

September 21, 2017

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: EB-2017-0024 – Alectra Utilities Corporation – Annual Rate Filing

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Alectra Utilities Corporation pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

Julie E. Girvan

Julie E. Girvan

CC: All Intervenors
Alectra, Regulatory Affairs
C. Keizer, Torys
C. Smith, Torys

**INTERROGATORIES FROM THE CONSUMERS COUNCIL OF CANADA
FOR ALECTRA UTILITIES CORPORATION**

EB-2017-0024

CCC-1

Please file all materials provided to the Executive Team and the Alectra Board of Directors when seeking approval of this Application, and the specific requests for relief included in the Application.

CCC-2

Please explain, in detail, how Alectra currently undertakes its accounting procedures. Are each of the rate zones subject to separate accounting treatment? Are all actual expenditures earmarked according to the rate zones?

CCC-3

(Ex. 1/T1/S1/p. 5)

Please file the report undertaken by Vanry Associates that reviewed the Enersource RZ Distribution System Plan. Was this work subject to an RFP process? If not, why not? Did Vanry Associates review the Alectra system as whole, or did they only review the Enersource service territory?

CCC-4

Please explain what relief Alectra is seeking with respect to the Enersource DSP?

CCC-5

Does Alectra intend to apply for ICM relief for each rate zone, in each year prior to the rebasing period? If so, what is the expected annual funding amount in each year?

CCC-6

The Council is interested in understanding the impacts of the Fair Hydro Plan on Alectra's rates. Please provide a schedule setting out, for each of the rate zones, the rate and bill impacts with and without the application of the Fair Hydro Plan.

CCC-7

Please explain, in detail, how Alectra intends to "true-up" its proposed ICM spending for each of the rate zones.

CCC-8

What is Alectra's forecast ROE for 2017?

CCC-9

What is the current projection of annual savings resulting from the merger over the deferral period? Please explain why Alectra's merger savings should not be used to fund incremental capital requirements. Has Alectra asked its customers whether or not the savings should be used to fund incremental capital requirements? If not, why not?

HORIZON

CCC-10

(Ex. 2)

Please explain if there are any significant differences between the application for rate approvals for Horizon for 2018 and the application for 2017 rate approvals.

CCC-11

(Ex. 2/T1/S1/p. 3)

Please confirm that the methodology used to determine the 2018 Street Lighting Class revenue-to-cost ratio is consistent with the OEB's Decision regarding 2016 rates.

CCC-12

(Ex. 2/T1/S2/p. 3)

The evidence indicates that Alectra Utilities has adopted the PowerStream capitalization policy. Please provide copies of the capitalization policies that were in place for Horizon, Enersource and Brampton prior to the change. Please explain how this change can impact utility earnings.

CCC-13

(Ex. 2/T1/S2/p. 6)

Please provide a detailed schedule setting out the impacts of the changes to working capital included in rate base for the Horizon RZ. What is the impact on working capital arising from the implementation of the Fair Hydro Plan?

CCC-14

(Ex. 2/T1/S2/p. 11)

Please explain, in detail, why Horizon's 2016 Gross Capital Additions were \$6.1 million above the forecast amount included in the Custom IR Application.

BRAMPTON:

CCC-15

(Ex. 2/T2/S10/p. 2)

For the Brampton RZ please file 2017 Actual Capital Expenditures to date in the same format as Table 60.

CCC-16

(Ex. 2/T2/S10/p. 3)

Please explain why the Brampton RZ Underground Lines Planned Asset Replacement program is ramping up in the period 2017-2020 relative to the two previous years.

POWERSTREAM:

CCC-17

(Ex. 2/T3/S10/p. 4)

For the PowerStream RZ please file 2017 Actual Capital Expenditures to date in the same format as Table 91.

CCC-18

(Ex. 2/T3/S10/p. 13)

In the context of the customer engagement process were the customers informed about the level of savings expected to result from the merger? If not, why not? If so, please explain what the customers were told about the merger savings.

CCC-19

(Ex. 2/T3/S10/p. 13)

Please explain why Alectra is of the view that each of the PowerStream RZ projects for which it is seeking ICM funding are “discrete” and “not part of typical annual capital programs”. Specifically, why aren’t the System Renewal and System Service projects considered part of PowerStream’s ongoing replacement and refurbishment programs?

ENERSOURCE:

CCC-20

Ex.2/T4/S11/p. 4)

For the Enersource RZ please file 2017 Actual Capital Expenditures to date in the same format as Table 129.