



***PUBLIC INTEREST ADVOCACY CENTRE***  
***LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC***

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August 31, 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)  
EB-2011-0123

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

<b>REQUESTOR NAME:</b>	<b>VECC</b>
<b>INFORMATION REQUEST ROUND NO:</b>	<b>#1</b>
<b>TO:</b>	<b>Guelph Hydro Electric Systems Inc.</b>
<b>DATE:</b>	<b>August 31, 2011</b>
<b>CASE NO:</b>	<b>EB-2011-0123</b>
<b>APPLICATION NAME:</b>	<b>2012 Electricity Distribution Rate Application</b>

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NB: Guelph Hydro refers to Guelph Hydro Electric Systems Inc.

### **ISSUE 1: GENERAL**

- 1) Issue 1.1: Has Hydro Ottawa responded Board directions? Reference: Exhibit 1, Tab 1, Schedule 10, page 4 – Conditions of Service
  - a) Effective October 1, 2011 OEB rules affecting the electricity distribution utilities conditions of service for low income consumers come in to effect. Please explain what modifications Guelph Hydro has made to its conditions of service in order to comply with these new rules.
- 2) Issue 1.2: Are the economic and business planning assumptions appropriate? Reference Exhibit 1, Tab 2, Schedule 2, page 4
  - a) Please explain how the inflationary factor of 2% is derived.

### **ISSUE 2: RATE BASE**

- 3) Issue 2.1: Is the proposed rate base appropriate? Reference Exhibit 2, Tab 4, Schedule 5, pages 38 – 44. *Preamble - At Tables 8 through 11 of the Asset Management Plan are forecast capital expenditures for 2012 to 2016. However, there does not appear to be an explanation as to how these figures are derived, though they appear to be increased in each year subsequent to 2012 by 3%. In other places (see for example Table 11) there is a decrease in investment costs.*
  - a) Please explain how changes to the forecast costs in the asset management plan were derived?
  - b) Is there a nexus between reliability performance (see Exhibit 2, Tab 4, Schedule 8) and capital expenditures in the asset management plan? If so please explain how the asset management plan address reliability issues

- c) Does Guelph Hydro monitor its worst performing circuits? If not, why not. If yes, please explain how the asset management plan/capital budget addresses worst performing circuits.
  - d) It is not clear how the asset condition assessment portion of the asset management plan informs the capital budgeting process. For example, at Exhibit 2, Tab 4, Schedule 5, Appendix C, page 42 it shows 16 pole top transformers being replaced in 2012. The evidence is not clear as to whether this recommendation is carried out in the budget forecasts for 2012 (and in the Tables at pages 38-44 of Exhibit 2, Tab 4, Schedule 5). Can Guelph Hydro provide an explanation, or map, as to the specific relationship between the recommendations of the asset condition/asset management plan and the capital budget forecast?
  - e) In the Asset Management and Asset Condition reports, there is discussion about pole replacement. There is also discussion about the need to relocate plant due to municipal development, such as road widening. These two issues do not seem to be linked in the capital budget or asset management plan. How does municipal planning inform Guelph Hydro's plan for pole replacement and other capital budget plans?
- 4) Issue 2.2: Is the working capital allowance appropriate? Reference Exhibit 2, Tab 3, Schedule 1, page 1
- a) Why did Guelph Hydro not undertake a lead-lag study in support of its working capital request?
  - b) What impact would it have if Guelph Hydro were to reduce its working capital allowance to 13% of forecast controllable and power costs?

### **ISSUE 3: LOAD FORECAST AND OPERATING REVENUE**

- 5) Issue: 3.1: Is the load forecast methodology including weather normalization appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, pages 4-5 /OEB Staff #15
- a) Please provide the multifactor regression outputs (per page 5, lines 3-4) for two additional model specifications: one excluding Ontario Real GDP and a second excluding Manufacturing GDP.
  - b) Please provide projections for 2012 purchases based on the two models from part (a).
- 6) Issue 3.1: Is the load forecast methodology including weather normalization appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, pages 5, 7 and 15.
- a) Page 5 (line 1) states that weather normal is based on average weather conditions from 1998-2010 (i.e. 13 years). However, page 7 (line 23)

states that weather normal is based on a ten year average. Please reconcile.

