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May 11, 2012

**VIA 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: EB-2011-0326**

**Hydro 2000 Inc. – 2012 Electricity Distribution Rate Application**

**Final Submissions - Vulnerable Energy Consumers Coalition (VECC)**

Please find enclosed the submissions of the Vulnerable Energy Consumers Coalition (VECC) in the above noted proceeding.

As directed we have also filed a copy with the Case Manager and Board Counsel as well as the Applicant and their Counsel.

Thank you.

Yours truly,

*Original Signed*

Michael Janigan

Counsel for VECC

cc: OEB Case Manager – Silvan Cheung – [Silvan.Cheung@ontarioenergyboard.ca](mailto:Silvan.Cheung@ontarioenergyboard.ca)

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Hydro 2000 Inc.- Rene Beaulne – [aphydro@hawk.igs.net](mailto:aphydro@hawk.igs.net)

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**EB-2011-0326**

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sch.B, as amended;**

**AND IN THE MATTER OF an Application byHydro 2000 Inc. pursuant to section 78 of the *Ontario Energy Board Act* for an Order or Orders approving just and reasonable rates for electricity distribution to be effective May 1, 2012.**

**FINAL SUBMISSIONS**

**On Behalf of The**

**VULNERABLE ENERGY CONSUMERS COALITION (VECC)**

**May 11, 2012**

**Vulnerable Energy Consumers Coalition (VECC)**

**Final Argument**

# Implementation

## These are the final submissions of VECC with respect to the issues. VECC has reviewed the submissions of Board Staff. For the sake of brevity and efficiency VECC has not repeated the summary of evidence in Board Staff’s submission. Submissions have been made on those matters where we take issue with the Applicant’s proposals or Board Staff’s submissions. The issues addressed in this submission are:

1 Implementation

2. Rate Base and Capital Expenditures

3. Load Forecast

4. Revenue Offsets

5. Operating Expenses

6. Cost of Capital

7. Cost Allocation

8. Rate Design

9. Retail Transmission Service Rates

10. Low Voltage Rates

11. Deferral and Variance Accounts

12. Smart Meters/LRAM

13. Recovery of Reasonably Incurred Costs

## VECC takes no issue with the proposal for rates to be retroactively effective May 1, 2012.

# Rate Base and Capital Spending

*Capital Expenditures*

## Hydro 2000 has had a modest and consistent record of capital spending over the IRM period.

## A utility’s history in respect to service reliability is one check on whether the capital budget is meeting customer’s needs. Theevidence as initially presented in Exhibit 2, Tab 6, Table 1 was corrected in Board Staff Interrogatory No.4[[1]](#footnote-1). The amended evidence made corrections to the 2012 reliability metrics for all interruptions. The reliability metrics most indicative of distribution quality, those excluding loss of supplies, have no discernible pattern of degradation for the period 2008 through 2010. There is significant variation, but this may be due to the small, semi-rural nature of Hydro 2000’s distribution system.

## VECC concurs with the conclusions of Board Staff with respect to the proposed 2012 capital expenditures. VECC submits the capital budget for 2012 is reasonable and in line with past spending.

*Rate Base*

## Board Staff state that the 2012 Rate Base proposed by Hydro 2000 is $963,489, which is the figure filed in the original evidence.[[2]](#footnote-2) However, VECC requested that Hydro 2000 provide a Summary of Proposed Changes[[3]](#footnote-3). This document shows the final Rate Base as $979,044. Both these figures are contradicted by the last Revenue Requirement Work Form (Tab 4Rate Base) filed which shows rate base as $977,544. VECC invites the Applicant to clarify the final Rate Base it is seeking for 2012.

## Table 6 of Board Staff’s submission shows the rate base with working capital included. Variation in the cost and demand for power make up a significant portion of the change in working capital requirements and thereby thevariation in rate base. In order to understand better the variation in fixed assets we have removed the impact of working capital. The results are shown in Table 1 below.

