



Reply to the Attention of: Mike Richmond  
Direct Line: 416.865.7832  
Email Address: mike.richmond@mcmillan.ca  
Our File No.: 267730  
Date: July 29, 2019

**BY RESS AND COURIER**

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
26th Floor, Box 2319  
Toronto, ON M4P 1E4

Dear Mrs. Walli,

**Re: EB-2019-0018  
MANA Interrogatories**

Please find attached the Interrogatories submitted on behalf of intervenors Max Aicher (North America) Ltd. and Max Aicher (North America) Bloom Mill, which have also been submitted via RESS.

Yours truly,

A handwritten signature in black ink that reads "Mike Richmond".

Mike Richmond

**EB-2019-0018**

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, being  
Schedule B to the *Energy Competition Act, 1998*, S.O. 1998, c.15;

**AND IN THE MATTER OF** an Application by Alectra Utilities  
Corporation to the Ontario Energy Board for an Order or Orders  
approving or fixing just and reasonable rates and other service  
charges for the distribution of electricity as of January 1, 2020

**INTERROGATORIES**  
**on behalf of**  
**MAX AICHER (NORTH AMERICA) LTD.**  
**and MAX AICHER (NORTH AMERICA) BLOOM MILL**

**Interrogatory 1**

*Reference*

Page 1 of Exhibit 1, Tab 3, Schedule 1 states that the population in its seventeen communities is forecast to grow from 3.5 million in 2016 to approximately 4.1 million by 2026.

*Questions*

**[1-MANA-1]**

What information is this population forecast derived from? Please provide all source data.

**[1-MANA-2]**

The Ministry of Finance's reference rate for population growth in the Province of Ontario is 1.8% slowing to approximately 1.0% during the same period.<sup>1</sup> Does Alectra Utilities agree that growth in its communities approximates the provincial average?

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<sup>1</sup> <https://www.fin.gov.on.ca/en/economy/demographics/projections/>

**[1-MANA-3]**

If Alectra Utilities asserts that growth in its communities is above the provincial average, to what extent?

**Interrogatory 2**

*Reference*

Page 1 of Exhibit 1, Tab 3, Schedule 1 states that the investments contemplated in the DSP are not based on the historical expenditures of the utilities that have together formed Alectra Utilities.

*Questions*

**[2-MANA-4]**

Is Alectra Utilities' position that rates should increase because of the amalgamation leading to Alectra Utilities?

**[2-MANA-5]**

Is Alectra Utilities aware of any other amalgamation providing the basis for an increase in charges to ratepayers within the first five years of amalgamation?

**Interrogatory 3**

*Reference*

Page 2 of Exhibit 2, Tab 1, Schedule 1 states that Alectra Utilities expects that during its rebasing deferral period, its rates will continue to be set on the basis of the individual RZs corresponding to each of its predecessor utilities.

*Questions*

**[3-MANA-6]**

How is retention of the historic rate zones reconciled with Alectra Utilities "ground up" approach to rate determination?

## **Interrogatory 4**

### *Reference*

Page 2 of Exhibit 1, Tab 3, Schedule 1 refers to the impact of adverse weather events on Alectra Utilities' distribution.

### *Questions*

#### **[4-MANA-7]**

What analysis has Alectra Utilities performed to compare adverse weather events in its jurisdiction with those in other jurisdictions?

#### **[4-MANA-8]**

Did Alectra Utilities (or its predecessor utilities) review adverse weather events in its communities prior to amalgamation, and can Alectra provide those reviews?

#### **[4-MANA-9]**

Did the historical expenditures of the utilities that have formed Alectra Utilities take adverse weather events into consideration? If so, how did they do so? If not, why not?

## **Interrogatory 5**

### *Reference*

Page 1 of Exhibit 2, Tab 1, Schedule 2 refers the priorities and preferences of all Alectra Utilities customers.

### *Questions*

#### **[5-MANA-10]**

How were the priorities and preferences of all Alectra Utilities customers measured?

## **Interrogatory 6**

### *Reference*

Page 3 of Exhibit 2, Tab 1, Schedule 2 refers to the investment of 25% of Alectra Utilities' planning for expenditures during the 2020-2024 period into renewal of deteriorated underground systems.

