

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 Horizon
Utilities Corporation for an order approving just and reasonable
rates and other charges for electricity distribution to be
effective January 1, 2015 and for each following year through
to December 31, 2019.

**INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")
TO
WATTSWORTH ANALYSIS FOR CITY OF HAMILTON**

August 14, 2014

**HORIZON UTILITIES CORPORATION
2015 RATES REBASING CASE
EB-2014-0002**

**ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES
TO
WATTSWORTH ANALYSIS FOR CITY OF HAMILTON**

CoH - Energy Probe-79

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

Please provide an updated version of Table 2 that includes 2013 actual data and any revised figures for the previous years from Statistics Canada.

CoH - Energy Probe-80

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

- a) Please confirm that the \$5.8 million noted in the paragraph following Figure 4 is the numerical representation of the difference between the two lines shown in Figure 4 for 2019. If this cannot be confirmed, please explain the relationship between the \$5.8 million and the lines shown in Figure 4.**
- b) Please provide the numerical difference between the two lines shown in Figure 4 for each of 2015 through 2019.**

CoH - Energy Probe-81

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

The data and analysis around Figure 5 seems to imply that there should be a direct link between consumption (kWh) and costs allocated to the street lighting class and ultimately recovered from this class of customers. Is this a fair interpretation of this part of the evidence? If not, please explain the purpose of this part of the evidence.

CoH - Energy Probe-82

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton & Exhibit 7, Tab 1, Schedule 1, Table 7-2

- a) Please provide any comments with respect to the figures shown in Table 7-2, such as the assumption used for unknown connections.
- b) Please provide any similar data that the authors of the report have with respect to the level of known connections and unknown connections for each of the other distributors listed in Figure 16 with respect to the device-connection ratios.
- c) For each the distributors where data is available in the response to part (b) above, please indicate whether or not this information has been verified and audited.

CoH - Energy Probe-83

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton & Exhibit 7m Tab 1 Schedule 2

- a) With respect to the increase in the revenue to cost ratio from 74.41% to 83.34%, do the authors of the report agree that the rate classes that have a status quo ratio above the upper bound of the Board approved range should be reduced to that upper range figure? If not, why not?
- b) How do the authors of the report suggest that Horizon recover the lost revenue due to reducing the rates for those classes that have a revenue to cost ratio in excess of the Board approved top of the range? In particular, please refer to Table 7.5 in Exhibit 7, Tab 1, Schedule 2.

CoH - Energy Probe-84

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

Do the authors of the report have any evidence to suggest that the number of connections shown in Figure 7 (39,863) is not correct? If yes, please provide the evidence.

CoH - Energy Probe-85

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

What recommendations, if any, are the authors of the report making?

CoH - Energy Probe-86

Ref: Horizon Utilities Corporation's Street Light Rate Class Analysis Performed for City of Hamilton

- a) Please provide a complete listing of the work done by each of the authors of the report with respect to cost allocation. For each project identify the client as a distributor, customer, etc.**
- b) Have any of the authors been accepted as experts in cost allocation by a regulatory tribunal? If yes, please provide details.**