Aiken & Associates
578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6
Phone: (519) 351-8624
E-mail: randy.aiken@sympatico.ca

February 15, 2011

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 - Accounting Update

Please find attached the Accounting Update 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 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.

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

Interrogatory # 1

Ref: Exhibit Q1, Tab 2, Schedule 6-2

Please explain the decrease in the O&M budget for maintenance programs and fleet and equipment services. Do these decreases reflect a higher level of capitalization than originally filed?

Interrogatory # 2

Ref: Exhibit Q1, Tab 2, Schedule 1 & Exhibit Q1, Tab 2, Schedule 7-1 & Board Staff Interrogatory #59

At lines 18 & 19 on page 4 of Exhibit Q1, Tab 2, Schedule 1 it is stated that Schedule 7-1 presents THESL's revised depreciation and amortization rates. However, a review of Schedule 7-1 shows that the table shows the expense, not the rates.

Please provide a table in the same level of detail by EB account as shown in Appendix A to Board Staff Interrogatory #59 that shows the depreciation expense as originally filed and the depreciation expense based on the accounting update.

Interrogatory # 3

Ref: Exhibit Q1, Tab 2, Schedule 1

a) Please provide a copy of the Pinchin Environmental Ltd. review and any other information used to reassess the useful lives of the buildings and building components.

b) Please provide a table that shows the existing depreciation rates and the proposed depreciation rates associated with the building facilities.

c) For the other assets noted at lines 7 through 9 on page 4, please provide for each type off asset, the following:

i) existing depreciation rate;
ii) proposed depreciation rate;
iii) ranges determined from the OEB Kinetrics report; and
iv) an explanation of why the proposed depreciation rate is outside of the range from the OEB Kinetrics report, if applicable.

Interrogatory # 4

Ref: Exhibit Q1, Tab 2, Schedule 7-1

a) Please explain why the depreciation expense for Information Technology and Equipment, Vehicles, and Other is higher under the Accounting Update than in the original evidence.

b) Please provide a table that shows the change in the depreciation rates associated with assets in Information Technology and Equipment, Vehicles and Other.

c) Please provide the information used to reassess the useful lives of the assets noted above in parts (a) and (b).

Interrogatory #5

Ref: Exhibit Q1, Tab 2, Schedule 7-2

The summary of findings shown in Table 1-1 include a minimum, typical and maximum estimate of useful lives.

a) Has THESL used the typical useful life for each asset category shown in Table 1-1 for the calculation of the depreciation expense? If not, why not?

b) Please provide a table that shows for each asset category included in Table 1-1 where THESL has used a useful life that is different from the typical figure shown in Table 1-1, the useful life used by THESL in the calculation of the depreciation expense.

c) For each line item in the table requested in part (b) above, please explain the reasons for using a useful life different than the typical life shown in Table 1-1. Please include all information used to arrive at the different useful life.

d) Did the Kinetrics report take into consideration the age and condition of the actual assets currently in use by THESL? If not, how were the resulting depreciation rates adjusted to take into account the age and condition of the existing assets?

e) In calculating the depreciation rates, has THESL taken into account such factors as the weighted average age of the existing assets, the remaining net book value of the assets or the salvage value or cost associated with the assets? If not, why not?