Page 3 of Exhibit 4, Tab 1, Schedule 1 refers to underground asset investment.

### *Questions*

#### **[6-MANA-11]**

What is the expected impact on the duration and frequency of outages from this work?

#### **[6-MANA-12]**

How are these duration and frequency of outages estimated?

#### **[6-MANA-13]**

What percentage of this underground asset investment is occurring in the former Horizon rate zone?

#### **[6-MANA-14]**

What is the expected impact on the duration and frequency of outages specifically in the Horizon rate zone from this work?

#### **[6-MANA-15]**

Quantitatively, how does Alectra Utilities' usage of underground distribution assets compare with that of other utilities?

#### **[6-MANA-16]**

Quantitatively, how does Alectra Utilities' frequency and duration of outages compare with that of other utilities?

**[6-MANA-17]**

What percentage of expenditures do other Ontario utilities dedicate to repair of their underground systems, and how do these percentages compare to those included in the Alectra Utilities application?

**Interrogatory 7**

*Reference*

Pages 3 and 4 of Exhibit 2, Tab 1, Schedule 2 refers to an investment in “Enhancing the resilience of its overhead system to adverse weather events”.

*Questions*

**[7-MANA-18]**

What is the expected impact on the duration and frequency of outages from this work?

**[7-MANA-19]**

How are these duration and frequency of outages estimated?

**[7-MANA-20]**

What is the expected impact on the duration and frequency of outages specifically in the Horizon RZ from this work?

**Interrogatory 8**

*Reference*

Page 4 in Exhibit 2, Tab 1, Schedule 2 refers to a “population of wood poles in circumstances where they carry four circuits”.

Page 7 of Exhibit 4, Tab 1, Schedule 1 states that “Reinforced and replacement poles are more resilient to ice and wind loading. Alectra Utilities will specifically target a particular population of wood poles in circumstances where they are carrying four circuits”

*Questions*

**[8-MANA-21]**

How is this population of wood poles divided as between rate zones?

**[8-MANA-22]**

How does the number of four-circuit wood poles in Alectra Utilities' rate zones compare with the per-capita number in the jurisdiction of other Ontario utilities?

**[8-MANA-23]**

What percentage of this population of wood poles is located in the former Horizon RZ?

**Interrogatory 9**

*Reference*

Page 7 of Exhibit 2, Tab 1, Schedule 2 refers to "ongoing customer engagement activities carried out by the company".

*Questions*

**[9-MANA-24]**

What are the "ongoing customer engagement activities" referred to here?

**Interrogatory 10**

*Reference*

Page 7 of Exhibit 2, Tab 1, Schedule 2 refers to customers completing an "online workbook."

Page 38 of Exhibit 4, Tab 1, Schedule 1 also refers to a "comprehensive workbook".

*Questions*

**[10-MANA-25]**

If the questions that customers were asked as part of the online workbook have not been produced, please produce them.

**[10-MANA-26]**

If the questions that customers were asked have been produced, please advise where they are found in the Application.

**Interrogatory 11**

*Reference*

Page 7 of Exhibit 2, Tab 1, Schedule 2 refers to a final addendum with the additional GS over 50kW completes in Brampton.

*Questions*

**[11-MANA-27]**

Please describe all impacts this final addendum had on the results of the consultation?

**Interrogatory 12**

*Reference*

Page 10 of Exhibit 2, Tab 1, Schedule 2 refers to customer preferences in relation to specific capital investment areas.

*Questions*

**[12-MANA-28]**

Was information provided to customers to assist them in understanding these capital investment areas? If so, please produce it.



**[12-MANA-29]**

Please produce any information Alectra Utilities has regarding its customers' understanding of the capital investment areas.

**Interrogatory 13**

*References*

Page 10 of Exhibit 2, Tab 1, Schedule 2 states that the incorporation of customer preferences into the DSP involved the adjusting of pace of investments and the deferring of certain projects.

*Questions*

**[13-MANA-30]**

Are these adjustments and deferrals completely described on pages 40-41 of Exhibit 4, Tab 1, Schedule 1? If not, what other adjustments and deferrals were made?

**Interrogatory 14**

*References*

Page 2, lines 19-20 of Exhibit 4, Tab 1, Schedule 1 state that "When presented with investment options, Alectra Utilities customers indicated preference to fund the level of investment recommended by Alectra Utilities".

