

Ontario Energy Board

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 PowerStream
Inc. for an order approving just and reasonable rates and other
charges for electricity distribution to be effective January 1,
2013.

**TECHNICAL CONFERENCE QUESTIONS OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

September 21, 2012

**POWERSTREAM INC.
2013 RATES REBASING CASE
EB-2012-0161**

**ENERGY PROBE RESEARCH FOUNDATION
TECHNICAL CONFERENCE QUESTIONS**

1. General

Interrogatory #49

Ref: Exhibit J1, Tab 1, Schedule 1.0, SEC #2 & Attachment Board Staff #5-2

Please reconcile the depreciation increase shown in the first reference of \$1,569 with the figure of \$1,883 shown in Notes table under Appendix 2-C.

2.2 Is the Working Capital Allowance for Test Year 2013 Appropriate?

Interrogatory #50

Ref: Exhibit J1, Tab 2, Schedule 2.2, SEC #15

Which rate classes does PowerStream bill on a monthly basis and which are billed on a bi-monthly basis?

3.2 Are the proposed customer/connections and class specific load forecasts (both kWh and kW) for Test Year 2013 appropriate, including the impact of CDM and weather normalization?

Interrogatory #51

Ref: Exhibit J1, Tab 3, Schedule 3.2, Energy Probe #15 b&c

Please provide the regression statistics along with the forecasts based on the equation shown as Model 5 in Table EP #15b in the same format as provided in Tables EP #15c-1 and #15c-2 where the equation excludes the Oct-03 variable and includes the Peak Hours variable.

4.1 Is the overall; Test Year 2013 OM&A forecast appropriate?

Interrogatory #52

Ref: Exhibit J1, Tab 4, Schedule 4.1, Energy Probe #24

Please indicate where in the evidence the original Table 6 was located.

Interrogatory #53

Ref: Exhibit J1, Tab 4, Schedule 4.1, Energy Probe #25d

The response indicates the impact on OM&A is an increase of \$3.9 million due to having to record this amount as other revenue rather than as a reduction to OM&A. Please indicate where in Table 1 of Exhibit C2, Tab 1, Schedule 1 this increase is shown.

Interrogatory #54

Ref: Exhibit J1, Tab 4, Schedule 4.1, Appendix D, page 2

- a) Please provide the most recent year-to-date figures for bad debt, customer billing and collections expenses available for 2012, along with the corresponding figures for the same period in 2011.**
- b) Please explain the reduction in the cost of joint services in 2012 and 2013 relative to 2011.**

4.3 Is the Test Year 2013 forecast of PILs appropriate?

Interrogatory #55

Ref: Exhibit J1, Tab 4, Issue 4.3, Energy Probe #34

Please provide the SR&ED tax credits for each of the historical years that are used to forecast the 2012 and 2013 investment tax credits.

Interrogatory #56

Ref: Exhibit J1, Tab 4, Issue 4.3, Energy Probe #37

Please explain the source of the \$904,600 SR&ED deductions shown in tables EP#37-1 and 2 and reconcile these figures with the \$473,100 shown in Table EP#34-1 of \$473,100.

4.5 Are the 2013 compensation costs and employee levels appropriate?

Interrogatory #57

Ref: Exhibit J1, Tab 4, Schedule 4.5, Energy Probe 45

The response to part b indicates that under MIFRS, the percent in OM&A of total compensation in 2011 is 67.3%. Please explain the increase in this percentage to 70% in the 2013 test year.

6.1 Are the proposed Test Year cost of capital parameters appropriate?

Interrogatory #58

**Ref: Exhibit J1, Tab 6, Schedule 6.1, Energy Probe #46 &
Exhibit E, Tab 1, Schedule 1, page 12**

Please provide updated tables for 2012 and 2013 found on page 12 of Exhibit E, Tab 1, Schedule 1, showing the calculation of the long term debt rate based on the response to the interrogatory related to the \$125 EDFIN debenture at a rate of 3.958%.