



***PUBLIC INTEREST ADVOCACY CENTRE***  
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November 3, 2009

**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: Vulnerable Energy Consumers Coalition (VECC)**  
**Notice of Intervention: EB-2009-0259**  
**Burlington Hydro Inc – 2010 Electricity Distribution Rate Application**

Please find enclosed the interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

# **BURLINGTON HYDRO INC. - 2010 RATE APPLICATION**

**(EB-2009-0259)**

## **VECC'S INTERROGATORIES (ROUND #1)**

### **GENERAL**

#### **Question #1**

**Reference:** Exhibit 1/Tab 1/Schedule 14

- a) Please confirm that Burlington is not embedded (i.e., received any of its supply from another distributor) for 2010. If Burlington does receive supply via another distributor's facilities, please describe the supply arrangements.

#### **Question #2**

**Reference:** Exhibit 1/Tab 1/Schedule 16

- a) Does Burlington Hydro purchase or receive services from any of its affiliates? If so, please outline what those services are.

#### **Question #3**

**Reference:** Exhibit 1/Tab 1/Schedule 6

- a) Does Burlington Hydro's application conform to the OEB's Filing Requirements issued May 27, 2009. If not, please provide a schedule setting out the exceptions and an explanation for each.

### **RATE BASE**

#### **Question #4**

**Reference:** Exhibit 2/Schedule 2/Tab 1, page 1

- a) Does Burlington Hydro or Hydro One Networks own the transformer stations that step the power supplied down from 230 kV & 115 kV to primary distribution voltage?

### **Question #5**

**Reference:** Exhibit 2/Schedule 3/Tab 1, pages 1-5

- a) Why is there no Work in Progress shown for the years 2006-2009? In each of these years, were all capital projects undertaken during the year completed and in-service by year end? If not, please explain the “zero” values.

### **Question #6**

**Reference:** Exhibit 2/Schedule 4/Tab 1, pages 1-2

- a) What is the source of the \$0.0607 / kWh value used for the Cost of Power?
- b) Are any of Burlington Hydro’s retail customers registered as Market Participants and billed directly for commodity costs by the IESO?
- c) If the response to part (b) is yes, what is their forecast use for 2009 and 2010 and has it been excluded from the calculation of the commodity cost used to determine the working capital allowance?
- d) Please confirm that, based on Burlington’s proposed average cost of capital (7.52%), the 2010 return associated with working capital allowance is approximately \$1.6 M, excluding tax implications. Based on the materiality of the figure, why didn’t Burlington undertake a lead lag study?
- e) Please confirm that over 50% of Burlington’s sales are to non-RPP customers (per Exhibit 9/Tab 2/Schedule 2, page 2). If the \$0.0607 value used for the commodity cost is based on the RPP price, please undertake the following:
- Using the same source, estimate the commodity cost for non-RPP customers
  - Estimate an average commodity cost for all sales based on the weighted average of the RPP and non-RPP costs.
  - Re-estimate the Total Commodity cost for 2009 and 2010.

### **Question #7**

**Reference:** Exhibit 2/Tab 5/Schedule 1

- a) Please provide a schedule that summarizes the total capital additions in each year 2006-2010 using the same spending categories as set out in Exhibit 2, Tab 5, Schedule 9. Please indicate the USOA accounts associated with each category.

### **Question #8**

**Reference:** Exhibit 2/Tab 5/Schedule 2

- a) With respect to the Towerline MS (page 1):
- Who owned the land for the originally planned site: the City of Burlington or Burlington Hydro? If Burlington Hydro, what compensation did Burlington Hydro receive for re-locating to less valuable land?
  - Were the costs incurred by Burlington Hydro increased as a result of the swap?
  - If no compensation was received, why not?
- b) With respect to pages 3 and 4, does Burlington Hydro bear the entire costs of line relocations required by the City or MOT? If not, what are the cost sharing arrangements?
- c) With respect to page 19, please explain the “positive” capital contribution associated with “Subdivision Buy Back”.