Page 12 of Exhibit 4, Tab 1, Schedule 1 states that "When presented with investment options, Alectra Utilities customers indicated preference to fund the level of investment recommended by Alectra Utilities."

Exhibit 4, Appendix C02 contains the notation "Small sample size, interpret with caution" under a number of the consultation results.

Exhibit 4, Appendix C02, Customer Engagement prepared by Innovative Research Group.

*Questions*

**[14-MANA-31]**

Which investment options are referred to in these sentences?

**[14-MANA-32]**

What methodology was used when asking customers about the level of investment recommended by Alectra Utilities?

**[14-MANA-33]**

What were the exact questions asked of customers related to the statement that “customers indicated preference to fund the level of investment recommended by Alectra Utilities”? Please indicate which questions cited in Exhibit 4, Appendix C02 are relied upon for this conclusion, if any.

**[14-MANA-34]**

Please produce the raw data relied upon to support the statement that “customers indicated preference to fund the level of investment recommended by Alectra Utilities”.

**[14-MANA-35]**

In asking about customers’ investment preferences, were customers advised of the specific impact such investment options would have on their own electricity costs? What is the precise amount of “bill impact” that was disclosed to customers who indicated such preferences? Were customers asked to explicitly state whether, and to what extent, they preferred to increase their own electricity costs in order to fund the referenced investment levels? Were customers given an explicit option in the consultation to select a preference for decreased electricity costs and lower investments?

**[14-MANA-36]**

What is meant by the notation “Small sample size, interpret with caution”?

**[14-MANA-37]**

Please provide each of the results set out in the various Online Workbook Results by percentage of total Alectra customers (or where applicable, percentage of total Alectra customers in the specified RZ or in the specified class). For example, Page 152 of the IRG Report states that 31 customers in the GS > 50 kW – 4,999 kW preferred “recommended pace” and 31 customers in that class preferred “base pace”; what percentage of GS > 50 kW – 4,999 kW customers is represented by 31 customers? Similarly, Page 200 of the IRG Report states that 0 Large Use customers preferred “recommended pace” and 1 Large Use customer preferred “base pace”; what percentage of Large Use customers is represented by that 1 customer? Please provide such percentages of total customer base (or RZ or class customer base) for each other Question in the IRG Report.

**[14-MANA-38]**

What incentives, if any, were offered to customers in relation to providing the information resulting in the raw data?

**[14-MANA-39]**

Please provide copies of the engagement letter and instruction provided to Innovative Research Group.

**[14-MANA-40]**

What involvement did Alectra Utilities have in drafting the questions asked by Innovative Research Group as part of this consultation/workbook?

Please provide all correspondence between Alectra Utilities and Innovative Research Group in relation to the consultation/workbook and the Report.

## **Interrogatory 15**

### *References*

Page 2 of Exhibit 4, Tab 1, Schedule 1 refers to engagement of Kinectrics Inc. and Vanry and Associates.

Pages 52-53 of Exhibit 4, Tab 1, Schedule 1 refer to the reviews by Kinectrics Inc. and Vanry & Associates.

### *Questions*

#### **[15-MANA-42]**

Please provide any Kinectrics Inc. opinion and other work product not enclosed as Appendix E to the DSP.

#### **[15-MANA-43]**

Please provide any Vanry & Associates opinion and other work product not enclosed as Appendix G to the DSP.

#### **[15-MANA-44]**

Please provide copies of the engagement letters and instructions provided to Kinectrics Inc. and Vanry and Associates.

#### **[15-MANA-45]**

Please provide all correspondence between Alectra Utilities and these parties in furtherance of them reaching their conclusions.

#### **[15-MANA-46]**

Please describe the amounts of remuneration received by Kinectrics Inc. and Vanry and Associates.

#### **[15-MANA-47]**

Please advise whether any of the remuneration received by Kinectrics Inc. or Vanry and Associates is contingent upon the outcome of their review or the outcome of this rate application.

**[15-MANA-48]**

Were any consultants or experts retained in relation to development of the 2020 EDR Application that is not disclosed in the application? If so, which consults and experts were retained and why was their work not used?

