

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 Greater
Sudbury Hydro Inc. for an order approving just and reasonable
rates and other charges for electricity distribution to be
effective May 1, 2013.

**SUPPLEMENTAL INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

March 8, 2013

**GREATER SUDBURY HYDRO INC.
2013 RATES REBASING CASE
EB-2012-0126**

**ENERGY PROBE RESEARCH FOUNDATION
SUPPLEMENTAL INTERROGATORIES**

EXHIBIT 1 – ADMINISTRATIVE DOCUMENTS

1.0-Energy Probe-33s

Ref: 1-Staff-2

- a) **Please provide an updated revenue requirement work form (including the live Excel version) that incorporates all of the changes that GSHI indicates that it wants incorporated into the deficiency calculation as noted in part (c) of the response. Please include the addition of smart meters and removal of stranded meters from the opening figures for 2013 in the calculation of rate base. Please also include any further changes based on responses to the supplemental interrogatory responses, as well as updated cost of capital parameters based on the Board's February 14, 2013 letter related to the Cost of Capital Updates for 2013 Cost of Service Applications for Rates Effective May 1, 2013.**

- b) **Please provide a table that shows the impact on the service revenue requirement for each of the changes requested in part (a) above. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note for each change.**

EXHIBIT 2 – RATE BASE

2.0-Energy Probe-34s

Ref: 2.0-Energy Probe-4

Attachment 1 provided in the response shows changes to the working capital allowance but does not provide the revised net capital assets in service resulting from the changes related to the inclusion of smart meters and exclusion of stranded meters in the opening balance for the test year.

- a) Please provide a revised Attachment 1 that shows the impact of the change in the stranded and smart meters on the rate base calculation.
- b) Please show the derivation of the \$4,267,452 figure provided in the response in relation to the figures shown in Appendix 2-B found in Exhibit 2, Tab 3, Schedule 2, Attachment 2 for the 2013 test year.

2.0-Energy Probe-35s

Ref: 2.0-Energy Probe-6

Does GSHI now have better information on year-end figures closed to rate base for 2012? If yes, please provide an updated fixed asset continuity schedules for 2012 and 2013, along with an updated depreciation schedule for 2013.

2.0-Energy Probe-36s

Ref: 2.0-Energy Probe-6

Please explain any changes in the line items related to the capital expenditures shown in Attachment 2 to 2.0-Energy Probe-6 for 2013 relative to the figures shown in Exhibit 2, Tab 3, Schedule 2, Attachment 2 (Appendix 2-B), if they are not solely related to the carryover of projects from 2012 to 2013.

2.0-Energy Probe-37s

**Ref: 2.0-Energy Probe-7 &
Exhibit 2, Tab 4, Schedule 2 &
2.0-Energy Probe-6**

- a) The response to part (b) of 2.0-Energy Probe-7 indicates that GSHI still anticipates all of the projects listed to be completed and in-service by the end of 2013. Given the actual results from 2012 where a number of projects were not completed by the end of 2012 and the added work carried into 2013 as a result of these projects not being completed in 2012, please explain why GSHI believes it has the resources to complete all of the projects listed by the end of 2013.
- b) Please confirm that the new radial boom derrick that was purchased in 2012 and will not arrive until 2013 has not been placed in rate base as of the end of 2012 or beginning of 2013.

- c) Please provide an updated Exhibit 2, Tab 4, Schedule 2 that reflects for each table shown in that exhibit, revised 2012 and 2013 figures that correspond to the actual capital expenditures shown for 2012 and the revised 2013 forecast in Attachment 2 of the response to 2.0-Energy Probe-6.

2.0-Energy Probe-38s

**Ref: 2.0-Energy Probe-10 &
Exhibit 2, Tab 5, Schedule 1, Attachment 1**

- a) The response refers to a revised table in an attachment. However no attachment number is provided. Please provide the attachment referred to.
- b) If not provided in the attachment referred to above, please provide a table equivalent to that found in Exhibit 2, Tab 5, Schedule 1, Attachment 1 showing the revised cost of power calculations.