### **Question #9**

**Reference:** i) Exhibit 2/Tab 5/Schedule 7  
ii) Exhibit 1/Tab 2/Schedule 1, page 3

- a) Reference (ii) states that during the budgeting process each capital project is prioritized and all recommended projects are listed in order from higher to lower priority.
- Please provide the priority listing for the 2009 budgeted capital projects.
  - For the top 3 projects on the list (excluding demand driven projects required to connect customers or respond to relocation requests) please explain why they are considered high priority.
  - For the lowest three projects on the list please explain why they are viewed a low priority and the implications of not proceeding with them in 2009.
- b) Exhibit 2/Tab 2/Schedule 2, page 3 states that for 2009 there is spending associated with the elimination of Long Term Load Transfers.
- Where is this spending captured in the 2009 capital spending projects?
  - How much is budgeted for 2009?
  - Please describe the projects involved and why the approach selected (i.e., choice of eventual supplier) was adopted, including the relative economics.
  - Is Burlington still proceeding with these projects in light of the Board's recent decision to extend the deadline for the elimination of Long Term Load Transfers? If yes, why?

- c) With respect to page 13, please provide more details on the circumstances under which Burlington will install Current Limiters. How frequently have such limiters been used in the last year?
- d) With respect to page 17, does Burlington have to coordinate with Hydro One Networks in order to install the Wholesale Metering at Cumberland TS? Has the work been completed and, if not, when is scheduled to take place. Does Burlington still expect the installation to be completed by the end of 2009?

### **Question #10**

**Reference:**

- i) Exhibit 2/Tab 5/Schedule 8
- ii) Exhibit 1/Tab 2/Schedule 1, page 3

- a) Reference (ii) states that during the budgeting process each capital project is prioritized and all recommended projects are listed in order from higher to lower priority.
  - Please provide the priority listing for the 2010 budgeted capital projects.
  - For the top 3 projects on the list (excluding demand driven projects required to connect customers or respond to relocation requests) please explain why they are considered high priority.
  - For the lowest three projects on the list please explain why they are viewed a low priority and the implications of not proceeding with them in 2009.
- b) With respect to pages 10-11 and Subdivisions Assumed, on page 10 it is stated that this project relates to those instances where the developer hires its own utility contractor. However, on page 11 it states that that capital budget reflects that Burlington was the constructor of the project. Please reconcile.
- c) Please explain the reason for the significant increase in the Pole Replacement spending from 2007 (\$302,191) and 2008 (\$550,855) to 2009 and 2010 (\$720,000 and \$700,000 respectively).
- d) Please provide a Schedule that sets out the annual spending on General Service – Overhead for the years 2006 to 2010. Please explain if there are material changes in spending levels for 2009 and 2010 relative to the average for the earlier years.
- e) Please provide a Schedule that sets out the annual spending on General Service – Underground for the years 2006 to 2010. Please explain if there are material changes in spending levels for 2009 and 2010 relative to the average for the earlier years.

- f) Page 20 states that the Federal Government has allowed an extension of up to 2014 for the replacement of transformers that do not fall within certain criteria. Schedule 7 (page 12) states that the OEB has allowed the extension. Please reconcile.
- g) Exhibit 2/Tab 2/Schedule 2, page 3 states that for 2010 there is spending associated with the elimination of Long Term Load Transfers.
- Where is this spending captured in the 2010 capital spending projects?
  - How much is budgeted for 2010?
  - Please describe the projects involved and why the approach selected (i.e., choice of eventual supplier) was adopted, including the relative economics.
  - Is Burlington still proceeding with these projects in light of the Board's recent decision to extend the deadline for the elimination of Long Term Load Transfers? If yes, why?
- h) With respect to page 16, what was the total spending on Region Projects in 2006, 2007 and 2008? What is the year to date spending for 2009 and the projected total for 2009?
- i) What are number of new customers connected in 2008, 2009 and 2010 and what is capital spending? Where is this included in each year's reported spending?

### **Question #11**

**Reference:** Exhibit 2/Tab 5/Schedule 9

- a) Please confirm whether the capital spending levels reported for 2011 and 2012 are net or gross of capital contributions.

