

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by Alectra Utilities Corporation to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of January 1, 2018.

**INTERROGATORIES**

**OF THE**

**SCHOOL ENERGY COALITION**

G-SEC-1

[Ex. 1/1/1, p. 3, 20] Please provide details of all of the steps taken to make sure the Board had the Application in sufficient time to consider the evidence and approve rates, after an appropriate hearing, in time for January 1, 2018 implementation. Please provide a representative timeline of regulatory steps to demonstrate that the Application was timely.

G-SEC-2

[Ex. 1/1/1, p. 4, 5 and 2/4/11, p. 2] Please provide a detailed analysis of the ways, if any, that the Enersource RZ DSP reflects a different asset management and distribution system management approach relative to the DSPs already reviewed by the Board for the Brampton RZ, the Horizon RZ and the Powerstream RZ.

G-SEC-3

[Ex. 1/1/1, p. 5 and elsewhere] For each of the ICM projects in each of the three rate zones in which ICM projects are proposed, please identify the projects in prior years, or in test year base capital, that are most similar to the individual ICM project, and explain how the ICM project is not related to, part of, a continuation of, or an extension of the similar projects.

G-SEC-4

[Ex. 1/1/1, p. 9, 10 and elsewhere] Please confirm that the most consistent message during the customer engagement was a request for lower rates, and explain why the Applicant has responded to that message by proposing a substantial increase in rates.

G-SEC-5

[Various locations in the Application] With respect to the combined impact of the incremental capital modules proposed:

- a) Please confirm that the total incremental capital funding being requested in the test year is \$706,794 for Brampton RZ, \$1,834,693 for Powerstream RZ and \$1,962,111 for Enersource RZ, for a total of \$4,503,598.
- b) Please confirm that the subject rate riders are proposed to be in place for nine years, and thus are expected to recover approximately \$40.5 million from customers over that period, in addition to escalating rates.
- c) Please confirm that the Applicant anticipates filing incremental capital module applications in all subsequent years until its next rebasing.
- d) Please confirm that the incremental revenue from applications in all years for incremental capital in amounts similar to the current application would be approximately \$203 million of incremental recoveries from customers over that period, over and above escalating rates under IRM.
- e) Please confirm that, in that scenario, the opening rate base in the rebasing year would still be more than \$500 million higher as a result of incremental capital projects, all of which would have to be recovered from customers in the future, along with the cost of capital on that additional rate base.

HRZ-SEC-6

[Ex. 2/1/2, p. 3] Please provide details of the impact of the change in the Horizon capitalization policy, both in the test year and in each of the next three future years. Please confirm that the Applicant is seeking the approval of the Board to the change.

HRZ-SEC-7

[Ex. 2/1/2, p. 4] Please provide all internal documents of the Applicant or its predecessors estimating the costs and benefits of moving the Horizon RZ to monthly billing, including any that estimate the specific impact of the June date.

HRZ-SEC-8

[Ex. 2/1/6, p. 6, 7] Please recalculate Tables 28 and 20 on the assumption that the working capital allowance is calculated at 7.5% instead of 12.0%.

BRZ-SEC-9

[Ex. 2/2/10, p. 2, 9] Please confirm that the proposed capital expenditures in the Brampton RZ in the test year are approximately equal to the Board-approved capital expenditures in the last rebasing year. Please explain how the test year capital expenditures are thus incremental.

PRZ-SEC-10

[Ex. 2/3/10, p. 2] Please explain the following sentence: *“PowerStream further leverages appropriate capital investment governance of the capital portfolio with a consistent approach to reviewing the status of expenditures, controlling the additions and removals of projects and management of expenditures approvals of project execution.”*

PRZ-SEC-11

[Ex. 2/3/10, p. 3] Please provide a chart of the actual population in the PowerStream RZ from 1950 until today.

PRZ-SEC-12

[Ex. 2/3/10, p. 4] Please confirm that the proposed capital expenditures in the PowerStream RZ in the test year are approximately 5% less than the Board-approved capital expenditures in the last rebasing year. Please explain how the test year capital expenditures are thus incremental. Please confirm that the Applicant plans to spend \$23.1 million (6.7%) less in capital in the PowerStream RZ in 2018-2020 than its last Board-approved capital spending level.

PRZ-SEC-13

[Ex. 2/3/10, p. 11] Please explain how the acceleration of the CIS project into 2017 is not merger-related spending. Please calculate, on a cost of service revenue requirement basis, the impact of that project in each of 2017, 2018, and 2019, including all tax shelter impacts.

PRZ-SEC-14

[Ex. 2/3/10, p. 23] Please provide information on the outage minutes caused by the ice storm on a per km of line or other unitized basis, e.g. % of underground line in the system compared to percentage of outage minutes as a result of the storm.

ERZ-SEC-15

[Ex. 2/4/11, p. 9] Please provide a chart of the actual population in the Enersource RZ from 1950 until today.

ERZ-SEC-16

[Ex. 2/4/11, p. 10] Please provide the report from Kinectrics referred to.

ERZ-SEC-17

[Ex. 2/4/11, p. 22] Please explain why capital expenditures for rolling stock and grounds and buildings are higher after the merger. Please provide details of capital savings expected in these categories over 2018-2022 as a result of the merger.

Submitted on behalf of the School Energy Coalition this September 20, 2017.

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Jay Shepherd  
Counsel for the School Energy  
Coalition