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BY EMAIL and RESS

November 19, 2015
Our File: EB20150061

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2015-0108 – Entegrus 2016 – SEC Interrogatories

We are counsel to the School Energy Coalition (“SEC”). Enclosed, please find interrogatories on behalf of SEC.

Yours very truly,
Jay Shepherd P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and intervenors (by email)

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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 Entegrus Powerlines Inc. for an Order approving rates and other service charges for the distribution of electricity as of May 1, 2016.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-1

[Ex.1] Please provide a copy of all materials provided to the Board of Directors in approving this application, and the underlying Test Year budgets. Please also provide a copy of the Applicant's most recent Business Plan.

1-SEC-2

[Ex.1] Does the Applicant have a corporate scorecard or similar document? If so, please provide the 2014 and 2015 versions.

1-SEC-3

[Ex.1] Please provide copies of all benchmarking studies, reports and analysis that the Applicant has undertaken or participated in since 2011 that are not already included in this application.

1-SEC-4

Please provide details of all efficiency and productivity measures the Applicant has undertaken since its last rebasing application. Please quantify those savings and provide all assumptions made in doing so.

1-SEC-5

[Ex. 1, p.75] Please detail all changes to the application made as a result of the Innovative customer engagement results and Convergens survey results.

1-SEC-6

[Ex.1, p.83] Please provide a step-by-step explanation of the Applicant's budgeting process. Please provide any internal budget guidance documents that were issued.

2-SEC-7

[Ex.2, Appendix 2-AB] Please revise Appendix 2-AB to include ‘plan’ amount for each year, using internally budgeted amounts. Please explain any material variances between plan and actual.

1-SEC-8

[Ex.2, p.164, Appendix 2-AA] With respect to system renewal expenditures, for each year from 2010-2016, please provide the total units replaced for:

- a. Cable (km)
- b. Poles
- c. Transformers
- d. Retail meters

2-SEC-9

[Ex.2, Attach 2-D, p.100] Please provide a copy of the referenced ‘Strategic Plan’.

2-SEC-10

[Ex.2, Attach 2-D] Please provide a summary of the assets the Applicant currently runs to failure and identify any changes in assets run to failure since the Applicant’s last Cost of Service application.

2-SEC-11

[Ex.2, Attach 2-D, p.142] With respect to reactive maintenance and capital costs, for each year from 2010-2020 please provide:

- a. reactive maintenance costs
- b. reactive based capital costs

2-SEC-12

[Ex.2, Attach 2-D] The Applicant provides areas where reductions in future O&M costs are expected due to capital investments. Please provide a breakdown of the savings (\$) by year.

2-SEC-13

[Ex.2, Attach 2-D] Please discuss if the Applicant has made any revisions to its construction standards since its last Cost of Service application and if it is proposing any changes for the Test Year and beyond. If there have been changes, please discuss the effect of those changes on its capital budget.

2-SEC-14

[Ex.2, Appendix VIII] Please provide a step by step description of how the Applicant builds a cost estimate for a capital project.

2-SEC-15

[Ex.2, Appendix VIII] Please provide Capital Project narratives for all material capital projects that the Applicant is seeking to have added to rate base in the test year.

2-SEC-16

[Ex.2, Appendix 2-BA] Please provide an update to the Fixed Continuity Schedules for 2015 and 2016 to account for any updated information.

4-SEC-17

[Ex.4, p.22] Please provide on the same basis as table 4-8:

- a. 2015 year-to-date amounts
- b. the 2014 amount at that point in the year as provided in (a)

4- SEC-18

[Ex.4, p. 25] With respect to vegetation control, please provide:

- a. the Applicant's tree trimming schedule
- b. a summary of other vegetation control activities beyond tree trimming undertaken by the Applicant
- c. a breakdown of the cost and unit quantities for each vegetation control activity (for example tree trimming per km) that makes up the total vegetation management spending by year for the years 2010 to 2015 and forecast for 2016

4-SEC-19

[Ex.4, p.31] What is the average duration between when an employee first becomes eligible for retirement, and when they do retire?

4-SEC-20

[Ex.4, p.31] For each year between 2010 and 2015, how many vacancies measured in FTEs has the Applicant had?

4-SEC-21

[Ex.4, p.41] Please provide a version of Table 4-13 which shows employees categorized between unionized and non-unionized.

4-SEC-22

[Ex.4, p.41] Please provide two additional rows to Appendix 2-K to show, for each year, the amount of compensation costs allocated to OM&A and capital.

5-SEC-23

[Ex.4, p.41] Please provide details of all incentive compensation plans provided to management. Please detail how the measures and targets are determined.

5-SEC-24

[Ex.5, Attach 5-F] The Applicant issued a promissory note to Entegrus Inc. in December 2014. Did the Applicant consider source of long-term debt other than from an affiliate? If so, please provide details. Please also explain why the Applicant believes such an issuance to an affiliate is prudent.

5-SEC-25

[Ex.5, Attach 5-F] The Applicant is forecasting a long-term debt issuance to Entegrus Inc. in December 2015. Is the Applicant considering other sources of long-term debt? If no, please explain why not.

5-SEC-26

[Ex.5] Please provide the Applicant's actual regulated Return on Equity for each year from 2010-2014. Please provide its forecast regulated ROE for 2015.

7-SEC-27

[Ex.7, p.30] With respect to the proposed rate mitigation for the SMP Large Use Customer:

- a. Please confirm that only the residential rate class will be allocated the excess revenue due to the mitigation plan during the transition period. If this is not correct, please provide details.
- b. Please provide details of the discussion between the Applicant and this customer regarding the mitigation proposal. Has the Applicant told the SMP Large Use Customer that the Board may not approve such a mitigation plan?

Respectfully submitted on behalf of the School Energy Coalition this November 19th, 2015.

Original signed by

Mark Rubenstein
Counsel for the School Energy
Coalition