

January 24, 2011

BY COURIER (2 COPIES) AND EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, Ontario M4P 1E4
Fax: (416) 440-7656
Email: boardsec@oeb.gov.on.ca

Dear Ms. Walli:

**Re: Pollution Probe – Interrogatories for OPA
EB-2010-0279 – Ontario Power Authority – Fiscal 2011**

Pursuant to the Board's *Issues Decision and Procedural Order No. 2*, please find enclosed Pollution Probe's interrogatories for the Ontario Power Authority.

Yours truly,



Basil Alexander

BA/ba

Encl.

cc: Applicant and Intervenors per Appendix A to *Issues Decision and Procedural Order No. 2* by email

Pollution Probe Interrogatories for the Ontario Power Authority

January 24, 2011

Issue 2.0 (particularly Issues 2.1, 2.3, and 2.5)

1. Ref: Exhibit C, Tab 1, Schedule 1, pg. 3

Please provide a break-out of the net annual peak demand reduction actually achieved or forecasted to be achieved by OPA program (e.g. DR1, *peaksaver*, etc.) for each year from 2005 to 2014 inclusive.

For each program and for each year, please also provide the program's:

- a) TRC Test benefit cost ratio;
- b) Levelized unit electricity cost of reducing demand by 1 kW;
- c) Free-rider rate;
- d) Report(s) which provides the market evidence and analysis to support the OPA's free-rider rate estimate;
- e) Number of participants; and
- f) Budget.

2. Ref: Exhibit C, Tab 1, Schedule 1, pg. 3

Please provide a break-out of the cumulative* annual energy reduction achieved/forecast to be achieved by the OPA by program for each year from 2005 to 2014 inclusive.

For each program and for each year, please provide the program's:

- a) TRC Test benefit cost ratio;
- b) Levelized unit energy cost of reducing electricity consumption by 1 kWh;
- c) Free-rider rate;
- d) Report (s) which provides the market evidence and analysis to support the OPA's free-rider rate estimate;
- e) Number of participants; and
- f) Budget.

* For example, assuming the program saved 100 kWh in 2005 and an incremental 200 kWh in 2006, but only 90 kWh of the 2005 savings persisted in 2006, then the cumulative annual energy savings in 2006 would be 290 kWh (i.e., 90 + 200).

3. Ref: Exhibit B, Tab 2, Schedule 1

- a) Please provide the total number of: a) residential; and b) small business customers that were enrolled in the *peaksaver* program as of December 31, 2010.
- b) Please provide your best estimate of the total number of: a) residential; and b) small business customers that are eligible to enroll in the *peaksaver* program.
- c) Please provide the forecasted number of: a) residential; and b) small business customers that will be enrolled in the *peaksaver* program as of December 31 for each of the following years: 2011, 2012, 2013, and 2014.
- d) Has the OPA analyzed the benefits and costs of adopting more aggressive participant targets for its residential and small commercial *peaksaver* programs? If yes, please provide copies of the OPA's analyses. If no, please explain why not.

4. Ref: Exhibit B, Tab 2, Schedule 1

Please provide the avoided cost (with respect to both energy and capacity) estimates that the OPA uses to calculate the cost-effectiveness of its CDM programs. Please provide a break-out of these estimates by year, season, time of day, generation, transmission, and distribution.

Please provide a break-out of the generation mix assumptions that are embedded in your avoided cost estimates (i.e. the percentages of the avoided capacity and energy supply that is solar, wind, biomass, water power, simple cycle gas, combined-cycle gas, combined heat and power, nuclear power, and imports).

Please provide the source(s) and copies of reports that support the OPA's avoided cost estimates (e.g. internal OPA analysis, a report by Navigant, etc.).

5. Ref: Exhibit B, Tab 2, Schedule 1

Please provide the OPA's estimates of Ontario's annual average and peak hour transmission and distribution system energy losses as a percentage of Ontario's total annual electricity generation and as a percentage of Ontario's peak demand.

6. Ref: Exhibit B, Tab 2, Schedule 1

With respect to: a) the Electricity Retrofit Incentive Program; and b) the Industrial Accelerator Program, please provide the ranges of their average annual custom project financial incentives* per kWh as a percentage of the LUECs for the corresponding avoided electricity supply.

- * For example, if the customer financial incentives are 5 cents per kWh for each kWh of first year savings only and if the project has an economic life of ten years, the average annual financial incentive is 0.5 cents per kWh assuming no discounting (i.e. 5 cents / 10 years).

7. Ref: Exhibit B, Tab 2, Schedule 1, pg. 16

- a) Please provide the OPA's total cumulative CDM expenditures since 2005 as of December 31, 2010.
- b) Please provide the total reduction in peak demand (MW) and energy consumption (MWh) in 2010 as a result of the OPA's CDM activities since 2005.

8. Ref: Exhibit B, Tab 2, Schedule 1, pg. 14.

For each of the OPA's 2011 to 2014 CDM programs, please provide the date(s) when the OPA will receive preliminary and/or final evaluation reports with respect to the actual free rider rates for each program.

Issue 3.0 (particularly Issues 3.1, 3.3, and 3.5)

9. Ref: Exhibit B, Tab 3, Schedule 1, pgs. 22 & 23

For each of the OPA's 12 CHP contracts which were in commercial operation as of June 30, 2010, please state their:

- a) "All in Customer Payments" per MWh in 2010; and
- b) the assumed annual capacity factors used to calculate each of the "All in Customer Payments".

Please state the average annual HOEP and gas commodity costs used by the OPA to calculate the "All in Customer Payments".

To protect the privacy of the relevant CHP companies, each of the 12 contracts can be assigned randomly to and identified by a number (e.g. #1, #2).

10. Ref: Exhibit B, Tab 3, Schedule 1, pgs. 22 & 23

For each of the OPA's natural gas-fired combined-cycle contracts that were in commercial operation in 2010, please state their:

- a) "All in Customer Payments" per MWh in 2010; and

- b) the assumed annual capacity factors used to calculate each of the “All in Customer Payments”.

Please state the average annual HOEP and gas commodity costs used by the OPA to calculate the “All in Customer Payments”.

To protect the privacy of the relevant power companies, each of the contracts can be assigned randomly to and identified by a number.

11. Ref: Exhibit B, Tab 3, Schedule 1, pgs. 5 & 18

Please provide the OPA’s schedule for implementing its CHP standard offer program.