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BY EMAIL and RESS

March 18, 2011

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2011-0011 – Toronto Hydro-Electric Systems Limited
2011-2014 Board-Approved CDM Programs Application –Interrogatories

Please find attached the Interrogatories of the School Energy Coalition (SEC) for EB-2011-0011 pursuant to Procedural Order #1 issued by the Board.

Should you require additional information, please do not hesitate to contact me.

Yours truly,
JAY SHEPHERD P.C.

ORIGINALLY SIGNED BY

Mark Rubenstein

cc: G. Winn, THESL
W. McNally, SEC
J. Shepherd, SEC
Interested Parties

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IN THE MATTER of the *Ontario Energy Board Act 1998*, 1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Toronto Hydro-System Limited Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code;

INTERROGATORIES
FROM THE
SCHOOL ENERGY COALITION

General

1. With respect to current and proposed CDM activities,
 - a) Please provide the latest approved budget for the Applicant's CDM business unit covering all or any part of the period 2011 through 2014 inclusive, and providing a breakdown by function and between the categories i) Board-approved programs, ii) OPA programs, and iii) other costs.
 - b) Please provide a breakdown of current and proposed FTEs in Applicant's CDM business unit, broken down by function and between the same three categories if possible.
2. With respect to the incremental staffing additions for 2011-2014 for all CDM programs, please provide a detailed breakdown by: year, role (as categorized by the Applicant in their proposed Board-Approved Program budgets), type (contract, union, non-union, management etc.) and by OPA program and proposed Board-Approved Program.
3. Please provide a total budget broken down by category for all proposed Board-Approved Programs?
4. Please confirm all costs in this Application are incremental to the existing approved budget.
5. Please provide a full, live, and populated TRC and PAC model for each of the programs in which there is a TRC and/or PAC result or target forecast.
6. Please provide a combined budget showing all planned spending for web pages, web presence, and related activities, in any of the proposed Board-approved programs and in any OPA programs the Applicant plans to implement in 2011-2014.

Business Outreach and Education

7. [p.4] For each of the past 3 years, please provide the number of speaking engagements employees of the Applicant have given on the topic of conservation and demand management to the building services audience.
8. [p.4] Please provide a list of ‘business association forums’ in which the Applicant intends to become involved.
9. [p.8] Please provide the budget and actual spending for each of 2009 and 2010 for business association memberships, event education sponsorships and show booth outreach.
10. [p.10 and a number of other places in the Application] With respect to ‘Key Messaging’, please provide an explanation of,
 - a) How “THESL wants to work with its customers” is relevant and specific to conservation and demand management?
 - b) How “THESL is a trusted and honest broker” is relevant and specific to conservation and demand management?
11. [p.11] With respect to the budget, please provide a detailed breakdown of the variable costs and allocable cost associated with this program.
12. [p.11] Please provide a more detailed description of the types of legal costs proposed to be incurred under this program.

Commercial Energy Management and Load Control

13. Please confirm that schools will be able to take part in the Commercial Energy Management and Local Control program.
14. Please provide a detailed timeline from Board Approval of the program to full program implementation and deployment. Please detail all significant steps and tasks needed to be undertaken.
15. [p.5] Please reconcile the statement that the program will “[c]ontribute 6.3 GWh in cumulative net electricity savings” with the table on the previous page stating the total MWh savings of 13,864.
16. [p.5] The Applicant states that it might issue an RFP on behalf of itself and other utilities deploying the same program. If other utilities are deploying the same program has the Applicant discussed the possibility with the OPA of the OPA conducting the RFP process and/or sponsoring the program?

17. [p.8] Please provide a breakdown of the ‘Institutional’ sector displayed in the Sector Analysis table.
18. [p.11] Please explain why the number of participants per year decreases in 2014.
19. [p.11] Please provide the specific source and date of the US Department of Energy setback calculator used in the determination of the electricity demand and consumption savings.
20. [p.19] With respect to the budget,
 - a) Please provided a detailed breakdown of the fixed marketing, administrative and operations costs?
 - b) Please provide a detailed breakdown of the variable vendor and operations costs?
 - c) Please confirm that the equipment and component costs are not being classified as capital costs?
 - d) Please provide a detailed breakdown of the allocable cost.
21. [p.20] Please provide the basis for the input assumption of 10% free ridership?

Commercial, Institutional and Small Industrial Monitoring & Targeting

22. Please confirm that schools will eligible for the Commercial, Institutional and Small Industrial Monitoring & Targeting program.
23. Please provide a detailed timeline from Board Approval of the program to full program implementation and deployment. Please detail all significant steps and tasks needed to be undertaken.
24. [p.4] Please explain how “participants will be required to demonstrate that the results of the operational process changes implemented are maintain on a go forward basis”?
25. [p. 14] Please provide details of how the Applicant derived the estimated reduction of 0.86 MW and savings of 40.7 GWh.
26. [p.17] Please explain how the Applicant will “[l]everage relationships with professional and industry based organizations to promote program to their membership”. Please provide the estimated budget for this and where it is found in the overall program budget.
27. [p. 18] Please explain why the Applicant is limiting the program to buildings that have an average peak demand exceeding 200kW.
28. [p.19] With respect to the Incentive Application, please explain the baseline normalization process.