Table 1[[4]](#footnote-4)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2008**  **Approved** | **2008Actual** | **2009Actual** | **2010Actual** | **2011Bridge** | **2012 Test** |
| Average Balance | $390,561 | $436,259 | $425,478 | $442,735 | $447,389 | $549,537 |
| % change as  compared to prior column |  | 10.5% | -2.5% | 4.1% | 1.0% | 22.8% |

## As shown by this Table the fixed asset portion of rate base has grown modestly (or declined) since 2008. The extraordinary growth between 2011 and 2012 is due to the introduction of smart meters. Hydro 2000 did not provide a variance analysis for the difference between the 2008 Board approved fixed asset portion of rate base and its actual spending. However, in response to a VECC interrogatory the Applicant explained that it spent $45,509 in 2008 on costs related to converting to a new CIS software system.[[5]](#footnote-5)

## *Working Capital*

## VECC submits that Hydro 2000 should be required to use the working capital amount of 13% as outlined in the Board’s direction on April 12, 2012. VECC has consistently argued that a default value of 15% of the cost of power and controllable expenses is excessive to the needs of most utilities. This has been borne out by the various lead-lag studies that have been submitted before the Board over the past two years.

# Load Forecast

*Load Forecast Methodology*

## Hydro 2000’s load forecast methodology consists of the following steps[[6]](#footnote-6):

* First, develop a weather normal forecast for total system purchases using a multifactor regression model that incorporates historical weather and economic-related variables for the historical period January 2007 to March 2011.
* Second, for weather sensitive classes (i.e., Residential, GS<50 and GS>50) calculate the 2011 and 2012 billed energy values based on each class’ historic share (2007-2010) of purchases.
* Third, for the USL and Street Lighting classes assume 2011 and 2012 billed energy is the same as for 2010.[[7]](#footnote-7).
* Fourth,forecast customer counts for 2011 and 2012 are developed. For the Residential class growth is projected to be 1.3% per annum, consistent with recent historical growth and population projections[[8]](#footnote-8). For the other classes, the customer counts are assumed to remain constant at 2010 levels[[9]](#footnote-9).
* No adjustment for CDM is incorporated into the load forecast.

## VECC only issue with Hydro 2000’s approach is the definition of employment-related variable that the utility has used in its regression model. The variable used is the “change in employment” from the previous month[[10]](#footnote-10). When asked about the rationale for using this formulation Hydro 2000 stated that “if employment increases in a given month there is an expectation that consumption will likely increase in that month”[[11]](#footnote-11). While this fact is true, VECC’s concern is that by using the “change in employment” the forecast usage for a given month will actually go down relative to the previous month, if the increase in employment observed in the given month is less than the increase experienced in the previous month. The reason for this is the load forecast for the month is based on linear equation that multiplies the change in employment by the coefficient 5752.34[[12]](#footnote-12). For example, if the employment change in the previous month was 20 and the change in the current month is 10 then the load forecast (all else being equal) will be 57,523.4 kWh less than that of the previous month, even though the total employment level has gone up overall.

## In the case of Hydro 2000’s Application this effect can be seen by comparing the predicted weather normal results for 2009 and 2011 (26.526 GWh and 26.544 GWh respectively) which are higher than those for 2012 (26.491 GWh)[[13]](#footnote-13) . These results arise from the fact that the annualized value for the “change in employment” variable is 10.3 for 2009 and 13.4 in 2011 as compared to 4.2 for 2012[[14]](#footnote-14). At the same time the annualized value for monthly employment levels[[15]](#footnote-15) increases steadily over the period from 6586.6 in 2009 to 6788.4 in 2011 to 6890.1 in 2012.

## In VECC’s view these resultsare counter intuitive and bring into question the robustness of the resulting forecast. At the same time, VECC notes that Hydro 2000 did try alternative specifications using the absolute level of employment. Unfortunately, this specification also produced counter-intuitive results in that the coefficient for the employment variable was negative[[16]](#footnote-16).

*2012 Load Forecast - Volumes*

## Overall, the total weather normal purchased energy for 2012 is forecast to be 26,490,916kWh and resulting billed energy forecast is 24,453,194 kWh.[[17]](#footnote-17). VECC notes that while the purchased energy forecast for 2012 is less than the weather adjusted actual purchases for 2009 it is more than the weather adjusted actual purchases for 2010[[18]](#footnote-18). As a result, while VECC has reservations regarding the load forecast methodology the forecast results for 2012 appear reasonable given that the customer count is only increasing slightly and VECC submits that Hydro 2000’s purchase and billed energy forecasts can be used for purposes of setting 2012 rates. However, Hydro 2000 should be encouraged to improve upon its load forecasting methodology for its next cost of service-based application.

