

VECC INTERROGATORY #3

INTERROGATORY

References: Exhibit SSMWG Evidence Attachment Case 1A and Case 2A

- (a) Provide a copy of the Revenue requirement Spreadsheet in Excel format
- (b) Provide a copy of the Workpaper assumptions for New and Converted costs
- (c) Provide more details of the rate revenue calculations at lines 23-26, including the references to THESL's proposed 2010 rate schedules
- (d) What is the basis of the assumption of 450 kwh/month in the context of Condominiums?
- (e) Provide revenue calculations for consumptions of 250 and 750 kwh/month
- (f) Explain the peak demand assumption of 2 kw
- (g) Explain the basis of no change in revenue at lines 23/24.

RESPONSE

- (a) The pre-filed evidence sets out all of the Workpaper assumptions, evidentiary references and sources. If VECC has additional assumptions beyond those set out in sub-paragraph (e) below and would like further spreadsheets, please advise.
- (b) Please see the pre-filed evidence "Workpaper Assumptions" under the heading "Unit Costs – New versus Bulk" (i.e. converted).
- (c) Please see the Workpaper assumptions included in the pre-filed evidence.
- (d) Please see BOMA Interrogatory #5, Exhibit R1, Tab 3, Schedule 5.
- (e) While there may be unique situations of a unit using as little as 250 kwh and as much as 750 kwh/month, to undertake revenue calculations for "all units" using either figure alone would distort the revenue projections inappropriately. It remains Mr. Hanser's view that the average 450 kwh/month remains the most reliable figure. Nonetheless Mr. Hanser has re-evaluated his analysis implementing the above load assumptions, and his conclusions remain unchanged. The following tables summarize his results:

2010 Revenue Deficiencies By Case (250 kWh Load)			
Residential Revenue Derived From		Suite Meter Unit Cost	
		High	Low
		[A]	[B]
[1]	New	(278,434)	(183,755)
[2]	Bulk	(234,004)	(172,404)

Cumulative 2007-2010 Revenue Deficiencies By Case (250 kWh Load)			
Residential Revenue Derived From		Suite Meter Unit Cost	
		High	Low
		[A]	[B]
[3]	New	(660,178)	(439,014)
[4]	Bulk	(478,625)	(355,227)

2010 Revenue Deficiencies By Case (750 kWh Load)			
Residential Revenue Derived From		Suite Meter Unit Cost	
		High	Low
		[A]	[B]
[1]	New	(58,066)	36,613
[2]	Bulk	(196,327)	(134,726)

Cumulative 2007-2010 Revenue Deficiencies By Case (750 kWh Load)			
Residential Revenue Derived From		Suite Meter Unit Cost	
		High	Low
		[A]	[B]
[3]	New	(99,001)	122,162
[4]	Bulk	(398,703)	(275,305)

- (f) This is an assumption made of average demand of a building as whole but was not used in the analysis because the rates Mr. Hanser used were all volumetric rates (e.g., in \$/kWh).

- (g) Counsel for VECC has advised that the question which VECC wishes to be answered is why has it been assumed that there is no foregone commercial revenue in scenarios 1A, 1B, 3A, and 3B. This response is to this question. There is no foregone commercial revenue because these cases assume that all the meters are from new construction.