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February 3, 2009

BY EMAIL & BY 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-2008-0312 Ontario Power Authority
Fiscal 2009 – Expenditure, Revenue and Fees Submission for Review
Energy Probe Interrogatories**

Pursuant to Procedural Order No. 1, issued by the Board on December 17, 2008, Energy Probe Research Foundation (Energy Probe) encloses two hard copies of its Interrogatories to the Ontario Power Authority in the EB-2008-0312 proceeding. An electronic version of this communication will be provided in PDF format.

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

Yours truly,

David S. MacIntosh
Case Manager

cc: Miriam Heinz, Ontario Power Authority (By email)
Fred Cass, Aird & Berlis LLP (By email)
Intervenors of Record (By email)
Peter Faye, Counsel to Energy Probe (By email)

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

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Ontario Energy Board

IN THE MATTER OF sections 25.20 and 25.21 of the *Electricity Act, 1998*;

AND IN THE MATTER OF a Submission by the Ontario Power Authority to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements and the fees which it proposes to charge for the year 2009.

**INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

February 3, 2009

ONTARIO POWER AUTHORITY
Review of Proposed 2009 Expenditure and Revenue Requirement
EB-2008-0312

ENERGY PROBE RESEARCH FOUNDATION

INTERROGATORIES

Issue # 1.0 Strategic Objective # 1- POWER SYSTEM PLANNING-Plan for an adequate, reliable and sustainable system that integrates conservation, generation and transmission and implements the Minister's directives

1.1 2009 Operating Budget for Strategic Objective #1-Power System Planning

- **Is the Operating Budget of \$ 5.790 million allocated to Strategic Objective # 1 reasonable and appropriate?**

Interrogatory # 1

Ref: Exhibit B, Tab 1, Schedule 1, page 7

- a) **Please confirm that in Table 1, the column titled "2008 Budget" refers to the approved expenditures on page 11 of the Decision and Order in the EB-2007-0791 proceeding, issued May 15, 2008, in the section titled "Conclusions".**
- b) **Please provide an update to the far right column of Table 1 titled "2008 Forecast" so that it will list "2008 Actual Unaudited" expenditures.**

Issue # 2.0 Strategic Objective #2- CONSERVATION – Plan and procure conservation resources to meet the requirements identified in the IPSP and promote sustainable conservation practices that contribute to a culture of convention.

2.1 2009 Operating Budget for Strategic Objective # 2 - Conservation

- **Is the Operating Budget of \$ 20.072 million allocated to Strategic Objective # 2 reasonable and appropriate?**

Interrogatory # 2

Ref: Exhibit B, Tab 2, Schedule 1, page 15

- a) Please confirm that in Table 3, the column titled “2008 Budget” refers to the approved expenditures on page 11 of the Decision and Order in the EB-2007-0791 proceeding, issued May 15, 2008, in the section titled “Conclusions”.**
- b) Please provide an update to the far right column of Table 3 titled “2008 Forecast” so that it will list “2008 Actual Unaudited” expenditures.**

Issue # 3.0 Strategic Objective # 3- SUPPLY PROCUREMENT AND CONTRACT MANAGEMENT- Plan and design procurement processes and enter into procurement contracts for generation resources to meet the requirements identified in the IPSP and to embed “best in class” contracting practices that support investment in necessary infrastructure and contribute to a sustainable electricity system

3.1 2009 Operating Budget for Strategic Objective # 3 - Supply Procurement and Contract Management

- **Is the Operating Budget of \$ 7.732 million allocated to Strategic Objective # 3 reasonable and appropriate?**

Interrogatory # 3

Ref: Exhibit B, Tab 3, Schedule 1, page 8

- a) Please confirm that in Table 1, the column titled “2008 Budget” refers to the approved expenditures on page 11 of the Decision and Order in the EB-2007-0791 proceeding, issued May 15, 2008, in the section titled “Conclusions”.**
- b) Please provide an update to the far right column of Table 1 titled “2008 Forecast” so that it will list “2008 Actual Unaudited” expenditures.**

Issue # 4.0 Strategic Objective # 4 –BARRIERS TO THE DEVELOPMENT OF ECONOMICALLY SUSTAINABLE CONSERVATION AND SUPPLY RESOURCES- Identify and assess barriers to the development of economically sustainable conservation and supply resources and develop solutions to address these barriers in cooperation with stakeholders

