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BY EMAIL AND RESS

June 22, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2022-0178 - Entegrus Powerlines Inc. Application for a Service Area Amendment – Hydro One Networks Inc. Interrogatory Responses

In accordance with Procedural Order No. 3, please find attached interrogatory responses provided by Hydro One Networks Inc. ("Hydro One") to questions posed by Entegrus Powerlines Inc, Formet Industries and the Ontario Energy Board ("OEB") Staff.

In accordance with previous determinations on the same, Hydro One respectfully request the following information be kept confidential pursuant to Rule 10.01 of the Board's Rules of Practice and Procedure and consistent with the Board's Practice Direction on Confidential Filings revised December 17, 2021:

Information	Specific Page(s) Redacted	Presumptive Confidential Category
Non-public information about a specific customer's load profile	I-02-01 Page 3, Lines 4, 5, 6, and 7 I-02-02 Page 1, Line 31 I-02-02 Attachments 1 and 2 I-02-03 Page 1, Lines 10, 14, 21, 24, 28, 29, 30, and 34 I-02-03 Page 2, Line 10 I-02-04 Page 1, Lines 27, 31, and 32 I-02-04 Page 2, Lines 16, 24, and 25 I-02-04 Attachments 1, 2, and 3 I-02-09 Page 2, Line 2 I-02-09 Attachment 1, Line 1 of Paragraph 2 I-02-10 Page 1, Lines 14, 16, 20, 21, 22, 24, 25, 26, 27, 28, 30, and 31 I-02-10 Page 2, Lines 3, 19, 24, and Tables 1 and 2 I-02-10 Page 3, Lines 8, 11, 15 and Tables 3 and 4	Information that would disclose load profiles, energy usage and billing information of a specific customer that is not personal information

	I-02-12 Page 1, Line 30 and Attachments 1, 2 and 3 I-02-14 Page 1, Lines 13, 17, 35, and 36 I-03-01 Page 1, Lines 16, 17, 19, 20, 22, 23, 24, 27 and 28 I-03-02 Page 1, Lines 17, 18, 19, 20, 21 and Attachment 1	

A redacted electronic copy of these interrogatory responses has been submitted using the Board's Regulatory Electronic Submission System for public use.

A confidential unredacted version of these interrogatory responses has also been supplied to the OEB in accordance with the OEB's Practice Direction on Confidential Filings.

Sincerely,

Joanne Richardson

OEB STAFF INTERROGATORY - 01

Reference:

Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023

Entegrus Powerlines Inc. – Application for a Service Area Amendment, Attachment 3, October 17, 2022

Hydro One states (Ref. 1, p.4 of 28) that:

> The Supply Facilities Agreement was expressly made 'conditional upon OH reaching a satisfactory supply agreement with the Customer. The corresponding provision of the Supply Facilities Agreement is at ref. 1, Attachment 3, p.2 of 4.

Interrogatory:

a) Please describe the supply agreement between Ontario Hydro and/or Hydro One and the customer and provide a copy of the agreement, if available.

Response:

a) The satisfactory supply agreement with the Customer referred to in the extract is the satisfactory power supply agreement that is referred to at Attachment 3, p.2 of 4 of Hydro One's Intervenor Evidence. That agreement is referred to in the balance of this response as the Agreement for Power.

The Agreement for Power between Ontario Hydro and Cosma International Inc. ("**Cosma**") made on August 27, 1997 (fully executed in February 1998) is the agreement that satisfied the above-referenced requirement in the Supply Facilities Agreement. The Agreement for Power dealt with the supply of power by Ontario Hydro to the Customer's predecessor, Cosma International Inc., for a term of 10 years commencing on September 1, 1997 at Firm Power time-of-use rates.

The Agreement for Power is already on the record of this proceeding and is provided as Attachment 3, Exhibit E of the Formet Industries April 17, 2023 Intervenor Evidence.[1]

To avoid any confusion, there is a second agreement, a Power Facilities Agreement that was executed by Ontario Hydro and Cosma as of October 15, 1997 (fully executed in February 1998). The Power Facilities Agreement references the Feeders that were

[1] Formet Intervenor Evidence – Filed April 17, 2023, p.33

built under the terms of the Supply Facilities Agreement but primarily pertains to the portion of the Feeders that were constructed by Ontario Hydro as referenced in Section 1 of the Supply Facilities Agreement in the second sentence, where it refers to "connecting to the portion of the feeders within Formet Lands which is being constructed by Ontario Hydro" as well as the 27.6 kV switching facility constructed by Ontario Hydro on Cosma's property ("**Switching Facility**") and the transformers (installed by Cosma with ownership transferred to Ontario Hydro). The feeders within the Formet Lands, the Switching Facility and the transformers were transferred to Cosma on December 31, 2007 in accordance with Section 5.1 of the Power Facilities Agreement as approved by the Board in the decision and order of the Board in EB-2007-0969 dated March 12, 2008 in respect of the December 28, 2007 application made by Hydro One under Section 86 of the *Ontario Energy Board Act, 1998*.

The Power Facilities Agreement is also on the record of this proceeding and is provided as Attachment 3, Exhibit F of the Formet Industries April 17, 2023 Intervenor Evidence.[2]

[2] Formet Intervenor Evidence – Filed April 17, 2023, p.33

OEB STAFF INTERROGATORY - 02

Reference:

Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023

Hydro One states (Ref. 1, pp. 4-5 of 28) that:

> The Supply Facilities Agreement included the terms of OH's lease of two dedicated 27.6 kV feeders constructed and owned by the PUC (the "Feeders"), and provided that after paying the PUC 20 years of rental and maintenance fees for the Feeders, OH was given the option to purchase the said Feeders at book value on January 1, 2018 (which option has been exercised by Hydro One, the successor to OH to the Supply Facilities Agreement.

Interrogatory:

a) If Hydro One were to acquire the line in accordance with the terms of the 1997 agreement, would Hydro One be able to use the feeders to serve additional customers in Hydro One's distribution service territory? Please explain how much capacity would be available on feeders M7 and M8 to serve additional customers.

Response:

a) Yes, pursuant to the last sentence of section 1 of the 1997 Supply Facilities Agreement, "[t]he servicing of any other customers from the Feeders shall be at Ontario Hydro's discretion"[1].

Available capacity on the Feeders to serve additional customers, net of the capacity that has been contracted to the Customer, is 5MVA.

[1] Hydro One Intervenor Evidence, Filed April 17, 2023 – Attachment 3, p.2

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OEB STAFF INTERROGATORY - 03

Reference:

Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023

Hydro One states (Ref. 1, p. 5 of 28),

> in St. Thomas' July 4th letter, it previously advanced the position that the Electricity Act frustrated the Supply Facilities Agreement, that the subject Customer should be transferred to St. Thomas, and that St. Thomas should have therefore been serving the Subject Area.

Interrogatory:

a) Please clarify the reference to St. Thomas' July 4th letter. Did Hydro One intend to refer to the June 4, 2004 letter from St. Thomas to the OEB found at Attachment 1 to Hydro One's April 17, 2023 evidence? If not, please provide a copy of the July 4th letter.

Response:

a) Hydro One apologizes for the typo and confirms that the reference should indeed be to the June 4, 2004 letter from St. Thomas to the OEB that is found at Attachment 1 to Hydro One's April 17, 2023 Intervenor Evidence. The extract should therefore be revised to include the bold font below for clarity:

> In St. Thomas' **June** 4th, 2004 letter to the OEB, **(included in Attachment 1)** it previously advanced the position that the Electricity Act frustrated the Supply Facilities Agreement, that the subject Customer should be transferred to St. Thomas, and that St. Thomas should have therefore been serving the Subject Area

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OEB STAFF INTERROGATORY - 04

Reference:

[Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023]

Hydro One states (Ref. 1, p. 9 of 28),

> The lease fees were predicated on the PUC's actual construction costs. Hydro One has also paid the PUC and St. Thomas for the maintenance of the Feeders in accordance with the terms of the Supply Facilities Agreement.

Interrogatory:

a) Please explain in detail and provide a quantitative breakdown of how the lease fees were predicated on PUC's actual construction costs.

Response:

a) At Attachment 3 of Hydro One's Intervenor Evidence, provided on April 17, 2023, Hydro One has supplied a copy of the 1997 Supply Facilities Agreement and the May 29, 1998 Addendum to the 1997 Supply Facilities Agreement.

Clause 3 and 4 of the 1997 Supply Facilities Agreement documents that:

> *"A Four Thousand Nine Hundred and Sixty Eight ($4,968.00) Dollar monthly rental and maintenance fee will be charged by the PUC to OH for the use of the Feeders until December 31, 2007. The PUC will bill OH in the first quarter of each year for the number of months the circuits were used by OH to service the Customer the previous year minus any damages as detailed below.* ***The monthly rental and maintenance fee will be adjusted by an amount equal to the difference between actual construction costs and the estimated cost amortized over 300 months.*** *(emphasis added) The rental and maintenance fee of Four Thousand Nine Hundred and Sixty Eight ($4,968.00) Dollars is based on estimated construction costs of Six Hundred and Sixty One Thousand, and Eight Hundred ($661,800) Dollars and maintenance costs.*

From January 1, 2008 to December 31, 2017, the PUC will make the Feeders available to OH for supply to the Customer at a monthly rental fee reduced by $300.00 and adjusted by a reasonable amount for actual changes in maintenance costs for the feeders, if appropriate, taking into account that from January 1, 2008 maintenance of the 27.6 kV feeders within Formet Lands will be the responsibility of the customer. OH shall have the option to purchase the Feeders from the PUC with appropriate land rights *at book value on January 1,2018.*The subsequent May 29,1998 Addendum to the 1997 Supply Facilities Agreement was made to account for the actual construction costs of the Feeders. The May 29, 1998 Addendum, which begins at page 4 of Hydro One's April 17, 2023 Evidence reads as follows:

> ***Now that this work is completed, you have finalized the costs associated with the feeder construction****. (emphasis added) With the cost of construction increasing from the estimated amount of $661,800 to $739,699.75, the monthly rental and maintenance fee will increase from $4968.00 to $5827.93. We concur and accept this amount. The 1997 payment will be based on the period from September 14, 1997 (the date the first dedicated feeder went into service) to December 31, 2007 (as per section 3). Please submit an invoice for the 1997 'use of facilities'.*

Given this information, the actual construction costs of the Feeders, including all poles along the line, was **$739,699.75**. Subject to a remaining payment to cover the book value of the assets, as at January 1, 2018, Hydro One has paid this entire amount back to St. Thomas Energy Inc., now Entegrus. In calculating the amounts paid to Entegrus and its predecessors, Hydro One has assumed that the payment for the first month, September 1997, was only half of the scheduled lease payment given the in-service date of September 14, 1997. Consistent with the Supply Facilities Agreement and the Addendum, the monthly payments during the initial lease period between September 14, 1997 and December 31, 2007 is specified as $5,827.93/month. The monthly payment in the subsequent period between January 1, 2008 and December 31, 2017, is $5,527.93. Therefore, the payments made by Hydro One for the facilities through lease payments alone, in accordance with the Supply Facilities Agreement and the 1998 Addendum, is tallied as follows:

Hydro One lease payments = (September 14, 1997 to December 31, 2007 lease payments) + (January 1, 2008 to December 31, 2017 lease payments)

Hydro One lease payments = ($5,827.93 monthly lease payment x 123.5 months) + ($5,527.93 monthly lease payment x 120 months)

Hydro One lease payments = $1,383,100.96

Hydro One lease payments of $1,383,100.96 far exceed the total construction cost of the facilities $739,699.75.

