**EB-2016-0105**

**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 Thunder Bay Hydro Electric Distribution Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2017.

**FOLLOWUP QUESTIONS FROM THE**

**SCHOOL ENERGY COALITION**

**1.0-SEC-35**

[1-Staff-1] Please work with OEB Staff to prepare a RRWF that shows the correct deficiency for the test year.

**1.0-SEC-36**

[1-Staff-3] Please explain and quantify how the Rate Minimization Model, as interpreted by Thunder Bay Hydro, has resulted in a reduction in the rates of Ms. Koroscil, Ms. Tessier, Mr. Wojak and Mr. Chiupka. Please disaggregate the impact on their distribution bills of the City’s failure to take interest on its note, and its waiver of dividends on its equity.

**1.0-SEC-37**

[1-Staff-5] Please provide the communication from Decision Partners dated February 2, 2016.

**1.0-SEC-38**

[1-Staff-8] Please explain the process for determining the “targeted expenditure level” and the “overall financial envelope”.

**1.0-SEC-39**

[1-Staff-19, Survey Q.4] Please identify which other areas of the typical customer’s bill are expected to decrease in 2017, resulting in the Applicant’s $4.71 bill increase being reduced to $1.92.

**1.0-SEC-40**

[1-SEC-6(b)] The report by Costello Utility Consultants refers numerous times to their proposed budget for the project. Please provide a copy of that proposed budget.

**1.0-SEC-41**

[1-SEC-7] Please explain how the requirement to be “compensated by financial return” is consistent with the Rate Minimization Model. If the Applicant has a copy of the full resolution, please file a copy in confidence.

**1.0-SEC-42**

[1-SEC-12] Please provide a copy of the report requested.

**1.0-SEC-43**

[1-SEC-13] Please confirm that no explanatory or narrative materials were provided to the City other than the spreadsheets filed. If anything further was also provided, please file it.

**1.0-SEC-44**

[1-SEC-16] Please provide a copy of the current CEO position description, as described on page 2 of the Terms of Reference.

**2.0-SEC-45**

[2-VECC-4] Please confirm that, as a result of the reduction in working capital allowance, driven largely by the move to monthly billing, the working capital included in rate base for the test year is lower by $7.39 million, and the revenue requirement is reduced by $349,512 (at 4.73% WACC) plus the PILs associated with the equity component, about $93,517, for a total of $443,029. Please explain why, at the Community Day, the President of the Applicant told customers that $234,000 of the reason for the rate increase was the OEB’s requirement to go to monthly billing, but did not mention the $443,029 offsetting rate reduction from the same cause.

**2.0-SEC-46**

[2-SEC-18] Please confirm that the partial expenditure was not included in rate base until the truck was delivered and operational.

**2.0-SEC-47**

[2-Staff-43] Please explain how Consumer Price Index and Inflation differ as factors driving Economic Growth.

**4.0-SEC-48**

[4-Staff-61] The figures in this response do not appear to be the same as those in the RRWF and PILs workform filed with the interrogatory responses. Please reconcile.

**4.0-SEC-49**

[4-SEC-63] Please explain the interaction between deductions at source for pensions, and the adjustments on the annual T2S1 and in the PILs workform.

**4.0-SEC-50**

[4-AMPCO-23] Please explain why average executive compensation in 2013 went from $184,835 Board approved to $194,305 Actual, an increase of 5.1%. Please provide the main reasons why the CAGR of compensation per FTE from 2013 (Actual) to 2017 (Forecast) is 2.55%.

**4.0-SEC-51**

[4-SEC-20, Board Memo] Please confirm that the Board of Directors of the Applicant has not yet approved the operating and capital budgets contained in the Application. Please confirm that, by reason of statements at page 6 of the Report to the Board of Directors, it is expected that the actual spending by the Applicant in the test year is forecast to be based on a deficiency of about two-thirds of the deficiency included in the Applicant (i.e. a 14.1% increase in revenues rather than a 20.97% increase in revenues).

**4.0-SEC-52**

[4-SEC-20, Board Presentation] Please show through a numerical calculation that $2.8 million of the deficiency sought to be recovered in increased rates is the result of the Capital Investment Plan. Please confirm that, at the Community Day, the CEO of the Applicant told customers that $2.8 million of the rate increase was 68% of the rate increase, and was the result of increased spending on capital assets.

**4.0-SEC- 53**

[4-SEC-22] Please explain, to the extent that it is true, how the 4.4% CAGR in the Applicant’s OM&A since 2013 is the result of cost drivers and pressures unique to the Applicant.

**4.0-SEC-54**

[4-SEC-24] Please show the derivation of the figure $53,379, and reconcile that figure with the calculation in 2.0-SEC-45 of $443,029 for the same impact.

**4.0-SEC-55**

[4-VECC-38] The question requested a copy of an existing study or analysis. If this response is the text of such a study or analysis, please provide the author and the date.

**5.0-SEC-56**

[5-Staff-68] Please provide the full text of the agreement with TD Bank, not just the most recent amending document.

All of which is respectfully submitted this February 10, 2017.