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Joanne Richardson

Director – Major Projects and Partnerships
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BY COURIER

August 25, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700
2300 Yonge Street
Toronto, ON
M4P 1E4

Dear Ms. Walli:

EB-2016-0155 – E.L.K. Energy Inc. Service Area Amendment Application – Hydro One Networks Inc. Interrogatory Questions

Please find attached Hydro One Networks Inc.'s interrogatory questions on E.L.K Energy Inc's evidence. Two hard copies will be sent to the Board shortly.

An electronic copy of this cover letter and the attached interrogatory questions has been filed through the Ontario Energy Board's Regulatory Electronic Submission System (RESS).

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

Attach

1 **Hydro One Networks Inc. Interrogatory Questions for E.L.K**

2
3 **HONI-1**

4 **Reference:**

5 1710690 Ontario Inc. is in the process of developing a commercial subdivision located in the
6 municipal boundaries of the Corporation of the Town of Essex. Within the commercial
7 subdivision, Sellick Equipment Limited ("Sellick") is scheduled to commence construction of a
8 new commercial facility on the 20th day of April 2016. Sellick requested an Offer to Connect
9 from each E.L.K. and Hydro One. Sellick has made a written request that E.L.K. provide
10 electricity service to their new commercial facility. 1710690 Ontario Inc has also provided
11 written support for the E.L.K. service area amendment application. (Page 1 of the Application)

12
13 **Interrogatory:**

- 14 a) How far along the subdivision approval process is 1710690 Ontario Inc., i.e., is there an
15 approved plan of subdivision?
- 16 b) Does the subdivision plan outline whether the connection is underground or overhead? If
17 not, would E.L.K's Offer to Connect change as a result of this planning decision?

18
19 **HONI-2**

20 **Reference:**

- 21 1) This service area amendment should occur as it would be more economically efficient to
22 the customers both in connection costs and in delivery charges. (Page 1 of the
23 Application)
- 24 2) E.L.K. Offer to Connect (Page 15 of 31)

25
26 **Interrogatory:**

- 27 a) Please explain why delivery charges should be included in the OEB's assessment of
28 economic efficiency and not fully allocated connection costs as per the filing guidelines?
- 29 b) Please confirm that the economic test assessed by E.L.K was completed on the
30 understanding that Sellick would have a peak demand of 0.65MW.
- 31 c) Please confirm the customer's anticipated peak demand.
- 32 d) If 0.65MW is no longer the customer's peak demand, please update your OTC for the
33 new peak demand.
- 34 e) Please document all changes to the OTC that result from the change in peak demand.
35 Please outline why there are, or are not, any changes to individual line item costs.
36 Specifically, if there are changes in costs, please detail what those variations in costs
37 include.

38

1 **HONI-3**

2 **Reference:**

3 By way of this SAA, the applicant is looking to preclude the creation of new load transfers or
4 new retail points of supply. (Section 7.3.8)

5

6 **Interrogatory:**

7 a) Please explain this statement. How would a new load transfer or retail point of supply be
8 established if HONI serves the customer? Specifically describe how E.L.K would be the
9 physical distributor?

10 b) Please confirm that Hydro One is currently physically serving the Sellick site with a
11 temporary connection without using any E.L.K assets.

12

13 **HONI-4**

14 **Reference:**

15 1) See Attachment 1.4, 1.6, and 1.7 which depicts the applicants existing facilities in
16 relation to the lots that are subject of this SAA application (Section 7.1.4 f)

17 2) Applicants existing facilities which must remain to serve the applicants existing
18 customers to the east so it will be shifted south west out of the roadway to the 1st street
19 light location (Attachment 1.6)

20

21 **Interrogatory:**

22 a) Please confirm that the Applicant's existing facilities, noted in reference 2 above, have
23 already been relocated closer to the proposed customer connection, in spite of this active
24 contested service area amendment application.

25 b) Please document all assets that have been relocated by E.L.K. that will ultimately assist
26 in serving this customer. Have any new assets been installed that will ultimately be used
27 to serve this customer since the time of this application. If so, please detail.

28 c) Please document why this work was done and provide the supporting business cases,
29 given that the site is inside Hydro One's service territory.

30 d) Please document any alternatives to moving the existing E.L.K assets into Hydro One
31 territory that were explored by E.L.K and why they were not pursued. For instance,
32 could E.L.K have dead-ended the conductor on the E.L.K side of the service territory?
33 Was building inside Hydro One's service territory the only solution? Please explain.

34 e) With respect to serving the existing customers (reference 2), why does E.L.K. need to
35 cross into Hydro One's territory (south west) which is further away from E.L.K.'s
36 customers on the east, to serve E.L.K.'s existing customers?

37 f) Please confirm and detail all actual incurred costs and any future costs pertaining to the
38 relocation of these E.L.K. assets.

- 1 g) Please document all approvals obtained to proceed with these asset relocations, including,
2 but not limited to, municipal approvals and OEB approvals in any E.L.K rebasing
3 applications.
4 h) Did E.L.K. ask Hydro One for approval to relocate E.L.K. assets into Hydro One's
5 service territory?
6

7 **HONI-5**

8 **Reference:**

- 9 1) Currently, the applicant has no plans for any similar expansions in lands adjacent to the
10 area that is the subject of the SAA application (Section 7.1.6)
11 2) Attachment 1.1
12 3) Sellick has made a written request that E.L.K. provide electricity service to their new
13 commercial facility. (Page 1)
14 4) Legal description of the lands that are subject of this application per Attachment 1.5;
15

16 Legal Description: PART LOTS 3, 4 & 5, PL 202 & PART LOT 6, CONCESSION 2,
17 COLCHESTER, DESIGNATED AS PARTS 1,2 & 3, PLAN 12R-26189; EXCEPT PT 1,
18 26401; S/T EASEMENT OVER PART 2, PLAN 12R-26189 AS IN CS19391; TOWN OF
19 ESSEX

20
21 PIN: 75204-0253 (LT)

22
23 OWNER: 1710690 Ontario Inc. (Section 7.1.3).
24

25 **Interrogatory:**

- 26 a) Please provide all documentation from 1710690 Ontario Inc. that was provided to
27 develop an OTC for the entire industrial subdivision, including any and all load profiles
28 necessary to develop an OTC for 1710690 Ontario Inc.
29 b) Please provide all of the data utilized by E.L.K to satisfy the OEB's economic efficiency
30 test with respect to the entire lands owned by 1710690 Ontario Inc.
31 c) When did E.L.K receive a request for an Offer to Connect from 1710690 Ontario Inc.?
32 Please provide a copy of every written request received from this customer.
33

34 **HONI-6**

35 **Reference:**

36 The delivery point is located adjacent at the intersection of McLean Road and Sellick Drive
37 which is consistent for both the applicant and the incumbent. The connection point for the
38 applicant is 2.060 Km's South West of the delivery point immediately adjacent of the lot subject

1 to the SAA amendment. The connection point for the incumbent is 2.035 km from the delivery
2 point across the road from the lot subject to the SAA amendment (Section 7.2.1 a)

3

4 **Interrogatory:**

5 Please confirm that these distances remain the same even after the preemptive relocation work
6 undertaken by E.L.K.