For context as OEB Staff reviews this response, Hydro One has conservatively estimated further adjustments were not made for actual changes in maintenance costs for the Feeders between January 1, 2008 and December 31, 2017 and that the monthly costs remained as outlined in the 1997 Supply Facilities Agreement and 1998 Addendum, i.e., a reduction of $300/month (totalling $5,527.93/month or $66,335.16/annum). Hydro One notes that based on documentation provided in Appendix 2-H of St. Thomas Energy Inc.'s last rebasing application, EB-2014-0113, it appears Hydro One was charged $69,935 in 2011 and 2013 respectively, and $70,135 in 2012, as tracked in Account 4220.

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OEB STAFF INTERROGATORY - 05

Reference:

[Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023]

Hydro One states (Ref. 1, p. 9 of 28):

> the costs of the Feeders that serve the Subject Area have been fully borne by Hydro One (and its predecessor, OH) thus the revenues collected from the Customer should continue to flow to the benefit of the ratepayers that funded the investment – Hydro One ratepayers.

Interrogatory:

a) Please explain in detail how "the costs of the Feeders that serve the Subject Area have been fully borne by Hydro One (and its predecessor, OH)".

Response:

a) Subject to the final payment associated with the net book value of the assets as at January 1, 2018 (a payment which Hydro One has tried to make to Entegrus and Entegrus has refused to accept), Hydro One's (and its predecessor's) lease payments have fully paid for the construction and maintenance of the M7 and M8 Feeder as described in response to OEB Staff Interrogatory 4 (Exhibit I, Tab 1, Schedule 4).

Additionally, as documented in the prefiled evidence submitted by Entegrus, Entegrus has not and is not being billed for the breakers at Edgeware TS associated with the M7 and M8 feeder. The IESO bills Hydro One for the commodity required to serve the load on the M7 and M8 feeder on these breakers, not Entegrus.

Hydro One does not believe that St. Thomas PUC would have entered into the 1997 Supply Facilities Agreement if it had impacted their ratepayers negatively, and more importantly, Hydro One does not believe the OEB would have permitted the lease to continue if it believed it impacted ratepayers negatively after being made aware of the lease.[1]

Given these facts and clear cost responsibilities that have been levied on Hydro One and not Entegrus, Hydro One ratepayers have fully paid for these Feeders, including construction, maintenance, commodity, retail transmission service rates, and other overhead costs such as billing systems and customer representatives that are needed to serve the Customer. The benefits, i.e., the financial revenues and operational

[1] Hydro One Intervenor Evidence, April 17, 2023 - Attachment 2

growth opportunities, that flow from these costs, should continue to flow to the benefit of Hydro One ratepayers that have funded the cost of the facilities to date.

OEB STAFF INTERROGATORY - 06

Reference:

Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023

Hydro One states (Ref. 1, p. 9 of 28) that:

> This connection was not considered an LTLT over the life of the Supply Facilities Agreement nor was it deemed an LTLT at the time of the LTLT DSC Amendments. All LTLTs between Hydro One and St. Thomas were eliminated with the approval of the EB-2017-0192 application and this connection has effectively been treated as a commercial lease-to-own arrangement for the feeders constructed by the PUC but used and paid for by Hydro One to serve the Subject Area.

Interrogatory:

a) Please clarify the reference to 'a commercial lease-to-own arrangement".

b) Is Hydro One a party to any other similar lease-to-own arrangements? If yes, please describe them and explain how they compare to this connection arrangement.

Response:

a) The reference to a commercial lease to own arrangement is making reference to the 1997 Supply Facilities Agreement and the 1998 Addendum to that Agreement that was in effect a lease agreement where Hydro One and its predecessor, as the lessee, has the option to purchase the facilities it was leasing from the lessor, Entegrus, at the net book value cost of the asset at the end of the lease term. The provision to purchase the property that is being leased is a common provision that delineates this type of lease-to-own arrangement from a standard lease where the lessor has no intention of divesting the leased asset.

b) Please refer to Hydro One's response to Ontario Energy Board Staff Interrogatory 1, Exhibit I, Tab 1, Schedule 1. Hydro One was similarly involved as a party to a separate lease-to-own agreement with Formet regarding the same connection. The divestiture of those then Hydro One assets to Formet, in accordance with the provision to purchase property that was documented in that commercial agreement, was approved by the OEB in EB-2007-0969.

Additionally, though Hydro One was not a party to the transaction, the OEB approved other leases that included provisions that provided the lessor the option to purchase the leased facilities at the end of the lease term. Specifically, the OEB approved an application where the City of Port Colborne was seeking an order of the Board granting leave, pursuant to subsection 86(1) of the *Ontario Energy Board Act, 1998*, for Port Colborne Hydro to lease to Canadian Niagara Power Inc., for ten years, all of the electricity distribution assets owned by Port Colborne Hydro and located within the City of Port Colborne, under the terms and conditions of the lease between signed between those parties dated July 19, 2001. The OEB approved the application under docket RP-2001-0041 on April 12, 2002.

OEB STAFF INTERROGATORY - 07

Reference:

Hydro One Networks Inc. – Intervenor Evidence, Application for a Service Area Amendment, April 17, 2023

Hydro One states (Ref. 1, p. 12 of 28):

> the Customer's forecast monthly bill breakdown utilizing the Customer's average loading data over the last two years is provided in confidence as Attachment 6 and the transfer of the Customer to Entegrus would cause undue harm to the Customer from a billing perspective.

The monthly bill breakdown in Attachment 6, indicates that the fixed monthly meter charge is not applied to Entegrus and St. Thomas' Rate Zones.

Interrogatory:

a) Please provide a reason why the fixed monthly meter charges were not applied to Entegrus and St. Thomas' Rate Zones in Attachment 6.

b) Please update the comparison table to show the total by distributor if the fixed monthly meter charge is applied to both Entegrus and St. Thomas' Rate Zones.

c) Please explain if the additional monthly meter charge would impact ratepayers and if so, how would it impact ratepayers?

Response:

a) - b) Hydro One is not aware of either the Entegrus or St. Thomas rate zone having an OEB-approved fixed monthly meter charge for either rate zone, therefore no applicable fixed meter charge is shown in Attachment 6.

c) The intent of Attachment 6 was to correct the prefiled evidence advanced by the Applicant that "…the Customer would realize significant distribution rate savings if the SAA were approved, and the Customer was served by Entegrus"[1]. That is simply untrue; the Hydro One Intervenor evidence illustrates that the directly affected Customer will be harmed from a billing perspective if transferred to Entegrus.

Additionally, comparing the distribution rates of Hydro One Networks Inc. (recently rebased in EB-2022-0110) to either those of the St. Thomas rate zone (last rebased under EB-2014-0113) or future projected Entegrus Large User rates inclusive of the

[1] Entegrus Application, Filed October 17, 2022 – p. 22 of 32

current St. Thomas rate zone (that have never been tested), potentially avoids recognizing current costs to serve that are not reflected in the current OEB approved rates of the St. Thomas rate zone, or the forecast Entegrus Large User rate.

OEB STAFF INTERROGATORY - 08

Reference:

Formet Industries – Customer's Supplementary Evidence, May 19, 2023

The supplementary evidence filed by Formet Industries includes a capacity allocation commitment letter from Hydro One, dated May 17, 2023 (Ref. 1, Attachment 2-A).

Interrogatory:

a) Is this commitment provided by Hydro One unique to this customer, or are such commitments provided to other customers?

b) If similar commitments are provided to other customers, please describe the commitments and explain how they compare to this commitment.

c) Please explain how Hydro One determines the capacity allocation for each customer in similar commitments.

Response:

a) A capacity allocation commitment letter is not atypical and is something that Hydro One offers many customers in accordance with Hydro One's Conditions of Service.

b) In accordance with Section 2.1.9 of Hydro One's Conditions of Service, a customer's Assigned Capacity on a distribution facility is equal to the customer's Historical Capacity or Contracted Capacity, plus any Available Capacity that Hydro One assigns to the customer on that Distribution Facility. A customer's three-month average peak load is limited to the customer's Assigned Capacity. Any load increase beyond this requires Hydro One's approval. Changes to a customer's load profile that include an increase in seasonal loading compared to the customer's historic usage also require Hydro One's prior approval. The capacity allocation commitment that Hydro One provided to Formet , therefore, does not differ from any other capacity allocation commitment that Hydro One would make to another customer if a similar request was made.

c) In accordance with Section 2.1.9 of Hydro One's Conditions of Service, when existing distribution facilities have unused and unassigned supply capacity, Hydro One may assign the available capacity to a customer that makes a formal load connection request. This will be known as the customer's Assigned Capacity. A System Impact Analysis determines if the existing system has sufficient capacity and the connection requirements and limitations at the time of application. Where a distribution facility has insufficient capacity to fully accommodate multiple requests, Hydro One will assign capacity at its discretion on a first-come, first-served basis upon receipt of a formal load connection request. Hydro One will not assign capacity to a customer unless the customer has demonstrated its need for the capacity to the satisfaction of Hydro One.

ENTEGRUS POWERLINES INTERROGATORY - 01

Reference:

Entegrus Evidence 2022-10-17, Section 5.5.1, including Table 5-1.

