



***PUBLIC INTEREST ADVOCACY CENTRE
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November 10, 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)
Submission of Revised VECC Interrogatories EB-2011-0207
Woodstock Hydro Services Inc.**

Please find enclosed the revised interrogatories of VECC in the above-noted proceeding. A revision has been made to Interrogatory #12. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

cc: Woodstock Hydro Services Inc.
Ms. Patricia Eitel

ONTARIO ENERGY BOARD

IN THE MATTER OF

the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15 (Schedule B), as amended;

AND IN THE MATTER OF an Application by
Woodstock Hydro Services Inc. for an order or orders
approving or fixing just and reasonable
distribution rates to be effective May 1, 2012.

Information Requests of the Vulnerable Energy Consumers Coalition (VECC)

REVENUE TO COST RATIO ADJUSTMENT

VECC Question # 1

Reference: 2012 IRM Revenue Cost Ratio Adjustment Workform

- a) Please explain why the Revenue Requirement from Rates, \$7,932,313, reported on Sheet 5 (Re-based Revenue from Rates) in the 2012 IRM Revenue Cost Ratio Adjustment Workform, differs from the Distribution Revenue Requirement of \$7,703,066 shown in the Revenue Requirement Work Form for 2011 rates (EB-2010-0145).

INCREMENTAL CAPITAL

VECC Question # 2

Reference: Manager's Summary, Pages 12 -13

Preamble: HONI's economic evaluation results determined that a capital contribution requirement of \$4.1 million plus taxes, was to be provided to HONI by Woodstock.

- a) What is the total cost of the project and what is HONI's share of the costs?
- b) Woodstock provided a deposit of \$169,500 to HONI in May 2008 when a Letter of Agreement was signed (Page 12 Lines 16-18). How is this payment factored into the capital contribution to HONI?

VECC Question # 3

Reference: Manager's Summary, Page 13

Preamble: The evidence indicates Woodstock submitted Notification to remove these costs from its 2011 COS Application after being informed by HONI that the construction of the TS would be delayed. HONI has since confirmed that the amended Ready for Service Date is December 17, 2012.

- a) Please discuss the reasons for the delay.
- b) Is HONI still able to meet the amended Ready for Service Date? If not, why not?

VECC Question # 4

Reference: Manager's Summary, Page 13

- a) Please summarize the results of Woodstock's load forecast review that was used to assess the need for this project and to demonstrate the future reliability and capacity issues.
- b) Please discuss these results in the context of Woodstock's current load forecast.

VECC Question # 5

Reference: Manager's Summary, Page 15

Preamble: A summary of the anticipated \$327,330 cost for the TS Wholesale Metering is provided on Page 15.

- a) Please provide a breakdown of the purchase and installation costs.

VECC Question # 6

Reference: Manager's Summary, Pages 17 to 18

Preamble: Under the Prudence Section of the evidence, Woodstock discusses the business, operational and qualitative factors that were examined and that it considered in deciding whether to self build, pursue shared ownership of a TS with another LDC, or to provide a capital contribution to HONI. Woodstock has provided design and cost details for the HONI ownership alternative.

- a) Please provide details on the design, location, associated costs and proposed in-service dates that were considered for the other two alternatives noted above.

- b) Please provide copy of the business case supporting Woodstock's decision to have Hydro One provide the transformer station.

VECC Question # 7

Reference: Manager's Summary, Page 21

Preamble: The evidence indicates that Woodstock has 2012 forecasted capital expenditures of \$7,377,996 that includes costs for the Commerce Way TS of \$4,427,330.

- a) Please provide a Capital Spending Schedule that sets out, on a comparative basis, 2010 Actual, 2011 approved (EB-2010-0145), 2011 Bridge and 2012 using the spending categories from EB-2010-0145.
- b) Please provide explanations for any categories where the variance between the 2011 approved and the current 2012 budget spending exceeds plus/minus 5%.
- c) Please identify all spending in the 2012 Capital Budget (apart from Transformer Station) that is meant to address load growth, explain the nature and basis for the anticipated load growth and quantify any discretionary expenditures. .
- d) For the spending categories/projects not addressed in response to part c), please provide an explanation as to why the budgeted level of spending is required in 2012 and quantify any discretionary expenditures.

VECC Question # 8

Reference: Appendix E, Sheet E1.1

Preamble: Sheet E1.1 indicates growth is 0% as the ICM Billing Determinants for Growth – Denominator: 2010 Audited RRR is left blank.

- a) Please explain why the denominator is left blank.
- b) Please re-do sheet E1.1 using \$7,932,454 as the revenue requirement from rates for the numerator and the revenue requirement from the 2010 Audited RRR as the denominator.

VECC Question # 9

Reference: Manager's Summary, Page 25

Preamble: Woodstock proposes the rate riders be established on “Option A” in the 2012 IRM3 Incremental Capital Workform, whereby the revenue requirement is recovered through a fixed rate rider and a volumetric rate rider.

- a) Please provide the rationale for using Option A.

VECC Question # 10

Reference: Manager's Summary, Page 25

Preamble: Woodstock provides a reconciliation of amounts in the Incremental Capital Module between CGAAP and MIFRS.

- a) Please identify and explain any adjustments that are required as a result of the above reconciliation.

LRAM

VECC Question # 11

References: Manager's Summary, Page 53

Woodstock requests approval in this application for a rate rider to recover revenue for Conservation activities conducted in 2010, over a 12 month period.

- a) Please provide a summary of the LRAM recoveries and associated CDM programs approved by the Board to date for Woodstock.
- b) Please confirm that the LRAM amounts Woodstock is seeking to recover in this application will be for new amounts not included in past LRAM recoveries.

VECC Question # 12

Reference: Manager's Summary, Page 53 and Attachment B

Preamble: The evidence indicates “At the time of the application, neither the 2010 preliminary, nor the final results were available.”

- a) When will the OPA results for the 2010 Programs be available and how may this affect the LRAM claim?
- b) If 2010 OPA preliminary or final results are available, please update the LRAM claim accordingly.

- c) Is Woodstock planning to engage a Third Party to review its CDM program results?
- d) For the Third Tranche Programs:
 - i. Provide a copy of the schedule that shows the breakdown *by year* of the unit kwh savings and net/gross totals for each Residential program at the measure level
 - ii. confirm the source(s) of the input assumptions for 2010.
- e) List and confirm OPA's input assumptions for Every Kilowatt Counts (EKC) 2006 including the measure life, unit kWh savings and free ridership for Compact Fluorescent Lights (CFLs) and Seasonal Light Emitting Diodes (LED). Confirm some of these assumptions were changed in 2007 and again in 2009 and compare the values.