



September 8, 2009

By e-mail

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON
M4P 1E4

Re EB-2009-0192

**NOTICE OF APPLICATION AND WRITTEN HEARING RELATED TO THE
RECOVERY OF LRAM/SSM AMOUNTS – INTERROGATORY RESPONSES**

Please find enclosed Horizon Utilities Corporation responses to the Information Requests (the "Interrogatories") filed by the Vulnerable Energy Consumers Coalition ("VECC") with regards to the above LRAM/SSM Application.

Should you have any questions or require further information in this regard please do not hesitate to contact me.

Yours truly,

Original signed by Cameron McKenzie

Cameron McKenzie
Director, Regulatory Services
Horizon Utilities Corporation

Cc: Indy Butany-DeSouza, Horizon Utilities Corporation

EB-2009-0192

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

AND IN THE MATTER OF an Application by Horizon Utilities
Corporation to the Ontario Energy Board ("OEB") for an Order or Orders
approving the recovery of amounts related to Conservation and Demand
Management activities.

HORIZON UTILITIES CORPORATION ("Horizon Utilities")

APPLICATION FOR APPROVAL AND RECOVERY OF
AMOUNTS RELATED TO CDM

RESPONSES TO THE VULNERABLE ENERGY CONSUMERS
COALITION ("VECC") INTERROGATORIES

Filed: September 8, 2009

Indy Butany-DeSouza, MBA
Vice-President, Regulatory and Government Affairs
Horizon Utilities Corporation
55 John Street North
P. O. Box 2249, Station LCD 1
Hamilton, Ontario
L8N 3E4

Tel: 905-317-4765
indy.butany@horizonutilities.com

Question #1

Reference: Managers' Summary Page 14 Section 2.5

Preamble

"The SSM and LRAM claim for third tranche programs carried over into 2007 was prepared by the SeeLine Group Ltd., which found that Horizon Utilities' approach and calculation are accurate and consistent with the Board CDM Guidelines.(emphasis added)

Furthermore, Horizon Utilities has complied with the OPA Measures and Assumptions List in accordance with the OEB's endorsement of the OPA List.

Horizon Utilities 2005 and 2006 programs were approved by the OEB in Horizon Utilities 2008 EDR Application, EB-2007-0697.

The results for Horizon Utilities third tranche programs carried over into 2007 have been prepared in accordance with the OPA List. SeeLine's review of Horizon Utilities 2008 LRAM and SSM Application is provided in Appendix 1."

a) Does Horizon agree that the OEB Guidelines Section 7.5 indicate that savings and LRAM claims should be based on the "Best Available" input assumptions at the time that the claim was prepared?

b) Does Horizon agree that in the case of 2005 and 2006 carry forward savings, this means using the best available 2007 and 2008 input assumptions? If not explain why not.

c) Explain why an independent review of 2007 lost revenue associated with 2005 and 2006 carry forward savings is not required, since there have been (arguably significant) changes to input assumptions for several residential mass market measures starting in 2007 (notably CFLs, Low Flow Showerheads and PTs) as demonstrated in the following OPA documents:

- i. OPA 2007 EKC Program Calculator
- ii. OPA 2008 Measures and Assumptions list

d) Confirm that SeeLine did not review the 2007 and 2008 savings and LRAM for 2005 and 2006 carry forward measures for the residential sector nor make any adjustments to the values provided by Horizon.

e) Provide a Copy of the 2007 OPA Every Kilowatt Counts Program Calculator

f) Confirm whether Horizon reported to the OPA on the 2007 EKC campaign using Mass Market measures assumptions (particularly CFLs) specified in the OPA 2007 EKC Program Calculator

g) Confirm whether or not Horizon reported to the OEB on 2007 and 2008 carry forward of third tranche using the OEB Guide values and not the OPA EKC Calculator values

h) Confirm that this LRAM claim for the 2007 carry forward of third tranche mass market measures (CFLs etc) is prepared using the OEB Guide values and not the 2007 OPA EKC Calculator values (or the OPA Measures and Assumptions List)

Response:

- a) Horizon Utilities does not agree that the OEB Guidelines Section 7.5 indicate that savings and LRAM claims should be based on the “Best Available” input assumptions at the time that the claim was prepared in relation to carry forward 2005 and 2006 savings from third tranche program activity. Section 7.5 of the Guidelines refers back to Section 7.3 which states:

*“The input assumptions used for the calculation of LRAM should be the best available at the time of the **third party assessment** [emphasis added] referred to in section 7.5.”*

- b) Horizon Utilities does not agree that in the case of 2005 and 2006 carry forward savings, this means using the best available 2007 and 2008 input assumptions. Horizon Utilities 2005 and 2006 LRAM/SSM savings were reviewed by SeeLine, in 2007, as part of Horizon Utilities 2008 EDR Application, EB-2007-0697, Exhibit J. At that time Horizon Utilities provided

additional information supporting its request for recovery in response to VECC's interrogatory #44. Horizon Utilities claim for recovery of 2005 and 2006 LRAM/SSM was approved by the OEB in Horizon Utilities Decision date October 3, 2008. The carry forward of these savings into 2007 and 2008 as fully effective savings is simply an extension of previously approved partially effective savings. The data supporting the calculations, as approved in Horizon Utilities 2008 EDR Decision has not changed and was approved on the basis of the OEB input assumptions in effect at that time. In addition and in accordance with the Guidelines Section 7.3, as stated in a) above, the best available input assumptions available at the time of Horizon Utilities' review of its 2005 and 2006 LRAM claim was the OEB Measures and Assumptions.

Furthermore, Horizon Utilities submits that carry forward savings estimates should be consistent for both the OPA and LDCs. In its customized report of OPA-funded conservation program results for 2006 to 2008¹, the OPA has used OEB measure assumptions for several of the measures included in the 2006 EKC spring and fall campaigns reported results. Horizon Utilities has filed its 2005 and 2006 carry forward savings consistent with those reported by the OPA.

- c) As discussed in b) above, Horizon Utilities 2005 and 2006 savings were reviewed as part of Horizon Utilities 2008 EDR Application and the extension of the approved information from partially effective savings to fully effective savings is just a mathematical calculation. This review took place prior to the OEB's endorsement of the OPA's Measures and Assumptions List. Horizon Utilities LRAM calculations for its CDM programs delivered in 2007 have been properly adjusted for the change in the input assumptions as required in Section 7.3 of the Guidelines as SeeLine's review was prepared in June 2009, after the OPA's Measures and Assumptions List was endorsed by the OEB.