Preamble:

In 2019, Hydro One provided an email to Entegrus showing the cost of construction of a new Edgeware TS station bus, breaker position and egress to be $1.7M, within -50% to 100% accuracy. The SAA Application is premised in part on Entegrus' anticipated future growth requirements for St. Thomas, and the role that the M7/M8 feeders can play in meeting that St. Thomas growth. It is important context, therefore, to understand what other opportunities exist to meet the anticipated requirements.

Interrogatory:

If Hydro One is unable to answer any of the following questions, please explain why.

a) Please describe all breaker position slots at Edgeware TS, including:
   i. the owner,
   ii. service status (e.g. in service, not constructed, etc.)
   iii. the rated capacity of each breaker position,
   iv. the current peak load of each breaker position under normal distribution configuration, and
   v. if any of the capacity is reserved, please provide an explanation of who the capacity is reserved for and why, as well as the reserve allocation in MW and MVA.

b) Please describe the remaining open breaker positions not yet built out and any inactive breaker positions at Edgeware TS. Please advise on any allocations or restrictions on the unbuilt or inactive breaker positions.

c) Please describe the rationale and objective of the current construction activity at Edgeware TS and whether this activity involves building out or modifying any breaker positions, such as the M11/M12.

d) Please confirm whether any construction of new breaker positions at Edgeware TS (e.g. the M11/M12 or other breaker positions) is temporary or permanent. If any breaker position construction is temporary, please confirm when the temporary breaker position will become available again.

e) Regarding the above Edgeware TS new breaker position construction cost estimate provided to Entegrus in 2019, please provide an update in 2023 dollars for the construction of a new breaker position for Entegrus, confirm the degree of accuracy of the information provided and the assets included or excluded from the price.

f) Please confirm the status of the Entegrus 2019 request for a new breaker position at Edgeware TS.

g) Please confirm that, subsequent to the construction activity described above, there remains sufficient capacity at the Edgeware TS to construct the new breaker position and egress of the station for Entegrus.

h) Based on (g) above, please provide the next steps that would be required for Entegrus to initiate construction by Hydro One in 2023.

   i. Please provide an estimate of a timeline for the construction and energization of the new Edgeware TS station bus, breaker position, and egress for Entegrus, under the assumption the associated Entegrus feeders were pre-built and ready for connection.

i) Please confirm that, beyond the new breaker described above, there is an additional (second) breaker position available at Edgeware TS for Entegrus. Please advise if the costs or timeline for energization would be different from the first breaker position described above.

j) Please describe any upcoming plans for customers to be directly transmission-connected at Edgeware TS and describe the impact of this on available capacity at Edgeware TS.

Response:

Hydro One Distribution has conferred with Hydro One Transmission for the purpose of this interrogatory and was advised as follows:

a)

   i. Hydro One Transmission is the owner of all breaker positions at Edgeware TS.

   ii. The standard design of Edgeware TS is set-up with tweleve feeder breaker positions. Three of the breaker positions (the M9, M11 and M12) are not constructed. All other breaker positions, M1 to M8, and the M10 are in-service.

   iii. The typical 27.6kV feeder position capacity is 16.7 MVA.

iv. The following are the non-coincidental peak loads for the distribution breakers supplying Hydro One Distribution load:

M2: [redacted]
M3: [redacted]
M4: [redacted]
M7 + M8: [redacted]

v. There is no contracted capacity at Edgeware TS from Hydro One Transmission.

b) Currently, there are three unbuilt breaker positions at Edgeware TS. These breaker positions are available to any customer on a first-come, first-served basis in accordance with Hydro One's OEB-approved Transmission Connection Procedures ("TCP").

c) Hydro One Transmission is working on a sustainment project to replace an end-of-life protection, control and telecom building for the station.

d) Please refer to part (c).

e) In accordance with Hydro One's Ontario Energy Board-approved Transmission Connection Procedures, Entegrus and Hydro One Transmission need to enter into a Connection Cost Estimate Agreement to provide an updated cost and timeline to install a new breaker position at Edgeware TS.

f) A Connection Cost Recovery Agreement with Hydro One Transmission for the breaker position was not executed within twenty-four (24) months of completion of the System Impact Assessment completed on December 6, 2019. Consequently, in accordance with the Independent Electricity System Operator's Market Manual 1.4 Section 3.6, the Entegrus application has been deemed withdrawn.

g) Following construction activity described in part (c), there remains sufficient capacity for all three remaining breaker positions to be constructed.

h) Entegrus should formally reach out to Hydro One Transmission to initiate an SIA/Customer Impact Assessment ("CIA"). Details regarding Hydro One's standard timelines and process can be found at the following link:

https://www.hydroone.com/businessservices_/Documents/Transmission%20Connection%20Procedures_Updated%20-%20Nov%2018%202015.pdf

i. Transmission project timeline is outlined in Hydro One's Transmission Connection Procedures.

i) All remaining breaker positions are available on a first-come, first-serve basis.

j) There is no committed plan for the remaining three breaker positions.

ENTEGRUS POWERLINES INTERROGATORY - 02

Reference:

Hydro One Evidence 2023-04-17, Section 2.1.4.1 and Attachment 6.

Interrogatory:

a) Please provide a table showing the Customer's monthly peak loads in MW and MVA (both in aggregate and by each of the M7 and M8 feeders) and power factors from Jan/2015 through Apr/2023.

b) Please provide the Month/Year of the highest peak load for the Customer and note the associated peak load in MW and MVA, along with the associated power factor.

Response:

a) Please refer to Attachment 1 and 2 for the requested information. Please note that the information has been provided from July 1, 2016 which is the earliest date available in Hydro One's records.

   For clarity, Attachment 1 provides historical Monthly Peak Data & Total Usage from July 1 2016 to May 31, 2023; M7, M8 and aggregated peak loads and adjusted for losses – Site Specific Losses. The Site Specific Line Loss Adjustment (SSLA) is applied to each metering point and comprises three components: 1/9 of the total Transformation losses at Edgeware TS, Radial Line losses and 1/9 of the estimated Station Service load.

   Attachment 2 provides historical Monthly Peak Data and Unadjusted Total Usage from July 1 2016 to May 31 2023; M7 and M8 metered data – peak kW and peak kVA (not aggregated) and the Non-Coincident Power Factor provided at this channel level.

b) Please refer to Attachment 1 and 2 for the requested information; the highest peak from July 2016 onwards was April 2018 with a peak of [redacted]

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ENTEGRUS POWERLINES INTERROGATORY – 02

ATTACHMENT 1

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY – 02

ATTACHMENT 2

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY - 03

Reference:
Customer Evidence 2023-04-17, paragraph 27, and Exhibit E, Section B-1.
Customer's Supplementary Evidence 2023-05-19, Attachment 2-A.

Preamble:
The 1997 documents between the Customer and Ontario Hydro at Exhibit E, Section B-1 and also at paragraph 27, indicate that the M7/M8 design capacity was committed to be a dual feed [redacted]

Interrogatory:
a) Please confirm that the 600A inline switches installed by Ontario Hydro/Hydro One at Edgeware TS currently limit the capacity to [redacted], instead of the [redacted] originally established in the documents.

b) Please explain why the inline switches referenced in (a) above are limited to 600A.

c) Please confirm if any other Hydro One-owned station or line equipment on the electrical path between the Edgeware TS breaker positions and the Customer are also rated to supply less than the originally established [redacted] of supply capacity.

d) Please describe the costs and process involved in upgrading the 600A inline switches, or any other equipment identified in (c) above, to support the original supply of [redacted] committed by Ontario Hydro.

e) In the capacity allocation letter executed by Hydro One and the Customer on May 17, 2023, it is stated that until that time, the existing service was for only [redacted] Please confirm that until May 17, 2023, Ontario Hydro / Hydro One did not have the ability to supply the [redacted] committed in the 1997 documents to the Customer with one feeder out of service.

Response:
To clarify the preamble, Hydro One does provide that there is no [redacted] of supply capacity on a per feeder basis, either originally or currently. The contracted capacity requirements of the Customer are as provided in the Customer's Supplementary Evidence, filed May 19, 2023[1], i.e., 28MVA.

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[1] Formet Supplementary Evidence, Filed May 19, 2023 – Attachment 2-A

a) The maximum equipment rating of the in-line switches on Edgeware TS M7 and M8 are each rated at 600 amps, equivalent to 28.68 MVA. This is the maximum available capacity on the feeder during emergencies, but good utility practice is to avoid loading to this upper limit. Hydro One considers the maximum capacity rating for these feeders to be 28 MVA. Capacity is determined based on equipment electrical ratings, voltage constraints in accordance with CSA standards, and system reliability considerations. The elimination or upgrade of the inline switches alone would not alter the capacity to reflect the presumptions made in this interrogatory by Entegrus.

   There was no requirement for [redacted] on any **one** feeder.

b) The inline switches referenced in (a) above are facilities constructed by Entegrus' predecessor. The maximum rating of the inline switches is defined by the manufacturer of the equipment, consistent with the evidence provided by Entegrus[2]. Therefore, the 600A limit is established as per manufacturer rating.

c) Please refer to part a). No upgrades are required for Hydro One to continue to meet the capacity requirements of Formet that Hydro One has supplied for over 25 years.

d) Please refer to part c).

e) Not confirmed. Please refer to part a).

[2] Entegrus Supplementary Evidence, Filed May 12, 2023 – p. 1

ENTEGRUS POWERLINES INTERROGATORY - 04

Reference:

Hydro One Evidence 2023-04-17, page 13 and Attachment 6.
Customer's Supplementary Evidence 2023-05-19, Attachment 2-A.

Interrogatory:

a) Please provide the non-loss-adjusted quantity of kWh underpinning the calculation of electricity commodity in the Hydro One scenario.

b) Please confirm the loss factor used in the Hydro One scenario.

c) Please provide reference to the Hydro One Tariff sheet that shows the loss factor used in part b)

d) Please provide copies of Hydro One's lowest and highest dollar value monthly bills to the Customer for each year from 2019 to 2022.

e) Please provide copies of the Customer's monthly bills from Hydro One for Jan/23, Feb/23, Mar/23 and Apr/23. Please then present an analysis of each bill in the same format as shown in Hydro One Evidence 2023-04-17 Attachment 6, while reconciling to each total bill amount.

f) Please provide or reconcile to the Customer's power factor used in the above bills.

g) Please provide copies of specific Hydro One bills to the Customer, or reference bills provided above, where the Customer's power factor approximated [redacted].

h) In the Customer's Supplementary Evidence of 2023-05-19, the Customer filed a copy of a May 17, 2023 Capacity Allocation Commitment with Hydro One as Attachment 2-A, which describes a power factor of [redacted] Please describe the Customer billing implications of a [redacted] power factor (in comparison to [redacted] power factor).