## **LOAD FORECAST & OPERATING REVENUE**

### **Question #12**

**Reference:** Exhibit 3/Tab 1/Schedule 2, page 1

- a) Please provide a schedule setting out the rates and volumes by customer class supporting the 2010 test year revenues reported here.
- b) Please clarify whether the rates used in part (a) included:
- Smart Meter charges
  - Discounts for transformer ownership where applicable.

- c) Please reconcile the 2010 revenues (both Other Operating Revenue and Distribution Revenue) reported here with the values in Exhibit 6/Tab 1/Schedule and Exhibit 8/Tab 1. Note: The latter two references suggest a 2010 Distribution Revenue of \$29,734,912.

### **Question #13**

**Reference:** Exhibit 3/Tab 2/Schedule 1, page 1, lines 6-7

- a) In its EB-2007-0680 Report (page 33) the Board directed Toronto Hydro to work with other parties to understand differences in load forecast methodologies employed. Has Burlington had any discussions with Toronto Hydro regarding changes it may be implementing in its load forecast methodology? If yes, what was the outcome and how are they reflected in Burlington's current approach?

### **Question #14**

**Reference:** Exhibit 3/Tab 3/Schedule 1, pages 8-10

- a) What other regression models (using alternative explanatory variables) were tested? Please provide a description of each and a summary of the results similar to that shown on page 10.
- b) Please confirm that the coefficient on "Number of Customers" is negative and this means a higher customer count will lead to lower predicted purchases. Is this intuitively correct and, if not, why is the model appropriate?
- c) Please provide any other recent projections of Ontario GDP growth for 2009 and 2010 that Burlington is aware of and compare the year over year growth rates with those prepared by the Ontario Ministry of Finance (per page 9).

### **Question #15**

**Reference:** Exhibit 3/Tab 2/Schedule 1, pages 11-13

- a) With respect to the table on page 12, please calculate the predicted "weather normal" sales for 1996-2008 by using the "weather normal variables" as opposed to actual weather HDD and CDD values in the model.
- b) Why has the 13-year weather normal average been used when the result is lower than either the 10 year or 20 year value?

- c) Please comment on the appropriateness of using a 10 year value given that it is in the “middle” of the three results shown.
- d) How many years did the utilities Burlington has cited (i.e., Innisfil, Lakeland Power, Niagara-on-the-Lake and Thunder Bay) use for their definition of weather normal?
- e) Why has Burlington chose the period 2003 – 2008 to determine average losses (page 13) when the analysis covered the period 1996-2008? What was the value for average losses over this longer period?

### **Question #16**

**Reference:** Exhibit 3/Tab 2/Schedule 1, pages 13-18

- a) Why was the period 2003-2008 selected to determine the geometric mean growth rate for each customer class?
- b) Please confirm that the forecasts of customer count shown in Table 3-10 are for year end. If not, please indicate what the definition is.
- c) What is the most recent actual customer count for each class and on what month of 2009 is it based?
- d) Please confirm that Table 3-12 deals with the growth in average use per customer in each customer class.
- e) Please confirm that the calculation of the geometric mean annual growth rate in Table 3-12 really only considers the average use values for 2003 and 2008. If this is not the case, please explain more fully how the value is calculated.
- f) Residential and GS<50 classes annual usage per customer values set out in Table 3-11 will be influenced weather in the year concerned.
  - Given this fact, please confirm that the calculated growth rates for these two classes will be affected by historical variations in weather.
  - Why is it appropriate to use the growth rate in usage per customer/connection (non weather-normalized) to forecast usage for 2008 and 2009?
- g) Please provide the Hydro One information relied on in order to determine the weather sensitivity by rate class (page 17).
- h) Given that residential uses include lighting, cooking and refrigeration, why is it reasonable to assume that the Residential class is 100% weather sensitive?



