EB-2025-0252

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Alectra Utilities Corporation ("Alectra") pursuant to section 78 of the OEB Act, approving or fixing just and reasonable distribution rates effective January 1, 2027.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-1
[Ex.1] Please provide a copy of all materials provided to Alectra's Board of Directors' in seeking approval of the Application and the underlying budgets.

1-SEC-2
[Ex.1] Please provide a copy of all third-party benchmarking analyses, studies, reports, and/or similar documents, undertaken for, by, or that include Alectra, since 2020, that are not already included in this Application, regarding any aspect that directly or indirectly relates to a material aspect of Alectra's budget, or aspect of its business.

1-SEC-3
[Ex.1] Please provide summaries of all internal audit reports conducted since the merger, related to any aspect that directly or indirectly relates to Alectra's business, their findings, recommendations, and the status of any actions that have or are to be taken.

1-SEC-4
[Ex.1] Please provide a copy of all third-party reviews or assessments of any material aspect of Alectra's business or processes since 2020.

1-SEC-5
[Ex.1] Please provide a copy of all budget guidance documents provided to departments for the purposes of developing the test year budgets.

1-SEC-6
[EB-2025-0055, Decision and Rate Order] In in EB-2025-0055, the OEB denied Alectra's proposal to establish two new DVAs to reflect proposed changes to direct labour capitalization and useful lives of assets.

a. Please update the rate base, deprecation and revenue requirement.
b. Please update the DVA continuity schedules and disposition proposal.

1-SEC-7
[Ex.1-2-2, p.21] With respect to Alectra's affiliates:

a. Please provide an explanation of what each affiliate does.
b. Please provide a copy of the shared service agreement between Alectra and any of its affiliates.
c. Please provide a list of any entities, and a description of what they do, in which Alectra Inc. directly or indirectly through an affiliate, owns an equity share in.

1-SEC-8
[Ex.1-3-1, p.30] Please provide a copy of Alectra's corporate scorecard, for each year since 2019.

1-SEC-9
[Ex.1-5-2. Attachment 1-2, p.15] Please explain why the response options for the question include multiple variations of support, but only one indicating opposition.

1-SEC-10
[Ex.1] For each third-party report filed in this application:

a. Please list which reports Alectra considers as an expert report, pursuant to Rule 13A of the OEB's Rules of Practice and Procedure.
b. For each report listed in part (a) please provide a copy of the retainer agreement and any other instructions provided to the expert.

1-SEC-11
[1-6-2, Attachment 1-3] With respect to the Clearspring Energy Advisors ("Clearspring") *Econometric Benchmarking and Incentive Regulation Parameter Study for Alectra Utility's 2027 Custom IR Application* Report:

a. Was Clearspring asked to provide an opinion on the specific components of Alectra's proposed Custom IR framework, or simply given the specific components and asked to provide its view on the appropriate numerical factors to be used (i.e. stretch factor, G-Factor, OM&A-specific IPD)?
b. [p.8] Please confirm that Clearspring did not make any changes to its total cost benchmarking methodology from what it used in the EB-2023-0195 (Toronto Hydro) application. If not confirmed, please provide the changes made.
c. [p.13] Please provide the specific cost adjustments that Clearspring made, by starting with the '4th Generation IR Benchmark Based Costs' for each year, and show separately each of the CIAC, high voltage, CSI, pensions and benefit expense adjustments. For each of the adjustments, please provide the source of the data used.
d. [p.16] Please explain why Clearspring did not use any Ontario or Canadian utilities in its sample.
e. [p.25] Please explain why a Growth Factor would be needed in a Price Cap Custom IR framework and why elasticity of costs is not recovered through the increase in annual billing determinants.
f. [p.26] Please provide a table that shows the elasticity of cost, for each of OM&A, capital, and total costs, for each of, a) 1% growth in customers, and b) 1% growth in peak demand.

1-SEC-12
[Ex.1-6-4, p.11] For each initiative included in Tables 1-6-34 to 1-6-37:

a. Please provide a breakdown in the savings by year, categorized by type (cost reduction, avoided costs, or efficiency benefits), and broken down into capital and OM&A.
b. Please provide a detailed explanation of the methodology used to calculate the savings including an explanation of any assumptions used, and provide all underlying calculations.

c. Table 1-6-34 shows Average Annual Savings in 2022-2026 of $21.4M, which over 5 years equals $107M. Please explain why the total cumulative savings is only $73M.

1-SEC-13

[Ex.1-6-4] Please provide a forecast of all productivity initiatives included each year in the 2027-2031 test budgets for each of capital and OM&A. For each, please provide a detailed explanation of the methodology used to calculate the savings including an explanation of any assumptions used, and provide all underlying calculations. Please also provide the category for the savings (i.e. cost reduction, avoided costs, or efficiency benefits).

1-SEC-14

[Ex.1-7-1, p.8-13] For each 2025-2031 innovation initiatives:

a. Please provide a copy of the internal business case.
b. Please provide the specific costs and benefits for each year. With respect to any qualifiable benefits, please detail the methodology and any assumptions used.

1-SEC-15

[Ex.1-9-4] With respect to the consolidation synergies:

a. Please provide copies of any annual internal reporting during the deferred rebasing period on the synergy savings.
b. For each function/position included in Table 1-9-9, please provide the number of total positions at the time of the merger, and how many are proposed to be included in 2027.

