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October 29, 2010

BY EMAIL ONLY

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2010-0136
Kingston Hydro Corporation – 2011 Cost of Service Application
Energy Probe Interrogatories

Pursuant to Procedural Order No. 1, issued on October 12, 2010, please find attached the Interrogatories of Energy Probe Research Foundation (Energy Probe) in the EB-2010-0136 proceeding.

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

Yours truly,

David S. MacIntosh
Case Manager

cc: Randy Murphy, Kingston Hydro (By email)
Andrew Taylor, Energy Law (By email)
Randy Aiken, Aiken & Associates (By email)

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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 Kingston Hydro
Corporation for an order approving just and reasonable rates and
other charges for electricity distribution to be effective May 1,
2011.

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

October 29, 2010

**KINGSTON HYDRO CORPORATION
2011 RATES REBASING CASE
EB-2010-0136**

**ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES**

Interrogatory # 1

Ref: Exhibit 1, Tab 1, Schedule 4, page 7

At lines 11 through 12, Kingston indicates that it has increased the fixed rate component for residential customers to the maximum allowed by the cost allocation study in order to achieve revenue certainty.

Please comment on whether this increase in revenue certainty should be reflected in a lower return on equity to reflect the reduction in forecast risk to the company.

Interrogatory # 2

Ref: Exhibit 1, Tab 4, Schedule 3, page 2

The evidence at lines 5 through 11 indicates that Kingston has adjusted its amortization expense for the years 2005 through 2009 to reflect the half year rule for assets in the year of acquisition.

- a) Was the amortization expense for assets added in 2004 based on the half year or full year methodology?**
- b) How was the amortization expense related to additions in the test year that was included in the 2006 revenue requirement calculated?**

Interrogatory # 3

Ref: Exhibit 1, Tab 4, Schedule 7

- a) Have any of the loans to be secured in 2010 been obtained as of the current date? If yes, please provide details.**

- b) How has Kingston financed the 2009 capital expenditures if the \$2,250,000 will only be borrowed in late 2010?
- c) Has Kingston investigated the opportunity to borrow funds from Infrastructure Ontario? If not, why not?
- d) Please provide the current interest rate applicable on a 20 year loan from Infrastructure Ontario.

Interrogatory # 4

Ref: Exhibit 1, Tab 4, Schedule 10, Attachment 1

- a) Please explain the figures in the third through sixth columns of the Revenue Sufficiency/Deficiency sheet in the revenue requirement work book. In particular, why are some of the numbers different in these columns relative to the two columns shown under the Initial Application columns?
- b) Please explain the figures in the second through third columns of the Revenue Requirement sheet in the revenue requirement work book. In particular, why are some of the numbers different in these columns relative to the first column shown under the Application columns?

Interrogatory # 5

**Ref: Exhibit 2, Tab 1, Schedule 2, Attachment 1 &
Exhibit 1, Tab 4, Schedule 3**

- a) Does the Rate Base Trend Table include net assets based on the half year rule for depreciation for assets added in the current year for 2005 through 2010 as indicated in Exhibit 1, Tab 4, Schedule 3, page 2?
- b) How was the depreciation expense for 2006 calculated as part of the 2006 Approved EDR? If the depreciation expense for 2006 was based on the 2004 depreciation cost, please indicate if the 2004 expense used the half year, full year or some other methodology for assets added in 2004.
- c) If the 2004 depreciation expense did not use the half year rule for 2004, please provide a revised rate base trend table showing the net capital assets using the same method for calculating depreciation in the years 2005 through 2010 as used in 2010. Please use the half year rule for the 2011 test year.

Interrogatory # 6

Ref: Exhibit 2, Tab 3, Schedule 1, Attachment 1

- a) Please explain the wide fluctuation in contributions and grants between 2007 (\$124,494), 2008 (\$298,831) and 2009 (\$94,096).**
- b) Please explain why no contributions and grants have been forecast for 2010 and 2011. If the contributions and grants have been reflected through the use of net figures in other accounts, please provide tables for 2010 and 2011 that show the gross asset additions separately from the contributions and grants.**
- c) Is the 2010 forecast for all accounts based on the most recent year-to-date actual data available? If not, please update the 2010 project to reflect the most recent information available and the forecast for the remainder of the year.**
- d) Has Kingston received any contributions and grants on actual year-to-date basis for 2010? If yes, please provide the amount.**