- i) Please provide a schedule that sets out the average use per customer for each class as forecast for 2009 and 2010 based on the results in Table 3-16.
- j) Please provide a schedule setting the average weather normalized use per customer for each class based on the data provided by Hydro One Networks for Burlington's 2007 Cost Allocation filing and indicate the year the data is based on.
- k) Please apply the same the methodology as used by Burlington to weather normalize 2010 usage (pages 16-18) and determine the weather normalized use by customer class for 2008 using the predicted total weather normalized purchases as determined in Question 15, part (a) and the actual non-weather normalized used by class for 2008. Please provide a schedule that sets out the results in terms of total weather normalized use by customer class and per customer weather normalized use by customer class for 2008.
- f) Please re-do Table 3-16 assuming that the Residential and GS<50 classes are 50% weather sensitive. Note: The purpose of this question is to test the sensitivity of the results to the assumptions regarding class weather sensitivity.

### **Question #17**

**Reference:** Exhibit 3/Tab 3/Schedule 1, page 1

- a) Please explain the more than \$100,000 decrease in revenues from specific service charges between 2009 and 2010.
- b) Please explain the decrease in Other Electric Revenues for 2009 and 2010 relative to earlier years.
- c) Is Burlington proposing to introduce any new service charges or change the "rate" for any existing service charges? If so, please identify and provide the supporting rationale, including cost analysis.

## **OPERATING COSTS**

### **Question #18**

**Reference:** Exhibit 4/Tab 1, page 1

- a) Please reconcile the total OM&A costs reported at line 10 (\$21,535,686) with the value shown in the subsequent table (\$21,495,086).

### **Question #19**

**Reference:** Exhibit 4/Tab 2,/Schedule 4

- a) With respect to the cost driver table on page 1, please breakdown the Employee Costs contribution for each year as between: i) staff changes and ii) inflation.
- b) With respect to pages 1 and 3, why is software amortization included as an OM&A cost driver? Is it not part of the Depreciation and Amortization expense?
- c) With respect to page 7, please explain how the reduced need for internal staff to perform Locates is reflected in the cost driver analysis.
- d) What were the annual contracted costs for tree trimming services in 2006-2008 along with the projected costs for 2009 and 2010.
- e) With respect to page 9, why were electrically heated customers moved from monthly to bi-monthly billing? Do Burlington Hydro's residential customers have an option of equal monthly (i.e., budget) billing? If not, why not?
- f) With respect to page 10, is the new Regulatory and Conservation Analyst referred to here helping to support Burlington's participation in OPA CDM programs? Is part of the cost of this position covered by OPA funding? If not, why not?
- g) Please reconcile the referenced 1,500 new services in 2008 (page 13) with the customer count numbers reported at Exhibit 3/Tab 2/Schedule 1, page 14.
- h) With respect to page 16, what types of services did Burlington Hydro provide to BESI? Was there any reduction in Burlington Hydro's resource requirements as a result of no longer having to provide these services? If yes, where is in captured in the Table on page 1? If not, why not?
- i) Given that Burlington Hydro has purchased Accounts Receivable Insurance in 2008 why is there no reduction in bad debt expense for 2009 or 2010?
- j) Please confirm that, based on Burlington's 3-year tree trimming cycle, the expenses for both 2007 and 2010 are for tree trimming in the West End/North area. If not please explain.
- k) Please provide a schedule that compares the tree trimming cost for 2007 and 2010 and explain the variance in terms of inflation, scope of work performed, etc.

### **Question #20**

**Reference:** Exhibit 4/Tab 2/Schedule 8

- a) Please confirm that Burlington's application includes provisions for both LEAP contributions (\$39,000) and contributions to Winter Warmth (\$25,000 per Exhibit 4/Tab 2/Schedule 11) and explain why the LEAP contributions are not viewed as "replacing" the Winter Warmth program.
- b) Given the Board's September 28, 2009 update regarding the Low Income Energy Assistance Program initiative, is the budgeted LEAP amount required for 2010? If yes, why?

### **Question #21**

**Reference:** Exhibit 4/Tab 5/Schedule 1, page 4

- a) Please provide a copy of the Affiliate Services Agreement between Burlington Hydro and BESL.