Response:

a) Please refer to Attachment 1 for the non-loss-adjusted quantity of kWh underpinning the calculation of electricity commodity in the Hydro One scenario. Given the customer sensitivity of this information, this information has been filed in confidence.

b) As outlined in Entegrus' own prefiled evidence, the M7 & M8 feeders at Edgeware TS deliver solely to Formet's supply point and are metered away from the station. Consequently, the Sub Transmission 3.4% transmission loss factor (TLF) is not applicable. Instead, losses are based on Site Specific Loss Adjustments (SSLA). The SSLA applied to each metering point comprises of three components: 1/9 of the total transformation losses at Edgeware TS, radial line losses and 1/9 of the estimated station service load. At this time the radial line loss parameters are estimated and assumed to be the same for both feeders, based on 3 km line length, All Aluminum Conductors (AAC), single 556MCM conductor per phase and configured per Hydro One's typical 27.6 kV feeder arrangement. This methodology reduces losses for Formet from 3.4% to approximately [redacted] Further details regarding SSLA are available for Entegrus' reference in section 3.2 of the Retail Settlement Code.

Please note that to avoid system customization, and unnecessary costs, the billing table outputs provided in Attachment 2 and 3 of this interrogatory response show an adjustment factor of 1.034% consistent with what is normally applied to the ST rate class. However, the kwh for this customer is only adjusted by the SSLA for that month. For instance, the Adjusted Usage (kwh) for the June 2021 high provided in Attachment 2 is [redacted] This is only [redacted]% greater than the Metered Usage (kwh) for June 2021 of [redacted]

c) Please refer to part b) with respect to SSLA and please refer to Hydro One's latest OEB approved distribution rates that are readily available at the following link:

https://www.hydroone.com/abouthydroone/RegulatoryInformation/rateschedules/Documents/Distribution%20Rates/2023_Distribution_Rates.pdf

In addition, please refer to section 3.2 of the Retail Settlement Code for further information on SSLAs.

d) Please refer to Attachment 2 for the requested information. Given the customer-specific information therein, the attachment has been filed in confidence.

e) Please refer to Attachment 3 for the requested information. Given the customer-specific information therein, the attachment has been filed in confidence.

f) Hydro One does not apply Power Factor to Formet's distribution charges (Common ST). The reason for this is because Hydro One aggregates two delivery points for the Customer and cannot accurately assess Power Factor with aggregation.

g) Please refer to part f).

h) Please refer to part f).

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ENTEGRUS POWERLINES INTERROGATORY – 04

ATTACHMENT 1

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY – 04

ATTACHMENT 2

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY – 04

ATTACHMENT 3

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY - 05

Reference:

Hydro One Evidence 2023-04-17, Page 12, Lines 8 to 9.
Customer Evidence 2023-04-17, Exhibit C.
Customer's Supplementary Evidence 2023-05-19, Attachment 2-A. -A.

Preamble:

At page 12, Hydro One states that the Customer is a sub-transmission customer with Hydro One.

Interrogatory:

a) Please confirm that based on the Additional Terms to the Memorandum of Understanding of August 23, 1996 at Exhibit C of the Customer's 2023-04-17 Evidence, Ontario Hydro committed that the rates charged to the Customer would not be in excess of the lowest prices charged to OH customers at the same voltage.

b) Please provide a chart confirming, by year, the Hydro One rate class or rate classes that the Customer has resided in from 1997 to 2023.

c) For the rate classes shown in the chart above, please provide the applicable Hydro One tariff sheet rate class definitions by year per the approved OEB rate orders.

d) Based on the applicable Hydro One Tariff sheet rate class definitions by year per the approved OEB rate orders for 2019 forward, please explain the basis for the Customer being in the Hydro One sub-transmission rate class

e) In the Customer's Supplementary Evidence of 2023-05-19, the Customer filed a copy of a May 17, 2023 Capacity Allocation Commitment with Hydro One as Attachment 2-A, which provides for redundant distribution assets. Please confirm and provide evidence that a double allocation on distribution is aligned with the sub-transmission rate class.

f) The current Hydro One tariff sheet defines the sub-transmission rate class as relating to load which "is connected to and supplied from Hydro One Distribution assets", please confirm if Hydro One has ever asked the OEB for permission or confirmation that the sub-transmission rate applies, notwithstanding that the Customer is connected to assets owned by an LDC.

Response:

a) Hydro One cannot confirm that an agreement on prices is found in the referenced Exhibit. The Agreement for Power in Exhibit E of the Customer's 2023-04-17 Evidence included the following term at Section 5.3:

> During the Initial Term of this Agreement, the rates payable by the Customer shall not be greater than the rates on any schedule of rates for Firm Power time-of-use published by Ontario Hydro for customers contracting for power from Ontario Hydro delivered at similar voltage and in similar quantities as the Customer.

b) Given it is Entegrus' supplementary evidence that rates should not be a determinative factor in this proceeding, it is unclear how the Customer's rate class over the last 25 years is relevant to the future servicing of the Subject Area. Notwithstanding that observation, Hydro One provides that the Customer has met the requirements for the following rate classes over the indicated time periods in the chart below:

Year	Rate Class
Prior to 2009	Direct Rate
2009 to Current	Sub Transmission (ST)

c) For the rate classes shown in the chart above, the applicable Hydro One tariff sheet rate class definitions per the approved OEB rate orders are provided below:

Prior to 2009:

- RP-2000-0023: Networks' LV system-connected customers are defined as distributors and customers designated as "Direct" (industrial or commercial customers with average monthly demands in excess of 5 MW) who are directly connected to Networks' LV system, or distributors with a delivery point embedded in Networks' service territory.

2009 to Present:

- EB-2007-0681: Sub-Transmission (ST) Class refers to
    a) Embedded supply to Local Distribution Companies (LDCs), "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the Host distributor to the Embedded LDC. Situations where the LDC is supplied via Specific Facilities are included.
    or
    b) load which:
        i. is three-phase; and

ii. is directly connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive; the meaning of "directly" includes HON not owning the local transformation; and
iii. is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).
iv. Any new customer satisfying the criteria for ST rate classification, will be classified as an ST account. Further servicing details are available in the utility's Conditions of Service.

- The ST rate class definition was updated as a part of EB-2021-0110 to include customers that met criteria i) and iii) listed above, and who are connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive, where 44 kV and 13.8 kV are the voltage of the primary side of the local transformer; local transformer can be Hydro One-owned.

d) The Customer meets the criteria for the sub-transmission (ST) rate class, which is described in Part c), as well as Hydro One's current tariff schedule and Conditions of Service.

e) Hydro One interprets this question to confirm its cost allocation methodology for distribution rates relative to the Customer's available capacity. Hydro One confirms that its cost allocation methodology is based on load forecasts which leverages customer billed load, and not assigned capacity. More specifically, the billed load for the Customer is the aggregate demand of the two supplying feeders.

f) When the sub-transmission rate class was established and approved by the OEB in EB-2007-0681, it included the harmonization of multiple existing rate classes into that rate class including the Direct rate class (the rate class that Formet was originally billed under as outlined in part b).

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ENTEGRUS POWERLINES INTERROGATORY - 06

Reference:

Customer Evidence 2023-04-17, Exhibit H.

Preamble:

Exhibit H of the Customer 2023-04-17 evidence provides an OEB Section 86(1)(b) application providing leave for Hydro One to sell the Customer various assets.

Interrogatory:

a) Please explain why Hydro One filed a Section 86(1)(b) application for the sale of the transformers and poles to the Customer in 2007.

Response:

a) Please refer to Exhibit I, Tab 1, Schedule 1 of Hydro One's interrogatory responses. Hydro One filed an asset divestiture application in 2007 in compliance with Section 5.1 of the commercial agreement, the Power Facilities Agreement, that Ontario Hydro made with the Customer dated October 15, 1997. Under Section 5.1 of that commercial agreement, the portion of the 27.6 kV feeders within the Formet Lands and the 27.6 kV switching facility (both of which were built by Ontario Hydro) and the transformers installed by Cosma (with ownership transferred to Ontario Hydro) were sold to Cosma on December 31, 2007 at the price specified in Section 5.1.

   Akin to Entegrus' obligation to sell the M7 and M8 to Hydro One once Hydro One exercised its option to purchase same from Entegrus, Hydro One had an obligation to sell and the Customer had an obligation to purchase certain facilities from Hydro One at a specified price on the earlier of December 31, 2007 and termination. Termination did not occur and as such, Hydro One sold the assets to Cosma on December 31, 2007 at the price specified in Section 5.1 of the Power Facilities Agreement. To comply with the *Ontario Energy Board Act, 1998* and the terms of the Power Facilities Agreement, Hydro One sought leave of the OEB to divest assets that were, at that time, sitting in the rate base of Hydro One Networks Inc. and serving the public that Hydro One was licensed to serve, i.e., the Subject Area.

   The Power Facilities Agreement is also on the record of this proceeding and is provided as Attachment 3, Exhibit F of the Formet Industries April 17, 2023 Intervenor Evidence.[1]

[1] Formet Intervenor Evidence – Filed April 17, 2023, p.33

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ENTEGRUS POWERLINES INTERROGATORY - 07

Reference:

Customer Evidence 2023-04-17, paragraph 25, and Exhibit I.

Preamble:

Exhibit I includes St. Thomas Energy's 2015 Cost of Service Application (EB-2014-0113), in which there is reference to St. Thomas Energy receiving payments from Hydro One related to the feeder assets.

Interrogatory:

a) Please confirm that the feeder payments referenced were in regard to monthly payments from Hydro One to Entegrus (St. Thomas Energy) for use of the M7/M8 feeders.

b) With the exception of the payments refunded by Entegrus to Hydro One as described on page 12 of Entegrus' 2022-10-17 Application, please confirm that Hydro One has not paid Entegrus (or St. Thomas Energy Inc.) for Hydro One use of the M7/M8 feeders since December 2017.

Response:

a) Not confirmed. The payments made by Hydro One in accordance with Sections 3 and 4 of the 1997 Supply Facilities Agreement (including the May 29, 1998 Addendum) were a "monthly rental and maintenance fee for use of the feeders" which was calculated based on the actual construction costs of the M7/M8 Feeders and STEI's maintenance costs.