## As noted previously, Hydro 2000 has stated[[19]](#footnote-19) that it has not included any adjustment for CDM in its load forecast. This is a departure from the practice of most utilities filing 2012 cost of service applications. However,given the LRAM true-up process established in the Board’s recently released CDM Guidelines[[20]](#footnote-20), VECC does not see any need to alter Hydro 2000’s load forecast for CDM provided Hydro 2000 commits to/is required to establish an LRAM variance account as set out in the Guidelines.

## The only concern that VECC has with respect to the treatment of CDM is that the load forecast model is based on historical data up to March 2011 and therefore the data used will reflect any CDM savings from programs (including 2011 programs) implemented up to that date. As a result, any future LRAM adjustment claim by Hydro 2000 for the year 2012 should recognize that the load forecast alreadyincorporates CDM savings up to March 31, 2011.

## VECC notes that Board Staff has suggested that a CDM adjustment of 0.208 GWh be included in the 2012 load forecast based on 20% of Hydro 2000’s CDM target[[21]](#footnote-21). Should the Board decide to include a CDM adjustment in the 2012 load forecast then the adjustment would need to be reduced to account for the January to March 2011 CDM savings already captured by the load forecast methodology[[22]](#footnote-22). Furthermore, given the Board’s new CDM Guidelines this CDM adjustment would need to be allocated to customer classes in order to facilitate the tracking of CDM savings variances by customer class.

*2012 Load Forecast – Customer Count*

## Hydro 2000’s forecast of customer counts calls for a slight increase in the number of Residential customers while the number of GS<50, GS>50, Street Lighting and USL customers remains constant at 2010 levels. The actual customer counts as of the end of 2011 are reasonably close to the forecast 2012 values (actual Residential values are over by 4 while the actual GS<50 values are under by one)[[23]](#footnote-23). Overall, VECC submits that the 2012 customer count, as forecast by Hydro 2000, should be adopted for purposes of setting 2012 rates.

# Revenue Offsets

## The projected 2012 revenue offsets in Hydro 2000’s initial Application were $20,303[[24]](#footnote-24). In response to interrogatories Hydro 2000 acknowledged that it had omitted the revenues for accounts #4082 and #4405 and indicated that the revenue offsets should be increased by $3,000[[25]](#footnote-25). While the summary of proposed changes filed on April 10th, 2012 did not include any increase in miscellaneous revenues, Hydro 2000 appears to have accepted that this adjustment needs to be incorporated[[26]](#footnote-26). Subject to the increasing the 2012 revenue offsets to $23,303 (to incorporate the omitted accounts) VECC submits that Hydro 2000’s 2012 projected revenue offsets should be accepted for rate setting purposes.

# Operating Costs

*OM&A*

## In making the submission below VECC adopted the summary of OM&A shown in Table 4 of Board Staff’s submission.[[27]](#footnote-27)

## VECC agrees with Board Staff that Hydro 2000’s proposed 2012 OM&A is high and that the Applicant has not provided sufficient evidence to support the prudence of some of these costs. VECC also supports Board Staff’s suggestion that regulatory costs could be reduced.

## VECC submits that Bad debt costs are at least $4,000 higher than expected based on past experience.[[28]](#footnote-28) Travel and Training costs are also high for a utility with only 2 employees.

## VECC also agrees with Board Staff that there are one-time OM&A costs embedded in the application. The evidence suggests that $17,618 of one-time costs are included in the 2012 OM&A forecast.[[29]](#footnote-29)

## In VECC’s submission the Board should also reject the increase of $40,000 in regulatory costs made in the amended response to VECC Interrogatory No. 11. No evidence was provided which would justify a sudden 30% increase in costs. For example, the Hydro 2000 is suggesting that responding to less than 100 interrogatories (written and oral) costs $30,000[[30]](#footnote-30). This is twice the amount the Applicant has allocated for all intervenor costs, a budget VECC notes that it is unlikely to approach (and which notably was not revised by Hydro 2000).At the Board’s maximum allowable consulting rate the interrogatory budget alone would allow for two full weeks of work. This appears excessive to the task.It is also not clear why the cost of the pre-filed evidence should have increased by $20,000 subsequent to when the evidence was filed.

