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November 15, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli,

RE: EB-2010-0142 - Interrogatories of the Building Owners and Managers Association of the Greater Toronto Area

Please find attached the interrogatories of the Building Owners and Managers Association of the Greater Toronto Area in the above noted application.

Sincerely,

Randy Aiken

Randy Aiken
Aiken & Associates

Encl.

cc: Glen Winn, Toronto Hydro-Electric System (e-mail & courier)
J. Mark Rodger, Borden Ladner Gervais LLP (e-mail only)
Intervenors of Record (e-mail only)

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 approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2011.

INTERROGATORIES OF THE BUILDING OWNERS AND MANAGERS ASSOCIATION OF THE GREATER TORONOTO AREA ("BOMA")

Issue 3.1 Are the overall levels of the 2011 Operation, Maintenance and Administration budgets appropriate?

Interrogatory # 1

Ref: Exhibit C1, Tab 2, Schedule 2, page 1

a) Please provide the forecast amount included in the test year revenue requirement for cost paid by THESL to THC for Board of Director costs.

b) If the above figure includes costs related to the THESL Board of Directors, please indicate the amount of these costs included in the above amount. If the above figure does not include the costs related to the THESL Board of Directors, please provide the cost included in the revenue requirement related to the THESL Board of Directors.

Issue 1.2 Are Toronto Hydro's economic and business planning assumptions for 2011 appropriate?

Interrogatory # 2

Ref: Exhibit C1, Tab 4, Schedule 1, Appendix B

a) Is the CPI forecast for 2011 of 2.5% shown on page 5 the forecast for the Canadian CPI or the Ontario CPI?

b) Please provide the date of the Conference Board of Canada forecast used for the CPI forecast.

c) What is the corresponding CPI forecast based on the latest available Conference Board of Canada forecast?

d) Please provide a table that shows the average Ontario CPI forecast for 2011 from the publically available forecasts from the major Canadian banks.

e) What is the impact on the test year revenue requirement of a 50 basis point change in the CPI forecast (for example from 2.50% to 2.00%)?

f) What are the total IFRS related costs included in the 2011 revenue requirement? Please provide a breakdown of these costs.

g) Is the 2011 rates filing based on IFRS or CGAAP?

Issue 1.2 Are Toronto Hydro's economic and business planning assumptions for 2011 appropriate?
Issue 3.4 Are the 2011 Human Resources related costs (wages, salaries, benefits, incentive payments, labour productivity and pension costs) including employee levels, appropriate? Has Toronto Hydro demonstrated improvements in efficiency and value for dollar associated with its compensation costs?
Issue 2.1 Is the load forecast and methodology appropriate and have the impacts of Conservation and Demand Management initiatives been suitably reflected?

Interrogatory # 3

Ref: Exhibit C1, Tab 4, Schedule 1, Appendix C

a) Please update Tables 1 & 2 to reflect the most recent forecast available from the Conference Board of Canada.

b) Please provide the current figure for 2010 FTEs that is comparable to the figure of 1773 shown in Table 4.

c) With respect to Table 6, what is the impact on 2011 rate base of using the OEB prescribed rates of 4.66% for Q3 2010 and 4.01% for Q4 2010? Please indicate the change in AFUDC.

d) With respect to Table 6, what is the impact on 2011 rate base of using the OEB prescribed rate of 4.01% for Q4 2010 as the applicable rate for the 2011 test year. Please indicate the change in AFUDC.

e) Please explain how "mid-year" as used in Table 7 is defined. For example, is it the average of the number customers at the beginning and end of the month or the average number of customers on a month by month basis?

f) Please provide the actual number of customers in the same level of detail as shown in Table 7 for the most recent month available for the 2010 bridge year. Please also provide the actual number of customers for the same month in 2009.

g) Is the reduction in GS < 50 kW customers forecast for 2010 and 2011 related to customers migrating to the GS 50 kW to 999 kW class? If not, what is driving the decrease in the GS < 50 kW forecast?

h) Please update Table 8 to reflect the OEB prescribed rates for Q3 and Q4 of 2010.

i) What is the basis for the forecasted rates in Table 8 for 2011? Please update this forecast to reflect the most recent information available.

