



**PUBLIC INTEREST ADVOCACY CENTRE**  
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613-562-4002

February 21, 2013

**VIA MAIL and E-MAIL**

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

Dear Ms. Walli:

**Re: EB-2012-0113 Center Wellington Hydro Ltd.**

Please find enclosed the supplemental interrogatories of VECC in the above-noted proceeding.

Yours truly,

Michael Janigan  
Counsel for VECC

Encl.

cc. Center Wellington Hydro Ltd.

Attn: Ms. Florence Thiessen

[Thiessen@whydro.ca](mailto:Thiessen@whydro.ca)

<b>REQUESTOR NAME</b>	<b>VECC</b>
<b>INFORMATION REQUEST ROUND NO:</b>	<b># 2</b>
<b>TO:</b>	<b>Centre Wellington Hydro Ltd. (CWH or Centre Wellington)</b>
<b>DATE:</b>	<b>January 11, 2013</b>
<b>CASE NO:</b>	<b>EB-2012-0113</b>
<b>APPLICATION NAME</b>	<b>2013 Cost of Service Electricity Distribution Rate Application</b>

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NB: Continues from last VECC interrogatory #48

**RATE BASE (Exhibit 2)**

**2-VECC-49**

**Reference: 2-VECC 2**

- a) CWH states that it does not have year-end results for its capital projects. How then does CWH monitor the progression of its capital budget throughout the year?
- b) If preliminary final costs are not available, please indicate for each column in Table 2.25 whether the project was 100% complete and whether it was in service at the end of 2012.
- c) In the response CWH states that if a project was not completed in 2012 it will be completed in 2013. Please explain why CWH is certain in can complete both uncompleted 2012 projects and 2013 projects with the same resources it anticipated to employ full time in completing the 2013 capital budget.
- d) The 2012 capital contributions were forecast at \$44,700 (Appendix 2-B 2012 CGAA – Appendices\_V1.1\_20121114). How many customers were anticipated to make contributions in 2012? Did these customer(s) make the forecast contribution(s)?

## **LOAD FORECAST (Exhibit 3)**

### **3.0 – VECC – 50**

**Reference: Staff #14 d) / VECC #13 a)**

- a) Please provide forecasts for 2013 power purchases (prior to any manual adjustment for CDM) using the equations provided in:
  - Staff #14 d)
  - VECC #13 a)
- b) What was the average loss factor (purchases vs. billed energy) for the period 2002-2011?

### **3.0 – VECC -51**

**Reference: VECC #14**

- a) Please explain why the proposed Residential model was used as opposed to the second model (top of page 46 of 121) provided in response to VECC #14 e).
- b) Please update Table 3-4 to reflect the OPA's final CDM report for 2011.
- c) Please re-estimate the regression model for the Residential class using the OPA's final CDM results for 2011 and provide the resulting equation and regression statistics.
- d) Using the results from part c) and the persisting savings associated with the final 2011 CDM results, please provide a revised forecast for 2013 Residential billed energy (Table 3-6).
- e) What is Center Wellington's view regarding using this revised Residential forecast as opposed to the one provided in the original Application?

### **3.0 – VECC -52**

**Reference: VECC #15**

- a) Please explain why the proposed GS<50 model was used as opposed to the second model (top of page 50 of 121) or the fourth model (top of page 51 of 121) provided in response to VECC #15 a).
- b) Please re-estimate the regression model for the GS<50 class using the OPA's final CDM results for 2011 and provide the resulting equation and regression statistics.

- c) Using the results from part b) and the persisting savings associated with the final 2011 CDM results, please provide a revised forecast for GS<50 billed energy (Table 3-7).
- d) What is Center Wellington's view regarding using this revised GS<50 forecast as opposed to the one provided in the original Application?

