



September 13, 2023

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

Dear Ms. Marconi,

RE: EB-2023-0004 Alectra Utilities Corporation Application for changes to electricity distribution rates in the PowerStream and Enersource Rate Zones effective January 1, 2024 - CCMBC Interrogatories

Attached are the interrogatories of the Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC) to Alectra Utilities.

Respectfully submitted on behalf of CCMBC.

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Oluwole (Wolly) Bibiresanmi (OEB Staff)
Lawren Murray (OEB Staff)
Catherine Swift (CCMBC)
Natalie Yeates (Alectra Utilities)

EB-2023-0004

Alectra Utilities Corporation

Application for changes to electricity distribution rates in the PowerStream and Enersource Rate Zones effective January 1, 2024

Coalition of Concerned Manufacturers and Businesses of Canada

Interrogatories

September 13, 2023

CCMBC-1

Reference: Exhibit 1, Tab 1, Schedule 1, Page 4; and EB-2019-0018 Alectra Utilities Corporation 2020 EDR Application, Exhibit 4, Tab 1, Schedule 1, Section 5.2.1 Distribution System Plan Overview Page 49

Preamble: “Alectra Utilities filed its first five-year Distribution System Plan (“DSP”) on an integrated basis in its 2020 rate application.”

Question:

Please break down Distribution System Plan Table 5.2.1 - 4: Annual Capital Expenditure by OEB Investment Category by Rate Zones.

CCMBC-2

Reference: Exhibit 2, Tab 1, Schedule 1, Page 6

Preamble: “With regard to need, a distributor must satisfy the OEB that any incremental capital amount being requested is: (i) based on one or more discrete project(s) and should be directly related to the claimed driver, and (ii) clearly outside of the base upon which the distributor’s rates were derived.”

Question:

Were any costs for cable replacement included in the base year budget? If the answer is yes, please provide the amount that was included in the base year and the amount that is now in 2024 base rates by escalating the base year amount by the escalation factor since the base year. If the answer is no, please explain why not.

CCMBC-3

Reference: Exhibit 2, Tab 1, Schedule 1, Page 9

Preamble: "The threshold value for 2024 is 173%, which results in a threshold capital expenditure value of \$90,514,914 in 2024."

Question:

Is the \$90.5 million capital expenditure the total that can be funded with PowerStream RZ base rates?

CCMBC-4

Reference: Exhibit 2, Tab 1, Schedule 1, Page 10, Table 5, "Capital Expenditures by Category PowerStream RZ (\$MM)"

Questions:

- a) Please refile Table 5, showing columns for the amounts that were included in the 2020 DSP for 2020, 2021, 2022, 2023, and 2024.
- b) Please file a detailed list of all projects that are included in the \$117.6 million 2024 Budget in the order of priority, showing the cost of each project.

CCMBC-5

Reference: Exhibit 2, Tab 1, Schedule 1, Page 11, Table 6 "Maximum Eligible Incremental Capital – PowerStream RZ" and Table 7 "ICM Capital Expenditure – PowerStream RZ"

Questions:

- a) Is the 2024 PowerStream RZ capital expenditures forecast still \$117.6 million or is it now \$107.8 million consisting of \$90.5 million materiality threshold amount funded by base rates plus the \$17.3 million ICM funding request?
- b) If the 2024 total capital expenditures forecast is still \$117.6 million, and the ICM funding is for \$17.3 million, while base rates fund only \$90.5 million, how will the remaining \$10.2 million be funded?
- c) Please file the list of projects that are included in the unfunded \$10.2 million total. Are these projects of lower priority than the projects included in the \$90.5 million funded by base rates and the projects included in the \$17.3 million request for ICM funding? Please discuss.

CCMBC-6

Reference: Exhibit 2, Tab 1, Schedule 1, Page 18

Preamble: "The threshold value for 2024 is 156%, which results in a threshold capital expenditure value of \$39,599,322 in 2024."

Question:

Is the \$39.6 million capital expenditure the total that can be funded with Enersource RZ base rates?

CCMBC-7

Reference: Exhibit 2, Tab 1, Schedule 1, Page 19, Table 12, "Capital Expenditures by Category Enersource RZ (\$MM)"

Question:

- a) Please refile Table 12, showing columns for the amounts that were included in the 2020 DSP for 2020, 2021, 2022, 2023, and 2024.
- b) Please file a detailed list of all projects that are included in the \$56.2 million 2024 Budget in the order of priority, showing the cost of each project.

CCMBC-8

Reference: Exhibit 2, Tab 1, Schedule 1, Page 20, Table 13 "Maximum Eligible Incremental Capital – Enersource RZ" and Table 14 "ICM Capital Expenditure – PowerStream RZ"

Question:

- a) Is the 2024 Enersource RZ capital expenditures forecast still \$56.2 million or is it now \$47.5 million consisting of \$39.6 million materiality threshold amount plus the \$ 7.9 million ICM capital funding request?
- b) If the total capital expenditures forecast is still \$ 56.2 million and the ICM funding is for \$ 7.9 million while base rates fund only \$39.6 million, how will the remaining \$8.7 million be funded?
- c) Please file the list of projects that are included in the unfunded \$8.7 million total. Are these projects of lower priority than the projects included in the \$39.6 million funded by base rates and the projects included in the \$7.9 million request for ICM funding? Please discuss.