Issue 1.2 Are Toronto Hydro's economic and business planning assumptions for 2011 appropriate?

Interrogatory # 4

Ref: Exhibit C1, Tab 4, Schedule 2

a) Please update Table 1 to reflect the most recent Conference Board of Canada's Metropolitan Outlook.

b) Please provide the most recent Metropolitan Outlook in Appendix A.

Issue 3.4 Are the 2011 Human Resources related costs (wages, salaries, benefits, incentive payments, labour productivity and pension costs) including employee levels, appropriate? Has Toronto Hydro demonstrated improvements in efficiency and value for dollar associated with its compensation costs?

Interrogatory # 5

Ref: Exhibit C2, Tab 1, Schedule 5

Please explain the difference in the number of trades apprentices and technical apprentice staff shown in Tables 2 and 3 with the figures shown in Table 4 for the total headcount at year end.

Issue 4.1 Are the amounts proposed for Rate Base appropriate?

Interrogatory # 6

Ref: Exhibit D1, Tab 2, Schedule 1

There appear to be significant differences in the gross fixed asset calculations for the 2010 bridge year as compared to that approved by the Board for the 2010 test year (tables 3 and 4).

a) Please explain the reduction in the 2009 closing balance from $3,969.3 million used as the opening balance for the 2010 test year approved calculation and the $3,905.5 million shown as the actual closing balance for 2009.

b) Please provide the 2009 capital additions as approved in EB-2007-0680, the bridge year 2009 additions as used in EB-2009-0139 and the actual capital additions for 2009.

c) Capital additions for 2010 have declined by $10.4 million between the EB-2009-0139 Board-approved level and the current bridge year forecast. There are also significant changes in the mix of capital additions between the current bridge year forecast and the EB-2009-0139 Board-approved forecast. Please explain the significant change in the amount and mix of the capital additions for 2010.

d) If not contained in the response to part (c) above, please explain the increase in capital contributions from $8.3 million in the EB-2009-0139 Board-approved figures to $28.7 million in the current bridge year forecast for 2010.

e) Please explain and justify the significant reduction in the forecast level of contributions and grants from the levels shown for 2008, 2009 and 2010. In particular, which category or categories shown in the tables are related to the contributions and grants received?

f) Do the 2010 and 2011 figures shown in Tables 4 and 5 reflect the elimination of the PST effective July 1, 2010? If not, why not? If yes, please quantify the reduction in each of 2010 and 2011 related to the removal of the PST.

g) Please provide the amount of PST included in the cost of capital additions for 2008, 2009 and 2010.

h) Please provide two additional tables, similar to Table 4, that shows the Board approved figures for the 2008 and 2009 test years from EB-2007-0680.

Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

<u>Interrogatory # 7</u>

Ref: Exhibit D1, Tab 3, Schedule 1

a) With respect to Table 3, has the elimination of the provincial sales tax half way through the 2010 bridge year been reflected in the figures? If not, why not? If yes, please quantify the reduction in the 2010 bridge year related to the elimination of the PST on July 1, 2010.

b) Has the elimination of the PST been reflected in the 2011 test year figures provided in Table 4? If not, why not? If yes, please quantify the reduction in the 2011 test year related to the elimination of the PST in 2010.

c) Please provide an estimate of the PST cost included in OM&A costs for 2008, 2009 and 2010.

Issue 4.1 Are the amounts proposed for Rate Base appropriate?

Interrogatory # 8

Ref: Exhibit D1, Tab 3, Schedule 2

a) Please provide a table in the same level of detail (or in total if Board approved figures are not available for the level of detail shown) as shown in Table 2 that provides a comparison between the EB-2007-0680 Board-approved figures for 2009, the 2009 bridge year forecast filed in EB-2009-0139 and the actual levels recorded for 2009.

b) Please provide a table in the same level of detail (or in total if Board approved figures are not available for the level of detail shown) as shown in Table 3 that provides a comparison between the RB-2009-0139 Board-approved figures for 2010 and the current bridge year forecast for 2010.

