



BY EMAIL and RESS

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2300 Yonge Street
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February 22, 2022
Our File: EB20210056

Attn: Nancy Marconi, Acting Registrar

Dear Ms. Marconi:

Re: EB-2021-0056 – Rideau St. Lawrence Distribution 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.

Fred Zheng

cc: Ted Doherty, SEC (by email)
Applicant and intervenors (by email)

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998,
C.S.O. 1998. c.15 (Sched. B);

AND IN THE MATTER OF an Application by Rideau St.
Lawrence Distribution Inc. for an Order or Orders pursuant to
Section 78 of the Ontario Energy Board Act, 1998 approving
or fixing just and reasonable rates and other service charges
for the distribution of electricity.

INTERROGATORIES

**ON BEHALF OF THE
SCHOOL ENERGY COALITION**

1-SEC-1

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

1-SEC-2

[Ex.1] Please provide a copy of all documents that were provided to the Board of Directors in approving the underlying budgets contained in the Business Plan and this Application.

1-SEC-3

[Ex.1] Please provide details of all productivity and efficiency measures RSL has undertaken since its last rebasing application in 2016. Please quantify the savings and explain how they were calculated.

1-SEC-4

[Ex.1] Please provide details of all productivity and efficiency measures RSL plans to undertake in the test year. Please quantify the savings and explain how they were calculated.

2-SEC-5

[Appendix 2-AB, Ex.1 p. 15] SEC notes in 2016 and 2019 RSL System Reliability indicators are worse than the OEB Target for distributors. Regarding the below-target reliability:

- a. SEC also notes RSL underspent on a net capital expenditure basis between 2016 and 2019, which coincide with the years of low reliability performance. Please explain the underspending and how it impacted system reliability.
- b. Please provide any other explanation for the below target reliability.

2-SEC-6

[Ex.2 p.5-20] Please provide revised Tables 2.2-2.9 including 2021 actuals.

2-SEC-7

[Ex.2 p.14] Please explain and justify the 18% or \$72,597 increase in Distribution Expenses – Maintenance in 2019 rate base.

2-SEC-8

[Ex.2 p. 15-16] Please provide the actual amount of poles and wires replaced and actual cost per pole for the replacement project, for each year from 2016 to 2021 and 2022 forecast.

2-SEC-9

[Ex.2 p.6, 36] Please provide cost details and completion timeline for the various planned investments that contributed to the increase in 2022 rate base, including the Morrisburg substation project.

2-SEC-10

[Ex.2, p.63-67] With respect to the capital funding approved in RSL's 2018 IRM Application:

- a. Is RSL proposing any form of true-up? Please explain your response.
- b. Please provide a table that shows for each year, the actual revenue collected from the rate rider.
- c. Please provide a table that shows for each year, a revenue requirement calculation based on the both the ICM and Actual Accounting.
- d. Please file a copy of the Capital Module settlement model approved in RSL's 2018 IRM application.

2-SEC-11

[Ex.2, Appendix 2-AB] Please confirm that capital expenditures are equal to in-service additions.

2-SEC-12

[Ex.2, Appendix 2-AA] Please provide a revised version of Appendix 2-AA that includes 2023-2026 expenditures, that align with the proposed DSP spending included in Appendix 2-AB.

2-SEC-13

[Ex.2, DSP, p.95-122] RSL's DSP included Asset Condition Assessment information:

- a. For each asset type, RSL has provided a table that shows the asset rating, score, and a description, which includes information regarding when the asset should be replaced (i.e. within 7 year, or replace immediately). Please provide the basis for the asset rating/score and the replacement timeframe.
- b. For each of its major asset types, please provide the number replaced or planned to be replaced between 2017 and 2026.

2-SEC-14

[Ex.2 DSP p.127] Please provide the total cost of the POSI digger truck.

