

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 Grimsby
Power Inc. for an order or orders approving just and
reasonable rates and other charges for electricity distribution
to be effective January 1, 2012.

INTERROGATORIES
FROM THE
SCHOOL ENERGY COALITION

[Note: All interrogatories have been assigned to headings. However, please provide answers that respond to each question in full, without being restricted by the category. Many interrogatories may have application to multiple issues, but all have been asked only once to avoid duplication.]

1 GENERAL

1. [Ex. 1, p. 2] Please provide details of the legal rule under which the Board can raise rates as of January 1, 2012 on an interim basis without consideration of the evidence in this proceeding.
2. [Ex. 1, p. 26] Please provide a copy of any shareholders' agreement, shareholder's direction, or other such document relating directly or indirectly to the Applicant, including but not limited to any agreement or direction relating to the parent company that indirectly affects the Applicant.
3. [Ex. 1, p. 27] Please confirm that the actual return on equity of the Applicant for 2010 was 4.40% based on the 2010 Distributors' Annual Data published by the Board. Please reconcile this to the figure of 3.07% reported in the Application.
4. [Ex. 6, p. 2] Please provide Table 6.1 with an additional column on the right, restating all figures in CGAAP.

2. RATE BASE

5. [Ex. 1, p. 66] Please confirm that the reductions in accounts 1840, 1845, 1850, and 1855 from 2011 year end balance sheet are the result of allocation of contributions and grants as a MIFRS adjustment.

6. [Ex. 2, p. 2] Please reconcile the average of \$1.42 million of capex on distribution plant per year for the five years 2006-2010 with the average of \$1.14 million of capex per year for all plant, and \$1.01 million of capex per year for plant other than general plant, as set out in Table 2.7 on page 20.
7. [Ex. 2, p. 44] Please provide the status of the new integrated financial package, and the current expected in-service date.
8. [Ex. 2, Appendix 2.1, p. 54] Please provide the five year forecast referred in in section 8.5.
9. [Ex. 2, p. 20 and Ex. 4, p. 53] Please confirm that, on average over the period 2006 through 2010, the Applicant's total capital spending per year was 126% of depreciation and amortization expense for the year.

3. LOADS, CUSTOMERS - THROUGHPUT REVENUE

4. OPERATING COSTS

10. [Ex. 1, p. 34] Please provide an explanation of the primary reasons that the Applicant was able to keep its OM&A per customer levels well below its peers prior to 2011.
11. [Ex. 4, p. 19] Please provide a breakdown of the \$154,135 increase between 2011 and 2012, and showing each increase and decrease of each USofA account affected. If any of the impacts are driven by the move to MIFRS, please identify those amounts.

5. COST OF CAPITAL AND RATE OF RETURN

12. [Ex. 1, 2010 Financials, p. 10] Please provide the loan agreement, commitment letter, or other such documents setting out the provisions of the term loans described in the fourth bullet of para. 4, including the current interest rate and other standard terms.

6. SMART METERS

7. COST ALLOCATION

8. RATE DESIGN

13. [Ex. 8, p. 4] Please confirm that, if the fixed monthly charge for GS>50 is kept at the current level of \$165.08, the variable charge would have to be \$1.7834 to remain revenue neutral.

9. DEFERRAL AND VARIANCE ACCOUNTS

10. LRAM/SSM

11. MODIFIED INTERNATIONAL FINANCIAL REPORTING STANDARDS

14. [Ex. 1, p. 36] Please explain the basis under which the Applicant includes “burdened wage rates” in capital costs under MIFRS, and advise the impact of that practice on Test Year revenue requirement.
15. [Ex. 1, p. 38] Please explain why Table 1.4 includes a favourable difference of \$316,690 between CGAAP and MIFRS for Depreciation and Amortization, but includes no difference between CGAAP and MIFRS with respect to OM&A expenses (including impacts relating to allowed capitalization). If further impacts should be disclosed, please restate this Table.
16. [Ex. 1, p. 46] Please confirm that Appendix 1.4 is expressed in CGAAP. If so, please provide a copy of Appendix 1.4 restated in MIFRS. If Appendix 1.4 is already in MIFRS, please provide a copy restated in CGAAP.
17. [Ex. 4, p. 30] Please provide details of the \$169,494 increase in Miscellaneous Distribution Expense resulting from the shift to MIFRS.
18. [Ex. 4, p. 43] Please add a column on the right side of Table 4.24 restating the 2012 figures under MIFRS.
19. [General] Please provide a detailed breakdown (explanatory and numeric) of all impacts of IFRS (as compared to CGAAP) on the Bridge Year costs, revenues, and rate base, and the Test Year revenue requirement, including but not limited to differences in depreciation rates or methods, inclusion of asset retirement obligations, differences in pension and OPEB accounting, and changes in amounts capitalized. Please provide details of all changes in capitalization policy resulting from the change to IFRS on January 1, 2011. To the extent that some of these explanations are already in the evidence, please provide an evidence reference.

12. GREEN ENERGY ACT PLAN

Submitted by the School Energy Coalition this 7th day of October, 2011.

Jay Shepherd