1-SEC-16

[Ex.1-9-5] With respect to the capital transition projects that Alectra proposed to include in opening 2027 rate base:

a. Please provide details of each project, including the total project costs, the internal business case for the project, the undepreciated capital cost at the end of 2026, and the rationale for why inclusion is appropriate.
b. Please provide references to historic application evidence with respect to all projects and expenditures referenced in Table 1-19-19.
c. Please detail any capital transition projects that have not fully depreciated that Alectra does not propose to include in opening 2027 rate base.

1-SEC-17

[Ex.1-9-6] With respect to potential opportunities for consolidation, please provide an update on the potential merger/sale of Newmarket-Tay Power Distribution Ltd.

1-SEC-18

[Ex.1-9-7] With respect to the Guelph RZ early rebasing:

a. For each Guelph RZ rate class, please provide the forecast 2027 and 2028 rates and distribution bill impacts, if Guelph RZ had not rebased early.
b. What is the total incremental revenue that Alectra expects to receive as a result of Guelph RZ early rebasing? Please provide the full calculations.

1-SEC-19

[Ex.1-11-1, p.2] Alectra states that “83% of the GRE&T Centre’s average annual OM&A costs of $3.4MM will be shareholder-funded ($2.8M)”.

a. Please provide details of the components of the $2.8M.
b. Does the $2.8M include any portion of the FTEs shown in Appendix 2-K? If so, please provide details.

1-SEC-20
[1-11-2, p.8] Alectra has proposed a Custom IR Framework through a custom price cap index mechanism.

a. Please explain why in doing so it has not proposed to use the same rate adjustment mechanism as was approved for Toronto Hydro for its custom price cap index mechanism in EB-2018-0165.
b. Please provide a table that shows the annual revenue collected through Alectra's proposed custom price cap index mechanism, and what Alectra would collect using the approved custom price cap index mechanism (with Alectra proposed inputs) in EB-2018-0165. Please provide all calculations.

1-SEC-21
[1-11-2, p.10] With respect of the OM&A-Specific IPD, please explain why Alectra has proposed an OM&A-Specific IPD as opposed to a different weighting of the OEB's annual inflation (i.e. different weighting of annual GDP-IPI/AWE).

1-SEC-22
[Ex.1-11-2, p.14] Please provide a table that shows the annual revenue deficiency based on approved 2026 rates.

1-SEC-23
[Ex.1-11-2, p.14] Please provide the specific calculations used to determine the "Billing Determinant Growth back-off" amount and provide references to the load forecast evidence.

1-SEC-24
[Ex.1] Please update the following to include 2025 year-end actuals.

a. Appendix 2-AA
b. Appendix 2-AB
c. Appendix 2-BA
d. Appendix 2-JA
e. Appendix 2-JC
f. Appendix 2-H
g. Appendix 2-K

2A-SEC-25
[Ex.2A-1-1, p. 66] Please expand Table 5.2.2-11 to, a) show all assets/projects identified as part of the regional planning activities that have been completed since 2018, b) provide the expenditures between 2018 and 2031, and c) identify the specific document they are included in. Please also provide a similar version of the table on an in-service addition basis.

2A-SEC-26
[Ex.2A-1-1, p.88-89] Please provide details regarding all differences between the load forecast methodology used for, a) capital planning purposes, b) regional planning purposes, c) previous Alectra DSP., and d) the load forecast included in Exhibit 3.

2A-SEC-27
[Ex.2A-1-1, p.99] Please provide Alectra's internal guide (or similar document) on the use of its Value Framework.

2A-SEC-28
[Ex.2A-1-1, p.100] With respect to the business case optimization process:

a. Please provide in an Excel spreadsheet, all key outputs of the final Copperleaf optimization process. The information should include at a minimum, the specific project/program, OEB category, Alectra program/segment, project number, project cost, year to be completed, total capital costs, total OM&A costs, total value score, value score across each value measure, planning group (i.e. exclude, must do, in-flight not passable, must do something), any other flags related to the program/project being mandatory or discretionary, and if the project/program is to be included in the plan.
b. Please detail all <u>specific</u> constraints, flags, or any similar added rules Alectra included in the optimization process.
c. Please ensure the information in part (a) includes all pacing scenarios considered.

2A-SEC-29
[EB-2019-0018, SEC-2] EB-2019-0018 application, Alectra provided expected reliability improvement information on a project specific basis (shown as a decrease in SAIDI and SAIFI) over the 2020-2024 period. SEC understands from the information provided in that proceeding (SEC-2(b)) that the information was derived as part of the reliability measure in the Value Framework.

a. Please confirm SEC's understanding of the evidence in EB-2019-0018 is correct.
b. Please provide similar information for each program, and for each material project, on the same basis (shown as improvements to SAIDI and SAIFI) over the 2027-2031 period.
c. Does Alectra undertake any other type of reliability forecasting or modelling, if so, please provide details.
d. Please provide the overall improvement in reliability (both SAIDI and SAIFI) that Alectra expects to occur by the end 2031 as a result of the proposed capital plan.

2A-SEC-30
[Ex.2A-1-1, p.104] With respect to the Efficiency Frontier methodology:

a. Please provide further details regarding how it is calculated, including through an illustrative example.
b. Please explain what the upper and lower boundaries used were, how they were set, and on what basis.

2A-SEC-31
[Ex.2A-1-1, p.109] With respect to the planning process:

a. Please explain how many draft plans were ultimately created.
b. For each of the draft plans and the final plan, please provide the total capital expenditures for each year of the plan (2027-2031), and the net value score, by OEB category.

c. Please provide for each draft and the final plan, the capital and operating expenditure constraints used.

