EB-2018-0242

Ontario Energy Board

IN THE MATTER OF an application by Peterborough Distribution Inc. for leave to amalgamate with Peterborough Utilities Services Inc., (the amalgamated corporation being referred to herein as "AmalCo"), made pursuant to section 86(1)(c) of the Ontario Energy Board Act, 1998.

AND IN THE MATTER OF an application by Peterborough Distribution Inc. and AmalCo, made pursuant to section 18 of the Ontario Energy Board Act, 1998, for leave to transfer: (a) PDI's distribution licence to AmalCo; and (b) PDI's rate order to AmalCo.

AND IN THE MATTER OF an application by AmalCo for leave to sell its distribution system to 1937680 Ontario Inc., made pursuant to section 86(1)(a) of the Ontario Energy Board Act, 1998.

AND IN THE MATTER OF an application by Peterborough Distribution Inc. seeking to include a rate rider in the current OEB-approved rate schedules of Peterborough Distribution Inc. to give effect to a 1% reduction relative to their Base Distribution Delivery Rates (exclusive of rate riders), made pursuant to section 78 of the Ontario Energy Board Act, 1998.

AND IN THE MATTER OF an application by AmalCo and 1937680 Ontario Inc., made pursuant to section 18 of the Ontario Energy Board Act, 1998, for leave to transfer: (a) AmalCo's distribution licence to 1937680 Ontario Inc.; and (b) AmalCo's rate order to 1937680 Ontario Inc.

Energy Probe

Interrogatories to the Applicants on Supplemental Evidence

EB-2018-0242

EP-21 Reference: Exhibit A, Tab 5, Schedule 1, Page 2

Please explain the mechanism that Hydro One will use to track capital costs and incremental OM&A costs to serve PDI customers after the rebasing period. Please provide a numerical example with illustrative numbers.

EP-22 Reference: Exhibit A, Tab 5, Schedule 1, Pages 6 and 7

Please provide more information on Hydro One's proposed adjustment factors by providing the following information.

- a) Please list the proposed adjustment factors.
- b) Please explain how each adjustment factor will be calculated.
- c) Please provide a numerical example of each adjustment factor.

EP-23 Reference: Exhibit A, Tab 5, Schedule 1, Page 9

- a) Why did Hydro One find it necessary to engage Navigant Consulting to evaluate its cost allocation approach?
- b) Did Hydro One issue an RFP for this work? If the answer is yes, please provide the RFP. If the answer is no, please explain why not.
- c) Please file the statement of work or any similar document that Hydro One used to communicate to Navigant the consulting assignment.

EP-24 Reference: Exhibit A, Appendix A, Navigant Report, Page 1

Are the documents listed on Page 1 a complete list of all documents that were provided to Navigant by Hydro One? If the answer is no, please list the documents that were provided by Hydro One to Navigant but are not listed on Page 1.

EP-25

Reference: Exhibit A, Appendix A, Navigant Report, Page 6

- a) Please discuss Navigant's experience with adjustment factors in other jurisdictions.
- b) Did Hydro One provide Navigant with any adjustment factor alternatives? If the answer is yes, please list and explain the alternatives. If the answer is no, please explain how Navigant was able to reach its conclusions in absence of alternatives.

Submitted on behalf of Energy Probe

Tom Ladanyi Consultant to Energy Probe