### **3.0 – VECC – 53**

#### **Reference: Staff #16 f)**

- a) Based on the updated Table 3-17 provided in Staff #16 f), please revise the calculations for the following:
  - The total manual CDM adjustment required to the 2013 load forecast,
  - The allocation of the revised CDM adjustment to customer classes (i.e., revise Table 3-19),
  - The total 2013 CDM savings to be used for the LRAM variance account, and
  - The assignment of the LRAM savings to customer classes (i.e., revise Table 3-18).
- b) What is Centre Wellington's vies regarding using the response to part (a) as its CDM adjustment as opposed to that set out in the initial Application?

### **3.0 – VECC – 54**

#### **Reference: VECC #18**

- a) Please confirm that, for any given year, the difference between gross and net OPA reported savings does not reflect all of the CDM activity that will take place without any incentive being provided. If not confirmed, please explain why.
- b) Does Centre Wellington agree that the historical consumption values for each customer class will have been impacted by the total CDM activity that has occurred each year without any incentive being provided (and not just that associated with OPA CDM programs)?
- c) Can Centre Wellington provide any estimates of the total savings in each year 2002-2011 from CDM activity that has would have taken place in its service area without any incentive (as opposed to just that associated with OPA programs)? If so, please do so and indicate how the savings amounts were determined.

## **OTHER OPERATING REVENUE**

### **3.0 – VECC – 55**

**Reference: VECC #20 b)**

- a) Please confirm whether or not Centre Wellington is still transitioning to MIFRS in 2012.

## **OM&A (Exhibit 4)**

### **4-VECC - 56**

**Reference: 4-43 OEB Staff -23**

- a) With respect to the pre -2011 LRAM related CDM programs, please provide the following information:

- Program Name
- Program start date
- Efficiency Measure
- Number of units/participants
- Rate Class program applies
- Number of units/participants
- Measure life;
- Annual Energy Savings
- Contribution to LRAM.

- b) Please provide the third party review of the pre-2011 CDM programs and 2011 programs if available.

### **4-VECC-57**

**Reference: 4-47-VECC-24**

- a) Please explain why CWH does not have estimates or unaudited OM&A figures nearly two months after the completion of the year. That is, how does CWH monitor its OM&A budget during the year to ensure it is on-track with its budgeted spending?

- b) The response implies CWH does have new estimates of 2012 OM&A spending (i.e. “CWH does not have the information available to provide **accurate estimates...**” – emphasis added)? Is this correct? If so – why are these estimates not more accurate than the estimates filed with the application last year? The response also indicates that detailed OM&A expense updates are not available. Is CWH able to provide an update based on the OM&A Summary categories?

#### **4-VECC-58**

**Reference: 5-60-OEB Staff-24**

- a) Please update Tables 5.2 and 5.3 for the recently announced cost of capital parameters issued by the Board on February 14, 2013.

#### **4-VECC-59**

**Reference: 1-4 VECC 1**

- a) Please update the table provided in this interrogatory for adjustments made as part of the supplemental interrogatories.
- b) Please file a revised RRWF Excel worksheet which reflects CWH's final proposal.

### **COST ALLOCATION**

#### **7.0 – VECC – 60**

**Reference: Staff #27**

- a) Please explain why the implementation of smart meters has significantly increased the time spent by Centre Wellington on checking reviewing the meter readings for Residential and GS<50 customers. Isn't this data reviewed and validation carried out by the SME/IESO?

### **RATE DESIGN**

#### **8.0 – VECC – 61**

**Reference: VECC #43**

- a) Please provide an estimate of the LV costs for 2012 based on Hydro One's approved 2013 rates.
- b) Please provide the actual purchased energy for 2012 and the forecast purchased energy for 2013 (after CDM adjustments).

## **8.0 – VECC – 62**

### **Reference: VECC #45**

- a) The initial question did not request an update based on the approved 2013 UTRs but rather based on Hydro One's 2013 approved RTSRs. Please update the Centre Wellington's proposed RTSRs for 2013 based on Hydro One's approved 2013 ST rates and re-do the bill impact analysis.

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