



Jay Shepherd

Professional Corporation
2200 Yonge Street
Suite 1302
Toronto, ON M4S 2C6

BY EMAIL and RESS

April 12, 2017
Our File: EB20160356

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

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2016-0356 – Hydro One SSM 2017 – 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)

T. (416) 483-3300 F. (416) 483-3305

mark.rubenstein@canadianenergylawyers.com
www.canadianenergylawyers.com

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 Hydro One Sault Ste. Marie LP for an Order or Orders pursuant to Section 78 of the *Ontario Energy Board Act, 1998* for 2017 transmission rates and related matters.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-1

[Ex. 1-1-2, p.3] Please confirm that to date the Board has not declared the Applicant's rates interim.

1-SEC-2

[Ex.1-2-10, Appendix A] Page 11 of the EB-2014-0238 Settlement Agreement states "GLPT also undertakes to submit to the Board a more detailed and comprehensive Asset Management plan as part of the GLPT's next rate application". Please confirm the Applicant has not filed such a plan in this application.

3-SEC-3

[Ex.3-1-2, Appendix A] With respect to the proposed scorecard:

- a. Please provide a revised version of the proposed scorecard to include 2016 information.
- b. What is the 'OEB approved plan' amount for 2017 for the in-service additions (% of OEB approved plan) measure? Please explain the basis of the Board's approval of the amount.
- c. Please confirm that, with the exception of the measure for safety, the Applicant's scorecard is the same as that proposed by Hydro One in EB-2016-0160.

3-SEC-4

[Ex.3-1-4, Appendix A] With respect to the First Quartile Consulting Benchmarking Report:

- a. Please provide a copy of the RFP and any terms of reference.
- b. Please explain how the First Quartile selected the peer group comparators.
- c. Please confirm the study only compares OM&A costs, and is not a total cost benchmarking study. If confirmed, please explain why capital spending was not benchmarked.
- d. For the last five years, please provide the percentage of the Applicant's actual revenue requirement that is made up of OM&A costs. Please provide similar information based on forecast OM&A costs and total forecast revenue requirement.

- e. Please provide a revised version of Figures 1 through 5 showing the peer group information by quintiles. Please also provide the underlying data in the same format as requested in 3-Staff-7(c)
- f. Please explain how First Quartile forecasted costs for the comparators for 2016-2018.

4-SEC-5

[Ex.4-1-1, p.1] What is the basis for the Applicant's statement that "the general assumption is that transmitters' opportunities to realize productivity improvements are not greater than those of distributors".

4-SEC-6

[Ex.4-1-1, p.2] Please explain specifically where in the First Quartile Consulting Benchmarking Report, the Applicant believes the results show that its benchmarking is in the top cohort, quartile, or quintile, as to warrant a stretch factor of zero.

4-SEC-7

[Ex.4-1-1, p.2] Please confirm the Applicant did not ask First Quartile to review the Board's policies and decisions to determine, based on the benchmarking information, what an appropriate stretch factor would be.

4-SEC-8

[Ex.4-1-1, p.2] Please provide revised versions of Table 4-1-1A, showing the proposed annual adjustment and 2017 proposed revenue requirement, for each of the following stretch factor scenarios:

- a. 0.15%
- b. 0.3%
- c. 0.45%
- d. 0.6%

5-SEC-9

[Ex.5-1-2, p.8] Please provide both, the Board-approved and actual in-service additions, for each of 2015 and 2016.

Respectfully submitted on behalf of the School Energy Coalition this April 12th, 2017.

Original signed by

Mark Rubenstein
Counsel for the School Energy
Coalition