

2 HORIZON UTILITIES CORPORATION (“HORIZON UTILITIES”)  
3 SUBMISSION OF ORAL HEARING UNDERTAKING

4 DELIVERED: April 13, 2011

5  
6 NO. J3.3: TO RECONCILE THE COMPANY'S POSITION WITH RESPECT TO CFL'S  
7 IN ITS LOAD FORECAST IN REFERENCE TO ITS ANSWER AT JT1.2

8  
9 **Response:**

10 Horizon Utilities has made adjustments to the Load Forecast (for all customer classes  
11 excluding Large Use customers) as per the Decision of the Board in Horizon Utilities'  
12 most recent LRAM/SSM Application (EB-2009-0158) and as per the OPA 2006 – 2009  
13 Final Report (filed in Undertaking No. J3.4). Horizon Utilities incorporated the revised  
14 assumptions and measures for CFLs at an 8 year end of life and 43 kWh (as referenced  
15 in Horizon Utilities' response to Technical Conference Undertaking No. JT1.3). Further,  
16 Horizon Utilities also reflected the impact of OPA program measures that did not have  
17 persistence into 2011.

18 Through the review to respond to this Undertaking, Horizon Utilities identified that some  
19 of the impacts of the 2006 OPA programs were double counted in calculating the 2011  
20 Load Forecast. Such programs included the Every Kilowatt Counts program and the  
21 Fridge Bounty program. Horizon Utilities has revised the 2011 Load Forecast,  
22 accordingly.

23 Please see the table below which sets out the updated revenue deficiency, total  
24 revenue requirement and rate base, similar to Horizon Utilities' response to VECC  
25 Interrogatory 37 on the revised evidence, delivered April 6, 2011.

	<u>Revenue Deficiency</u>	<u>Total Revenue</u>	<u>Rate Base</u>	<u>Reference</u>
As originally filed	\$19,560,006	\$108,707,939	\$376,890,026	
# 1 Initial Change in Large Use Load Forecast	\$209,367	\$15,561	\$237,762	Revised Evidence
As per revised evidence	\$19,769,373	\$108,723,500	\$377,127,788	
#1 Update to Cost Allocation Model due to Large User Load Forecast change	\$441,466	\$0	\$0	VECC Interrogatory on Refiled Evidence 44
#2 Cost of Power update due to Large User Load Forecast change	-\$68,120	-\$68,120	-\$780,379	Energy Probe Revised Evidence Question 1
#3 Update to Cost of Capital Parameters.	-\$345,160	-\$345,160	\$0	AMPCO Interrogatory on Revised Evidence 3
#4 Tax Updates	\$510,726	\$510,726	\$0	Energy Probe Technical Conference Question 8
#5 Regulatory Costs	-\$80,978	-\$80,978	-\$11,200	Board staff Interrogatory 40 Board staff Technical Question 9
#6 Interest Rate on Promissory Note	-\$16,211	-\$16,211	\$0	School Energy Coalition Interrogatory 34
Total as per response to Questions on Refiled Evidence	\$20,211,096	\$108,723,757	\$376,336,209	
#7 Inclusion of Apprenticeship Credits	-\$526,829	-\$526,829	\$0	Energy Probe Technical Conference Question 8
Total Revised Evidence	\$19,684,267	\$108,196,928	\$376,336,209	
#8 Reduced Load Forecast	\$1,037,386	-\$97,321	-\$1,115,441	Oral Hearing Undertaking J3.3
1 Total Revised Evidence	\$20,721,653	\$108,099,607	\$375,220,768	

- 2 Please also see the updated Load Forecast model, which updates the load forecast for  
 3 all customer classes except Large Use, accompanying this Undertaking response.