### **Question #22**

**Reference:** Exhibit 4/Tab 7/Schedule 2, page 5

- a) Please reconcile the depreciation expense for 2010 reported here (\$7,371,345) with the value reported in Exhibit 6 and Exhibit 4, Tab 1 (\$6,694,092).

### **Question #23**

**Reference:** Exhibit 4/Tab 8/Schedules 1 & 2

- a) Do the tax calculations for 2010 reflect the May 2009 budget changes that, eliminated the small business tax deduction surtax? If not, please provide an updated tax calculation.

## **COST OF CAPITAL**

### **Question #24**

**Reference:** Exhibit 5,/Tab 2/Schedule 1, page 1  
Exhibit 5/Tab 2/Schedule 2

- a) If Burlington Hydro wanted to pay off the promissory note, is it able to do so without the agreement of shareholder? If no, what agreements are required and why?
- b) If the shareholder were to demand re-payment of the promissory note (or, permitted Burlington Hydro wish to pay-off the note), are there any impediments to Burlington Hydro borrowing from a third party such as a commercial bank? For example, would it require the “guarantee” or “permission” of its shareholders to undertake such borrowing?
- c) If the response to part (b) is yes, is there any reason to expect these impediments would prevent it from undertaking 3<sup>rd</sup> party borrowing? For example, if a “guarantee” was required from the shareholders, is there any reason to expect such a guarantee could not/would not be provided?

## **REVENUE DEFICIENCY**

### **Question #25**

**Reference:** i) Exhibit 6  
ii) Exhibit 8/Tab 1, page 2

- a) Please reconcile the total of Other Revenue reported here (\$1,582,903) with the value reported in Exhibit 3, Tab 1, Schedule 2 (\$1,583,902).
- b) Please provide a schedule that sets out the derivation of 2010 Revenues at 2009 Rates by customer class (per Reference (ii)). Please provide the rates and volumes used and confirm that the rates are net of transformer ownership allowances (where applicable), smart meter adder and SSS Administration charges.
- c) Where in the Application is the provision for Property Taxes discussed?
- d) Based on the responses to the first round of interrogatories from all parties please prepare a schedule that sets out all the adjustments/revisions that Burlington Hydro has acknowledged as being required to the currently requested 2010 revenue requirement and the impact of each.

## **COST ALLOCATION**

### **Question #26**

**Reference:** i) Exhibit 7/Tab 1/Schedule 1

- a) Please provide an electronic copy of the 2010 Cost Allocation Study.
- b) Please reconcile the Distribution, Customer-Related and G&A costs reported in Sheet O1 with the OM&A costs by category reported in the Summary at Exhibit 4, Tab 1.
- c) Please explain how the Distribution Revenue by customer class set out in Sheet O1 was established.

### **Question #27**

**Reference:** i) Exhibit 7/Tab 3/Schedule 1

- a) With respect to the second table on page 2 (Test Year Revenue Impacts), please explain how the values, by customer class, in each of three columns were determined.
- b) Why is Burlington proposing to increase the revenue to cost ratio for GS>50 above the lower end of the Board's recommended range when the Board concluded in its EB-2007-0667 Report that there are "factors that currently limit or otherwise affect the ability or desirability of moving immediately to a cost allocation framework that might, from a theoretical perspective, be considered ideal (page 2) and that "a range approach is preferred" (page 4)?
- c) Has Burlington made any improvements or changes to the Cost Allocation model used for 2010 (as opposed to that used for the 2007 filing) to address the data and methodology concerns noted by the Board in its EB-2007-0667 Report (pages 5-6)?

## **RATE DESIGN**

### **Question #28**

**Reference:** Exhibit 8/Tab 2/pages 1- 3

- a) Please provide a table that sets out the existing fixed/variable split percentages for each customer class based on 2009 rates and 2010 volumes. Please show the rates and volumes used in the calculation.
- b) For those classes whose service charge (based on the current fixed/variable split) is within the Board's recommended range, please explain why it is appropriate to increase the charge to the value proposed as opposed to simply maintaining the current "split".
- c) Please confirm that in EB-2007-0067 (page 12) the Board set the ceiling for the Monthly Service Charge at 120% of the calculated MSC based on avoided costs plus allocated customer costs.

