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November 10, 2010

**VIA E-MAIL/RESS**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor; 2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli,

**Re: EB-2010-0099 Midland PUC 2011 IRM Adjustment**  
**Interrogatories of Vulnerable Energy Consumers Coalition (VECC)**

Please find enclosed VECC's revised interrogatories regarding the above Application.

Yours truly,

*Original signed*

Michael Buonaguro  
Counsel for VECC

Encl.

Cc. PHIL MARLEY, CMA President & CEO  
[pmarley@midlandpuc.on.ca](mailto:pmarley@midlandpuc.on.ca)

## EB-2010-0099 Midland PUC 2011 IRM Adjustment -VECC IRs

### LRAM SSM

#### VECC IR# 1

References: Appendix A1 Page 15 and Appendix A2 Attachment A

Preamble: For SSM, a distributor may recover 5% of the net benefits (TRC) created by CDM portfolio investments. As set out in the CDM Guidelines, program net benefits are determined by the present value of the avoided electricity costs over the technology's/program's life minus the present value of program costs. All results are net of free ridership. Incentive payments identified by Midland PUC are excluded from these calculations. For all programs/projects, the OEB Total Resource Cost Guide, Section 5, Assumptions and Measures List September 8, 2005 were used in TRC calculations in accordance with OEB's direction letter, Conservation and Demand Management ("CDM") Input Assumptions Board File No.: EB- 2008-0352, January 27, 2009.

- a) Confirm that the current CDM Guidelines and Policy Letter as referenced above specify that

#### **SSM**

*Assumptions used from the beginning of any year will be those assumptions in existence in the immediately prior year. For example, if any input assumptions change in 2007, those changes should apply for SSM purposes from the beginning of 2008 onwards until changed again....*

- b) When (year and date) did the OPA change its Input assumptions (unit savings and free ridership) for CFLs under the Every Kilowatt Counts Campaigns.
- c) Provide a copy of the SeeLine EKC calculators before and after the change Confirm /Show how the EKC assumptions compare to the latest OPA Mass Market and CI Measures and Input Assumptions.
- d) Provide a copy of the spreadsheet showing the SSM calculation as filed. Reconcile to Attachment C.
- e) Provide a calculation of the 3<sup>rd</sup> tranche SSM using the OPA EKC input assumptions for CFLs from January (2007?) following the change in input assumptions..Provide a revised version of Attachment C.

#### VECC IR# 2

References: Appendix A1 Page 16 and Appendix A2 Attachments A and E

Preamble: For all programs/projects, the most recently published OPA assumptions and measures list were used in *LRAM calculations* [emphasis added] in accordance with OEB's direction letter, Conservation and Demand Management ("CDM") Input Assumptions Board File No.: EB-2008-0352, January 27, 2009 and consistent with recent Decision and Order EB-2009-0192 for Horizon Utilities Corporation that directed LRAM calculations use the most current available input assumptions for all CDM programs.

- a) For LRAM the Guidelines and Policy Letter of January 27, 2009 Specify that

## **LRAM**

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

*For example, if any input assumptions change in 2007, those changes should apply for LRAM purposes from the beginning of 2007 onwards until changed again.....*

- b) Confirm the Input assumptions for the following 3<sup>rd</sup> tranche CDM programs:
  - Residential CFL Giveaway –# units and unit kwh savings, operating hours, lifetime and free ridership for each year 2005-2009. Reconcile to net 244.944 total kwh and 5.67kw peak and to Attachment E.
  - Commercial CFL Giveaway –# units and unit and total kwh savings, operating hours, lifetime and free ridership for each year 2005-2009 Reconcile to net 113,400 total kwh and 23.03 kw peak and Attachment E.
- c) Explain why the free-ridership assumption for CFLs is maintained at 10%.
- d) If the lifetime for CFLs in the Giveaways is less than the 5 years of kwh savings explain why free ridership should be increased and/or a persistence factor applied.

## VECC IR# 3

References: i) Appendix A1 Page 15 Results Table  
ii) Sheet J2.5 Lost Revenue Adjustment Mechanism (LRAM) Table 1

- a) Based on the response to Questions 1-3 provide a calculation of the revised. LRAM/SSM schedules for 3rd tranche programs (including Carrying charges) and recalculate the rate riders.

## VECC IR# 4

References: Appendix A1 Page 16 and Appendix A2 Attachment B

Preamble OPA sponsored programs also represent lost revenue through their successful implementation and are included in LRAM calculations. Lost revenue from results attributable to Midland PUC funded programs were also included in the LRAM calculations. Although not specifically addressed in the CDM Guidelines, this assessment was considered to be consistent with the CDM Guideline intention of removing the disincentive of eroding distributor revenues due to lower than forecast revenues.

- a) Provide details of the OPA EKC campaigns from 2006-2009 that add to the data shown in Attachment B- Residential line 4 Every Kilowatt counts—
  - i. # units
  - ii. unit and total kwh savings,
  - iii. operating hours,
  - iv. lifetime and
  - v. free ridershipfor each year 2006-2009
- b) Reconcile to the revenue for each year and the Total Revenue.