¹ 2006-2008 OPA Conservation Results. Horizon Utilities Corporation.xls/measures/k10:k24

- d) Horizon Utilities provided, at Appendix 1 of its Application, the SeeLine Review of Horizon Utilities Corporation – 2008 SSM and LRAM Application.

In that report SeeLine stated their findings as:

“LRAM SAVINGS ESTIMATE

Results from this review process indicate that the 2005 and 2006 LRAM program savings claims are those based on the OEB Measure and Assumptions List, which at the time were made available on the Board's website. They are also consistent with Horizon's earlier EB-2007-0697 application as approved by the OEB.

Our review of the 2007 LRAM program savings claims indicate that updates to measure input assumptions would be required for measures highlighted in table shown below:”

Horizon Utilities submits that all the changes recommended by SeeLine in the calculation of its 2007 LRAM program savings for the updates to the measures input assumptions have been made.

- e) The following is a copy of what Horizon Utilities understands to be the 2007 OPA Every Kilowatt Counts Program Calculator.

1. Program Cost						
Category	\$					
Total Program Cost	\$19,162,190					
Spring Customer Incentive	\$5,203,636					
Fall Customer Incentive	\$3,529,039					
2. Spring Campaign Input assumption						
Product	Annual kWh Saving / Unit	Peak Demand Reductions KW / Unit	Total Coupons	Units / Coupon	Estimated Useful Life	Free Ridership
SPRING CAMPAIGN						
Energy Star CFL 15W	44.3	0.0017	493775	3.86	6	30%
Energy Star Ceiling Fan	102.4	0.004	19166	1	10	30%
Outdoor Motion Sensor	161.1	0	23474	1	10	30%
Dimmer Switch	23.7	0.001	19390	1	10	30%
Outdoor Solar Lights	9.8	0	598079	1	5	30%
Furnace / AC Filter	105.42	0.05	25742	1	1	30%
Electric Furnace	850.1	0			5%	
Natural Gas Furnace	60.6	0.089			57%	
Central AC	70	0			45%	
FALL CAMPAIGN						
Energy Star CFL 15W	44.3	0.0017	816903	3.86	6	30%
Seasonal LEDs (SLEDs)	13.7	0	614431	1	5	30%
T-8 Fixtures	37.2	0.0015	18140	1	16	30%
Energy Star Lighting Fixtures	124.9	0.004	8405	1	20	30%
Baseboard Programmable Thermostats	29.6	0	18580	1	15	30%
Lighting and Appliance Control Devices	86.6	0.002	97853	1	13	30%
Power Bar with Integrated Timer	72.4	0.0077	8486	1	10	30%

- f) Horizon Utilities did not report to the OPA on the 2007 EKC campaign.
- g) Horizon Utilities reported to the OEB on the 2007 and 2008 carry forward of third tranche using the OEB Guide values.
- h) As discussed in b), c) and g) above Horizon Utilities confirms that it did report to the OEB on the 2007 and 2008 carry forward of the 2005 and 2006 third tranche, which includes the Mass Market, using the OEB Guide values in place at the time of SeeLine's review of Horizon Utilities LRAM/SSM claim included at Exhibit J of Horizon Utilities 2008 EDR Application and approved by the OEB. Horizon Utilities 2007 third tranche CDM Mass Market programs were reported in accordance with the updated assumptions.

Question #2

Reference: Managers' Summary Page 14 Section 2.5

a) Provide a Table in the format below that shows for each of the Residential Programs for each year, which source(s) of input assumptions underpin the claimed kwh and kw savings. (*Note entries below are illustrative only*). Indicate for OPA- Funded Programs whether the 2007 Every Kilowatt Counts (EKC) Calculator or the OPA Measures for 2008 was used.

LRAM Claim	Third tranche Incl. 2005/06 Carryover	Rate funded	OPA Funded	Verification(s)
2007	OEB Guide	OEB Guide	OPA EKC Calculator	SeeLine
2008	OPA Measures	OPA Measures	OPA Measures	
SSM Claim				
2007	OEB Guide	OEB Guide	OPA EKC Calculator	SeeLine
2008	OPA Measures		OPA Measures	

b) Provide a complete list by measure **by year** of the input assumptions used to prepare the residential load impacts in Tables 4, 5, 6 and 7 and associated LRAM and SSM claims. In particular provide the detailed input assumptions for all mass market measures including CFLs.

- i. Kwh and Kw savings
- ii. Free ridership
- iii. Cost of measure
- iv. Measure life
- v. Source(s)/authority(ies) for assumption(s)

Response:

- a) Horizon Utilities has provided the requested information in the following tables using the format provided.

2005 Third Tranche Residential Programs

Program	2007 LRAM	2008 LRAM	2007 SSM	2008 SSM	Verification
Co-Branded Mass Markets	OEB Guide	OEB Guide	n/a	n/a	SeeLine
Energy Audit and Support	OEB Guide	OEB Guide	n/a	n/a	SeeLine
Social Housing	OEB Guide	OEB Guide	n/a	n/a	SeeLine

2006 Third Tranche Residential Programs

Program	2007 LRAM	2008 LRAM	2007 SSM	2008 SSM	Verification
Co-Branded Mass Markets	OEB Guide	OEB Guide	n/a	n/a	SeeLine
Load Control Initiative	OEB Guide	OEB Guide	n/a	n/a	SeeLine
Residential Energy Audit	OEB Guide	OEB Guide	n/a	n/a	SeeLine
Social Housing	OEB Guide	OEB Guide	n/a	n/a	SeeLine

2007 Third Tranche Residential Programs

Program	2007 LRAM	2008 LRAM	2007 SSM	2008 SSM	Verification
Co-Branded Mass Markets	OPA Measure List	OPA Measure List	n/a	n/a	SeeLine

2007 OPA Residential Programs

Program	2007 LRAM	2008 LRAM	2007 SSM	2008 SSM	Verification
The Great Refrigerator Roundup	OPA ²	n/a	n/a	n/a	OPA
Every Kilowatt Counts	OPA ³	n/a	n/a	n/a	OPA
Cool Savings	OPA ⁴	n/a	n/a	n/a	OPA
Peaksaver	OPA ⁵	n/a	n/a	n/a	OPA
Summer Savings	OPA ⁶	n/a	n/a	n/a	OPA

- b) Horizon Utilities has provided a complete list by measure by year of the input assumptions used to prepare the residential load impacts in Tables 4, 5, 6 and 7 and associated LRAM and SSM claims in the following tables:

² Letter to Ms. Eileen Campbell from Ontario Power Authority dated February 27th 2009, provided as Appendix 2 to the Application

³ Ibid.

