



Oakville Hydro
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March 29, 2010

VIA MAIL AND EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge St
Toronto ON
M4P 1E4

Dear Ms Walli:

**Re: Oakville Hydro Electricity Distribution Inc.
Oakville Hydro's Responses to the Vulnerable Energy Consumers Coalition on
2010 Electricity Distribution Rate Application – EB-2009-0271**

Please find enclosed Oakville Hydro's responses to the interrogatories of the Vulnerable Energy Consumers Coalition in the above-noted proceeding.

Respectfully submitted by Mary Caputi in absence of the Manager, Regulatory Affairs.

A handwritten signature in blue ink that reads 'M. Caputi'.

Mary Caputi, C.A.
Oakville Hydro Electricity Distribution Inc.
Manager, Financial Analysis and Regulatory Accounting
Direct Line: (905) 825-6373
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IN THE MATTER OF the Ontario Energy
Board Act, 1998. S.O. 1998, c.O.15, Sch. B;

AND IN THE MATTER OF an Application
by Oakville Hydro Electric Distribution Inc.
for an Order or Oder setting just and
reasonable rates commencing May 1, 2010.

Oakville Hydro Electricity Distribution Inc.
Responses to Interrogatories

Vulnerable Energy Consumers Coalition

Filed: March 29, 2010

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1 Responses to Vulnerable Energy Consumers Coalition
Appendix VECC- 48 to 50 Indeco responses to Interrogatories 48, 49 and 50

Question #34

**Reference: Exhibit 3/Tab 2/Schedule 1, page 12
VECC #13 f)**

a) Please provide a schedule that sets out the Actual Purchases, the Predicted Purchases and the Predicted Purchases (based on Weather Normal) for the years 2002-2008.

RESPONSE:

The following table provides the actual purchases, predicted purchases and the weather normalized predicted purchases for the years 2002 through 2008.

Year	Actual Purchases (GWh)	Predicted Purchases (GWh)	Weather Normalized Purchases (GWh)
2002	1,568	1,578	1,418
2003	1,553	1,560	1,413
2004	1,580	1,558	1,454
2005	1,673	1,656	1,540
2006	1,631	1,631	1,501
2007	1,681	1,683	1,539
2008	1,634	1,637	1,512

Question #35

Reference: VECC #14 f)

- a) Please confirm that the column titled “Total Forecast Sales” represents the weather normalized total billed energy for each year – per the original question. If not, please explain what the column represents and re-do the response per the original request.**

RESPONSE:

See response to part (b) which includes a revised response to the original request.

- b) Why is the 2010 value (1,497 GWh) in the column “Total Forecast Sales” different from that in the next column (1,495 GWh)? Presumably both values are based on Oakville’s proposed forecast model and “normal weather”.**

RESPONSE:

In its response to VECC interrogatory #14 (f), Oakville Hydro used the average HDD and CDD values for each month in 2010 to predict the weather normalized sales for 2002 to 2008 instead of the actual weather HDD and CDD values. The use of the average HDD and CDD values as the “weather normal variables” altered the regression coefficients resulting in a different value for predicted purchases and total forecast sales.

Oakville Hydro has recalculated the predicted “weather normal” sales for 2002 to 2008 by using the “weather normal variables” as opposed to the actual weather HDD and CDD values. The results are shown in the following table.

Table 2
 Billed Energy and Number of Customers Per Class
 Weather Normal Sales

Year	Residential	General Service < 50 kW	General Service > 50 to 999 kW	General Service > 1000 kW	Street Lighting	Sentinel Lighting	Unmetered Loads	Total
Energy (GWh)								
2002	516	143	504	217	7	0.1	4	1,392
2003	503	143	523	236	11	0.2	4	1,419
2004	517	147	540	238	11	0.2	4	1,458
2005	537	157	556	215	10	0.1	4	1,480
2006	543	170	568	205	11	0.1	4	1,501
2007	557	171	577	203	11	0.1	4	1,522
2008	565	178	598	172	11	0.1	4	1,528
2009 (B)	545	175	592	164	12	0.1	4	1,492
2010 (T)	543	178	599	157	13	0.1	4	1,495
Number of Customers/Connections								
2002	44,243	4,010	756	17	13,948	271	615	63,860
2003	46,192	4,249	756	17	14,431	248	629	66,522
2004	48,272	4,395	758	17	14,828	244	642	69,156
2005	49,953	4,539	760	17	15,261	243	658	71,431
2006	51,485	4,614	774	17	15,571	241	661	73,363
2007	52,971	4,701	781	17	15,890	240	669	75,269
2008	54,636	4,809	813	17	16,025	237	675	77,211
2009 (B)	56,591	4,957	823	17	16,400	232	685	79,704
2010 (T)	58,617	5,109	833	17	16,783	227	696	82,281

Question #36

Reference: VECC #15 e)

- a) The response states the economic recession will continue in 2010. However, the referenced Appendix in Board Staff #10 indicates the economy will grow in 2010. Please reconcile and revise the response to VECC #15 e) as required.**

RESPONSE:

Oakville Hydro is forecasting an increase in the annual kWh Usage per Customer in the General Service 50 kW to 999 kW class in the 2010 Test Year as shown in Exhibit 3, Tab 2, Schedule 1, Table 11. As shown in Exhibit 3, Tab 2, Schedule 1, Table 10, the average annual kWh usage for the General Service Greater than 1,000 kW class has shown a decline each year since 2005. Therefore, Oakville Hydro believes that it is reasonable to expect this trend to continue.

Question #37

Reference: VECC #15 i) and j)

- a) With respect to VECC #15 i), please update the Table 11 to reflect Oakville's new load forecast for 2010 per VECC #13 f).**

RESPONSE:

Please see Oakville Hydro's response to Board Staff interrogatory #10 in which Oakville Hydro has updated its evidence in Exhibit 3 / Tab 2 / Schedule 1 to reflect the updated 2009 and 2010 Ontario Real GDP as requested in Oakville Hydro's response to VECC interrogatory #13 (f).

- b) Please confirm whether the normalized average use values provided in response to VECC #15 j) are billed or wholesale purchased values.**

RESPONSE:

The values provided in response to VECC #15 It is Oakville Hydro's are wholesale purchased values.

Question #38

Reference: VECC #16 b)

- a) Please explain why the actual value for 2008 (1,597 GWh) is less than the value reported in the original Application (1,634 GWh per Exhibit 3/Tab 2/Schedule 1, page 20).**

RESPONSE:

In its response to VECC interrogatory #16 (b), Oakville Hydro subtracted the 2003 to 2007 average monthly consumption for customers B, C and D from the monthly purchases for the period January 2008 to May 2009.

Oakville Hydro has updated its response in part (d) by subtracting the actual/forecast kWh consumption (not uplifted by loss factor) for customers B, C and D from the monthly purchases for the period January 2008 to May 2009 and adding the average monthly purchases for the period 2003 to 2007.

The actual/forecast amounts for January 2008 to May 2009 and the average consumption for the period 2003 to 2007 are provided in the table below:

kWh Consumption- Not uplifted by loss factor					
Customer					
		B	C	D	Total
2008					
	January	1,329,905	904,444	279,363	2,513,712
	February	1,391,780	1,296,619	200,949	2,889,348
	March	1,175,325	879,896	135,729	2,190,949
	April	1,241,270	89,512	0	1,330,783
	May	1,218,065	94,030	0	1,312,096
	June	1,040,081	79,292	0	1,119,373
	July	155,820	43,991	0	199,811
	August	146,776	43,991	0	190,766
	September	106,765	43,991	0	150,755
	October	89,994	43,991	0	133,985
	November	112,434	43,991	0	156,425
	December	137,460	43,991	0	181,451
2009					
	January	158,275	60,180	0	218,455
	February	158,275	158,275	0	316,550
	March	158,275	218,455	0	376,730
	April	158,275	0	0	158,275
	May	158,275	0	0	158,275
	Average 2003 to 2007	1,354,019	1,410,873	293,050	3,057,942

b) Please provide a schedule that sets out the revised purchased kWh values for 2008 and 2009 (up to May 2009) as used in preparing the response to 26 b).

RESPONSE:

The following response assumes that the question is referring to Oakville Hydro's response to interrogatory #16 (b). As stated in part (a) Oakville Hydro subtracted the 2003 to 2007 average monthly consumption for customers B, C and D from the monthly purchases for the period January 2008 to May 2009. The revised purchased kWh for January 2008 to May 2009 as per the scenario set out in VECC interrogatory 16 (b) should have been as shown in the table below.

Revised Purchases
 VECC Interrogatory # 16 (b)

Date	Actual Purchases	Actual / Forecast Cust B,C & D	Average 2003 to 2007 Cust B, C & D	Revised Purchases
Jan-08	146,406,324	2,513,712	3,057,942	146,950,554
Feb-08	136,352,103	2,889,348	3,057,942	136,520,697
Mar-08	135,769,488	2,190,949	3,057,942	136,636,480
Apr-08	122,783,741	1,330,783	3,057,942	124,510,900
May-08	125,660,556	1,312,096	3,057,942	127,406,402
Jun-08	142,000,565	1,119,373	3,057,942	143,939,134
Jul-08	156,977,382	199,811	3,057,942	159,835,513
Aug-08	144,521,407	190,766	3,057,942	147,388,582
Sep-08	134,768,055	150,755	3,057,942	137,675,241
Oct-08	125,983,762	133,985	3,057,942	128,907,720
Nov-08	124,915,757	156,425	3,057,942	127,817,274
Dec-08	137,846,338	181,451	3,057,942	140,722,829
Jan-09	141,937,859	218,455	3,057,942	144,777,346
Feb-09	122,272,572	316,550	3,057,942	125,013,963
Mar-09	124,011,771	376,730	3,057,942	126,692,982
Apr-09	115,478,996	158,275	3,057,942	118,378,662
May-09	116,062,170	158,275	3,057,942	118,961,836

c) The question requested that the 2008 values be adjusted (increased) to reflect the historical use of customers B, C and D and, as result, the “actual reported value” as used in the estimation of the regression equation should be higher. Please reconcile.

RESPONSE:

See Oakville Hydro’s response to part (a).

d) Based on the response to part (c), please re-do VECC #16 b) if required.

RESPONSE:

The regression model has been adjusted to reflect the average kWh for Customer B, C, and D. For customer B and C averages are based on the years 2003 to 2007 and for customer D the average is based on 2004 to 2007. The results of the regression model are provided below.

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.96
R Square	0.92
Adjusted R Square	0.91
Standard Error	4,218,795.23
Observations	137.00

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	9	2.4346E+16	2.70511E+15	151.9876205	1.47211E-63
Residual	127	2.26038E+15	1.77982E+13		
Total	136	2.66064E+16			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	(102,203,526.32)	15,181,500.00	(6.73)	0.00	(132,244,974.68)	(72,162,077.95)	(132,244,974.68)	(72,162,077.95)
Heating Degree Days	25,367.01	2,561.42	9.90	0.00	20,298.42	30,435.59	20,298.42	30,435.59
Cooling Degree Days	230,107.22	15,004.42	15.34	0.00	200,416.19	259,798.25	200,416.19	259,798.25
Ontario Real GDP Monthly %	584,158.77	151,538.53	3.85	0.00	284,291.37	884,026.17	284,291.37	884,026.17
Number of Days in Month	3,401,963.88	469,908.98	7.24	0.00	2,472,098.82	4,331,828.94	2,472,098.82	4,331,828.94
Spring Fall Flag	(4,696,229.05)	1,051,476.29	(4.47)	0.00	(6,776,910.85)	(2,615,547.25)	(6,776,910.85)	(2,615,547.25)
Population	110.65	137.12	0.81	0.42	(160.68)	381.98	(160.68)	381.98
Number of Peak Hours	53,699.40	23,960.20	2.24	0.03	6,286.48	101,112.32	6,286.48	101,112.32
Blackout Flag	(7,163,143.62)	4,334,099.77	(1.65)	0.10	(15,739,544.79)	1,413,257.55	(15,739,544.79)	1,413,257.55
Large User	1.22	0.26	4.79	0.00	0.72	1.73	0.72	1.73

**Revised Table 4
 VECC Interrogatory # 16 (b)**

Year	Actual	Predicted	% Difference
1998	1,380	1,360	-1.5%
1999	1,401	1,424	1.6%
2000	1,470	1,466	-0.3%
2001	1,502	1,506	0.3%
2002	1,568	1,575	0.5%
2003	1,553	1,560	0.4%
2004	1,580	1,561	-1.2%
2005	1,673	1,659	-0.9%
2006	1,631	1,638	0.4%
2007	1,681	1,691	0.6%
2008	1,658	1,650	-0.5%
2009 (7 months - WN)	0	1,580	
2010 (WN)	0	1,585	

Question #39

Reference: VECC #16 c)

- a) Please confirm that the geometric mean calculation effectively only considers the average use values for 2002 and 2008. If not, explain how the calculation works. If yes, please reconcile this fact with response to VECC #16 c) which states that the value will not capture 2008 load losses.**

RESPONSE:

The geometric mean measures the average rate of change (growth or decline) in a quantity. In Oakville Hydro's opinion, since the load forecast model uses the geometric mean to determine the share of total sales, reliance on the geometric mean to reflect the trend that the analysis cannot accurately reflect the sudden change resulting from these losses.

