



THE BOARD OF DIRECTORS

Chair, GAIL REGAN
President, Cara Holdings Ltd.

President, PATRICIA ADAMS

MAX ALLEN

Producer, IDEAS, CBC Radio

GEORGE CONNELL

President Emeritus, University of Toronto

ANDREW COYNE

Journalist

IAN GRAY

President, St. Lawrence Starch Co.

Secretary/Treasurer, ANNETTA TURNER

DAVID NOWLAN

Professor Emeritus, Economics, University of Toronto

CLIFFORD ORWIN

Professor of Political Science, University of Toronto

ANDREW ROMAN

Barrister & Solicitor, Miller Thomson

MARGARET WENTE

Columnist, Globe and Mail

September 4, 2009

BY EMAIL & 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-2009-0243

**Re: Toronto Hydro-Electric System Limited – THESL Z Factor Application
Interrogatories of Energy Probe**

Pursuant to Procedural Order No. 1, issued August 19, 2009, attached please find two hard copies of the Interrogatories of Energy Probe Research Foundation (Energy Probe) in respect of the EB-2009-0243 proceeding. An electronic version of this Intervention will be forwarded in PDF format.

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

Yours truly,

David S. MacIntosh
Case Manager

cc: Colin McLorg, Toronto Hydro-Electric System Limited (By email)
Peter T. Faye, Counsel to Energy Probe (By email)
Intervenors of Record (By email)

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

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

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 Toronto
Hydro-Electric System Limited for an order or orders
approving just and reasonable rates and other charges for
electricity distribution to be effective May 1, 2010.**

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

September 4, 2009

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED
Z FACTOR APPLICATION
RECOVERY OF CONTACT VOLTAGE REMEDIATION COSTS

EB-2009-0243

ENERGY PROBE RESEARCH FOUNDATION

Interrogatory # 1

Ref: Exhibit: Application, Page 4 - 5
Level III Remediation Activities

Background:

The evidence of the Applicant, beginning at Line 36 of Page 4, states

Existing handwells were systematically inspected because it had become apparent that they had significant potential to be involved in or contribute to an incident of contact voltage. Inspection revealed numerous instances of missing plastic caps; degraded or faulty insulation; and improper repacking of the conductors. Any faults or sub-standard conditions found on inspection were corrected to prevent a future instance of contact voltage from occurring.

Questions:

- a) Were all contact voltage problems found to be associated with handwells? If not, what other components of the distribution and/or SEL systems were involved in contact voltage problems?**
- b) Who has access to the handwells? Who is authorized to make connections in the handwells? Who gives that authorization?**
- c) In THESL's view, which of the parties identified in question b) above, was responsible for maintaining the connections in the handwells? Are records kept of maintenance activities in the handwells?**
- d) In THESL's view, how did the handwells come to be in the condition they were i.e. with missing plastic caps, degraded or faulty insulation and improper packing of conductors?**

- e) Does the Electrical Safety Authority (ESA) have jurisdiction to inspect connections in the handwells prior to energization? If yes, are connections normally inspected by ESA? If no, would ESA inspection, in THESL's view, assist in preventing recurrence of contact voltage problems caused by deficiencies in handwell connections?

Interrogatory # 2

**Ref: Exhibit: Application, Page 4
Level III Remediation Activities**

Background:

The evidence of the Applicant, beginning at Line 13 on Page 4 and continuing until Line 24, summarize the actions taken to resolve contact voltage problems once they were identified.

Questions:

- a) How many of the contact voltage problems were caused by THESL equipment?
- b) How many were caused by THESI equipment?
- c) How many were caused by third party connections?

For questions a) through c) above, responses using estimated percentages will be adequate if detailed records were not kept of each contact voltage problem.

Interrogatory # 3

**Ref: Exhibit: Application, Page 5, Table 1
Level of Costs Incurred**

Background:

The table sets out the costs of the contact voltage remediation effort.

Questions:

- a) Are THESI costs included in the total?
- b) If yes, please provide a breakdown to show THESL and THESI costs separately.
- c) If no, is THESI absorbing its costs?

Interrogatory # 4

**Ref: Exhibit: Application, Page 6
Recover Eligibility Analysis of Expenditures Incurred**

Background:

The evidence of the Applicant, beginning at Line 1 on Page 6, states:

THESL's claim of incrementality of these costs rests fundamentally on the facts that the necessity of the expenditures was unforeseen, and that the expenditures were novel. No such work had apparently been necessary previously and the project overall was certainly unprecedented on the THESL system. As a result, neither THESL nor any other party had knowledge beforehand that such expenditures might be necessary, and THESL clearly did not include these as part of its requested Opex budget for 2009.

These lines suggest that the contact voltage problem was an anomaly not seen before.

Questions:

- a) Please confirm whether this interpretation is correct.
- b) If it is correct, how was the system managed differently when THESL, and subsequently the City owned it, so that contact voltage problems did not arise?
- c) What maintenance activities did THESL perform on the system during its ownership?
- d) Did the City and THESI follow a similar maintenance program during their respective ownership of the system?

- e) **If not, would following a regular maintenance program, in THESL's view, have prevented deterioration of the system and the resulting contact voltage problems?**
- f) **If the answer to e) is Yes, would implementation by THESI of a regular maintenance program obviate the need for THESL to assume ownership of the SEL system?**