⁴ Ibid

⁵ Ibid.

⁶ Ibid.

2005 Measure Assumptions

Program	Efficient Technology	Participants	Per unit kWh savings assumption	Per unit kW savings assumption	Freeridership	Net kWh	Source
Co-Branded Mass Markets						1,881,736	
Cold Water Wash Program	Cold Water Wash Detergent	625	623.0	n/a	25%	291,906	OEB Measure List
Call to Action Contest						149,206	
	CFLs	800	106.7	-	10%	76,824	OEB Measure List
	LED Night Lights	400	16.0	-	10%	5,760	OEB Measure List
	Efficient Showerhead	136	545.5	0.0390	10%	66,622	OEB Measure List
Retailer Program						1,440,624	
	CFL Screw-In 15W	10,062	104	-	10%	945,430	OEB Measure List
	LED Christmas Lights (indoor or outdoor)						
	Replacing 5w Christmas Lights C-7 (25 Lights)	1,579	45	-	5%	66,755	OEB Measure List
	LED Christmas Lights (indoor or outdoor)						
	Replacing Incandescent Mini Lights	1,579	17.0	-	5%	25,548	OEB Measure List
	Programmable Thermostat - Space Heating, Existing Single Family Detached	196	1,466	-	10%	258,675	OEB Measure List
	Programmable Thermostat - Space Cooling, Existing Single Family Detached	510	159	0.163	10%	72,998	OEB Measure List
	Timer - Outdoor Light	233	292	-	10%	61,232	OEB Measure List
	Timer - Indoor - Light	53	98	0.059	10%	4,678	OEB Measure List
	Timer - Indoor - Air Conditioners	53	109	0.174	10%	5,190	OEB Measure List
	Ceiling Fan	207	-	-	10%	-	OEB Measure List
	EnerGuide for Existing Homes - Space Heating	1	250	-	10%	117	OEB Measure List
Energy Audit and Support						491,400	
	CFLs (23w)	3,120	167	-	10%	468,936	OEB Measure List
	LED Night Lights	1,560	16	-	10%	22,464	OEB Measure List
Social Housing						4,500,862	
	CFL, 13W	28,104	108.90	-	1%	3,029,920	OEB Measure List
	CFL, 23W	8,236	178.60	-	1%	1,456,240	OEB Measure List
	Water Dam	625	-	-	1%	-	OEB Measure List
	Restrictors	450	33.00	-	1%	14,702	OEB Measure List

2006 Measure Assumptions

Program	Efficient Technology	Participants	Per unit kWh savings assumption	Per unit kW savings assumption	Freeridership	Net kWh	Source
Co-Branded Mass Markets						23,711,386.22	
LED Light Exchange	LED Christmas Lights (indoor or outdoor)	1,000	18.9	0.0	5%	17,914	OEB Measure List
Community Events						3,906,147	
	13 Watt CFL	36,796	109.0	0.00	10%	3,611,012	OEB Measure List
	Low Flow Showerhead	601	545.5	0.00	10%	295,135	OEB Measure List
Conservation Champs						736,089	
	13 Watt CFL	6,000	109.0	0.00	10%	588,816	OEB Measure List
	Low Flow Showerhead	300	545.5	0.00	10%	147,273	OEB Measure List
Ebilling						132,496	
	13 Watt CFL	1,080	109.0	0.00	10%	105,987	OEB Measure List
	Low Flow Showerhead	54	545.5	0.00	10%	26,509	OEB Measure List
Environment Hamilton						1,323,393	
	13 Watt CFL	12,860	109.0	0.00	10%	1,262,029	OEB Measure List
	Low Flow Showerhead	125	545.5	0.00	10%	61,364	OEB Measure List
Fridge Bounty						1,769,316	
	Fridge Bounty - Refrigerators	1,449	1200	0.27	10%	1,564,920	OEB Measure List
	Fridge Bounty - Freezers	11	900	0.20	10%	8,910	OEB Measure List
	Fridge Bounty - 13 W CFL	1,518	109.0	0.00	10%	148,970	OEB Measure List
	Fridge Bounty - Timer	177	292	0.00	10%	46,516	OEB Measure List
Keep Cool						1,173,276	
	Keep Cool - retired working units	1,428	621	0.113	10%	798,109	Cool Shop Report
	Keep Cool - retired working units placed with Energy Star	1,058	394	0.718	10%	375,167	Cool Shop Report
Smart Pak						466,190	
	13 Watt CFL	3,800	109.0	0.00	10%	372,917	OEB Measure List
	Low Flow Showerhead	190	545.5	0.00	10%	93,273	OEB Measure List
TAPS						1,113,777	
	13 Watt CFL	6,916	109.0	0.00	10%	678,709	OEB Measure List
	Low Flow Showerhead	788	545.5	0.00	10%	386,836	OEB Measure List
	Pipewrap	642	76.0	0.00	10%	43,913	OEB Measure List
	Aerators	128	33.6	0.00	0%	4,319	OEB Measure List
OPA EKC Spring Campaign						5,964,992	
	CFL	57,235	104.1	0.00	10%	5,359,918	2006 EKC Calculator
	Ceiling Fan	918	140.6	0.014	10%	116,164	2006 EKC Calculator
	Timer	1,935	182.5	0.00	10%	317,824	2006 EKC Calculator
	Programmable Thermostat	872	218.0	0.05	10%	171,086	2006 EKC Calculator
OPA EKC Fall Campaign						7,107,798	
	Baseboard Programmable Thermostat	172	366.6	0.000	10%	56,747	2006 EKC Calculator
	CFLs	64,728	104.4	0.000	10%	6,082,380	2006 EKC Calculator
	Motion Sensors	361	208.8	0.000	10%	67,839	2006 EKC Calculator
	Programmable Thermostat - Space Heating	353	1466.3	0.000	10%	466,207	2006 EKC Calculator
	Programmable Thermostat - Space Cooling	919	159.1	0.163	10%	131,564	2006 EKC Calculator
	LED Seasonal Lights	15,069	13.0	0.000	5%	186,675	2006 EKC Calculator
	Dimmer Switch	929	139.2	0.000	10%	116,385	2006 EKC Calculator
Load Control Initiative						126,138	-
Residential A/C Control							
	Res. Peak Saver (Load Control Savings)	881	0	0.5	0%	-	OEB Measure List
	Res. Peak Saver (Programmable Thermostat Savings)	881	159.1	0.163	10%	126,138	OEB Measure List
Residential Energy Audit						785,834	
Energy Audit	Audit	70	0	0	0%	-	-
Cool Shops	CFL and T8 Lighting	1	452,254.0	110.218	10%	407,029	OEB Measure List
Energy Audit Powerpak	13 Watt CFL	3,860	109.04	0	10%	378,805	OEB Measure List
Social Housing						2,195,711	
City of Hamilton						128,202	
	13 Watt CFL	950	109.0	0.00	1%	102,552	OEB Measure List
	Low Flow Showerhead	48	545.5	0.00	1%	25,650	OEB Measure List
Green Venture						18,136	
	13 Watt CFL	168	109.0	0.00	1%	18,136	OEB Measure List
	Pipewrap	-	76.0	0.00	1%	-	OEB Measure List
	Aerators	-	33.6	0.00	1%	-	OEB Measure List
Victoria Park						1,680,161	
	TL-11W	4,872	196	0.00	1%	945,363	OEB Measure List
	TL-15W	2,183	340	0.00	1%	734,798	OEB Measure List
Niagara Regional Housing						369,213	
	Refridgerator Replacement - First 6 years	213	760	0.16	1%	160,261	OEB Measure List
	Refridgerator Replacement - Last 13 years	213	74	0.02	1%	15,604	OEB Measure List
	T-8 replacing T-12 - Single	150	392	0.08	1%	58,212	OEB Measure List
	T-8 replacing T-12 - Double	63	288	0.06	1%	17,963	OEB Measure List
	Motion Sensors	1	1620	0.44	1%	1,604	OEB Measure List
	LED Exit Signs	60	236.5	0.03	1%	14,048	OEB Measure List
	Limiting Thermostats	422	243	0.08	1%	101,521	OEB Measure List