2A-SEC-32
[Ex.2A-1-1, p.111-112] With respect to work execution and project monitoring and control:

a. Alectra states that: "On a monthly basis, Alectra Utilities monitors year-to-date, projected year-end expenditures and in-service additions, to identify deviations from the work plan and then takes appropriate corrective actions." Please provide a copy of the mechanism used for the monthly reporting (e.g. reports, dashboards, presentation, etc.) for each of July 2023, 2024 and 2025.
b. Alectra states: "Alectra Utilities monitors and reports on relevant project execution metrics, including the implementation of its capital work and reviews of trends…". Please detail the project execution metrics that it uses.

2A-SEC-33
[Ex.2A-1-1, p.113] Please provide a copy of the Corporate Enterprise Risk Management (ERM) Register.

2A-SEC-34
[Ex.2A-1-1, p.125] For new stations, please explain the contract type and structure between Alectra and the contractor.

2A-SEC-35
[Ex.2A-1-1, p.129] Please provide further details regarding the difference between the Project Management Office and the Transformation Management Office.

2A-SEC-36
[Ex.2A-1-1, p.142] With respect to the non-coincident system peak:

a. Please provide Figure 5.3.2 -2 in a tabular format.
b. For each year between 2010 and 2025, please provide a table that shows Alectra's (and its predecessor utilities) actual, a) non-coincident system peak, and b) weather normalized non-coincident system peak.
c. For each year between 2010 and 2025, please provide a table that shows Alectra's (and its predecessor utilities) actual, a) coincident system peak, and b) weather normalized coincident system peak.
d. For each year between 2026 and 2034, please provide a table that shows Alectra's forecast coincident peak demand.
e. Please explain the difference between 'normal weather' (1 in 2) as used in the DSP load forecast and 'normal weather' as defined for the revenue load forecast in Exhibit 3 (i.e. normal weather conditions are based on a 10-year historical average from May 2015 to April 2025).

2A-SEC-37
[Ex.2A-1-1, p.91; Appendix 2-IB] Alectra states: "Applying the end-use methodology, Alectra Utilities' non-coincident peak demand is projected to increase by 1,469MW from 5,938MW in 2024 to 7,407MW by 2031, representing an average annual growth rate of approximately 3.2%." Appendix 2-IB, which shows a CAGR for weather normalized MWh of 1.5%. Please explain the drivers of this variance.

2A-SEC-38
[Ex.2A-1-1, p.143] With respect to data centre expansion, please provide a table that shows the additional 425 MW of data centre load, on an annual basis, broken down by application and signed offer to connect.

2A-SEC-39
[Ex.2A-1-1, p.261] Please define "needs" for the purpose of Figure 5.3.3-3.

2A-SEC-40
[Ex.2A-1-1, p.338] Please provide a copy of the evaluation undertaken for each of the 30 station-level projects for potential application of NWS.

2A-SEC-41
[Ex.2A-1-1, p.340; Ex.4-9-1, p.2] With respect to the NWS program:

a. Please provide a copy of the completed BCA for the NWS program.
b. Please confirm that Alectra has not included any NWS costs in its OM&A budget.
c. For each year of the plan term, please provide the forecast NWS budget, broken down into third-party payments to program participants, internal costs (further separated by major categories), margin on payments, and any expected offsetting funding.

2A-SEC-42
[Ex.2A-1-1, p.367] For each year since 2020, please provide a copy of the annual internal combined Alectra/Guelph annual budget by OEB category.

2A-SEC-43
[Ex.2A-1-1] Please provide a revised version of Appendix 2-AB that shows actual versus planned/approved capital expenditures each year since 2015. For pre-2020 planned/approved capital expenditures, please provide the source of the information and evidentiary references of a past filing, if available (e.g. historic predecessor).

2A-SEC-44
[Ex.2A-1-1] Please provide a revised version of Appendix 2-AA that includes a breakdown of each program by segment, for each year between 2019 and 2031.[1] Please provide the response in Excel format.

2-SEC-45
[Ex.2A-1-1] Please provide:

a. A revised version of Appendix 2-AA on an in-service additions basis that includes a breakdown of each program by segment.
b. A revised version of Appendix 2-AB on an in-service additions basis.

2A-SEC-46
[Ex.2A-1-1; EB-2019-0018, Ex. 4-1-1] With respect to the 2020-2024 DSP:

a. Please provide a revised version of Appendix 2-AA that shows for 2020-2024, the budgeted capital expenditures as set out in Alectra's 2020 DSP, and the actual capital expenditures.
b. Please provide an explanation of material variances in planned and actual spending by program.

[1] For any interrogatory which asked for 2025 information, please update, as available, for actuals.

2A-SEC-47
[Ex.2A-1-1, Appendix B] With respect to the capital budgeting process:

a. Please explain what inflation assumptions Alectra used for the purposes of creating the 2026 to 2031 capital expenditure budget.
b. For each capital program and segment, please explain how Alectra forecast the budget (e.g. project specific bottom-up estimate, reference based estimate, unit cost, etc.).
c. For any capital program and segment that the budget was determined using a unit cost, please provide the specific unit cost.

2A-SEC-48
[Ex.2A-1-1, Appendix B01-B14] For each program, with pacing options, please provide for each scenario, a) number of assets replaced during DSP period, b) total cost during DSP period, c) net change in risk value, and d) value score.

2A-SEC-49
[Ex.2A-1-1, Appendix B02] With respect to the Underground Asset Renewal:

a. [p.66] Please provide Figure B02-3 in tabular format.
b. [p.72] Please explain what makes a cable ineligible for injection.
c. [EB-2024-0115, 2-Staff-104a; JT 1.20] In EB-2024-0115, Hydro Ottawa provided evidence that it undertook a cable injection pilot program, which it found was not successful. Please explain why Alectra has found the program has worked and Hydro Ottawa did not.
d. [p.85] For each XLPE cable remediation pacing options included in Table B02-6, please break out both the cost and km of remediation between replacement and injection/rejuvenation.
e. [p.110] Alectra states that for near-term underground investments, it "forecasted spending needs on historical spending trends and through this has derived a single option to fund these required investments". Please detail the specific methodology used to forecast the annual 2027 to 2031 expenditures.