- 7)** Issue 3.1: Is the load forecast methodology including weather normalization appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, page 8.
- a) To what customer class does the new customer referenced on lines 18-19 belong?
- 8)** Issue 3.1: Is the load forecast methodology including weather normalization appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, page 15.
- a) Please provide a table that sets out for 2009 and 2010 the following:
- The actual purchases for each year
  - The actual HDD and CDD values for each year
  - The “weather normal” HDD and CDD values for each year (as defined by Guelph)
  - The HDD and CDD coefficients per Guelph’s regression model
  - The weather normal adjustment for each year based on the product of a) the HDD and CDD coefficients and b) the differences between the actual and “weather normal” values for HDD and CDD respectively.
  - The estimated “weather normal purchases” calculated by adjusting actual purchases by the values calculated in the preceding bullet.
- 9)** Issue: 3.1 Is the load forecast methodology including weather normalization appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, pages 10-11.
- a) What is the source for the historical monthly population values, particularly for the years after 2006?
- b) What are the sources for the 2011 and 2012 projected values for Manufacturing GDP?
- c) Page 10 appears to suggest that the source of the projection for Population was a 2003 City planning document.
- Is this case and, if not, what source was used?
  - If this was the case, please contrast the planning document’s projection for 2010 with the actual values used in the analysis.
- 10)** Issue 3.2: Are the proposed customer/connections and load forecasts (both kWh and kW) for the test year appropriate? Reference: Exhibit 3, Tab 2, Schedule 1, pages 19-20 and 26.
- a) Please provide the actual customer count, by class, as of June 30, 2011.

- b) Please confirm that the number of Street Lighting connections reported on page 26 (13,609) is meant to reflect the number of fixtures and not the number of connections to Guelph's distribution system.
- 11) Issue 3.3: Is CDM appropriately reflected in the load forecast? Reference: Exhibit 3, Tab 2, Schedule 1, pages 8-9 /OEB Staff IR #17.**
- a) Please describe the current status of Guelph's 2011 CDM program activity. Note: OEB Staff #17 requests "up-to-date savings for 2011". In addition, please indicate the status of Guelph's progress towards contracting for and initiating OPA programs.
- b) Please complete the following schedule setting out the annual and cumulative energy savings anticipated from Guelph Hydro's CDM programs (Note: xx designates areas where there should be entries and Total Cumulative Savings as of 2014 should equate to Guelph's 79.53 GWh target).

	Year			
Program Year	2011	2012	2013	2014
2011 Programs	xx	xx	xx	xx
2012 Programs		xx	xx	xx
2013 Programs			xx	xx
2014 Programs				xx
Total Annual Savings	xx	xx	xx	xx
Total Cumulative Savings	xx	xx	xx	xx

- c) What loss factor was used to "uplift" the CDM reductions?

**12) Issue 3.3: Is CDM appropriately reflected in the load forecast? Reference: Exhibit C1, Tab 1, Schedule 1, pages 5-6.**

a) Please complete the following table summarizing Guelph's CDM results to-date.

	Year					
Program Year	2005	2006	2007	2008	2009	2010
2005 Programs	xx	xx	xx	xx	xx	xx
2006 Programs		xx	xx	xx	xx	xx
2007 Programs			xx	xx	xx	xx
2008 Programs				xx	xx	xx
2009 Programs					xx	xx
2010 Programs						xx
Annual Savings	xx	xx	xx	xx	xx	xx

b) Is it reasonable to assume that the regression model reflects the historic trend in CDM set out above?

- If not, why not?
- If yes, is it reasonable to assume that captured in the energy forecasts for 2011 and 2012 based on the regression model are CDM savings that reflect a continuation of this continued trend?