2007 Measure Assumptions

Program	Efficient Technology	Participants/Projects	Per unit kWh savings assumption	Per unit kW savings assumption	Freeridership	Net kWh	Source
Co-Branded Mass Markets						58,201	
CFL Distribution	13 Watt CFL	1,048	43	0.001	10%	40,553	OPA Measure Li
	Low Flow Showerhead	52	377	0.0290	10%	17,644	OPA Measure Li
Load Control Initiative						86,567	
Res. Peak Saver (Load Control Savings)	Res. Peak Saver (Load Control Savings)	673	0	0.5	0%	-	OPA Measure Li
Res. Peak Saver (Programmable Thermostat Savings)	Res. Peak Saver (Programmable Thermostat Savings)	673	138	0.163	10%	84,203	OPA Measure Li
Comm. Peak Saver (Load Control Savings)	Comm. Peak Saver (Load Control Savings)	19	0	0.5	0%	-	OPA Measure Li
Comm. Peak Saver (Programmable Thermostat Savings)	Comm. Peak Saver (Programmable Thermostat Savings)	19	138	0.163	10%	2,360	OPA Measure Li
Social Housing		n/a	n/a	n/a	n/a	n/a	n/a

Question #3

Reference: Managers' Summary Tables 1 and 2 and Tables 8 and 9

a) Breakdown the Residential and Small commercial<50kw LRAM values in Tables 1 and 2 to provide the residential sector only LRAM totals and reconcile with Sub total residential sector revenue values provided in Tables 8 and 9. Explain any differences.

b) Provide the residential unit rates applied to the kw savings to derive the lost revenue for each of 2005, 2006, 2007 and 2008.

Response:

- a) Horizon Utilities has removed the General Service < 50 kW LRAM results from the following tables in order to respond to VECC's request for the Residential Only LRAM results. The difference between the revised tables shown below and those filed in Horizon Utilities' Application for Approval and Recovery of Amounts Related to CDM is that the 2006 Energy Audit and Support Program results included General Service <50 kW customers. The following table reconciles the Residential Only LRAM filed in Horizon Utilities' Application for Approval and Recovery.

	Total 2007 LRAM	Total 2008 LRAM
Residential Only		
2005 & 2006 OEB Approved Third Tranche	\$ 453,946	\$ 431,078
2007 Third Tranche	\$ 1,271	\$ 1,866
2007 OPA Initiatives	\$ 141,809	\$ -
Total Residential Only LRAM	\$ 597,026	\$ 432,943

Revised Table 1 – Residential Only – Summary of 2007 & 2008 LRAM and SSM Amounts.

	Amounts					OEB Approved Billing Units 2008 EDR	OEB Approved Billing Units over 7 months		Rate Riders		
	Total 2007 LRAM	Total 2008 LRAM	Carrying Charges on 2007 and 2008 LRAM to June 2009	LRAM Total	SSM Total 2007 only				LRAM - 7 months	SSM - 7 months	Total over 7 months
	\$	\$		\$	\$				\$/unit (kWh/kW)	\$/unit (kWh/kW)	\$/unit (kWh/kW)
Residential Only	\$ 597,026	\$ 432,943	\$ 82,131	\$ 1,112,100	\$ 11,047	1,698,681,251	990,897,396	kWh	0.0011	0.0000	0.0011
Commercial, Industrial and Institutional	\$ 10,878	\$ 15,669	\$ 2,117	\$ 28,664	\$ (74,441)	5,535,480	3,229,030	kW	0.0089	-	0.0089
Unmetered Scattered Load	\$ 799	\$ 29,243	\$ 2,396	\$ 32,438	\$ 77,976	18,237,718	10,638,669	kWh	0.0030	0.0073	0.0104
Total	\$ 608,703	\$ 477,855	\$ 86,643	\$ 1,173,202	\$ 14,582						

Horizon Utilities would note that by removing the General Service <50 KW LRAM results and billing units the LRAM Rider increases for the Residential customer class from \$0.0008 / kWh as filed, to \$0.0011 / kWh.

Revised Table 8 – Residential Only – 2007 Foregone Revenue from 2005 & 2006 OEB Approved Third Tranche Initiatives.