Question #40

Reference: Exhibit 3/Tab 2/Schedule 1, Tables 2-4

a) Please provide the actual wholesale purchases for 2009.

RESPONSE:

The actual wholesale purchases for 2009 were 1,531 GWh.

b) Please provide the actual billed energy and customer count by customer class for 2009 and provide the actual average use per customer in 2009.

RESPONSE:

Oakville Hydro's 2009 actual billed energy and customer count by customer class are provided in the following table:

2009 Actuals - Billed Energy & Number of Customers / Connections

Customer Class	Billed Energy - Non-uplifted (kWh)	Number of Customers/ Connections	Average kWh per Customer/ Connection
Residential	555,127,459	56,074	9,900
General Service < 50 kW	170,241,898	4,868	34,975
General Service > 50 to 999 kW	584,050,240	843	693,235
General Service > 1000 kW	147,437,802	18	8,345,536
Street Lighting	11,085,581	16,183	685
Sentinel Lighting	133,918	197	679
Unmetered Loads	3,936,855	678	5,807
Total	1,472,013,753	78,860	18,666

c) Based on Oakville Hydro's proposed load forecast equation and actual weather (HDD and CDD) for 2009 will the weather normalized load for 2009 be higher or lower than actual?

RESPONSE:

Based on Oakville Hydro's proposed load forecast equation and actual weather (HDD and CDD) for 2009 the weather normalized load for 2009 would be 1,427,194,106. The weather normalized load for 2009 will be higher than actual by 2.1% "

Question #41

**Reference: Board Staff #11 and #12
Exhibit 3/Tab 2/Schedule 1, page 42**

- a) Please provide updates regarding the status of potential replacement customers for Customers B and C and outlook for Customer E.**

RESPONSE:

Customer B- There has been no replacement to this customer to date

Customer C- As of March 10, 2010 the space will be occupied as a warehouse facility only.

Customer E- Based on an update by the customer they are not aware of any change in timing of closing this facility. In 2009, the customer's kWh was 15,679,580 (an average monthly consumption of 1,306,632 kWh) which is a 24.6% decrease in consumption from 2008.

Question #42

**Reference: VECC #18 b) and VECC #21 b)
Exhibit 7/Tab 1/Schedule 2, Table 5**

a) The original VECC #18 b) question requested a schedule showing the amount of received by each customer class. The original intent was to obtain the estimated amount of transformer discount that each eligible customer class would receive. Please confirm that for the 2007 EDR the transformer discounts were as follows:

- **GS >50 – 999 kW: \$125,780.25**
- **GS 1,000-4,999 kW \$294,012.60**

If not, please provide the correct values.

RESPONSE:

The amount of the transformer allowance for the year 2004 in *Tab 6-3 (Trfmr Allowance Input)* of Oakville Hydro's 2006 EDR was as follows:

Greater than 50kW (to 1000kW): \$125,780.25
Greater than 1000kW (to 5000kW): \$294,012.60

However, in the 2006 EDR the transformer allowance was allocated to all classes in *Tab 7-1 (ALLOCATION – Base Revenue Requirement)* in the amounts provided in response to VECC interrogatory #18 (b). Since the transformer amount was allocated to each customer class in the cost allocation study according to the 2006 EDR allocation to all customer classes and not the actual classes that received the transformer allowance, Oakville Hydro removed the amount allocated from each class.

b) Please revise Table 3 to reflect the revenue to cost ratios that result when the revenues by customer class are adjusted using the revenue adjustments from part (a) as opposed to those used in the initial response.

RESPONSE:

If Oakville Hydro was to adjust the revenues by customer class based on the 2004 transformer allowance data input in the 2006 EDR rather than the allocation in the 2006 EDR and in the 2007 cost allocation study, the revenue to cost ratios would be as provided in the following table.

Table 3
Revenue to Cost Ratios from Oakville Hydro's
Corrected Cost Allocation Information Filing – Load Correction & Transformer
Allowance Correction Based on 2004 Input to the 2006 EDR

Rate Classification	Revenue (A)	Allocated Cost (B)	Revenue to Cost Ratio (A)/(B)
Residential	\$17,641,700	\$15,704,306	112.34%
General Service <50 kW	\$4,069,378	\$3,395,010	119.86%
General Service 50 to 999 kW	\$4,754,994	\$6,509,952	73.04%
General Service 1,000 to 4,999 kW	\$1,215,033	\$1,094,987	110.96%
Large Use	\$806,748	\$394,598	204.45%
Street Light	\$200,594	\$1,631,943	12.29%
Sentinel	\$2,340	\$25,756	9.08%
Unmetered Scattered Load	\$252,427	\$186,663	135.23%
Total	\$28,943,214	\$28,943,214	100.00%

Question #43

Reference: VECC#19 a) and #20

a) Please provide an updated response to VECC #19 a) based on the February 2010 Application.

RESPONSE:

Sheet O2 including miscellaneous revenues is provided in the following pages.



2010 TEST YEAR COST ALLOCATION INFORMATION FILING

Oakville Hydro Inc.

EB-2009-0271 EB-2009-0271

August 28, 2009

Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet - Second Run

Output sheet showing minimum and maximum level for
 Monthly Fixed Charge

Summary

Customer Unit Cost per month - Avoided Cost
 Customer Unit Cost per month - Directly Related
 Customer Unit Cost per month - Minimum System
 with PLCC Adjustment
 Fixed Charge per approved 2009 IRM

	1	2	3	5	6	7	8	9
	Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Large User	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
Customer Unit Cost per month - Avoided Cost	\$2.91	\$7.13	\$45.33	-\$72.30	\$0.00	\$0.19	\$0.20	\$2.48
Customer Unit Cost per month - Directly Related	\$4.03	\$10.67	\$69.93	-\$34.23	\$0.00	\$0.42	\$0.42	\$4.18
Customer Unit Cost per month - Minimum System with PLCC Adjustment	\$11.54	\$20.27	\$96.87	\$596.51	\$0.00	\$10.50	\$18.25	\$10.21
Fixed Charge per approved 2009 IRM	\$14.72	\$31.09	\$199.71	\$3,160.88	\$0.00	\$0.31	\$0.04	\$15.05

**Information to be Used to Allocate PILs, ROD,
 ROE and A&G**

	1	2	3	5	6	7	8	9	
Total	Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Large User	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	
General Plant - Gross Assets	\$32,193,954	\$16,289,301	\$4,078,185	\$8,923,345	\$695,113	\$0	\$2,079,642	\$28,084	\$100,284
General Plant - Accumulated Depreciation	(\$19,624,480)	(\$9,929,475)	(\$2,485,941)	(\$5,439,407)	(\$423,720)	\$0	(\$1,267,688)	(\$17,119)	(\$61,130)
General Plant - Net Fixed Assets	\$12,569,474	\$6,359,826	\$1,592,244	\$3,483,938	\$271,393	\$0	\$811,954	\$10,965	\$39,154
General Plant - Depreciation	\$2,031,061	\$1,027,664	\$257,286	\$562,958	\$43,853	\$0	\$131,201	\$1,772	\$6,327
Total Net Fixed Assets Excluding General Plant	\$100,902,216	\$50,582,738	\$12,827,174	\$28,592,099	\$2,342,086	\$0	\$6,173,013	\$83,361	\$301,744
Total Administration and General Expense	\$5,208,163	\$2,677,835	\$710,728	\$1,335,170	\$161,852	\$0	\$280,919	\$11,748	\$29,910
Total O&M	\$8,116,699	\$4,178,980	\$1,112,341	\$2,068,321	\$256,382	\$0	\$433,702	\$19,012	\$47,962

Scenario 1

Accounts included in Avoided Costs Plus General Administration Allocation

USoA Account #	Accounts	Total	1	2	3	5	6	7	8	9
			Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Large User	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
<u>Distribution Plant</u>										
1860	Meters	\$12,294,854	\$6,560,475	\$2,122,622	\$3,537,769	\$73,989	\$0	\$0	\$0	\$0
<u>Accumulated Amortization</u>										
	Accum. Amortization of Electric Utility Plant - Meters only	(\$6,556,849)	(\$3,498,703)	(\$1,131,995)	(\$1,886,693)	(\$39,458)	\$0	\$0	\$0	\$0
	Meter Net Fixed Assets	\$5,738,005	\$3,061,772	\$990,627	\$1,651,076	\$34,531	\$0	\$0	\$0	\$0
<u>Misc Revenue</u>										
4082	Retail Services Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4084	Service Transaction Requests (STR) Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4090	Electric Services Incidental to Energy Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4220	Other Electric Revenues	(\$511,570)	(\$256,452)	(\$65,033)	(\$144,961)	(\$11,874)	\$0	(\$31,297)	(\$423)	(\$1,530)
4225	Late Payment Charges	(\$256,834)	(\$118,337)	(\$57,440)	(\$59,392)	(\$21,025)	\$0	(\$77)	(\$3)	(\$560)
1	Sub-total	(\$768,404)	(\$374,789)	(\$122,473)	(\$204,352)	(\$32,899)	\$0	(\$31,374)	(\$426)	(\$2,090)
<u>Operation</u>										
5065	Meter Expense	\$279,859	\$149,332	\$48,316	\$80,528	\$1,684	\$0	\$0	\$0	\$0
5070	Customer Premises - Operation Labour	\$101,435	\$72,262	\$6,298	\$1,027	\$21	\$0	\$20,690	\$279	\$858
5075	Customer Premises - Materials and Expenses	\$241,087	\$171,749	\$14,969	\$2,441	\$50	\$0	\$49,176	\$664	\$2,039
	Sub-total	\$622,381	\$393,342	\$69,583	\$83,996	\$1,755	\$0	\$69,866	\$943	\$2,896
<u>Maintenance</u>										
5175	Maintenance of Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>Billing and Collection</u>										
5310	Meter Reading Expense	\$548,439	\$287,993	\$99,934	\$153,140	\$7,371	\$0	\$0	\$0	\$0
5315	Customer Billing	\$685,273	\$454,486	\$138,407	\$67,042	\$1,657	\$0	\$42	\$36	\$23,604
5320	Collecting	\$183,760	\$121,873	\$37,115	\$17,978	\$444	\$0	\$11	\$10	\$6,330
5325	Collecting- Cash Over and Short	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5330	Collection Charges	(\$291,870)	(\$193,573)	(\$58,950)	(\$28,554)	(\$706)	\$0	(\$18)	(\$15)	(\$10,053)
	Sub-total	\$1,125,602	\$670,778	\$216,506	\$209,605	\$8,767	\$0	\$35	\$30	\$19,880
	Total Operation, Maintenance and Billing	\$1,747,983	\$1,064,120	\$286,088	\$293,601	\$10,522	\$0	\$69,901	\$974	\$22,777
	Amortization Expense - Meters	\$547,936	\$292,376	\$94,597	\$157,665	\$3,297	\$0	\$0	\$0	\$0
	Allocated PILS	\$126,778	\$67,560	\$21,890	\$36,558	\$769	\$0	\$0	\$0	\$0
	Allocated Debt Return	\$291,054	\$155,104	\$50,255	\$83,930	\$1,765	\$0	\$0	\$0	\$0
	Allocated Equity Return	\$262,733	\$140,012	\$45,365	\$75,763	\$1,593	\$0	\$0	\$0	\$0
	Total	\$2,208,080	\$1,344,383	\$375,723	\$443,166	(\$14,953)	\$0	\$38,527	\$548	\$20,686

Scenario 3

Minimum System Customer Costs Adjusted for PLCC - High Limit Fixed Customer Charge