- 13) Issue 3.4: Is the proposed test year throughput revenue appropriate?**  
Reference: Exhibit 3, Tab 1, Schedule 2, pages 1 and 29-30.
- a) Please confirm whether or not the distribution revenue shown in Table 1 is net of (i.e. reduced for) the transformer ownership discount.
  - b) Please explain why other revenue from “Interest and Dividend Income” is excluded from Table 1.
  - c) Please confirm whether the last column in the Table shown on page 30 should be titled “Dist Rev at Proposed Rates”.
  - d) Please reconcile the differences in the total 2012 distribution revenue reported on page 1 (\$30,651,674) and page 30 (\$30,873,105 – including TOA and \$30,652,117 – excluding TOA).
- 14) Issue 3.4: Is the proposed test year throughput revenue appropriate?**  
Reference: Exhibit 8, Tab 2, Schedule 8, Appendix 2-Q
- a) Please check and confirm the following reported bill impacts for the Residential class:
    - Page 2 – 13.97% Total Bill for 250 kWh per month;
    - Page 3 – 10.96% Total Bill (before taxes) for 500 kWh per month.
  - b) Are any other revisions required to the reported bill impacts?
- 15) Issue 3.5: Is the test year forecast of other revenues appropriate?**  
Reference: Exhibit 3, Tab 3, Schedule 1, page 3 / Exhibit 3, Tab 3, Schedule 2, page 5.
- a) How many micro-fit customers does Guelph Hydro have as of June 30, 2011?
  - b) How many micro-fit customers does Guelph Hydro expect to have as of year-end 2011 and year-end 2012?
  - c) Where are the revenues from the monthly service charges to micro-fit customers reflected in the forecast of Revenue Offsets?
- 16) Issue 3.5: Is the test year forecast of other revenues appropriate?**  
Reference: Exhibit 3, Tab 3, Schedule 1, page 3 / Exhibit 3, Tab 3, Schedule 2, pages 4-5
- a) Please provide a schedule that groups the accounts and values by year shown on page 5 into the three specific categories used in the Table on page 3.

- b) Exhibit 3, Tab 3, Schedule 1, pages 2-3 explain that the 2010 revenues for Account 4235 (\$574,316) were higher than previous years due to the inclusion of \$207,000 in revenues related to the late payment settlement. Please explain why the 2011 value for this account decreases by almost \$320,000. The explanation on page 3 (of the same schedule) only accounts for \$257,000 of the decrease.
  - c) Please explain the decrease in SSS Admin Charge revenues between 2010 and 2011.
  - d) Please provide an update (per Exhibit 3, Tab 3, Schedule 2, page 4) on the anticipated 2011 and 2012 revenue from OPA programs.
- 17) Issue 3.5: Is the test year forecast of other revenues appropriate?**  
Reference: Exhibit 3, Tab 4, Schedule 2, Appendix 2-C, page 5 Exhibit 4, Tab 2, Schedule 8, page 6
- a) Guelph Hydro reports revenues from street lighting maintenance and water billing services. Does Guelph Hydro carry out maintenance work directly and if so, does Guelph Hydro believe that this work is done in compliance with Section 71(1) of the *OEB Act* and the Board's Compliance Bulletin 200605 (Issued July 10, 2006)?
  - b) Why does Guelph Hydro undertake the non-utility activities of water billing, street lighting and sentinel lighting if it only receives its costs? What benefit accrues to the utility or its ratepayers at large for these activities?

#### **ISSUE 4: OPERATING COSTS**

- 18) Issue 4.1: Is the overall OM&A forecast appropriate?** Reference Exhibit 4, Tab 2, Schedule 3, page 5 – Meter Reading.
- a) Guelph Hydro states that as of October 2011 it will have only 600 commercial meters which need to be read manually. What are Guelph Hydro's plan to install remote reading for these last services?
  - b) Has Guelph Hydro done a cost-benefit analysis in respect to third party meter reading and internal source staff for these 600 meters?
  - c) What is the cost of the tendering process referred to at page 5 of the evidence?
- 19) Issue 4.1: Is the overall OM&A forecast appropriate?** Reference Exhibit 4, Tab 2, Schedule 6, page 1.
- a) The evidence states that \$1,712,083 of the increase in OM&A since 2008 can be attributed to the change in capitalization policy due to the introduction of IFRS accounting. Please provide the revenue requirement

analysis of this change in capitalization policy, that is compare the cost of capitalizing the 1.7 million versus the incremental OM&A costs for the asset life period.

