

January 21, 2021

Christine Long
Registrar
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms Long:

EB-2020-0041 – Newmarket-Tay Power Distribution Inc. – 2021 Rates – ICM and Account 1576

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Newmarket-Tay Power Distribution Inc. 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

INTERROGATORIES FOR NEWMARKET-TAY POWER DISTRIBUTION INC.

FROM THE CONSUMERS COUNCIL OF CANADA

EB-2020-0041

CCC-1

Application/p. 44

Please explain, in detail, what changed between 2008 and 2015 leading to the revenue shortfall of \$9,243,400.

CCC-2

Application/p. 44

Please provide the following:

1. The original total capital cost of constructing the Transformer Station and the projected revenue established when the project began;
2. The updated capital cost of constructing the project and the revenue forecast in 2015 when the shortfall payment was determined to be \$9,243,400;
3. The revenue shortfall associated with the 10 year/ Second True-Up; and
4. What entity was responsible for each of revenue forecasts.

CCC-3

Application/p. 44

The evidence states that it has now been over ten years since the Holland TS has been used and useful and serving the ratepayers of that area. Ratepayers have been benefitting from the Holland TS without having to pay anything associated with the First True-Up since 2015. On what date did NT Power know that there was a revenue shortfall? Did NT Power at anytime since 2015 consider filing a COS rebasing application? If not, why not? Why did NT Power not bring an ICM application forward in 2019 or 2020 if NT Power and Midland Power determined they were eligible for an ICM once they consolidated?

CCC-4

Application/p. 45

Please explain how the foregone revenue amounts, set out in Table 1, were calculated. NT Power is effectively seeking forgone revenue for the period 2015-2020 through this application arising from the First True Up. NT Power is seeking to recover amounts in 2021 and beyond related to a payment in 2015. What is this not considered retroactive rate-making? Can NT Power provide any examples of cases where the OEB approved an ICM retroactively, going back five years?

CCC-5

Application/p. 45

In 2018 NT Power achieved an ROE of 11.19%, or 1.53% above the allowed ROE of 9.66%. Please explain the reasons that NT Power over-earned in that year. What is the actual ROE for 2020?

CCC-6

Application/p. 46

The evidence states that, "Based on discussions with Hydro One, NT Power expects the Second True-Up will be made in early 2021." What is the status of those discussions with Hydro One and when will the final payment amount be determined? How was the \$6.1 million derived?

CCC-7

Application/p. 57

Are the rate riders set out in Table 9 monthly riders? Are they only applicable to NT Power customers and not Midland Power RZ customers?