2A-SEC-50
[Ex.2A-1-1, Appendix B04, p.181-182] With respect to Substation Renewal, please explain why for transformer and circuit breakers there is no option 4, to utilize the outcome of the review in option 3 if built with a slower pace of replacement?

2A-SEC-51
[Ex.2A-1-1, Appendix B05] With respect to Reactive Capital:

a. [p.207] Alectra states that it has "has assumed that changes in planned spending within an asset class will take approximately four years to fully materialize in decreases in reactive spending for the same asset class." Please explain the basis for the view that changes in planning spending will take approximately four years to fully materialize in decreased reactive spending.
b. [p.206-207] Please detail the specific methodology used to forecast the annual 2027 to 2031 expenditures for each of the reactive capital segments.
c. Based on the forecast spending for each year of the plan term, how many assets by type, are expected to be replaced annually?

2A-SEC-52
[Ex.2A-1-1, Appendix B06, p.250-254] With respect to AMI Renewal:

a. [p.252] As part of the RFP, how many bids were received and was the bidder with the lowest cost, meeting all other technical requirements, chosen?
b. [p.252] Who is the vendor that was selected and please provide an update on contract negotiations?
c. Please provide a copy of the full internal business case for the AMI Renewal program.
d. Please provide a copy of any third-party assessment of the benefits/costs, or similar analysis, undertaken regarding AMI Renewal.
e. [p.259] Please explain how the costs for the project were determined, and if they have changed as a result of finalizing the contract with the selected vendor.

2A-SEC-53
[Ex.2A-1-1, Appendix B07] With respect to Facilities Management:

a. [p.274] Please provide a revised version of Table B07 that separates the square footage of each building into operations and office space, and provides the number of inside and outside employees based at each facility.
b. Please provide a copy of the full internal business case for the Kennedy Road Consolidation Program.
c. [p.297] Please provide a copy of the referenced Cresa assessment.
d. [p.310-311] Is Alectra proposing to credit customers the proceeds from gains on the sale of the 175 Sandalwood Parkway West and Mavis Road facilities? If not, please explain why not.
e. Please confirm Alectra is seeking recovery from customers of the costs of the 200 Kennedy Road facility.
f. Please provide a detailed breakdown of the net gains on the sale from the 175 Sandalwood Parkway West and Mavis Road facilities.

2A-SEC-54
[Ex.2A-1-1, Appendix B08] With respect to Fleet Renewal:

a. [p.320] Please provide a revised version of Table B08-2 which includes information from 2020-2024.
b. Does Alectra track fleet utilization? If so, please provide annual fleet utilization for each year starting in 2020 and explain how the metric/measure is calculated.
c. Has Alectra done any analysis of its fleet utilization and how it can be improved? If so, please provide copies of that analysis and explain the steps it has taken.

2A-SEC-55
[Ex.2A-1-1, Appendix B09, p.391] With respect to Information Technology Systems, please provide the internal business case for the Meter-to-Cash- CIS-CC&B CCS/C2M upgrade and Work Force Management/Mobile Dispatch projects.

2A-SEC-56
[Ex.2A-1-1, Appendix B1, p.469] Please expand Table B12, to include, a) gross costs, b) capital contributions, c) net cost, e) if the project is an enhancement or expansion, in full or in part, and explain why, f) date of the initial new or incremental load that will connected to the line requiring its construction, and g) the basis for the response to part (f).

2-SEC-57
[Ex.2A-1-1, Appendix B13; Appendix J] Please provide a single Excel spreadsheet file that includes the "Projected Loading and LTR For Existing and New Stations Over Period 2024-2034" tables for <u>all</u> planning zones (or sub-zone/operating area if required) to reflect Alectra's station capacity and loading for its entire service territory. Please include actual loading for each station each year between 2020 and 2025.

2A-SEC-58
[Ex.2A-1-1, Appendix J, p.31] Please provide the underlying basis of rate forecast for DER growth in Figure 13?

2A-SEC-59
[Ex.2A-1-1, Appendix B13, p.568] With respect to Stations Capacity, please provide the internal business case for all projects above $10M.

2A-SEC-60
[2A-1-1, Appendix B14] With respect to Enabling Resiliency & Modernization:

a. [p.585] Alectra outlines the benefits of its SCADA, automation, and system control investments. Please quantify the benefits and detail the assumptions and methodology used in the calculation.
b. [p.611] How long does Alectra expect the conversions will take for all rear lots, and what is the total estimated budget?
c. [p.652] Please provide the internal business case for the Distribution Automation project.

2A-SEC-61
[2A-1-1, Appendix J] Please provide the following figures in Excel format: Figures 17-21.

2A-SEC-62
[Ex.2A-1-1, Appendix D] Please provide a list of documents and other material that AMCL reviewed as part of its engagement.

2A-SEC-63
[Ex.2B] For each of the material capital projects since the last rebasing of each of the predecessor utilities, please provide, a) the name of the project, b) rate zone, c) OEB investment category, d) initial project budget included in a DSP, e) initial project budget if the project was not included in the DSP, and the basis for the budget, f) actual cost of revised budget if project not in-service, and g) explanation of any cost variance +/-15%.

