



P.O Box 20, 950 River Road West, Wasaga Beach, Ontario L9Z 1A2
Tel: (705) 429-2517 Fax: (705) 429-2590 E-mail: hydro@wasagadist.ca

December 22nd, 2015

Ms. Kirsten Walli
Ontario Energy Board
PO Box 2319
27th Floor, 2300 Yonge Street
Toronto, Ontario, M4P 1E4

Re: Wasaga Distribution Inc. 2016 COS Rates Application, Interrogatory Responses
Board File No.: EB-2015-0107

Dear Ms. Walli,

Pursuant to Procedural Order No. 1 in the above noted matter, please find enclosed the Wasaga Distribution Inc. ("WDI") interrogatory responses to Board Staff, Energy Probe, School Energy Coalition ("SEC") and Vulnerable Energy Consumers Coalition ("VECC").

Wasaga Distribution has updated several models and has submitted them in live Excel format.

If you have any further questions, please do not hesitate to contact me at (705) 429.2517 Ext. 209 or via email at j.tackaberry@wasagadist.ca.

Regards,

Joanne Tackaberry, CPA, CGA
Director of Finance
Wasaga Distribution Inc.

EB-2015-0107

Interrogatory Responses from Wasaga Distribution Inc.

2016 Cost of Service Rate Application

Wasaga Distribution Inc. (Wasaga Distribution)

December 22nd, 2015

Table of Contents

Exhibit 1 – Administration	9
1-Staff-1	9
1-Staff-2	10
1-Staff-3	11
1-Staff-4	12
1-Staff-5	14
1-Staff-6	22
1-Staff-7	23
1-Energy Probe-1	24
1-SEC-1	25
1-SEC-2	26
1-SEC-3	27
1-SEC-4	28
1-SEC-5	29
1-SEC-6	31
1-SEC-7	32
1-SEC-8	33
1-VECC-1	34
1-VECC-2	35

Exhibit 2 – Rate Base.....	36
2-Staff-8	36
2-Staff-9	37
2-Staff-10	38
2-Staff-11	42
2-Energy Probe-2	43
2-Energy Probe-3	46
2-Energy Probe-4	49
2-Energy Probe-5	50
2-Energy Probe-6	54
2-Energy Probe-7	56
2-SEC-9	57
2-SEC-10	58
2-VECC-3.....	59
2-VECC-4.....	60
Distribution System Plan.....	62
2-Staff-12	62
2-Staff-13	63
2-Staff-14	65
2-Staff-15	66
2-Staff-16	67
2-Staff-17	68
2-Staff-18	69
2-Staff-19	71
2-Staff-20	73
2-Staff-21	74
2-Staff-22	75
2-Staff-23	77
2-Staff-24	78
2-Staff-25	79
2-Staff-26	81

2-Staff-27	82
2-Staff-28	84
2-Staff-29	86
2-Staff-30	88
2-Staff-31	90
2-Staff-32	92
2-SEC-11	93
2-SEC-12	94
2-SEC-13	95
2-SEC-14	96
2-SEC-15	97
2-SEC-16	99
2-SEC-17	100
2-VECC-5.....	101
2-VECC-6.....	103
2-VECC-7.....	104
2-VECC-8.....	105
2-VECC-9.....	108
2-VECC-10.....	109

Exhibit 3 – Operating Revenue	110
3-Staff-33	110
3-Staff-34	113
3-Staff-35	117
3-Staff-36	118
3-Staff-37	120
3-Staff-38	123
3-Staff-39	124
3-Staff-40	125
3-Staff-41	126
3-Staff-42	128
3-Energy Probe-8	129
3-Energy Probe-9	131
3-Energy Probe-10	132
3-Energy Probe-11	133
3-Energy Probe-12	136
3-Energy Probe-13	137
3-VECC -11	138
3-VECC-12	139
3-VECC-13	142
3-VECC-14	143
3-VECC-15	144
3-VECC-16	145
3-VECC-17	147
3-VECC-18	148
3-VECC-19	150
3-VECC-20	151
3-VECC-21	153

Exhibit 4 – Operating Expenses.....	154
4-Staff-43	154
4-Staff-44	155
4-Staff-45	156
4-Staff-46	158
4-Staff-47	162
4-Staff-48	164
4-Staff-49	165
4-Staff-50	166
4-Staff-51	167
4-Staff-52	173
4-Staff-53	175
4-Energy Probe-14	176
4-Energy Probe-15	177
4-Energy Probe-16	178
4-Energy Probe-17	179
4-Energy Probe-18	180
4-Energy Probe-19	181
4-Energy Probe-20	183
4-Energy Probe-21	185
4-Energy Probe-22	186
4-Energy Probe-23	187
4-Energy Probe-24	188
4-SEC-18	189
4-SEC-19	191
4-SEC-20	192
4-SEC-21	194
4-VECC-22	195
4-VECC-23	196
4-VECC-24	197
4-VECC-25	198
4-VECC-26	199

4-VECC-27	201
4-VECC-28	202
4-VECC-29	203
4-VECC-30	204
4-VECC-31	205
4-VECC-32	207
4-VECC-33	208
4-VECC-34	209

Exhibit 5 – Cost of Capital and Capital Structure	210
5-Energy Probe-25	210
5-Energy Probe-26	211
5-Energy Probe-27	212
Exhibit 6 – Calculation of Revenue Deficiency	213
6-Staff-54	213
6-Energy Probe-28	214
Exhibit 7 – Cost Allocation	220
7-Staff-55	220
7-Energy Probe-29	221
7-Energy Probe-30	222
7-SEC-22	224
7-VECC-35.....	225
7-VECC-36.....	226
Exhibit 8 – Rate Design	227
8-Staff-56	227
8-Staff-57	228
8-Staff-58	230
8-Energy Probe-31	231
8-VECC-37	233
8-VECC-38.....	234
8-VECC-39.....	237
Exhibit 9 – Deferral and Variance Accounts.....	239
9-Staff-59	239
9-Energy Probe-32	241
9-SEC-23	242
9-VECC-40.....	243

Attachments

Attachment A - 2016 Draft Budget and COS Presentation to Wasaga Distributions Board of Directors

Attachment B - 2016 Cost of Service Survey Monkey Results

Attachment C - 2016 Utility Pole Inspection Report

Attachment D - Final Verified Annual CDM Report - Wasaga Distribution

Attachment E - 2011-2014 Final CDM Report - Wasaga Distribution

Attachment F - 2015-2020 CDM Plan - Wasaga Distribution

Interrogatory Responses from Wasaga Distribution Inc.

**2016 Cost of Service Rate Application
Wasaga Distribution Inc. (Wasaga Distribution)
EB-2015-0107
December 22nd, 2015**

Exhibit 1 – Administration

1-Staff-1

Conditions of Service

Ref: E1/Tab 1/Sch.9

Chapter 2 of the Filing Requirements now require the identification of any charges that may be included in the conditions of service since the last rebasing in addition to stating that only rates approved by the OEB can be applied.

If applicable, please identify any rates and charges that are included in Wasaga Distribution's Conditions of Service, but do not appear on the OEB-approved tariff sheet, and provide an explanation for the nature of the costs being recovered through these rates and charges.

If applicable, please provide a schedule outlining the revenues recovered from these rates and charges from 2012 to 2014 inclusive, and the revenues forecasted for the 2015 bridge and 2016 test years.

If applicable, please explain whether, in Wasaga Distribution's view, these rates and charges should be included on Wasaga Distribution's tariff sheet of approved rates and charges.

Wasaga Distribution Response:

There are no rates and charges in Wasaga Distribution's Conditions of Service that are not included in the OEB-approved tariff sheet. Wasaga Distribution does not include any charges in its' Conditions of Service as they are subject to change.

1-Staff-2

Customer Engagement

Ref: Chapter 2 of the Filing Requirements, Section 2.4.3

Chapter 2 of the Filing Requirements states, "The RRFE Report contemplates enhanced engagement between distributors and their customers to provide better alignment between distributor operational plans and customer needs and expectations." (Emphasis added)

Please describe the differences between customer engagement conducted in preparation for the current application and previous customer engagement.

Wasaga Distribution Response:

In the past Wasaga Distribution conducted the following customer engagement activities:

- Direct customer engagement at the counter
- Home shows and conservation shows
- Utility Pulse survey
- Builders association meetings

Customer engagement that was conducted in the preparation for the current application:

- Direct customer engagement at the counter
- Home shows and conservation shows (which included short surveys)
- Builders association meetings
- Survey Monkey on-line survey (July 2015)
- Phone, e-mail and customer counter survey (August – September 2015)

1-Staff-3

Reflecting Customer Needs

Ref: Chapter 2 of the Filing Requirements

Chapter 2 of the Filing Requirements states, "Distributors should specifically discuss in the application how they informed their customers on the proposals being considered for inclusion in the application, and the value of those proposals to customers (i.e. costs, benefits and the impact on rates). The application should discuss any feedback provided by customers and how this feedback shaped the final application".

What forms of outreach were employed to explain how the current application serves the needs and expectations of customers? If none were employed, please explain why.

Wasaga Distribution Response:

Recognizing the fact that Wasaga Distribution has a 54% population of customers over 50 years of age (according to the 2011 Census), Wasaga Distribution constructed its Rate Application and Distribution System Plan with a focus on that age group. Their main concerns are always two-fold: how much is my bill and will my lights be on.

Wasaga Distribution used the Survey Monkey approach to conduct our survey at a very minimal cost and still reach out to our customers regarding their satisfaction with our reliability. As well, Wasaga Distribution reached out to its customers again at minimal cost in late August to conduct a quick survey to gauge the customer response to our proposed increase in rates. Although, it was no surprise that many were not happy with the proposed increase it was also pleasant to get responses that indicated that customers were more accepting with the increase when they were made aware of our efficiency ranking among the LDC's within the Province of Ontario.

Wasaga Distribution prepared its application plan with a focus on replacing assets but at the same time keeping the capital spend as smooth as possible so Wasaga Distribution was not "uploading" the rate application to have increased capital spending and cost recovery at the beginning of the application. In other words, no lumps in our capital spend.

1-Staff-4

Explanation of Corporate Structure

Ref: E1/Tab 2/Sch.2, Page 23

At the above reference, Wasaga Distribution states:

The corporate structure in which WDI exists is similar to the structure used by other distributors in Ontario. WDI is a subsidiary of Wasaga Geosands Inc. and the affiliate of WRSI. The controlling shareholder is the Town of Wasaga Beach. It is therefore, important to understand the basis for establishing the structure and the policy and the regulatory context in which the structure was created. The structure was implemented in the best interests of the customers of the Wasaga Beach Hydro Electric Commission from the perspective of rates.

Please explain how Wasaga Distribution's corporate structure is similar to the structure of other distributors in Ontario given that Wasaga Distribution is a virtual utility. Please summarize the savings and benefits to Wasaga Distribution's customers directly as a result of its structure.

Wasaga Distribution Response:

Other utilities in Ontario have had a similar structure as Wasaga Distribution, however; these utilities have also chosen to change their corporate structure.

Wasaga Distribution does not believe there are any structures like this left in Ontario mainly due to the regulation of the utility environment. Some utilities that had a structure similar to Wasaga Distribution include Parry Sound, St. Thomas, Enwin, Brantford and Entegrus.

As could be seen by both Parry Sounds' 2011 rate application (EB-2010-0140) and St. Thomas' 2015 rate application (EB-2014-0113), when these two companies dissolved their corporate structure which was much like Wasaga Distributions' their costs to their customers increased.

In Parry Sounds' application their OM&A costs between 2006 Actuals and 2011 Test increased by \$758,874 (78%) and between 2009 Actuals and 2011 Test \$549,638

(44%). In Parry Sounds' application they attributed some of the increased costs to *"management costs are fully allocated to PSP no longer shared with the affiliates."*(Ex 4, Tab 2, Sch. 3, pg. 2)

In St. Thomas' application their OM&A costs between 2011 Actuals and 2012 Actuals increased by \$1,304,629 (35%) and between 2011 Actuals and 2015 Test \$893,410 (24%). In St. Thomas' application they stated *"STEI restructured from a virtual corporation to an operating utility on January 01, 2012....The 2012 restructuring included transferring all utility specific staff and assets from STESI to STEI....This change from a virtual utility has changed STEI's cost structure"* (Ex 4, Tab 1, Sch. 1, pg. 1-2).

Without summarizing our savings Wasaga Distribution feels that the above evidence supports Wasaga Distributions' structure.

Wasaga Distributions' Master Service Agreement with Wasaga Resource Services (WRSI) allows for a stable, predictable expense in which WRSI must manage its business and resources within the restrictions of the Agreement. It would be difficult to quantify the cost of moving from a virtual utility environment as each utility is unique with its own challenges. Wasaga Distribution has no trucks, very little computer software or hardware and benefits from a \$150,000 revenue offset from WRSI. These are all easily identifiable items that would become the responsibility of Wasaga Distribution and would be passed on to its' customers if Wasaga Distribution dissolved its' current structure.

Wasaga Distribution also believes that its current organizational structure has allowed us to be the 2nd most efficient utility in the Province of Ontario.

1-Staff-5

Distributor Scorecard

Ref: E1/Tab 3/Sch.1, Pages 27-28

In its Application, Wasaga Distribution notes that "[I]n terms of service quality, WDI has always maintained the highest standards possible. In a regulatory environment, there are numerous SQR targets that a utility must achieve. In most cases, WDI consistently meets and exceeds these targets."

Wasaga Distribution's 2014 Scorecard Management Discussion and Analysis notes that Wasaga Distribution met all performance targets except the Net Annual Peak Demand Savings (Percentage of target achieved measure). However, Wasaga Distribution was subject to a Service Quality audit and that audit resulted in the 100% targets for Service Quality to be either overstated or improper evidence to support the percentage.

Wasaga Distribution notes that it took this finding very seriously and significantly changed its' processes, controls and completed extensive training with staff so this mistake would not occur again.

Please provide a high level overview of the protocols, processes and the training with staff that was completed.

Is Wasaga Distribution sufficiently satisfied that all protocols and processes put into place will prevent this from occurring again? If so, please explain why.

Wasaga Distribution Response:

The following are Wasaga Distributions' original responses to the OEB Audit which satisfied the requirements of the audit team:

Protocols, Processes and Training:

Finding 1: Scheduled Appointments Met on Time

Action Plan:

1. Within Northstar Customer Information Service functionality WRSI will utilize the Reference Field through the Work Order System>Call Maintenance Window for selecting the code "AM" or "PM."
2. A paper work order will then be generated and appropriate staff will receive the Work Order.
3. Staff will contact the customer and verify their presence at the location.
4. Upon staff's arrival at the property the time will be recorded on the Work Order. The customer will then be requested to sign that staff did arrive at the stated time.
5. Upon completion of the Work Order to the customer's satisfaction, staff will radio in to the Customer Service Representative (CSR) who completes the Work Order in the Northstar system thereby creating a transaction date and time stamp.
6. The CSR then archives the Work Order in one of the three (3) File Nexus Folders:
 - 1) Appointments Met
 - 2) Appointments Cancelled
 - 3) Appointments Not Met
- 7) Reports will be generated to track from these categories in the File Nexus system monthly.

Finding 3: Telephone Calls Answered on Time

Action Plan:

WRSI staff updated the firmware to our Toshiba CIX100 phone system on October 09, 2014 from

Firmware version MT042 to Firmware version MT067. This firmware change allows us the ability to track the thirty (30) second requirement. This update was completed at minimal cost.

Finding 4: Same Number Used for Both WDI and WRSI Incoming Calls

Action Plan:

The "Manual IVR" system separates calls as they come through the one phone number, however; WRSI does not have the hardware enhancement required (at this time) for reporting of the separated calls. This further hardware enhancement would cost \$2,600 for WRSI to install.

Finding 5: New Residential/Small Business Service Connected on Time

In one instance in reporting November 11th was counted as a holiday due to being an IESO holiday. On reflection staff will not do this going forward and November 11th will be counted as a business day.

Action Plan:

Staff have reviewed the business processes for counting days. As well, in review of the audit and questions coming out of the audit staff have also changed its processes to track this requirement in its' database. All archiving of any matter related to this section is done through File Nexus, this was not done before the audit but is being done now for all steps of this workflow process.

When the OEB Audit team returned in June 2015 to do a follow-up audit the following responses were presented by Wasaga Distribution:

Audit Finding 1:

Status of Action Plan:

WDI can accurately report on this measure as of January 01, 2015. All measures that were listed in the action plan above have been completed. WDI staff has incorporated the four hour window of AM or PM question to customers when they are scheduling an appointment – this change was completed on December 01, 2014.

A screen shot of the AM/PM window is below:

The screenshot displays a software interface with a top navigation bar containing tabs: 'Browse', 'Call Details', 'Main', 'Standard Charges', 'Status Change', 'Call Activity', 'Schedule Notes', 'Completion Notes', 'Transaction Log', 'Attach Letter', 'Print Order', and 'Field'. The 'Call Details' tab is active. Below the navigation bar, the interface is divided into several sections. The top section contains fields for 'Code' (DISCON), 'Type' (DISCON), 'Date' (2015-07-09 14:58), and 'By' (cash). Below this is the 'Order Information' section, which includes 'Call no.' (71457), 'Order code' (DISCON), 'Order no.' (37405), and a 'DISCONNECT SERVICE' button. The 'Caller Information' section is on the left, showing 'Note' (PAUL TRACE), 'Caller name' (redacted), and 'Phone' (416-274-4982). On the right is the 'Assignment' section, which includes 'Assigned to' (dropdown), 'Priority' (dropdown), and 'Reference' (COAM). A blue box highlights the 'Assignment' section.

In the course of conversation during the follow up audit WDI staff suggested that this process be updated in the Customer Service Representatives (CSR) Procedure Manual so all staff and any new staff coming in would be aware of this procedure.

The CSR manual update has been completed and the Scheduled Appointment Procedure is attached to this letter. As well all Administration staff have reviewed the process and signed off to being read and understood.

Audit Finding 2:

Status of Action Plan:

WDI missed completing this part of the action plan (Step 4) after the Action Plan was submitted in April 2015. As of July 01, 2015 WDI has completed this action plan item, however; WDI feels extremely confident that it can accurately measure this step as of January 2015.

A screen shot of a completed work order with the staff arrival time documented is below:

07/09/2015 Wasaga Distribution Inc.

C U S T O M E R S E R V I C E O R D E R

Customer : 108923 Landlord :
Account : 2204050-03 [REDACTED]

-----COMPLETION ACKNO

Serviceman's remarks : _____

Completion Date : _____ Signed _____
Data Entry Clerk : _____ Data En _____

Arrival Time 1130

Audit Finding 3:

Status of Action Plan:

WDI can accurately report on this measure as of January 01, 2015. All measures that were listed in the action plan above have been completed.

In the course of conversation during the follow up audit WDI staff suggested making sure that the filter for the reports coming out of the phone system includes only 0830 to 1630 time period as well as a filter for weekends and holidays.

Audit Finding 4:

Status of Action Plan:

The hardware enhancement for this reporting requirement was completed April 29, 2015. This process involved sending all non-regulated calls to a specific extension number and then these non-regulated extension numbers are filtered out from the regulated incoming calls during reporting. WDI can accurately report on this measure as of May 01, 2015.

As in Finding 3 - In the course of conversation during the follow up audit WDI staff suggested making sure that the filter for the reports coming out of the phone system includes only 0830 to 1630 time period as well as a filter for weekends and holidays.

Audit Finding 5:

Status of Action Plan:

Staff has reviewed the business processes for counting days. As well, in review of the audit and questions coming out of the audit staff have also changed its processes to track this requirement in its' database. All archiving of any matter related to this section is done through File Nexus, this was not done before the audit but is being done now for all steps of this workflow process See pages 6 & 7 or screen shots of fields in our Service Layout Database that are required to be populated.

This change process and staff instruction for the work flow process was completed in November 2014. WDI can accurately report on this measure as of January 01, 2015. WDI has taken this measure one step further and is including a filter called "Network Days" in WDI's reporting/counting on the connections.

Follow-Up Audit:

During the course of the follow-up audit issues were identified, all with respect to Audit Finding #5 above. These findings were; 1) No verifiable/reliable documentation for the "Customer Called & Ready" date 2) Keying errors 3) Wrong date for ESA authorization recorded by the CSR. 1) and 2) affect the calculation of and/or confidence with the "number of days to connect" which underlies compliance reporting with respect to new connections per the Distribution System Code. With respect to 3), while it may have appeared that a connection was made before ESA authorization was received, WDI can confidently confirm that this was a keying error by CSR staff, and not a more serious issue.

WDI Director Comments/Action:

WDI agrees that there were some small errors made during the initial stages of staff "learning" the new way that things were to be done in order to provide accurate reporting information to OEB Audit and for SQR reporting. However, in order to meet the documentation request and timeline of the audit the Director and staff were rushed to prepare and send this documentation and had insufficient opportunity to double-check the data presented, per WDI's normal practice. If the data had been double-checked, WDI believes that the majority of errors (95% confidence) would have been discovered through this process. WDI does not feel that the documentation provided initially to Audit staff portrayed WDI's verification process in a fair light. Additionally, WDI had a new staff member in training who was responsible for documenting in this area and some inexperience and lack of understanding the finer details of the filings may have resulted in these shortcomings. This is also an evolving process of learning for Senior staff and our process is continually evolving as we learn new ways to improve documentation.

In response to the above; staff have received considerable training since the follow-up audit of June 25, 2015 on the importance of double-checking all the work that is entered in both the Service Layout Fields and Excel spreadsheet. The one issue observed with respect to a microFIT, although documented that way, was discovered after the fact to have been a verbal authorization from the ESA – a common practice with rural service territories where inspectors are available at infrequent intervals – and that documentation has been added to the Service Layout Notes field (database) to resolve this issue. WDI is acutely aware of the potential exposure to significant liability if a new connection was made before ESA authorization was received.

To make the "customer called and ready" data more verifiable, and to ensure it provides appropriate assurance for audit, all new Service Layouts that are ready for connection are not date and time-stamped in the notes field of the database. This notes field can be referenced when they are downloaded to an Excel Spreadsheet. See example below:

New Service Layouts					
Work Order	#	Name		Layout Date	
2,015	88	PARKBRIDGE		24-Jul-15	
Lot #	No.	Municipal Address			
	15	Chestnut Lane			
Cable Paid	Amount	GST	Date Paid	Whiz #	<input type="checkbox"/> 3/4in. BELL <input type="checkbox"/> 3/4in. ROGERS
No	\$228.83	\$26.33			
Service Type	Service Size	Heating	Cable Installed	Cable Length	
Res. New	200A 240V	Nat. Gas		30	
Meter #	Meter Installed	Permit # Ont Hydro	Date Auth. Received	Date Final Auth. Received	
		14876279	24-Jul-15		
Date all Conditions met	Civil Work Completed	Cust. Called & Ready Date	# of Days to Connect		
Notes					
24/07/2015 LAYOUT COMPLETED, NO PAYMENT RECEIVED, TRENCH NOT READY					

New Service Layouts						
Work Order	#	Name			Layout Date	
2,015	84				13-Jul-15	
Lot #	No.	Municipal Address				
	1250	Shorelane				
Cable Paid	Amount	GST	Date Paid	Whiz #	<input type="checkbox"/> 3/4in. BELL <input type="checkbox"/> 3/4in. ROGERS	
Yes	\$197.75	\$22.75	22-Jul-15	26188		
Service Type	Service Size	Heating	Cable Installed	Cable Length		
Res. New	200A 240V	Nat. Gas				
Meter #	Meter Installed	Permit # Ont Hydro	Date Auth. Received	Date Final Auth. Received		
WX26483	22-Jul-15	14870837	21-Jul-15			
Date all Conditions met	Civil Work Completed	Cust. Called & Ready Date	# of Days to Connect			
22-Jul-15	22-Jul-15	22-Jul-15	0			
Notes						
21/07/2015 TRIED CALLED AT 9:00 AM TO LET CUSTOMER KNOW COULD NOT CONNECT UNTIL PAYMENT IS RECEIVED. NUMBER PROVIDED IS NO LONGER IN SERVICE 22/07/2015 CUSTOMER CALLED AT 10:23 AM TO MAKE PAYMENT FOR LAYOUT						

Wasaga Distribution is satisfied that all protocols and processes put into place will prevent this from occurring again because we took this audit very seriously and have used the processes we have put in place and in some cases even improved them. As well, Wasaga Distribution feels that if OEB Audit had not been satisfied with our follow-up and response further follow-up audits would have resulted and Wasaga Distributions' audit would not have been finalized.

In its' closing letter of August 06, 2015 OEB Audit stated the following: '...Audit concludes that nothing has come to its attention that causes Audit to believe that WDI has not in all material respects, followed the requirements set out in the Distribution System Code (DSC) and the Electricity Reporting and Record Keeping Requirements (RRR) with respect to New Residential/Small Business Services Connected on Time, Scheduled Appointments Met on Time and Telephone Calls Answered on Time.'

1-Staff-6

Ref: E1/Tab 5/Sch.2 – Customer Satisfaction Survey, Page 52

At the above reference, Wasaga Distribution notes that after it completed the first draft of this rate application, it conducted a brief survey of two questions regarding the proposed rate increase of the Residential customer class.

Please provide a high level summary of the comments/concerns which were raised by the customers which responded to this survey.

Wasaga Distribution Response:

Wasaga Distribution noticed that our senior population was quite vocal on the increase and the overall impact it has on them.

"I belong to a couple of seniors organizations and know that some seniors are barely managing on their retirement funds. We are becoming a nation of rich and poor, the middle class is disappearing. I think your service is great and truly appreciate it but unless this increase is really needed to maintain this service, I am in disagreement."

"Our power rates are too high because of mismanagement, not necessarily by Wasaga Distribution, but you pass them on to us. As a pensioner from the private sector, my pension increase over the past 15 years has only been the small amount from CPP & OAS. I can't afford even your "modest" increase."

However, Customers were overall pleased to hear that we are considered to be operating a relatively efficient utility.

"I am a strong supporter of WDI. I am happy to hear that we are one of the top distributors for efficiency"

"I am not sure who the #1 is, but instead of proposing an increase why not look at bridging the gap between our utility and the #1? I am sure WDI has looked into this. But it begs the question: Can \$2.22 be avoided in lieu of greater efficiencies?"

1-Staff-7

Ref: E1/Tab 6/Sch.1, Attachment D – WDI 2014 Financial Statements

Wasaga Distribution has calculated a balance of zero for Account 1575 as of the changeover date of January 1, 2015. OEB staff notes that Wasaga Distribution had a credit of over \$7 million in Customer Contributions as of the changeover date. According to the Accounting Procedures Handbook (APH) Article 510, under IFRS, customer contributions received subsequent to the transition date are recognized as deferred revenue. Customer contributions recognized prior to the transition date are not reclassified to deferred revenue as a result of electing the optional exemptions.

Please confirm that Wasaga Distribution has reviewed Article 510 in determining that Account 1575 should have a zero balance as of the changeover date of January 1, 2015. If confirmed, please explain why there is a zero balance. If the balance is to be revised, please provide the calculation. This amount would be the difference between Wasaga Distribution's revised CGAAP based amount for customer contributions as of the changeover date, and the MIFRS based amount for customer contributions as of the same date.

Wasaga Distribution Response:

Wasaga Distribution can confirm that it has read Article 510 and have been following recent applications looking for clarification on the accounting treatment. Wasaga Distribution has also relied on third party resources for further clarification. Wasaga Distribution can also confirm that this has been a topic of lengthy discussion through CHEC meetings and electronic communication. Wasaga Distribution will need further documented clarification on this matter to comment on the above. Wasaga Distribution will state that there is confusion out there on the appropriate treatment.

Based on the question above; is Board staff suggesting that Wasaga Distribution reclassify all Contributed Capital prior to the transition date to account 1575?

In response to the zero balance: Wasaga Distribution accounted for the change in useful lives under CGAAP in their 2012 COS (EB-2011-0103). Therefore no variance account was required specific to that change. Wasaga Distribution can confirm that no other issues specific to MIFRS would result in use of account 1575.

1-Energy Probe-1

Ref: Exhibit 1, page 21

Are there any costs included in the WDI revenue requirement or in the historical data for WDI associated with board of director costs for any of the corporate entities shown in the chart on page 21, other than WDI itself? If yes, please identify the corporate entity and the amount included by year.

Wasaga Distribution Response:

Wasaga Distribution can confirm that no costs are included for any corporate entity other than Wasaga Distribution in this application.

1-SEC-1

[Ex.1] Please provide a copy of all materials provided to the Board of Directors in approving this application, and the underlying Test Year budgets. Please also provide a copy of the Applicant's most recent Business Plan.

Wasaga Distribution Response:

Please see Attachment A for a copy of all the materials provided to the Board of Directors in approving the Rate Application and budgets.

Wasaga Distribution does not have a Business Plan but did provide its' Strategic Plan in the Rate Application in Exhibit 1.

1-SEC-2

[Ex.1] Does the Applicant have a corporate scorecard or similar document? If so, please provide the 2014 and 2015 versions.

Wasaga Distribution Response:

Wasaga Distribution does not have a corporate scorecard or anything similar to a corporate scorecard.

1-SEC-3

[Ex.1] Please provide copies of all benchmarking studies, reports and analysis, that the Applicant has undertaken or participated in since 2012, that are not already included in this application.

Wasaga Distribution Response:

Wasaga Distribution has not completed any formal benchmarking studies, reports and analysis other than what has been provided for in this Rate Application.

1-SEC-4

Please provide details of all efficiency and productivity measures the Applicant has undertaken since its last rebasing application. Please quantify those savings and provide all assumptions made in doing so.

Wasaga Distribution Response:

Wasaga Distribution has relied on the Ontario Energy Board and their Consultants and has not specifically undertaken any other efficiency or productivity measures other than what has been provided to Wasaga Distribution from the Ontario Energy Board.

1-SEC-5

[Ex.1, p.83] Please provide a step-by-step explanation of the Applicant's budgeting process. Please provide any internal budget guidance documents that were issued.

Wasaga Distribution Response:

Wasaga Distribution does not have any internal budget guidance documents.

Wasaga Distribution's budgeting process includes:

Revenue Budgets:

- Wasaga Distribution uses current board approved rates and IRM approved (or expected to be approved) and similar load forecast methodology specific to the budgeting year to forecast distribution revenues.
- Wasaga Distribution uses trending analysis to predict other sources of revenues. Additionally, Wasaga Distribution reviews all accounts to ensure accuracy and updates revenues based on any further information that has been brought forth and is relatively measureable.

Operating Expense Budgets

- Wasaga Distribution reviews the MSA agreement, and forecasts a predicted growth and CPI adjustment to estimate expenses in conjunction with the projections and provides this to the affiliate.
- Wasaga Distributions affiliate provides Wasaga Distribution with expense projections by USoA accounts. Specific to expenses covered under the MSA agreement.
- Wasaga Distribution reviews Non-MSA specific expenses, by account and uses trending analysis and any further information that been brought forth and is relatively measurable to predict expenses.

Capital Budgets:

- Capital Budgets have been prepared with support from the Distribution System Plan. This documentation has been provided for in the Distribution System Plan.

Wasaga Distribution provides the Board of Directors with draft income, cash flow, along with revenue and expense projections for review. The budget is finalized and approved by the Board of Directors in January.

Further explanation can be found in Exhibit 1, page 32.

1-SEC-6

[Ex.1, p.51] Did the Applicant's customer engagement activities directly affect any expenditure sought in this Application? If so, please provide details.

Wasaga Distribution Response:

Wasaga Distribution has not specifically identified any additional activities that were sought for in this application.

1-SEC-7

[Ex.1, p.54] Please provide a full copy of the results of the online 'Survey Monkey' survey document.

Wasaga Distribution Response:

The Survey Monkey Results Document has been provided as Attachment B.

1-SEC-8

[Ex.1, Attach B] Is the Applicant able to disaggregate the CHEC results in the Utility Pulse Survey to show Wasaga Distribution's results only? If so, please provide that information.

Wasaga Distribution Response:

The CHEC Utility Pulse Survey that was completed is not able to report results specific to Wasaga Distribution.

1-VECC-1

Reference: E1/Attachment B

- a) Please provide the cost of the Utility Pulse Survey.
- b) Was the survey undertaken to meet the filing requirements of the OEB?
- c) Did the survey provide any new insights to WDI that it had not already acquired through its interactions with customers?
- d) Does WDI believe there is sufficient value in the information provided by the survey to justify a similar poll in the future?

Wasaga Distribution Response:

- a) The cost of the survey was approximately \$2,000.
- b) Wasaga Distribution can confirm that the survey was undertaken to meet the filing requirements.
- c) Wasaga Distribution feels that some new insight was provided from the survey. One of the areas that was highlighted was customer follow through i.e. making sure that before a CSR finishes with a customer that they have no other issues to discuss – Wasaga Distribution acted on this deficiency and the CSR's try to make sure there is nothing else the customer requires before the call is finished. Also, the joint utilities involved in the survey were made aware that we were not very good at "selling" ourselves in the communities we serve. Wasaga Distribution also feels that completing this survey also gave us a benchmark for which to compare to other Ontario LDCs.
- d) Wasaga Distribution believes that there is value in documented customer interactions/responses and providing that to the appropriate decision makers. The Management team did present the Utility Pulse survey on a high-level to the Board of Directors.

1-VECC-2

Reference: E1

- a) Please provide the names of the Board of Directors of WDI and the name of the Board of Directors of WRSI.
- b) Please confirm that the Board of director costs (\$55,675) are for WDI Directors only.
- c) Please provide the number of meetings held by the WDI Board of Directors in 2014 and (separately) in 2015.
- d) Other than providing services to WDI, what activity does WRSI undertake?
- e) Please explain which staff are employees of WRSI and which (if any) are employees of WDI.

Wasaga Distribution Response:

- a) WDI Board of Directors:
 - James Fraser
 - Brian Smith (Mayor)
 - Bruce Young
 - Peter Preager
 - Andy Ferguson (newly appointed)
- WRSI Board of Directors
 - James Fraser
 - Brian Smith (Mayor)
 - Bruce Young
 - Brian Kirkwood
 - Rick Archdekin
- b) Wasaga Distribution can confirm that the Board of Director costs of \$55,675 are for WDI Directors only.
- c) Number of meetings held in 2014: Thirteen (13)
Number of meetings held to November 2015: Fifteen (15)
- d) WRSI also does street lighting services, telecommunication projects, construction projects and water heater activities.
- e) All staff are employees of WRSI there are only Board Members in WDI.

Exhibit 2 – Rate Base

2-Staff-8

Ref: E2/Tab 1/Sch.2 – Rate Base Trend, Page 4

Wasaga Distribution's rate base for the 2016 test year has forecasted to have increased by approximately 10.50% from 2011 Board Approved. Please confirm whether this informed the pacing of Wasaga Distribution's five year DSP (2016-2020) filed with this current application.

Wasaga Distribution Response:

Wasaga Distribution's five year capital plan discussed in Wasaga Distribution's DSP was based on the analysis conducted in the DSP.

Wasaga Distributions rate base has increased (mostly) from the increase in useful lives approved in Wasaga Distribution's 2012 COS.

2-Staff-9

Ref: Chapter 2 Appendices Tab 2-BA Fixed Asset Continuity Schedule
Ref: Revenue Requirement Work Form Tab 3 Data Input Sheet

OEB staff notes that the gross fixed assets (average) and accumulated depreciation (average) in the RRWF do not reconcile to the amounts on Tab 2-BA of the chapter 2 appendices.

Please reconcile the figures and provide the necessary corrections.

Wasaga Distribution Response:

In the two references mentioned above there was specific requirements for the way in which the data was to be presented.

The continuity schedules are presented as year-end figures (Appendix 2 Tab – 2-BA). As opposed to RRWF requiring average gross fixed assets and accumulated depreciation as mentioned in the above.

Wasaga Distribution does not feel that a reconciliation or correction is necessary.

2-Staff-10

**Ref: Chapter 2 Appendices, Tab 2-BA Fixed Asset Continuity Schedule
Disposals of Fixed Assets – 2012 to 2014**

The fixed asset continuity schedules for the years 2012 to 2014 report very few disposals. According to these schedules, the PP&E disposals (cost of assets) were only:

2012	\$81,917
2013	\$20,237
2014	\$49,900

These amounts appear low as Wasaga Distribution's cost of PP&E is over \$20 million and has PP&E additions are over \$1,000,000 per year.

Also, the fixed asset continuity schedules include the following line item:

“Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable”

It appears this line item has not been completed for 2012, 2013 or 2014.

- (a) Please explain why the reported disposals (both cost and accumulated depreciation) low for 2012, 2013 and 2014?
- (b) What are Wasaga Distribution's accounting policies regarding dispositions of property, plant and equipment (PP&E)? Is Wasaga Distribution recording all PP&E disposals in its general ledger?
- (c) Please provide the internal control documentation with respect to recording disposals of PP&E.
- (d) What are the accounting policies and procedures related to the calculation of gains and losses on disposition?
- (e) Regarding recording disposals in the general ledger, how is the cost and accumulated depreciation of the disposed assets calculated?
- (f) For 2012, 2013 and 2014, what portion of the PP&E additions relates to the replacement of PP&E?
- (g) Please confirm there were no gains or losses on the retirement (or disposal) of assets in 2012, 2013 and 2014. The line item: “Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable” is blank.

Wasaga Distribution Response:

- (a) Wasaga Distribution conducted a third party evaluation (BDO advisory) of their assets in preparation for IFRS conversion back in 2011. This was discussed and documented in Wasaga Distributions 2012 Cost of Service application (EB-2011-0103). In conjunction with a change in useful lives; WDI adopted this study. The costs associated with these disposals were generally older assets.
- (b) Wasaga Distribution Accounting department records all disposals based on the information that is provided by the Operation department. Furthermore, during year end processes all current year capital projects are reviewed to check for disposal accuracy and consistent reporting.
- (c) Please see response to section (b). Wasaga Distribution does not have a formal document prepared.
- (d) Wasaga Distribution does not have a formal document on the calculation of disposed assets. However, Wasaga Distribution implemented a new Enterprise Resource Planning (ERP) system in 2012 which included an automated fixed asset system to assist in tracking and accuracy.
- (e) Correctly.
- (f) All reported System Renewal projects relate to the replacement of existing plant for 2011, 2012, and 2014. Additionally, for 2014 System Access; the municipal driven RRW – Pole Line would also include the replacement of existing plant.
- (g) Wasaga Distribution can confirm that there were gains from the sale of scrap and losses from the disposal of assets for each of the year 2012, 2013, and 2014. Based on the asset evaluation mentioned in section (a) Wasaga Distribution has individually identified assets and accounts for them as such.

Please note that, although not material, Wasaga Distribution made an adjustment for disposed assets in 2014 that was a correction to 2013 disposals.

For your convenience Wasaga Distribution has provided a detailed breakdown of reported disposed assets for 2012, 2013, and 2014. Illustrated below:

2012 Asset Disposals						
Asset ID	Asset Description	Prorated Retirement Date	Asset Class ID	Quantity	Cost Before Retire or Delete	Net Book Value
1950S-WOOD - 30	Wood - 30 Foot -1950s	30/06/2012	1830-01	2	462.40	60.71
1950S-WOOD - 35	Wood - 35 Foot -1950s	30/06/2012	1830-01	3	1,140.85	149.81
1950S-WOOD - 40	Wood - 40 Foot -1950s	30/06/2012	1830-01	7	3,395.25	445.85
1950S-WOOD - 45	Wood - 45 Foot -1950s	30/06/2012	1830-01	3	1,766.39	231.95
1955POL-P1-25	1955Pol-P1-25	30/06/2012	1850-02	1	339.36	14.87
1955POL-P1-37.5	1955Pol-P1-37.5	30/06/2012	1850-02	1	337.12	14.75
1965POL-P1-10	1965Pol-P1-10	30/06/2012	1850-02	1	328.46	14.37
1965POL-P1-15	1965Pol-P1-15	30/06/2012	1850-02	1	201.68	8.83
1965POL-P1-25	1965Pol-P1-25	30/06/2012	1850-02	6	2,648.90	115.95
1965POL-P1-37.5	1965Pol-P1-37.5	30/06/2012	1850-02	1	438.22	19.19
1965POL-P1-50	1965Pol-P1-50	30/06/2012	1850-02	1	857.35	37.53
2009-METERPP	Poly Phase Residential and Commercial Sm	30/06/2012	1860-01	66	31,214.60	24,974.69
2010-METERPP	Poly Phase Residential and Commercial Sm	30/06/2012	1860-01	81	38,313.65	33,209.00
2011-METERPP	Poly Phase Residential and Commercial Sm	30/06/2012	1860-01	1	472.98	441.50
					81,917.21	59,739.00

2013 Asset Disposals						
Asset ID	Asset Description	Prorated Retirement Date	Asset Class ID	Quantity	Cost Before Retire or Delete	Net Book Value
1965POL-P1-10	1965Pol-P1-10	30/06/2013	1850-02	1	328.47	10.27
1965POL-P1-15	1965Pol-P1-15	30/06/2013	1850-02	1	201.77	6.30
1965POL-P1-25	1965Pol-P1-25	30/06/2013	1850-02	4	1,766.35	55.15
1965POL-P1-37.5	1965Pol-P1-37.5	30/06/2013	1850-02	3	1,314.26	41.03
1965POL-P1-5	1965Pol-P1-5	30/06/2013	1850-02	1	252.74	7.91
1965POL-P1-50	1965Pol-P1-50	30/06/2013	1850-02	2	1,711.45	53.46
1975POL-P1-15	1975Pol-P1-15	30/06/2013	1850-02	1	262.17	8.20
1975POL-P1-15	1975Pol-P1-15	30/06/2013	1850-02	1	262.28	8.21
1995POL-P1-25	1995Pol-P1-25	30/06/2013	1850-02	1	969.24	135.87
1995POL-P1-37.5	1995Pol-P1-37.5	30/06/2013	1850-02	1	962.76	135.00
2005PAD-P1-50	2005Pad-P1-50	30/06/2013	1850-01	1	4,800.21	2,810.40
2005POL-P1-25	2005Pol-P1-25	30/06/2013	1850-02	1	2,521.29	1,476.16
2005POL-P1-50	2005Pol-P1-50	30/06/2013	1850-02	1	4,883.66	2,859.25
					20,236.65	7,607.21

2014 Asset Disposals						
Asset ID	Asset Description	Prorated Retirement Date	Asset Class ID	Quantity	Cost Before Retire or Delete	Net Book Value
1950S-WOOD - 30	Wood - 30 Foot -1950s	30/06/2014	1830-01	5	1,153.35	65.00
1950S-WOOD - 30	Wood - 30 Foot -1950s	30/06/2014	1830-01	1	230.71	13.00
1950S-WOOD - 35	Wood - 35 Foot -1950s	30/06/2014	1830-01	5	1,930.04	108.79
1950S-WOOD - 35	Wood - 35 Foot -1950s	30/06/2014	1830-01	8	3,105.59	175.05
1950S-WOOD - 35	Wood - 35 Foot -1950s	30/06/2014	1830-01	4	1,567.51	88.36
1950S-WOOD - 40	Wood - 40 Foot -1950s	30/06/2014	1830-01	2	970.35	54.69
1955-OH-PH1-3F1	1955-OH-Ph1-3F1	30/06/2014	1835-01	315	2,604.33	146.35
1960S-WOOD - 30	Wood - 30 Foot -1960s	30/06/2014	1830-01	7	1,858.52	104.76
1960S-WOOD - 35	Wood - 35 Foot -1960s	30/06/2014	1830-01	4	1,794.45	101.14
1960S-WOOD - 40	Wood - 40 Foot -1960s	30/06/2014	1830-01	1	556.30	31.36
1965-OH-PH1-4F1	1965-OH-Ph1-4F1	30/06/2014	1835-01	242.5	4,608.14	258.97
1965POL-P1-10	1965Pol-P1-10	30/06/2014	1850-02	1	328.43	6.17
1965POL-P1-15	1965Pol-P1-15	30/06/2014	1850-02	2	403.67	7.58
1965POL-P1-25	1965Pol-P1-25	30/06/2014	1850-02	1	441.35	8.30
1965POL-P1-25	1965Pol-P1-25	30/06/2014	1850-02	7	3,088.04	58.02
1965POL-P1-37.5	1965Pol-P1-37.5	30/06/2014	1850-02	3	1,315.68	24.72
1965POL-P1-50	1965Pol-P1-50	30/06/2014	1850-02	1	856.38	16.09
1970S-WOOD - 35	Wood - 35 Foot -1970s	30/06/2014	1830-01	2	1,036.41	106.94
1970S-WOOD - 45	Wood - 45 Foot -1970s	30/06/2014	1830-01	1	778.25	80.30
1970S-WOOD - 50	Wood - 50 Foot -1970s	30/06/2014	1830-01	3	2,580.95	266.31
1975POL-P1-25	1975Pol-P1-25	30/06/2014	1850-02	3	1,721.92	32.35
1975POL-P1-37.5	1975Pol-P1-37.5	30/06/2014	1850-02	1	569.69	10.71
1980S-WOOD - 30	Wood - 30 Foot -1980s	30/06/2014	1830-01	1	350.91	45.33
1980S-WOOD - 30	Wood - 30 Foot -1980s	30/06/2014	1830-01	1	351.20	45.37
1980S-WOOD - 40	Wood - 40 Foot -1980s	30/06/2014	1830-01	1	737.53	95.27
1985PAD-P1-75	1985Pad-P1-75	30/06/2014	1850-01	1	1,803.29	72.85
1990S-WOOD - 45	Wood - 45 Foot -1990s	30/06/2014	1830-01	1	1,024.91	435.57
1990S-WOOD - 50	Wood - 50 Foot -1990s	30/06/2014	1830-01	1	1,147.60	487.70
1995PAD-P1-150	1995Pad-P1-150	30/06/2014	1850-01	1	2,810.45	375.69
2000S-WOOD - 50	Wood - 50 Foot -2000s	30/06/2014	1830-01	1	1,335.14	898.13
2000S-WOOD - 55	Wood - 55 Foot -2000s	30/06/2014	1830-01	1	2,068.06	1,391.17
2005PAD-P1-50	2005Pad-P1-50	30/06/2014	1850-01	1	4,770.93	2,705.01
					49,900.08	8,317.05

2-Staff-11

Ref: Table 2-17 – Capital Projects Table – 2012-2016

Ref: E2/Tab 5/Sch.3 – Capital Expenditures

In Table 2-17, Wasaga Distribution has provided a list of 2016 capital projects. The total Test Year 2016 capital expenditure for all projects is \$1,278,750.

- (a) Are all of the projects and related capital expenditure of \$1,278,750 that are listed in Table 2-17 expected to be placed in-service in 2016 and to be added to the 2016 Rate Base?
 - (b) If some of the projects that are listed in Table 2-17 are not expected to be in-service in 2016 and as a result will not be added to the 2016 Rate Base, please identify all such projects, the associated capital expenditure and the expected in-service date.
-

Wasaga Distribution Response:

- (a) Wasaga Distribution has revised the capital expenditures for 2016 and resubmitted evidence as part of these IR responses. To the best of Wasaga Distributions' knowledge at this time, it is expected that all projects will be in-service relating to 2016 for capital expenditure Rate Base in 2016.

However, due to the delay of working on the Sunnidale Pole Line project in 2015. That was a result of a delay in the Road Occupancy Permit, which was applied for in June and further issues with surveyor maps. This has resulted in the shifting of expenditures from 2015 to 2016, 2017, and 2018.

- (b) Please see response to part (a) above.

Additional References:

[2-Energy Probe-2](#)

[2-Energy Probe-3](#)

[2-Staff-27](#)

[2-SEC-15](#)

[2-SEC-17](#)

[2-VECC-4](#)

[2-VECC-5](#)

2-Energy Probe-2

Ref: Exhibit 2, Appendix 2-BA

a) Please update the 2015 bridge year continuity schedule to reflect actual expenditures for the most recent year-to-date period available in 2015 along with the current forecast of additional expenditures that will be closed to rate base by the end of 2015.

b) Please update the 2016 test year continuity schedule to reflect any changes that result from the update for 2015.

Wasaga Distribution Response:

(a) Wasaga Distribution has updated Appendix 2-BA and resubmitted as part of the evidence for the 2015 Bridge Year.

(b) Wasaga Distribution has updated Appendix 2-BA and resubmitted as part of the evidence for the 2016 Test Year.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-3](#)

[2-Staff-27](#)

[2-SEC-15](#)

[2-SEC-17](#)

[2-VECC-4](#)

[2-VECC-5](#)

Appendix 2-BA: 2015:

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard MIFRS
Year 2015

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)	\$ 140,375	\$ 7,500		\$ 147,875	\$ 46,508	\$ 14,160		\$ 60,668	\$ 87,207
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 5,512			\$ 5,512	\$ 5,512			\$ 5,512	\$ -
N/A	1805	Land	\$ 121,775			\$ 121,775				\$ -	\$ 121,775
47	1808	Buildings	\$ -			\$ -				\$ -	\$ -
13	1810	Leasehold Improvements	\$ -			\$ -				\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ -			\$ -				\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	\$ 3,380,805			\$ 3,380,805	\$ 1,109,023	\$ 86,008		\$ 1,195,031	\$ 2,185,774
47	1825	Storage Battery Equipment	\$ -			\$ -				\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 4,027,184	\$ 316,895	\$ 10,448	\$ 4,333,631	\$ 2,237,320	\$ 101,905	\$ 8,663	\$ 2,330,562	\$ 2,003,070
47	1835	Overhead Conductors & Devices	\$ 4,009,357	\$ -	\$ 2,404	\$ 4,006,953	\$ 2,378,299	\$ 88,484	\$ 2,269	\$ 2,464,515	\$ 1,542,438
47	1840	Underground Conduit	\$ 341,941	\$ -		\$ 341,941	\$ 54,541	\$ 6,423		\$ 60,964	\$ 280,977
47	1845	Underground Conductors & Devices	\$ 5,923,516	\$ 89,532		\$ 6,013,048	\$ 2,701,765	\$ 177,495		\$ 2,879,260	\$ 3,133,788
47	1850	Line Transformers	\$ 4,857,030	\$ 165,020	\$ 14,533	\$ 5,007,518	\$ 2,280,000	\$ 86,694	\$ 10,751	\$ 2,355,942	\$ 2,651,576
47	1855	Services (Overhead & Underground)	\$ 4,578,757	\$ 259,639		\$ 4,838,396	\$ 2,165,363	\$ 100,717		\$ 2,266,080	\$ 2,572,316
47	1860	Meters	\$ 223,065	\$ 6,973		\$ 230,038	\$ 67,455	\$ 7,033		\$ 74,487	\$ 155,550
47	1860	Meters (Smart Meters)	\$ 1,727,932	\$ 85,848	\$ 6,691	\$ 1,807,089	\$ 569,805	\$ 118,787	\$ 2,900	\$ 685,692	\$ 1,121,397
N/A	1905	Land	\$ 608,998	\$ 10,000		\$ 618,998				\$ -	\$ 618,998
47	1908	Buildings & Fixtures	\$ 1,490,650	\$ 51,000		\$ 1,541,650	\$ 432,547	\$ 28,647		\$ 461,195	\$ 1,080,455
13	1910	Leasehold Improvements	\$ -	\$ -		\$ -				\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ -	\$ -		\$ -				\$ -	\$ -
8	1915	Office Furniture & Equipment (5 years)	\$ -	\$ -		\$ -				\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -	\$ -		\$ -				\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -		\$ -				\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -		\$ -				\$ -	\$ -
10	1930	Transportation Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1935	Stores Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1950	Power Operated Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1955	Communications Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)	\$ -	\$ -		\$ -				\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ -	\$ -		\$ -				\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -	\$ -		\$ -				\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -	\$ -		\$ -				\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 47,073	\$ -		\$ 47,073	\$ 10,695	\$ 4,401		\$ 15,096	\$ 31,977
47	1985	Miscellaneous Fixed Assets	\$ -	\$ -		\$ -				\$ -	\$ -
47	1990	Other Tangible Property	\$ -	\$ -		\$ -				\$ -	\$ -
47	1995	Contributions & Grants	\$ -	\$ -		\$ -				\$ -	\$ -
47	2440	Deferred Revenue ⁵	\$ 7,030,589	\$ 287,261		\$ 7,317,850	\$ 1,428,893	\$ 201,777		\$ 1,630,670	\$ 5,687,181
	2055	Capital Lease	\$ 126,793			\$ 126,793	\$ 10,036	\$ 4,014		\$ 14,050	\$ 112,743
		Sub-Total	\$ 24,580,173	\$ 705,346	\$ 34,075	\$ 25,251,443	\$ 12,639,975	\$ 622,991	\$ 24,583	\$ 13,238,383	\$ 12,013,060
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E	\$ 24,580,173	\$ 705,346	\$ 34,075	\$ 25,251,443	\$ 12,639,975	\$ 622,991	\$ 24,583	\$ 13,238,383	\$ 12,013,060
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁶									
		Total						\$ 622,991			

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation -\$ 622,991

Appendix 2-BA: 2016:

Appendix 2-BA
Fixed Asset Continuity Schedule ¹Accounting Standard MIFRS
Year 2016

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)	\$ 147,875	\$ 40,000		\$ 187,875	\$ -	\$ 60,668	\$ 16,535	\$ -	\$ 110,672
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 5,512	\$ -		\$ 5,512	\$ -	\$ 5,512		\$ -	\$ -
N/A	1805	Land	\$ 121,775	\$ -		\$ 121,775	\$ -			\$ -	\$ 121,775
47	1808	Buildings	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
13	1810	Leasehold Improvements	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	\$ 3,380,805	\$ -		\$ 3,380,805	\$ -	\$ 1,195,031	\$ 78,140	\$ -	\$ 2,107,634
47	1825	Storage Battery Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 4,333,631	\$ 575,000	\$ 44,683	\$ 4,863,949	\$ -	\$ 2,330,562	\$ 67,164	\$ 42,898	\$ 2,354,828
47	1835	Overhead Conductors & Devices	\$ 4,006,953	\$ 315,000	\$ 35,464	\$ 4,286,489	\$ -	\$ 2,464,515	\$ 53,747	\$ 35,329	\$ 2,482,932
47	1840	Underground Conduit	\$ 341,941	\$ -		\$ 341,941	\$ -	\$ 60,964	\$ 6,423	\$ -	\$ 274,554
47	1845	Underground Conductors & Devices	\$ 6,013,048	\$ 112,000		\$ 6,125,048	\$ -	\$ 2,879,260	\$ 173,477	\$ -	\$ 3,052,737
47	1850	Line Transformers	\$ 5,007,518	\$ 235,000	\$ 24,533	\$ 5,217,985	\$ -	\$ 2,355,943	\$ 86,860	\$ 20,751	\$ 2,421,851
47	1855	Services (Overhead & Underground)	\$ 4,838,596	\$ 273,000		\$ 5,111,596	\$ -	\$ 2,266,080	\$ 108,329	\$ -	\$ 2,374,409
47	1860	Meters	\$ 230,038	\$ 5,000		\$ 235,038	\$ -	\$ 74,487	\$ 7,272	\$ -	\$ 153,278
47	1860	Meters (Smart Meters)	\$ 1,807,089	\$ 100,000	\$ 99,127	\$ 1,807,962	\$ -	\$ 685,692	\$ 121,191	\$ 52,876	\$ 1,053,955
N/A	1905	Land	\$ 618,998	\$ -		\$ 618,998	\$ -			\$ -	\$ 618,998
47	1908	Buildings & Fixtures	\$ 1,541,650	\$ -		\$ 1,541,650	\$ -	\$ 461,195	\$ 29,157	\$ -	\$ 1,051,298
13	1910	Leasehold Improvements	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (5 years)	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 47,073	\$ -		\$ 47,073	\$ -	\$ 15,096	\$ 4,401	\$ -	\$ 27,576
47	1985	Miscellaneous Fixed Assets	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -	\$ -		\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenue ⁵	\$ 7,317,850	\$ 276,250		\$ 7,594,100	\$ -	\$ 1,630,670	\$ 209,508	\$ -	\$ 5,753,923
	2055	Capital Lease	\$ 126,793			\$ 126,793	\$ -	\$ 14,050	\$ 4,014	\$ -	\$ 108,729
		Sub-Total	\$ 25,251,443	\$ 1,378,750	\$ 203,806	\$ 26,426,387	\$ -	\$ 13,238,383	\$ 547,003	\$ 151,854	\$ 12,792,855
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -					\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -					\$ -
		Total PP&E	\$ 25,251,443	\$ 1,378,750	\$ 203,806	\$ 26,426,387	\$ -	\$ 13,238,383	\$ 547,003	\$ 151,854	\$ 12,792,855
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁶									
		Total								\$ 547,003	

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

\$ 547,003

2-Energy Probe-3

Ref: Exhibit 2, Appendix 2-BA & Table 2-17

Please provide a table that shows, for each of 2012 through 2016, the gross capital expenditures for each item that attracts capital contributions, as shown in Table 2-17. For each such item, please show the gross capital expenditures and the corresponding capital contributions received.

Wasaga Distribution Response:

Wasaga Distribution has updated Table 2-17 (based on the original evidence submitted) and provided the table below. Wasaga Distribution has also provided a revised table that is based on the updates to the evidence filed as part of these Interrogatories.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-2](#)

[2-Staff-27](#)

[2-SEC-15](#)

[2-SEC-17](#)

[2-VECC-4](#)

[2-VECC-5](#)

Table 2-17: Revised to Reflect Contributions by project

Projects	2011	2012	2013	2014	2015 Bridge Year	2016 Test Year
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
System Access						
Residential and Commercial Developments (Gross Assets)	258,711	217,748	435,053	461,872	300,000	275,000
Residential and Commercial Developments (Contributions)	- 225,206	- 176,709	- 363,964	- 397,844	- 225,000	- 206,250
New and Upgraded Services (Gross Assets)	180,625	153,669	174,515	230,347	185,000	185,000
New and Upgraded Services (Contributions)	- 68,874	- 65,316	- 82,205	- 70,417	- 70,000	- 70,000
Smart Metering	67,641	90,637	62,293	-	90,000	105,000
Highway 26 Pole Line Expansion		255,707				
Highway 26 Primary Metering Equipment			97,995			
Puccine Drive - O/H Expansion and Development (Gross Assets)			150,518			
Puccine Drive - O/H Expansion and Development (Contributions)			- 34,919			
New England Village Express Feed (Gross Assets)			130,982			
New England Village Express Feed (Contributions)			- 130,982			
Hwy 26 - Power Supply - MTO (Gross Assets)			102,184			
Hwy 26 - Power Supply - MTO (Contributions)			- 102,184			
Upper Wasaga Express Feed Expansion (Gross Assets)				264,630		
Upper Wasaga Express Feed Expansion (Contributions)				- 115,144		
Distribution Station Contribution Repurchase				274,000		
River Road West - Pole Line Upgrade (Gross Assets)				433,030	100,000	
River Road West - Pole Line Upgrade (Contributions)				- 216,515	- 50,000	
Sunnidale Road - Pole Line Expansion					260,000	300,000
Miscellaneous (Gross Assets)	23,357	23,687	-	71,521		
Miscellaneous (Contributions)	-	-	-	- 59,733		
Sub-Total	236,254	499,423	439,286	875,747	590,000	588,750
System Renewal						
River Road East Upgrade		446,559				
Highway 92 Upgrade			141,356			
Distribution Station Equipment Replacement			84,606	51,785		
O/H Replacements		23,987				75,000
Pole Replacements	32,813	47,665	34,902	60,656	130,000	375,000
Transformer Replacements	17,911	36,368	39,972	72,999	105,000	130,000
Miscellaneous (Gross Assets)	80,875	58,059	14,232	129,741	90,000	70,000
Miscellaneous (Contributions)	- 39,174	- 9,727	- 9,261	- 99,346		
Sub-Total	92,425	602,911	305,807	215,835	325,000	650,000
System Service						
SCADA		129,942	6,130			
VLAN & Towers - Communication Equipment		126,793				
Miscellaneous				1,951		10,000
Sub-Total	-	256,735	6,130	1,951	-	10,000
General Plant						
Service Centre Land Addition		106,886	28,421	91,245		
Service Centre Building Upgrade			464,754			
Administration Building Upgrades					90,000	
Shop Roof Replacement					30,000	
Miscellaneous	27,718	6,373	-	4,626	15,000	30,000
Sub-Total	27,718	113,259	493,175	95,871	135,000	30,000
Total	356,397	1,472,328	1,244,398	1,189,404	1,050,000	1,278,750

Table 2-17 Contribution Update with Revised Forecast:

Projects	2011	2012	2013	2014	2015 Bridge Year (Original Submission)	2015 Bridge Year Forecast (Revised)	2016 Test Year (Original Submission)	2016 Test Year (Revised)
Reporting Basis	CGAAP	CGAAP	CGAAP	MFRS	MFRS	MFRS	MFRS	MFRS
System Access								
Residential and Commercial Developments (Gross Assets)	258,711	217,748	435,053	461,872	300,000	43,560	275,000	275,000
Residential and Commercial Developments (Contributions)	- 225,206	- 176,709	- 363,964	- 397,844	- 225,000	- 32,670	- 206,250	- 206,250
New and Upgraded Services (Gross Assets)	180,625	153,669	174,515	230,347	185,000	180,308	185,000	185,000
New and Upgraded Services (Contributions)	- 68,874	- 65,316	- 82,205	- 70,417	- 70,000	- 52,454	- 70,000	- 70,000
Smart Metering	67,641	90,637	62,293	-	90,000	92,821	105,000	105,000
Highway 26 Pole Line Expansion		255,707						
Highway 26 Primary Metering Equipment			97,995					
Assets)			150,518					
(Contributions)			- 34,919					
New England Village Express Feed (Gross Assets)			130,982					
New England Village Express Feed (Contributions)			- 130,982					
Hwy 26 - Power Supply - MTO (Gross Assets)			102,184					
Hwy 26 - Power Supply - MTO (Contributions)			- 102,184					
Upper Wasaga Express Feed Expansion (Gross Assets)				264,630				
Upper Wasaga Express Feed Expansion (Contributions)				- 115,144				
Distribution Station Contribution Repurchase				274,000				
River Road West - Pole Line Upgrade (Gross Assets)				433,030	100,000	110,024		
River Road West - Pole Line Upgrade (Contributions)				- 216,515	- 50,000	- 55,012		
Sunnidale Road - Pole Line Expansion					260,000	-	300,000	400,000
Miscellaneous (Gross Assets)	23,357	23,687	-	71,521				
Miscellaneous (Contributions)	-	-	-	- 59,733				
Sub-Total	236,254	499,423	439,286	875,747	590,000	286,577	588,750	688,750
System Renewal								
River Road East Upgrade		446,559						
Highway 92 Upgrade			141,356					
Distribution Station Equipment Replacement			84,606	51,785				
O/H Replacements		23,987					75,000	75,000
Pole Replacements (Gross Assets)	32,813	47,665	34,902	60,656	130,000	293,624	375,000	375,000
Pole Replacements (Contributions)						- 136,625		
Transformer Replacements (Gross Assets)	17,911	36,368	39,972	72,999	105,000	120,000	130,000	130,000
Transformer Replacements (Contributions)						- 10,500		
Miscellaneous (Gross Assets)	80,875	58,059	14,232	129,741	90,000	83,770	70,000	70,000
Miscellaneous (Contributions)	- 39,174	- 9,727	- 9,261	- 99,346				
Sub-Total	92,425	602,911	305,807	215,835	325,000	350,269	650,000	650,000
System Service								
SCADA		129,942	6,130					
VLAN & Towers - Communication Equipment		126,793						
Miscellaneous				1,951			10,000	10,000
Sub-Total	-	256,735	6,130	1,951	-	-	10,000	10,000
General Plant								
Service Centre Land Addition		106,886	28,421	91,245				
Service Centre Building Upgrade			464,754					
Administration Building Upgrades					90,000	42,500		
Shop Roof Replacement					30,000	11,000		
Miscellaneous	27,718	6,373	-	4,626	15,000	15,000	30,000	30,000
Sub-Total	27,718	113,259	493,175	95,871	135,000	68,500	30,000	30,000
Total	356,397	1,472,328	1,244,398	1,189,404	1,050,000	705,346	1,278,750	1,378,750

2-Energy Probe-4

Ref: Exhibit 2, Appendix 2-BA

Please confirm that WDI does not have any fully allocated depreciation expense that it charges to capital and/or OM&A in the test year, bridge year or any of the historical years shown. If this cannot be confirmed, please indicate the amount that has been capitalized and expensed for each year.

Wasaga Distribution Response:

Wasaga Distribution can confirm that they do not have any fully allocated depreciation expenses that are allocated to capital or OM&A.

2-Energy Probe-5

Ref: Exhibit 2, page 30

- a) Has WDI completed a lead-lag study?
- b) Does WDI have preliminary results from a lead-lag study? If yes, please provide those preliminary results.
- c) When does WDI propose to file the completed lead-lag study?

Wasaga Distribution Response:

- a) Wasaga Distribution has not completed a lead lag study.
- b) Please find the table below illustrating preliminary results. Currently Wasaga Distribution is in the process of evaluating the collection and processing lags and HST impacts which were used to calculate the preliminary results and default values as provided to Electricity Distributors from the OEB in the June 3, 2015 letter for Allowance for Working Capital for Electricity Distribution Rate Application. Wasaga Distribution has yet to evaluate the impact of the DRC, OCEB, and OESP on the working capital allowance.
- c) Wasaga Distribution is currently finalizing an internal lead-lag study (However, Wasaga Distribution does not expect significant variances from the current preliminary analysis)

Additional References:

[2-Energy Probe-7](#)
[2-Sec-9](#)

Wasaga Distribution's Preliminary Lead Lag Results:

	Service Lag	Billing Lag	Collection	Processing	Total Revenue Lag Days	Total Expense Lead Days	Net Lag Days	Total Expenses	Weighting Factor	Weighted Net Lag Days
Cost of IESO payments	15.25	25.33	22.00	1.40	63.98	- 31.74	32.24	\$ 13,439,824.70	73.42%	23.67
Hydro One Expenses	15.25	25.33	22.00	1.40	63.98	- 55.66	8.32	\$ 1,835,659.54	10.03%	0.83
WDI Payroll and Withdrawals	15.25	25.33	22.00	1.40	63.98	- 13.80	50.18	\$ 35,028.78	0.19%	0.10
MSA Expenses	15.25	25.33	22.00	1.40	63.98	- 2.07	61.91	\$ 2,244,181.00	12.26%	7.59
Other OM&A	15.25	25.33	22.00	1.40	63.98	- 8.70	55.28	\$ 538,531.31	2.94%	1.63
Property Taxes	15.25	25.33	22.00	1.40	63.98	- 72.65	- 8.67	\$ 27,199.12	0.15%	- 0.01
Interest Expenses	15.25	25.33	22.00	1.40	63.98	- 160.50	- 96.52	\$ 148,042.68	0.81%	- 0.78
PILs	15.25	25.33	22.00	1.40	63.98	110.00	173.98	\$ 37,800.00	0.21%	0.36
Total								\$ 18,306,267.13		33.38

Working Capital Factor = (Weighted Net Lag Days/365 days)	9.14%
HST	0.50%
	9.64%

Cost of IESO Payment (Net Lag Day) – Sample of IESO Expense:

Expense Lead - Cost of Power (IESO)

Delivery Period	Amount (\$)	Invoice Date	Payment Date	Service Lead Time	Payment Lead Time	Total Lead Time	Weighted Lead Time
Jan-14	\$ 1,544,570.42	February 14th	February 18th	15.50	18.00	33.50	3.85
Feb-14	\$ 1,325,404.63	March 14th	March 17th	14.00	17.00	31.00	3.06
Mar-14	\$ 1,282,828.62	April 14th	April 17th	15.50	17.00	32.50	3.10
Apr-14	\$ 782,893.90	May 14th	May 15th	15.00	15.00	30.00	1.75
May-14	\$ 908,666.34	June 13th	June 16th	15.50	16.00	31.50	2.13
Jun-14	\$ 918,000.24	July 15th	July 16th	15.00	16.00	31.00	2.12
Jul-14	\$ 1,172,589.68	August 15th	August 18th	15.50	18.00	33.50	2.92
Aug-14	\$ 1,004,439.60	September 15th	September 16th	15.50	16.00	31.50	2.35
Sep-14	\$ 938,481.16	October 15th	October 16th	15.00	16.00	31.00	2.16
Oct-14	\$ 966,607.88	November 17th	November 17th	15.50	17.00	32.50	2.34
Nov-14	\$ 1,085,243.60	December 12th	December 15th	15.00	15.00	30.00	2.42
Dec-14	\$ 1,510,098.63	January 15th	January 16th	15.50	16.00	31.50	3.54
	\$ 13,439,824.70						31.74

Billing Lag – Sample of Revenue Lag (Summary):

Billing Lag - Time from last meter read to invoicing the customer

Customer Type	Average # of Customers 2014	Total Sales 2014 (\$)	Avg # of days between Meter Read & Billing	Weighting	Billing Lag
Residential	12,082	8,548,854	21.93	70.75%	15.518
GS < 50 kW	791	1,680,611	21.93	13.91%	3.051
GS > 50 kW	37	1,663,968	24.58	13.77%	3.385
Street lighting	2,738	165,224	24.58	1.37%	0.336
Unmetered Scattered Load	41	24,821	21.93	0.21%	0.045
		12,083,478		100.00%	22.334

Billing Lag Customer Allocation by Cycle:

October 2014 Bill Data Used	# of Cust.		
October 2014 - 2nd Billing Cycle - 3rd Tuesday	7,524	59.2%	14.562
October 2014 - 1st Billing Cycle - 2nd Tuesday	5,178	40.8%	7.372
Total	12,702		21.934

Detailed Billing Lags, Monthly Support:

	Cycle 2	Cycle 1
	2014 Payment Date	2014 Payment Date
January	27	20
February	23	16
March	25	19
April	27	22
May	23	17
June	25	19
July	22	16
August	25	17
September	26	20
October	22	15
November	25	18
December	25	18
	24.58333333	18.08333333

2-Energy Probe-6

Ref: Exhibit 2, pages 31-34

Please update the cost of power calculations shown in Table 2-16 to reflect the October 15, 2015 RPP report along with any other updates to the wholesale market charges, network and connection charges, low voltage charges or smart meter entity charges based on the most current rates.

Wasaga Distribution Response:

Wasaga Distribution has provided the updated Table 2-16 below.

Determination of Commodity

Customer Class Name	Last Actual kWh's		non-RPP	RPP
	Last Actual kWh's			
Residential	87,611,190		3,027,200	84,583,989
General Service < 50 kW	16,552,639		2,108,189	14,444,450
General Service > 50 to 4999 kW	17,311,423.28		16,395,763	915,660
Street Lighting	1,834,663		1,834,663	0
Unmetered Scattered Load	247,974			247,974
other	-		-	0
TOTAL	123,557,890		23,365,816	100,192,074
%	100.00%		18.91%	81.09%

Wholesale Market Participants - kWh's				
2012	2013	2014	2015	2016
3,761,856	3,594,884	3,453,199	3,382,205	3,307,193

Loss Factor	
Old	Proposed
1.0810	1.0802

Forecast Price

HOEP (\$/MWh)				\$20.57
Global Adjustment (\$/MWh)				\$87.92
Adjustments				(\$1.22)
TOTAL (\$/MWh)				\$107.27
\$/kWh				\$0.10727
%				81.09%
WEIGHTED AVERAGE PRICE		\$0.1072		\$0.0870
				\$0.0202

Note: Table ES-1 from current RPP report - Load Weighted price for RPP Consumers

Note: Table ES-1 from current RPP report - Impact of Global Adjustment

Note: Table ES-1 from current RPP report - Impact of Global Adjustment

Electricity Projections

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue		Expense		2015			2016		
						Volume	rate (\$/kWh)	Amount	Volume	rate (\$/kWh)	Amount
Class Name	USA #	USA #									
Residential	kWh	4006	4705			94,910,799	\$0.10717	\$10,171,569	94,726,243	\$0.10717	\$10,151,790
General Service < 50 kW	kWh	4010	4705			18,179,518	\$0.10717	\$1,948,295	18,437,267	\$0.10717	\$1,975,918
General Service > 50 to 4999 kW	kWh	4035	4705			18,770,642	\$0.10717	\$2,011,645	18,808,450	\$0.10717	\$2,015,697
Street Lighting	kWh	4010	4705			1,321,304	\$0.10717	\$141,604	660,310	\$0.10717	\$70,765
Unmetered Scattered Load	kWh	4025	4705			251,236	\$0.10717	\$26,925	238,748	\$0.10717	\$25,587
TOTAL						133,433,499		\$14,300,038	132,871,019		\$14,239,757

Transmission - Network

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue		Expense		2015			2016		
						Volume	Rate	Amount	Volume	Rate	Amount
Class Name	USA #	USA #									
Residential	kWh	4066	4714			94,910,799	0.0059	\$559,974	94,726,243	0.0073	\$691,502
General Service < 50 kW	kWh	4066	4714			18,179,518	0.0053	\$96,351	18,437,267	0.0065	\$119,842
General Service > 50 to 4999 kW	kWh	4066	4714			51,671	2.185	\$112,901	51,665	2.6860	\$138,772
Street Lighting	kWh	4066	4714			3,604	1.648	\$5,939	1,802	2.0255	\$3,651
Unmetered Scattered Load	kWh	4066	4714			251,236	0.0053	\$1,332	238,748	0.0065	\$1,552
TOTAL						113,396,827		\$776,497	113,455,725		\$955,318

EB-2015-0107
Wasaga Distribution's Interrogatory Responses
December 22, 2015

Transmission - Connection

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue	Expense	2015			2016		
				Volume	Rate	Amount	Volume	Rate	Amount
Class Name		USA #	USA #						
Residential	kWh	4068	4716	94,910,799	0.0044	\$417,608	94,726,243	0.0039	\$369,432
General Service < 50 kW	kWh	4068	4716	18,179,518	0.0038	\$69,082	18,437,267	0.0033	\$60,843
General Service > 50 to 4999 kW	kW	4068	4716	51,671	1.5069	\$77,863	51,665	1.3248	\$68,446
Street Lighting	kW	4068	4716	3,604	1.1649	\$4,198	1,802	1.0241	\$1,846
Unmetered Scattered Load	kWh	4068	4716	251,236	0.0053	\$1,332	238,748	0.0033	\$788
TOTAL				113,396,827		\$570,082	113,455,725		\$501,355

Wholesale Market Service

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue	Expense	2015			2016		
				Volume	rate (\$/kWh):	Amount	Volume	rate (\$/kWh):	Amount
Class Name		USA #	USA #						
Residential	kWh	4062	4708	94,910,799	0.00440	\$417,608	94,726,243	0.00360	\$341,014
General Service < 50 kW	kWh	4062	4708	18,179,518	0.00440	\$79,990	18,437,267	0.00360	\$66,374
General Service > 50 to 4999 kW	kWh	4062	4708	22,426,805	0.00440	\$98,678	22,380,880	0.00360	\$80,571
Street Lighting	kWh	4062	4708	1,321,304	0.00440	\$5,814	660,310	0.00360	\$2,377
Unmetered Scattered Load	kWh	4062	4708	251,236	0.00440	\$1,105	238,748	0.00360	\$859
TOTAL				137,089,662		\$603,195	136,443,448		\$491,196

Ontario Electricity Support Program

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue	Expense	2015			2016		
				Volume	rate (\$/kWh):	Amount	Volume	rate (\$/kWh):	Amount
Class Name		USA #	USA #						
Residential	kWh	4062	4708	0	0.00000	\$0	94,726,243	0.00110	\$104,199
General Service < 50 kW	kWh	4062	4708	0	0.00000	\$0	18,437,267	0.00110	\$20,281
General Service > 50 to 4999 kW	kWh	4062	4708	0	0.00000	\$0	22,380,880	0.00110	\$24,619
Street Lighting	kWh	4062	4708	0	0.00000	\$0	660,310	0.00110	\$726
Unmetered Scattered Load	kWh	4062	4708	0	0.00000	\$0	238,748	0.00110	\$263
TOTAL				0		\$0	136,443,448		\$150,088

Rural Rate Protection

(volumes for the bridge and test year are automatically loss adjusted)

Customer		Revenue	Expense	2015			2016		
				Volume	rate (\$/kWh):	Amount	Volume	rate (\$/kWh):	Amount
Class Name		USA #	USA #						
Residential	kWh	4062	4730	94,910,799	0.00130	\$123,384	94,726,243	0.00130	\$123,144
General Service < 50 kW	kWh	4062	4730	18,179,518	0.00130	\$23,633	18,437,267	0.00130	\$23,968
General Service > 50 to 4999 kW	kWh	4062	4730	22,426,805	0.00130	\$29,155	22,380,880	0.00130	\$29,095
Street Lighting	kWh	4062	4730	1,321,304	0.00130	\$1,718	660,310	0.00130	\$858
Unmetered Scattered Load	kWh	4062	4730	251,236	0.00130	\$327	238,748	0.00130	\$310
TOTAL				137,089,662		\$178,217	136,443,448		\$177,376

Smart Meter Entity Charge

(per customer)

Customer		Revenue	Expense	2015			2016		
				Volume	Per bill	Amount	Volume	Per bill	Amount
Class Name		USA #	USA #						
Residential	kWh			12,256	0.79000	\$116,187	12,440	0.79000	\$117,931
General Service < 50 kW	kWh			786	0.79000	\$7,451	789	0.79000	\$7,480
General Service > 50 to 4999 kW	kW			38	0.00000	\$0	38	0.00000	\$0
TOTAL				13,080		\$123,638	13,267		\$125,411

Low Voltage Charges to be added to power supply expense for bridge and test year.

(volumes are not loss adjusted)

Customer		Revenue	Expense	2015			2016		
				Volume	Rate	Amount	Volume	Rate	Amount
Class Name		USA #	USA #						
Residential	kWh	4075	4750	87,799,074	\$0.0019	\$166,818	87,693,245	\$0.0024	\$210,464
General Service < 50 kW	kWh	4075	4750	16,817,315	\$0.0016	\$26,908	17,068,383	\$0.0021	\$35,844
General Service > 50 to 4999 kW	kW	4075	4750	51,671	\$0.5944	\$30,713	51,665	\$0.8242	\$42,582
Street Lighting	kW	4075	4750	3,604	\$0.4595	\$1,656	1,802	\$0.6371	\$1,148
Unmetered Scattered Load	kWh	4075	4750	232,411	\$0.0015	\$349	221,022	\$0.0021	\$464
TOTAL		0	0	104,904,078		\$226,444	105,036,121		\$290,502

Projected Power Supply Expense						\$16,778,109			\$16,931,004
---------------------------------------	--	--	--	--	--	---------------------	--	--	---------------------

2-Energy Probe-7

Ref: Exhibit 2, page 35

- a) Please explain how the range of 43 to 52 days was calculated.
- b) Please explain why WDI customers pay on the 3rd Tuesday of the following month rather than based on when they receive their invoice, along with the Board approved period for the customers to pay.

Wasaga Distribution Response:

- a) Wasaga Distribution calculated this range based on minimum/maximum scenarios. This calculation was specifically referencing Wasaga Distribution's 2nd Billing cycle.