Rate Class/Program	2005 Programs				2006 Programs				Total Revenue
	Load Impacts		2007 Rate (\$ per kWh or kW)	Revenue			2007 Rate (\$ per kWh or kW)	Revenue	
	kWh	kW			kWh	kW			
Residential Only									
Mass Market	1,881,624	-	\$ 0.0138	\$ 25,966	23,711,356		\$ 0.0138	\$ 327,217	\$ 353,183
Energy Audit	491,512	-	\$ 0.0138	\$ 6,766	-		\$ 0.0138	\$ -	\$ 6,766
Social Housing	4,500,353	-	\$ 0.0138	\$ 61,955	2,195,710		\$ 0.0138	\$ 30,301	\$ 92,256
Load Control	-	-	\$ 0.0138	\$ -	126,138		\$ 0.0138	\$ 1,741	\$ 1,741
Sub-Total	6,873,490	-		\$ 94,688	26,033,203			\$ 359,258	\$ 453,946
Commercial, Industrial and Institutional									
Energy Audit & Feasibility Studies	-	-	n/a	0	-	-	n/a	0	\$ -
Leveraging Energy Conservation	-	25	\$ 1.3562	\$ 407	-	23	\$ 1.3562	\$ 373	\$ 780
Distributed Energy	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Distribution Loss Reduction	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Stand-By Generators	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Sub-Total	-	25		\$ 407	-	23		\$ 373	\$ 780
Unmetered / Scattered Load									
LED Traffic Lights	-	-	n/a	0	114,812		0.0024	\$ 276	\$ 276
Sub-Total	-	-		0	114,812			\$ 276	\$ 276
Total	6,873,490	25		\$ 95,095	26,148,015	23			\$ 455,001

Revised Table 9 – Residential Only - 2008 Foregone Revenue from 2005 & 2006 OEB
Approved Third Tranche Initiatives.

Rate Class/Program	2005 Programs				2006 Programs				
	Load Impacts		2008 Rate (\$ per kWh or kW)	Revenue			2008 Rate (\$ per kWh or kW)	Revenue	Total Revenue
	kWh	kW			kWh	kW			
Residential Only									
Mass Market	1,881,624	-	\$ 0.0131	\$ 24,649	23,711,356		\$ 0.0131	\$ 310,619	\$ 335,268
Energy Audit	491,512	-	\$ 0.0131	\$ 6,439	-		\$ 0.0131	\$ -	\$ 6,439
Social Housing	4,500,353	-	\$ 0.0131	\$ 58,955	2,195,710		\$ 0.0131	\$ 28,764	\$ 87,718
Load Control	-	-	\$ 0.0131	\$ -	126,138		\$ 0.0131	\$ 1,652	\$ 1,652
Sub-Total	6,873,490	-		\$ 90,043	26,033,203			\$ 341,035	\$ 431,078
Commercial, Industrial and Institutional									
Energy Audit & Feasibility Studies	-	-	n/a	0	-	0	n/a	0	\$ -
Leveraging Energy Conservation	-	25	\$ 1.6508	\$ 495	-	23	\$ 1.6508	\$ 454	\$ 949
Distributed Energy	-	-	n/a	0	-	0	n/a	0	\$ -
Distribution Loss Reduction	-	-	n/a	0	-	0	n/a	0	\$ -
Stand-By Generators	-	-	n/a	0	-	0	n/a	0	\$ -
Sub-Total	-	25		\$ 495	-	23		\$ 454	\$ 949
Unmetered / Scattered Load									
LED Traffic Lights		-	n/a	0	114812		0.0107	\$ 1,228	\$ 1,228
Sub-Total		-		0	114812			\$ 1,228	\$ 1,228
Total	6,873,490	25		\$ 90,538	26,148,015	23		\$ 342,717	\$ 433,255

- b) The following table provides the rates used to calculated the 2007 and 2008 LRAM amounts and have been applied to the partially and fully effective savings.

2007 Distribution Rates for LRAM	Effective Rate (per kWh or kW)		Average
	1-May-06	1-May-07	
Residential	\$ 0.0137	\$ 0.0138	\$ 0.0138
2008 Distribution Rates for LRAM	Effective Rate (per kWh or kW)		Average
	1-May-07	1-May-08	
Residential	\$ 0.0138	\$ 0.0128	\$ 0.0131

Question #4

Reference: Appendix 1-SeeLine Report Page 3 and Table 1

Preamble

Based on these (OEB) guidelines, it is understood by Horizon that an independent third party review is not required for any LRAM or SSM claims related to third tranche funded CDM program activity. As such, the purpose of this review of was to provide direction to Horizon on the input assumptions used in the computation of its LRAM savings relating to its 2007 programs.

Response:

No question was submitted with the preamble.

However, Horizon Utilities is completing the preamble quoted from the SeeLine report in order to clarify Horizon Utilities position. As discussed throughout the responses provided to various interrogatories, Horizon Utilities 2005 and 2006 LRAM claim, as filed in its 2008 EDR Application and approved by the OEB in Horizon Utilities Decision, was in fact reviewed by SeeLine, both partially and fully effective savings, which Horizon Utilities submits do not require a second review.

The preamble above is completed by continuing the quote with the paragraph that follows VECC's preamble:

“As part of this review process, SeeLine examined Horizon’s CDM savings claims for 2005, 2006 and 2007, outlining necessary adjustments required for Horizon’s LRAM and SSM claim relating to its 2007 third tranche CDM activity, based on the Board’s most recent guidelines.”

Horizon Utilities submits that the necessary adjustments and recommendations made by SeeLine, based on Horizon Utilities understanding of the OEB Guidelines, have been incorporated in Horizon Utilities’ Application for recovery of its LRAM claim.