**Interrogatory 16**

*Reference*

Page 5 of Exhibit 4, Tab 1, Schedule 1 states that “The required replacement of these underground cables, now 40 to 60 years old, is far and above anything that would have been contemplated in Alectra Utilities’ base rates.”

*Questions*

**[16-MANA-49]**

Why did Alectra Utilities fail to previously contemplate the need to replace underground cables in its rate zones?

**[16-MANA-50]**

What led Alectra Utilities to contemplate the existence of these 40 to 60 year old cables?

**[16-MANA-51]**

Were Alectra Utilities’ predecessor utilities aware of the need to replace these underground cables? Why or why not?

**[16-MANA-52]**

Was the age or condition of these underground cables known to Alectra or any of its predecessor utilities at the time it submitted its MAADs Application [EB-2016-0025]?

### **Interrogatory 17**

#### *Reference*

Page 6 of Exhibit 4, Tab 1, Schedule 1 states that “Reliability is worsening. That is a fact.”

#### *Questions*

#### **[17-MANA-53]**

Please provide all underlying data showing the worsening of reliability in Alectra Utilities’ jurisdiction and all facts showing that the worsening results from underground cables.

### **Interrogatory 18**

#### *Reference*

Page 6 of Exhibit 4, Tab 1, Schedule 1 states that “More work is being carried out on an emergency basis. That is a fact.”

#### *Questions*

#### **[18-MANA-54]**

Please provide the volume of work performed by Alectra Utilities and its predecessors on an emergency basis over the last five years.

#### **[18-MANA-55]**

Please provide any facts known regarding the volume of emergency work performed by other utilities in the province of Ontario.

### **Interrogatory 19**

#### *Reference*

Page 6 of Exhibit 4, Tab 1, Schedule 1 states that “Customers are not receiving the service that they expect and are willing to pay for. That is also a fact.”

*Questions*

**[19-MANA-56]**

What is the service that customers expect and are not receiving?

**[19-MANA-57]**

What is the basis for the alleged fact that customers are willing to pay for this service?

**Interrogatory 20**

*Reference*

Page 7 of Exhibit 4, Tab 1, Schedule 1 refers to Alectra Utilities' connection of new customers.

*Questions*

**[20-MANA-58]**

When Alectra Utilities was consulting with customers, were customers advised that any portion of their proposed rate increase would be devoted to the connection of new customers?

**[20-MANA-59]**

If so, who was advised of this and at what stage?

**[20-MANA-60]**

What percentage of the proposed rate increase is being devoted to Alectra Utilities' connection of new customers?

**Interrogatory 21**

*Reference*

Page 8 of Exhibit 1, Tab 1, Schedule 1 refers to establishing additional linkages.

*Questions*

**[21-MANA-61]**

When Alectra Utilities was consulting with customers, were customers advised that any portion of their proposed rate increase would be devoted to establishing additional linkages?

**[21-MANA-62]**

If so, who was advised of this and at what stage?

**[21-MANA-63]**

What percentage of the proposed rate increase is being devoted to Alectra Utilities' establishing of additional linkages?

**Interrogatory 22**

*Reference*

Page 9 of Exhibit 1, Tab 1, Schedule 1 refers to enhancing the use of monitoring technologies, investing in environmental protection measures and managing inventory.

*Questions*

**[22-MANA-64]**

When Alectra Utilities was consulting with customers, were customers advised that any portion of their proposed rate increase would be devoted to enhancing the use of monitoring technologies, investing in environmental protection measures and managing inventory?

**[22-MANA-65]**

If so, who was advised of this and at what stage?

**[22-MANA-66]**

What percentage of the proposed rate increase is being devoted to Alectra Utilities' enhancing the use of monitoring technologies, investing in environmental protection measures and managing inventory?



### **Interrogatory 23**

#### *Reference*

Page 12 of Exhibit 4, Tab 1, Schedule 1 refers to a “snowplow” of capital costs for future consumers.

#### *Questions*

#### **[23-MANA-67]**

Please provide all assumptions on which the “snowplow” conclusion and funding shown in Figure 5.0 – 8 is based.

### **Interrogatory 24**

#### *References*

Page 17 of Exhibit 4, Tab 1, Schedule 1 refers to customers consistently saying that “they want the utility to maintain a reliable distribution system, even if that means some increase in their distribution rates.”

