EB-2026-0056

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by London Hydro Inc. under Section 78 of the OEB Act to the Ontario Energy Board for an Order or Orders for approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of 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 London Hydro's Board of Directors in seeking approval of the application and budgets.

1-SEC-2
[Ex.1] Please provide a copy of all budget guidance documents provided to departments for the purposes of developing the budget that underlies the application. This should include the budget templates and materials presented at the budget kickoff meeting referenced in Exhibit 4, p.16.

1-SEC-3
[Ex.1] Please provide copies of all third-party benchmarking analyses, studies, reports, and/or similar documents, undertaken for, by, or that include London Hydro, since 2022, that are not already included in this application, regarding any aspect that directly or indirectly relates to a material aspect of London Hydro's budget or its business.

1-SEC-4
[Ex.1] Please provide a copy of London Hydro's corporate scorecard (or similar document) for each year since 2022.

1-SEC-5
[Ex.1, p.92] Please provide a revised organizational chart for London Hydro, down to the department level.

1-SEC-6
[Ex.1, p.284] The Strategic Plan states London Hydro "will be a top-quartile electricity distributor in Ontario". Please explain what that means, how that will be measured, and how that goal is reflected in the 2027 budget.

1-SEC-7
[Ex.1] Please provide a list of all productivity and efficiency initiatives undertaken by London Hydro in each year since 2022. For each, please quantify the savings, broken down by capital and OM&A, and provide all underlying calculations.

1-SEC-8
[Ex.1] Please provide a list of all 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-9
[Ex.1] With respect to application-specific customer engagement:

a. [Ex.1, Appendix 1-10, p.1] Please provide a copy of any notes from the commercial and industrial customer virtual meeting.
b. [Ex.1, Appendix 1-10, p.5] London Hydro told commercial and industrial customers that "Average commercial and industrial customers will see an increase in the delivery portion of their bill of less than 2% for 2027." Please provide the supporting calculations for that 2% and reconcile that with the proposed distribution rate increase sought in the Application.
c. [Ex.1, Appendix 1-12, p.64] How are Commercial Customers defined for the purposes of the survey, and what rate classes were they included in?
d. [Ex.1, Appendix 1-12, p.64] Please provide a copy of the full survey/workbook provided to Commercial Customers and identify where these customers were provided the distribution bill impacts.
e. [Ex.1, Appendix 1-12, p.27,54] The note that was shown to customers says that "London Hydro's capital plan until 2026 was previously approved by the Ontario Energy Board. 2027 rates largely reflect investments made in the current rate period."
    i. Please explain where the OEB approved the capital plan between 2023 and 2026.
    ii. Please explain where Innovative told customers that London Hydro overspent by $62M (32%) compared to the amount included in the EB-2021-0041 DSP.
f. [Ex.1, Appendix 1-10, p.5] Please reconcile the statement made to commercial and industrial customers that ADMS and DERMS "will not impact your monthly bill for 2027" with the inclusion of $5.465M of ADMS/DERMS costs as part of the in 2027 in-service additions (Ex.2, p.46-47).

1-SEC-10
[Ex.1, p.88] With respect to Green Button:

a. London Hydro states that the amount to credit customers in 2027 and beyond "is an issue for this proceeding". Please provide London Hydro's proposal.
b. Please provide the 2027 forecast indirect costs (OM&A, depreciation and cost of capital) that the EY study attributes to Green Button and related services, and identify the programs and accounts in which they are included in the 2027 revenue requirement.

1-SEC-11
[Ex.1, p.96] With respect to MTS-1:

a. Besides seeking to deem the asset as a distribution asset, please explain what relief related to MTS-1 London Hydro is seeking in this application.

b. Please explain why it is appropriate, at this stage in the MTS-1 development, to deem the asset as a distribution asset, and why such relief is not better considered at the time London Hydro seeks an ICM.

