

IN THE MATTER of the *Ontario Energy Board Act 1998*, Schedule B to the *Energy Competition Act*, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Clinton Power Corporation for an Order or Orders approving just and reasonable rates and other service charges for the distribution of electricity, effective on July 1, 2010.

SECOND ROUND INTERROGATORIES
OF THE
SCHOOL ENERGY COALITION

1. [SEC #1] Please advise if any of the schools are sentinel lights customers.
 - ***Yes there are two schools that are sentinel light customers, each school has one light.***
2. [SEC #4] Please confirm the numbers as requested.
 - ***Clinton Power confirms the number as listed.***
3. [SEC #9] Please advise how many people were directly employed by the Applicant in 2006, and how many are currently directly employed by the Applicant.
 - ***There were 4 employees employed in 2006 and 3.4 employees employed in 2010.***
4. [SEC #10] Please provide a comprehensive table showing all amounts included in the Applicant's OM&A or capital that consist of payments to affiliates or partially owned subsidiaries of affiliates, identifying the affiliate paid, the basis for the payment, and the agreement under which the payment is made.
 - ***There are no costs in the Capital spend from any affiliates.***
 - ***The following is the costs by affiliates in the OM&A:***
 - ***ERTH: Rates and Regulatory (excluding rate application), accounting and President's remuneration \$132K***
 - ***Ecaliber: Billing, collection, printing, bill stuffing \$79k***
 - ***Cru: Wholesale meter point \$10.5k***
 - ***E360: CDM, there is on rate impact on CDM as it is OPA funded***
 - ***ETPL: provide engineering and purchasing on a fee for service***

5. [SEC #10] Please provide the table of numbers requested, plus the basis for each charge, the costs underlying each charge, and the service level agreement, all as originally requested.
 - ***ERTH: charges for accounting is based on a fee for service on an hourly rate estimated at \$36k. Rates and Regulator and the President are based on a flat fee of \$96K per annum***
 - ***Ecaliber is at a rate of \$4.17per customer***
 - ***Cru solution is for the operation and maintenance of the Wholesale meter point @ \$400 per meter point per month, there is two meter point in Clinton.***
 - ***E360 there are no costs in the application for E360 as they are funded by the OPA contract.***
 - ***ETPL are based on a fee for service the cost structure is***
 - ***Engineering @ \$60.20 per hour***
 - ***Purchasing @ \$ 52.50 per hour***

6. [SEC #11] Please provide the table of numbers requested, plus the basis for each charge, the costs underlying each charge, and the service level agreement, all as originally requested. Please provide a list of officers and directors as requested.
 - ***The Directors and Officers are as follows:***

Barb McLean Chair
Gary Tobin Director
Jeff Pettit Director
Wally Curry President
Graig Pettit Treasure
Tyler Moore Company Secretary

7. [SEC #12] Please identify which titles represent employees of the Applicant, and which represent functions supplied by third parties, and in the latter case the costs associated with those functions, all as originally requested.
 - ***All of the above functions are supplied by third party personnel.***
8. [SEC #13] Please explain why the arrangement described is a lower cost. Please provide a copy of the agreement requested. Please provide the RFP, comparative analysis, and other documentation requested.
 - ***If the resource was not shared between the two companies then there would be a requirement for an additional person, this would lead to inefficiencies as stated in our initial response.***
9. [SEC #14] Please provide a response to this interrogatory.
 - ***There has been no sole source procurement over the past 10 months and prior to January 1st, 2010 the board at the time was inactive in the operations of the utility.***

10. [SEC #17] Please confirm that the \$160,000 cost for West Perth is in addition to the \$140,000 cost for Clinton. Please provide a breakdown of these amounts, and identify any affiliates that will receive any of these amounts, together with the reasons for the payments to affiliates, and the amounts, as well as the agreements relating to those payments.
- ***The breakdown for these costs can be found in the responses to the Board Staff supplemental interrogatories. Payments to affiliates are based on simple cost pass through and no agreements are available.***
 - ***The cost for West Perth is in addition to the cost for Clinton and are estimates only.***
11. [Staff #51] Please advise whether the GS>50 KW volumetric rate proposed is \$6.6147 as set out in this table, or \$3.4316 as set out in Exhibit 8/1/6, page 2. Please confirm that for a school with a 100 KW demand, the existing rates produce an annual distribution charge of \$5,205.84 (\$31.84 plus \$401.98 times 12), and the proposed rates produce an annual distribution charge of \$10,400.52 (\$204.84 plus \$661.87 times 12).
- ***The GS>50 kW volumetric rate proposed is \$6.6147.***
 - ***It is confirmed that the rates proposed do produce the impacts quoted above.***
12. [VECC #6] Please divide the planned capital and OM&A spending for the test year between spending in the ordinary course of business, and spending to catch up from underinvestment in prior years.
- ***It is impossible to assess what would have been “ordinary course of business” as opposed to spending to catch up from underinvestment in prior years. What can be stated is that the entire system has suffered from ten years of neglect and the Test Year capital spending is what current management has deemed critical for safety and reliability of its supply to its customers.***
13. [VECC #16] Please provide full details of the “conversion fees” referred to.
- ***The conversion note has been paid in full as of 2009 and do not impact the test year in this application.***
 - ***This conversion note allowed Clinton Power to pay the costs to convert to Harris billing over time instead of a lump sum payment.***

Respectfully submitted on behalf of the School Energy Coalition this 19th day of October, 2010

Jay Shepherd
Counsel for the School Energy Coalition