## InVECC’s submission the regulatory costs are unreasonably high. In fact, if anything, the Board’s process in this application was such that it should have lowered the initialforecast of regulatory costs.

## To check the reasonableness of the overall OM&A proposalVECC employed an “expected cost growth” approach. This method starts with the last Board approved OM&A (2008). The increases in costs since that time are related primarily to inflation and customer growth. To the expected cost for these factors are added costs for incremental utility responsibilities and unavoidable activities. In addition to putting the Applicant’s proposed spending in perspective, this approach shows what, if any, long-term benefits or costs accrue to ratepayers from application of IRM rate setting.

## VECC has consistently applied an overall 10-11% inflation factor for the period 2008 to 2012in all the 2012 cost of service applications. This range is based on evidence supplied by a number of 2012 COS applicants. In Hydro 2000’s case the residential customer growth has been less than 4% while the GS > 50 class growth has been near 0%[[31]](#footnote-31). Simply adding of these figures and applying a 15% OM&A growth from 2008provides an expected 2012 OM&A of $302,048. Applying the lower inflation and customer growth rates (based on weighted customer growth) would yield a factor of approximately 13.5% and an expected OM&A of $298,108. To this range one adds any reasonable incremental costs.

## While VECC does not agree that the full amount of the proposed regulatory cost should be included it does accept that the application process is a costly and these costs are justifiably recovered from ratepayers. Allowing for the amount originally applied for would increase the 2012 OM&A by $35,000.

## VECC also accepts that the amortized IFRS costs are reasonable based on Board Staff’s submission that the Board has approved similar amounts for Renfrew Hydro. This change adds $15,000 on an annual basis to OM&A.

## Hydro 2000 also suggest that there are incremental ongoing smart meter costs of between $20,000[[32]](#footnote-32). VECC accepts this as a reasonable, if a somewhat high estimate.

## Finally, since 2008 Hydro 2000 has hired one additional part-time to “*cover the increased requirements surrounding conservation and demand management*s.[[33]](#footnote-33)” This person also helps with day-to-day activities. VECC submits the addition of ½ an FTE is reasonable in light the increased responsibilities utilities’ have acquired over the past four years. An estimate of $35,000 is, in VECC’s submission, reasonable for one-part time position.

## Based on these estimates, Hydro 2000 has incurred incremental costs of approximately $105,000. Adding this to expected OM&A range would result in a 2012 OM&A of between $403,108 and $407,048. Based on the fact that Hydro 2000 actually spent 7% less than the 2008 Board approved amount VECC would argue for using the lower end of this range.

## VECC has argued for the removal of $17,618 in one-time costs and $5,000 (the amortized value) in amended regulatory costs. Subtracting this sum -$23,618 - from the Applicant’s proposed 2012 OM&A results in a figure of $404,448. This figure is virtually the same as that resulting from applying VECC’s expected cost methodology.VECC notes that this figure does not include reductions in travel, expenses, and bad debt costs.

## VECC submits that Hydro 2000’s 2012 OM&A should be set at $404,000. This $24,000 reduction in OM&A is, in VECC’s submission, modestand should be the minimum reduction contemplated.

# Cost of Capital/Capital Structure

## VECC accepts the evidence as filed and on the assumption that Hydro 2000 will update its cost of capital parameters to the level allowed by the Board in its letter of March 2, 1012.

# Cost Allocation

## *Cost Allocation Methodology*

## As part of its Application, Hydro 2000 filed the results of a 2012 cost allocation study. The study utilized the Board’s new Cost Allocation model and incorporated revised weighting factors for Billing & Collecting, Meter Reading, Services and Meter Capital[[34]](#footnote-34). The following table sets out the results of Hydro 2000’s updated cost allocation.

|  |  |
| --- | --- |
| **REVENUE TO COST RATIOS – 2012 Updated Results** | |
| **Customer Class** | **2012 Revenue to Cost Ratios** |
| Residential | 79.55% |
| GS<50 | 189.11%% |
| GS>50 | 192.12%% |
| Street Lights | 101.21% |
| USL | 103.11% |
| Total | 100.0% |