Minimum = 28 Days for service period + Day 15 (3rd Tuesday)

Maximum = 31 Days for service period + Day 21 (3rd Tuesday)

Additionally, Wasaga Distribution estimates that approximately 66% of total invoices (revenues) are related to the 2nd Billing cycle.

- b) Wasaga Distribution confirms that the usage word "due date" was incorrectly applied.

Additional References:

[2-Energy Probe-5](#)

[2-Sec-9](#)

2-SEC-9

[Ex.2-3-2, p.35] Please provide details of the "basic analysis of a Lead Lag Study" that the Applicant is undertaking. Who is undertaking this analysis? When was this analysis commissioned and when is it expected to be completed and filed?

Wasaga Distribution Response:

Wasaga Distribution is undertaking this analysis internally. Wasaga Distribution has reviewed previous filed Lead Lag Studies and the June 3rd OEB letter: Allowance for Working Capital for Electricity Distribution Rate Applications. Furthermore, Wasaga Distribution continues to follow board decisions on this matter such as the North Bay Hydro Distribution Limited (EB-2014-0099) November 12th, 2015 Decision and Order.

Wasaga Distribution is working diligently on completing this analysis.

Please refer to [2-Energy Probe-5](#) for the preliminary analysis.

Additional References:

[2-Energy Probe-7](#)

2-SEC-10

[Ex.2] Please provide a step by step description of how the Applicant builds a cost estimate for its capital projects.

Wasaga Distribution Response:

Capital project costs are estimated using historical values. Upon project completion they are evaluated to compare actual vs estimate to see where overrun or underruns have occurred. This information is then used to access future projects.

2-VECC-3

Reference: E2/pg.10

- a) WDI notes that the actual cost for the Service Centre Building Upgrade was \$462,754. What was the forecast costs approved by the Board in 2012?

Wasaga Distribution Response:

- a) Wasaga Distribution confirms that this project was completed in the first quarter of 2013. The forecast costs approved by the Board in 2012 were \$449,981 which was approximately 2.83% higher than Board approved.

2-VECC-4

Reference: E2/pg.40/Table 2-17

- a) Please amend Table 2-17 to add a column showing 2015 actuals to date and adding a row to show capital contributions separately (i.e. showing gross, not net capital expenditures).

Wasaga Distribution Response:

Please find the amended Table 2-17 below including updated 2015 and 2016 forecast based on the most recent information available. Wasaga Distribution has removed the Sunnisdale Road Pole Line Expansion project in 2015 and added an additional \$100,000 in expenditures forecasted for 2016.

As mentioned in response to [2-Staff-11](#), Wasaga Distribution was not able to start working on the Sunnisdale Pole Line project in 2015. Wasaga Distribution applied for a Road Occupancy Permit in June, but didn't receive the permit until November. Furthermore, once the permit was received there ended up being issues with the developer maps. This has resulted in the shifting of expenditures from 2015 to 2016, 2017, and 2018.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-2](#)

[2-Energy Probe-3](#)

[2-Staff-27](#)

[2-SEC-15](#)

[2-SEC-17](#)

[2-VECC-5](#)

Wasaga Distribution's Interrogatory Responses

December 22, 2015

Projects	2011	2012	2013	2014	2015 Bridge Year (Original Submission)	2015 Bridge Year Forecast (Revised)	2016 Test Year (Original Submission)	2016 Test Year (Revised)
Reporting Basis	CGAAP	CGAAP	CGAAP	MFRS	MFRS	MFRS	MFRS	MFRS
System Access								
Residential and Commercial Developments (Gross Assets)	258,711	217,748	435,053	461,872	300,000	43,560	275,000	275,000
Residential and Commercial Developments (Contributions)	- 225,206	- 176,709	- 363,964	- 397,844	- 225,000	- 32,670	- 206,250	- 206,250
New and Upgraded Services (Gross Assets)	180,625	153,669	174,515	230,347	185,000	180,308	185,000	185,000
New and Upgraded Services (Contributions)	- 68,874	- 65,316	- 82,205	- 70,417	- 70,000	- 52,454	- 70,000	- 70,000
Smart Metering	67,641	90,637	62,293	-	90,000	92,821	105,000	105,000
Highway 26 Pole Line Expansion		255,707						
Highway 26 Primary Metering Equipment (Assets)			97,995					
(Contributions)			- 34,919					
New England Village Express Feed (Gross Assets)			130,982					
New England Village Express Feed (Contributions)			- 130,982					
Hwy 26 - Power Supply - MTO (Gross Assets)			102,184					
Hwy 26 - Power Supply - MTO (Contributions)			- 102,184					
Upper Wasaga Express Feed Expansion (Gross Assets)				264,630				
Upper Wasaga Express Feed Expansion (Contributions)				- 115,144				
Distribution Station Contribution Repurchase				274,000				
River Road West - Pole Line Upgrade (Gross Assets)				433,030	100,000	110,024		
River Road West - Pole Line Upgrade (Contributions)				- 216,515	- 50,000	- 55,012		
Sunnidale Road - Pole Line Expansion					260,000	-	300,000	400,000
Miscellaneous (Gross Assets)	23,357	23,687	-	71,521				
Miscellaneous (Contributions)	-	-	-	- 59,733				
Sub-Total	236,254	499,423	439,286	875,747	590,000	286,577	588,750	688,750
System Renewal								
River Road East Upgrade		446,559						
Highway 92 Upgrade			141,356					
Distribution Station Equipment Replacement			84,606	51,785				
O/H Replacements		23,987					75,000	75,000
Pole Replacements (Gross Assets)	32,813	47,665	34,902	60,656	130,000	293,624	375,000	375,000
Pole Replacements (Contributions)						- 136,625		
Transformer Replacements (Gross Assets)	17,911	36,368	39,972	72,999	105,000	120,000	130,000	130,000
Transformer Replacements (Contributions)						- 10,500		
Miscellaneous (Gross Assets)	80,875	58,059	14,232	129,741	90,000	83,770	70,000	70,000
Miscellaneous (Contributions)	- 39,174	- 9,727	- 9,261	- 99,346				
Sub-Total	92,425	602,911	305,807	215,835	325,000	350,269	650,000	650,000
System Service								
SCADA		129,942	6,130					
VLAN & Towers - Communication Equipment		126,793						
Miscellaneous				1,951			10,000	10,000
Sub-Total	-	256,735	6,130	1,951	-	-	10,000	10,000
General Plant								
Service Centre Land Addition		106,886	28,421	91,245				
Service Centre Building Upgrade			464,754					
Administration Building Upgrades					90,000	42,500		
Shop Roof Replacement					30,000	11,000		
Miscellaneous	27,718	6,373	-	4,626	15,000	15,000	30,000	30,000
Sub-Total	27,718	113,259	493,175	95,871	135,000	68,500	30,000	30,000
Total	356,397	1,472,328	1,244,398	1,189,404	1,050,000	705,346	1,278,750	1,378,750

Distribution System Plan

2-Staff-12

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, Executive Summary, p. 6**

In its executive summary Wasaga Distribution states the following:

WDI feels that the investments as identified in the DSP address WDI's needs to update their aging overhead plant to allow WDI to maintain acceptable reliability levels throughout the forecast period.

- (a) Has Wasaga Distribution completed a forecast for its reliability indices over the plan period (2016-2020) based on the proposed capital investments?
- (b) If yes, please provide the forecast.
- (c) If not, why, and are there plans to quantify reliability impacts of investments in the future?

Wasaga Distribution Response:

- (a) No, Wasaga Distribution has not forecasted reliability indices over the forecast period as it is felt that WDI will try to maintain at minimum existing OEB standards.
- (b) As mentioned in part (a), there is no forecast.
- (c) Wasaga Distribution feels it already has a high reliability standard. However, investments identified are to avoid any potential large or reoccurring outages.

2-Staff-13

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 2.1 [5.2.1] Distribution System Plan Overview, p. 9-10, Table 2

Wasaga Distribution has largely based its renewal planning based on assessing the system for assets beyond useful life. The typical useful lives (TUL) which were used to complete this assessment are provided in the table below with the addition of the Kinectrics minimum life which was excluded in table 2 within the DSP.

Asset Details	KINETRICS			WDI	Change (TUL-WDI)
	MIN UL	TUL	MAX UL		
Power Transformers	30	45	60	45	0
Switchgear	30	40	60	40	0
Digital Relays	15	20	20	20	0
Station Breakers	35	45	65	40	5
MS Steel Structure	35	50	90	50	0
Fully Dressed Wood Poles	20	40	55	45	-5
OH Line Switch	30	45	55	45	0
OH Conductor	50	60	75	45	15
Pole Mounted Transformers	30	40	60	50	-10
Power Transformers	30	45	60	45	0
Station Metal Clad Switchgear	30	40	60	40	0
Solid State Relays	10	30	45	20	10
Primary Non-TR XLPE Cables in Duct	20	25	30	30	-5
Secondary Cables Direct Buried	25	35	40	35	0
Pad Mounted Transformers	25	40	45	40	0
Industrial/Commercial Energy Meters	25	35	35	25	10
Wholesale Energy Meters	15	30	30	25	5
Smart Meters	5	15	15	15	0

- (a) For each of the asset classes above where Wasaga Distribution has decided to utilize a value other than the Kinectrics TUL please provide a description of the rational for the decision.
- (b) Where historical data was utilized to support the decision above please provide a summary of asset failures and analysis performed which illustrate useful life other than the Kinectrics TUL.
- (c) Please provide the historical failure rates that caused unplanned interruption and number of assets categorized as failed assets during the inspections, separately,

for wood poles, distribution transformers, and conductor (for period 2011-2015 YTD).

Wasaga Distribution Response:

(a) Wasaga Distribution has provided a table below with a description of the rational for the decision to vary from the Kinectrics TUL.

Asset Details	Change (TUL-WDI)	Reason
Station Breakers	5	Wasaga Distribution recently replaced breakers at 42 years.
Fully Dressed Wood Poles	-5	With over 60% of poles greater than 40 years it is felt that TUL should be greater than 40 years.
OH Conductor	15	This was changed to align with poles.
Pole Mounted Transformers	-10	Similar to Poles - 59% of Transformers in service are greater than 40 years.
Solid State Relays	10	Recently replaced older mechanical relays with solid state. However, with change in technology it is felt that 20 year TUL would be more practical.
Primary Non-TR XLPE Cables in Duct	-5	Presently have direct buried cable in excess of 25 years in service.
Industrial/Commercial Energy Meters	10	This was overlooked. Not material, Wasaga Distribution is looking into this.
Wholesale Energy Meters	5	This was overlooked. Not material, Wasaga Distribution, is looking into this.

(b) Wasaga Distribution used historical data that was available as described in section (a).

(c) Wasaga Distribution does not currently track this data. Therefore we are unable to provide this information.

2-Staff-14

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 2.1 [5.2.1] Distribution System Plan Overview, p. 11**

As per Chapter 5 filing requirements the DSP Overview should address the following:

The sources of cost savings expected to be achieved over the forecast period through good planning and DS Plan execution

On page 11 Wasaga Distribution describes one such cost saving initiative in the context of replacing porcelain insulators:

Porcelain insulator failures often occur outside of normal working hours which cause power restoration to take place at premium wage rates. WDI expects these occurrences to be significantly reduced once the project is complete, thus maintaining reliability indicators.

Although Wasaga Distribution provides an indication of its sources of cost savings at a high level it has not provided any quantified benefits.

Can Wasaga Distribution please provide a quantified summary of cost savings for all sources of cost savings over the planning period 2016-2020?

Wasaga Distribution Response:

Wasaga Distribution did mention that failures could occur outside of normal working hours. This would cause restoration to occur at premium rates, potential during inclement weather and would not allow Wasaga Distribution to systematically and geographically replace assets. Wasaga Distribution has forecasted approximately \$708,069 per year for system renewal projects over the forecast period which could be significantly higher if not replaced in a timely matter.

Accurately quantifying such expenditures is not possible. However, Wasaga Distribution feels that annual expenditures that are double the forecasted annual expenditures of \$708,069 could be a possibility. In the future this would result in a significant impact to the rate payers.

2-Staff-15

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 2.3 [5.2.3] Performance Measurement for Continuous Improvement, p. 14, Figures 1 and 2

In Figures 1 and 2 on page 14, Wasaga Distribution has provided breakdowns of its reliability data by cause code. Tree contacts accounts for approximately 11% of the number of interruptions and 39% of customer hours of interruptions.

Has Wasaga Distribution considered different approaches and options to its tree trimming/vegetation management program that may gain significant low cost reliability benefits to customers?

Wasaga Distribution Response:

No, Wasaga Distribution has not considered alternate approaches to its tree trimming/vegetation management program even though tree contact is the highest cause of service interruptions it is felt that Wasaga Distribution still maintains a high level of reliability. With this in mind, and based on customer survey responses on reliability versus cost, WDI feels that their performance measurements are acceptable.

2-Staff-16

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 2.3 [5.2.3] Performance Measurement for Continuous Improvement, p. 14, Figures 1 and 2

In Figures 1 and 2 on page 14, Wasaga Distribution has provided breakdowns of its reliability data by cause code. Defective Equipment accounts for approximately 22% of the number of interruptions and 10% of customer hours of interruptions.

Can Wasaga Distribution provide a breakdown of Defective Equipment SAIFI and SAIDI by equipment type for 2011-2015 or any other period the data is available?

Wasaga Distribution Response:

No, Wasaga Distribution cannot provide a breakdown of Defective Equipment. Defective Equipment could include transformer, primary and secondary connectors, switches, or other miscellaneous hardware.

2-Staff-17

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 2.3 [5.2.3] Performance Measurement for Continuous
Improvement, p. 21**

Has Wasaga Distribution completed any individual engagements with its largest customers to assess their satisfaction/needs? If so, how and what were the results of these engagements?

Wasaga Distribution Response:

No, Wasaga Distribution has very few large customers of which the majority consists of shareholder owned assets or large big box stores. Wasaga Distribution has an open door policy for these customers if the need arises.

2-Staff-18

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 2.3 [5.2.3] Performance Measurement for Continuous Improvement, p. 23

On page 23 Wasaga Distribution provides criteria for the measurement of success of the asset management plan.

- (a) For each of these metrics (other than reliability which is already provided) can Wasaga Distribution provide its respective performance over the historical period 2011-2014 and 2015 year-to-date? Please use the format illustrated in the table below.

	2011	2012	2013	2014	2015 (YTD)
Lost/non-lost time injuries					
ESA Non-compliance					
Customer Survey Response					
Investment Spending					
Investment Scheduling					
Reportable spills in the MOE					

- (b) Does Wasaga Distribution track any other metrics which would be indicative of DSP progress/performance? If so, please list.

Wasaga Distribution Response:

- (a) Please see Responses below in the table provided:

	2011	2012	2013	2014	2015 (YTD)
Lost/non-lost time injuries	0	2	1	1	1
ESA Non-compliance	Zero	Zero	Zero	Zero	Zero
Customer Survey Response	N/A	N/A	N/A	N/A (Not specific to AMP)	Yes
Investment Spending	Yes	Yes	Yes	Yes	Yes
Investment Scheduling	Yes	Yes	Yes	Yes	Yes
Reportable spills in the MOE	Zero	Zero	Zero	Zero	Zero

(b) No, Wasaga Distribution does not track any other metrics at this time.

2-Staff-19

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 2.3 [5.2.3] Performance Measurement for Continuous Improvement, p. 24

On page 24 Wasaga Distribution states:

Accordingly, due to project prioritization, the need to maintain consistent capital expenditures over the forecast period, and addressing WDI's customer concerns, WDI has determined 725 poles should be replaced during the forecast period. Additionally WDI identified over 225 transformers all past their TUL life with loading concerns as identified in WDI's asset condition assessment which has deemed these transformers to be in poor to critical condition. These transformers will need to be replaced over the forecast period. WDI will replace these transformers with new transformers that are built to higher standards. Furthermore with the replacement of the poles and transformers, along with upgrades to an existing pole line to accommodate development WDI will be able to replace over 10km of conductors determined to be past its TUL further identified in section 3.2 [5.3.2].

Further in the DSP, Wasaga Distribution presents separate programs for the replacement of poles, transformers, and conductor.

- (a) Can Wasaga Distribution please describe how they will undertake this work?
(Typically a project includes all three asset classes (pole, transformer and conductor) that are replaced in tandem when working in an area.
- (b) If all work will be done together, has Wasaga Distribution forecasted costs based on the replacement of one asset class at a time or has it taken into account for the cost savings which result from completing all work in an area at the same time?
- (c) Please provide cost per unit assumption used by Wasaga Distribution to estimate the capital needs for each of the three replacement programs (poles, distribution transformers and conductors) for each of the 2015-2020 years.

Wasaga Distribution Response:

- (a) Wasaga Distribution's goal will be to replace all assets classes in tandem when working in a specific area where possible.

- (b) The forecast has been based on historical data which is similar to Wasaga Distribution's planning needs.
- (c) The following table illustrates Wasaga Distribution's estimate of capital needs for the three replacement programs on per unit assumptions:

Replacement Program	2016	2017	2018	2019	2020
Cost Per Pole	\$ 3,000	\$ 3,060	\$ 3,121	\$ 3,184	\$ 3,247
Cost Per km	\$ 37,500	\$ 38,250	\$ 39,015	\$ 39,795	\$ 40,591
Cost Per Transformer	\$ 3,714	\$ 3,789	\$ 3,864	\$ 3,942	\$ 4,020

2-Staff-20

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 3.1 [5.3.1] Asset Management Process Overview, p. 27**

On page 27 Wasaga Distribution states:

Consistent with best practices, over the years WDI has diligently maintained its equipment in safe and reliable working order and, only when economically justified, upgraded or replaced equipment.

- (a) Can Wasaga Distribution please provide its approach to economically justifying upgrading or replacing equipment?
- (b) Please illustrate a) with an example.

Wasaga Distribution Response:

- (a) Wasaga Distribution does internal analysis on loading impacts and age assessments and uses future growth predications to meet the needs of Wasaga Distribution's distribution system.
- (b) In 2011, Wasaga Distribution upgraded a significant portion of an aged pole line by relocating poles to a maintained right of-way, increased conductor size to reduce losses, and evaluated transformer sizes to improve efficiencies.

2-Staff-21

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 3.1 [5.3.1] Asset Management Process Overview, p. 30**

On page 30 Wasaga Distribution states:

WDI reviews and determines the reliability impact on investment and prioritizes the potential impact of each of the projects.

Where possible, can Wasaga Distribution provide the reliability impact on investment for each of the proposed project over the DSP period?

Wasaga Distribution Response:

Wasaga Distribution intent of the above statement was to inform the readers that Wasaga Distribution has many assets approaching ends of life which could cause significant reliability issues if not replaced in a timely manner. Wasaga Distribution did not quantify the impacts on reliability of these projects. However, Wasaga Distribution does plan to maintain existing reliability indices throughout the forecast period with the planned investment strategies.

2-Staff-22

Ref 1: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 3.1 [5.3.1] Asset Management Process Overview, p. 29

Ref 2: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 3.2 [5.3.2] Overview of Assets Managed, p. 34, Tables 7,8,9

Ref 3: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 3.2 [5.3.2] Overview of Assets Managed, p. 38, Table 15

Ref 4: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 3.2 [5.3.2] Overview of Assets Managed, p. 44, Table 19

On page 29 Wasaga Distribution states “*WDI performed an internal asset condition assessment*”.

In the tables on page 34 Wasaga Distribution presents an Asset Condition Scoring methodology. For each of the major asset classes similar frameworks are utilized. For each asset class (poles, transformers, and conductor):

- (a) What expertise or external reports did Wasaga Distribution use to develop the internal asset condition assessment methodology? If any external reports were used to develop the methodology, can Wasaga Distribution provide a copy of such reports?
- (b) How were the asset end-of-life condition assessment (ACA) criteria and criteria definitions for each of the asset classes determined?
- (c) How were the weighting factors for each of the asset classes determined?
- (d) How were the score rating for each of the asset classes determined?
- (e) What is a reason of not including visual inspections performed on overhead assets in the ACA criteria?
- (f) Specific to wood pole asset condition, how is stress an appropriate end-of-life condition criteria if typically the size of pole is designed to support the load which it bears?

Wasaga Distribution Response:

- (a) Wasaga Distribution used internal expertise which includes oversight from Wasaga Resource Services Director of Operation who has over 25 years of experience in the electrical distribution systems in Wasaga Beach. Wasaga

Distribution has also reviewed peer rate submissions to assist in best approach methods (i.e. Kinectrics, Cambridge, North Bay, St. Thomas and Hearst)

- (b) They were determined by logic with experience and historical data dictating the typical end of life.
- (c) Same as above (b)
- (d) Same as above (b)
- (e) Wasaga Distribution completes visual inspections. However, for the purpose of the condition assessments were not considered because if critical issues are observed then they are resolved in a timely manner.
- (f) *"Typically the size of pole is designed to support the load which it bears"* - this statement may be true with new design standards. However, Wasaga Distribution has found that many of its older poles would not meet today's standards and as such it is felt that stress is a very relevant factor considering pole condition.

2-Staff-23

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 3.2 [5.3.2] Overview of Assets Managed, p. 40, Figure 11**

In figure 11 Wasaga Distribution presents distribution transformer loading information.

- (a) How does Wasaga Distribution measure distribution transformer loading (direct field measure, aggregation from smart meters connected to a transformer, etc.)?
- (b) For the purposes of the loading profile, is the average load, peak load, spot load, or some other loading data point utilized? What was the time or period used to calculate the loading data for each of the transformer?
- (c) How has Wasaga Distribution determined that a proactive replacement program for distribution transformers is the better alternative compared to run-to-failure approach? Please provide any associated analysis of alternatives.

Wasaga Distribution Response:

- (a) Wasaga Distribution measures distribution transformer loading from an aggregation from smart meters connected to a transformer with the assistance of Wasaga Distribution's GIS and CIS systems.
- (b) Wasaga Distribution's believes that our loading data is based on average load determined through smart metering which in turn calculates peak load through utilization factors which are built into the software. Load period used was February 1, 2013 – February 1, 2015.
- (c) Wasaga Distribution believes a systematic proactive replacement program is a better alternative since Wasaga Distribution will maintain reliability levels and control costs by determining the date and time of the outages and avoiding any unnecessary premium costs. Wasaga Distribution further believes with the sheer volume of aged assets it would be prudent to be proactive.

2-Staff-24

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 4.2 [5.4.2] Capital Planning Process Overview, p. 57**

On page 57 Wasaga Distribution states: *"Maintenance would be considered if it could be effective to prevent capital spending or extend the life of an asset economically."*

Has Wasaga Distribution assessed the economic viability of completing maintenance as alternatives to replacement programs for poles, conductor, and distribution transformers? If so, please provide what type of maintenance was considered and the relevant economic analysis.

Wasaga Distribution Response:

In managing its distribution system assets, WDI's main objective is to optimize performance of the assets at a reasonable cost with due regards for system reliability, safety, and customer service expectations. WDI is committed to providing our customer with an economical, safe, reliable supply of electricity and helping the Town of Wasaga Beach become one of the most energy efficient and cost effective communities in Ontario. As indicated in Section 5.3, WDI's asset management processes focus on asset inspection and maintenance and capital expenditure planning. WDI performs regular asset condition assessment, both formally and informally as part of its regular line patrol. Through these avenues, WDI is able to ascertain and monitor the status of the specific assets in their specific classes. Condition monitoring includes age, loading and stress in addition to other parameters. In conjunction with this, WDI also relies upon the judgement of key staff which is based on their experience in the industry. This results in a performance based replacement program which ensures the consistent integrity of the system.

2-Staff-25

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 4 [5.4] Capital Expenditure Plan, p. 54

Can Wasaga Distribution please provide unit costs used for the estimation of project/program costs within this DSP as well as unit costs for the historical period as well as the forecast period? Can Wasaga Distribution also provide a total number of units planned to be installed/replaced as well as for the historical period?

Please format your response as per the table below. Please include all major asset classes (poles, meters, distribution transformers, conductor).

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cost per unit										
Wood pole										
OH Distribution transformer										
Conductor, per m										
1 st generation smart meter										
# of units installed										
Wood pole										
OH Distribution transformer										
Conductor, per m										
1 st generation smart meter										

Wasaga Distribution Response:

Please see the response illustrated in the table below:

EB-2015-0107
Wasaga Distribution's Interrogatory Responses
December 22, 2015

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cost per unit										
Wood pole	\$3,387	\$3,148	\$2,561	\$6,382	\$3,862	\$4,065	\$3,781	\$3,523	\$5,014	\$5,059
OH Distribution transformer	\$3,171	\$4,129	\$4,396	\$4,220	\$4,231	\$3,667	\$3,735	\$3,797	\$4,046	\$4,110
OH Conductor, per m	\$ 16	\$ 19	\$ 30	\$ 43	Note 1	\$ 22	\$ 23	\$ 19	\$ 27	\$ 22
Metering	\$ 128	\$ 164	\$ 93	\$ -	\$ 132	\$ 150	\$ 153	\$ 167	\$ 171	\$ 174
# of units installed										
Wood pole	22	105	40	74	60	155	160	166	176	176
OH Distribution transformer	7	23	20	27	26	45	43	43	43	43
OH Conductor, per m	725	16,465	4,030	1,411	Note 1	8,500	5,750	16,790	3,000	10,500
Metering	528	554	600	-	702	707	646	272	272	272

Note 1: Data not available by quantity at this time. Applicable projects are in the process of being reviewed in preparation for year-end reporting.

2-Staff-26

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 4.4 [5.4.4] Capital Expenditure Summary, System Renewal

Please elaborate why has Wasaga Distribution not conducted drilling testing on the poles (remaining strength) in order to determine the remaining tensile strength of the poles prior to establishing a significantly higher investment level for the poles renewal strategy?

Wasaga Distribution Response:

Wasaga Distribution has recently completed a Resistograph inspection on 396 wood poles.

Summary of findings:

- 357 poles passed
- 2 poles marginally passed
- 37 poles failed

It is with Wasaga Distribution's intent to continue with these inspections in 2016. Wasaga Distribution has provided this report in Attachment 3 of this document.

2-Staff-27

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 4.5.2 Material Investments, p. 61, p.67**

For Table 28 on page 61 and for the table on page 67, can Wasaga Distribution please provide an additional column for the actual year to date (Jan 1 – Oct 31) spending for each of the lines in both tables?

Wasaga Distribution Response:

Wasaga Distribution has reviewed the tables originally provided on page 61 and page 67 of the Distribution System Plan.

Although the specific tables requested have not been replicated for Jan 1- October 31, Wasaga Distribution has provided the most recent forecast for Appendix 2-AA which provides the information requested and is illustrated below.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-2](#)

[2-Energy Probe-3](#)

[2-SEC-15](#)

[2-SEC-17](#)

[2-VECC-4](#)

[2-VECC-5](#)

Wasaga Distribution's Interrogatory Responses

December 22, 2015

Projects	2011	2012	2013	2014	2015 Bridge Year (Original Submission)	2015 Bridge Year Forecast (Revised)	2016 Test Year (Original Submission)	2016 Test Year (Revised)
Reporting Basis	CGAAP	CGAAP	CGAAP	MFRS	MFRS	MFRS	MFRS	MFRS
System Access								
Residential and Commercial Developments (Gross Assets)	258,711	217,748	435,053	461,872	300,000	43,560	275,000	275,000
Residential and Commercial Developments (Contributions)	- 225,206	- 176,709	- 363,964	- 397,844	- 225,000	- 32,670	- 206,250	- 206,250
New and Upgraded Services (Gross Assets)	180,625	153,669	174,515	230,347	185,000	180,308	185,000	185,000
New and Upgraded Services (Contributions)	- 68,874	- 65,316	- 82,205	- 70,417	- 70,000	- 52,454	- 70,000	- 70,000
Smart Metering	67,641	90,637	62,293	-	90,000	92,821	105,000	105,000
Highway 26 Pole Line Expansion		255,707						
Highway 26 Primary Metering Equipment (Assets)			97,995					
(Contributions)			- 34,919					
New England Village Express Feed (Gross Assets)			130,982					
New England Village Express Feed (Contributions)			- 130,982					
Hwy 26 - Power Supply - MTO (Gross Assets)			102,184					
Hwy 26 - Power Supply - MTO (Contributions)			- 102,184					
Upper Wasaga Express Feed Expansion (Gross Assets)				264,630				
Upper Wasaga Express Feed Expansion (Contributions)				- 115,144				
Distribution Station Contribution Repurchase				274,000				
River Road West - Pole Line Upgrade (Gross Assets)				433,030	100,000	110,024		
River Road West - Pole Line Upgrade (Contributions)				- 216,515	- 50,000	- 55,012		
Sunnidale Road - Pole Line Expansion					260,000	-	300,000	400,000
Miscellaneous (Gross Assets)	23,357	23,687	-	71,521				
Miscellaneous (Contributions)	-	-	-	- 59,733				
Sub-Total	236,254	499,423	439,286	875,747	590,000	286,577	588,750	688,750
System Renewal								
River Road East Upgrade		446,559						
Highway 92 Upgrade			141,356					
Distribution Station Equipment Replacement			84,606	51,785				
O/H Replacements		23,987					75,000	75,000
Pole Replacements (Gross Assets)	32,813	47,665	34,902	60,656	130,000	293,624	375,000	375,000
Pole Replacements (Contributions)						- 136,625		
Transformer Replacements (Gross Assets)	17,911	36,368	39,972	72,999	105,000	120,000	130,000	130,000
Transformer Replacements (Contributions)						- 10,500		
Miscellaneous (Gross Assets)	80,875	58,059	14,232	129,741	90,000	83,770	70,000	70,000
Miscellaneous (Contributions)	- 39,174	- 9,727	- 9,261	- 99,346				
Sub-Total	92,425	602,911	305,807	215,835	325,000	350,269	650,000	650,000
System Service								
SCADA		129,942	6,130					
VLAN & Towers - Communication Equipment		126,793						
Miscellaneous				1,951			10,000	10,000
Sub-Total	-	256,735	6,130	1,951	-	-	10,000	10,000
General Plant								
Service Centre Land Addition		106,886	28,421	91,245				
Service Centre Building Upgrade			464,754					
Administration Building Upgrades					90,000	42,500		
Shop Roof Replacement					30,000	11,000		
Miscellaneous	27,718	6,373	-	4,626	15,000	15,000	30,000	30,000
Sub-Total	27,718	113,259	493,175	95,871	135,000	68,500	30,000	30,000
Total	356,397	1,472,328	1,244,398	1,189,404	1,050,000	705,346	1,278,750	1,378,750

2-Staff-28

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 4.5.2 Material Investments, p. 72

Under the 2015 Metering project description Wasaga Distribution states:

WDI budgets annual meter capital expenditures to encompass all new services including single phase, three phase, FIT and microFIT meters for all classes of customers. This expenditure category also includes replacements due to meter failures and the results of WDI's meter sampling process.

- (a) For each of the forecast years, how many meters has Wasaga Distribution forecasted to replace due to meter failures? How many meters has Wasaga Distribution forecasted to replace based on the results of Wasaga Distribution's meter sampling process?
- (b) How was the response in a) forecasted?
- (c) Please confirm that Wasaga Distribution is mandated by any regulation or government agency to replace non-encrypted meters prior to their end of life.
- (d) Please provide a final report of the network security audit conducted by Bell Wurldtech.

Wasaga Distribution Response:

- (a) Wasaga Distribution follows Measurement Canada S-S-06 statistical sampling methods. Wasaga Distribution sampling process for smart metering is to begin in 2018. The table below is Wasaga Distributions estimate on meter failure replacements over the forecast period.

Year	Quantity
2015	54
2016	55
2017	100
2018	100
2019	100
2020	100

- (b) Wasaga Distribution reviewed recent failure trends and assumed that additional meter failures could occur as the meters age.

- (c) Wasaga Distribution is not mandated by any regulation or government agency.
- (d) Wasaga Distribution undertook this audit with Wurldtech. The report is confidential. Unfortunately Wasaga Distribution is unable to publically disclose this information in its entirety.

Additional Reference:

[2-VECC-8](#)

2-Staff-29

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 4.5.2 Material Investments, p. 95, p.103

The 2017 Mosely Street Project is for the replacement of 2km of line due to end of life.

- (a) Can Wasaga Distribution provide the number of assets on this feeder with age profiles for each asset class that will be replaced within the scope of this project?
- (b) Please provide number of failures, separately, unplanned and planned SAIFI and SAIDI contribution from the Mosely Pole Line, for each of the 2011-2015 years.
- (c) Can Wasaga Distribution confirm that the assets within the scope of this project are not included in the Misc. Pole, Misc. Transformer and Conductor Replacements programs?

The first phase is scheduled for 2017. It is unclear what is to be replaced in phase 2 in 2018 as the description is the same as for phase 1 and references 500m of replacement; however the budget is threefold phase 1.

- (e) Please clarify what is in the scope for each of the years, 2017 and 2018. Specifically, clarify the number of assets within each of the asset classes to be replaced in each of the years and their respective costs.
- (f) Please provide asset unit cost information that was used to estimate the replacement costs for this project, specifically, average cost per pole, transformer, and conductor replacement.

Wasaga Distribution Response:

- (a) Wasaga Distribution has provided the information requested in the following table:

Asset Class	Age					Total
	>50	40-49	30-39	20-29	10-19	
Poles	30	36	3	2	2	73
Transformers	4	5	2	2	2	15
Conductors (m)	-	6,500	-	-	-	6,500

- (b) Wasaga Distribution is unable to provide this data.
- (c) Wasaga Distribution can confirm that these assets being replaced for this project are not duplicated in the miscellaneous pole, transformer, and conductor replacement programs.
- (d) Section (d) was not provided to Wasaga Distribution
- (e) For 2017: Wasaga Distribution used approximately 0.5 km for \$100,000 and for 2018: 1.5 km for \$300,000.

The cost breakdown is illustrated in the table below:

Mosley Street							
Year	Poles		Transformers		Conductors		Total
	Quantity	Cost	Quantity	Cost	Quantity	Cost	
2017	20	95,000.00	3	10,500.00	-	-	105,500.00
2018	41	194,750.00	8	28,000.00	5,800	87,000	309,750.00
Total	61	289,750.00	11	38,500.00	5,800	87,000	415,250.00

- (f) Wasaga Distribution has estimated costs at approximately \$200,000 per km.
Wasaga Distribution has provided a cost breakdown as follows:

Mosley Street - Cost Estimations			
Asset Class	Asset Class Quantity	Cost Per Asset	Total Cost
Poles	61	4,750	289,750
Transformers	11	3,500	38,500
Conductors	5,800	15	87,000
			415,250

2-Staff-30

(AMENDED – December 3rd, 2015)

Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc. Distribution System Plan, 4.5.2 Material Investments, p. 67, 73

In the table on page 67 the River Road project is titled “River Road West – Pole Line Upgrade” while further in the description it is called “River Road West Widening (2nd Phase)”.

- (a) What is a primary driver to perform this project on the River Road West in 2019-2020: reliability, assets end-of-life, or external obligations to the city?
- (b) Please provide number of failures, separately, unplanned and planned SAIFI and SAIDI contribution from the River Road West Widening Project
- (c) Please provide asset counts per asset class for those assets proposed for replacement as part of the River Road widening project for each of the project years.
- (d) Can Wasaga Distribution confirm that the assets within the scope of this project are not included in the Misc. Pole, Misc. Transformer and Conductor Replacements programs?

Wasaga Distribution Response:

Wasaga Distribution has updated this question after clarification from OEB staff. This question is a response to the future River Road West Widening Project for 2019-2020.

- (a) Wasaga Distribution can confirm that this is an external obligation to the Town of Wasaga Beach.
- (b) Wasaga Distribution is unable to provide this data.
- (c) Wasaga Distribution has provided the information requested in the following table:

Asset Class	Age						Total
	>50	40-49	30-39	20-29	10-19	<10	
Poles	36	25	50	-	3	1	115
Transformers	3	4	1	2	2	5	17
Conductors (m)	-	2,700	-	15,000	-		17,700

- (d) Wasaga Distribution can confirm that these assets being replaced for this project are not duplicated in the miscellaneous pole, transformer, and conductor replacement programs.

2-Staff-31

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 4.5.2 Material Investments**

The Sunnisdale Road Pole Line Expansion project costs total \$760,000.

- (a) Can Wasaga Distribution please provide a cost estimate breakdown for the project total, specifically, average cost per pole, transformer and conductor replacement?
- (b) Does the Sunnisdale Road Pole Line Expansion involve the replacement of existing plant with new plant?
- (c) If the response to b) is yes, please provide asset counts for those replaced.
- (d) Can Wasaga Distribution confirm that the assets within the scope of this project are not included in the Misc. Pole, Misc. Transformer and Conductor Replacements programs?
- (e) Please provide the results of the economic evaluation conducted by Wasaga Distribution for the described development. If no economic evaluation was performed, please explain why there is no requirement to perform such evaluation.

Wasaga Distribution Response:

- (a) Wasaga distribution has provided a cost breakdown as requested in the table below:

Sunnisdale Road - Cost Estimations			
Asset Class	Asset Class Quantity	Cost Per Asset	Total Cost
Poles	45	8,500	382,500
Transformers	15	3,500	52,500
Conductors	16,240	20	324,800
			759,800

- (b) Wasaga Distribution can confirm that Wasaga Distribution will replace existing plant.
- (c) Wasaga Distribution has provided the existing plant as requested in the table below:

Asset Class	Age						Total
	>50	40-49	30-39	20-29	10-19	<10	
Poles	27	1	-	2	1	3	34
Transformers	3	2	1	1	1	1	9
Conductors (m)	7,080	-	-	-	-		7,080

- (d) Wasaga Distribution can confirm that these assets being replaced for this project is not duplicated in the miscellaneous pole, transformer, and conductor replacement programs.
- (e) The cost of developing this pole line is an upstream cost and not subject to an economic evaluation.

2-Staff-32

**Ref: EB-2015-0103, Exhibit 2, Attachment A – Wasaga Distribution Inc.
Distribution System Plan, 4.5.2 Material Investments**

Financial information regarding Residential and Commercial Development is provided in the table below. The Board has calculated potential unit costs utilized based on the work described.

	2015		2016	
	Budget	Unit Cost (@170 lots)	Budget	Unit Cost (@170 lots)
Residential and Commercial Development	\$ 115,188	\$ 678	\$ 68,750	\$ 404

Can Wasaga Distribution please explain the decrease in unit cost from \$678 to \$404 per lot from 2015 to 2016?

Wasaga Distribution Response:

Wasaga Distribution tried to develop the 2016 budget based on actual known developments and based on recent contribution rates. However, Wasaga Distribution was aware that economic circumstances would suggest that 170 developed lots would be more likely.

2-SEC-11

[Ex.2, Attach A] Has the Applicant had its asset condition assessment methodology reviewed by a third-party? If so, please provide that assessment.

Wasaga Distribution Response:

Wasaga Distribution can confirm that the actual DSP was reviewed by a third-party. The Asset Condition methodology was not specifically requested for review.

2-SEC-12

[Ex.2, Attach A, p.38] Please confirm that the only inputs into the asset condition assessment for distribution transformers are a) age, and b) loading. If this is confirmed, please explain why this would lead to an accurate assessment of actual asset condition of the Applicant's distribution transformers.

Wasaga Distribution Response:

Wasaga Distribution confirms that age and loading were the only inputs used for the asset condition assessment. Wasaga Distribution feels that these two inputs have the greatest impact on the assets. As for the accuracy, Wasaga Distribution can only assume this would be the most accurate which is also consistent with the results of the Kinectrics study.

2-SEC-13

[Ex.2, Attach A, p.46] Please confirm that the only inputs into the asset condition assessment for poles are a) age, and b) stress. If this is confirmed, please explain why this would lead to an accurate assessment of actual asset condition of the Applicant's poles.

Wasaga Distribution Response:

Wasaga Distribution confirms that age and stress were the only inputs used for the asset condition assessment. Wasaga Distribution feels that these two inputs have the greatest impact on the assets. As for the accuracy, Wasaga Distribution can only assume this would be the most accurate which is also consistent with the results of the Kinectrics study.

2-SEC-14

[Ex.2, Attach A, p.46] Please provide the number of pole failures in each of the past 4 years.

Wasaga Distribution Response:

Wasaga Distribution does not currently track poles by failures.

2-SEC-15

[Ex.2, Appendix 2-AA] Please provide the in-service data for each 2015 and 2016 material capital project.

Wasaga Distribution Response:

Wasaga Distribution budget accounts for capital projects to be capitalized to the capital accounts and capital projects expected to be in WIP at the end of the year. Therefore, in service data is as presented in Appendix 2-AA. However, projects sometimes run into unforeseen delays, which could cause in-service dates to carry forward.

Wasaga Distribution has revised Appendix 2-AA based on the most recent information available and removed the 2015 Sunnidale Road Pole Line Expenditures. This table has been replicated below.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-2](#)

[2-Energy Probe-3](#)

[2-Staff-27](#)

[2-SEC-17](#)

[2-VECC-4](#)

[2-VECC-5](#)

Appendix 2-AA (Revised Capital Expenditures):

Projects	2011	2012	2013	2014	2015 Bridge Year (Original Submission)	2015 Bridge Year Forecast (Revised)	2016 Test Year (Original Submission)	2016 Test Year (Revised)
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
System Access								
Residential and Commercial Developments (Gross Assets)	258,711	217,748	435,053	461,872	300,000	43,560	275,000	275,000
Residential and Commercial Developments (Contributions)	- 225,206	- 176,709	- 363,964	- 397,844	- 225,000	- 32,670	- 206,250	- 206,250
New and Upgraded Services (Gross Assets)	180,625	153,669	174,515	230,347	185,000	180,308	185,000	185,000
New and Upgraded Services (Contributions)	- 68,874	- 65,316	- 82,205	- 70,417	- 70,000	- 52,454	- 70,000	- 70,000
Smart Metering	67,641	90,637	62,293	-	90,000	92,821	105,000	105,000
Highway 26 Pole Line Expansion		255,707						
Highway 26 Primary Metering Equipment			97,995					
Assets)			150,518					
(Contributions)			- 34,919					
New England Village Express Feed (Gross Assets)			130,982					
New England Village Express Feed (Contributions)			- 130,982					
Hwy 26 - Power Supply - MTO (Gross Assets)			102,184					
Hwy 26 - Power Supply - MTO (Contributions)			- 102,184					
Upper Wasaga Express Feed Expansion (Gross Assets)				264,630				
Upper Wasaga Express Feed Expansion (Contributions)				- 115,144				
Distribution Station Contribution Repurchase				274,000				
River Road West - Pole Line Upgrade (Gross Assets)				433,030	100,000	110,024		
River Road West - Pole Line Upgrade (Contributions)				- 216,515	- 50,000	- 55,012		
Sunnidale Road - Pole Line Expansion					260,000	-	300,000	400,000
Miscellaneous (Gross Assets)	23,357	23,687	-	71,521				
Miscellaneous (Contributions)	-	-	-	- 59,733				
Sub-Total	236,254	499,423	439,286	875,747	590,000	286,577	588,750	688,750
System Renewal								
River Road East Upgrade		446,559						
Highway 92 Upgrade			141,356					
Distribution Station Equipment Replacement			84,606	51,785				
O/H Replacements		23,987					75,000	75,000
Pole Replacements (Gross Assets)	32,813	47,665	34,902	60,656	130,000	293,624	375,000	375,000
Pole Replacements (Contributions)						- 136,625		
Transformer Replacements (Gross Assets)	17,911	36,368	39,972	72,999	105,000	120,000	130,000	130,000
Transformer Replacements (Contributions)						- 10,500		
Miscellaneous (Gross Assets)	80,875	58,059	14,232	129,741	90,000	83,770	70,000	70,000
Miscellaneous (Contributions)	- 39,174	- 9,727	- 9,261	- 99,346				
Sub-Total	92,425	602,911	305,807	215,835	325,000	350,269	650,000	650,000
System Service								
SCADA		129,942	6,130					
VLAN & Towers - Communication Equipment		126,793						
Miscellaneous				1,951			10,000	10,000
Sub-Total	-	256,735	6,130	1,951	-	-	10,000	10,000
General Plant								
Service Centre Land Addition		106,886	28,421	91,245				
Service Centre Building Upgrade			464,754					
Administration Building Upgrades					90,000	42,500		
Shop Roof Replacement					30,000	11,000		
Miscellaneous	27,718	6,373	-	4,626	15,000	15,000	30,000	30,000
Sub-Total	27,718	113,259	493,175	95,871	135,000	68,500	30,000	30,000
Total	356,397	1,472,328	1,244,398	1,189,404	1,050,000	705,346	1,278,750	1,378,750

2-SEC-16

[Ex.2, Attach A] With respect to reactive maintenance and capital costs, for each year from 2012-2020, please provide:

- a. reactive maintenance costs
- b. reactive based capital costs

Wasaga Distribution Response:

Wasaga does not separate its maintenance costs into reactive, preventative and predictive costs, therefore; Wasaga is unable to provide this information.

2-SEC-17

[Ex.2, Appendix 2-AB] Please provide 2015 year-to-date actuals.

Wasaga Distribution Response:

Please find a revised Appendix 2-AB which includes an updated forecast in the Table below.

Additional References:

[2-Staff-11](#)

[2-Energy Probe-2](#)

[2-Energy Probe-3](#)

[2-Staff-27](#)

[2-SEC-15](#)

[2-VECC-4](#)

[2-VECC-5](#)

Appendix 2-AB (Revised):

CATEGORY	Historical Period (previous plan ¹ & actual)														
	2011			2012			2013			2014			2015		
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual ²	Var
	\$ '000			\$ '000			\$ '000			\$ '000			\$ '000		
System Access	775,000	236,255	-69.5%	512,500	499,423	-2.6%	745,000	439,286	-41.0%	677,500	875,747	29.3%	286,577	286,577	0.0%
System Renewal	167,000	92,425	-44.7%	126,000	602,914	378.5%	126,000	305,807	142.7%	126,000	215,835	71.3%	350,269	350,269	0.0%
System Service	55,000	-	-100.0%	50,000	256,735	413.5%	65,000	6,130	-90.6%	65,000	1,951	-97.0%	-	-	--
General Plant	-	27,718	--	-	113,259	--	-	493,175	--	-	95,871	--	68,500	68,500	0.0%
TOTAL EXPENDITURE	997,000	356,398	-64.3%	688,500	1,472,331	113.8%	936,000	1,244,398	32.9%	868,500	1,189,404	36.9%	705,346	705,346	0.0%
System O&M	\$435,900	\$631,082	44.8%	\$454,000	\$805,657	77.5%	\$465,250	\$776,446	66.9%	\$480,000	\$776,678	61.8%	\$828,498	\$828,498	0.0%

Forecast Period (planned)				
2016	2017	2018	2019	2020
\$ '000				
688,750	463,200	211,464	515,693	520,007
650,000	743,600	903,432	615,501	627,811
10,000	10,000	20,000	10,000	10,000
30,000	10,000	10,000	-	-
1,378,750	1,226,800	1,144,896	1,141,194	1,157,818
\$ 872,192	\$ 898,358	\$ 925,308	\$ 953,068	\$ 981,660

2-VECC-5

Reference: E2/pg.40 & 71/Table 2-17

- a) Please provide a table showing the annual forecast capital expenditures for the Sunnisdale Development project for 2015 through 2020. Please show the Sunnisdale Pole Line Expansion project separate from any other forecast capital expenditures for the housing development project.
- b) Please add a row to show any expected capital contributions during the life of this project.
- c) WDI has indicated it does not expect any contributions for the Sunnisdale Pole Line Expansion part of this project. Please confirm no contributions will be received from developer for any other this aspect of the project. If not contributions are expected please explain why.
- d) Please explain under what regulatory/legal provision the Pole Line Expansion project is "*mandatory*."
- e) Please provide the forecast date for the layout of lots in the development.
- f) Please provide the forecast date for the first service in the development to be energized (please denote between temporary and permanent service).

Wasaga Distribution Response:

- a) Based on most recent forecast. Wasaga Distribution has provided the forecast for the Sunnisdale Development. This development is planned for 2,500 lots. The table below is based on best estimates up to 2020. As this development matures there is a potential need for a new substation.

	2015	2016	2017	2018	2019	2020
Sunnisdale Pole Line Expansion	\$ -	\$ 400,000	\$ 200,000	\$ 160,000	\$ -	\$ -
Sunnisdale Residential Development	\$ -	\$ -	\$ 100,000	\$ 136,000	\$ 138,720	\$ 141,494
Sunnisdale Contributed Capital	\$ -	\$ -	-\$ 75,000	-\$ 102,000	-\$ 104,040	-\$ 106,121
Net Capital Expenditure	\$ -	\$ 400,000	\$ 225,000	\$ 194,000	\$ 34,680	\$ 35,374
Expected Lots	0	0	60	80	80	80

- b) Please refer to section (a)
- c) Wasaga Distribution does not foresee receiving contributions from the developer(s) for upstream costs.

- d) Wasaga Distribution used the term mandatory in the sense that it is needed to meet the demands of the development. Wasaga Distribution does not believe there to be any legal/regulatory provisions.
- e) Please refer to section (a)
- f) Wasaga Distribution is currently forecasting the first in-service date for energization to be 2017. Please refer to section (a).

2-VECC-6

Reference: E2/Attachment A DSP/pg.10

- a) Please provide the project business case for the pole replacement program.
- b) Please provide the asset assessment which justifies the program.
- c) Will this project be carried out by WDI employees or by third party contractor(s)?
- d) Please provide a table showing for each year of the project the total capital cost and the total number of poles to be installed.
- e) If the year-to-year cost-per-pole differ please explain why.

Wasaga Distribution Response:

- a) Wasaga Distribution feels that since 62% percent of all poles are older than 40 years. Wasaga Distribution must be proactive with its replacement program to avoid lumpy and untimely investments. No other business case was performed.
- b) Please refer to Figure 15 of Attachment A of the DSP.
- c) At this time the plan is for projects to be carried out by WRSI
- d) Wasaga Distribution has provided the information requested information in the table below:

Year	2016	2017	2018	2019	2020
Quantity of Poles	125	125	125	125	125
Project Costs	375,000	382,500	390,150	397,953	405,912

- e) The plan assumed a cost increase of approximately 2% per year.

2-VECC-7

Reference: E1/T2/pg.69

- a) WDI states that for outage codes for Tree Contact and Adverse whether "*sometimes gets misinterpreted.*" By this does WDI mean that the data for these two categories is sometimes intermingled? If not please explain the meaning.
- b) Please confirm that in either event the outage will only be recorded in one of the categories (i.e. there is no double counting in the data).

Wasaga Distribution Response:

- a) Wasaga Distribution confirms that they are sometimes intermingled.
- b) Wasaga Distribution confirms that there is no double counting.

2-VECC-8

Reference: E2/Attachment A/pg.72

Preamble: WDI states it is in the process of replacing 1st generation smart meters due to encryption concerns.

- a) When did WDI complete its smart meter rollout? Please provide the dates of the oldest and newest meter installations (i.e. start finish of rollout).
- b) Please provide details on the reasons for replacing all 1st generation smart meters.
- c) Please provide details on the smart meter replacement program including: (1) the expected write-off of non-depreciated meters; (2) the cost of the replacement meters; (3) expected start and finish of the program; (4) any warranty or other mitigating programs to reduce costs of replacements; (5) name and manufacturer of meter being replaced.

Wasaga Distribution Response:

- a) Wasaga Distribution started their smart meter rollout on April 2008. This project was completed in November 2010.
- b) Bell Wurdltch Audit findings regarding this issue is as follows:

Sensus AMI_TRA Year 2-V1.2_Final 10_14_2014_encrypted.pdf

5.8.1.10 HARDCODED OTAR (OVER-THE-AIR-REKEYING) OBFUSCATION KEY
FlexNet encryption relies on each device knowing a unique encryption key. These encryption keys might be provisioned using multiple methods: during microprocessor programming, using the short-range magnetic loop interface, or over the long range FlexNet radio interface.

In the event of over-the-air-provisioning, such as in the case of meters with old firmware versions without encryption being upgraded and brought into an encrypted network, there is no device-unique key to protect the transmission of the new device-unique key. Instead, the initial re-key will be done using a hardcoded secret identical across all Sensus FlexNet devices examined during this assessment..

Vulnerability #: 14-UTIL-MTR-002

Devices affected: Devices with old firmware versions without upgraded encryption.

Impact: Medium

Consequence: If the long range FlexNet radio interface is used to deliver the initial key to a meter, an attacker capable of eavesdropping on FlexNet traffic and familiar with the FlexNet implementation can compromise the unique device keys sent. Ownership of the unique key gives full control of the device, allowing all commands implemented to be run. Key ownership can be maintained through any re-key attempts as long as the attacker keeps eavesdropping on the network.

- c) The following provides the details requested of the replacement of the 1st generation smart.
- The 1,300 meters being replaced were capitalized at \$123.91 and depreciated over 15 years. These were part of the initial roll-out that started in 2008.
 - The most recent replacement cost was \$122.64. These meters are purchased in US dollars.
 - The expected completion date is 2017. (Wasaga Distribution revised the forecast to remove the disposal originally forecasted in 2015 due to the delay in receiving the meters)
 - No there is no warranties applicable.
 - Sensus is used for the replacement meters

Additional Reference:

[2-Staff-28](#)

2-VECC-9

Reference: E2/Attachment A/pg.66

- a) When will WDI be making a decision with respect to purchasing an Outage Management System? Does WDI expect this to be material investment and if so does WI anticipate making an application for cost recovery during the IRM period?

Wasaga Distribution Response:

Wasaga Distribution has not made a firm decision. Wasaga Distribution does not feel that this would be a material investment.

2-VECC-10

Reference: E2/Attachment A

- a) Was the WDI Distribution System Plan prepared internally? If yes, was a third-party review undertaken of the plan?

Wasaga Distribution Response:

- a) Wasaga Distribution prepared the DSP internally and had it reviewed by a third-party as per the DSP Attachment A - Appendix D.

Exhibit 3 – Operating Revenue

3-Staff-33

Ref 1: Chapter 2 Appendices, Tab 2-IA_Act_Frcst_Data

Ref 2: E3/Tab 1/Sch. 4 – Overview of Load Forecast Methodology, Page 8, Tables 3.3 and 3.4

OEB staff notes that some of the figures in reference 1 do not reconcile to the figures in reference 2. Specifically, OEB staff observes discrepancies in the data for the Residential and General Service<50 kW rate classes from the 2012 Board Approved to the 2014 rate years.

Please reconcile the data and provide corrected tables.

Wasaga Distribution Response:

Wasaga Distribution has corrected Tab 2-IA and has refiled Chapter 2 Appendices with these interrogatory responses. The corrected tables are provided below. For convenience Wasaga Distribution has also provided the corrected Tab 2-IA of the Chapter 2 Appendices.

Table 3.3: Summary of Load and Customer/Connection Forecast

Year	Billed (kWh)	Growth (kWh)	Percentage Change %	Customer/ Connection Count	Average Growth	Percentage Change %
2005	104,361,984			12,460		
2006	106,422,351	2,060,367	1.97%	12,952	492	3.95%
2007	109,546,147	3,123,796	2.94%	13,446	494	3.81%
2008	117,173,372	7,627,224	6.96%	13,909	463	3.44%
2009	121,083,046	3,909,674	3.34%	14,222	314	2.25%
2010	125,814,571	4,731,525	3.91%	14,448	226	1.59%
2011	124,253,328	- 1,561,243	-1.24%	14,720	273	1.89%
2012	121,706,363	- 2,546,965	-2.05%	15,058	338	2.30%
2013	126,042,209	4,335,846	3.56%	15,413	355	2.36%
2014	127,011,089	968,880	0.77%	15,681	268	1.74%
2015	126,817,449	- 193,640	-0.15%	15,897	216	1.38%
2016	126,313,135	- 504,314	-0.40%	16,126	229	1.44%

Table 3.4: Billed Energy and Number of Customers by Rate Class

Year	Customer Usage										
	Residential	General Service < 50 kW	General Service > 50 kW - 4999 kW - Excluding Wholesale Market Participant		General Service > 50 kW - 4999 kW - Wholesale Market Participant		Streetlighting		Unmetered Scattered Load	Total	
	kWh	kWh	kWh	kW	kWh	kW	kWh	kW	kWh	kWh	kW
2005	74,670,218	14,537,477	12,388,794	0	994,199	0	1,506,679	0	264,617	104,361,984	0
2006	73,494,501	14,223,774	12,633,564	0	4,233,264	0	1,581,465	0	255,784	106,422,351	0
2007	74,223,887	14,339,658	14,970,174	0	4,141,944	0	1,649,563	0	220,922	109,546,147	0
2008	78,678,925	15,092,313	17,386,049	0	4,099,393	0	1,743,400	0	173,292	117,173,372	0
2009	82,719,010	15,369,940	16,872,488	43,812	4,143,210	7,024	1,723,126	4,963	255,272	121,083,046	55,798
2010	84,575,464	17,287,125	17,629,407	44,116	4,263,663	7,301	1,736,181	4,976	322,731	125,814,571	56,393
2011	84,023,443	16,948,879	17,073,810	45,359	4,201,223	7,186	1,695,783	5,015	310,190	124,253,328	57,559
2012	82,588,039	15,746,950	17,613,528	47,595	3,761,856	6,699	1,731,442	5,203	264,550	121,706,363	59,497
2013	86,276,532	16,432,348	17,691,775	46,867	3,594,884	6,557	1,796,174	5,311	250,496	126,042,209	58,734
2014	87,611,190	16,552,639	17,311,423	45,989	3,453,199	6,080	1,834,663	5,426	247,974	127,011,089	57,496
2015	87,799,074	16,817,315	17,364,146	45,726	3,382,205	5,945	1,222,298	3,604	232,411	126,817,449	55,275
2016	87,693,245	17,068,383	17,412,007	45,852	3,307,193	5,813	611,285	1,802	221,022	126,313,135	53,467

Appendix 2-IA Summary and Variances of Actual and Forecast Data

Replace "Rate Class #" with the appropriate rate classification.

	2012 Board Approved	2012	2013	2014	2015 Bridge	2016 Test
Residential						
# of Customers	11,614	11,609	11,857	12,082	12,256	12,440
kWh	85,253,972	82,588,039	86,276,532	87,611,190	87,799,074	87,693,245
kW						
Variance Analysis						
# of Customers		-0.04%	2.09%	4.03%	5.53%	7.11%
kWh		-3.13%	1.20%	2.76%	2.99%	2.86%
kW		0.00%	0.00%	0.00%	0.00%	0.00%
GS < 50 kW						
# of Customers	791	786	784	783	786	789
kWh	17,532,074	17,532,074	17,532,074	17,532,074	16,817,315	17,068,383
kW						
Variance Analysis						
# of Customers		-0.63%	-0.88%	-1.01%	-0.63%	-0.25%
kWh		0.00%	0.00%	0.00%	-4.08%	-2.64%
kW		0.00%	0.00%	0.00%	0.00%	0.00%
GS > 50 kW						
# of Customers	34	36	36	37	38	38
kWh	20,862,622	21,375,383	21,286,659	20,764,622	20,746,351	20,719,200
kW	52,968	52,968	52,968	52,968	51,671	51,665
Variance Analysis						
# of Customers		5.88%	5.88%	8.82%	11.76%	11.76%
kWh		2.46%	2.03%	-0.47%	-0.56%	-0.69%
kW		0.00%	0.00%	0.00%	-2.45%	-2.46%
Streetlighting						
# of Connections	2,525	2,588	2,694	2,738	2,777	2,819
kWh	1,691,769	1,731,442	1,796,174	1,834,663	1,222,298	611,285
kW	4,771	5,203	5,311	5,426	3,604	1,802
Variance Analysis						
# of Connections		2.50%	6.67%	8.44%	10.00%	11.65%
kWh		2.35%	6.17%	8.45%	-27.75%	-63.87%
kW		9.05%	11.31%	13.73%	-24.46%	-62.22%
USL						
# of Customers	45	39	43	41	40	40
kWh	297,067	264,550	250,496	247,974	232,411	221,022
kW						
Variance Analysis						
# of Customers		-13.33%	-5.56%	-8.89%	-11.11%	-11.11%
kWh		-10.95%	-15.68%	-16.53%	-21.76%	-25.60%
kW		0.00%	0.00%	0.00%	0.00%	0.00%
Totals						
Customers / Connections	15,009	15,058	15,413	15,681	15,897	16,126
kWh	125,637,504	123,491,488	127,141,935	127,990,524	126,817,449	126,313,135
kW from applicable classes	57,739	58,171	58,279	58,394	55,275	53,467
Totals - Variance						
Customers / Connections		0.33%	2.69%	4.48%	5.92%	7.44%
kWh		-1.71%	1.20%	1.87%	0.94%	0.54%
kW from applicable classes		0.75%	0.93%	1.13%	-4.27%	-7.40%

3-Staff-34

Ref 1: Load Forecast Model, Tab 10 - Final Load Forecast

Ref 2: Chapter 2 Appendices, Tab 2-IA_Act_Frcst_Data

- (a) Please update Tab 10 of the Load Forecast Model to include 2015 year to date actuals and provide 2014 actual data for the comparable time frame.
- (b) Please compare the 2015 actuals to date with the same period data for 2014.
- (c) Please compare actual data to forecasted data and explain any material variances.

Wasaga Distribution Response:

- (a) Wasaga Distribution has provided 2015 year to date actuals and 2014 actual data up to October 2014 and 2015 in the table below:

Customer Class	Year	2014 OCTOBER YTD	2015 OCTOBER YTD	% of Change
		[A]	[B]	[C] = [B]/[A]-1
Residential	Customers	12,104	12,324	1.82%
	kWh	71,644,495	73,605,813	2.74%
General Service < 50 kW	Customers	779	785	0.77%
	kWh	13,870,712	14,194,506	2.33%
General Service > 50 kW - 4999 kW - Excluding Wholesale Market Participant	Customers	36	37	2.78%
	kWh	14,468,655	15,264,082	5.50%
	kW	39,027	39,163	0.35%
General Service > 50 kW - 4999 kW - Wholesale Market Participant	Customers	1	1	0.00%
	kWh	2,919,687	2,674,029	-8.41%
	kW	5,174	5,234	1.16%
Street lighting	Connections	2,772	2,862	
	kWh	1,446,319	1,460,444	0.98%
	kW	4,517	4,557	0.89%
Unmetered Scattered Load	Connections	40	41	2.50%
	kWh	207,194	219,041	5.72%
Total	Cost/Conn	15,732	16,050	2.02%
	kWh	104,557,062	107,417,915	2.74%
	kW	48,718	48,954	0.48%

- (b) Wasaga Distribution has compared the actual data for the same time period. Wasaga Distributions confirms that weather, conservation initiatives, customer growth and the timing of the addition of customers all impact the October YTD variances. For your convenience Wasaga Distribution has provided HDD and CDD as of December 16th, 2015 for the Collingwood Weather Station.

Wasaga Distribution's Interrogatory Responses
December 22, 2015

HDD	10 year average	20 year average	20 year Trend	2014	2015		CDD	10 year average	20 year average	20 year Trend	2014	2015
Jan	706.35	716.10	714.10	826.10	798.10		Jan	-	-	-	-	-
Feb	650.66	630.81	669.04	740.10	860.70		Feb	-	-	-	-	-
Mar	571.87	566.09	566.29	730.00	646.70		Mar	0.28	0.15	0.49	-	-
Apr	345.27	353.22	340.66	389.70	366.80		Apr	0.55	1.11	0.73	-	-
May	183.77	185.71	172.84	174.60	156.00		May	11.68	10.58	12.63	4.10	19.80
Jun	52.50	54.11	59.52	57.20	69.80		Jun	47.65	47.82	41.40	41.50	6.00
Jul	9.31	11.08	8.83	29.70	17.40		Jul	100.14	94.86	101.87	50.30	76.30
Aug	12.38	11.94	13.07	24.10	12.20		Aug	80.01	76.84	82.99	45.90	65.60
Sept	77.28	70.73	86.14	86.30	27.60		Sept	25.78	29.83	24.94	21.40	69.50
Oct	233.95	236.99	230.59	238.80	257.10		Oct	5.07	4.18	2.85	1.20	2.80
Nov	415.17	395.07	424.46	460.70	323.80		Nov	-	-	-	-	1.50
Dec	610.69	602.45	621.41	537.70	203.30		Dec	-	-	-	-	-

(c) Wasaga Distribution has compared actual data with forecasted data. For convenience Wasaga Distribution has extrapolated actual % of changes from actual to forecast and actual to actual for 2014 and 2015. Wasaga Distribution has not compared the impact that this has on working capital, rate base or the LRAM variance. The table illustrated below shows that there is no material variance in the data and therefore no explanation has been provided. Wasaga Distribution confirms that weather and conservation initiatives would contribute to the variance.

2014 to 2015 Load Forecast Comparison:

Customer Class	Year	2014 OCTOBER YTD	2015 OCTOBER YTD	% of Change	2014 ACTUAL	2015 FORECASTED (12 MONTHS)	% of Change	Variance %	Extrapolated Yearly Variances	Proposed Rates (Updated)	Impact on Distribution Revenue
		[A]	[B]	[C] = [B]/[A]-1	[D]	[E]	[F] = [E]/[D]- 1	[G] = [F]- [C]	[H] = [E]*[G]	[I]	[J] = [H]*[I]**12
Residential	Customers	12,104	12,324	1.82%	12,082	12,256	1.44%	-0.38%	46	15.36	-\$ 8,526.06
	kWh	71,644,495	73,605,813	2.74%	87,611,190	87,799,074	0.21%	-2.52%	2,215,273	0.0121	-\$ 26,804.81
General Service < 50 kW	Customers	779	785	0.77%	783	786	0.38%	-0.39%	3	15.22	-\$ 555.67
	kWh	13,870,712	14,194,506	2.33%	16,552,639	16,817,315	1.60%	-0.74%	123,671	0.0154	-\$ 1,904.53
General Service > 50 kW - 4999 kW - Excluding Wholesale Market Participant	Customers	36	37	2.78%	36	37	2.78%	0.00%	-	34.83	
	kWh	14,468,655	15,264,082	5.50%	17,311,423	17,364,146	0.30%	-5.19%	901,726	-	
	kW	39,027	39,163	0.35%	45,989	45,726	-0.57%	-0.92%	421	5.2433	-\$ 2,207.47
General Service > 50 kW - 4999 kW - Wholesale Market Participant	Customers	1	1	0.00%	1	1	0.00%	0.00%	-	34.83	
	kWh	2,919,687	2,674,029	-8.41%	3,453,199	3,382,205	-2.06%	6.36%	215,039	-	
	kW	5,174	5,234	1.16%	6,080	5,945	-2.23%	-3.39%	201	5.2433	-\$ 1,055.96
Streetlighting	Connections	2,772	2,862		2,738	2,777	1.42%	1.42%	40	1.63	\$ 773.71
	kWh	1,446,319	1,460,444	0.98%	1,834,663	1,222,298	-33.38%	-34.35%	419,910	-	
	kW	4,517	4,557	0.89%	5,426	3,604	-33.58%	-34.47%	1,242	0.9742	-\$ 1,210.14
Unmetered Scattered Load	Connections	40	41	2.50%	41	40	-2.44%	-4.94%	2	4.39	-\$ 104.08
	kWh	207,194	219,041	5.72%	247,974	232,411	-6.28%	-11.99%	27,876	0.0088	-\$ 245.30
Total	Cust/Conn	15,732	16,050	2.02%	15,681	15,897	1.38%	-0.64%	102		-\$ 8,308.02
	kWh	104,557,062	107,417,915	2.74%	127,011,089	126,817,449	-0.15%	-2.89%	3,663,278		-\$ 28,709.34
	kW	48,718	48,954	0.48%	57,496	55,275	-3.86%	-4.35%	2,403		-\$ 4,473.58

3-Staff-35

Ref: Load Forecast Model, Tab 4 – Customer Growth

At the above reference, Wasaga Distribution has adjusted the computed (geomean) customer count for the Bridge and Test Years for the Residential, Unmetered Scattered Load, General Service > 50kW (2016 only) and Street Lighting rate classes. Please provide an explanation of the special circumstances, such as a new subdivision or loss of customer or other utility specific reasons, for this adjustment.

Wasaga Distribution Response:

Please reference Ex.3/Tab 1/Sch.11 – Determination of Customer Forecast.

Wasaga Distribution does not feel that historical trends reflect the 2016 growth projections.

Additional References:

[3-Energy Probe-8](#)

[3-VECC-16](#)

3-Staff-36

Ref 1: E3/Tab 1/Sch.4 – Overview of Load Forecast Methodology, Page 8

Ref 2: E3/Tab 1/Sch.12 – Determination of Weather Normalized Forecast, Page 35

At reference 1, Wasaga Distribution notes that it currently does not have a process to adjust weather actual data to a weather normal basis since it is Wasaga Distribution's understanding there is not a Board approved method to weather normalize actual data.

At reference 2, Wasaga Distribution states "Weather normalized wholesale kWh, for historical years, are allocated to these classes based on these historical shares."

- (a) Please explain the seemingly contradictory statements.
- (b) Would Wasaga Distribution agree that if the following was done, it would result in 'weather normal' for historical years:
 - run the regression model for historical years using all actual dependent variables including HDD and CDD for the actual year.(A)
 - run the regression model for historical years using all actual dependent variables except use normal HDD and CDD values.(B)
 - Apply the weather normalization factor (B/A) from the above two runs for each year to the actual purchases.
- (c) Please provide the results of running the regression model as per the above process.

Wasaga Distribution Response:

- (a) Wasaga Distribution confirms that this was an oversight.
- (b) Wasaga Distribution would agree. Wasaga Distribution used the 20 year average for the "normal" HDD and CDD values.
- (c) Wasaga Distribution has provided the results below:

Year	Actual Adjusted kWh Purchased	Predicted Purchases		Factor	[C] * Actual Purchases = Estimated Actual Purchases Weather Normalized
		With Actual HDD and CDD [A]	With Weather Normal HDD and CDD [B]	[C] = [B]/[A]	
2005	116,383,501	115,894,284	110,845,775	0.9564	111,313,680
2006	115,191,937	116,450,363	117,383,114	1.008	116,114,608
2007	125,635,745	125,354,853	124,011,470	0.9893	124,289,352
2008	130,042,773	127,863,210	128,476,557	1.0048	130,666,575
2009	130,163,357	128,178,239	130,793,864	1.0204	132,819,491
2010	131,775,602	134,034,529	132,659,015	0.9897	130,423,270
2011	134,161,577	135,453,746	135,084,424	0.9973	133,795,778
2012	135,294,461	137,802,243	138,123,584	1.0023	135,609,954
2013	140,364,353	139,404,903	139,259,697	0.999	140,218,148
2014	141,379,639	139,956,575	140,242,998	1.002	141,668,974

3-Staff-37

Ref: E3/Tab 1/Sch.9 – Overview of Variables Used, Page 16

Wasaga Distribution has chosen 6 variables to use in its load forecast: weather (e.g. heating and cooling), growth factors (increases or decreases in customer count), seasonality, in this case, spring/ fall flag factor, the number of days per month and lastly a variable that looks at identifying the impact increased pricing has on customer usage. Wasaga Distribution did a comparison of the Consumer Price Index (CPI) for Electricity in Ontario versus the Overall CPI Index in Ontario.

Each annual CPI compares prices in a particular year to prices in an official base period. The current base year is 2002. Wasaga Distribution has created a trend variable to capture the relationship between the two CPIs.

- (a) Please run the model without the CPI trend variable and substitute an economic variable, such as the Overall CPI Index in Ontario.
- (b) Please describe the differences between the two methods and the effect of using this CPI variable on the load forecast.

Wasaga Distribution Response:

- (a) Wasaga Distribution ran the model without the CPI trend variable and re-ran the model using a CPI variable (based on original application). The results of the regression analysis were as follows:

Regression results using CPI Index (Ontario):

<i>Regression Statistics</i>	
Multiple R	0.976725054
R Square	0.953991831
Adjusted R Square	0.95154892
Standard Error	336108.0394
Observations	120

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	6	2.64695E+14	4.41159E+13	390.5142645	4.32301E-73
Residual	113	1.27655E+13	1.12969E+11		
Total	119	2.77461E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>
Intercept	-11428283.59	1479541.783	-7.724204698	4.95937E-12	-14359522.71
Customer Count	1736.378135	181.3952926	9.57234397	2.9755E-16	1377.001344
HDD	5334.499928	197.2985781	27.03770082	3.66919E-51	4943.61586
CDD	28010.58084	1543.860112	18.1432117	2.88426E-35	24951.91551
Spring Fall Flag	-846543.036	82936.35189	-10.20714098	9.95201E-18	-1010854.907
CPI Index	-110641.209	24240.1421	-4.564379556	1.28181E-05	-158665.3025
Days in Month	418814.6312	39062.8217	10.72156626	6.31317E-19	341424.136

- (b) Wasaga Distribution feels that the CPI index variable could be somewhat skewed because of a similar trending variable being reflected in customer count variable, which was also used as a variable in the regression analysis. By substituting the CPI trend variable with a CPI index variable this would produce an increase of 0.8% to the final load forecast prediction.

Additional Reference:

[3-VECC-15](#)

3-Staff-38**Ref: Excel Filing_Load Forecast Wholesale, Tab 9**

It appears that Wasaga Distribution has the same persistence rates for both gross and net CDM savings. Please confirm the source of the persistence rates of historical CDM programs to 2014 that are used to inform the 2015 load forecast adjustment.

Wasaga Distribution Response:

Wasaga Distribution used the data provided by the IESO (“formally the OPA”). The main source of data used for the persistence savings was the 2006-2010 Final CDM report and the 2012 and 2013 Gross-Net savings documents provided to Wasaga Distribution.

For the purpose of projecting persistence rates for 2011 and 2014; Wasaga Distribution used the 2012 Gross-Net savings documents to calculate the 2011 persistence rates and the 2013 Gross-Net savings documents to calculate the 2014 persistence rates.

The persistence rates provided in each of these documents for each of the respected years from 2006-2014 extended out past the year 2025.

3-Staff-39

Ref: Excel Filing_Load Forecast Wholesale, Tabs 9.1 and X.2

In Tab 9, it appears that Wasaga Distribution is allocating CDM savings in 2015 based on targeted load forecasts. In Tab X.2, it appears that the allocation methodology is based on 2014 actual load. Please confirm whether the 2015 forecast has been informed by historical actuals. If the 2015 forecast has not been informed by historical actuals, please discuss the data that Wasaga Distribution has used.

Wasaga Distribution Response:

Wasaga Distribution allocated targets based on Tab 9. Wasaga Distribution adjusted for the street light LED conversion project and reallocated USL targets to the residential class.

3-Staff-40

Ref: Excel Filing_Load Forecast Wholesale, Tabs X.1 and X.2

Ref: Appendix F, Table 1, p. 4 of Application

In Tab X.1, it appears the total annual net CDM results from 2006 to 2014 are determined from Tab X.2 that includes total verified net CDM savings. Please discuss whether Wasaga Distribution will update the 2011 and 2014 results based on the Final 2011-2014 CDM Results Report prepared by the IESO.

Wasaga Distribution Response:

Wasaga Distribution can confirm that Tabs X.1 and X.2 were filed with the application based on the Final 2011-2014 CDM Results prepared by the IESO.

3-Staff-41

Ref 1: E1/Tab 4/Sch.3 – Load Forecast Summary, Page 36

Ref 2: E3/Tab 5/Sch.1 – Overview of Other Revenue, Page 63

Ref 3: Chapter 2 Appendices Tab 2-F – Other Operating Revenues

Customers or Connections

Customer Class Name	2012 Board Approved	Test Year 2016	Variance	Variance %
Residential	11,814	12,440	826	7.1%
General Service < 50 kW	791	789	-2	-0.3%
General Service > 50 to 4,999 kW	34	38	4	11.8%
Unmetered Scattered Load	45	40	-5	-11.1%
Street Lighting (connections)	2,525	2,819	294	11.6%
TOTAL	15,009	16,126	1,117	7.4%

Metered kWh (CDM Adjusted)

Customer Class Name	2012 Board Approved	Test Year 2016	Variance	Variance %
Residential	85,253,972	87,540,339	2,286,367	2.7%
General Service < 50 kW	17,532,074	17,037,738	-494,336	-2.8%
General Service > 50 to 4,999 kW	20,862,622	20,902,751	40,129	0.2%
Unmetered Scattered Load	297,067	221,022	-76,045	-25.6%
Street Lighting (connections)	1,691,769	611,285	-1,080,484	-63.9%
TOTAL	125,637,504	126,313,135	675,631	0.5%

kW CDM Adjusted

Customer Class Name	2012 Board Approved	Test Year 2016
Residential		
General Service < 50 kW		
General Service > 50 to 4,999 kW	52,968	51,946
Unmetered Scattered Load		
Street Lighting (connections)	4,771	1,802
TOTAL	57,739	53,748

The table above shows Wasaga Distribution's customer/connections load forecast increasing overall by 7.5% since its 2012 Board-Approved.

At references 2 and 3, 2012 Board Approved Other Revenue on this table is \$636,297 and 2016 proposed Other Revenue is \$474,377, a decrease of 25%.

- (a) Given that customer numbers have increased over the same period, please explain why Other Revenue has not followed suit.
- (b) In relation to the table below, please explain the decrease in interest and dividend from 2012 to 2016.

Table 3.50: OEB Appendix 2-H Other Operating Revenue

USoA #	USoA Description	Actual Year ² 2012	Actual Year ² 2013	Actual Year ² 2014	Actual Year ² 2014	Bridge Year ² 2015	Test Year 2016
	<i>Reporting Basis</i>	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
4235	Specific Service Charges	114,733	107,085	109,995	109,995	111,150	113,010
4225	Late Payment Charges	30,948	28,227	32,120	32,120	32,565	32,565
4082	Retail Services Revenues	9,278	7,342	8,941	8,941	9,000	9,000
4084	Service Transaction Requests	354	458	250	250	450	300
4086	SSS Administration	39,354	37,143	37,943	37,943	39,655	40,359
4210	Rent from Electric Property	296,023	308,202	304,539	304,539	306,112	306,595
4215	Other Utility Operating	5,546	5,996	286	286	2,000	2,000
4355	Gain on Disposition	8,741	6,051	7,997	7,997	-	7,500
4360	Loss on Disposition	-	-	-	-	-	-
		59,739	7,607	5,676	5,676	38,737	51,952
4390	Miscellaneous Non-Operating	70,259	4,053	711	711	25,962	-
4405	Interest and Dividend	120,800	62,063	34,360	34,360	35,000	15,000
Specific Service Charges		114,733	107,085	109,995	109,995	111,150	113,010
Late Payment Charges		30,948	28,227	32,120	32,120	32,565	32,565
Other Operating Revenues		350,555	359,141	351,959	351,959	357,217	358,254
Other Income or Deductions		140,061	64,560	37,392	37,392	22,225	- 29,452
Total		636,297	559,013	531,466	531,466	523,157	474,377

Wasaga Distribution Response:

- (a) Wasaga Distribution can confirm that customer driven revenue (Specific Service Charges, Late Payment Charges and SSS Administration) has been forecasted to increase relative to historical trends in the forecast period. The areas that have seen decreased revenue are not customer driven.
- (b) Wasaga Distribution has relied on previous investments/cash reserves to fund recent capital expenditures and fulfill regulatory liability requirements. Wasaga Distribution expects this trend to continue.