USoA Account #	Accounts	Total	1	2	3	5	6	7	8	9
			Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Large User	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
Distribution Plant										
1565	Conservation and Demand Management Expenditures and Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1830	Poles, Towers and Fixtures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1830-3	Poles, Towers and Fixtures - Subtransmission Bulk Delivery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1830-4	Poles, Towers and Fixtures - Primary	\$5,374,822	\$3,828,990	\$333,721	\$54,418	\$1,110	\$0	\$1,096,329	\$14,805	\$45,450
1830-5	Poles, Towers and Fixtures - Secondary	\$109,690	\$78,230	\$6,818	\$1,012	\$0	\$0	\$22,399	\$302	\$929
1835	Overhead Conductors and Devices	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1835-3	Overhead Conductors and Devices - Subtransmission Bulk Delivery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1835-4	Overhead Conductors and Devices - Primary	\$4,993,731	\$3,557,503	\$310,059	\$50,559	\$1,032	\$0	\$1,018,596	\$13,755	\$42,227
1835-5	Overhead Conductors and Devices - Secondary	\$554,859	\$395,721	\$34,490	\$5,118	\$0	\$0	\$113,304	\$1,530	\$4,697
1840	Underground Conduit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1840-3	Underground Conduit - Bulk Delivery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1840-4	Underground Conduit - Primary	\$4,092,162	\$2,915,231	\$254,081	\$41,431	\$845	\$0	\$834,699	\$11,272	\$34,604
1840-5	Underground Conduit - Secondary	\$2,728,108	\$1,945,663	\$169,577	\$25,162	\$0	\$0	\$557,089	\$7,523	\$23,095
1845	Underground Conductors and Devices	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1845-3	Underground Conductors and Devices - Bulk Delivery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1845-4	Underground Conductors and Devices - Primary	\$11,536,804	\$8,218,747	\$716,316	\$116,805	\$2,384	\$0	\$2,353,219	\$31,778	\$97,556
1845-5	Underground Conductors and Devices - Secondary	\$7,691,203	\$5,485,298	\$478,078	\$70,939	\$0	\$0	\$1,570,569	\$21,209	\$65,110
1850	Line Transformers	\$14,817,456	\$10,565,622	\$920,860	\$139,524	\$0	\$0	\$3,025,184	\$40,852	\$125,413
1855	Services	\$9,244,264	\$5,757,163	\$1,003,546	\$744,548	\$0	\$0	\$1,648,410	\$22,260	\$68,337
1860	Meters	\$12,294,854	\$6,560,475	\$2,122,622	\$3,537,769	\$73,989	\$0	\$0	\$0	\$0
Sub-total		\$73,437,954	\$49,308,641	\$6,350,167	\$4,787,286	\$79,360	\$0	\$12,239,797	\$165,287	\$507,416
Accumulated Amortization										
Accum. Amortization of Electric Utility Plant -Line Transformers, Services and Meters										
		(\$36,866,844)	(\$24,687,280)	(\$3,229,156)	(\$2,508,114)	(\$42,078)	\$0	(\$6,066,784)	(\$81,926)	(\$251,506)
	Customer Related Net Fixed Assets	\$36,571,110	\$24,621,361	\$3,121,010	\$2,279,172	\$37,282	\$0	\$6,173,013	\$83,361	\$255,910
	Allocated General Plant Net Fixed Assets	\$4,621,246	\$3,095,672	\$387,413	\$277,716	\$4,320	\$0	\$811,954	\$10,965	\$33,206
	Customer Related NFA Including General Plant	\$41,192,357	\$27,717,033	\$3,508,423	\$2,556,889	\$41,603	\$0	\$6,984,967	\$94,325	\$289,117
Misc Revenue										
4082	Retail Services Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4084	Service Transaction Requests (STR) Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4090	Electric Services Incidental to Energy Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4220	Other Electric Revenues	(\$511,570)	(\$256,452)	(\$65,033)	(\$144,961)	(\$11,874)	\$0	(\$31,297)	(\$423)	(\$1,530)
4225	Late Payment Charges	(\$256,834)	(\$118,337)	(\$57,440)	(\$59,392)	(\$21,025)	\$0	(\$77)	(\$3)	(\$560)
4235	Miscellaneous Service Revenues	(\$530,585)	(\$351,894)	(\$107,164)	(\$51,908)	(\$1,283)	\$0	(\$32)	(\$28)	(\$18,276)
1	Sub-total	(\$1,298,989)	(\$726,683)	(\$229,637)	(\$256,261)	(\$34,182)	\$0	(\$31,407)	(\$454)	(\$20,366)

Operating and Maintenance										
5005	Operation Supervision and Engineering	\$260,160	\$181,891	\$17,988	\$5,317	\$23	\$0	\$52,080	\$703	\$2,159
5010	Load Dispatching	\$194,763	\$136,168	\$13,466	\$3,980	\$17	\$0	\$38,988	\$526	\$1,616
5020	Overhead Distribution Lines and Feeders - Operation Labour	\$55,388	\$39,461	\$3,439	\$558	\$11	\$0	\$11,298	\$153	\$468
5025	Overhead Distribution Lines & Feeders - Operation Supplies and Expenses	\$16,859	\$12,011	\$1,047	\$170	\$3	\$0	\$3,439	\$46	\$143
5035	Overhead Distribution Transformers- Operation	\$67	\$48	\$4	\$1	\$0	\$0	\$14	\$0	\$1
5040	Underground Distribution Lines and Feeders - Operation Labour	\$214,605	\$152,952	\$13,331	\$2,095	\$27	\$0	\$43,794	\$591	\$1,816
5045	Underground Distribution Lines & Feeders - Operation Supplies & Expenses	\$18,676	\$13,311	\$1,160	\$182	\$2	\$0	\$3,811	\$51	\$158
5055	Underground Distribution Transformers - Operation	\$6,738	\$4,804	\$419	\$63	\$0	\$0	\$1,376	\$19	\$57
5065	Meter Expense	\$279,859	\$149,332	\$48,316	\$80,528	\$1,684	\$0	\$0	\$0	\$0
5070	Customer Premises - Operation Labour	\$101,435	\$72,262	\$6,298	\$1,027	\$21	\$0	\$20,690	\$279	\$858
5075	Customer Premises - Materials and Expenses	\$241,087	\$171,749	\$14,969	\$2,441	\$50	\$0	\$49,176	\$664	\$2,039
5085	Miscellaneous Distribution Expense	\$236,872	\$165,609	\$16,378	\$4,841	\$21	\$0	\$47,418	\$640	\$1,966
5090	Underground Distribution Lines and Feeders - Rental Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5095	Overhead Distribution Lines and Feeders - Rental Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5096	Other Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5105	Maintenance Supervision and Engineering	\$7,712	\$5,392	\$533	\$158	\$1	\$0	\$1,544	\$21	\$64
5120	Maintenance of Poles, Towers and Fixtures	\$49,584	\$35,324	\$3,079	\$501	\$10	\$0	\$10,114	\$137	\$419
5125	Maintenance of Overhead Conductors and Devices	\$102,969	\$73,363	\$6,394	\$1,033	\$19	\$0	\$21,005	\$284	\$871
5130	Maintenance of Overhead Services	\$103,416	\$64,406	\$11,227	\$8,329	\$0	\$0	\$18,441	\$249	\$764
5135	Overhead Distribution Lines and Feeders - Right of Way	\$89,610	\$63,842	\$5,564	\$902	\$17	\$0	\$18,279	\$247	\$758
5145	Maintenance of Underground Conduit	\$32,979	\$23,505	\$2,049	\$322	\$4	\$0	\$6,730	\$91	\$279
5150	Maintenance of Underground Conductors and Devices	\$64,053	\$45,651	\$3,979	\$625	\$8	\$0	\$13,071	\$177	\$542
5155	Maintenance of Underground Services	\$289,789	\$180,476	\$31,459	\$23,340	\$0	\$0	\$51,674	\$698	\$2,142
5160	Maintenance of Line Transformers	\$101,449	\$72,339	\$6,305	\$955	\$0	\$0	\$20,712	\$280	\$859
5175	Maintenance of Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub-total		\$2,468,070	\$1,663,892	\$207,403	\$137,369	\$1,918	\$0	\$433,654	\$5,856	\$17,978
Billing and Collection										
5305	Supervision	\$202,959	\$134,606	\$40,992	\$19,856	\$491	\$0	\$12	\$11	\$6,991
5310	Meter Reading Expense	\$548,439	\$287,993	\$99,934	\$153,140	\$7,371	\$0	\$0	\$0	\$0
5315	Customer Billing	\$685,273	\$454,486	\$138,407	\$67,042	\$1,657	\$0	\$42	\$36	\$23,604
5320	Collecting	\$183,760	\$121,873	\$37,115	\$17,978	\$444	\$0	\$11	\$10	\$6,330
5325	Collecting- Cash Over and Short	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5330	Collection Charges	(\$291,870)	(\$193,573)	(\$58,950)	(\$28,554)	(\$706)	\$0	(\$18)	(\$15)	(\$10,053)
5335	Bad Debt Expense	\$276,587	\$83,356	\$44,167	\$57,178	\$78,772	\$0	\$0	\$13,114	\$0
5340	Miscellaneous Customer Accounts Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub-total		\$1,605,147	\$888,739	\$301,665	\$286,639	\$88,030	\$0	\$48	\$13,155	\$26,871
Sub Total Operating, Maintenance and Billing		\$4,073,217	\$2,552,632	\$509,068	\$424,008	\$89,948	\$0	\$433,702	\$19,012	\$44,849

Amortization Expense - Customer Related	\$2,909,322	\$1,960,891	\$248,794	\$192,114	\$3,531	\$0	\$477,735	\$6,451	\$19,805
Amortization Expense - General Plant assigned to Meters	\$746,732	\$500,220	\$62,601	\$44,875	\$698	\$0	\$131,201	\$1,772	\$5,366
Admin and General	\$2,612,092	\$1,635,692	\$325,268	\$273,711	\$56,783	\$0	\$280,919	\$11,748	\$27,969
Allocated PILs	\$908,432	\$611,598	\$77,526	\$56,615	\$926	\$0	\$153,339	\$2,071	\$6,357
Allocated Debt Return	\$2,085,566	\$1,404,099	\$177,984	\$129,976	\$2,126	\$0	\$352,033	\$4,754	\$14,594
Allocated Equity Return	\$1,882,628	\$1,267,472	\$160,665	\$117,328	\$1,919	\$0	\$317,778	\$4,291	\$13,174
PLCC Adjustment for Line Transformer	\$451,996	\$406,422	\$35,387	\$5,356	\$0	\$0	\$0	\$0	\$4,831
PLCC Adjustment for Primary Costs	\$1,011,457	\$908,407	\$79,094	\$12,905	\$266	\$0	\$0	\$0	\$10,785
PLCC Adjustment for Secondary Costs	\$530,075	\$476,837	\$36,580	\$5,739	\$0	\$0	\$0	\$0	\$10,918
Total	\$11,925,472	\$7,414,256	\$1,181,208	\$958,367	\$121,484	\$0	\$2,115,299	\$49,645	\$85,213

b) Please provide an updated response to VECC #20 based on the February 2010 Application.

RESPONSE:

The updated response to VECC #20 which requested the items below based on the February 18, 2010 update is provided in the following table.

VECC # 20

Please provide a schedule that for each class includes the following columns:

- 1) Allocated 2010 Revenue Requirement – per Sheet O1, line 35
- 2) Proposed Revenue to Cost Ratio
- 3) Proposed Service Revenue Allocation (1 x 2)
- 4) Allocation of Miscellaneous Revenues – per Sheet O1, line 19
- 5) Proposed Allocation of Base Distribution Revenue Requirement (3-4)

Item	Line	Total	Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Reference	
1	Allocated 2010 Rev. Req. (Sheet O1, line 35)	Revenue Requirement (includes NI)	\$37,045,297	\$18,741,066	\$4,843,102	\$10,148,418	\$967,841	\$2,146,706	\$50,099	\$148,066	CA sheet O1, line 35
2	Proposed Rev. To Cost ratio		109.28%	112.98%	85.00%	145.47%	40.19%	36.38%	120.00%		Exhibit 8, Tab 1, Schedule 1, Page 2
3	Proposed service Rev. Allocation (1X2)		\$37,045,392	\$20,481,024	\$5,471,737	\$8,626,155	\$1,407,918	\$862,654	\$18,226	\$177,679	Exhibit 8, Tab 1, Schedule 2, Page 2, Table 2
4	Allocation of Miscellaneous Rev. (sheet O1, line 19)	Miscellaneous Revenue (mi)	\$1,889,155	\$1,022,536	\$304,662	\$423,493	\$47,881	\$67,512	\$941	\$22,131	CA sheet O1, line 19
5	Proposed Allocation of Base Distribution Rev. Req. (3-4)		\$35,156,238	\$19,458,488	\$5,167,075	\$8,202,662	\$1,360,037	\$795,142	\$17,285	\$155,549	Exhibit 8, Tab 1, Schedule 2, Page 4, Table 3
6	Total Base Revenue Requirement (1- 5)	Distribution Revenue (sale)	\$35,156,142	\$21,991,094	\$5,167,074	\$6,262,519	\$1,359,732	\$155,023	\$458	\$220,243	CA sheet O1, line 18

Question #44

Reference: Exhibit 8/Tab 1/Schedule 2, pages 8 & 9 (February 2010 Update)

a) Please explain why the proposed 2010 monthly service charges are different as between those shown on page 8 and those shown on page 9. Please indicate which values Oakville is proposing for 2010.

