

January 13, 2011

Board File Number: EB-2010-0331

Hydro One Brampton Networks Inc. – 2011-2014 Board-Approved CDM Programs

INTERROGATORIES

Ref: Exhibit B, Tab 1, Schedule 2 Page 1 of 16

1. The Board's CDM Code requires each LDC to file a CDM Strategy and provides a template for doing so, which Hydro One Brampton appears to have conformed to in its application. Did the OPA provide similar documentation to Hydro One Brampton? If so please file any shared OPA documents that would approximate what is included in the OEB template requirements.

Ref: Exhibit B, Tab 1, Schedule 2 Page 3 of 16

2. At line 1, Hydro One Brampton notes that the cost effectiveness of all OPA Programs has been verified by the OPA. Please provide copies of the document(s) that verifies their cost effectiveness including details of the calculations, assumptions and sources of assumptions.
3. At line 6, Hydro One Brampton asserts that all requested Board Approved Programs pass the Code required tests (Total Resource Cost (TRC) Test and Program Administration Cost (PAC) Test). Please provide the results of these tests including details of the calculations, assumptions and sources of assumptions.
4. Has Hydro One Brampton completed any Participant Cost Tests on its requested programs? If so please provide the results of these tests including details of the calculations, assumptions and sources of assumptions. If not, how can Hydro One Brampton be sure that participants will benefit from its requested programs?

Ref: Exhibit B, Tab 1, Schedule 2 Page 5 of 16

5. At line 5, Hydro One Brampton outlines how its budgets were estimated based on an estimated percentage of Hydro One Brampton's participation. Given that the OPA funding agreement was not final at the time of filing evidence, what contingencies have been built into the requested fund for either OPA programs or requested programs?

Ref: Exhibit B, Tab 1, Schedule 2 Page 5 of 16

6. Ministerial conservation-related directives since the passage of the Green Energy and Green Economy Act to both the OPA and the Board have ensured that LDC targets include both peak reductions and energy reductions. In Hydro One Brampton's view, how has this impacted both the design and selection of OPA programs and its requested programs,

January 13, 2011

particularly with respect to programs and budgets allocated to demand response programs which deliver no energy saving results. Figure 3 appears to indicate the allocation of significant resources to these programs. Does Hydro One Brampton support the apparent preference for demand response over energy savings?

Ref: Exhibit B, Tab 1, Schedule 2 Page 6 of 16

7. The Alliance agrees with Hydro One Brampton that Board approved programs are required in order to meet its targets. In section 4.1, Hydro One Brampton indicates that the OPA expects its OPA contracted programs will achieve 1037 MW of the combined total of the LDC target of 1330 MW target. If this is the case OPA programs will deliver 77% {calculated} of the LDC expected results.
 - a. Please replicate this calculation on a kWh basis.
 - b. Why does Hydro One Brampton anticipate that 83% of its kW results will come from OPA programs? Please provide specific calculations and related assumptions used, including information from the consultant reports and any other information Hydro One Brampton used to determine that 83% was the correct portion of its target that OPA programs would be able to deliver.
 - c. Please replicate Hydro One Brampton's anticipated share of the total LDC target on a kWh basis.
8. In determining what requested Programs to design, or in the actual development of those programs what limitations if any did Hydro One Brampton face? Please respond with respect to the following: availability of resources, timely access to information, particularly respect to proposed OPA program designs, project program budgets, and cost/benefit analysis of plans, programs and specific measures as well as estimated targets.
9. Does Hydro One Brampton anticipate the need for any changes to the Board's CDM Code as a result of having gone through the first iteration of program design?
10. Please file the cost/benefit analyses for the six selected programs, including calculations, assumptions and sources for assumptions.

Ref: Exhibit B, Tab 1, Schedule 2 Page 8 of 16

11. At line 11, Hydro One Brampton notes that programs like Double Return Plus empower customers to manage and reduce their own peak as well as save energy. As a result, Hydro One Brampton claims it has high positive TRC and PAC ratios (ref /Figure 4) and delivers both demand and energy savings. Does Hydro One Brampton have similar data with respect to programs that reduce demand with no energy savings, either from the OPA or from other programs in North America? If so, please file.

