EB-2026-0032

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by E.L.K. Energy Inc.("ELK") pursuant to section 78 for an Order or Orders for approval of its proposed distribution rates and other charges, to be effective May 1, 2027.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-1
[Ex.1]
Please provide a copy of all materials provided to the respective Board of Directors of ELK, WCUL and ENWIN regarding approval of this Application and the underlying budgets.

1-SEC-2
[Ex.1, p.51] ELK states that its Billing O&M unit costs increased in 2023 and 2024 due to outsourcing billing services in order to manage workload volumes.

a. Are ELK's billing services still outsourced? If so, who is providing the service?
b. Will ELK be investigating using billing services provided by ENWIN? If so, please quantify the estimated savings.

1-SEC-3
[Ex. 1]
Please provide all third-party operational reviews and consultant reports on any material aspect of ELK's business prepared since January 1, 2022. This should include the KPMG audit of RSVA balances (Exhibit 2, Attachment 2-A DSP, p.36), and any review of ELK's operations prepared by or for WCUL in connection with the acquisition.

1-SEC-4
[Ex.1] Please provide copies of all third-party benchmarking analyses, studies, reports, and/or similar documents, undertaken for, by, or that include ELK, since 2022, that are not already included in this Application, regarding any aspect that directly or indirectly relates to a material aspect of ELK's budget or its business.

1-SEC-5
[Decision and Order, October 21, 2025, p.17; Ex.1, p.60]

The EB-2025-0172 Decision and Order stated, "The OEB expects that the cost-of-service applications that will be filed with the OEB will include evidence that identifies any savings due to the change in ownership and governance." ELK states that it has incorporated savings from unfilled executive roles and "economies of scale through shared service support from ENWIN."

a. Please provide further details, including dollars, on the executive roles that have been eliminated and the resulting savings.
b. Please provide further details of savings as a result of economies of scale. For each, please quantify the savings, broken down by capital and OM&A, and provide all underlying calculations.
c. Please provide a list of all productivity and efficiency initiatives undertaken by ELK in each year since 2022. For each, please quantify the savings, broken down by capital and OM&A, and provide all underlying calculations.
d. Please provide a list of all other productivity and efficiency initiatives planned for 2026 and 2027. For each, please quantify the savings and identify where the savings are reflected as a reduction in the 2027 capital or OM&A budget. Please provide all underlying calculations.

1-SEC-6
[Ex. 1, Attachment 1-A] Please provide the corporate scorecards used by ELK for 2022 to 2026, with targets and actual results for each measure.

1-SEC-7
[Ex.1, Attachment 1-E] With respect to the Cost-of-Service Customer Survey, it appears that as part of the survey customers were not informed of the bill impacts based on ELK's proposals.

a. Please explain how customers can voice an informed opinion without knowing the effect on their costs.
b. Were any changes made to the Application as a result of the survey? If so, please provide details.
c. What was the cost of the survey?

2-SEC-8
[Ex.2, Appendix 2-AA]

a. Please provide 2026 actuals to date in the format of Appendix 2-AA.
b. For historical years 2022-2025, please provide actuals to the same date as used in part a.
c. Based on the actuals for 2026, please provide any changes to the forecasts provided for 2026 and 2027, if required.

2-SEC-9
[Exhibit 2, p.24, Table 13 and Appendix 2-AA] With respect to the ICM assets:

a. Table 13 shows the actual cost of the two trucks, which were approved as part of the EB-2023-0013 Decision, as $356,606 and $420,605. Appendix 2-AA shows $386,724 in 2023 and $390,487 in 2024. Please reconcile the difference in costs.
b. The ICM Decision was for the two trucks to go in service in 2024. Please explain why ELK included one truck in 2023.
c. [EB-2023-0013, Decision and Order, March 21, 2024, p.18] Please confirm that vehicles #40615 and #10216 were replaced.

d. [EB-2023-0013, Decision and Order, March 21, 2024, p.21] The EB-2023-0013 Decision states: "the OEB remains concerned about the potential for E.L.K. Energy's financial and operational challenges to persist despite management's best efforts to mitigate them, which could continue to adversely impact the utility's financial performance. The OEB encourages E.L.K. Energy's management and Board of Directors to thoroughly examine all strategic options for the utility, including an early rebasing." Please provide details of what strategic options were considered and ELK's resulting actions.