Interrogatory # 7

Ref: Exhibit 2, Tab 4, Schedule 1, Attachment 1

- a) Please confirm that the net book value figures shown in Attachment 1 of Exhibit 2, Tab 4, Schedule 1 were used to calculate the rate base figures shown in Exhibit 2, Tab 1, Schedule 2, Attachment 1.**
- b) Please confirm that the net book value figures shown in Attachment 1 of Exhibit 2, Tab 4, Schedule 1 only include assets that were used and useful and in service and that the figures do not include the value of any construction work in progress.**
- c) What are the current year-to-date expenditures in 2010 for meters?**
- d) Please explain the significant increase in services (OH & UG) additions from \$62,850 in 2009 to \$130,000 in 2010 and \$150,000 in 2011.**
- e) What are the current year-to-date expenditures in 2010 for services (OH & UG)?**
- f) Capital expenditures on Tools, Shop & Garage Equipment have ranged from \$15,000 to \$35,000 in 2007 through 2009. Please explain the jump to \$90,000 in 2010 and to \$133,000 in 2011.**

Interrogatory # 8

Ref: Exhibit 2, Tab 4, Schedule 7, page 51

- a) Has Kingston received any further information confirming the additional costs of \$609,000 from Hydro One? If yes, please provide the details.**
- b) Has Kingston received any explanation from Hydro One for the increase from \$351,000 capital contribution to \$960,000?**

Interrogatory # 9

Ref: Exhibit 2, Tab 4, Schedule 7, pages 45-75

For each 2010 project listed, please confirm that the project is already in service or is still forecast to be in service before the end of 2010. If one or more projects are now forecast to be in service after the end of 2010, please identify the project(s) and the associated cost(s).

Interrogatory # 10

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

At lines 4 and 5 it is stated that annual energy consumption has been weather normalized using the most recent 10-year average from 2000 to 2009.

- a) Does this mean that Kingston has provided normalized actual energy consumption for each year over the period 2000 to 2009 based on the average of heating and cooling degree days over the 2000 through 2009 period or has Kingston simply used the average of the heating and cooling degree days over the 2000 through 2009 period to forecast the 2010 and 2011 annual energy consumption?**
- b) If Kingston has estimated the normalized actual energy consumption for 2000 through 2009, please provide a table that shows for each year the actual energy consumption, the normalized energy consumption, the actual heating degree days, the normal heating degree days, the actual cooling degree days and the normal cooling degree days.**

Interrogatory # 11

Ref: Exhibit 3, Tab 1, Schedule 1

- a) Are the customer figures shown in Attachment 1, year end customer counts or the average number of customers for the year?**
- b) The figures in Attachment 1 show that the number of GS < 50 kW customers forecast for 2010 shows a decline of 17 customers, followed by a reduction of 7 more customers in 2011 despite a reduction of only 3 customers in 2009 as compared to 2008. Please explain.**

Interrogatory # 12

**Ref: Exhibit 3, Tab 1, Schedule 2, Attachment 1 &
Exhibit 3, Tab 2, Schedule 1, Attachment 1**

- a) Please provide a live Excel spreadsheet with all the historical data for each of the equations shown on pages 4 and 5. Please also include the forecast of the explanatory variables used in the forecasts.**
- b) Please provide a definition for the variable named "GSTItCust" and explain how it is forecast.**
- c) Please include in the live Excel spreadsheet for the residential equation the number of residential customers.**
- d) Please provide the regression statistics for the two customer equations shown on page 12 in the same level of detail as the equations shown on pages 4 and 5.**
- e) How does the GS>50 customer forecast factor into the revenue forecast since it is not included as an explanatory variable in the corresponding volumetric equation?**
- f) Please provide the data used to estimate the equations noted in part (d) above in a live Excel spreadsheet, including the forecast of the explanatory variables used to forecast the customer counts.**
- g) Please update the employment forecast shown in Table 3 to reflect the most recent forecasts available from each of the four banks shown.**

