

**LONDON HYDRO INC.**

**Application for electricity distribution rates and other  
charges beginning May 1, 2022**

**INTERROGATORIES OF THE  
LONDON PROPERTY MANAGEMENT ASSOCIATION**

**1-LPMA-1**

Ref: Exhibit 1, page 22

- a) What is the typical cost of credit card payments, as percentage of the amount being invoiced?
- b) What is the annual cost to London Hydro of offering no-fee credit card payments?

LH Response:

- a) Although there are fixed and variable components associated with the fee, the average fee of the invoiced amount is 0.59%.
- b) The estimated gross costs expected to be paid from offering no-fee credit card payments to customers for 2022 is \$240,000.

**1-LPMA-2**

Ref: Exhibit 1, Table 1-4

Please provide all the data and calculations used in Table 1-4 to calculate the inflation and customer growth figure of \$4,914,185.

LH Response:

The impact of inflation, wage escalations and customer growth in the total amount of \$4,914,185 has been calculated by deflating the proposed 2022 Test Year budget and comparing to actual spending for the 2017 fiscal year (excluding cloud services) as follows:

<b>OM&amp;A EXPENSES (excluding cloud services)</b>			
	<b>2022 Test Year</b>	<b>2022 Test Year deflated to 2017 dollars</b>	<b>Inflation Wage escalations Customer growth</b>
Labour	29,400,600	25,784,206	3,616,394
Non labour	21,003,300	18,711,527	2,291,773
Cost recoveries	(4,221,900)	(3,709,034)	(512,866)
Fleet and Stores allocations	(3,766,400)	(3,285,284)	(481,116)
	<u>42,415,600</u>	<u>37,501,415</u>	<u>4,914,185</u>

Inflation, Wage Escalations and Customer Growth Impact by Year and Category					
Nature of Expenditure	Year	2018-2021	Factor	Cumulative Factor	Deflated to 2017 dollar values
		Actuals / 2021-2022 Budgets			
Labour and benefits	2018	26,569,855	1.0244	1.0244	25,936,992
	2019	26,932,642	1.0284	1.0535	25,565,090
	2020	27,681,829	1.0254	1.0803	25,625,352
	2021	28,220,400	1.0254	1.1077	25,476,801
	2022	29,400,600	1.0294	1.1403	25,784,206
Non labour	2018	19,109,713	1.0284	1.0284	18,581,984
	2019	19,223,868	1.0234	1.0525	18,265,573
	2020	18,843,153	1.0104	1.0634	17,719,552
	2021	20,310,540	1.0294	1.0947	18,553,955
	2022	21,003,300	1.0254	1.1225	18,711,527
Cost recoveries	2018	(4,779,459)	1.0249	1.0249	(4,663,149)
	2019	(4,366,623)	1.0277	1.0534	(4,145,388)
	2020	(4,280,872)	1.0237	1.0783	(3,970,030)
	2021	(4,260,200)	1.0259	1.1062	(3,851,121)
	2022	(4,221,900)	1.0290	1.1383	(3,709,034)
Fleet services and stores allocations	2018	(3,127,501)	1.0273	1.0273	(3,044,445)
	2019	(3,154,819)	1.0248	1.0528	(2,996,697)
	2020	(3,379,491)	1.0154	1.0690	(3,161,469)
	2021	(3,663,300)	1.0281	1.0990	(3,333,371)
	2022	(3,766,400)	1.0432	1.1464	(3,285,284)
Total	2018	37,772,608	1.0261	1.0261	36,811,382
	2019	38,635,068	1.0263	1.0531	36,688,578
	2020	38,864,618	1.0191	1.0732	36,213,405
	2021	40,607,440	1.0269	1.1021	36,846,263
	2022	42,415,600	1.0263	1.1310	37,501,415

Labour items have been deflated at the rate of 14.03% based upon wage escalations negotiated during collective bargaining, plus an adjustment of 0.44% to consider customer growth as illustrated below:

Summary of Wage Increases by Year				
<u>Year</u>	<u>Amount</u>	<u>Wage escalation</u>	<u>Customer Growth</u>	<u>%</u>
2017	\$ 100.00			
2018	\$ 102.44	2.00%	0.44%	2.44%
2019	\$ 105.35	2.40%	0.44%	2.84%
2020	\$ 108.03	2.10%	0.44%	2.54%
2021	\$ 110.77	2.10%	0.44%	2.54%
2022	\$ 114.03	2.50%	0.44%	2.94%
<b>CAGR</b>				<b>2.7%</b>
Overall change 2017-2022				14.03%

Non-labour items have been deflated at the rate of 12.25% based upon the Consumer Price Index for Ontario, plus an adjustment of 0.44% to consider customer growth as illustrated below:

Consumer Price Index for Ontario				
<u>Year</u>	<u>Amount</u>	<u>CPI</u>	<u>Customer Growth</u>	<u>%</u>
2017	\$ 100.00			
2018	\$ 102.84	2.40%	0.44%	2.84%
2019	\$ 105.25	1.90%	0.44%	2.34%
2020	\$ 106.34	0.60%	0.44%	1.04%
2021 <sub>(estimate)</sub>	\$ 109.47	2.50%	0.44%	2.94%
2022 <sub>(estimate)</sub>	\$ 112.25	2.10%	0.44%	2.54%
<b>CAGR</b>				<b>2.34%</b>
Overall change 2017-2022				12.25%

Estimated CPI increases for the 2021 Bridge Year and proposed 2022 Test Year are based on the Royal Bank of Canada Provincial Outlook for Ontario issued in

June 2021. Please note that forecasts issued by the Royal Bank in September 2021 revised these estimates to 3.0% for 2021 and 2.4% for 2022.

The proposed 2022 Test Year is estimating customer levels to be 8,449 higher than actual levels in 2017 providing for a growth rate of 1% per year and 5% in aggregate. Customer growth has the effect of increasing OM&A costs that are variable in nature, while at the same time benefiting existing customers by spreading fixed costs over a larger customer base. Although difficult to put a specific dollar value to, customer growth has a significant impact on OM&A costs, which is estimated to be over \$800,000. This is based on the Empirical Research in Support of Incentive Rate-Setting: 2019 Benchmarking Update Report to the Ontario Energy Board provided by Pacific Economics Group Research, LLC (“PEG”) in August 2020, which estimates that for the average company, “For each 1% change in number of customers, cost was estimated to change by 0.44%.”

