



***PUBLIC INTEREST ADVOCACY CENTRE***  
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December 14, 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-2009-0240**  
**Oshawa PUC Networks Inc. – 2010 Electricity Distribution Rate Application**

Please find enclosed the Notice of Intervention of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

**Oshawa PUC Networks Inc. (OPUCN)  
2010 Rate Application: EB-2009-0240**

**Information Requests of the  
Vulnerable Energy Consumers Coalition (VECC)**

**Smart Meter Revenue Requirement and Smart Meter Funding Adder**

**Question #1**

**References:** Appendix B - Smart Meter Funding Adder Application, Pages 2-4

**Preamble:** The Application states:

“OPUCN is in negotiations with Elster Metering with the intention of signing a contract with them for the purchase of 100% of the required smart meters. OPUCN participated in the London RFP process and Elster Metering was identified as the best vendor through that process. No contract has yet been signed;”

- a) Provide Support/details of the 2009-2011 Residential Class SM Unit costs (procurement and installation)
- b) Provide Support/details of the 2009-2011 Residential Class SM AMI, communications and back office costs\_(procurement and installation)
- c) Provide Support/details of the 2009-2011 Commercial Class SM Unit costs (procurement and installation)
- d) Provide Support/details of the 2009-2011 Commercial Class SM Unit costs (procurement and installation)

**Question #2**

**References:** Appendix B Sheet 2. Smart Meter Capital Cost and Operational Expense Data

- a) Provide a schedule that gives a breakdown of the AMCD Capital Costs shown in lines 1.1.1-1.5.6 between the Residential and GS<50kW and other classes.
- b) Provide a breakdown of the O&M costs shown at lines 2.1.1-2.5 between the Residential and GS<50kW and other classes.

### **Question #3**

**References:** Appendix B, Sheet 2 - Smart Meter Capital Cost and Operational Expense Data

- a) Based on the rate class split in capital and operating costs provided in the response to VECC IR#2 parts a, and b, provide a schedule that shows the amount to be recovered (including carrying costs) and the May 2010 to April 30, 2012 SM Adder by rate class and compare this to the aggregate \$1.28 per month per metered customer.

### **Question #4**

**Reference:** Appendix B - Smart Meter Funding Adder Application, Page 18

- a) Provide a cash flow projection showing SM rate adder revenue and SM expenditures by Month for each class for the 2009, 2010 and 2011 rate years
- b) Is OPUCN recording its Smart Meter Costs by class in the smart meter variance accounts 1555 and 1556? If not why not.

### **LRAM/SSM Claim**

### **Question #5**

**Reference:** Managers Summary, Page 4 and Appendix C

**Preamble:** The Managers Summary states:

“In preparing this application, OPUCN has relied on direction from the Board contained in

- March 28, 2008 Guidelines for Electricity Distributor Conservation and Demand Management;”

- a) Does OPUCN agree that the OEB TRC 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 claim was prepared?
- b) Does OPUCN agree that in the case estimation of 2005 -2008 KWh savings, as per the Board’s direction of January 29, 2009, 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.

- c) Indicate why OPUCN did not conduct an independent third party review of 2008 lost revenue associated with 2005 -2008 Third Tranche and OPA Programs?
- d) Explain why OPUCN used the OEB March 28 2008 Guidelines rather than as per the Board's direction of January 29,2009 to use the latest OPA input assumptions for residential mass market measures and Affordable/Social housing ( notably CFLs, SLEDs 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)
- e) Confirm that the LRAM claim for 2005, 2006, 2007 and 2008 related to third tranche programs is based on using the OEB TRC Guide values for CFLs, SLEDs and PTs, rather than the OPA 2007 EKC Calculator and/or OPA 2008/2009 Measures values.

**Question #6**

**Reference:** Appendix C, Table 3: Forgone Revenue by Class

**Preamble:** This table shows the claimed 2008 kwh savings from 2005-2008 by sector and program and shows cumulative savings and LRAM of 6,274,699 kWh gross; 5,463,236 kWh net and LRAM of \$ 53,839.66

- a) In the Column Titled "Total Energy Savings (kWh) before FR" confirm that the unit values for Residential mass market measures are taken from the OEB TRC Guide or if not, provide the sources of the assumptions e.g. OPA 2007 EKC Program Calculator or OPA 2008/2009 Measures and Assumptions
- b) For the Residential and Commercial CDM Programs provide a Revised Table 3 that replaces the values in the column "Total Energy Savings (kWh) before FR" and uses the appropriate 2008/2009 OPA Measures List input assumptions including unit kwh savings and free ridership and then calculates the revised net kWh and LRAM for each program.

**Question #7**

**Reference:** Appendix C, Table 2: CDM Load Impacts by Program and Class

- a) Provide a revised version of Table 2 using the revised load impacts from the revised Table 3 as requested in VECC IR #1b) for the Residential and GS<50 kw Sectors

### **Question #8**

**Reference:** Appendix C, Table Page 1 and Table Page 11

- a) Provide a revised version of the Table on Page 11 of Appendix C that shows **Sum of Net kWh or kW Saved (After FR) and Sum of Lost Revenue 2008.**
- b) Provide a revised version of the Table on Page 1 of 11 titled "LRAM and SSM Total Amounts and Rate Riders by Class" that shows the derivation of the Residential and GS<50kw Rate riders based on the kWh savings summarized in the Tables on Page 11 and with revised carrying costs

### **Unclaimed Revenue Adjustment**

#### **Question #9**

**Reference:**

- i) Manager's Summary, pages 6-9
- ii) Ontario Energy Board, EB-2008-0225, Amended Rate Order, October 28, 2009

- a) Given that the Board has amended Oshawa's Rate Order for 2009 (Reference (ii)) to correct for the calculation error and made provision, in the Amended Order the lost revenue up to November 1, 2009 is there still a need for the requested "Unclaimed 2009 Revenue Adjustment"? If yes, please explain why.