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File 95393

October 23, 2018

VIA RESS FILING and COURIER

Ms. Kirstin Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

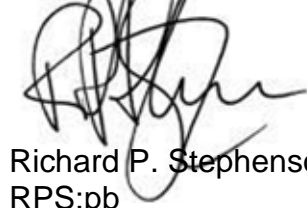
Dear Ms. Walli:

Re: Application by Veridian Connections Inc. and Whitby Hydro Electric for approval to amalgamate and continue operations as a single new local electricity distribution company (EB-2018-0236)

Attached please find the Interrogatories of the Power Workers' Union in connection with the above-noted proceedings. An electronic copy has been filed through the Board's RESS filing system, and two paper copies will follow by courier delivery.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Richard P. Stephenson
RPS:pb

Attach.

Doc 2693927 v1

**Veridian Connections Inc.
Whitby Hydro Electric Corporation**

**Application for approval to amalgamate and continue
operations as a single electricity distribution company**

Interrogatories of the Power Workers' Union

PWU 1

Ref: Application, page 3:

The Applicants state that “The Proposed Transaction resulted from a comprehensive merger evaluation process which included a broad public information and consultation process”

- a) Please explain if the public information and consultation process involved employees of Whitby LDC and Veridian LDC with respect to impacts and opportunities arising from the Proposed Transaction.

PWU 2

Ref: General:

- a) Please provide a chart that shows the breakdown of employees of Whitby LDC and Veridian LDC by role (management and non-management) and by union representation.

PWU 3

Ref 1: Application, Page 26:

The reference states: “More specifically, through the merger evaluation process, the Applicants identified a significant number of likely staff retirements within the next 2-7 years.”

Ref 2: Application, Page 33:

The reference states: “The results of this review indicate that during the years 2019 through 2028, 109 employees at the time of the review representing approximately 38% of current staff were expected to retire.”

- a) Please provide a chart that shows the indicated employee retirement forecast for the period 2019-2028 broken down by utility, role (management and non-management) and union.

PWU 4

Ref: Application, Page 33: Table 10

Table 10: OM&A Cost Synergies

(in 000's)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
OM&A Labour Costs Synergies	\$ -	\$ -	\$ 1,601	\$ 3,530	\$ 3,642	\$ 3,706	\$ 3,769	\$ 4,182	\$ 4,251	\$ 4,320	\$ 4,389	\$ 33,390
OM&A Non-labour Costs Synergies	\$ -	\$ 115	\$ 646	\$ 1,205	\$ 1,782	\$ 1,823	\$ 1,864	\$ 1,911	\$ 1,957	\$ 2,007	\$ 2,058	\$ 15,367
Total OM&A Synergies	\$ -	\$ 115	\$ 2,246	\$ 4,735	\$ 5,424	\$ 5,528	\$ 5,633	\$ 6,093	\$ 6,209	\$ 6,327	\$ 6,447	\$ 48,756
Transition Costs	\$ -	\$ 3,988	\$ 2,691	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,679
Net Synergies	\$ -	\$ (3,873)	\$ (445)	\$ 4,735	\$ 5,424	\$ 5,528	\$ 5,633	\$ 6,093	\$ 6,209	\$ 6,327	\$ 6,447	\$ 42,076

- a) What job functions and employee positions are forecasted to be lost or remain unfilled to achieve the OM&A labour cost synergies in each year provided in Table 10?
- b) For both Whitby LDC and Veridian LDC, what is the number and share of employees lost in each year in Table 10 to achieve the labour cost synergies, as a result of:
 - i. Natural retirement
 - ii. Redundancy caused by consolidation
- c) Would the consolidation result in the co-mingling of employees of Veridian and Whitby? If so, in what functions would co-mingling occur?

PWU 5

Ref: Application page 28, Table 9: Historical OM&A Cost per customer:

- a) Please expand Table 9 to include forecast OM&A cost per customer data for the 10 year rebasing deferral period (2018-2018)