- 20)** Issue 4.1: Is the overall OM&A forecast appropriate? Reference Exhibit 4, Tab 2, Schedule 6, page 21.
- a) Notwithstanding the wholesale introduction of smart meters the meter reading expense has not significantly decreased (312k in 2008 vs. 294k in 2012). Please explain why with the advent of remote meter reading greater savings have not been achieved in this area.
- 21)** Issue 4.1 Is the overall OM&A forecast for the test year appropriate? Reference Exhibit 4, Tab 2, Schedule 5, page 15 / Board Report: Low-Income Energy Assistance EB-2008-0150, pages 10-11. *Preamble: Guelph Hydro states that it has budgeted \$30,000 of LEAP support. The Board's Report suggests that amount which is 0.12% of the requested revenue requirement be allocated for LEAP funding. The Board Report also states "the Board encourages distributors to seek to augment their LEAP funding from other, non related, sources such as shareholders or other charitable donations."*
- a) Please explain why Guelph Hydro's LEAP budget is less than 0.12% of its requested revenue requirement of 32.7 million?
- b) The Board's Report sets a minimum funding level. In light of Guelph Hydro's past charitable contributions (see Exhibit 4, Tab 2, Schedule 5, page 17) did Guelph Hydro consider contributing more than the minimum 0.12% of revenue requirement to this fund?
- 22)** Issue 4.4: Are the 2012 compensation costs and employee levels appropriate? Reference 4, Tab 2, Schedules (6, page 3 to 6) (7, pages 27-40).
- a) Guelph Hydro explains that a number of positions are being filled due to positions left vacant in 2008 and while merger discussions were ongoing. How many existing management positions were there in 2008? How many were unfilled in 2008? Please provide the salary (job rate) and a description/title for each of the existing 2008 management positions (filled and unfilled).
- b) How many new management positions were created in each of 2009, 2010, 2011 and 2012? Please provide the salary range (job rate) and a description/title for each of the position.
- c) How many existing management positions were deleted in each of 2009, 2010, 2011, and 2012? Please provide the salary range (job rate) and a description/title for each of the deleted positions position.

- 23)** Issue 4.4: Are the 2012 compensation costs and employee levels appropriate? Reference Exhibit 4, Tab 2, Schedule 7, page 39.
- a) The evidence states that Management FTE's increase by 2 when the billing/call center functions were split. How many calls did Guelph Hydro receive (1) in total; (2) separated as to bill versus non-bill related for each of the years 2009 and 2010.
- 24)** Issue 4.4: Are the 2012 compensation costs and employee levels appropriate? Reference Exhibit 4, Tab, Schedule 7, page 39.
- a) The evidence states that 2 FTEs were/or are being added to address "energy services" with the "potential to generate additional revenues" Please provide the business case that was made for hiring these positions and which shows the potential revenues (and costs) of expanding the "energy services" function within Guelph Hydro.

## **ISSUE 6: SMART METERS**

- 25)** Issue 6.1 Is the proposed inclusion of the smart meter costs appropriate? References: Exhibit 9 Tab 3 Schedule 1 Appendix B : Guelph\_Smart Meter Rev Req Calc Model\_xls\_ 20110630.
- a) Provide a breakdown of the following for each of the residential and GS<50 kw class of customers.
- i. Number of meters;
  - ii. Installed capital cost  
(Reconcile to Appendix 2R and Spreadsheet)
  - iii. Provide the SM rate adder collected from each of the two classes by year and in total. Reconcile to Appendix 2R
- b) Using installed capital cost as the cost driver, split the Total Revenue Requirement by rate class. Reconcile to Sheet 8
- c) Compare the class Revenue Requirement to the SM adder revenue from each class and calculate the credit/deficit for each class.
- d) Compare to the aggregate \$0.01 incremental revenue requirement per meter.
- 26)** Issue 6.1: Is the proposed inclusion of smart meter costs appropriate? References Exhibit 9, Tab 3, page 3 Table 10 /page 6.
- a) The evidence states incremental cost of a communications chip (Zigbee standard) is \$12.25 per meter (page 6). How is this figure related to the costs noted at Table 10 for Computer Hardware (12.78) and Computer Software (22.73)?