Additional Reference:

[3-Energy Probe-11](#)
[3-VECC-20](#)

3-Staff-42

Ref: E3/Tab 5/Sch.3 – Proposed Specific Service Charges

Wasaga Distribution is proposing a change to the microFIT service charge. Wasaga Distribution incurs a \$10.00 monthly fee per microFIT meter point from its vendor Utilismart and would like to pass this charge onto its microFIT customers. This increase in the customer charge from \$5.40 to \$10.00 was also agreed to in St. Thomas Energy Inc.'s (EB-2014-0113) Cost of Service Application. Wasaga Distribution has provided for this increase in revenue in its 2016 revenue offsets.

- (a) Is Wasaga Distribution using the same provider as St. Thomas Energy Inc.?
- (b) How many customers would be impacted by this change?
- (c) How much revenue would the change in the microFIT rate equate to on an annual basis?

Wasaga Distribution Response:

- (a) Wasaga Distribution does use the same provider as St. Thomas Energy Inc.
- (b) Wasaga Distribution has forecasted 28 connections for 2016.
- (c) Wasaga Distribution is forecasting revenue to change by approximately \$1,848.00. Illustrated in the table below:

Change in MicroFIT Service Charge Revenue (2016):

	Rates [A]	Connections [B]	Monthly Revenue [C] = [A]*[B]	Annual Revenue [C] * 12
Old Rate	\$ 5.40	28	\$ 151	\$ 1,814
New Rate	\$ 10.00	28	\$ 280	\$ 3,360
Change in Revenues (2016)			\$ 129	\$ 1,546

3-Energy Probe-8

Ref: Exhibit 3, Table 3.23

For each rate class shown in Table 3.23, please show the actual number of customers at the end of each month for January 2013 through to the most recent actual month available for 2015.

Wasaga Distribution Response:

Wasaga Distribution has provided monthly customer counts for the period requested in the table below.

Additional References:

[3-Staff-35](#)

[3-VECC-16](#)

January 2013 – October 2015 Customer Counts:

Year	Month	Residential	GS<50 kW	GS>50 kW	Streetlighting	USL
2013	January	11,728	787	35	1	42
2013	February	11,735	784	35	1	42
2013	March	11,746	784	35	1	42
2013	April	11,756	786	35	1	42
2013	May	11,768	782	35	1	42
2013	June	11,814	795	35	1	41
2013	July	11,818	788	36	1	41
2013	August	11,860	793	36	1	41
2013	September	11,881	790	36	1	41
2013	October	11,941	797	36	1	42
2013	November	11,990	784	36	1	42
2013	December	12,013	781	36	1	42
2014	January	12,017	778	36	1	42
2014	February	12,048	780	35	1	40
2014	March	11,992	774	36	1	40
2014	April	11,997	777	36	1	40
2014	May	12,003	771	35	1	40
2014	June	12,006	780	35	1	40
2014	July	12,019	778	35	1	40
2014	August	12,082	779	35	1	40
2014	September	12,057	780	37	1	40
2014	October	12,104	779	37	1	40
2014	November	12,118	780	37	1	40
2014	December	12,165	778	37	1	40
2015	January	12,236	786	37	1	40
2015	February	12,188	788	37	1	40
2015	March	12,196	786	37	1	40
2015	April	12,213	787	37	1	41
2015	May	12,220	783	37	1	41
2015	June	12,233	781	37	1	41
2015	July	12,246	783	38	1	41
2015	August	12,276	783	38	1	41
2015	September	12,294	783	38	1	41
2015	October	12,307	784	38	1	41

3-Energy Probe-9

Ref: Exhibit 3, Table 3.23 & page 33

- a) Please reconcile the residential customer growth in 2014 of 1.38% noted on page 33 with the 1.90% growth shown in Table 3.23.
- b) The evidence states that WDI intends to meter all customers going forward. Does this mean that the existing USL customers will be metered, or that they will remain unmetered?

Wasaga Distribution Response:

Ref: Exhibit 3, Table 3.23, page 33 & Load Forecast Model Tab 3. Consumption by Rate Class.

- a) The 1.90% growth shown in Table 3.23 was based on the average customer count from 2013 compared to the average customer count from 2014 as illustrated in Table 3.23 (12,082/11,857). The 1.38% noted on page 33 was based on beginning and ending customer counts for 2014 illustrated in Tab 3. Consumption by Rate Class (12,165/11,999).
- b) Wasaga Distribution can confirm that existing unmetered customers will remain unmetered unless circumstances dictate otherwise.

3-Energy Probe-10

Ref: Exhibit 3, Table 3.13

Please provide the data shown in Table 3.13 in a live Excel spreadsheet.

Wasaga Distribution Response:

Wasaga provided this data in its original application in the Live Excel Load Forecast Model in Tab X.4.

Wasaga Distribution has provided data as requested in the Revised Live Excel Load Forecast submitted with the Interrogatories in Tab X.4.

Ref: Exhibit 3, Table 3.56

- ### Wasaga Distribution Response:

- ## Other Operating Revenue

Specific Service Charges	\$ 114,733	\$ 107,085	\$ 109,995	\$ 109,995	\$ 111,150	\$ 113,010
Late Payment Charges	\$ 30,948	\$ 28,227	\$ 32,120	\$ 32,120	\$ 32,565	\$ 32,565
Other Operating Revenues	\$ 350,555	\$ 359,141	\$ 351,959	\$ 351,959	\$ 357,217	\$ 358,254
Other Income or Deductions	\$ 140,061	\$ 64,560	\$ 37,392	\$ 37,392	\$ 25,507	-\$ 29,452
Total	\$ 636,297	\$ 559,013	\$ 531,466	\$ 531,466	\$ 526,439	\$ 474,377

- b) Please find below Wasaga Distribution's most recent year-to-date actual figures available for 2015 in the same level of detail as shown in Table 3.56, along with the figures for the corresponding period in 2014. Please note that Wasaga Distribution did not include any CDM or deferral and variance account interest in this response.

USoA #	USoA Description	Actual Year	Bridge Year
		2014	2015 - October
	Reporting Basis	YTD - October	YTD - October
4235	Specific Service Charges	\$ 92,544	\$ 106,379
4225	Late Payment Charges	\$ 27,924	\$ 26,337
4082	Retail Services Revenues	\$ 7,573	\$ 6,692
4084	Service Transaction Requests	\$ 228	\$ 111
4086	SSS Administration	\$ 31,509	\$ 32,027
4210	Rent from Electric Property	\$ 250,629	\$ 253,911
4215	Other Utility Operating	\$ 285	\$ -
4355	Gain on Disposition	\$ 6,897	\$ 2,474
4360	Loss on Disposition	\$ -	\$ -
4390	Miscellaneous Non-Operating	\$ 711	\$ 147
4405	Interest and Dividend	\$ 30,465	\$ 9,829
	Specific Service Charges	\$ 92,544	\$ 106,379
	Late Payment Charges	\$ 27,924	\$ 26,337
	Other Operating Revenues	\$ 290,224	\$ 292,741
	Other Income or Deductions	\$ 38,072	\$ 12,450
	Total	\$ 448,764	\$ 437,907

- c) Wasaga Distribution has forecasted account 4360 - Loss on Disposition based on the estimated number of smart meters that are being replaced through the 1st generation smart meter program and approximated the losses forecasted using the most recent 3 year actual excluding the smart meter replacement project. Please note that Wasaga Distribution is forecasting significant renewal projects, however the majority of these replacements will have been fully depreciated and therefore no loss on disposal will be recorded. Wasaga Distribution has adjusted the 2015 forecast.

- d) Wasaga Distribution does not forecast revenue for account 4390 –
Miscellaneous Non-Operating income.

Additional Reference:

[3-Staff-41](#)
[3-VECC-20](#)

3-Energy Probe-12

Ref: Exhibit 3, page 76

The Board has initiated a comprehensive policy review of miscellaneous rates and charges applied by electricity distributors for specific activities or services they provide to their customers. If the Board allows distributors to implement any new rates during their IRM terms, does WDI agree that the change in revenue as a result of the change in the rates should be allocated to a deferral account for clearance to ratepayers in the future? If not, please explain why not.

Wasaga Distribution Response:

Wasaga Distribution does not feel that a deferral account should be set up except for the circumstances explained in the following paragraphs.

Wasaga Distribution does believe that if the change in revenue happens to be a benefit to the distributor over their Deemed Equity of 300 basis points then a deferral account should be setup for the over earnings and recovered during either the next IRM or Cost of Service Application if this would result in a reduction of regulatory burden on a Electricity Distributor.

Furthermore, Wasaga Distribution also believes that if the above case is applied then the reverse should also be allowed. If the change in revenue happens to be a detriment to the distributor below their Deemed Equity of 300 basis points then a deferral account should be setup for the under earnings and recovered during either the next IRM or Cost of Service Application.

For ROE benchmarking purposes, specific to the Deemed ROE; Wasaga Distribution is of the belief that Board Staff should look at allowing distributors to use Account 3055 - Adjustment to Retained Earnings to account for prior period adjustments. For example, Wasaga Distribution feels that this would have provided consistent results in disposing of prior period smart metering expenses, and LRAM variances in reporting the distributors Deemed ROE.

3-Energy Probe-13

Ref: Exhibit 3, pages 68-69

- a) Please confirm that WDI has forecast account 4235 revenues for 2016 to be equal to 2015, with the exception of the micro-fit service charges.
- b) Please confirm that WDI has forecast 2016 revenues for accounts 4225 and 4210 to be equal to 2015.
- c) Please indicate what investment WDI had in 2015 and previous years that it will not earn any income on in 2016.

Wasaga Distribution Response:

- a) Wasaga Distribution can confirm that account 4235 has been forecasted for 2016 based on the best available information at the time of budget formation.
- b) Wasaga Distribution can confirm that account 4225 has been forecasted based on the best available information at the time of budget formation.
- c) Wasaga Distribution had investments in GICs that they no longer have.

3-VECC -11

Reference: E3/pages 8-9

- a) Please confirm that the USL customer/connection numbers have not been included in Table 3.3. Was this an oversight or a conscious decision? If the latter, please explain why.
- b) Please provide a revised version of Table 3.5 that also includes the customer/connection count for USL.

Wasaga Distribution Response:

- a) Wasaga Distribution can confirm that USL customer/connection numbers were included in Table 3.3.
- b) Wasaga Distribution has updated Table 3.5 to include customer/connection count for USL. Provide below:

Customer Counts							
Year	Residential	General Service < 50 kW	General Service > 50 kW - 4999 kW - Excluding Wholesale Market	General Service > 50 kW - 4999 kW - Wholesale Market	Streetlighting	Unmetered Scattered Load	Total
2005	9,440	743	42	1	2,182	53	12,460
2006	9,858	747	41	1	2,260	47	12,952
2007	10,274	754	36	1	2,340	42	13,446
2008	10,659	757	31	1	2,422	40	13,909
2009	10,919	767	30	1	2,473	33	14,222
2010	11,120	777	31	1	2,483	37	14,448
2011	11,371	781	33	1	2,494	42	14,720
2012	11,609	786	35	1	2,588	39	15,058
2013	11,857	784	35	1	2,694	43	15,413
2014	12,082	783	36	1	2,738	41	15,681
2015	12,256	786	37	1	2,777	40	15,897
2016	12,440	789	37	1	2,819	40	16,126

3-VECC-12

Reference: E3/pages 12-15

Load Forecast Model, X.1.CDM Calculation Tab

Load Forecast Model, X.2.CDM Data Extraction Tab

- a) Please explain the basis for the loss factors (1.081 and 1.079) used in the CDM Calculation Tab to convert CDM savings to wholesale purchase impact and how they relate to the 1.0802 factor used (page 39) to convert the forecast wholesale purchases to billed kWh.
- b) Why don't the CDM adjustment values for 2012-2014 in Table 3.7 match the values shown in the Load Forecast Model – Tabs 6 (Column D) and X.1 (Column H)?
- c) Why don't the Adjusted Wholesale Purchase values for 2012-2014 in Table 3.10 match the adjusted values shown in the Load Forecast Model, Tab 6 (Column J)?
- d) With respect to the Load Forecast Model, Tab X.1, please explain why the total savings for 2007 of 1,411,584 kWh (sum of G31 to G42) do not equal the persisting savings in 2007 from 2006 programs (688,739 kWh) plus $\frac{1}{2}$ of the 2007 program savings ($0.5 * 756,950 = 378,475$ kWh).
- e) Similarly, please explain why the total savings for 2014 of 3,267,586 kWh (sum of G115 to G126) do not equal the persisting savings in 2014 from 2006-2013 programs (2,762,927 kWh) plus $\frac{1}{2}$ of the 2014 program savings ($0.5 * 781,079 = 390,540$ kWh).
- f) To assist in understanding the monthly CDM adjustment values please explain the logic underpinning the derivation of:
 - The January 2007 adjustment (115,027 kWh – prior to loss adjustment), and
 - The December 2007 adjustment (120,237 kWh – prior to loss adjustment)

Wasaga Distribution Response:

- a) Wasaga Distribution used the 1.0810 and 1.079 to adjust CDM savings to wholesale purchase based on the assumption that the previous loss factor calculations would be appropriate.
- b) Wasaga Distribution can confirm that this was an oversight. This table was not replaced once the final 2011-2014 CDM results were released. Please find revised Table 3.7 below:

Table 3.7: CDM Wholesale Adjustment (kWh) - Revised

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Jan	-	2,580	124,114	166,469	172,172	199,975	205,922	222,190	301,144	271,529
Feb	-	7,741	124,625	164,187	173,975	197,901	205,190	224,431	298,221	275,679
Mar	-	12,902	125,136	161,905	175,778	195,827	204,459	226,672	295,297	279,830
Apr	-	18,063	125,647	159,623	177,581	193,753	203,727	228,913	292,374	283,980
May	-	23,223	126,158	157,342	179,384	191,679	202,995	231,154	289,450	288,130
Jun	-	28,384	126,669	155,060	181,187	189,605	202,263	233,396	286,526	292,280
Jul	-	33,545	127,180	152,778	182,990	187,531	201,531	235,637	283,603	296,430
Aug	-	38,706	127,692	150,497	184,793	185,457	200,799	237,878	280,679	300,580
Sept	-	43,866	128,203	148,215	186,596	183,383	200,067	240,119	277,755	304,730
Oct	-	49,027	128,714	145,933	188,399	181,309	199,336	242,360	274,832	308,881
Nov	-	54,188	129,225	143,651	190,202	179,235	198,604	244,601	271,908	313,031
Dec	-	59,349	129,736	141,370	192,005	177,161	197,872	247,300	268,985	317,181
Total	-	371,575	1,523,099	1,847,030	2,185,059	2,262,817	2,422,765	2,814,651	3,420,774	3,532,261

- c) Wasaga Distribution can confirm that this was an oversight. This table was not replaced once the final 2011-2014 CDM results were released. Please find revised Table 3.10 below:

Table 3.10: Adjusted Wholesale Purchases for 2005-2014 (kWh) - Revised

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Jan	12,104,125	10,838,032	11,720,018	12,430,484	13,984,499	13,173,991	13,353,706	12,836,797	13,038,784	14,586,115
Feb	10,041,249	10,177,773	11,490,770	11,969,031	11,651,598	11,453,407	11,647,702	11,294,844	11,993,139	12,733,893
Mar	10,294,288	10,260,923	10,843,436	11,974,204	11,596,120	10,738,973	11,697,271	10,458,642	12,027,993	13,144,483
Apr	7,950,802	8,004,728	9,194,923	9,097,721	9,688,816	8,899,754	9,872,819	9,736,784	10,456,962	10,678,572
May	8,058,228	8,248,830	8,899,879	9,374,687	9,452,256	9,813,542	9,697,791	9,892,074	10,258,954	10,195,625
Jun	9,423,396	8,561,970	9,533,989	9,874,473	9,408,156	9,569,169	9,790,095	11,058,024	10,804,698	10,622,922
Jul	11,465,909	11,528,224	11,050,106	11,470,996	10,618,312	12,872,314	13,781,963	13,675,335	13,311,795	11,832,123
Aug	10,420,620	10,447,224	11,646,498	11,286,705	11,598,497	12,509,127	12,128,813	12,516,887	12,158,832	12,057,203
Sept	8,236,530	8,106,346	9,100,822	9,102,246	9,443,753	9,680,512	9,879,779	10,135,987	10,186,744	10,165,590
Oct	8,141,870	8,852,968	8,966,625	9,715,416	10,060,613	9,652,472	9,951,569	10,152,522	10,378,056	10,392,419
Nov	8,754,703	9,156,453	10,369,472	10,572,420	9,921,923	10,376,863	10,041,557	10,929,526	11,622,533	11,720,451
Dec	11,491,781	11,008,465	12,819,207	13,174,390	12,738,817	13,035,478	12,318,512	12,607,040	14,125,862	13,250,244
Total	116,383,501	115,191,937	125,635,745	130,042,773	130,163,357	131,775,602	134,161,577	135,294,461	140,364,353	141,379,639

- d) Wasaga Distribution didn't apply a half year in 2007 when adjusting for persistence savings.

e) Wasaga Distribution didn't apply a half year in 2014 when adjusting for persistence savings.

f) The logic underpinning the monthly CDM adjustment for the derivation of:

The January 2007 adjustment (115,027 kWh – prior to loss adjustment) was based on:

- $\frac{1}{2}$ of 2006 CDM verified savings (344,369 kWh) was calculated increasing in equal amounts monthly (accelerating trend) to account for the CDM activity traction and was used as a base for the January 2007 adjustment (57,631 kWh)
- January assumed that a fully year of persistence (from 2016) would be appropriate. The persistence from 2006 was equally distributed by month (57,395 kWh)

The December 2007 adjustment (120,237 kWh – prior to loss adjustment) was based on:

- This adjustment assumed a level of CDM traction already established from January 2007, based off of 2006 CDM activity. The increased activity relative to the prior year was then incrementally applied monthly at an accelerating rate. (62,872 kWh)
- In December it was assumed that a full year of persistence (from 2016) would be appropriate. The persistence from 2006 was equally distributed by month (57,395 kWh).

3-VECC-13

Reference: E3/pages 16-17

- a) Please explain how using the 20 year average as the definition of "weather normal" is considered to be a compromise between the three alternatives set out in Table 3.11. How do the annual values for HDD and CDD using this definition compare with the values based on the other two alternatives?

Wasaga Distribution Response:

- a) Wasaga Distribution is of the belief that a longer duration of weather data will provide more accurate results and as Wasaga Distribution feels that weather patterns are cyclical, an average was used. However, Wasaga Distribution is not an expert in current or future weather patterns.

3-VECC-14

Reference: E3/pages 18-21

- a) What customer classes are include in the Customer Count variable set out in Table 3.12 and why?
- b) What was the source/basis for the historical electricity prices used to create the electricity price index in Table 3.13?
- c) Are the CPI and electricity price indexes used in Table 3.13 specific to either WDI or Ontario overall? If not, why is the index appropriate to use as an explanatory variable?
- d) What is the basis for the forecast 2015 and 2016 values for the CPI and Electricity price index used in the Application?

Wasaga Distribution Response:

- a) All customer classes were included in the Customer Count variable set out in Table 3.12 (excluding connections from Streetlight customer class). Wasaga Distribution used this variable in their last Cost of Service application (2011-0103) and feels that this sort of variable (or similar trend) is significant explaining the impact on wholesale purchases.
- b) Statistics Canada - Table 326-0020 Consumer Price Index, monthly (2002=100 unless otherwise noted)
- c) This index was filtered to be specific to the Province of Ontario.
- d) Wasaga Distribution continued with the trending formula.
$$Y = -0.1246x + 3.5302$$
 (i.e. x = January 2015 = 121, x = February 2015=122, etc.)

3-VECC-15

Reference: E3/page 22

- a) Did WDI test any economic variables (e.g., local employment or unemployment) to determine if they would be statistically significant in explaining wholesale purchases? If yes, what were the results?

Wasaga Distribution Response:

- a) Wasaga Distribution did not test employment variables due in part because of the relatively large portion of the population not in the work force and the statistical results achieved on the initial analysis. Wasaga Distribution has provided results using CPI as a variable. This was provided in [3-Staff-37](#).

Additional Reference:

[3-Staff-37](#)

3-VECC-16

Reference: E3/pages 32-34

- a) Please provide a schedule setting out the customer/connection count by customer class as of June 30, 2015.

Wasaga Distribution Response:

- a) Wasaga Distribution has provided a similar table with similar information requested in [3-Energy Probe-8](#). This table has been replicated, and updated for connections below:

Additional References:

[3-Staff-35](#)

[3-Energy Probe-8](#)

Customer and Connection Count Variable from January 2013-October 2015:

Year	Month	Residential	GS<50 kW	GS>50 kW	Streetlighting	USL
2013	January	11,728	787	35	2,682	42
2013	February	11,735	784	35	2,682	42
2013	March	11,746	784	35	2,682	42
2013	April	11,756	786	35	2,682	42
2013	May	11,768	782	35	2,682	42
2013	June	11,814	795	35	2,682	41
2013	July	11,818	788	36	2,682	41
2013	August	11,860	793	36	2,682	41
2013	September	11,881	790	36	2,687	41
2013	October	11,941	797	36	2,687	42
2013	November	11,990	784	36	2,687	42
2013	December	12,013	781	36	2,705	42
2014	January	12,017	778	36	2,705	42
2014	February	12,048	780	35	2,759	40
2014	March	11,992	774	36	2,759	40
2014	April	11,997	777	36	2,759	40
2014	May	12,003	771	35	2,759	40
2014	June	12,006	780	35	2,759	40
2014	July	12,019	778	35	2,759	40
2014	August	12,082	779	35	2,759	40
2014	September	12,057	780	37	2,771	40
2014	October	12,104	779	37	2,771	40
2014	November	12,118	780	37	2,771	40
2014	December	12,165	778	37	2,771	40
2015	January	12,236	786	37	2,771	40
2015	February	12,188	788	37	2,771	40
2015	March	12,196	786	37	2,771	40
2015	April	12,213	787	37	2,772	41
2015	May	12,220	783	37	2,772	41
2015	June	12,233	781	37	2,772	41
2015	July	12,246	783	38	2,772	41
2015	August	12,276	783	38	2,836	41
2015	September	12,294	783	38	2,836	41
2015	October	12,307	784	38	2,862	41

3-VECC-17

Reference: E3/pages 35-38

Load Forecast Model, X.1.CDM Calculation Tab

- a) Please provide a schedule that shows, for each year, the CDM adjustment for each customer class and the total adjustment for the year based on the data in Table 3.24.
- b) The annual CDM adjustments shown in Table 3.24 do not reconcile with the annual adjustments made to the historical wholesale purchases as set out in Tab X.1 – Column G. Please explain why.

Wasaga Distribution Response:

- a) Wasaga Distribution has noticed that the persistence savings were not being calculated correctly for the GS > 50 kW and Wholesale Market Participant. The table requested below has been provided and corrected with an updated Live Excel Load Forecast Model being submitted as part of these responses.

Year	Residential	General Service <50 kW	General Service >50 kW	Wholesale Market Participant	Street lighting	USL	Total
2005	0	-	-	-	-	-	0
2006	344,370	0	-	-	-	-	344,370
2007	1,067,214	0	-	-	-	-	1,067,214
2008	1,671,908	0	-	-	-	-	1,671,908
2009	1,667,861	238,207	-	-	-	-	1,906,068
2010	1,744,923	608,597	-	-	-	-	2,353,519
2011	1,338,783	765,764	15,546	-	-	-	2,120,093
2012	1,469,726	795,741	51,402	297,010	-	-	2,613,878
2013	1,542,583	860,862	136,843	400,370	-	-	2,940,658
2014	1,779,053	955,996	276,565	415,163	-	-	3,426,778

- b) The methodologies applied were slightly different. These differences have currently not been adjusted for due to the immateriality that this differences would cause.

3-VECC-18

Reference: E3/pages 39-44

- a) What was the average historical loss factor over the period 2005-2014?

Wasaga Distribution Response:

- a) Wasaga Distribution has provided the historical loss factor over the period 2005-2014, using the information provided in the table below.

Historical Loss Factor 2005-2014:

Wasaga Distribution Inc.

"Wholesale" kWh (IESO) with Losses

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	10 Year Average
116,383,501	114,820,362	124,112,646	128,195,743	127,978,298	129,504,071	131,684,905	129,470,499	132,861,330	133,912,300	

"Wholesale" kWh (IESO) Qty at the Meter

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
112,556,579	111,044,839	120,031,574	123,980,408	123,800,273	125,298,778	127,408,125	125,368,015	128,710,876	129,721,073

"Wholesale" kWh (GEN)

					8,714	53,907	168,252	196,180	202,170
--	--	--	--	--	-------	--------	---------	---------	---------

Net "Wholesale" kWh (A)-(B)

112,556,579	111,044,839	120,031,574	123,980,408	123,800,273	125,307,492	127,462,032	125,536,267	128,907,056	129,923,243	122,854,976
-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Final Load Forecast (Distributor) Qty at the Meter

104,361,984	106,422,351	109,546,147	117,173,372	121,083,046	125,814,571	124,253,328	121,706,363	126,042,209	127,011,089
-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Less: Wholesale Market Participants

							2,643,768	3,594,884	3,453,199
--	--	--	--	--	--	--	-----------	-----------	-----------

Net Retail kWh (Distributor) Qty at the Meter [(D)-(E)]

104,361,984	106,422,351	109,546,147	117,173,372	121,083,046	125,814,571	124,253,328	119,062,595	122,447,326	123,557,890	117,372,261
-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Distribution Loss Factor [(C)/(F)]

1.0785	1.0434	1.0957	1.0581	1.0224	0.9960	1.0258	1.0544	1.0528	1.0515	1.0467
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Supply Facility Loss Factor

1.0340	1.0340	1.0340	1.0340	1.0337	1.0336	1.0336	1.0327	1.0322	1.0323	1.0334
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Total Utility Loss Adjustment Factor

1.1152	1.0789	1.1330	1.0941	1.0569	1.0294	1.0603	1.0889	1.0867	1.0855	1.0817
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

3-VECC-19

Reference: E3/pages 46-49

- a) Is the Street Light LED conversion project being done under the auspices of the IESO's CDM programs?
- b) Please indicate how the 1,265,080 kWh savings from LED conversion was determined. In particular what is the forecast percentage reduction in consumption per device/connection as a result of the conversion?
- c) Please provide a copy of WDI's 2015-2020 CDM Plan as submitted to the IESO.

Wasaga Distribution Response:

- a) This Street Light LED conversion project is being done as a benefit of the community with safety and cost savings being the significant contributing factors. This project includes the rebates available through the IESO's CDM programs. Wasaga Distribution cannot speak on behalf of the Town of Wasaga Beach.
- b) The 1,265,080 kWh savings was provided to Wasaga Distribution from the Town of Wasaga Beach and has been submitted, pre-approved and reviewed by a third party contractor as part of the CDM project's application process.
- c) Wasaga Distribution has provided a copy of their 2015-2020 CDM Plan as Attachment F.

3-VECC-20

Reference: E3/pages 67-75

- a) Using the same format as Table 3.56, please provide the actual Other Operating Revenue for the first 6 months of 2014 and 2015.
- b) Please explain the \$51,952 Loss on Disposition forecast for 2016 (Account 4360).

Wasaga Distribution Response:

- a) Wasaga Distribution was asked to replicate a similar table in response to [3-Energy Probe-11](#). This table has been replicated below and is for the most recent actual data up to October 31, 2015.

USoA #	USoA Description	Actual Year	Bridge Year
		2014	2015 - October
	<i>Reporting Basis</i>	YTD - October	YTD - October
4235	Specific Service Charges	\$ 92,544	\$ 106,379
4225	Late Payment Charges	\$ 27,924	\$ 26,337
4082	Retail Services Revenues	\$ 7,573	\$ 6,692
4084	Service Transaction Requests	\$ 228	\$ 111
4086	SSS Administration	\$ 31,509	\$ 32,027
4210	Rent from Electric Property	\$ 250,629	\$ 253,911
4215	Other Utility Operating	\$ 285	\$ -
4355	Gain on Disposition	\$ 6,897	\$ 2,474
4360	Loss on Disposition	\$ -	\$ -
4390	Miscellaneous Non-Operating	\$ 711	\$ 147
4405	Interest and Dividend	\$ 30,465	\$ 9,829
	Specific Service Charges	\$ 92,544	\$ 106,379
	Late Payment Charges	\$ 27,924	\$ 26,337
	Other Operating Revenues	\$ 290,224	\$ 292,741
	Other Income or Deductions	\$ 38,072	\$ 12,450
	Total	\$ 448,764	\$ 437,907

- b) The loss on disposition was estimated using an estimated disposal of 800 Smart Meters with an estimated NBV as of \$57.81 per meter with the remaining loss being attributed to the other main asset classes (Poles, Transformers, and Conductors).

Addition References:

[3-Staff-41](#)

[3-Energy Probe-11](#)

3-VECC-21

Reference: Appendix 2-H

With respect to Account #4210, it is noted that the revenue from Building Rental-Affiliate has remained unchanged at \$152,130 based on the lease agreement provided as Attachment D to Exhibit 4. How was the annual rent charge established?

Wasaga Distribution Response:

The building rental agreement was amended in 2013 to \$152,130 for the period of 2013 to 2016.

An appraisal was completed by Hutchesson Appraisals in November 2012 and covered the value of both the Administration and the Service Centre Buildings. The potential gross income to value was used to determine the rent charged which was \$137,574 per year and then both Boards agreed to a capitalization component of 10.5% which resulted in the charge of \$152,130 per year.

Additional Reference:

[4-VECC-27](#)

Exhibit 4 – Operating Expenses

4-Staff-43

Master Service Agreement

Ref: E4/Tab 1/Sch. 1 – Overview of Operating Expenses, Page 3

At the above reference, Wasaga Distribution states “WDI’s affiliate Wasaga Resource Services Inc. (WRSI) is a service company that provides all the manpower required by WDI to operate its distribution system. The costs for these services are passed through to WDI at a cost set out in the Master Service Agreement (MSA) that is included in Exhibit 4, Attachment A. This MSA was rewritten for the first time in January 2013 and has maintained the same calculation from the original MSA of November 2001 which allows for increases based on customer growth and increased Distribution Revenue. However, both WDI & WRSI Board of Directors felt that the MSA should be reviewed. Based on that review a CPI increase from 2001 was taken into consideration and a return on capital for the assets WRSI uses for major software investments, vehicles and tools specifically related to WDI. These costs are then allocated to WDI on an actual cost basis plus a return to WRSI”.

- (a) What was Wasaga Distribution’s rationale for renewing the Master Service Agreement with WRSI?
- (b) Were costs savings predicted? Did these cost savings materialize? If not, please explain why not.
- (c) What is the end date of the current Master Service Agreement with WRSI?

Wasaga Distribution Response:

- (a) It was actually WRSI that brought up the request to review the MSA to Wasaga Distribution. Wasaga Distribution agreed to the review based on questions asked during the 2012 Cost of Service Application, comments by the auditors and the age of the Agreement.
- (b) If significant costs savings are realized, according to the MSA Agreement, they are returned to Wasaga Distribution.
- (c) The Master Service Agreement has no end date other than the termination of the Agreement specified in Sections 2.01, 9.01, 10.01 and 10.02.

4-Staff-44

Ref: E4/Tab 1/Sch.1 Overview of Operating Expenses, Page 4

At the above reference, Wasaga Distribution notes that in its 2012 cost of service application (EB-2011-0103), it forecast OM&A spending of \$2,081,831 and during settlement, Wasaga Distribution's spend was reduced to \$2,549,236. Wasaga Distribution's actual spend for 2012 ended up being \$2,794,068 which was very close to the original application.

Please confirm if Wasaga Distribution mistakenly reversed the first two figures mentioned (i.e. OM&A in 2012 was actually reduced to \$2,081,831).

Wasaga Distribution Response:

In its 2012 Cost of Service Application Wasaga Distribution originally requested **\$2,801,831** in OM&A spending and can confirm during settlement this amount was reduced to **\$2,549,236**.

Additional Reference:

[4-Energy Probe-14](#)

4-Staff-45

Ref: Chapter 2 Appendices Tab 2-JC – OM&A Programs

In Appendix 2-JC, Wasaga Distribution provided its individual program costs prior to the OM&A envelope reduction ordered by the OEB in its last cost of service proceeding.

Please provide a table in the same format as Appendix 2-JC to include the most recent year-to-date OM&A expenditures for the 2015 bridge year and provide corresponding year-to-date figures for the 2014 year.

Wasaga Distribution Response:

A table in the same format as Appendix 2-JC is reproduced on the next page comparing October 2014 data to October 2015 data.

Additional Reference:

[4-SEC-18](#)

Appendix 2-JC – Year to date Program Totals

Programs	31-Oct-14	31-Oct-15
<i>Reporting Basis</i>	MIFRS	MIFRS
Customer Focus		
Customer Premise	\$ 24,516	\$ 32,902
Community Relations	\$ 6,530	\$ 1,533
Bad Debts	\$ 25,000	\$ 40,000
Billing, Collecting, & Customer Service	\$ 670,271	\$ 663,241
Service Locates	\$ 65,814	\$ 63,325
Sub-Total	\$792,132	\$801,002
Operational Effectiveness		
Meter Maintenance and Readings	\$ 125,529	\$ 129,407
Overhead Maintenance	\$ 170,859	\$ 181,425
Underground Maintenance	\$ 39,312	\$ 32,752
Engineering	\$ 17,891	\$ 21,501
Education, Health & Safety	\$ 105,487	\$ 123,492
DS Maintenance	\$ 10,160	\$ 15,176
Fleet costs	\$ 18,222	\$ 28,290
Building Maintenance	\$ 34,280	\$ 35,163
Vegetation Maintenance	\$ 174,694	\$ 177,576
Administrative and Financial	\$ 714,002	\$ 733,458
Sub-Total	\$1,410,437	\$1,478,240
Public and Regulatory Responsiveness		
Governance	\$ 42,564	\$ 42,107
Regulatory Compliance	\$ 59,655	\$ 97,534
Legal and Financial	\$ 34,161	\$ 36,409
Smart Meter OM&A Disposition	\$ -	
Insurance	\$ 15,477	\$ 17,042
Other	\$ 11,938	\$ 11,596
Sub-Total	\$163,795	\$204,688
TOTAL OM&A	\$ 2,366,364	\$ 2,483,929

4-Staff-46

Shared Services and Corporate Cost Allocation

Ref: E4/Tab 3/Sch.4, Page 38

At the above reference, Wasaga Distribution notes:

As WDI is a virtual utility all resources are provided by WRSI through the Master Service Agreement. The Master Service Agreement was rewritten in 2013 as a result of WDI's Cost of Service...This document sets out the term and all financial responsibilities of WDI to WRSI. This document became effective January 01, 2013.

A summary of the Master Service Agreement (MSA) expenses are shown below.

Item	2012 Board Approved	2012 Actual	2013 Actual	2014 Actual	2015 Bridge	2016 Test
Master Service Agreement	N/A	2,083,254	2,155,877	2,244,181	2,315,000	2,417,664
Difference		-	72,623	88,304	70,819	102,664

OEB staff notes that MSA expenses have increased approximately 16.05% from 2012 actuals.

- (a) Please describe the outcomes and higher level of services that customers will receive for the relatively higher rates they are paying.
- (b) Please confirm the following increases in the MSA between Wasaga Distribution and Wasaga Resource Services Inc.:
 - 2012-2013: increase of 3.5%
 - 2013-2014: increase of 4.1%
 - 2014-2015: increase of 3.2%
 - 2015-2016: increase of 4.4%
- (c) Please explain the increases given that the current 2-factor IPI and the targeted Bank of Canada inflation rate of 2.0%.
- (d) Please describe the methodology used to determine the corporate cost allocation.
- (e) Please provide a breakdown of costs by department/services that the MSA provides and a variance analysis for each category. An example is shown below.

	2012 Actual	2013 Actual	Variance	2014 Actual	Variance	2015 budget	Variance	2016 Test	Variance
Information Services									
Human Resources									
Communications									
Financial Services									
Legal Services									
Total									

Wasaga Distribution Response:

- a) The customers of Wasaga Distribution will receive the same reliability of service and customer contact that they have come to expect from the utility. Wasaga Distribution prides itself and staying lean and mean in the face of increasing challenges from every government sector. Wasaga Distribution is not requesting extra staff in this Rate Application where other LDC's have done so; therefore, Wasaga Distribution is keeping their rates low.

As far as the comment regarding relatively higher rates as stated in Exhibit One, page 29:

"...in regards to cost control, WDI continues to maintain one of the lowest "OM&A cost per customer", as reflected in the 2014 Yearbook of Electricity Distributors, as the seventh lowest LDC in Ontario. Furthermore, according to the 2014 PEG report, WDI continues to perform well with a "cost per customer" of \$423 of which is ranked 3rd lowest in the province and a cost per kilometer of line at \$19,328 of which is ranked 15th lowest in the province. Overall efficiency rating of -40.3% is ranked 2nd best in the province and clearing indicates WDI's focus on operational effectiveness. Assuming the OM&A and Capital Costs in this application, WDI overall cohort ranking (Cohort I) will remain the same."

- b) Wasaga Distribution can confirm that the following increases (rounded to one decimal place) in the MSA between WDI and WRSI are correct.
- 2012-2013: increase of 3.5%
 - 2013-2014: increase of 4.1%
 - 2014-2015: increase of 3.2%
 - 2015-2016: increase of 4.4%
- c) The increase is not just governed by the Bank of Canada Inflation Rate as of October of the current year but also follows Section 5.02 of the Master Service Agreement which is reproduced below:

Section 5.02: Adjustments to the Base Financial Consideration

Adjustments to the Base Financial Consideration will include:

- (a) An adjustment based on 80% of the increase or decrease in customer count, calculated on an average distribution revenue/customer by class basis, and;
- (b) An annual adjustment, to be adjusted on January 1st, of each year, in accordance with the Statistics Canada CPI for the life of this Agreement.
- d) The methodology used to determine the corporate cost allocation is actual cost plus allocation of directly attributable burdens and these costs are provided by WRSI to WDI.
- e) Breakdown of costs/services that the MSA provides including variances are provided in the Table below.

Costs/Services Provided through the MSA:

MSA SERVICES PROVIDED: DESCRIPTION	2012 TOTAL MSA	2013 TOTAL MSA	Variance	2014 TOTAL MSA	Variance	2015 BRIDGE TOTAL MSA	Variance	2016 TEST TOTAL MSA	Variance
Distribution Station	\$ 28,781	\$ 29,336	\$ 555	\$ 17,505	\$11,831	\$ 18,226	\$ 722	\$ 19,258	\$ 1,031
Maintenance of Meters	45,300	28,656	-16,644	30,893	2,237	35,462	4,569	38,049	2,586
Meter Reading Expense	115,002	129,188	14,186	128,102	-1,085	130,325	2,222	136,454	6,129
Customer Premises	20,706	31,169	10,463	37,918	6,749	46,540	8,622	49,155	2,615
Maintenance Supervision & Engineering	2,102	2,011	-91	1,522	-489	1,731	209	1,742	11
Maintenace Poles/Towers & Fixtures	31,034	23,245	-7,789	5,707	-17,538	16,181	10,474	17,242	1,061
Maintenace Overhead Conductors & Devices	212,447	236,413	23,966	233,207	-3,206	235,086	1,879	248,268	13,182
Maintenance Overhead Services	64,128	48,981	-15,147	44,129	-4,852	51,581	7,452	55,069	3,488
Overhead Distribution Lines/Feeders - ROW	175,146	181,298	6,152	216,552	35,254	185,347	-31,205	192,932	7,585
Maintenance Underground Conductors /Devices	107,561	104,384	-3,177	92,725	-11,659	131,756	39,030	137,933	6,177
Maintenance Underground Services	43,935	47,108	3,173	68,369	21,260	67,280	-1,088	70,912	3,632
Maintenance Line Transformers	47,601	33,719	-13,882	21,827	-11,892	28,198	6,371	29,445	1,247
Customer Billing	421,719	421,586	-133	471,083	49,497	504,041	32,957	515,497	11,457
Collecting	258,202	242,949	-15,253	241,607	-1,342	243,361	1,754	258,195	14,835
Community Relations	11,127	4,766	-6,361	3,454	-1,313	6,803	3,349	7,223	420
Management	193,628	227,948	34,320	247,321	19,373	241,652	-5,668	254,824	13,172
General Admin.	204,715	261,423	56,708	273,352	11,929	261,577	-11,776	272,106	10,530
Office Supplies	51,395	52,995	1,599	56,235	3,241	56,846	611	58,223	1,377
General Advertising	0	287	287	759	471	577	-181	581	4
Maintenance of General Plant	42,655	42,072	-584	45,269	3,197	45,736	468	47,704	1,967
ESA	6,069	6,344	274	6,646	302	6,695	49	6,853	159
TOTAL	\$ 2,083,254	\$ 2,155,877	\$ 72,624	\$ 2,244,181	\$88,304	\$ 2,315,000	\$ 70,819	\$ 2,417,664	\$102,664

4-Staff-47

The proposed OM&A costs in 2016 of \$3,074,782 represent an increase of \$280,714 or 10.04% over the 2012 actual OM&A.

- (a) Please outline the outcomes and higher level of services that customers will receive for the relatively higher rates they are paying.
- (b) Please identify any customer engagement that supports the further increases proposed in this application.
- (c) Please provide the analysis that was performed to assess whether Wasaga Distribution's planning decisions reflect best practices of Ontario distributors.
- (d) Please identify any initiatives considered and/or undertaken by the applicant, including any analysis conducted, to optimize plans and activities from a cost perspective, for example, balancing cost levels of OM&A versus capital.

Wasaga Distribution Response:

- a) The customers of Wasaga Distribution will receive the same reliability of service and customer contact that they have come to expect from the utility. Wasaga Distribution prides itself and staying lean and mean in the face of increasing challenges from every government sector. Wasaga Distribution is not requesting extra staff in this Rate Application where other LDC's have done so; therefore, Wasaga Distribution is keeping their rates low.

As far as the comment regarding relatively higher rates as stated in Exhibit One, page 29:

"...in regards to cost control, WDI continues to maintain one of the lowest "OM&A cost per customer", as reflected in the 2014 Yearbook of Electricity Distributors, as the seventh lowest LDC in Ontario. Furthermore, according to the 2014 PEG report, WDI continues to perform well with a "cost per customer" of \$423 of which is ranked 3rd lowest in the province and a cost per kilometer of line at \$19,328 of which is ranked 15th lowest in the province. Overall efficiency rating of -40.3% is ranked 2nd best in the province and clearing indicates WDI's focus on operational effectiveness. Assuming the OM&A and Capital Costs in this application, WDI overall cohort ranking (Cohort I) will remain the same."

- b) Wasaga Distribution will continue to provide counter service and answer phone calls directly, which WDI customers appreciate. WDI will continue with the customer engagement that it already completes each year. WDI continues to engage our customers both informally and directly to enhance our processes to ensure that we are offering the best service possible. With the advancement in technology and the impacts on conservation WDI finds itself going beyond the point of demarcation to enhance customer education. WDI has enhanced its billing technology to enable our customers to go on the web and see their bills and energy usage as well as request electronic billing instead of paper billing. Through this increased technology WDI has developed new checks and balances in metering to allow customers to have even more confidence in their energy usage. In 2016, WDI will implement meeting with different groups in the community to help them understand their bill, understand what WDI does, answer any questions and see if there are any other areas that we can improve our service to them, also recognizing that anyone with a fixed income is going to raise many concerns around the cost of electricity in general.
- c) Every analysis that WDI performs is based on the PEG Report and the Yearbook for Electricity Distributors published every year.
- d) No initiatives were considered or undertaken by the applicant however the capital expenditure planning was completed to ensure that WDI's capital spend was done as efficiently as possible in order to minimize the impact to our customers.

4-Staff-48

Tree Trimming

Ref: E4/Tab 3/Sch.1, Page 21

Please provide Wasaga Distribution's tree trimming actuals/budget for the year 2012 through 2016.

Wasaga Distribution Response:

This evidence to this question could be found: E4/Tab3/Sch. 2, Page 24. For convenience Wasaga Distribution has replicated this information below:

Tree Trimming Actual/Budget:

	Last Rebasing Year (2012 Board- Approved)	Last Rebasing Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Programs						
<i>Reporting Basis</i>	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Operational Effectiveness						
Vegetation Maintenance	\$ 166,487	\$ 175,146	\$ 181,220	\$ 216,552	\$ 185,331	\$ 192,933

December 22, 2015

4-Staff-49

Ref 1: E1/Tab 4/Sch. 5 – Overview of Operation, Maintenance & Administrative Costs, Page 41

Ref 3: Chapter 2 Appendices, Tab 2 J-C OM&A Programs Table

At reference 1, Wasaga Distribution notes that a significant driver for the requested increase to its OM&A is related to the increase in billing and collecting by approximately \$145,000. The major contributor to the increase in billing/collecting is increased labour/benefit costs and bad debt.

A portion of the OM&A programs table, found at reference 2 is reproduced below.

Programs	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year	Variance (Test Year vs. 2014 Actuals)	Variance (Test Year vs. Last Rebasings Year (2012 Board-Approved)
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS	CGAAP
Customer Focus								
Customer Premise	\$ 12,494	\$ 17,860	\$ 27,182	\$ 32,234	\$ 38,567	\$ 40,479	\$ 8,245	\$ 27,986
Community Relations	\$ 9,800	\$ 11,652	\$ 4,804	\$ 7,473	\$ 10,803	\$ 17,803	\$ 10,330	\$ 8,003
Bad Debts	\$ 64,500	\$ 46,500	\$ -	\$ 25,000	\$ 40,000	\$ 40,000	\$ 15,000	\$ 24,500
Billing, Collecting, & Customer Service	\$ 677,588	\$ 684,418	\$ 698,643	\$ 752,709	\$ 788,974	\$ 816,617	\$ 63,908	\$ 139,029
Service Locates	\$ 66,452	\$ 74,331	\$ 84,282	\$ 77,817	\$ 106,228	\$ 110,753	\$ 32,937	\$ 44,301
Sub-Total	\$ 830,834	\$ 834,761	\$ 814,912	\$ 895,233	\$ 984,572	\$ 1,025,653	\$ 130,420	\$ 194,819

The table shows bad debts as staying constant between 2015 and 2016.

- Please explain this discrepancy.
- Please explain the nature of the increased labour/benefit costs.
- Please confirm that Wasaga Distribution is on monthly billing and the increase in billing/collecting is not due to additional resources required.

Wasaga Distribution Response:

- WDI recognizes this discrepancy as the increase in bad debt was in 2015 and continued into 2016.
- The nature of the increased labour/benefit costs is a 24-29% increase in health and dental benefit, the increase in contract services and the yearly wage increase for employees.
- Wasaga Distribution can confirm it is on monthly billing and the increase is not due to additional resources required.

4-Staff-50

**Ref: Exhibit 4, VII - Attachment E, 2014 Income Tax Return
Scientific Research and Experimental Development (SRED) claim
Fiber Optic Lines**

The 2014 income tax return includes a scientific research and experimental development (SRED) claim related to a project called "Electrical Distribution System Installation Advancements". As noted in the SRED claim, Wasaga Distribution is installing fiber optic lines.

- (a) Please provide a detailed description of this project.
- (b) Are the costs related to fiber optic lines being incurred exclusively for the benefit of the electricity distribution business?
- (c) What costs were incurred in 2012, 2013 and 2014 related to the installation of fiber optic lines?
- (d) Are the costs associated with fiber optic lines included in rate base?

Wasaga Distribution Response:

- (a) Installation of fibre optics cable through the community.
- (b) No.
- (c) No costs were incurred by Wasaga Distribution.
- (d) Wasaga Distribution can confirm that no costs related to fiber optic lines are included in rate base.

4-Staff-51

Ref 1: LRAM Variance Account (LRAMVA)

Ref: E4/Tab6/Sch.2, Page 68

Please provide a table that lists all the appropriate OPA CDM Initiatives that produced net CDM savings which were used in the LRAMVA calculations. For each rate class, please list all relevant CDM initiatives in the applicable year and provide the subsequent net CDM savings for each. An example is provided below:

Residential	Net kWh	Net kW
Initiative 1		
Initiative 2		
Initiative 3		
Total		
Volumetric Rate Used		
Lost Revenues		
GS < 50 kW	Net kWh	Net kW
Initiative 1		
Initiative 2		
Initiative 3		
Total		
Volumetric Rate Used		
Lost Revenues		
GS > 50 kW	Net kWh	Net kW
Initiative 1		
Initiative 2		
Initiative 3		
Total		
Volumetric Rate Used		
Lost Revenues		
Other classes (e.g., Streetlighting, Large Use, etc.), as needed	Net kWh	Net kW
Initiative 1		
Initiative 2		
Initiative 3		

Total		
Volumetric Rate Used		
Lost Revenues		

A separate table should be provided for each year.

Wasaga Distribution Response:

As requested, please find a similar table for each year presented below for 2011, 2012, 2013, and 2014. These tables have been updated to reflect the final 2011-2014 CDM results. Any variance from the tables based on previous submitted evidence is a result of Wasaga Distribution reflecting any adjustments in the correct year as a result of the 2011-2014 final results.

Additional References:

[4-Staff-52](#)

[4-Staff-53](#)

[4-VECC-34](#)

2011 CDM Results:

Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA							
		2011 kW Saved	2011 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Standby Power - Approved on an Interim Basis	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
Consumer Program											
Appliance Retirement	Verified	5	39,547	100%							100%
Appliance Exchange	Verified	1	1,076		100%						
HVAC Incentives	Verified	29	45,101		100%						
Conservation Instant Coupon Booklet	Verified	2	34,987		100%						
Bi-Annual Retailer Event	Verified	3	56,803	100%							100%
Business Program											
Retrofit	Verified	0	56,159		100%	0%					100%
Direct Install Lighting	Verified	18	51,687		100%						100%
Demand Response 3	Verified	68	2,636		100%						100%
Industrial Program											
Process & System Upgrades	Verified										0%
Demand Response 3	Verified				100%						100%
Home Assistance Program											
Home Assistance Program	Verified			100%							100%
Pre-2011 Programs completed in 2011											
Electricity Retrofit Incentive Program	Verified	1	30,951			100%					100%
High Performance New Construction	Verified	0	142		100%						100%
Total kWh		59	316,452	177,514	107,846	31,093	0	0	0	0	316,452
Total GS > 50 kW excluding Demand Response 3						12	0	0	0	0	12
Demand Response Total (Scenario 1)		68	2,636			338	0	0	0	0	338
OPA-Contracted LDC Portfolio Total		127	319,088								
Rate				\$0.0147	\$0.0138	\$4.7456	\$0.0000	\$0.0138	\$0.0000	\$0.1436	
Lost Revenue in 2011				\$2,609	\$1,488	\$1,660	\$0	\$0	\$0	\$0	\$5,758

2012 CDM Results:

Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA							
		2012 kW Saved	2012 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Standby Power - Approved on an Interim Basis	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
Consumer Program											
Appliance Retirement	Verified	2	15,567	100%							100%
Appliance Exchange	Verified	0	174	100%							100%
HVAC Incentives	Verified	20	37,823	100%							100%
Conservation Instant Coupon Booklet	Verified	0	2,516	100%							100%
Bi-Annual Retailer Event	Verified	3	48,187	100%							100%
Business Program											
Retrofit	Verified	71	395,203		0%	100%					100%
Direct Install Lighting	Verified	24	102,205		100%						100%
Industrial Program											
Process & System Upgrades	Verified										0%
Monitoring & Targeting	Verified										0%
Energy Manager	Verified										0%
Retrofit	Verified										0%
Demand Response 3	Verified	68	984			100%					100%
Home Assistance Program											
Home Assistance Program	Verified	1	14,418	100%							100%
Pre-2011 Programs completed in 2011											
Electricity Retrofit Incentive Program	Verified					100%					100%
High Performance New Construction	Verified		197			100%					100%
Toronto Comprehensive	Verified										0%
Multifamily Energy Efficiency Rebates	Verified										0%
LDC Custom Programs	Verified										0%
2011 True-up (Verified Errors & Omissions)											
High Performance New Construction	True-Up					100%					100%
Other											
Program Enabled Savings	Verified										0%
Time-of-Use Savings	Verified										0%
Total kWh		121	616,290	118,684	102,205	395,400	0	0	0	0	616,290
Total GS > 50 kW excluding Demand Response 3						848	0	0	0	0	848
Demand Response Total (Scenario 1)		68	984			339	0	0	0	0	339
OPA-Contracted LDC Portfolio Total		189	617,274								
Rate				\$0.0143	\$0.0134	\$4.6079	\$0.0000	\$0.0129	\$0.0000	\$0.1986	
Lost Revenue in 2012 from 2012				\$1,695	\$1,370	\$5,466	\$0	\$0	\$0	\$0	\$8,531
Lost Revenue in 2012 from 2011				\$2,510	\$1,430	\$56	\$0	\$0	\$0	\$0	\$3,996
Total Lost Revenue in 2012				\$4,205	\$2,800	\$5,522	\$0	\$0	\$0	\$0	\$12,527
2012 Savings Persisting in 2013				118,495	102,042	846	0	0	0	0	
2012 Savings Persisting in 2014				118,495	102,042	846	0	0	0	0	

2013 CDM Results:

Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA						
		2013 kW Saved	2013 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
Consumer Program										
Appliance Retirement	Verified	1	10,423	100%						100%
Appliance Exchange	Verified	1	1,847	100%						100%
HVAC Incentives	Verified	31	57,087	100%						100%
Conservation Instant Coupon Booklet	Verified	1	13,910	100%						100%
Bi-Annual Retailer Event	Verified	2	30,911	100%						100%
Business Program										
Retrofit	Verified	13	77,702		33%	67%				100%
Direct Install Lighting	Verified	6	28,036		100%					100%
Demand Response 3	Verified	69	917			100%				100%
Industrial Program										
Process & System Upgrades	Verified									0%
Monitoring & Targeting	Verified									0%
Energy Manager	Verified									0%
Retrofit	Verified									0%
Demand Response 3	Verified					100%				100%
Home Assistance Program										
Home Assistance Program	Verified	1	6,682	100%						100%
Pre-2011 Programs completed in 2011										
Electricity Retrofit Incentive Program	Verified					100%				100%
High Performance New Construction	Verified					100%				100%
Other										
Program Enabled Savings	Verified									0%
Time-of-Use Savings	Verified									0%
Total kWh		56	226,597	120,860	53,678	52,977	0	0	0	227,514
Total GS > 50 kW excluding Demand Response 3						101	0	0	0	101
Demand Response Total (Scenario 1)		69	917			343	0	0	0	343
OPA-Contracted LDC Portfolio Total		125	227,514							
Rate				\$0.0140	\$0.0133	\$4.5528	\$0.0076	\$0.0000	\$0.8500	
Lost Revenue in 2013 from 2013				\$1,688	\$712	\$2,023	\$0	\$0	\$0	\$4,423
Lost Revenue in 2013 from 2012				\$1,655	\$1,354	\$3,853	\$0	\$0	\$0	\$6,862
Lost Revenue in 2013 from 2011				\$2,454	\$1,416	\$56	\$0	\$0	\$0	\$3,926
Total Lost Revenue in 2013				\$5,797	\$3,482	\$5,932	\$0	\$0	\$0	\$15,211
2013 Savings Persisting in 2014				120,325	53,440	101	0	0	0	

Wasaga Distribution's Interrogatory Responses
December 22, 2015

2014 CDM Results:

Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA							
		2014 kW Saved	2014 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Standby Power - Approved on an Interim Basis	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
Consumer Program											
Appliance Retirement	Verified		3,565	100%							100%
Appliance Exchange	Verified		5,542	100%							100%
HVAC Incentives	Verified		85,574	100%							100%
Conservation Instant Coupon Booklet	Verified		71,252	100%							100%
Bi-Annual Retailer Event	Verified		221,132	100%							100%
Business Program											
Retrofit	Verified	16	165,138		20% 100%	80%					100%
Direct Install Lighting	Verified	40	162,232								100%
Building Commissioning	Verified										0%
New Construction	Verified										0%
Energy Audit	Verified		65,274								0%
Industrial Program											
Process & System Upgrades	Verified										0%
Monitoring & Targeting	Verified										0%
Energy Manager	Verified										0%
Retrofit	Verified										0%
Demand Response 3	Verified	50	0								100%
Home Assistance Program											
Home Assistance Program	Verified		1,371	100%							100%
Pre-2011 Programs completed in 2011											
Electricity Retrofit Incentive Program	Verified					100%					100%
High Performance New Construction	Verified					100%					100%
Other											
Program Enabled Savings	Verified										0%
Time-of-Use Savings	Verified										0%
Total kWh		56	781,080	388,436	195,260	132,110					715,806
Total GS > 50 kW excluding Demand Response 3						154					154
Demand Response Total (Scenario 1)		50	0			250					250
OPA-Contracted LDC Portfolio Total		106	781,080								
Rate				\$0.0141	\$0.0134	\$4.6118	\$0.0000	\$0.0077	\$0.0000	\$0.8611	
Lost Revenue in 2014 from 2014				\$5,490	\$2,623	\$1,861	\$0	\$0	\$0	\$0	\$9,974
Lost Revenue in 2014 from 2013				\$1,701	\$718	\$464	\$0	\$0	\$0	\$0	\$2,882
Lost Revenue in 2014 from 2012				\$1,675	\$1,371	\$3,903	\$0	\$0	\$0	\$0	\$6,949
Lost Revenue in 2014 from 2011				\$2,227	\$1,286	\$51	\$0	\$0	\$0	\$0	\$3,564
Total Lost Revenue in 2014				\$11,092	\$5,998	\$6,279	\$0	\$0	\$0	\$0	\$23,369

4-Staff-52

Ref 1: Ex.4/Tab 6/Sch.2 – LRAMVA - Table 4.26: Summary of Requested LRAMVA Amounts (2011-2013) of Application

Ref 2: Excel Filing, Tab 2:

WasagaDistribution_APPL_2016COS_EDDVAR_Continuity_Schedule_20150911

Ref 3: Attachment G, Table 4 – Carrying Charges of Application

Wasaga has indicated that it is requesting to recover a total of \$10,106.81 in lost revenues relating to its 2011, 2012 and 2013 CDM programs.

- (a) It appears to OEB staff that the total LRAMVA amount above (\$10,106.81) does not include carrying charges. Please update this amount with all carrying charges Wasaga Distribution seeks to recover.

On September 30, 2015, Wasaga Distribution filed its 2014 CDM Annual Report with the OEB and has included these results in an appendix to its cost of service application.

- (b) Please update the total LRAMVA request in Table 4.26 of the Application to include the lost revenues in 2014 from all eligible programs (i.e. 2011-2014) and the associated carrying charges. Please rely on the 2011-2014 Final CDM Results provided by the IESO when making this update.

Wasaga Distribution Response:

- (a) The \$10,107 was specific to the 2011-2013 CDM programs. Carrying charges related to the LRAMVA amount of \$10,107 were \$583.
- (b) Please find the updated LRAMVA request illustrated in the table below. Since the Final 2011-2014 CDM results were released Wasaga Distribution has updated their LRAMVA to reflect a recovery of \$25,456.73 and \$917.42 of carrying charges. The 2015 persistence savings related to the final 2011-2014 CDM portfolio is not included in this requested disposition as the EDDVAR model does not allow for the addition of principal balances in 2015.

Additional References:

[4-Staff-51](#)

[4-Staff-53](#)

[4-VECC-34](#)

Wasaga Distribution's LRAMVA Summary (2011-2014 CDM Programs):

Verified results updated	2015							
Description	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Standby Power - Approved on an Interim Basis	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
2011 Forecast	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2011 Verified	\$2,609.45	\$1,488.27	\$1,660.29	\$0.00	\$0.00	\$0.00	\$0.00	\$5,758.01
2011 Cleared								\$0.00
2012 Forecast	-\$7,988.48	-\$1,541.20	-\$1,341.61	\$0.00	\$0.00	\$0.00	\$0.00	-\$10,871.29
2012 Verified	\$4,204.83	\$2,799.94	\$5,522.45	\$0.00	\$0.00	\$0.00	\$0.00	\$12,527.21
2012 Cleared								\$0.00
2013 Forecast	-\$7,811.38	-\$1,525.87	-\$1,325.56	\$0.00	\$0.00	\$0.00	\$0.00	-\$10,662.80
2013 Actuals	\$5,796.96	\$3,482.04	\$5,932.15	\$0.00	\$0.00	\$0.00	\$0.00	\$15,211.15
2013 Cleared								\$0.00
2014 Forecast	-\$7,904.59	-\$1,545.03	-\$1,342.72	\$0.00	\$0.00	\$0.00	\$0.00	-\$10,792.35
2014 Actuals	\$11,092.47	\$5,997.75	\$6,279.16	\$0.00	\$0.00	\$0.00	\$0.00	\$23,369.38
2014 Cleared								\$0.00
2015 Forecast	-\$8,016.45	-\$1,568.04	-\$1,364.65	\$0.00	\$0.00	\$0.00	\$0.00	-\$10,949.13
2015 Actuals	\$10,501.63	\$5,605.14	\$4,728.96	\$0.00	\$0.00	\$0.00	\$0.00	\$20,835.73
2015 Cleared								\$0.00
Carrying Charges ¹	-\$3.96	\$371.31	\$636.92	\$0.00	\$0.00	\$0.00	\$0.00	\$1,004.27
Balance	\$2,480.49	\$13,564.29	\$19,385.40	\$0.00	\$0.00	\$0.00	\$0.00	\$35,430.19
Excluding 2015 Persistence for 2011-2014 CDM Portfolio:								
Carrying Charges ¹	-\$25.79	\$335.84	\$607.37	\$0.00	\$0.00	\$0.00	\$0.00	\$917.42
Balance	-\$26.53	\$9,491.73	\$15,991.53	\$0.00	\$0.00	\$0.00	\$0.00	\$25,456.73

2011-2014 Persistence
(FROM FINAL CDM)

Carrying charges up to
April 30, 2016

4-Staff-53

Ref: Appendix G, Tables 7, 8 and 10 of Application

Wasaga Distribution has included tables from its Final CDM Annual Reports in support of its LRAMVA amount.

- (a) Please confirm the persistence factors used for 2011 to 2014 for all kW and kWh savings used to determine the level of persisting savings of prior year programs. These are summarized in Tables 4 and 5 of the 2011-2014 Final Results Report in Appendix G (page 7).
- (b) Please file all the updated LRAM Model excel spreadsheets in live version in order for staff to confirm all calculations.

Wasaga Distribution Response:

- (a) For KWh and KW Wasaga Distribution used the following persistence factor for 2012-2015:

Persistence Factor (KWh)					
	2011	2012	2013	2014	2015
2011		0.99	0.99	0.89	0.67
2012			1.00	1.00	0.88
2013				1.00	1.00
2014					1.00

When calculating persistence for kW, Wasaga Distribution updated the calculation to reflect the same factor, once Demand Response programs were removed. 2015 persistence for 2011 CDM programs was estimated based on data provided by the IESO for 2012 Net-Gross calculations.

- (b) Wasaga Distribution has provided a live excel version of the updated LRAM model.

Additional References:

[4-Staff-52](#)

[4-Staff-53](#)

[4-VECC-34](#)

4-Energy Probe-14

Ref: Exhibit 4, page 4

Please confirm that the figure of \$2,081,831 shown on line 5 should actually be \$2,801,831. If this cannot be confirmed, please provide the correct figure, since the evidence talks of a reduction to \$2,549,236.

Wasaga Distribution Response:

Wasaga Distribution confirms that amount should actually be \$2,801,831.

Additional Reference:

[4-Staff-44](#)

4-Energy Probe-15

Ref: Exhibit 4, Appendix 2-JA

Please provide the most recent year-to-date actual figures for 2015 in the same level of detail as found in Appendix 2-JA, along with the figures for the corresponding period in 2014.

Wasaga Distribution Response:

Wasaga Distribution has provided the most recent year-to-date actual figures in the detail found in Appendix 2-JA in the table below:

	2014 - October 31	2015 - October 31
Reporting Basis	MIFRS	MIFRS
Operations	\$ 51,910	\$ 60,754
Maintenance	\$ 546,761	\$ 572,382
Subtotal	\$ 598,672	\$ 633,136
%Change (year over year)		5.76%
Billing and Collecting	\$ 821,429	\$ 822,324
Community Relations	\$ 6,530	\$ 1,533
Administrative and General	\$ 939,732	\$ 1,026,935
Subtotal	\$ 1,767,692	\$ 1,850,792
%Change (year over year)		4.70%
Total	\$ 2,366,364	\$ 2,483,929
%Change (year over year)		4.97%

4-Energy Probe-16

Ref: Exhibit 4, Appendix 2-JB

The table shows an increase of \$150,949 in 2012 associated with prior period smart meter disposition costs.

- a) Please indicate how much of the \$150,949 expense was actually incurred in 2012 and how much was incurred in prior years.
- b) How much of the smart meter disposition costs, if any, were included in the forecasted 2012 OM&A in the last rebasing application and in the Board approved amount of \$2,549,236?

Wasaga Distribution Response:

- a) Wasaga Distribution can confirm that none of the \$150,949 expense was incurred in 2012.
- b) Wasaga Distribution can confirm that no "disposition costs" or duplicated expenses were included in the 2012 Forecasted OM&A in Wasaga Distributions 2012 COS.

4-Energy Probe-17

Ref: Exhibit 4, Appendix 2-JB

Please explain what is driving the increases of \$25,000 in 2014, \$21,000 in 2015 and \$10,000 in 2016 for regulatory requirements.

Wasaga Distribution Response:

As these increases are not over the materiality threshold WDI does not feel this question requires a response, however; has provided one.

In Section 5.01b) of the MSA it describes the costs that WIRESCO (WDI) pays directly and one of these is Regulatory costs, which are costs directly related to time and material spent by all staff on regulatory activities that were not in place when this agreement was originally written.

4-Energy Probe-18

Ref: Exhibit 4, page 7

- a) Please explain how the factor of 0.8 used in the MSA formula was derived.
- b) Has WDI done any studies that looks at and quantifies the impact on costs associated with growth in the number of customers? If yes, please provide those studies.

Wasaga Distribution Response:

- a) The original MSA contract derived the factor of 0.8 in the formula and the consultant who derived the formula is no longer available. The factor was agreed to be continued by the Working Group that revised the MSA in 2013.
- b) WDI has not completed any studies.

4-Energy Probe-19

Ref: Exhibit 4, pages 6-7 & Table 4.12 & Exhibit 3, Table 3.55

- a) With regards to the Master Service Agreement, please show the calculation of the amounts for each of 2012 through 2016, based on the customer numbers and inflation figures noted on pages 6 and 7 and shown in Table 4.12. Please show all calculations and assumptions used.
- b) Please reconcile the customer numbers noted on pages 6 and 7 and used in the calculations requested in part (a) above with the customer figures shown in Table 3.55. If the numbers are different, please reconcile any differences, including indicating how the figures used in the MSA are calculated.

Wasaga Distribution Response:

- a) Wasaga Distribution has provided a summary of the MSA Calculation used for 2012 to 2016.

Customer Count			Calculated Difference	
Year	Residential	Gen. Serv.	Residential	G.S.
2012	11,716	866		
2013	11,999	860	283	-6
2014	12,165	863	166	3
2015	12,335	867	170	4
2016	12,505	874	170	7

TOTAL		
Res.	G.S.	Check Total

3,049,764.42	657,464.78	3,707,229.20
3,262,836.32	665,063.64	3,927,899.96
3,067,551.29	670,552.72	3,738,104.01
3,306,804.34	737,223.01	4,044,027.35

Calculation of Increase					
Year	Res.	G.S.	Growth Adjustment	Inflation Adjustment	Grand Total
2012					2,083,254.00
2013	57,543.68	-3,669.57	53,874.11	18,749.29	2,155,877.40
2014	35,618.96	1,849.54	37,468.50	50,835.59	2,244,181.49
2015	33,821.40	2,474.94	36,296.34	44,883.63	2,325,361.45
2016	35,963.65	4,723.63	40,687.27	46,507.23	2,412,555.96

CPI Increase	
Year	Amount
2013	1.009
2014	1.0236
2015	1.0200
2016	1.0200

The MSA was revised in 2012 to reflect an expense of \$2,083,254. Inflation factors are reviewed annually and based on October Ontario CPI factors.

- b) Wasaga Distribution has revised calculations based on most recent revenue, customer count and inflation forecasts. Since the use of forecasts includes inflation and distribution revenue forecasts (January 1 – December 31) to be used; the resulting difference that is not material has resulted in a calculation that currently has not been adjusted for from the previous submission of \$2,417,664.

4-Energy Probe-20

Ref: Exhibit 4, Appendix 2-K

- a) Are all of the employee costs shown in Appendix 2-K included as part of the MSA costs? If not, please explain where else these employee costs are included.
- b) Are any of the employee costs shown in Appendix 2-K capitalized? If yes, please add two lines to Appendix 2-K that shows the total employee costs that are capitalized and the total amount expensed as OM&A in each year.
- c) Are there any additional employee expenses beyond those shown in Appendix 2-K that are included in OM&A? If yes, please provide a table showing the additional employee expenses included in OM&A for each of 2012 through 2016 and explain what these employee expenses are related to.
- d) Please provide a table consistent with the responses to parts (a), (b) and (c) above that shows the total OM&A by year and the total employee related expenses included in the OM&A for each year 2012 through 2016.

Wasaga Distribution Response:

- a) No not all of the employee costs in Appendix 2-K are included are part of the MSA costs. Capitalization projects are not part of the MSA expenses.
- b) Wasaga Distribution has provided a table below that separates the OM&A and the capital costs.

2012 Actual Employee Costs – 2016 Forecasted:

	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹					
Management (including executive)	3.00	3.00	3.00	3.00	3.00
Non-Management (union and non-union)	16.00	15.50	15.50	15.10	15.00
Total	19.000	18.500	18.500	18.100	18.000
Non-Management (union and non-union)	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total Benefits (Current + Accrued)					
Management (including executive)					
Non-Management (union and non-union)	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total Compensation (Salary, Wages, & Benefits)					
Management (including executive)	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Management (union and non-union)	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966
Total	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966
OM&A	\$ 1,484,978	\$ 1,574,279	\$ 1,689,335	\$ 1,596,518	\$ 1,628,449
Capital Costs	\$ 297,847	\$ 226,433	\$ 267,551	\$ 275,906	\$ 303,518

- c) There are no additional employee expenses beyond those shown in Appendix 2-K. Additional contracted services have not been included.
- d) No further data is required based on the answers to parts a), b) and c).

Additional References:

[4-SEC-20](#)
[4-SEC-21](#)
[4-VECC-26](#)

4-Energy Probe-21

Ref: Exhibit 4, pages 32-33

The evidence states that WDI is a virtual utility with no employees.

- a) Please explain why the evidence (page 33) says that WDI employees are members of OMERS, when it has no employees.
- b) Are the OMERS related expenses which WDI pays included in the MSA cost? If not, please explain and provide for each of 2012 through 2016 the amount included in the OM&A expenses associated with OMERS.
- c) The evidence states that WDI does not pay employee future benefits (page 32). Are the costs of these benefits recovered from WDI through the MSA? If yes, please quantify the amount included the MSA for each of 2012 through 2016.

Wasaga Distribution Response:

- a) The evidence on page 33 says that WDI employees are member of OMERS because it often gets difficult to double check and make sure we are referring to the right company. In this case it was stated WDI when it should have stated WRSI. In simple terms, we screwed up.
- b) The OMERS related expenses are paid through the MSA. The following are the actual OMERS costs for 2012-2014 and forecast costs for 2015 and 2016.

2012: \$131,054

2013: \$148,300

2014: \$161,009

2015: \$151,153

2016: \$160,131

- c) WDI does not pay employee future benefits through the MSA.

4-Energy Probe-22

Ref: Exhibit 4, Appendix 2-M

Please confirm that none of the \$223,500 shown as regulatory costs associated with this rates proceeding in the 2015 bridge year have been included in the 2015 figures shown in Appendix 2-JA, but rather \$44,700 has been included in the 2016 figure in Appendix 2-JA. If this cannot be confirmed, please indicate how much of the \$223,500 has been included in each year shown in Appendix 2-JA.

Wasaga Distribution Response:

Wasaga Distribution confirms that none of the \$223,500 shown in Appendix 2-M is duplicated and included in the costs reported in Appendix 2-JA. Furthermore, Wasaga Distribution confirms that the \$44,700 has been included in the 2016 expenses as reported in Appendix 2-M.

4-Energy Probe-23

Ref: Exhibit 4, page 64

Please confirm that WDI does not have any employees eligible for the Ontario Apprenticeship Training Tax Credit, federal tax credits or co-operative education tax credits in 2016. If this cannot be confirmed, please provide details.

Wasaga Distribution Response:

Wasaga Distribution does not have any employees eligible.

4-Energy Probe-24

**Ref: Exhibit 4, PILs Workform &
Exhibit 2, Appendix 2-BA**

- a) Please explain why WDI has included the 2015 capital expenditures related to computer software of \$15,000 as shown in Appendix 2-BA in CCA class 47 rather than CCA class 12.
- b) Please explain why WDI has included the 2016 capital expenditures related to computer software of \$40,000 as shown in Appendix 2-BA in CCA class 47 rather than CCA class 12.
- c) Please provide a new CCA schedule for 2016 that reflects the inclusion of computer software in CCA class 12 in both 2015 and 2016.

Wasaga Distribution Response:

- a) Wasaga Distribution has reclassified these expenditures to CCA class 12 (revised forecasted amount of \$7,500).
- b) Wasaga Distribution has reclassified these expenditures to CCA class 12.
- c) Wasaga Distribution has updated the PILs Workform and submitted as part of these Interrogatories

4-SEC-18

[Ex.4, p.24] Please provide on the same basis as Appendix 2-JC:

- a. 2015 year-to-date amounts
- b. the 2014 amount at that point in the year as provided in (a)

Wasaga Distribution Response:

A table in the same format as Appendix 2-JC is reproduced on the next page comparing October 2014 data to October 2015 data. This table was originally replicated for the response to [4-Staff-45](#).

Additional Reference:

[4-Staff-45](#)

Appendix 2-JC – Year to date program totals

Programs	31-Oct-14	31-Oct-15
<i>Reporting Basis</i>	MIFRS	MIFRS
Customer Focus		
Customer Premise	\$ 24,516	\$ 32,902
Community Relations	\$ 6,530	\$ 1,533
Bad Debts	\$ 25,000	\$ 40,000
Billing, Collecting, & Customer Service	\$ 670,271	\$ 663,241
Service Locates	\$ 65,814	\$ 63,325
Sub-Total	\$792,132	\$801,002
Operational Effectiveness		
Meter Maintenance and Readings	\$ 125,529	\$ 129,407
Overhead Maintenance	\$ 170,859	\$ 181,425
Underground Maintenance	\$ 39,312	\$ 32,752
Engineering	\$ 17,891	\$ 21,501
Education, Health & Safety	\$ 105,487	\$ 123,492
DS Maintenance	\$ 10,160	\$ 15,176
Fleet costs	\$ 18,222	\$ 28,290
Building Maintenance	\$ 34,280	\$ 35,163
Vegetation Maintenance	\$ 174,694	\$ 177,576
Administrative and Financial	\$ 714,002	\$ 733,458
Sub-Total	\$1,410,437	\$1,478,240
Public and Regulatory Responsiveness		
Governance	\$ 42,564	\$ 42,107
Regulatory Compliance	\$ 59,655	\$ 97,534
Legal and Financial	\$ 34,161	\$ 36,409
Smart Meter OM&A Disposition	\$ -	
Insurance	\$ 15,477	\$ 17,042
Other	\$ 11,938	\$ 11,596
Sub-Total	\$163,795	\$204,688
TOTAL OM&A	\$ 2,366,364	\$ 2,483,929

4-SEC-19

[Ex.4, p.29] Please explain why the Applicant does not provide management with any portion of its compensation to be delivered in incentive pay.

Wasaga Distribution Response:

The Applicant is WDI, however, all staff members are employees of WRSI and the WRSI Board of Directors concluded, some years ago, that incentive pay and/or bonuses are reflective of an antiquated compensation system that through arbitrary application could be open to abuse and misuse and it was not in the best interests of the Corporation to continue this policy.

4-SEC-20

[Ex.4, p.30] Please provide a version of Appendix 2-K which shows employees categorized between unionized and non-unionized.

Wasaga Distribution Response:

Wasaga Distribution would suggest that board staff reconsider Appendix 2-K (or revert back to previous versions) if the information requested is necessary. Recreating this Appendix by the categories requested creates an overlapping of work, which if resolved would provide to be more efficient.

However, Wasaga Distribution noticed an oversight in employee count previously provided (This does not impact 2016 Test Year Forecast). This has been corrected and resubmitted with an updated version of Chapter 2 Appendix excel file to support these Interrogatories. Wasaga Distribution has provided an updated Appendix 2-K as well as the requested version which shows employees categorized between unionized and non-unionized provided below:

Revised Appendix 2-K:

	Last Rebasing Year - 2012- Board Approved	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹						
Management (including executive)		3.00	3.00	3.00	3.00	3.00
Non-Management (union and non-union)	20.00	16.00	15.50	15.50	15.10	15.00
Total	20.00	19.000	18.500	18.500	18.100	18.000
Total Salary and Wages including overtime and incentive pay						
Management (including executive)	\$ -					
Non-Management (union and non-union)	\$ 1,447,165	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total	\$ 1,447,165	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total Benefits (Current + Accrued)						
Management (including executive)	\$ -					
Non-Management (union and non-union)	\$ 370,792	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total	\$ 370,792	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total Compensation (Salary, Wages, & Benefits)						
Management (including executive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Management (union and non-union)	\$ 1,817,957	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966
Total	\$ 1,817,957	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966

Appendix 2-K (Categorized by Unionized employees):

	Last Rebasing Year - 2012- Board Approved	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹						
Non-Union	11.00	10.00	10.00	10.00	10.10	10.00
Union	9.00	9.00	8.50	8.50	8.00	8.00
Total	20.00	19.00	18.50	18.50	18.10	18.00
Total Salary and Wages including overtime and incentive pay						
Non-Union	\$ 733,855	\$ 739,969	\$ 742,979	\$ 808,178	\$ 777,410	\$ 792,565
Union	\$ 713,310	\$ 692,407	\$ 700,208	\$ 774,110	\$ 725,581	\$ 755,899
Total	\$ 1,447,165	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total Benefits (Current + Accrued)						
Non-Union	\$ 195,312	\$ 179,531	\$ 186,039	\$ 201,796	\$ 207,076	\$ 213,594
Union	\$ 175,480	\$ 170,918	\$ 171,485	\$ 172,802	\$ 162,357	\$ 169,909
Total	\$ 370,792	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total Compensation (Salary, Wages, & Benefits)						
Non-Union	\$ 929,167	\$ 919,500	\$ 929,019	\$ 1,009,974	\$ 984,486	\$ 1,006,159
Union	\$ 888,790	\$ 863,325	\$ 871,693	\$ 946,912	\$ 887,939	\$ 925,808
Total	\$ 1,817,957	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966

Additional References:

[4-Energy Probe-20](#)
[4-SEC-21](#)
[4-VECC-26](#)

4-SEC-21

[Ex.4, p.30] Please provide two additional rows to Appendix 2-K to show, for each year, the amount of compensation costs allocated to OM&A and capital.