   In combination with the right in Section 4 of the 1997 Supply Facilities Agreement to purchase the "Feeders from the PUC with appropriate land rights at book value on January 1, 2018", the monthly rental portion of the fees were effectively advance payments towards the eventual purchase of the M7/M8 Feeders should Hydro One so elect (which it did). The 1997 Supply Facilities Agreement in its entirety in that context is a lease with the option to own arrangement.

   Exhibit I of the Customer's Evidence references Exhibit 3, Tab 1, Schedule 6 of EB-2014-0113, St. Thomas Energy Inc.'s (STEI) 2015 Cost of Service Application. Therein, STEI documented that in September 1997 the former St. Thomas PUC entered into an agreement with Ontario Hydro to supply facilities - Formet Industries. Additionally, STEI stated that under the restructuring, STEI would be recording revenue per the agreement in Account 4220- Other Electric Revenues. Per the OEB's

Accounting Procedure's Handbook [extract below], Account 4220 is to be used for the following purposes.

4220 Other Electric Revenues

This account shall include revenues derived from electric operations not included in any of the foregoing accounts. It shall also include in a separate sub-account revenues received from operation of fish and wildlife, and recreation facilities whether operated by the company or by contract concessionaires, such as revenues from leases, or rentals of land for cottage, homes, or campsites.

Example items:

1. *Compensation for minor or incidental services provided for others such as customer billing, engineering, etc.*
2. *Profit or loss on sale of material and supplies not ordinarily purchased for resale and not handled through merchandising accounts.*
3. *Sale of steam, but not including sales made by a steam heating department or transfers of steam under joint facility operations.*
4. *Revenues from transmission of electricity of others over transmission facilities of the utility.*
5. *Include in a separate sub-account revenues in payment for rights and/or benefits received from others which are realized through research and development ventures.*

It does not appear that revenues associated with leasing the use of distribution facilities is something that would be tracked in Account 4220. Though Hydro One does not wish to infer on what previous STEI management contemplated, to address the question and based on the foregoing, it appears that STEI booked the annual leasing compensation received for the construction and maintenance of the feeders in Account 4220 and not for the use of the M7 and M8 Feeder, i.e., providing capacity on the M7 and M8, as the latter would be inconsistent with Account 4220.

b) Not confirmed. Entegrus refusing payment is not the same as Hydro One not making payment. Moreover, Hydro One has been unable to locate a refund receipt for the fees paid to Entegrus in lieu of the acquisition cost associated with exercising its option to purchase the M7 and M8 Feeders under the terms of the 1997 Supply Facilities Agreement. Hydro One has sought a copy of this refund invoice in its interrogatories to Entegrus[1].

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[1] Please refer to Hydro One Interrogatory 10c to Entegrus, Filed June 2, 2023

ENTEGRUS POWERLINES INTERROGATORY - 08

Reference:

Hydro One Evidence 2023-04-17, Section 4.3.

Interrogatory:

Please confirm that the M7 and M8 feeders currently have no Primary Metering Entrance ("PME") and therefore could not be used for other supply beyond the Customer in their current form.

Response:

Not confirmed. Hydro One's understanding is the question meant to reference Primary Metering Equipment ("PME"). There are currently two PMEs, one on each feeder.

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ENTEGRUS POWERLINES INTERROGATORY - 09

Reference:

Hydro One Supplementary Evidence 2023-05-19, Page 2, Lines 14 to 20.
Hydro One Supplementary Evidence 2023-05-19, Attachment 3.

Preamble:

In Hydro One's 2023-05-19 Supplementary Evidence at page 2, line 14, it states that "The OEB EPC concluded that the 2015 LTLT DSC Amendments only apply to those customers that were included in load transfer agreements as they existed at the time the 2015 LTLT DSC Amendments were issued, i.e., December 21, 2015. Therefore unless a customer was included in a load transfer agreement at the time the 2015 LTLT DSC Amendments were published, the 2015 LTLT DSC Amendments do not apply to them and there is no basis to require the transfer."

Interrogatory:

a) Please confirm that Hydro One notified the OEB on September 15, 2017 that an additional load customer had been transferred from Hydro One to Entegrus and that this was approved by the OEB (EB-2017-0326) on November 30, 2017.

b) Please confirm that the customer in (a) above was not included in the list of load transfers at the time the 2015 LTLT DSC Amendments were published.

c) Please confirm that the "Swiss Cheese" effect cited in the OEB Staff email to Hydro One staff at Attachment 3 would not be applicable if Entegrus were granted leave to serve the Customer, since the Customer is currently a Hydro One customer while being completely embedded within what is otherwise Entegrus territory.

d) Please confirm that the current arrangement, whereby Hydro One serves the Customer within what is otherwise Entegrus territory, actually creates the "Swiss Cheese" effect.

Response:

a) Not confirmed. On September 15, 2017, Hydro One and Entegrus jointly informed the OEB of the need to eliminate one additional long-term load transfer customer between the two LDCs.

b) Not confirmed. The customer subject to the Application referenced in part a) and located at [redacted] in Tilbury, Ontario was not included in the original LTLT elimination application due to an administrative oversight in the relief sought therein, however, it was most certainly considered and identified as an LTLT at the time the 2015 LTLT DSC Amendments were released. As documented in the attached email from Ms. Andrya Eagen at Entegrus to Ms. Aarani Pathmanathan at Hydro One, the LTLT connection that was the subject of the EB-2017-0326 LTLT elimination application was identified during the field meter change process and the meter was changed prior to receiving OEB approval as both LDCs agreed it was an LTLT. Conversely, and more pertinent to the SAA Application before the OEB now, 1 Cosma Court was explicitly identified in the original joint LTLT elimination SAA filed by St. Thomas Energy Inc. and Hydro One. Therein, both LDCs jointly agreed that 1 Cosma court was not an LTLT and was not considered as one at the time of the release of the 2015 LTLT DSC Amendments.

c) As is further detailed in part d) below, Entegrus' service territory is surrounded by Hydro One consequently Hydro One does not confirm that that the "Swiss Cheese" effect would not be applicable if Entegrus were granted leave to serve the Customer. Additionally, Hydro One does not agree that Entegrus is the current owner of the M7 and M8 Feeder. Hydro One will need to be remunerated for all payments made to Entegrus and its predecessor that have been tracked by Entegrus and its predecessor in Account 4220 because those payments were made pursuant to the terms of a contractual agreement which includes a provision that Entegrus would divest the assets at net book value upon the option to purchase the assets being exercised by Hydro One. Hydro One exercised the option and Entegrus has reneged. These costs have not been accounted for by the Applicant and will likely significantly alter the economic efficiency assessment of the proposed SAA, as not to account for these costs, would mean that Hydro One would relinquish ownership of the M7 and M8 Feeders that Hydro One ratepayers have funded without consideration to said ratepayers.

d) Not confirmed. The question implies a perspective from a very narrowed lens of the Ontario distribution sector and undermines the true intent of the service area amendment policy which is to improve economic efficiency in the distribution sector as a whole. To reference the analogy, the underlying assumption in the question is that Entegrus is the large piece of cheese and Hydro One's connection of 1 Cosma Court is a hole within that large piece of cheese. That simplified perspective does not reflect reality. Below is an extract of the General Statistics from Ontario Energy Board's Yearbook for Electricity Distributors using 2021 data.

Values	Entegrus Powerlines Inc.	Hydro One Networks Inc.
Sum of Service_Area_Rural_Square_Kilometers	-	960,156
Sum of Service_Area_Urban_Square_Kilometers	134	999
Sum of Service_Area_Total_Square_Kilometers	**134**	**961,155**
Sum of Total_Overhead_Circuit_Kilometers_of_Line	1,696	114,124
Sum of Total_Underground_Circuit_Kilometers_of_Line	1,519	10,432
Sum of Total Circuit km of Line	**3,215**	**124,556**

Hydro One is over 7,000 times larger than Entegrus from both a service area and total circuit km of line perspective. In fact, the Entegrus service territory is surrounded by Hydro One's service territory. The vast difference in scale and density is not limited to service area size and total circuit distance. From a customer count perspective, the differences in scale are also exorbitant as depicted by the following data that was also extracted from the General Statistics from Ontario Energy Board's Yearbook for Electricity Distributors using 2021 data.

Sum of Total_Customers_or_Connections Row Labels	Entegrus Powerlines Inc.	Hydro One Networks Inc.
General Service < 50 kW	5,752	132,452
General Service >= 50 kW	527	9,743
Large User	2	-
Residential	55,226	1,297,109
Sub Transmission Customers		670
Sum of Total_Customers_or_Connections	**61,507**	**1,439,974**

Entegrus serves less than 5% of the total customers served by Hydro One. Of the 61,507 customers Entegrus serves, only 2 other customers qualify as Large User customers (the class Entegrus opines Formet will qualify when Entegrus rebases in 2026 although this assumption from Entegrus is not predicated on any evidence before the OEB in this proceeding). Conversely, Hydro One serves 670 other customers of similar characteristics across the province.

Given all the above, Hydro One does not believe that Hydro One serving the Customer creates a "Swiss Cheese" effect.

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ENTEGRUS POWERLINES INTERROGATORY – 09

ATTACHMENT 1

From: Andrya Eagen [mailto:Andrya.Eagen@entegrus.com]
Sent: Wednesday, September 06, 2017 10:07 AM
To: PATHMANATHAN Aarani
Subject: RE: Hydro One to Entegrus Purchase and Sale Agreement Package

Good Morning Aarani,

I have received the confirmed numbers back from Engineering and I have scheduled a meeting with my VP to sign off the documents tomorrow morning. If all goes well I should have everything back to you by end of the day tomorrow.

On another note, we had one property, [redacted] in Tilbury, that was missed in the Application and Decision. It was found during the meter change process and the meter was changed prior to receiving OEB approval. We had discussed at the time about sending in a letter to the OEB to have the Licences amended. I believe your regulatory group was taking care of this but I haven't seen anything. Do you know if this has happened? I can dig up some more emails if you require more background.

Thanks,

Andrya Eagen
Manager of Regulatory and Reporting
Entegrus Powerlines Inc.
Phone: 519-352-6300 x 243
Cell: 519-350-1126
www.entegrus.com

ENTEGRUS POWERLINES INTERROGATORY - 10

Reference:
Hydro One Supplementary Evidence 2023-05-19, Page 4, Table 1.
Customer Evidence 2023-04-17, Exhibit E, Section B-1.

