



BY EMAIL and RESS

Mark Rubenstein
mark@shepherdrubenstein.com
Dir. 647-483-0113

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

September 30, 2020
Our File: EB20200048

Attn: Christine Long, Registrar & Board Secretary

Dear Ms. Long:

Re: EB-2020-0048 – Oshawa PUC Networks Inc. – SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Attached, please find a copy of SEC's interrogatories in the above-captioned matter.

Yours very truly,
Shepherd Rubenstein P.C.

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and intervenors (by email)

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 Oshawa PUC
Networks Inc. to the Ontario Energy Board for an Order or Orders
approving or fixing just and reasonable rates and other charges for
the distribution of electricity effective January 1, 2021.

INTERROGATORIES

**ON BEHALF OF THE
SCHOOL ENERGY COALITION**

1-SEC-1

[Ex. 1] With respect to the COVID-19 pandemic:

- a. Please provide details regarding the impact of the COVID-19 pandemic on the Applicant's operations and 2020 forecasts.
- b. Please explain how the impacts of the COVID-19 pandemic have or have not been included in its 2021 forecasts. If not, please provide the impacts.
- c. Please provide a detailed breakdown of the amounts included in each of the Account 1509 sub-accounts. Please provide a forecast of the amounts in each sub-account at the end of 2020.

1-SEC-2

[Ex.1] Please provide all material provided to the Applicant's Board of Directors regarding its approval of this application and the underlying budgets.

1-SEC-3

[Ex.1] Please provide copies of all benchmarking studies, reports, and analyses that the Applicant has undertaken or participated in since its last rebasing application that are not already included in the application.

1-SEC-4

[Ex.1] Please provide a step-by-step explanation of the Applicant's budgeting process.

1-SEC-5

[Ex.1, p.71] Please revise Table 1-37 to include all years from 2015.

1-SEC-6

[Ex.1] Please provide details of all productivity and efficiency measures the Applicant has undertaken since its last rebasing application in 2013. Please quantify the savings.

1-SEC-7

[Ex.1] Please provide details of all productivity and efficiency measures the Applicant plans to undertake in the test year. Please quantify the forecast savings.

1-SEC-8

[Ex.1, Appendix 1.3] With respect to the Talking A.I.M. Report:

- a. [p.16] The report notes that the “Ontario benchmark ratings are derived from an independent study of Ontario LDC customers, conducted annually, who pay the bill, through the Province of Ontario”.
 - i. Please provide further details regarding the methodology of the annual survey.
 - ii. For the 2019 Ontario benchmark, please provide a table that shows the number of each survey respondents for each Ontario LDC.
- b. [p.19] The report provides a comparison of Oshawa Power to “Utility Pulse”. A footnote notes that “UtilityPulse data is an extract from the database”:
 - i. Please provide details information regarding the makeup of the referenced data base, what was the information gathered, what is the methodology for collecting the information, etc.
 - ii. For the UtilityPulse used in the comparator, please provide a table that shows the number of each survey respondents for each Ontario LDC, and the year the information was gathered.

1-SEC-9

[Ex.1, Appendix 1.1, Appendix 2-AC] The Applicant states that the outcome of the Talking A.I.M. Report is that the “Data, information and insights are to be used to help shape the COS DSP plan being submitted to the OEB”. Please explain with sufficient specificity how the data, information and insights were used to shape the DSP.

1-SEC-10

[Ex.1, Appendix 1.3, p.41-52] Please provide the proposed annual increase in the a) system renewal budget and b) system service budgets on the same basis as provided in Ex.1, Appendix 1.3, p.41-52. Please explain how the calculations were derived.

1-SEC-11

[Ex.1] Please provide a copy of the Applicant's corporate scorecard for each between 2015 and 2020.

2-SEC-12

[Ex.2] Please provide a single table that shows, for each major asset category, the number of assets replaced or forecast to be replaced and the cost to do so, for each year between 2015 and 2025.

2-SEC-13

[Ex.2, p.52] The Applicant states: “2015 System Renewal Expenditures of \$7.2M were 1.3M higher than Board-Approved. On a net basis, after capital contributions, 2015 spend is 1.3M lower.” Please explain what capital contributions are applied to system renewal spending.

2-SEC-14

[Ex.2, DSP, p.12] In explaining the differences between the current and previous DSP, the Applicant states: “Additionally, discretionary projects were subject to change assessments that challenged their necessity, scope, budget or timing; and the Grid Modernization Plan helped to identify and further inform on the prioritization of System Service investments.” Please provide further details regarding actual changes to proposed programs and projects as a result of these changes.

2-SEC-15

[Ex.2, DSP, p.29, Table 9] If available, please provide a breakdown of the number of outages for defective equipment, by asset type.

2-SEC-16

[Ex.2-DSP, p.37] Please explain what the Applicant is doing to reduce distribution losses.

2-SEC-17

[Ex. 2, DSP, p.44] The Applicant states: “Projects that provide the greatest benefit and highest level of risk mitigation in accordance with the AM objectives will receive a higher prioritization ranking and preference for inclusion in the proposed capital investment plan”. Please provide a full list of projects/programs that were considered to be included in the capital investment plan but were not included because they did not have sufficient benefit or high enough level of risk mitigation.

2-SEC-18

[Ex.2, DSP, p.73] The Applicant lists a number of initiatives it is undertaking to deal with the impacts of climate change. Is the Applicant undertaking any initiatives where the *primary driver* of the work is climate change prevention and mitigation? If so, please provide details and its costs.