- h) Please update the forecasts for 2010 and 2011 shown in Table 4 and Table 7 to reflect the impact of the updated employment forecasts, including any change related to the forecast of the GS>50 and GS<50 customers using the equations shown on page 12.
- i) Please update the 2011 revenue forecast using current distribution charges as found in Attachment 1 of Exhibit 3, Tab 2, Schedule 1 to reflect the revised forecast from part (h) above.
- j) For each class shown in Table 4 in Attachment 1, where the normalized 2009 kWhs are different than the actual 2009 kWhs, please provide all the calculations that result in the normalized figures provided. Please also provide a written explanation of how the 2009 normalized figures were determined.
- k) Please explain why some of the 2009 normalized figures are higher than the actual volumes while other normalized figures are lower than the actual volumes.
- l) Please explain how the actual 2009 kWh figures are used in the calculation of the normalized 2009 figures discussed in part (e) above.
- m) Please fill in the following table based on the formula and example for 2009 provided to calculate the normalization adjustment (the formula for the other weather sensitive rate classes would use the corresponding equation coefficients).

Service Class	2009 Actual kWh	Normalization Adjustment kWh (1)(2)	Normalized Actual kWh
Residential	196,461,750		
GS<50	93,350,687	737,226	94,087,913
GS>50	270,117,290		
Large Use	148,002,869		

(1) $(\text{Normal heating degree days} - \text{Actual heating degree days}) \times 3,328.19 + (\text{Normal cooling degree days} - \text{Actual cooling degree days}) \times 10,443.8$

(2) $(4,141.17 - 4,192.1) \times 3,328.19 + (245.62 - 158.8) \times 10,443.8 = -169,504.7 + 906,730.7 = 737,226$

- n) Based on the methodology illustrated above in part (l), please provide the weather normal figures for each rate class shown in Table 4 for each year from 2003 through 2009. Please also provide a revised Table 8 showing the normal average use per customer based on the revised normalized actual figures.

Interrogatory # 13

Ref: Exhibit 3, Tab 1, Schedule 3

- a) Please provide the prices for RPP and non-RPP customers used in the calculation of the weighted average price of \$0.06679.**
- b) Please provide the percentage of RPP and non-RPP volumes used to weight the price.**
- c) Please explain why the Adjustment to Address Bias Towards Unfavourable Variance and the Adjustment to Clear Existing Variance charges are not included in the non-RPP price.**
- d) Please update the cost of power to reflect the figures in the Regulated Price Plan Report issued by the OEB October 18, 2010. Please show all calculations used to generate the weighted average price.**
- e) If the weighted average price calculated in (d) above is based on the November, 2010 through October, 2011 prices, please explain why it would not be more appropriate to use the May, 2011 through April, 2012 prices to match the period for which rates are being requested.**

Interrogatory # 14

Ref: Exhibit 3, Tab 3, Schedule 3, Attachment 1

- a) For each of the line items shown in the table, please provide the most recent year-to-date figures available for 2010 and the corresponding year-to-date figures for 2009.**
- b) Where has Kingston recorded the costs associated with the revenues from merchandise, jobbing, etc (account 4325)? In other words, are the figures shown in account 4325 the net revenues from account 4325 and account 4330? If yes, please provide, for each year shown in the table, the gross revenues and costs separately. If no, please provide the associated costs for each year shown and please indicate where these costs are included in the evidence.**
- c) Please confirm that Kingston has not recorded any gains or losses from the disposition of utility and other plant (accounts 4355 and 4360) over the 2005 through 2009 period and that no such gains or losses have occurred to date in 2010.**

- d) Where has Kingston recorded the costs associated with the revenues from non-utility operations (account 4375)? In other words, are the figures shown in account 4375 the net revenues from account 4375 and account 4380 associated with OPA CDM activities? If yes, please provide, for each year shown in the table, the gross revenues and costs separately. If no, please provide the associated costs for each year shown and please indicate where these costs are included in the evidence.

Interrogatory # 15

Ref: Exhibit 3, Tab 3, Schedule 3, Attachment 2

- a) The forecast for account 4082 - Retailer Services Revenue appears to imply a reduction in the number of customers served by retailers in 2010 and 2011 as compared to 2009. Please explain why this is forecast to be the case.
- b) Please explain the decrease in revenues in account 4210 forecast for 2010 and 2011 as compared to 2009.
- c) Please explain the decrease in late payment charges (account 4225) for 2010 and 2011 as compared to 2009.
- d) Please provide the actual and forecasted level of bad debt expense for each year from 2005 through 2011.
- e) Please explain the reduction in 2011 as compared to 2010 for Administration Charges for Recoverable Work in account 4325.
- f) Please explain the significant drop in Revenue from Jobbing in account 4325 forecast for 2010 and 2011 as compared to 2009.
- g) Please provide the most recent year-to-date revenues for 2010 for Revenue from Jobbing in account 4325 and the corresponding year-to-date figure for 2009.
- h) Please provide the average balances and interest rates used to calculate the 2010 and 2011 interest on bank balances, investments and amounts owed to Kingston from other parties. Please indicate how the interest rate on each item is determined. Please also show the calculations that result in the revenues shown in account 4405.