Factors applied to cost recoveries and allocations are based on these same inflationary factors (labour 14.03% and non-labour 12.25%) but have been adjusted slightly based on the estimated split between labour and non-labour expenditures in the individual cost centres.

### **1-LPMA-3**

Ref: Exhibit 1, page 92

What is London Hydro requesting when it states that it “requests that it be allowed to keep SR&ED for future innovation”?

LH Response:

The Cost of Service Rate application filed in August 2021, decreases revenue requirement by reducing funding required for PILs in the amount of \$570,939 in connection with the SR&ED tax credit as depicted in Exhibit 4, Table 4-55 on page 364.

London Hydro is requesting that revenue requirement be increased from that included in the August 2021 submission by removing the SR&ED credit from the calculation of PILs.

Providing additional funding through the SR&ED credits would assist London Hydro in its journey of excellence through innovation and the development new technologies that focus on efficiencies and offering user-friendly tools and applications to customers.

**1-LPMA-4**

Ref: Exhibit 1, page 114

When does London Hydro expect to have actual 2021 data in order to provide an updated load forecast?

LH Response:

Actual 2021 data for the entire year would not be available until mid to late 2022.

**1-LPMA-5**

Ref: Exhibit 1, Table 1-28

- a) What is the difference in the increases in dollars shown in the Total Bill and C Plus RTSR columns?
- b) Are the increases shown inclusive or exclusive of the impact on the HST?

LH Response:

- a) Please reference London Hydro EB-2021-0041 Proposed Tariff of Rates and Charges.xlsm as filed. The difference is HST and OER.
- b) The increases shown are inclusive of HST.



## **1-LPMA-6**

Ref: Exhibit 1, Tables 1-30, 1-31, 1-34, 1-35, 1-36

a) Please update the above noted tables to include actual data for 2020 or indicate where in the evidence the data for 2020 is located.

b) Table 1-36 includes the regulatory return on equity that is achieved. Based on the bridge year forecast as filed, what is the expected regulatory return on equity for 2021?

LH Response:

a) See attachment 1-CCC-10 which requested the 2020 Scorecard information.

b) London Hydro's expected regulatory return on equity is 6.54% for 2021, based on current forecasted results. See attachment 1-LPMA-6b Attachment 1 - Expected 2021 ROE

**1-LPMA-7**

Ref: Exhibit 1, page 171

Please explain the difference in the materiality thresholds of \$365,000 in line 7 and \$397,000 in Table 1-37.

LH Response:

The line 7 amount was an oversight, the correct materiality threshold is \$397,000.

**1-LPMA-8**

Ref: Exhibit 1, Appendix A

Please provide the 2020 OEB Scorecard.

LH Response:

Please see attachment 1-CCC-10 Attachment London Hydro 2020  
Scorecard\_MDA

## 2-LPMA-9

Ref: Exhibit 2, Table 2-7

Please reconcile the controllable expenses for 2022 of \$44,295,600 with the figures of \$42,415,600 for OM&A, \$1,753,200 for Cloud services and \$609,200 for property taxes shown in Table 4-1 that total \$44,778,000. Please confirm that the \$482,400 difference between these two figures is the vehicle and equipment depreciation that has been allocated to OM&A. If not confirmed, please explain the source of the difference.

### LH Response:

LH confirms LPMA's understanding of the \$482,400 difference. This amount represents the vehicle and equipment depreciation that has been allocated to OM&A. It has been removed in order to arrive at the Controllable Expenses amount of \$44,295,600 in Table 2-7, which is used to calculate WCA. A reconciliation is shown below:

<b>Item</b>	<b>Amount</b>
<b>2022 Controllable Expenses per Table 4-1</b>	
Breakdown:	
OM&A	42,415,600
Cloud services	1,753,200
Property taxes	<u>609,200</u>
	\$ 44,778,000
Adjustment for Vehicle Depreciation	- 482,400
<b>2022 Controllable Expenses per Table 2-7</b>	<u><u>\$ 44,295,600</u></u>

## **2-LPMA-10**

Ref: Exhibit 2, Appendix 2-AB

Please explain why the capital contributions shown for each of 2018 through 2021 are the same between the plan and actuals.

LH Response:

The previous Appendix 2-AB from the 2017 rebasing did not include a row for forecasted capital contributions. As a result, a plan figure was not provided for the forecast period in the previous rate application.

To complete the current Appendix 2-AB, LH examined it's three options for the 2018-2020 planned capital contributions fields:

1. Leave these fields blank.
2. Populate these fields with budgeted figures.
3. Populate these fields with actual figures.

LH felt that Option #1 would be misleading, as a blank field would look like there were no capital contributions in the given years.

LH felt that Option #2 would be misleading, since LH's forecasted capital spending for 2018-2020 was prepared at the timing of the last rate application, but LH's budgeted capital contribution figures were budgeted annually (in 2017, 2018 and 2019 respectively). This could have resulted in a disconnect between the spending dollars and contribution dollars.

Therefore, LH felt that Option #3 was the best option.

Appendix 2-AB  
 Table 2 - Capital Expenditure Summary from Chapter 5 Consolidated  
 Distribution System Plan Filing Requirements