## Sources: Exhibit 7/Tab 2/Schedule 1, page 1

## VECC’s only issue with Hydro 2000’s updated cost allocation is the weighting factors used for Services. Hydro 2000 has used a weighting factor of 1.0 for all classes based on the rationale that “line work e.g. after an outage equally benefits all connections, so all connection types are assigned an equal weighting”[[35]](#footnote-35). VECC is concerned that Hydro 2000 has misunderstood what costs are included in the Services account. These costs represent the assets related with providing the service drop to each customer and are not related at all to the cost of restoration during outages (which is typically an OM&A cost). Subject to any clarification that Hydro 2000 can provide VECC submits that the 2012 weighting factors for Services should be set at the default values per OEB Staff IR #15 b) and the cost allocation should be updated accordingly.

*Use of the Cost Allocation Study Results in Setting 2012 Rates*

## Based on Hydro 2000’s cost allocation model (as filed), the revenue to cost ratio for the Residential class falls below the Board’s recommended ranges while the ratios for GS<50 and GS>50 both exceed the recommended range[[36]](#footnote-36). Given these values, Hydro 2000 proposes to move the ratios over four years so as to achieve the target ranges for each class[[37]](#footnote-37).

## VECC agrees with this approach subject to the previously discussed adjustment to the 2012 cost allocation and thereby the starting point for any required adjustments.VECC notes that, even with the four year revenue to cost ratio phase-in, the overall residential bill impacts for 2012 are material[[38]](#footnote-38).

# Rate Design

*Base Distribution Rates*

## For 2012Hydro 2000 is proposing to alter the fixed/variable split for all of its customer classes[[39]](#footnote-39). However, the only class for which maintaining the current fixed/variable split proportions would yield a monthly service charge outside of the Board’s policy range is GS>50 (which currently exceeds the range). As a result, Hydro 2000’s plan to maintain the current monthly service charge of $120.73 for the GS>50 is reasonable and consistent with the Board’s policy and past Decisions.

## For the other classes the proposed 2012 monthly service charge is within the Board’s policy range but the fixed/variable proportions are changed as follows:

## For the Street Lighting class the fixed portion of the ratio is increased from 3% to 40%.

* For the Residential, GS<50 and USL classes the fixed portion of the ratio is reduced.

The proposed charges are set out in the following table.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2011 MSC** | **Proposed 2012 MSC** | **Customer Unit Cost / Month - Minimum System with PLCC** |
| Residential | $8.53 | $12.87 | $30.39 |
| GS<50 | $24.61 | $29.50 | $33.29 |
| GS>50 | $120.73 | $120.73 | $56.19 |
| Street Lighting | $0.05 | $1.16 | $3.14 |
| USL | $12.31 | $14.75 | $25.51 |

Source: Exhibit 7/Tab 1/Schedule 1, Elenchus Cost Allocation Report, page 13 and Exhibit 8/Tab 2/Schedule1/Attachment 1, page 3

## In the case of Street Lighting, Hydro 2000 states that the increase in the fixed portion is meant to “re-balance” the existing fixed/variable split[[40]](#footnote-40). VECC agrees with this change noting the resulting monthly service charge is still well below the mid-point of the Board’s policy range.

## For the other three classes the reduction in the fixed portion appears to be based on bill impact considerations. VECC submits that in the case of the Residential class these impact considerations are clearly valid as, even with a lower monthly service charge, the bill impacts for low use Residential customers are approaching 10%[[41]](#footnote-41). For the other customer classes, Hydro 2000 has not provided bill impacts at varying levels of usage and VECC is unable to comment.

## *Loss Factors*

## Hydro 2000 proposes to set its Total Loss Adjustment Factor at 7.72% which reflects its average loss factor over the years 2006-2010[[42]](#footnote-42). This value ismore than its currently approved loss factor of 6.6%, primarily as a result of a material increase in the 2010 loss factor. However, Hydro 2000 is unable to explain the increase for 2010[[43]](#footnote-43). VECC is concerned about the recent increase in loss factors. However, in the absence of any further information, VECC submits that the Board should adopt Hydro 2000’s proposed loss factor. However, Hydro 2000 should be “put on notice” that the loss factor issue will be followed-up on in its next cost of service proceeding, particularly if higher loss factors continue to be experienced.