January 13, 2011

Ref: Exhibit B, Tab 1, Schedule 2 Page 12 of 16

12. Regarding Municipal and Hospital Energy Efficiency Performance, in its submission in EB-2010-0215, Toronto Region Conservation Authority shared its lessons learned from performance based conservation:

- performance based conservation delivers far greater energy savings than previous approaches to energy (and water) conservation,
- the larger part of the savings is found in low/no cost improvements,
- successful and sustainable conservation has more to do with good management than with technology,
- conservation programs have to support building managers with information, tools and resources so that they can recognize the unique set of conservation opportunities in their facilities,
- benchmarking can identify buildings with high conservation potential, inform target setting and point to where savings are to be found in each building, and
- monthly savings reporting flags variances in predicted savings, identifies measures which do not perform as intended, verifies savings which have been achieved and guides continuous improvement

Has Hydro One Brampton reviewed this material, and if so, how has it been taken into account in the development of the Municipal and Hospital Energy Efficiency Performance Program?

13. How will the Municipal and Hospital Energy Performance Program relate to the Green Energy and Economy Act requirements for energy management plans in the broader public sector?

14. What additional resources would be required to apply this program to the entire public sector, including Ontario government facilities within Hydro One Brampton's territory?

15. What is the reason for only requiring the customers to commit to participation until December 31, 2014? What resources would be required to extend this deadline given that in the same TRCA submission found that savings are still to be found after five years of participation in such programs?

Ref: Exhibit B, Tab 1, Schedule 2 Page 15 of 16

16. In Figure 6, Hydro One Brampton illustrates how low income customers are eligible for the OPA approved programs. Do any of these programs other than the Appliance Retirement Initiative **not** require a portion of the cost of the project or measure to be paid by the customer? With respect to requested programs, does either of the residential programs require the cost of the project or measure to be paid by the customer?

January 13, 2011

Ref: Exhibit C, Tab 1, Schedule 1, Page 1 of 43

17. Is this exhibit exactly as provided by the OPA, or is it a summary developed by Hydro One Brampton? If it is a summary, please file the full document.

Ref: Exhibit C, Tab 1, Schedule 1, Page 28 of 43

18. At line 5, the ERIP program is described as focusing on equipment replacement. In its submission to EB-2010-0215, the Toronto Region Conservation Authority said, “it is now well documented that prescriptive measures [equipment replacement] can not only fail to achieve optimal savings, but in some cases actually lead to an increase in consumption”. Has Hydro One Brampton’s research or program evaluations found similar issues?

Ref: Exhibit C, Tab 1, Schedule 1, Page 32 of 43

19. In a discussion of the Demand Response 1 – **Commercial** program, at line 10, the exhibit indicates that “an **Industrial** Change Management Committee has been established to manage change to the DR initiative in an organized and ongoing manner”? Is Hydro One Brampton aware if this committee applies to commercial DR? Is Hydro One Brampton aware of any other “change management committees” for OPA programs? If so, please list and describe their function.

Ref: Exhibit C, Tab 1, Schedule 1, Page 32 of 43

20. At line 3, the exhibit indicates that “DR1 is to achieve maximum cost effective peak demand reduction **and energy savings**”. Is Hydro One Brampton aware of any expected targets for energy savings from Demand Response OPA programs? If so, why do none of the OPA programs for DR include energy saving targets for Hydro One Brampton?

Ref: Exhibit C, Tab 1, Schedule 1, Page 39 of 43

21. At Line 24, the Exhibit says that “Ontario has not had a fully functioning **energy** management initiative for industrial customers...except for ERIP”. Did Hydro One Brampton have programs that applied to its industrial customers under MARR? Has Hydro One Brampton worked with Enbridge Gas with respect to its industrial programs?

Ref: Exhibit C, Tab 1, Schedule 2, Page 38 of 55

22. At line 31, the description of initiative elements asked that the memorandum of understanding include “annual benchmarking and monitoring of electrical energy use”. Did Hydro One Brampton consider including a requirement to benchmark other fuels to ensure that electrical savings were not achieved with a disproportionately high impact on other energy forms? Did Hydro One Brampton consider the electrical savings associated with reduced water use? If not, why not? Could the program be revised to include other energy forms and water?

January 13, 2011

Ref: Exhibit C, Tab 1, Schedule 2, Page 49 of 55

23. At line 6, Hydro One Brampton cites the requirement for an Action Plan by the customer.
How will this link with the Energy Management Plans required under the Green Energy and Green Economy Act?