



BY EMAIL and RESS

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Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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September 13, 2024
Our File: EB20240216

Attn: Nancy Marconi, Registrar

Dear Ms. Marconi:

Re: EB-2024-0216 – Chatham x Lakeshore 2025-2029 – SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Attached, please find SEC's interrogatories.

Yours very truly,
Shepherd Rubenstein P.C.

Mark Rubenstein

cc: Brian McKay, SEC (by email)
Applicant and intervenors (by email)

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Chatham x Lakeshore Limited Partnership (CLLP) by its general partner, Chatham x Lakeshore GP Inc. (CLGP), for an Order or Orders made pursuant to section 78 of the Ontario Energy Board Act approving rates for the transmission of electricity.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

A-SEC-1

[A-4-1, p.4] Please confirm that the current Hydro One Networks Inc. transmission approved stretch factor is 0.15%.

C-SEC-2

[C-1-1, p.3] Considering the forecast in-service date, please explain exactly how the accumulated depreciation was calculated for 2024.

C-SEC-3

[C-2-1, p.6] The Applicant states: “Although CLLP was not included in the study, the incremental costs related to CLLP that are put forth in this Application were also not considered as they were unknown”.

- a. Please detail the type of costs that are being put forth in this Application, and in the budgets included as part of the Hydro One Networks Inc. EB-2021-0110 application.
- b. Please demonstrate that the incremental costs related to the CLLP that are put forth in this Application were also not considered as part of the budgets included in the Hydro One Networks Inc. EB-2021-0110 application.

C-SEC-4

[C-2-1, p.5] With respect to the ECI-EPC Model:

- a. Please explain how the ECI-EPC contractors are selected and on what basis.
- b. Please explain the contract structure between Hydro One and the ECI-EPC contractor (e.g. fixed price, actual costs plus markup, etc.) and how risk is allocated.
- c. Please provide a response to part (a) and (b) specific to the ECI-EPC contractor selected for the Chatham x Lakeshore project.

C-SEC-5

[C-2-1, p.6] The Applicant states: “As a result of the growing capital portfolio, related to projects that will form future partnerships and are captured in the ATP account, HONI’s common corporate costs and shared services have increased, which were not contemplated within HONI’s 2023-2027 Custom IR proceeding.” Please provide information to demonstrate that HONI’s common corporate costs and shared services have increased, which were not contemplated within HONI’s 2023-2027 Custom IR proceeding.

C-SEC-6

[C-2-1, p.6] How much of the total Chatham x Lakeshore project costs consist of capitalized overhead?

F-SEC-7

[F-2-1, p.2] Please provide a breakdown of the CLLP OM&A expenses in each year between 2024 and 2029, into the following categories:

- a. Labour provided by Hydro One Networks Inc.
- b. Other Labour
- c. Non-Labour provided by Hydro One Networks Inc.
- d. Other Non-Labour

F-SEC-8

[F-2-1] Has Hydro One Networks Inc. undertaken or participated in any compensation benchmarking studies since those filed in EB-2021-0110? If so, please provide copies.

G-SEC-9

[G] With respect to the long-term debt:

- a. [G-1-1, p.4] The evidence is that CLLP issues debt to Hydro One Inc. to reflect Hydro One's debt issued to third-party investors. Does Hydro One Inc. issue debt specifically for CLLP, or is CLLP allocated a portion of a larger debt issuance?
- b. [G-1-2, p.1] Please update the two forecast July 2025 debt issuance information based on the most recent available information (i.e. Consensus Forecast, new issues spreads, etc.).
- c. Please provide Hydro One Networks Inc.'s current actual average long-term debt rate.

Respectfully, submitted on behalf of the School Energy Coalition this September 13, 2024.

Mark Rubenstein
Counsel for the School Energy Coalition