2-SEC-10
[Ex.2, p.25] With respect to the ICM true-up:

a. [p.25, Table 14] Please provide a revised actual revenue requirement calculation that shows, for each year between 2024 and 2026, the assets' return on rate base, amortization, and PILs expense, using half-year rule in the year the assets went into service, and change in NBV due to changes to accumulated depreciation. Please provide all supporting calculations.
b. Please reconcile the revenue set out in Table 15, with that shown in the Financial Overview section of the Business Plan (Exhibit 1, Attachment 1-A, pdf p. 85).

2-SEC-11
[Ex.2, Appendix 2-AB] Based on the net figures shown in Appendix 2-AB, for 2022-2026, total planned Capex without the ICMs is $5,518k. Total spent not including the 3 ICM amounts of $1,257k is $9,748k, or 77% more. With respect to this overspend:

a. Please explain what changed after the settlement that prompted ELK to overspend by this amount during the 2022-2026 period.
b. Specifically for 2022, as part of the settlement ELK agreed that capital expenditures of $810k were sufficient to operate the utility.[1] Please explain ELK's decision making in 2022 that increased System Renewal by 128% and General Plant by 76%.

2-SEC-12
[Ex.2, p.21-22] With respect to the working capital allowance, please update the cost of power, transmission charges and OER to the most recent values.

2-SEC-13
[Ex.2, Attachment 2-A Distribution System Plan ("DSP"), Table 5.2-6, 5.2-10, 5.2-11 and 5.2-12]

a. Please confirm that, for the period 2021-2025, ELK has been below target for Loss of Supply and Major Event Days Adjusted (excluding LOS and MEDs), SAIDI and SAIFI for each year.
b. For the three tables which show the breakdown of interruptions and customer minutes, please break out the numbers for defective equipment by asset type.

2-SEC-14
[Ex. 2, DSP, Tables 5.3-1 and 5.4-19]

a. Please show how the ranking was determined for each project in Table 5.4-19.
b. Please provide a list of projects which were considered, but rejected, for 2027 with the associated prioritization ranking.

[1] EB-2021-0016 Settlement Proposal, June 10, 2022, p.14

2-SEC-15
[Ex. 2, DSP, p.36]

a. Please provide an update on the status of the engineering system loss study.
b. Please identify any projects planned for the test period which will assist in reducing losses.

2-SEC-16
[Ex.2, DSP, p.71] With respect to System Access 2027-2031 Expenditures:

a. What portion of the $100,000 each year for metering is catch-up?
b. When will ELK be caught up with metering verification?
c. Please provide details of the spending on subdivisions in 2026 (e.g. what is the status of the work, how many new residential lots are expected, etc.).

2-SEC-17
[Ex.2, DSP, Appendix A - Material Investment Narrative Investment Program: System Renewal - Pole Replacement & Restoration] With respect to Pole Replacement & Restoration:

a. ELK states "The poles that fall under this program are in addition to poles that would be replaced in area rebuilds and as part of reactive replacements." Please provide a list of area rebuilds and the number of poles that will be replaced for each area, and their asset health.
b. Please provide the number of poles that were replaced each year reactively, their asset health, and total budget for 2022-2026.
c. Please provide the number of poles that are forecasted to be replaced in 2027-2031 reactively and the cost.

2-SEC-18
[Ex.2, DSP, p.47] With respect to pole restoration:

a. ELK plans to refurbish 175 poles in the test period. Please provide the number for each year of 2027-2031.
b. What is the cost to refurbish each pole?
c. How many years does refurbishment add to the life of the pole?
d. Please provide the number of poles refurbished each year 2022-2026 and the cost.