2-SEC-12
[Ex.2, p.58-61] With respect to the CIS Refresh project:

a. Please explain why London Hydro did not, and has not, asked the OEB to terminate the ACM rate rider, in light of the decision to pause the CIS Refresh project in advance of the already approved cessation date.
b. [p.59] Please provide a copy of the referenced EY Replanning Update.
c. [p.60] London Hydro states: "However, as noted above, specific project work classified as Repurposed Capital has been transferred from the CIS Refresh scope into the 2026 and 2027 Application Development capital programs in order to achieve compliance and enhancements that were expected to be achieved through the CIS Refresh project and can no longer be delayed." Please provide details of the specific project work, included in the CIS Refresh Project, that was repurposed or transferred into the 2026 and 2027 Application Development capital budgets.

2-SEC-13
[Ex.2, p.49-50] With respect to changes in accounting practice/policies since the last rebasing application:

a. London Hydro states that the useful life for 'Computer Equipment – Hardware' has been updated from a 3-year term to a range of 3 to 5 years. Please provide the date the change is to take effect.
b. For each year between 2022 and 2027, please provide the depreciation expense for 'Computer Equipment – Hardware' both with and without the change. Please provide the impact of the change on the 2027 opening rate base and revenue requirement.
c. Please list all changes made to any accounting policies, practices, or estimates since 2022 that impact OM&A, depreciation or rate base. For each, please provide details, the effective date, and the specific impact on OM&A, depreciation or rate base.
d. For each change listed in part (b) and (c), if London Hydro were required to refund to customers the impact of the change made during the rate term, please provide the amount to be refunded and all supporting calculations.

2-SEC-14
[Ex.2, p.65] With respect to the change in capitalization practice/policy implemented effective January 1, 2024:

a. For each year between 2024 and 2027, please provide the impact on OM&A costs as a result of the change in capitalization practice/policy.
b. Please provide a revised 2027 opening rate base, as if the capitalization practice/policy had not been implemented until January 1, 2027, as opposed to January 1, 2024.
c. If London Hydro were required to refund to customers the impact of the change in capitalization policy made during the rate term, please provide the amount to be refunded and all supporting calculations.

2-SEC-15
[Ex.2, DSP, p.12] London Hydro, in Table 1, provides a comparative assessment of proposed and enhanced 2027–2031 capital investment plans. Did London Hydro develop any other plan options (e.g. a plan that results in spending below the proposed $490M over the 2027-2031 period)? If so, please provide details and a copy of those alternative plan options.

2-SEC-16
[Ex.2, DSP, p.33] Please provide an expanded version of Table 4 that includes forecast cost metrics for 2026 and 2027.

2-SEC-17
[Ex.2, DSP, p.14-15] London Hydro has identified a number of projects that may be subject to a future ICM application during the 2027 to 2031 period.

a. Please provide a table that shows the forecast capital expenditures, by project, for each year between 2022 and 2031. If the capital expenditures are different than what is included in Appendix 2-AA, please identify and reconcile the difference.
b. For each project, based on the forecast costs to date, and a forecast in-service date, please complete the OEB's ACM/ICM model, and provide the expected bill impacts for each customer class for each year, both on a project-by-project basis, and cumulative basis.

2-SEC-18
[Ex.2, DSP, p.148-151] With respect to the London Hydro load growth scenarios:

a. Please provide a version of Table 49 for each of the Low and High scenarios.
b. Please provide the 2020 to 2025 actual summer gross median coincident peak demand, on an actual and weather normalized basis.
c. Please provide a version of Table 49 for each of the Low, Reference and High scenarios on a non-coincident peak basis.
d. Please provide the 2020 to 2025 actual summer gross median non-coincident peak demand, on an actual and weather normalized basis.

2-SEC-19
[Ex.2, DSP, p.207] Using the programs and categories set out in Appendix 2-AA, please provide London Hydro's internal capital expenditure budget for each year between 2022 and 2026.