Question #5

Reference: Appendix 1-SeeLine Report Page 3 and Appendix Tables 1 and 2 and Table 3

a) Complete the following Input Assumptions and Kwh savings Comparison Table (based on Tables 1,2 and 3) in the Format below for Residential Mass Market measures and Social Housing:

Response:

- a) Horizon Utilities has provided the following Input Assumptions and Kwh savings Comparison Tables in the Format requested for Residential Mass Market measures and Social Housing:

2005 Residential Program Comparison Table

Program	Efficient Technology	Rate Class	Participants	Filed OEB per unit kWh savings assumption	Freeridership	Net kWh	Participants	Filed OPA per unit kWh savings assumption	Freeridership	Net kWh
Co-Branded Mass Markets						1,881,736				1,181,586
Cold Water Wash Program	Cold Water Wash Detergent	Residential	625	623.0	25%	291,906	484	n/a	n/a	291,906
Call to Action Contest						149,206				63,487
	CFLs	Residential	800	106.7	10%	76,824	600	43.0	10%	23,220
	LED Night Lights	Residential	400	16.0	10%	5,760	300	n/a	10%	5,760
	Efficient Showerhead	Residential	136	545.5	10%	66,622	102	377.0	10%	34,507
Retailer Program						1,440,624				826,193
	CFL Screw-In 15W	Residential	10,062	104	10%	945,430	10,062	43.0	10%	389,401
	LED Christmas Lights (indoor or outdoor) Replacing 5w Christmas Lights C-7 (25 Lights)	Residential	1,579	45	5%	66,755	1,579	13.7	5%	20,551
	LED Christmas Lights (indoor or outdoor) Replacing Incandescent Mini Lights	Residential	1,579	17.0	5%	25,548	1,579	8.9	5%	13,360
	Programmable Thermostat - Space Heating, Existing	Residential	196	1,466	10%	258,675	196	2,063	10%	258,675
	Programmable Thermostat - Space Cooling, Existing	Residential	510	159	10%	72,998	510	138	10%	72,998
	Single Family Detached									
	Timer - Outdoor Light	Residential	233	292	10%	61,232	233	41	0	61,232
	Timer - Indoor - Light	Residential	53	98	10%	4,678	53	219	0	4,678
	Timer - Indoor - Air Conditioners	Residential	53	109	10%	5,190	53	n/a	0	5,190
	Ceiling Fan	Residential	207	-	10%	-	207	89	0	-
	EnerGuide for Existing Homes - Space Heating	Residential	1	250	10%	117	1	-	0	117
Energy Audit and Support						491,400				120,042
	CFLs (23w)	Residential	3,120	167	10%	468,936	2,340	49	10%	103,194
	LED Night Lights	Residential	1,560	16	10%	22,464	1,170	n/a	10%	16,848
Social Housing						4,500,862				1,616,325
	CFL, 13W	Residential	28,104	108.90	1%	3,029,920	28,104	43.0	1%	1,196,387
	CFL, 23W	Residential	8,236	178.60	1%	1,456,240	8,236	49.7	1%	405,236
	Water Dam	Residential	625	-	1%	-	625	n/a	1%	-
	Restrictors	Residential	450	33.00	1%	14,702	450	n/a	1%	14,702
TOTAL						6,873,998				2,917,952

2006 Residential Program Comparison Table

Program	Efficient Technology	Rate Class	Participants	Filed per unit kWh savings assumption	Freeridership	Net kWh	Participants	Filed OPA per unit kWh savings assumption	Freeridership	Net kWh
Co-Branded Mass Markets						23,711,386.22				12,110,059
LED Light Exchange	LED Christmas Lights (indoor or outdoor)	Residential	1,000	18.9	5%	17,914	1,000	13.7	5%	13,015
Community Events						3,906,147				1,627,992
	13 Watt CFL	Residential	36,796	109.0	10%	3,611,012	36,796	43	10%	1,424,005
	Low Flow Showerhead	Residential	601	545.5	10%	295,135	601	377	10%	203,907
Conservation Champs						736,089				333,990
	13 Watt CFL	Residential	6,000	109.0	10%	598,816	6,000	43	10%	232,200
	Low Flow Showerhead	Residential	300	545.5	10%	147,273	300	377	10%	101,790
E-billing						132,496				60,110
	13 Watt CFL	Residential	1,080	109.0	10%	105,907	1,080	43	10%	41,796
	Low Flow Showerhead	Residential	54	545.5	10%	26,509	54	377	10%	10,322
Environment Hamilton						1,323,393				540,095
	13 Watt CFL	Residential	12,860	109.0	10%	1,262,029	12,860	43	10%	497,682
	Low Flow Showerhead	Residential	125	545.5	10%	61,364	125	377	10%	42,413
Fridge Bounty						1,769,316				1,299,001
	Fridge Bounty - Refrigerators	Residential	1,449	1200	10%	1,564,920	1,449	940	10%	1,226,245
	Fridge Bounty - Freezers	Residential	11	900	10%	8,910	11	755	10%	7,477
	Fridge Bounty - 13 W CFL	Residential	1,510	109.0	10%	140,970	1,510	43	10%	50,747
	Fridge Bounty - Timer	Residential	177	292	10%	46,516	177	41	10%	6,531
Keep Cool						1,173,276				1,173,276
	Keep Cool - retired working units	Residential	1,420	621	10%	790,109	1,420	n/a	10%	790,109
	Keep Cool - retired working units placed with Energy Star	Residential	1,058	394	10%	375,167	1,058	n/a	10%	375,167
Smart Pak						466,190				211,527
	13 Watt CFL	Residential	3,800	109.0	10%	372,917	3,800	43	10%	147,060
	Low Flow Showerhead	Residential	190	545.5	10%	93,273	190	377	10%	64,467
TAPS						1,113,777				559,799
	13 Watt CFL	Residential	6,916	109.0	10%	670,709	6,916	43	10%	267,649
	Low Flow Showerhead	Residential	788	545.5	10%	386,836	788	377	10%	267,368
	Pipewrap	Residential	642	76.0	10%	43,913	642	38	10%	21,956
	Aerators	Residential	120	33.6	0%	4,319	120	22	0%	2,025
OPA EKC Spring Camp						5,964,992				2,778,235
	CFL	Residential	57,235	104.1	10%	5,359,910	57,235	43.0	10%	2,215,012
	Ceiling Fan	Residential	910	140.6	10%	116,164	910	89.0	10%	73,532
	Timer	Residential	1,935	182.5	10%	317,824	1,935	219	10%	381,369
	Programmable Thermostat	Residential	872	218.0	10%	171,086	872	138.0	10%	108,302
OPA EKC Fall Campaign						7,107,798				3,513,011
	Baseboard Programmable Thermostat	Residential	172	368.6	10%	56,747	172	75	10%	11,610
	CFLs	Residential	64,720	104.4	10%	6,002,300	64,720	43	10%	2,504,955
	Motion Sensors	Residential	361	208.8	10%	67,839	361	64	10%	20,794
	Programmable Thermostat - Space Heating	Residential	353	1486.3	10%	466,207	353	2063	10%	665,909
	Programmable Thermostat - Space Cooling	Residential	919	159.1	10%	131,564	919	138	10%	114,127
	LED Seasonal Lights	Residential	15,069	13.0	5%	186,675	15,069	13.7	10%	186,801
	Dimmer Switch	Residential	929	139.2	10%	116,385	929	23.7	10%	19,816
Load Control Initiative						126,138				109,420
Residential A/C Control										
	Res. Peak Saver (Load Control Savings)	Residential	881	0	0%	-	881	0	0%	-
	Res. Peak Saver (Programmable Thermostat Savings)	Residential	881	159.1	10%	126,138	881	138	10%	109,420
Residential Energy Audit						785,834				556,411
Energy Audit	Audit	Residential	70	0	0%	-	70	0	0%	-
Cool Shops	CFL and T8 Lighting	Small Commercial (<50kW)	1	452,254.0	10%	407,029	1	452,254.0	10%	407,029
Energy Audit Powerpak	13 Watt CFL	Small Commercial (<50kW)	3,860	109.04	10%	378,805	3,860	43	10%	149,382
Social Housing						2,195,711				2,140,495
City of Hamilton						128,202				58,170
	13 Watt CFL	Residential	950	109.0	1%	102,552	950	43	1%	40,442
	Low Flow Showerhead	Residential	48	545.5	1%	25,650	48	377	1%	17,728
Green Venture						18,136				7,152
	13 Watt CFL	Residential	168	109.0	1%	18,136	168	43	1%	7,152
	Pipewrap	Residential	-	76.0	1%	-	-	30	1%	-
	Aerators	Residential	-	33.6	1%	-	-	22	1%	-
Victoria Park						1,680,161				1,680,161
	TL-11W	Residential	4,072	196	1%	945,363	4,072	n/a	1%	945,363
	TL-15W	Residential	2,163	340	1%	734,790	2,163	n/a	1%	734,790
Niagara Regional Housing						369,213				395,013
	Refrigerator Replacement - First 6 years	Residential	213	760	1%	160,261	213	912	1%	192,313
	Refrigerator Replacement - Last 13 years	Residential	213	74	1%	15,604	213	68	1%	14,550
	T-8 replacing T-12 - Single	Residential	150	392	1%	50,212	150	n/a	1%	50,212
	T-8 replacing T-12 - Double	Residential	63	269	1%	17,963	63	n/a	1%	17,963
	Motion Sensors	Residential	1	1620	1%	1,604	1	n/a	1%	1,604
	LED Exit Signs	Residential	60	238.5	1%	14,048	60	149	1%	8,851
	Limiting Thermostats	Residential	422	243	1%	101,521	422	n/a	1%	101,521
TOTAL						26,819,068				14,916,385