4.1 2009 Operating Budget for Strategic Objective # 4 – Barriers to Resource Development

- **Is the Operating Budget of \$ 1.031 million allocated to Strategic Objective # 4 reasonable and appropriate?**

Interrogatory # 4

Ref: Exhibit B, Tab 4, Schedule 1, page 6

- a) Please confirm that in Table 1, the column titled “2008 Budget” refers to the approved expenditures on page 11 of the Decision and Order in the EB-2007-0791 proceeding, issued May 15, 2008, in the section titled “Conclusions”.**
- b) Please provide an update to the far right column of Table 1 titled “2008 Forecast” so that it will list “2008 Actual Unaudited” expenditures.**

Interrogatory # 5

Ref: Exhibit B, Tab 4, Schedule 1

In EB-2007-0791, the Ontario Power Authority 2008 Fees Review, Strategic Objective 4 is listed as follows:

Sector Development - Define sector development goals and facilitate the efficient allocation of risk between customers and investors in conservation and generation

- a) Please comment on the utility of the Board Panel in this proceeding reviewing the variance between the 2008 Budget for Sector Development in proceeding EB-2007-0791 and the 2009 Budget proposed for Barriers to Resource Development in the current proceeding.**
- b) Please advise the reason that the financial evidence in this Exhibit was presented as a variance between two different strategic objectives.**

Issue # 5.0 Strategic Objective # 5 – ORGANIZATIONAL CAPACITY -Maintain and develop organizational capacity to achieve all other strategic objectives.

5.1 2009 Operating Budget for Strategic Objective # 4 – Barriers to Resource Development

- **Is the Operating Budget of \$ 30.448 million allocated to Strategic Objective # 5 reasonable and appropriate?**

Interrogatory # 6

Ref: Exhibit B, Tab 5, Schedule 1

Please provide an update to the far right column of Table 1, Table 2, Table 3 and Table 5 titled “2008 Forecast” so that it will list “2008 Actual Unaudited” expenditures.

Issue # 6.0 General

6.4 Workforce Hiring Practices

- **Has the OPA responded appropriately to the expectation of the Board Panel in respect of workforce hiring practices as stated on page 11 of the Decision and Order in the EB-2007-0791 proceeding?**

Interrogatory # 7

Ref: Exhibit A, Tab 2, Schedule 1, page 3, last bullet point.

On page 11 of the Decision and Order in the EB-2007-0791 proceeding, issued May 15, 2008, the Board Findings in the Section titled “Workforce” stated:

“...the Board has noted that the OPA’s 2008 budget reflects a substantial increase in its overall workforce – it increases from 137.0 in 2007 to 183.8 Full Time Equivalents in 2008. In the CDM area specifically, the OPA is doubling its workforce to 66.2 Full Time Equivalents. The Board has also noted from OPA’s testimony that the OPA is currently not in a position to forecast its workforce requirements and acknowledged that in the future its workforce could be reduced. The possibility for a reduction in the future has not altered the OPA’s practice in continuing to augment its existing workforce with full-time permanent employees. While the Board accepts the OPA’s budget associated with its workforce for the 2008 year, in light of the uncertainties for future workforce requirements acknowledged by the OPA, the Board expects the OPA to review its hiring practices for 2008 and to fully justify increases to its permanent full-time workforce in its 2009 fees application.”

- a) As part of the most significant initiatives planned for the 2009-2011 period, the Evidence at Page 3, in the last bullet, states that the OPA will be implementing internal strategies and tools critical to achieving the organization's goals and deliverables, including a "holistic talent management system". Please advise what steps have been taken by the OPA to respond to the Board's expectation of a review of its hiring practices, especially the practice of continuing to augment its existing workforce with fulltime permanent employees.
- b) Please provide total workforce full time equivalents in the following tables:

Total OPA Headcount

Regular

2006 Board Approved	2007 Board Approved	Variance %	2007 Board Approved	2008 Board Approved	Variance %	2008 Board Approved	2009 Budget	Variance %

Temporary

2006 Board Approved	2007 Board Approved	Variance %	2007 Board Approved	2008 Board Approved	Variance %	2008 Board Approved	2009 Budget	Variance %

- c) Please provide total workforce full time equivalents in the following table:

Total OPA Headcount

Regular/ Temporary

2006 Actual Reg/Temp Percentages	2007 Actual Reg/Temp Percentages	2008 Actual Reg/Temp Percentages	2009 Budget Reg/Temp Percentages