First year of Forecast Period: 2017

CATEGORY	Historical Period (previous plan <sup>1</sup> & actual)												Forecast Period (planned)							
	2012			2013			2014			2015			2016		2017	2018	2019	2020	2021	
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual <sup>2</sup>	Var					
	\$ '000			\$ '000			\$ '000			\$ '000			\$ '000		\$ '000					
System Access	6,623	7,078	6.9%	6,111	6,038	-1.2%	6,430	7,420	15.4%	6,105	8,966	46.9%	7,893	7,893	0.0%	8,441	7,716	8,220	8,617	7,080
System Renewal	11,800	10,867	-7.9%	11,673	10,869	-6.9%	12,649	11,741	-7.2%	14,535	13,787	-5.1%	14,849	14,849	0.0%	14,319	16,702	16,757	16,213	16,384
System Service	1,505	1,949	29.5%	1,774	1,626	-8.3%	1,683	1,476	-12.3%	1,357	1,249	-8.0%	975	975	0.0%	895	715	545	545	546
General Plant	8,343	8,667	3.9%	8,295	8,935	7.7%	7,643	6,763	-11.5%	7,921	9,742	23.0%	10,002	10,002	0.0%	8,920	10,584	7,437	8,518	9,797
Other	-	788	-	-	242	-	-	451	-	1	757	-75800.0%	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>28,271</b>	<b>27,773</b>	<b>-1.8%</b>	<b>27,853</b>	<b>27,710</b>	<b>-0.5%</b>	<b>28,405</b>	<b>26,949</b>	<b>-5.1%</b>	<b>29,917</b>	<b>34,501</b>	<b>15.3%</b>	<b>33,719</b>	<b>33,719</b>	<b>0.0%</b>	<b>32,575</b>	<b>35,717</b>	<b>32,959</b>	<b>33,893</b>	<b>33,807</b>
<b>System O&amp;M</b>	<b>\$ 16,193</b>	<b>\$ 14,677</b>	<b>-9.4%</b>	<b>\$ 16,604</b>	<b>\$ 15,635</b>	<b>-5.8%</b>	<b>n/a</b>	<b>\$ 15,876</b>	<b>-</b>	<b>n/a</b>	<b>\$ 17,070</b>	<b>-</b>	<b>\$ 17,563</b>	<b>\$ 17,563</b>	<b>0.0%</b>	<b>\$ 16,239</b>	<b>\$ 18,604</b>	<b>\$ 18,976</b>	<b>\$ 19,355</b>	<b>\$ 19,742</b>

## 2-LPMA-11

Ref: Exhibit 2, Table 2-20

- a) Please provide a version of Table 2-20 that includes a column for the latest estimate available for 2021 that incorporates the most recent actual expenditures available. If any of the changes impact the 2022 test year figures, please update the 2022 column as well.
- b) Please indicate how many months of actual data is included in the 2021 estimate.
- c) Please provide an explanation for any significant changes in an investment category.

### LH Response:

- a) Please find an updated version of Table 2-20 in Excel attachment “2-LPMA-11 Attachment 1 Revised Table 2-20” which includes a revised projection for 2021 based on the most recent actual expenditures available. The 2021 projection includes actuals up to September 30, 2021 with 3 months of projections to year end. No significant changes have been identified that will impact the 2022 test year figures. Please see 4-SEC-41 for discussion re: changes made to the 2022 budget prior to submission of this application.
- b) The 2021 projection includes 9 months of actuals.
- c) Significant variances between 2021 Bridge Year and 2021 Projection are related to System Access, General Plant and Other. A more detailed projection for 2021 has also been provide in response to 2-CCC-20(a).
  - System Access is projected to be \$986K below planned as a result of reduced spending for City Works Projects which rely on the City of London’s timeline. Major transit projects for the City of London were slow to commence, resulting in reduced spending for 2021. It is not anticipated that this will have a major impact on 2022 spending.

- General Plant is projecting to be \$3.01M below planned as a result of reduced spending for Land, Buildings and Equipment. Spending has been reduced in these sections due to COVID-19 which has delayed tool purchases due to supply chain issues, and delayed planned upgrades to the facilities and the new fuel dispensing system located at 111 Horton St.
- The “Other” spending category contains spending on capital-related inventory items that have been purchased but not yet assigned to a specific capital job, and therefore remain in Work-in-Progress at the end of the year. It was previously anticipated that capital inventory on hand would be reduced by \$600K from 2020 to 2021. However, with ongoing supply chain disruptions due to the pandemic, London Hydro has had to increase procurement of various inventory items to ensure adequate stock on hand for capital projects.



**2-LPMA-12**

Ref: Exhibit 2, Page 81

What is the status of the \$1,750,000 refund from Hydro One? Does London Hydro still expect to receive this in December, 2021?

LH Response:

London Hydro received the refund from Hydro One in the amount of \$1,738,772.00 on October 14, 2021.

**2-LPMA-13**

Ref: Exhibit 2, Page 84

The evidence states that no significant changes to the capitalization policy have been made since the 2017 rebasing. What changes have been made and when were these changes made?

LH Response:

London Hydro has not revised its capitalization policy since its 2017 rebasing. For more information please refer to 2-Staff-16.

### 3-LPMA-14

Ref: Exhibit 3, Table 3-1

- a) How many months of actual data are included in the 2021 bridge year forecast?
- b) Please update the 2021 bridge year forecast to reflect the most recent year-to-date information available for 2021.

LH Response:

a) Zero

b) See below:

OEB Category	2017	2017	2018	2019	2020	2021	2021	2022
	OEB Approved	Actual	Actual	Actual	Actual	Forecast	Bridge Year	Test Year
Distribution services revenue	66,339,088	66,517,461	69,084,974	67,574,404	70,124,259	70,636,330	70,789,200	79,330,946
Specific Service Charges	1,967,000	1,143,654	1,278,949	1,207,708	1,208,102	1,294,382	1,194,800	1,070,100
Late Payment Charges	904,900	1,543,276	1,561,023	1,698,897	2,154,521	2,035,949	1,928,700	1,635,400
Other Distribution Revenue	1,378,281	1,353,933	1,530,189	1,707,723	1,871,401	1,897,525	1,932,800	2,370,100
Other Income and Deductions	757,145	971,746	1,224,717	1,279,258	1,097,994	2,010,185	1,011,827	923,488
	<b>\$ 71,346,414</b>	<b>\$ 71,530,071</b>	<b>\$ 74,679,852</b>	<b>\$ 73,467,990</b>	<b>\$ 76,456,277</b>	<b>\$ 77,874,370</b>	<b>\$76,857,327</b>	<b>\$ 85,330,034</b>

### **3-LPMA-15**

Ref: Exhibit 3, pages 9-10

a) Please explain fully why London Hydro chose January, 2017 as the first data point to be used in the regression analysis. For example, why was January, 2016 or January, 2015, as examples, not chosen as the starting points?

LH Response:

Please reference 3-VECC-25.

b) Please provide a version of Chart 3-1 that starts in 2011 (or as far back as London Hydro has the information, if information back to 2011 is not available).

LH Response

Please reference 3-Staff-47.

c) How are the predicted values shown in Chart 3-1 calculated? Were they calculated using the regression analysis proposed in this proceeding?

LH Response

The predicted values shown in Chart 3-were calculated using the regression analysis proposed in this proceeding Please reference London Hydro EB-2021-0041 2022 Load Forecast Model.xlsx as found on the OEB web drawer.

