

# *Aiken & Associates*

578 McNaughton Ave. West  
Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624  
E-mail: [randy.aiken@sympatico.ca](mailto:randy.aiken@sympatico.ca)

September 19, 2016

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli,

**RE: EB-2016-0160- Technical Conference Questions of London Property Management Association**

Please find attached the technical conference questions of the London Property Management Association ("LPMA") in the above noted application.

I am unable to attend the technical conference scheduled for later this week. I have a limited number of questions that are related to the interrogatory responses. It would be appreciated if Hydro One could either provide written responses to the questions or read the responses onto the record during the technical conference.

Sincerely,

*Randy Aiken*

Randy Aiken  
Aiken & Associates

cc: Erin Henderson, Hydro One

**Hydro One Networks Inc. Transmission**

**Application for electricity transmission revenue requirement and related changes to the Uniform Transmission Rates beginning January 1, 2017 and January 1, 2018.**

**TECHNICAL CONFERENCE QUESTIONS OF  
THE LONDON PROPERTY MANAGEMENT ASSOCIATION (“LPMA”)**

**LPMA – TCQ 1**

Ref: Exhibit I, Tab 1, Schedule 131

The table provided in the response to part (b) (i) of the interrogatory response shows the amount included in rates for OM&A and capital, but does not show the impact on rates. Please provide the revenue requirement impact of the OM&A and capital amounts included in rates for the years shown based on the accrual basis and confirm that this would be comparable to the revenue requirement based on the cash payments made in the years shown.

**LPMA-TCQ 2**

Ref: Exhibit I, Tab 4, Schedule 12

Table 1 provided in the response shows the change in CCF&S costs by department. The response also indicates that between 2016 and 2018 the move to a more commercially-oriented culture is one of the drivers of the increased costs.

Please provide the total costs associated with the move to a more commercially-oriented culture that are included in Table 1 for 2016, 2017, 2018 and for the TX allocation for 2017 and 2018.

**LPMA-TCQ 3**

Ref: Exhibit I, Tab 4, Schedule 15

a) The interrogatory requested a table that showed for each of 2012 through 2016 the total Board approved depreciation and amortization expense, the actual depreciation and

amortization expense and the difference. The table provided in the response appears to reflect depreciation expense only as shown in Table 1 of Exhibit C1, Tab 7, Schedule 1.

Please provide another table, similar to Table 2 of Exhibit C1, Tab 7, Schedule 1 that shows the requested information for the amortization expenses.

b) Approximately how much of the variance between actual depreciation and amortization from the Board approved levels is directly related to the variance in in-service additions noted in the response to Exhibit I, Tab 3, Schedule 47?

c) What are the other sources the difference between actual and Board approved figures?

#### **LPMA-TCQ 4**

Ref: Exhibit I, Tab 4, Schedule 19

For each of the adjustments for tax purposes shown in the table (other than land and CEC adds), please explain the tax treatment associated with the adjustment. For example, is interest capitalized deducted as an expense for tax purposes if it is removed from the capital cost included in CCA?