

IN THE MATTER OF the *Ontario Energy Board Act 1998*,
Schedule B to the *Energy Competition Act*, 1998, S.O. 1998,
c.15;

AND IN THE MATTER OF an Application by Peterborough
Distribution Inc. for an Order or Orders approving just and
reasonable distribution rates and other service charges for the
distribution of electricity, effective May 1, 2013.

SUPPLEMENTARY INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1. Administrative Documents

1-SEC-27s

Ref: 1-VECC-1

Please confirm that the Applicant proposes to collect any shortfall between revenue from existing rates and revenue from new rates for the period from May 1, 2013 to the date of implementation of new rates. Please confirm that this is intended to match exactly the financial result if rates were made retroactive to May 1, 2013. Please describe the method for collection of that shortfall, including in particular how differences in cost allocation and rate design will be captured in the collection mechanism.

1-SEC-28s

Ref: Appendix 1-4

With respect to the Shareholder Direction:

- a) Please provide the immediately previous Shareholder Direction, prior to the amendments of July 30, 2012.
- b) P. 7. Please provide details of all steps taken by or on behalf of the Applicant, and documents prepared or received by the Applicant or its parent company, prior to filing the Application to comply with Section 2.2(b), including without limitation:

- i) All comparisons done with “similar utilities in comparable growth areas”, including a list of those utilities;
 - ii) All valuations and analyses of impact on value; and
 - iii) All communications relating to how the Applicant’s actions should be influenced by the City’s economic development strategy.
- c) P. 8. Please provide a copy of the most recent “long range strategic plan” prepared by the Applicant or its parent company in compliance with Section 2.3(f).
- d) P. 18. Please provide a copy of the most recent Business Plan prepared pursuant to Section 6.1.
- e) P. 20. Please confirm that the shareholder requires an annual increase in its target dividend of 3%. Please confirm that the actual 2012 dividend was 83.25% of net income.

2. Rate Base

2-SEC-29s

Ref: 2-EnergyProbe-11

Please confirm that the land relating to the proposed MS#65 will not be used for the benefit of ratepayers in 2013.

2-SEC-30s

Ref: 2-SEC-9

Please provide the most recent annual review of reliability indices, and any memorandum, report or other document setting out the Applicant’s actions in response to the review.

2-SEC-31s

Ref: 2-SEC-14

Please answer the second part of the original question, i.e. explain why the Applicant’s cost per pole is so much higher than that of Hydro One.

2-SEC-32s

Ref: 2-SEC-15(f)

Please answer the second part of the original question, “Please provide details of any other asset categories in which the TUL in the Kinectrics Report is inconsistent with the Applicant’s data on its own assets”. Also, please advise whether Ex. 4/2/7, p. 4-63 and Table 4-44 are incorrect in listing the TUL of poles as 45 years, rather than 60 years as set out in the answer.

2-SEC-33s

Ref: 2-VECC-3(a)

Please provide historical actuals data to demonstrate that, historically, capital contributions have been 25% of municipality relocations, 60% of subdivisions, and 100% of new customer services and projects.

3. Operating Revenue

4. Operating Costs

4-SEC-34s

Ref: Table 4-SEC-21a

Please confirm that the following average total compensation figures are correct:

Category	2009		2013	Increase from	
	Approved	Actual		Approved	Actual
Executive	\$143,833	\$152,316	\$185,263	28.80%	21.63%
Management	\$112,869	\$105,248	\$114,774	1.69%	9.05%
Non-Union	\$86,881	\$86,472	\$86,022	-0.99%	-0.52%
Union	\$91,635	\$86,451	\$92,618	1.07%	7.13%

Please explain the main factors influencing the disparity in increases between the categories.

4-SEC-35s

Ref: Table 4-SEC-21b

Please explain why all of the figures for the four “Compensation – Average...” sets of boxes are identical to Table 4-SEC-21a, except the 2013 Benefits figures.

4-SEC-36s

Ref: 4-SEC-23(a)

Please provide an answer to the original question, i.e. the expertise of Collins Barrow with respect to the policies and practices of the OEB.

4-SEC-37s

Ref: 1-SEC-7

Please confirm that labour costs supplied by PUSI to PDI that are treated by PDI as capital are treated by PUSI as capital as well, and as a result the tax impact to PUSI is the same as it would have been to PDI had the labour costs been incurred directly by PDI. If this is not the case, please provide a detailed calculation of the incremental tax benefit enjoyed by PUSI as a result of any differing treatment through the structure employed.

4-SEC-38s**Ref: Appendix 4-1**

Please update this Appendix to include 2012 actual and 2013 forecast figures in all categories.

5. Cost of Capital and Rate Return**5-SEC-39s****Ref: 5-VECC-28**

Please provide the basis on which the Applicant expects the long term rate to “approximate the deemed long-term debt rate”. Please provide all correspondence, emails, reports and memoranda, including all communications with the bank, relating to the fixed long term rate.

6. Revenue Deficiency or Surplus**7. Cost Allocation****8. Rate Design**

Submitted by the School Energy Coalition on this 20th of June, 2013.

Jay Shepherd