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File 94355

October 13, 2020

VIA RESS FILING

Ms. Christine E. Long **Board Secretary** Ontario Energy Board 2300 Yonge Street, 27th Floor, P.O. Box 2319 Toronto, ON M4P 1E4

Dear Ms. Long,

Re: EB-2020-0002 Alectra Utilities Corporation Incentive Regulation Mechanism **Application** for 2021 **Electricity Distribution Rates and Charges**

Attached please find the Interrogatories of the Power Workers' Union in connection with the above-noted proceedings. An electronic copy has been filed through the Board's RESS filing system.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Richard/P Stephenson RPS:pb

Encl.

Doc 3498590 v1

Power Workers' Union (PWU) Interrogatories

Alectra Utilities Corporation ("Alectra Utilities") Incentive Regulation Mechanism ("IRM") Application for 2021 Electricity Distribution Rates and Charges

(EB-2020-0002)

2. Incremental Capital Module ("ICM")

2-PWU-1

Reference: Exhibit 1, Tab 1, Schedule 4, Page 3 of 4, lines 21-28

In the reference, it is stated that:

Alectra Utilities has two Road Authority projects scheduled to be in-service in 2021: the Goreway Road Widening project in the Brampton RZ; and the Rutherford Road Widening project in the PowerStream RZ. Road Authority investments are non-discretionary and are required to be initiated and completed in accordance with the direction from the Road Authorities. Alectra Utilities is required to remove, relocate, or reconstruct distribution system assets to accommodate projects conducted by road authorities (as defined under the Public Service Works on Highways Act, or "PSWHA"). Costs associated with the projects are dependent on the size, type and complexity of the project, and are divided between the parties as specified in the PSWHA (emphasis added).

a) Please provide or indicate in the evidence the provisions of the PSWHA that specifies the cost sharing policy applicable to Road Authority projects.

2-PWU-2

Reference: Exhibit 2, Tab 1, Schedule 1, Page 6 of 18 (Goreway TS CCRA True-up)

In the reference it is stated that:

Additional capital contributions may be required at a true-up point if an economic shortfall is calculated (i.e., if the actual/forecast load has decreased). Conversely, a refund may be paid at the final true-up point if an economic surplus is calculated (i.e., if the actual/forecast load has increased).

a) Which variance account/sub account is used to record variances in capital contribution arising from variances in actual/forecast load?

2-PWU-3

Reference: Exhibit 2, Tab 1, Schedule 1, Page 7 of 18 (Goreway TS CCRA True-up -Project Options)

The reference indicates that:

The CCRA is a legally binding contract between Alectra Utilities and HONI. Alectra Utilities must fulfil the obligations of the contract, which includes payment of true-up settlements. As the full ten years of peak data will not be available until after the August 2020 anniversary date, no formal review between Alectra Utilities and HONI can be completed; and therefore, a review of any other options is not available at this time.

 a) Please provide update on whether a formal review has commenced since this Application was filed

2-PWU-4

Reference: Exhibit 2, Tab 1, Schedule 1, Page 8 of 18 (Goreway Road Widening project)

...the option to underground the distribution system was significantly higher cost and therefore it was determined to be uneconomical, relative to relocating the overhead system.

a) Did Alectra undertake analysis of the cost-benefit of undergrounding relative to relocating the overhead system? If so what is the cost differential that would result if the overhead system was undergrounded?

2-PWU-5

a) Alectra's evidence indicates that the projects for which ICM funding is requested are non-discretionary. Please describe in general the adverse consequences of deferring other projects on Alectra and customers in the event that the Board does not approve the request.

3. Incentive Regulation Mechanism ("IRM")

3-PWU-1

Reference: Exhibit 3, Tab 1, Schedule 5, Page 2 of 2, Table 37 (Calculation of PCI)

a) Please update Table 37 with any OEB published updates for stretch factor assignment for 2021 and inflation factor for 2021