**3-LPMA-16**

Ref: Exhibit 3, page 16

What forecast, if any, has London Hydro included in its overall forecast for the large use customer that is expected to come on line in the summer of 2022?

LH Response:

London Hydro has not included any forecast for the large use customer that is expected to come online in the summer of 2022.

**3-LPMA-17**

Ref: Exhibit 3, Table 3-9

Please confirm that the WMP kWh forecast are not included in the cost of power component of the calculation of the working capital requirement. If this cannot be confirmed, please explain.

LH Response:

London Hydro confirms that the WMP kWh forecast are not included in the cost of power component of the calculation of the working capital requirement.

**3-LPMA-18**

Ref: Exhibit 3, page 9

Please confirm that London Hydro's 2017 cost of service application was EB-2016-0091, not EB-2012-0146, as stated on line 11.

LH Response:

London Hydro confirms that London Hydro's 2017 cost of service application was EB-2016-0091

### **3-LPMA-19**

Ref: Exhibit 3, Pages 15-16

a) Does London Hydro believe that the lower rate of customer additions in 2021 for the residential, GS<50 and GS>50 rate classes was related to the COVID-19 pandemic? If not, please explain fully.

LH Response:

London Hydro would reason that the lower rate of customer additions in 2021 for the GS<50 and GS>50 rate classes may be related to the COVID-19 pandemic.

b) Please provide a line addition to Table 3-7 that shows the geomean from 2017 through 2019 for the three rate classes noted above.

LH Response

Please reference 3-Staff-53

c) Please provide a version of Table 3-8 that uses the geomean for 2017 through 2019 for the residential, GS<50 and GS>50 rate classes in forecasting the 2021 and 2022 figures for those rate classes.

LH Response

Please reference 3-Staff-53

d) Please provide the actual number of customers/connections for the latest month currently available for 2021. Please also provide the corresponding numbers for the same month in 2020.

LH Response

Please reference 3-VECC-29



### **3-LPMA-20**

Ref: Exhibit 3, Pages 19-21

a) Does London Hydro believe that the increase in residential average use per customer and the decrease in GS<50 and GS>50 average use per customer shown in Table 3-12 for 2020 was related to COVID-19? If no, please explain fully.

LH Response:

London Hydro may reason that the increase in residential average use per customer and the decrease in GS<50 and GS>50 average use per customer shown in Table 3-12 for 2020 may be related to COVID-19.

b) Does London Hydro believe that COVID-19 had an impact on average use in the Co-Gen and/or large use rate classes? If yes, please explain fully.

LH Response

London Hydro may reason that COVID-19 may have had an impact on average use in the Co-Gen and/or large use rate classes. The Cogen class is most difficult to predict as usage can fluctuate based on generation functionality. The large use customer based on its nature of business was definitely impacted.

c) Please provide a version of Table 3-13 that includes a line for the residential, GS<50 and GS>50 rate classes where the geomean is calculated over the 2017 through 2019 period.

LH Response

Please reference 3-Staff-53

d) Please provide versions of Tables 3-9, 3-10, 3-14 & 3-15 that use the 2017 through 2019 geomean of average use for the residential, GS<50 and GS>50 rate classes.

LH Response

Please reference 3-Staff-53

e) Please provide versions of Tables 3-17, 3-18, 3-19 & 3-20 that reflect the results from Table 3-15.

LH Response

Please reference 3-Staff-53

**3-LPMA-21**

Ref: Exhibit 3, Table 3-23

Please provide a version of Table 3-23 that reflects the changes to the GS<50 class of using the 2017 through 2019 geomean growth rate in average use per customer.

LH Response:

Please reference 3-Staff-53

**3-LPMA-22**

Ref: Exhibit 3, Tables 3-24 & 3-25

Please provide versions of Table 3-24 and 3-25 that reflect the use of a 2017 through 2019 geomean for the residential, GS<50 and GS>50 rates classes for both the number of customers and the average change in use per customer.

LH Response:

Please reference 3-Staff-53

### **3-LPMA-23**

Ref: Exhibit 3, Tables 3-30 & 3-31

a) Please provide a version of Table 3-30 that reflects the changes based on the use of the 2017 through 2019 geomean for the change in customers and the change in average use for the residential, GS<50 and GS>50 rates classes requested in the previous interrogatories.

b) Please provide a version of Table 3-31 that includes an additional column based on current rates that reflects the use of the 2017 through 2019 geomean for the change in customers and the change in average use for the residential, GS<50 and GS>50 rate classes requested in the previous interrogatories.

LH Response:

Please reference 3-Staff-53

**3-LPMA-24**

Ref: Exhibit 3, Table 3-31 & RRWF

Please explain the difference between the 2022 Change of \$7,800,728 shown in Table 3-31 and the figure of \$8,004,231 in the Revenue Deficiency/Sufficiency sheet of the RRWF on line 25 of the At Current Approved Rates column.

LH Response:

An incorrect value was placed in RRWF 3.Data\_Input\_Sheet cell E51 and will be corrected in the new version.

### 3-LPMA-25

Ref: Exhibit 3, Table 3-2

a) Which variables included in Table 3-2 were also used in the 2017 COS application and which ones included in Table 3-2 were not used in the 2017 COS application?

#### LH Response

The yellow highlighted variables were used in both 2017 and 2022.

2017	2022
WSkWh	WHSL_kWh
LonHDD	N10HDD18
LonCDD	N10CDD18
MonthDays	StatDays
PeakDays	MonthDays
Year	PeakDays
Population	OntarioGDP
	LondonPop

b) What variables, if any, were used in the 2017 COS application, but are not used in the current application.

#### LH Response

Year was used in 2017 but not used in 2022.

c) Please add a column to Table 3-2 that shows the coefficients that were estimated and used in the 2017 COS application for each coefficient that is used in both cases.

#### LH Response

See Table 3-2: London Hydro Model in Exhibit 3 for this information.

**3-LPMA-26**

Ref: Exhibit 3, Table 3-2

Please explain the large negative coefficient on LondonPop. Does this mean that electricity sales decrease as the population increases? If so, does this make intuitive sense? Please explain fully.

LH Response:

Please reference 3-Staff-47.



### **3-LPMA-27**

Ref: Exhibit 3, Page 11 and Excel Model

The growth in the London population variable on page 11 is forecast as 0.59% in 2021 and 0.78% in 2022. However, in the Excel model, on the Normalized Monthly Data sheet, the growth rate applied to 2021 and 2022 is 1.59% and 1.78%, respectively.