RESPONSE:

The proposed 2010 monthly service charges shown on page 8 are as originally filed on August 28, 2009 while the while those shown on page 9 are the updated values filed February 18, 2010. Oakville Hydro is proposing the monthly service charges as shown on page 9. The updated summary on page 8 is provided below:

Summary

Customer Unit Cost per month - Avoided Cost

Customer Unit Cost per month - Directly Related

Customer Unit Cost per month - Minimum System with PLCC Adjustment

Fixed Charge per approved 2009 IRM

Proposed Monthly 2010 Fixed Charges

1	2	3	4	5	6	7
Residential	General Service Less than 50 kW	General Service 50 to 999 kW	General Service Greater than 1,000 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
\$3.39	\$8.93	\$63.75	\$86.89	\$0.35	\$0.36	\$2.73
\$4.40	\$12.12	\$86.01	\$121.13	\$0.55	\$0.56	\$4.25
\$11.98	\$22.89	\$116.64	\$735.01	\$10.11	\$16.80	\$12.00
\$14.72	\$31.09	\$199.71	\$3,160.88	\$0.31	\$0.04	\$15.05
\$14.97	\$37.11	\$313.98	\$3,896.99	\$1.96	\$1.89	\$13.11

Question #45

Reference: Exhibit 8/Tab 1/Schedule 5, Table 16

a) Please update Table #16 to provide actual values for all of 2009.

RESPONSE:

Oakville Hydro Electricity Distribution
 Low Voltage Estimate for 2010

	Trafalgar 2008 KW	Trafalgar 2007 KW	Trafalgar 2009 KW	2008 Rate	New 2009 Rate	Forecast 2010 (with 2009 Rates)
Jan	65,978	66,798	59570	0.633	0.345	20,551.65
Feb	65,630	74,869	55855	0.633	0.345	19,269.98
March	72,821	58,676	53734	0.633	0.345	18,538.23
April	57,323	48,474	53442	0.633	0.345	18,437.49
May	61,585	67,815	57229	0.633	0.35	20,030.15
June	61,585	84,031	90446	0.633	0.35	31,656.10
July	80,020	79,158	83933	0.633	0.35	29,376.55
August	78,747	93,936	104172	0.633	0.35	36,460.20
September	56,727	77,777	78380	0.633	0.35	27,433.00
October	52,962	53,611	65140	0.633	0.35	22,799.00
November	66,107	58,301	53986	0.633	0.35	18,895.10
December	61,095	56,895	59693	0.633	0.35	20,892.55
	780,580	820341.31				
					Revised	\$ 284,340.00 will full year 2009 KW
					Original	259,726.09

The 2010 Low Voltage forecast is based on the following assumptions:

The Volumes are based on the actual volumes for Jan- March 2009 (which have been billed by Hydro One), and the remaining months are based on the most recent 2008 volumes for the April-Dec period.

The low voltage rate used is based on the most recent Hydro One rates approved (effective January 1, 2009 consumption. The rate used is .345 cents per KW which includes Hydro One Rider 4. Effective May 1, 2009, Hydro One's rate changed to .350 a which has been reflected in the forecast).

Question #46

Reference: VECC #23, OEB #35 and Exhibit 8/Tab 2/Schedule 1

a) Please confirm whether the rates used to determine the “lost revenue” include the LV adder.

RESPONSE:

The rates used to determine the lost revenue do not include the LV adder since Oakville Hydro had not applied for an LV adder prior to this 2010 cost of service application.

b) Please confirm whether customers A, B, C or D were eligible for the transformer ownership allowance discount. If yes, please confirm whether the rates used to determine the lost revenue were reduced by the transformer discount.

RESPONSE:

Customers B and C were eligible for the transformer ownership allowance discount. Oakville Hydro did not reduce the rates used to determine the lost revenue by the transformer ownership allowance discount.

c) Based on the responses to (a) and (b), please recalculate the lost revenue for each customer by year and summarize in a format similar to that in OEB #35, Table #3.

RESPONSE:

Oakville Hydro has recalculated the lost revenue for Customer B and C and summarized the lost revenue in the table below.

Distribution Loss Revenue - Adjusted for Tranformer Allowance Discount

Customer	The Loss of revenue started	Revenue Loss in 2008	Revenue Loss in 2009	Revenue Loss in 2010	Total
A	Dec-08	\$ 45,796	\$ 646,420	\$ 247,208	\$ 939,423
B	Jul-08	\$ 32,113	\$ 76,598	\$ 25,432	\$ 134,143
C	Feb-08	\$ 25,221	\$ 34,235	\$ 11,407	\$ 70,863
D	Apr-08	\$ 13,903	\$ 18,547	\$ 6,184	\$ 38,634
Annual Total		\$ 117,033	\$ 775,799	\$ 290,231	\$ 1,183,063

Question #47

Reference: VECC #23 d) and e)

a) Please provide the Board approved billing determinants per Oakville's 2006 rate approval.

RESPONSE:

Oakville Hydro's 2006 billing determinants are provided in the table below.

a

Customer Classification	2004 Customer count	2004 cust. count x 3 yr per cust. avg. kWh	2004 cust. count x 3 yr per cust. avg. kW
Residential	49,016	543,155,845	
General Service Less than 50 kW	4,472	161,537,187	
General Service Less than 50 to 999 kW	762	493,973,193	1,300,538
General Service Greater than 999 kW	17	201,579,847	456,149
Large Use	1		128,403
Unmetered Scattered Load	646	4,481,048	
Sentinel Lighting	237	151,833	1,014
Street Lighting	15,062	10,520,415	26,375
TOTAL	70,213	1,415,399,369	1,912,479

b

b) Please provide the revenues by customer class based on the distribution rates (net of the smart meter rate adder, LV rate adder and transformer discount where applicable) in effect for 2008 and the approved 2006 billing determinants.

RESPONSE:

Oakville Hydro's revenues by customer class based on 2006 billing determinants and rates approved May 1, 2008 are provided in the following table.

Customer Classification	Service Charge	Distribution Volumetric Rate	Service Revenue	Distribution Revenue	Total Distribution Revenue
Residential	13.71	0.0150	\$ 8,064,112	\$ 8,147,338	\$ 16,211,450
General Service Less than 50 kW	30.08	0.0131	1,614,213	2,116,137	3,730,350
General Service Less than 50 to 999 kW	198.62	1.9356	1,816,181	2,517,321	4,333,502
General Service Greater than 999 kW	3,158.41	1.7251	644,316	786,903	1,431,218
Large Use	14,878.65	4.7586	178,544	611,020	789,564
Unmetered Scattered Load	15.04	0.0140	116,590	62,735	179,325
Sentinel Lighting	0.04	0.6742	114	102,366	102,480
Street Lighting	0.31	1.8962	56,031	50,012	106,043
TOTAL			\$ 12,490,101	\$ 14,393,831	\$ 26,883,932

c) Please provide a schedule contrasting the results from part (b) with the actual 2008 base distribution revenues by customer class.

RESPONSE:

The following table contrasts the results from par (b) with the 2008 base distribution revenues by customer class.

Customer Classification	Distribution Revenue - 2006 Billing Determinants @ May 1, 2008 Rates	2008 Distribution Revenue Excluding Smart Meter Adder and Transformer Allowance
Residential	\$ 16,211,450	\$ 17,230,934
General Service Less than 50 kW	3,730,350	4,102,522
General Service Less than 50 to 999 kW	4,333,502	4,931,743
General Service Greater than 999 kW	1,431,218	1,345,017
Large Use	789,564	683,160
Unmetered Scattered Load	179,325	54,952
Sentinel Lighting	102,480	10,642
Street Lighting	106,043	117,580
TOTAL	\$ 26,883,932	\$ 28,476,549

d) Please provide the revenues by customer class based on the distribution rates (net of the smart meter rate adder, LV rate adder and transformer discount where applicable) in effect for 2009 and the approved 2006 billing determinants.

RESPONSE:

Oakville Hydro's revenues by customer class based on 2006 billing determinants and rates approved May 1, 2009 are provided in the following table.

Customer Classification	Service Charge	Distribution Volumetric Rate	Service Revenue	Distribution Revenue	Total Distribution Revenue
Residential	13.72	0.0150	\$ 8,069,994	\$ 8,147,338	\$ 16,217,332
General Service Less than 50 kW	30.09	0.0131	1,614,750	2,116,137	3,730,887
General Service Less than 50 to 999 kW	198.71	1.9365	1,817,004	2,518,492	4,335,496
General Service Greater than 999 kW	3,159.88	1.7259	644,616	787,267	1,431,883
Large Use	14,796.51	4.7322	177,558	607,630	785,188
Unmetered Scattered Load	15.05	0.0140	116,668	62,735	179,402
Sentinel Lighting	0.04	0.6745	114	102,412	102,525
Street Lighting	0.31	1.8971	56,031	50,036	106,066
TOTAL			\$ 12,496,734	\$ 14,392,046	\$ 26,888,780

e) Please provide a schedule contrasting the results from part (b) with the forecast 2009 base distribution revenues by customer class.

RESPONSE:

The following table contrasts the results from part (b) with the 2009 base distribution revenues by customer class.

Customer Classification	Distribution Revenue - 2006 Billing Determinants @ May 1, 2008 Rates	2009 Distribution Revenue Excluding Smart Meter Adder and Transformer Allowance
Residential	\$ 16,211,450	\$ 17,537,325
General Service Less than 50 kW	\$ 3,730,350	4,096,596
General Service Less than 50 to 999 kW	\$ 4,333,502	5,129,247
General Service Greater than 999 kW	\$ 1,431,218	1,172,176
Large Use	\$ 789,564	88,765
Unmetered Scattered Load	\$ 179,325	177,581
Sentinel Lighting	\$ 102,480	369
Street Lighting	\$ 106,043	120,335
TOTAL	\$ 26,883,932	\$ 28,322,394

f) Please provide a schedule that sets out by customer class the forecast 2010 revenues based on forecast loads through to April 2010 and the approved 2009 base distribution rates (net of the smart meter rate adder, LV rate adder and transformer discount were applicable).

RESPONSE:

The following table provides forecasted 2010 revenues based on forecast loads through to April 2010 and the approved 2009 base distribution rates.

Customer Classification	Service Charge	Distribution Volumetric Rate	Customer Count	Forecast kWh - Jan to Apr 2010	Forecast kWh - Jan to Apr 2010	Service Revenue	Distribution Revenue	Total Distribution Revenue
Residential	13.72	0.0150	57,097	188,976,988		\$ 3,133,508	\$ 2,834,655	\$ 5,968,163
General Service Less than 50 kW	30.09	0.0131	4,995	62,253,422		601,148	815,520	1,416,668
General Service Less than 50 to 999 kW	198.71	1.9365	705	177,545,732	493,261	560,151	955,200	1,515,351
General Service Greater than 999 kW	3,159.88	1.7259	17	51,673,942	117,267	214,872	202,391	417,262
Large Use	14,796.51	4.7322	0			-	-	-
Unmetered Scattered Load	15.05	0.0140	688	1,233,337		41,407	17,267	58,674
Sentinel Lighting	0.04	0.6745	230	47,038	10,816	37	7,296	7,333
Street Lighting	0.31	1.8971	16,495	4,042,338	131	20,454	248	20,702
TOTAL			80,228	1,415,399,369	1,912,479	\$ 4,571,577	\$ 4,832,576	\$ 9,404,152

Question #48

**Reference: VECC IR#31
Exhibit 10/Tab 1/Schedule 1, Page 3 of 4**

Preamble: In accordance with the Report and the Guidelines for Electricity Distributor Conservation and Demand Management on March 28, 2008 (EB-2008-0037), Oakville Hydro's LRAM request includes OPA funded programs, while the SSM requests include programs funded through distribution rates. Oakville Hydro has calculated energy savings by customer class and valued those savings by the OEB-approved distribution charge appropriate to each class, as required by the Board.

- a) For each year of the LRAM Claim provide the breakdown between LRAM for Third Tranche and OPA Programs in terms of**
- i. Gross and net kWh savings**
 - ii. LRAM amount with /without Carrying costs**
 - iii. SSM amount with /without Carrying costs**

RESPONSE:

Please see Appendix VECC 48 to 50.

Question #49

Reference: Exhibit 10, Appendix C Page 14 of 34, updated February 18, 2010, and Table 5
Board Staff IR # 43a) Table 1

Preamble: For OHEDI programs, the principal changes were the updated participant rates (provided by the OPA) for the 2006 and 2007 EKC programs and the increase in the free rider rate for some programs. The increase in free rider rate required a recalculation of the energy savings for the Cold Water Wash and the Porchlight components of the Customer Education program.

a) Please confirm whether the 2006 and 2007 EKC programs were OPA –funded or third tranche/ rate funded.

RESPONSE:

Please see Appendix VECC 48 to 50.

b) If the programs referred to in part a) were Third Tranche funded, please explain why Oakville is different than other utilities in using third tranche funds rather than being reimbursed by OPA.

RESPONSE:

Please see Appendix VECC 48 to 50.

c) Please confirm whether the programs referred to in a) and b) above are or are not eligible for an SSM.

RESPONSE:

Please see Appendix VECC 48 to 50.

d) Please confirm whether the Customer Education measures Cold Water Wash and Porchlight were or were not Third tranche/rate funded rather than OPA-funded.