2-SEC-19

[Ex.2, DSP, p.79] Please provide a revised version of Appendix 2-AB that is on an in-service addition basis.

2-SEC-20

[Ex.2-DSP, p.105, Table 43] Please explain the ‘AM Score Ranking’, including all underlying details regarding its methodology and calculations.

2-SEC-21

[Ex.2-DSP, p.106-107, Table 44-45] Please explain the ‘Project Condition Ranking”, including all underlying details regarding its methodology and calculations.

2-SEC-22

[Ex.2-DSP, Appendix A, p.15] Please explain how a gross cost can be a negative number.

2-SEC-23

[Ex.2-DSP, Appendix A, p.37] With respect to the Overhead Line Renewal program:

- a. Please explain how the Applicant determines which projects to undertake within the program.
- b. Using 2021 as an example, for each project, please provide the number of assets being replaced and their condition.

2-SEC-24

[Ex.2, DSP] Please explain how the Applicant forecast the cost of individual projects.

2-SEC-25

[EB-2014-0101, Ex.2-B-7, p.1-16, and Appendix A-I] Please provide a table that shows, for each material capital project included in the Applicant's EB-2014-0101 application, a) project name, b) forecast cost, c) forecast year completed, d) actual cost, e) actual year completed, f) an explanation of any material variance of cost of +/- 10%, or variances in the year completed.

2-SEC-26

[Ex. 2- DSP, Appendix A, p.112] What is the condition of the switches that are being replaced by the SCADA Operated 44kb OH Switches project?

2-SEC-27

[Ex.2-DSP, Appendix, p.119] With respect to the SCADA Integration and Deployment of Automation Controllers and Network Connected Devices Project:

- a. [p.,120] The Applicant notes that the benefit of the Centralized Automation Controller is that the existing controller “does not allow easy interoperability with other vendors of smart devices.” Please provide further details including an example of how this is hindering the Applicant.
- b. [p.128] The Applicant notes if this project is not undertaken, “OPUCN will continue operating the existing system the same way as today, without obtaining the benefits of advance monitoring and communication technologies to improve fault location, isolation and system restoration.” How did the applicant measure the benefits of the project against the costs?

2-SEC-28

[Ex.2-DSP, Appendix, p.190] With respect to the Customer Information System Acquisition Project:

- a. [p.191] The Applicant states that: “The CIS acquisition will allow for an O&M savings of up to 16% as this will not be leased from a third-party consultant.” Please confirm the savings are against a base case of a scenario where a new CIS is purchased and hosted by the vendor?
- b. Was a formal business case undertaken for this project? If so, please provide a copy.
- c. Is the Applicant forecasting any savings related to the implementation of this project? If so, please provide details.

2-SEC-29

[Ex.2-DSP, Appendix K} With respect to the Grid Modernization Plan:

- a. Please confirm the disclaimer is in error, and the report was prepared for the Applicant and not Elexicon.
- b. The Report provides numerous tables showing the status of various programs included in the 2014 plan but as of 2018. Please revise to show the status of the various programs in the 2014 plan as of the time of responding to interrogatories.

3-SEC-30

[Ex.3, p.24] Please detail all methodological changes in the load forecast compared to the Applicant’s EB-2014-0101 application and EB-2017-0069 application.

3-SEC-31

[Ex.3, p.42] Please provide a revised version of Table 3-32 that includes a column showing year-to-date actuals for 2020 and at the same point in time in the year, 2019 actuals.

3-SEC-32

[Ex.3, p.42] Please explain the methodology for forecasting 2021 other revenues. If the methodology has changed since the Applicant’s EB-2014-0101 application, please explain how.

4-SEC-33

[Ex.4, p.28] Please provide a revised version of Table 4-15/Appendix J-C that includes a column showing year-to-date actuals for 2020 and a column showing year-to-date actuals at the same point in time in 2019.

4-SEC-34

[Ex.4, p.45] For each year between 2015 and 2019, what percentage of the total potential variable incentive plan compensation was paid out?

4-SEC-35

[Ex.4, p.47] How many FTEs does the Applicant currently have?

4-SEC-36

[Ex.4, p.47] Please provide a revised version of Table 4-20/Appendix 2-K that includes two additional rows showing annual amounts allocated to capital and OM&A.

4-SEC-37

[Ex.4, p.50] Please provide a copy of the Applicant’s shared services agreement (or similar document) with any of its affiliates.

4-SEC-38

[Ex.4, p.67] Please confirm the Applicant has made or not made any changes to its typical useful lives for depreciation purposes since its EB-2014-0101 application.

5-SEC-39

[Ex.5, p.4] Please provide an update on the forecast new 2020 debt instrument, including any information regarding the interest rate that will be available by TD Bank.

5-SEC-40

[Ex.5, p.9] What is the proposed term of the forecast 2020 and 2021 debt instruments?

5-SEC-41

[Ex. 6] Please provide a table that shows the Applicant's regulated ROE for each year since 2014.

9-SEC-42

[Ex.9] When does the applicant propose to seek disposition of its Group 2 DVAs?

9-SEC-43

[Ex.9, p.7] With respect to the OEB Cost Assessment Variance Account, please provide a table that shows for each year the principal debits made to the accounts.

Respectfully submitted on behalf of the School Energy Coalition this September 30, 2020.

Mark Rubenstein
Counsel for the School Energy Coalition