Wasaga Distribution Response:

Wasaga Distribution has provided the information requested in the table below:

	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹					
Non-Union	10.00	10.00	10.00	10.10	10.00
Union	9.00	8.50	8.50	8.00	8.00
Total	19.00	18.50	18.50	18.10	18.00
Total Salary and Wages including overtime and incentive pay					
Non-Union	\$ 739,969	\$ 742,979	\$ 808,178	\$ 777,410	\$ 792,565
Union	\$ 692,406	\$ 700,208	\$ 774,110	\$ 725,581	\$ 755,899
Total	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total Benefits (Current + Accrued)					
Non-Union	\$ 179,531	\$ 186,039	\$ 201,796	\$ 207,076	\$ 213,594
Union	\$ 170,918	\$ 171,485	\$ 172,802	\$ 162,357	\$ 169,909
Total	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total Compensation (Salary, Wages, & Benefits)					
Non-Union	\$ 919,500	\$ 929,018	\$ 1,009,974	\$ 984,486	\$ 1,006,159
Union	\$ 863,324	\$ 871,694	\$ 946,912	\$ 887,939	\$ 925,808
Total	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966
OM&A	\$ 1,484,978	\$ 1,574,279	1,689,335	1,596,518	1,628,449
Capital Costs	\$ 297,847	\$ 226,433	267,551	275,906	303,518

Additional References:

[4-Energy Probe-20](#)
[4-SEC-20](#)
[4-VECC-26](#)

4-VECC-22

Reference: E4/Appendix 2-JC

- a) Please provide the bad debt costs for 2015 (year-to-date).
- b) Please explain how the forecast bad debt costs for 2015 and 2016 were estimated.

Wasaga Distribution Response:

- a) Wasaga Distribution has written off approximately \$35,000 to date for Residential and Commercial Accounts.
- b) Wasaga Distribution maintains an allowance for uncollectable accounts to account for account write offs. Wasaga Distribution estimated bad debts based on forecasted account write offs. A three-year average was provided in the Excel version of Wasaga Distribution's Cost Allocation Model (sheet I6.2). The table has been replicated below:

		1	2	3	7	9
ID	Total	Residential	GS <50	GS>50- Regular	Street Light	Unmetered Scattered Load
Historic Year: 2012	35,983	24,834	11,149	-	-	-
Historic Year: 2013	31,915	25,868	6,047	-	-	-
Historic Year: 2014	38,417	37,651	766	-	-	-
Three-year average	35,439	29,451	5,987	-	-	-

4-VECC-23

Reference: E4/Appendix 2-JC

- a) Please explain the increase in Community Relations costs from 2013 through to 2016.

Wasaga Distribution Response:

- a) The increase in Community Relations costs is immaterial.

4-VECC-24

Reference: E4/pg.27

- a) At page 27 it states that "[N]one of [salary] *increases are controllable by WDI.*" Please explain what is meant by this statement. Why are salaries an uncontrollable expense?
- b) Please explain who from WDI or WRSI negotiates labour contracts.

Wasaga Distribution Response:

- a) Salaries are an uncontrollable expense to WDI as they are included as part of the MSA and employee salaries and wages are not negotiated by WDI.
- b) WRSI negotiates contracts with their employees.

4-VECC-25

Reference: E4/pg.27

- a) Please provide the fees paid to Cornerstone and the EDA (separately) for each of the years 2012 through (forecast) 2016.

Wasaga Distribution Response:

Please find the information requested provided in the table below.

Annual Membership Costs:

Annual Memberships	2012	2013	2014	2015	2016 (Forecast)
EDA	28,450	29,800	31,100	32,200	37,113
CHEC	37,116	37,746	38,586	40,390	41,106

4-VECC-26

Reference: E4/pg. 30/ Appendix 2-K

- a) How many of the 19 FTEs shown in Appendix K spend their time exclusively on work for WDI?
- b) For the Non-Management category please breakdown the 16 FTEs into:
 - a. Lineman or outside power worker
 - b. Office Administration.
- c) Please clarify whether Appendix 2-K shows the actual compensation costs of the 19 FTEs listed or the allocation of those costs from WRSI.

Wasaga Distribution Response:

- a) Wasaga Distribution has corrected Appendix 2-K. Please note that FTEs should be 18. This can vary; Wasaga Distribution does not have this data.
- b) In response to [4-SEC-20](#). Wasaga Distribution categorized employees by unionized and non-unionized workers. Wasaga Distribution confirms that all Lineman and outside power workers are unionized. All Office Administration (including all management) are non-unionized. For convenience Wasaga Distribution has replicated the table below.
- c) Wasaga Distribution confirms that Appendix 2-K shows actual compensation

Appendix 2-K (Revised) by union and non-union:

	Last Rebasing Year - 2012- Board Approved	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹						
Non-Union	11.00	10.00	10.00	10.00	10.10	10.00
Union	9.00	9.00	8.50	8.50	8.00	8.00
Total	20.00	19.00	18.50	18.50	18.10	18.00
Total Salary and Wages including overtime and incentive pay						
Non-Union	\$ 733,855	\$ 739,969	\$ 742,979	\$ 808,178	\$ 777,410	\$ 792,565
Union	\$ 713,310	\$ 692,407	\$ 700,208	\$ 774,110	\$ 725,581	\$ 755,899
Total	\$ 1,447,165	\$ 1,432,375	\$ 1,443,187	\$ 1,582,288	\$ 1,502,991	\$ 1,548,464
Total Benefits (Current + Accrued)						
Non-Union	\$ 195,312	\$ 179,531	\$ 186,039	\$ 201,796	\$ 207,076	\$ 213,594
Union	\$ 175,480	\$ 170,918	\$ 171,485	\$ 172,802	\$ 162,357	\$ 169,909
Total	\$ 370,792	\$ 350,449	\$ 357,525	\$ 374,598	\$ 369,434	\$ 383,502
Total Compensation (Salary, Wages, & Benefits)						
Non-Union	\$ 929,167	\$ 919,500	\$ 929,019	\$ 1,009,974	\$ 984,486	\$ 1,006,159
Union	\$ 888,790	\$ 863,325	\$ 871,693	\$ 946,912	\$ 887,939	\$ 925,808
Total	\$ 1,817,957	\$ 1,782,824	\$ 1,800,712	\$ 1,956,886	\$ 1,872,424	\$ 1,931,966

Additional References:

[4-Energy Probe-20](#)

[4-SEC-20](#)

[4-SEC-21](#)

4-VECC-27

Reference: E4/pg.37 & 38

- a) For Table 2-N for 2015 and 2016 please show the Shared Service allocation from WDI to WRSI for only compensation.
- b) As shown in Appendix 2-N the rent costs charged to WRSI from WDI do not increase from 2013 through to 2016. Please explain why by they do not increase by the CPI inflation that was incorporated into the MSA (see E4/pg.27).
- c) Please explain how the rent costs are calculated.
- d) Please explain what the item labelled "Differences" in Table 4.12.

Wasaga Distribution Response:

- a) WDI does not have the ability to provide this data as it is not tracked.
- b) The building rental agreement was amended in 2013 to \$152,130 for the period of 2013 to 2016. The amendment did not include an adjustment for the CPI factor.
- c) An appraisal was completed by Hutchesson Appraisals in November 2012 and covered the value of both the Administration and the Service Centre Buildings. The potential gross income to value was used to determine the rent charged which was \$137,574 per year and then both Boards agreed to a capitalization component of 10.5% which resulted in the charge of \$152,130 per year.
- d) The item labelled differences could also be termed increase as it shows the difference between the two years, i.e. the increase in the MSA fee between 2012 and 2013 was \$72,623.

Additional Reference:

[3-VECC-21](#)

4-VECC-28

Reference: E4/pg. 44/Appendix 2-M Regulatory Costs

- a) Has the OEB notified of any forecast costs it intends to charge WDI for the review of its DSP?
- b) If yes please provide the estimate of those costs and explain whether this cost is included in the forecast of regulatory costs as shown in Appendix 2-M.

Wasaga Distribution Response:

- a) Wasaga Distribution has not been notified. However, Wasaga Distribution has heard rumors after the submission that there is potential for significant costs to be occurred through DSP review.
- b) Wasaga Distribution has included an estimate of \$30,000 for increased costs expected from the addition of the DSP review and approximately \$15,000 for an additional intervenor. These amounts are included in regulatory expenses at \$9,000 per year over five years.

4-VECC-29

Reference: E4/pg. 24/Appendix 2-JC/pg.26

- a) Billing, Collecting & Customer Service costs have increase from \$677k in 2012 to 816k in 2016 or 139k. WDI explains that 40k of this was due to outsourced staffing in 2013. Is the outsource staffing continuing in 2016?

Wasaga Distribution Response:

- a) The outsourcing of staff has continued since 2013 and has been included in the 2016 costs.

4-VECC-30

Reference: E4/Attachment A

- a) Please confirm that the MSA provides WRSI payments calculated as the sum of the following:
1. \$2,083,254 ("base payment")
 2. CPI inflation for each year beginning 2013 ("CPI adjustment")
 3. 80% of the change in 2013 customer counts based on average distribution revenue by class ("customer adjustment").

Wasaga Distribution Response:

- a) WDI can confirm that all of the statements made above are correct but would like to clarify that the CPI inflation factor that is used is from October of each year.

4-VECC-31

Reference: E4/Attachment A –MSA Agreement.

- a) Please provide a table showing the payments based on the MSA formula for 2013 through 2016. Please provide the source of the CPI and customer adjustments explaining whether year-end or month average values are used.
- b) The MSA the base payment is found by calculating an amount which includes a return on billing and accounting software and vehicles. Please confirm that none of these items attract a return as part of the revenue requirement WDI is seeking in this application.
- c) Section 5.03 of the MSA contemplates a reopening of the agreement if WRSI has higher costs than anticipated by the agreement. Please explain why WDI agreed to this provision.
- d) Please explain what recourse WDI has if the Board approves lower (substantially or otherwise) costs than contemplated by the MSA. Specifically please identify the provision that give WDI similar consideration as provided in section 5.03 to WRSI.

Wasaga Distribution Response:

- a) The table is provided below and was also provided in response to 4-EP-19.

Customer Count			Calculated Difference	
Year	Residential	Gen. Serv.	Residential	G.S.
2012	11,716	866		
2013	11,999	860	283	-6
2014	12,165	863	166	3
2015	12,335	867	170	4
2016	12,505	874	170	7

TOTAL		
Res.	G.S.	Check Total
3,049,764.42	657,464.78	3,707,229.20
3,262,836.32	665,063.64	3,927,899.96
3,067,551.29	670,552.72	3,738,104.01
3,306,804.34	737,223.01	4,044,027.35

Calculation of Increase					
Year	Res.	G.S.	Growth Adjustment	Inflation Adjustment	Grand Total
2012					2,083,254.00
2013	57,543.68	-3,669.57	53,874.11	18,749.29	2,155,877.40
2014	35,618.96	1,849.54	37,468.50	50,835.59	2,244,181.49
2015	33,821.40	2,474.94	36,296.34	44,883.63	2,325,361.45
2016	35,963.65	4,723.63	40,687.27	46,507.23	2,412,555.96

CPI Increase	
Year	Amount
2013	1.009
2014	1.0236
2015	1.0200
2016	1.0200

Wasaga Distribution has revised calculations based on most recent revenue, customer count and inflation forecasts. Since the use of forecasts includes inflation and distribution revenue forecasts (January 1 – December 31) to be used; the resulting difference that is not material has resulted in a calculation that currently has not been adjusted for from the previous submission of \$2,417,664.

- b) WDI can confirm that these items do not attract a return as part of the revenue requirement.
- c) WRSI is a subcontractor to WDI in the provision of all services enumerated in the MSA. Section 5.03 of the MSA states that should WRSI experience "substantially greater costs in providing any new services according to Section 3.04 of the MSA, WDI will meet with WRSI to determine a mutually acceptable adjustment." This is common terminology found in most commercial type construction or service contracts whereby a Contractor or Subcontractor not be held liable for SUBSTANTIAL costs incurred over which he has no control and, the operative term in this clause is SUBSTANTIAL.

This clause was included by mutual agreement of the Boards of Directors of WDI and WRSI.

- d) The MSA is subject to annual review in accordance with Section 2.01 and any substantial lowering of costs due to a ruling by the Board would trigger an immediate review of the terms of the MSA.

In formulating the 2013 iteration of the MSA the review committee, comprising two (2) Directors from each of the Boards of WDI and WRSI did not consider it necessary to include a reciprocal clause to protect the interests of WDI in this type of situation as such a situation is already covered in the review process.

4-VECC-32

Reference: E4/Attachment C – WRSI Actuarial Report

- a) At the above reference WDI has provided the WRSI actuarial valuation. Please explain what liabilities, if any, WDI has for the post-retirement benefits of WRSI.
- b) Please explain what liabilities, if any, WDI has with respect to pension benefits of WRSI. Specifically provide the reference to any agreement between the parties as to those liabilities.

Wasaga Distribution Response:

- a) WDI has no liabilities for the post-retirement benefits of WRSI.
- b) The only liability that WDI has with respect to pension benefits is the amount that is recovered through the MSA. There is no specific wording in the MSA to this liability or any other benefit liability.

4-VECC-33

Reference: E4/Appendix 2-JC

- a) What precludes WDI from contracting with an alternative service provider if a more economical provider becomes available?
- b) The fiduciary duty of the Board of Directors of WDI would require that it consider financially beneficial arrangements for the Utility. What due diligence has the WDI Board of Directors undertaken to ensure the MSA is in the interest of WDI?

Wasaga Distribution Response:

- a) There is nothing that would preclude WDI contracting with an alternative service provider if any such provider could provide a more economical and efficient service. However, given the geographic location of WDI's service area, the lack of ANY such alternate providers within close proximity, and the fact that WDI is the second most efficient LDC in Ontario, it is highly improbable and would be totally impracticable for any such provider to emerge and accomplish the required service work in any profitable business model.
- b) Given the regulatory overburden placed on WDI by provincial authorities, it is the long-held belief of the Board of Directors of WDI, through its due diligence process, that it is in the best fiduciary interests of the Corporation to enter into a MSA with WRSI through which WDI, its customers and shareholders are the mutual beneficiaries of continued high levels of customer service and satisfaction and a reasonable rate of return on investment to the Shareholders.

4-VECC-34

Reference: E4/pages 69-71 and Attachment G

- a) Please provide copies of the 2013 Final Evaluation Report and the 2011-2014 Finalized CDM results produced by the IESO (per page 70).
- b) With respect to Attachment G, please provide a schedule that sets out the calculation of the dollars of verified/actual results for each year (2011-2013) by rate class (e.g., the calculation of the \$2,662.42 value for Residential for 2011). In doing so, please indicate the billed kWh and kW savings by year by customer class used in the calculation. Furthermore, in the case of the GS>50 class please indicate how the kW savings reported by the IESO were translated into billed kW.

Wasaga Distribution Response:

- a) Wasaga Distribution has provided the requested documents as part of this response.
- b) For your convenience Wasaga Distribution has provided a live excel version of their LRAM model. The amount has been adjusted to \$25,456.73 to include the Final 2014 CDM savings with persistence up to December 31, 2014 as per [4-Staff-52](#).

Additional References:

[4-Staff-51](#)

[4-Staff-52](#)

[4-Staff-53](#)

Exhibit 5 – Cost of Capital and Capital Structure

5-Energy Probe-25

Ref: Exhibit 5, pages 3 & 4

- a) Please update Table 5.1 to reflect the October 15, 2015 Board letter re Cost of Capital Parameter Updates for 2016 Application
- b) Please update Appendix 2-OA to reflect the cost of capital parameters as noted above in part (a).

Wasaga Distribution Response:

- a) Please find the revised Table 5.1 illustrated below:

Table 5.1: (Revised):

Particulars	Cost Rate
	(%)
Debt	
Long-term Debt	4.54%
Short-term Debt	1.65%
Total Debt	4.35%
Equity	
Common Equity	9.19%
Preferred Shares	0.00%
Total Equity	9.19%
Total	6.28%

- b) Wasaga Distribution has updated Appendix 2-OA to reflect the change in the cost of capital parameters as noted above in part (a).

Additional Reference:

[5-Energy Probe-26](#)

5-Energy Probe-26

Ref: Exhibit 5, pages 6 & 7

The evidence states that WDI recognizes that the ROE and short term debt rate will be updated to reflect the cost of capital parameters as issued by the Board for 2016. Does WDI also propose to update the long term debt rate to reflect the rate issued by the Board for 2016?

Wasaga Distribution Response:

The evidence should have stated that Wasaga Distribution will update the cost of capital parameters as issued for Cost of Service Applications with rates effective in 2016. This letter was issued October 15th, 2015. Wasaga Distribution has updated evidence to reflect these changes. No further changes will be requested or suggested for future changes outside of this application.

Additional Reference:

[5-Energy Probe-25](#)

5-Energy Probe-27

Ref: Exhibit 5, Appendix A

- a) Please explain how the interest rate on the long term note payable to the town of Wasaga Beach is set, given the reference to the December 31, Government of Canada 10 year bond rate.
 - b) Can WDI pay off any or all of the long term debt held by the town if it so chooses?
 - c) What is the penalty, if any, for paying off some or all of the affiliate debt?
 - d) Has WDI attempted to obtain third party long term debt that is either in addition to the affiliate debt, or to replace the affiliate debt? If yes, please provide all the details. If no, please explain why not.
-

Wasaga Distribution Response:

- a) Wasaga Distribution pays the Town of Wasaga Beach (Shareholder) the deemed variable interest rate approved in the last Cost of Service. This is agreed on by the Board of Directors and the Shareholder.
- b) Wasaga Distribution cannot pay off any or all of the long term debt held by the Town if it so chooses as it is only callable by the Shareholder.
- c) There is no penalty. The Shareholder declares annually that they will not call the loan.
- d) At this point in time WDI has not obtained any third party long term debt. WDI does anticipate in 2016 that its cash flow situation in the provision of new capital may require us to acquire new debt – but this new debt has not been included in this Rate Application. Up until the end of the year 2015 the Board of Directors has never chosen to seek outside debt as they are aware that the long term note payable to the Shareholder has not been called.

Exhibit 6 – Calculation of Revenue Deficiency

6-Staff-54

Upon completing all interrogatories from Board staff and intervenors, please provide an updated RRWF in working Microsoft Excel format with any corrections or adjustments that the Applicant wishes to make to the amounts in the populated version of the RRWF filed in the initial applications. Entries for changes and adjustments should be included in the middle column on sheet 3 Data_Input_Sheet. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note. Such notes should be documented on Sheet 10 Tracking Sheet, and may also be included on other sheets in the RRWF to assist understanding of changes.

Also upon completing all interrogatories from OEB staff and intervenors, please provide any updates to the following Microsoft Excel documents in working format: PILS, any Appendix 2 changes (e.g. cost allocation, rate design, and bill impacts, and so on as required), EDDVAR spreadsheet, and the updated cost allocation model (as per the interrogatory below) reflecting the revised revenue requirement in the updated RRWF.

Wasaga Distribution Response:

Wasaga Distribution has submitted a revised RRWF in conjunction with this submission.

Additional Reference:

[6-Energy Probe-28](#)

6-Energy Probe-28

Ref: Exhibit 6

Based on any corrections, changes or updates (such as the cost of power and the cost of capital parameter updates issued by the Board on October 15, 2015), please:

- a) Provide updated Tables 6.2 through 6.8,
- b) Provide an updated RRWF that includes the appropriate and necessary entries in the Tracking Form indicating the interrogatory response which is the basis for the change made. Please also provide the RRWF in electronic form.

Wasaga Distribution Response:

- a) Please find below the updated Tables 6.2 through 6.8.

Table 6.2: Test Year Revenue Requirement (Updated):

	MIFRS
Particular	2016
OM&A Expenses	\$3,083,727
Depreciation Expense	\$547,002
Property Taxes	\$28,000
Total Distribution Expenses	\$3,658,729
Regulated Return On Capital	\$873,919
Grossed up PILs	\$36,362
Service Revenue Requirement	\$4,569,010
Less: Revenue Offsets	\$474,377
Base Revenue Requirement	\$4,094,633

Table 6.3: Statement of Rate Base (Updated):

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$7,787,451	4.54%	\$353,550
2	Short-term Debt	4.00% (1)	\$556,246	1.65%	\$9,178
3	Total Debt	60.0%	\$8,343,697	4.35%	\$362,728
	Equity				
4	Common Equity	40.00%	\$5,562,465	9.19%	\$511,191
5	Preferred Shares		\$ -		\$ -
6	Total Equity	40.0%	\$5,562,465	9.19%	\$511,191
7	Total	100.0%	\$13,906,162	6.28%	\$873,919

Table 6.4: Return on Rate Base (Updated):

Return	
Deemed Interest Expense	\$362,728
Deemed Return on Equity	\$511,191
Regulated Return on Capital	\$873,919

Table 6.5: Utility Income under Proposed Revenue Requirement (Updated):

Particulars	2016	2016
	Initial Application	Interrogatories
Operating Revenues		
Distribution Revenues (at proposed	\$ 4,140,201	\$ 4,094,633
Other Revenue	\$ 474,377	\$ 474,377
Total Operating Revenues	\$ 4,614,578	\$ 4,569,010
Operating Expenses		
OM&A Expenses	\$ 3,074,782	\$ 3,083,727
Depreciation & Amortization	\$ 554,315	\$ 547,002
Property and Capital Taxes	\$ 28,000	\$ 28,000
Total Costs & Expenses	\$ 3,657,096	\$ 3,658,729
Deemed Interest Expenses	\$ 388,885	\$ 362,728
Total Expenses	\$ 4,045,982	\$ 4,021,457
Utility Income before Income Taxes /	\$ 568,597	\$ 547,553
PILs / Income Taxes	\$ 43,991	\$ 36,362
Utility Net Income	\$ 524,606	\$ 511,191

Table 6.6: Trend in Revenue Requirement (Updated):

	NEWGAAP	NEWGAAP	NEWGAAP	NEWGAAP	MIFRS	MIFRS
Particular	Last Board Approved	2012	2013	2014	2015	2016
OM&A Expenses	\$2,549,236	\$2,794,068	\$2,701,271	\$2,818,569	\$2,951,080	\$3,083,727
Depreciation Expense	\$561,546	\$551,309	\$564,891	\$597,388	\$622,991	\$547,002
Property Taxes	\$25,000	\$24,670	\$26,361	\$27,199	\$27,500	\$28,000
Total Distribution Expenses	\$3,135,782	\$3,370,047	\$3,292,523	\$3,443,156	\$3,601,571	\$3,658,729
Regulated Return On Capital	\$791,398	\$757,595	\$819,375	\$871,819	\$914,157	\$873,919
Grossed up PILs	\$40,738	\$205,504	\$26,085	\$35,055	\$83,462	\$36,362
Service Revenue Requirement	\$3,967,918	\$4,333,146	\$4,137,983	\$4,350,031	\$4,599,190	\$4,569,010
Less: Revenue Offsets	\$582,898	\$636,297	\$559,015	\$531,464	\$523,157	\$474,377
Base Revenue Requirement	\$3,385,020	\$3,696,849	\$3,578,968	\$3,818,567	\$4,076,033	\$4,094,633

Table 6.7: Revenue Deficiency (RRWF) (Updated):

Line No.	Particulars	Initial Application		Interrogatory Responses	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$491,488		\$444,630
2	Distribution Revenue	\$3,648,698	\$3,648,713	\$3,650,003	\$3,650,003
3	Other Operating Revenue	\$474,377	\$474,377	\$474,377	\$474,377
	Offsets - net				
4	Total Revenue	\$4,123,075	\$4,614,578	\$4,124,380	\$4,569,010
5	Operating Expenses	\$3,657,097	\$3,657,097	\$3,658,729	\$3,658,729
6	Deemed Interest Expense	\$388,885	\$388,885	\$362,728	\$362,728
8	Total Cost and Expenses	\$4,045,982	\$4,045,982	\$4,021,458	\$4,021,458
9	Utility Income Before Income Taxes	\$77,093	\$568,596	\$102,923	\$547,553
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$337,410)	(\$337,410)	(\$343,827)	(\$343,827)
11	Taxable Income	(\$260,317)	\$231,186	(\$240,904)	\$203,726
12	Income Tax Rate	24.43%	24.43%	23.98%	23.98%
13	Income Tax on Taxable Income	(\$63,595)	\$56,479	(\$57,779)	\$48,862
14	Income Tax Credits	(\$12,500)	(\$12,500)	(\$12,500)	(\$12,500)
15	Utility Net Income	\$153,188	\$524,607	\$173,202	\$511,191
16	Utility Rate Base	\$14,102,305	\$14,102,305	\$13,906,163	\$13,906,163
17	Deemed Equity Portion of Rate Base	\$5,640,922	\$5,640,922	\$5,562,465	\$5,562,465
18	Income/(Equity Portion of Rate Base)	2.72%	9.30%	3.11%	9.19%
19	Target Return - Equity on Rate Base	9.30%	9.30%	9.19%	9.19%
20	Deficiency/Sufficiency in Return on Equity	-6.58%	0.00%	-6.08%	0.00%
21	Indicated Rate of Return	3.84%	6.48%	3.85%	6.28%
22	Requested Rate of Return on Rate Base	6.48%	6.48%	6.28%	6.28%
23	Deficiency/Sufficiency in Rate of Return	-2.63%	0.00%	-2.43%	0.00%
24	Target Return on Equity	\$524,606	\$524,606	\$511,191	\$511,191
25	Revenue Deficiency/(Sufficiency)	\$371,417	\$2	\$337,988	\$0
26	Gross Revenue Deficiency/(Sufficiency)	\$491,488 (1)		\$444,630 (1)	

Table 6.8: Comparison of Revenue Deficiency (RRWF) (Updated):

Particulars (taken from RRWF - 8. Rev_Def	2012 Board Approved	2016 Test Year - Proposed Rates	Differences
	CGAAP	Interrogatories	
Revenue Deficiency from Below	-	444,630	444,630
Distribution Revenue	3,385,037	3,650,003	264,966
Other Operating Revenue Offsets - net	582,898	474,377	- 108,521
Total Revenue	3,967,935	4,569,010	601,075
Operating Expenses	3,135,800	3,658,729	522,929
Deemed Interest Expense	325,810	362,728	36,918
Total Cost and Expenses	3,461,609	4,021,458	559,849
Utility Income Before Income Taxes	506,326	547,553	41,227
Tax Adjustments to Accounting Income per 2013 PILs model	- 114,471	- 343,827	- 229,356
Taxable Income	391,855	203,726	- 188,129
Income Tax Rate	15.50%	23.98%	8.48%
Income Tax on Taxable Income	60,737	48,862	- 11,875
Income Tax Credits	- 20,000	- 12,500	7,500
Utility Net Income	465,588	511,190	45,602
Utility Rate Base	12,762,842	13,906,163	1,143,321
Deemed Equity Portion of Rate Base	5,105,137	5,562,465	457,328
Income/(Equity Portion of Rate Base)	9.12%	9.19%	0.07%
Target Return - Equity on Rate Base	9.12%	9.19%	0.07%
Deficiency/Sufficiency in Return on Equity	0.00%	0.00%	0.00%
Indicated Rate of Return	6.20%	6.28%	0.08%
Requested Rate of Return on Rate Base	6.20%	6.28%	0.08%
Deficiency/Sufficiency in Rate of Return	0.00%	0.00%	0.00%
Target Return on Equity	465,588	511,191	45,603

- b) Wasaga Distribution has submitted an updated RRWF with the changes tracked as part of these responses.

Additional Reference:

[6-Staff-54](#)

Exhibit 7 – Cost Allocation

7-Staff-55

Ref: E7/Tab 1/Sch.1 – Overview of Cost Allocation, Page 6

At the above reference, Wasaga Distribution notes that with respect to the unmetered scattered load rate class, since the largest customer in this category is the Town of Wasaga Beach, Wasaga Distribution confirms load and rate impact whenever increases are completed. Wasaga Distribution also communicated the rate increase forecasted for this rate application and the impacts to its customers. Additionally, Wasaga Distribution has had communications with the Town on the conversion to LED and questions have arisen regarding the impact this could have on rates during these conversations.

- (a) What feedback was provided from the Town of Wasaga Beach when the rate increase forecasted for this application and the impact to customers was communicated? Please provide any supporting documentation.
- (b) Please describe the nature of the communications which took place regarding the conversion to LED streetlights and the questions which arose.
- (c) Has the LED street lighting program started?

Wasaga Distribution Response:

- (a) The Town of Wasaga Beach will see a decrease in overall electricity costs as a result of the Streetlight LED conversion. However, there has been informal discussion with the Town regarding the impact on Service Charges after this conversion.
- (b) Staff worked with the Town of Wasaga Beach's project lead and senior officials and addressed questions and provided information when requested. Our Staff was invited out for information sessions.
- (c) The LED project has started and the current application for replacement is expected to be completed prior to December 31, 2015.

7-Energy Probe-29

Ref: Exhibit 7

- a) Has WDI updated the cost allocation model to take into account the new Board policy with respect to street lighting?
- b) If the response to part (a) is no, please update the cost allocation evidence to reflect the new Board policy. Please also include an updated live Excel version of the cost allocation model.

Wasaga Distribution Response:

- a) Wasaga Distribution used the most recent cost allocation model, Version 3.3. (July 16th, 2015)
- b) Wasaga Distribution had previously filed a live Excel version.

7-Energy Probe-30

Ref: Exhibit 7, Appendix 2-P

- a) Please explain why WDI is proposing to increase the revenue to cost ratio for the GS>50 class when it has a ratio that is already higher than that of the GS<50 and USL classes.
- b) Please calculate the proposed ratios that reflect the reduction of the street lighting class to 120% with the corresponding offset being an increase in the USL and GS<50 classes so that they are equal to one another. No changes should be made to the residential of GS>50 ratios from the status quo figures.

Wasaga Distribution Response:

- a) Wasaga Distribution's proposal was based on the fact that the GS>50 customer class was below par and the rate class was the only rate class that was not going to experience a proposed rate increase. Furthermore, this change created a revised allocation increase of \$1,508.
- b) Wasaga Distribution has made an adjustment of approximately of \$744 from the Streetlight Customer Class to the GS < 50 kW customer class based on revised figures from Interrogatory responses. The USL Customer Class was not adjusted due to the immateriality and the fact that for simplicity, this is the same results provided in [7-VECC-36](#).

Please note that this request should support an adjustment to Street lighting below the 120% threshold to parity (100%) since it does not seem that the model has not been able to account for the significant decrease in load for the Streetlight Customer Class. This is further evident from Wasaga Distribution adjustment to their Street Light revenue to cost ratios to 70% in their 2012 Cost of Service Application. Version 3.3 of the Cost Allocation model resulted in a Streetlight Revenue to Cost Ratio greater than 120%. Wasaga Distribution feels that such a significant shift should be corrected.

Additional Reference:

[7-SEC-22](#)

[7-VECC-36](#)

7-SEC-22

[Ex.7, Appendix 2-P] Please explain why the Applicant is proposing to adjust the revenue to cost ratios for the GS>50.

Wasaga Distribution Response:

Wasaga proposal was based on the fact that the GS>50 customer class was below par and the rate class was the only rate class that was not going to experience a proposed rate increase. The change created a \$1,508 allocation increase.

Additional Reference:

[7-Energy Probe-30](#)
[7-VECC-36](#)

7-VECC-35

Reference: E7/pages 2-4

Cost Allocation Model, Tabs I4

- a) Please explain why, in Tab I4, 100% of Underground Conduit is assigned to Secondary while Underground Cable is split 40/60 between Primary and Secondary. Does the underground primary cable not use underground conduit?
- b) With respect to Tab I6.2, please confirm that virtually all of the street light devices owned by the Town are connected directly to WDI's secondary system (i.e., virtually no daisy chaining).
- c) With respect to Tab I7.1, please explain why there are fewer GS<50 meters than there are forecast GS<50 customers for 2016.

Wasaga Distribution Response:

- a) Wasaga Distribution confirms that this should have been 100% Primary. This has been corrected.
- b) Wasaga Distribution confirms that this is correct; virtually all of the street lights are connected directly to WDI's secondary system.
- c) Wasaga Distribution has corrected this.

7-VECC-36

Reference: E7/pages 14-16

- a) With respect to Appendix 2-P, Part B) – Column 7B does not match the revenue at existing rates in the Cost Allocation model at Tab I6.1. Please reconcile.
- b) Please re-do Appendix 2-P, where the shortfall in revenue due to the adjustment in R/C ratio for Street Lighting is recovered from the GS<50 as opposed to the GS>50 customer class.

Wasaga Distribution Response:

- a) Yes. Tab 16.1 is correct.
- b) Wasaga Distribution has made an adjustment of approximately of \$744 from the Street Light Customer Class to the GS < 50 kW customer class based on revised figures from Interrogatory responses.

Additional References:

[7-Energy Probe-30](#)

[7-SEC-22](#)

Exhibit 8 – Rate Design

8-Staff-56

Ref: Chapter 2 Appendices Tab 2-W Bill Impacts

OEB staff notes that under sub-total B of the bill impacts for the Residential rate class, the rate for RTSR – Line and Transformation Connection does not reconcile to Wasaga Distribution's current OEB-approved tariff. Currently, the rate entered is \$0.0013/kWh. OEB staff notes that the rate should be \$0.0044/kWh.

- (a) Please confirm if Wasaga Distribution agrees.
- (b) Please confirm that with this change, the overall bill impacts actually decrease for the Residential rate class (both at 800kWh and 132kWh consumption levels).
- (c) In accordance with interrogatory 6-Staff-54 above, please account for this correction in the re-filed Chapter 2 appendices to account for this change.

Wasaga Distribution Response:

- (a) Wasaga Distribution agrees.
- (b) Wasaga Distribution confirms that this will decrease the bill impacts.
- (c) Wasaga Distribution has updated the documents.

Additional References:

[6-Staff-54](#)

8-Staff-57

Ref: Chapter 2 of the Filing Requirements, Section 2.8.13, Page 63

Ref: E8/Tab 1/Sch. 14, Pages 26-29

Chapter 2 of the Filings Requirements states:

The OEB has established that, when assessing the combined effects of the shift to fixed rates and other bill impacts associated with changes in the cost of distribution service, a utility shall evaluate the total bill impact for a residential customer at the distributor's 10th consumption percentile.

And,

If the impact for these customers is 10% or greater, a distributor must file a plan to mitigate the impact for the whole residential class or indicate why such a plan is not required... Where the evaluation of bill impacts indicates that rate mitigation is only required for the residential class, it is the OEB's expectation that distributors will propose mitigation strategies that target only the residential class and that any associated cost consequences of any revenue deferral (e.g. additional carrying charges due to longer dispositions periods for DVAs) will be borne by that class.

In order to evaluate the true bill impact for the 10th percentile (for both RPP and Non-RPP customers) excluding the effect of the Ontario Clean Energy Benefit (OCEB), Sub-Total C: Delivery \$ Change should be divided by the Total Bill on TOU as per the figures found in Appendix 2-W.

- (a) Please confirm if Wasaga Distribution agrees with OEB staff's calculation of a bill impact of 12.2% for Residential RPP customers at the 10th percentile.
- (b) Please confirm if Wasaga Distribution agrees with OEB staff's calculation of a bill impact of 7.0% for Residential Non-RPP customers at the 10th percentile.

Wasaga Distribution Response:

- (a) Wasaga Distribution is not 100% in agreement. Wasaga Distribution added the charges/credits back into the 2016 test year to calculate the bill impact in reference to the OCEB and DRC.

- (b)** Wasaga Distribution is not 100% in agreement. Wasaga Distribution added the charges/credits back into the 2016 test year to calculate the bill impact in reference to the OCEB and DRC.

8-Staff-58

Bill Impact for Residential Low Volume Customers

In its application, Wasaga Distribution notes that the Residential customer class would exceed the 10% threshold based on the analysis of low volume residential customers. Wasaga Distribution feels the majority of the customers in this low volume consumption range are seasonal cottage customers and may not be adversely affected by the rate increase as a typical low volume customer. Wasaga Distribution also notes that it determined no mitigation strategies are necessary based on the removal of the OCEB and DRC.

- (a) Please further elaborate on why Wasaga Distribution feels that a greater than 10% impact on this subset of customers does not adversely affect them.
- (b) Has Wasaga Distribution notified or consulted with the parties that it projects will be affected by this change in 2016?
 - i. If not, please explain why.
 - ii. If yes, please provide any feedback/concerns/results in relation to Wasaga Distribution's consultation with these parties.

Wasaga Distribution Response:

- (a) Wasaga Distribution feels that this is a small portion of a population that are seasonal cottagers.
- (b) Wasaga Distribution reached out to all of our customers. These specific parties were not targeted.

8-Energy Probe-31

Ref: Exhibit 8, Table 8.17

- a) Please explain why WDI is not proposing any rate mitigation despite the fact that the residential, GS<50 and USL total bill impacts are in excess of 10%.
- b) Given that that residential total bill impact for a residential customer consuming 132 kWh is in excess of 10%, please explain why WDI is not proposing a lower fixed monthly charge and/or a longer phase in period for the move to a fully fixed charge for residential customers.
- c) Please calculate the monthly fixed charge that would result in a 10% total bill impact for a residential customer consuming 132 kWh for each of the two scenarios shown in Table 8.17.

Wasaga Distribution Response:

- a) Wasaga Distribution has provided their reason for not proposing any rate mitigation strategies in Exhibit 8/Tab 1/Schedule 15, Page 32.
- b) Wasaga Distribution has not proposed a lower fixed monthly charge or longer phase in period because the impact on delivery charge is less than \$4.00 per month as per EB-2012-0410: A New Distribution Rate Design for Residential Electricity Customers.
- c) Wasaga Distribution has calculated the monthly fixed charge that would result in a 10% total bill impact for a Residential Customer consuming 132 kWh for each scenario requested. Please note that Wasaga Distribution's Distribution Revenues from the Monthly Service Charge and Volumetric Rate would need to be lower than currently approved rates to meet the 10% threshold.

Adjustment to Fixed Charges for 10% Threshold:

	Fixed Charge for 10% Maximum Bill Impact
Current Proposed Rate	\$ 15.36
Bill Impacts with the removal of OCEB and Debt Retirement Charge	\$ 11.66
Bill Impacts including the OCEB and Debt Retirement Charge	\$ 14.23

8-VECC-37

Reference: E8/pages 2-3

- a) Please reconcile the projected revenues at existing rates set out in Table 8.1 with those shown in the Cost Allocation model at Tab 16.1. Please provide a revised version of Table 8.1 and/or revised Cost Allocation, as necessary.

Wasaga Distribution Response:

- a) Wasaga Distribution has provided a revised Table 8.1 that has resulted from the changes from the responses to these interrogatories below. This agrees to the Tab 16.1 of the Cost Allocation model (\$3,650,003) that has been provided as part of these responses.

Table 8.1: Distribution Revenues at Current Rates (Updated):

Test Year

Customer Class Name	Test Year Projected Revenue from Existing Variable Charges							
	Variable Distribution Rate	per	Test Year Volume	Gross Variable Revenue	Transform. Allowance Rate	Transform. Allowance kW's	Transform. Allowance \$'s	Net Variable Revenue
Residential	\$0.0144	kWh	87,693,245	1,266,290			\$0	\$1,266,290
General Service < 50 kW	\$0.0137	kWh	17,068,383	233,837			\$0	\$233,837
General Service > 50 to 4999 kW	\$4.7118	kW	51,665	243,435	\$0.60	30,000	\$18,000	\$225,435
Street Lighting	\$0.8798	kW	1,802	1,586			\$0	\$1,586
Unmetered Scattered Load	\$0.0078	kWh	221,022	1,724			\$0	\$1,724
Total Variable Revenue			105,036,121	1,746,872	\$0.60	30,000	\$18,000	\$1,728,872

Test Year

Customer Class Name	Test Year Projected Revenue from Existing Fixed Charges							
	Fixed Rate	Customers (Connections)	Fixed Charge Revenue	Variable Revenue	TOTAL	% Fixed Revenue	% Variable Revenue	% Total Revenue
Residential	\$11.57	12,440	1,727,170	1,266,290	2,993,460	57.70%	42.30%	82.01%
General Service < 50 kW	\$13.54	789	128,197	233,837	362,034	35.41%	64.59%	9.92%
General Service > 50 to 4999 kW	\$31.05	38	14,159	225,435	239,594	5.91%	94.09%	6.56%
Street Lighting	\$1.47	2,819	49,729	1,586	51,315	96.91%	3.09%	1.41%
Unmetered Scattered Load	\$3.91	40	1,877	1,724	3,601	52.12%	47.88%	0.10%
Total Fixed Revenue		16,126	1,921,131	1,728,872	3,650,003			

8-VECC-38

Reference: E8/pages 4-6 and 30-32
Appendix 2-W
EB-2015-0294

- a) Please provide an updated version of Appendix 2-W reflecting not only the planned elimination of the Debt Retirement and OCEB charges for 2016 but also the new OESP charge to be implemented in 2016 and the reduction in the WMS charge for 2016 per EB-2015-0294.
- b) Based on the response to part (a) please provide a revised version of Table 8.17.
- c) Please explain why (per page 32) bill impacts that exclude the removal of the OCEB and Debt Retirement Charge are appropriate to consider when determining the need for mitigation since customers will be impacted by these changes in 2016.
- d) Is WDI aware of any direction from the OEB that the 10% impact criteria for low volume customers is not to be considered when its Rate Design Policy is implemented by distributors, such as Hydro One Networks and Algoma Power, that have a Seasonal class?
- e) Based on the data used to create the chart on page 30 please indicate how many Residential customers fall into each of the following average monthly use categories:
 - 0-100 kWh
 - >100-250 kWh
 - >250-500 kWh
 - >500-800 kWh
 - >800-1,000 kWh
 - >1,000-1,500 kWh
 - >1,500-2,000 kWh
- f) Given the magnitude of the overall rate increase for Residential customers, did WDI consider requesting a one-year deferral in the implementation of the new Rate Design Policy and then implementing it over three years? If yes, why was it rejected? If not, please comment now on the pros/cons of such an approach.

Wasaga Distribution Response:

- a) Wasaga Distribution has made the requested changes and has provided a new Appendix 2-W in live Excel format.
- b) Wasaga Distribution has provided the updated Table 8.17 based on the changes requested with the addition of OESP and change in WMS rates. As well as other changes that occurred from Interrogatory Responses.

Table 8.17: Summary of Bill Impacts (Revised):

Bill Impacts with the removal of OCEB and Debt Retirement Charge

Rate Class	Usage		Amount of 2015 Bill	Amount of 2016 Bill	Amount Difference	Total Bill Impact %
	kWh	kW				
Residential - RPP	132 (10th Percent)		32.36	39.77	7.41	22.90%
	650		109.04	123.13	14.09	12.92%
	800		131.25	147.27	16.02	12.21%
GS < 50 kW - RPP	2,000		306.12	344.93	38.81	12.68%
GS > 50 kW - Non RPP	170,000	300	28,525.52	25,929.21	-2,596.31	-9.10%
Street Lighting	140,000	400	11,002.08	11,723.50	721.42	6.56%
Unmetered Scattered Load	250		38.46	46.67	8.21	21.35%

Bill Impacts including OCEB and Debt Retirement Charge to 2016 Bill

Rate Class	Usage		Amount of 2015 Bill	Amount of 2016 Bill	Amount Difference	Total Bill Impact %
	kWh	kW				
Residential - RPP	132 (10th Percent)		32.36	36.74	4.38	13.54%
	650		109.04	115.45	6.41	5.88%
	800		131.25	138.24	6.99	5.33%
GS < 50 kW - RPP	2,000		306.12	324.68	18.56	6.06%
GS > 50 kW - Non RPP	170,000	300	28,525.52	27,273.91	-1,251.61	-4.39%
Street Lighting	140,000	400	11,002.08	12,055.72	1,053.64	9.58%
Unmetered Scattered Load	250		38.46	43.78	5.32	13.83%

- c) Wasaga Distribution feels that this is appropriate since these are costs that they cannot control. Wasaga Distribution used a similar methodology to the treatment of the commodity prices.

Further Wasaga Distribution submits it is appropriate to exclude these items from bill impact calculations because doing so is consistent with the *Filing Requirements for Electricity Distributor Rate Applications – 2015 Edition for 2016 Rate Applications, Chapter 2, Section 2.8.12, Bill Impact Information*, provided below:

“The distributor must provide the impact of changes resulting from the as filed Application on representative samples of end-users, i.e. volume, percentage rate change and revenue. The distributor must include the base distribution rates, any applicable adders or rate riders, and RTSRs. Commodity rates and regulatory charges should be held constant.”

- d) Wasaga Distribution is not aware of any direction from the OEB regarding these two LDC's.
- e) The following Residential Customers fall within the ranges requested:
 - 0-100 kWh - 880 Customers
 - >100-250 kWh – 1,521 Customers
 - >250-500 kWh – 3,000 Customers
 - >500-800 kWh – 3,325 Customers
 - >800-1,000 kWh – 1,294 Customers
 - >1,000-1,500 kWh – 1,423 Customers
 - >1,500-2,000 kWh – 449 Customers
 - >2,000 kWh – 277 Customers
- f) Wasaga Distribution did consider this approach, however; the policy is mandatory for all LDCs to move to fixed rate design.

8-VECC-39

Reference: E8/pages 19-23

- a) Does the \$226,944 used as the basis for determining the 2016 LV charges represent: i) the amount WDI paid to HONI in 2014 in ST charges or ii) the amount WDI charged its customers in 2014 based on its approved LV rates? If the former, please explain the difference between this value and the \$292,951 total in Table 8.15. If the latter, please explain why the proposed 2016 charges are not based on the costs WDI incurs from HONI for ST services.
- b) What is the basis for the volume values used in Table 8.12? For some classes (e.g. Street Lighting) the values match the 2015 and 2016 load forecast (per Exhibit 3, page 53) where as in order cases (e.g., Residential) the values do not.

Wasaga Distribution Response:

- a) The \$226,944 used as the basis for determining the LV charges represents the amount WDI charged to its customers based on its approved LV rates. The \$292,951 represents the actual LV costs charged by HONI in 2014. As with all pass through charges WDI must adjust these charges from "higher to lower" and transfer this balance to Account 1550. WDI revised Table 8.12 to reflect the higher amount that is charged by HONI.
- b) Some of the numbers were based on uplifted figures. WDI has revised the numbers for 2016 based on non-uplifted data as referenced in Exhibit 3, page 53. For 2015, WDI has inserted our actual rates approved during the IRM rate process, EB-2014-0118.

Low Voltage Charges - Historical and Proposed LV Charges

				2012	2013	2014	2015	2016
4075-Billed - LV				(\$181,688)	(\$225,012)	(\$226,944)	\$226,944	\$292,000
4750-Charges - LV				\$181,688	\$225,012	\$226,944	\$226,944	\$292,000

Low Voltage Charges to be added to power supply expense for bridge and test year.
(volumes are not loss adjusted)

Customer		Revenue	Expense	2015			2016		
Class Name		USA #	USA #	Volume	Rate	Amount	Volume	Rate	Amount
Residential	kWh	4075	4750	87,799,074	\$0.0019	\$166,818	87,693,245	\$0.0024	\$210,464
General Service < 50 kW	kWh	4075	4750	16,817,315	\$0.0016	\$26,908	17,068,383	\$0.0021	\$35,844
General Service > 50 to 4999 kW	kW	4075	4750	51,671	\$0.5944	\$30,713	51,665	\$0.8242	\$42,582
Street Lighting	kW	4075	4750	3,604	\$0.4595	\$1,656	1,802	\$0.6371	\$1,148
Unmetered Scattered Load	kWh	4075	4750	232,411	\$0.0015	\$349	221,022	\$0.0021	\$464
other	0	4075	4750	1	\$0.0000	\$0	1	\$0.0000	\$0
other	0	4075	4750	1	\$0.0000	\$0	1	\$0.0000	\$0
other	0	4075	4750	1	\$0.0000	\$0	1	\$0.0000	\$0
other	0	4075	4750	1	\$0.0000	\$0	1	\$0.0000	\$0
TOTAL		0	0	104,904,078		\$226,444	105,036,121		\$290,502

These revised LV amounts have been included in other tables as required.

Exhibit 9 – Deferral and Variance Accounts

9-Staff-59

Ref: Other Post-Employment Benefits (OPEBs)

OEB staff is reviewing OPEB costs incurred directly and indirectly by Wasaga Distribution.

The purpose of review is to compare the amount of OPEBs-related expenses that have historically been collected from rate payers with the amount of OPEBs that have been paid to retired employees. Historically, electricity distribution rates are based on the accrued expense amount. However, this amount may be excessive because there is a significant time lag between when the OPEBs are recovered from ratepayers and when utilities are required to payout OPEBs benefits to retired employees.

Wasaga Distribution has no employees. Instead, it receives services from affiliated entities such as Wasaga Resource Services Inc. Staff is therefore seeking information on what portion of these service fees relates to OPEBs.

- (a) Historically, did the service fees charged to Wasaga Distribution include OPEBs? If so, was the OPEBs portion of the fees calculated on a cash or accrual accounting basis?
- (b) Please complete the table below. The table is a summary of the amounts recovered from ratepayers related to OPEBs and the cash benefit payments to retired employees.
- (c) Please describe what the affiliated entity has done with the recoveries in excess of cash benefit payments, if any.

Other Post-employment Benefits Summary of Amounts Collected from Ratepayers and Amounts Paid to Retired Employees								
		First year of OPEBs recovery to 2011	2012	2013	2014	2015	2016	Cross Total
Amount of OPEBs included in rates - OM&A portion	[A]							
Amount of OPEBs included in rates – Capital portion	[B]							
Total – Amount of OPEBs included in rates	[C]= [A]+[B]							
OPEBs paid to retired employees	[D]							
Net excess - Amount included in rates exceeds the amounts paid	[E] = [C]-[D]							

Wasaga Distribution Response:

- a) Wasaga Distribution has never been charged the OPEB's.
- b) The ratepayers of WDI have not paid for the OPEB's, therefore; this table is not applicable.
- c) Not applicable.

9-Energy Probe-32

Ref: Exhibit 9, page 24

Please explain why WDI believes it needs the requested new variance accounts shown on page 24.

Wasaga Distribution Response:

This is not a new variance account but just a new sub-account of 1595.

Rate Rider for Disposition of Deferral Variance Accounts (2016) – effective until April 30, 2018 to track costs, revenues and interest for amounts disposed of in EB-2015-0107.

Additional Reference:

[9-SEC-23](#)

9-SEC-23

[Ex.9, p.24] Please provide the rationale for the request for the new deferral/variance account.

Wasaga Distribution Response:

This is not a new variance account but just a new sub-account of 1595.

Rate Rider for Disposition of Deferral Variance Accounts (2016) – effective until April 30, 2018 to track costs, revenues and interest for amounts disposed of in EB-2015-0107.

Additional Reference:

[9-Energy Probe-32](#)

9-VECC-40

Reference: E9/pg. 9

- a) Please confirm that WDI has a balance of \$50,763 in account 1508 (IFRS Transition Costs).
- b) If confirmed please confirm that it is WDI's intention not to seek recovery of this cost.
- c) If this is not confirmed please explain why WDI is not seeking recovery of the balance in this application.

Wasaga Distribution Response:

- a) WDI did have a balance in this account but sought approval for disposition in our last Cost of Service Application (EB-2011-0103). In this application our request was approved, therefore, as of that time there was no remaining balance in Account 1508 (IFRS Transition Costs).
- b) Not applicable.
- c) Not applicable.

Attachment A – Materials Provided to the Board of Directors

This page left intentionally blank.



2016 DRAFT BUDGET

WASAGA DISTRIBUTION INC. STATEMENT OF FINANCIAL POSITION 2016 BUDGET				2015 BUDGET	2015 FORECAST	2016 BUDGET
REVENUE						
SALE OF POWER				\$ 13,462,361	\$ 16,071,287	\$ 16,123,534
DISTRIBUTION REVENUE				\$ 3,674,294	\$ 3,720,063	\$ 4,026,027
MISCELLANEOUS REVENUE				\$ 392,529	\$ 500,355	\$ 424,114
TOTAL REVENUE				\$ 17,529,184	\$ 20,291,705	\$ 20,573,675
COST OF POWER				\$ (13,462,361)	\$ (16,071,287)	\$ (16,123,534)
OPERATING EXPENSES						
MSA EXPENSES ¹				\$ 2,315,000	\$ 2,315,000	\$ 2,417,664
NON-MSA EXPENSES				\$ 648,073	\$ 565,205	\$ 687,991
TOTAL OPERATING EXPENSES				\$ (2,963,073)	\$ (2,880,205)	\$ (3,105,655)
OTHER EXPENSES						
DEPRECIATION ²				\$ 628,543	\$ 627,371	\$ 554,315
INTEREST EXPENSE				\$ 183,418	\$ 222,231	\$ 183,418
TOTAL OTHER EXPENSES				\$ (811,961)	\$ (849,602)	\$ (737,733)
NET INCOME/LOSS BEFORE TAXES				\$ 291,789	\$ 490,611	\$ 606,754
PROJECTED INCOME TAXES ³				\$ (52,427)	\$ (77,512)	\$ (98,290)
NET INCOME/LOSS AFTER TAXES				\$ 239,362	\$ 413,099	\$ 508,464
WASAGA DISTRIBUTION INC. IMPACT ON CASH FLOWS 2016 BUDGET				2015 BUDGET	2015 FORECAST	2016 BUDGET
OPERATING ACTIVITIES ¹						
NET INCOME/LOSS AFTER TAXES				\$ 239,362	\$ 413,099	\$ 508,464
ADD: DEPRECIATION				\$ 628,543	\$ 627,371	\$ 554,315
CASH FLOW FROM OPERATIONS				\$ 867,905	\$ 1,040,470	\$ 1,062,779
INVESTING ACTIVITIES						
ASSETS CAPITALIZED				\$ (820,188)	\$ (652,664)	\$ (1,278,750)
CHANGE IN WORKING IN PROGRESS				\$ (260,000)	\$ -	\$ -
CASH FLOW FROM INVESTING ACTIVITIES				\$ (1,080,188)	\$ (652,664)	\$ (1,278,750)
FINANCING ACTIVITIES						
LESS: DIVIDEND PAYABLE (BUDGETED) ²				\$ (200,000)	\$ (200,000)	\$ (200,000)
OTHER LIABILITIES - REGULATORY ³				\$ (500,000)	\$ (500,000)	\$ -
CASH FLOW FROM FINANCING ACTIVITIES				\$ (700,000)	\$ (700,000)	\$ (200,000)
INCREASE(DECREASE) ON CASH FLOWS ⁴				\$ (912,283)	\$ (312,194)	\$ (415,971)
JANUARY 1, CASH/CASH EQUIVALENT				\$ 2,302,760	\$ 2,333,476	\$ 2,021,283
DECEMBER 31, ENDING CASH BALANCE				\$ 1,390,477	\$ 2,021,283	\$ 1,605,312

Statement of Financial Statement Notes:

- The increase in MSA expenses for 2016 compared to 2015 is estimated to include a 2014 CPI adjustment estimated and an increase based on the increased customers in Wasaga Distribution's territory. (2015 Forecast MSA is subject to change once final customer count and CPI % is determined)
- Depreciation expense is calculated using the half year rule.
- Income tax expense is calculated using a 26.5% tax rate. CCA deductions have been compared to depreciation expense in 2015 and an estimated adjustment has been made to taxable income. Resulting in a lower effective tax rate. Additionally, a \$12,500 adjustment has been made for SRED.

Impact on Cash Flow Notes:

- The Cash flow impact is calculated showing an overall impact on the year to year cash impact on day to day operations and not intended to show the overall impact on the cash balance of Wasaga Distribution.
- A \$200,000 Dividend has been tentatively budgeted for 2016 budget, pending Board approval.
- Significant cash outflows from settlement of variance accounts from past years. Accumulation of future variance accounts did not materialize in 2015 due to the higher than anticipated global adjustment which has resulted in a significant net cash outflow.
- Net Changes of Balance Sheet accounts excluding work in progress are assumed to have no change between periods. Generally the changes in these accounts from one period to another is strictly a timing issue from one period to another and impacts working capital. For ease of presentation, these changes are expected to be minimal.



REGULATED Return on Equity Calculation - 2016 Budget

RETURN ON EQUITY	2015 BUDGET		2015 FORECAST		2016 BUDGET		
Net Income	\$	239,362	\$	413,099	\$	508,464	A
Adjustment for Regulatory Variance Disposition (net of taxes)	\$	-	\$	-	\$	-	
Deferred income taxes	\$	(7,200)	\$	40,000	\$	50,000	
Adjustment to interest expense - for deemed debt	\$	(181,605)	\$	(150,391)	\$	(172,551)	B
Adjusted regulated net income	\$	50,557	\$	302,708	\$	385,913	C
Rate Base:							
Cost of Power	\$	13,462,361	\$	16,071,287	\$	16,123,534	
Operating Expenses	\$	2,931,191	\$	2,848,443	\$	3,072,567	
Total	\$	16,393,552	\$	18,919,730	\$	19,196,101	
Working Capital Allowance %		13%		13%		7.5%	
Total Working Capital Allowance	\$	2,131,162	\$	2,459,565	\$	1,439,708	
Fixed Assets							
Opening Balance	\$	12,087,639	\$	11,940,198	\$	11,967,125	
Closing Balance	\$	12,279,284	\$	11,967,125	\$	12,691,560	
Average	\$	12,183,462	\$	11,953,662	\$	12,329,343	
Total Rate Base	\$	14,314,623	\$	14,413,226	\$	13,769,050	D
Regulated Deemed Equity (40%)		5,725,849	\$	5,765,291	\$	5,507,620	E
Regulated Deemed Debt (60%)		8,588,774	\$	8,647,936	\$	8,261,430	F
Forecasts/Budgeted Regulated Rate of Return on Deemed Equity		0.88%		5.25%		7.01%	G = C/E



REVENUE SUMMARY - 2016 DRAFT BUDGET

ACCOUNT	DESCRIPTION	2015 BUDGET	2015 FORECAST	2016 BUDGET	VARIANCE	
SERVICE REVENUE					2015 FORECAST TO 2016 BUDGET	
4080	Distribution Service Revenue ¹	\$ 3,625,189	\$ 3,673,140	\$ 3,976,368	\$ 303,229	8.26%
4082	Retail Service Revenue	\$ 9,000	\$ 8,085	\$ 9,000	\$ 915	11.32%
4084	Service Transaction Requests	\$ 450	\$ 139	\$ 300	\$ 161	115.83%
4086	SSS Admin Revenue	\$ 39,655	\$ 38,700	\$ 40,359	\$ 1,659	4.29%
SUB TOTALS ²		\$ 3,674,294	\$ 3,720,063	\$ 4,026,027	\$ 305,965	8.22%
MISCELLANEOUS REVENUE						
4225	Late Payment Charges	\$ 32,565	\$ 29,832	\$ 32,565	\$ 2,733	9.16%
4210	Property Rental	\$ 301,814	\$ 306,112	\$ 306,596	\$ 484	0.16%
4215	Other Utility Operating Income	\$ 2,000	\$ -	\$ 2,000	\$ 2,000	-
4235	Miscellaneous Service Revenue	\$ 111,150	\$ 122,692	\$ 112,405	\$ (10,287)	(8.38%)
4355	Gain on Disposition	\$ -	\$ 2,474	\$ 7,500	\$ 5,026	203.14%
4360	Loss on Disposition ³	\$ (90,000)	\$ -	\$ (51,952)	\$ (51,952)	-
4390	Miscellaneous Non-Operating Income	\$ -	\$ 26,110	\$ -	\$ (26,110)	(100.00%)
4405	Interest Revenue	\$ 35,000	\$ 13,136	\$ 15,000	\$ 1,864	14.19%
SUB TOTALS		\$ 392,529	\$ 500,355	\$ 424,114	\$ (76,241)	(15.24%)
TOTAL REVENUE		\$ 4,066,823	\$ 4,220,418	\$ 4,450,141	\$ 229,723	5.44%

Wasaga Distribution Revenue notes:

1. Current consumption trends - resulting from conservation initiatives has resulted in lower than expected consumption on a per customer basis. This continues to be offset by the growth of the customer base.
2. Service Revenue for 2016 is based on the 2016 Cost Of Service application proposed rates with the rate change tentatively planned for May 1, 2016.
3. There is currently a 3 year replacement plan for 1st generation smart meters.



NON MSA EXPENSE SUMMARY - 2016 DRAFT BUDGET

NON-MSA EXPENSES	2015 BUDGET	2015 FORECAST	2016 BUDGET	VARIANCE 2015 FORECAST TO 2016 BUDGET	
MISCELLANEOUS MAINTENANCE FEES	\$ 13,000	\$ 12,044	\$ 13,900	\$ (1,856.32)	(15.41%)
COLLECTING	\$ 73,480	\$ 70,283	\$ 76,290	\$ (6,006.55)	(8.55%)
COLLECTION CHARGES	\$ -	\$ -	\$ -	\$ -	0.00%
BAD DEBT EXPENSE	\$ 25,000	\$ 40,000	\$ 40,000	\$ -	0.00%
COMMUNITY RELATIONS	\$ 4,000	\$ 995	\$ 10,000	\$ (9,005.50)	(905.53%)
BOARD EXPENSE	\$ 51,153	\$ 46,811	\$ 55,675	\$ (8,863.99)	(18.94%)
MANAGEMENT SALARIES & EXPENSES	\$ 154,011	\$ 76,827	\$ 144,939	\$ (68,111.39)	(88.65%)
ADMINISTRATIVE EXPENSE TRANSFER	\$ 52,000	\$ 53,592	\$ 55,000	\$ (1,407.74)	(2.63%)
OUTSIDE SERVICES	\$ 54,000	\$ 49,854	\$ 57,000	\$ (7,146.44)	(14.33%)
PROPERTY INSURANCE	\$ 17,050	\$ 17,042	\$ 17,391	\$ (348.60)	(2.05%)
REGULATORY EXPENSES	\$ 62,059	\$ 60,126	\$ 71,638	\$ (11,512.11)	(19.15%)
MISCELLANEOUS GENERAL EXPENSE	\$ 110,439	\$ 105,869	\$ 113,070	\$ (7,200.98)	(6.80%)
IESO FEES & PENALTIES	\$ 120	\$ -	\$ 120	\$ (120.00)	0.00%
TAXES OTHER THAN INCOME	\$ 27,000	\$ 27,000	\$ 28,000	\$ (1,000.00)	(3.70%)
LOW INCOME DONATION	\$ 4,762	\$ 4,762	\$ 4,968	\$ (206.47)	(4.34%)
SUBTOTAL	\$ 648,073	\$ 565,205	\$ 687,991	\$ (122,786.08)	(21.72%)
AMORTIZATION EXPENSE	\$ 628,543	\$ 627,371	\$ 554,315	\$ 73,056.00	11.64%
OTHER INTEREST EXPENSE	\$ 183,418	\$ 222,231	\$ 183,418	\$ 38,813.24	17.47%
INCOME TAXES	\$ 52,427	\$ 90,012	\$ 110,790	\$ (20,777.73)	(23.08%)
SUBTOTAL	\$ 864,388	\$ 939,614	\$ 848,522	\$ 91,091.51	9.69%
TOTAL	\$ 1,512,461	\$ 1,504,818	\$ 1,536,513	\$ (31,694.57)	(2.11%)

WASAGA DISTRIBUTION INC.**NON MSA EXPENSES COMPARISON - 2016 BUDGET TO 2015 FORECAST**

The 2015 Forecast is based on actual unaudited 2015 figures up until September 30, 2015 and estimated October, November and December expenses. An explanation on unfavourable variances have been provided if approximately greater than 5% and \$5,000.

Collecting Expenses	2015 Forecast	2016 Budget
	\$ 70,283	\$ 76,290
This budgeted line item allows for increased costs associated with credit card purchases. 2015 Forecast is currently projected to be lower than historical trends have indicated. This is most likely a result from the ownership change of the Canadian Tire whose previous owners choose to pay by credit card.		

Community Relations	2015 Forecast	2016 Budget
	\$ 995	\$ 10,000
This budgeted line item allows for increased costs related to customer engagement activities, including to but not limited to, ESA and Customer Satisfaction Surveys, and customer outreach.		

Board Expenses	2015 Forecast	2016 Budget
	\$ 46,811	\$ 55,675
This budgeted line item allocates expenses for Board Members to attend conferences and education sessions.		

Management Salaries and Expenses	2015 Forecast	2016 Budget
	\$ 76,827	\$ 144,939
This budgeted line item allows for WDI to revert back to normal staffing requirements to maintain regulatory compliance. A decrease in 2015 Forecast was a result of WDI's 2016 Cost of Service application.		

Outside Services	2015 Forecast	2016 Budget
	\$ 49,854	\$ 57,000
This budgeted line item allocates costs associated with the anticipation that legal services (\$5,000) may be required during the year and an estimated increase in auditing expenses.		

Regulatory Expenses	2015 Forecast	2016 Budget
	\$ 60,126	\$ 71,638
This budgeted line item has increased as a result of costs incurred from the 2016 Cost of Service accrued over 5 years less costs incurred from the 2012 Cost of Service application, previously accrued over 4 years.		

Miscellaneous General Expenses	2015 Forecast	2016 Budget
	\$ 105,869	\$ 113,070
This budgeted line has incorporated an increase in EDA membership by approximately \$5,000.		

<u>Overall:</u>			
Non MSA Expenses	2014 Actual	2015 Forecast	2016 Budget
	\$ 574,388	\$ 565,205	\$ 687,991
Annual Increase (Decrease) %		(1.60%)	21.72%
Comparing to 2014 (last year actuals) Approximately \$70,000 of the \$110,000 increase between 2014 actual and the 2016 budget is a result of the management salaries and expenses which is a direct result of increased regulatory requirements and WDI's 2016 Cost of Service over the last couple of years.			



CONSERVATION PORTFOLIO - 2016 DRAFT BUDGET

DESCRIPTION	2015 BUDGET	2015 FORECAST	2016 BUDGET
OPA/IESO FUNDING			
CONSERVATION FIRST FUNDING 1	\$ 300,000	\$ -	\$ 360,000
TRANSITIONAL FUNDING 2	\$ 80,000	\$ 50,000	\$ -
TOTAL	\$ 380,000	\$ 50,000	\$ 360,000
CONSERVATION EXPENDITURES			
LABOUR	\$ 35,599	\$ 20,000	\$ 36,311
MARKETING	\$ 20,000	\$ 5,000	\$ 10,000
OFFICE EXPENSES	\$ 2,000	\$ 500	\$ 1,500
CHEC SUPPORT	\$ 10,000	\$ 10,000	\$ 10,000
THIRD PARTY SUPPORT	\$ 4,500	\$ 4,500	\$ 35,000
RETROFIT EVALUATION SERVICES	\$ 10,000	\$ 10,000	\$ 10,000
INCENTIVES/SPECIAL PROJECTS 3	\$ 297,901	\$ -	\$ 257,189
TOTAL	\$ 380,000	\$ 50,000	\$ 360,000
NET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

Conservation Portfolio Notes:

1. Revenue are tentivietly beeing planned to be equally distributed each year from 2016-2020. The funding for the 2015-2020 framework is approximately \$1,800,000.
2. Under the 2011-2014 CDM framework, the OPA has approved transitional funding until LDCs have "switched" over to the 2015-2020 framework for the 2015 fiscal year.
3. Under the previous framework all incentives and rebates were paid out by the OPA. Under the new framework LDCs are responsible for all incentive payouts, rebates, and program development. 2015 Transition year followed the rules of the old framework.



MSA EXPENSE SUMMARY - 2016 DRAFT BUDGET

OPERATION & MAINTENANCE ACCOUNTS	2015 BUDGET	2015 FORECAST	2016 BUDGET	VARIANCE 2015 FORECAST TO 2016 BUDGET	
SUBSTATION MAINTENANCE	\$ 18,224	\$ 17,318	\$ 18,290	\$ (972)	(5.61%)
MAINTENANCE SUPERVISION & ENGINEERING	\$ 1,731	\$ 1,499	\$ 1,726	\$ (227)	(15.15%)
OVERHEAD LINE MAINTENANCE	\$ 302,808	\$ 281,437	\$ 302,927	\$ (21,490)	(7.64%)
TREE TRIMMING	\$ 185,330	\$ 196,668	\$ 189,866	\$ 6,802	3.46%
UNDERGROUND LINE MAINTENANCE	\$ 199,013	\$ 177,154	\$ 196,426	\$ (19,273)	(10.88%)
TRANSFORMER MAINTENANCE	\$ 28,195	\$ 26,781	\$ 28,077	\$ (1,296)	(4.84%)
	\$ 735,302	\$ 700,856	\$ 737,312	\$ (36,456)	(5.20%)
CUSTOMER SERVICE ACCOUNTS	2015 BUDGET	2015 FORECAST	2016 BUDGET	VARIANCE 2015 FORECAST TO 2016 BUDGET	
METER OPERATION & MAINTENANCE	\$ 35,459	\$ 46,983	\$ 50,755	\$ (3,772)	(8.03%)
CUSTOMER PREMISES	\$ 46,533	\$ 52,897	\$ 45,977	\$ 6,920	13.08%
COMMUNITY RELATIONS/ADVERTISING	\$ 7,381	\$ 978	\$ 6,761	\$ (5,783)	(591.31%)
METER READING	\$ 130,326	\$ 130,861	\$ 138,830	\$ (7,969)	(6.09%)
	\$ 219,699	\$ 231,719	\$ 242,323	\$ (10,604)	(4.58%)
ADMINISTRATION ACCOUNTS	2015 BUDGET	2015 FORECAST	2016 BUDGET	VARIANCE 2015 FORECAST TO 2016 BUDGET	
BILLING & COLLECTING	\$ 747,444	\$ 722,195	\$ 793,643	\$ (71,448)	(9.89%)
MANAGEMENT SALARIES & EXPENSES	\$ 241,675	\$ 250,029	\$ 256,701	\$ (6,671)	(2.67%)
GENERAL AND ADMIN SALARIES & EXPENSES	\$ 261,601	\$ 288,301	\$ 268,840	\$ 19,460	6.75%
OFFICE SUPPLIES & OTHER EXPENSES	\$ 63,542	\$ 71,509	\$ 67,976	\$ 3,532	4.94%
OFFICE MAINTENANCE	\$ 45,737	\$ 50,392	\$ 50,869	\$ (478)	(0.95%)
	\$ 1,360,000	\$ 1,382,425	\$ 1,438,030	\$ (55,604)	(4.02%)
TOTAL ANNUAL MSA BUDGET	\$ 2,315,000	\$ 2,315,000	\$ 2,417,664	\$ (102,664)	(4.43%)

The Variances between accounts is a result of allocations of burdens and will vary depending on the difference between actual and budgeted labour hours attributed to each account originating from the Mast Service Agreement.



CAPITAL BUDGET - 2016 Budget

ACCOUNT	DESCRIPTION	2015 BUDGET	2015 FORECAST	2016 BUDGET
1905	LAND	\$ -	\$ 18,643.00	\$ -
1908	BUILDING & FIXTURES	\$ 120,000.00	\$ -	\$ -
1820	DISTRIBUTION STATION EQUIPMENT	\$ -	\$ -	\$ -
1830	POLES, TOWES, & FIXTURES	\$ 205,000.00	\$ 316,894.00	\$ 525,000.00
1835	OVERHEAD CONDUCTORS & DEVICES	\$ 110,000.00	\$ -	\$ 265,000.00
1840	CONDUIT	\$ -		\$ -
1845	UNDERGROUND CONDUCTOR & DEVICES	\$ 238,750.00	\$ 89,532.00	\$ 112,000.00
1855	SERVICES	\$ 490,000.00	\$ 259,839.00	\$ 273,000.00
1850	DISTRIBUTION TRANSFORMERS	\$ 277,000.00	\$ 162,196.00	\$ 235,000.00
1860	DISTRIBUTION METERS	\$ 90,000.00	\$ 92,821.00	\$ 105,000.00
1920	COMPUTER HARDWARE	\$ -	\$ -	\$ -
1925	COMPUTER SOFTWARE	\$ 15,000.00	\$ -	\$ 40,000.00
1980	SYSTEM SUPERVISORY EQUIPMENT	\$ -	\$ -	\$ -
2005	PROPERTY UNDER CAPITAL LEASE	\$ -	\$ -	\$ -
	TOTALS	\$ 1,545,750.00	\$ 939,925.00	\$ 1,555,000.00
1995	CONTRIBUTED CAPITAL	\$ (465,562.50)	\$ (287,261.00)	\$ (276,250.00)
ASSETS CAPITALIZED		\$ 1,080,187.50	\$ 652,664.00	\$ 1,278,750.00
	MUTLIPLE YEAR PROJECTS - PURCHASED BY WDI	\$ -	\$ -	\$ -
	LESS: CAPITAL LEASE PAYMENTS	\$ 28,200.00	\$ 28,200.00	\$ -
	LESS: CONTRIBUTED CAPITAL PAYOUTS	\$ 140,000.00	\$ 100,000.00	\$ 100,000.00
EXPENDITURES RELATED TO CAPITAL ASSETS		\$ 1,248,387.50	\$ 780,864.00	\$ 1,378,750.00

WASAGA DISTRIBUTION INC.
CAPITAL BUDGET EXPANATIONS - 2016

Poles, Towers, & Fixtures	Capital Costs	\$ 525,000
	Contributed Capital	\$ -
The budget allows for the replacement and expansion of the pole line along Sunnidale Road and the replacement of 125 poles that need replacing as detailed in WDI's Distribution System Plan.		

O/H Conductors and Devices	Capital Costs	\$ 265,000
	Contributed Capital	\$ -
The budget allows for the replacement and expansion of Sunnidale Road and the replacement of 2.5 km of conductor that need replacing as detailed in WDI's Distribution System Plan.		

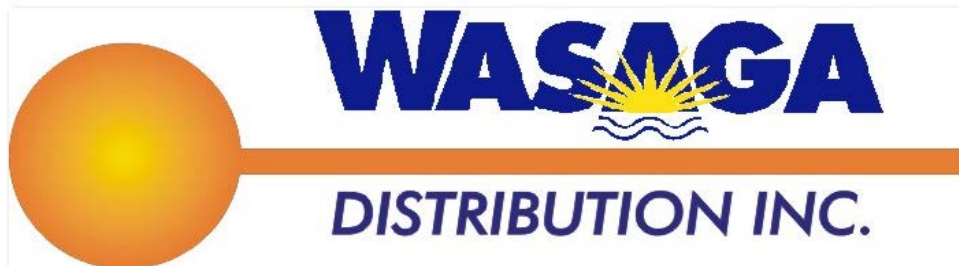
U/G Conductor and Devices	Capital Costs	\$ 112,000
	Contributed Capital	\$ 76,500
This budget allows for the development of 170 residential lots comprising of 4 development sites and the replacement of aging underground infrastructure on Allen Drive in Hometown.		

Transformers	Capital Costs	\$ 235,000
	Contributed Capital	\$ 67,500
This budget allows for the development of 170 residential lots comprising of 4 development sites and the replacement of 35 Transformers that need replacing as detailed in WDI's Distribution System Plan.		

Secondary Services	Capital Costs	\$ 273,000
	Contributed Capital	\$ 132,250
This budget allows for the development of 170 residential lots comprising of 4 development sites, the replacement of aging infrastructure for local improvements including new services and Sunnidale pole line.		

Distribution Meters	Capital Costs	\$ 105,000
	Contributed Capital	\$ -
This budget allows for the purchase of new meters to replace 1st generation meters which has current security issues with the encryption.		

Computer Software	Capital Costs	\$ 40,000
	Contributed Capital	\$ -
This budget allows for the upgrade to our DESS and GIS software and Wasaga Distribution Inc. Website.		