- b) What other communications chips/protocols were investigated. Does Guelph Hydro know of any other Ontario utilities using this technology?
- c) The communication technology represents an incremental investment of approximately \$600,000 (12.12 x 49,033 meters). What is Guelph Hydro's business plan for recouping this investment?
- d) Please explain the statement at page 6 that "the incremental cost to do so [include the chip] was minor to the alternative of having to replace large volumes of meters before their end of useful life." How does the inclusion of the technology expand the life of the meters? Is the longer expected life of the asset incorporated into Guelph Hydro's amortization and depreciation calculations?

## **ISSUE 7: COST ALLOCATION**

**27)** Issue 7.1 Is Guelph Hydro's cost allocation appropriate? References Exhibit 7, Tab 1, Schedule 1, pages 1-2 / Exhibit 7, Tab 1, Schedule 2, pages 1-2 / Board Report RP-2005-0317, Appendix 4.1 / Staff Report to Board, EB-2010—219, pages 4-5

- a) Is the cost allocation model filed by Guelph Hydro fully consistent with the revised OEB cost allocation model released on August 5, 2011? If not, please outline those areas that do not conform.
- b) If not, please file a revised cost allocation model consistent with the Board's August 5<sup>th</sup> directions.
- c) In either case, please fully explain the basis for the weighting factors used for Services (Account 1855), Billing and Collection (Accounts 5315-5340, except 5335), Meter Reading and Meter Capital. In doing so, please indicate how the fact smart meters are now in rate base has been taken into account.
- d) Please confirm that for the 2008 Cost Allocation Guelph allocated miscellaneous revenues to customer classes in accordance with Appendix 4.1 of the RP-2005-0317. If not, please provide a schedule (similar to Appendix 4.1) setting out how each account was allocated.
- e) Exhibit 7, Tab 1, Schedule 2 (page 2) states that for the 2012 Cost Allocation all miscellaneous revenues were allocated to customer classes using the composite OM&A allocator. Please clarify whether by "all miscellaneous revenues" Guelph Hydro means:
  - The total amount of miscellaneous revenues (i.e., \$2,050,989), or
  - The total in Account #4235.

- f) If the latter, please reconcile this statement with the fact that Worksheet E4 in the Cost Allocation model filed with the Application shows CWNB as the allocator used for Account #4235.
- g) If the former, please reconcile this statement with the fact that Worksheet E4 of the Cost Allocation model filed with the Application shows different allocators being used for the various accounts involved.
- h) If the former, please re-do the 2012 Cost Allocation such that:
  - All miscellaneous revenue accounts are allocated in accordance with the August 2011 EB-2010-0219 Staff Report to the Board (pages 4-5).

Note: A response to part (h) is not required if Guelph has responded fully to part (b).

**28) Issue 7.1: Is Guelph Hydro's cost allocation appropriate? Reference: Exhibit 7, Tab 1, Schedule 2, Appendix 2-O /OEB Staff #49.**

- a) Please provide any analysis undertaken by Guelph that supports the use of connection factor of 10 for Guelph's Street Lighting fixtures.

**29) Issue 7.1 Is Guelph Hydro's cost allocation appropriate? References: Exhibit 7, Tab 1, Schedule 1, page 2 /Exhibit 7, Tab 1, Schedule 2, page 3 / OEB Staff #57.**

- a) Please confirm which 2012 kWh by class were used to determine the load profile adjustment factors (per Schedule 1, page 2) – those from Exhibit 3 or those from Exhibit 7, Tab 1, Schedule 2, page 3.
- b) If the later, do the profiles used in the Cost Allocation need to be revised/updated?

**30) Issue 7.2: Are the proposed revenue to cost ratios for each class appropriate? Reference: Exhibit 7, Tab 1, Schedule 2, Appendix 2-O.**

- a) Please confirm that the load profiles used for both the 2008 Cost Allocation and the 2012 Cost Allocation are based on load profiles developed by Hydro One for the initial cost allocation filing and indicate the "year" that the Hydro One profiles are based on.
- b) What would be the revenue surplus/shortfall if only those classes whose Status Quo ratios (Appendix A, page 2) are outside the Board's target ranges were adjusted and, in each case, the adjustment was made so as to bring the ratio to the lower/upper limit of the Board's target range as appropriate?

## **ISSUE 8: RATE DESIGN**

**31) Issue 8.1: Are the fixed to variable splits for each class appropriate?**

Reference: Exhibit 8, Tab 1, Schedule 2, pages 7-8 Exhibit 7, Tab 1, Schedule 2, page 1.

