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 Festival Hydro Inc. for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of January 1, 2015.

SUPPLEMENTARY INTERROGATORY

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-22

[Ex.1/2/1] Please review the attached table, showing efficiency assessments of all Ontario utilities, from the PEG Update report published today. The table shows that the Applicant's costs have been above the benchmark costs applicable for each of the last four years, and in 2013 were above benchmark costs by \$2,258,333. With respect to the benchmarking data:

- a. Please provide details, with specific reference to the PEG Benchmarking Update Calculations model filed with the Board, of any anomalies in the benchmarking data or model structure that cause the information with respect to the Applicant to be unrepresentative of a reasonable cost comparison.
- b. Please describe the Applicant's strategy, if any to cause its actual costs to reduce to the level of the benchmark costs, including details of all material drivers that will allow the Applicant to achieve that result.

Submitted by the School Energy Coalition on this 14th of August, 2014.

Jay Shepherd
Counsel for the School Energy Coalition

			Effici	ency Assess	mont		Cost per	Cost per
Company	Year	2010	2011	2012	2013	Three Year	Customer	km of Line
HYDRO HAWKESBURY INC.	2013	-61.8%	-59.4%	-55.8%	-51.1%	-55.5%	284	23,045
WASAGA DISTRIBUTION INC.	2013	-46.8%	-46.3%	-37.8%	-41.6%	-42.1%	407	20,238
HEARST POWER DISTRIBUTION COMPANY LIMITED	2013	-26.3%	-30.1%	-28.4%	-33.1%	-30.6%	414	16,980
HALTON HILLS HYDRO INC.	2013	-27.2%	-24.9%	-27.5%	-35.7%	-29.5%	642	9,034
E.L.K. ENERGY INC.	2013	-28.2%	-26.2%	-25.4%	-33.2%	-28.3%	401	29,697
NORTHERN ONTARIO WIRES INC. HALDIMAND COUNTY HYDRO INC.	2013 2013	-38.5% -27.6%	-35.7% -24.1%	-25.8% -18.7%	-21.5% -23.7%	-27.6% -22.2%	687 681	11,268 8,310
COOPERATIVE HYDRO EMBRUN INC.	2013	-19.3%	-16.9%	-16.7%	-18.9%	-22.2%	568	39,819
KITCHENER	2013	-22.9%	-22.8%	-20.7%	-19.3%	-21.1%	466	22,062
NEWMARKET	2013	-14.6%	-21.0%	-19.5%	-19.5%	-20.1%	543	22,272
ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION	2013	-22.6%	-21.8%	-15.5%	-19.3%	-18.9%	612	14,642
OSHAWA PUC NETWORKS INC.	2013	-21.7%	-18.0%	-14.5%	-17.4%	-16.7%	505	27,050
MILTON HYDRO DISTRIBUTION INC.	2013	-4.1%	-3.0%	-37.6%	-4.5%	-15.7%	654	22,402
ESSEX POWERLINES CORPORATION	2013	-17.0%	-17.1%	-12.6%	-17.2%	-15.7%	482	29,323
GRIMSBY POWER INCORPORATED WELLAND HYDRO-ELECTRIC SYSTEM CORP.	2013 2013	-23.1% -19.6%	-18.6% -16.2%	-9.6% -10.4%	-16.9% -15.2%	-15.2% -14.0%	538 472	23,739 23,533
LAKEFRONT UTILITIES INC.	2013	-14.7%	-10.2%	-10.4%	-13.2%	-14.0%	465	39,825
ENERSOURCE HYDRO MISSISSAUGA INC.	2013	-9.5%	-16.1%	-9.5%	-10.7%	-12.3%	692	26,742
Entegrus Powerlines	2013	-13.1%	-13.4%	-10.9%	-12.5%	-12.3%	531	22,407
LONDON HYDRO INC.	2013	-16.8%	-10.1%	-11.1%	-11.0%	-10.8%	466	24,430
LAKELAND POWER DISTRIBUTION LTD.	2013	-7.5%	-10.0%	-13.6%	-6.4%	-10.1%	700	22,852
RIDEAU ST. LAWRENCE DISTRIBUTION INC.	2013	-10.6%	-13.8%	-6.7%	-7.2%	-9.3%	489	27,552
HORIZON UTILITIES CORPORATION	2013	-13.0%	-13.7%	-6.9%	-5.5%	-8.8%	499	35,054
BURLINGTON HYDRO INC.	2013 2013	-7.6%	-7.1%	-9.0% -9.2%	-7.5%	-8.0% -7.8%	587	25,773
HYDRO ONE BRAMPTON NETWORKS INC. COLLUS POWER CORPORATION	2013	-5.8% -8.2%	-7.4% -9.5%	-9.2%	-5.7% -12.3%	-7.8%	586 500	27,565 23,849
KENORA HYDRO ELECTRIC CORPORATION LTD.	2013	-11.5%	-4.6%	-5.2%	-11.2%	-6.8%	532	30,201
