

**Horizon Utilities Corporation
AMPCO Questions for Technical Conference**

2-AMPCO-22

Ref: 2-AMPCO-6 (f)

Preamble: Horizon indicates that reactive replacement costs for XLPE primary cable at \$213/metre is 323% higher than the proactive placements at \$66/metre in 2013.

Please explain the differences in the two approaches to account for the substantial difference in costs between reactive and proactive replacement.

2-AMPCO-23

Ref: 2-AMPCO-9 (j)

Preamble: Horizon provides a table in the response showing further outage data (% of customer minutes) related to equipment and material subcauses for the years 2010 to 2013.

Please discuss if Horizon has an annual % threshold or running average threshold for failures that triggers potential future capital investment.

4-AMPCO-24

Ref: 4-AMPCO-18 (a)

Please explain why Human Resources Costs/FTE is increasing by approximately 37.5% between 2011 and 2015.

4-AMPCO-25

Ref: 4-AMPCO-20 (a)

Please explain the trend in Corporate Costs/customer between 2011 and 2014.

4-AMPCO-26

Ref: 2-AMPCO-21 (b)

Please explain why actual overtime costs are significantly over budget for the years 2010 (98%), 2011 (54%) and 2013 (94%) and much less so in 2012 (4.5%).

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4-AMPCO-27

Ref: 2-AMPCO-21 (c)

- a) Please explain quantify how the premiums for on-call and shift work are paid.
- b) Please explain the drivers for the 13% increase in on-call and shift work between 2011 and 2012 actuals.

4-AMPCO-28

Ref: 2-AMPCO-21 (e)

AMPCO is unclear on how employees at the top of the pay grade receive pay increases. Please explain by way of an example.

4-AMPCO-29

Ref: 2-AMPCO-21 (n)

Please confirm vacant positions are not included Appendix 2-K.

4-AMPCO-30

Ref: 2-AMPCO-21 (o)

Please explain the 34% increase in contractor costs for 2013 actual compared to 2012 actual.