- a) Which set of figures is correct?
- b) If the 1.59% and 1.78% used in the model are not correct, please provide a revised forecast for 2022 based on the correct forecast of the London population growth to replace the 3,130,563,323 shown in Table 3-3.
- c) If the volume forecast from part (b) is used, what is the impact on revenues at existing rates (following the process shown in Exhibit 3 of normalizing the volumes, etc.)?

LH Response:

Please reference 3-Staff-49.

### **3-LPMA-28**

Ref: Exhibit 3, Table 3-4 & Excel Model

The T-statistics for a number of the variables that are accepted in the model indicate that the variables are either not significant at a level of confidence of 90% (StatDays, PeakDays, OntarioGDP), or have the wrong sign (LondonPop).

a) Please rerun the regression analysis excluding all of the variables noted above and adding a dummy variable that has a value of 1 in each of March, April and May, 2020 and 0 in all other months (this dummy variable represents the months in 2020 when many business were required to be shut due to COVID-19 restrictions). Please provide the live Excel model spreadsheet that contains this regression.

LH Response:

Please reference 3-LPMA-28a.xlsx attached.

b) Please provide revised tables for Tables 3-2 through 3-25 that are impacted by the change in regression analysis requested above.

LH Response

Please reference 3-LPMA-28b.xlsx attached.

c) Please provide a revised Chart 3-2 based on the requested regression analysis.

LH Response

Please reference 3-LPMA-28a.xlsx attached.

d) Please provide a version of Table 3-31 that includes an additional column based on current rates that reflects the results of the requested regression analysis.

LH Response

As a) above results in a negative coefficient London Hydro respectfully declines completion of this request.

**3-LPMA-29**

Ref: Exhibit 3 & Interrogatories 3-LPMA-23 & 3-LPMA-28

Please provide a version of Tables 3-30 and 3-31 that reflect the impact of both the change in the geomean used in 3-LPMA-23 and the regression analysis results in 3-LPMA-28.

LH Response:

Please reference 3-Staff-53 and 3-LPMA-28 for Table 3-30. London Hydro respectfully declines completion of Table 3-30 for both of these requests.

### **3-LPMA-30**

Ref: Exhibit 3, Page 34

London Hydro is not proposing any changes to specific service charges which are designed to recover the costs of the services.

a) Do any of the specific services includes costs related to wages and benefits of London Hydro employees? If yes, please provide a list of the specific services that include such costs.

LH Response:

The majority of London Hydro's Specific Service Charges have been in place since the first 2006 COS. The OEB had then installed uniform SSC charges across all utilities at the time. The OEB has not reviewed these charges in difference to retailer charges. London Hydro would therefore propose that it would be the OEB's responsibility to initiate a review of those SSC common to all distributors.

b) Given the forecasted increase in labour costs, why is London Hydro not proposing to increase the specific service charges that are supposed to recover the costs of the services?

LH Response

See a) above.

c) How are the costs allocated to the specific service charges allocated to rate classes and is this allocation the same as the allocation of the revenues generated by the specific service charges?

LH Response

London Hydro follows that OEB cost allocation model for guidance on the allocation of the revenues generated by the specific service charges.

### **3-LPMA-31**

Ref: Exhibit 3, Table 3-34

- a) The evidence states that revenue from billable services relates to cost recoveries associated with work performed by London Hydro for third parties. Please explain why revenues from billable services shown in Table 3-34 are negative.
- b) Is the reduction in miscellaneous service revenues related to billable services reflected as a reduction in OM&A expenses? If yes, please identify where this reduction is reflected in the OM&A evidence and tables.

LH Response:

- a) The line item “Revenue from Billable Services” relates to the net cost recoveries associated with work performed by LH for third parties. Costs and revenues regarding these types of small projects are tracked together, and the net is reported.

Negative balances here are primarily related to LH property being damaged by third parties. Examples of these include motor vehicle accidents, and hit & runs. When LH property is damaged, charges are incurred in order to fix or restore the property (such as replacement of a damaged pole). These costs are tracked by job, with the intention of billing the appropriate responsible party (such as the motor vehicle owner). However, at times, the party is unidentifiable (such as the absence of a police report or because of a hit and run incident), and LH is left with no party to invoice. This results in a loss, or a negative position within “Billable Services”.

Additionally, a small amount of the negative balances can be attributed to engineering services provided to third parties (such as cut & reconnects, minor relocation projects, temporary services, installation & removal of power supplies, energizing street lights, connection impact assessments).

These types of jobs are invoiced ahead of time, based on initial estimates or flat rates, which can result in a gain or loss position on each project.

This category is driven purely by demand and does not follow any particular trend.

- b) No, this does not impact OM&A expenses. Any reduction in billable services revenue (or, in the case of a negative balance, any loss in billable services) is offset against other Miscellaneous Service Revenues.

### 3-LPMA-32

Ref: Exhibit 3, Table 3-32

a) How many months of actual data are included in the 2021 bridge year forecast shown in Table 3-32?

b) Please provide the most recent actual year-to-date revenue in the same level of detail as shown in Table 3-32. Please also provide the year-to-date revenue for the same period in 2020.

LH Response:

- a) Table 3-32 doesn't include any months of actual data for the 2021 bridge year.
- b) The following is a summary of YTD revenue, as of September 30, 2020 and September 30, 2021, in the same level of detail as Table 3-32.

USofA	Account Name	2020 Actuals YTD Sept	2021 Actuals YTD Sept
4082	Retail Services Revenues	66,922	58,701
4084	Service Transaction Requests (STR) Revenues	1,288	955
4086	SSS Administration Revenue	362,843	365,446
4210	Rent from Electric Property	389,064	388,357
4225	Late Payment Charges	1,688,388	1,573,149
4235	Miscellaneous Service Revenues	862,962	1,011,151
4235	Microfit Fees	14,996	12,531
4235	Miscellaneous Service Revenues (recorded as credits in 5330 expenses)	26,594	27,459
4245	Government and Other Assistance Directly Credited to Income	496,207	581,717
4355	Gain on Disposition of Utility and Other Property	10,032	243,432
4390	Miscellaneous Non-Operating Income	748,076	1,320,535
4398	Foreign Exchange Gains and Losses, Including Amortization	15,472	(8,715)
4405	Interest and Dividend Income	117,847	141,102
	<b>TOTAL</b>	<b>4,800,692</b>	<b>5,715,818</b>
4235	Less: amounts recorded in account 5330 as credits to expense	(26,594)	(27,459)
	<b>TOTAL REVENUE OFFSETS</b>	<b>4,774,098</b>	<b>5,688,359</b>
	<b>OTHER DISTRIBUTION REVENUE</b>		
	Late Payment Charges	1,688,388	1,573,149
	Specific Service Charges	877,958	1,023,682
	Other Distribution Revenue	2,207,752	3,091,528
		<b>4,774,098</b>	<b>5,688,359</b>

