



***PUBLIC INTEREST ADVOCACY CENTRE  
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March 14, 2011

**VIA MAIL and E-MAIL**

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

Dear Ms. Walli:

**Re: Vulnerable Energy Consumers Coalition (VECC)  
Notice of Intervention: EB-2010-0145  
Woodstock Hydro Services Inc. – 2011 Electricity Distribution Rate  
Application**

Please find enclosed the Technical Conference Questions of VECC in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

**WOODSTOCK HYDRO SERVICE INC.**  
**(WOODSTOCK)**  
**2011 RATE APPLICATION (EB-2010-0145)**  
**VECC'S TECHNICAL CONFERENCE QUESTIONS**

**QUESTION TC #1**

**Reference:** OEB Staff #11 a)

- a) The original question requested the 'units of measurement' for the CDM Savings" and "Ontario Real GDP Index" variables. Please respond to the original question.

**QUESTION TC #2**

**Reference:** OEB Staff #12

- a) Please update the response to part (a) include 2010 and provide a comparison of the total 2010 predicted versus actual purchases.
- b) For the years 2009 and 2010, please provide a schedule that sets out:
1. The actual HDD and CDD values for the year
  2. The "weather normal" HDD and CDD values
  3. The difference between the actual and weather normal values for HDD and CDD
  4. The product of these differences and the respective coefficients for HDD and CDD, as established in through the regression analysis.
  5. The actual purchases for each year.
  6. The "weather normal" purchases for each year calculated by adjusting the actual purchases (item (5)) by the estimated impact of weather (item (4)).

### **QUESTION TC #3**

**Reference:** OEB Staff #22 a)

- a) Please confirm that the revenues at existing rates as reported here are net of the transformer ownership allowance. If not, please re-do the table such that the revenue by class reflect the transformer ownership discount.

### **QUESTION TC #4**

**Reference:** VECC #3 b)

VECC Interrogatory Appendix E

- a) Please reconcile the Net Annual Energy Savings values for 2006, 2007 and 2008 reported in response to VECC #3 b) with those set out in the OPA audited results provided in Appendix E.
- b) Please confirm that the Net kWh Savings reported in Appendix E for the first year of a program (i.e., 2007 savings for 2007 programs) are annualized values (i.e., they assume that the programs were in effect for the full year).
- c) The original Application used historical results to estimate the CDM value for 2009. Please confirm whether Appendix E sets out the best estimate currently available for the actual results for 2009. If not, please provide.
- d) Please confirm that for the years 2007 through 2009, the monthly CDM Activity Variable represents the sum of:
  - 1. The total annual savings in the previous years, and
  - 2. An allowance for the annual CDM in the particular year, assuming an equal build up to annual savings in each month.

- e) If confirmed in part (d), why is it appropriate to base the monthly CDM activity variable on annualized values as opposed to doing the following:
- Base part 1. above on  $1/12^{\text{th}}$  of the previous years' CDM carry forward.
  - Base part 2. above on monthly savings that sum to the annual value for the year. For example, January would be based on  $1/78^{\text{th}}$  of the annual increment, February would be based on  $2/78^{\text{th}}$  of the annual increment through to December which would be based on  $12/78^{\text{th}}$  of the annual increment.
- f) Please confirm that the 2010 and 2011 values for the CDM Activity Variable assume that the total Net Annual Savings for 2008 persist through to 2011.
- g) If part (f) is confirmed, please reconcile this assumption with Appendix E, where the 2011 savings for the 2006-2008 programs are less than the reported 2008 savings for these programs.
- h) Based on the responses to the previous questions, please undertake the following:
- Provide and explain any revisions required to the Monthly CDM variable (both historic and forecast),
  - Re-estimate the regression model,
  - Provide an updated version of Exhibit 3/Tab 2/Schedule 1, Appendix A, and
  - Provide an updated projection of purchases for 2010 and 2011.

#### **QUESTION TC #5**

**Reference:** VECC #5

Energy Probe #14 a)

- a) Please reconcile the difference in the historic loss factors as reported in these two responses.

### **QUESTION TC #6**

**Reference:** VECC #14

- a) The response does not address the question posed. If the current fixed portion for the GS 50-499 class is 56.5% and the fixed portion for the GS > 1000 is 10.8%, then the overall current fixed proportion for the two classes overall must be a value between these two. What is the current fixed proportion for the two classes combined? If the value is not 49.2%, please provide the supporting calculations.
- b) Based on the response to part (a), what would be the 2011 monthly charge for each class?

### **QUESTION TC #7**

**Reference:** VECC #31 a)

**Preamble:** The Table showing the kW and kWh as filed for Lighten Your electricity Bill 2005 does not reconcile with Attachments A (and B) to the Burman Independent Review Report

#### **Total kW and kWh from programs under Lighten Your Electricity Bill**

<b>2005: Program Name</b>	<b>Total kW (As Filed)</b>	<b>Total kWh (As Filed)</b>	<b>Burman Report Attachment A</b>
CFLs	3.2616	140,901.12	140,901
SLEDs 5W	0	14,0	14,079
SLEDs – Mini lights	0	1,782.5496	1783
Programmable Thermostat - Space Heating	0	118,828.8	118,823
Programmable Thermostat - Space Cooling	22.8312	20,865.6	20,866
Timer - Outdoor Light	0	2,663.28	2,663
Timer - Indoor Light	0.2016	6,307.2	6,304
Ceiling Fan	0.2916	8,728.56	8,729
<b>TOTAL</b>	<b>26.586</b>	<b>314,156.1096</b>	<b>(235,611)</b> <b>314,148</b>

- a) Confirm an addition error is responsible for the change and
- b) Confirm the revised total (net) of 4X 78,537 kwh –total 314,156 kwh was used to calculate the revised third tranche LRAM shown in VECC IRR #32
- c) Provide a revised Attachment B for the LYEB program (SEE BELOW for further revisions).