Preamble:
Hydro One replicated Table 3-1 from Entegrus' Supplementary Evidence with updated values in MVA in its 2023-05-19 Supplementary Evidence.

Interrogatory:

a) Please confirm that Table 1 in the Hydro One Supplementary Evidence (which is based on Table 3-1 from Entegrus' Supplementary Evidence) is based on a feeder capacity of [redacted] for each of the M7 and M8 feeders, rather than capacity originally committed to by Ontario Hydro in the 1997 documents between the Customer and Ontario Hydro (Formet Evidence 2023-04-17, Exhibit E, Section B-1) of [redacted] for each of the M7 and M8 feeders.

b) Please provide updated tables in the same format as Table 3-1 under the assumption that the described Customer power factor of [redacted] can be improved, utilizing instead a Customer peak load of: (i) [redacted], and (ii) [redacted]

c) If the Customer billing data shows a power factor [redacted], please calculate and show the impact on the Customer bill of this [redacted] power factor, compared to a power factor of [redacted] and a power factor of [redacted] Please describe any discussions Hydro One and the Customer have had about the installation of [redacted] What was the conclusion of these discussions?

d) Please provide updated tables in the format of (b) above using a feeder capacity of [redacted] for each of the M7 and M8 feeders, based on Table 3-2 from the Entegrus Supplementary Evidence.

Response:

a) Table 1 of Hydro One's Supplementary Evidence, filed May 19, 2023, is based on the maximum capacity rating of each individual feeder, [redacted] MVA. Contrary to Entegrus' interpretations of Exhibit E, Section B-1 of the Customer's Intervenor Evidence filed on April 17, 2023, there is no commitment in the 1997 Power Facilities Agreement or the August 27, 1997 Agreement for Power, each of which was between Hydro One's predecessor and the Customer to provide 38MW of supply on a per feeder basis. Entegrus' interpretation of the requirement to provide 38 MW on each of the feeders per the above-referenced agreements, agreements to which Entegrus nor its predecessors are a party, is incorrect.

b) Hydro One provides the following tables for comparison purposes only and states that the values provided therein are theoretical maximum limits. In practice, the planned loading on each feeder should be limited to their planning capacity which for these feeders, and consistent with the evidence filed by Entegrus, Entegrus' 50% planning capacity of the safe operating rating of the feeder (28MVA) would equate to a planning capacity of 14 MVA.

   i. [redacted] MVA – under this scenario Hydro One notes the combined peak load under column (e) is well above planning capacity of 14 MVA.

Table 1

[redacted]

   ii. [redacted] MVA – under this scenario Hydro One notes the combined peak load under column (e) is well above planning capacity of 14 MVA.

Table 2

[redacted]

c) Please refer to Hydro One's response to Entegrus Interrogatory 4f) filed as part of Exhibit I, Tab 2, Schedule 4. There have been no recent discussions between Hydro One and the customer regarding power factor correction.

d) As previously stated, Hydro One provides that the maximum capacity rating of each feeder is 28 MVA and has provided the tables in part b) above, based on a different customer power factor. Strictly for the purposes of answering this question and based on the hypothetical maximum capacity limit of [redacted] and reflecting Entegrus' planning capacity (50% of maximum capacity), the following tables are provided.

i. [redacted] Customer peak load

Table 3

[redacted]

ii. [redacted] Customer peak load

Table 4

[redacted]

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ENTEGRUS POWERLINES INTERROGATORY - 11

Reference:
Entegrus Application 2022-10-17, Section 3.

Preamble:
In the Application, Entegrus explained that Hydro One had not permitted Entegrus to speak with the Customer, and requested permission from the OEB to do so, which was granted on March 17, 2023.

Interrogatory:
a) Please provide all communications exchanged between the Customer and Hydro One from the time that Entegrus requested permission from Hydro One to speak with the Customer in relation to the SAA (May 31, 2022) until the date when the OEB granted permission on March 17, 2023.

b) Please provide all communications exchanged between the Customer and Hydro One following Entegrus' meeting with the Customer in March 2023.

If Hydro One or the Customer claims privilege over any such communications, please advise of the basis for such privilege claim and the dates and personnel included in each such communication.

Response:
a) There were no communications exchanged between the Customer and Hydro One from May 31, 2022 to March 17, 2023.

b) Any other communications in March 2023 between the Customer and Hydro One involved counsel and are confidential communications which contain, reflect, or relate to communications between a client and their counsel in connection with the seeking, furnishing or receiving of legal advice or advice related to or in connection with this proceeding, and which confidential communications were prepared for the dominant purpose to assist in the conduct of this proceeding, and were shared between the parties on the basis of common interest/litigation privilege and thus, are not being produced.

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ENTEGRUS POWERLINES INTERROGATORY - 12

Reference:
Customer's Supplementary Evidence 2023-05-19, Attachment 2-A.

Preamble:
In the Customer's Supplementary Evidence 2023-05-19, the Customer filed a copy of a May 17, 2023, Capacity Allocation Commitment with Hydro One as Attachment 2-A.

Interrogatory:

a) Please confirm that Hydro One executed this new capacity allocation commitment letter with the Customer on or about May 17, 2023.

b) Please advise what led to the referenced letter. What changed that made the letter agreement necessary?

c) When did negotiations for the referenced letter commence and which party made the suggestion?

d) Please provide all drafts of the letter.

e) Please explain why the Customer has two years to use the assigned capacity, when sufficient historical information exists to make this determination now?

f) What commitments in the letter are new? If none, then why is the letter necessary?

g) Please quantify the bill impacts of the letter agreement for the Customer.

h) The capacity allocation commitment letter makes reference to an existing service of [redacted], which infers that a previous agreement exists. Please confirm whether this is a new agreement or replaces a previous agreement.

i) If this agreement replaces a previous agreement, please provide a copy of the previous agreement.

j) Please provide all communication regarding the May 17, 2023 capacity allocation commitment letter agreement between Hydro One and the Customer.

Response:

a) Confirmed.

b) Consistent with Hydro One's Conditions of Service, capacity assigned to a Facility is equal to the Customer's highest rolling three-month average peak load under normal operating conditions in the most recent 3-year period. Hydro One's understanding is that the Customer wanted to clarify their historical load profiles which were distorted by the impacts of Covid-19 and that their future capacity requirements would be higher than their historical load (as is computed using Hydro One's Conditions of Service). As documented at the reference provided for this interrogatory, the Customer submitted a revised load forecast through a New Customer Connection Information ("NCCI") form that underpinned the Customer's capacity allocation.

c) Formet initiated the request on or about April 13, 2023. On May, 8, 2023, through the filing of a NCCI form, Formet formally requested a revised documented committed capacity allocation. A copy of the NCCI form is provided as Attachment 1.

d) Please refer to Attachment 2 and 3 of this interrogatory response.

e) Please refer to Hydro One's response above under part b). The Customer's historical information for the most recent 3-year period was distorted by the impacts of Covid-19 and does not reflect the future forecast of the Customer.

f) Please refer to Hydro One's response above in part b). The capacity allocation commitment in the letter is new.

g) The capacity allocation commitment does not result in any bill impacts to the Customer. The billing charges to the Customer will remain consistent with the Hydro One ST Rate Class.

h) Please refer to Hydro One's response above in part b). This is not a new agreement.

i) Agreements related to this connection, including the 1997 Power Facilities Agreement that denotes the redundant supply that underpins the Customer's original connection to the Ontario electricity grid, is already on the record of this proceeding. Further information on the referenced existing service, is provided for in part b) above.

j) Please refer to Hydro One's response to Entegrus interrogatory 11, filed as Exhibit I, Tab 2, Schedule 11 of these responses.

ENTEGRUS POWERLINES INTERROGATORY – 12

ATTACHMENT 1

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY – 12

ATTACHMENT 2

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY – 12

ATTACHMENT 3

FILED AS CONFIDENTIAL

ENTEGRUS POWERLINES INTERROGATORY - 13

Reference:

Customer's Supplementary Evidence 2023-05-19, Attachment 2-A.

Preamble:

The Capacity Allocation Commitment letter notes that the Customer has "until May 2025 to utilize the assigned capacity, after that the capacity assigned to your Facility will be equal to your highest rolling three-month average peak load under normal operating conditions in the most recent 3-year period, and any unused assigned capacity will be cancelled and made available to other customers."

Interrogatory:

a) Please describe how, with respect to this clause, the Customer's use of the capacity will be measured between May 2023 and May 2025.

b) In the event that other customers were subsequently allocated this capacity, please provide the Hydro One connection topology in the form of a single line diagram (showing all reclosers, switches, metering equipment and other assets) from the Edgeware TS, to the new Entegrus connection point, all the way to the Customer. Please identify which assets are new and which assets are existing.

Response:

a) The customer's capacity will be measured via the customer meter.

b) Hydro One has no current plans to connect new customers and the requested information would vary based on the location and type of customer. If a customer were to request a new connection, they would be required to fill out a New Customer Connection Information ("NCCI") form and Hydro One would use those details to conduct an assessment to determine how best to supply the customer. Moreover, the OEB's Combined Distribution SAA Proceeding Decision with Reasons, at paragraph 241 provides guidance where the OEB articulates that SAAs must be anchored in real customers. It is unclear how this hypothetical scenario of other customers requesting capacity is pertinent to the OEB's assessment of the proposed SAA when no such evidence has been led by Entegrus to date.

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ENTEGRUS POWERLINES INTERROGATORY - 14

Reference:
Customer's Supplementary Evidence 2023-05-19, Attachment 2-A.

Preamble:
In the Customer's Supplementary Evidence 2023-05-19, the Customer filed a copy of the recently signed the Capacity Allocation Letter, shown as Attachment 2-A.

Interrogatory:

a) Please confirm that the May 17, 2023 capacity allocation letter executed by Hydro One and the Customer would provide an Edgeware TS station capacity allocation to the Customer of [redacted]

b) Please confirm that the May 17, 2023 capacity allocation letter executed by Hydro One and the Customer would provide redundant feeder capacity on the M7 and M8 feeders of [redacted]

c) If the May 17, 2023 capacity allocation letter provides redundant feeder capacity on the M7 and M8 feeders as described in (b) above, please:
    i. explain the billing implications of the redundant feeder capacity to the Customer, and
    ii. explain the applicability of standby charges or gross load billing to the Customer.

d) Please provide a plan, wherein Hydro One uses assets other than the M7/M8 feeders to provide this capacity to the Customer. Please provide the connection topology in the form of a single line diagram (showing all reclosers, switches, metering equipment and other assets) from the Edgeware TS (or an alternative supply source) to the Customer. Please identify which assets are new and which assets are existing.

