



BY EMAIL and RESS

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Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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January 24, 2019
Our File: EB20180056

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2018-0056 – NOTL 2019 Rates – SEC Supplementary Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Pursuant to Procedural Order No. 3, please find SEC's supplementary interrogatories.

Yours very truly,
Shepherd Rubenstein P.C.

Original signed by

Mark Rubenstein

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

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 Niagara-on-the-Lake Hydro Inc. for an Order or Orders approving or fixing just and reasonable distribution rates effective May 1, 2019.

SUPPLEMENTARY INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

SEC-Supp-35

[Ex.2, Additional Evidence] Please confirm that there is no legal requirement that NOTL underground its voltage conversion capital work.

SEC-Supp-36

[Ex.2, Additional Evidence, p.7] The evidence says: "In addition, the Niagara Parkway, which runs from Queenston to the Olde Town was converted from underground 4.16 kV to underground 27.6 7 kV.":

- a. Please explain the rationale for undergrounding new capital assets on the Niagara Parkway.
- b. Since its last rebasing application, for each year, please provide the expenditures for underground voltage conversion work on the Niagara Parkway.
- c. Please provide the proposed test year costs of underground voltage conversion work on the Niagara Parkway.
- d. Please provide a map that shows the work that makes up your response to parts (b) and (c).

SEC-Supp-37

[Ex. 4, Additional Evidence, p.8] Please updated Chart 8 to include the 2018 and forecast 2019 NOTL information.

SEC-Supp-38

[Ex. 4, Additional Evidence] Please update appendices 2-JA, 2-JB, 2-JC, and 2-K to provide 2018 year-end actuals. Please provide tables in the excel format.

SEC-Supp-39

[Ex.4, p.7; 4-SEC-29, Ex.4, Additional Evidence, p.8-13]] Is NOTL relying on the cost driver evidence in Table 4.6 in the pre-filed evidence or provided in Table 5 of the additional evidence? Please explain.

SEC-Supp-40

[Ex. 4, Additional Evidence, p.6] Please confirm that NOTL stretch factor has remained 0.3% (+/-10%) since its last rebasing application and is forecasted to remain at 0.3% in the test year.

SEC-Supp-41

[Ex.4, Additional Evidence, p.9] Please provide a breakdown (and explanation of the calculation) of the actual incremental expenses incurred or forecasted to be incurred since 2014, related specifically for growth, for each of the following:

- a. Customer growth
- b. System peak and load growth

SEC-Supp-42

[Ex. 4, Additional Evidence, p.10] Please provide a copy of the live spreadsheet used to calculate table 10.

SEC-Supp-43

[Ex. 4, Additional Evidence, p.15] Please reconcile the 2014 information provided in Table 13 with the information provided in response to 4-SEC-30.

SEC-Supp-44

[Ex. 4, Additional Evidence, p.10] With respect to the accounting change:

- a. Please provide the full calculation and derivation of the \$130,784.
- b. Please provide the 2014 actual total cost for the President and the VP Operations positions, allocated to each of capital & OM&A.
- c. Using IFRS accounting rules, please re-allocate the 2014 actual total cost for the President and the VP Operations positions.
- d. Please provide the forecast 2019 forecast total costs for the President and the VP Operations positions allocated to each of capital & OM&A.

SEC-Supp-45

[Ex.5, Additional Evidence, p.1] The evidence states: “In November 2018, the Town of NOTL financial management informed NOTL Hydro verbally that they would be looking to renegotiate the loans due to the rise in interest rates”. Please provide greater details regarding the discussion that was held including, but not limited to whom specifically from the Town spoke to whom at NOTL, and on what date.

SEC-Supp-46

[Ex.5, Additional Evidence, p.1] Please provide a copy of all written communications and a detailed summary (including participants and dates) of all oral communications between the Town and the NOTL, that in whole or in part, discuss its debt arrangements since January 1 2018. [Note: For written communications, please provide copies the actuals communications and do not copy and pasting the text as is done with the email from Mr. Freeborn on p.1-2).

SEC-Supp-47

[Ex.5, Additional Evidence, p.1] With respect to the two loans:

- a. Has the Town formally called the loans yet? If so, please provide the date in which it did so.
- b. Have the new loan(s) been agreed to yet, if so please provide a copy.
- c. If it has not, please provide the expected date the new loans() will be signed and effective.
- d. Please revise the tables on p.2 to reflect the forecast date the new interest rate will be effective on.

SEC-Supp-48

[Ex.5, Additional Evidence, p.1-2] Based the NOTL's expectation that the Town is going to call the two loans, please provide details regarding the due diligence that it has undertaken regarding the appropriateness of agreeing to a new loan of 3.5% with the Town.

SEC-Supp-49

[Ex.5, Additional Evidence, p.2] With respect to the 'Original Promissory Note', SEC understands for rate-making purposes the rate is proposed in the Board's long-term debt rate, but what rate does the NOTL currently actually pay the Town on the note.

SEC-Supp-50

[Ex.9, Additional Evidence] With respect to the proposed Group 2 and LRAM DVA disposition period:

- a. Please add a column to the tables on p.3 to show the bill impact as a percentage of total bill impact.
- b. Did NOTL undertake any customer engagement on the change in the proposed disposition period as proposed in the Additional Evidence either before after its filing? If so, please provide details including copies of any communicators.

Respectfully submitted on behalf of the School Energy Coalition this January 24, 2019.

Original signed by

Mark Rubenstein
Counsel for the School Energy Coalition