2B-SEC-64
[Ex.2B-1-2] Please complete the attached Excel spreadsheet.

2B-SEC-65
[Ex.2B-3-1] Please provide a table that shows the average depreciation rate for in-service addition, by OEB category, for each year of the plan.

2B-SEC-66
[Ex. 2B-3-1, p.9] Alectra states that it calculates depreciation based on the month that an asset comes into service or is derecognized rather than based on the half-year rule.

a. For each year between 2020 and 2031, please provide the monthly, a) additions, and b) disposals. Please provide the response in Excel Format.

b. Please confirm that for the purposes of additions/disposals to gross fixed assets, Alectra uses the half-year rule.
c. If (b) is confirmed, please revise the 2027 to 2031 rate base by calculating additions/disposals to gross fixed assets on a monthly basis. Please provide all supporting calculations.

2B-SEC-67
[Ex. 2B-4-1, Attachment 2B-5] With respect to the Guidehouse, *Working Capital Requirements of Alectra Utilities Corporation* Report:

a. [p.12] Please explain why the PILs expensive lead is a negative number of days (-13.18).
b. [EB-2023-0195, 2A-3-2; EB-2021-0110, C-5-1, Attachment 2] Please explain why Alectra's revenue lag days (55.20) are higher than other large Ontario utilities (Toronto Hydro at 53.15 days, and Hydro One at 48.38 days).

2B-SEC-68
[Ex.2B-6-2, Appendix 2-D, Attachment 2B-13 and Appendix 2-K] Alectra has updated the Capitalization Allocation as a result of the Atrium Economics study.

a. Please provide Table 2 from Attachment 2B-13 for the years 2027-2031.
b. Please explain the relationship between the capitalized labour shown on line 31 of Appendix 2-K and the direct labour capitalized and benefits shown on lines 33 and 34 of Appendix 2-D.

3-SEC-69
[Ex.3-1-1, Attachment 3-1] With respect to the Load Forecast:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis. (also see part c. of next question).
c. Please provide a table showing the originally forecasted billing determinates for each month starting May 2025 to the available months in 2026, compared to actuals and weather normal actuals.

3-SEC-70
[Ex.3-1-1, p.1,3; Ex.2A-1-1, p.12] With respect to the Load Forecast:

a. Please explain the reason for using the June 2025 economic projections from the Conference Board of Canada for the Toronto and Hamilton Census Metropolitan Areas ("CMAs") and March 2025 economic projections for Guelph Census Metropolitan Area.
b. Do the three CMAs in part a) cover all of Alectra's service territory? If not, please explain.
c. Please use the most up to date available economic projections when rerunning the load forecast in the question above.
d. Please explain what "structural integrity" means and its implications on the load forecast.
e. Please explain the discrepancy between the projected average 0.9% growth per year in the number of customers and service connections 2027 to 2031 with the stated projected annual growth rate of 1.4% in the DSP.

3-SEC-71
[Ex.3-1-1, Attachment 3-2, Table 5, p.30; Ex.3-1-4, Table 3-1-8]

a. Please explain why the totals in Tables 5 and 3-1-8 do not match.
b. Please explain Alectra's "aggressive plan to achieve greenhouse gas reduction through both building electrification and building infrastructure to support EV adoption".

3-SEC-72
[Ex.3-1-4, p.4-6] With respect to EV Adoption:

a. What is the forecast for total cars for each year?
b. Please provide the 2025 actuals for EVs based on the most available information.
c. How did Alectra determine the 50% reduction for 2025 and 2026? For 2027 to 2031 has a reduction been assumed? If so, please provide.
d. What is the proportion per rate class based on?

3-SEC-73
[Ex.3-1-4, p.8, Table 3-1-14] With respect to customer reclassification:

a. Please confirm that the following changes with respect to number of customers changing classes are correct for 2024 based on the wording on page 8. If not confirmed, please explain and correct

	GS < 50kW	GS > 50 kW Regular	GS> 50kW Intermediate
	282	-282	
	2		-2
		26	-26
	-48	48	
		-4	4
Total	236	-212	-24

b. Please provide similar information regarding rate classification for 2021-2023 and actual 2025 (if available) as provided in the table above.
c. Please explain why the numbers shown in Table 3-1-14 do not agree with the numbers shown in part a. for 2025 and 2026 if it is assumed that the same number of reclassifications will occur.
d. What is the basis for assuming that the number of reclassifications will gradually decrease each year from 2027 to 2031?

3-SEC-74
[Ex.3-1-4, p.12, Tables 3-1-17 and 3-1-18] With respect to 2025-2031 Standby Consumption Forecast Adjustment by Rate Class: Please explain the adjustments in 2025 and 2026 in the two tables.

3-SEC-75
[Ex.3-1-4, p.14 Table 3-1-2; Ex.2A, Appendix J] With respect to added load from Large Use customers:

a. Does the added load in Table 3-1-21 include data centres?

b. If yes, please reconcile with the data centre load discussed in Appendix J (see pages 23,51 and 53).
c. If no, please explain why not and discuss how Alectra intends to incorporate this increased load into the load forecast.

4-SEC-76
[Ex.4-1-1, p.4] Please provide the last OEB approved OM&A (excluding Property Taxes) for each of the five merging utilities, the year of approval and the EB number of the proceeding.