RESPONSE:

Please see Appendix VECC 48 to 50.

- e) **Please confirm whether the components referred to in part d) are or are not eligible for an SSM.**

RESPONSE:

Please see Appendix VECC 48 to 50.

- f) **Please provide details of the changes alluded to in the reference, in terms of gross and net kWh by year for each measure and program from the as filed to the revised/updated values**

RESPONSE:

Please see Appendix VECC 48 to 50.

- g) **In BSIR #43a Table 1 please confirm that the References to OPA are to OPA EKC assumptions at the time of program delivery, as confirmed by OPA, not the OPA Mass Market Measures and Assumptions List adopted by the OEB in January 2009.**

RESPONSE:

Please see Appendix VECC 48 to 50

Question #50

Reference: Exhibit 10, Appendix C, Page 18 of 34, updated: February 18, 2010, Appendix A Table 8

- a) **If, as presented in Table 8, the 2006 Customer Education Programs and measures were funded out of third tranche funds rather than OPA funds, then please explain why the Boards Guidelines should not apply to the Third Party Review by Indeco and the calculation of the 2006 kwh savings should not be based on the latest OEB-sanctioned input assumptions which are the OPA Mass Market Measures and Assumptions values, adopted by the Board in January 2009, rather than the OPA values provided in the Calculators for the 2006 EKC campaigns and OPA results for the following measures**

**Energy Star® CFL
SLEDs
Electric Timers
PStats
Energy Star® Ceiling Fans
Dimmers
Indoor motion sensors
PStat – baseboard**

RESPONSE:

Please see Appendix VECC 48 to 50.

- b) **Does Oakville Hydro accept that, as shown on page 11 (page2 of Table 8), for the OPA 2007 EKC campaigns the input assumptions were changed by OPA to reflect higher free ridership and lower kWh savings from several mass market measures, including 13/15w CFLs? Please provide a comparison of 2006 and 2007 gross and net unit savings for the measures listed in part a)**

RESPONSE:

Please see Appendix VECC 48 to 50

- c) **Please calculate the 2006 Customer Education Program kWh savings on Page10 using the same input values as the 2007 Customer Education Program, or**

alternatively the OPA Mass Market Measures and Assumptions List values adopted by the OEB for

**Energy Star® CFL
SLEDs
Electric Timers
PStats
Energy Star® Ceiling Fans
Dimmers
Indoor motion sensors
PStat – baseboard**

Also, please provide a comparison to the original Page 10 Table 8 values

RESPONSE:

Please see Appendix VECC 48 to 50.

- d) Please carry through the impact of the revised 2006 Customer education program kWh savings into the LRAM calculations including adjusting the carrying costs.**

RESPONSE:

Please see Appendix VECC 48 to 50.

- e) Please carry through the impact of the revised 2006 Customer education program kWh savings into the SSM calculations including adjusting the carrying costs.**

RESPONSE:

Please see Appendix VECC 48 to 50.

- f) Please confirm that the savings associated with the Interval Meter Pilot program have been removed from both the LRAM and SSM calculations.**

RESPONSE:

Please see Appendix VECC 48 to 50.

- g) Please provide a Revised Copy of Table 13 Page 22 and a comparison showing the changes resulting from the responses to parts c)-f) above.**

RESPONSE:

Please see Appendix VECC 48 to 50.

Question #51

**Reference: Exhibit 2/Tab 4/Schedule 3, page 9
And VECC IR #2**

a) Please explain what a P&C Splinter Van is and why it had to be replaced in 2009.

RESPONSE:

This is a 2008 Dodge Sprinter Van, model 3500, fleet #96 with a workshop interior, this vehicle was purchased to provide a jobsite workshop for the Protection and Control department and replaced a 2001 Chev pickup which was overloaded, under equipped and inefficient for future use.

b) Please explain why the replacement of the Splinter Van and the reel trailers – which together accounted for almost 1/3 of expenditures on vehicles – were not mentioned in the original pre-filed evidence.

RESPONSE:

Regarding the “Splinter Van” and “reel trailers”, refer to Exhibit 2, Tab 4, Schedule 3, Appendix A, Page 3 of 74.

Project 09-62D is “Replace P&C Truck #56” for \$82,000 and is the same project as “Replace 1999 P&C Splinter Van” for \$82,000. “Splinter” is a typo and should be “Sprinter” which is the model name for the van.

Project 09-62G is “Replace Reel Trailers #394 & 398” for \$22,000 and is the same project as “Replace 2 reel trailers” for \$22,000.

c) Please explain why the reel trailers had to be replaced in 2009.

RESPONSE:

The new reel trailers #416 and #417 were acquired in 2009 due to (fatigue) weld cracks in the structures of Oakville Hydro’s 1989 reel trailers #394 and #398

d) Please provide details with respect to vehicles replaced by Oakville Hydro in each year, 2004-2008 inclusive, including the vehicle age and mileage for those vehicles that were replaced, along with the purchase price and details of vehicles purchased

RESPONSE:

a) Year 2004

D62B	Purchase new dump truck #67, addition to fleet – line crew use, Ford 450	\$51,657
D62C	Purchase mobile compressor #391, replaced 1980 Holman compressor with Ingersoll Rand	\$23,243
E62A	Purchase service trouble truck #71, a 2004 Chev, 3500 replaced #76 a 1995 Ford with over 225,000km	\$72,398
E62B	Purchase car #68 a 2004 Chev Malibu, 4 door, replaced car #18 a 1994 Ford Topaz 4 door, approximately 100,000km	\$22,404
E62C	Purchase #69 a 2004 Chev Colorado pickup, replaced #27 a 1992 Ford Ranger approximately 100,000km	\$25,722
E62D	Purchase #70 a 2004 Chev 1500, 4 x 4 pickup, addition to fleet	\$29,040

b) Year 2005

F62A	Purchase new single bucket aerial device #72 replaced 1998 single bucket aerial device #49 due to excessive engine and PTO hours	\$191,470
F62B	Purchase new large van #73 with 16ft body and tailgate loader, an International with aluminum van, replaced a 1996 #11 International with over 200,000km	\$94,256
F62C	Purchase new van #77 a 2005 Chev Express van for Meter Service, replaced a 1999 Chev van #53 with approximately 100,000km	\$36,389
F620	Purchase new pickup #75, a 2005 Chev Colorado replaced a 1994 Plymouth Acclaim car #15 for the Meter Department	\$31,405
F62E	Purchase new International chassis #74. Replaced a 1995 #10 International chassis, over 100,000km, overloaded for purpose. Van body was transferred	\$81,540

	from chassis to chassis	
F62F	Purchase new trailer #410, a 2005 Haulmark 14ft addition to fleet stringing equipment	\$16,212

c) Year 2006

20236-1	Purchase new single bucket material handler #79, replaced a 1998 International, single bucket, aerial device having excessive PTO hours	\$229,132
20238-1	Purchase new truck #81 a 2006 Chev Colorado pickup replaced #34 a 1994 Ford Ranger pickup with over 150,000km	\$30,411
20239-1	Purchase new truck #80 a 2006 Chev Colorado pickup replaced a 1997 Ford Ranger #46 with over 100,000km	\$26,254
20240-1	Purchase new truck #83 a 2006 Chev 2500, 4 x 4 pickup, replaced a 1997 Chev 4 x 4 #45 with over 150,000km	\$35,216
20241-1	Purchase new truck #82 a 2006 Chev 1500, 4 x 4 #47 with over 150,000km	\$32,991

d) Year 2007

(20638-1) 07-62A	Purchase new single bucket material handler #85, replaced a 1998 International with over 100,000km and excessive PTO hours	\$257,308
(20641-1) 07-62D	Purchase new locate van #84 a Chev Express, replaced a 1999 Chev Express van, approximately 160,000km	\$29,227
(20642-1) 07-62D	Purchase update kit including new engine and hydraulic components to update Sherman Reilly Tensioner #324	\$8,710
(20752-1) 07-62F	Purchase new truck #87 a 2008 model Chev 1500, 4 x 4 pickup for Engineering Department	\$29,914

e) Year 2008

20237-1	Purchase new van #96 a 2008 Dodge Sprinter with workshop interior for Protection & Control service sites, replaced a 2001 Chev pickup #64 model 1500 with approximately 100,000km, overloaded for job application	\$160,970
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20639-1	Purchase new digger derrick #86 a 2008 model 7500 International with a 6000 series Telelect digger derrick. This vehicle replaced #51 a 1999 International with a 5048 Series Telelect digger derrick and a 2000 International with a 1990 6000 Series digger derrick. Both digger derricks had high hours of use approaching 8000 each. The 1990 digger had previously been on an older chassis for 10 years before rebuild and re-chassis	\$370,618
20640-1	Replace service body on truck #74 new aluminum service body and related equipment installed, replaces a 1995 fibreglass van body	\$50,749
20879-1	Purchase a new underground service truck #89 an International model 4300 with aluminum body, portable generator and related equipment	\$161,329

f) Year 2009

20875-1	Purchase new truck #90 a 2008 International model 7500 with a 63ft posi-plus aerial device and aluminum service body. Replaced a 2000 International model 2654 cab and chassis with a 1988 Amador 60ft aerial device. Amador aerial device was re-chassied in 2000, technology was outdated and operating hours were excessive	\$420,747
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e) Please provide details with respect to Oakville Hydro's current fleet of vehicles including Age and mileage for each vehicle.

RESPONSE:

Vehicle #	Type	Fuel	Year	Model	Description	Mileage	RGW(kg)	Bucket Height
20	H	Diesel	1990	International	Flat Deck	191,221	26,000	
23	H	Diesel	1991	Freightliner	Hiab Crane	38,921	36,000	
50	H	Diesel	1998	International	Single Bucket	10,011	21,000	42.5'
53	L	Gas	1999	Chev	Van	122,519	3,000	
57	H	Diesel	2000	International	Double Bucket	41,927	36,000	70'
59	H	Diesel	2000	International	Digger Derrick	51,896	21,000	
63	L	Gas	2000	Chev	Pickup	102,768	3,000	
64	L	Gas	2001	Chev	Pickup	137,904	3,000	
65	L	Gas	2003	Chev	Pickup	147,820	3,000	
66	H	Diesel	2004	International	Single Bucket	101,374	21,000	42.5
67	H	Diesel	2004	Ford	Ldsc Dump Truck	57,898	7,000	
68	P	Gas	2004	Chev	Malibu 4 Door Car	101,995		
69	L	Gas	2004	Chev	Crew Cab	29,882	3,000	
70	L	Gas	2004	Chev	Pickup	57,891	3,000	
71	L	Diesel	2004	Chev	Service Truck	164,848	4,500	
72	H	Diesel	2006	International	Single Bucket	110,860	21,000	42.5
73	H	Diesel	2006	International	16 ft Van	80,326	10,000	
74	H	Diesel	2006	International	14 ft Van	61,476	10,000	
75	L	Gas	2005	Chev	Crew Cab	58,085	3,000	
77	L	Gas	2005	Chev	Van	82,034	3,000	
79	H	Diesel	2007	International	Single Bucket m/h	31,197	21,000	46'
80	L	Gas	2006	Chev	Pickup	25,631	3,000	
81	L	Gas	2007	Chev	Crew Cab	20,991	3,000	
82	L	Gas	2007	Chev	Pickup	49,929	3,000	
83	L	Gas	2007	Chev	Pickup	50,367	4,173	
84	L	Gas	2008	Chev	Van	51,507	3,000	
85	H	Diesel	2008	International	Single Bucket m/h	20,984	21,000	46'
86	H	Diesel	2008	International	Digger Derrick	7,293	36,000	
87	L	Gas	2008	Chev	Pickup	18,556	3,000	
88	H	Diesel	2008	Ford	Single Bucket	14,891	8,000	36'
89	H	Diesel	2009	International	Van	19,556	11,500	
90	H	Diesel	2008	International	Double Bucket	7,450	36,000	63'
91	H	Diesel	2009	Ford	Ldsc Dump Truck	6,543	8,600	
92	H	Diesel	2009	Ford	Ldsc Dump Truck	9,798	8,600	
93	L	Gas	2009	Chev	Pickup	6,491	3,175	
94	L	Gas	2009	Chev	Van	6,355	3,000	
95	L	Gas	2009	Chev	Pickup	7,102	3,175	
96	H	Diesel	2008	Dodge	Sprinter Van	6,219	7,000	

Question #52

Reference: Updated Exhibit 2/Tab 4/Schedule 4, page 1, Table 17, page 7, and page 10

- a) Table 17 indicates that in 2010, Oakville Hydro intends to spend \$340K on vehicles and \$130K on tools. However, on page 7 of the referenced exhibit, the updated evidence states that \$130K is to be spent on vehicles and \$110K is to be spent on tools in 2010. Please reconcile these two sets of figures and provide a corrected Table 17.

RESPONSE:

Table 17 in Exhibit 2, Tab 4, Schedule 4 is correct. Page 7 of the referenced exhibit should reflect that Oakville Hydro plans to spend \$340,000 on vehicles and \$130,000 on tools in 2010.