29. [p. 24] With respect to the budget,
- a) Please provide detailed breakdown of the allocable and incentive costs.
 - b) Please provide a detailed breakdown of the fixed sales cost and variable operations costs.
30. [p.25] Please provide a basis for the input assumption of an operation life of 8 years.

Community Outreach and Education Initiative

31. [p.4] s Please provide budget and actual figures for the predecessor program for each year from 2007-2010.
32. [p.7] Please explain in greater detail the Toronto Police Outreach segment of this Initiative.
33. [p.13] With respect to the budget,
- a) Please explain why there is no variable cost associated with this program.
 - b) Please provide details about the legal costs incurred by this program.

Flat Rate Water Heater Conversion & Demand Response

34. Please provide a detailed timeline from Board Approval of the program to full program implementation and deployment. Please detail all significant steps and tasks needed to be undertaken.
35. [p.11] Please explain why normal marketing tactics are no longer effective. Please provide evidence to support this conclusion.
36. [p.14] Please explain why the project M&V will be limited to only 30 customers per year.
37. [p.15] With respect to the budget:
- a) Please provide a detailed breakdown of the variable vendor and administrative costs.
 - b) Please provide a detailed breakdown of the allocable and incentive costs.

Greening Greater Toronto Commercial Building Energy Initiative

38. [p.4] Please provide the financial amounts that have been allocated towards the CBEI from the Applicant in 2010. Please provide the original business case for the creation of the CBEI and any supporting documentation.
39. [p.13] Please provide a breakdown of the variable operation cost budgeted.

Hydronic System Balancing Program

40. Please provide a detailed timeline from Board Approval of the program to full program implementation and deployment. Please detail all significant steps and tasks needed to be undertaken.
41. [p.6] Please explain why the balancing assessment incentive is limited based on amount per facility and not per pump?
42. [p.6] Please provide examples of the proposed measures customers must implement to be eligible for the incentive.
43. [p.22] With respect to the budget,
 - a) Please provide a breakdown of the fixed operation cost.
 - b) Please provide a breakdown of the variable administrative and operation costs.
 - c) Please explain why the total fixed costs line item is not the aggregation of the fixed costs.

In Store Engagement and Education Initiative

44. [p.6] With respect to the six years of past retail partnerships and retail based events:
 - a) Please provide evidence to sustain the conclusion that there have been unprecedented participation rates over the past six years.
 - b) Please provide the communication plans, that would be similar in type to that referenced on page 8 for paid media, that were in place for the previous program or programs.
45. [p.8] Please provide details on how the Applicant calculates that its proposed program will reach 80% of its target audience a minimum of 6 times.
46. [p.8] Has a communication plan for paid media been developed for the implementation of this program yet? If so please provide a copy of the plan.
47. [p.11] With respect to the budget:
 - a) Please provide a detailed breakdown of the marketing and external costs.
 - b) Please provide details about the legal costs incurred by this program.
 - c) Please provide a detailed breakdown and explanation of the incentives portion of the budget.
48. Please explain why this program requires third-party EM&V.

Multi-Unit Residential Demand Response

49. Please provide a detailed timeline from Board Approval of the program to full program implementation and deployment. Please detail all significant steps and tasks needed to be undertaken.
50. [p.6] Please explain and provide details about the statement, “[t]he owner/occupant will also be able to manually modify or override these initial settings on a limited basis”.
51. [p.9] Please provide a detailed explanation on how the Applicant reached the projected 40% participation rate for the program.
52. [p.10] Please explain why the Applicant is expecting a 0% building and suite penetration rate for rental buildings and units.
53. [p.17] With respect to the budget:
 - a) Please provide a detailed breakdown of the variable operation and vendor costs.
 - b) Please provide a breakdown of the fixed administrative costs.
 - c) Please provide a detailed breakdown of the incentive costs.
54. [p.18] Please provide the basis for the input assumption of 10% free ridership?

Program Development, Planning Costs and Application Costs

55. Please provide the legal basis on which THESL believes it can apply for recovery of its 2010 and 2011 Program Development, Planning Costs and Application Costs in addition to its Proposed Board-Approved expenses, in this Application?
56. [p.2] Please provide greater detail and explanation about each element of the budget contained in Table 1.
57. [p.3] With respect to \$40,250 in 2011 labour costs:
 - a) Please provide a basis for the \$100/hr cost per FTE technical support cost.
 - b) Please provide a detailed explanation of the nature of the work these individuals are performing
 - c) Is this work being done by THESL employees and/or outside contractors?

Respectfully submitted on behalf of the School Energy Coalition this 18th day of March 2011.

Mark Rubenstein