### **Question #29**

**Reference:** Exhibit 8/Tab 5/Schedule 1

- a) To what does Burlington Hydro attribute the lower loss factors observed in 2007 and 2008?
- b) Are these lower values expected to continue in the future? If not, why not?

## **SMART METER FUNDING ADDER**

### **Question #30**

**Reference:** Exhibit 9/Tab 3/Schedule 1 (Appendix 2S)

- a) Provide details of the # Residential SM installations (Year to Date and Projected) 2009 and 2010. Also provide an estimate of actual Unit costs (procurement and installation).
- b) Update the actual and projected year end 2009 balances in accounts 1555 and 1556 per Schedule 1.
- c) Given the potential for a material deficit in the SM revenues relative to the SM revenue requirement, please discuss why BHI is not applying for a utility-specific rate adder at this time.

### **Question #31**

**Reference:** Exhibit 9/Tab 3/Schedule 1

- a) Provide a cash flow projection showing SM rate adder revenue and SM expenditures by Month for the 2009 and 2010 rate year.
- b) Provide a copy of the OEB Worksheet for calculation of the SM revenue requirements for 2009 and 2010.
- c) Comment on the result in terms of the need for increasing the SM Rate Adder for 2010 and/or the SM revenue deficiency recovery period.

### **LRAM/SSM CLAIM**

#### **Question #32**

**References:** i) Exhibit 8/Tab 6/Schedule 1;  
ii) Exhibit 8/Tab 6/Schedule 1/Appendix A, page 11/12  
Tables 5 and 6

#### **Preamble**

“LRAM amounts being applied for pertain to OEB approved program funded through distribution rates for the period of 2005 to 2007 inclusive, as well as OPA sponsored programs for the years 2006 to 2008 inclusive. SSM amounts pertain to OEB approved programs only. Burlington Hydro is requesting an LRAM amount of \$724,398 and SSM amount of \$164,820 respectively. Detail for these amounts are described in the “Third Party Review of Burlington Hydro Inc.’s LRAM/SSM”, attached at Schedule 1 of this Tab”.

- a) Provide a schedule for the *Residential and GS<50 kW Sector* CDM programs that breaks down by measure the components of the as filed LRAM claim and the total kWh and kW for each year 2005-2009 (including showing separately carry forward of prior years’ savings)
  - i. Third tranche Programs
  - ii. OPA Funded programs
  - iii. Other e.g. Post Third Tranche Rate funded programs.
- b) Provide a reconciliation of the Residential Sector and GS<50kW - kWh/kW savings in the Schedule with those shown in of Exhibit 8, Tab 6, Schedule 1, Appendix A, page 11/12, Tables 5 and 6.

- c) Provide a schedule showing the as filed SSM claim details for the Residential and GS<50kW classes and reconcile this with Exhibit 8, Tab 6, Schedule 1, Appendix A, page 9, Table 4.
- d) Provide the as-filed Carrying Cost Calculation/Schedule for the Residential and GS<50kW LRAM claim and (separately) for the SSM claim.
- e) Provide a schedule that shows the derivation of the Residential and GS<50 kW classes rate riders based on the kWh/kW savings breakdown and carrying costs provided in response to parts a, c and d) of this IR. Reconcile this with Exhibit 8 Tab 6 Schedule 2 Page 1.

### **Question #33**

**References:** Exhibit 8/Tab 6/Schedule 1/Appendix A, Indeco Report

Preamble: "It was found that TRC inputs used by prescriptive programs were taken from either the OPA *Measures and Assumptions List* or the OEB *Total Resource Cost Guide*. TRC inputs for custom programs were compiled from sources such as the OEB, the OPA, manufacturer specifications and customer information about usage patterns" [Indeco Report Page v].