Issue 3.1 Are the overall levels of the 2011 Operation, Maintenance and Administration budgets appropriate?
Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

Interrogatory # 9

Ref: Exhibit D1, Tab 7, Schedule 1

a) Please provide the estimated savings in the 2011 test year associated with the reductions in fuel consumption and changes in fuel type noted on page 6.

b) Please provide a version of Table 2 that shows the 2008 and 2009 Board approved figures from EB-2007-0680 and the 2010 Board approved figures from EB-2009-0139.

Issue 4.1 Are the amounts proposed for Rate Base appropriate?

Interrogatory # 10

Ref: Exhibit D1, Tab 8, Schedule 1

a) Please provide the most recent year-to-date sustaining capital expenditures for 2010 in the same level of detail as shown in Table 1.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

c) Does THESL have reliability performance indicators for the downtown core area? If yes, please provide a version of Table 2 that is for the downtown core area.

d) Please provide the reliability statistics for the eight cities noted on page 4.

<u>Interrogatory # 11</u>

Ref: Exhibit D1, Tab 8, Schedule 2

a) Please provide the most recent year-to-date reactive capital expenditures for 2010 in the same level of detail as shown in Table 1.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

<u>Interrogatory # 12</u>

Ref: Exhibit D1, Tab 8, Schedule 3-2 & Exhibit D1, Tab 7, Schedule 1

a) Please provide the most recent year-to-date customer connection capital expenditures for 2010.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

c) Please provide the number of customer connections associated with the capital expenditures for each of 2008 through 2011. Please also provide the actual number of customer connections for the most recent year-to-date period available in 2010.

d) Please provide the most recent year-to-date customer capital contribution for 2010 (as shown in Table 2 of Exhibit D1, Tab 7, Schedule 1).

<u>Interrogatory # 13</u>

Ref: Exhibit D1, Tab 8, Schedule 4

Please confirm that the asset management figure of $2.8 million shown for the 2010 bridge year has either been paid or is still expected to be paid by the end of 2010. If this cannot be confirmed, please provide the projected figure for 2010 based on costs to date and forecasts for the remainder of the year.

Interrogatory # 14

Ref: Exhibit D1, Tab 8, Schedule 5

a) Please provide the most recent year-to-date engineering capital expenditures for 2010.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

Interrogatory # 15

Ref: Exhibit D1, Tab 8, Schedule 6-1

a) Please provide the most recent year-to-date fleet and equipment services capital expenditures for 2010.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

Interrogatory # 16

Ref: Exhibit D1, Tab 8, Schedule 6-2

a) Please provide the most recent year-to-date general plant - facilities and asset management capital expenditures for 2010.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

Interrogatory # 17

Ref: Exhibit D1, Tab 8, Schedule 7

a) Please indicate if there is any significant deviation in the current projection for 2010, based on the most recent year-to-date actual expenditures, from the $9.9 million shown in Table 1. If yes, please explain the change.

b) The evidence indicates at page 2 that fewer than 10,000 of the residential customers will still require a smart meter installation in 2011, while Table 1 shows a figure of 22,400 for the residential and GS < 50 kW class. Please confirm that this implies that more than 12,000 GS < 50 kW customers require a smart meter installation in 2011. If this cannot be confirmed, please reconcile the figures noted. What percentage of GS < 50 kW customers still require the installation of a smart meter?

c) What is the average length of the lag referred to in the footnote to Table 2?

Interrogatory # 18

Ref: Exhibit D1, Tab 8, Schedule 8-1

a) Please provide the most recent year-to-date IT-Enabled Portfolios capital expenditures for 2010 in the same level of detail as shown in Table 1.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

Interrogatory # 19

Ref: Exhibit D1, Tab 8, Schedule 9-1

a) For each project shown in Table 1, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 20

Ref: Exhibit D1, Tab 8, Schedule 9-2

a) For each project shown in Table 2, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 21

Ref: Exhibit D1, Tab 8, Schedule 9-3

a) For each project shown in Table 1, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 22

Ref: Exhibit D1, Tab 8, Schedule 9-4

a) For each project shown in Table 4, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 23

Ref: Exhibit D1, Tab 8, Schedule 9-5

a) For each project shown in Table 5, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 24

Ref: Exhibit D1, Tab 8, Schedule 9-6

a) For each project shown in Table 6, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 25

Ref: Exhibit D1, Tab 8, Schedule 9-7

a) For each project shown in Table 1, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 26

Ref: Exhibit D1, Tab 8, Schedule 9-10

a) For each project shown in Table 1, please show whether the project is forecast to be in service and included in rate base by the end of 2011.

b) For each project identified in part (a) above that was forecast to be in service and included in rate base by the end of 2011, please confirm that based on the most recent information for each project that this is still the case. If this cannot be confirmed, please indicate which of these projects is now not forecast to be in service by the end of 2011.