- b) The implementation of the OPA Measures and Assumptions reduces the LRAM saving for the Residential Mass Market and Social Housing 2005 and 2006 carry forward initiatives. Horizon Utilities submits that these adjustments are not appropriate for the reasons discussed in its responses provided in these interrogatories and in particular Horizon Utilities' responses to VECC IR #1 and IR # 6.

Question #6

References: Managers Summary Tables 4 and 8 and Table 11

Appendix 1-SeeLine Report Page 3

Preamble

“Results from this review process indicate that the 2005 and 2006 LRAM program savings claims are those based on the OEB Measure and Assumptions List, which at the time were made available on the Board’s website. They are also consistent with Horizon’s earlier EB-2007-0697 application as approved by the OEB.”

- a) Confirm Horizon participated in the 2007 OPA Every Kilowatt Counts (EKC) Campaigns?
- b) Compare the EKC Program Calculator Input assumptions for CFLs, Low flow showerheads and PTs with those in the SeeLine report Appendix A Table 1
- c) Explain why the 2005 and 2006 carry forward estimates of load impacts for CFLs, Low Flow Showerheads and PTs should not be adjusted to reflect the OPA 2007 EKC program calculator values that were available in 2007 (and presumably used to report to the OPA)?
- d) Explain why persistence is not a major issue for carry forward savings from mass market measures installed in 2005 and 2006 in particular provide a rationale for not applying a persistence factor for 2005 installed CFLs
- e) Provide a revised version of Tables 4 and Table 8 using either the 2007 OPA EKC Program calculator values for all 2005 and 2006 carry over residential Mass Market Measures or the OPA -attributed values in Table 1 of Appendix A of the SeeLine Report.
- f) Provide the corresponding adjustment to Carrying Costs in Table 14.

Response:

- a) Horizon Utilities participated in the 2007 OPA Every Kilowatt Counts (EKC) Spring (April 16, 2007 to June 17, 2007) campaign only. The results of this program were included in the load impacts from 2007 OPA Initiatives as shown in Table 7 of this application. These results were provided by the OPA in its letter to Horizon dated February 27 2009 and filed as Appendix 2 to the Application.
- b) Horizon Utilities would refer VECC to the tables provided in response to Question 5 a) above.
- c) Horizon Utilities does not agree that in the case of 2005 and 2006 carry forward savings, this means using the best available 2007 and 2008 input assumptions. Horizon Utilities 2005 and 2006 LRAM/SSM savings were reviewed by SeeLine, in 2007, as part of Horizon Utilities 2008 EDR Application, EB-2007-0697, Exhibit J. At that time Horizon Utilities provided additional information supporting its request for recovery in response to VECC's interrogatory #44. Horizon Utilities claim for recovery of 2005 and 2006 LRAM/SSM was approved by the OEB in Horizon Utilities Decision date October 3, 2008. The carry forward of these savings into 2007 and 2008 as fully effective savings is simply an extension of previously approved partially effective savings. The data supporting the calculations, as approved in Horizon Utilities 2008 EDR Decision has not changed and was approved on the basis of the OEB input assumptions in effect at that time. In addition and in accordance with the Guidelines Section 7.3, as stated in a) above the best available input assumptions available at the time of Horizon Utilities' review of its 2005 and 2006 LRAM claim was the OEB Measures and Assumptions.

Furthermore, Horizon Utilities submits that carry forward savings estimates should be consistent for both the OPA and LDCs. In its customized report of

OPA-funded conservation program results for 2006 to 2008⁷, the OPA has used OEB measure assumptions for several of the measures included in the 2006 EKC spring and fall campaigns reported results. Horizon Utilities has filed its 2005 and 2006 carry forward savings consistent with the OPA.