Interrogatory # 16

**Ref: Exhibit 3, Tab 3, Schedule 5, Attachment 1 &
Exhibit 3, Tab 3, Schedule 4, Attachment 1**

- a) Please reconcile the different values shown for 2010 and 2011 for account 4080 - Distribution Services Revenue in the two attachments noted. If this difference is related to the forecast of microFIT generator revenue, please explain how this forecast has been determined, including historical and forecast number of microFIT connections.**
- b) Which figure has been used as a revenue offset in the calculation of the base revenue requirement?**

Interrogatory # 17

**Ref: Exhibit 3, Tab 3, Schedule 5, Attachment 1 &
Exhibit 3, Tab 3, Schedule 3, Attachment 1**

- a) Please reconcile the different values shown for 2010 and 2011 for account 4405 - Interest and Dividend Income in the two attachments noted.**
- b) Which figure has been used as a revenue offset in the calculation of the base revenue requirement?**

Interrogatory # 18

Ref: Exhibit 3, Tab 3, Schedule 5, Attachment 1

- a) Please quantify the 20% of the net proceeds that were credited to Kingston Hydro customers and recorded to account 1590 in 2008, as noted at lines 23-24 on page 2.**
- b) Has this amount been returned to customers? If so, how was it returned to customers? If not, how does Kingston propose it be returned to customers?**
- c) Please provide the excerpts from the Regulatory Assets Proceeding (EB-2005-0527, RP-2005-0020) that deal with the allocation of any proceeds received from a legal dispute fairly and equitably by Kingston Hydro.**

Interrogatory # 19

Ref: Exhibit 4, Tab 1, Schedule 1

- a) What would be the impact on the revenue requirement if the Board approved an increase in the OM&A cost per customer in 2011 to the average operating costs per customer for the other 14 utilities in its cohort, or \$238 per customer, as projected by Kingston rather than the requested increase that results in a cost of \$254 per customer?**
- b) Please provide a table showing the OM&A per customer for each year and each of the 14 utilities in the same cohort as Kingston for the years 2006 through 2009.**
- c) What is the specific impact of the 2.0% inflation forecast in dollar terms on the increase in 2011? In particular, what portion of the \$131,000 shown in Table 2 is due to inflation?**

Interrogatory # 20

Ref: Exhibit 4, Tab 2, Schedule 1

Please provide a table in the same format as Table 5 that shows the most recent year-to-date actual expenditures for 2010 to the corresponding year-to-date period for 2009.

Interrogatory # 21

Ref: Exhibit 4, Tab 2, Schedule 3

- a) Please provide the details of the Collective Agreement between Utilities Kingston and the International Brotherhood of Electrical Workers, including the term of the current agreement and the wage increased provided for over each year of the agreement.**
- b) Please provide the historical increase for 2007 through 2009 for each group of employees: unionized, non-union and management.**
- c) Please provide the forecasted increase for 2010 and 2011 for each group of employees: unionized, non-union and management. For each group of employees please provide the impact on the revenue requirement of a one percentage point reduction in the forecasted increase for each of 2010 and 2011 and for 2011 assuming a cumulative impact of a one percentage point reduction in the forecasted increase for 2010 and 2011.**

- d) Is the powerline crew noted on page 17 employed by Kingston Hydro or Utilities Kingston?
- e) Will the five Journeyperson Powerline Technicians and the two Journeyperson Substation Electricians forecast to be hired in 2011 be hired by Kingston Hydro or Utilities Kingston?
- f) Will the two additional Engineering Technologists noted at the bottom of page 18 be employees of Kingston Hydro or Utilities Kingston?
- g) When has Kingston forecast the hiring of the communications/customer liaison professional (page 20) to take place in 2011? Is the \$82,000 inclusive of wages and all benefits? If not, please provide the all in cost associated with this position.
- h) Please provide the OMERS costs for each year for 2007 through 2009, and the forecasts for 2010, 2011 and each of the four years that increase the costs by \$328,000.
- i) Please explain why the \$100,000 shown in 2009 actuals for the 2011 Cost of Service Application is not offset by a corresponding reduction in 2010? In other words is the \$100,000 expense in 2009 related the COS application a permanent increase for 2010 and 2011? If yes, please explain.

