



***PUBLIC INTEREST ADVOCACY CENTRE
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December 16, 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 VECC Interrogatories EB-2011-0203
West Coast Huron Energy Inc.**

Please find enclosed the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

cc: West Coast Huron Energy Inc.
Mr. Wally Curry
Mr. Scott Stoll

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
West Coast Huron Energy 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)

Lost Revenue Adjustment Mechanism (LRAM)

VECC Question # 1

Reference: Exhibit 1, Tab 2, Schedule 6, Attachment 1, Elenchus LRAM Report

Preamble: West Coast Huron Energy Inc. seeks an LRAM claim of \$117,811.78 for energy savings from 2006 to 2010 OPA CDM activities, for the years January 1, 2006 through April 30, 2012.

- a) Please confirm that the LRAM amounts West Coast Huron is seeking to recover in this application are new amounts not included in past LRAM claims.
- b) Please explain why there is no claim for activity related to 2005 to 2009 Third Tranche programs.
- c) When was West Coast Huron's load forecast last approved by the Board? Please discuss how any CDM savings have been accounted for in West Coast Huron's approved load forecast.
- d) Does the LRAM claim include carrying charges?
 - i) If no, please explain.
 - ii) If yes, please provide the calculation.
- e) Please provide the rationale for requesting lost revenues for 2011 and January 1, 2012 to April 30, 2012 in the absence of verified OPA results for 2011 and 2012.
- f) Please provide the calculation of the LRAM Rate Riders for each applicable rate class to the end of 2010.

VECC Question # 2

Reference: Elenchus Report, Table One, OPA Results Net kWh

- a) Please provide the following details by year at the program measure level to add to the data shown in Table One: # units, unit and total kWh savings, lifetime, and free ridership rate. Reconcile to the lost revenues shown in Table Five.
- b) List and confirm OPA's input assumptions for Every Kilowatt Counts (EKC) 2006 including the measure life, unit kWh savings and free ridership rate 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.
- c) Demonstrate that savings for EKC 2006 Mass Market measures 13-15 W Energy Star CFLs & Seasonal LEDs have been removed from the LRAM claim beginning in 2010.
- d) Adjust the LRAM claim as necessary to reflect the measure lives and unit savings for any/all measures that have expired starting in 2010.
- e) VECC notes that the totals on Table One – OPA Results Net kWh are the same as Table Two – OPA Results Net kWh Adjusted to April 30, 2012. Please explain.

VECC Question # 3

Reference: Exhibit 1, Tab 2, Schedule 6, Attachment 1, Elenchus LRAM Report

Preamble: The most recently published OPA 2010 Final CDM Results Summary released September 16, 2011 were used to calculate LRAM amounts.

- a) When does West Coast Huron expect to receive the OPA 2010 Final CDM Results Detailed that provides the input assumptions at the measure level?
- b) How will these results impact the LRAM claim?

Revenue to Cost Ratio Adjustment

VECC Question # 4

Reference: 2012 IRM Revenue to Cost Ratio Adjustment Workform

- a) Sheet 3: Please provide the reference for the data in column A (Re-based billed customers or connections), column B (Re-based Billed kWh) and column C (Re-

based Billed kW.

- b) Sheet 7 (Revenue Offsets) is incomplete; the informational filing column is blank and the allocated revenue by rate class is blank. Please explain and update as required.
- c) Sheet 8: Please provide the reference for the Transformer Allowance information.

Incremental Capital Module

VECC Question # 5

Reference: Exhibit 1, Tab 2, Schedule 2

Preamble: The Threshold Parameters provided by West Coast Huron on page 2 show a price escalator of 1.30 % and a stretch factor of 0.60%. A growth factor of -3.05% is proposed based on 2009 audited RRR as the denominator in the growth calculation. The Board's Stretch Factor Rankings for 2012 released on December 1, 2011 indicates a stretch factor of 0.40% for West Coast Huron. On November 10, 2011 the Board established the price escalator (inflation index) for IRMS for adjusting electricity distribution rates effective January 1, 2012. The updated annual percentage change in Gross domestic Product Implicit Price Index for Final Domestic Product (GDP-IPI) to 1.7%.

- a) Please update the price cap index and threshold test using the updated parameters and a growth factor of -6.67% based on the 2009 re-based values in the growth calculation.

VECC Question # 6

Reference: Exhibit 1, Tab 2, Schedule 2, Page 2

Preamble: West Coast Huron notes that its re-basing billing determinants were over inflated and thus created a significantly reduced growth factor which resulted in a suboptimal threshold calculation.

- a) Please explain why West Coast Huron's considers its re-basing billing determinants to be overinflated.

VECC Question # 7

Reference: Exhibit 1, Tab 2, Schedule 2, Page 8

Preamble: West Coast Huron has determined that the Sifto Line Expansion will be approximately \$2.8 million. At the time of this application, the customer has not committed to contribute any monies to the development of this project. West Coast

Huron intends to pursue a contribution in aid of construction.

- a) Please provide an update on Sifto's contribution.
- b) Please summarize West Coast Huron's approach to date and planned future approach in dealing with Sifto to receive a contribution to the project.
- c) Please provide an estimate of Sifto's contribution.