- b) Please provide a breakdown of 2010 capital expenditures on vehicles and on tools.

RESPONSE:

The 2010 Capital Expenditures on Vehicles and Tools are as follows:

Vehicle/Fleet

- Derrick Digger of \$340,000
- Ford Escape SUV of \$40,000

Tools (costs in excess of \$1,000)

- **Metering Department**
 - New power Analyzer.
 - New infrared camera.
 - Logger/recorders
 - Data recorders.
 - New Multi-meters (Hand held)
- **P&C Department**
 - Hand held power meters
 - Desktop variable power supply for P&C testing.
 - Programmable relay tester
 - Battery capacity testing equipment

- **Line Department**

1. Grounding devices for overhead and underground conductors and transformers.
2. Tripods for emergency removal of persons from underground vaults and maintenance chambers.
3. Servi Saver –portable generators for customer’s houses.
4. Oxygen Meters to detect toxic gases in vaults and maintenance chambers.
5. Battery Operated Crimping tools.
6. High Voltage rubber protective equipment for conductor cover up.

c) **Please provide details including age and mileage of the vehicles to be replaced in 2010.**

RESPONSE:

The 2010 Vehicle budget for the two vehicles is based on the following :

- The 2010 replacement of truck #59 a 2000 International with utility body and a Telelect model 4045 digger derrick is based on the following data. Present kilometres are 51,896, engine hour meter reading is 6,855, the power take off hour (PTO) meter reading is 3,740. The 6,855 engine hour meter reading is representative of 301,620km, which is calculated by using 44km per engine hour, this is the factor used by truck manufacturers for warranty considerations. Most of the engine hours accumulate at the job site augering post holes and hydro pole lifting and placement. This vehicle incorporates a corner mount digger derrick, and history reveals that this type of equipment requires replacement of many wear components after 4,000 PTO hours of use. Also high engine hours indicate engine repairs become prevalent and truck down time increases. Oakville Hydro is replacing this vehicle in 2010 to avoid excessive repair and maintenance costs, downtime and in order to update to the latest technology and emission standards,
- The Ford Escape SUV will replace Car # 68 a 2004 Chevy Malibu, which has 101,995 km as of March 18, 2010. The current Malibu has proven not to be reliable in the winter months.

d) **For each year 2004-2010 please provide a summary of the utility’s vehicle fleet.**

RESPONSE:

	2004	2005	2006	2007	2008	2009	2010
Passenger Vehicle	2	1	1	1	1	1	1
Pick-up / Crew Cab	12	13	13	14	14	13	13
Light Van	4	5	4	4	4	4	4
Service Truck	1	1	1	1	1	1	1
Hiab Crane	1	1	1	1	1	1	1
Flat deck	1	1	1	1	1	1	1
Single Bucket	6	6	6	7	8	6	6
Double Bucket	2	2	2	2	3	2	2
Digger Derrick	3	3	3	4	4	2	2
Dump	3	3	3	3	3	3	3
Heavy Vans	2	2	2	2	3	4	4
	37	38	37	40	43	38	38

Question #53

Reference: VECC IR # 3c)

a) Please provide the actual amounts spent on General Office for each year 2004-2009 inclusive and provide details if available.

RESPONSE:

The following are the expenditures spent against the category, General Office, for the years 2004 – 2009:

2004		\$ 0
2005	Office Furniture	\$ 10,900
2006	Office furniture for 2 offices	\$ 18,083
2007	Customer counter	\$ 13,774
	Kitchen exhaust fan	5,100
	Computer Room AC	29,980
	Hot Water Tank replacement	10,460
	Cage & shelving for warehouse	1,969
		\$ 61,283
2008	Warehouse racking	\$ 4,013
	Hand dryers	6,200
	Boardroom design & renovations	16,823
	Office Furniture	16,706
		\$ 43,742
2009	Garage door lifting mechanism	\$ 4,270
	Compound Gate Operator	7,874
	Water leak detection & containment	9,174
	Warehouse storage cabinet	2,992
	Office furniture	9,141
	Linemen lockers (replacement)	7,515
	Security cameras (replacement)	7,008
		\$ 47,974

b) What is the estimated value of the leasehold asset to which annual improvements are made?

RESPONSE:

The net book value of the capital lease on the head office building as at December 31, 2009 is \$6,459,338. (\$11,689,384-\$5,230,046).

Question #54

Reference: VECC IR #4a)

- a) Please provide the amounts associated with each payroll benefit listed along with the number of hours worked.**

RESPONSE:

For the 2009 year Oakville Hydro has included the actual amounts associated with each of the benefits listed in the original response to VECC IR 14(a):

LDC SPECIFIC

Apprenticeship Training	206,991
Bereavement	9,915
Boot Allowance	6,600
Drivers License	1,640
Eye Glasses- Safety	971
Illness- Short Term	114,506
Inclement Weather	43,788
Safety Meetings	95,608
Statutory Holidays	156,637
Uniforms	74,707
Uniforms - Dry Cleaning	36,634
Unproductive Labour	22,177
Vacation	<u>291,418</u>
Subtotal -Utility specific	<u>1,061,598</u>

ALL COMPANIES

Accidental Death & Dismemberment	1,026
Canada Pension Plan	376,193
Dental	210,463
Drug Plan	205,820
Employer Health Tax	287,390
Employment Insurance	172,525
Life Insurance	35,311
Long Term Disability	109,006
OMERS	870,263
Semi-Private Coverage	68,485
Vision Care Plan	15,485
Worker's Compensation	<u>84,888</u>
Subtotal All Companies	<u>2,436,862</u>
	3,498,460
Recovery from All Companies	<u>(3,561,765)</u>
Over-recovery	<u><u>(63,305)</u></u>

- b) **Please indicate whether the amounts listed for Canada Pension Plan and Unemployment Insurance represent the utility's required contributions only.**

RESPONSE:

The amounts listed above in (a) have been sorted into those that are utility specific and those that are for the entire payroll for all companies.

- c) **In Oakville Hydro's opinion, is a 58% labour burden in line with what is offered by comparable utilities? Please explain.**

RESPONSE:

In Oakville Hydro's opinion the 58% burden rate for union personnel in the Meter Shop, Protection & Control, Line Operations and Engineering is reasonable for Oakville Hydro's purposes and adequately recovers its costs. There are no guidelines for the development of burden rates therefore there is no comparability amongst utilities. We have compared rates with two or three other utilities and our rates are reasonable in comparison.

Question #55

Reference: VECC IR #6a)

- a) Please elaborate fully with respect to the “pay compression” that needed to be corrected. In doing so, please provide the utility’s criteria for determining when pay compression needs to be corrected.**

RESPONSE:

Pay compression occurs when the wage gap between management first line supervisors and the union employees they supervise decreases due to negotiated wage settlements. The utility determines that pay compression needs to be corrected when the wage increase for the aforementioned union employees exceeds the across the increase given to the management first line supervisors.

Question #56

Reference: VECC IR #9a)

- a) Please confirm that KPMG was the lowest bidder on the IFRS RFP. If unable to so confirm, please explain why the lowest bidder was not chosen.**

RESPONSE:

Oakville Hydro contacted other utilities in regard to those firms that they had approached for quotes. Of the three firms that Oakville Hydro requested to bid, KPMG was the lowest overall bidder. The other non financial reasons that lead to KPMG being accepted were (1) there would be a much shorter learning curve with KPMG as they are the current auditors; (2) KPMG had secured a major number of utilities as their clients; (3) KPMG was consulting to the OEB in their deliberations regarding the effects of IFRS on a rate regulated industry.

- b) Please identify the other three CA firms whom Oakville Hydro selected to receive the RFP and indicate why they were selected.**

RESPONSE:

The three firms that were invited to bid were KPMG, Ernst & Young and Deloitte.

- c) Did OHEDI consider publishing the RFP in newspapers to see if there was any interest beyond the four firms selected by OHEDI? If not, why not?**

RESPONSE:

Oakville Hydro did not consider publishing the RFP in the local papers as IFRS requires a specialized knowledge in regard to the utility industry and an international resource upon which to draw information as to implementation in various countries around the world. There was very little expertise outside of the large accounting firms.

Question #57

Reference: VECC IR #17a)

- a) Does Oakville Hydro believe that it can borrow funds from a third party at the same or at a lower rate than its affiliates can? Please explain fully.**

RESPONSE:

Oakville Hydro has responded to this question in SEC #10.

Question #58

Reference: Original Exhibit 1/Tab 3/Schedule 2, Appendix F, page 13, and Updated Exhibit 1/Tab 3/Schedule 2, Appendix F, page 5

- a) **Please explain why there is a \$704,573 difference in between the Original and Updated entries for “2005 – Property Under Capital Leases” on the 2009 Balance Sheet.**

RESPONSE:

Oakville Hydro had anticipated that the transaction for the acquisition of the fibre optic network detailed in Exhibit 2, Tab 4, Schedule 4, Page 7 would be complete in 2009 and updated its models and exhibits to reflect the acquisition in 2009.

However, the transaction was not complete until 2010. Oakville Hydro adjusted its models to reflect the addition and the amortization in the 2010 Test Year but inadvertently did not update Exhibit 1, Tab 3, Appendix F. The hard copy submitted in the February 2010 update incorrectly reflects the acquisition of the fibre optic network in 2009 and 2010. The underlying models and revenue requirement correctly reflect the acquisition in the 2010 Test Year. There are no changes to Exhibit, Appendix F it should be as originally filed on August 28, 2009.

- b) **There are other changes made in the updated Appendix F. For example, there are changes to “5705 Amortization Expense PP&E” (page 7 on original pre-filed, page 16 on updated). Please identify and provide an explanation for all other changes made to the 2009 financial statements in Appendix F in the update.**

RESPONSE:

See response to part A.

Question #59

**Reference: Original Exhibit 2/Tab 1/Schedule 1, page 1, Table 1 and
 Updated Exhibit 2/Tab 1/Schedule 1, page 1, Table 1**

a) Given the change made to the 2009 Balance Sheet referred to in the IR #58, please explain why the 2009 rate base is unaffected on the updated document.

RESPONSE:

Please see response to VECC interrogatory number 58.

b) Please provide a revision to the updated Table 1 that corrects any errors and is in the same format as the originally submitted Table 1, i.e., restores the rows that appeared in the original pre-filed evidence that are omitted rows in the update.

RESPONSE:

Oakville Hydro has reproduced Table 1 from Exhibit 2, Tab 1, Schedule 1 to provide the same level of detail as provided in the original submission. There are no changes to the calculated rate base.

Table 1
 Summary of Rate Base

Description	2006 Actual	2007 Actual Year	2008 Actual Year	2009 Bridge Year	2010 Test Year
Opening Balance Gross Fixed Assets	133,264,934	140,734,610	149,862,398	165,193,373	189,921,471
Closing Balance Gross Fixed Assets	140,734,610	149,862,398	165,193,373	189,921,471	205,140,744
Average Gross Fixed Assets	136,999,772	145,298,504	157,527,886	177,557,422	197,531,108
Opening Balance Accumulated Depreciation	(43,513,555)	(51,457,324)	(59,959,914)	(68,906,652)	(78,926,674)
Closing Balance Accumulated Depreciation	(51,457,324)	(59,959,914)	(68,906,652)	(78,926,674)	(89,192,164)
Average Accumulated Depreciation	(47,485,440)	(55,708,619)	(64,433,283)	(73,916,663)	(84,059,419)
Average Net Fixed Assets	89,514,332	89,589,884	93,094,602	103,640,759	113,471,689
Working Capital	125,357,621	126,438,301	124,926,548	128,844,302	131,436,671
Working Capital Allowance - 15%	18,803,643	18,965,745	18,738,982	19,326,645	19,715,501
Rate Base	108,317,975	108,555,630	111,833,585	122,967,405	133,187,190

Question #60

Reference: Updated Evidence re Sale of Interest in Blink and Capital Lease Arrangement

- a) **Please provide a full discussion of the net benefits to ratepayers of the sale of OHEDI's interest in Blink and the utility's subsequent capital lease arrangements. Please quantify all impacts to show how the new arrangement is better than the old (or at least no worse) for ratepayers.**

RESPONSE:

Oakville Hydro Electricity Distribution Inc. (OHEDI) did not own any interest of Blink Communications Inc. Blink Communications Inc, was an affiliated company of OHEDI. The shares of Blink Communications Inc were owned by Oakville Hydro Corporation .The capital lease benefits were responded to in EP # 58e).

- b) **Although the referenced corporate restructuring was not mentioned in the original pre-filed evidence, the new arrangements were concluded in January 2010. Please indicate when OHEDI's shareholder first began to consider this corporate restructuring and why there was no mention of this possibility in the original filing of August 28, 2000.**

RESPONSE:

Oakville Hydro Corporation's (Oakville Hydro's parent) shareholder began discussion with its legal counsel in November 2009 to consider mechanisms which ensured that the sale of Blink resulted in the appropriate flow of proceeds to repay the outstanding intercompany loan which Blink owed to Oakville Hydro. This discussion was initiated after the filing of this current application and Oakville Hydro staff were not informed until December 2009 of the potential transaction and reorganization.

