



*PUBLIC INTEREST ADVOCACY CENTRE*

*LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC*

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

Tel: (613) 562-4002 Ext. 26 Fax: (613) 562-0007 e-mail: [mjanigan@piac.ca](mailto:mjanigan@piac.ca)

June 19, 2014

**VIA E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2013-0326 - Ontario Power Authority 2014 Revenue Requirement  
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)**

Please find enclosed the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant..

Yours truly,

Michael Janigan  
Counsel for VECC

cc: Ms. Miriam Heinz - [miriam.heinz@powerauthority.on.ca](mailto:miriam.heinz@powerauthority.on.ca)

**Ontario Power Authority  
2014 Revenue Requirement EB-2013- 0326  
INTERROGATORIES OF VECC**

**1. CONSERVATION**

**1.1 2014 Operating Budget for Goal 1 – Conservation**

- **Is the Operating Budget of \$10,588 thousand allocated to Goal 1 reasonable?**

**1.1-VECC-1**

Reference: Exhibit A-2-1, pg. 20

- a) Please explain what a “staff touchpoint” is, how it is measured and how it is used to plan staffing.

**1.1-VECC-2**

Reference: B/T1/S1/pg.1

- a) Please explain what the “new six year framework is” - who is providing it and what is meant by “*variability around resource requirements.*”

**1.1-VECC-3**

Reference: B/T1/S1/pg.8

- a) Please provide the cost reduction expected due to streamlining LDC oversight of programs.

**1.1-VECC-4**

Reference: B/T1/S1/pg.14

- a) Please provide the 2014 budget for the market research discussed at this reference.

**1.1-VECC-5**

Reference: B/T1/S1

Pre-amble: The evidence states that the Conservation division has 5 groups. A table is provided which gives each group’s roles and responsibilities. The subsequent evidence on strategic initiatives and operations (like call center or CDM program delivery) is not attributed to any of the groups specifically.

- a) Does OPA do internal budgeting for each division (i.e. Conservation)?
- b) Please provide a revised table for 2014 as per page 2 showing for each functional group:

- a. FTEs allocated by functional group
  - b. Budget by cost category (as shown at page 18) by functional group
  - c. Strategic issue responsibility by functional group
  - d. Operational responsibilities (CDM contracting, evaluation and reporting, conservation planning, call center, etc.) by functional group.
- c) If internal budgeting of the type requested above is not done then please explain how the Conservation Group budget is developed.

#### 1.1-VECC-6

Reference: B/T1/S1/pg.18 & D/T2/S1

- a) Please explain the increase in Professional and Consulting fees as between 2013 actuals and 2014 (proposed).
- b) Please list all proposed consulting /professional projects and the forecast cost for the 2014 budget. If these are not available please explain how the 2014 consulting budget forecast was derived.
- c) Please provide the consulting and professional fees for 2012.

#### 1.1-VECC-7

Reference: B/T1/S1 & C/T2/S1/pg.5

Please provide the 2011 2012, 2013 and 2014 FTEs allocated to this division.

#### 1.1-VECC-8

Reference: A-4-1 Updated

- a) Please provide the total compensation costs of this division for the executive positions (i.e. those Directors reporting to and including VP Conservation) and as shown in Exhibit A-4-1 Updated.
- b) Please provide the number of FTEs reporting to each of the 5 Directors.

## 2. POWER SYSTEM PLANNING

### 2.1 2014 Operating Budget for Goal 2 - Power System Planning

- Is the Operating Budget of \$5,749 thousand allocated to Goal 2 reasonable?

#### 2.1-VECC-9

Reference: B/T2/S1/pg.7 & D/T2/S1

- a) Please explain the increase in the Professional and Consulting fees as between 2013 actuals and 2014 forecast.
- b) Please list all proposed consulting /professional projects and the forecast cost

which are contemplated in the 2014 budget.

- c) Please provide the consulting and professional fees for 2012.

#### 2.1-VECC-10

Reference: B/T2/S1/pg.2

- a) Please provide the budget for 2014 for each of the key work areas – demand forecasting and conservation integration, resource integration, and transmission integration.

#### 2.1-VECC-11

Reference: B/T2/S1/pg.1-6

- a) Please provide a breakdown of the 2014 budget estimates for the four strategic initiatives being undertaken by this division.

#### 2.1-VECC-12

Reference: B/T2/S1 & C/T2/S1/pg.5

- a) Please provide the FTEs allocated to the Power System Planning division for 2011, 2012, 2013 and 2014.

#### 2.1-VECC-13

Reference: A-4-1 Updated

- a) Please provide the total compensation costs of this division for executive positions (i.e. Directors reporting to and including VP Power System Planning) and as shown in Exhibit A-4-1 Updated.
- b) Please provide the number of FTEs reporting to each of the 5 Directors under the VP position.
- b) Please explain why there are two Directors of Transmission and Integration.

### 3. ELECTRICITY RESOURCES

#### 3.1 2014 Operating Budget for Goal 3 – Electricity Resources

- Is the Operating Budget of \$15,028 thousand allocated to Goal 3 reasonable?

#### 3.1-VECC-14

Reference: A-4-1 Updated, C/T2/S1/pg.6-9, B/T3/S1 pg. 16, and D/T2/S2 pg. 3

- a) Please provide the number of FTEs reporting to each of the 4 directors under the VP position. Please denote temporary positions.