2016 COST OF SERVICE

OVERVIEW

- PROJECTIONS

- COMPONENTS OF WDI's COS

RENEWED REGULATORY FRAMEWORK

- RATE IMPACTS

- ISSUES

PROJECTIONS

	2012 OEB APPROVED	2014 ACTUAL	2016 TEST YEAR
Revenue	\$17,055,879	\$18,604,857	\$18,966,517
Cost of Power	(\$13,087,961)	(\$14,506,669)	(\$14,370,890)
Distribution Expenses	(\$3,135,782)	(\$3,443,156)	(\$3,657,074)
Interest Expense	(\$325,810)	(\$165,331)	(\$385,260)
Income Tax	(\$40,738)	(\$29,787)	(\$33,577)
Net Income After Taxes	\$465,588	\$459,913	\$519,716
Deemed ROE	9.12%	4.98%	9.30%
Revenue Deficiency	0	n/a	\$421,000

- WDI's Net Income will vary if actual interest expense is either higher or lower than the deemed interest expense

COMPONENTS OF 2016 COS – RATE BASE

$$\text{Return on Rate Base} = 60\% \text{ Debt} * 4.60\% + 40\% \text{ Equity} * 9.30\%$$

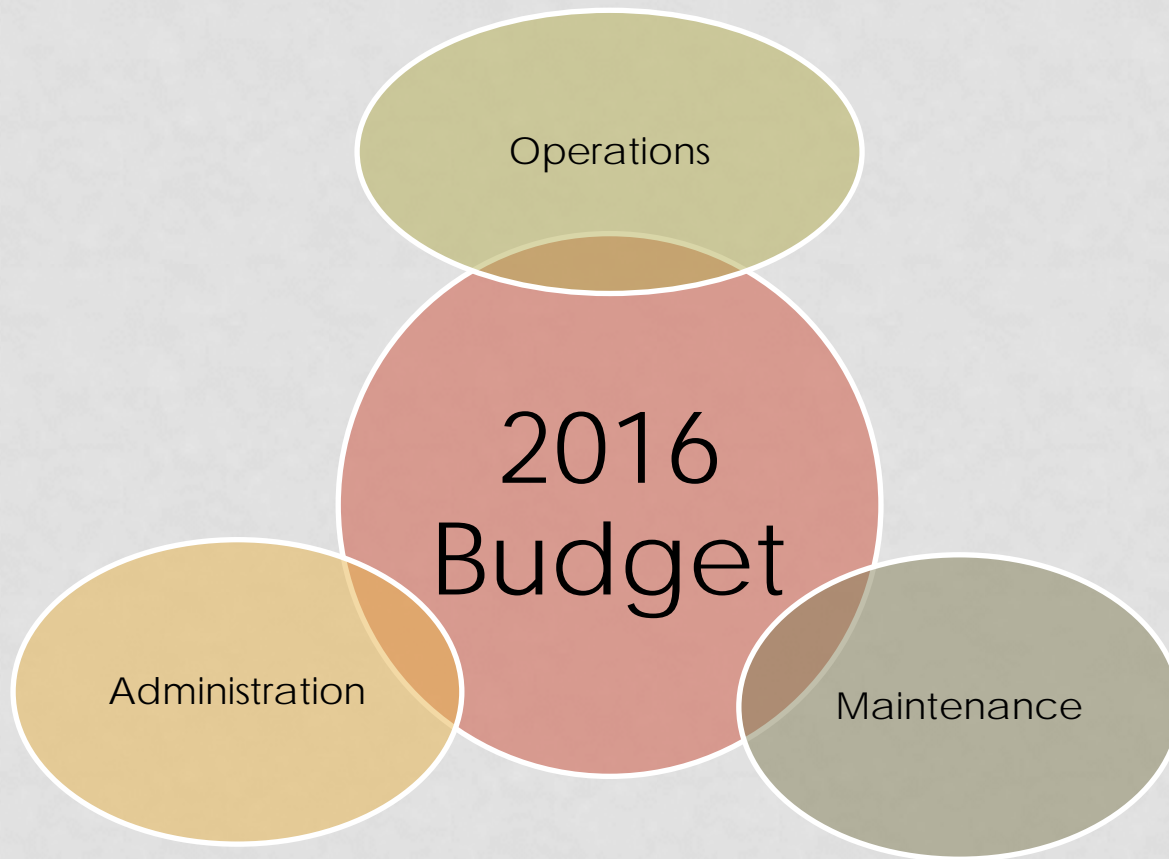
	2012 OEB Approved	2014 Actual	2016 Test Year
Average Net Capital Asset	\$10,570,132	\$11,647,027	\$12,660,331
Working Capital Allowance	\$2,192,708	\$2,412,759	\$1,310,524
Total Rate Base	\$12,762,840	\$14,059,786	\$13,970,855

- The increase in Capital Assets has resulted in increased capital expenditures and decrease in depreciation rate.
- 2016 COS filers are required to either submit a lead lag study or reduce working capital allowance to 7.5% (WDI's previous was 14%)

COMPONENTS OF 2016 COS – REVENUES

- Load Forecast Results – Projected billed kWhs to be approximately 130,000,000 kWh
 - CDM Reduction is large as a result of new prescribed target
 - WDI's treatment of streetlight load still undecided due to LED conversion
 - Residential impact lower as WDI moves towards fixed rate design
 - Multivariate Regression included HDD, CDD, Customer Count, and CPI impacts
- Other Revenues reduce impact to rate payers!!
 - Include Rental Income, Interest Revenue, and Specific Service Charges

COMPONENTS OF 2016 COS – OM&A



- Majority of increases in expected costs are driven from MSA increases

COMPONENTS OF 2016 COS - DSP

System
Access

System
Renewal

System
Service

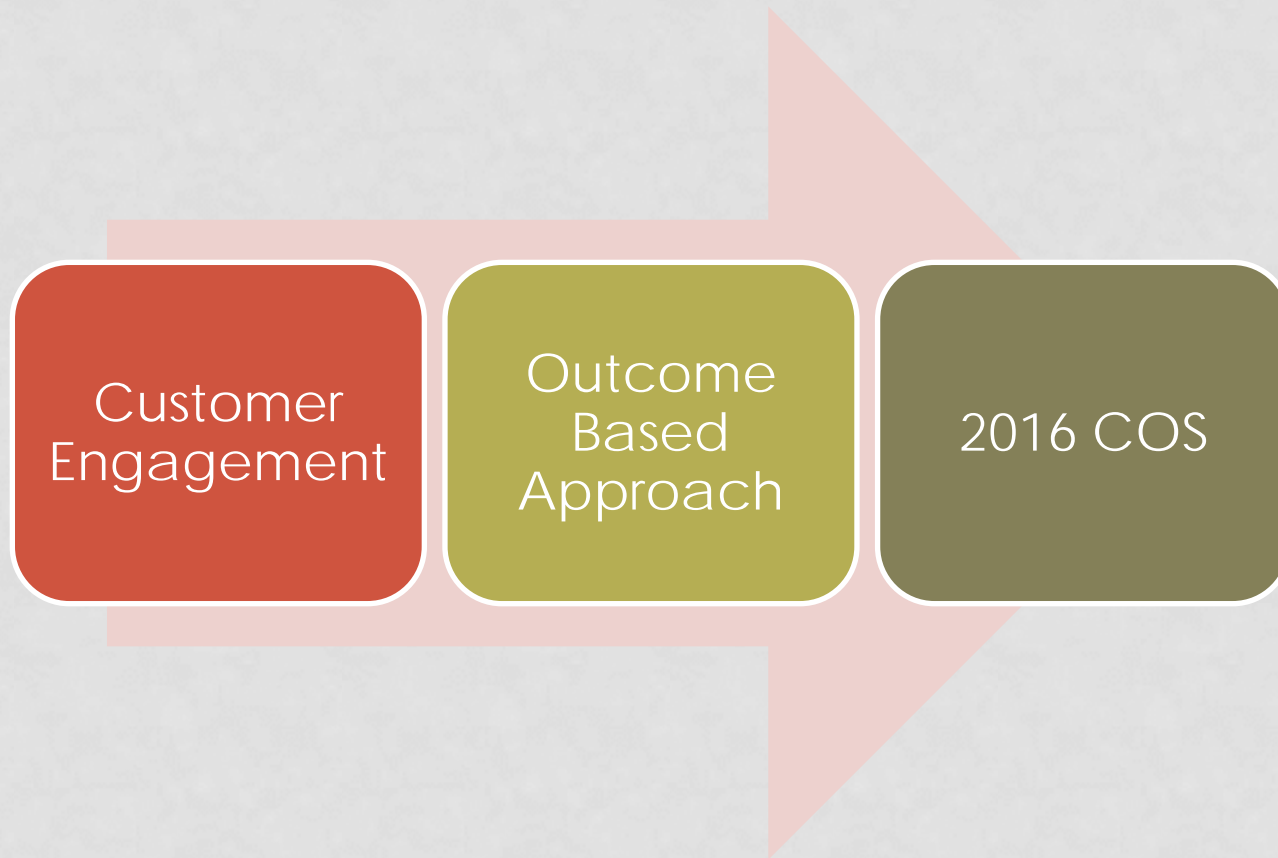
General
Plant

COMPONENTS OF 2016 COS – DSP

Investment Category	2016 (000's)	2017 (000's)	2018 (000's)	2019 (000's)	2020 (000's)
Access	589	463	211	516	520
Renewal	650	743	903	615	627
Service	10	10	20	10	10
General	30	10	10	0	0
Total Spend	1,279	1,227	1,145	1,141	1,158

- Revised Asset Management Process
- Internal Asset Assessment was created using a calculated approach
- Significant investment into aging infrastructure is being planned for in the forecast period (2015 – 2020)

RENEWED REGULATORY FRAMEWORK



- The OEB wants to see an application built around customer input!

RATE IMPACTS

Current Distribution Rates

	Residential	GS<50	GS>50	Streetlights
Service Charges	11.57	13.54	31.05	1.47
Volumetric Rate	0.0144	0.0137	4.7100	0.8800

Proposed Distribution Rates (Draft)

	Residential	GS<50	GS>50	Streetlights
Service Charges	15.21	15.15	34.73	1.64
Volumetric Rate	0.0124	0.0153	5.2242	0.9842

% Proposed Increases (Draft)

	Residential	GS<50	GS>50	Streetlights
Typical User	8.12%	10.51%	9.86%	10.39%
Low Volume User	19.91%	(Bottom 10% Percentile)		

ISSUES

- Addressing Customer Engagement in Cost of Service Application
- Increase in OM&A expenses through MSA
- Rate Design Impact on Residential Customer Base
- Debt Financing required for Capital Investments
- Working Capital Reduction

QUESTIONS?

Attachment B – Survey Monkey Report

This page left intentionally blank.

Wasaga Distribution Inc.



2015 Customer Satisfaction Survey

950 River Road West, Wasaga Beach, ON

Executive Summary

As part of a commitment to provide customers with reliable and quality utility services that meet current and future needs, Wasaga Distribution Inc. surveyed their customers during July 2015. The 2015 survey was the first survey conducted by Wasaga Distribution. Wasaga Distribution intends on conducting the survey on a bi-annual basis in an effort to monitor and assess residential and commercial customer knowledge, perceptions and satisfaction regarding utility services.

Survey Objectives:

In 2015, WDI's objectives were:

- Utility's overall performance
- Reliability
- Billing and Payment Options
- Quality of service provided by customer care.
- Quality of service provided by field employees
- Customer awareness and usage of the department's online services
- Cost of Electricity
- Overall Performance.

WDI received a total of 471 responses (respondents were given the option to "skip" questions) and of the 471 responses, 3 customers identified themselves as a commercial customer.

The customers that responded were 18 years and older with 77% of respondents being between the ages of 45-74 years old.

Overall, customers indicated that they were satisfied with Wasaga Distributions customer service, and services provided. However, customers were very clear on the impact of electricity costs on their budget.

Wasaga Distribution has provided recommendations addressing the respondents views provided from the survey.

Contents

Executive Summary	2
Socio-demographics.....	4
Customer Views on Cost of Electricity	5
Customer Views on Reliability.....	6
Billing Services and Payment Options	7
Customer Service	8
Customer awareness of miscellaneous and online services	10
Customer views on Overall Performance	11
Customer Input from Cost of Service Rate Increase (Secondary Survey)	13
Customer Input	14
Recommendations	15

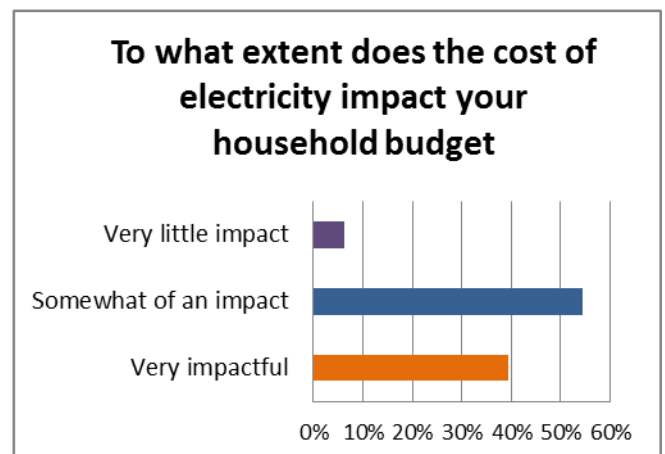
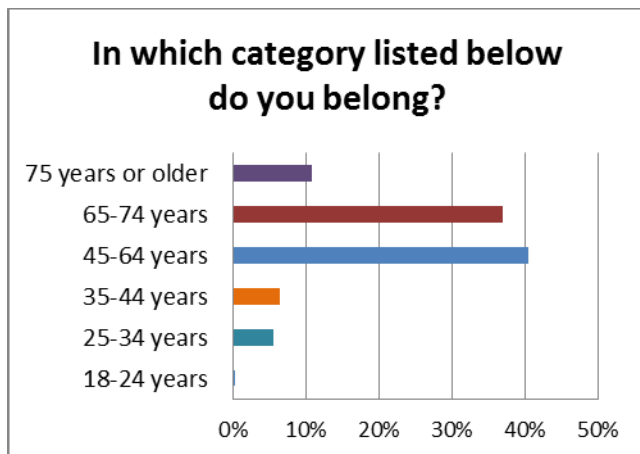
Socio-demographics

The pros and cons of including socio-demographic questions in a survey were considered. Some of the benefits include; knowing the demographic characteristics of your respondents will help you in determining how close the sample replicates the population. Furthermore, if sample sizes are large enough, it enables you to differentiate between different sub-groups. For example, if your service area is prominently “high-income”, the response to “electricity costs” may be significantly different than if you have a service area that is mainly “low-income”.

For the purpose of this survey it was felt that Wasaga Distribution would limit the survey to around 20 questions and that detailed analytics comparing socio-demographic trends would not be of benefit to us at this time.

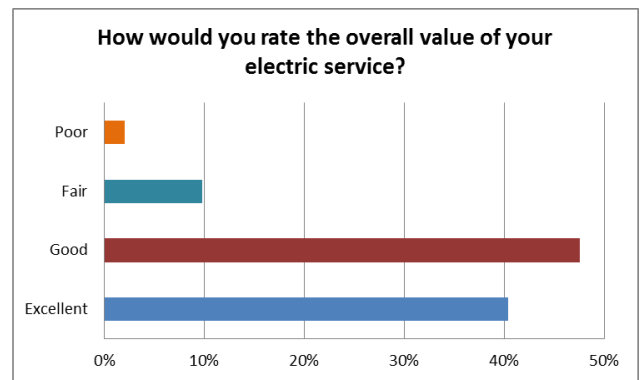
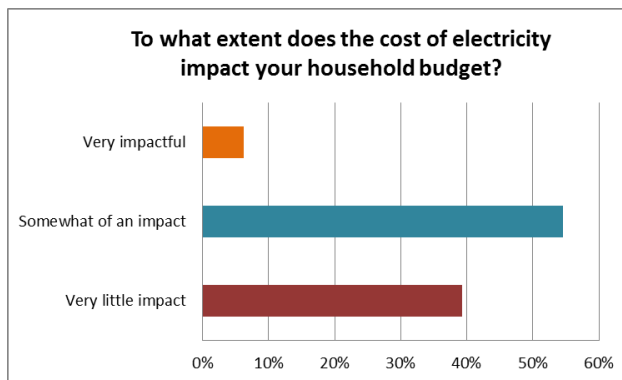
The main questions of this section focused on the type of customer being surveyed, the age of the customer, and the impact of electricity on a household budget.

Answer Choices	Responses	
I am a Residential Customer	99.36%	463
I am a Commercial Customer	0.64%	3
Total		466



Customer Views on Cost of Electricity

Wasaga Distribution's customers were asked to what extent the cost of electric services impacts their household budget. The cost of electric service is viewed as placing a strain on household budget. Further to this, Wasaga Distribution did an analysis comparing the percentage Wasaga Distribution distribution rates since May 1, 2010 to the proposed rates for May 1, 2016 to the overall cost of power during the same period. Overall, Wasaga Distribution's proposed May 1, 2016 rates have been projected to increase by approximately 11% since May 1, 2010 while during the same period the cost of electricity (commodity), which represents that majority of the bill, is projected to increase by approximately 53%.

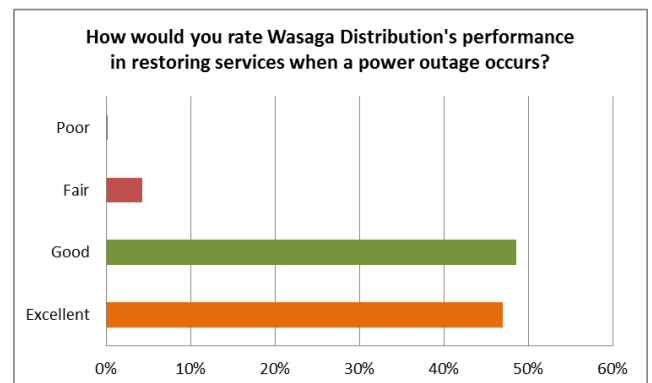
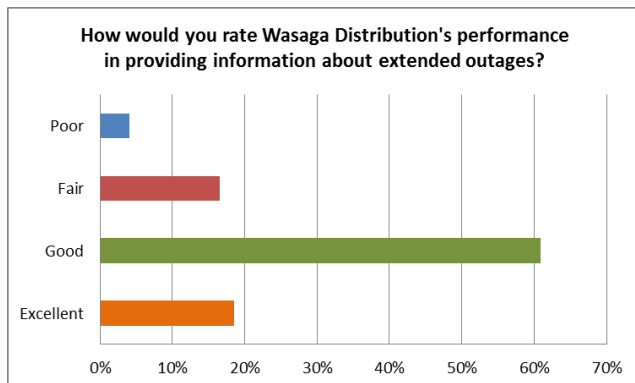


Customer Views on Reliability

Wasaga Distribution continues to perform well on reliability health indices reported to the Ontario Energy Board and published annually in the OEB yearbook relative to other utilities (excluding Hydro One Networks). However it was felt that it would be important for Wasaga Distribution to ask for input from Wasaga Distribution's customer on their perceived perception on the reliability of Wasaga Distribution's distribution system.

Overall, customers strongly indicated that they found the current spending and reliability to be acceptable and when there are outages Wasaga Distribution is rated very high with respect to restoring those services.

Answer Choices	Responses
Wasaga Distribution Inc. should be spending more to decrease the frequency and duration of outages and I understand that this could increase my monthly hydro bill.	2.78% 13
I find the existing level of spending and reliability to be acceptable.	85.44% 399
Wasaga Distribution Inc. should be spending less and I would be willing to tolerate increased outages if it meant a decrease in my monthly hydro bill.	11.78% 55
Total	467

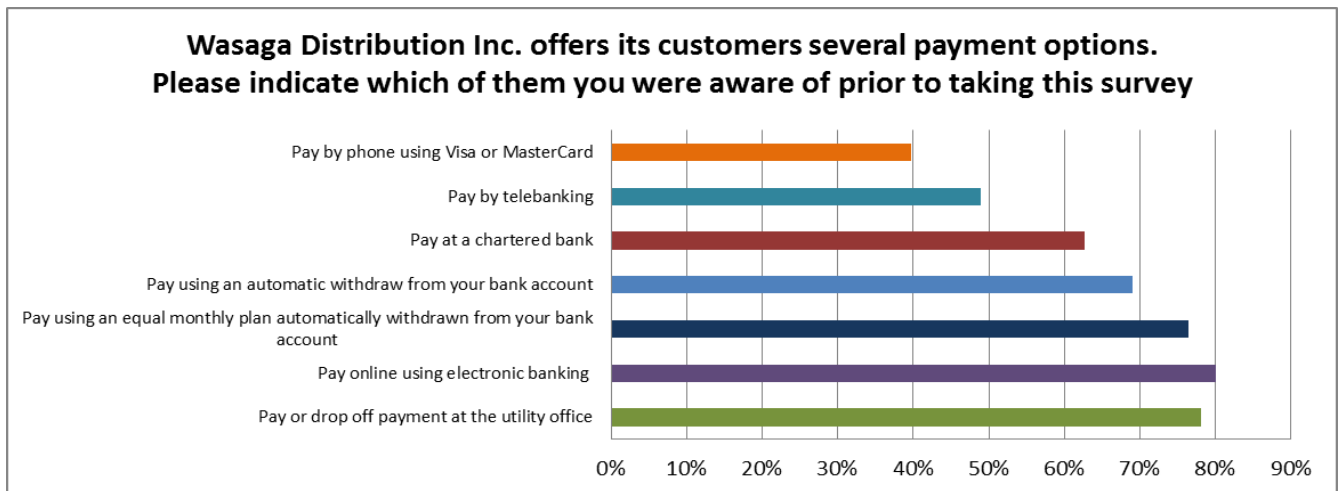
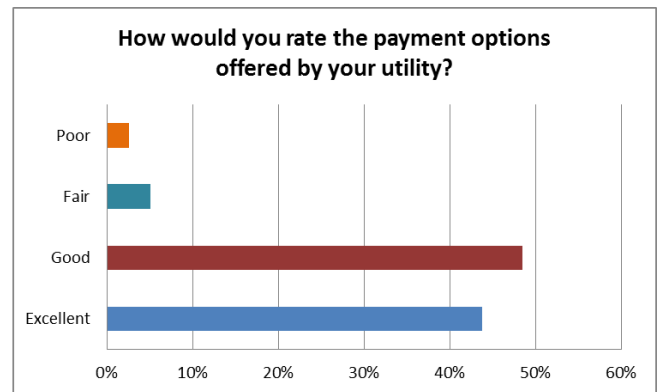
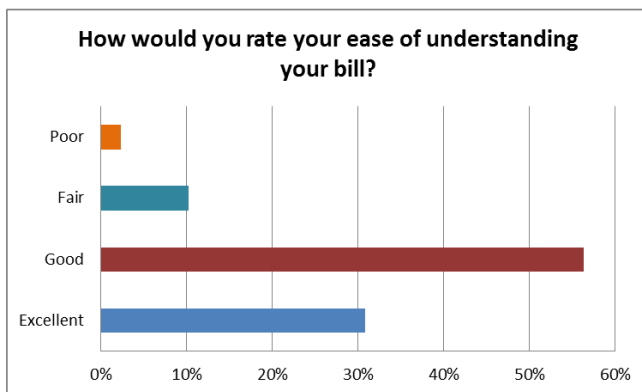


Billing Services and Payment Options

Wasaga Distribution's customers were surveyed in 2015 to determine if payment options offered were sufficient and if customers were having a hard time in understanding their bill.

Overall, it was identified that customers were satisfied and familiar with their payment options available to them. Furthermore, customers indicated that they felt they had a good understanding of their bill.

Since this survey was conducted WDI has revised their online banking options to include the National Bank as an online payment option.

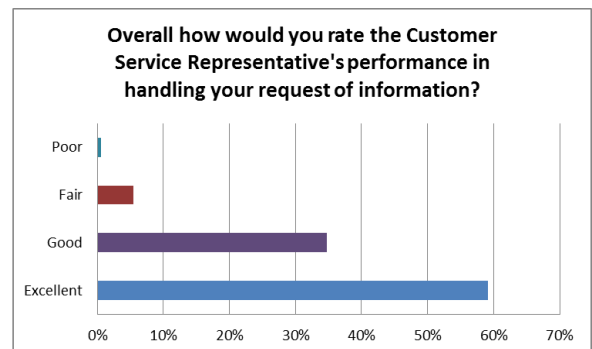
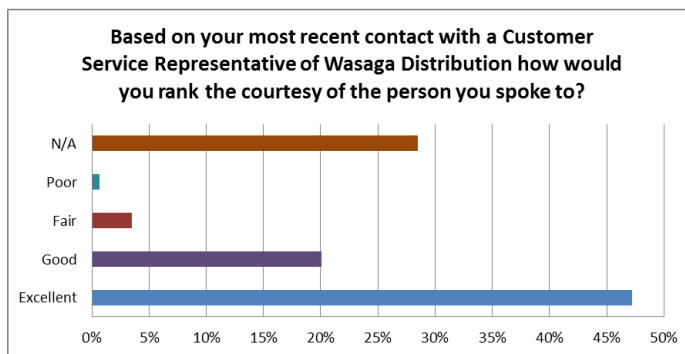


Customer Service

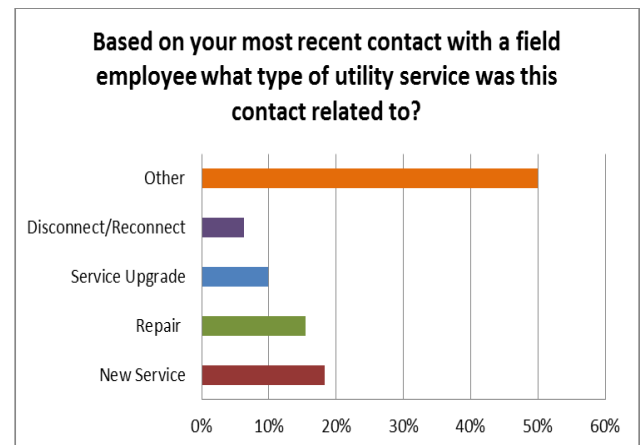
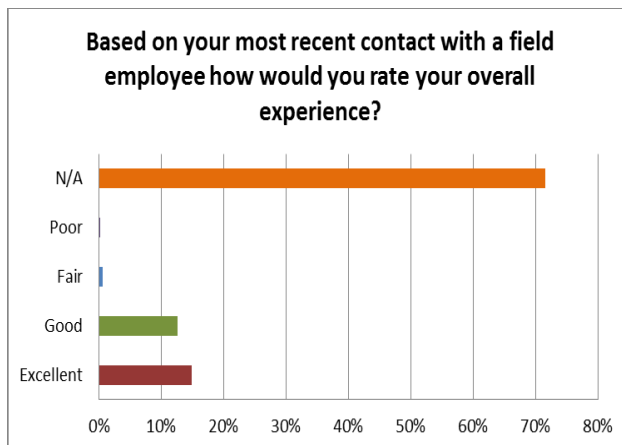
Wasaga Distribution had asked customers to indicate how their experience was with a company representative during their most recent contact. Overall of the 471 responses, 321 individuals indicated they had contact with a customer service representative, and 128 individuals indicated they had contact with a field employee. Overall, 95% customers rated the service from good to excellent.

Customers were also asked how approachable they felt Wasaga Distribution was as a company with approximately 80% indicated Wasaga Distribution as being approachable (pleasant, friendly, welcoming), with 2.2% (10 respondents) indicating that WDI is not approachable. The remaining respondents did not respond.

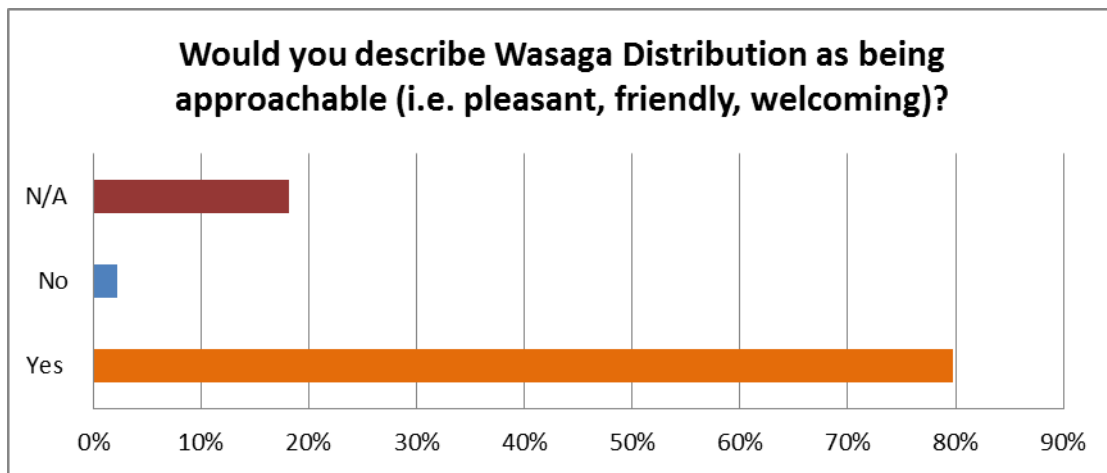
Customer Service Representative:



Field Employees:



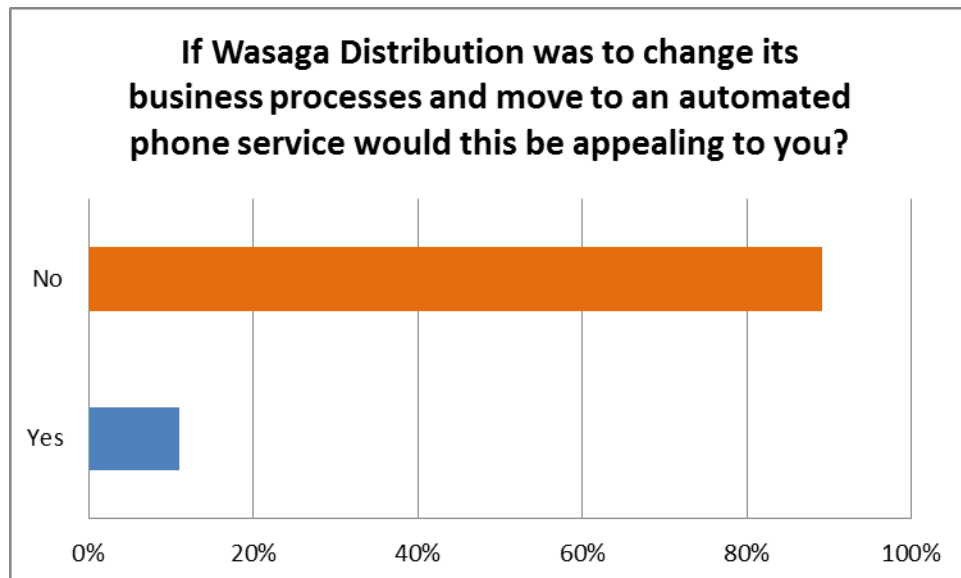
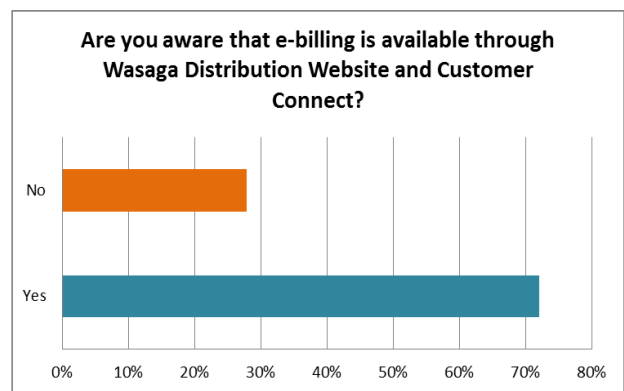
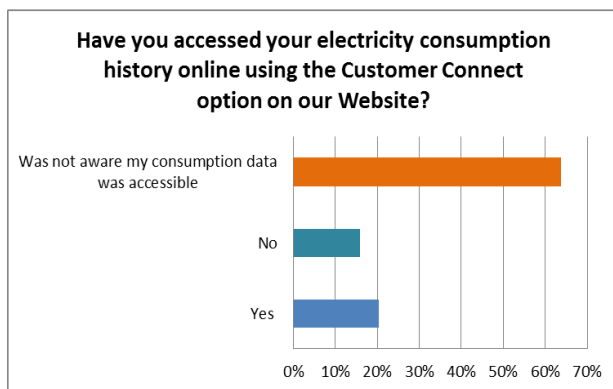
Overall:



Customer awareness of miscellaneous and online services

Residential customers were asked about their awareness of online services offered such as Customer Connect and Wasaga Distribution's E-billing service. Overall, 63.8% indicated that they were not aware that usage data was available through Customer Connect. However, 72.1% of customers indicated that they were aware of the E-billing service. This disparity is likely a result of Wasaga Distribution mailing of our e-billing inserts in conjunction with this survey.

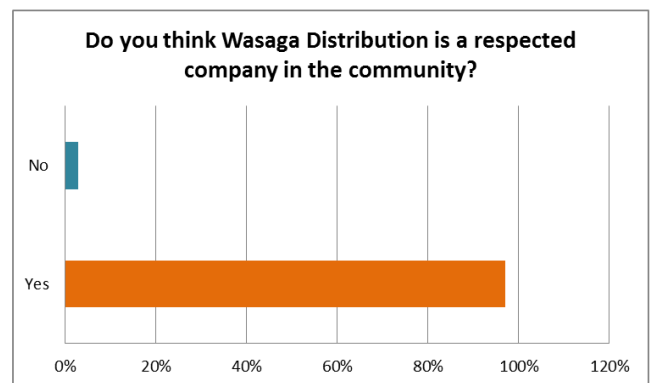
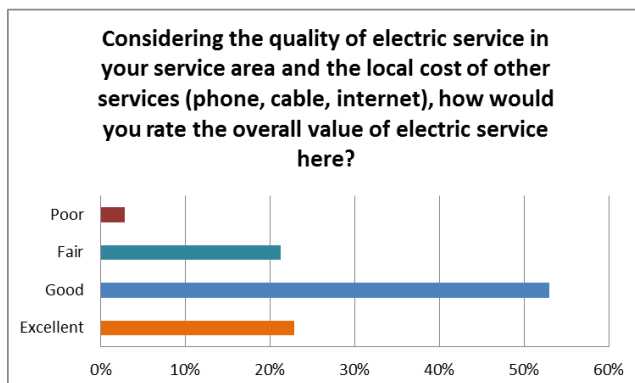
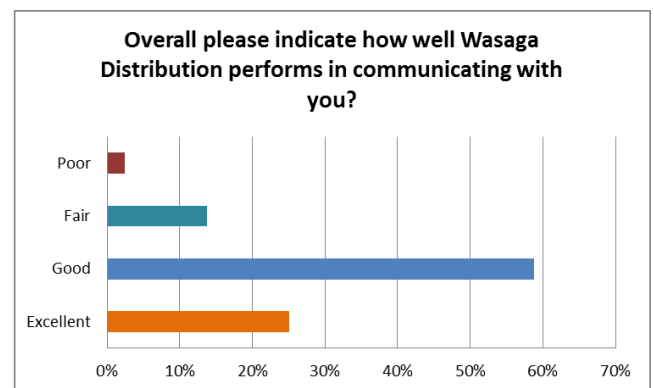
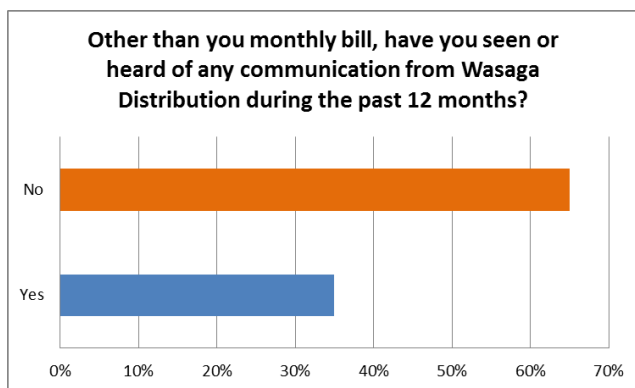
Furthermore, Wasaga Distribution's customers were asked if they would prefer Wasaga Distribution to move to an automated phone system in which approximately 90% said no.



Customer views on Overall Performance

Overall performance of the Utility was rated highly by residents with 97% of all respondents indicating that Wasaga Distribution is a respected company in the community, and 75% of all respondents indicating that they rate the overall value of their electric service from either good to excellent when compared to other services such as phone, cable, and internet.

Additionally, although only 35% of respondents indicated they had received some form of communication, beyond their regular monthly bill, 84% of respondents indicated that they believe Wasaga Distribution does a good to excellent job of communicating with them

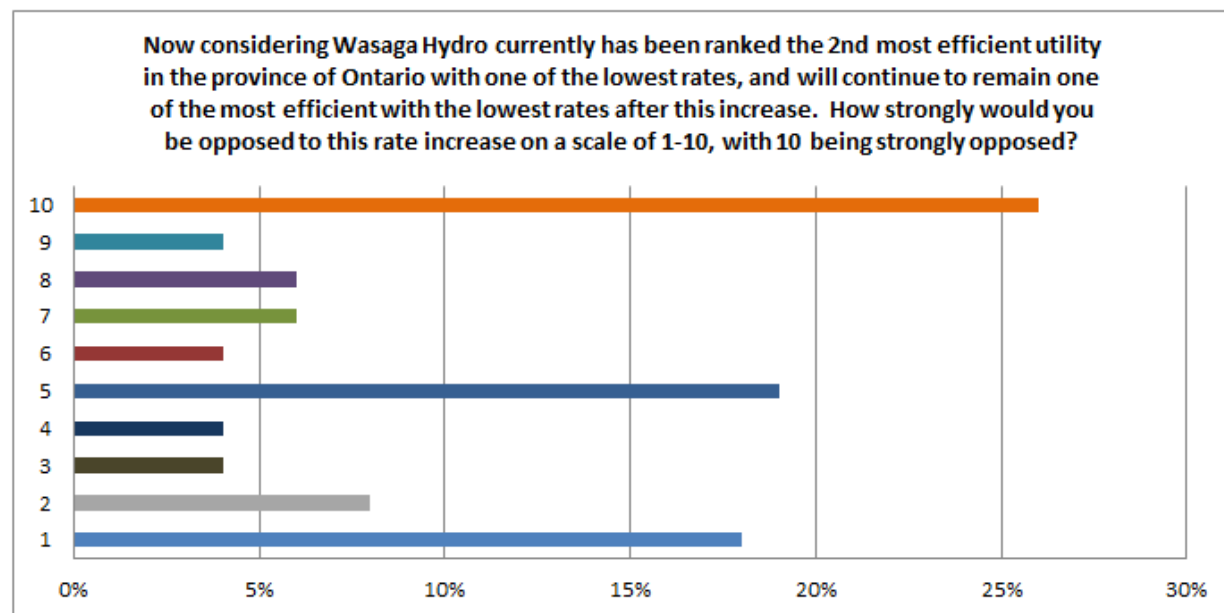
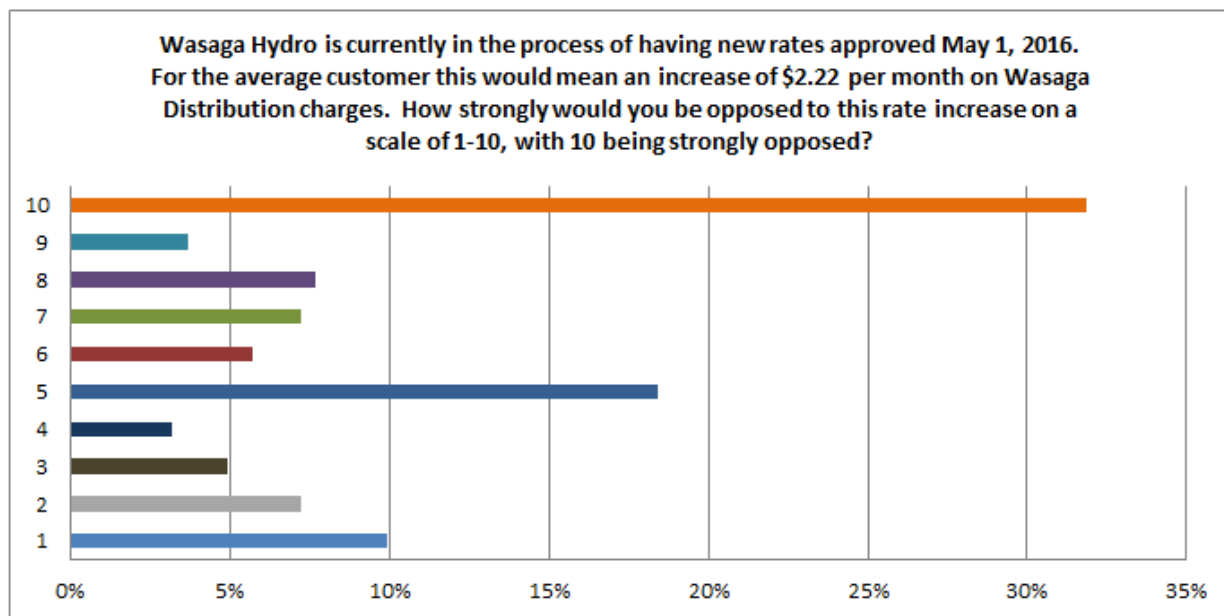


Furthermore, Wasaga Distribution asked customers what the most important aspect of service offered was. Cost of Energy and Reliability ranked as the most important. Respondents indicated that customer service and conservation initiatives were very important as well.

	Most Important	Fairly Important	Important	Slightly Important	Not At All	Total Respondents
Cost of your energy services	68.74% 321	24.63% 115	6.42% 30	0.64% 3	0.21% 1	467
Reliability	77.87% 366	18.09% 85	4.47% 21	0.00% 0	0.21% 1	470
Customer Service	37.31% 175	36.46% 171	21.54% 101	4.69% 22	0.43% 2	469
Conservation Initiatives	39.87% 187	30.49% 143	18.55% 87	9.59% 45	1.71% 8	469

Customer Input from Cost of Service Rate Increase (Secondary Survey)

Once Wasaga Distribution completed the first draft of the Cost of Service Application and determined that the estimated bill impact would be approximately \$2.22 increase on distribution charges for the typical residential customer; Wasaga Distribution asked for input regarding the increase.



Respondents were opposed to any increase, and most commonly noted was that they were on a fixed income. Although, Respondents were slightly more willing to accept an increase considering that Wasaga Distribution is considered one of the most efficient utilities in the province.

Customer Input

Wasaga Distribution allowed for open ended responses. This was to allow Wasaga Distribution in identifying trends that were of a concern to the respondents, and reflective of Wasaga Distribution's customer base.

Congratulatory Input:

"Great Company"

"I have been coming to the beach since I was a baby. I remember the hydro going out almost every rain storm. Now I cannot remember the last time the power went out"

"The field service staff is always approachable and professional, at least from our dealings with them. They are efficient and dependable in getting power restored in an outage. The office staff is very courteous, friendly and efficient."

Not So Congratulatory Input:

"A little disappointed in the PeakSaver Plus program. I had HOPE that the monitor provided would provide a complete overview of our electrical usage, and NOT simply that derived from heating/cooling."

"I am on a fixed income and find the increasing rates for electricity very disturbing. Hard to budget with the increasing cost of living."

"My only negative comment relates to the strict and "instant" collection procedure. My account is current, however, when I changed mailing addresses, I had to contact the office many times before it was changed, and therefore bills went missing. Also, when a payment is delayed by a few days (I only pay bills once a month) I get threatening letters within days of a missed due date - total waste of postage and time and when I called about it was told the letters are generated by computer and automatic. Does not seem to fit with the overall service position."

Overall:

The comments were positive, however, customers were very clear on the increase in cost of the electricity service and the impact that this has on their budget. Respondents also commented on WDI's "quick" collection process, the difficulty in using WDI's website to sign up for e-billing and customer connect.

Recommendations

Customer Views on Cost of Electricity:

Wasaga Distribution is aware of the impact on the cost of electricity to our customers. However, it is apparent, through multiple engagements that customers are not familiar with what WDI can control.

While Wasaga Distribution will continue to strive for operational excellence, it is suggested that customer education is enhanced to ensure future input provides the best value possible.

Customer Views on Reliability:

Wasaga Distribution received positive feedback on reliability performance. However, through Wasaga Distributions Asset Condition Assessment, it was identified that Wasaga Distribution's System is old, and significant system renewal is forecasted. Wasaga Distribution plans to enhance the testing of their assets to optimize their useful lives, while incorporating a robust replacement program ensuring that capital expenditures are aligned with historical spending trends to meet customer expectations of maintaining a reliable system and controlling costs.

Customer Payment Options:

Wasaga Distribution offers many options for payment. Recently Wasaga Distribution addressed customers concerns with the addition of a chartered bank for online banking. However, customers have asked about automatic credit card withdrawals being included as a payment option. Unfortunately this is not a recommended solution as the costs could be significant and Wasaga Distribution would see only limited benefits forecasted from reducing account write offs.

Customer Views on Customer Service:

Overall, Wasaga Distribution received positive feedback on customer service with over 95% over respondents indicating a good to excellent experience with either a customer service representative or a field employee. Enhancing processes and maintaining current employee education will ensure continued success in this area.

Customer Awareness:

Wasaga Distribution would benefit from increased customer education and outreach to all customers. Wasaga Distribution has indicated during their 2016 Cost of Service application that we will be reaching out to service groups and incorporating and communicating with customers through more bill inserts. However, 85% of customers do feel that Wasaga Distribution is communicating appropriately with them. Wasaga Distribution is forecasting investing into upgrading their website.

Customer Views on Overall Performances:

Overall, WDI received positive feedback from most of its customers with 97%of respondents indicating that they feel Wasaga Distribution is a respected member of the community. Wasaga Distribution is encouraged to maintain current levels of customer satisfaction through enhanced education.

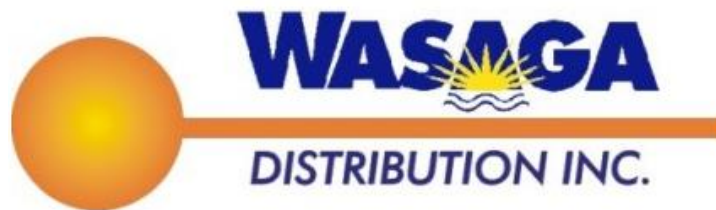
Attachment C – Utility Pole Inspection Report

This page left intentionally blank.



Utility Pole Inspection Report

Prepared for:
Wasaga Distribution Inc.



Approved by:

© Essex Energy Corporation

1. Summary

Client: Wasaga Distribution Inc.

This document contains all graphical results for poles that failed the resistograph inspection for internal decay and cavities. Poles that contained less than 36% decay and 16% cavities passed the inspection; poles containing between 36-59% decay and 16-20% cavities Marginally Passed the inspection, and poles containing greater than 59% decay or 20% cavities failed the inspection.

Essex Energy performed a Resistograph Inspection on three hundred and ninety-six (396) wood poles from October 27th, 2015 to November 17th, 2015.

Summary of Findings:

- Four hundred and one (401) poles were Externally Tested
- Three hundred and fifty-seven (357) poles Passed the Resistograph Test
- Two (2) poles Marginally Passed the Resistograph Test
- Thirty-Seven (37) poles Failed the Resistograph Test
- Five (5) poles were unable to safely access for the Resistograph Test

The results for all Resistograph Testing and External Pole Testing are contained in a Microsoft Excel (.xlsx) spreadsheet titled Resistograph and External Inspection Results. The External Pole Test included Essex Energy identifying poles for testing and performing a visual inspection to identify pole condition issues, vegetation issues, and and guying issues. Essex Energy considered any vegetation that was within 5 feet of Primary cable or in contact with a Secondary cable as a Vegetation Issue. The external pole test also included a standard hammer sound test on each pole.

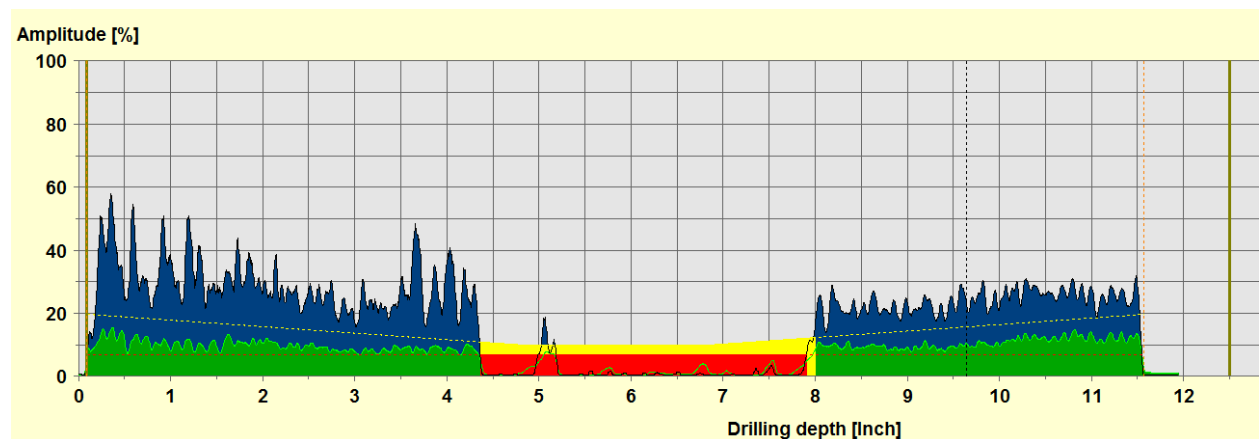
Essex Energy performed an External Pole Test on four hundred and one (401) wood poles from October 27th, 2015 to November 17th, 2015.

2. Interpreting the Graphs

The Resistograph Inspection result is displayed in a graph which gives a clear indication of sections inside of the pole that pass, marginally pass, or fail. Interpretation of these graphs is beneficial to understand the severity of the defects found inside each pole. The internal defects of decay and cavities are displayed in the graphs as is the location and size of these defects.

Essex Energy performs three drill tests on each pole. The first drill test (Test #1) is drilled parallel to the ground at waist height and is used to measure the diameter of the pole. The second and third drill tests (Test #2, Test #3) are drilled at a thirty (30) degree angle downward from the base of pole. The purpose of the second and third drill test is to measure the amount of decay and cavities in the pole below ground level.

Example 1 - Resistograph Graph:



Interpretation:

- The green area indicates a section of the pole that passes the decay and cavity tests.
- The x-axis describes the needle depth into the pole in inches.
- The yellow area indicates a section of the pole that fails the decay test.
- The red area indicates a section of the pole that fails the cavity test.

Example 2 – Summary Table

POLE ID	11825
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

Interpretation:

- POLE ID - identification number of the pole as identified in the map of poles provided by the customer
- DATE OF INSPECTION - indicates the date that the inspection was performed.
- OVERALL RESULT – indicates the overall result of the Resistograph Pole Inspection for a pole. The result of all three (3) drill tests contributes to this overall result. If one of the two underground drill tests detected a decay OR cavity level above their respective thresholds (greater than 59% decay OR greater than 20% cavity), the overall result is a fail.
- POLE DIAMETER – diameter of the pole. This value is measured by the horizontal drill test (Test #1).

Example 3 – Underground Drill Tests

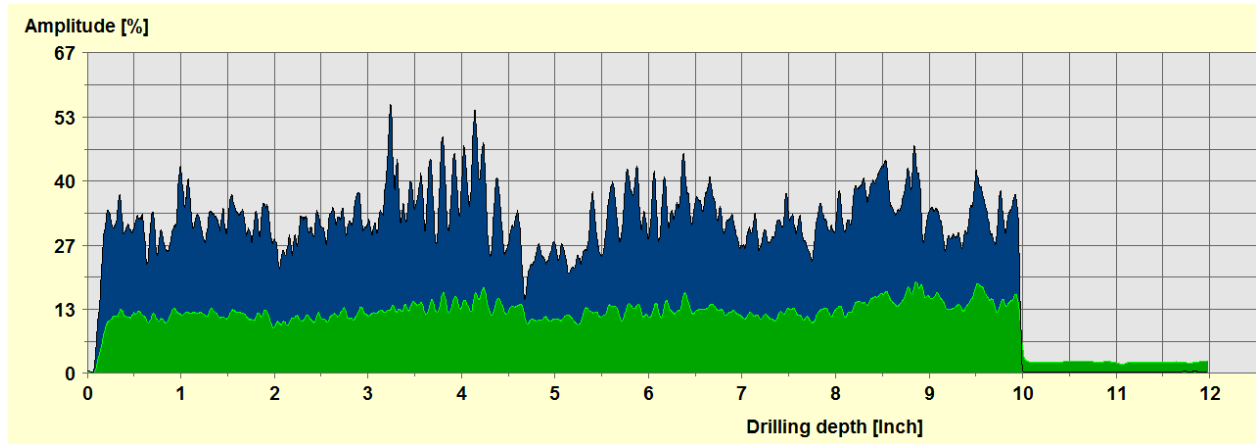
	Decay Detection	Cavity Detection	Result
Test #2	63%	62%	FAIL
Test #3	42%	37%	FAIL

Interpretation:

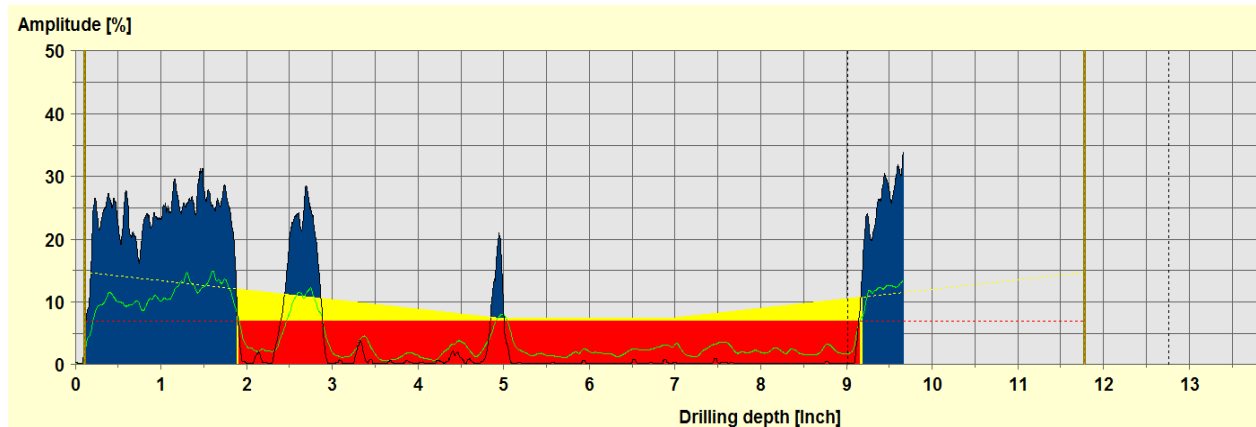
- Decay Detection – the percentage of the pole that contained decay.
- Cavity Detection – the percentage of the pole that contained cavities.
- Result – the result of the individual drill tests (not the overall result of the 3 drill tests).

POLE ID	11825
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

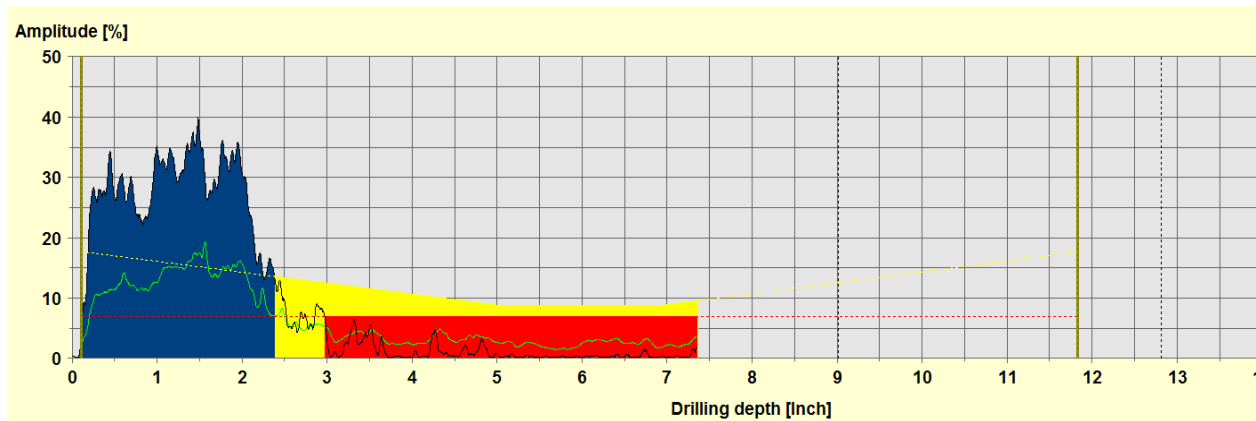
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



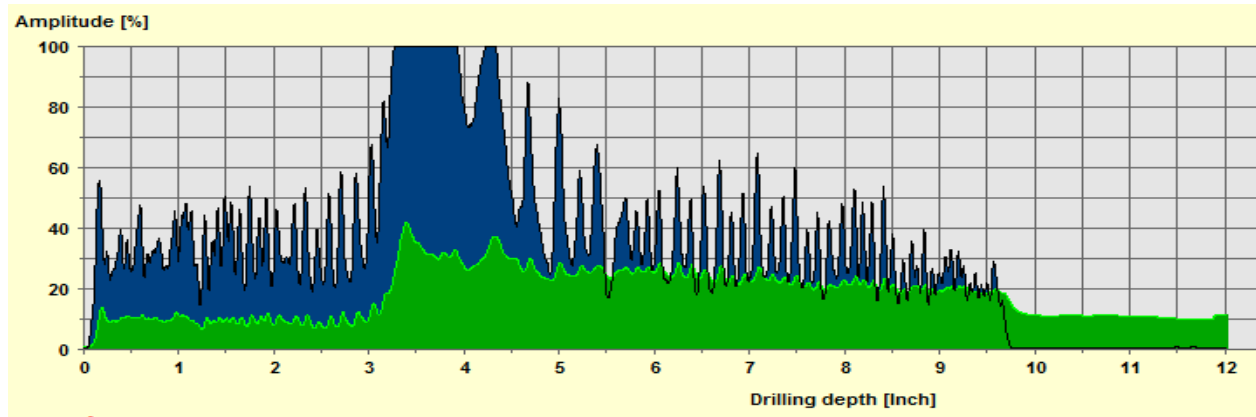
Test #3 – underground test at 30° angle



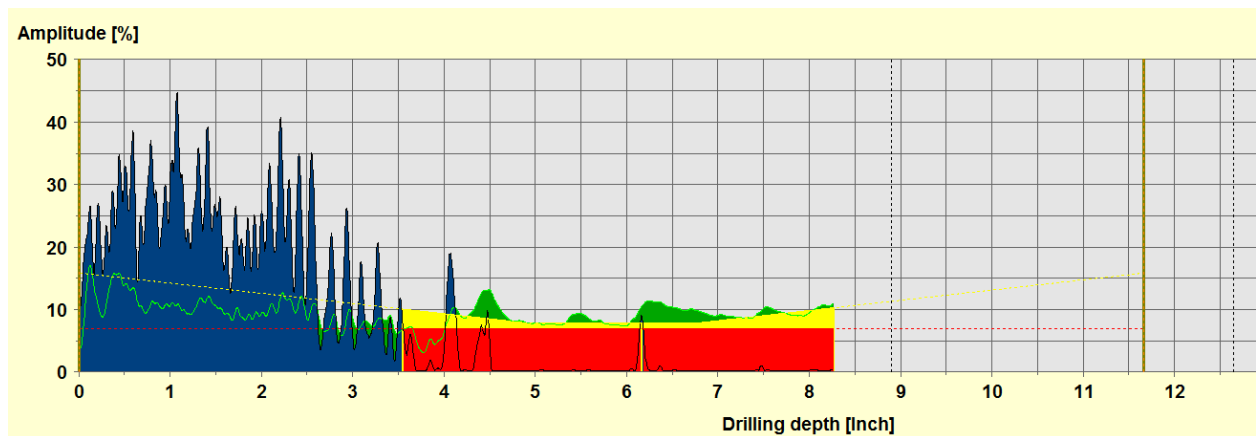
	Decay Detection	Cavity Detection	Result
Test #2	63%	62%	FAIL
Test #3	42%	37%	FAIL

POLE ID	11849
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

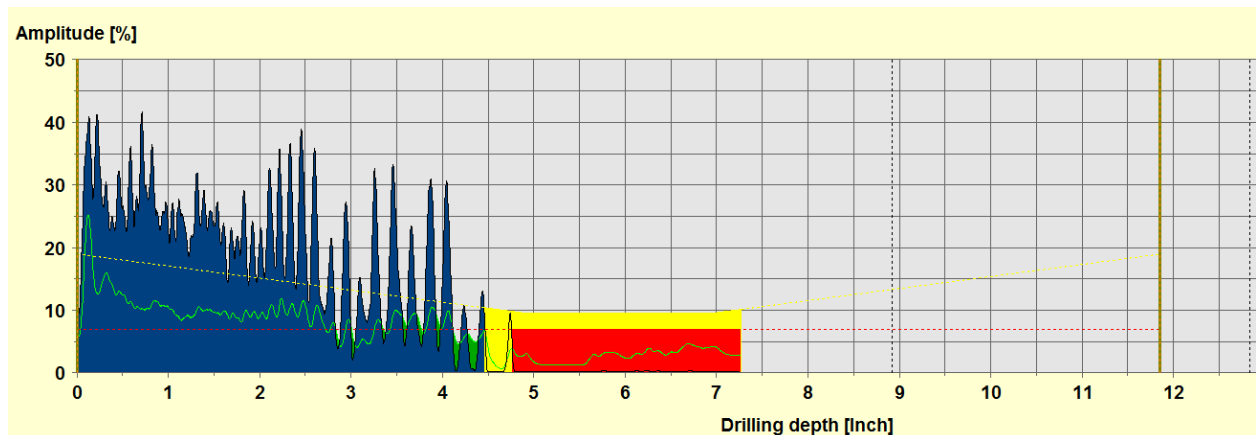
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



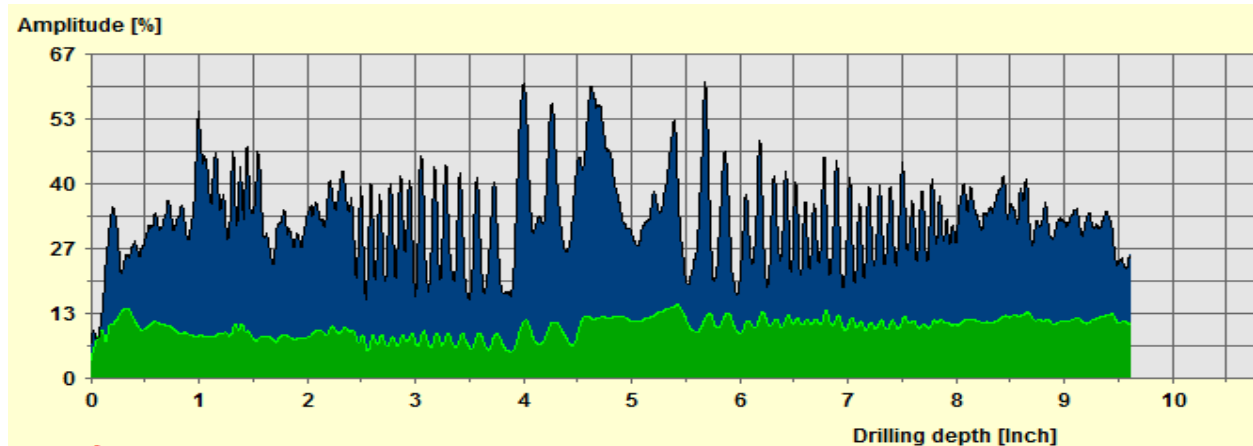
Test #3 – underground test at 30° angle



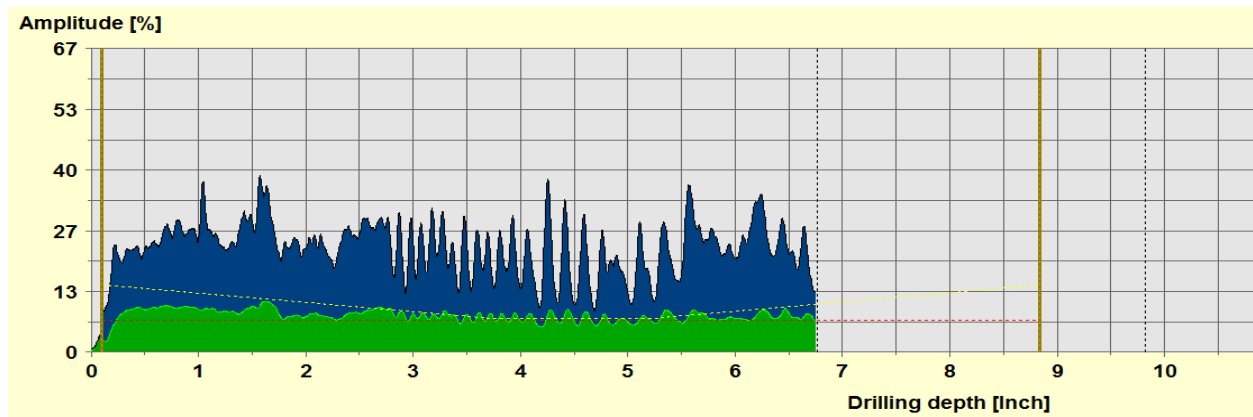
	Decay Detection	Cavity Detection	Result
Test #2	40%	40%	FAIL
Test #3	24%	21%	FAIL

POLE ID	11866
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

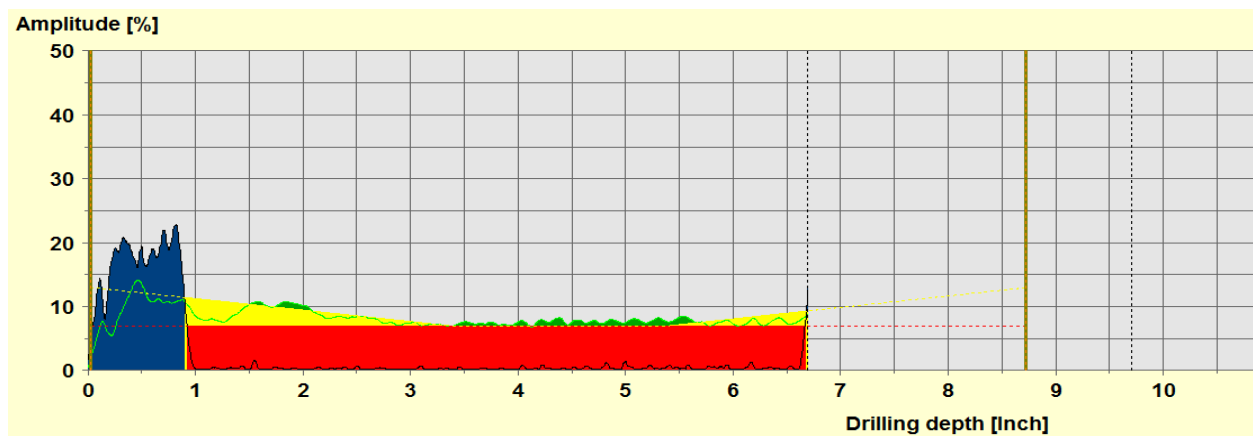
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



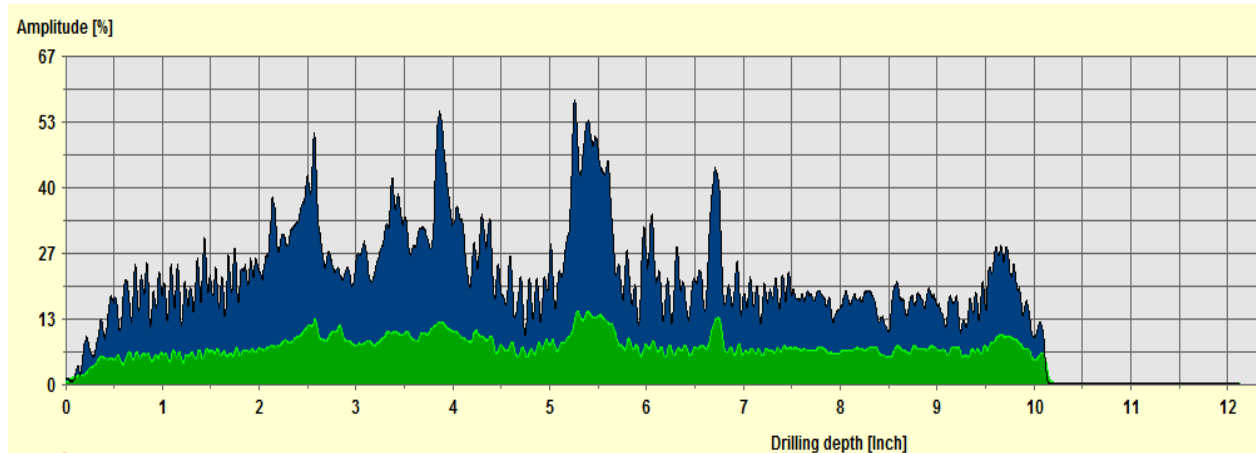
Test #3 – underground test at 30° angle



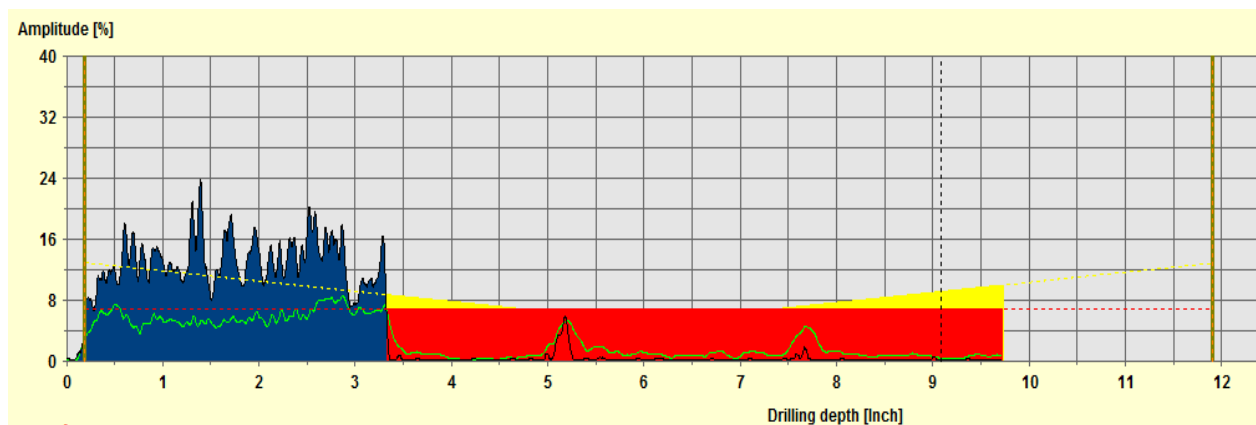
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	67%	66%	FAIL

POLE ID	11882
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

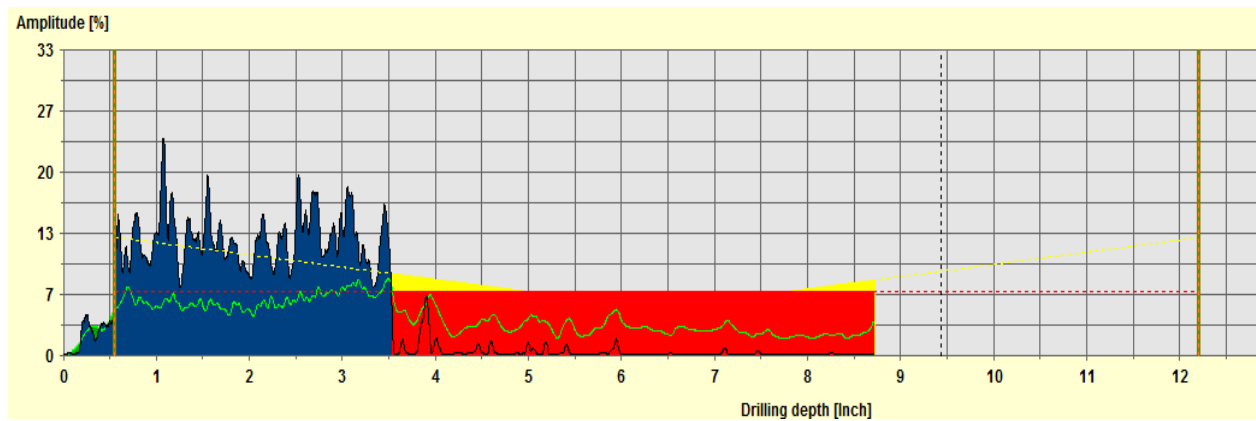
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



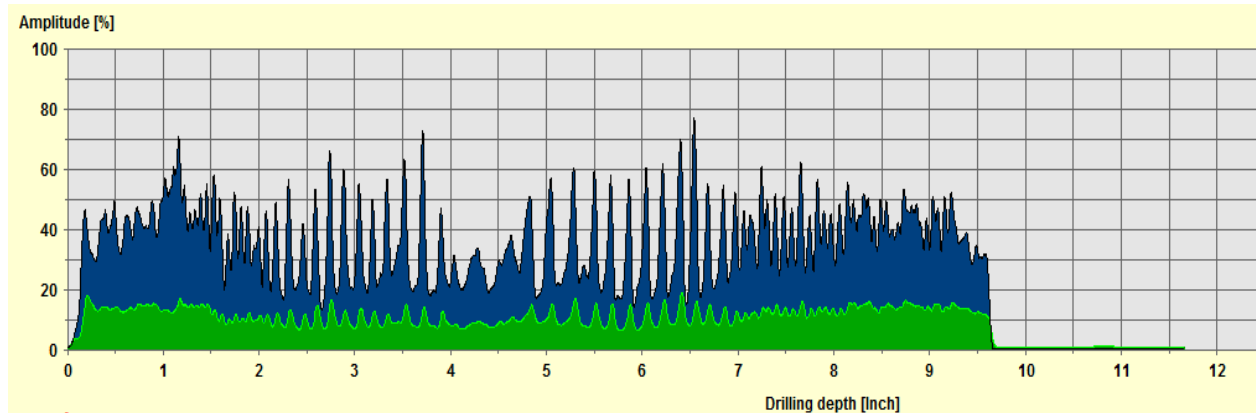
Test #3 – underground test at 30° angle



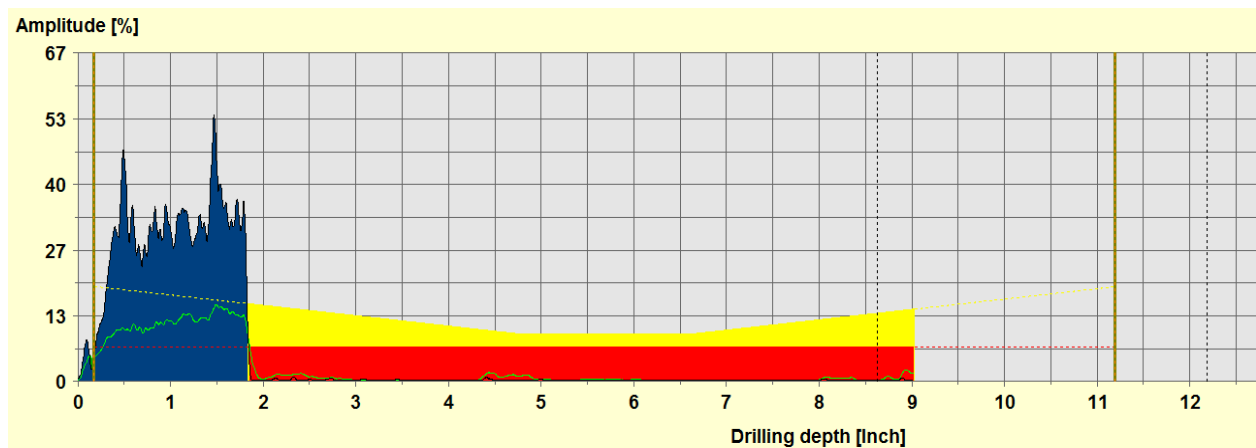
	Decay Detection	Cavity Detection	Result
Test #2	55%	55%	FAIL
Test #3	45%	45%	FAIL

POLE ID	11898
DATE OF INSPECTION	11/17/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

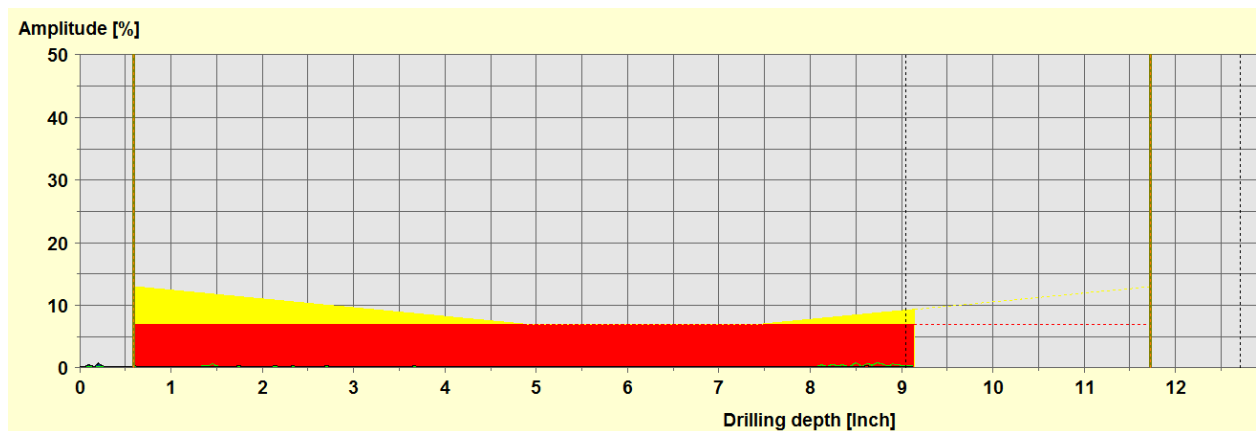
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



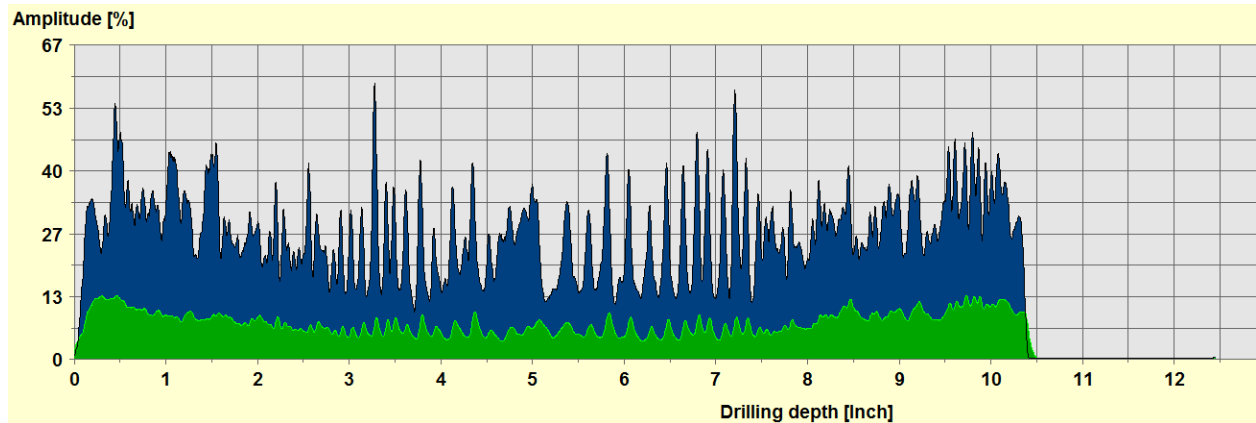
Test #3 – underground test at 30° angle



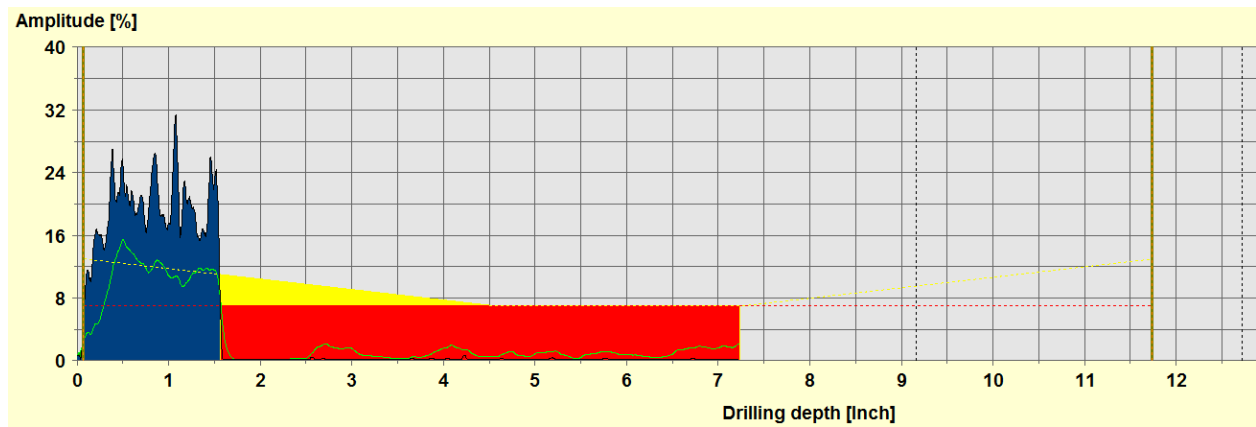
	Decay Detection	Cavity Detection	Result
Test #2	65%	65%	FAIL
Test #3	77%	77%	FAIL

POLE ID	11950
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.2"