1 Responses to Vulnerable Energy Consumers
Coalition

Appendix VECC- 48 to 50 Indeco responses to Interrogatories 48, 49 and 50

Question 48

Q48a) For each year of the LRAM Claim provide the breakdown between LRAM for Third Tranche and OPA Programs in terms of

- i. Gross and net kWh savings*
- ii. LRAM amount with /without Carrying costs*
- iii. SSM amount with /without Carrying costs*

Response:

Table 1 - Gross and net kWh savings

Funding	Program	Year	Gross energy savings (kWh)	Aggregate Free ridership	Net energy savings (kWh)
Third tranche	Multi-residential Interval Metering	2006	1,627,904	0%	1,627,904
	Customer Education ¹	2006	22,533,087	10%	20,279,779
	Customer Education - Cold Water Wash Program	2006	373,800	30%	261,660
	Sub-total for 2006		<u>24,534,791</u>		<u>22,169,343</u>
	Customer Education ¹	2007	8,006,900	29%	5,661,812
	Customer Education - Porchlight Program	2008	227,900	30%	159,530
<i>Third tranche total</i>			<u>32,769,592</u>		<u>27,990,685</u>
OPA	Secondary Fridge Retirement Pilot	2006	351,784	10%	316,605
	Cool Savings Rebate Program	2006	589,474	10%	530,527
	Sub-total for 2006		<u>941,258</u>		<u>847,132</u>
	Summer Savings/Sweepstakes	2007	15,274,810	88%	1,832,977
	Cool Savings Rebate Program	2007	2,484,303	47%	1,305,095
	Great Refrigerator Roundup	2007	739,295	60%	297,860
	Social Housing – Pilot	2007	514,420	0%	514,420
	Sub-total for 2007		<u>19,012,828</u>		<u>3,950,352</u>
	Every Kilowatt Counts	2008	8,511,227	60%	3,432,845
	peaksaver®	2008	16,919	10%	15,227
	Summer Savings/Sweepstakes	2008	245,665	22%	191,618
	Cool Savings Rebate Program	2008	1,166,178	46%	625,359
	Great Refrigerator Roundup	2008	1,327,284	46%	721,140
Renewable Energy Standard Offer Program	2008	16,581	0%	16,581	
Sub-total for 2008		<u>11,283,854</u>		<u>5,002,770</u>	
<i>OPA total</i>			<u>31,237,939</u>		<u>9,800,256</u>
Grand Total			64,007,531		37,790,941

1. These savings are from to the Every Kilowatt Counts component of the Customer Education program.

Table 2 - LRAM amount with/without carrying costs

Funding	Program	Year	Without carrying costs	Carrying costs	With carrying costs
Third tranche	Multi-residential Interval Metering	2006	\$22,295	\$7,253	\$29,548
	Customer Education ¹	2006	\$277,747	\$90,354	\$368,102
	Customer Education - Cold Water Wash Program	2006	\$4,056	\$1,319	\$5,375
	<u>Sub-total for 2006</u>		<u>\$304,098</u>	<u>\$98,926</u>	<u>\$403,025</u>
	Lighting Retrofit	2007	\$1,220	\$286	\$1,507
	Customer Education ¹	2007	\$79,594	\$18,670	\$98,265
	<u>Sub-total for 2007</u>		<u>\$80,814</u>	<u>\$18,956</u>	<u>\$99,772</u>
	Solar Panel Program	2008	\$2	\$0	\$2
	Customer Education - Porchlight Program	2008	\$2,319	\$348	\$2,667
	<u>Sub-total for 2008</u>		<u>\$2,321</u>	<u>\$348</u>	<u>\$2669</u>
<i>Third tranche Total</i>			\$387,235	\$118,231	\$505,466
OPA	Secondary Fridge Retirement Pilot	2006	\$4,335	\$1,410	\$5,745
	Cool Savings Rebate Program	2006	\$7,264	\$2,363	\$9,627
	<u>Sub-total for 2006</u>		<u>\$11,599</u>	<u>\$3,773</u>	<u>\$15,372</u>
	Summer Savings/Sweepstakes	2007	\$26,643	\$6,250	\$32,893
	Cool Savings Rebate Program	2007	\$18,338	\$4,302	\$22,640
	Great Refrigerator Roundup	2007	\$4,185	\$982	\$5,167
	Social Housing – Pilot	2007	\$7,228	\$1,696	\$8,924
	<u>Sub-total for 2007</u>		<u>\$56,394</u>	<u>\$13,230</u>	<u>\$69,624</u>
	Every Kilowatt Counts	2008	\$49,913	\$7,489	\$57,402
	peaksaver®	2008	\$221	\$33	\$255
	Summer Savings/Sweepstakes	2008	\$2,830	\$425	\$3,255
	High Performance New Construction	2008	\$188	\$28	\$216
	Cool Savings Rebate Program	2008	\$9,092	\$1,364	\$10,456
	Great Refrigerator Roundup	2008	\$10,485	\$1,573	\$12,058
	Electricity Retrofit Incentive Program	2008	\$16,641	\$2,497	\$19,138
	Renewable Energy Standard Offer Program	2008	\$282	\$42	\$325
<u>Sub-total for 2008</u>		<u>\$89,652</u>	<u>\$13,451</u>	<u>\$103,105</u>	
<i>OPA Total</i>			\$157,646	\$30,453	\$188,099
Grand Total			\$544,881	\$148,685	\$693,565

1. These savings are from the Every Kilowatt Counts component of the Customer Education program.

Table 3 - SSM amount with/without carrying costs

Funding	Program	Year	Without carrying costs	Carrying costs	With carrying costs
Third tranche	Annual C/I Energy Seminar	2005	(\$48)	(\$20)	(\$68)
	Distributed Generation - Digester Gas Program	2005	(\$135)	(\$57)	(\$192)
	Distributed Generation - Wind Turbine	2005	(\$305)	(\$129)	(\$434)
	Peak Demand Reduction	2005	(\$323)	(\$136)	(\$459)
	Customer Education - General	2005	(\$91)	(\$38)	(\$129)
	Multi-residential Interval Metering	2005	(\$3,385)	(\$1,431)	(\$4,815)
	<u>Sub-total for 2005</u>		<u>(\$4,287)</u>	<u>(\$1,811)</u>	<u>(\$6,097)</u>
	Annual C/I Energy Seminar	2006	(\$84)	(\$27)	(\$111)
	Customer Education - Cold Water Wash Program	2006	\$99	\$32	\$131
	Customer Education ¹	2006	\$74,974	\$24,390	\$99,363
	Distributed Generation - Digester Gas Program	2006	(\$227)	(\$74)	(\$301)
	Distributed Generation - Wind Turbine	2006	(\$23)	(\$7)	(\$30)
	Peak Demand Reduction	2006	(\$900)	(\$293)	(\$1,193)
	Solar Panel Program	2006	(\$1,595)	(\$519)	(\$2,114)
	Multi-residential Interval Metering	2006	\$9,447	\$3,073	\$12,520
<u>Sub-total for 2006</u>		<u>\$81,691</u>	<u>\$26,575</u>	<u>\$108,265</u>	
Annual C/I Energy Seminar	2007	(\$1,487)	(\$349)	(\$1,836)	
Customer Education ¹	2007	\$42,003	\$9,853	\$51,856	
Lighting Retrofit	2007	\$1,388	\$326	\$1,714	
Peak Demand Reduction	2007	(\$5,160)	(\$1,210)	(\$6,370)	
Solar Panel Program	2007	(\$161)	(\$38)	(\$198)	
Multi-residential Interval Metering	2007	(\$18,336)	(\$4,301)	(\$22,637)	
<u>Sub-total for 2007</u>		<u>\$18,247</u>	<u>\$4,281</u>	<u>\$22,529</u>	
Customer Education - Porchlight Program	2008	\$2,889	\$433	\$3,322	
Peak Demand Reduction	2008	\$9,321	\$1,399	\$10,719	
Solar Panel Program	2008	\$15	\$2	\$17	
Multi-residential Interval Metering	2008	(\$13,655)	(\$2,049)	(\$15,704)	
<u>Sub-total 2008</u>		<u>(\$1,430)</u>	<u>(\$215)</u>	<u>(\$1,646)</u>	
Grand Total			\$94,222	\$28,829	\$123,051

1. These savings are from the Every Kilowatt Counts component of the Customer Education program.

Question 49

Q49a) Please confirm whether the 2006 and 2007 EKC programs were OPA –funded or third tranche/rate funded.

Response:

The 2006 and 2007 EKC programs were a partnership between Oakville Hydro and the OPA. The programs were based on mail-outs of coupons to all electricity customers in Oakville Hydro's service area on Oakville Hydro letterhead. Oakville Hydro also promoted the program as part of its *Customer Education* program, which was funded through the third-tranche. Oakville Hydro's participation in the program was thus central to the effective implementation of the program within Oakville Hydro's service area. Oakville Hydro received no funding from the OPA for its role in the program.

The program design was changed in 2008 and Oakville Hydro's participation was not integral to the program, and therefore no SSM is claimed on net benefits from the 2008 program.

Q49b) If the programs referred to in part a) were Third Tranche funded, please explain why Oakville is different than other utilities in using third tranche funds rather than being reimbursed by OPA.

Response:

The question does not indicate an understanding of how the Every Kilowatt Counts program worked. The OPA did not provide any reimbursement to Oakville Hydro for its role in the program.

Q49c) Please confirm whether the programs referred to in a) and b) above are or are not eligible for an SSM.

Response:

Since Oakville Hydro's participation in the 2006 and 2007 EKC programs was central to the effective implementation of these programs and Oakville Hydro used funds from its Customer Education third-tranche program to co-promote the programs, the programs are eligible for SSM.

Oakville Hydro's partner for this program is a non-rate regulated third party – the OPA – and Oakville Hydro's role was central to the success of the program. Oakville Hydro is therefore entitled to claim an SSM for the program.

This is consistent with the advice in the *Guidelines* which state (p.vii) that: "In most cases, the attribution rate will be 1.0, indicating that the distributor should claim in its TRC calculation all of the benefits associated with the CDM program."

Q49d) Please confirm whether the Customer Education measures Cold Water Wash and Porchlight were or were not Third tranche/rate funded rather than OPA-funded.

Response:

The Cold Water Wash program was one component of the 2006 Customer Education program. It provided incentives for residential customers to switch to cold-water clothes washing. It was financed with third-tranche funding and not by the OPA. OPA was not involved in this program.

Project Porchlight is a program run by the non-profit group One Change that uses community-based social marketing to educate the general public on simple changes that can have meaningful environmental benefit. The campaign focuses on appealing to residents to replace their incandescent porch light bulb with a CFL light bulb. Oakville Hydro participated in this campaign by publicly endorsing and financing, with third-tranche funding, a local Porchlight campaign as part of its 2008 Customer Education program. Oakville's Porchlight program did not receive any OPA funding. OPA was not involved in this program.

Q49e) Please confirm whether the components referred to in part d) are or are not eligible for an SSM.

Response:

These programs were offered across the service areas of a number of LDCs. Oakville Hydro has only claimed costs and benefits related to its own service area. Oakville Hydro paid costs associated with these programs in its service area out of its third-tranche funding.

Since both the Cold Water Wash program and the Project Porchlight program were financed by Oakville Hydro with third tranche funding, they are eligible for an SSM.

Q49f) Please provide details of the changes alluded to in the reference, in terms of gross and net kWh by year for each measure and program from the as filed to the revised/updated values.

Response:

The changes alluded to in text quoted in the preamble to the question 49 refer to changes made in going from the participant rates and free riderships reported in the Oakville Hydro annual reports to the values used in the original rate application filed August 28, 2009. There were no changes in energy savings due to the changes discussed in the text quoted between the application filed August 28, 2009 and the update filed February 18, 2010.

Table 5 of the update filed February 18, 2010. Indicates changes made *not* from the annual reports but from the filing in August 28, 2009. These changes were:

- Updating the EKC and other program results for 2008 to the OPA evaluation results that were provided by the OPA on 10 November 2009
- Lowering the unit energy savings for CFLs in the Project Porchlight program

- Correcting for the missing free rider value in the OPA evaluation calculations for the 2006 Cool Savings program.

Details of the rationale and impact of these changes were provided in Appendix B of the update. These changes are also described in the response to VECC IR#27b, and the values for these have not changed since that response.

Q49g) In BSIR #43a Table 1 please confirm that the References to OPA are to OPA EKC assumptions at the time of program delivery, as confirmed by OPA, not the OPA Mass Market Measures and Assumptions List adopted by the OEB in January 2009.