Interrogatory # 22

Ref: Exhibit 4, Tab 2, Schedule 2

- a) Please explain the increase forecast for 2010 and 2011 relative to 2009 for account 5610 - management salaries and expenses.
- b) Please explain the significant increase forecast for 2011 in account 5615 - general administrative salaries and expenses.
- c) Please explain the rationale and need for the increases forecast for 2010 and 2011 relative to 2009 in account 5630 - outside services employed.
- d) Please explain the increase forecast for 2011 in account 5665 - miscellaneous general expenses.

Interrogatory # 23

Ref: Exhibit 4, Tab 2, Schedule 4

- a) Please provide the year-to-date costs invoiced to Kingston for legal costs for regulatory matters (line 5).
- b) Please provide the year-to-date costs invoiced to Kingston for consultant costs for regulatory matters (line 6).
- c) Are the legal and consultant costs noted above incurred by Kingston Hydro or Utilities Kingston? Please explain.
- d) Did Kingston Hydro/Utilities Kingston undertake a competitive bidding process for cost of service filing consulting and/or legal assistance? If not, why not? If yes, did Kingston Hydro/Utilities Kingston accept the lowest cost bids? If not, why not?

Interrogatory # 24

Ref: Exhibit 1, Tab 2, Schedule 3

Are any of the costs associated with the Board of Directors of Utilities Kingston included in the revenue requirement of Kingston Hydro? If yes, please provide the forecast of these costs included in the 2011 revenue requirement.

Interrogatory # 25

**Ref: Exhibit 4, Tab 4, Schedule 1 &
Exhibit 4, Tab 4, Schedule 3**

- a) How many of the 60.91 FTEs shown for the 2011 test year in Table 1 are directly employed by Kingston Hydro and how many are employed by Utilities Kingston?
- b) Where is the incentive pay noted in Schedule 3 reflected in the figures shown in Table 1 in Schedule 1?
- c) What is the total incentive pay included in the forecast for 2010 and 2011?
- d) What was the actual level of incentive pay in 2009?

- e) Why should Kingston Hydro customers be expected to pay for incentive payments for the employees of Utilities Kingston?
- f) The evidence (page 1 of Schedule 3 at lines 11-16) talks about goals established that are based on the corporation's values and the contributions to the corporation's goals. Please identify the corporation that is being referred to: Kingston Hydro or Utilities Kingston.
- g) Please provide a copy of the "Contributions Agreement for Non-Union Employees" referred to at lines 15-16 on page 1 of Schedule 3.

Interrogatory # 26

**Ref: Exhibit 4, Tab 5, Schedule 1 &
Exhibit 4, Tab 4, Schedule 1, Table 1**

- a) How does Utilities Kingston allocate the benefits and cost reductions associated with the co-operative education tax credit (CETC), apprenticeship training tax credit (ATTC) and federal apprenticeship job creation tax credit to Kingston Hydro?
- b) How many employees is Utilities Kingston forecast to have in 2011? How many employees did Utilities Kingston have in 2009?
- c) Using the direct allocation and three allocation methodologies described in Exhibit 4, Tab 5, Schedule 1, please show the derivation of the 60.91 FTEs for 2011 allocated to Kingston Hydro as shown in Table 1 of Exhibit 4, Tab 4, Schedule 1.
- d) Using the direct allocation and three allocation methodologies described in Exhibit 4, Tab 5, Schedule 1, please show the derivation of the 43.79 FTEs for 2009 allocated to Kingston Hydro as shown in Table 1 of Exhibit 4, Tab 4, Schedule 1.
- e) The evidence indicates that there is no return on invested capital charged to Kingston Hydro (Exhibit 4, Tab 5, Schedule 1, page 1, lines 25-26).
 - i) Does Utilities Kingston include depreciation costs on the invested capital charged to Kingston Hydro?
 - ii) If yes, are the depreciation rates used by Utilities Kingston equivalent to the OEB approved rates that Kingston Hydro would use if it owned the capital assets? If not, please specify any differences.
 - iii) If yes, please explain how the depreciation costs are allocated to Kingston Hydro.