HYDRO 2000 INC.	2013	-14.8%	-12.2%	-0.8%	-1.0%	-4.7%	531	30,838
WHITBY HYDRO ELECTRIC CORPORATION	2013	0.4%	-3.0%	-7.0%	-0.9%	-4.1%	642	24,806
INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED	2013	-7.1%	-6.2%	-2.4%	-2.8%	-3.9%	732	14,168
CAMBRIDGE and NORTH DUMFRIES HYDRO INC.	2013	-10.1%	-7.8%	-3.3%	0.5%	-3.7%	624	28,714
ORILLIA POWER DISTRIBUTION CORPORATION	2013	-3.5%	-1.9%	-3.7%	-4.7%	-3.5%	591	32,280
VERIDIAN CONNECTIONS INC. CENTRE WELLINGTON HYDRO LTD.	2013 2013	-4.7% -8.7%	-4.5% -4.9%	2.4% 0.4%	-4.5% 0.4%	-2.3% -1.5%	529 614	23,757 27,271
POWERSTREAM INC.	2013	-7.4%	-6.4%	1.2%	3.0%	-1.0%	653	29,912
WESTARIO POWER INC.	2013	-3.1%	-0.2%	-1.4%	2.2%	0.2%	550	24,220
ST. THOMAS ENERGY INC.	2013	-6.4%	-4.5%	6.8%	-0.3%	0.6%	533	33,412
ORANGEVILLE HYDRO LIMITED	2013	-2.7%	1.6%	0.8%	0.1%	0.7%	577	32,555
BRANTFORD POWER INC.	2013	3.8%	-2.5%	4.7%	0.7%	0.9%	507	39,373
NORFOLK POWER DISTRIBUTION INC.	2013	-1.8%	-2.6%	6.0%	1.2%	1.5%	689	16,915
OTTAWA RIVER POWER CORPORATION NIAGARA-ON-THE-LAKE HYDRO INC.	2013	-2.9%	2.7%	0.0%	4.3%	2.3%	505	32,410
KINGSTON HYDRO CORPORATION	2013 2013	7.6% 0.1%	6.5% 2.2%	2.7% 2.4%	-0.7% 3.7%	2.7% 2.8%	699 517	18,516 38,667
SIOUX LOOKOUT HYDRO INC.	2013	0.6%	-1.4%	7.2%	2.9%	2.9%	802	7,845
GUELPH HYDRO ELECTRIC SYSTEMS INC.	2013	12.4%	14.7%	-2.0%	0.8%	4.2%	608	28,952
THUNDER BAY HYDRO ELECTRICITY DISTRIBUTION INC.	2013	9.6%	8.0%	-2.8%	8.2%	4.4%	585	25,631
HYDRO OTTAWA LIMITED	2013	-0.1%	-2.6%	7.8%	8.5%	4.5%	579	33,222
BLUEWATER POWER DISTRIBUTION CORPORATION	2013	-3.2%	1.7%	6.4%	5.9%	4.6%	646	29,017
NIAGARA PENINSULA ENERGY INC.	2013	5.4%	5.2%	10.2%	1.1%	5.4%	672	17,408
NORTH BAY HYDRO DISTRIBUTION LIMITED	2013	3.6%	5.5%	5.8%	5.4%	5.5%	614	25,228
WATERLOO NORTH HYDRO INC. PARRY SOUND POWER CORPORATION	2013 2013	-3.1% 4.7%	6.4% 4.6%	4.3% 2.4%	10.6% 13.9%	7.0% 7.0%	728 805	25,066 21,599
ERIE THAMES POWERLINES CORPORATION	2013	14.9%	14.4%	3.9%	7.9%	8.7%	610	32,792
FORT FRANCES POWER CORPORATION	2013	14.8%	10.5%	11.7%	6.4%	9.6%	622	30,237
PUC DISTRIBUTION INC.	2013	-8.5%	-5.2%	13.4%	22.7%	10.2%	687	30,950
GREATER SUDBURY HYDRO INC.	2013	-2.4%	14.1%	16.7%	4.8%	11.9%	560	26,887
OAKVILLE HYDRO ELECTRICITY DISTRIBUTION INC.	2013	7.6%	12.4%	10.6%	13.8%	12.0%	730	26,377
BRANT COUNTY POWER INC.	2013	15.6%	22.4%	11.5%	5.5%	13.0%	731	13,939
CANADIAN NIAGARA POWER INC.	2013	16.4%	15.6%	10.0%	13.8%	13.2%	726	20,275
TILLSONBURG HYDRO INC. PETERBOROUGH DISTRIBUTION INCORPORATED	2013 2013	13.5% 14.0%	10.7% 15.6%	12.2% 13.2%	19.5% 14.5%	14.1% 14.4%	736 562	32,796 35,731
WELLINGTON NORTH POWER INC.	2013	7.4%	18.0%	12.8%	17.7%	16.1%	785	38,175
ENWIN UTILITIES LTD.	2013	17.8%	16.8%	23.9%	10.3%	16.1%	652	48,500
RENFREW HYDRO INC.	2013	15.3%	18.3%	18.3%	15.7%	17.4%	561	39,493
ATIKOKAN HYDRO INC.	2013	14.9%	7.7%	32.9%	11.6%	17.5%	908	16,430
MIDLAND POWER UTILITY CORPORATION	2013	16.4%	17.0%	19.6%	18.6%	18.2%	662	34,376
FESTIVAL HYDRO INC.	2013	20.5%	18.0%	20.2%	19.6%	19.2%	627	49,466
CHAPLEAU PUBLIC UTILITIES CORPORATION	2013	17.5%	14.8%	24.0%	20.5%	19.8%	653	30,175
WOODSTOCK HYDRO SERVICES INC.	2013	33.5%	32.9%	29.0%	28.1%	30.0%	739	48,418
WEST COAST HURON ENERGY INC. TORONTO HYDRO-ELECTRIC SYSTEM LIMITED	2013 2013	14.4% 41.7%	16.0% 47.7%	34.8% 45.1%	41.4% 48.4%	30.7% 47.0%	820 924	50,545 66,793
	L 2013	+1.//o	4/.//0	+J.170	+0.470	47.070		1 00./33
HYDRO ONE NETWORKS INC.	2013	58.6%	57.3%	58.7%	27.6%	47.8%	1,046	10,682