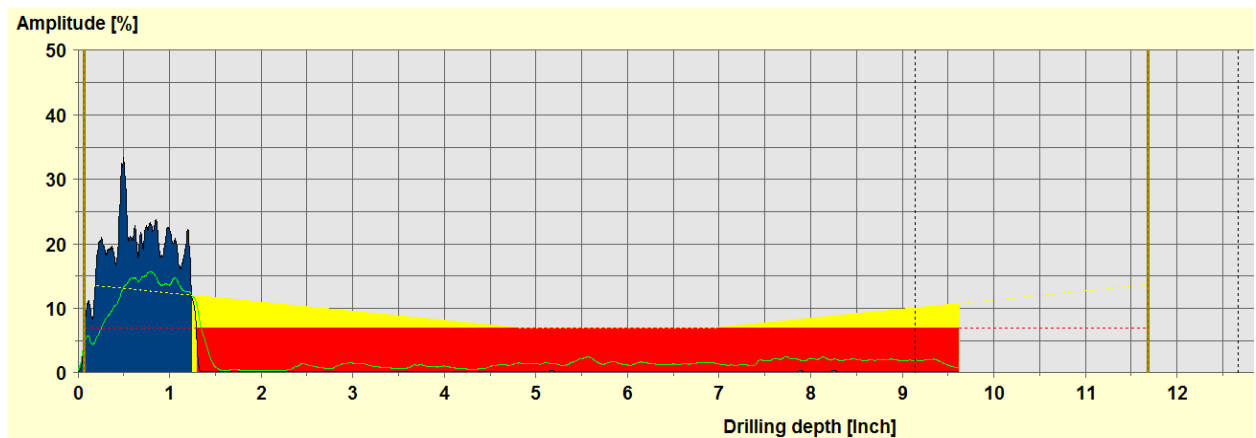
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



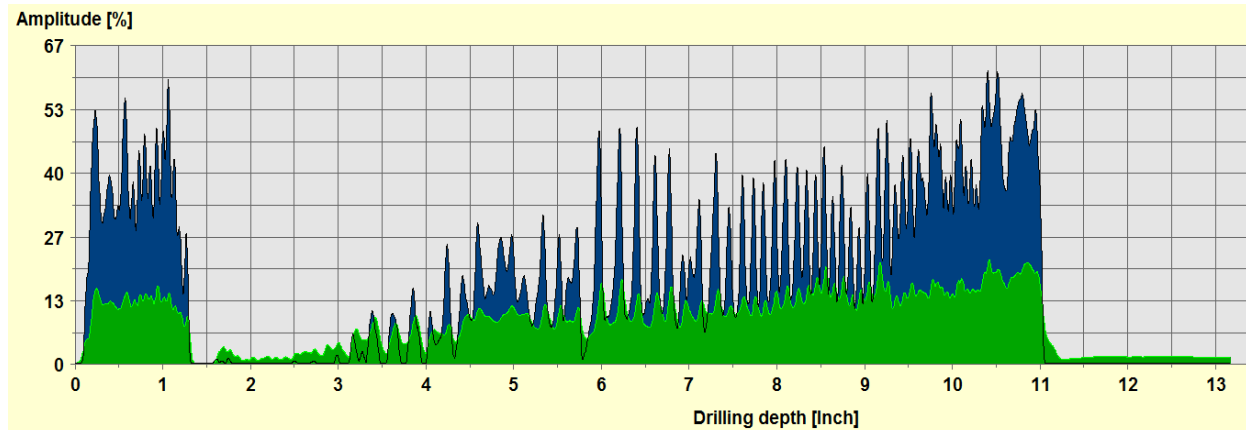
Test #3 – underground test at 30° angle



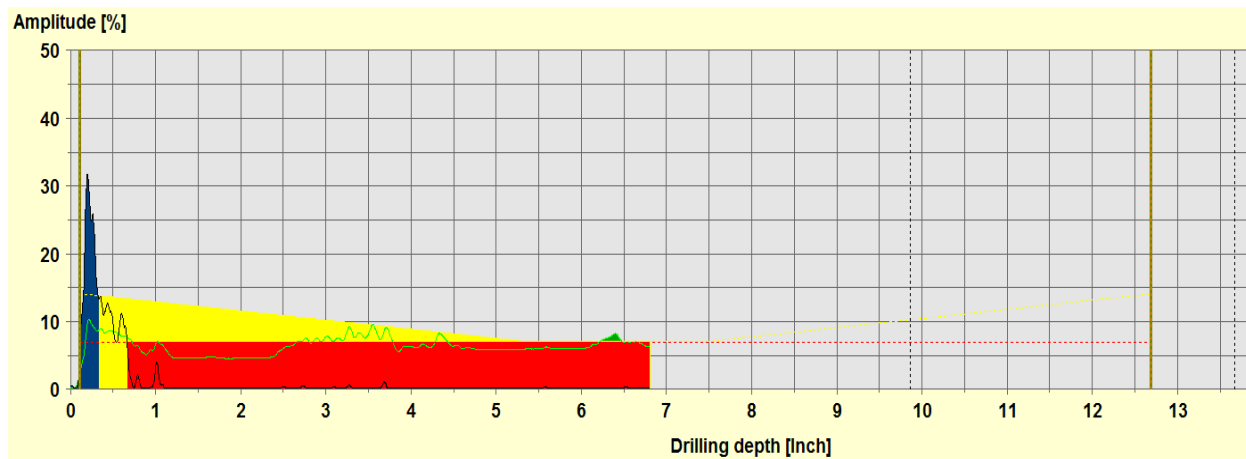
	Decay Detection	Cavity Detection	Result
Test #2	49%	49%	FAIL
Test #3	72%	72%	FAIL

POLE ID	11971
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	11.0"

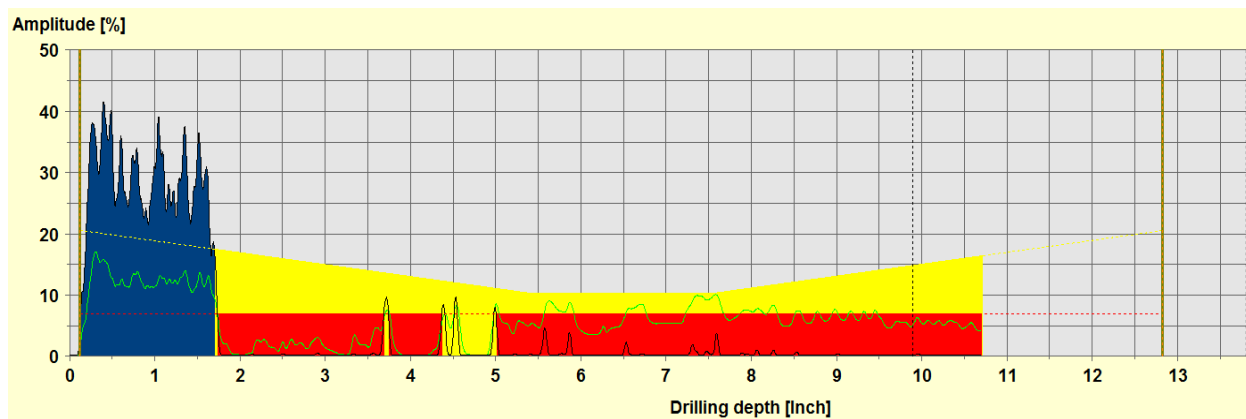
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



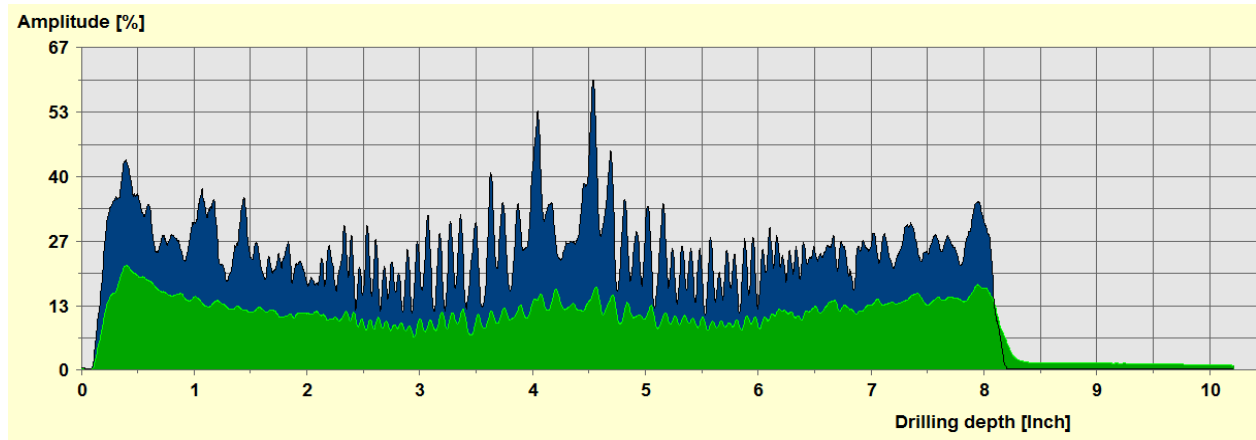
Test #3 – underground test at 30° angle



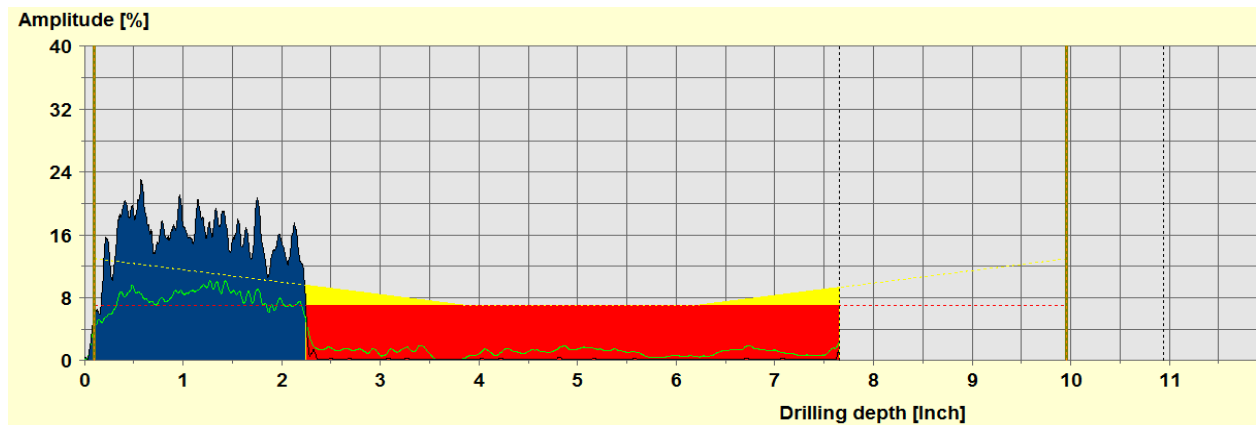
	Decay Detection	Cavity Detection	Result
Test #2	52%	49%	FAIL
Test #3	71%	65%	FAIL

POLE ID	11973
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.5"

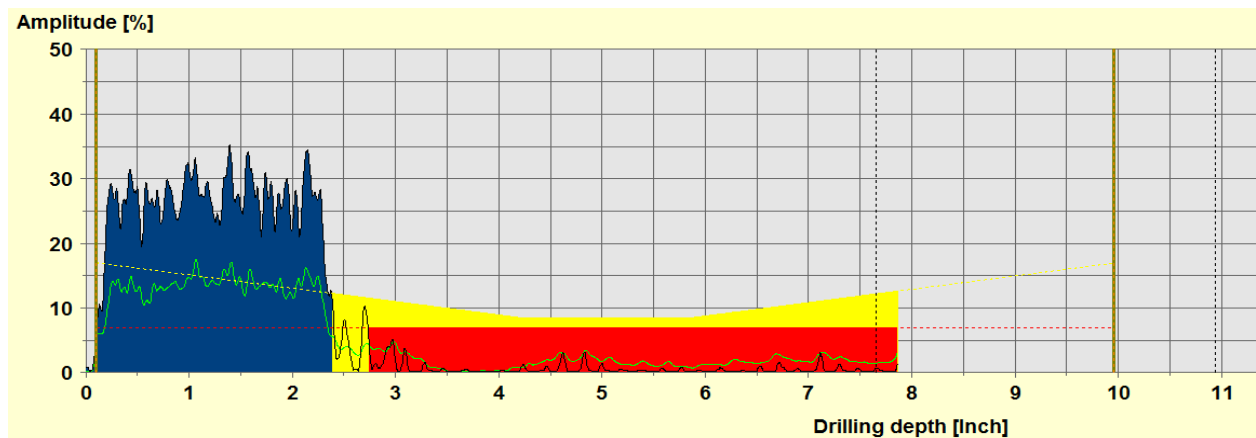
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



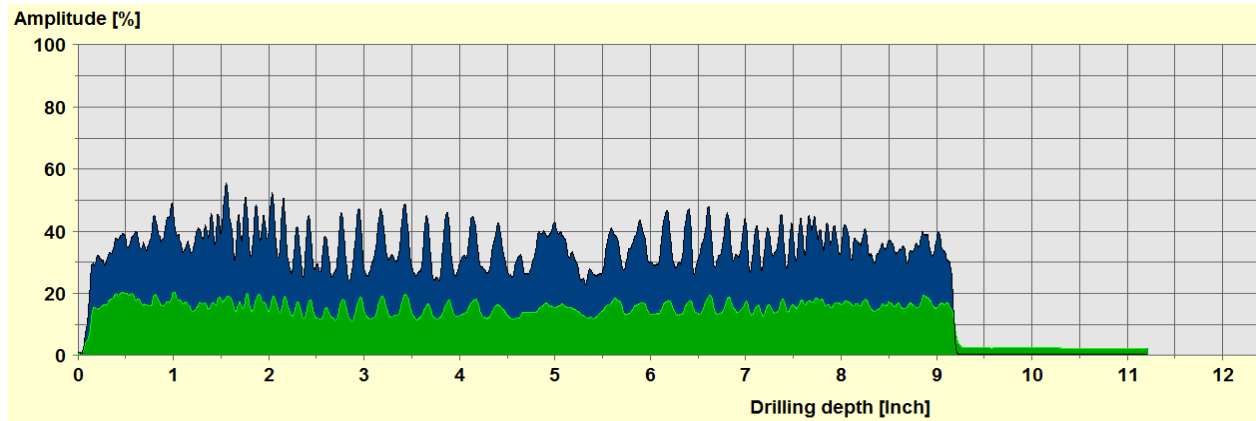
Test #3 – underground test at 30° angle



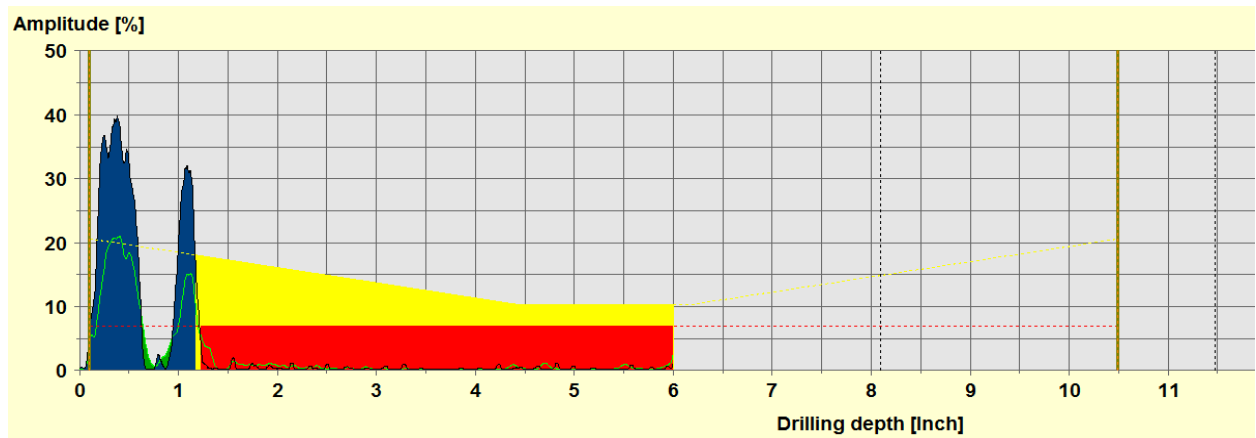
	Decay Detection	Cavity Detection	Result
Test #2	55%	55%	FAIL
Test #3	56%	52%	FAIL

POLE ID	11976
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.0"

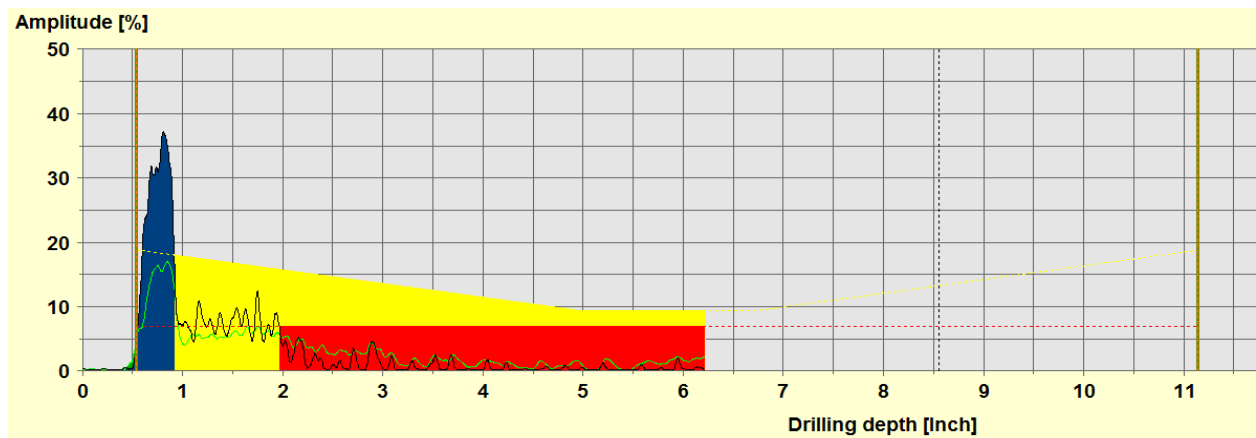
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



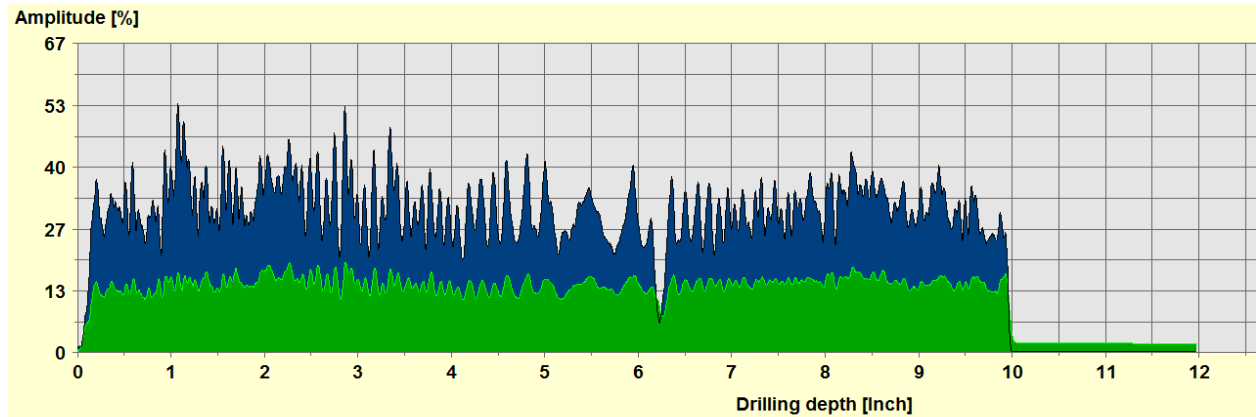
Test #3 – underground test at 30° angle



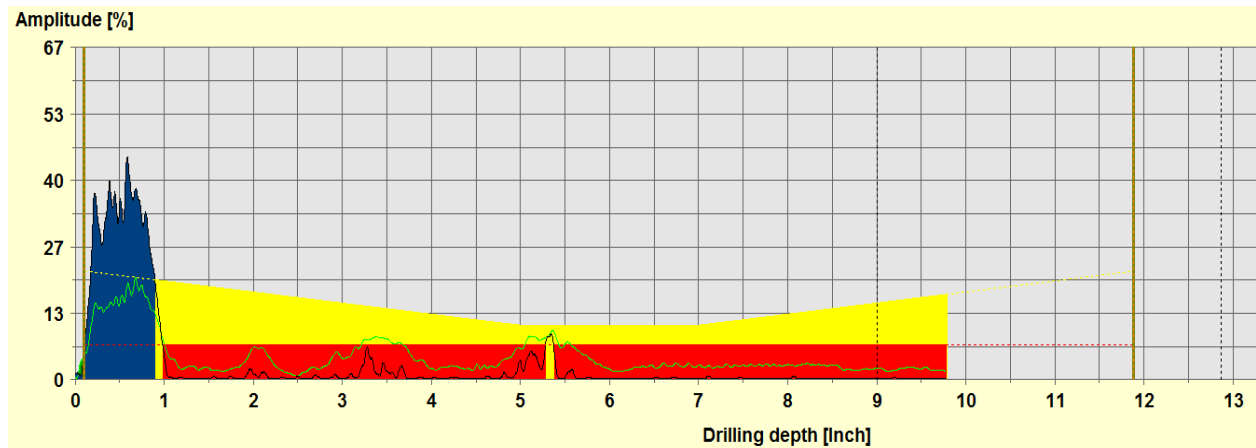
	Decay Detection	Cavity Detection	Result
Test #2	47%	46%	FAIL
Test #3	50%	40%	FAIL

POLE ID	12006
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

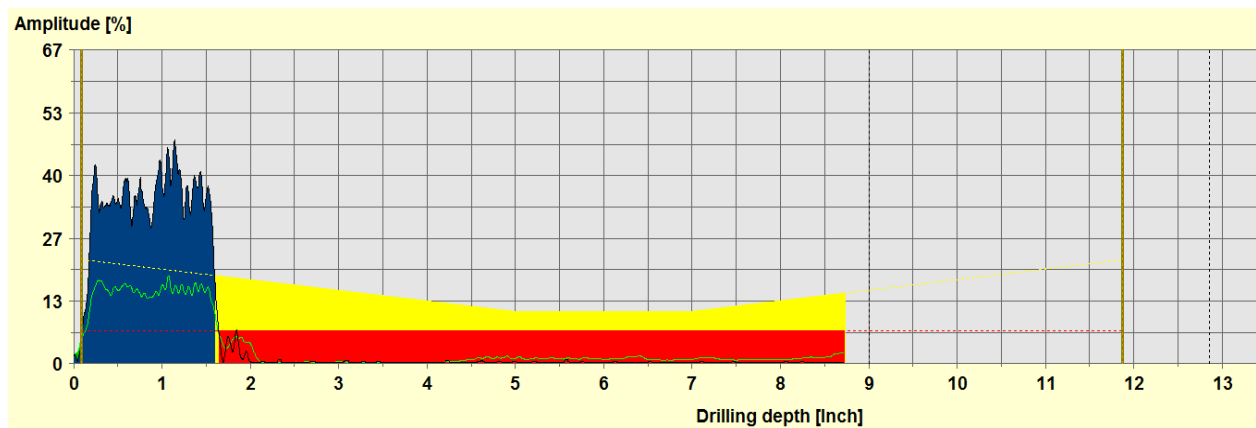
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



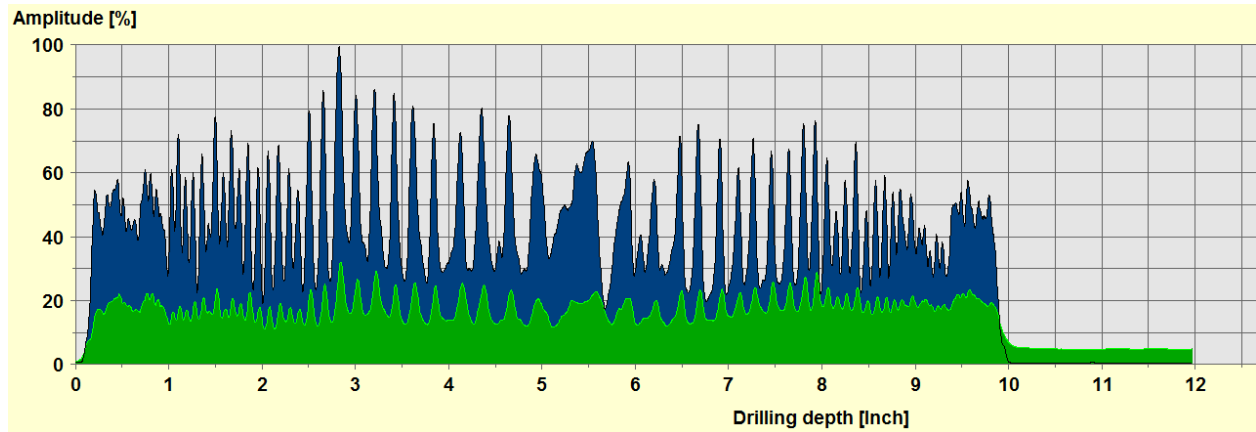
Test #3 – underground test at 30° angle



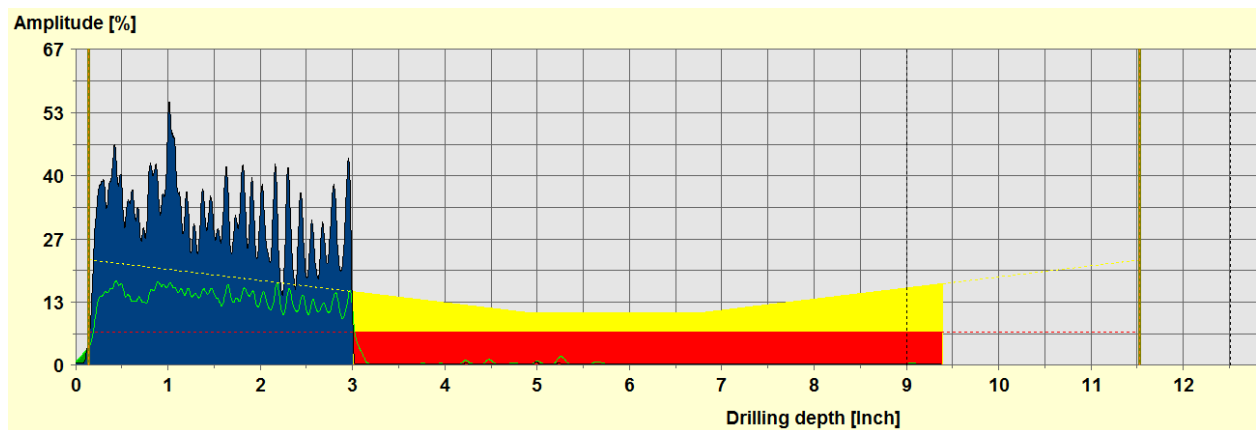
	Decay Detection	Cavity Detection	Result
Test #2	75%	74%	FAIL
Test #3	61%	60%	FAIL

POLE ID	12028
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

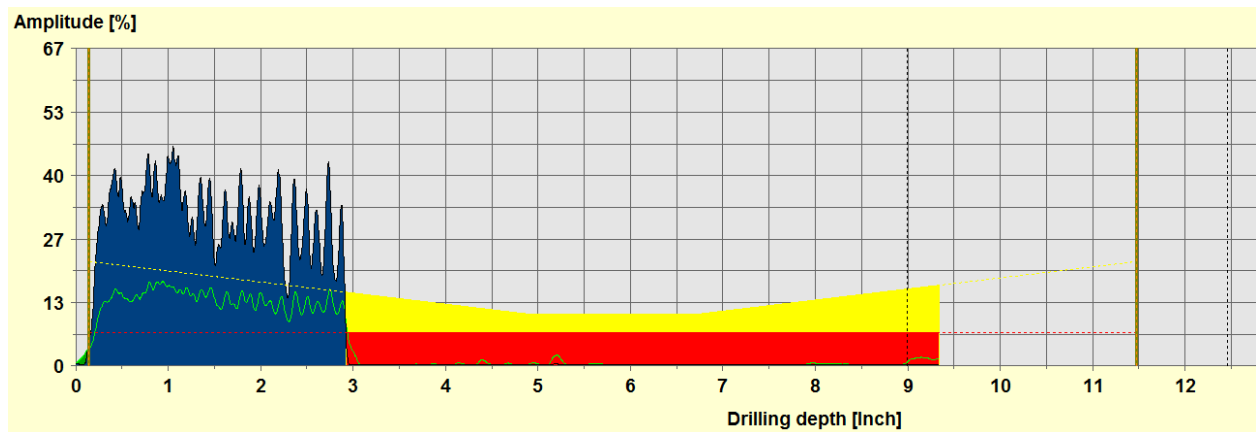
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



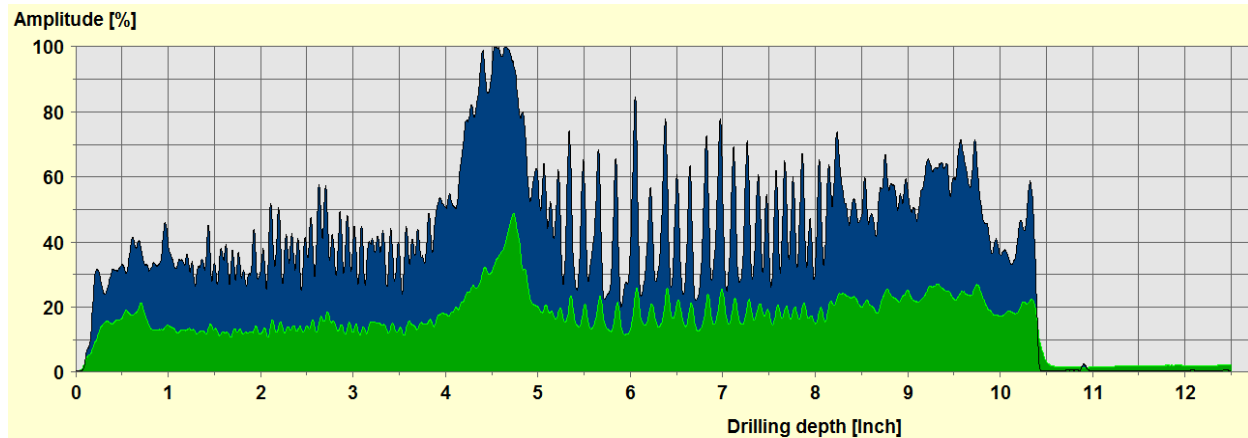
Test #3 – underground test at 30° angle



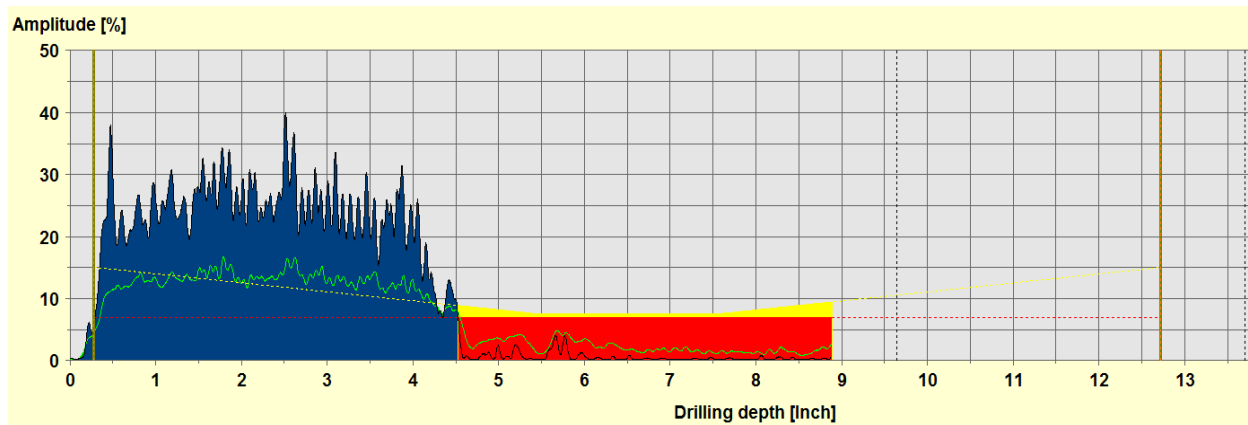
	Decay Detection	Cavity Detection	Result
Test #2	56%	56%	FAIL
Test #3	57%	57%	FAIL

POLE ID	12041
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.5"

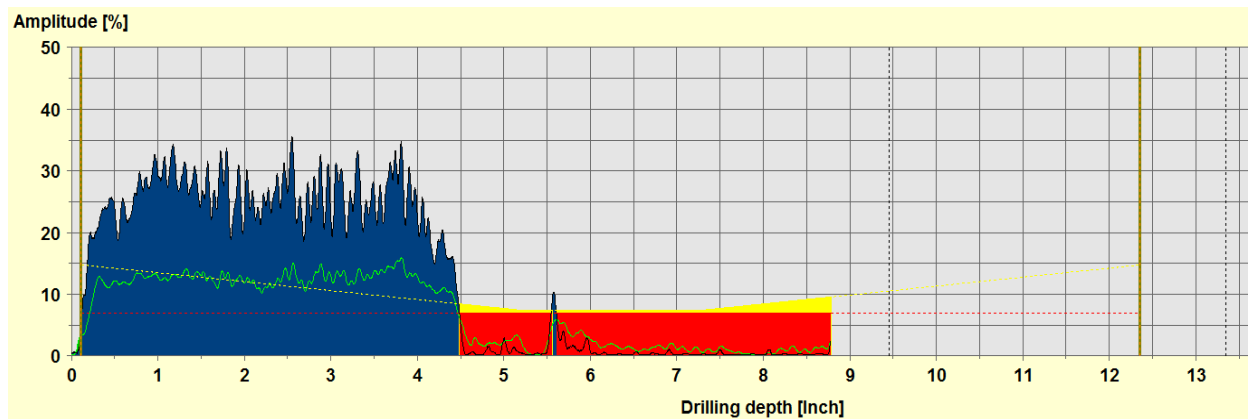
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



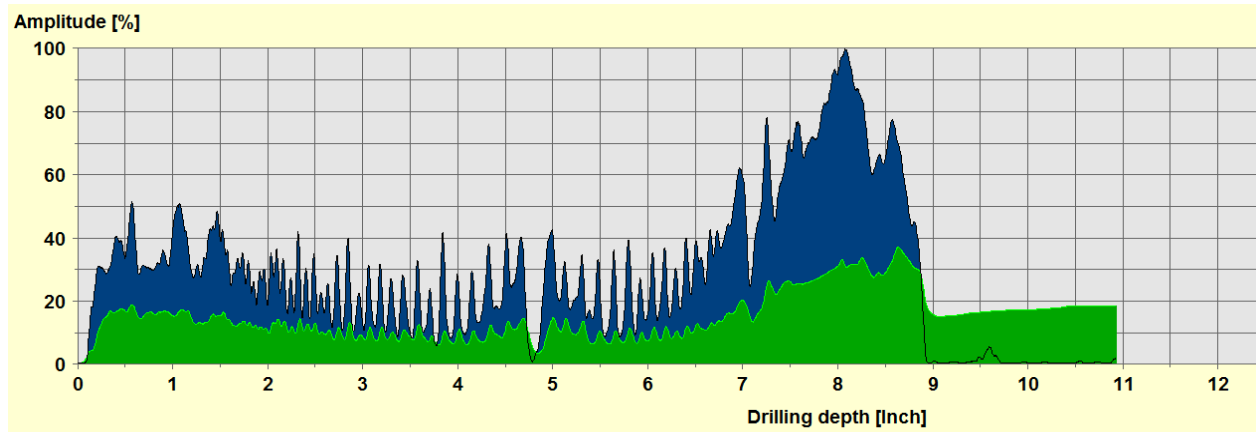
Test #3 – underground test at 30° angle



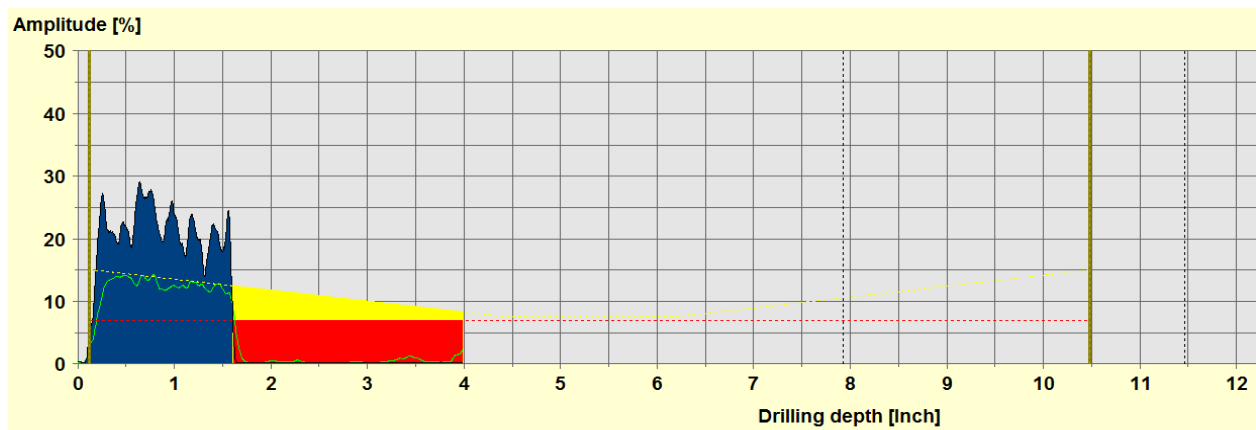
	Decay Detection	Cavity Detection	Result
Test #2	35%	35%	FAIL
Test #3	35%	35%	FAIL

POLE ID	12045
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.7"

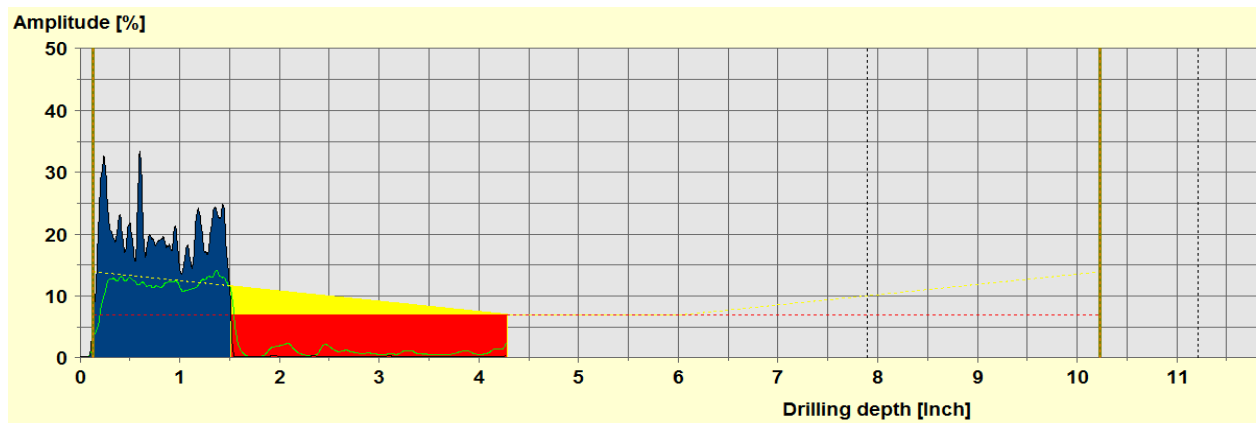
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



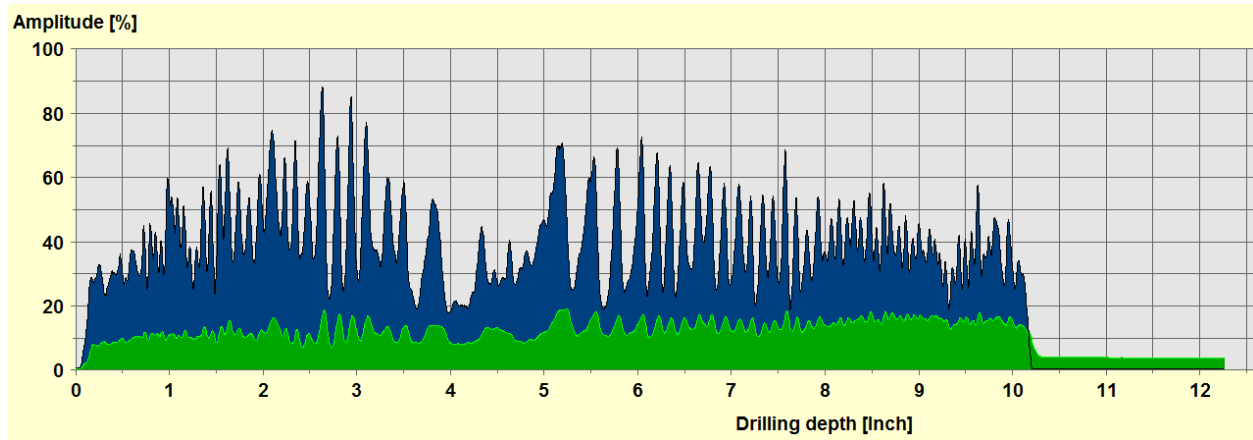
Test #3 – underground test at 30° angle



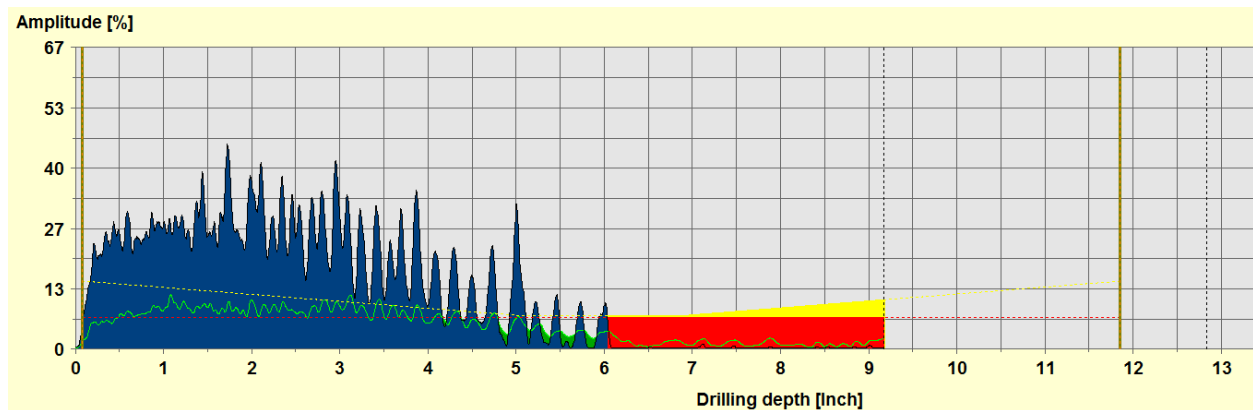
	Decay Detection	Cavity Detection	Result
Test #2	23%	23%	FAIL
Test #3	27%	27%	FAIL

POLE ID	12050
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.2"

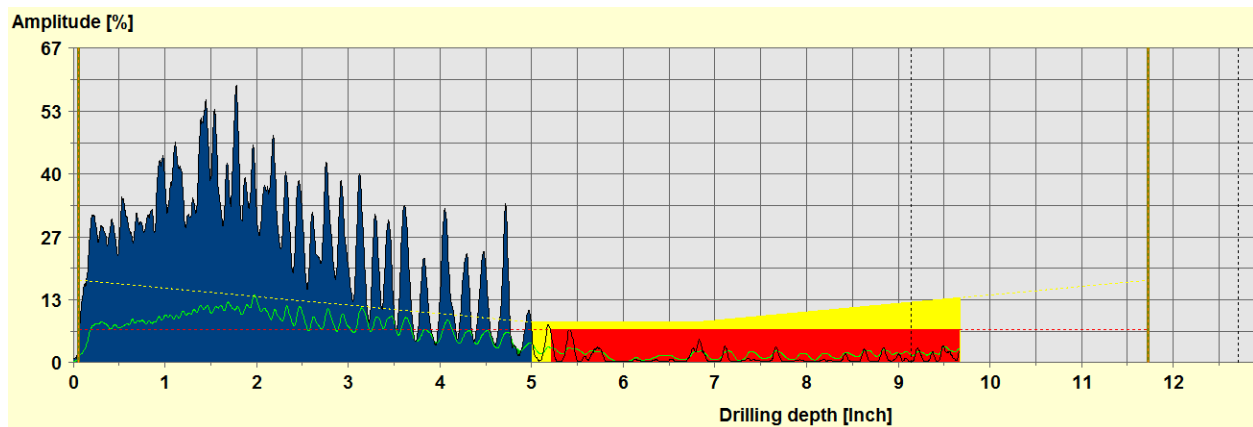
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



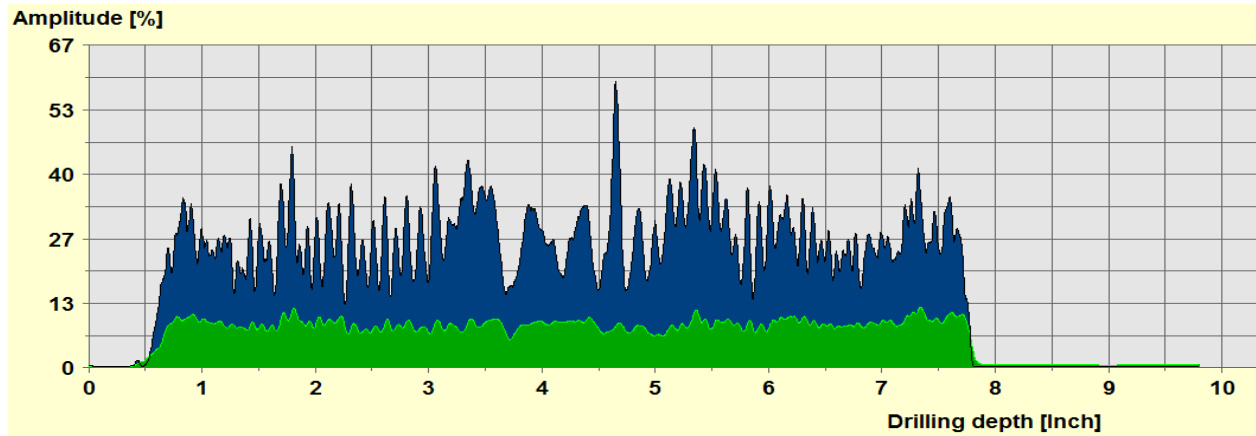
Test #3 – underground test at 30° angle



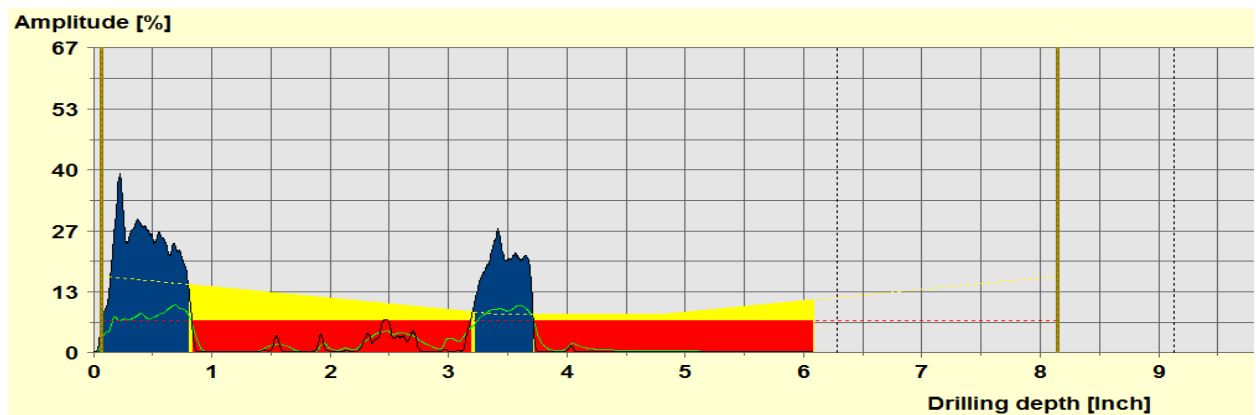
	Decay Detection	Cavity Detection	Result
Test #2	27%	27%	FAIL
Test #3	40%	38%	FAIL

POLE ID	12053
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	7.0"

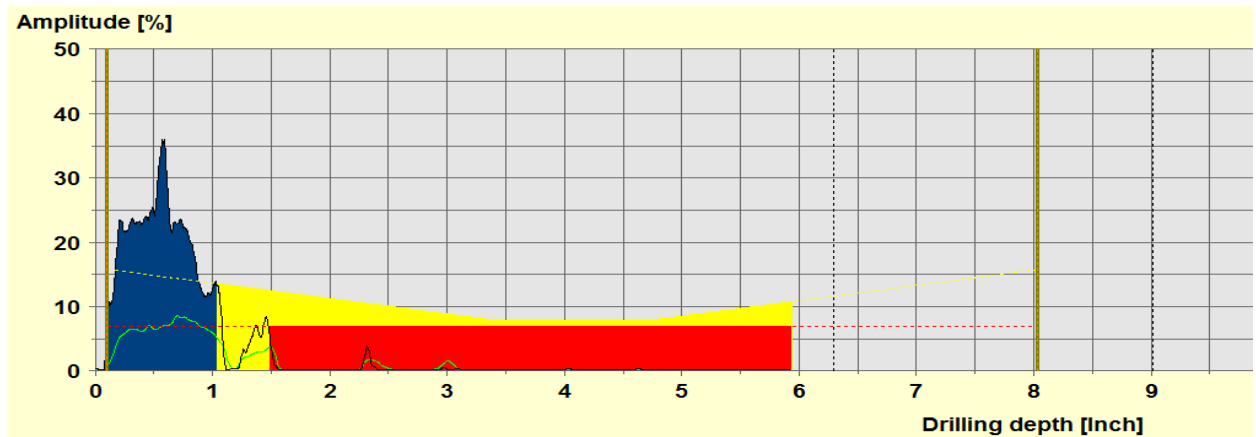
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



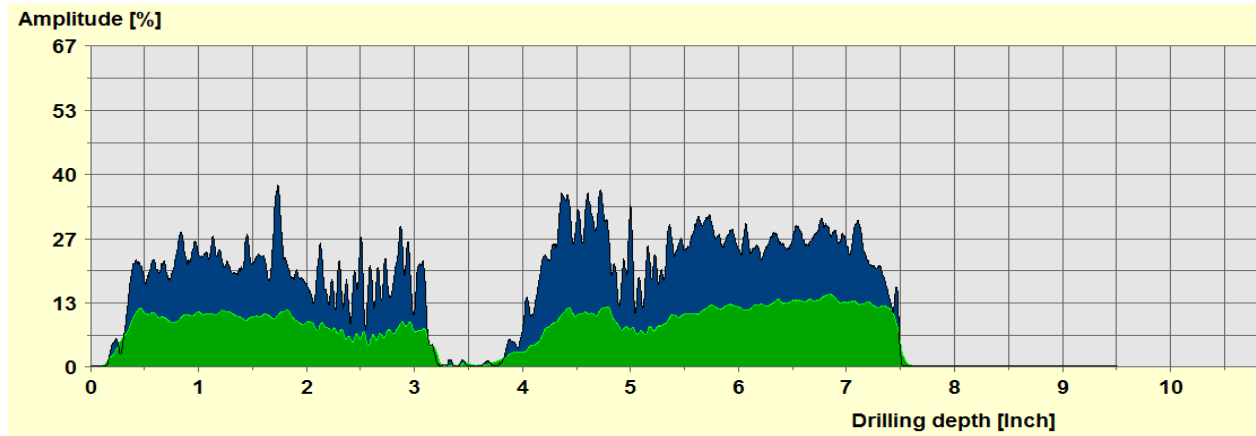
Test #3 – underground test at 30° angle



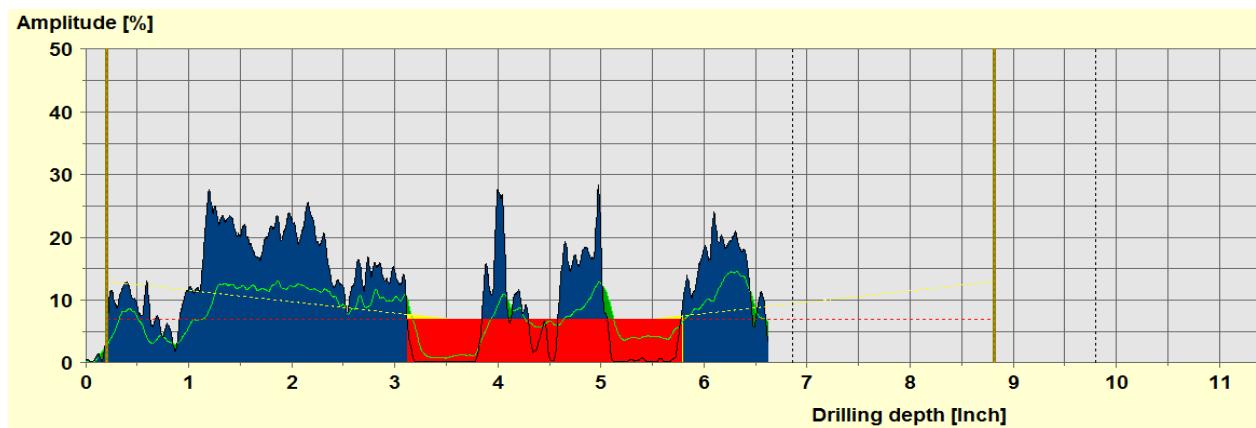
	Decay Detection	Cavity Detection	Result
Test #2	59%	59%	FAIL
Test #3	62%	56%	FAIL

POLE ID	12055
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	7.5"

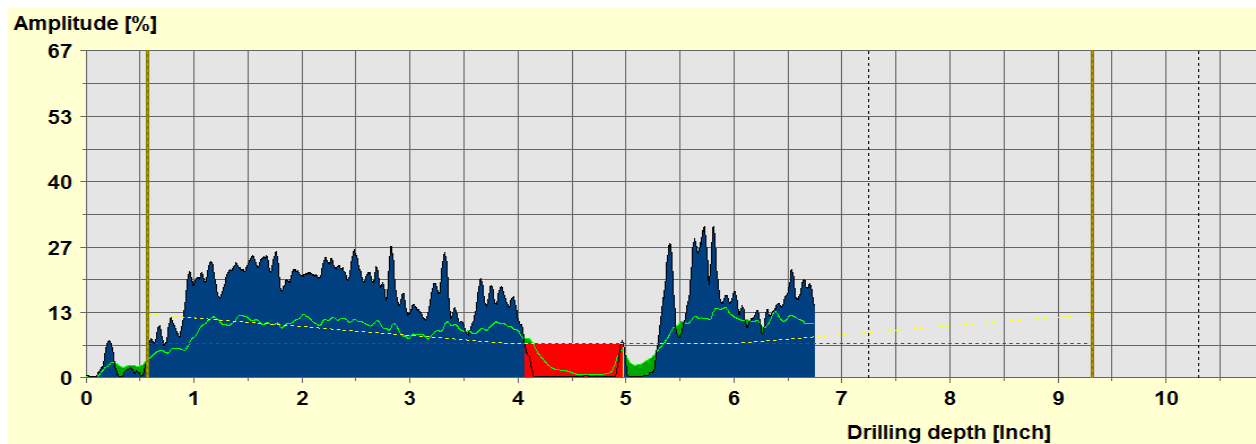
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



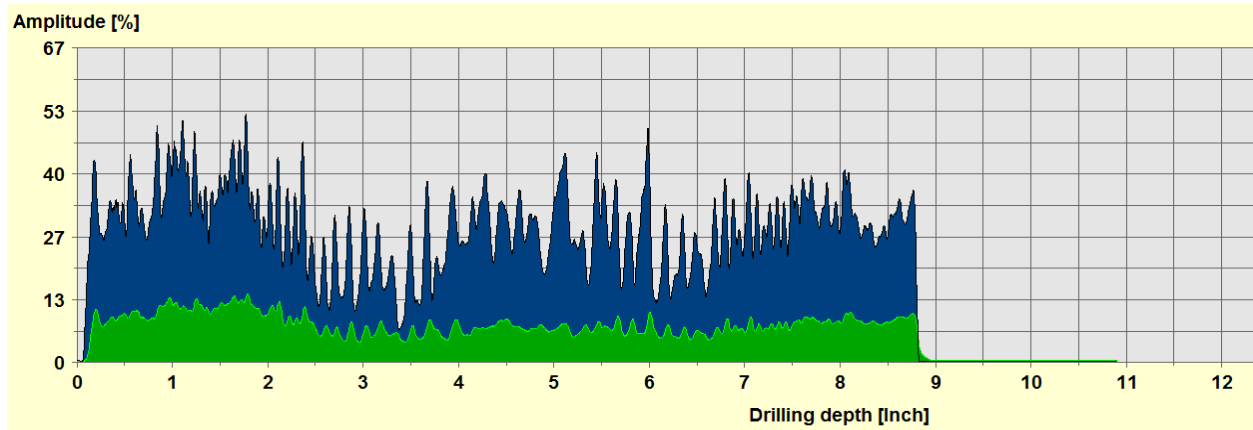
Test #3 – underground test at 30° angle



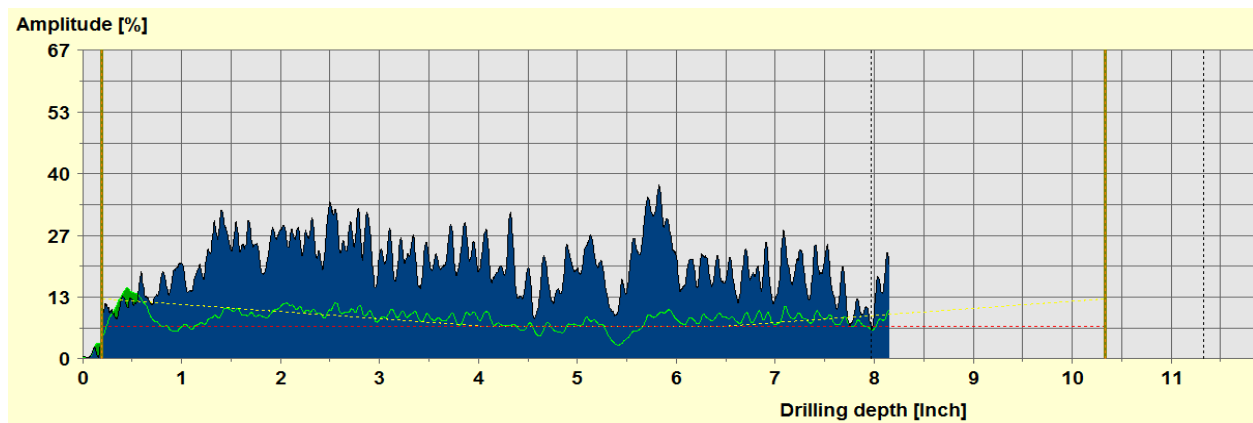
	Decay Detection	Cavity Detection	Result
Test #2	31%	31%	FAIL
Test #3	10%	10%	PASS

POLE ID	12058
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.7"

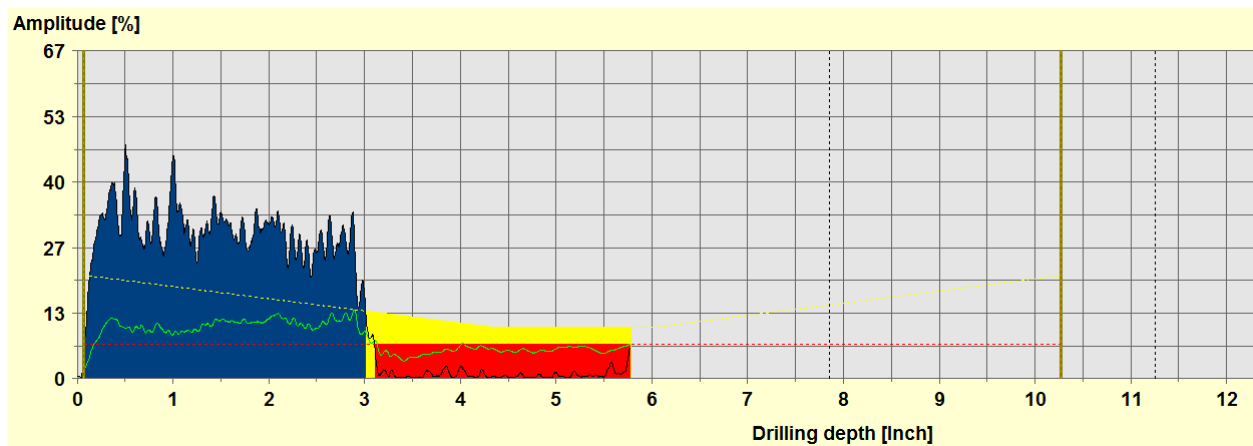
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



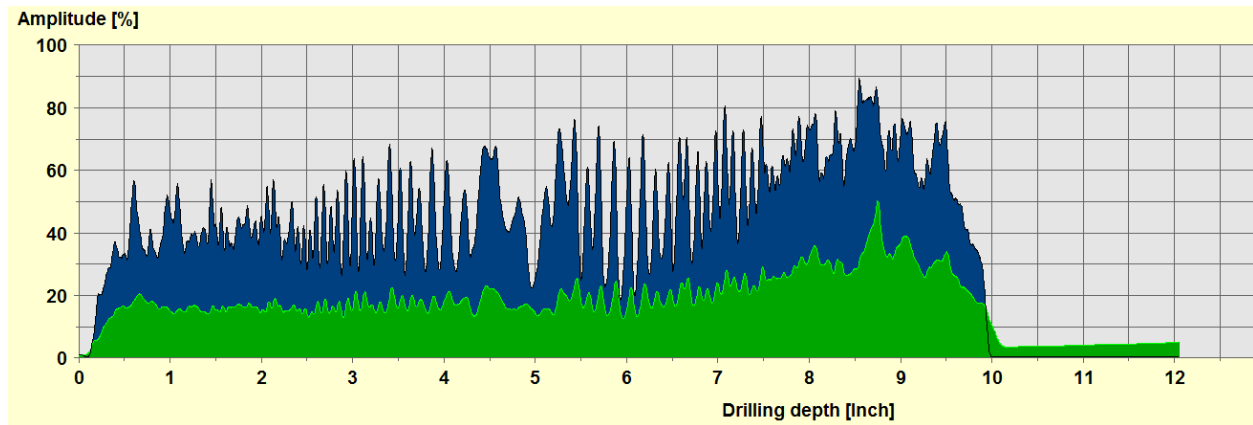
Test #3 – underground test at 30° angle



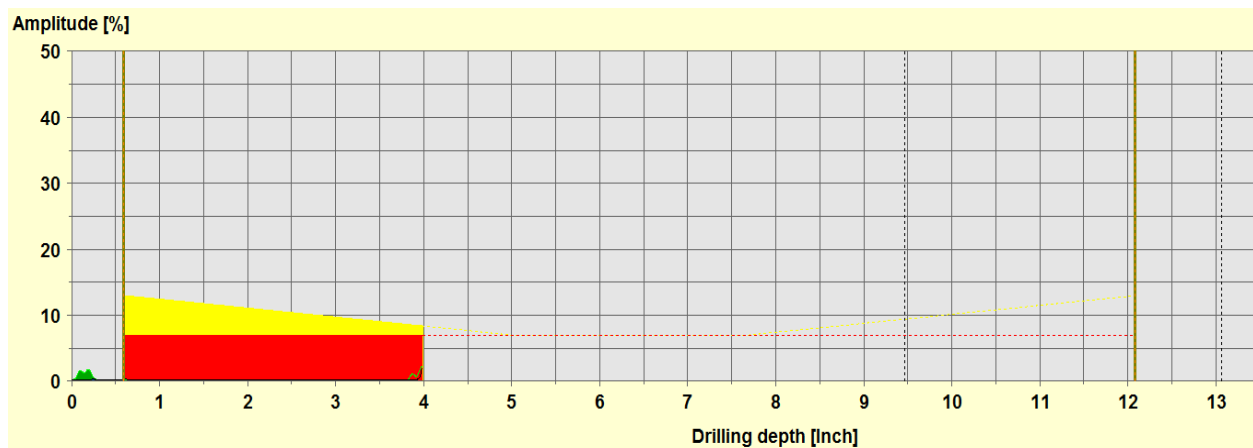
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	27%	26%	FAIL

POLE ID	12063
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

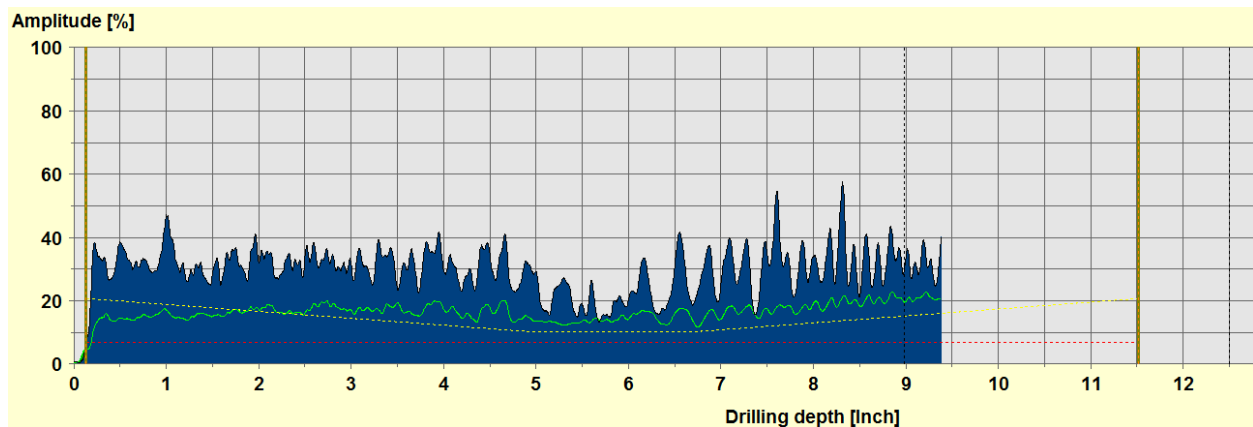
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



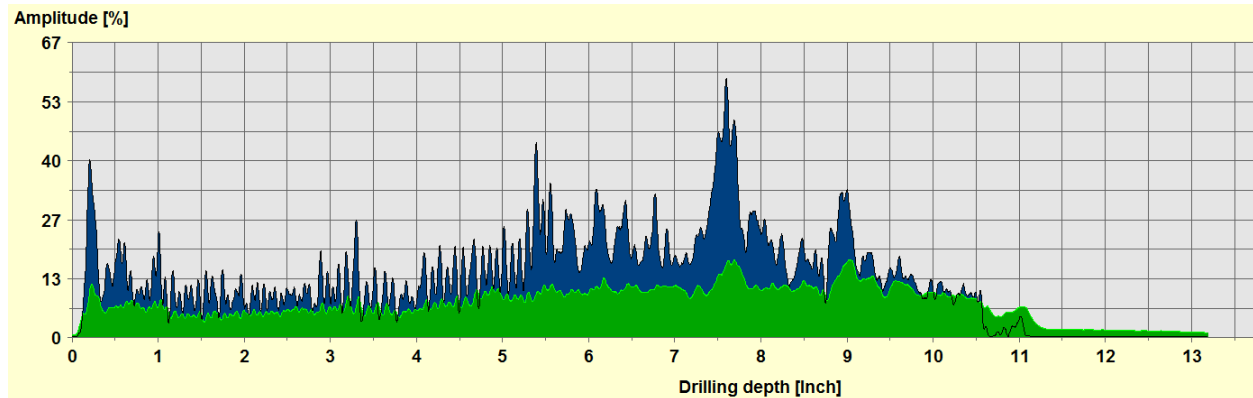
Test #3 – underground test at 30° angle



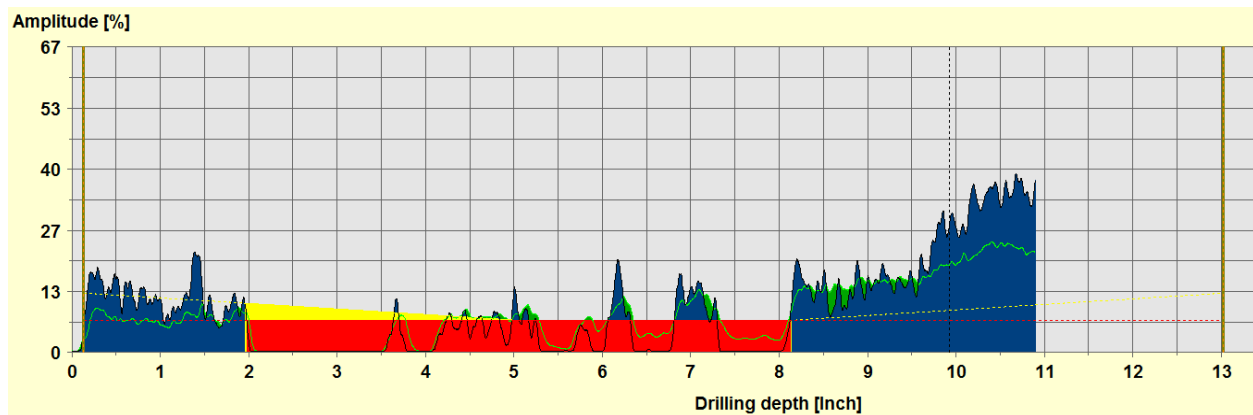
	Decay Detection	Cavity Detection	Result
Test #2	30%	30%	FAIL
Test #3	0%	0%	PASS

POLE ID	12086
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	11.0"

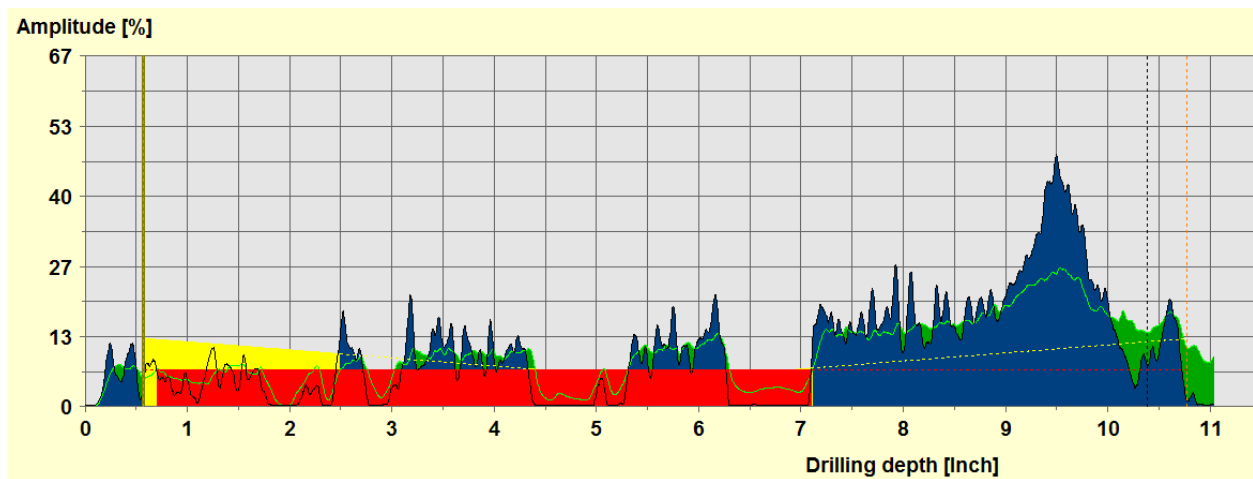
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



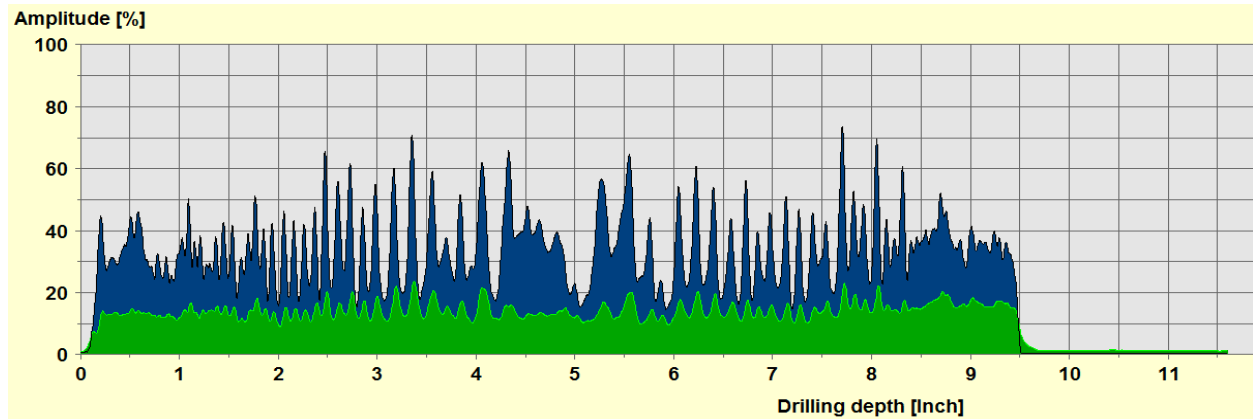
Test #3 – underground test at 30° angle



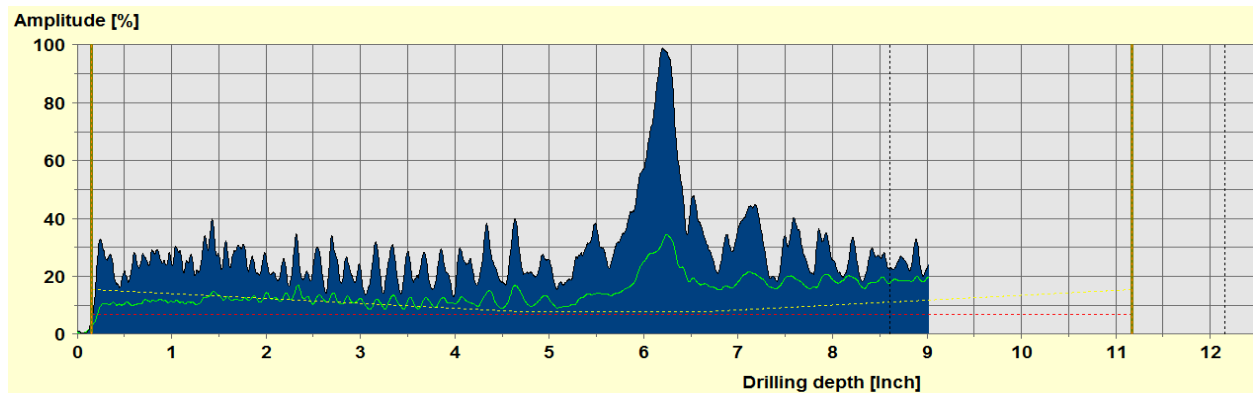
	Decay Detection	Cavity Detection	Result
Test #2	48%	48%	FAIL
Test #3	46%	63%	FAIL

POLE ID	12088
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

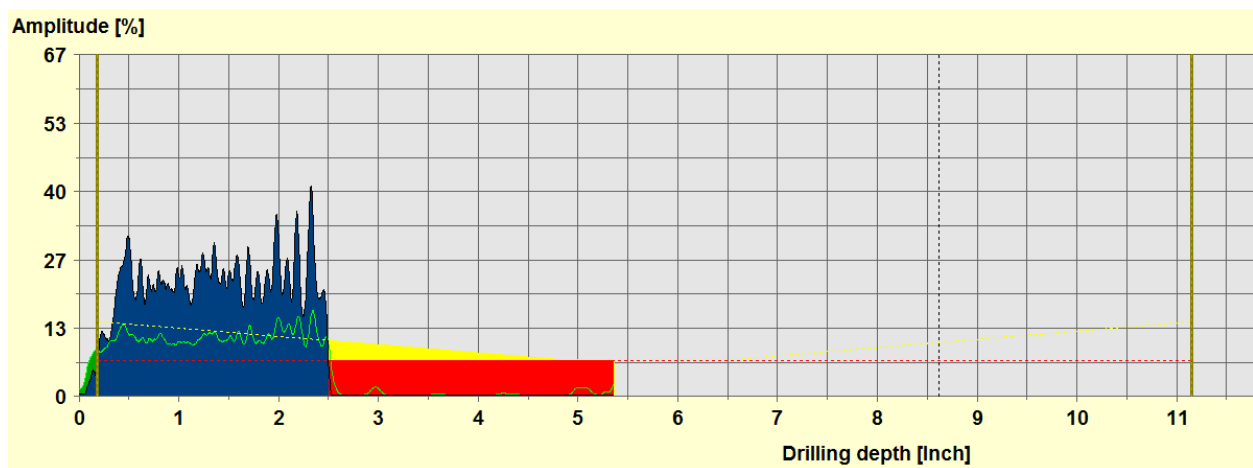
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



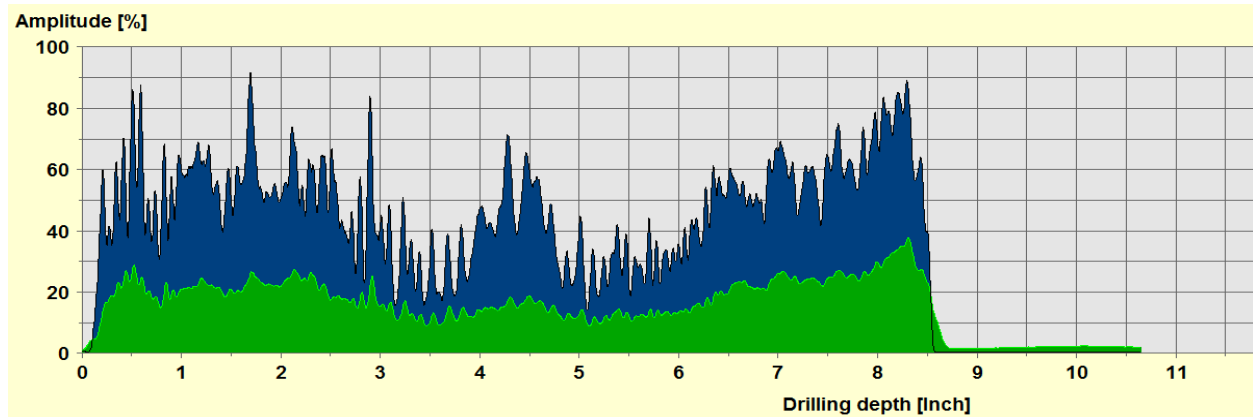
Test #3 – underground test at 30° angle



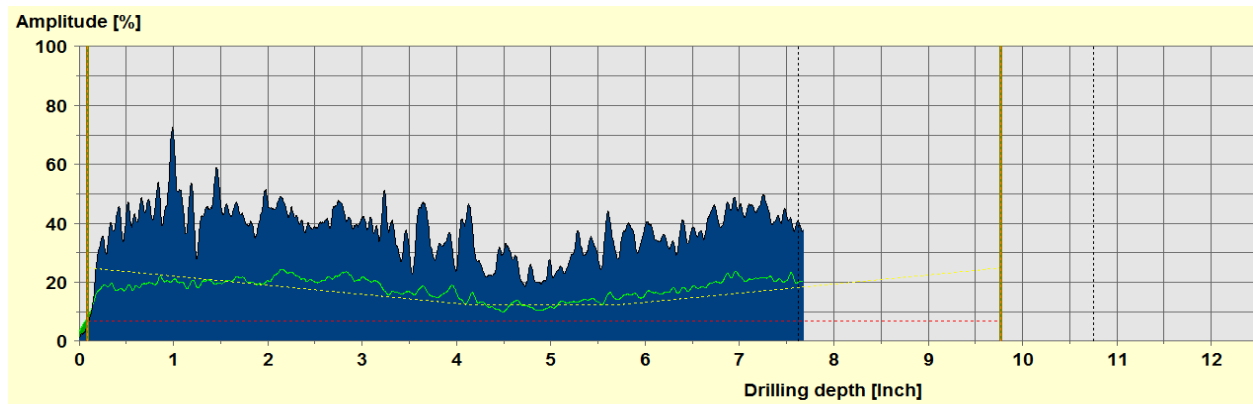
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	26%	26%	FAIL