#### *Questions*

#### **[24-MANA-68]**

These consultations are said to have occurred at least once per year since 2017. Does this mean that customers were consulted twice or some other number of instances?

#### **[24-MANA-69]**

What is the amount of “some increase” in distribution rates that customers were informed of when expressing this “want”? Please break down the answer by RZ and customer class, where applicable.

#### **[24-MANA-70]**

What were the exact questions asked of customers when they provided these responses?

## **Interrogatory 25**

### *References*

Page 24 of Exhibit 4, Tab 1, Schedule 1 refers to customers identifying a “strong preference for the company to invest in system renewal...”

### *Questions*

#### **[25-MANA-71]**

Please provide all facts relied upon for this assertion of a strong preference.

#### **[25-MANA-72]**

How is this statement reconciled with the fact that fact that when asked how Alectra Utilities can improve service, top responses were either “nothing” or “lower rates” (Appendix C)?

## **Interrogatory 26**

### *Reference*

Appendix C lists engagement sample sizes.

### *Questions*

#### **[26-MANA-73]**

How many customers does Alectra Utilities have within each category for which sample sizes are listed?

## **Interrogatory 27**

### *Reference*

Appendix C says to “consult complete Customer Engagement Reports”

*Questions*

**[27-MANA-74]**

Please provide the Customer Engagement Reports.

**Interrogatory 28**

*Reference*

Page 27 of Exhibit 4, Tab 1, Schedule 1 states that “the company has faced a growing need for system access investments, over which Alectra Utilities has little control”.

*Questions*

**[28-MANA-75]**

When did Alectra Utilities become aware of the necessity of the system access investments now subject of its rate application?

**[28-MANA-76]**

What is the cause of the growth of the need?

**Interrogatory 29**

*Reference*

Page 35 of Exhibit 4, Tab 1, Schedule 1 refers to telephone surveys, online surveys and focus groups.

*Questions*

**[29-MANA-77]**

Please provide the instructions given to Innovate Research to perform these surveys and the focus group.

**[29-MANA-78]**

Please provide the questions asked in the telephone surveys.

**[29-MANA-79]**

Please provide the raw data arising from the telephone surveys.

**[29-MANA-80]**

Please provide the instructions given to Innovative Research to perform the telephone surveys.

**[29-MANA-81]**

Please provide the questions asked in the online surveys.

**[29-MANA-82]**

Please provide the raw data arising from the online surveys.

**[29-MANA-83]**

Please provide the instructions given to Innovative Research to perform the online surveys.

**[29-MANA-84]**

Please provide the questions asked in the telephone surveys.

**[29-MANA-85]**

Please provide the raw data arising from the focus groups.

**[29-MANA-86]**

Please provide any video retained from Innovative Research's meeting with the focus groups.

**[29-MANA-87]**

Please provide the instructions given to Innovative Research to administer the focus groups.

### **Interrogatory 30**

#### *References*

Page 35 of Exhibit 4, Tab 1, Schedule 1 asserts that “maintaining reliability, while being sensitive to price” was a “stated need and priority” of customers.

#### *Questions*

##### **[30-MANA-88]**

Which customers stated this need and priority?

##### **[30-MANA-89]**

How is this comment reconciled with the fact that fact that when asked how Alectra Utilities can improve service, top responses were either “nothing” or “lower rates” (Appendix C)?

### **Interrogatory 31**

#### *References*

Page 8 of Exhibit 2, Tab 1, Schedule 2 refers to an Innovative Research report prior to identifying investments based on customer needs & priorities.

Page 8 of Exhibit 2, Tab 1, Schedule 2 refers to an Innovative Research report on customer preferences.

Page 38 of Exhibit 4, Tab 1, Schedule 1 refers to Innovative Research presenting customer investment options and opportunity to present investment preferences

#### *Questions*

##### **[31-MANA-90]**

If any of these reports have not been produced, please produce them.

**[31-MANA-91]**

If these investment options have not already been produced, please produce them and information about how they were presented to customers.

**[31-MANA-92]**

If these investment options have already been produced, please advise where they are found in the Application.

**[31-MANA-93]**

Please provide all information delivered by customers in response to these requests.

**Interrogatory 32**

*Reference*

Pages 38-39 of Exhibit 4, Tab 1, Schedule 1 refers to a reference study.