2-SEC-19
[Ex.2, DSP, Appendix A] Please provide a table that shows for each major asset type, the number of assets replaced each year between 2022 and 2025, and forecast to be replaced between 2026 and 2031.

2-SEC-20
[Ex.2, DSP, Appendix A - Material Investment Narrative Investment Category: System Renewal - Transformer Replacement, Table 1] With respect to Transformer Replacement, please restate the cost data in Table 1 by pole mounted transformers (1 Ph pad mounted transformers and 3 Ph pad mounted transformers).

2-SEC-21

[Ex.2, DSP, Appendix A - Material Investment Narrative Investment Category: System Renewal — Voltage Conversion] With respect to Voltage Conversion:

a. Please confirm that the voltage conversion costs shown in Table 1 are for both the 8.32 kV project and the three 4.16 kV projects. If confirmed, please show the cost for each project by year.
b. For each project, please provide the number (or km) of each asset to be replaced and the health indices.

2-SEC-22
[Ex.2, DSP, Appendix A - Material Investment Narrative Investment Category: General Plant -GIS Cleanup] With respect to the GIS Cleanup:

a. Please provide the status of the work completed and the spending as of the current date.
b. Was this work done by an external or internal resource?
c. For 2027 will the same resource be used?
d. Please explain why this cost is considered capital work.

2-SEC-23
[EB-2021-0016, Settlement Proposal] With respect to commitments in the EB-2021-0016 approved Settlement Proposal:

a. [EB-2021-0016, 2-Staff-7(b)] For each item in the 2-Staff-7(b) Action Plan, please provide details on whether the work has been implemented, and if so, when.
b. [Ex.4, p.33] Please provide a copy of the referenced ESA Audit, and explain how the findings are consistent with both the commitments included in the EB-2021-0016 evidence and Settlement Proposal and the information ELK provided in that proceeding, regarding maintenance and inspection activities the company was going to undertake.
c. [Ex.4, p.33] Please identify all 2027 OM&A and capital costs for catching up on any inspections, meter reverifications, and remedying issues identified by the ESA Audit and/or Measurement Canada's corrective action plan. Please provide details of those costs.
d. [EB-2021-0016 Settlement Proposal, p.49] Please provide the number of fault indicators installed each year between 2022 and 2026 and explain any variances compared to what was forecasted in the EB-2021-0016 DSP.
e. [EB-2021-0016 Settlement Proposal, p.49] Please explain how ELK has met the commitment to report on momentary outages and how to reduce them.

2-SEC-24
[ELK Letter, Re: Evidence Updates September 10, 2026] ELK states that feeders M5, M24 and M29 are unable to take new load because of upstream transmission restrictions.

a. Please explain how these restrictions may affect customer connections, load forecast, and System Access spending in 2026 and 2027.
b. Please provide further details regarding when Hydro One expects the restrictions to be lifted, and if ELK expects to be required to pay Hydro One a capital contribution for any of the associated work.

3-SEC-25
[Ex.3, Appendix 2-IB, Revenue Requirement Workform ("RRWF"), October 2, 2026, Tab 10]

a. Please provide year to date actual customer numbers/connections by class for 2026.
b. Please confirm that the customer numbers/connections shown in 2-IB are for year end and the numbers shown in the RRWF are mid-year. If not, please explain.
c. Please provide year to date actual billing determinants by class for 2026.
d. Please provide an updated forecast for customer numbers/connections and billing determinants for 2027 based on incorporating the actuals reported in parts a. and c. above.

4-SEC-26
[Ex.4, Appendices 2-JD and 2-K]

a. Please provide a version of the above Appendices that includes the 2026 actuals to date.
b. Please provide Appendix 2-JD that includes historical actuals for each year to the actual date used to update 2026 in part a.
c. Please revise the 2027 forecast in the Appendices, if required, due to updating 2026 actuals.

