

**Horizon Utilities Corporation (Horizon)  
Annual Filing Custom IR Plan (2015-2019)  
AMPCO Interrogatories**

**Annual Adjustments**

**Capital Investment Variance Account**

1-AMPCO-1

**Ref 1:** EB-2015-0075 Responses to AMPCO Technical Conference Questions October 23, 2015, Question #6

**Ref 2:** EB-2016-0077 Manager's Summary Page 17 Table 3 2015 Capital Additions

Preamble: At Reference #1, Horizon provided a summary of year-to-date actuals (for the nine months ended September 30, 2015) and forecast to the end of 2015 for Capital Expenditures and Capital In-Service Additions in Table 1 which is reproduced below.

**Table 1: Capital Expenditures**

	<b>Actual (000) to Sept 20, 2015</b>	<b>Forecast (000) to end of 2015</b>
Capital Expenditures	\$38,499	\$44,865
Capital In-Service Additions (ISA)	\$34,216	\$45,270

At Reference #2, Horizon provides the Actual 2015 Capital Additions of \$51,750,516. This represents a 14.3% increase of \$6,480,000 (forecast 2015 actuals compared to final 2015 actuals).

- a) Please provide a detailed variance analysis of the forecast 2015 ISA Actuals at October 23, 2015 compared to the final 2015 ISA Actuals at December 31, 2016 under each of the following categories: System Access, System Renewal, System Service, General Plant.
- b) Please explain from an internal management/process perspective the reasons why Horizon's 2015 year end capital ISA forecast was underestimated by over 14% with only two months remaining in the year.

1-AMPCO-2

**Ref:** EB-2016-0077 Manager's Summary Page 17 Table 3 2015 Capital Additions

- a) Under the categories: System Access, System Renewal, System Service and General Plant, please provide a breakdown of the work completed in 2015, that is incremental to Horizon's DSP for 2015 and provide the need to undertake the work in 2015.

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- b) Under the categories: System Access, System Renewal, System Service, General Plant, please provide a description of the work not completed in 2015 that was included in Horizon's DSP for 2015 and explain why the work was not undertaken and the current status of the work (i.e. deferred, cancelled etc.)
- c) Please provide the ratio of planned work to completed work for the years 2010 to 2015.
- d) Please explain the increase in 2015 Capital Contributions of \$474,300.
- e) Please provide 2016 year-to-date actuals and forecasts to the end of 2016 for CAPEX and Capital In-Service Additions.

1-AMPCO-3

**Ref:** EB-2014-0002 Exhibit 2 Tab 6 Appendix 2-4 Horizon's Distribution System Plan (DSP)-Appendix A Table 1 & Table 2

- a) Please update Table 1 and Table 2 of Appendix A (DSP) for 2015 Actuals and 2016 Year to Date.

1-AMPCO-4

**Ref:** EB-2016-0077 Manager's Summary Page 46

Preamble: Horizon has merger costs of \$4,516,459 in 2015.

- a) Please provide the percentage of total merger costs in 2015 that this represents.