Response:

a) Confirmed.

b) Confirmed. The approved [redacted] at [redacted] shall be the peak coincidental load across Edgeware TS M7 and M8 feeders, and up to [redacted] at [redacted] per feeder. The redundant supply is consistent with the grandfathered terms of this connection that were established in the 1997 Power Facilities Agreement.

c) The capacity allocation commitment does not alter the redundant supply agreed upon in the 1997 Power Facilities Agreement.

   i. The aggregated demand across the Edgeware TS M7 and M8 feeders is the Customer's applicable billing determinant. There are no billing implications from the total assigned capacity to the Customer.

   ii. ST distribution volumetric charges are billed at the gross demand level for customers with load displacement generation at 1MW or above, or 2MW or above for renewable generation, installed after October 1998. The Customer does not meet the criteria for gross load billing. Hydro One does not apply Standby Charges to its customers.

d) Hydro One has no plans to serve the Customer using any other assets. Hydro One has paid for the construction and maintenance of the M7 and M8 feeders in accordance with the 1997 Supply Facilities Agreement. Hydro One has exercised its right to purchase the Feeders from Entegrus and is objecting to Entegrus' Service Area Amendment Application. Consequently, there is no basis for Hydro One to consider alternative connection methods to serve the Customer.

ENTEGRUS POWERLINES INTERROGATORY - 15

Reference:

Entegrus Applicaton 2022-10-17, Section 5.5.2, including Table 5-2.

Preamble:

In Table 5-2, Entegrus documented its understanding that Hydro One would charge $45,138 per month in Low Voltage charges to Entegrus for 5 MW of feeder capacity on the M7 or M8.

Interrogatory:

a) Subject to any recent Hydro One rate changes, please confirm that Table 5-2 (showing potential Hydro One Low Voltage charges to Entegrus) in the Entegrus 2022-10-17 Application is correct.

b) If Table 5-2 is not correct, or if Hydro One rates have changed since 2022-10-17, please update the chart in similar format to show what Hydro One would charge Entegrus per month for 5MW of feeder capacity on the M7 or M8.

c) Please update the chart in Table 5-2 to show what Hydro One would charge Entegrus per month for 10 MW, 15 MW, 20 MW, 28 MW and 38 MW of feeder capacity on the M7 and M8 (distribution connected to the Edgeware TS).

Response:

a) Table 5-2 (showing potential Hydro One Low Voltage charges to Entegrus) in the Entegrus 2022-10-17 Application is correct as of the original date of submission as it reflects the applicable rates and charges for 2022 Sub Transmission for 5MW peak service. As of January 1, 2023, Hydro One's new rates took effect (EB-2021-0110). Updated charges are therefore provided in part b).

b)

Hydro One Charge Type	Rate	kW	Amount
Common ST	$ 1.5442	5,000	$ 7,721
RTSR – Network	$ 4.6545	5,000	$ 23,273
RTSR - Line Connection	$ 0.6056	5,000	$ 3,028
RTSR - Transformation Connection	$ 2.8924	5,000	$ 14,462
Deferred Tax Asset Vol Rider (Expires June 30, 2023)	$ -	5,000	$ -
Total Proposed Monthly HONI Charges to Entegrus			**$ 48,484**

Note: RTSR charges are applied on loss-adjusted kW, whereas Common ST is applied on non-loss-adjusted kW. For simplicity, the calculations above are shown consistently at 5 MW (5,000 kW)

Deferred Tax Asset Volumetric Rate Rider expires June 30, 2023, so it has been omitted from latest table.

c) Hydro One states the question requests irrelevant information as the stated feeder capacity values have never been offered to Entegrus and cannot be offered to Entegrus on the M7 or M8 as it would exceed the available capacity limits of the individual feeders. However, Hydro One has responded to part b) above, with the updated charges for 5MW of feeder capacity which remains available capacity at this present time (allocated on a “first come, first served” basis) and is the same amount of capacity previously offered to Entegrus by Hydro One which was not accepted by Entegrus.

ENTEGRUS POWERLINES INTERROGATORY - 16

Reference:

The OEB process to eliminate Long Term Load Transfer ("LTLT") arrangements (EB-2015-0006).

Preamble:

In the Customer's Supplementary Evidence 2023-05-19, the Customer filed a copy of a May 17, 2023, Capacity Allocation Commitment with Hydro One as Attachment 2-A.

Interrogatory:

a) Please list all transfers to LDCs from Hydro One effected through the LTLT elimination process over 5 MW.

b) Please list all transfers from Hydro One to LDCs effected through the LTLT elimination process over 5 MW.

Response:

The size of the customer connection is not a determinative factor in whether a connection is deemed a long-term load transfer ("**LTLT**") as this is not an OEB criteria for what is an LTLT. Therefore, the questions lack relevance to the matters at issue.

Notwithstanding the above, Hydro One has reviewed as much readily available information to provide the number of LTLT connections exceeding 5MW that were eliminated as part of the LTLT elimination process that either went to Hydro One or were transferred from Hydro One to another distributor.

In accordance with the LTLT elimination application process, the loading of the individual customers was based on the 12-months preceding the filing of any LTLT elimination application. For the purposes of this response, Hydro One has summarily provided the number of LTLT connections that exceeded 5MW that were eliminated as part of the LTLT process and has not included confidential customer data and the actual customers that were transferred. Where eliminations were completed in more than one application, the values documented below have been summed into the totals of the preceding docket to minimize any risk of disclosure of customer loading information of a customer that is nota party to this proceeding.

Given the limitations as noted in the paragraphs above, please refer to *Table 1 – Elimination of LTLT Connections Exceeding 5MW* for Hydro One's response to part a and b of this interrogatory. In total 77 LTLT connections exceeding 5MW were eliminated as part of the LTLT Elimination process, with the majority (48 LTLT Connections) being transferred from Hydro One to other LDCs.

Table 1 - Elimination OF LTLT Connections Exceeding 5MW

Docket	Transfer To Hydro One	Transfer From Hydro One
EB-2016-0167	2	3
EB-2016-0194	0	0
EB-2016-0199	0	0
EB-2016-0207	0	0
EB-2016-0219	0	0
EB-2016-0249	0	1
EB-2016-0335	0	0
EB-2016-0336	0	0
EB-2016-0337	2	1
EB-2017-0019	1	0
EB-2017-0119	0	0
EB-2017-0140	0	0
EB-2017-0141	0	0
EB-2017-0142	0	0
EB-2017-0148	0	0
EB-2017-0158	0	0
EB-2017-0163	1	0
EB-2017-0170	0	0
EB-2017-0172	0	3
EB-2017-0173	3	10
EB-2017-0174	0	0
EB-2017-0177	0	0
EB-2017-0189	0	0
EB-2017-0191	0	1
EB-2017-0192	0	0
EB-2017-0193	0	0
EB-2017-0196	1	0
EB-2017-0199	2	1
EB-2017-0203	0	0
EB-2017-0207	0	2
EB-2017-0209	1	0
EB-2017-0210	5	3
EB-2017-0211	4	1

Docket	Transfer To Hydro One	Transfer From Hydro One
EB-2017-0213	1	1
EB-2017-0216	0	1
EB-2017-0228	0	0
EB-2017-0233	0	4
EB-2017-0237	1	8
EB-2017-0248	2	0
EB-2017-0250	1	0
EB-2017-0254	1	2
EB-2019-0298	1	6
Total Each Way	**29**	**48**
Total # of 5MW LTLT Connections Eliminated		**77**

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ENTEGRUS POWERLINES INTERROGATORY - 17

Reference:
The OEB process to eliminate Long Term Load Transfer ("LTLT") arrangements (EB-2015-0006).

Preamble:
In the Customer's Supplementary Evidence 2023-05-19, the Customer filed a copy of a May 17, 2023, Capacity Allocation Commitment with Hydro One as Attachment 2-A.

Interrogatory:
a) Please confirm that if Entegrus sells the M7/M8 feeders to Hydro One any additional capacity on the M7/M8 feeders will be stranded if the Customer does not use it all, and if Entegrus declines to use that capacity due to the cost being 45 times the amount paid by Hydro One to Entegrus for the same capacity.

b) If Entegrus does not sell the M7/M8 feeders to Hydro One, please advise on what basis Hydro One should be charged for its use of the feeders from January 1, 2018, forward. Please provide the regulatory basis for such charges.

Response:
a) Not confirmed. Hydro One's position is that ownership of the Feeders should not preclude the ability of utilizing any remaining capacity on the Feeders to serve any additional customers that have requested connection, subject to planning limits. As Entegrus is undoubtedly aware, a distributor is required by law and by its licence to connect a building that lies along its distribution system and to make an offer to connect such building on request, provided that the building is located within the distributor's licensed service area.

   Additionally, for clarification and correction regarding the premise that Hydro One is charging Entegrus 45 times the amount paid by Hydro One to Entegrus, Hydro One provides that:

   Entegrus does not provide Hydro One with any capacity on the M7 or M8 Feeder. The costs paid to Entegrus and its predecessors by Hydro One was predicated on the 1997 Supply Facilities Agreement, a lease-to-own agreement, based upon actual construction and maintenance costs. Consequently, Hydro One provides that neither Entegrus nor its predecessors, has provided any capacity to Hydro One on the M7 or M8 Feeder. Hydro One therefore disagrees with the premise of the comparison that erroneously suggests that 5MW of capacity is akin to the leasing arrangement established in the 1997 Supply Facilities Agreement.

As documented in the reference and updated in Hydro One's response to Entegrus Interrogatory 15, found at Exhibit I, Tab 2, Schedule 15 to document current Hydro One rates, the majority of the monthly costs that would be charged to Entegrus would be associated with Retail Transmission Service Rates ("RTSR"). The table provided in Exhibit I, Tab 2, Schedule 15 is repeated below with the RTSR amounts highlighted in grey for ease of reference.

