

EB-2012-0126
Greater Sudbury Hydro Inc.
2013 Cost of Service Electricity Rate Application
AMPCO Interrogatories

EXHIBIT 2 - RATE BASE

Interrogatory #1

Reference: Exhibit 1, Tab 2, Schedule 1, Page 6

Preamble: The evidence indicates the projected Rate Base in this application exceeds the 2009 Rate Base by \$10,825,683. AMPCO observes from the data on Table 2 on the preceding page 5 that the difference between 2013 Actual (should be projected) and 2009 Board Approved is \$11,459,696 & \$12,493,869 compared to 2009 actual.

- a) Please explain the derivation of the \$10,825,683.

Interrogatory #2

Reference: Exhibit 2, Tab 4, Schedule 3, Page 14-17

- a) Does GSHI track momentary outages?
- If yes, please provide the MAIFI data from 2007 to 2012 and discuss the trend.
 - If no, please provide an explanation why MAIFI is not tracked.
- b) Please provide GSHI's internal SAIDI, SAIFI & MAIFI targets for 2013.
- c) Please provide the number of interruptions, customers affected and customer minutes for each of the years 2007 to 2012.
- d) Please discuss the reasons for the increase in SAIDI (exclusive of loss of service) in 2011 compared to 2008, 2009 and 2010.
- e) Please provide Figure 3-3 & Figure 3-4 on page 15 and Page 17 for 2012 and discuss the results.
- f) Figure 3-3 on Page 17 (SAIFI by outage cause): For 2011, Please provide a breakdown between "unknown" and "other" and provide the causes under "other".
- g) Please provide a further breakdown of defective equipment on the basis of cause and customer minutes.
- h) Please discuss how GSHI compares to other utilities in its cohort in terms of reliability.

EB-2012-0126
Greater Sudbury Hydro Inc.
2013 Cost of Service Electricity Rate Application
AMPCO Interrogatories

EXHIBIT 4 – OPERATING COSTS

Interrogatory #3

Reference: Exhibit 4, Tab 2, Schedule 1, Page 2

Preamble: GSHI amended its capitalization policy.

- a) Please summarize the changes and dollar impact on OM&A expenses as a result of this capitalization amendment.

Interrogatory #4

Reference: Exhibit 4, Tab 2, Schedule 1, Page 5

Preamble: GSHI notes that its normalized OM&A had increased at a slower pace than inflation (CPI 119.51%-114.09%=5.42% vs. 4.1%).

- a) Please explain this calculation more fully.

Interrogatory #5

Reference: Exhibit 4, Tab 2, Schedule 2, Page 1

Preamble: The evidence indicates in 2011, GSHI's Employee Future Benefit Obligation was determined to have suffered an actuarial loss.

- a) Please explain the above actuarial loss determination.

Interrogatory #6

Reference: Exhibit 4, Tab 2, Schedule 2, Page 3

- a) Please confirm how meter reading savings are reflected in this application.

Interrogatory #7

Reference: Exhibit 4, Tab 2, Schedule 5, Page 1

EB-2012-0126
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Preamble: GSHI has determined that 2 staff, surplus from the loss of the water billing contract, will now be retained to address additional work load as a result of the move to monthly billing.

- a) Please explain how it was determined that exactly 2 staff is needed for monthly billing.

Interrogatory #8

Reference: Exhibit 4, Tab 4, Schedule 1, Page 1

- a) Please confirm the increase in FTEs in 2013 and provide a breakdown of the new incremental positions by job category, position, full time vs. contract, salary, benefits and key drivers for each position.

Interrogatory #9

Reference: Exhibit 4, Tab 4, Schedule 1

- a) Please provide a breakdown of the overtime hours and dollars in Table 1 on Page 3 by activity.
- b) Please explain the costs savings from NorthStar and why the software for NorthStar requires much more manual intervention.
- c) Please provide the reasons for the increase in call volumes in 2012 and discuss if the growth in volumes persists.

EXHIBIT 7 – COST ALLOCATION

Interrogatory #10

Reference: Exhibit 7, Tab 1, Schedule 1, Page 4, Table 3

Preamble: Table 3 provides proposed Weighting Factors for Billing and Collecting.

- a) Please confirm the accounts the proposed weighting applies to.

Interrogatory #11

Reference: Exhibit 7, Tab 1, Schedule 1, Attachment 1, Page 11, Table 7

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AMPCO Interrogatories

Preamble: Table 7 shows the approved 2009 and 2013 status quo revenue to cost ratios.

- a) Please provide a table with the revenue to cost ratios for the years 2009 to 2012.
- b) Please provide the rationale for the proposed changes in the revenue to cost ratios for the residential, GS less than 50 kW and GS>50 kW customer classes.
- c) Please discuss why GSHI does not propose phased movement towards unity in the IRM years for all customer classes.
- d) Please provide GSHI's perspective on the quality of GSHI's data and modelling capability as reflected in its updated cost allocation model filed in this application.
- e) Please provide the bill impacts by customer class if the revenue to cost ratio for each rate class is unity.

EXHIBIT 8 - RATE DESIGN

Interrogatory #12

Reference: Exhibit 8, Tab 2, Schedule 1, Page 4

Preamble: The evidence states that Greater Sudbury proposed to maintain the existing fixed/variable proportions that current revenues are based on to the extent that the existing fixed charge does not result in an amount that is greater than either the current fixed charge or the 'ceiling' as presented in the cost allocation model under the heading of 'Minimum system with PLCC adjustment'.

- a) Please recalculate the volumetric rate and the fixed and variable percentages for all customer classes such that the fixed charge for all classes does not exceed either the current fixed charge or the "ceiling" as described above.

EXHIBIT 9 – DEFERRAL and VARIANCE ACCOUNTS

Interrogatory #13

Reference: Exhibit 9, Tab 2, Schedule 1, Page 2

Preamble: The evidence states that if the Board requires the settlement of this Sub-Account (Account 1508: Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs) to be based on audited amounts only (2012 has not yet been audited), then GSHI is requesting that

EB-2012-0126
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this Sub-Account be submitted for review and disposition during our 2014 IRM rate application, versus waiting until the 2017 COS rate application.

a) When will GSHI's 2012 audited results be available?

Interrogatory #14

Reference: Exhibit 9, Tab 4, Schedule 1, Appendix 3

Preamble: The sheet regarding Account 1555 – provides a summary of Smart Meter Funding Adder (SMFA) revenue.

a) Please provide a breakdown of the SMFA collected by customer class.