



**PUBLIC INTEREST ADVOCACY CENTRE  
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January 30, 2019

**VIA E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St.  
Toronto, ON

Dear Ms. Walli:

**Re: EB-2018-0328 – Halton Hills Hydro Inc. 2019 Electricity Distribution Rates  
Vulnerable Energy Consumers Coalition (VECC) Interrogatories**

Please find enclosed the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

*(Original Signed By)*

John Lawford  
Counsel for VECC

Copy to: David Smelsky, Chief Financial Officer



**EB-2018-0328**

**Halton Hills Hydro Inc. (HHHI)**

**Application for electricity distribution rates effective May 1, 2019**

**Vulnerable Energy Consumers Coalition (VECC) Interrogatories**

VECC #1

Ref: Manager's Summary P4

The evidence indicates that in 2007, HHHI's load forecasts first identified the need for a new source of transmission supply. At that time, HHHI, together with the Town of Halton Hills, worked with the planned TransCanada Energy Halton Hills Generating Station ("HHGS") to identify a parcel of land adjacent to the new HHGS for possible construction of a new HHHI TS. The agreement with the HHGS was to build a transformer station on the land adjacent to the generating station and connect to the transmission system via HHGS's 230kV switchyard.

Based on the load forecasts in 2007, when was the new source of transmission supply needed and when was the new transformer station to be in-service?

VECC #2

Ref: Manager's Summary P4

HHHI is applying for an exemption to the general ICM policy in order to recover incremental Operating, Maintenance and Administration ("OM&A") costs in relation to the TS.

Is HHHI aware of any other LDC's that have applied for and been awarded OM&A costs related to an ICM for a new TS? If yes, please provide details.

VECC #3

Ref: Manager's Summary P5

The evidence states "HHGS and HHHI filed the Form of Connection Agreement with the Board in November 2013."

Please provide a copy of the Connection Agreement.

VECC #4

Ref: Manager's Summary P5

In February 2015, the Board issued a letter indicating that they would not reject the connection agreement. This assurance allowed HHHI to begin moving forward with the purchase of land, the design

and construction of the TS. The land purchase (at the agreed upon 2007 price) was finalized in November of 2015.

Please provide a copy of the Board Letter in February 2015.

VECC #5

Ref: Manager's Summary P6

In June 2017, HHHI updated its load forecast to verify the required in service date for the TS and to ensure prudent and timely spending. The updated load forecast confirmed a required in-service date of 2019.

Please provide the month of the forecast in-service date in 2019.

VECC #6

Ref: Manager's Summary P14

Table 5 provides the results of the site evaluations and overall rankings. HHHI chose Option 2C.

Please explain how Option 2C compares to the parcel of land identified in 2007 for possible construction of a new HHHI TS.

VECC #7

Ref: Manager's Summary P15

HHHI indicates that by utilizing an existing connection to Hydro One rather than building a new connection, HHHI realized several benefits related to Option 2C.

- a) Please discuss if the same benefits exist for other Options in Table 5 on Page 14.
- b) Please provide the incremental cost savings related to Option 2C.

VECC #8

Ref: Manager's Summary P17

The evidence states "Through diligent procurement and project management, overall costs have remained under budget."

- a) Please provide a cost variance analysis of budget versus actuals by year to demonstrate that overall costs have remained under budget.
- b) Please a variance analysis of the project schedule, forecast versus actuals by year.

**VECC #9**

**Ref: Manager's Summary P19**

HHHI states "Where applicable, HHHI has used the HHHI specific Kinetrics report (Kinetrics Inc. Report No: K-418022-RA-8 0001-R003 dated December 10, 2009) to determine useful lives and calculate amortization expense. Where a specific asset is not included in this report, HHHI has used the Board Kinetrics Report, dated July 2010, for recommended useful lives.

Please provide the impact if the Kinetrics Report, dated July 2010 was used instead of the December 10, 2009 Kinetrics Report.

**VECC #10**

- a) Please provide the original Business Case for the project.
- b) Please provide the latest version of the Business Case for the project.