### **3-LPMA-33**

Ref: Exhibit 3, Pages 39 - 40

- a) What is the current number of retailers and retail customers?
- b) What is the forecast for the 2021 and 2022 number of retailers and retail customers that the forecasts are based on?
- c) The evidence indicates that since 2019 the charges have increased based on an annual inflationary factor. What factor was used for 2020 and 2021 and what factor is proposed for 2022?

LH Response:

- a) Currently there are 20 retailers and 3,260 retail customers.
- b) The forecasted numbers for 2021 and 2022 are based on forecasted customer numbers that gradually decrease month to month. Respectively, 2021 and 2022 are based on an average of 19 retailers and 3,526 customers (year-end values 19 and 3,329), and 19 retailers and 3,134 customers (year-end values 19 and 2,973).
- c) The annual inflationary factor used for 2020 through 2022 is 2%.



### **3-LPMA-34**

Ref: Exhibit 3, Page 41

The evidence states that pole rental rates will nearly double in 2022 (from \$21.35 to \$44.50). Please explain why the pole rental revenue only increased by about 60% (from \$495,000 to 793,000).

#### **LH Response:**

LH expects the same quantity of pole rentals in 2022 as in 2021. The amount going into the variance account in the 2022 calculations has been pro-rated for 4 months only, since LH's new rates become effective on May 1, 2022. This is therefore contributing to the approximately 60% increase in pole rental revenue in 2022 compared to 2021.

On March 22, 2018, the OEB issued the "Report on Wireline Pole Attachment Charges", updating the OEB's approach to wireline pole attachments, which resulted in an increase in the pole attachment rate to be charged, effective September 1, 2018. Because the increase in the pole attachment charge resulted in LH earning revenue above what is reflected in our current distribution rates (EB-2016-0091), the excess incremental revenue has been recorded in a variance account (Account 1508, Sub Account – Pole Attachment Revenue Variance), with the accumulated balance ultimately being refunded to ratepayers via this current cost-based rate application.

Calculations for 2021 and 2022 pole rental revenue are outlined below.

#### **Explanations of Calculations:**

*Billing Rate:* Rate used to invoice customer

*Total Billing:* Billing Rate x Quantity

*Permitted Rate:* As per LH'S current distribution rates (EB-2016-0091)

*Permitted Amount:* Permitted Rate x Quantity

*Variance Amount:* Total Billing less Permitted Amount (incremental revenue recorded in Account 1508, Sub Account – Pole Attachment Revenue Variance)

**3-LPMA-35**

Ref: Exhibit 3, Page 41

- a) Does the 2020 late payment charge of \$2,154,521 shown in Table 3-32 include the portion that has been captured in USoA 1509?
- b) How much of the 2020 late payment charge has been included in USoA 1509?

LH Response:

a) Yes.

b) USoA 1509 includes \$683,396.81 in late payment charges.

**3-LPMA-36**

Ref: Exhibit 3, Page 43

With respect to the cellular meter read fee, please provide the following:

- a) the actual number of customers using this service in each of 2017 through 2020;
- b) the forecasted number of customers using this service in 2021;
- c) the actual number of customers using this service as of the most recent month available for 2021;
- d) the actual number of customers using this service for the corresponding month in 2020; and
- e) the forecast number of customers using this service for 2022.

LH Response:

- a) The actual number of customers using this service for the requested years are as follows:

Year	Customer Qty
2017	181
2018	354
2019	527
2020	675

- b) The forecasted number of customers for 2021 is 700.
- c) As of September 2021, there were 699 customers using this service.
- d) In September 2020, there were 672 customers using this service.
- e) The forecasted number of customers using this service for 2022 is 770.

### **3-LPMA-37**

Ref: Exhibit 3, Page 43

- a) How is the revenue generated from the cellular meter read fee allocated to the rate classes? Is it all allocated to the GS>50 class? If not, please explain why not.
- b) Is the cellular meter read service available for any other rate class, other than the GS>50 class? If yes, please provide details.

#### **LH Response**

- a) At time of writing London Hydro did not directly allocate this revenue. The forecast revenue will be included in the any updated allocation as part of a final rate order.
- b) The cellular meter read service is available to any customer with a monthly demand greater than 50kW. As stated in the Conditions of Service:

“For new services expected to have a monthly demand greater than 50kW, an interval meter will be installed. Typically this will be provided with a cellular communication option and related fees as described in section 2.4.11.3.5, General Service >50kW Interval Meter.”

### **3-LPMA-38**

Ref: Exhibit 3, Table 3-36

Please explain the \$100,000 decrease in bank deposit interest forecast for 2022 compared to 2021. Please provide the forecasted bank balances and the forecasted interest rates for 2021 and 2022.

LH Response:

The \$100,000 decrease in bank deposit interest forecast for 2022 compared to 2021 is related to the following matter. At the time of budget development, an RFP was being worked on to provide a \$200M loan for 2021/2022. It was estimated that it would provide an approximate \$30M additional average cash balance in 2021 and \$10M for 2022. The decrease is based on decrease in cash balance between 2021 and 2022 as London Hydro is expecting to have a significant decrease in cashflow in both years as a result of the significant capital investments. Using a loan interest rate of prime (2.45%) less 1.9%, an interest rate of 0.55% was used. Given the \$20M difference between 2021 and 2022, that results in a \$110,000 decrease.

**3-LPMA-39**

Ref: Exhibit 3, Table 3-32

- a) Where has London Hydro included revenues from the Graduated Apprenticeship Grant for Employers (“GAGE”)?
- b) Please provide the amount included for GAGE in for each of the years shown in Table 3-32.

LH Response:

(a)

No amounts have been received by London Hydro for the Graduated Apprenticeship Grant for Employers. Further, no amounts have been budgeted for the 2021 Bridge Year or the proposed 2022 Test Year. At the time of developing the budgets in the spring of 2020, there were no plans to hire a new apprentice.

