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BY EMAIL and RESS

July, 31 2015
Our File: EB2015003

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2015-0003– PowerStream Inc. – SEC Interrogatories

We are counsel to the School Energy Coalition (“SEC”). Enclosed, please find interrogatories on behalf of SEC.

Yours very truly,
Jay Shepherd P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and intervenors (by email)

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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 PowerStream Inc. for an Order approving rates and other service charges for the distribution of electricity for the years 2016 through 2020.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

I-SEC-1

With respect to the potential merger between the PowerStream, Hydro One Brampton, Horizon Utilities and Enersource:

- a. Please provide an update on the potential merger.
- b. Based on PowerStream's proposed Custom IR rate plan, please provide a list of scenarios in which the rate plan could be terminated because of a merger.
- c. If the Board were to order an Earning Sharing Mechanism and/or Efficiency Adjustment Mechanism similar to what the Board approved in the Horizon Utilities Custom IR Application (see EB-2014-0002, Settlement Proposal, filed September 22, 2014) as part of any approvals in the proceeding, please explain any potential implementation issues that PowerStream believes may occur if the merger occurs and is approved.
- d. For each of the proposed metrics, please explain any potential implementation issues that PowerStream believes may occur if the merger occurs and is approved.

I-SEC-2

Please provide all Board required appendices in a single excel file.

I-SEC-3

On the same basis as provided in each of the listed appendices, please provide i) 2015 January-June half-year actuals, and ii) 2014 January-June half-year actuals.

- a. 2-AA
- b. 2-AB
- c. 2-JB
- d. 2-JC
- e. 2-H

I-SEC-4

Please provide a summary of all internal audit reports/findings from the last 5 years. Please provide a list of all recommendations and their implementation status.

II-SEC-5

[II/G2, Appendix A] For all material 2015 and 2016 capital projects (as opposed to programs), please provide the in-service date by month.

II-SEC-6

[II/G2] SEC is interested in understanding how PowerStream, after determining which capital program it believes it needs to do, forecasts the cost of those individuals' projects. Please provide a step-by-step explanation of how PowerStream builds its forecast for capital project and program costs.

II-SEC-7

[II/G/1/2/p.2]] Please provide a revised version of Table 2 and Table 3, showing in-service additions instead of capital expenditures.

II-SEC-8

[II/G2/2/5.3.3/ p.19-25] For the purposes of the capital project optimization process (C55 program), please explain in sufficient detail how PowerStream measures both the qualitative and quantitative risks and benefits for a project. Please explain how weighting of the value function. Please provide all assumptions that are used. Please provide illustrative examples in your response.

II-SEC-9

[II/K/3/p2/Appendix 2-K] With respect to PowerStream's staffing vacancy rates:

- a. Please provide PowerStream staffing vacancy rate for each year between 2011-2015.
- b. What staffing vacancy rate did PowerStream use for its forecast 2016-2020 compensation costs?

III-SEC-10

[III/1/1/J-CCC-60]

Please provide an estimate annual OM&A cost savings per year for each 1% increase in e-billing.

III-SEC-11

[III/2/G-AMPCO-5b/Appendix A] Please provide the full report provided by Kinetrics to PowerStream.

III-SEC-12

[II/F/1/p.7, III/1/1/J-CCC-30] Please provide an update on the implementation of new CIS system. Please detail any implementation issues that have arisen.

IV-SEC-13

[IV/1/p.24/Undertaking 24] With respect to the use of external contractors for capital projects:

- a. For the purpose of determining the forecast capital expenditures, what assumptions did PowerStream make regarding use of internal versus external contractors?
- b. Please provide a summary of the structure of PowerStream’s arrangements with external contractors for capital projects.

IV-SEC-14

[IV/1/p.24/Undertaking 24] PowerStream states “the hours estimated for PowerStream’s crews and the actual hours completed using the external contractor’s crew were very close”. Please provide the numerical basis for the conclusion that numbers were “very close”.

Respectfully submitted on behalf of the School Energy Coalition this 31st day of July, 2015.

Original signed by

Mark Rubenstein
Counsel for the School Energy
Coalition