POLE ID	12108
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.5"

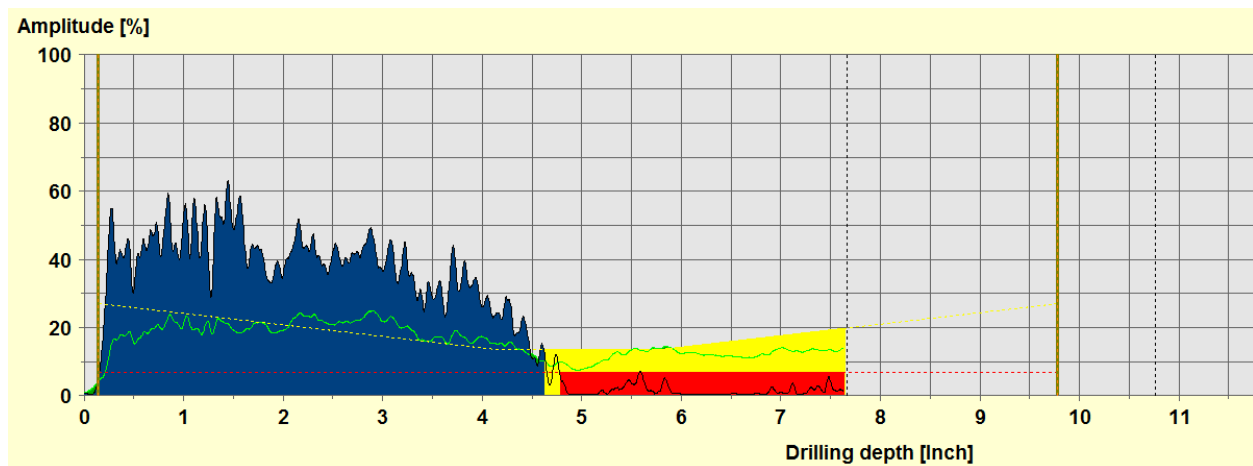
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



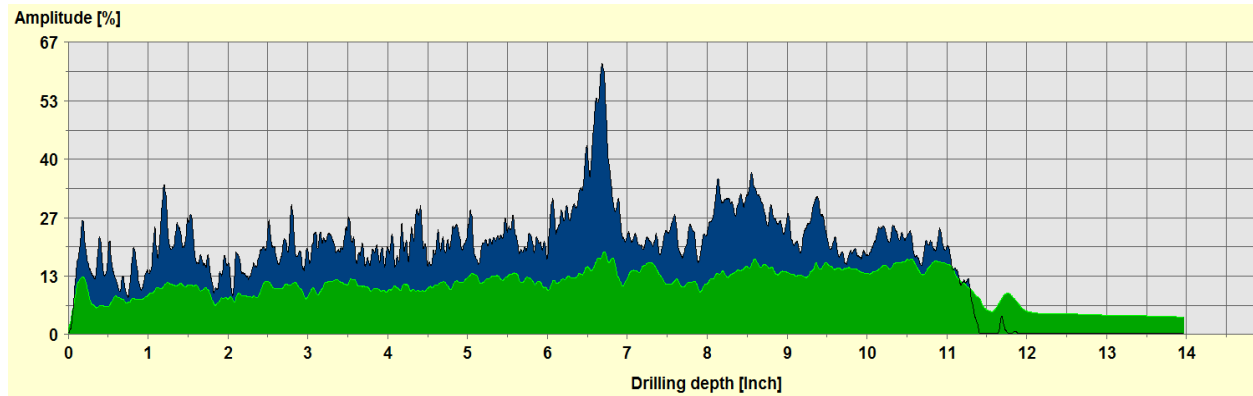
Test #3 – underground test at 30° angle



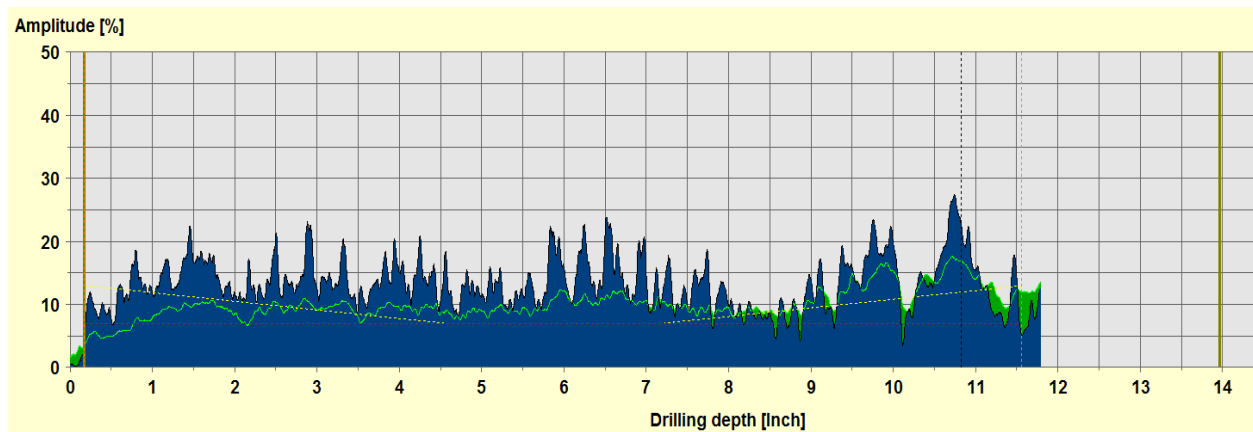
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	31%	30%	FAIL

POLE ID	12133
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	12"

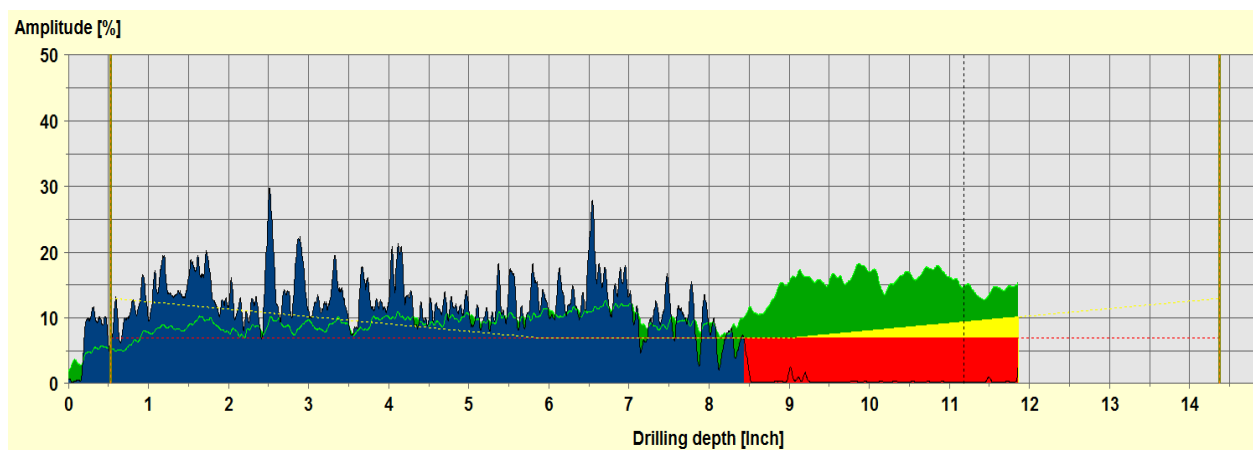
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



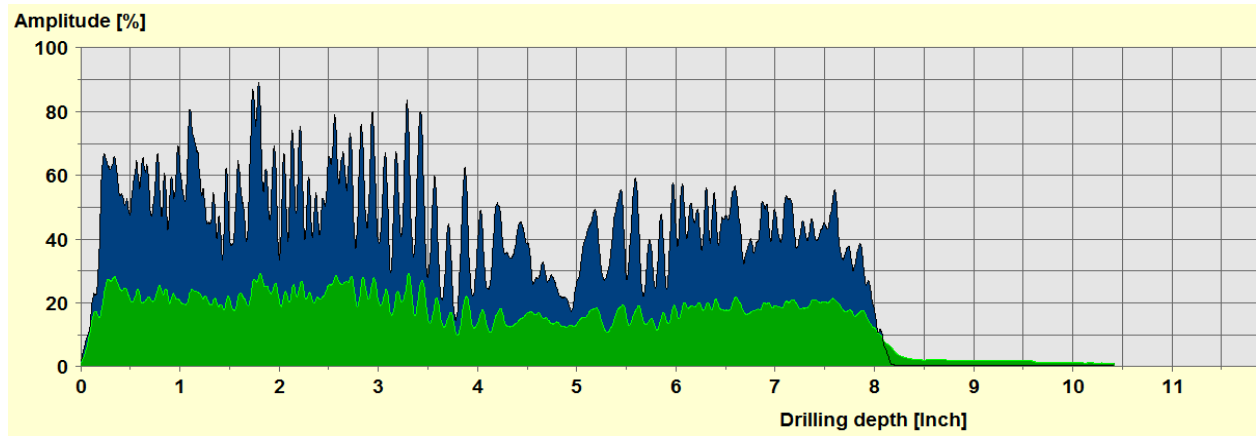
Test #3 – underground test at 30° angle



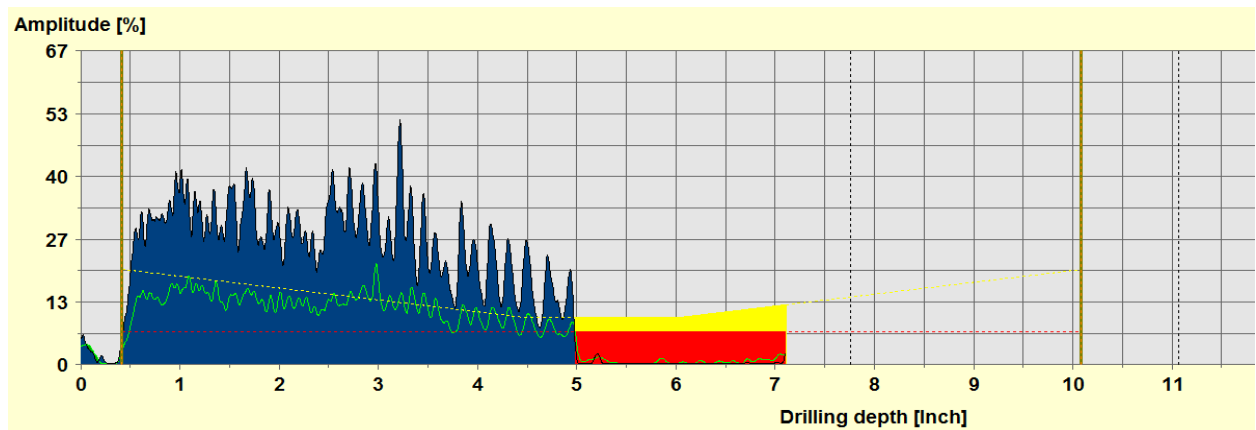
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	25%	25%	FAIL

POLE ID	12154
DATE OF INSPECTION	10/28/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.2"

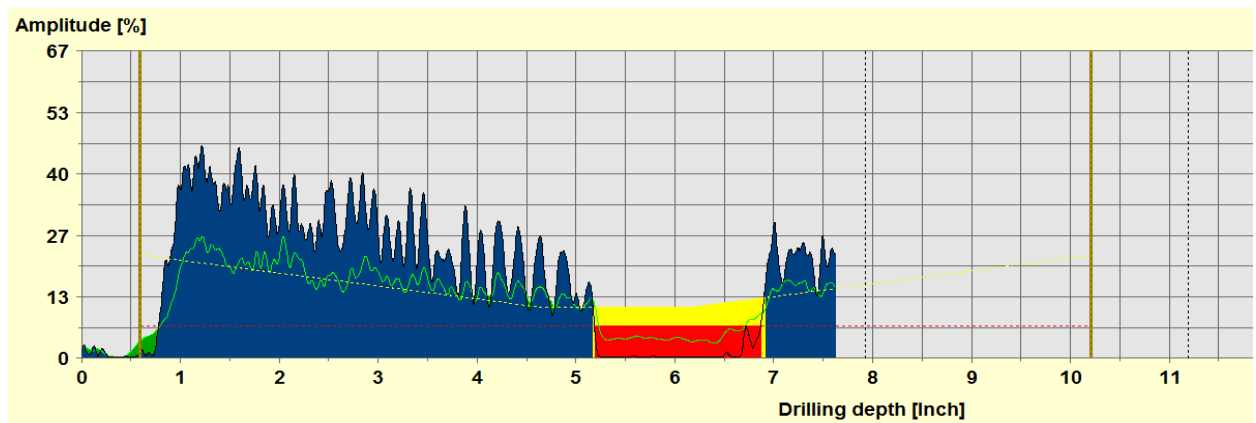
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



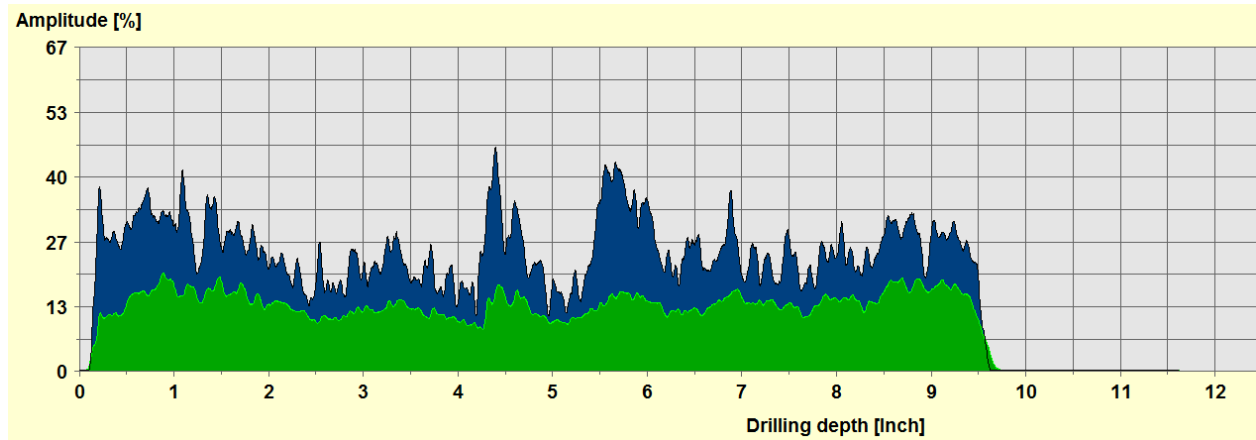
Test #3 – underground test at 30° angle



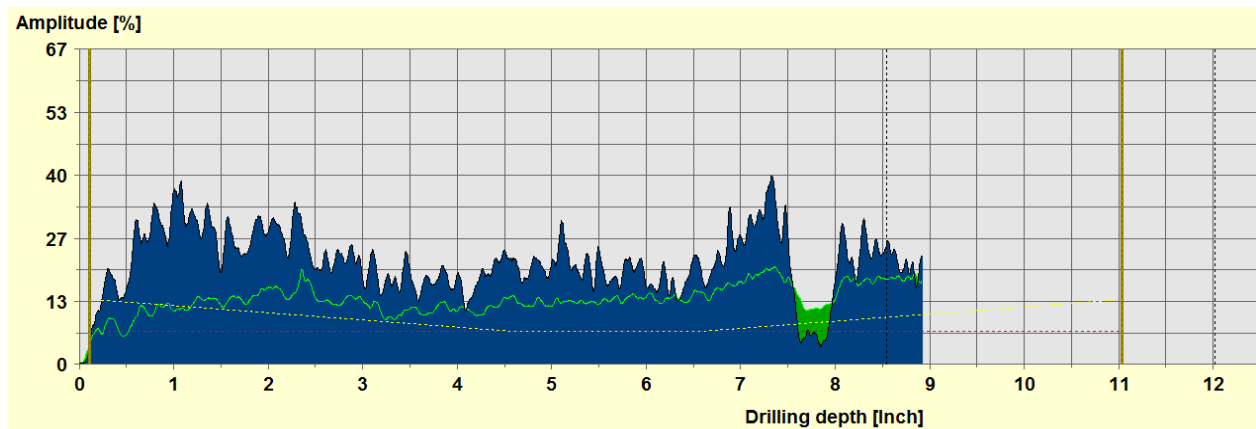
	Decay Detection	Cavity Detection	Result
Test #2	22%	22%	FAIL
Test #3	18%	18%	MARGINAL PASS

POLE ID	12163
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

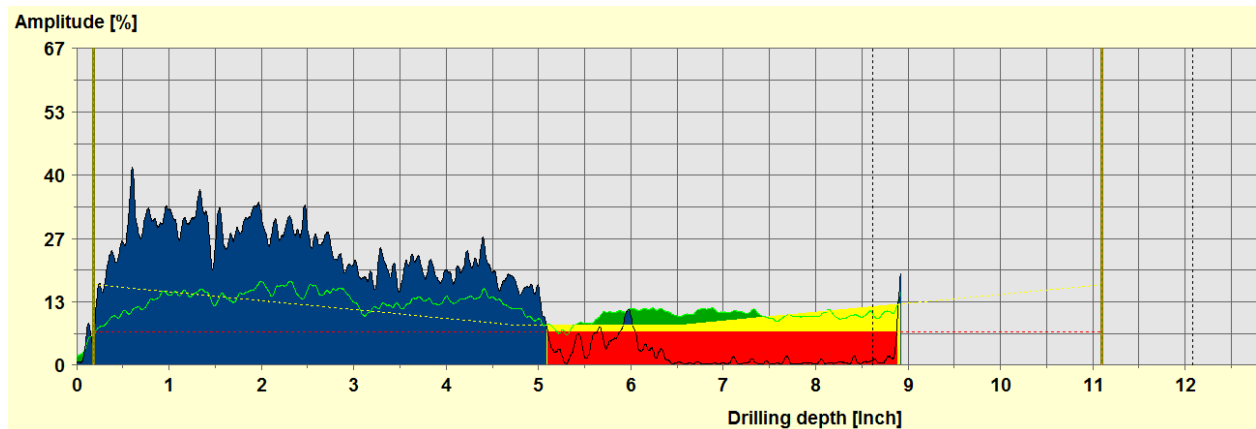
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



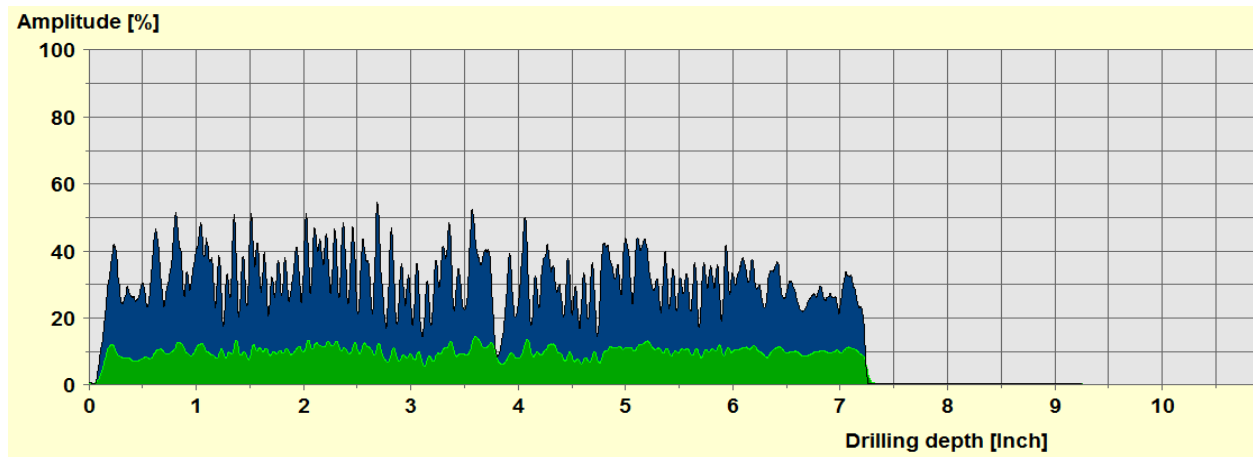
Test #3 – underground test at 30° angle



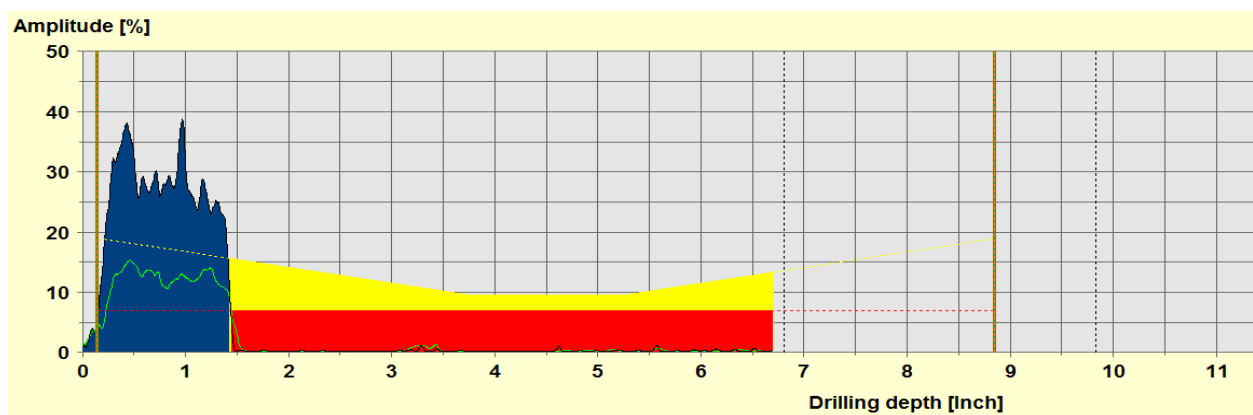
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	35%	35%	FAIL

POLE ID	12179
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	7.5"

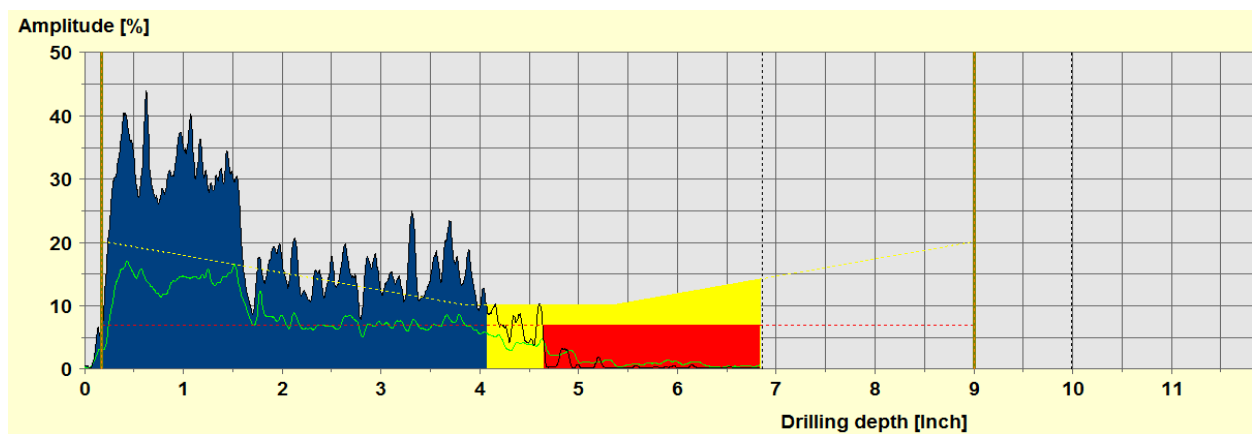
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



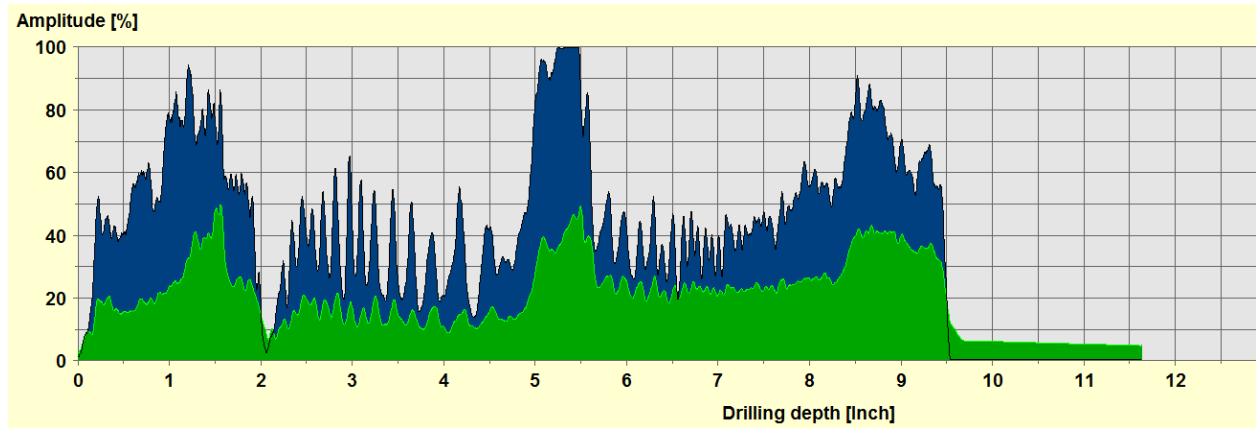
Test #3 – underground test at 30° angle



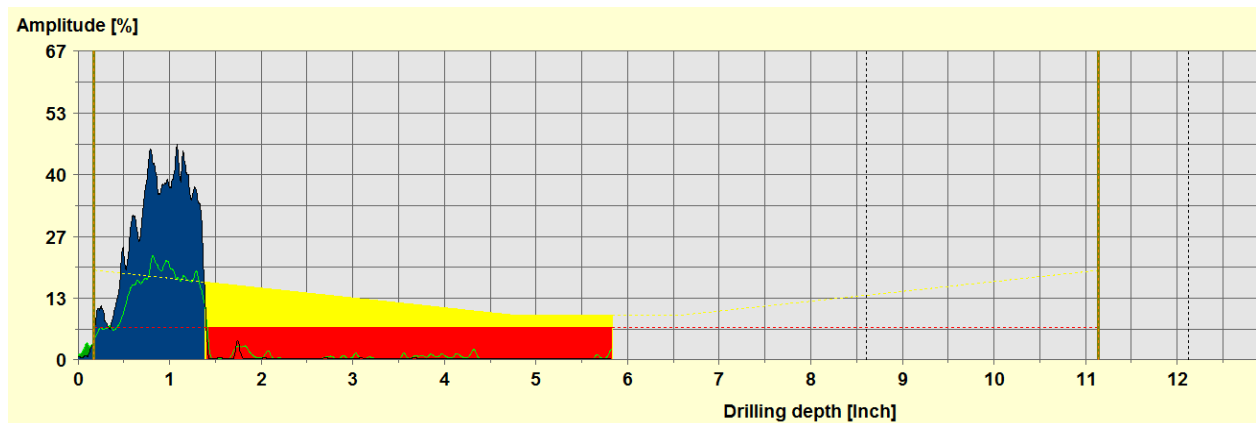
	Decay Detection	Cavity Detection	Result
Test #2	61%	61%	FAIL
Test #3	31%	25%	FAIL

POLE ID	12191
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

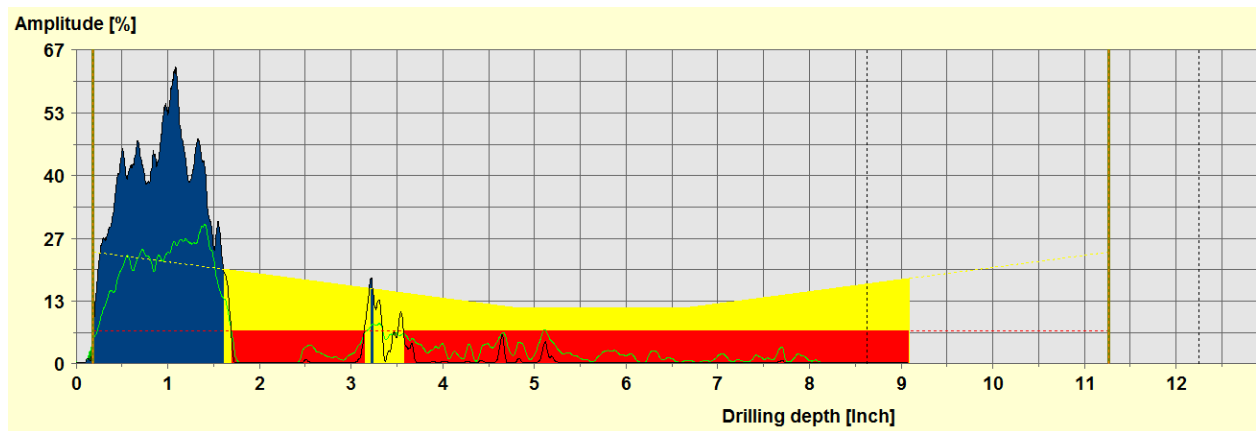
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



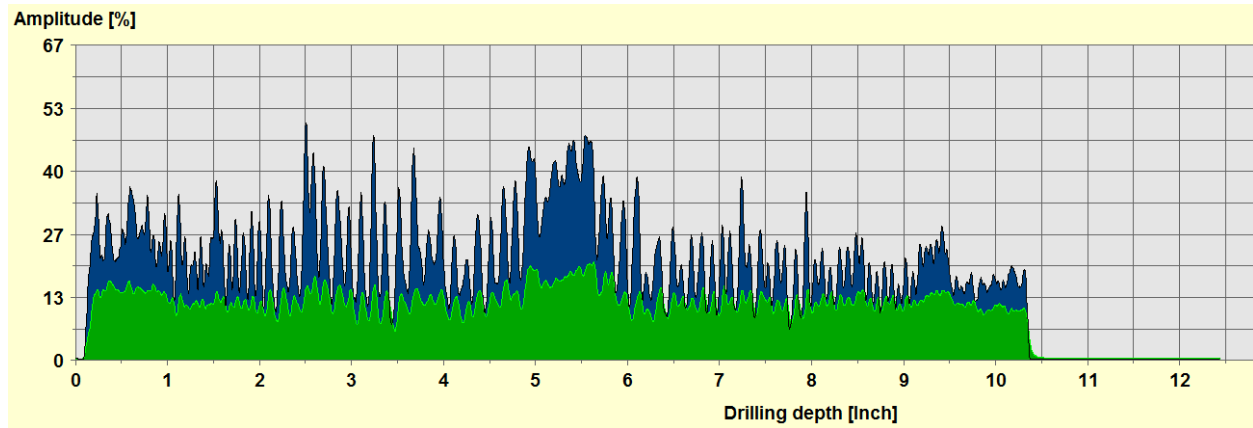
Test #3 – underground test at 30° angle



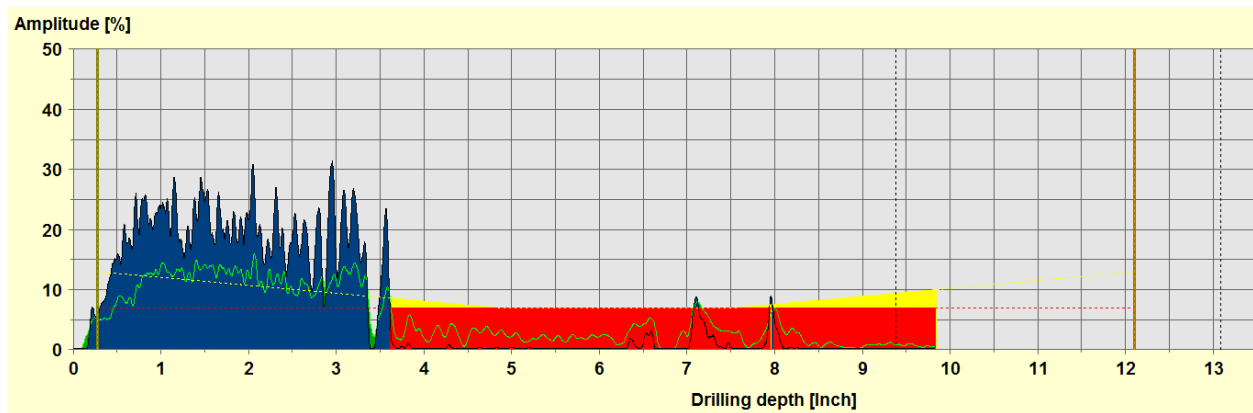
	Decay Detection	Cavity Detection	Result
Test #2	41%	40%	FAIL
Test #3	67%	63%	FAIL

POLE ID	12192
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.2"

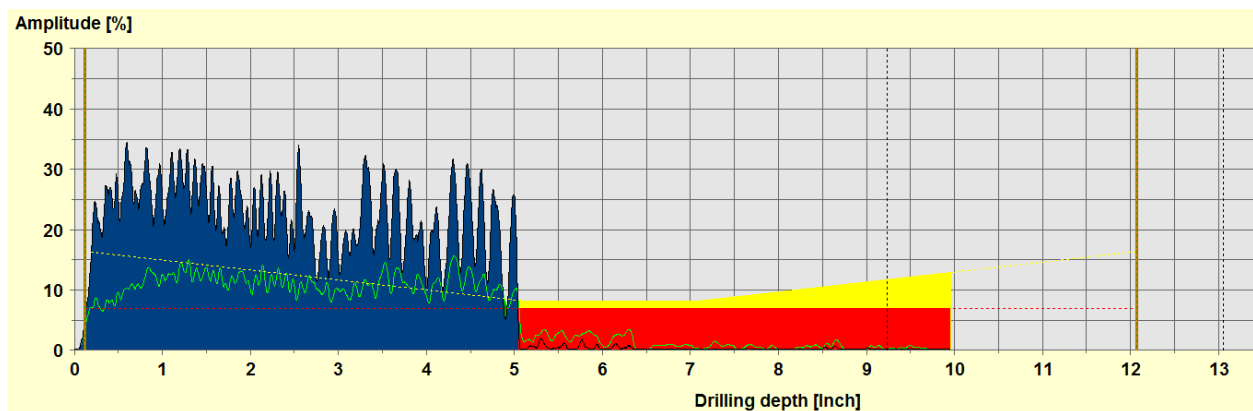
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



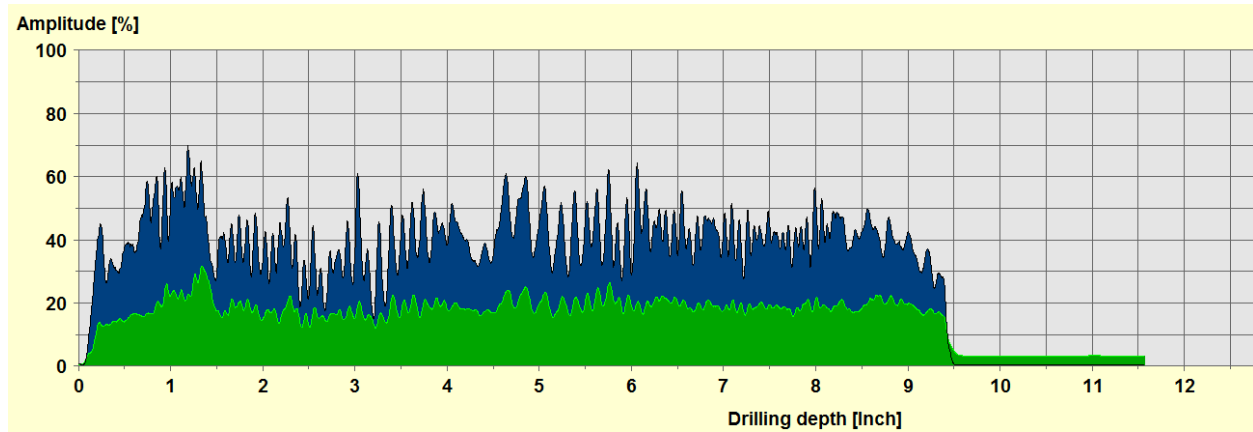
Test #3 – underground test at 30° angle



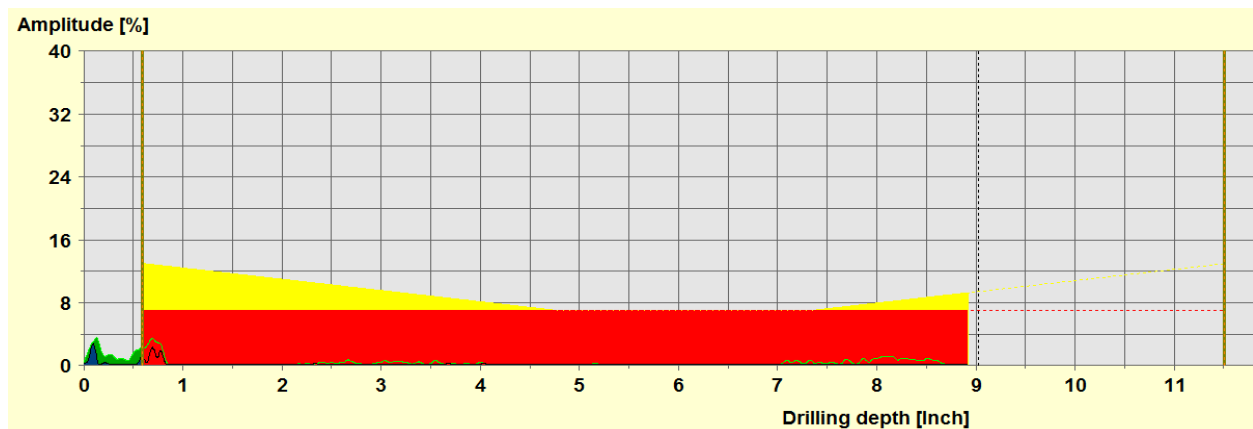
	Decay Detection	Cavity Detection	Result
Test #2	52%	52%	FAIL
Test #3	41%	41%	FAIL

POLE ID	12194
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

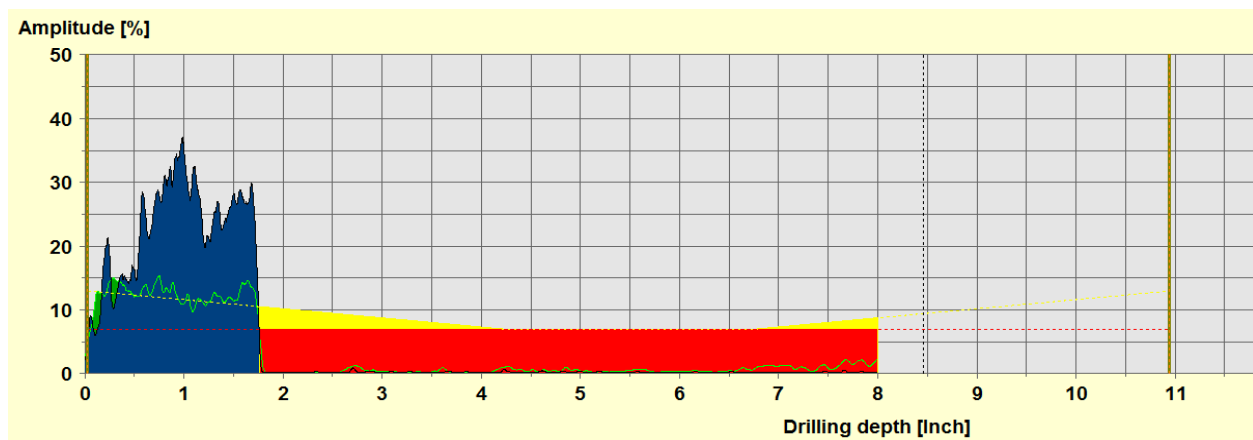
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



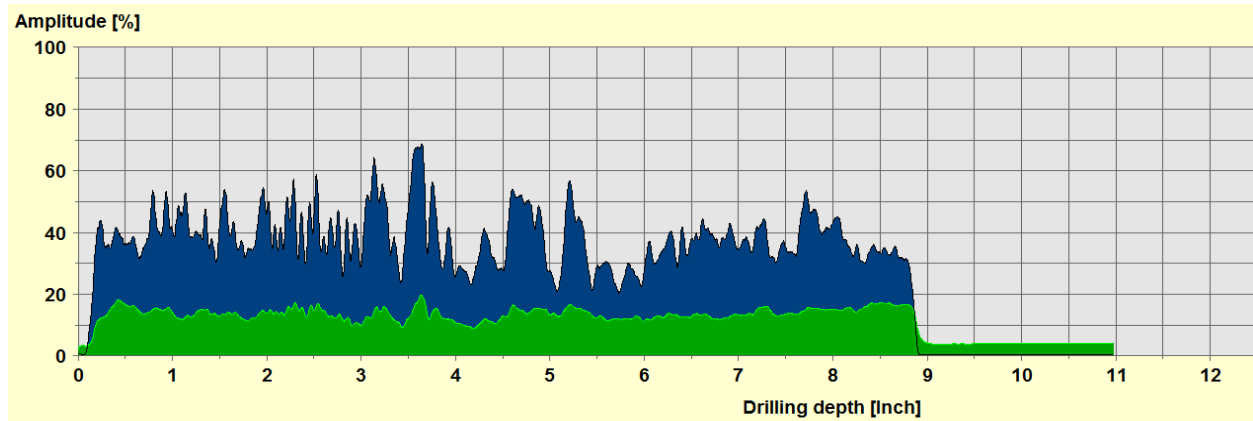
Test #3 – underground test at 30° angle



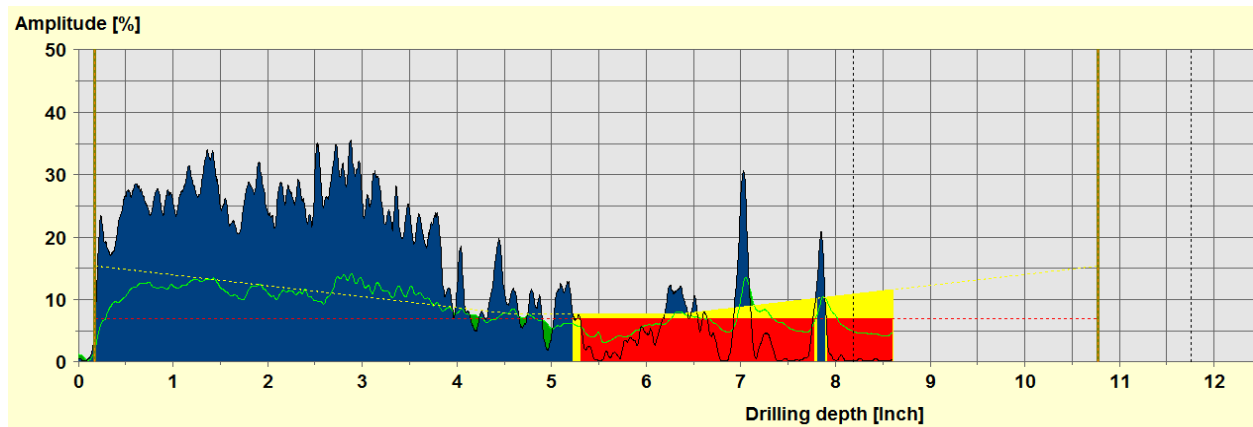
	Decay Detection	Cavity Detection	Result
Test #2	76%	76%	FAIL
Test #3	57%	57%	FAIL

POLE ID	12197
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9"

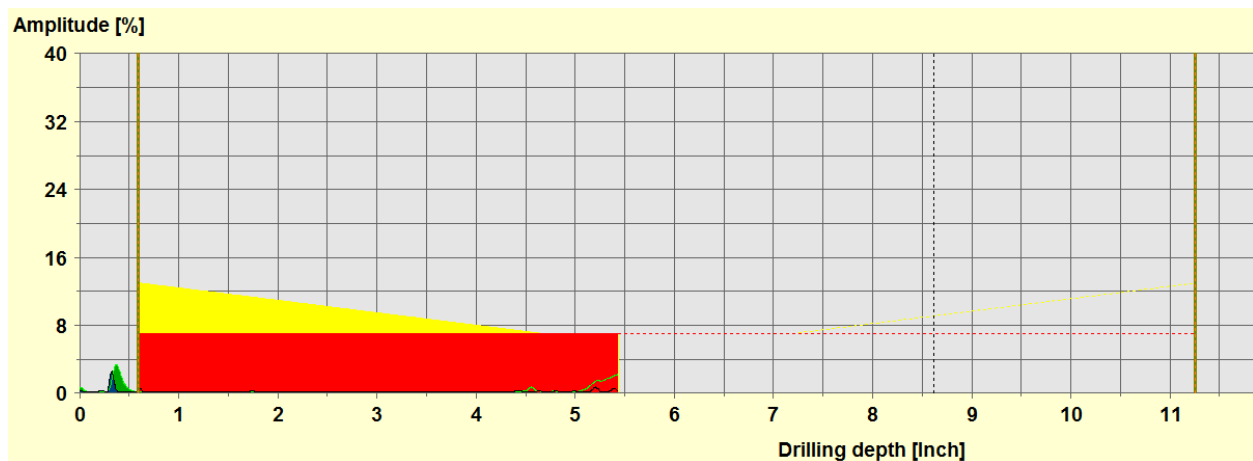
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



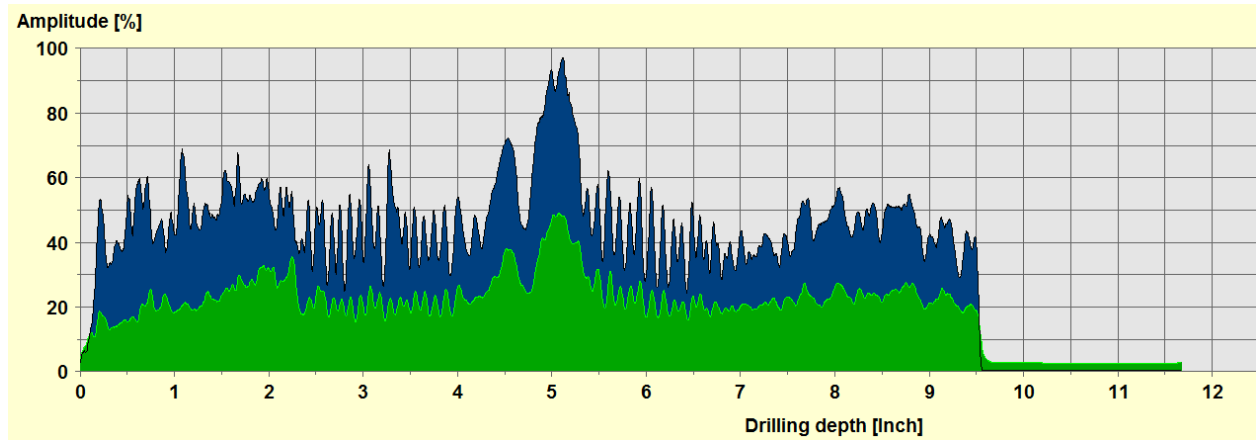
Test #3 – underground test at 30° angle



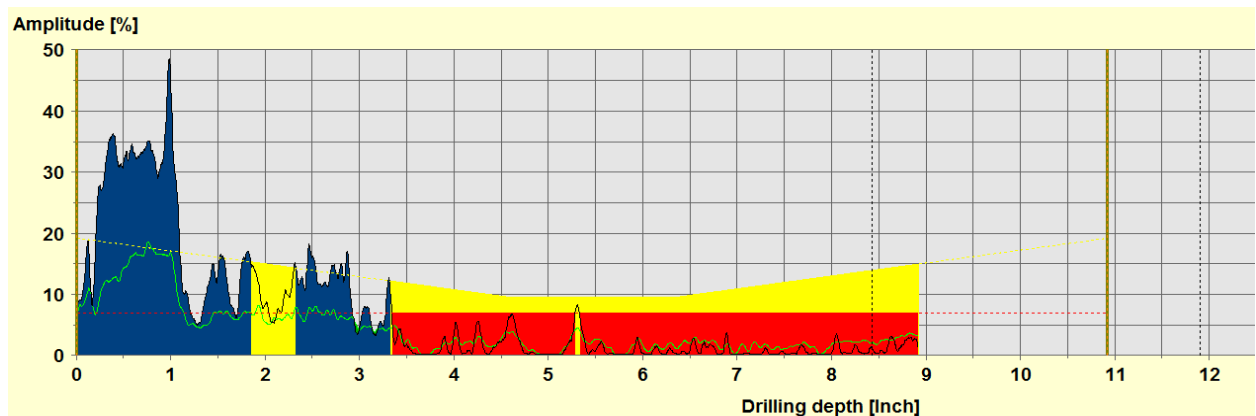
	Decay Detection	Cavity Detection	Result
Test #2	25%	24%	FAIL
Test #3	29%	25%	FAIL

POLE ID	12206
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

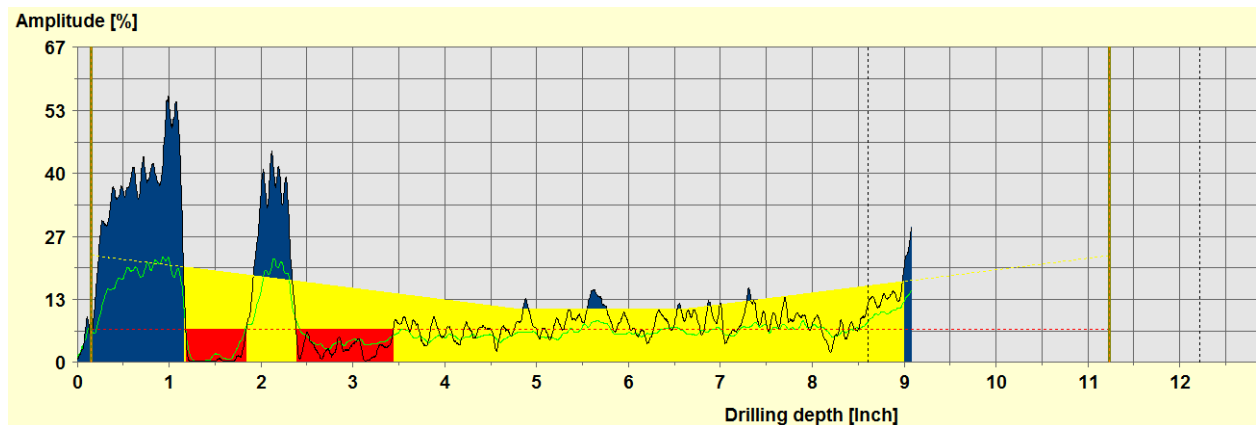
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



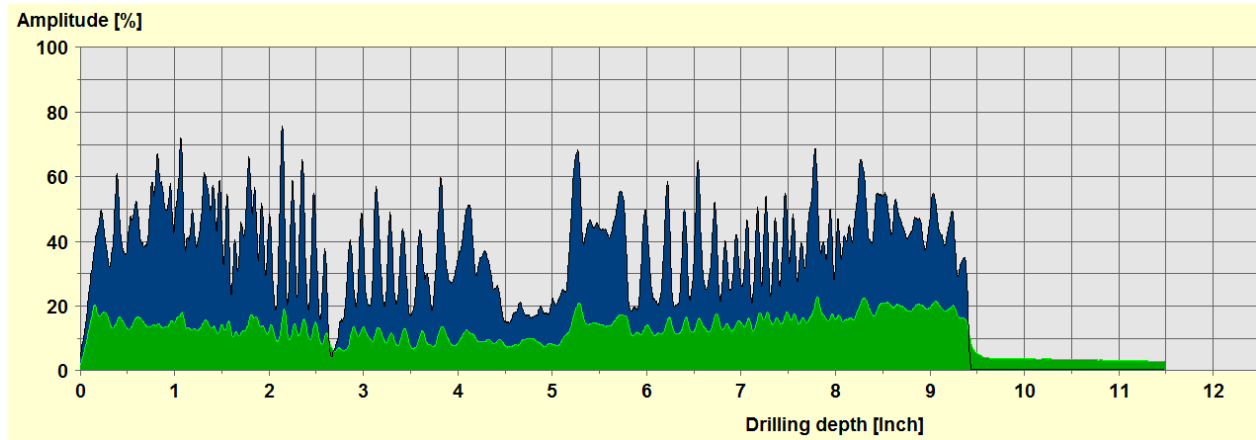
Test #3 – underground test at 30° angle



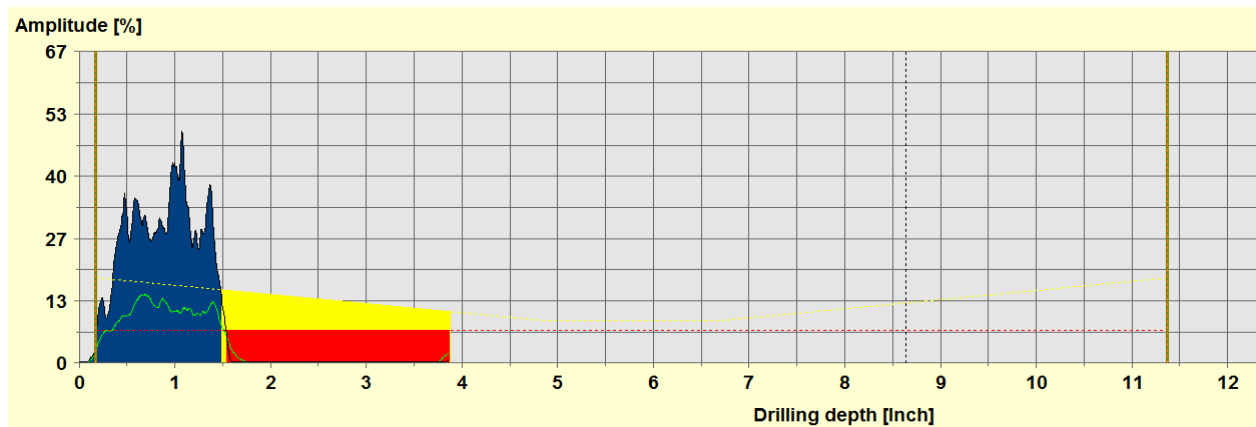
	Decay Detection	Cavity Detection	Result
Test #2	56%	51%	FAIL
Test #3	71%	16%	FAIL

POLE ID	12222
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.5"

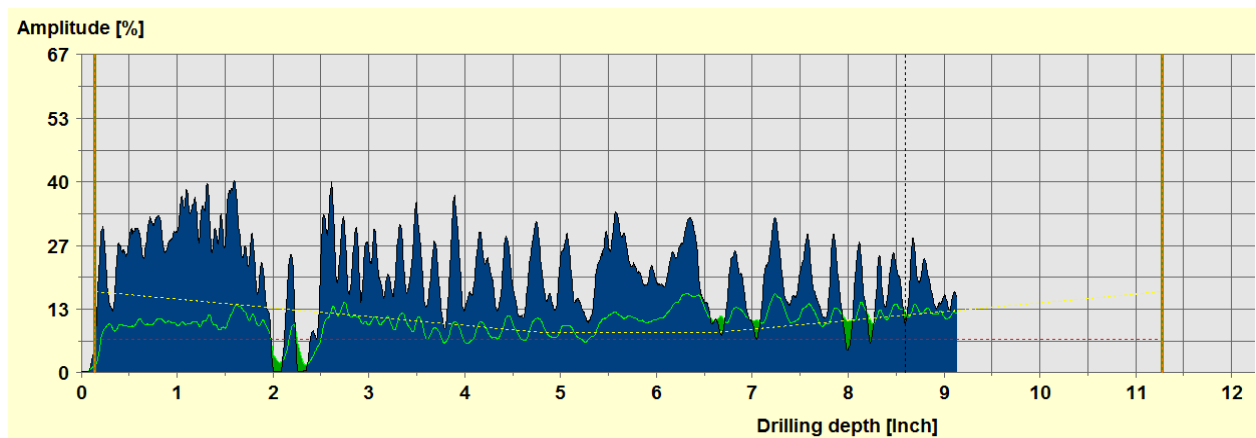
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



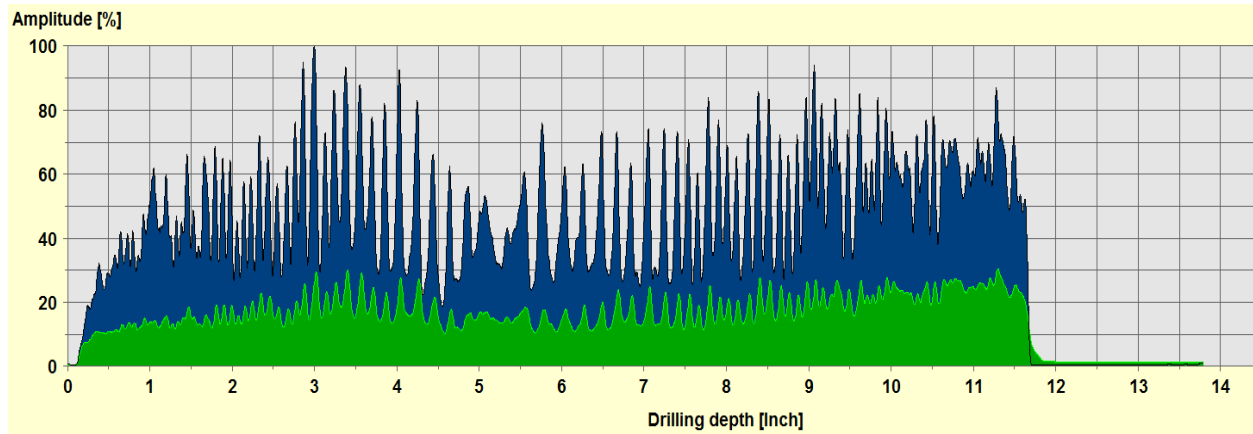
Test #3 – underground test at 30° angle



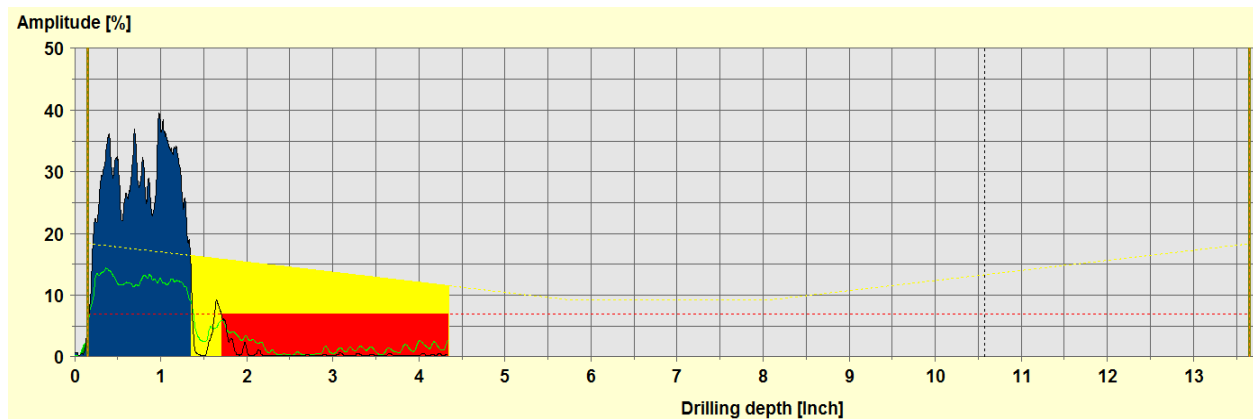
	Decay Detection	Cavity Detection	Result
Test #2	21%	21%	FAIL
Test #3	0%	0%	PASS

POLE ID	12232
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	11.7"

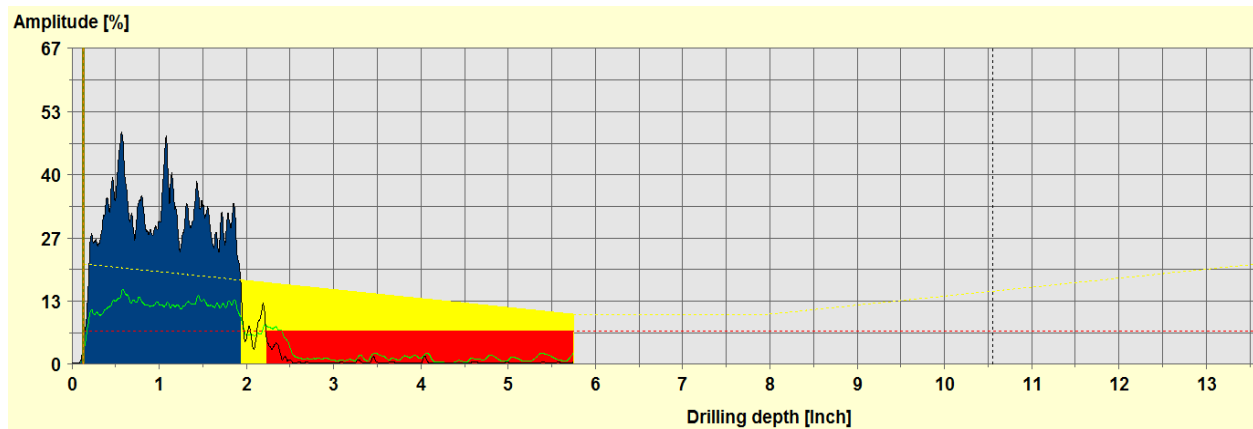
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



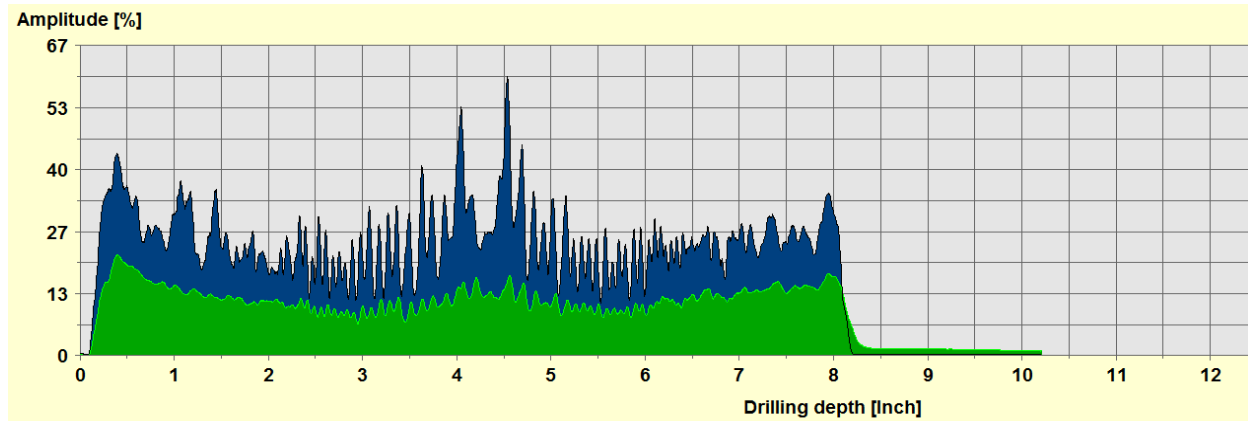
Test #3 – underground test at 30° angle



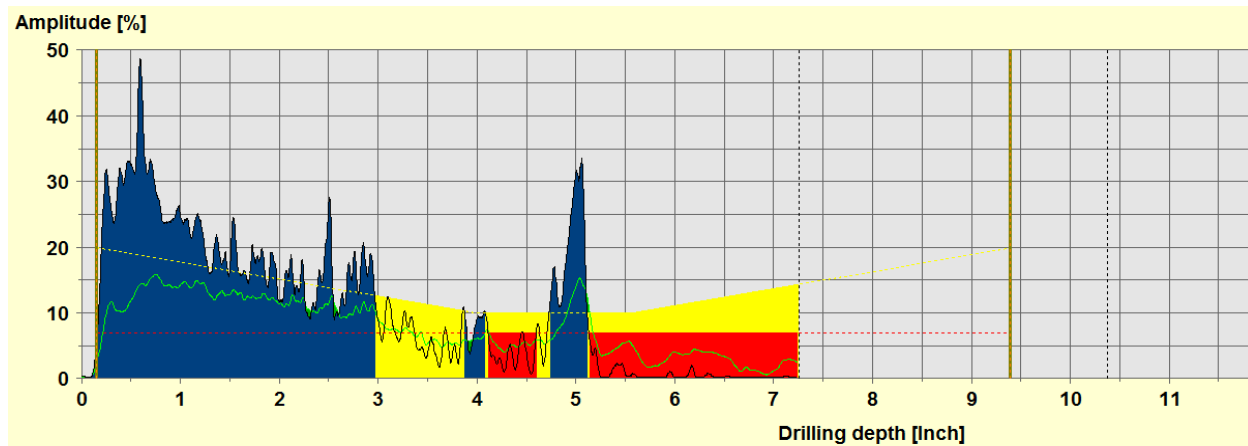
	Decay Detection	Cavity Detection	Result
Test #2	22%	20%	MARGINAL PASS
Test #3	28%	26%	FAIL

POLE ID	12254
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.0"

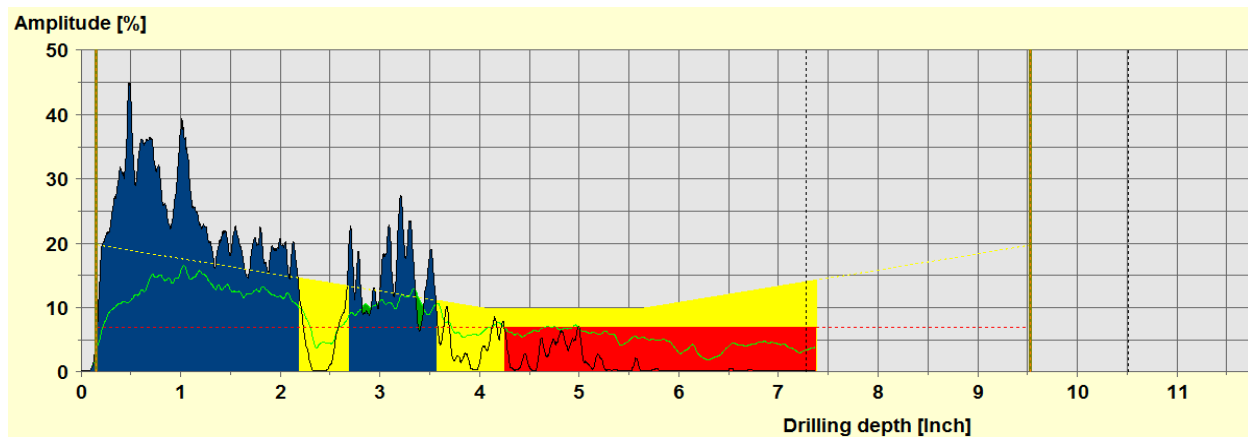
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



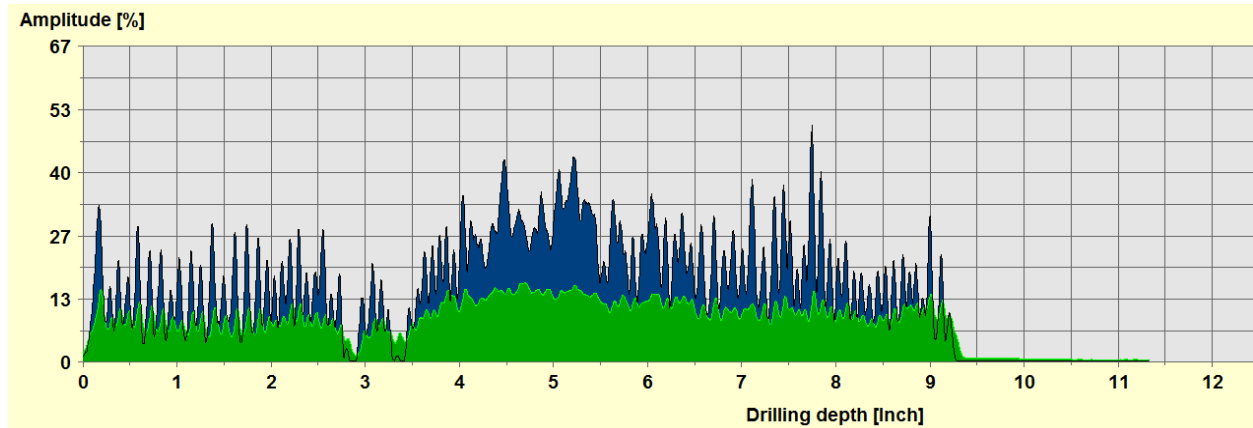
Test #3 – underground test at 30° angle



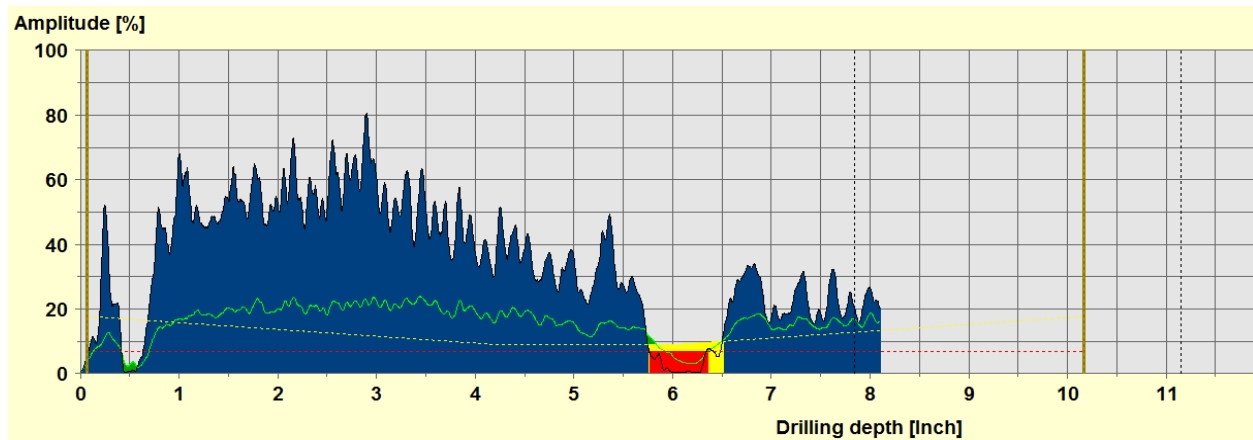
	Decay Detection	Cavity Detection	Result
Test #2	40%	28%	FAIL
Test #3	46%	33%	FAIL

POLE ID	12258
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.7"

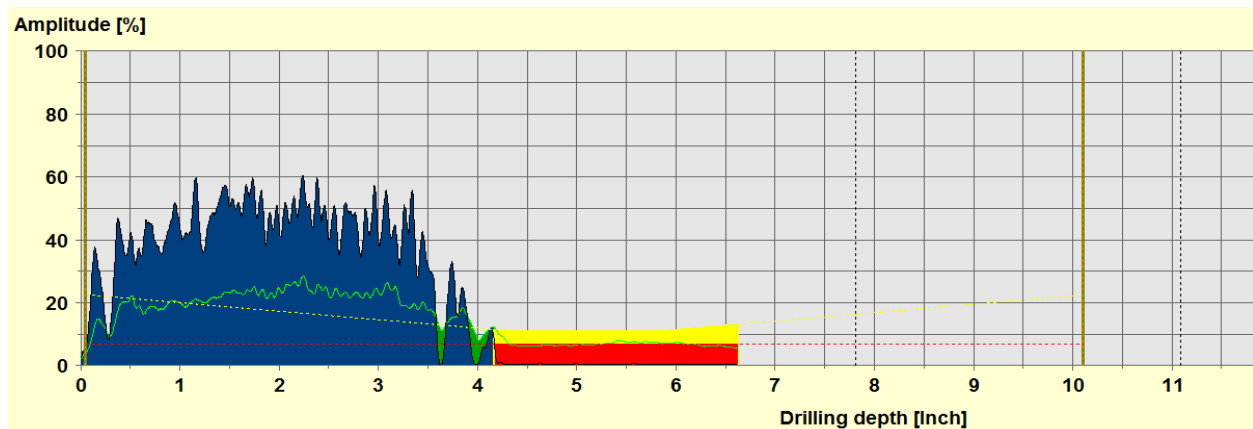
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



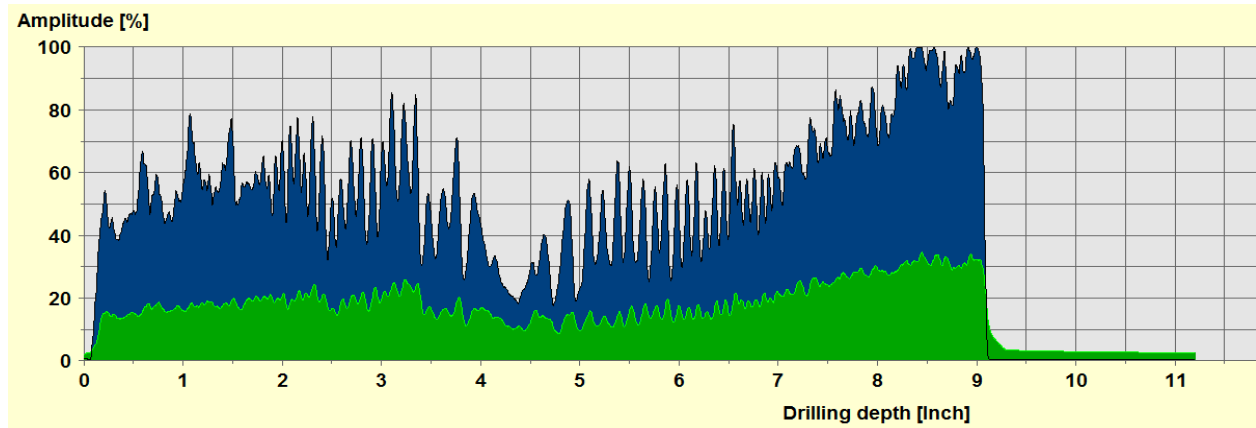
Test #3 – underground test at 30° angle



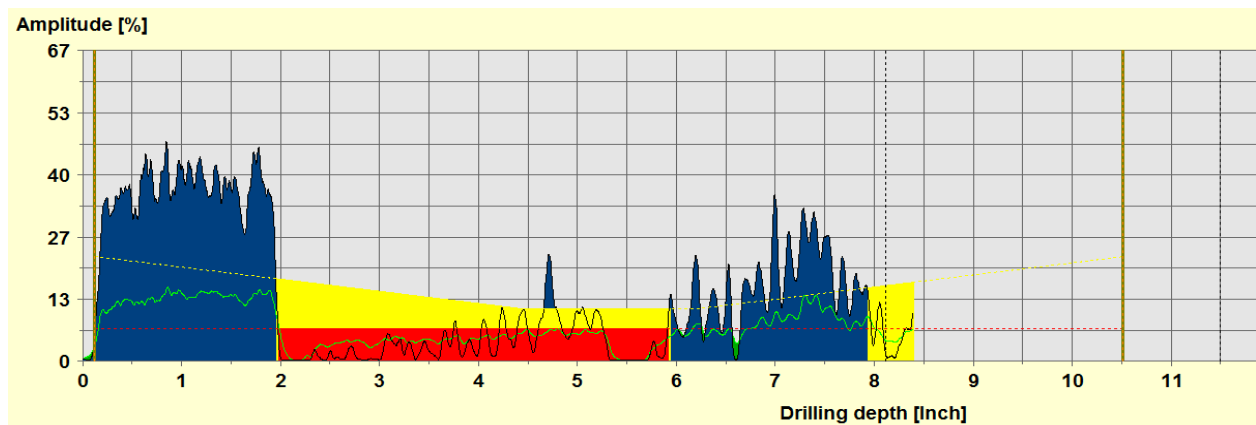
	Decay Detection	Cavity Detection	Result
Test #2	8%	6%	PASS
Test #3	25%	24%	FAIL

POLE ID	12273
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	9.0"

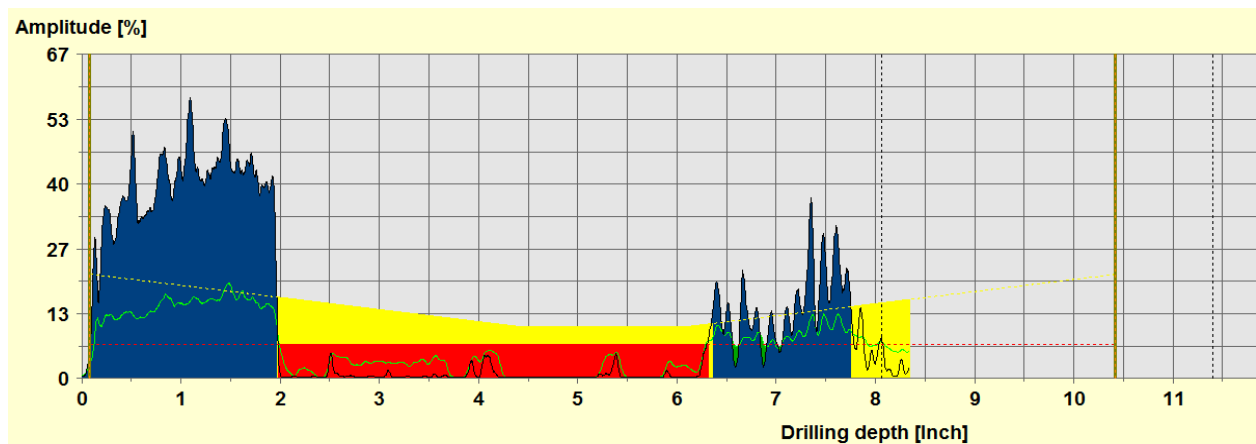
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



