



## Jay Shepherd

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### **BY EMAIL and RESS**

November 26th, 2010

Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

**Attn: Kirsten Walli, Board Secretary**

Dear Ms. Walli:

**Re: EB-2010-0144 – Waterloo North Hydro - Interrogatories**

Please find attached the Interrogatories of the School Energy Coalition (SEC) for EB-2010-0144 pursuant to Procedural Order #1 issued by the Board on the 5<sup>th</sup> of November.

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

Sincerely,

*Originally signed by Mark Rubenstein*

Mark Rubenstein

cc: Applicant and Intervenors (by email)

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**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 Waterloo North  
Hydro Inc. for an Order approving just and reasonable rates and  
other service charges for the distribution of electricity effective  
May 1, 2011.

**INTERROGATORIES**  
**FROM THE**  
**SCHOOL ENERGY COALITION**

1. Please provide details about the number of publicly-funded schools in the Applicant's franchise area. Please provide a table showing the number of schools in each of the GS<50 and GS>50 classes.
2. [Ex. 2-Page 3]  
The prefilled evidence notes that Applicant has not completed an Asset Condition Study. Is there a specific reason for this? Are there any plans to do so in the future?
3. [Ex.2-Page 8]  
Please provide the business case, cost estimates and/or any other background material that justified for the conclusion that it was better for WHN to build a new building than renovate their existing building.
4. [Ex.2]  
Please provide a single table detailing the actual and board approved capital expenditures, by USoA category, for each year from 2006 to the 2011 test year.
5. [Ex.3-Page 10]  
What impact will the *Ontario Clean Energy Benefit* have on the load forecast? Please provide an updated load forecast to take the impact into account.
6. [Ex.4-Page 4]  
Please provide details about how Waterloo North reaches the decision to declare a debt to be a bad debt expense.

7. [Ex.4-Page 30]  
Please provide details about the incorrect material cost charge that has now been corrected.
8. [Ex.4-Page 30]  
With respect to the reallocation of costs from the Maintenance and Supervision and Engineering account:
  - a) Which accounts had the cost originally been allocated to?
  - b) Please provide a breakdown of the amounts that had been allocated to each of those accounts in 2007 and 2008.
9. [Ex. 4-Page 32]  
With respect to the Maintenance and Line Transformers, using the “proper treatment”:
  - a) Which accounts that should have been charged from 2006-2008.
  - b) Please provide the amount that should have been charged to each account in 2006-2008.
10. [Ex. 4-Page 39]  
Please provide a detailed explanation for the variance of \$169,165 in Meter expenses?
11. [Ex.4-Page 41]  
With respect to Customer Billing as an OMA driver:
  - a) Please provide a detailed cost breakdown from 2009-2011.
  - b) Why is it the Applicant’s belief that there will not be any anticipated staff savings?
12. [Ex. 4-page 42]  
With respect to Collections as an OMA driver:
  - a) Please provide a breakdown of each component that is included in Collections costs, for 2006-2011.
  - b) Please explain the increase or decrease in cost for each component.
  - c) Why is it Applicant’s belief that there will be only be “very few billing costs that will decrease” due to the cessation of Water and Sewage billing.
13. [Ex.4-Page 43]  
Please provide details about the Customer Breakfast Meeting expense.
14. [Ex. 4-Page 65]  
With respect to Executive/Management Compensation:
  - a) Please provide further details on how job evaluation is linked to pay progression for management/executive.
  - b) Please provide a breakdown of how many employees pay progression were withheld for below acceptable job performance, by year and by percentage of Executive/Management employees who had a formal evaluation in that year.

15. [Ex. 4-Page 84]

Please provide a detailed breakdown of the Service Centre Building Maintenance costs for 2010 and 2011. Please provide further explanation for the 2011 increase in general building maintenance costs.

16. [Ex. 4-Page 87]

Please provide further details about the increase in waste removal and overtime costs for the Purchasing /Stores department from 2009 to 2010.

17. [Ex. 4-Page 91]

With respect to the Tax Calculations:

a) Please provide a detailed calculation of regulatory taxable income for 2009-2011. Please explain the difference between the 2009 actual, 2010 forecasted and 2011 forecasted amounts.

b) Please provide a derivation for utility income before taxes for 2009-2011. Please explain the difference between the 2009 actual, 2010 forecasted and 2011 forecasted amounts.

18. [Ex. 8-Page 13]

Please provide current rate data for table 8-14.

Respectfully submitted on behalf of the School Energy Coalition this 26<sup>th</sup> day of November, 2010.

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Mark Rubenstein