

**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 Essex
Powerlines Corporation for an Order or Orders
approving or fixing just and reasonable rates and
other charges for the distribution of electricity
commencing May 1, 2010.**

**INTERROGATORIES
of the
School Energy Coalition**

1. Please confirm that the Applicant has 32 schools operated by publicly funded school boards in its franchise area. Please advise how many schools are in each of the GS<50 and GS>50 classes.
2. Please provide a schedule showing the major drivers of the gross revenue deficiency of \$1.791 million.
3. Regarding the changes in 2008 to improve compliance with the Affiliate Relationships Code, please:
 - (a) State, specifically, what portion of the Code prompted the changes and how the changes were designed to better comply with that section.
 - (b) Provide any report, memos, or other documents in which the need for the changes were discussed.

Rate Base and Capital Expenditures

4. Ex. 2: please provide a summary of EPC's annual capital expenditures, by major category, from 2006 to 2010.
5. Ex. 2/1/2, p. 2: regarding the transfer of assets into EPL from EPS (value of \$3.1 million), was there a corresponding decrease in affiliate service charges paid to EPS? If so, please identify where it is in the material.

OM&A

6. Ex. 4:

(a) Please provide a chart summarising the increases in OM&A per year by major cost driver (NOT by OM&A category), as follows:

	2006 Board approved	2006 actual	2007	2008	2009	2010
Opening Balance						
Inflation- non-wage related						
General Wage increases						
Additional staff						
Other items...LV charges, (change in bad debt costs, tree trimming costs, etc. (please itemize each)						
Closing Balance						

(b) Please provide a brief explanation for major increases or decreases in spending for each year. For inflation- or wage-related increases, please set out what assumptions were made.

7. Ex. 4: Please provide a copy of EPL’s incentive compensation policy.

Cost Allocation

8. The revenue to cost ratio for the GS<50kW rate class is increasing from 46% to 80% in one year. As a result, these customers face extraordinary rate increases: GS<50kW customers with 15,000kWh consumption, for example, face a distribution rate increase of 75% and a total bill increase of 16.4%. Given these increases please explain why the movement to 80% R/C ratio was not staggered over one or more years as has been the norm in other proceedings involving the revenue to cost ratios of streetlighting customers?

9. Please redo the bill impacts in Exhibit 8/4/4/2 assuming the GS<50kW customers were moved to 63% (half way between existing and bottom of the prescribed range) in 2010 (with a further increase to 80% in 2011).

Rate Design

10. Please provide the Lower and Upper Bound for the fixed charge for the GS>50kW rate class as defined in the Report of the Board on Cost Allocation for Electricity Distributors (EB-2007-0667)

11. Please re-do the bill impacts for the GS>50kW rate class (as set out in Ex. 8/4/4/2) assuming the fixed charge for that class is reduced to the Upper Bound level.