- a) Please confirm that the calculation of the fixed/variable split for GS 50-999 (per Exhibit 8, Tab 1, Schedule 2, Table 6) did not account for the lower “variable revenues” due to the transformer ownership discount. If so, please recalculate the split that the resulting 2012 MSC and variable rates taking into account the discount.
- b) Please provide two revised versions of the summary on page 8 (Exhibit 8, Tab 1, Schedule 2) based on the 2012 Cost Allocation updated per the Board’s August 5<sup>th</sup> Letter where one includes and a second excludes miscellaneous revenues.
- c) Based on the August 5<sup>th</sup> revised Cost Allocation model, is it still Guelph’s proposal to exclude miscellaneous revenues from the determination of the MSC range?
- d) Please confirm that for the GS 1,000-4,999 and Large Use classes both the 2011 MSC and the proposed 2012 MSC are above the Board’s “upper bound”.
- e) Why is Guelph proposing to increase the MSC for each of these classes when the existing value already exceeds the Board’s “upper bound”?

**32) Issue 8.1: Are the fixed to variable splits for each class appropriate?**

Reference: Exhibit 8, Tab 1, Schedule 3, page 2.

- a) Please provide the results of a simple regression that relates the % TOA billed to a time trend variable and indicate the adjusted R-squared value along with the t-statistic for the trend variable coefficient.

**33) Issue 8.2: Are the proposed retail transmission service rates appropriate?**

Reference: Exhibit 8, Tab 1, Schedule 4, pages 6-7

- a) Why has Guelph Hydro chosen to use the Adjustment calculated using the “Trend Analysis” to calculate the proposed 2012 RTSRs as opposed to the results of the Board’s 2012 RTSR Adjustment Model?

**34) Are the proposed retail transmission service rates appropriate? Reference: Exhibit 8, Tab 1, Schedule 4, Appendix A**

- a) Please confirm that the retail billing units shown on page 5 (of 18) and the Network and Connection billing units shown on pages 8 and 9 (of 18) are all for 2010. If not, what year is each based on?
- 35) Issue 8.3: Are the proposed LV rates appropriate? Reference: Exhibit 8, Tab 1, Schedule 5, page 2.**
  - a) What are the bases for the 23,514 kW billing determinant value and the \$1.548 rate assumed for LV charges for 2011 and 2012?
- 36) Issue 8.4: Are the proposed loss factors appropriate? Reference: Exhibit 8, Tab 1, Schedule 6, Appendix 2-P.**
  - a) Given that the loss factor appears to be generally declining over the 5-year period, why is it appropriate to use a 5-year average as the basis for the 2012 proposed loss factor?
- 37) Issue 8.4: Are the proposed loss factors appropriate? Reference Exhibit 2, Tab 4, Schedule 5.**
  - a) Does Guelph Hydro's asset management plan explicitly identify the reduction in loss factors as an objective. If so what projects are being undertaken in pursuit of this objective?

## **ISSUE 10: LOST REVENUE ADJUSTMENT MECHANISM**

- 38) Issue 10.1: Is the proposal related to LRAM/SSM appropriate? Reference: Exhibit 10 Tab 1 Schedule 1 *Preamble: "Distributors intending to file an LRAM or SSM application for CDM Programs funded through distribution rates, or an LRAM application for CDM Programs funded by the OPA between 2005 and 2010, shall do so as part of their 2012 rate application filings, either cost-of-service or IRM. If a distributor does not file for the recovery of LRAM or SSM amounts in its 2012 rate application, it will forego the opportunity to recover LRAM or SSM for this legacy period of CDM activity"***
  - a) Why is Guelph Hydro only claiming kwh savings and LRAM only for years 2007, 2008 and 2009 for:
    - i) Third Tranche Programs;
    - ii) OPA programs.
  - b) If Guelph Hydro has data for the 2010 and 2011 please provide details for each year for:
    - i) Third tranche savings;
    - ii) OPA program savings.