4-SEC-77
[Ex.4-1-2, p.8] With respect to customer interactions:

a. Please reconcile the following statements:
    i. "projected 27% increase in the volume of customer interactions" (Ex.4-1-3, p.11).
    ii. "Customer Care handles over 640,000 customer service telephone inquiries, 150,000 outage calls managed directly by a third-party service provider, and approximately 200,000 electronic communications including emails and web forms" and "Customer Connections handles over 43,000 annual inquiries" (total 1,033,000) (Ex.4-2-7, p.5).
    iii. "Alectra Utilities is expecting a rise in the volume of customer interactions from over 760,000 in 2024 to over 1,050,000 in 2031" (38%) (Ex.4-2-7, p.9).
b. How did Alectra determine the predicted increase in customer interactions from over 760,000 in 2024 to over 1,050,000 by 2031?
c. How many customer interactions were there in 2025?
d. Please provide an estimate of the savings in reduced customer interactions resulting from the advanced customer facing chatbot.

4-SEC-78
[Ex.4-1-3, p.2-3, Tables 4-1-5 and 4-1-6]

a. Please provide the calculations and/or source behind each of the numbers included in Table 4-1-5.
b. Please confirm that the OM&A amounts do not include Property Taxes. If included, please provide amount.
c. Please explain the source of the $215M in 2017 in Table 4-1-6.

4-SEC-79
[Ex.4-1-3, p.9-10, Charts 4-1-1 and 4-1-2; Appendix 2-JC] Please explain how Charts 4-1-1 and 4-1-2 account for:

a. The merger OM&A savings shown in Table 1-9-1.
b. The productivity framework OM&A savings shown in Table 1-6-34.
c. Please provide a reference for the $16M for Guelph Hydro.
d. Please reconcile the 2024 to 2027 increases shown on Chart 4-1-2 with those shown on Appendix 2-JC. For example, Chart 4-1-2 shows an increase of $4M for Customer Service (not including inflation) and 2-JC shows $10.1M, and Asset Strategy is not included in Chart 4-1-2 but shows an increase of $5.3M in Appendix 2-JC.

4-SEC-80
[Ex.4-2-1, p.8, 10 and 28] For Asset Management:

a. Please explain why in 2024 and 2025, $3.39M was added to support preparation of the DSP and rate application but in 2026 to 2027 only $0.44M was reduced.

b. Please provide a table that breaks down the 2024 to 2027 increase in Asset Management into its asset management segments and grid modernization segments.

4-SEC-81
[Ex.4-2-2, p.9] For Distribution Design, please explain why Alectra determines the OM&A expenditures for this program as a percentage of the gross capital expenditure plan and not net, i.e. if customer-initiated work increases, contributions should increase to cover the additional work.

4-SEC-82
[Ex.4-2-3, p.16, Table 4-2-15] With respect to internal audit:

a. Please explain the $350k increase from 2024 to 2026 for higher consulting costs for AI related audits. Specifically what audits are being done, by whom, at what cost and how often will these audits be performed?
b. Please explain the increases in labour costs due to increasing IT and Artificial Intelligence audit requirements during 2026-2031.
c. Will the costs in part b. replace those in part a.? If not, please explain why not.

4-SEC-83
[Ex.4-2-4, Table 4-2-21] With respect to Finance and Treasury Resourcing Requirements:

a. Please confirm that based on the numbers in the table for 2027, one FTE can process 5,979 invoices.
b. If this is confirmed, then please explain the need for additional FTEs.

	2027	2028	2029	2030	2031	Net FTEs
	53,815	58,363	63,516	66,865	70,551	
FTEs with productivity	9	11	12	14	14	5
Additional FTEs		2	1	2	0	
#FTEs required =# of invoices/5,979		10	11	11	12	3
Excess FTEs		1	1	3	2	2

4-SEC-84
[Ex.4-2-7, p.28] With respect to Water Billing Exit:

a. When did the previous utilities start doing the water billing for Hamilton, Guelph, Markham and Vaughan?
b. What were the original amounts included/excluded from the utilities' budgets for water billing, e.g. in the last cost of service for Horizon what amount was removed from the OM&A budget?
c. Please provide an update on the transition of water billing for Hamilton in Q4 2025.
d. Alectra states that the fixed costs to provide water billing for Hamilton is $3.6MM. Please break out this cost into its components, e.g. postage, third-party support services and fixed labour costs, etc.
e. Please explain why there are no fixed costs related to the water billing for Guelph, Markham and Vaughan.

4-SEC-85
[Ex.4-2-8, Attachment 4-5] With respect to the Gartner, *Alecta Utilities Enterprise IT Spending and Staffing Benchmark & Functional Maturity Assessmen*t Report:

a. [p.18] Please list the companies included in each of the Custom Group and ITKMD Utilities peer groups.
b. [p.18] How many companies that are included in the Custom Group and ITKMD Utilities are:
    i. distribution only utilities
    ii. transmission only utilities
    iii. generation only utilities
    iv. distribution and transmission only utilities
    v. other
c. [p.21] Please confirm that Alectra's revenue includes revenue related to passthrough costs (i.e. commodity, transmission, etc.) in addition to distribution revenue.
d. [p.21-22] Please revise the table to show IT Spend as a % of Distribution Revenue only.
e. Please provide a copy of the underlying data used to calculate the various metrics and measures for Alectra. Please link the data to the underlying capital and OM&A evidence (i.e. Appendix 2-AA and 2-JC).

4-SEC-86
[Ex.4-2-12, p.1-4] With respect to Cable Locates:

a. Please explain the differences in the amounts for 2023-2026 between Table 4-2-83 and the net amount shown in Table 4-2-84.
b. Please provide the information shown in Chart 4-2-9 in a table form.
c. What was the average locate rate for 2025?
d. Please provide the number of locates performed in each service area shown on Chart 4-2-9 for each year 2020-2025.