Response:

References to OPA in Table 1 of BS IR#43a refers to the OPA e-mail with 2006, 2007 and preliminary 2008 results from Raegan Bunker (OPA) to Jon LeFave, Lesley Gallinger, Stew Larson, and Cristina Birceanu (OHEDI) dated July 14, 2009, not the OPA Mass Market Measures and Assumptions List.

These values were subsequently updated to the final OPA results based on the OPA e-mail of 10 November 2009, as discussed in the updated third-party report filed February 18, 2010, and in the previous round of interrogatories.

Question 50

Q50a) *If, as presented in Table 8, the 2006 Customer Education Programs and measures were funded out of third tranche funds rather than OPA funds, then please explain why the Boards Guidelines should not apply to the Third Party Review by Indeco and the calculation of the 2006 kwh savings should not be based on the **latest** OEB-sanctioned input assumptions which are the OPA Mass Market Measures and Assumptions values, adopted by the Board in January 2009, rather than the OPA values provided in the Calculators for the 2006 EKC campaigns and OPA results for the following measures*

- *Energy Star® CFL*
- *SLEDs*
- *Electric Timers*
- *PStats*
- *Energy Star® Ceiling Fans*
- *Dimmers*
- *Indoor motion sensors*
- *PStat – baseboard*

Response:

The 2006 Customer Education programs realized savings from the Cold Water Wash campaign and the 2006 Spring and Fall EKC campaigns.

The Cold Water Wash campaign promoted a switch to cold water washing. The energy savings associated with this switch are not found on the latest OPA Mass Market Measures and Assumptions list. However, the OEB Measures and Assumptions list dated March 28, 2008 does quantify energy savings for a switch to cold water washing. This source of input assumptions is the most current available and was used for the calculation of the Cold Water Wash campaign's LRAM and SSM claims.

The unit kWh savings of the Spring and Fall EKC campaigns used for the calculation of LRAM and SSM claims relied on values provided by the '2006-8 OPA Conservation Program Results - Oakville Hydro'. As noted in the OPA e-mail with the results, the OPA states: "All results presented herein are considered final." and "The results provided in the enclosed report are in accordance with current OPA practices and policies for reporting progress against the provincial conservation goals."

Use of the OPA evaluation of the 2006 Spring and Fall EKC campaigns is consistent with the Board's *Guidelines*. Its use is in accordance with Board

recommendations that “The Board would consider an evaluation by the OPA or a third party designated by the OPA to be sufficient.” The appropriateness of the results of the evaluation are independent of whether or not Oakville Hydro used funds from its third-tranche Customer Education Program to support the delivery of the program in Oakville Hydro’s service area.

The Calculators referred to in the question were used only to obtain values for the incremental equipment cost of measures found in the 2006 Spring and Fall EKC campaigns. Incremental equipment cost is used only in the calculation of the SSM claim.

Obtaining incremental equipment costs from the 2006 Spring and Fall EKC Calculators is consistent with the Board’s *Guidelines*. SSM claims are to be based on the best available information at the beginning of the year the program was launched, not necessarily the most current information. This is indicated in section 7.3 of the OEB Guidelines for Electricity CDM.

Q50b) Does Oakville Hydro accept that, as shown on page 11 (page2 of Table 8), for the OPA 2007 EKC campaigns the input assumptions were changed by OPA to reflect higher free ridership and lower kWh savings from several mass market measures, including 13/15w CFLs? Please provide a comparison of 2006 and 2007 gross and net unit savings for the measures listed in part a)

Response:

The OPA reports different input values and free ridership rates in its 2006 and its 2007 EKC evaluations. Table 4 compares the inputs of the 2006 and the 2007 EKC campaigns for the measures found in the 2006 EKC campaign.

Table 4 - Comparison of net and gross energy savings for the required measures

Measure being compared	Inputs used by the OPA in the evaluation of 2006 EKC campaign			Inputs used by the OPA in the evaluation of the 2007 EKC campaign		
	Free ridership	Gross unit energy savings (kWh)	Net unit energy savings (kWh)	Free ridership	Gross unit energy savings (kWh)	Net unit energy savings (kWh)
Energy Star® CFL	10%	104	94	22%	43	34
SLEDs	10%	31	28	51%	14	7
Electric timers	10%	183	165	23%	72	55
Pstats ¹	10%	522	470	NA	NA	NA
Pstats ¹	10%	216	194	NA	NA	NA
Energy Star® ceiling fans	10%	141	127	45%	90	50
Dimmers	10%	139	125	45%	24	13
Indoor motion sensors	10%	209	188	45%	72	40
Pstat - baseboards ¹	10%	1,466	1,319	NA	NA	NA
Pstat - baseboards	NA	NA	NA	45%	75	41

1. The programmable thermostat measures offered in 2006 and 2007 are different technologies. The 2006 measures are whole house thermostats, for which there are different values depending on whether the house was electrically heated, or had air conditioning. The 2007 program offered coupons for programmable thermostats that apply to individual baseboard heaters that are assumed to provide 10% of the home's heating needs.

Q50c) Please calculate the 2006 Customer Education Program kWh savings on Page 10 using the same input values as the 2007 Customer Education Program, or alternatively the OPA Mass Market Measures and Assumptions List values adopted by the OEB for

- *Energy Star® CFL*
- *SLEDs*
- *Electric Timers*
- *PStats*
- *Energy Star® Ceiling Fans*
- *Dimmers*
- *Indoor motion sensors*
- *PStat – baseboard*

Response:

Table 5 compares the inputs used to calculate the savings found on page 10 of the revised third party review to the OPA Mass Market Measures and Assumptions list. The inputs used to calculate the savings of the 2006 EKC campaign found on page 10 of the third party review were deemed 'Final' by the OPA in November 2009.

Table 5 is being provided solely in response to question 50c.

Table 5 – Comparison of total energy savings for the 2006 EKC campaign between using the inputs deemed ‘Final’ by the OPA and the assumptions found in the 2009 OPA Measures and Assumptions list.

2006 EKC campaign measures	Number of units	Inputs deemed ‘Final’ by the OPA for the 2006 EKC campaign			Assumptions from the 2009 OPA Measures and Assumptions list		
		Free ridership	Unit energy savings (kWh)	Total energy savings (kWh)	Free ridership	Unit energy savings (kWh)	Total energy savings (kWh)
Energy Star® Compact Fluorescent Light Bulb	18,932	10%	104	1,778,814	22%	43	634,966
Electric Timers	531	10%	183	87,413	23%	72	29,424
Programmable Thermostats ¹	231	10%	216	44,881	45%	596	75,678
Energy Star® Ceiling Fans	176	10%	141	22,287	45%	90	8,693
Energy Star® Compact Fluorescent Light Bulb	28,070	10%	104	2,637,455	22%	43	941,467
Seasonal Light Emitting Diode Light String	6,756	10%	31	186,984	51%	14	46,349
Programmable Thermostats ¹	445	10%	522	209,277	45%	596	145,996
Dimmers	352	10%	139	44,057	45%	24	4,649
Indoor Motion Sensors	126	10%	209	23,770	45%	72	5,004
Programmable Baseboard Thermostats ²	27	10%	1,466	35,008	45%	2,063	30,100
Annual savings (kWh)				5,069,945	1,922,326		
Savings during the LRAM period (kWh)				20,279,779	7,689,305		

1. Without any other additional information on the type of PStat used in the 2006 EKC campaign, an average energy savings (596 kWh) of the four PStat types listed in the 2009 OPA Measures and Assumptions list was used for the comparison.
2. The energy savings for the ‘PStats – baseboards’ reported in the 2006 EKC campaign are those of ‘forced-air electric heating only’ PStats in the OPA Measures and Assumptions list dated February 15, 2008. As such, the energy savings of ‘forced-air electric heating only’ PStats as reported in the 2009 OPA Measures and Assumptions list were used for the comparison (2,063 kWh).

Q50d) Please carry through the impact of the revised 2006 Customer education program kWh savings into the LRAM calculations including adjusting the carrying costs.

Response:

If the total savings in 2006 were based on unit savings in 2007, the LRAM that would result is shown in Table 8. Oakville Hydro has no reasons to think that such a substitution is appropriate.

Table 6 - LRAM claims with and without carrying costs that would result if 2007 input assumptions were applied to 2006 participant levels

Funding	Program	Year	Without carrying costs	Carrying costs	With carrying costs
Third tranche	Multi-residential Interval Metering	2006	\$22,295	\$7,253	\$29,548
	Solar Panel Program	2008	\$2	\$0	\$2
	Lighting Retrofit	2007	\$1,220	\$286	\$1,507
	Customer Education ¹	2006	\$105,311	\$34,259	\$139,570
	Customer Education ¹	2007	\$79,594	\$18,670	\$98,265
	Customer Education - Cold Water Wash Program	2006	\$4,056	\$1,319	\$5,375
	Customer Education - Porchlight Program	2008	\$2,319	\$348	\$2,667
<i>Third tranche Total</i>			\$214,798	\$62,136	\$276,934
OPA	Every Kilowatt Counts	2008	\$49,913	\$7,489	\$57,402
	peaksaver®	2008	\$221	\$33	\$255
	Summer Savings/Sweepstakes	2007	\$26,643	\$6,250	\$32,893
		2008	\$2,830	\$425	\$3,255
	Secondary Fridge Retirement Pilot	2006	\$4,335	\$1,410	\$5,745
	High Performance New Construction	2008	\$188	\$28	\$216
	Cool Savings Rebate Program	2006	\$7,264	\$2,363	\$9,627
		2007	\$18,338	\$4,302	\$22,640
	Great Refrigerator Roundup	2008	\$9,092	\$1,364	\$10,456
		2007	\$4,185	\$982	\$5,167
	Social Housing – Pilot	2008	\$10,485	\$1,573	\$12,058
		2007	\$7,228	\$1,696	\$8,924
	Electricity Retrofit Incentive Program	2008	\$16,641	\$2,497	\$19,138
Renewable Energy Standard Offer Program	2008	\$282	\$42	\$325	
<i>OPA Total</i>			\$157,646	\$30,453	\$188,099
Grand Total			\$372,444	\$92,589	\$465,033

1. These savings refer to the Every Kilowatt Counts component of the Customer Education program.

Q50e) Please carry through the impact of the revised 2006 Customer education program kWh savings into the SSM calculations including adjusting the carrying costs.

Response:

Table 10 is being provided solely in response to question 50e.

Table 7 - SSM claims with and without carrying costs that that would result if 2007 input assumptions were applied to 2006 participant levels

Funding	Program	Year	Without carrying costs	Carrying costs	With carrying costs	
Third tranche	Annual C/I Energy Seminar	2005	(\$48)	(\$20)	(\$68)	
		2006	(\$84)	(\$27)	(\$111)	
		2007	(\$1,487)	(\$349)	(\$1,836)	
	Customer Education - Cold Water Wash Program	2006	\$99	\$32	\$131	
		2006	\$29,625	\$9,637	\$39,263	
	Customer Education ¹	2007	\$42,003	\$9,853	\$51,856	
	Customer Education - Porchlight Program	2008	\$2,889	\$433	\$3,322	
		2005	(\$135)	(\$57)	(\$192)	
	Distributed Generation - Digester Gas Program	2006	(\$227)	(\$74)	(\$301)	
		2005	(\$305)	(\$129)	(\$434)	
		2006	(\$23)	(\$7)	(\$30)	
	Lighting Retrofit	2007	\$1,388	\$326	\$1,714	
	Peak Demand Reduction	2005	(\$323)	(\$136)	(\$459)	
		2006	(\$900)	(\$293)	(\$1,193)	
		2007	(\$5,160)	(\$1,210)	(\$6,370)	
		2008	\$9,321	\$1,399	\$10,719	
	Solar Panel Program	2006	(\$1,595)	(\$519)	(\$2,114)	
		2007	(\$161)	(\$38)	(\$198)	
		2008	\$15	\$2	\$17	
	Customer Education - General	2005	(\$91)	(\$38)	(\$129)	
	Multi-residential Interval Metering	2005	(\$3,385)	(\$1,431)	(\$4,815)	
		2006	\$9,447	\$3,073	\$12,520	
		2007	(\$18,336)	(\$4,301)	(\$22,637)	
		2008	(\$13,655)	(\$2,049)	(\$15,704)	
	Grand Total			\$48,874	\$14,077	\$62,951

1. These savings refer to the Every Kilowatt Counts component of the Customer Education program.

Q50f) Please confirm that the savings associated with the Interval Meter Pilot program have been removed from both the LRAM and SSM calculations.

Response:

Yes, the energy savings associated with the Interval Meter Pilot program have been removed from both the LRAM and SSM calculations.

This pilot program should not be confused with the multi-residential sub-metering program, which involved the installation of sub-metering at ten multi-residential condominiums. (Referred to as “Multi-residential interval metering”)

The actual energy savings for the multi-residential sub-metering program are higher than what is reported but results for nine of ten buildings are not available. An increase in savings would increase both LRAM and SSM claims.

