



---

## THE BOARD OF DIRECTORS

*Chair*, GAIL REGAN

President, Cara Holdings Ltd.

*President*, PATRICIA ADAMS

MAX ALLEN

Producer, IDEAS, CBC Radio

ANDREW COYNE

Columnist, National Post

GLENN FOX

Professor of Economics, University of Guelph

IAN GRAY

President, St. Lawrence Starch Co.

CLIFFORD ORWIN

Professor of Political Science, University of Toronto

*Secretary/Treasurer*, ANNETTA TURNER

ANDREW ROMAN

Barrister & Solicitor, Miller Thomson

ANDREW STARK

Rotman School of Management, University of Toronto

GEORGE TOMKO

Resident Expert, PSI Initiative, University of Toronto

MICHAEL TREBILCOCK

Chair, Law & Economics, University of Toronto

MARGARET WENTE

Columnist, The Globe and Mail

---

October 16, 2014

BY FAX & BY COURIER

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St, Suite 2701  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Board File No. EB-2014-0272**  
**Veridian Connections Inc. --- Z Factor Application**  
**Energy Probe – Interrogatories to Applicant**

Pursuant to Procedural Order No. 1, please find attached the Interrogatories of Energy Probe Research Foundation (Energy Probe) to Veridian Connections in the EB-2014-0272 proceeding.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh  
Case Manager

cc. George Armstrong, Veridian Connections (By email)  
Randy Aiken, Aiken & Associates (By email)  
Interested Parties (By email)

---

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: [EnergyProbe@nextcity.com](mailto:EnergyProbe@nextcity.com) Internet: [www.EnergyProbe.org](http://www.EnergyProbe.org)

**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 Veridian  
Connections Inc. for an order approving the recovery of  
certain amounts related to the restoration of electricity  
service in the service areas of Ajax, Pickering, Clarington  
and Port Hope due to an ice storm in December 2013, to be  
effective May 1, 2015 for 24 months.

---

**INTERROGATORIES OF  
ENERGY PROBE RESEARCH FOUNDATION  
("ENERGY PROBE")**

---

**October 16, 2014**

**VERIDIAN CONNECTIONS INC.  
2014 Z-FACTOR APPLICATION  
EB-2014-0272**

**ENERGY PROBE RESEARCH FOUNDATION  
INTERROGATORIES**

**Energy Probe - 1**

**Ref: Page 16**

- a) Please provide a version of Table 9 that allocates the Z-factor costs in the same manner as Account 5020 (Overhead Operations) did in the last approved cost allocation model.
- b) Please explain why this allocation is not more appropriate than the Board approved distribution revenue allocation proposed by Veridian in that storm related costs are included in Account 5020.

**Energy Probe - 2**

**Ref: Page 14**

The evidence indicates that the proposal for a start date of the Z-factor rate rider of May 1, 2015 coincides with the expiration of the fixed charge rate rider for the recovery of stranded meters, thus contributing to rate stability. Please provide the level of the rate rider for the recovery of stranded meters, by rate class, which will expire in April, 2015.

**Energy Probe - 3**

**Ref: Page 16**

**Please provide a table that shows the number of customers by rate class in the same level of detail as shown in Table 9 for each of the following:**

- a) 2014 approved number of customers;**
- b) actual number of customers based on the most recent month of information available;**
- c) forecast number of customers as of the end of April, 2015;**
- d) forecast number of customers as of the end of April, 2016; and**
- e) forecast number of customers as of the end of April, 2017.**

**Energy Probe - 4**

**Ref: Page 16**

**Please confirm that Veridian will track the revenue received through the Z-factor rate rider by rate class and at the end of the proposed clearance period, the balance in the account, by rate class will be cleared to the customers in each of the rate classes. If this cannot be confirmed, please explain.**