4-SEC-27
[Ex.4, Table 8] With respect to Maintenance Variance Analysis:

a. Please explain ELK's previous vegetation management process and the new process.
b. Please break out external and internal resources for each year.
c. Does the budget include reactive tree trimming work, i.e. in response to a storm?
d. Please break out the increases in vegetation management costs in 2025-2027 between increases in the volume of vegetation management relative to what was previously forecast, and the increase in unit cost of vegetation management.

4-SEC-28
[Ex.4, p.24, Table 9] With respect to Billing and Collecting Variance Analysis:

a. For account 5315 Customer Billing, please provide details on the costs associated with the outsourcing of billing services to assist in managing workload and increasing bill timeliness. For example, are these activities that were being done inhouse and are now being outsourced?
b. For account 5335, what actions is ELK currently taking to reduce the Bad Debt Expense?
c. Please provide a table that shows the net billing and collecting costs for each year between 2022 and 2027. The amounts should include any revenue received from the Town of Essex for water and sewer billing services.
d. [p.39] ELK stopped providing water and sewer billing services to the Town of Essex in 2024. Please explain why the costs for Billing and Collecting costs have not decreased as a result.

4-SEC-29
[Ex.4, p.26, Table 11] With respect to Administration and General Variance Analysis:

a. For account 5630 Outside Services Employed, for each year between 2022 and 2027 please provide details on the services provided or to be provided.

b. For account 5665 Miscellaneous General Expenses, please explain the increase in 2027 from 2025.
c. Please explain how "more granular allocation of time" results in "an increase in General and Administrative salaries".

4-SEC-30
[Ex.4, p.29] With respect to compensation benchmarking, please provide the results of ELK's benchmarking using the MEARIE Management Salary Survey.

4-SEC-31
[Ex.4, Table 12 - Appendix 2-K] With respect to Appendix 2-K:

a. Please break out any FTEs and their costs shown in Appendix 2-K that are provided by ENWIN, for each year.
b. Please identify the positions the above FTEs represent.
c. For each year, please indicate which positions were vacant and for how long.

4-SEC-32
[Ex.4, p.26] With respect to director costs:
a. Please provide the number of directors and fees paid to directors for ELK for each year between 2022 and 2027.
b. Please identify which directors also sit on the ENWIN and/or WCUL Board of Directors, and explain how director's fees and costs are allocated between ELK and its affiliates.

4-SEC-33
[Ex.4, p.32-35] With respect to changes in positions:

a. For each of the changes in position, please indicate the year that this happened.
b. Please confirm the actual number of positions in each year (not FTEs).

4-SEC-34
[Ex.4, p.36 and Table 15] With respect to incentive pay:

a. Please explain how ELK's incentive pay is determined and which positions are eligible for incentive pay.
b. Please break out any overtime and incentive pay included in Table 15.

4-SEC-35
[Ex.4, Appendix 2-M] With respect to the one-time regulatory costs:

a. Please provide details of the $350k to be spent on consultants for this Application.
b. Please provide actual spending in 2026, and update 2027 costs if required.
c. Please explain the variance between approved and actual costs for the previous application.

4-SEC-36
[Ex.4, p. 41 and Appendix 2-N] The Application states "Previous to this, E.L.K. had received management support services from Entegrus Inc. until the end of 2024…"

a. Please outline the services received from Entegrus.
b. Please provide details on the costs for these services for 2022-2024.
c. Who provided these services during 2025 and at what cost?
d. ELK has forecasted $250,000 in 2027 for services to be provided from ENWIN to ELK. Please provide the details of how ELK forecasted this amount, for each service provided. Please provide all supporting calculations for the allocation methodology described in Table 18.
e. Please provide the actuals to date for the corporate cost allocations.

4-SEC-37
[Ex.4, Attachment 4-E] With respect to the Unionized Employee Changes Summary:

a. What is the term of the recently signed ELK Unionized Employees agreement?
b. Customer Service Representatives are to transition to 40-hour work week effective November 1, 2026. What were the weekly hours before that date?
c. As part of the new agreement, will any ELK employees see a decrease in their salaries and or benefits? If so, please provide details by position.