- a) Does BHI 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 LRAM/SSM claim was prepared?
- b) Does BHI agree that in the case estimation of 2005 -2009 savings, this means using the best available 2007 and 2008 input assumptions, which were and are those of the OPA Measures and Input Assumptions List? If not explain why not.<sup>1</sup>
- c) Explain why the Indeco independent review of 2009 lost revenue associated with 2005 -2008 savings did not use the complete set of the latest OPA Input Assumptions in Appendix Tables 9,11,12 and 13 for several residential mass market measures ( notably CFLs, Low Flow Showerheads and PTs ) as demonstrated in the following OPA documents:
  - i. OPA 2007 EKC Program Calculator
  - ii. OPA 2008/2009 Measures and Assumptions list (now adopted by the OEB).

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<sup>1</sup> See OEB Decision Horizon Utilities LRAM/SSM Claim EB-2009-0158/0192



- d) Provide a Copy of the 2007 OPA Every Kilowatt Counts Program Calculator.
- e) Confirm whether BHI reported to the OPA on the 2007 EKC campaign using Mass Market measures assumptions (particularly CFLs) specified in the OPA 2007 EKC Program Calculator.
- f) Confirm whether or not the LRAM claim for 2006, 2007 and 2008 related to third tranche programs is based on using the OEB Guide values for CFLs, showerheads and PTs, not the OPA EKC Calculator or OPA 2008/2009 Measures values.
- g) Confirm whether the 2008 claim for OPA programs is based on the OPA 2008 Measures and input assumptions for CFLs, Low Flow Showerheads and PTs.

**Question #34**

**Reference:** Exhibit 8/Tab 6/Schedule 1, Indeco Report, pages 5-7  
Tables 1-3

- a) Provide a Table in the format below that shows for each of the Residential and Social Housing 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.

<b>LRAM Claim</b>	<b>Third tranche Including Carryover</b>	<b>Rate funded Post Third Tranche</b>	<b>OPA Funded</b>	<b>Verification(s)</b>
2005	OEB Guide	OEB Guide	OPA EKC Calculator	Indeco
2006	OEB Guide	OEB Guide	OPA EKC Calculator	Indeco
2007	OEB Guide	OEB Guide	OPA EKC Calculator	Indeco
2008	OPA Measures	OPA Measures	OPA Measures	indeco
<b>SSM Claim</b>				

2006	OEB Guide	OEB Guide	OPA EKC Calculator	indeco
2007	OEB Guide	OEB Guide	OPA EKC Calculator	Indeco
2008	OPA Measures		OPA Measures	indeco

- b) Provide a complete list by measure **by year** of the input assumptions used to prepare the residential and Social Housing kWh and kW load impacts in Exhibit 8, Tab 6, Schedule 1, Indeco Report, page 11, Table 5 and associated LRAM and SSM claims. In particular provide the detailed input assumptions for all mass market measures including CFLs and PTs.
- kWh and kW savings
  - Free ridership
  - Cost of measure
  - Measure life
  - Source(s)/authority(ies) for assumption(s).

### **Question #35**

**Reference:** Exhibit 8/Tab 6/Schedule 1, Indeco Report, page 11, Table 5 and Appendix Tables 9, 10 , 11 , 12 and 13

- a) Confirm/correct/complete the following Input Assumptions and kWh savings Comparison Table (based on Exhibit 8 Tab 6 Schedule 1 Appendix Tables 9, 10, 11, 12 and 13) in the format below for Residential Mass Market measures and Social Housing measures. Include any missing programs related to CFLs, PTs and Seasonal Lights:

Program	Efficient Measure	Participants /units As filed	As Filed unit kw savings assumption kwh	Free Ridership	Net Kwh Per as Filed LRAM Claim	OPA 2007 EKC Calc or 2008 OPA Measures List kwh	Free Ridership	Adjusted Net kwh Per OPA 2008 Measures List
<b>2005</b>								
Third Tranche	CFLs 13/15w		104	10%		43	30%	
	SLEDs		40	10%		43	30%	
	PTs		159	10%		55	30%	
<b>Total 2005</b>								
<b>2006</b>								
Third Tranche	CFLs 13/15w		104	10%		43	30%	
EKC Spring	E Star CFI 15w		104	10%		43	30%	
	PTs		216	10%		159	10%	
EKC Fall	E Star CFI 15w		104	10%		43	30%	
	PTs		216	10%		55	54%	