(b)

Please see (a) above.

**4-LPMA-40**

Ref: Exhibit 4, Table 4-5

- a) Please provide the cost of cloud services included in each of the years (including 2017 BA).
- b) Are the actual/forecast property taxes shown in Table 4-59 included in any of the total recoverable OM&A figures shown? If yes, please indicate which figures in Table 4-59 are included in Table 4-5.
- c) Do the actual/forecast total recoverable OM&A costs shown in Table 4-5 include accrued OPEBs, consistent with the inclusion of these costs in the 2017 Board Approved figure of \$38,097,000 as illustrated in Table 4-4? If not, please provide the actual/forecasted figures for 2017 through 2022 for the total recoverable OM&A that include the accrued OPEB costs.

**LH Response:**

(a)

Below is a schedule of cloud services for each year include 2017 OEB Approved.

Annual Cloud Services						
2017 OEB Approved	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Bridge Year	2022 Test Year
\$ 626,100	\$ 865,947	\$ 1,003,456	\$ 1,192,742	\$ 1,493,946	\$ 1,609,400	\$ 1,753,200

(b)

To conform with the definition of account 6105 Taxes Other Than Income Taxes as defined in the OEB Accounting Procedures Handbook (“APH”), property taxes for London Hydro’s head offices located at 111 Horton Street are excluded from OM&A expenditures. Distribution property taxes for substation locations included in Table 4-5 are as follows:

OM&A Property Taxes					
2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Bridge Year	2022 Test Year
\$ 100,012	\$ 98,645	\$ 94,938	\$ 97,234	\$ 94,000	\$ 90,400

(c)

Yes, total OM&A presented in Table 4-5 includes OPEBs for each year.



**4-LPMA-41**

Ref: Exhibit 4, Page 7

Please provide an estimate of the COVID-19 related cost reductions in 2020 noted at lines 5 – 10.

LH Response:

Compared to average spending for the 3 years 2017 to 2019, one could estimate a savings in the area of training, travel, conferences and third-party professional services of approximately \$450k. It is important to note that this savings does not take into consideration incremental COVID-19 expenditures of \$302,919. London Hydro had originally recorded these amounts in Account 1509 for recovery. However, it was later determined that these amounts are not eligible for recovery as confirmed in the Report of the Ontario Energy Board entitled Regulatory Treatment of Impacts Arising from the COVID-19 Emergency (EB-2020-0133) issued on June 17, 2021.

#### **4-LPMA-42**

Ref: Exhibit 4, Table 4-5

a) Are there any COVID-19 related costs included in the 2020 total recoverable OM&A figure of \$40,054,874? If yes, please quantify and confirm that these costs are not included in Account 1509 and for which London Hydro is seeking recovery of in this proceeding.

b) Please reconcile the COVID-19 related costs included in 2020 actuals with the adjustments shown in Table 9-27 for Account 1509.

LH Response:

(a)

There are COVID-19 related costs in the OM&A expenditures for 2020 in the amount of \$302,919. These costs have not been included in Account 1509 for recovery.

(b)

There are 3 adjustments in Table 9-27 for Account 1509. The first adjustment in the amount of \$496,157 represents amounts recovered through rate riders in connection with London Hydro's delay in the implementation of rate increases regularly scheduled for May 1, 2020 up until the allowed date of November 1, 2020. The second item in the amount of \$962,000 represents an adjustment to remove lost demand revenues as a result of the pandemic from Account 1509. London Hydro had originally recorded these amounts in Account 1509 for recovery. However, it was later determined that these amounts are not eligible for recovery as confirmed in the Report of the Ontario Energy Board entitled Regulatory Treatment of Impacts Arising from the COVID-19 Emergency (EB-2020-0133) issued on June 17, 2021.

The third adjustment in the amount of \$302,919 represents incremental OM&A expenditures incurred as a result of the COVID-19 emergency tracked under the COVID-19 deferral account including incremental expenses such as: additional personal protection equipment, signage, cleaning services, cleaning supplies and

expenses incurred to accommodate physical distancing. For example, additional vehicle leases so no more than one employee was in a vehicle at a time.

Similar to lost demand revenues, London Hydro had originally recorded these amounts in Account 1509 for recovery. However, it was later determined that these amounts are not eligible for recovery as confirmed in the Report of the Ontario Energy Board entitled Regulatory Treatment of Impacts Arising from the COVID-19 Emergency (EB-2020-0133) issued on June 17, 2021.

To clarify, this adjustment of \$302,919 represents the COVID-19 related expenditures included in OM&A in 2020 as noted in item (a) above.

#### 4-LPMA-43

Ref: Exhibit 4, Table 4-32

Please add a line to the table that shows the actual/forecast net labour costs that are included in the OM&A forecast for each of the columns shown in the table.

LH Response:

A revised version of Table 4-32 to include net labour costs included in OM&A expenditures is provided below:

OEB Appendix 2-K Employee Costs Gross Labour Costs and Full-Time Equivalents (FTEs) Before allocations to Capital, Billable, Other							
	2017 OEB Approved	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Bridge	2022 Test
<b>Number of employees (FTEs including PT)</b>							
Management (including executive)	53.0	59.7	57.2	58.5	61.1	63.7	64.0
Non-management (union and non union)	258.7	240.5	240.2	235.9	233.7	252.3	255.7
	<b>311.7</b>	<b>300.2</b>	<b>297.4</b>	<b>294.4</b>	<b>294.8</b>	<b>316.0</b>	<b>319.7</b>
<b>Total salary and wages (incl. OT and incentive pay)</b>							
Management (including executive)	6,608,186	7,504,588	7,531,891	7,888,527	8,463,545	8,980,600	9,226,000
Non-management (union and non union)	21,932,714	20,209,106	21,161,675	21,255,121	21,678,322	24,175,000	25,111,700
	<b>28,540,900</b>	<b>27,713,694</b>	<b>28,693,566</b>	<b>29,143,648</b>	<b>30,141,867</b>	<b>33,155,600</b>	<b>34,337,700</b>
<b>Total benefits (current and accrued)</b>							
Management (including executive)	1,686,929	1,985,263	1,956,005	2,029,491	2,410,380	2,183,748	2,261,176
Non-management (union and non union)	6,570,171	6,114,246	6,206,786	6,196,699	6,930,016	6,728,052	6,983,524
	<b>8,257,100</b>	<b>8,099,509</b>	<b>8,162,791</b>	<b>8,226,190</b>	<b>9,340,396</b>	<b>8,911,800</b>	<b>9,244,700</b>
<b>Total compensation (salary, wages and benefits)</b>							
Management (including executive)	8,295,115	9,489,851	9,487,896	9,918,018	10,873,925	11,164,348	11,487,176
Non-management (union and non union)	28,502,885	26,323,352	27,368,461	27,451,820	28,608,338	30,903,052	32,095,224
	<b>36,798,000</b>	<b>35,813,203</b>	<b>36,856,357</b>	<b>37,369,838</b>	<b>39,482,263</b>	<b>42,067,400</b>	<b>43,582,400</b>
<b>Net labour costs included in OM&amp;A</b>	<b>25,430,900</b>	<b>25,855,676</b>	<b>26,569,855</b>	<b>26,932,641</b>	<b>27,681,829</b>	<b>28,220,400</b>	<b>29,400,600</b>