2-SEC-20
[Ex.2, DSP, p.204-207] Please provide a revised version of Appendices 2-AA and 2-AB on an in-service additions basis.

2-SEC-21
[Ex.2, DSP, p.207] Please provide a revised version of the System Access portion of Appendix 2-AA, showing each of the net capital expenditures and net in-service additions on a program basis (i.e. please provide the program capital expenditures and in-service additions net of capital contributions).

2-SEC-22
[Ex.2, DSP, p.207] Please provide a revised version of Appendix 2-AA that shows 2026 year-to-date actuals. Please also provide year-to-date actuals for each of 2024 and 2025 at the same point in time of the year.

2-SEC-23
[Ex.2, DSP, p.208-219] London Hydro explains the drivers of the $62M capital spending above the planned spending during the 2022-2026 period. Please explain what specific measures it took to reduce spending in other areas to offset some of the need for increased spending, and please explain why the *net* variance results in amounts that are just and reasonable.

2-SEC-24
[Ex.2, DSP, p.265; Appendix E] With respect to the planning process, London Hydro states that it "applies the optimization, prioritization, and pacing processes discussed in Section 5.4.2c to develop a portfolio of candidate investments". Please provide, in Excel format, i) all candidate investments, ii) their program, iii) OEB category, iv) forecast cost, v) the overall prioritization score, vi) the score for each objective, vii) the Weighted Blended Health Index (if applicable), viii) whether the project is included in the DSP and, ix) the year it is forecast to be completed.

2-SEC-25
[Ex.2, DSP, p.265; Appendix E, p.66] How does the prioritization score, if at all, incorporate project cost into the prioritization process?

2-SEC-26
[Ex.2, DSP, Appendix A1, B2] Please explain why London Hydro does not undertake any cable injection to rehabilitate underground cable as an alternative to cable replacement.

2-SEC-27
[Ex.2, DSP, Appendix A1, CC] With respect to the Renewable Energy Capacity project, please provide the number and kW of DER connection requests since 2022 that London Hydro has not been able to connect because of short-circuit limits, and that would have been able to connect if the bus-tie reactors had been installed.

2-SEC-28
[Ex.2, DSP, p.220-222, Table 72] With respect to the number of assets replaced:

a. Please provide a table that shows for each program, the number of assets replaced or forecast to be replaced between 2022 and 2031.
b. Please provide a table that shows, for all major asset types, the number of assets replaced or forecast to be replaced between 2022 and 2031, regardless of program.

2-SEC-29
[Ex.2, DSP, Appendix A1] With respect to the capital expenditure budget:

a. Please explain what inflation assumptions London Hydro used for the purposes of creating the 2026 to 2031 capital expenditure budget.
b. For each capital program, please explain how London Hydro forecast the budget (e.g. project specific bottom-up estimate, reference based estimate, unit cost, etc.).

c. For any capital program that the budget was determined using a unit cost, please provide the specific unit cost and the basis for it.

2-SEC-30
[Ex.2, Appendix 2-AA; DSP, Appendix A1] With respect to System Access:

a. Please explain why New Commercial Distribution Services (E5) includes no capital contributions.
b. The total gross capital expenditures for the 5 projects (E1-E5) that make up the broader Developer Works Projects do not reconcile with the total gross expenditures in Appendix 2-AA. Please reconcile the difference.
c. The total gross capital expenditures for the 2 projects (D1 and D2) that make up the broader City Works Projects do not reconcile with the total gross expenditures in Appendix 2-AA. Please reconcile the difference.

2-SEC-31
[Ex.2, DSP, Appendix A3] With respect to the Third-Party Assurance Review:

a. Please provide the AESI retainer agreement and the CVs of the authors.
b. Is the letter the entire work product provided by AESI? If not, please provide all other deliverables, including any comments it may have made to earlier versions of the DSP.
c. Did AESI simply review the version of the DSP that has been filed in the Application, or did it review an earlier draft version? If it reviewed an earlier version, were any substantive changes made after its review?
d. Has AESI undertaken any other work for London Hydro besides this Assurance Review in the last 5 years? If so, please provide details.