- d) According to the California Evaluation Framework⁸, persistence studies, which assess the long-term persistence of energy savings, are typically completed during program evaluation efforts. Program evaluations studies were not completed for third tranche programs and therefore persistence factors were not applied for any mass-market measures installed in 2005 and 2006.
- e) Horizon Utilities has provided a revised version of Tables 4 and Table 8 below using, for all 2005 and 2006 carry over, the residential Mass Market Measures for the OPA -attributed values in Table 1 of Appendix A of the SeeLine Report and the tables provided in Horizon Utilities' response to VECC IR # 5 a) above.

⁷ 2006-2008 OPA Conservation Results. Horizon Utilities Corporation.xls/measures/k10:k24

⁸ The California Evaluation Framework, Prepared for the California Public Utilities Commission and the Project Advisory Group, February 2004.

Revised Table 4 – 2007 Load Impacts from OEB Approved 2005 & 2006
Third Tranche Initiatives by Program and Class

Rate Class/Program	2005 Programs		2006 Programs		Total	
	kWh	kW	kWh	kW	kWh	kW
Residential and Small Commercial (<50kW)						
Mass Market	1,181,586		12,110,059		13,291,645	0
Energy Audit	491,512		785,834		1,277,346	0
Social Housing	4,500,353		2,195,710		6,696,063	0
Load Control	-		126,138		126,138	0
Sub-Total	6,173,451		15,217,741		21,391,192	0
Commercial, Industrial and Institutional						
Energy Audit & Feasibility Studies	0	0	0	0	0	0
Leveraging Energy Conservation	0	25	0	23	0	48
Distributed Energy	0	0	0	0	0	0
Distribution Loss Reduction	0	0	0	0	0	0
Stand-By Generators	0	0	0	0	0	0
Sub-Total	0	25	0	23	0	48
Unmetered / Scattered Load						
LED Traffic Lights	-	0	114,812	0	114,812	0
Sub-Total	-	0	114,812	0	114,812	0
Total	6,173,451	25	15,332,553	23	21,506,004	48

Revised Table 8 – 2007 Foregone Revenue from 2005 & 2006 OEB
Approved Third Tranche Initiatives by Program and Class

Rate Class/Program	2005 Programs				2006 Programs				Total Revenue
	Load Impacts		2007 Rate (\$ per kWh or kW)	Revenue			2007 Rate (\$ per kWh or kW)	Revenue	
	kWh	kW			kWh	kW			
Residential and Small Commercial (<50kW)									
Mass Market	1,181,586	-	\$ 0.0138	\$ 16,306	12,110,059		\$ 0.0138	\$ 167,119	\$ 183,425
Energy Audit	491,512	-	\$ 0.0138	\$ 6,766	785,834		\$ 0.0138	\$ 10,845	\$ 17,611
Social Housing	4,500,353	-	\$ 0.0138	\$ 61,955	2,195,710		\$ 0.0138	\$ 30,301	\$ 92,256
Load Control	-	-	\$ 0.0138	\$ -	126,138		\$ 0.0138	\$ 1,741	\$ 1,741
Sub-Total	6,173,451	-		\$ 85,027	15,217,741			\$ 210,005	\$ 295,032
Commercial, Industrial and Institutional									
Energy Audit & Feasibility Studies	-	-	n/a	0	-	-	n/a	0	\$ -
Leveraging Energy Conservation	-	25	\$ 1.3562	\$ 407	-	23	\$ 1.3562	\$ 373	\$ 780
Distributed Energy	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Distribution Loss Reduction	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Stand-By Generators	-	-	n/a	0	-	-	n/a	\$ -	\$ -
Sub-Total	-	25		\$ 407	-	23		\$ 373	\$ 780
Unmetered / Scattered Load									
LED Traffic Lights		-	n/a	0	114,812		0.0024	\$ 276	\$ 276
Sub-Total		-		0	114,812			\$ 276	\$ 276
Total	6,173,451	25		\$ 85,434	15,332,553	23			\$ 296,087

- f) Horizon Utilities has provided the revised Carrying Costs in Table 14 below, noting that the change to the Mass Market Measures also flows into the 2008 LRAM calculations.

Revised LRAM Carrying Costs

2007	449,814	0.0473	21,265	note 1
Jan-08	449,814	0.0043	1,927	note 2
Feb-08	449,814	0.0043	1,927	
Mar-08	449,814	0.0043	1,927	
Apr-08	449,814	0.0034	1,529	
May-08	449,814	0.0034	1,529	
Jun-08	449,814	0.0034	1,529	
Jul-08	449,814	0.0028	1,256	
Aug-08	449,814	0.0028	1,256	
Sep-08	449,814	0.0028	1,256	
Oct-08	449,814	0.0028	1,256	
Nov-08	449,814	0.0028	1,256	
Dec-08	449,814	0.0028	1,256	
Jan-09	449,814	0.0020	918	
Feb-09	449,814	0.0020	918	
Mar-09	449,814	0.0020	918	
Apr-09	449,814	0.0008	375	
May-09	449,814	0.0008	375	
Jun-09	449,814	0.0008	375	
2008	327,033	0.0398	13,016	note 3
Jan-09	776,847	0.0020	1,586	note 4
Feb-09	776,847	0.0020	1,586	
Mar-09	776,847	0.0020	1,586	
Apr-09	776,847	0.0008	647	
May-09	776,847	0.0008	647	
Jun-09	776,847	0.0008	647	
Jul-09	776,847	0.0005	356	
Aug-09	776,847	0.0005	356	
			63,475	
note 1:	Monthly opening balances are not available for 2007 therefore the carrying charges are calculated on the total 2007 LRAM at the average annual carrying charge rate			
note 2:	The 2007 Closing LRAM balance is used as the opening balance for each month of 2008 at the appropriate carrying charge rate for the month			
note 3:	Monthly opening balances are not available for 2008 therefore the carrying charges are calculated on the total 2008 LRAM at the average annual carrying charge rate			
Note 4:	The 2007 and 2008 Closing LRAM balance is used as the opening balance for each month of 20098 at the appropriate carrying charge rate for the month			

Question #7

Reference: Managers Summary Appendix 2

a) Provide a copy of the Residential Sector/Mass market (and If applicable Social Housing Sector) Report(s) that Horizon provided to OPA, including the detailed breakdown of measures, unit savings, participants and other assumptions.

Response:

Horizon Utilities did not report to the OPA on the residential Sector/Mass Market or Social Housing Sector. Horizon Utilities' reporting obligations for 3rd tranche activities are to the OEB.