

May 21, 2019

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
P.O. Box 2319  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2018-0165 – Toronto Hydro-Electric System Limited - 2020-2024 Custom Incentive Rate Application – UPDATED EVIDENCE – Exhibit U**

Please find, attached, interrogatories on behalf of the Consumers Council of Canada (“Council”) for Toronto Hydro-Electric System Limited (“THESL”) pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

*Julie E. Girvan*

Julie E. Girvan

CC: All parties  
THESL, Regulatory Affairs  
C. Keizer, Torys

**INTERROGATORIES FOR TORONTO HYDRO-ELECTRIC SYSTEM LIMITED**

**FROM THE CONSUMERS COUNCIL OF CANADA**

**EB-2018-0165**

**RE: EVIDENCE UPDATES AND CORRECTIONS**

**U-CCC-46**

Please explain, in detail, the process THESL undertook in developing this update. Please provide all written directives given to staff in developing this update. The cover letter indicates that the primary purpose of the update is to provide 2018 financial information. What process did THESL go through in determining what elements of the 2019-2024 forecasts to change given the primary purpose of the update was to provide 2018 financial information?

**U-CCC-47**

Ex. U/T1A/S2/p. 2

THESL's capital expenditures for 2018 were \$435.6 for 2018. Please provide a detailed schedule setting out 2018 in-service additions.

**U-CCC-48**

Ex. U/T1A/S2/p. 5

Please provide an updated schedule setting out Distribution rate impacts.

**U-CCC-49**

Ex. U/T1B/S1pp. 6-7

The number of e-bills as of the end of 2018 is 261,000. What was the forecast for this period? What is THESL's expectation for the test period of the number of e-bills? Please provide the estimated impact on billing costs resulting from customers moving to e-bills.

**U-CCC-50**

Ex. U/T1B/p. 12

When will the updated asset condition assessment for wood poles be completed?

**U-CCC-60**

Ex. U/T1B/S1p. 14

With respect to transformer replacement please break out the unit costs between Padmount and Underground. Please explain why the unit costs increased significantly in 2018 relative to 2016 and 2017. What is the projected unit cost for this asset category in 2019 and 2020?

**U-CCC-61**

Ex. U/T2/S1/p. 9

THESL has estimated the impact of the OEB's revised Customer Service Rules to be an increase of \$1.6 million in 2020. Please provide a detailed explanation as to how that amount was calculated. What is THESL's materiality threshold? How does this impact the calculation of the custom capital factor in the 2021 and 204 rate years?

**U-CCC-62**

Ex. U/T2/S2/p. 17

During the 2015-2019 period THESL expects to spend 32 % less on System Service than its initial DSP forecast. Please provide a detailed schedule for the period 2015-2024 setting out all of the categories in the System Service category.

**U-CCC-63**

Ex. U/T3/S2/p. 2

Please explain, in detail, how the \$3 million reduction in Specific Service Charges was derived. Please include all assumptions.

**U-CCC-64**

Ex. U/T6/S1

THESL has identified a number of changes to the 2019 and 2020 bridge and test year forecasts (e.g. Other Revenues, OM&A, etc.) where the changes to the revenue requirement are relatively small. The evidence states, "In the interest of efficiency Toronto Hydro has decided to not flow through these changes through the revenue requirement work form or the cost allocation models." Is the complete list of these changes found in Exhibit U/T6? If not, please provide a complete list.