# Retail Transmission Service Rates

## In its response to interrogatories Hydro 2000 filed an updated version of the Board’s RTSR Work Form using the Hydro One’s current (2012) sub-transmission rates[[44]](#footnote-44). VECC has reviewed Board Staff’s submissions and submits that, subject to two adjustments noted by Staff[[45]](#footnote-45), the proposed RTSRs should be approved for 2012.

# Low Voltage Rates

## In its original Application Hydro 2000 forecast LV costs for 2012 to be $100,429[[46]](#footnote-46). In its IR responses Hydro 2000 indicated that the value was based on 2011 charges (combination of actual and forecast) and revised the value to $128,226[[47]](#footnote-47). VECC submits that the Board should accept this revised LV cost and the resulting rates by class.

# Deferral and Variance Accounts

## VECC supports the submissions of Board Staff in respect to the disposition of Group 1 and Group 2 deferral accounts.

## VECC submits that the Deloitte and Touche review constitutes sufficient verification of accounts 1590 and 1595. However if the accounts have been reviewed then a statement of findings by the consultants is a reasonable requirement. In the absence of that evidence VECC submits a review by the Board’s audit group is warranted.

# Smart Meters/LRAM

## *Smart Meter Disposition Rate Rider (SMDR)*

## VECC accepts as reasonable the smart meter program costs

## Hydro 2000 has applied for a class uniform SMDR. VECC submits that this approach is not in accordance with recent Board policy.

## VECC has consistently argued that where data is available the principle of cost causality is best represented by the allocation of smart meter costs based on class specific revenue requirements

## VECC submits that smart meter cost recovery in this case should be done by a class specific rate rider to reflect the cost for each customer class.

## The issue is which methodology is most appropriate in this case:

### the “proxy methods” used by Powerstream and accepted by Board in the Board’s Decision and Order in respect of PowerStream (EB-2010-0209) A similar proxy allocation was accepted in the recent Ottawa Decision EB-2011-0054 and in respect to Guelph in the recent EB-2011-0123;

## full cost causality as accepted by the Board in PowerStream EB-2011-0128.

## VECC submits that Hydro 2000 should be required to file a class specific SMDR under one of the methods approved by the Board.

*Stranded Meter Cost Recovery*

## VECC supports the submissions of Board Staff that Hydro 2000 should be required to calculate a class-specific stranded meter cost recovery rate rider in accordance with the Board’s Smart Meter Guidelines.

*LRAM*

## VECC supports the submissions of Board Staff in respect to LRAM. Specifically we agree that it is premature to consider recover of lost revenues persisting in 2011 or 2012. VECC agrees with Staff that Hydro 2000 should modify its request to include estimates of lost revenues for the period 2006 to 2010.

# Recovery of Reasonably Incurred Costs

## VECC submits that its participation in this proceeding has been focused and responsible. Accordingly, VECC requests an award of costs in the amount of 100% of its reasonably-incurred fees and disbursements.