Interrogatory # 27

Ref: Exhibit D1, Tab 8, Schedules 9-1 through 9-10

a) Please provide a table showing all of the 2010 capital expenditure projects with an estimated cost of $500,000 or more that were included in the original forecast and are included in the total capital expenditures of $351.1 million. For each project please show the year the project is expected to be in service and included in rate base.

b) For each project in (a) above that was identified as coming into service and into rate base in 2010, please identify any projects which are now not expected to be in service by the end of 2010 based on the latest information currently available. For any such project identified, please indicate whether the project is now scheduled to be in service by the end of 2011 or whether the project has been delayed to beyond 2011.

Issue 4.1 Are the amounts proposed for Rate Base appropriate?

Interrogatory # 28

Ref: Exhibit D1, Tab 9, Schedule 1

a) Please provide the most recent year-to-date equipment standardization portfolio capital expenditures for 2010 shown in Table 1.

b) Please indicate if the forecast for the remainder of 2010, in conjunction with the actual expenditures referred to in part (a) above is different that the forecast for 2010 shown in Table 1. Please also provide an explanation for the change.

<u>Interrogatory # 29</u>

Ref: Exhibit D1, Tab 9, Schedule 2 & Exhibit D1, Tab 7, Schedule 1

a) The 2010 downtown contingency capital expenditures shown in Table 2 of Exhibit D1, Tab 7, Schedule 1 is $13.1 million. Please confirm that based on the most recent information available that THESL still expects to spend this amount.

b) Will the 2010 expenditures be placed into service and into rate base at the end of 2010 or will some of these expenditures be placed into CWIP and placed into service in 2011?

Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

<u>Interrogatory # 30</u>

Ref: Exhibit D1, Tab 9, Schedule 5-1

The ratio of net to gross costs shown in Table 5 are approximately 44% in 2008, 65% in 2009 and 50% in 2010, for an average over this period of 53%. The corresponding ratio forecast for the 2011 test year is 82%. Please explain why the contributions forecast for 2011 are significantly lower in proportion to the gross costs than in the three previous years.

Issue 4.1 Are the amounts proposed for Rate Base appropriate?
Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

<u>Interrogatory # 31</u>

Ref: Exhibit D1, Tab 9, Schedule 6

a) Will any of the 2010 capital expenditures shown in Tables 1 & 2 be in service and closed to rate base in 2010? in 2011? Please explain if yes in either year.

b) Will any of the 2011 capital expenditures shown in Tables 1 & 2 be in service and closed to rate base in 2011? If yes, please explain.

Issue 4.2 Are the amounts proposed for 2011 Capital Expenditures appropriate including the specific Operational and Emerging Requirements categories?

<u>Interrogatory # 32</u>

Ref: Exhibit D1, Tab 9, Schedule 8

a) What is the projected life of the battery system?

b) Given that the expected in service date is anticipated to be the end of 2011, has THESL included the $30 million expenditure in the calculation of the 2011 rate base?

c) Can the storage system be used to reduce the transmission related costs incurred by THESL? Please explain.

Issue 3.5 Is Toronto Hydro's depreciation expense appropriate?

<u>Interrogatory # 33</u>

Ref: Exhibit D1, Tab 13, Schedule 1

a) Please provide the calculation of the test year depreciation expense in the format shown in Appendix 2-M of Chapter 2 of the Filing Requirements for Transmission and Distribution Applications dated June 28, 2010.

b) How does THESL calculate depreciation on capital expenditures closed to rate base in the historical, bridge and test years? Does THESL calculate a full year of depreciation regardless of when the asset is placed in service, or does THESL use the half year approach whereby it is assumed that the asset is placed in service at mid-year or does THESL estimate the timing of when the asset is placed in service and begin the calculation of depreciation based on this expected "in service" date? If the latter, please provide an estimate of the weighted average in-service date as compared to the mid-year approach.