*Questions*

**[32-MANA-94]**

Please provide the reference study/survey.

**[32-MANA-95]**

Please advise whether any study or survey results were rejected as a result of Alectra Utilities' "validation". If so, please provide the information excluded.

**Interrogatory 33**

*Reference*

Page 39 of Exhibit 4, Tab 1, Schedule 1 refers to customers being shown the rate impact of their choices.

*Question***[33-MANA-96]**

Is the rate impact shown to customers identical to the rate impact that will result from the rates sought in the 2020 EDR Application? If not, how do they differ?

**[33-MANA-97]**

The rate impacts shown in the IRG Workbook appears to be disclosed in dollars and cents, but without any description of whether these amounts are per kW, or per kWh, or per month, or per year, etc. Please provide a complete explanation of what the Bill Impact Analysis amounts are intended to represent. For example, on page 111 of Exhibit 4, Appendix C02, the “Average \$ Initial” Bill Impact for HRZ is described as “\$0.40”. IS this 40¢/kW, or 40¢/kWh, or 40¢/month, or 40¢/year, or some other measurement? Please provide all supporting materials to demonstrate exactly how this amount was displayed, conveyed or disclosed to, and understood by, the customer.

**[33-MANA-98]**

Please identify what rate impacts were shown to GS> 50 kW and to Large User customers, and where this disclosure can be found in Exhibit 4, Appendix C02.

**Interrogatory 34***Reference*

Page 143 of Exhibit 4, Tab 1, Schedule 1 refers to Alectra Utilities’ understanding that, despite price concerns, customers are generally willing to consider paying more to maintain a reliable system.

*Question***[34-MANA-99]**

What facts is this understanding based on?

**Interrogatory 35***Reference*

Exhibit 3, Tab 1, Schedule 12 is a Summary of Bill Impacts.

*Question***[35-MANA-100]**

Based on the data set out in this Schedule, what would be the financial impact of the rates requested by Alectra to a Large User in the Horizon Utilities RZ with the following monthly consumption statistics:

Adjusted Usage	1,500,000 kWh
Peak kW7-7	4,850
Demand kW	4,850
Demand kVA	5,000
Demand kVA7-7	5,000
Power Factor	0.965

- on an annual basis in each of years 2020, 2021, 2022, 2023 and 2024, as compared to 2019 (current rates)?
- on an annual basis in each of years 2020, 2021, 2022, 2023 and 2024, as compared to the last full year in which such a customer was billed by Horizon Utilities (prior to the Alectra amalgamation)?

**[35-MANA-101]**

How many Large Use customers does Alectra have in each RZ? To the best of Alectra's ability, please estimate how this figure compares to the



number of Large Use electricity customers (customers with similar peak capacities and volume) located within Alectra's jurisdiction which are transmission-connected (and therefore are not Alectra customers)?

**[35-MANA-102]**

To the best of Alectra's ability, please estimate how many or what proportion of Alectra's Large Use customers are "Emissions-Intensive Trade-Exposed" customers (being those eligible for the Output Based Pricing System under the federal *Greenhouse Gas Pollution Pricing Act*, or such other definition as Alectra considers more appropriate or easier to assess for the purpose of responding to these Interrogatories).

**[35-MANA-103]**

To the best of Alectra's ability, please estimate how many or what proportion of all "Emissions-Intensive Trade-Exposed" electricity customers (as described above) located in Alectra's jurisdiction and/or located in the Horizon RZ, are Alectra customers (versus transmission-connected and therefore not Alectra customers).

**Interrogatory 36**

*Reference*

Figure 1, Exhibit 1, Tab 3, Schedule 1, Page 2 is a photograph of a wood pole failure dated October 15, 2017.

*Question*

**[36-MANA-104]**

How many of Alectra Utilities' wood poles (or those of its predecessor utilities) fell onto vehicles in the manner depicted in this photograph in 2017? In 2018? In 2019?

Respectfully submitted on behalf of Max Aicher (North America) Ltd. and Max Aicher  
(North America) Bloom Mill this 29<sup>th</sup> day of July, 2019.

A handwritten signature in cursive script, appearing to read "Mike Richmond".

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Mike Richmond  
Counsel to MANA