Hydro One Charge Type	Rate	kW	Amount
Common ST	$ 1.5442	5,000	$ 7,721
RTSR – Network	$ 4.6545	5,000	$ 23,273
RTSR - Line Connection	$ 0.6056	5,000	$ 3,028
RTSR - Transformation Connection	$ 2.8924	5,000	$ 14,462
Deferred Tax Asset Vol Rider (Expires June 30, 2023)	$ -	5,000	$ -
Total Proposed Monthly HONI Charges to Entegrus			**$ 48,484**

Note: RTSR charges are applied on loss-adjusted kW, whereas Common ST is applied on non-loss-adjusted kW. For simplicity, the calculations above are shown consistently at 5 MW (5,000 kW)

Deferred Tax Asset Volumetric Rate Rider expires June 30, 2023, so it has been omitted from latest table.

RTSRs are charges that a distributor applies to customers to recover the costs associated with the payment by the distributor of wholesale transmission line connection, transformation connection and network charges, therefore they should not be used as a comparator to Entegrus' monthly lease fee of $5,527.93/month since Entegrus does not provide Hydro One with any capacity. Absent RTSR charges, the only comparable costs to Entegrus' monthly lease payments are Hydro One's Common ST charges which equate to $7,721/month. The monthly Hydro One Common ST charge does not materially differ from the monthly Entegrus leasing payment established some 25 plus years ago in the 1997 Supply Facilities Agreement of $5827.93 (until December 31, 2007) and 5,527.93/month (from January 1, 2008 to December 31, 2017) . The latter, however, includes no delivery of distribution capacity and is remuneration predicated upon the actual construction costs of the Feeders alone.

b) The billing for the continued "*rental*" of the Feeders beyond December 2017, when Hydro One exercised its option to purchase the Feeders, would be most consistent with the charges outlined in the Supply Facilities Agreement. This is consistent with previous invoices issued by Entegrus for same which through those invoices, recognized the validity of the Supply Facilities Agreement.

With respect to regulatory basis for that approach, Entegrus does not provide Hydro One with any capacity on the M7 and M8 Feeder, Entegrus is not billed for the M7 and M8 breakers at Edgeware TS as outlined in Entegrus' own application, and Entegrus has no OEB licence to own these facilities or an OEB-approved rate to charge for the continued "*rental*" of the M7 and M8 Feeders beyond what has already been approved by the OEB in jurisprudence already provided in this proceeding.

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ENTEGRUS POWERLINES INTERROGATORY - 18

Reference:
Customer Evidence 2023-04-17, paragraph 26.

Preamble:
At paragraph 26 the Customer states: The dedicated feeders were purpose-built for the Plant. Formet has satisfied its obligation to pay off the full contracted amount for capital costs of the dedicated feeders. Entegrus has received payment in full for them and has recorded such payment as revenue in its OEB filings. This Application therefore seeks to give the feeders over to Entegrus and its customers after

i. Entegrus' original shareholder (the City of St. Thomas) has profited from the Plant, and its associated jobs and economic development.

ii. Formet and Hydro One have each paid in full the contracted amounts for the construction, operation, and maintenance of the two dedicated feeders, and

iii. Entegrus and its predecessors have been paid in full for the cost of the feeders and booked such payments as revenue.

Interrogatory:
a) What credit will the Customer receive from Hydro One from having paid rates for service using the M7/M8 feeders over many years?

b) Will Hydro One treat these assets as having been paid for by the Customer and therefore collect less in rates than it would from other customers in the same rate class?

Response:
a) Please refer to Exhibit C of the Customer Evidence filed on April 17, 2023. Therein, the Customer has provided a Draft Memorandum of Understanding from August 1996 that explicitly documents on Page 1, section a), that the Customer has not made any capital contributions for the construction of the Feeders. The extract reads as follows:

> No capital contribution will be required from COSMA for the construction of the two dedicated feeders required to supply this load. Ontario Hydro's responsibility for these feeders will end at the COSMA property line.

The Customer's OEB-approved Hydro One rates, inclusive of the recovery of costs associated with Hydro One funding the construction operation and maintenance of the

Feeders through the lease payments, have been set by the OEB since the OEB established their role of approving just and reasonable rates. It is unclear what credit Entegrus supposes should be offered to the Customer. For clarity, given that Hydro One ratepayers have funded the capital cost of the facilities and the ongoing operation and maintenance of the facilities, no credit has been offered to the Customer if the proposed service area amendment application is approved.

b) No. Please refer to part a).

ENTEGRUS POWERLINES INTERROGATORY - 19

Reference:
Hydro One Evidence, Section 2.1.1.

Interrogatory:
Please calculate, using simplifying assumptions as needed, the difference between the amounts paid by Hydro One to STEI/Entegrus for the use of the M7/M8 feeders since 1997 versus the revenues received from the Customer for distribution service on those assets. As part of this response please indicate:

i. The total amount paid to STEI/Entegrus by calendar year and in total; and,

ii. The total distribution revenue received from the Customer by calendar year and in total.

If records are not available, please provide information as far back as it exists.

Response:
Please refer to Exhibit I, Tab 1, Schedule 4 for Hydro One's conservative estimate that lease payments made to Entegrus over the duration of the lease term (1997 – 2017) equal $1,383,100.96. As Entegrus is aware, payments made beyond 2017 (when Hydro One exercised its commercial right to acquire the M7/M8 Feeders) have not been accepted by Entegrus. Given the contentious nature of those payments within this proceeding, Hydro One has not included those costs in the valuation of payments made to Entegrus for the Feeders.

Annual revenues received from the Customer, dating back to 2016, are provided below to address the Entegrus inquiry. In providing this revenue, Hydro One highlights that the comparison of revenue versus lease cost payments completely ignores significant other costs incurred by Hydro One to provide service to the Customer and is an oversimplification, e.g., commodity, retail transmission service rates, as well as overhead costs such as customer representatives, billing systems, etc.

Annual Revenue is based on Common ST (Distribution Volumetric) and the fixed monthly service charges:

2016	$ 220,260
2017	$ 225,693
2018	$ 232,510
2019	$ 238,879
2020	$ 226,235
2021	$ 240,996
2022	$ 266,151
Total	$1,650,724

ENTEGRUS POWERLINES INTERROGATORY - 20

Reference:

Entegrus Application 2022-10-17, Section 5.5.2.
Hydro One Supplementary Evidence, Page 4, Lines 7-9

Preamble:

On page 18-19 of the Entegrus 2022-10-17 Application, it was noted that Hydro One indicated that 5 MW from the M8 breaker position was the maximum capacity that could be allocated to Entegrus from the M7/M8. On page 4, lines 7-9 of Hydro One's Supplemental evidence, Hydro One states: the revisions still do not address that the overall exposure of the M7 and M8 will increase through the addition of customers being served on the circuits and through the connection into Entegrus' system, thereby increasing reliability risks.

Interrogatory:

a) In the event Entegrus were to accept the Hydro One offer for 5 MW of capacity on the M7 or M8 feeder, please provide the Hydro One connection topology in the form of a single line diagram (showing all reclosers, switches, metering equipment and other assets) from the Edgeware TS, to the new Entegrus connection point, all the way to the Customer. Please identify which assets are new and which assets are existing.

b) Please describe the impact to the Customer, if any, in terms of power quality, reliability and momentary outages from the Hydro One connection topology described in (a) above.

Response:

a) Hydro One cannot accurately respond to this question because there is no outstanding offer to Entegrus and the connection details would vary based on the location and type of load seeking connection. If Entegrus were to request a new connection, Entegrus would be required to fill out a New Customer Connection Information ("NCCI") form and Hydro One would use those details to conduct an assessment to determine how best to supply the forecast load. Hydro One does provide that it is the customer's responsibility to ensure their electrical equipment does not cause unacceptable voltage fluctuations, voltage unbalance, harmonics or other disturbances that could negatively affect other customers connected to the Distribution System, or Hydro One Facilities and Equipment, as those capitalized terms are defined in Hydro One's Conditions of Service. As such, if Entegrus were to connect they must install, at their expense, suitable apparatus or otherwise to reduce any disturbance, fluctuations, or interference to a tolerable level.

b) Please see a) above.

FORMET INDUSTRIES INTERROGATORY - 01

Reference:
Capacity Allocation

Section 3 of Hydro One's Supplementary Evidence speaks of capacity of the Edgeware TS M7 and M8 feeders. Section 4 of Hydro One's Supplementary Evidence speaks of customer reliability impacts.

Attachment 2-A to the Customer's Supplementary Evidence is a letter from Hydro One Networks Inc. ("Hydro One") to Formet.

Interrogatory:
Please advise of "Correct" or "Incorrect" to each of the following propositions:

1. Hydro One has allocated [redacted] from each of the M7 and M8 feeders to be [redacted] used by Formet until at least [redacted]?

2. Hydro One will not be connecting more than [redacted] of other (non-Formet) load to each of the M7 and M8 feeders prior to [redacted] at the earliest?

3. Assuming that the facility located at 1 Cosma Court utilizes [redacted] prior to [redacted] will the above allocations and restrictions in (1) and (2) above continue beyond [redacted]?

Response:
1. Correct. The allocation is [redacted] kW at [redacted] PF of peak coincidental load across M7 and M8 feeders and up to [redacted] kW at [redacted] PF per feeder.

2. Correct.

3. Correct.

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FORMET INDUSTRIES INTERROGATORY - 02

Reference:

Entegrus has filed “Attachment 3, Estimated Monthly Bill” as part of its Service Area Amendment Supplementary Evidence, which refers to two different rate classes: General Service > 50 - 4999 kW in the Entegrus St. Thomas Rate Zone, and Large Use Rate Class in the Entegrus Main Rate Zone. Section 4 of Entegrus’ Supplementary Evidence, entitled “Relative Costs to the Customer from Each Distributor”, addresses rate classes.

Interrogatory:

1. In order to be able to compare the potential bill impacts to Formet from each of the options available to the Board, including Formet as a Hydro One customer and Formet as an Entegrus customer, please provide a sample bill for the month of February 2023, based on the following assumptions from February 2023 (which assumptions reflect Formet’s actual data), and the Rate Scenario described below:

    - Formet consumption of [redacted] for the month
    - Average commodity price of [redacted] per kWh
    - Peak Demand during the month of [redacted]
    - Global Adjustment Peak Demand Factor of [redacted]
    - Provincial Global Adjustment of [redacted]
    - HST Rate: 13%
    - Applicable Rate Scenario/Tariff: the actual rate class/tariff charged by Hydro One to Formet for February 2023.

Response:

1. Please refer to Attachment 1 for the requested information. Please note that Hydro One’s response, consistent with the referenced Attachment 3, Estimated Monthly Bill filed by Entegrus, does not include any rate riders.

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FORMET INDUSTRIES INTERROGATORY - 02

ATTACHMENT 1

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