Issue 5.2 Is the proposed Long-Term Debt Rate appropriate?

<u>Interrogatory # 34</u>

Ref: Exhibit E1, Tab 1, Schedule 1

a) Has THESL obtained any additional medium or long-term debt in addition to that shown in Table 2 since June 1, 2010? If is, please update Table 2 to reflect the additions.

b) Please update the rates and spreads shown in Table 3 to reflect the most recent forecasts and estimates available.

<u>Interrogatory # 35</u>

Ref: Exhibit E1, Tab 3, Schedule 2 & Exhibit E1, Tab 4, Schedule 2

a) Please explain the $50,000 reduction in financing costs relative the Board approved level in 2010 in Tables 1 and 2 of Exhibit E1, Tab 3, Schedule 2.

b) Please explain what is driving the increase in financing costs in 2011 shown in Table 1 of Exhibit E1, Tab 4, Schedule 2, relative to the corresponding figures for 2010.

c Based on the most recent year-to-date actual figures available is the forecast financing cost for 2010 of $645,626 still a reasonable forecast?

Issue 3.1 Are the overall levels of the 2011 Operation, Maintenance and Administration budgets appropriate?

Interrogatory # 36

Ref: Exhibit F1, Tab 1, Schedule 1 & Exhibit F2, Tab 1, Schedule 1 & Exhibit D1, Tab 3, Schedule 1

Please reconcile the OM&A costs shown in Table 2 of Exhibit F1, Tab 1, Schedule 1 and Table 1 of Exhibit F2, Tab 1, Schedule 1 with the figures shown in Table 1 of Exhibit D1, Tab 3, Schedule 1. Other than the amortization expense shown in this latter table, what are the differences related to?

Interrogatory # 37

Ref: Exhibit F1, Tab 1, Schedule 1

Please provide the most recent year-to-date actual O&M expenditures for 2010 in the same level of detail as shown in Table 2. Please also provide the corresponding figures for the same period in 2009.

Interrogatory # 38

Ref: Exhibit F2, Tab 1, Schedule 1

Please provide the most recent year-to-date actual A&G expenditures for 2010 in the same level of detail as shown in Table 2. Please also provide the corresponding figures for the same period in 2009.

Issue 3.7 Is the amount proposed for PILs, including the methodology, appropriate?
Issue 7.1 Is Toronto Hydro's cost allocation appropriate?

Interrogatory # 39

Ref: Exhibit F2, Tab 3, Schedule 1, Updated and November 8, 2010 Letter

THESL filed a letter dated November 8, 2010 indicating that it had increased its Charitable Donations amount for 2011 to $0.7 million to reflect direction provided by the Board in its letter dated October 20, 2010 related to LEAP Emergency Financial Assistance.

a) How does THESL propose to allocate the cost of the charitable donations to the rate classes?

b) Has THESL adjusted the calculation of its taxes to reflect a deduction of $0.7 million for the charitable donations? If not, why not?

Issue 3.7 Is the amount proposed for PILs, including the methodology, appropriate?

Interrogatory # 40

Ref: Exhibit F2, Tab 4, Schedule 1

Please provide the actual R&D tax credits claimed in 2008 and 2009 and the forecast of these amounts for 2010 and 2011.

Issue 3.1 Are the overall levels of the 2011 Operation, Maintenance and Administration budgets appropriate?

Interrogatory # 41

Ref: Exhibit F2, Tab 6, Schedule 1

a) Is the reference on line 19 of page 3 to a forecast cost of $0.8 million supposed to be for 2011 rather than 2010? If not, what is the forecast for 2011?

b) Please provide the assumptions used to calculate the forecast cost on customer deposits (rate and average amount of customer deposits) for 2011.

c) Please provide the average level of customer deposits for 2008, 2009 and 2010.

Issue 3.6 Are the amounts proposed for capital and property taxes appropriate?
Issue 3.7 Is the amount proposed for PILs, including the methodology, appropriate?

Interrogatory # 42

Ref: Exhibit H1, Tab 1, Schedule 1

a) Has THESL made any adjustments to the projected tax credit of $0.36 million based on the average of prior claims to reflect the increases in the amount of the credits that came into effect in March of 2010?

b) Please provide, if now available, the actual property taxes paid/to be paid for the 2010 bridge year.