EXHIBIT 3 – REVENUE

3.0-Energy Probe-39s

Ref: 3.0-Energy Probe-15

With respect to the figures provided in Attachment 6 to the response to 3.0-Energy Probe-6, please explain the following:

- a) Why is there no interest and dividend income shown for the 2012 preliminary year in the first table in Appendix 2-F, despite the account 4405 detail showing an amount of \$113,669?
- b) Please explain the drop in account 4405 for interest on related party balances in 2012 and reconcile the figure of \$113,669 with the figure of \$149,029 found in the response to part (d) of the interrogatory.
- c) Please explain why there is no bank deposit interest shown for 2012 preliminary year.

3.0-Energy Probe-40s

**Ref: 3.0-Energy Probe-15 &
3.0-Staff-23**

- a) **Please confirm that Attachment 6 provided in the response to 3.0-Energy Probe-15 includes \$3,088 for microfit revenues in 2013 as part of the revised forecast of \$1,553,116.**
- b) **Please confirm that the 2013 revised forecast of \$1,553,116 does not include the gain on sale of vehicles of \$43,658 as noted in the response to part (b) of the Energy Probe interrogatory. If this is confirmed, please explain why this has not been added to the forecast.**
- c) **Please explain why there is no forecast of revenue associated with the sale of scrap material for the 2013 test year, despite revenues of \$195,902 in 2011 and \$133,256 in 2012.**

EXHIBIT 4 – OPERATING COSTS

4.0-Energy Probe-41s

Ref: 4.0-Energy Probe-17

- a) **Will GSHI cease to bill for water services on behalf of the city as of April 1, 2013, or has some arrangement been made for the transition from GSHI billing to an alternate billing service? If yes, please provide details.**
- b) **Has GSHI implemented the changes to monthly billing? If yes, please explain when this change was made. If no, please explain why this change is forecast to be made.**
- c) **If GSHI does not move to monthly billing, would it continue to provide water billing services for the city?**

4.0-Energy Probe-42s

Ref: 4.0-Energy Probe-18

- a) **Does GSHI have any more up-to-date figures for 2012 that are now available, relative to those shown in Attachment 10? If yes, please provide an updated Attachment 10.**

- b) Please provide a cost driver table that shows the major drivers for the change in OM&A costs between 2011 (\$13,117,277) and 2012 (\$11,703,187).

4.0-Energy Probe-43s

**Ref: 4.0-Energy Probe-24 &
2.0-Energy Probe-6**

- a) Please update the CCA schedules for 2012 and 2013 to reflect the actual capital expenditures for 2012 and the revised forecast of capital expenditures for 2013, as provided in the continuity schedules found in Attachment 2 to 2.0-Energy Probe-6.
- b) Please confirm that in 2013 the CCA related to all of the classes related to the smart meter additions are calculated based on full year eligibility for CCA and do not use the half year since the half year would apply only to the year that these assets went into service. If this cannot be confirmed, please provide a version of the 2013 CCA schedule that includes a full year of CCA for the smart meter assets.
- c) Please show how the tax credit of \$14,147 noted in part (c) has been calculated.

4.0-Energy Probe-44s

**Ref: 4.0-Staff-27 &
Exhibit 4, Tab 1, Schedule 1**

- a) Please reconcile the cost of the loss of the water billing contract of \$700,000 as noted on page 3 of Exhibit 4, Tab 1, Schedule 1, with the cost of \$1,010,113 shown in the response to 4.0-Staff-27.
- b) Under the assumption that GSHI did not go to monthly billing and that the water billing contract with the city remained in place for the entire 2013 year, what would be the impact on the OM&A forecast for the test year?

EXHIBIT 7 – COST ALLOCATION

7.0-Energy Probe-45s

Ref: 7.0-AMPCO-11

- a) Does the reference in the response to part (e) of the AMPCO interrogatory refer to Attachment 20?**
- b) Please explain why the residential bill impact on a total basis shown in Attachment 20 is less of an increase than that shown in the original evidence in Exhibit 8, Tab 4, Schedule 2, Attachment 2, even though the deficiency has increased from the original filing and the revenue to cost ratio has increased under the AMPCO response.**
- c) Please explain why there are changes in the riders proposed by GSHI and, in particular, why there is no stranded asset disposition rider in the AMPCO response, while there is in the original evidence.**

7.0-Energy Probe-46s

**Ref: 7.0-Staff-32 &
Exhibit 7, Tab 1, Schedule 1**

Please provide a revised Table 5 from Exhibit 7, Tab 1, Schedule 1 that reflects the new starting revenue to cost ratios as identified in the response to 7.0-Staff-32, part B.