- iv) If yes, does Kingston Hydro agree that it is receiving a partial return on these assets by including the depreciation expense in the OM&A costs and increasing rate base by 15% of this amount? In other words, does Kingston Hydro agree that the rate base is higher than it would be if Kingston Hydro owned the assets directly and recorded the associated depreciation separately from the OM&A costs?
- v) What is the estimated depreciation cost included in the costs recovered from Kingston Hydro by Utilities Kingston for the 2011 test year?

Interrogatory # 27

Ref: Exhibit 4, Tab 5, Schedule 1, Attachment 1

Please explain why 100% of the SCADA costs are allocated to Kingston Hydro? Is the SCADA system used by the gas utility?

Interrogatory # 28

Ref: Exhibit 4, Tab 8, Schedule 1, Attachment 3

Please confirm that the difference between the UCC at the end of the Bridge Year (\$35,692,079) and the UCC Test Year Opening Balance (\$34,340,789) is the result of the removal of the smart meter capital costs from the CCA calculations. If this cannot be confirmed, please explain the difference.

Interrogatory # 29

**Ref: Exhibit 4, Tab 8, Schedule 1, Attachment 3 &
Exhibit 2, Tab 3, Schedule 1, Attachment 1**

It appears that the CCA Schedule 8 for 2009 includes the addition of \$29,969 (overhead conductors and devices) and \$15,618 (meters) to CCA Class 1. CCA Schedule 8 for the Bridge Year shows the addition of \$263,000 (meters) to CCA Class 1 and CCA Schedule 8 for the Test Year shows the addition of \$100,000 (meters) to CCA Class 1.

Please explain why these assets are added to CCA Class 1 rather than CCA Class 47, which applies to electricity transmission and distribution equipment that was acquired after February 22, 2005.

Interrogatory # 30

Ref: Exhibit 5, Tab 1, Schedule 1

- a) Please explain why Kingston would convert the short term loan with an interest rate of 1.21% as at December 31, 2009 in the amount of \$2,250,000 to a 20 year long term bank loan with an expected rate of 4.84%.
- b) What is the current rate applicable to this short-term loan?
- c) Please update the expected interest rate of 4.84% based on information from the lending facility.
- d) Has Kingston approached Infrastructure Ontario in order to fund some of the 2010 and/or 2011 capital investments? If not, why not? If yes, please provide all correspondence with Infrastructure Ontario.
- e) Please provide the current rates for each term available from Infrastructure Ontario.

Interrogatory # 31

Ref: Exhibit 5, Tab 1, Schedule 1

The evidence notes that Kingston paid down \$1,500,000 of the loan to its shareholder, the City of Kingston, reducing the loan payable to \$10,880,619.

- a) Please provide a copy of the loan agreement between Kingston Hydro and the City of Kingston.
- b) Can Kingston pay off all or part of the remaining outstanding principle of this loan without the consent of the City? If no, please indicate where this restriction is in the loan agreement.
- c) Has Kingston Hydro investigated the possibility of refinancing some or all of the remaining outstanding balance payable to the City of Kingston at a rate lower than 7.25%? If yes, please provide the details and all related correspondence. If no, why not?
- d) What provisions, if any, are in the loan agreement if Kingston Hydro opted to refinance any or all of the loan from the City of Kingston?

Interrogatory # 32

**Ref: Exhibit 6, Tab 2, Schedule 1, Attachment 1 &
Exhibit 1, Tab 4, Schedule 10, Attachment 1**

- a) Please reconcile the gross revenue deficiency of \$2,651,557 noted in Attachment 1 of Exhibit 6, Tab 2, Schedule 1 with the calculation of the gross revenue deficiency of \$3,370,922 shown in the Revenue Requirement Work Form in Attachment 1 of Exhibit 1, Tab 4, Schedule 10.**
- b) Please explain why there are no PILs shown on Exhibit 6, Tab 2, Schedule 1, Attachment 1 in the 2011 Projection column.**
- c) What is the actual revenue deficiency being claimed by Kingston?**