Issue 2.2 Is the proposed amount for 2011 other revenues appropriate?

Interrogatory # 43

Ref: Exhibit I1, Tab 1, Schedule 1

a) Please provide the most recent year-to-date actual other revenues for 2010 in the same level of detail as shown in Table 1. Please also provide the corresponding figures for the same period in 2009.

b) Please explain why no interest income from short-term investments has been forecast for 2011.

c) When were the properties that resulted in a gain of $5.5 million sold in 2010?

d) Does THESL expect to sell any properties in 2011?

e) How much of the $3.6 million in 2009 associated with other income was the result of the sale of scrap metal?

f) Are the vehicles that are replaced by THESL generally fully depreciated when they are replaced?

g) Why is there is no net value associated with the sale of vehicles being replaced by THESL?

h) Why are the SSS Administration fees expected to decrease in 2011?

Interrogatory # 44

Ref: Exhibit I1, Tab 1, Schedule 3

a) Please expand Table 1 to show actual figures for 2007 and 2008 for accounts 4325, 4330, 4355, 4398 and 4405.

b) Please provide the most recent year-to-date actual figures for 2010 for accounts 4325, 4330, 4355, 4398 and 4405. Please also provide the corresponding figures for the same period in 2009.

Interrogatory # 45

Ref: Exhibit I1, Tab 1, Schedule 4

Please provide the most recent year-to-date actual figures for 2010 in the same level of detail as shown in Table 1. Please also provide the corresponding figures for the same period in 2009.

Issue 4.3 Are the inputs used to determine the Working Capital component of the Rate Base appropriate and is the methodology used appropriate?

Interrogatory # 46

Ref: Exhibit J1, Tab 2, Schedule 4

a) Please explain how the revenue figure of $2,544.6 is derived. Please provide a reference where this figure is shown elsewhere in the evidence, or to figures from which it can be derived. In particular, why is the revenue not equal to the cost of power ($2,242.1) plus the distribution revenue requirement of $598.2 shown in Exhibit J1, Tab 2, Schedule 5, for total revenues of $2,840.3?

b) How much of the $226.8 shown for OM&A expenses are related to wages, salaries and benefits, property taxes and other costs to which the HST is not applicable?

c) The service lag estimated in EB-2007-0680 of 27.1 days was based on the then existing mix of monthly and bi-monthly meter reading. Has there been any significant change in the mix of monthly and bi-monthly meter reads? If yes, please calculate the impact on the service lag of 27.1 days and the impact on the calculation of the working capital for the 2011 test year.

Issue 2.1 Is the load forecast and methodology appropriate and have the impacts of Conservation and Demand Management initiatives been suitably reflected?

Interrogatory # 47

Ref: Exhibit K1, Tab 1, Schedule 1

a) Please update the 2010 figure shown in Table 3 to reflect the most recent year-to-date actual information available.

b) Does the 2010 bridge year forecast shown in Table 1 of 25,593.8 GWh reflect the normalization of the 4 months of actual loads noted on page 3? If not, please explain why not?

c) Please provide the normalized 2010 bridge year forecast of GWh based on inclusion of the actual loads requested in part (a) above.

Issue 4.3 Are the inputs used to determine the Working Capital component of the Rate Base appropriate and is the methodology used appropriate?

Interrogatory # 48

Ref: Exhibit K1, Tab 1, Schedule 2 & Exhibit K1, Tab 8, Schedule 2

a) Please show the calculation of the $0.725/kWh rate used to calculate the cost of power, including the RPP and non-RPP rates used (HOEP and global adjustment), along with the split of RPP and non-RPP volumes.

b) Please indicate where in the Board's April 15, 2010 Regulated Price Plan Report the rates identified in part (a) are sourced.

c) Please update the calculation of the weighted average of forecast RPP and HOEP plus global adjustment rates based on the Board's October 18, 2010 Regulated Price Plan Price Report, clearly identifying the figures from the Report that are used.

d) What is the impact on rate base of using the figure calculated in part (c) above?

Issue 2.1 Is the load forecast and methodology appropriate and have the impacts of Conservation and Demand Management initiatives been suitably reflected?