2-SEC-15

[Ex.2 DSP p.127-128] SEC notes there were several capital projects that incurred significant over-budget costs and contributed to increases in capital expenditures. Please provide cost details and explanation for the increase in costs for the following projects:

- a. The backup transformer remaining work project that contributed to the increase of 80% (system renewal 2016).
- b. Prescott MS1 changing the main breakers to reclosers (system renewal 2017).

2-SEC-16

[Ex.2 DSP p.132] Has RSL performed PCB Transformer Replacements in the previous rebasing period? If yes, please provide the number of PCB Transformers replaced in each year.

2-SEC-17

[Ex.2 DSP p.134] Regarding Morrisburg MS Relocation Phase 1 project:

- a. Please clarify if this project is building a new feeder or relocating the station, or both.
- b. Please provide details regarding the increase in demand, or otherwise, justify the need for an additional feeder.
- c. Please explain if RSL has considered cheaper alternatives.
- d. Please provide cost details and completion schedule for the project.

2-SEC-18

[EB-2015-0100 Settlement Proposal, p.12] The approved Settlement Proposal in EB-2015-0100 included the following provision:

RSL appears to have an unusually high number of planned outages and scheduled outages. RSL agrees that, prior to its next cost of service rebasing application, it will carry out an assessment of the underlying causes of its level of planned outages and scheduled outages and will file that assessment together with RSL's recommendations as part of RSL's next cost of service rebasing application.

Please provide the assessment, recommendations, and explain how they were incorporated into RSL's DSP.

3-SEC-19

[Ex.3, p4, Table 3.2] Please revise the referenced table to provide 2021 actual information.

3-SEC-20

[Ex.3, Appendix 2-H] Please provide a revised version of Appendix 2-H that includes 2021 actuals.

4-SEC-21

[Ex.4, Appendix 2-JA, Appendix 2-JB] Please provide a revised version of Appendix 2-JA and 2-JB that include 2021 actuals.

4-SEC-22

[Ex.4, p.6, Table 4.3] With respect to OM&A Cost Drivers and Variances:

- a. Please provide cost details and an explanation to the \$66,194 increase in “Other” category in 2017.
- b. Please provide cost details and an explanation to the \$104,801 decrease in Staffing cost in 2018.

4-SEC-23

[Ex.4, p.31] Please provide a revised Table 4.16 with Post Retirement Benefit Costs in OM&A forecast, for each year from 2023 to 2026.

4-SEC-24

[Ex.4, p.32] Please provide any benchmarking or any kind of comparable study on management compensation level conducted by RSL, or any third party contracted by RSL, in the process of recruiting new CEO and CFO.

4-SEC-25

[Ex.4, p.28] Please provide cost details and breakdown by programs to explain the variance in the Underground Maintenance program between 2016 and 2022.

4-SEC-26

[Ex.4, p.28] Please provide and explain the basis for the conclusion that inflation, excluding costs associated with recruiting new CEO and CFO, is responsible for over \$100,000 of the variance

4-SEC-27

[Ex.4, General] SEC notes during the past rebasing period, at least two key employees of RSL returned from extended leave, and they had material impact on OM&A costs. Please explain how RSL maintained its operation readiness during the period of their absence.

5-SEC-28

[Ex.5] Please provide a table that shows RSL’s regulated ROE for each year between 2017 and 2021.

7-SEC-29

[Ex.7, p.4, Table 7.2] Please provide detailed justification to the weighting factors assigned for GS 50 – 4999 for each of Services Account 1855 and Billing and Collecting Accounts 5315 – 5340.

9-SEC-30

[Ex.9, p.30] With respect to Account 1592, Sub Account -CCA Changes:

- a. Please confirm that RSL did not take any accelerated CCA on assets in 2018 and 2020.
- b. Please revise Table 9.28 to include forecast principal entries in 2021.
- c. Please provide the supporting CCA continuity schedules related to the principal amounts included in the revised Table 9.28 requested in part (a).

Respectfully submitted on behalf of the School Energy Coalition this February 22, 2022.

Fred Zheng
Counsel for the School Energy Coalition