4-SEC-87
[Ex.4-2-13, p.13] With respect to network metering:

a. Alectra states that there was a decrease in OM&A in 2025 in System Control as a result of a change in capitalization policy. Please confirm that this was a result of the Atrium Economics Study included in Exhibit 2.
b. Please provide details of other changes in OM&A costs resulting from implementation of the Atrium Economics study.

4-SEC-88
[Ex.4-2-17, p.7] Please provide for 2021-2025, the actual number and for 2026-2031 a forecast of:

a. Underground distribution assets that are inspected and yearly cost to do the inspection.
b. Underground distribution assets requiring preventive maintenance or repairs.
c. Trouble calls taken.

4-SEC-89
[Ex.4-3-3, p.2] With respect to FTE by program:

a. Please update Table 4-3-2 for 2025 actuals and then in Excel format.
b. Please explain why Alectra is forecasting a slight reduction in FTEs in 2026, specifically in Cable Locates and Customer Service?
c. For each of the additional FTEs in 2027 shown on Table 4-3-2, please provide specific details on how Alectra determined the need for those particular positions. For example, how did Alectra determine that System Control requires specifically 10 FTEs in 2027.

4-SEC-90
[Ex.4-3-5, p.5, Attachment 4-7 and Appendix 2-K] With respect to compensation costs:

b. Has Alectra benchmarked the compensation of its executive employees? If so, please provide any reports. If not, please explain why not.
c. Please break out compensation attributable to overtime for each year in Appendix 2-K.
d. How does Alectra forecast overtime?
e. The evidence states that Alectra budgets a 4.0% vacancy rate on non-executive positions. Does Alectra budget a vacancy rate for executive positions? If not, why not? If so, please provide.
f. Please provide the historical vacancy rate for 2019-2025.
g. Please break out short-term incentives and long-term incentives for each year in Appendix 2-K.
h. Based on the data in Appendix 2-K, please explain the large increase (14.9%) in total compensation/FTEs in 2019 and why 2027 has a larger increase (4.6%) than the historical average.
i. Please explain how Alectra determines the split between OM&A and Capital shown in Appendix 2-K.

4-SEC-91
[Ex.4-3-5, Attachment 4-7] With respect to the Mercer, *Compensation Market Review:*

a. [p.5] Please provide a separate results table in Excel format for each of the Energy peer group and General Industry peer group.
b. [p.5] Please provide an expanded version of the table included on p.5 in Excel format that shows the following:
    i. Results by job as opposed to grade
    ii. For each job, the number of Alectra incumbents who have that job, and the categorization of the job (executive, management, union, and non-union).
    iii. Please provide a separate results table for each of Energy peer group and General Industry peer group.
c. [p.9] Appendix A includes a sample list of each of the peer groups. Please provide the full list of companies included in the peer group.

4-SEC-92
[Ex.4-4-1 p.2; Appendix 2-N] With respect to Shared Services:

a. [p.2] Please provide a copy of the referenced Black & Veatch review and assessment.
b. [p.2] Please provide a copy of the Atrium Economics LLC's report related to the 2024 review of shared services and corporate cost allocation processes.

c. [p.2] What specific changes were made as a result of the Atrium Economics LLC review?
d. [Appendix 2-N] Please explain what Corporate Stewardship and Growth services AES is providing Alectra at a cost of $508k in 2027 (line 727).
e. [p.6] Please provide a breakdown of the costs included in Table 4-4-2, into the lines of business included in Table 4-4-1.

4-SEC-93
[Ex.4-6-1, Appendix 2-M] With respect to one-time Regulatory Costs:

a. Please update the 2025 costs with actuals.
b. Please provide a breakdown of one-time regulatory costs, by type, at the time of the filing of this application.
c. Please breakout the 2023-2025 costs into each year, by individual expert witness, and consultant.
d. Please provide the approved and actual total cost for the last cost of service application for each of the predecessor utilities.

5-SEC-94
[Ex.5-1-1, Table 5-1-4, Appendix 2-OB and Error Checking Items – Round 1, November 6, 2025] With respect to long term debt ("LTD"):

a. Alectra has used the OEB's deemed 2025 LTD rate of 4.510% as a placeholder for its planned new debt in 2026-2031. As per the Error Checking Item #9, the values shown in Appendix 2-OB include a forecast of issuance costs. Please explain how Alectra has determined the issuance costs and why they vary between the years.
b. Please explain why Alectra does not believe it can negotiate a rate lower than the OEB's deemed rate for the $2,100M LTD it intends to take out.

6-SEC-95
[Ex.6-2-1] Please provide a revised PILs model and Table 6-2-1, assuming the passage of Bill C-15 and the reinstatement of the accelerated CCA measures.

6-SEC-96
[Ex.6-2-1] Please quantify the impact the proposed Clean Electricity Tax Credit on the 2027-2031 PILs, assuming the passage of Bill C-15.

6-SEC-97
[6-2-1] Please provide a table that shows the average CCA rate for in-service additions, by OEB category, for each year of the plan.

6-SEC-98
[Ex.6-3-1, Appendix 2-H and Table 8-3-2] With respect to Other Revenue:

a. Please update Appendix 2-H with actuals for 2025.
b. Please provide the rates and number of pole attachments used to determine the revenue in Account 4210 for 2026-2031.
c. Using Table 8-3-2, which shows the specific service charges to be maintained and those to be eliminated, please show the calculation of the revenue in Account 4235 for the years 2024-2031.

d. Please explain how Alectra has forecasted the Other Revenue amount in Account 4360 Loss on Disposition of Utility and Other Property.
e. Please explain why Alectra is forecasting $0 revenue in Account 4405 when historically the average has been $1.8M?