Interrogatory # 49

Ref: Exhibit K1, Tab 2, Schedule 1

Please provide the model input data shown in Table 1 in a live Excel spreadsheet.

Interrogatory # 50

Ref: Exhibit K1, Tab 3, Schedules 1 and 2

a) Please explain how THESL calculates the weather-normalized loads shown in Schedule 2.

b) Please show the calculation of the 2009 weather-normalized figure of 5,118,202,722 shown in Schedule 2 for the residential rate class starting with the actual figure of 5,002,902,435 shown in Schedule 1.

Interrogatory # 51

Ref: Exhibit K1, Tab 4, Schedule 1

a) Please update the 2010 bridge year figures shown in Table 1 to reflect the actual number of customers for each month based on the most recent information available and a forecast for the remaining months.

b) Please provide the actual number of customers by rate class for the most recent month available in 2010.

Issue 7.7 Are the proposed Total Loss Factors appropriate?

Interrogatory # 52

Ref: Exhibit M1, Tab 1, Schedule 1

Please confirm that adjusting the loss factor to reflect the five year average would reduce the increase in rates from that proposed by THESL.

Issue 3.7 Is the amount proposed for PILs, including the methodology, appropriate?

Interrogatory # 53

Ref: Exhibit P1, Tab 1, Schedule 1 & Exhibit D1, Tab 2, Schedule 1

a) Please file the THESL 2009 income tax returns.

b) Does the 2009 Schedule 8 and 10 UCC and CEC shown on page 15 reflect the actual UCC at the end of 2009 as per the 2009 tax returns? If not, please update the CCA schedules for 2010 and 2011 to reflect the actual 2009 year end values.

c) There is a difference in the CCA additions of $316,498,493 shown for 2010 on page 19 and the $314,942,290 shown on page 21. This difference is the amount shown on page 19 in account 2065 Other Electric Plant Adjustment. Please explain what this is and why there is no CCA claimed on this amount.

d) Please reconcile the two figures noted above in part (c) with the $321.3 million shown as in-service additions in Table 4 of Exhibit D1, Tab 2, Schedule 1.

Interrogatory # 54

Ref: Exhibit P1, Tab 1, Schedule 2 & Exhibit D1, Tab 2, Schedule 1

a) There is a difference in the CCA additions of $389,575,599 shown for 2011 on page 10 and the $373,295,640 shown on page 12. This difference is the amount shown on page 10 in account 2065 Other Electric Plant Adjustment. Please explain what this is and why there is no CCA claimed on this amount.

b) Please reconcile the two figures noted above in part (c) with the $397.1 million shown as in-service additions in Table 5 of Exhibit D1, Tab 2, Schedule 1.

Interrogatory # 55

Ref: Exhibit P1, Tab 1, Schedule 2 & Exhibit H1, Tab 1, Schedule 1 & Exhibit C2, Tab 1, Schedule 5

a) Please reconcile the $650,000 SR&ED credit noted on page 5 of Exhibit H1, Tab 1, Schedule 1 with the $740,000 in investment tax credits shown on page 22 of Exhibit P1, Tab 1, Schedule 2.

b) Please reconcile the $360,000 in tax credits associated with the Federal Apprenticeship Job Creation Tax Credit, the Ontario Apprenticeship Training Tax Credit and the Ontario Co-Operative Education Tax Credit noted on page 5 of Exhibit H1, Tab 1, Schedule 1 with the $270,000 in miscellaneous tax credits shown on page 22 of Exhibit P1, Tab 1, Schedule 2.

c) For each the Federal Apprenticeship Job Creation Tax Credit, the Ontario Apprenticeship Training Tax Credit and the Ontario Co-Operative Education Tax Credit, please show the number of eligible positions and the dollar value of each for 2007, 2008 and 2009.

d) For each the Federal Apprenticeship Job Creation Tax Credit, the Ontario Apprenticeship Training Tax Credit and the Ontario Co-Operative Education Tax Credit, please show the number of eligible positions forecast for 2011.

e) If necessary, please reconcile the response in part (d) above for the Ontario Apprenticeship Training Tax Credit with the 145 apprentices in 2011 noted on page 8 of Exhibit C2, Tab 1, Schedule 5.