<b>EKC Fall</b>	SLED Xmas Lights		45	5%		43	30%	
<b>OTHER e.g. Posr 3<sup>rd</sup> Tranche</b>	CFLs							
<b>TOTAL 2006 kwh</b>								
<b>2007</b>								
<b>Residential</b>								
<b>Third Tranche</b>	13/15 watt CFL		104	10%		43	30%	
<b>EKC 2007</b>	E Star CFI 15w		43	30%		43	30%	
	E Star CFL 20w+		62	22%		43	30%	
	Porch light CFL		43	24%		43	24%	
<b>Cool Savings</b>	PTs		55	54%		55	64%	
<b>OTHER e.g. Post 3<sup>rd</sup> Tranche</b>	CFLs							
<b>Social Housing</b>								
	7/9W CFL		34					
	13/14W CFL		50			43		
	23W CFL		84					
	40W CFL		120					
<b>Other</b>								
<b>Total 2007 kwh</b>								
<b>2008</b>								
<b>Third Tranche</b>	CFIs 13/15w		106.7	10%		43	30%	
<b>OPA Cool Savings Rebate</b>	PTs		54	54%		54	64%	
<b>OTHER</b>	CFLs							
<b>TOTAL 2008 kwh</b>								
<b>TOTAL CUMULATIVE KWH SAVINGS</b>								

- b) Comment on the material differences between the result of using updated input assumptions (available in 2007) and reflected in the 2008 and 2009 OPA Measures List now adopted by the OEB?
- c) Provide a revised version of Exhibit 8, Tab 6, Schedule 1, Appendix A, page 11, Table 5 and using the updated kW and kWh savings based on OPA 2008/2009 Measures List input assumptions (now adopted by the OEB).
- d) Provide a revised version of Exhibit 8, Tab 6, Schedule 1, Appendix A, page 12, Table 6 using the kWh savings based on OPA 2008/2009 Measures List input assumptions now adopted by the OEB.

- e) Provide a revised version of Exhibit 8, Tab 6, Schedule 1, Appendix A, page 9, Table 4 using the kWh savings based on OPA 2008/2009 Measures List input assumptions (now adopted by the OEB) [**See also Question 36 when responding**].
- f) Provide a revised version of the schedule provided in response to VECC IR #32 part a) adjusted to reflect the OPA 2008/2009 measures and input assumptions list for CFLs and PTs provided in part a) of this IR.
- g) Adjust the as filed Carrying costs to reflect the revised LRAM amounts resulting from the answer to part c and d).
- h) Adjust the as-filed Carrying costs to reflect the revised SSM amounts resulting from the answer to part e) and Question #36, part b).

### **Question #36**

**Reference:** Exhibit 8/Tab 6/Schedule 1 – Indeco Report, pg. 9, Table 4

**Preamble:** In section 6.1 of the Board's CDM Guidelines, state that an SSM is not available for utility-side expenditures.

- a) Provide the rationale for including distribution system improvements in BHI's SSM claim.
- b) Provide a revised copy of Table 4 incorporating the revisions requested in VECC IR#35, part e) and with the distribution system improvements program removed.

### **Question #37**

**Reference:** Exhibit 8/Tab 6/Schedule 2, page 1

- a) Provide a revised Rate rider calculation using the complete set of updated OPA assumptions from the 2008/2009 Measures List for the Residential Sector and GS<50kW LRAM/SSM claims.
- b) Provide Revised Bill impacts using the complete set of updated OPA assumptions from the 2008/2009 Measures List for the Residential Sector and GS<50kW LRAM/SSM claims.
- c) Comment on propose changes to the timing/implementation of the Rate riders given the above revisions

**Question #38**

**Reference:** No Reference

- a) Provide a copy of the Residential Sector/Mass market (and If available Social Housing Sector) Report(s) that OH provided to OPA, including the detailed breakdown of measures, unit savings, participants and other assumptions.
- b) Provide any correspondence from OPA confirming its acceptance of the Report(s).