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BY EMAIL and RESS

August 22, 2011

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2011-0054 – Hydro Ottawa Limited – Interrogatories

Please find attached the Interrogatories of the School Energy Coalition (SEC) in the above-noted proceeding.

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

Yours truly,

Originally signed by

Mark Rubenstein

cc: J. Shepherd, SEC
W. McNally, SEC
P. Hoey, Hydro Ottawa
F. Cass, Aird & Berlis
Interested Parties

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

AND IN THE MATTER of an Application by Hydro Ottawa Limited for an Order or Orders approving just and reasonable rates and other service charges for the distribution of electricity to be effective January 1, 2012.

INTERROGATORIES
FROM THE
SCHOOL ENERGY COALITION

General

1. Please confirm that there are 246 publicly funded schools in its Applicant's franchise area, including 65 in the GS <50 Kw class and 181 in the GS >50 kW class.

Issue 1.2

2. Please provide all reports, presentations and other documents provided to the Hydro Ottawa Limited or the Hydro Ottawa Holding Inc. Board of Directors with respect to this application.
3. [Ex.A2/1/2/RRWF/p.7] Please explain why the distribution revenue differs between 'at current approved rates' and 'at proposed rates'.
4. [Ex.A2/1/3/p.1]
Please explain why the revenue deficiency shown in table 1 differs from the amount shown on the Revenue Requirement Work Form.

Rate Base

Issue 2.1

5. [Ex.B1/2/6/p.3]
Please provide details on the procurement process that led to IBM Canada receiving the application-managed service contract for the CIS.
6. [Ex.B5/1/1/.p3]
For table 2, please provide 2011 planned budget and 2011 year-to-date actuals.

7. [Ex.B5/1/1/p.7]
Please provide an update of the Janet King station capacity project.
8. [Ex.B5/1/1/p.10]
For table 3, please provide 2011 planned budget and 2011 year-to-date actuals.
9. [Ex.B5/1/1/p.14]
Please explain in greater detail the Applicant's "re-evaluation" of the useful life of a pole.
10. [Ex.B5/1/1/p.18]
For table 4, please provide 2011 planned budget and 2011 year-to-date actuals.
11. [Ex.B5/1/1/p.22]
For table 5, please provide 2011 planned budget and 2011 year-to-date actuals.
12. [Ex.B5/1/1/p.22-23]
For each year between 2006 and 2010, what percentage of damage to plant is collected from the responsible party?
13. [Ex.B5/2/1/p.4-6]
With respect to cable replacement projects approved in the 2008 EDR Application, please provide the planned and actual budgets for each.
14. [Ex.B5/2/1/p.8-9]
With respect to line extension projects approved in the 2008 EDR Application, please provide the planned and actual budgets for each.
15. [Ex.B5/2/1/p.9-10]
With respect to station switchgear and replay replacement projects approved in the 2008 EDR Application, please provide the planned and actual budgets for each.
16. [Ex.B5/2/1/p.11]
Please provide an update on the in-service date of the Ottawa South East 13kv Area project.

Issue 2.3

17. [Ex.B1/2/5/p.4]
Please explain and provide details about why the Applicant requires 7 additional vehicles to address its internal apprenticeship and partnership with Algonquin College initiatives.
18. [Ex.B1/2/6/p.1]
Please provide all information on the CIS transition project and capital expenditures for the project that was filed in the Applicant's 2008 EDR Application.

19. [Ex.B1/2/6/p.17]
Please provide details on the discussions the Applicant has had with other LDCs with respect to “looking for ways to work together on our respective CIS implementation in an effort to find cost savings for all LDC’s involved”.
20. [Ex. B1/2/6]
Please provide the specific amount of the Fleet Initiatives Capital Expenditures budget for each year between 2011 and 2014 that is being spent on ‘piloting electric vehicles’.
21. [Ex.B1/2/7/p.8]
With respect to the new ‘environmental standards and associated point system’ procurement policy:
 - a. Please provide the expected cost impact
 - b. Please provide the business case for the implementation of this policy
 - c. Was any study undertaken or referenced internally on the possible cost impact of undertaking this policy? If so, please provide it.
22. [Ex.B4/2/1/p.20]
Please confirm that there are no cost consequences for ratepayers for 2012 due to the change in 2013 to monthly billing.
23. [Ex.B5/2/1/p.7]
Please provide greater detail of the variance from the approved amount of the distribution enhancements expenditures.
24. [Ex.B5/2/1/p.10-12]
With respect to station new capacity projects approved in the 2008 EDR Application, please provide the planned and actual budgets.
25. [Ex.B5/2/1/p.12]
With respect to the facility programs-stations projects in the 2008 EDR Application, please provide the planned and actual budgets.
26. [Ex.B5/2/1/p.18]
Please greater details about the variance in the Plant Relocation and Upgrade expenditures planned and actual budget.
27. [Ex.B5/3/1/p.12]
Please provide an update on the Beacon Hill project.
28. [Ex.B5/3/1/p.13]
Please provide an update on the Fallowfield project. What is the cost of this specific project?
29. [Ex.B5/4/1/p.10]

Please provide an update on the Barrhaven T1 and T2 replacement project. When in 2012 is the project expected to come into service?