### 3.1-VECC-15

Reference: B/T3/S1 pg.12

- a) For the Policy and Analysis group please list the number of outside consultations led by one the following groups: IESO led; OEB led; OPG led; or Ministry of Energy led;
- b) For each of these consultations above please indicate the number of OPA staff attending.
- c) Please describe the type output of this group (e.g. reports, briefings) . If the group has produced any publicly available documentation please provide this (or provide reference).

### 3.1-VECC-16

Reference: B/T3/S1/pg.16 & D/T2/S1

- a) Please explain the increase in the Professional and Consulting fees as between 2013 actuals and 2014 forecast.
- b) Please list all proposed consulting /professional projects and the forecast cost which are contemplated for each project in the 2014 budget.
- c) Please provide the consulting and professional fees for 2012.

## 4. CORPORATE SUPPORT

### 4.1 2014 Operating Budget for Goal 4 – Organizational Capacity

- Is the Operating Budget of \$24,577 thousand allocated to Goal 4 reasonable?

### 4.1-VECC-17

Reference: B/T4/S1/pg.10

- a) Please explain the increase in Business Strategies and Solutions costs as between 2011 Board approved and 2014 forecast.

### 4.1-VECC-18

Reference: B/T4/S1 pg. 2-10 and pg. 17-24

- a) Please provide the 2014 forecast budget for each of the strategic initiatives.

### 4.1-VECC-19

Reference: A-4-1 Updated

- a) Please provide the total compensation costs of the Business Strategies and Solutions division for executive positions (i.e. those directors reporting to and

including the VP Business) and as shown in Exhibit A-4-1 Updated.

- b) Please provide the number of FTEs reporting to each of the Directors under the VP position.

#### 4.1-VECC-20

Reference: B/T4/S1/pg.1-2 & C/T2/S1/pg.5 & D/T2/S2/pg.4

- b) The evidence explains that the CEO's office has increased its regular position by 1 since 2011 Board approved. At B/T4/S1/pg. 1 its shows a decrease of \$20,000 in this offices budget since 2011. Please explain how the Office's budget has decreased despite the hiring of one new position.

#### 4.1-VECC-21

Reference: C/T1/S1/pg.7/Table 1 & C-1-4 Summary of Research on Efficiency Metrics

- a) Please provide a mapping as between the metrics reported at Table 1 and the Recommended list of metrics as shown at page 18 of the Concentric Report.

#### 4.1-VECC-22

Reference: D/T1/S2/pg.2, Table 1

- a) Please explain why the VP Offices ( for Legal, Aboriginal and Regulatory Affairs and Communications) , the Corporate Governance/Secretary, Corporate Communications and CEO office are allocated 1/3 of their respective costs. Please explain how the effort is tracked in these areas and why they are different than the allocations by Corporate Marketing, Stakeholder Relations, Corporate Law, IT, Human Resources, Procurement and Facilities.
- b) If specific tracking is not done for those units using the "1/3" allocation method then explains why a (weighted) average of other groups would not be a better allocator?

#### 4.1-VECC-23

Reference: D/T2/S1/pg. 2

- a) Please explain the 38% increase in Board of Director Remuneration as between 2013 actual and 2014 forecast.

#### 4.1-VECC-24

Reference: D/T2/S1/pg. 6

- a) For each of the years 2012, 2013 and 2014 please provide corporate wide the following:
  - a. Travel Expenses (all divisions and corporate)
  - b. Training Expenses (same as a.)

- c. Conference Expenses (same as a.)

#### 4.1-VECC-25

Reference: D/T2/S1/pg. 6

- a) In the variance analysis the change in professional & consulting expenses is described as being as a result of a *“reclassification of budgeted spending amounts on employee engagement and professional development from the Operating & Administration to the Professional & Consulting expense category which more accurately reflects the nature of these costs”*. Please explain this statement and in particular, why professional development was previously accounted for under Consulting expenses.

### 5. COMMUNICATIONS

#### 5.1 2014 Operating Budget for Goal 5 – Communications

- **Is the Operating Budget of \$4,398 thousand allocated to Goal 5 reasonable?**

#### 5.1-VECC-26

Reference: B/T5/S1

- a) Please provide the 2014 forecast budget for each of the strategic initiatives.

#### 5.1-VECC-27

Reference: A-4-1 Updated

- a) Please provide the total compensation costs of the Communications division for executive positions (i.e. Directors and those including VP Business) and as shown in Exhibit A-4-1 Updated.
- b) Please provide the number of FTEs reporting to each of the 2 Directors under the Communications VP position.

#### 5.1-VECC-28

Reference: A-4-1 Updated

- a) Please provide the total budget costs separately for the Marketing and Corporate Communications branches.

#### 5.1-VECC-29

Reference: B/T5/S1/pg.9

- a) Please explain the increase in the Professional and Consulting fees as between 2013 actuals and 2014 forecast.

- b) Please list all proposed consulting /professional projects and the forecast cost for those contracts which are contemplated in the 2014 budget.

## **6. GENERAL**

### **6.1 Proposed Usage Fee**

- **Is the proposed usage fee reasonable?**

No Questions

### **6.2 Registration Fees**

- **Are the proposed registration fees reasonable?**

6.1-VECC-30

Reference: D1/T2/S1

- a) Please provide the forecasted registration fees for each of 2011 through 2014 and the actual fees collected during those periods.

-END OF DOCUMENT-