- 39)** Issue 10.1: Is the proposal related to LRAM/SSM appropriate? Reference Exhibit 10 Tab 1 Schedule 6 Appendix A.
- a) With regard to third tranche savings and LRAM please provide a detailed breakdown at the measure level for each of the Earth Day, Seasonal Baskets, Smart Wash and Light up a Life Programs
    - i. Participants,
    - ii. Unit kwh savings
    - iii. Measure life
    - iv. Free-ridership
  - b) Please reconcile to the claimed savings by year in Appendix A Page 9 and the tables on pages 5/6 of the TEAM Report and Table 4 of Schedule 10 Tab 4.
- 40)** Issue 10.1: Is the proposal related to LRAM/SSM appropriate? Reference Exhibit 10 Tab 1 Schedule 6 Appendix A Page 17.
- a) For OPA programs please confirm the input assumptions for EKC 2006 at the measure level:
    - i) CFLs;
    - ii) SLEDs;
    - iii) PTs; and please,
    - iv) confirm that for CFLs the unit savings and measure life were respectively 104kwh (13w) and 4 years.
  - b) Please confirm that savings from CFLs installed under EKC 2006 expire in 2010.
  - c) Has Guelph Hydro /TEAM made adjustments to the LRAM for this effect ? If not why not?
  - d) If any claims for 2010 for OPA programs as result of interrogatories or Final OPA results then provide details of any adjustments to measure life and kwh savings
- 41)** Issue 10.1: Is the proposal related LRAM/SSM appropriate? Reference Exhibit 10 Tab 1 Schedule 4 Page 2.
- a) Provide details at the measure level of the input assumptions used for SSM calculations for the Earth Day, Seasonal Baskets Smart Wash and Light up a Life Programs:
    - i) Participants;
    - ii) Unit kwh savings;
    - iii) Measure life; and,

- iv) Free-ridership.
- c) Please confirm that the Measure life used for CFLs was 4 years and Unit savings 104 kwh (13w) based on OEB input assumptions
- d) If any SSM claim is to be made for 2010 and beyond under this application confirm that the 2010 savings for CFLs should be adjusted to recognize 4 year life for CFLs
- e) Please adjust the LRAM/SSM and Rate riders as a result of any changes arising from the interrogatory responses.

#### **ISSUE 11: MODIFIED INTERNATIONAL FINANCIAL REPORTING REQUIREMENTS.**

- 42)** Issue 11.1: Is the proposed revenue requirement determined using modified IFRS appropriate? Reference Exhibit 2, Tab 1, Schedule 3, pages 2-3.
- a) Guelph Hydro notes that under IFRS fixed assets increased at end of 2010 by \$28,429,000 due to the change in treatment of capital contributions. Please provide a table showing the revenue requirement of this change for the period matching the assets related to the referenced capital contributions.
  - b) In reviewing the results of the table requested in (a) above, does Guelph Hydro have a view as to whether there is a net benefit or cost to ratepayers from the accounting change for capital contributions under IFRS?

#### **ISSUE 12: GREEN ENERGY PLAN**

- 43)** Is Guelph Hydro's Green Energy Plan appropriate? Reference Exhibit 2, Tab 4, Schedule 6, Appendix D.
- a) What components of the Green Energy Plan are specifically identified to assist low income consumers?
- 44)** Is Guelph Hydro's Green Energy Plan appropriate? Reference Exhibit 2, Tab 4, Schedule 6, Appendix D.
- a) How did Guelph Hydro determine what would be an appropriate budget for the Green Energy Plan?
  - b) Did Guelph Hydro meet with other distribution utilities to discuss and coordinate its Green Energy plan?

**45)** Is Guelph Hydro's Green Energy Plan appropriate? Reference Exhibit 2, Tab 4, Schedule 6, Appendix D, page 22 – 23 – Electric Vehicle Pilot

- a) Who are the “community partners” referred to in section 9.1 of the evidence on the Electric Vehicle Pilot.
- b) Please file the report of the results of the Guelph telephone survey referred to on page 23 of Appendix D.
- c) Please explain how the residential location for charging stations will be determined (page 24). How many charging stations are contemplated?
- d) Has Guelph Hydro discussed its pilot program with any car share companies or other private firms?
- e) Other than Guelph Hydro who is anticipated to own/run vehicles which are compatible with the charging stations contemplated in the pilot program?