Probe Interrogatories – Revised Evidence

Please find attached an Interrogatory of Energy Probe Research Foundation (Energy Probe) in respect of the Revised Evidence filed by Horizon Utilities Corporation in the EB-2010-0131 proceeding.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

Original signed by

David S. MacIntosh
Case Manager

cc: Indy Butany-DeSouza, Horizon Utilities (By email)
James C. Sidlofsky, Borden Ladner Gervais LLP (By email)
Randy Aiken, Aiken & Associates (By email)
Peter T. Faye, Counsel to Energy Probe (By email)
Intervenors of Record (By email)

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

Ontario Energy Board

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

AND IN THE MATTER OF an application by Horizon
Utilities Corporation for an order approving just and
reasonable rates and other charges for electricity
distribution to be effective January 1, 2011.

**REVISED EVIDENCE – QUESTIONS OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

March 24, 2011

**HORIZON UTILITIES CORPORATION
2011 RATES REBASING CASE
EB-2010-0131**

**ENERGY PROBE RESEARCH FOUNDATION
REVISED EVIDENCE QUESTIONS**

Question # 1

Ref: Revised Exhibit 2, Tab 4, Schedule 1, Appendix 2-2 Cost of Power – 2011 & Exhibit 8, Tab 1, Schedule 3, Table 8-20 & Energy Probe Technical Conference Question #3 & Energy Probe Interrogatory #6

- a) **Please explain the derivation of the 2011 loss factors shown in the Revised Appendix 2-2 in relation to the loss factors shown in Table 8-20.**
- b) **Are any of the volumes shown in the Revised Appendix 2-2 associated with market participants? If yes, please explain why these volumes are included in the cost of power calculations.**
- c) **Please provide a revised commodity cost of power calculation in the same format as shown in the Revised Appendix 2-2 that reflects both of the following:**
 - i) **The RPP/non-RPP volume split based on 2010 actual data as used in the response to Energy Probe Technical Conference Question #3b, and**
 - ii) **A non-RPP price of \$64.66/MWh and a RPP price of \$67.36/MWh as calculated in parts (e) and (f), respectively, of Energy Probe Interrogatory #6.**