



August 8, 2014

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Re: Festival Hydro Inc. 2015 Cost of Service Electricity Distribution Rate Application
AMPCO's Interrogatories
Board File No. EB-2014-0073

Dear Ms. Walli:

Attached please find AMPCO's interrogatories in the above proceeding.

Please do not hesitate to contact me if you have any questions or require further information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Adam White". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Adam White
President
Association of Major Power Consumers in Ontario

Copy to: Festival Hydro Inc.

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Festival Hydro Inc.
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AMPCO Interrogatory #1

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

- a) Please confirm the other costs in the application impacted by inflation projected at 2%.

AMPCO Interrogatory #2

Ref: Exhibit 1, Tab 2, Schedule 8

- a) Page 1 - Please explain why no direct allocations have been made in the cost allocation model.
- b) Page 2 – Please explain the added complexities with smart meters and TOU pricing that make the meter reading and billing costs more reflective of the GS>50 kW and Large Use classes.

AMPCO Interrogatory #3

Ref: Exhibit 1, Tab 2, Schedule 8, Pages 3-4

Preamble: Festival Hydro is proposing to realign its revenue to cost ratios in this application. The rebalancing R/C Ratios Table on Page 4 appear to differ from the explanation of the realignment proposal on Page 3.

Please reconcile.

AMPCO Interrogatory #4

Ref: Exhibit 1, Tab 3, Schedule 1, Page 4

Preamble: Festival Hydro indicates it plans to issue another survey in 2014.

- a) When does Festival Hydro plan to issue the survey in 2014?
- b) Please discuss the proposed frequency of future surveys and the customer classes to be included.
- c) Please discuss how frequently and by what means Festival Hydro has communicated with its Large Use and larger commercial customers between 2006 and 2012.

AMPCO Interrogatory #5

Ref: Exhibit 1, Tab 6, Schedule 12

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- a) Page 3 – The evidence states the President/CEO became two positions and a VP position and COO position were eliminated. The organizational Chart reflects this as well as a CFO position. Is the CFO a new position? If yes, when was this position hired.

AMPCO Interrogatory #6

Ref: Exhibit 1, Tab 6, Schedule 13

- a) Attachment 1.1 – Please provide a listing of Festival Hydro’s Board of Directors and discuss any changes in membership since 2010.
- b) Attachment 1.7 - Please advise if any of the five HR subcommittee members have H/R designations.

AMPCO Interrogatory #7

Ref: Exhibit 2, Tab 1, Schedule 11, Page 9

- a) Please discuss if the focus during spring, summer and fall months on capital will have any impact on maintenance spending in 2014.
- b) Please provide the actual capital in-service additions to date and the forecast to year end for 2014.

AMPCO Interrogatory #8

Ref: Exhibit 2, Tab 2, Schedule 1

- a) Page 11 – SAIDI – Please provide the source of the Ontario average for SAIDI.
- b) Page 23 – Please provide a breakdown of the cause of defective equipment for momentary outages.
- c) Page 23 - Please provide a similar table for SAIDI and SAIFI causes for the years 2010 to 2013 including a further breakdown of the cause of defective equipment.
- d) Page 25 – How did Festival make the determination that 1 unit = 3 staff for 1 week.
- e) Page 36 – Please provide the unit costs in 2015 compared to 2010 and 2013 for the replacement of poles, underground feeders, and switchgear and the reinsulate project and show the calculations.

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AMPCO Interrogatory #9

Ref: Exhibit 4, Tab 1, Schedule 1

- a) Page 2 – Please confirm the effective date of Festival’s latest collective agreement, the length of the agreement, and the annual increases.
- b) Page 4 – Please provide the \$ amounts for the extraordinary cost items listed.

AMPCO Interrogatory #10

Ref: Exhibit 4, Tab 2, Schedule 1

- a) Page 3 – Please confirm when the Chief Operating Officer position was created and filled.
- b) Page 4 – Please explain then increase need to hire an accounting clerk to aid in the volume of work performed by the accounting department.
- c) Page 5 – Please explain the need to hire an engineering technician to aid in the volume of engineering work.
- d) Please discuss if any retirements over the 2011 to 2015 period are not backfilled and why.
- e) Please provide a summary of vacant positions over the period 2010 to 2015.
- f) Page 6 – The evidence indicates that 2014 includes the OM&A of labour costs of time the existing chief operating officer and VP of engineering and operations had been spending in prior years on transformer station capital work as well as conservation initiatives. Please explain further why prior year costs are included in 2014.
- g) Page 7 – Please confirm if the lineman that retired in 2014 will be replaced in 2014 or 2015.
- h) Page 8 – Please confirm if headcount has the same meaning as FTE
- i) Appendix 2-JA – Please provide 2013 audited actuals.
- j) Appendix 2-JB – Please provide the overtime amounts plan vs. actual for 2011 to 2013 and 2014 and 2015 plan.
- k) Appendix 2-JB – Please confirm the increase in overtime in 2013.
- l) Please discuss the circumstances where double time is applicable.

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m) Please provide the number of apprentices hired each year for the years 2011 to 2015.

AMPCO Interrogatory #11

Ref: Exhibit 4, Tab 3, Schedule 1, Attachment 1 Employee Compensation Breakdown

- a) FTE Definition: Please explain the significance of 2080 base hours and the calculation of an FTE.
- b) Please confirm the number of permanent and temporary employees hired to work on the smart meter program by year and confirm the status of these positions in 2015.
- c) Please confirm when the President position is to be filled.
- d) Please confirm the operations manager retired in June 2014.
- e) Please confirm the overlap period between the manager and the lineman transitioning to the manager position.

AMPCO Interrogatory #12

Ref: Exhibit 8, Tab 1, Schedule 1

- a) Please provide the proposed fixed and variable rates for each customer class if the added constraint of not decreasing the monthly fixed charge was removed and the monthly fixed charge was the customer unit cost per month based on minimum system with PLCC adjustment as per the cost allocation model. Please confirm the fixed/variable splits under this scenario.

AMPCO Interrogatory #13

Ref: Exhibit 8, Tab 1, Schedule 1 (Page 4 of 1)

Preamble: The evidence indicates Festival has three rate classes with fixed and variable rates outside of the ranges suggested by the cost allocation model (GS>50 kW and Large User are over; sentinel lighting is under), however the 2015 proposed fixed/variable splits are consistent with prior year.

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- a) AMPCO is not fully clear on the meaning of this statement. Please provide the fixed and variable information to support this statement.