2-SEC-32
[Ex.2, DSP, Appendix D] With respect to the 2024 Asset Condition Assessment ("ACA"):

a. The ACA states that it was "Issued December 2024 (Revised July 2026)". Please provide a copy of the ACA as issued in December 2024, and detail the changes made in the July 2026 version.
b. [p.15] Please describe, in detail, all changes in methodology between the 2024 ACA and the 2019 Kinectrics ACA filed in EB-2021-0041.
c. [p.15; Ex.1, p.80] In the EB-2021-0041 Settlement Proposal, London Hydro agreed that "in developing its next Asset Condition Assessment, it will place a greater focus on actual asset condition as opposed to age." The 2024 ACA states that "The updated report follows a similar methodology" to the 2019 ACA. Please explain how the 2024 ACA meets that commitment.
d. For each asset class, please provide the weight given to age in the health index in each of the 2019 and 2024 ACAs.
e. [p.31] Please provide Figure 8 in tabular form, showing for each asset class the number and percentage of assets in each health index category.
f. [p.31] Please provide a revised version of Figure 8 in tabular form, that excludes age as a parameter, for the asset classes that have condition data.

2-SEC-33
[Ex.2, Ex.4] With respect to IT spending:

a. Please provide a table that shows all IT spending for each year between 2022 and 2027, and for 2022 OEB-approved, broken down by: i) IT program OM&A, ii) IT Cloud Services OM&A, iii) IT costs recorded in other OM&A programs, iv) IT capital expenditures by project, v) IT OM&A included in any DVA, vi) IT capital expenditures included in any DVA, and vii) any other aspect of the application not included in i) to vi). Please ensure that any capitalized OM&A IT labour and overheads are not counted twice.
b. [Ex.4, p.296] For each line in Table 4-47, please identify whether the service in each line item, if new since 2022 is, i) replaced an on-premises system, ii) a capitalized software or hardware system, iii) a third-party service, or iv) is a new function. For each replacement, please provide the year of the change and the system or asset replaced.
c. [Ex.4, p.295] London Hydro states that cloud decisions are based on total cost of ownership. Please provide the total cost of ownership analysis for each move of a system to the cloud since 2022.

3-SEC-34
[Ex.3, p.8, 12, 16] Please provide actual customer numbers, kWh, and kW, by rate class, for each month of 2026.

4-SEC-35
[Ex.4] Using the programs set out in Appendix 2-JC, please provide London Hydro's internal OM&A budget for each year between 2022 and 2026.

4-SEC-36
[Ex.4, Appendix 2-JC] Please provide a revised version of Appendix 2-JC that shows 2026 year-to-date actuals. Please also provide year-to-date actuals for each of 2024 and 2025 at the same point in time of the year.

4-SEC-37
[Ex.4, p.18] London Hydro states that through four formal versions of the 2027 OM&A budget the "proposed OM&A expenditures were reduced by more than $3.7 million." For each version, please provide total OM&A by OM&A program, and explain each reduction made between versions. Please provide all contemporaneous documents relating to the reductions.

4-SEC-38
[Ex.4, p.61-82] With respect to workforce planning:

a. [p.67] For each year between 2022 and 2026 year to date, please provide the number of employees who resigned to work for another electricity sector employer, and list those employers, if known.
b. [p.67] For each year between 2022 and 2026 year to date, please provide the number of new employees hired by London Hydro, who previously worked for another electricity sector employer, and list those employers, if known.
c. [Appendix 2-JC] Please provide the number of FTEs in each OM&A program shown in Appendix 2-JC for each year between 2022 and 2027.
d. [Appendix 2-K] Please provide a revised Appendix 2-K that splits union and non-union employees into separate categories.
e. [Appendix 2-K] Please explain the increase in the ratio of management to non-management employees between 2022 and 2027.

