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December 4, 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-2014-0097
Niagara-on-the-Lake Hydro Inc. --- 2015 IRM Application
Energy Probe – Interrogatories to Applicant

Pursuant to Procedural Order No. 1, issued November 4, 2014, please find attached the Interrogatories of Energy Probe Research Foundation (Energy Probe) to Niagara-on-the-Lake Hydro Inc., in the EB-2014-0097 proceeding.

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

Yours truly,

David S. MacIntosh
Case Manager

cc. Tim Curtis, Niagara-on-the-Lake Hydro (By email)
Philip Wormwell, Niagara-on-the-Lake Hydro (By email)
Randy Aiken, Aiken & Associates (By email)
Interested Parties (By email)

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

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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 Niagara-on-
the-Lake Hydro Inc. for an order approving just and reasonable
rates and other charges for electricity distribution to be
effective May 1, 2015.

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

December 5, 2014

**NIAGARA-ON-THE-LAKE HYDRO INC.
2015 RATES APPLICATION
EB-2014-0097**

**ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES**

Energy Probe - 1

Ref: Manager's Summary, page 28

- a) How is the current MTS#2 asset allocated to rate classes based on the cost allocation study from the most recent cost of service application?**
- b) If the response to part (a) is different from the recovery of transmission connection costs being proposed, please explain why the proposal is different from the current allocation.**
- c) If the response to part (a) is different from the current allocation, please provide a revised Table 9 that shows the allocation of the costs to be recovered based on the current allocation methodology used for the MTS#2 station in the cost allocation approved by the Board in the most recent cost of service application.**

Energy Probe - 2

Ref: Manager's Summary, pages 13-14

Please update Tables 3.2 and 3.3 to reflect the inflation rate of 1.6% as calculated by the Board for use for rate changes effective in 2015, as released on October 30, 2014.

Energy Probe - 3

Ref: Manager's Summary, pages 15-16

Please show the calculation of the billed kWh and billed kW shown in Table 3.5 for each rate class based on total sales of 183,801,851 kWh and the figures shown in the 2013 Yearbook.

Energy Probe - 4

Ref: Manager's Summary, page 18

What assumptions has NOTL made with respect to the impact of CDM programs on the peak load shown in the graph?

Energy Probe - 5

Ref: Manager's Summary, page 10

Please provide a breakdown of the Adjusted 2015 column in Table 3.1 between discretionary and non-discretionary expenditures.

Energy Probe - 6

Ref: Manager's Summary, page 27

- a) **Please confirm that the depreciation expense and CCA deduction shown in Table 3.8 are based on the total capital expenditures of \$2,577,000 as shown in Table 3.7A.**
- b) **Please explain why the depreciation expense and CCA deductions should not be based on the incremental capital expenditures of \$1,950,854, as shown in Table 3.6.**
- c) **Please provide a version of Table 3.8 that shows the depreciation expense and CCA deductions based on the incremental capital costs of \$1,950,854.**

Energy Probe - 7

Ref: Manager's Summary, page 23

The evidence states the Eptcon's bid was under the project's estimate for EPC and they were awarded the contract. Was Eptcon's bid the lowest bid? If not, please provide the lowest bid and explain why it was not selected.

Energy Probe - 8

Ref: Manager's Summary, page 22

- a) Was the CG Power Systems the lowest cost bid? If not, please provide the lowest cost bid and explain why it was not selected, based on the weighting factors used in the evaluation.**
- b) Please provide a copy of the results of the evaluation that was provided to the Board of Directors in May, 2014.**