## All of which is respectfully submitted this 11thday of May, 2012.

1. Exhibit 2, Tab 6, Schedule 1, page 1. [↑](#footnote-ref-1)
2. Board Staff Submission, Table 6, page 10 [↑](#footnote-ref-2)
3. This document does not have an exhibit number but is filed under the title: Hydro2000\_Summary of Proposed Changes\_20120410-1.PDF. [↑](#footnote-ref-3)
4. Taken from Table 2.1.2 at Exhibit 2, Tab 1, Schedule 1 [↑](#footnote-ref-4)
5. VECC IR #3 Appendix B. [↑](#footnote-ref-5)
6. Exhibit 3/Tab 1/Schedule 2, pages 1-2 [↑](#footnote-ref-6)
7. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 7 [↑](#footnote-ref-7)
8. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 7 [↑](#footnote-ref-8)
9. Exhibit 3/Tab 1 – page 1 of 1 [↑](#footnote-ref-9)
10. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 2 [↑](#footnote-ref-10)
11. VECC IR #4 a) [↑](#footnote-ref-11)
12. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 2 [↑](#footnote-ref-12)
13. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 5 [↑](#footnote-ref-13)
14. See VECC IR #4 a) – attached Excel Spreadsheet. The annualized value for “change in employment” is calculated by summing the individual monthly values and when multiplied by the coefficient 5752.34 yields the total effect this variable has on prediction for annual purchased energy. [↑](#footnote-ref-14)
15. Calculated as the sum of the monthly employment levels for each year as reported in the previously referenced Excel Spreadsheet. [↑](#footnote-ref-15)
16. VECC IR #4 b) [↑](#footnote-ref-16)
17. Exhibit 3/Tab 1/Schedule 2, Elenchus Load Forecast, page 2 and Exhibit3/Tab 1, page 1 of 1. [↑](#footnote-ref-17)
18. VECC IR #6 a) [↑](#footnote-ref-18)
19. OEB Staff IR #5 c) [↑](#footnote-ref-19)
20. EB-2012-0003, April 26, 2012, page 11 [↑](#footnote-ref-20)
21. Page 5 [↑](#footnote-ref-21)
22. This adjustment should be a reduction in the order of 0.026 GWh reflecting the fact that Staff’s 20% factor assumes Hydro 2000 achieves 10% of its target in 2011 and the period January to March 2011 represents one quarter of the year. [↑](#footnote-ref-22)
23. VECC IR #8 a) [↑](#footnote-ref-23)
24. Exhibit 3/Tab 3/Schedule 3, page 1 [↑](#footnote-ref-24)
25. VECC IR # 11a) [↑](#footnote-ref-25)
26. VECC IR # 21 a) [↑](#footnote-ref-26)
27. There are immaterial differences between the OM&A figures used in Board Staff Table 4 for 2008 Board Approved and Actual and 2009 Actuals and that shown in Hydro 2000’s evidence at Exhibit 4, Tab 3, Schedule 1 Attachment 1 page 1. [↑](#footnote-ref-27)
28. See Board Staff IR #8 [↑](#footnote-ref-28)
29. See VECC IR #14, Board Staff IR #7 and Exhibit 4, Tab 2, Schedule 1, page 3. [↑](#footnote-ref-29)
30. See VECC IR # 11 Amended – it actually states the cost of answering interrogatories is 305 (thousand) but we assume this to be a misprint – the figure 30 adds up to the correct total of 150k. [↑](#footnote-ref-30)
31. See Exhibit 3, Tab 1, Schedule 2 Elenchus study page 8. [↑](#footnote-ref-31)
32. This figure is taken from rounding up the response to VECC IR # 14 and includes the noted reoccurring 2012 smart meter costs of $11,150, P-Sync Operator costs of $7,000 and the 4 year amortization of the one-time smart meter expenses of $5,618. [↑](#footnote-ref-32)
33. Exhibit 4, Tab 3, Schedule 1 page 4 [↑](#footnote-ref-33)
34. OEB Staff IR #15 and VECC IR #19 [↑](#footnote-ref-34)
35. Board Staff IR #15 a) [↑](#footnote-ref-35)
36. Exhibit 7/Tab 2/Schedule 1,page 2 [↑](#footnote-ref-36)
37. Exhibit 7/Tab 2/Schedule 1, pages 1-2. VECC notes that the adjustments shown for GS<50 and GS>50 in VECC IR #20 are not the same as those set out in Table 2 of the Application and that the response to the IR likely needs to be revised. [↑](#footnote-ref-37)
38. VECC IR #21 a) [↑](#footnote-ref-38)
39. Exhibit 8/tab 2/Schedule 1/Attachment 1, pages 1-3 [↑](#footnote-ref-39)
40. Exhibit 8/Tab 2/Schedule 1/Attachment 1, pages 1-2 [↑](#footnote-ref-40)
41. VECC IR # 21 a) [↑](#footnote-ref-41)
42. Exhibit 8/Tab 3/Schedule 5/Attachment 1, page 1 [↑](#footnote-ref-42)
43. Board Staff IR #22 a) [↑](#footnote-ref-43)
44. VECC IR # 22 a) [↑](#footnote-ref-44)
45. Staff Submission, pages 18-19 [↑](#footnote-ref-45)
46. Exhibit 8/Tab 3/schedule 4, Attachment 1 [↑](#footnote-ref-46)
47. OEB Staff IR #16 a) [↑](#footnote-ref-47)