30. [Ex.B5/4/1/p.19]

Please provide details and supporting materials to substantiate the Applicant's conclusion that 2012 commercial development expenditures will be higher than 2011.

31. [Ex.B5/3/1/p.22]

Please provide the rationale for the Applicant's forecast of an increase in system expansion demand expenditures.

32. [Ex.B5/4/2/p.2]

Please provide details and/or documents substantiating the \$4M budget for the cost of acquiring land for the Administrative Building and East Operations Centre.

33. [Ex.B5/5/1/p.6]

Please provide greater details about the Distribution Automation capital project expenditures.

34. [Ex.C2/1/1/p.3]

Why did the Applicant discontinue the collection of security depositions from residential customers?

35. [Ex.D1/1/6/p.1]

For table 1, please provide 2011 year-to-date actuals.

36. [Ex.D1/1/6/p.2]

For table 2, please provide 2011 year-to-date actuals.

Operation Costs

Issue 4.1

37. [Ex.D1/1/2/p.4]

With respect to benefits, has the Applicant considered changing benefit providers?

38. [Ex.D1/2/p.9]

Please provide a breakdown and further details of the 2012 budget for 'legal costs for regulatory matters'.

39. [Ex.D1/4/3/p.4]

Please provide an update with respect to the Applicant's stated intent to enter into an agreement with the Local Alliance Consortium.

40. [Ex.D2/1/5/p.1-3]

For table 1, please provide 2011 year-to-date actuals.

41. [Ex.D4/1/1/p.1-7]

For each of the non-affiliate services provided in tables 1-6, please provide a brief description of the service and/or project and the cost.

Issue 4.4

42. [Ex.D1/2/1/p.2]

With respect to the 'review' leading to the transfer of 17 positions to the Applicant, please provide all internal documents related to this outcome of the review.

43. [Ex.D1/4/1/p.1]

Does the Applicant have a formal workforce strategy document? If so, please provide it.

44. [Ex.D1/5/1/p.1]

Please provide the source of the statement that "[t]he average age of retirement has declined to 56 from 57 years of age".

45. [Ex.D1/5/1/p.3]

For each of the past 5 years, please provide percentage of eligible employees that did retire per year.

46. [Ex.D1/5/1/p.12]

Please provide an update on the hiring of the 'Strategic Priority Positions'.

47. Please provide the Applicant's most recent 'Workforce Plans'. (As an example, 2009 Workforce Plan for Stations provided in Appendix 1 to the response to SEC interrogatory #9 in EB-2010-0133)

48. [Ex.D1/5/1/p.14]

Are the CDM positions shown in table 6 funded by the OPA? If not, please explain why.

49. [Ex.D2/1/4/p.6]

Please provide the rational for the increase of 2 positions for collections.

50. [Ex.D2/1/4/p.7]

Please provide the rational for the addition of each of the 6 new Administration positions.

51. [Ex.D3/1/1/p.7]

Please provide the rational for the 2007 new compensation plan.

Capital Structure and Cost of Capital

Issue 5.2

52. [Ex.E1/1/1/p.3]

Please explain why the interest rates on the Applicant's 2010 and 2011 issuances of promissory notes to Hydro Ottawa Holding Inc. are above the Board's deemed long-term debt rate?

Smart Meters

Issue 6.1

53. [Ex.I2/1/1p.1]

Please provide an update on the Applicant's Smart Meter program.

Cost Allocation

Issue 7.1

54. [EB-2010-0219]

Please update the evidence to account for changes to the cost allocation model flowing from the Board's letter issued on August 5, 2011.

Deferral and Variance Accounts

Issue 9.1

55. [Ex.I1/1/2/p.2]

Please provide a detailed breakdown of the Account 1508-Other Regulatory Assets-Sub-Account-Incremental IFRS Transition Costs.

Submitted by the School Energy Coalition on this 22nd day of August, 2011.

Mark Rubenstein