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May 22, 2009

BY EMAIL & COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2008-0401
Toronto Hydro-Electric System Limited – Recovery of 2007 LRAM & SSM Amounts
Energy Probe Interrogatories

Pursuant to the Procedural Order No. 1, issued May 7, 2009, please find Energy Probe Research Foundation (Energy Probe) Interrogatories of Toronto Hydro-Electric System Limited in the EB-2008-0401 proceeding. An electronic version of this communication will be forwarded in PDF format.

Please accept the apologies of Energy Probe for filing its Interrogatories a day late due in part to its heavy schedule this week, including a three day settlement conference in another proceeding. We trust that Toronto Hydro was not unduly inconvenienced.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh
Case Manager

cc: Glen Winn, Toronto Hydro-Electric System Limited (By email)
Norman Rubin, Energy Probe Research Foundation (By email)
Peter Faye, Counsel to Energy Probe, (By email)

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

Ontario Energy Board

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Toronto
Hydro-Electric System Limited for recovery of amounts
related to Conservation and Demand management activities.

**INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

May 22, 2009

**TORONTO HYDRO-ELECTRIC SYSTEM LIMITED
CONSERVATION AND DEMAND MANAGEMENT ACTIVITIES IN 2007**

EB-2008-0401

ENERGY PROBE RESEARCH FOUNDATION

Interrogatory # 1

**Ref: Manager's Summary, Schedule 1.1, p. 2
Schedule 2.1, p. 3**

"The requested LRAM relief is composed of the 2007 calendar year savings resulting from:

- 1. Third Tranche CDM programs implemented in 2005 and 2006;**
- 2. New Third Tranche CDM programs implemented in 2007;**
- 3. Ontario Power Authority ("OPA") CDM programs implemented in 2007.**

...

"THESL also intends to request LRAM for savings related to OPA programs implemented by third parties within THESL's service territory. This LRAM component, however, is not part of this application, and THESL intends to file for its recovery at a later date."

Questions:

- a) Were the aforementioned "Ontario Power Authority ("OPA") CDM programs implemented in 2007" funded by OPA but carried out by THESL? If not, please explain.**
- b) We understand the purpose of the LRAM is to eliminate a perverse incentive, when a utility company's revenues would be negatively affected by the successful accomplishment of its own conservation initiatives. If these particular activities were initiatives of OPA and not THESL, please explain how they conform to the general purpose of an LRAM, and/or please document an OEB decision that specifically authorizes their inclusion in an LRAM.**

- c) Please confirm that THESL does not believe that other unforecasted conservation or demand-reducing activities in its franchise should also be addressed with an LRAM -- e.g.:
- efficiency improvements accomplished by THESL customers without any incentives;
 - efficiency improvements accomplished by THESL customers in response to government incentives like EcoEnergy;
 - efficiency improvements accomplished by THESL customers in response to government regulations, like changes to the Building Code or improvements in minimum appliance standards; and,
 - decreases in consumption in response to market changes, like the current recession.

Interrogatory # 2

Ref: Exhibit 1, p. 7

Please produce the relevant portion of the study referenced in footnote 10, which is cited as the basis for using a higher value than the OEB's for demand saving in Residential and Commercial Load Control.