### **QUESTION TC #8**

**Reference:** VECC #31 a)

**Preamble:** WHSI and Burman have used the following assumptions for SLED 5w

#### **SLEDs - 5W: As Filed 2005 and 2006**

# of Units:	65
Unit kWh Savings:	57 kWh
Summer kW savings:	0.0 kW
Operating Hours:	155
Lifetime Savings per unit kWh:	1,710 kWh
Free Ridership :	5%

- a) Confirm these are C7 25 light strings. The OPA Prescriptive Measures and assumptions List 2010 Pages 141-42 shows a net savings value of 13.5 kWh and a lifetime of 5 years.
- b) Recalculate the total kwh savings for this measure over the period 2006-2009 based on the OPA M&A value.
- c) If these are individual Screw in 5-6w LEDs then recalculate the savings using the average M&A List (pages 134-35) annual savings of 8.87 kWh/light.

### **QUESTION TC #9**

**Reference:** VECC #31a

**Preamble:** WHSI and Burman have used the following assumptions for SLED Mini lights

#### **SLEDs - Mini Lights: As Filed 2005**

# of Units:	65
Unit kWh Savings:	7.2168 kWh
Summer kW savings:	0 kW
Operating Hours:	155
Lifetime Savings per unit kWh:	216.504 kWh
Free Ridership :	5%

- a) Confirm these are Mini SLED light strings. The OPA Prescriptive Measures and assumptions List 2010 (Pages 144-45) shows a net savings value of 4.83 kWh and a lifetime of 5 years.
- b) Recalculate the total kWh savings for this measure over the period 2006-2009 based on the OPA M&A value

### **QUESTION TC #10**

**Reference:** VECC #31 a)

- a) Provide the sources of assumptions for the programmable thermostats (heating and cooling). In particular list the base standard technology(ies) assumed.

- b) Point to the comparable page numbers in the 2010 OPA M&A Lists and the average values listed there.
- c) Adjust the kwh savings and LRAM as necessary to align with the OPA M&A List.

### **QUESTION TC #11**

**Reference:** VECC #32

- a) For all third tranche programs provide a revised copy of Burman Report Attachments A and B and C showing as filed revised and final savings and LRAM claim.
- b) Provide a version of the revised LRAM Table (VECC #32) that breaks down the third tranche Claim into Residential and Other lost revenue.
- c) Provide a version of Appendix D to VECC IRRS that shows the revised Third Tranche claim (see below for OPA programs).

### **QUESTION TC #12**

**Reference:** VECC #33 and Appendix D to VECC IRRs

- a) Explain why the as filed Summer Savings and Summer Sweepstakes kwh savings and LRAM amounts (as shown Appendix D) contained apparent gross errors. Was the source of these errors WHSI/Burman or OPA? Clarify.
- b) Provide a copy of the Letter from OPA confirming the final OPA results.
- c) Provide an extract of the OPA preliminary and final residential results for Woodstock.



- d) Confirm that the Total Residential OPA Program LRAM amount for WHSI is now \$385,461.98.
- e) Provide a revised version of Table in VECC IRR 32 that breaks down the rate riders for residential and GS<50 kw between Third Tranche and OPA programs.

### **QUESTION TC #13**

**Reference:** VECC #22 b) and c)

- a) Please explain how WHSI came in under budget in both 2009 and 2010 on its Pole/Duct Improvement program, e.g., due to fewer replacements than planned, costs per pole being lower than estimated, etc.

### **QUESTION TC #14**

**Reference:** VECC #23 a) and Exhibit 2, Tab 2, Schedule 3, page 51

Preamble: The pre-filed evidence states, with respect to the \$450K purchase of a 2011 double bucket truck with 85 foot boom, *"This is a replacement of an existing truck which will provide additional functionality and increased efficiency. No incremental additions to the vehicle fleet will result from this purchase."*

- a) The truck to be replaced appears to have cost \$178,962. Please explain why replacing this truck will cost over two and a half times as much in 2011 as the existing vehicle cost when it was acquired by WHSI.
- b) Please confirm that the vehicle to be replaced will be disposed of in 2011. If unable to so confirm, please explain the assertion that *"No incremental additions to the vehicle fleet will result from this purchase."*
- c) Please provide the revenues that WHSI estimates it will receive on disposal on the 1997 International that is to be replaced.
- d) Please explain how WHSI treats the revenues received from the disposal of vehicles.

### **QUESTION TC #15**

**Reference:** VECC #25 a) and Exhibit 4, Tab 2, Schedule 4, page 6

- a) Does WHSI intend to replace the Meter Supervisor who retired in 2010?
- b) For the six members of the Management group in 2011, please provide the average yearly base wage increases in percentages for 2011 over what they received as a group in 2010.

### **QUESTION TC #16**

**Reference:** VECC #25 b) and Exhibit 4, Tab 2, Schedule 4, page 6

- a) How long has WHSI had a 3% COLA and a wage progression schedule in its collective bargaining agreements?
- b) WHSI has provided an explanation for the large percentage increase in 2011 of average yearly base wages for its union members. Please explain why the factors cited for 2011 did not result in similarly large increases in average yearly base wages for its union members in any previous year 2006-2010 inclusive.