4-SEC-38
[Ex.4, Appendix 2-B] Appendix 2-B shows $250,000 of Non-Recoverable costs in 2026.

a. Please describe the costs and why they are included in the 2026 OM&A.
b. Please confirm that no cost of the WCUL acquisition or integration of ELK within ENWIN are included in any of the 2025, 2026 and 2027 costs. If not confirmed, please identify the amounts and why they are included.

5-SEC-39
[Ex.5, p.3] With respect to the cost of capital:

a. Please update the 2-OA, 2-OB, and the RRWF for the OEB's cost of capital parameters as per the letter issued October 29, 2026.
b. Please explain the if the 4.73% interest rate on the shareholder loan from WCUL is a fixed rate or does the company propose to update it for the OEB's long-term debt rate.
c. Please file the RBC Agreement which is listed as Scheule B to the loan agreement, and provide the actual interest rate charged on the shareholder loan each month it has been in place.

6-SEC-40
[Ex.6, Appendix 2-H] Please provide 2026 actuals to date and revise the 2026 and 2027 forecasts, if applicable.

6-SEC-41
[Ex.6, Appendix 2-H] With respect to Account 4210 - Rent from Electric Property:

a. Please provide the number of pole attachments in each year between 2022 and 2025 and forecast for 2026 and 2027.
b. Please provide the pole attachment rate charged in each year between 2022 and 2026.

c. Please explain why the pole attachment rate is not included on the current tariff or the proposed tariff.

6-SEC-42
[Ex.6, p. 15; Appendix 2-H] With respect to Account 4375, please explain the status of the "expected wind down of affiliate business in 2026".

7-SEC-43
[Ex.7, Tables 1, 2 and 4] With respect to weighting factors:

a. Please confirm that GS > 50 kW customers do not pay for their own services.
b. Please provide the underlying data that supports the numbers provided in Tables 1, 2 and 4.
c. [EB-2021-0016, Settlement Proposal, p.50] In the EB-2021-0016 Settlement Proposal, "[t]he Parties agree that ELK shall review its billing and weighting factors and file specific evidence justifying the proposed factors in its next rebasing application." Please file the specific evidence supporting each of the 2027 services, billing and collecting, and meter reading weighting factors.

8-SEC-44
[Ex.8] Please provide a revised version of the bill impact model, that shows the bill impacts without the proposed rate mitigation.

8-SEC-45
[Ex.8, Table 13] ELK's distribution loss factor (line J) increased significantly in 2024 and 2025. Has ELK investigated the cause of this increase (e.g. technical issue or an accounting error)? If not, why not? If so, please provide the results.

9-SEC-46
[Ex.9] Please explain why ELK did not record any additional revenue in Account 1508 – Other Regulatory Assets, Sub-Account Pole Attachment Revenue Variance Account, when the pole attachment rate increased in each year between 2023 and 2026.

9-SEC-47
[Ex. 9, p.26] With respect to Account 1592, CCA Sub-Account:

a. Has ELK claimed (or plans to claim) Accelerated CCA in any year since 2021, if so please provide details for each year.
b. [EB-2021-0016, Settlement Proposal, p.22] The EB-2021-0016 Settlement Proposal requires ELK to record impacts of any accelerated CCA in Account 1592. Please explain why no amounts have been recorded.
c. Please provide a calculation of the impacts of all Accelerated CCA taken or forecast to be taken between 2022 and 2026. Please provide all supporting calculations including the CCA continuity schedules.
d. [EB-2023-0013, Decision and Rate Order, March 21, 2024, p.25] In its EB-2023-0013 Decision, the OEB required ELK to claim CCA on the ICM projects and Z-factor assets equal to accounting depreciation plus return on equity until its next rebasing, and to include

the historical UCC and CCA for those assets in its next rebasing application. Please provide that information.

Respectfully, submitted on behalf of the School Energy Coalition on November 5th, 2026.



Mark Rubenstein
Counsel for the School Energy Coalition