#### **4-LPMA-44**

Ref: Exhibit 4, Table 4-39 & Table 4-5

a) Are any of the costs shown in Table 4-39 for 2019-2020 actual (\$132,700) or 2021 bridge year (\$270,300) been included in the actual historical or forecast bridge OM&A costs shown in Table 4-5?

b) Has the \$135,000 shown in Table 4-39 for the 2022 cost been included in OM&A in Table 4-5 or has this been replaced with the amortized figure of \$107,600?

LH Response:

(a)

Costs for 2019 and 2020 actual (\$132,700) are included in OM&A in Table 4-5 and are based on RRR annual filings with the OEB.

Costs for 2021 (\$270,300) are not included in OM&A in Table 4-5.

(b)

Yes, costs in Table 4-39 for 2022 of \$135,000 have been excluded and replaced with \$107,600 in Table 4-5.

#### 4-LPMA-45

Ref: Exhibit 4, page 352

With respect to the prescribed tables variance explanation, please provide a summary table that shows the total depreciation expense based on use of the half year rule, the actual depreciation expense based on the London Hydro methodology and the difference for the years 2017 through 2020.

LH Response:

A summary table that shows total depreciation expense based on half year rule, actual depreciation expense and the difference for the years 2017 through 2020 has been provided as an attached excel file "London Hydro IR 4-LPMA-45 Attachment 1" and is shown below:

Depreciation Expense based on Half-Year Rule vs Actual Depreciation Expense - Summary				
	2017	2018	2019	2020
	\$	\$	\$	\$
Total Depreciation Expense based on Half Year Rule per Appendix 2C	18,196,463	18,701,289	19,011,794	20,211,250
Total Actual London Hydro Depreciation Expense per Appendix 2C	17,917,560	18,454,512	18,846,727	19,945,989
Variance	(278,903)	(246,777)	(165,066)	(265,261)

**6-LPMA-46**

Ref: RRWF

- a) Please explain why the Distribution Revenue shown on line 2 of the Revenue Deficiency/Sufficiency sheet of the RRWF shows \$71,530,217 in the At Current Approved Rates but only \$68,440,836 in the At Proposed Rates Column. What is this difference of more than \$3 million related to?
  
- b) The income tax shown on the Revenue Deficiency/Sufficiency sheet of the RRWF does not match the information shown on the Taxes/PILS sheet. Please correct, if necessary, the RRWF.

LH Response:

An incorrect value was placed in RRWF 3.Data\_Input\_Sheet and will be corrected in a new updated version of the RRWF per 1-Staff-1. Further there is a calculation error created when Tax Adjustments (10) exceed Utility Income (9) which impacts the calculation of revenue deficiency hence creating an incorrect value for distribution revenue at proposed rates. While appearing incorrect this does not affect outcomes of the model.

Line No.	Particulars	Initial Application	
		At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$10,890,110
2	Distribution Revenue	\$71,530,217	\$68,440,836
3	Other Operating Revenue	\$5,999,088	\$5,999,088
4	<b>Total Revenue</b>	<b>\$77,529,305</b>	<b>\$85,330,034</b>
5	Operating Expenses	\$66,926,800	\$66,926,800
6	Deemed Interest Expense	\$5,207,440	\$5,207,440
8	<b>Total Cost and Expenses</b>	<b>\$72,134,240</b>	<b>\$72,134,240</b>
9	<b>Utility Income Before Income Taxes</b>	<b>\$5,395,065</b>	\$13,195,793
10	Tax Adjustments to Accounting Income per 2013 PILs model	<b>(\$9,383,056)</b>	<b>(\$9,383,056)</b>
11	<b>Taxable Income</b>	<b>(\$3,987,991)</b>	\$3,812,737
12	Income Tax Rate	26.50%	26.50%
13	<b>Income Tax on Taxable Income</b>	<b>\$ -</b>	\$1,010,375
14	<b>Income Tax Credits</b>	\$606,939	\$606,939
15	<b>Utility Net Income</b>	<b>\$4,788,126</b>	<b>\$12,792,357</b>



**6-LPMA-47**

Ref: Exhibit 6 & RRWF

Please update all relevant tables in Exhibit 6 and the Revenue Requirement Workform to reflect the 2022 cost of capital parameters issued by the OEB on October 28, 2021. If any corrections are required to the RRWF, please include these corrections in the response.

LH Response:

This will be addressed in new updated version of the RRWF per 1-Staff-1.

**7-LPMA-48**

Ref: Exhibit 7, Table 7-8

a) Please explain why London Hydro is proposing to reduce the revenue to cost ratio for the GS 50 to 4,999 class from the status quo figure of 97.6% to the proposed figure of 96.4%.

b) Please explain why London Hydro is proposing to reduce the revenue to cost ratio for the large use class from the status quo figure of 101.0% to the proposed figure of 91.6%.

LH Response:

London Hydro retracts these proposals.

**9-LPMA-49**

Ref: Exhibit 9, Page 30

Please provide a copy of the March 27, 2020 correspondence from the OEB referenced on line 8.

LH Response:

A copy of the March 27, 2020 correspondence from the OEB referenced in Exhibit 9, Page 30, Line 8 is enclosed in 9-LPMA-49 Attachment 1 - OEBltr\_Guidance\_LDC\_GD\_COVID19\_20200327.pdf.