

December 14, 2016

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: EB-2016-0091 - London Hydro - 2017 Cost of Service Rate Application

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for London Hydro pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

Julie E. Girvan

Julie E. Girvan

CC: All Intervenors
London Hydro, Regulatory Affairs
Andrew Taylor

INTERROGATORIES FOR LONDON HYDRO
FROM THE CONSUMERS COUNCIL OF CANADA

EB-2016-0091 – 2017 RATES

1-CCC-1

A Community Day was held on November 15, 2016 in London for London Hydro to explain its Application. With respect to that session:

- a) Please provide a detailed summary of the information provided to stakeholders/customers and OEB Staff, and all relevant presentation materials;
- b) Please provide a summary of the feedback that London Hydro received from the stakeholders/customers that attended the session. Please include a detailed list of any concerns that were expressed by the stakeholders/customers with respect to the Application and London Hydro's responses to those concerns; and
- c) Please explain if London Hydro intends to amend its Application in any way as a result of the feedback obtained at the Community Day.

1-CCC-2

Please describe London Hydro's strategic direction regarding mergers and acquisitions. Are there costs included in the test year related to mergers and acquisitions? If so, please identify those costs.

1-CCC-3

Ex. 1/T2/S1/p. 8

Please file all materials presented to London Hydro's Board of Directors when seeking approval of the Cost of Service Application. The evidence refers to a 5-year Business Plan and a 3-year Strategic Plan. Please file London Hydro's Business Plan and its most current Strategic Plan (if completed).

1-CCC-4

Ex. 1/T2/S1/p. 13

Please provide a calculation of the Revenue Requirement in the same format as Table 1-3 for 2017 assuming a working capital percentage of 7.5%.

1-CCC-5

Ex. 1/T2/S1/p. 21

Please provide the OEB Scorecards for 2014 and 2015. Please provide a complete list of all of the metrics that London Hydro intends to have in place for 2017 and beyond to measure its performance.

1-CCC-6

Ex. 1/T2/S1/p. 22 – Ex. 1/T6/S1

Please provide the results of the 2014, 2015 and 2016 (if available) Customer Satisfaction Surveys. In what areas has London Hydro outperformed the national and provincial averages? In what areas has London Hydro been below the averages?

1-CCC-7

Since 2013, in each year, how much has London Hydro spent on customer engagement activities? What is the total amount for 2017? Please specify the activities and associated amounts for each year.

1-CCC-8

Ex. 1/T2/S1/p. 24

Please provide the full cost-benefit analysis for the Areoplan Program? Please explain how it is self-funded.

1-CCC-9

Ex. 1/T2/S1/p. 29

What is the annual cost of the Green Button program? Please indicate for each year since London Hydro has been participating in the program the number of customers participating by customer type – residential, commercial and industrial. Is London Hydro generating revenue by facilitating the adoption of the program by other LDCs? If so, how is that revenue accounted for?

1-CCC-10

Ex. 1/T2/S1/p. 32

Please confirm that all CDM costs are excluded from the proposed 2017 Revenue Requirement.

1-CCC-11

Ex. 1/T2/S1/p. 33

What are the annual costs associated with the Event Assist App and the Interval Data Centre App? How are these costs allocated?

1-CCC-12

Ex. 1/T2/S1/p. 59

The evidence states that the DSP has been shaped by a number of things including the preferences expressed by customers. Please describe, in detail, how customer preferences shaped the DSP.

1-CCC-13

Ex 1/T3/S7/p. 1

Please provide the detailed bill impacts for customers using 500 kWh/month and those using 1000 kWh/month in the same format as that found on p. 1.

1-CCC-14

Ex. 1/T3/S16/p. 10

What is the annual cost of London Hydro's Board of Directors for the test year and in each year 2013-2016? Please provide details for each year.

1-CCC-15

Ex. 1/T5/S1/p. 2

Please recast Table 1.5.1.2 to include the updated cost of capital numbers.

1-CCC-16

Ex. 1/T5/S2/p. 3

Please provide a table setting out the actual FTEs for the years 2013-2017.

1-CCC-17

Ex. 1/T5/S2/p. 3

Please provide the annual wage increases resulting from the union contract negotiations.

1-CCC-18

Ex. 1/T5/S5/p. 1, Table 1.5.5.1

Please recast Table 1.5.5.1 to include 2013-2015 actuals and 2016 forecast.

1-CCC-19

Ex. 1/T5/S5/p. 1

The evidence states that since the time of the last cost of service filing new initiatives and regulations have been introduced to support advancements in enabling renewable generation, Smart Grid technologies and the RRFE. What are all

of the capital and OM&A amounts included in the 2017 forecast related to these initiatives and regulations?

1-CCC-20

Ex. 1/T5/S5/p. 2

Please recast Table 1.5.5.3 – Gross and Net OM&A Labour Comparison to include the years 2013-2015 actuals and 2016 forecast. Please explain how the Gross Labour and net OM&A amounts are derived.

1-CCC-21

Ex. 1/T5/S7/p. 3

Please provide a detailed explanation as to how London Hydro has communicated the move to fully fixed distribution charges to its customers. Please provide any communication materials related to the change. Please provide details of any feedback received by customers regarding this change.

1-CCC-22

Ex. 1/T7/S1/p. 16

Please explain why over the last five years London Hydro's Total Cost per Customer and Total Cost per Km of Line metrics have declined.

2-CCC-23

Ex. 2/T3/S1/p. 205

Was the Navigant Study subject to an RFP process? If not, why not? What was the overall cost of the study? How are those costs to be recovered?

2-CCC-24

Ex. 2/T2/S3/p. 107

Please file the 2013 review of Fleet processes.

4-CCC-25

Ex. 4/T1/S5/pp. 10-11

Does the London Hydro Finance Department issue written budget directions to Managers and Directors at the outset of the budgeting process? If so, please provide the directives issued for the test year budgeting process.

4-CCC-26

Ex. 4/T1/S5/p. 18

London Hydro has indicated that it has achieved cost savings related to the increased use of Cloud services. Please provide evidence to demonstrate that the increased use of these services has not compromised the privacy of personal customer information.

4-CCC-27

Ex. 4/T1/S5

Please recast Table 4-13 – Technology and Communication Cost Components to include each year 2014-2016. Please provide any cost-benefit analyses to support the increase in the Computer Hardware and Software expenditures.

4-CCC-28

Ex. 4/T1/S5/p. 49 – Table 4-16

Please describe London Hydro’s policy with respect to contractor services. The costs associated with contractor services have increased significantly since 2013. Has London Hydro undertaken a cost-benefit analysis to support the increased use of contractor services? If so, please provide that analysis. If not, why not?