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January 13, 2011

**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-2010-0332 Hydro One Networks Inc. Application for Approval of CDM  
Programs  
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)**

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

Yours truly,

*Original signed*

Michael Buonaguro  
Counsel for VECC

Encl.

**Cc** Ms. Anne-Marie Reilly  
Senior Regulatory Coordinator – Regulatory Affairs  
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**ONTARIO ENERGY BOARD**

IN THE MATTER OF *the Ontario Energy Board Act, 1998*;  
AND IN THE MATTER OF an Application by Hydro One Networks Inc.  
For an Order or Orders confirming the 2011 to 2014 Conservation and Demand  
Management Strategy and approving funding for the 2011 to 2014 Board-Approved  
Conservation and Demand Management Programs

**Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)****VECC IR#1**

Reference: Exhibit B Tab 1 Schedule 2 Figures 1 and 2

Preamble: Hydro One will take full advantage of the OPA-Contracted CDM Programs, which are expected to achieve approximately 80% of Hydro One's CDM targets. To achieve the remaining 20%, Hydro One will undertake Board-Approved CDM programs. Figure 1 summarizes Hydro One's anticipated peak savings, and energy savings achievements for OPA Contracted and Board-Approved CDM Programs for the 2011 to 2014 period.

- a) Provide the basis of the 80% split between OPA and HON targets and budgets.
- b) Provide the documentation that shows the OPA program allocation of 181 million to HON.
- c) Provide a copy of the consultant(s) report(s) on the Economic potential for CDM in HON's service territory.
- d) For the OPA programs provide more details on the allocation methodologies and the calculations for each sector.
- e) For HON is an allocation based on load or number of customers times average use more appropriate? Please comment and provide illustrations.
- f) Did HON arrive at its programs on a similar methodology, or were they designed on a bottom up basis? Please describe.

**VECC IR#2**

Reference: Exhibit B Tab 1 Schedule 2 Exhibit C Initiative C

Preamble: The first step in developing the CDM strategy was to examine Hydro One's service territory and customer base from a CDM perspective. Hydro One extended its end-use analysis to further understand its customer base.

- a) Provide copies of the report(s) that Hydro One prepared to understand its residential customer base. If not available provide information on loads by regional locations, customer average uses for electric and non electric space and hot water.

- b) Provide all reports prepared for OPA and Hydro One that establish the profile of Hydro One's Residential Customer base in terms of
  - i. numbers by region,
  - ii. domicile- archetype
  - iii. own/rent,
  - iv. income level
  - v. annual electricity consumption
- c) Provide similar Province-wide data to position HON within the totals.
- d) How will HON customers access the programs will there be a similar registration system to OPA and will customers need to register twice (Once with OPA and Once with HON)?

### **VECC IR#3**

Reference: Exhibit B Tab 1 Schedule 2 Exhibit C Initiative 9

Preamble: A total budget of \$181 million was established after adding another \$15 million for the Low Income Program. The OPA budget for low income is not yet finalized. The \$15 million budget for low income is based on Hydro One's percentage of the number of customers in the Province.

- a) Provide the OPA/HON the definition of qualifying low income customers (e.g. Low Income Families that pay their own electricity bills with an annual income < Stats Canada LICO +125%).
- b) Provide a profile of HON and Provincial Low Income customers by region and by other demographics such as those requested in IR#2b).
- c) What is HONs percentage of residential Low income customers relative to the provincial total? Provide the data.
- d) Why is the proposed \$15 million budget appropriate? Benchmark this budget to
  - i. The total Residential spend (OPA and HON)
  - ii. the Ontario gas utilities and
  - iii. other Canadian jurisdictions specifically, Manitoba BC and Quebec
- e) Is HON planning to supplement the OPA LI Programs. Please provide details of these LI programs.
- f) Compare the proposed OPA/HON LI Programs to those of BC Hydro, Hydro Quebec and Manitoba hydro in terms of
  - i. Annual Budget
  - ii. Spend per LI Customer

### **VECC IR#4**

Reference: Exhibit B Tab 1 Schedule 2 Figure 4

- a) Why is Screening at a Program Level Appropriate? Please discuss.

- b) Provide details of TRC and PAC screening at a measure level for all measures in each program.
- c) Provide details of screening of Low income programs at a measure level as well as program level.

#### **VECC IR#5**

Reference: Exhibit B Tab 1 Schedule 2 Figure 5

- a) Provide the annual cost of the programs 2011-2014 on a per customer basis for residential customers given the proposed allocation of budgets for both OPA and HON programs separately.
- b) Provide an estimate of the impact of the total CDM on residential customers (year round and seasonal with consumption of 250, 500, 750 and 100kwh per month assuming average load profiles.

#### **VECC IR#6**

Reference: Exhibit B Tab 1 Schedule 2 Monitor and Control

- a) Is HON planning to claim any SSM or LRAM for its CDM programs?
- b) If so will there be an independent audit or will OPA perform this function. Please discuss how accountability to ratepayers will be achieved.
- c) Will HON and HO Brampton conduct one set of E&V activities for all programs?
- d) How will E&V be coordinated with OPA?
- e) What is the annual cost of the E&V? Provide a breakdown by activity and year.

#### **VECC IR#7**

General- No Reference

- a) When is HON going to launch its programs and how will this mesh with OPA?
- b) Will HON hold meetings with stakeholders to develop details of program design and delivery?