4-SEC-39
[Ex.4, p.109-112] Please provide the wage increase assumed in the 2027 budget for unionized employees, and for non-union and management employees.

4-SEC-40
[Ex.4, Appendix 2-K] With respect to capitalization of labour:

a. Appendix 2-K shows compensation allocated to capital decreasing between 2026 and 2027, even though net capital expenditures increase significantly over the same period. Please explain.
b. Does the allocation of compensation to capital, in Appendix 2-K, include overhead burdens? If not, please provide a revised amount that includes all allocations to capital.

4-SEC-41
[Ex.4, p.303-310] With respect to shared services:

a. [p.304] Please provide a copy of the Water Billing Service Level Agreement.
b. [p.308] For each service in Table 4-48 and each year, please show where the price for the service and the cost of the service are reflected in the Application (e.g. OM&A, other revenue, rate base), with reference to the specific appendix, table and/or line.

4-SEC-42
[Ex.4, p.307] With respect to the lease for 111 Horton Street:

a. [Ex.2, p.36] Please provide the 2027 revenue requirement impact of the right-of-use asset, compared to the 2027 lease payment. Please confirm that the lease payment is not also included in OM&A.
b. With respect to the lease, please provide a copy of the amendment and the appraisal.
c. Did London Hydro obtain its own appraisal? If so, please provide. If not, please explain why not.
d. How does the $21.50 per square foot charged by London Hydro to the City's Waterworks Department compare, on a per square footage basis, to the amount charged by the City to London Hydro for the land under the same building?

5-SEC-43
[Ex.5, p.7] With respect to the committed line of credit agreement with TD Bank, please provide the month-end balance of the facility for each month between January 2025 and December 2027.

5-SEC-44
[Ex.5, Appendix 2-OB; Ex.1, Appendix 1-14, p.61-62] Please reconcile the 2025 debt information included in Appendix 2-OB with note 14 of the 2025 Audited Financial Statements.

6-SEC-45
[Ex.6, p.16-17] With respect to PILs:

a. London Hydro forecasts a taxable loss of $3,868,219 for 2026. Please explain each driver of the loss.

b. Please provide revised 2027 PILs with the loss carried forward instead of the proposal to carry it back.

6-SEC-46
[Ex.6, p.29, Appendix 2-H] Please provide a revised version of Appendix 2-H that shows 2026 year-to-date actuals. Please also provide year-to-date actuals for each of 2024 and 2025 at the same point in time of the year.

6-SEC-47
[Ex.6] With respect to property taxes:

a. [Ex.6, p.26] Please confirm that the 2027 property tax expense for the 'Operations Centre' of $613,100 relates to land that London Hydro has excluded from rate base.
b. London Hydro appears to include property taxes both as a separate category (Ex.6, p.26) and within OM&A (Ex.4, p.260). Please provide a table summarizing all property tax costs and where each is included in the Application.
c. [Ex.4, p.260] London Hydro states: "This line item includes property taxes for London Hydro's 36 existing substations and the planned purchase of additional property. The new parcel of land is projected to be purchased in July of the 2027 Test Year. This land is designated for the construction of a future transformer station, with construction anticipated to take place between 2027 and 2031." Is the underlying property for the future transformer station included in the rate base?

9-SEC-48
[Ex.9, p.47-48] With respect to the Cloud Computing DVA (Account 1511):

a. Please provide a detailed breakdown of the costs included in the account.
b. Please confirm these costs were incurred as part of the CIS Refresh.

9-SEC-49
[Ex.9, p.52] With respect to Account 1592, PILs and Tax Variances, Sub-account CCA Changes:

a. Please provide an updated version of Table 9-33 to include forecast 2026 balances.
b. Please provide the UCC/CCA continuity schedules used in the calculations of Table 9-33 and the response to part (a).

Respectfully, submitted on behalf of the School Energy Coalition on November 10th, 2026.



Mark Rubenstein
Counsel for the School Energy Coalition