6-SEC-99
[Ex.6-3-1, Appendices 2-H and 2-N] Please reconcile the balances recorded in Account 4375 and Account 4380 to the balances recorded in Appendix 2-N – Shared Services and Corporate Allocation for the three historical years, the bridge year and the test years and explain any differences.

8-SEC-100
[Ex.8] Please provide a table that shows, for each year between 2013 and 2031, and for each rate class and rate zone, a) distribution monthly service charge, b) distribution volumetric charge, c) fixed group 2 DVA riders, and d) volumetric group 2 DVA riders. Please provide the information in Excel format.

8-SEC-101
[Ex.8-1-1, Tables 8-1-2 and 8-1-3] With respect to rate harmonization options:

a. Please provide similar tables to 8-1-2 and 8-1-3 but showing the base distribution only impacts (i.e. with no riders).
b. Please add a line to Tables 8-1-2 and 8-1-3 and the table in part a. above, using an average of 1000 kW for the Intermediate customer instead of 250 kW.
c. Please provide the distribution of the customers in the GS > 50 kW harmonized rate class as follows: 50-499 kW, 500-999 kW and 1,000-4,999 kW.

8-SEC-102
[Ex.8-1-1] If the OEB were to determine that Alectra must transition customers gradually to the harmonized rates over the rate term, what are the options that are available and what would Alectra recommend?

8-SEC-103
[Ex.8-2-1, Table 8-2-2] Please explain why Alectra considers harmonization of rates in 2027 justifies continued increases in the monthly fixed charge in 2028-2031 for all classes that are above the ceiling calculated in the Cost Allocation Model.

8-SEC-104
[Ex.8-2-2, p.15, 17 and Table 8-2-18] With respect to the HRZ Standby Power Rate Class:

a. Please provide the number of GS > 50kW customers, number of Large Use customers and number of Large Use with Dedicated Assets customers in this class.
b. Please provide historical total kWs for each class in part a.
c. Please outline the changes made to determine the revenues and costs shown in Table 8-2-18.

8-SEC-105
[Ex.8-2-2, p.17] With respect to the proposed Standby Power Rate Design:

a. For existing rate zones, and rate classes, how many customers were charged standby power rates in each year between 2020 and 2025?

b. Please provide the proposed tariff wording related to the proposed standby power charge and any expected changes to its Conditions of Services that may be required.
c. Please provide a copy of all analysis undertaken regarding the costs on the distribution system driven by customers who require standby power.
d. [p.17-18] Alectra states: "Standby customers can request a specific amount of contract demand, which Alectra Utilities can then reasonably adjust as warranted, as determined through its engineering and billing data analyses." Please explain, the specific engineering and billing data analyses that Alectra proposed to undertake.
e. Please provide any analysis and/or modelling that Alectra has undertaken regarding the demand diversity of customers who require backup power. Please explain how that modelling or analysis impacted Alectra's standby rate proposal.
f. Please confirm that under Alectra's proposed standby power rate design, if a customer who installs load displacement generation and its monthly peak demand, for any reason, it will pay a standby charge on the difference between its actual monthly peak demand and the contracted demand.
g. Does electricity storage count as load displacement generation for the purposes of the application of standby rates?
h. Does Alectra believe that behind-the-meter load displacement generation and/or storage provides a benefit to the distribution system? Please explain your response.

8-SEC-106
[Ex.8-2-2, Table 8-2-20] With respect to proposed standby power rate:

a. Please provide a similar table to 8-2-20 but for Distribution only.
b. Please confirm whether Table 8-2-20 is comparing 2027 proposed harmonized bills with actual 2026 bills or notional 2026 harmonized bills. If the former, then please provide a comparison to the latter and for part a. as well.
c. Please provide an estimate of the increase in revenue from the proposed new standby rates compared to the current standby rates/charges for 2027.

8-SEC-107
[Ex.8-3-2, Table 8-3-2] With respect to Specific Service Charges:

a. Please provide the historical number of occurrences for each of the listed specific service charges, by rate zone.
b. Please provide the forecast number of occurrences for each of the proposed specific service charges for 2027.
c. Please confirm that any increase in Miscellaneous Service Revenues from 2027-2031 is due to increased activity, not changes in the charges.

8-SEC-108
[Ex.8-3-2, Table 8-3-6] With respect to Disconnect/Reconnect at Pole or Transformer - After Regular Hours, please explain why two additional hours are required compared to regular hours.

9-SEC-109
[Ex.9-3-10, p.3] With respect to the ICM True-Up: Please provide an explanation and justification of the prudence of the cost variance of the PowerStream RZ 2018 and 2019 Road Authority YRRT projects.

9-SEC-110
[Ex.9-3-15, Table 9-3-42] Are the "Amounts in Rates" included in each table, escalated by the OEB-approved Price Cap adjustment for Alectra Utilities and its predecessor utilities? If not, please explain why not and please recalculate the balance adjusting the yearly amount in rates.

9-SEC-111
[Ex.9-3-16, p.3] With respect to the Incremental Cloud Computing Implementation Costs DA:

a. Please provide details and the calculation methodology of offsetting savings.
b. Alectra has requested that the account should continue. What amount is built into the 2027 to 2031 revenue requirements for cloud computing, broken down by capital and OM&A.

9-SEC-112
[Ex.9-3-22] Please provide further details regarding the costs and the underlying projects included in the Smart Grid OM&A Deferral Account and a justification for their prudence.

Respectfully, submitted on behalf of the School Energy Coalition, this 20th day of January, 2026.

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Mark Rubenstein
Counsel for the School Energy Coalition