



Jay Shepherd

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BY EMAIL and RESS

October 31, 2013
Our File: EB20120064

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2012-0064 – THESL 2014 IRM – SEC Interrogatories

We are counsel to the School Energy Coalition (“SEC”). Enclosed please find interrogatories on behalf of SEC in the above-noted proceeding.

Yours very truly,
Jay Shepherd P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Applicant and Intervenors (by email)

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

AND IN THE MATTER OF an Application by Toronto Hydro-
Electric System Limited for an Order or Orders approving just and
reasonable rates and other service charges for the transmission of
electricity, effective June 1, 2012, May 1, 2013, and May 1, 2014.

PHASE 2 INTERROGATORIES
OF THE
SCHOOL ENERGY COALITION

[Note: All interrogatories have been assigned to issues. However, please provide answers that respond to each question in full, without being restricted by the issue or category. Many interrogatories have application to multiple issues, but all have been asked only once to avoid duplication.]

1. Is THESL's interpretation of the Phase 1 Partial Decision and Order of April 2, 2013 appropriate as it relates to Phase 2 of this proceeding?

1-SEC-1

[Ex.9/1/p.12] Regarding 2013 capital spending ultimately not approved by the Board:

- a) Please detail the level of spending that was undertaken in 2013 for ICM projects that were ultimately not approved by the Board in its Phase 1 Decision.
- b) Please detail which approved ICM I jobs, which as a result of the Applicant beginning and/or completing ultimately non-approved jobs, had to be deferred.
- c) How did the Applicant determine which projects to defer?
- d) Are the deferred projects referenced above included in the 2014 in-service amounts that the Applicant is seeking approval for in Phase 2? If so, are they categorized as 2012/2013 approved capital expenditures coming into-service in 2014 or Phase 2 proposed capital expenditures coming into service in 2014.

1-SEC-2

[Ex. 9/1/p.6] Please confirm that the Applicant believes that “its entire capital budget to be discretionary” and that all capital expense, either above or below the ICM threshold, are non-discretionary projects as defined in the Phase 1 Decision at p.16-17.

2. Are the IRM Model filings by THESL, including the tax sharing proposal for 2014, in accordance with the Board’s requirements and, if not, are any proposed departures adequately justified?

2-SEC-3

Please provide a table, by segment (Phase 1 B and C segments), showing the 2012 and 2013 the Board approved in-service additions and the actual in-service additions (or projected year-end for 2013).

2-SEC-4

Please provide a table showing, by segment (Phase 1 B and C segments), the total amount of in-service additions proposed for 2014, for jobs that were originally scheduled to be in-service in 2012 and/or 2013 at the time of the issuance of the Phase 1 Draft Rate Order.

3. Is THESL’s application of the ICM criteria appropriate?

3-SEC-5

Please provide a copy of all presentations and other documents provided to the Board of Directors and Senior Management supporting approval of this phase of the application and the associated budgets.

3-SEC-6

[Ex.9/A1] Please provide columns to show 2015 (and if necessary 2016) in-service additions resulting for 2012-2013 approved capital expenditures, and 2014 proposed expenditures.

4. Are THESL’s proposed 2014 ICM Rate Riders, comprised of approved 2012 and 2013 expenditures and proposed 2014 expenditures, appropriate?

5-SEC-7

[Ex.9/1/p.5] Please provide an update on the construction Copeland, including any changes in its expected in-service date.

7. For proposed capital projects which have changed significantly since Phase 1 of this proceeding, has THESL provided sufficient evidence including consultant reports, business cases and consideration of alternatives, to adequately justify them?

7-SEC-8

[Ex.9/B1-B2] For each segment, please explain why jobs have been added, removed or revised?

7-SEC-9

[Ex.9/B1-B2] For each segment, please explain where applicable, why jobs have increased in costs?

7-SEC-10

[Ex.4/B3, Ex.9/B3p.2] Please explain in greater detail the significant increase in handwell unit replacements in 2014 than had been projected in the original evidence.

7-SEC-11

[Ex.9/B4/p.1] Please explain how the Applicant determined that improved reliability in certain job area boundaries warranted deferral of the project.

7-SEC-12

[Ex.9/B20/p.3] What is the failure rate of the current phone-line based collector system? What is considered an acceptable failure rate for such a system?

Submitted by the School Energy Coalition on this 31st day of October, 2013

Original signed by

Mark Rubenstein
Counsel for the
School Energy Coalition