

**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 West
Coast Huron Energy for an Order or Orders
approving or fixing just and reasonable rates and
other charges for the distribution of electricity
commencing May 1, 2009.**

**INTERROGATORIES
OF THE
SCHOOL ENERGY COALITION**

1. The actuary report states that there was a January 2008 valuation report. Please explain what that is and why it was not included in the rate filing.
 - This actuary report is one and the same as the January 2008 valuation report and was included in this current rate filing.
 - This report was not available at the time the original application was filed.
2. SEC remains confused as to what the \$343,000 represents. In some places it is referred to as an "expense" and in others as a "liability". If it is a future liability- as opposed to an annual expense- then why isn't it a rate base item?
 - It is a future liability and as such was not included in rate base, also the amount was not detailed specifically in the original application since the amount was not known at the time of the original application.
3. The actuary report states that the calendar year 2009 expense is \$42,476. Please explain why that should not be the amount recorded in rates. The Accrued Benefit Obligation (ABO) appears to be an amount from previous years that was not expensed. If

any other OM&A expense is not charged to rates in a given year, the prohibition against retroactive ratemaking would preclude recovery of those expenses in subsequent years. Please explain how the ABO is any different.

- West Coast Huron Energy points to schedule D. Transitional Obligation/(Asset) schedule which details what has been applied for in this application. WCHE applied for \$21,000 which is related to the actual amortization for current year of \$21,431 of actual out of pocket expenses. This amount is the total transitional obligation as at January 1st of \$192,877 amortized over 9 years. The second portion being applied for is one fourth of the prepaid amount of \$150,000 or \$37,500. This is the total annual expenditure that WCHE has allowed for in this application of \$58,500.
- WCHE had not performed PRNPB in the past and has in fact incurred these costs and is looking to recover these amounts over the life of this COS application and in turn proposes to remove these amounts from its subsequent COS application. WCHE is not looking to charge its customers retroactively for rate increases only to recoup actual expenses incurred that had not been evaluated until the PRNPB report was completed.