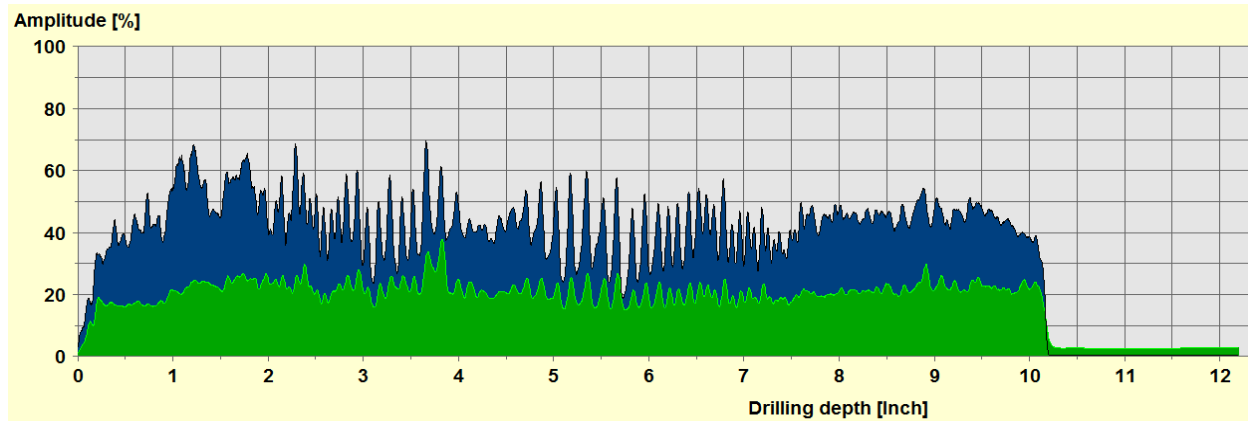
Test #3 – underground test at 30° angle



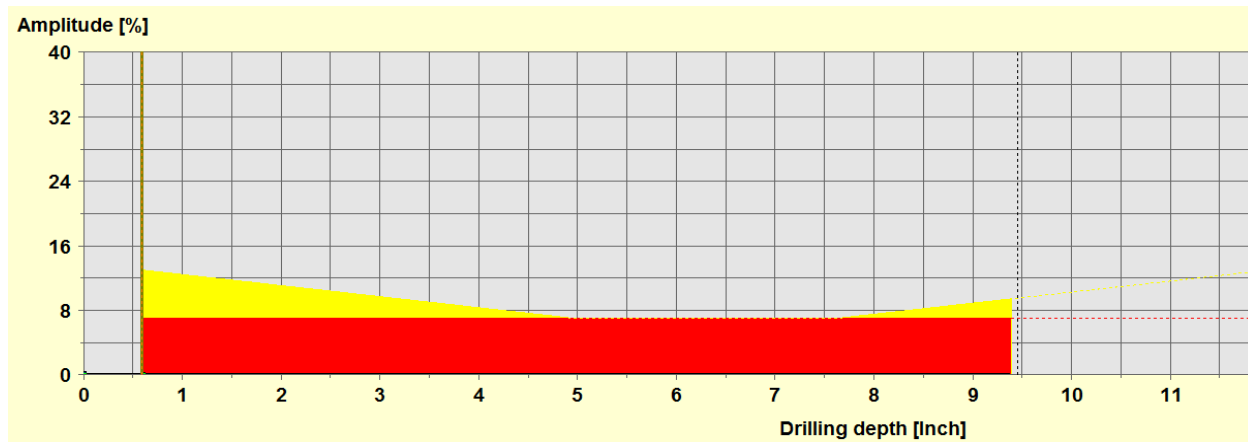
	Decay Detection	Cavity Detection	Result
Test #2	43%	38%	FAIL
Test #3	48%	42%	FAIL

POLE ID	12198
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	10.0"

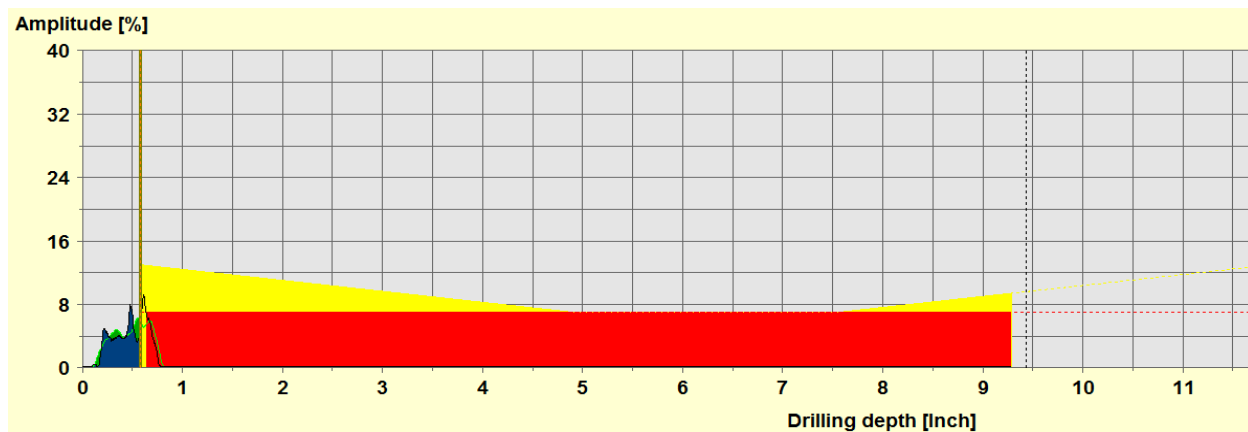
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



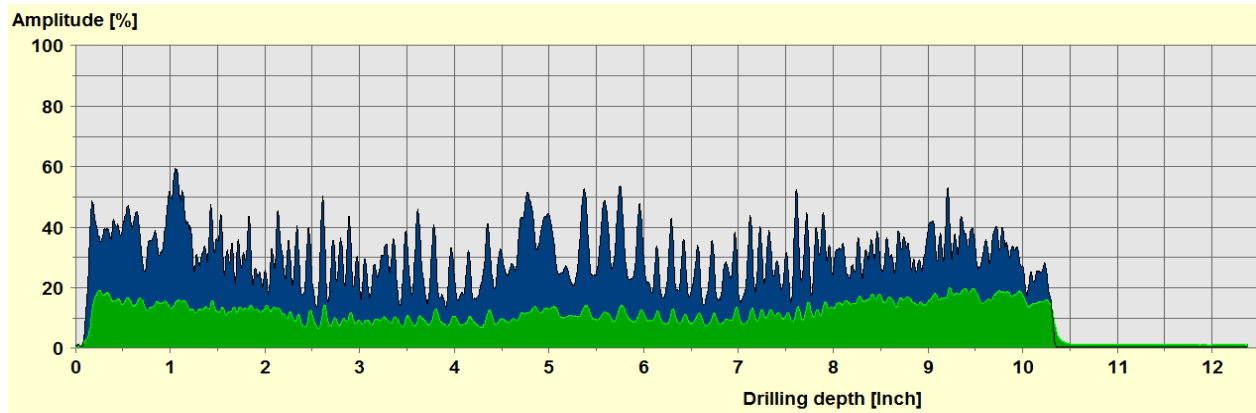
Test #3 – underground test at 30° angle



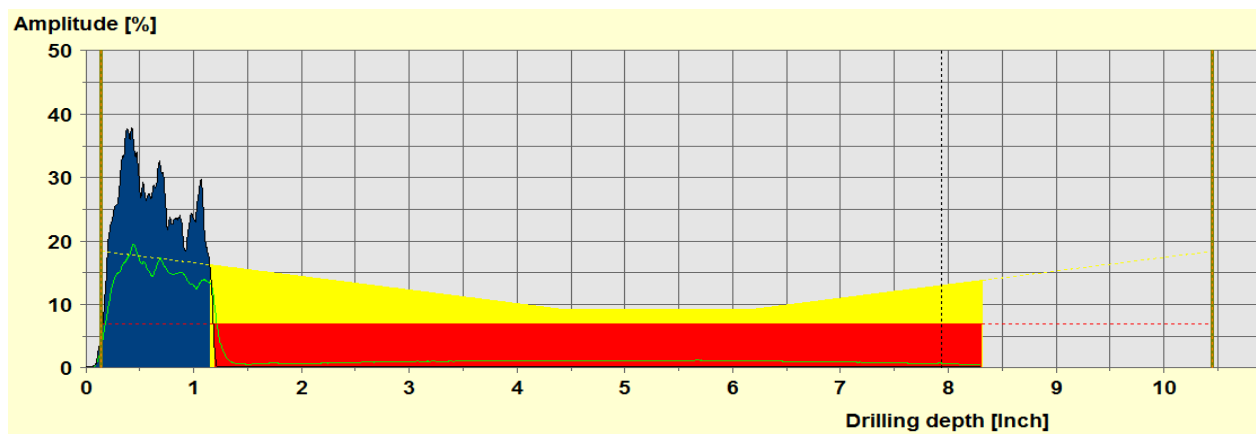
	Decay Detection	Cavity Detection	Result
Test #2	77%	77%	FAIL
Test #3	77%	77%	FAIL

POLE ID	12237
DATE OF INSPECTION	10/27/2015
OVERALL RESULT	FAIL
POLE DIAMETER (inches)	8.7"

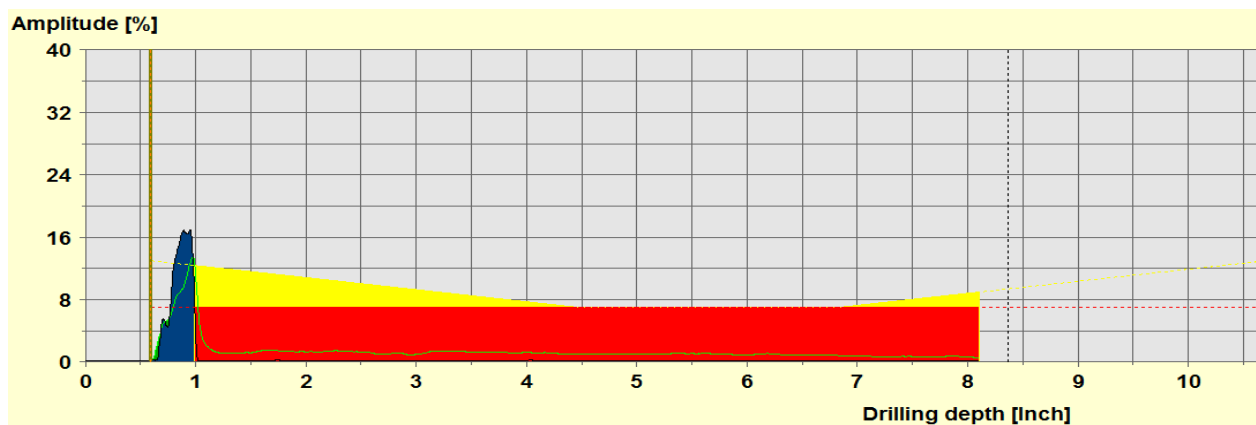
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



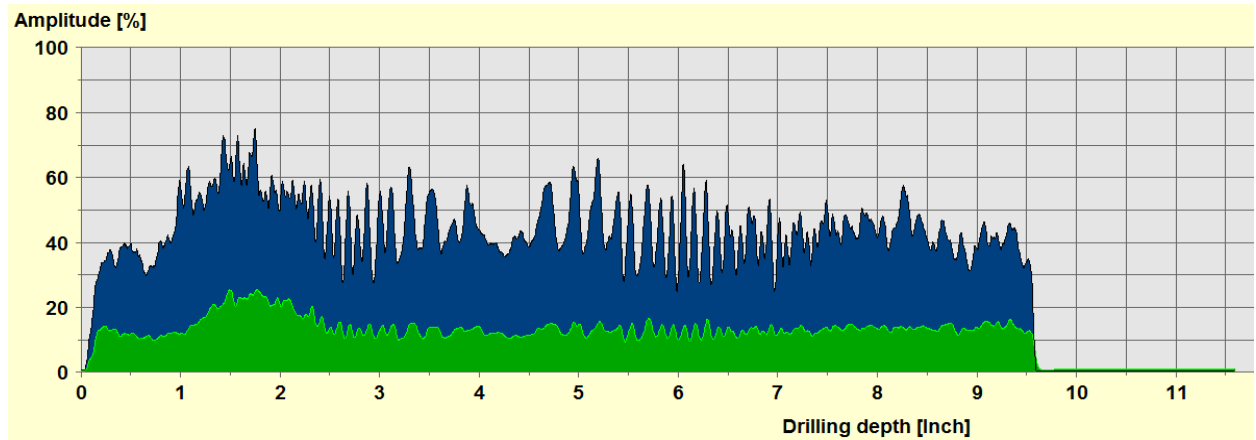
Test #3 – underground test at 30° angle



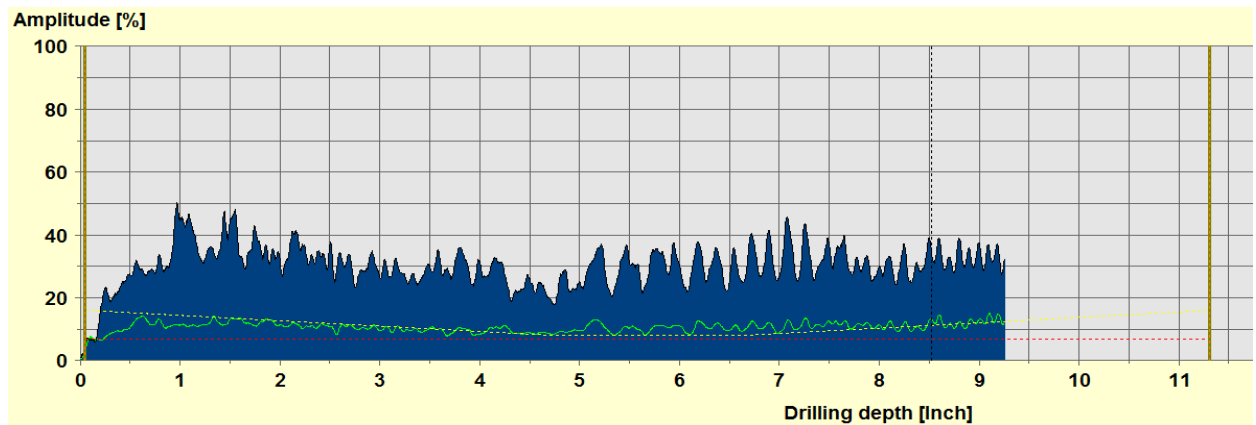
	Decay Detection	Cavity Detection	Result
Test #2	69%	69%	FAIL
Test #3	71%	70%	FAIL

POLE ID	12001
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	MARGINAL PASS
POLE DIAMETER (inches)	9.5"

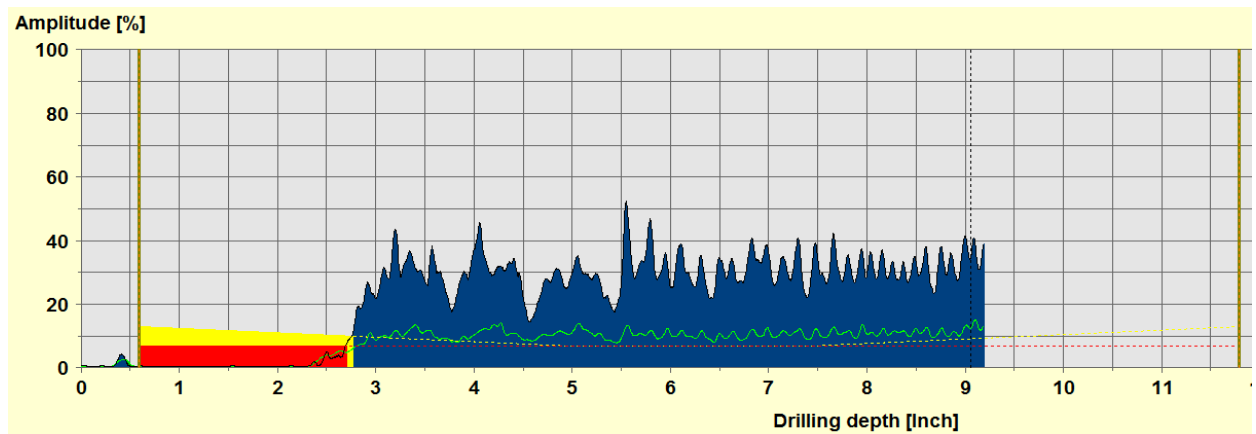
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



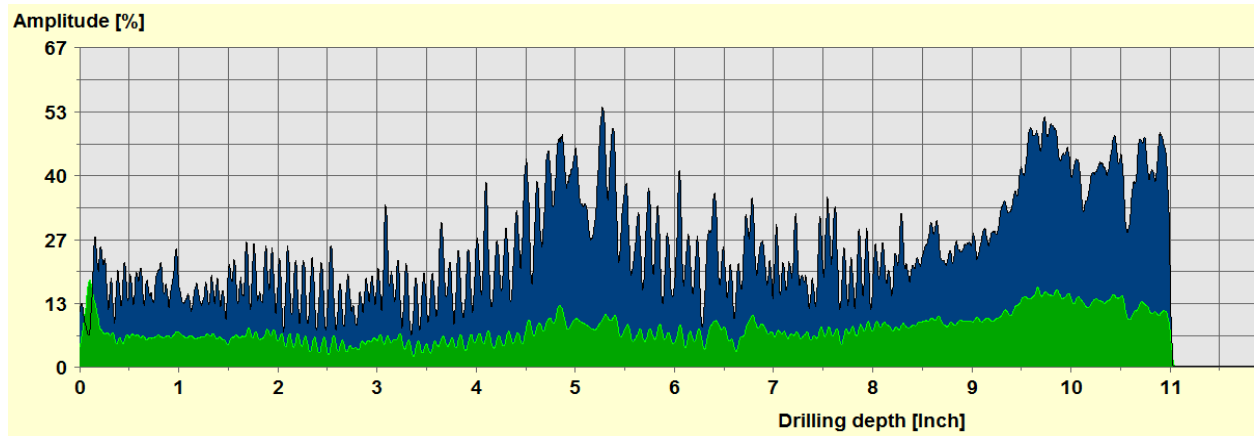
Test #3 – underground test at 30° angle



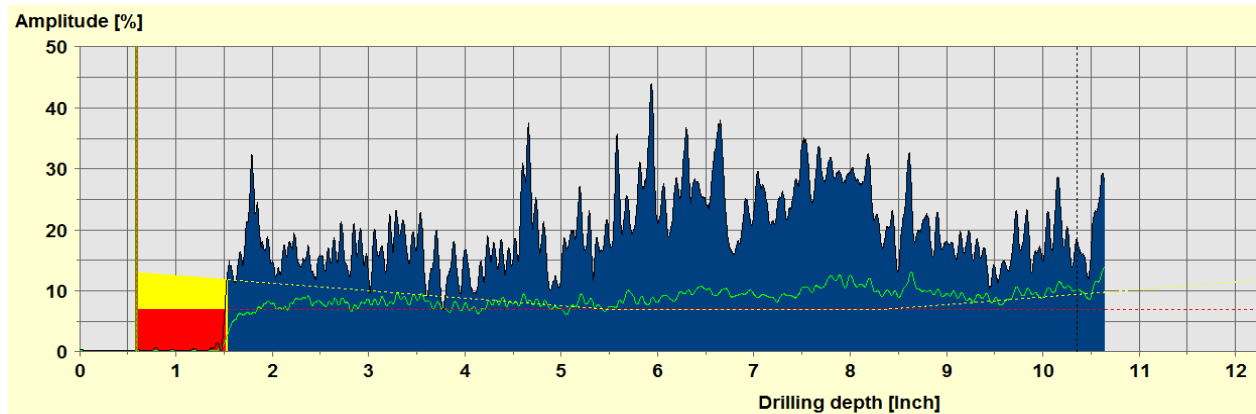
	Decay Detection	Cavity Detection	Result
Test #2	0%	0%	PASS
Test #3	19%	19%	MARGINAL PASS

POLE ID	11954
DATE OF INSPECTION	11/16/2015
OVERALL RESULT	MARGINAL PASS
POLE DIAMETER (inches)	11.0"

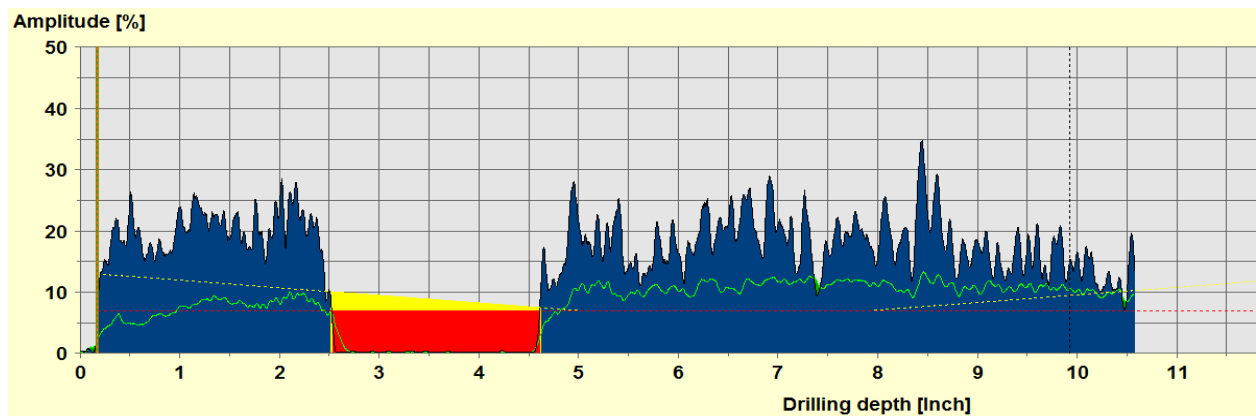
Test #1 – horizontal measurement



Test #2 – underground test at 30° angle



Test #3 – underground test at 30° angle



	Decay Detection	Cavity Detection	Result
Test #2	7%	7%	PASS
Test #3	17%	17%	MARGINAL PASS

Attachment D – 2013 Final CDM Evaluation Report

This page left intentionally blank.



saveONenergy™

Message from the Vice President:

The OPA is pleased to provide you with the enclosed Final 2013 Verified Results Report.

2013 Report highlights:

- We have achieved 86% of our cumulative energy savings target and 48% of our annual peak demand savings target to date (Scenario 2).
By the end of 2013, 42 LDCs have exceeded 80% of their energy target and 19 LDCs have met or exceeded their 2011-14 energy target.
- In 2013, LDCs have achieved over 600 GWh in savings, representing an increase of 20% over the 2012 net incremental energy savings results.
- The BUSINESS PROGRAM continues to generate strong interest and participation amongst business customers with significant savings results. 71% of total energy savings in 2013 came from the BUSINESS PROGRAM and its momentum continues. Also, as the program matures, we are seeing more and more studies in the PROCESS AND SYSTEMS pipeline converting to completed projects.
- Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

2013 has been a year of significant operational advancements centered around creating a better customer and LDC experience:

- A number of operational changes were made in 2013 to enhance processes, such as payment of LDC invoices streamlined to an average of 20 days, enhanced reporting and iCon updates to improve users' experience.
- Proactive updates to measures incentivized through saveONenergy have allowed programs to stay ahead of changing market conditions. Specifically in 2013, LEDs became popular measures in both the Consumer and Business programs.
- Technical tools also played a significant role in 2013, which included an updated Measure and Assumptions List as well as new and improved engineering worksheets for RETROFIT which allow customers to more easily access programs by building strong business cases based on latest estimates of savings potential.
- The Conservation Fund introduced the LDC Fast Track stream to support LDCs with innovative program ideas. 2013 LDC pilots included Oshawa PUC Networks Inc.'s retro-commissioning program, Toronto Hydro-Electric System Limited multi-unit demand response, and Niagara-on-the-Lake Hydro Inc.'s electric vehicles load shifting program.
- Key market sectors were also engaged in 2013 through Capability Building programs targeted at Home Builders and HVAC Installers to build conservation knowledge with these partners. Energy Efficiency Services Programs (EESPs) also provided valuable support to a variety of sectors.

The format of this report was developed in collaboration with the Reporting Working Group and is designed to help LDCs populate their 2013 Annual Reports that will be submitted to the OEB by September 30th. Any additional 2013 program activity not captured here will be reported in your Final 2014 Verified Results Report.

Please continue to monitor saveONenergy E-blasts for any further updates and should you have any other questions or comments please contact LDC.Support@powerauthority.on.ca.

We appreciate your ongoing collaboration and cooperation throughout the reporting and evaluation process. We look forward to another successful year in 2014.

Sincerely,

Andrew Pride

Table of Contents			
Summary		Provides a "snapshot" of the LDC specific OPA-Contracted Province-Wide Program performance to date: progress to target using 2 scenarios, sector breakdown and progress to target for the LDC community	3
LDC-Specific Performance (LDC Level Results)			
Table 1	LDC Initiative and Program Level Net Savings	Provides LDC-specific initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	4
Table 2	LDC Adjustments to Net Verified Results	Provides LDC-specific initiative level adjustments from previous years (activity, net peak demand and energy savings).	5
Table 3	LDC Realization Rates & NTGs	Provides LDC-specific initiative-level realization rates and net-to-gross ratios.	6
Table 4	LDC Net Peak Demand Savings (MW)	Provides a portfolio level view of LDC achievement of net peak demand savings towards OEB target to date.	7
Table 5	LDC Net Energy Savings (GWh)	Provides a portfolio level view of LDC achievement of net energy savings towards OEB target to date.	7
Province-Wide Data - (LDC Performance in Aggregate)			
Table 6	Provincial Initiative and Program Level Net Savings	Provides province-wide initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	8
Table 7	Provincial Adjustments to Net Verified Results	Provides province-wide initiative level adjustments from previous years (activity, net peak demand and energy savings).	9
Table 8	Provincial Realization Rates & NTGs	Provides province-wide initiative-level realization rates and net-to-gross ratios.	10
Table 9	Provincial Net Peak Demand Savings (MW)	Provides a portfolio level view of provincial achievement of net peak demand savings towards the OEB target to date.	11
Table 10	Provincial Net Energy Savings (GWh)	Provides a portfolio level view of achievement of provincial net energy savings towards the OEB target to date.	11
Appendix			
-	Methodology	Detailed descriptions of methods used for results.	12 to 21
-	Reference Tables	To map C&I and Industrial customer data and Consumer Program allocation methodology.	22 to 25
-	Glossary	Definitions for terms used throughout the report.	26
Table 11	LDC Initiative and Program Level Gross Savings	Provides LDC-specific initiative-level results (gross peak demand and energy savings).	27
Table 12	LDC Adjustments to Gross Verified Results	Provides LDC-specific initiative level adjustments from previous years (gross peak demand and energy savings).	28
Table 13	Provincial Initiative and Program Level Gross Savings	Provides province-wide initiative-level results (gross peak demand and energy savings).	29
Table 14	Provincial Adjustments to Gross Verified Results	Provides province-wide initiative level adjustments from previous years (gross peak demand and energy savings).	30

OPA-Contracted Province-Wide CDM Programs Final Verified 2013 Results

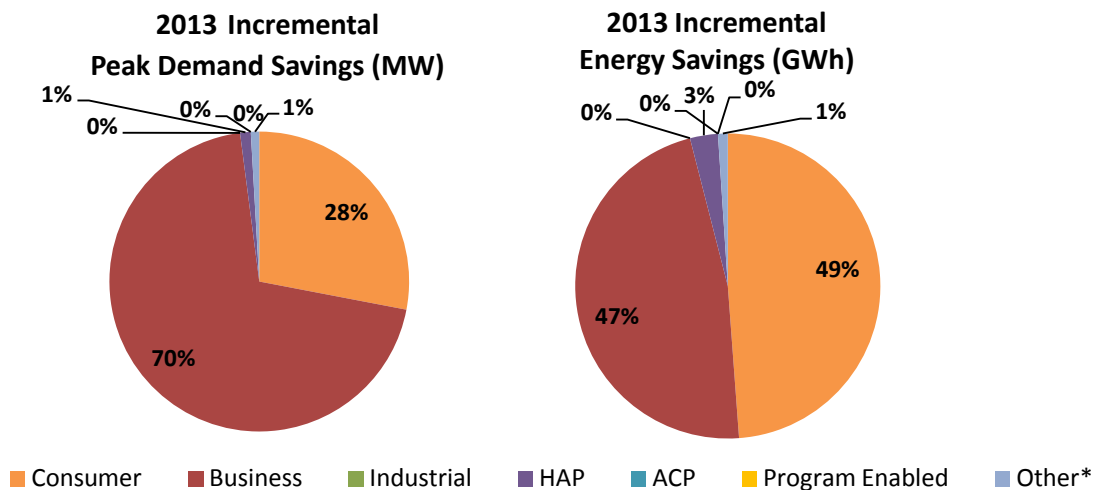
LDC: Wasaga Distribution Inc.

FINAL 2013 Progress to Targets	2013 Incremental	Program-to-Date Progress to Target (Scenario 1)	Scenario 1: % of Target Achieved	Scenario 2: % of Target Achieved
Net Annual Peak Demand Savings (MW)	0.1	0.2	16.9%	22.0%
Net Energy Savings (GWh)	0.2	3.5	87.1%	87.1%

Scenario 1 = Assumes that demand response resources have a persistence of 1 year

Scenario 2 = Assumes that demand response resources remain in the LDC service territory until 2014

Achievement by Sector



*Other includes adjustments to previous years' results and savings from pre-2011 initiatives

Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

The following graphs assume that demand response resources remain in the LDC service territory until 2014 (aligns with Scenario 2)

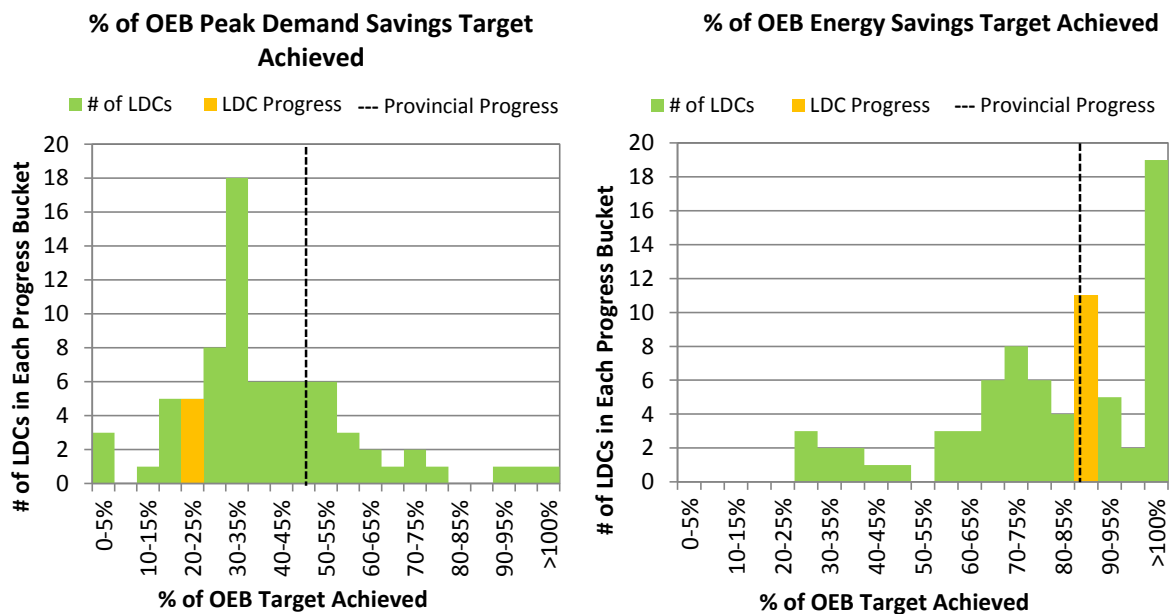


Table 1: Wasaga Distribution Inc. Initiative and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	95	40	24		5	2	1		39,547	15,567	10,423		9	225,735
Appliance Exchange	Appliances	8	1	5		1	0	1		1,076	174	1,847		1	8,077
HVAC Incentives	Equipment	87	95	129		29	20	29		53,128	35,481	53,319		78	425,589
Conservation Instant Coupon Booklet	Items	929	56	624		2	0	1		34,491	2,516	13,868		3	173,248
Bi-Annual Retailer Event	Items	1,713	1,909	1,700		3	3	2		52,875	48,187	30,911		8	417,882
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						40	25	35		181,117	101,924	110,367		100	1,250,532
Business Program															
Retrofit	Projects	2	2	5		0	71	13		56,159	395,203	77,702		83	1,565,650
Direct Install Lighting	Projects	15	22	7		18	24	6		51,687	102,205	28,036		39	540,283
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	1	1	1		68	68	69		2,636	984	917		0	4,536
Business Program Total						86	163	87		110,481	498,393	106,655		122	2,110,470
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	0	5		0	0	1		0	0	6,682		1	13,285
Home Assistance Program Total						0	0	1		0	0	6,682		1	13,285
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2	0	0		0	0	0		1,838	0	0		0	7,352
High Performance New Construction	Projects	0	0	0		0	0	0		142	197	0		0	1,157
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						0	0	0		1,980	197	0		1	8,510
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results						1					25,510		0	1	102,040
Adjustments to 2012 Verified Results						1					2,342			1	7,027
Energy Efficiency Total						59	121	55		290,942	599,530	222,787		224	3,378,259
Demand Response Total (Scenario 1)						68	68	69		2,636	984	917		0	4,536
Adjustments to Previous Years' Verified Results Total						0	1	1		0	25,510	2,342		2	109,067
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						126	189	125		293,578	626,024	226,046		226	3,491,862
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively)		The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.								Full OEB Target:				1,340	4,010,000
										% of Full OEB Target Achieved to Date (Scenario 1):				16.9%	87.1%

Table 2: Adjustments to Wasaga Distribution Inc. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011*	2012*	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program													
Appliance Retirement	Appliances	0	0			0	0			0	0		
Appliance Exchange	Appliances	0	0			0	0			0	0		
HVAC Incentives	Equipment	-18	5			-4	1			-8,027	2,342		
Conservation Instant Coupon Booklet	Items	15	0			0	0			496	0		
Bi-Annual Retailer Event	Items	147	0			0	0			3,928	0		
Retailer Co-op	Items	0	0			0	0			0	0		
Residential Demand Response	Devices	0	0			0	0			0	0		
Residential Demand Response (IHD)	Devices	0	0			0	0			0	0		
Residential New Construction	Homes	0	0			0	0			0	0		
Consumer Program Total						-4	1			-3,603	2,342		
Business Program													
Retrofit	Projects	0	0			0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0			0	0		
Building Commissioning	Buildings	0	0			0	0			0	0		
New Construction	Buildings	0	0			0	0			0	0		
Energy Audit	Audits	0	0			0	0			0	0		
Small Commercial Demand Response	Devices	0	0			0	0			0	0		
Small Commercial Demand Response (IHD)	Devices	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Business Program Total						0	0			0	0		
Industrial Program													
Process & System Upgrades	Projects	0	0			0	0			0	0		
Monitoring & Targeting	Projects	0	0			0	0			0	0		
Energy Manager	Projects	0	0			0	0			0	0		
Retrofit	Projects	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Industrial Program Total						0	0			0	0		
Home Assistance Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Home Assistance Program Total						0	0			0	0		
Aboriginal Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0			0	0		
Aboriginal Program Total						0	0			0	0		
Pre-2011 Programs completed in 2011													
Electricity Retrofit Incentive Program	Projects	1	0			5	0			29,113	0		
High Performance New Construction	Projects	0	0			0	0			0	0		
Toronto Comprehensive	Projects	0	0			0	0			0	0		
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0			0	0		
LDC Custom Programs	Projects	0	0			0	0			0	0		
Pre-2011 Programs completed in 2011 Total						5	0			29,113	0		
Other													
Program Enabled Savings	Projects	0	0			0	0			0	0		
Time-of-Use Savings	Homes	0	0			0	0			0	0		
Other Total						0	0			0	0		
Adjustments to 2011 Verified Results						1				25,510			
Adjustments to 2012 Verified Results							1				2,342		
Total Adjustments to Previous Years' Verified Results						1	1			25,510	2,342		

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above does not consider persistence of savings

Table 3: Wasaga Distribution Inc. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a		0.51	0.47	0.42		1.00	1.00	n/a		0.51	0.47	0.44	
Appliance Exchange	1.00	1.00	1.00		0.52	0.52	0.53		1.00	1.00	1.00		0.52	0.52	0.53	
HVAC Incentives	1.00	1.00	n/a		0.60	0.49	0.48		1.00	1.00	n/a		0.60	0.49	0.48	
Conservation Instant Coupon Booklet	1.00	1.00	1.00		1.14	1.00	1.11		1.00	1.00	1.00		1.11	1.05	1.13	
Bi-Annual Retailer Event	1.00	1.00	1.00		1.13	0.91	1.04		1.00	1.00	1.00		1.10	0.92	1.04	
Retailer Co-op	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential Demand Response	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential Demand Response (IHD)	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential New Construction	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Business Program																
Retrofit	n/a	1.01	0.81		n/a	0.79	0.70		n/a	1.25	0.93		n/a	0.81	0.70	
Direct Install Lighting	1.08	0.68	0.81		0.93	0.94	0.94		0.90	0.85	0.84		0.93	0.94	0.94	
Building Commissioning	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
New Construction	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Energy Audit	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Small Commercial Demand Response	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Small Commercial Demand Response (IHD)	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Demand Response 3	0.76	n/a	n/a		n/a	n/a	n/a		1.00	n/a	n/a		n/a	n/a	n/a	
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Monitoring & Targeting	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Energy Manager	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Retrofit																
Demand Response 3	0.84	n/a	n/a		n/a	n/a	n/a		1.00	n/a	n/a		n/a	n/a	n/a	
Home Assistance Program																
Home Assistance Program	n/a	n/a	0.06		n/a	n/a	1.00		n/a	n/a	0.88		n/a	n/a	1.00	
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Direct Install Lighting	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.77	n/a	n/a		0.52	n/a	n/a		0.77	n/a	n/a		0.52	n/a	n/a	
High Performance New Construction	1.00	1.00	1.00		0.50	0.50	0.50		1.00	1.00	1.00		0.50	0.50	0.50	
Toronto Comprehensive	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
LDC Custom Programs	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Other																
Program Enabled Savings	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Time-of-Use Savings	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	

Energy Manager, Aboriginal Program and Program Enabled Savings were not independently evaluated

Summary Progress Towards CDM Targets

Results are attributed to target using current OPA reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.1	0.1	0.1	0.0
2012 - Verified†	0.0	0.2	0.1	0.1
2013 - Verified†	0.0	0.0	0.1	0.1
2014				
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.2
Wasaga Distribution Inc. 2014 Annual CDM Capacity Target:				1.3
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				16.8%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.3	0.3	0.3	0.3	1.1
2012 - Verified†	0.0	0.6	0.6	0.6	1.9
2013 - Verified†	0.0	0.0	0.2	0.2	0.5
2014					
Verified Net Cumulative Energy Savings 2011-2014:					3.5
Wasaga Distribution Inc. 2011-2014 Annual CDM Energy Target:					4.0
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					87.1%

†Includes adjustments to previous Years' verified results

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)		
		2011*	2012*	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)	
																2014
Consumer Program																
Appliance Retirement	Appliances	56,110	34,146	20,952		3,299	2,011	1,433		23,005,812	13,424,518	8,713,107		6,605	149,603,072	
Appliance Exchange	Appliances	3,688	3,836	5,337		371	556	1,106		450,187	974,621	1,971,701		1,795	8,455,927	
HVAC Incentives	Equipment	92,743	87,427	91,581		32,037	19,060	19,552		59,437,670	32,841,283	33,923,592		70,650	404,121,713	
Conservation Instant Coupon Booklet	Items	567,678	30,891	346,896		1,344	230	517		21,211,537	1,398,202	7,707,573		2,091	104,455,900	
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772		1,681	1,480	1,184		29,387,468	26,781,674	17,179,841		4,345	232,254,579	
Retailer Co-op	Items	152	0	0		0	0	0		2,652	0	0		0	10,607	
Residential Demand Response	Devices	19,550	98,388	171,733		10,947	49,038	93,076		24,870	359,408	390,303		0	774,582	
Residential Demand Response (IHD)	Devices	0	49,689	133,657		0	0	0		0	0	0		0	0	
Residential New Construction	Homes	26	19	86		0	2	18		743	17,152	163,690		20	381,811	
Consumer Program Total						49,681	72,377	116,886		133,520,941	75,796,859	70,049,807		85,506	900,058,189	
Business Program																
Retrofit	Projects	2,819	6,134	8,785		24,467	61,147	59,678		136,002,258	314,922,468	345,346,008		142,831	2,168,497,702	
Direct Install Lighting	Projects	20,741	18,691	17,782		23,724	15,284	18,708		61,076,701	57,345,798	64,315,558		49,886	519,693,356	
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0	
New Construction	Buildings	22	69	86		123	764	1,584		411,717	1,814,721	4,959,266		2,472	17,009,564	
Energy Audit	Audits	198	345	319		0	1,450	2,811		0	7,049,351	15,455,795		4,261	52,059,644	
Small Commercial Demand Response	Devices	132	294	1,211		84	187	773		157	1,068	373		0	1,597	
Small Commercial Demand Response (IHD)	Devices	0	0	378		0	0	0		0	0	0		0	0	
Demand Response 3	Facilities	145	151	175		16,218	19,389	23,706		633,421	281,823	346,659		0	1,261,903	
Business Program Total						64,617	98,221	107,261		198,124,253	381,415,230	430,423,659		199,449	2,758,523,766	
Industrial Program																
Process & System Upgrades	Projects	0	0	3		0	0	294		0	0	2,603,764		294	5,207,528	
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0	
Energy Manager	Projects	0	42	205		0	1,086	3,558		0	7,372,108	21,994,263		3,194	54,888,570	
Retrofit	Projects	433	0	0		4,615	0	0		28,866,840	0	0		4,613	115,462,282	
Demand Response 3	Facilities	124	185	281		52,484	74,056	162,543		3,080,737	1,784,712	4,309,160		0	9,174,609	
Industrial Program Total						57,098	75,141	166,395		31,947,577	9,156,820	28,907,187		8,101	184,732,989	
Home Assistance Program																
Home Assistance Program	Homes	46	5,033	26,756		2	566	2,361		39,283	5,442,232	20,987,275		2,904	57,949,913	
Home Assistance Program Total						2	566	2,361		39,283	5,442,232	20,987,275		2,904	57,949,913	
Aboriginal Program																
Home Assistance Program	Homes	0	0	584		0	0	267		0	0	1,609,393		267	3,218,786	
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0	
Aboriginal Program Total						0	0	267		0	0	1,609,393		267	3,218,786	
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	Projects	2,028	0	0		21,662	0	0		121,138,219	0	0		21,662	484,552,876	
High Performance New Construction	Projects	179	69	4		5,098	3,251	772		26,185,591	11,901,944	3,522,240		9,121	147,492,677	
Toronto Comprehensive	Projects	577	0	0		15,805	0	0		86,964,886	0	0		15,805	347,859,545	
Multifamily Energy Efficiency Rebates	Projects	110	0	0		1,981	0	0		7,595,683	0	0		1,981	30,382,733	
LDC Custom Programs	Projects	8	0	0		399	0	0		1,367,170	0	0		399	5,468,679	
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772		243,251,550	11,901,944	3,522,240		48,967	1,015,756,510	
Other																
Program Enabled Savings	Projects	14	56	13		0	2,304	3,692		0	1,188,362	4,075,382		5,996	11,715,850	
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0	
Other Total						0	2,304	3,692		0	1,188,362	4,075,382		5,996	11,715,850	
Adjustments to 2011 Verified Results																
Adjustments to 2012 Verified Results																
Energy Efficiency Total						136,610	109,191	117,536		603,144,419	482,474,435	554,528,447		351,190	4,920,743,312	
Demand Response Total (Scenario 1)						79,733	142,670	280,099		3,739,185	2,427,011	5,046,495		0	11,212,691	
Adjustments to Previous Years' Verified Results Total						0	1,406	6,901		0	18,689,081	43,684,221		7,976	207,151,978	
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536		606,883,604	503,590,526	603,259,163		359,166	5,139,107,980	
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).						Full OEB Target:									1,330,000	6,000,000,000
The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.						% of Full OEB Target Achieved to Date (Scenario 1):									27.0%	85.7%

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011*	2012*	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program													
Appliance Retirement	Appliances	0	0			0	0			0	0		
Appliance Exchange	Appliances	0	0			0	0			0	0		
HVAC Incentives	Equipment	-18,844	2,206			-5,271	452			-9,709,500	907,735		
Conservation Instant Coupon Booklet	Items	8,216	0			16	0			275,655	0		
Bi-Annual Retailer Event	Items	81,817	0			108	0			2,183,391	0		
Retailer Co-op	Items	0	0			0	0			0	0		
Residential Demand Response	Devices	0	0			0	0			0	0		
Residential Demand Response (IHD)	Devices	0	0			0	0			0	0		
Residential New Construction	Homes	19	0			1	0			13,767	0		
Consumer Program Total						-5,146	452			-7,236,687	907,735		
Business Program													
Retrofit	Projects	303	529			3,204	4,443			16,216,165	28,739,635		
Direct Install Lighting	Projects	444	197			501	204			1,250,388	736,541		
Building Commissioning	Buildings	0	0			0	0			0	0		
New Construction	Buildings	12	0			828	0			3,520,620	0		
Energy Audit	Audits	95	65			492	337			2,391,744	1,636,457		
Small Commercial Demand Response	Devices	0	0			0	0			0	0		
Small Commercial Demand Response (IHD)	Devices	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Business Program Total						5,025	4,984			23,378,917	31,112,632		
Industrial Program													
Process & System Upgrades	Projects	0	0			0	0			0	0		
Monitoring & Targeting	Projects	0	0			0	0			0	0		
Energy Manager	Projects	0	3			0	68			0	719,235		
Retrofit	Projects	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Industrial Program Total						0	68			0	719,235		
Home Assistance Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Home Assistance Program Total						0	0			0	0		
Aboriginal Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0			0	0		
Aboriginal Program Total						0	0			0	0		
Pre-2011 Programs completed in 2011													
Electricity Retrofit Incentive Program	Projects	12	0			138	0			545,536	0		
High Performance New Construction	Projects	34	0			1,407	0			2,065,200	0		
Toronto Comprehensive	Projects	0	0			0	0			0	0		
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0			0	0		
LDC Custom Programs	Projects	0	0			0	0			0	0		
Pre-2011 Programs completed in 2011 Total						1,545	0			2,610,736	0		
Other													
Program Enabled Savings	Projects	14	40			624	824			1,673,712	9,927,473		
Time-of-Use Savings	Homes	0	0			0	0			0	0		
Other Total						624	824			1,673,712	9,927,473		
Adjustments to 2011 Verified Results						2,047				20,426,678			
Adjustments to 2012 Verified Results							6,328				42,667,076		
Adjustments to Previous Years' Verified Results Total						2,047	6,328			20,426,678	42,667,076		

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above does not consider persistence of savings

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00		0.51	0.46	0.42		1.00	1.00	1.00		0.46	0.47	0.44	
Appliance Exchange	1.00	1.00	1.00		0.51	0.52	0.53		1.00	1.00	1.00		0.52	0.52	0.53	
HVAC Incentives	1.00	1.00	1.00		0.60	0.50	0.48		1.00	1.00	1.00		0.50	0.49	0.48	
Conservation Instant Coupon Booklet	1.00	1.00	1.00		1.14	1.00	1.11		1.00	1.00	1.00		1.00	1.05	1.13	
Bi-Annual Retailer Event	1.00	1.00	1.00		1.12	0.91	1.04		1.00	1.00	1.00		0.91	0.92	1.04	
Retailer Co-op	1.00	n/a	n/a		0.68	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential Demand Response	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential Demand Response (IHD)	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Residential New Construction	1.00	3.65	0.78		0.41	0.49	0.63		3.65	7.17	3.09		0.49	0.49	0.63	
Business Program																
Retrofit	1.06	0.93	0.92		0.72	0.75	0.73		0.93	1.05	1.01		0.75	0.76	0.73	
Direct Install Lighting	1.08	0.69	0.82		1.08	0.94	0.94		0.69	0.85	0.84		0.94	0.94	0.94	
Building Commissioning	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
New Construction	0.50	0.98	0.68		0.50	0.49	0.54		0.98	0.99	0.76		0.49	0.49	0.54	
Energy Audit	n/a	n/a	1.02		n/a	n/a	0.66		n/a	n/a	0.97		n/a	n/a	0.66	
Small Commercial Demand Response	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Small Commercial Demand Response (IHD)	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Demand Response 3	0.76	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85		n/a	n/a	0.94		n/a	n/a	0.87		n/a	n/a	0.93	
Monitoring & Targeting	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Energy Manager	n/a	1.16	0.90		n/a	0.90	0.90		1.16	1.16	0.90		0.90	0.90	0.90	
Retrofit	1.11	n/a	n/a		0.72	n/a	n/a		0.91	n/a	n/a		0.75	n/a	n/a	
Demand Response 3	0.84	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26		0.70	1.00	1.00		0.32	0.99	0.88		1.00	1.00	1.00	
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05		n/a	n/a	1.00		n/a	n/a	0.95		n/a	n/a	1.00	
Direct Install Lighting	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a		0.54	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
High Performance New Construction	1.00	1.00	1.00		0.49	0.50	0.50		1.00	1.00	1.00		0.50	0.50	0.50	
Toronto Comprehensive	1.13	n/a	n/a		0.50	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a		0.78	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
LDC Custom Programs	1.00	n/a	n/a		1.00	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	
Other																
Program Enabled Savings	n/a	1.06	1.00		n/a	1.00	1.00		1.06	2.26	1.00		1.00	1.00	1.00	
Time-of-Use Savings	n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a		n/a	n/a	n/a	

Energy Manager, Aboriginal Program and Program Enabled Savings were not independently evaluated

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014				
Verified Net Annual Peak Demand Savings in 2014:				359.2
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				27.0%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014					
Verified Net Cumulative Energy Savings 2011-2014:					5,139.1
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					85.7%

†Includes adjustments to previous Years' verified results

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream; Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system; Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2013)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011 or 2012.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011, 2012 or 2013.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012 or 2013 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012 or 2013, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012 or 2013, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012 or 2013, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Retrofit Sector (C&I vs. Industrial Mapping)

Building Type	Sector
Agribusiness - Cattle Farm	C&I
Agribusiness - Dairy Farm	C&I
Agribusiness - Greenhouse	C&I
Agribusiness - Other	C&I
Agribusiness - Other,Mixed-Use - Office/Retail	C&I
Agribusiness - Other,Office,Retail,Warehouse	C&I
Agribusiness - Other,Office,Warehouse	C&I
Agribusiness - Poultry	C&I
Agribusiness - Poultry,Hospitality - Motel	C&I
Agribusiness - Swine	C&I
Convenience Store	C&I
Education - College / Trade School	C&I
Education - College / Trade School,Multi-Residential - Condominium	C&I
Education - College / Trade School,Multi-Residential - Rental Apartment	C&I
Education - College / Trade School,Retail	C&I
Education - Primary School	C&I
Education - Primary School,Education - Secondary School	C&I
Education - Primary School,Multi-Residential - Rental Apartment	C&I
Education - Primary School,Not-for-Profit	C&I
Education - Secondary School	C&I
Education - University	C&I
Education - University,Office	C&I
Hospital/Healthcare - Clinic	C&I
Hospital/Healthcare - Clinic,Hospital/Healthcare - Long-term Care,Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Clinic,Industrial	C&I
Hospital/Healthcare - Clinic,Retail	C&I
Hospital/Healthcare - Long-term Care	C&I
Hospital/Healthcare - Long-term Care,Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Medical Building,Mixed-Use - Office/Retail	C&I
Hospital/Healthcare - Medical Building,Mixed-Use - Office/Retail,Office	C&I
Hospitality - Hotel	C&I
Hospitality - Hotel,Restaurant - Dining	C&I
Hospitality - Motel	C&I
Industrial	Industrial
Mixed-Use - Office/Retail	C&I
Mixed-Use - Office/Retail,Industrial	Industrial
Mixed-Use - Office/Retail,Mixed-Use - Other	C&I
Mixed-Use - Office/Retail,Mixed-Use - Other,Not-for-Profit,Warehouse	C&I
Mixed-Use - Office/Retail,Mixed-Use - Residential/Retail	C&I
Mixed-Use - Office/Retail,Office,Restaurant - Dining,Restaurant - Quick Serve,Retail,Warehouse	C&I

Mixed-Use - Office/Retail,Office,Warehouse	C&I
Mixed-Use - Office/Retail,Retail	C&I
Mixed-Use - Office/Retail,Warehouse	C&I
Mixed-Use - Office/Retail,Warehouse,Industrial	Industrial
Mixed-Use - Other	C&I
Mixed-Use - Other,Industrial	Industrial
Mixed-Use - Other,Not-for-Profit,Office	C&I
Mixed-Use - Other,Office	C&I
Mixed-Use - Other,Other: Please specify	C&I
Mixed-Use - Other,Retail,Warehouse	C&I
Mixed-Use - Other,Warehouse	C&I
Mixed-Use - Residential/Retail	C&I
Mixed-Use - Residential/Retail,Multi-Residential - Condominium	C&I
Mixed-Use - Residential/Retail,Multi-Residential - Rental Apartment	C&I
Mixed-Use - Residential/Retail,Retail	C&I
Multi-Residential - Condominium	C&I
Multi-Residential - Condominium,Multi-Residential - Rental Apartment	C&I
Multi-Residential - Condominium,Other: Please specify	C&I
Multi-Residential - Rental Apartment	C&I
Multi-Residential - Rental Apartment,Multi-Residential - Social Housing Provider,Not-for-Profit	C&I
Multi-Residential - Rental Apartment,Not-for-Profit	C&I
Multi-Residential - Rental Apartment,Warehouse	C&I
Multi-Residential - Social Housing Provider	C&I
Multi-Residential - Social Housing Provider,Industrial	C&I
Multi-Residential - Social Housing Provider,Not-for-Profit	C&I
Not-for-Profit	C&I
Not-for-Profit,Office	C&I
Not-for-Profit,Other: Please specify	C&I
Not-for-Profit,Warehouse	C&I
Office	C&I
Office,Industrial	Industrial
Office,Other: Please specify	C&I
Office,Other: Please specify,Warehouse	C&I
Office,Restaurant - Dining	C&I
Office,Restaurant - Dining,Industrial	Industrial
Office,Retail	C&I
Office,Retail,Industrial	C&I
Office,Retail,Warehouse	C&I
Office,Warehouse	C&I
Office,Warehouse,Industrial	Industrial
Other: Please specify	C&I
Other: Please specify,Industrial	Industrial
Other: Please specify,Retail	C&I
Other: Please specify,Warehouse	C&I
Restaurant - Dining	C&I
Restaurant - Dining,Retail	C&I

Restaurant - Quick Serve	C&I
Restaurant - Quick Serve,Retail	C&I
Retail	C&I
Retail,Industrial	Industrial
Retail,Warehouse	C&I
Warehouse	C&I
Warehouse,Industrial	Industrial

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%

Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%
Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity in a given year and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Wasaga Distribution Inc. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	11	2	3		79,235	15,567	22,038	
Appliance Exchange**	Appliances	2	0	2		2,087	174	3,510	
HVAC Incentives	Equipment	48	41	62		88,989	72,693	112,695	
Conservation Instant Coupon Booklet	Items	2	0	1		31,264	2,386	12,311	
Bi-Annual Retailer Event	Items	3	3	2		48,398	52,578	29,582	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
Consumer Program Total		65	46	70		249,974	143,398	180,135	
Business Program									
Retrofit	Projects	0	77	18		82,826	377,841	110,615	
Direct Install Lighting	Projects	17	33	7		55,664	122,835	29,703	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	0		0	0	0	
Energy Audit	Audits	0	0	0		0	0	0	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	68	68	69		2,636	984	917	
Business Program Total		84	177	93		141,126	501,660	141,236	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	0		0	0	0	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	0		0	0	0	
Home Assistance Program									
Home Assistance Program	Homes	0	0	1		0	0	6,682	
Home Assistance Program Total		0	0	1		0	0	6,682	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	1	0	0		3,535	0	0	
High Performance New Construction	Projects	0	0	0		283	394	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		1	0	0		3,818	394	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		0	2	0		0	47,259	0	
Adjustments to 2012 Verified Results		0	0	3		0	0	4,795	
Energy Efficiency Total		83	156	96		392,282	644,468	327,136	
Demand Response Total		68	68	69		2,636	984	917	
Adjustments to Previous Years' Verified Results Total		0	2	3		0	47,259	4,795	
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		150	227	167		394,917	692,711	332,848	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above does not consider persistence of savings

Gross results are presented for informational purposes only and are not considered official 2013 Final Verified Results
 **Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Wasaga Distribution Inc. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0			0	0		
Appliance Exchange	Appliances	0	0			0	0		
HVAC Incentives	Equipment	-7	3			-13,458	4,795		
Conservation Instant Coupon Booklet	Items	0	0			461	0		
Bi-Annual Retailer Event	Items	0	0			4,271	0		
Retailer Co-op	Items	0	0			0	0		
Residential Demand Response	Devices	0	0			0	0		
Residential Demand Response (IHD)	Devices	0	0			0	0		
Residential New Construction	Homes	0	0			0	0		
Consumer Program Total		-7	3			-8,727	4,795		
Business Program									
Retrofit	Projects	0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0		
Building Commissioning	Buildings	0	0			0	0		
New Construction	Buildings	0	0			0	0		
Energy Audit	Audits	0	0			0	0		
Small Commercial Demand Response	Devices	0	0			0	0		
Small Commercial Demand Response (IHD)	Devices	0	0			0	0		
Demand Response 3	Facilities	0	0			0	0		
Business Program Total		0	0			0	0		
Industrial Program									
Process & System Upgrades	Projects	0	0			0	0		
Monitoring & Targeting	Projects	0	0			0	0		
Energy Manager	Projects	0	0			0	0		
Retrofit	Projects	0	0			0	0		
Demand Response 3	Facilities	0	0			0	0		
Industrial Program Total		0	0			0	0		
Home Assistance Program									
Home Assistance Program	Homes	0	0			0	0		
Home Assistance Program Total		0	0			0	0		
Aboriginal Program									
Home Assistance Program	Homes	0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0		
Aboriginal Program Total									
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	10	0			55,986	0		
High Performance New Construction	Projects	0	0			0	0		
Toronto Comprehensive	Projects	0	0			0	0		
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0		
LDC Custom Programs	Projects	0	0			0	0		
Pre-2011 Programs completed in 2011 Total		10	0			55,986	0		
Other									
Program Enabled Savings	Projects	0	0			0	0		
Time-of-Use Savings	Homes	0	0			0	0		
Other Total		0	0			0	0		
Adjustments to 2011 Verified Results		2				47,259			
Adjustments to 2012 Verified Results			3				4,795		
Total Adjustments to Previous Years' Verified Results		2	3			47,259	4,795		

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.

Gross results are presented for informational purposes only and are not considered official 2013 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151		45,971,627	13,424,518	18,616,239	
Appliance Exchange**	Appliances	719	556	2,101		873,531	974,621	3,746,106	
HVAC Incentives	Equipment	53,209	38,346	40,418		99,413,430	66,929,213	71,225,037	
Conservation Instant Coupon Booklet	Items	1,184	231	464		19,192,453	1,325,898	6,842,244	
Bi-Annual Retailer Event	Items	1,504	1,622	1,142		26,899,265	29,222,072	16,441,329	
Retailer Co-op	Items	0	0	0		3,917	0	0	
Residential Demand Response	Devices	10,390	49,038	93,076		23,597	359,408	390,303	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	1	29		1,813	4,884	259,826	
Consumer Program Total		73,757	91,805	140,380		192,379,633	112,240,615	117,521,084	
Business Program									
Retrofit	Projects	34,201	78,965	82,896		184,070,265	387,817,248	478,410,896	
Direct Install Lighting	Projects	22,155	20,469	19,807		65,777,197	68,896,046	68,140,249	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	247	1,596	2,934		823,434	3,755,869	9,183,826	
Energy Audit	Audits	0	1,450	4,283		0	7,049,351	23,386,108	
Small Commercial Demand Response	Devices	55	187	773		131	1,068	373	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	21,390	19,389	23,706		633,421	281,823	346,659	
Business Program Total		78,048	122,056	134,399		251,304,448	467,801,406	579,468,111	
Industrial Program									
Process & System Upgrades	Projects	0	0	313		0	0	2,799,746	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	1,034	3,953		0	7,067,535	24,438,070	
Retrofit	Projects	6,372	0	0		38,412,408	0	0	
Demand Response 3	Facilities	176,180	74,056	162,543		4,243,958	1,784,712	4,309,160	
Industrial Program Total		182,552	75,090	166,809		42,656,366	8,852,247	31,546,976	
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361		56,119	5,524,230	20,987,275	
Home Assistance Program Total		4	1,777	2,361		56,119	5,524,230	20,987,275	
Aboriginal Program									
Home Assistance Program	Homes	0	0	267		0	0	1,609,393	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	267		0	0	1,609,393	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0		223,956,390	0	0	
High Performance New Construction	Projects	10,197	6,501	772		52,371,183	23,803,888	3,522,240	
Toronto Comprehensive	Projects	33,467	0	0		174,070,574	0	0	
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0		9,774,792	0	0	
LDC Custom Programs	Projects	534	0	0		649,140	0	0	
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772		460,822,079	23,803,888	3,522,240	
Other									
Program Enabled Savings	Projects	0	2,177	3,692		0	525,011	4,075,382	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
Other Total		0	2,177	3,692		0	525,011	4,075,382	
Adjustments to 2011 Verified Results			13,266	645			48,705,294	1,744,645	
Adjustments to 2012 Verified Results				8,707				55,101,043	
Energy Efficiency Total		213,515	156,735	168,583		942,317,539	616,320,385	753,683,966	
Demand Response Total		208,015	142,670	280,099		4,901,107	2,427,011	5,046,495	
Adjustments to Previous Years' Verified Results Total		0	13,266	9,352		0	48,705,294	56,845,688	
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	458,033		947,218,646	667,452,690	815,576,149	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above does not consider persistence of savings

Gross results are presented for informational purposes only and are not considered official 2013 Final Verified Results
**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0			0	0		
Appliance Exchange	Appliances	0	0			0	0		
HVAC Incentives	Equipment	-8,762	1,036			-16,245,279	1,854,833		
Conservation Instant Coupon Booklet	Items	15	0			255,975	0		
Bi-Annual Retailer Event	Items	117	0			2,373,616	0		
Retailer Co-op	Items	0	0			0	0		
Residential Demand Response	Devices	0	0			0	0		
Residential Demand Response (IHD)	Devices	0	0			0	0		
Residential New Construction	Homes	0	0			328,256	0		
Consumer Program Total		-8,630	1,036			-13,287,430	1,854,833		
Business Program									
Retrofit	Projects	4,504	6,218			22,046,931	40,101,273		
Direct Install Lighting	Projects	541	217			1,346,618	781,858		
Building Commissioning	Buildings	0	0			0	0		
New Construction	Buildings	3,243	0			11,323,593	0		
Energy Audit	Audits	492	337			2,391,744	1,636,457		
Small Commercial Demand Response	Devices	0	0			0	0		
Small Commercial Demand Response (IHD)	Devices	0	0			0	0		
Demand Response 3	Facilities	0	0			0	0		
Business Program Total		8,780	6,771			37,108,886	42,519,588		
Industrial Program									
Process & System Upgrades	Projects	0	0			0	0		
Monitoring & Targeting	Projects	0	0			0	0		
Energy Manager	Projects	0	75			0	799,151		
Retrofit	Projects	0	0			0	0		
Demand Response 3	Facilities	0	0			0	0		
Industrial Program Total		0	75			0	799,151		
Home Assistance Program									
Home Assistance Program	Homes	0	0			0	0		
Home Assistance Program Total		0	0			0	0		
Aboriginal Program									
Home Assistance Program	Homes	0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0		
Aboriginal Program Total		0	0			0	0		
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0			1,049,108	0		
High Performance New Construction	Projects	12,872	0			23,905,663	0		
Toronto Comprehensive	Projects	0	0			0	0		
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0		
LDC Custom Programs	Projects	0	0			0	0		
Pre-2011 Programs completed in 2011 Total		13,137	0			24,954,771	0		
Other									
Program Enabled Savings	Projects	624	824			1,673,712	9,927,473		
Time-of-Use Savings	Homes	0	0			0	0		
Other Total		624	824			1,673,712	9,927,473		
Adjustments to 2011 Verified Results		13,911				50,449,939			
Adjustments to 2012 Verified Results			8,707				55,101,043		
Adjustments to Previous Years' Verified Results Total		13,911	8,707			50,449,939	55,101,043		

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.

Gross results are presented for informational purposes only and are not considered official 2013 Final Verified Results

Attachment E – 2011 to 2014 Finalized CDM Report

This page left intentionally blank.



saveONenergy™

Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

Table of Contents			
Summary		Provides a summary of the LDC specific IESO-Contracted Province-Wide Program performance to date: achievement against target using scenerio 1, sector breakdown and progress to target for the LDC community.	3
LDC-Specific Performance (LDC Level Results)			
Table 1	LDC Initiative and Program Level Net Savings	Provides LDC-specific initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	4
Table 2	LDC Adjustments to Net Verified Results	Provides LDC-specific initiative level adjustments from previous years' (activity, net peak demand and energy savings).	5
Table 3	LDC Realization Rates & NTGs	Provides LDC-specific initiative-level realization rates and net-to-gross ratios.	6
Table 4	LDC Net Peak Demand Savings (MW)	Provides a portfolio level view of LDC achievement of net peak demand savings against OEB target.	7
Table 5	LDC Net Energy Savings (GWh)	Provides a portfolio level view of LDC achievement of net energy savings against OEB target.	7
Province-Wide Data - (LDC Performance in Aggregate)			
Table 6	Provincial Initiative and Program Level Net Savings	Provides province-wide initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	8
Table 7	Provincial Adjustments to Net Verified Results	Provides province-wide initiative level adjustments from previous years (activity, net peak demand and energy savings).	9
Table 8	Provincial Realization Rates & NTGs	Provides province-wide initiative-level realization rates and net-to-gross ratios.	10
Table 9	Provincial Net Peak Demand Savings (MW)	Provides a portfolio level view of provincial achievement of net peak demand savings against the OEB target.	11
Table 10	Provincial Net Energy Savings (GWh)	Provides a portfolio level view of achievement of provincial net energy savings against the OEB target.	11
Appendix			
-	Methodology	Detailed descriptions of methods used for results.	12 to 21
-	Reference Tables	Consumer Program allocation methodology.	22 to 23
-	Glossary	Definitions for terms used throughout the report.	24
Table 11	LDC Initiative and Program Level Gross Savings	Provides LDC-specific initiative-level results (gross peak demand and energy savings).	25
Table 12	LDC Adjustments to Gross Verified Results	Provides LDC-specific initiative level adjustments from previous years (gross peak demand and energy savings).	26
Table 13	Provincial Initiative and Program Level Gross Savings	Provides province-wide initiative-level results (gross peak demand and energy savings).	27
Table 14	Provincial Adjustments to Gross Verified Results	Provides province-wide initiative level adjustments from previous years (gross peak demand and energy savings).	28

IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

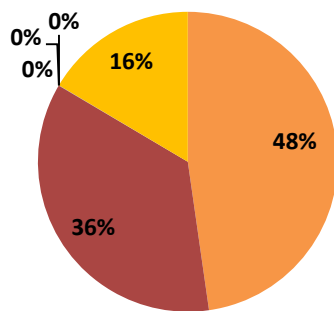
LDC: Wasaga Distribution Inc.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014 Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.3	0.6	42.1%
Net Energy Savings (GWh)	0.8	4.3	107.9%

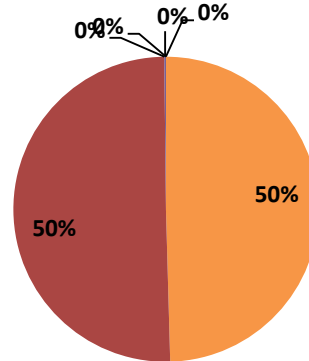
Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector

2014 Incremental Peak Demand Savings (MW)



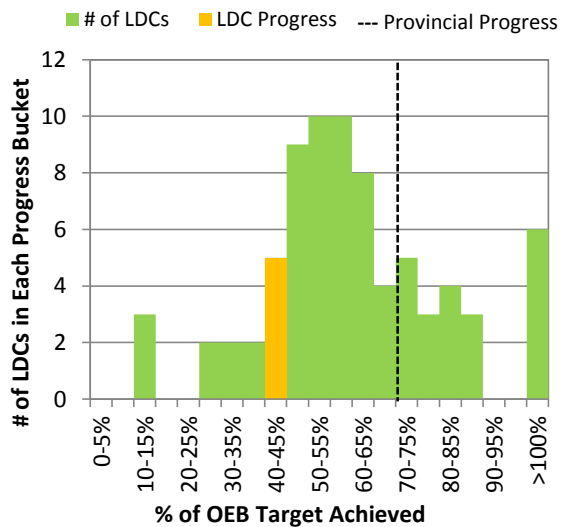
2014 Incremental Energy Savings (GWh)



Consumer Business Industrial HAP ACP Other

Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

% of OEB Peak Demand Savings Target Achieved



% of OEB Energy Savings Target Achieved

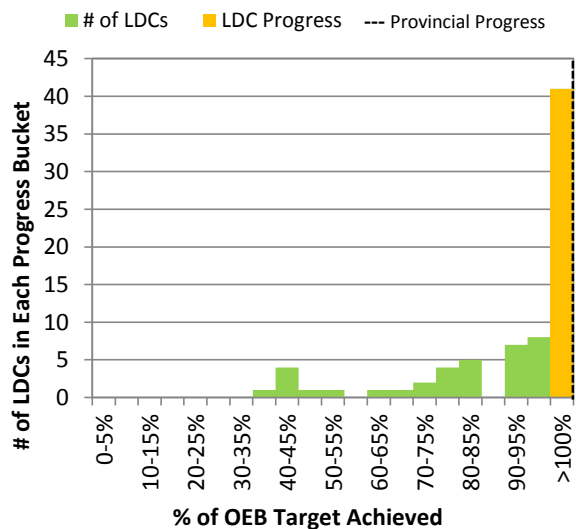


Table 1: Wasaga Distribution Inc. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)		
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)	
																2014
Consumer Program																
Appliance Retirement	Appliances	95	40	24	8	5	2	1	1	39,547	15,567	10,423	3,565	9	229,300	
Appliance Exchange	Appliances	8	1	5	15	1	0	1	3	1,076	174	1,847	5,542	5	13,618	
HVAC Incentives	Equipment	87	95	138	197	29	20	29	45	53,128	35,481	53,319	85,574	124	511,163	
Conservation Instant Coupon Booklet	Items	929	56	626	2,584	2	0	1	5	34,491	2,516	13,868	71,252	9	244,500	
Bi-Annual Retailer Event	Items	1,713	1,909	1,700	8,681	3	3	2	14	52,875	48,187	30,911	221,132	22	639,014	
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Residential Demand Response	Devices	0	0	0	200	0	0	0	92	0	0	0	0	92	0	
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Consumer Program Total						40	25	35	160	181,117	101,924	110,367	387,064	260	1,637,595	
Business Program																
Retrofit	Projects	2	2	5	5	0	71	13	16	56,159	395,203	77,702	165,138	99	1,730,788	
Direct Install Lighting	Projects	15	22	7	42	18	24	6	40	51,687	102,205	28,036	162,232	79	702,515	
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
New Construction	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Energy Audit	Audits	0	0	0	1	0	0	0	13	0	0	0	65,274	13	65,274	
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Demand Response 3	Facilities	1	1	1	1	68	68	69	50	2,636	984	917	0	50	4,536	
Business Program Total						86	163	87	120	110,481	498,393	106,655	392,644	242	2,503,114	
Industrial Program																
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Energy Manager	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Retrofit	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Industrial Program Total						0	0	0	0	0	0	0	0	0	0	
Home Assistance Program																
Home Assistance Program	Homes	0	9	6	2	0	0	1	0	0	0	6,682	1,371	2	14,656	
Home Assistance Program Total						0	0	1	0	0	0	6,682	1,371	2	14,656	
Aboriginal Program																
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0	
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	Projects	2	0	0	0	0	0	0	0	1,838	0	0	0	0	7,352	
High Performance New Construction	Projects	0	0	0	0	0	0	0	0	142	197	0	0	0	1,157	
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Pre-2011 Programs completed in 2011 Total						0	0	0	0	1,980	197	0	0	1	8,510	
Other																
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	55	0	0	0	0	55	0	
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Total						0	0	0	55	0	0	0	0	55	0	
Adjustments to 2011 Verified Results						1				0	25,510				0	102,040
Adjustments to 2012 Verified Results										1	2,342				14,341	50,204
Adjustments to 2013 Verified Results											4,535					9,070
Energy Efficiency Total						59	121	55	193	290,942	599,530	222,787	781,079	417	4,159,338	
Demand Response Total (Scenario 1)						68	68	69	142	2,636	984	917	0	142	4,536	
Adjustments to Previous Years' Verified Results Total						0	1	1	3	0	25,510	2,342	18,876	5	161,314	
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						126	189	125	338	293,578	626,024	226,046	799,955	564	4,325,188	
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:		
*Includes adjustments after Final Reports were issued														1,340		
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year														4,010,000		
% of Full OEB Target Achieved to Date (Scenario 1):														42.1%		
														107.9%		

Table 2: Adjustments to Wasaga Distribution Inc. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18	5	9		-4	1	2		-8,027	2,342	3,768		-1	-17,547
Conservation Instant Coupon Booklet	Items	15	0	2		0	0	0		496	0	42		0	2,068
Bi-Annual Retailer Event	Items	147	0	0		0	0	0		3,928	0	0		0	15,714
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						-4	1	2		-3,603	2,342	3,810		-1	235
Business Program															
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						0	0	0		0	0	0		0	0
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	9	1		0	1	0		0	14,418	725		1	44,628
Home Assistance Program Total						0	1	0		0	14,418	725		1	44,628
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	1	0	0		5	0	0		29,113	0	0		5	116,451
High Performance New Construction	Projects	0	0	0		0	0	0		0	0	0		0	0
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						5	0	0		29,113	0	0		5	116,451
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results						1				25,510				1	102,040
Adjustments to 2012 Verified Results							2				16,760			2	50,204
Adjustments to 2013 Verified Results								2				4,535		2	9,070
Total Adjustments to Previous Years' Verified Results						1	2	2		25,510	16,760	4,535		5	161,314

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Wasaga Distribution Inc. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.47	0.42	0.42	1.00	1.00	n/a	n/a	0.51	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.52	1.00	1.00	1.00	1.00	1.11	1.05	1.13	1.52
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Business Program																
Retrofit	n/a	1.01	0.81	0.80	n/a	0.79	0.70	0.69	n/a	1.25	0.93	0.92	n/a	0.81	0.70	0.71
Direct Install Lighting	1.08	0.68	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Audit	n/a	n/a	n/a	0.96	n/a	n/a	n/a	0.68	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	n/a	0.06	0.90	n/a	n/a	1.00	1.00	n/a	n/a	0.88	0.78	n/a	n/a	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.1	0.1	0.1	0.0
2012 - Verified†	0.0	0.2	0.1	0.1
2013 - Verified†	0.0	0.0	0.1	0.1
2014 - Verified†	0.0	0.0	0.0	0.3
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.6
Wasaga Distribution Inc. 2014 Annual CDM Capacity Target:				1.3
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				42.0%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.3	0.3	0.3	0.3	1.1
2012 - Verified†	0.0	0.6	0.6	0.6	1.9
2013 - Verified†	0.0	0.0	0.2	0.2	0.5
2014 - Verified†	0.0	0.0	0.02	0.8	0.8
Verified Net Cumulative Energy Savings 2011-2014:					4.3
Wasaga Distribution Inc. 2011-2014 Annual CDM Energy Target:					4.0
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					107.9%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,973	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total															
Demand Response Total (Scenario 1)						136,610	109,191	117,536	224,457	603,144,419	482,474,435	554,528,447	975,639,300	575,647	5,896,382,612
Adjustments to Previous Years' Verified Results Total						79,733	142,670	280,099	309,091	3,739,185	2,427,011	5,046,495	8,698	309,091	11,221,389
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						0	1,406	6,901	35,030	0	18,689,081	43,684,221	195,185,880	43,006	645,389,397
						216,343	253,267	404,536	568,578	606,883,604	503,590,526	603,259,163	1,170,833,878	927,745	6,552,993,397
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:	
														1,330,000	
*Includes adjustments after Final Reports were issued														6,000,000,000	
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year															
% of Full OEB Target Achieved to Date (Scenario 1):														70%	
														109%	

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh) 2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
BI-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Wasaga Distribution Inc. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	11	2	3	1	79,235	15,567	22,038	7,531
Appliance Exchange**	Appliances	2	0	2	6	2,087	174	3,510	10,529
HVAC Incentives	Equipment	48	41	62	95	88,989	72,693	112,695	180,320
Conservation Instant Coupon Booklet	Items	2	0	1	3	31,264	2,386	12,311	41,230
Bi-Annual Retailer Event	Items	3	3	2	8	48,398	52,578	29,582	126,405
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	92	0	0	0	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		65	46	70	205	249,974	143,398	180,135	366,015
Business Program									
Retrofit	Projects	0	77	18	23	82,826	377,841	110,615	223,581
Direct Install Lighting	Projects	17	33	7	42	55,664	122,835	29,703	171,879
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	0	20	0	0	0	97,278
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	68	68	69	50	2,636	984	917	0
Business Program Total		84	177	93	135	141,126	501,660	141,236	492,738
Industrial Program									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0
Retrofit	Projects	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Industrial Program Total		0	0	0	0	0	0	0	0
Home Assistance Program									
Home Assistance Program	Homes	0	0	1	0	0	0	6,682	1,371
Home Assistance Program Total		0	0	1	0	0	0	6,682	1,371
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	1	0	0	0	3,535	0	0	0
High Performance New Construction	Projects	0	0	0	0	283	394	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total		1	0	0	0	3,818	394	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	55	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	55	0	0	0	0
Adjustments to 2011 Verified Results			2	0	0		47,259	0	0
Adjustments to 2012 Verified Results				3	1			4,795	14,341
Adjustments to 2013 Verified Results					4				8,745
Energy Efficiency Total		83	156	96	254	392,282	644,468	327,136	860,124
Demand Response Total		68	68	69	142	2,636	984	917	0
Adjustments to Previous Years' Verified Results Total		0	2	3	5	0	47,259	4,795	23,086
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		150	227	167	401	394,917	692,711	332,848	883,210

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Wasaga Distribution Inc. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-7	3	4		-13,458	4,795	7,983	
Conservation Instant Coupon Booklet	Items	0	0	0		461	0	37	
Bi-Annual Retailer Event	Items	0	0	0		4,271	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
Consumer Program Total		-7	3	4		-8,727	4,795	8,020	
Business Program									
Retrofit	Projects	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	0		0	0	0	
Energy Audit	Audits	0	0	0		0	0	0	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		0	0	0		0	0	0	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	0		0	0	0	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	0		0	0	0	
Home Assistance Program									
Home Assistance Program	Homes	0	0	0		0	14,418	725	
Home Assistance Program Total		0	0	0		0	14,418	725	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	10	0	0		55,986	0	0	
High Performance New Construction	Projects	0	0	0		0	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		10	0	0		55,986	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		2				47,259			
Adjustments to 2012 Verified Results			3				19,213		
Adjustments to 2013 Verified Results				4				8,745	
Total Adjustments to Previous Years' Verified Results		2	3	4		47,259	19,213	8,745	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results			13,266	645	1,601		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Attachment F – 2015 to 2020 CDM Plan

This page left intentionally blank.

OVERVIEW OF CDM PLAN
This CDM Plan must be used by the LDC in submitting a CDM Plan to the IESO under the Energy Conservation Agreement between the LDC and the IESO. The CDM Plan will consist of the information provided in this document and any additional information and supporting documents provided by the LDC to the IESO in support of this CDM Plan. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Energy Conservation Agreement as may be applicable.
Complete all fields within the CDM Plan that are applicable. Where additional space is required to complete a section of the CDM Plan, please append additional pages as required. The LDC should indicate that additional information has been attached in the related question field on the CDM Plan. Please refer to the CDM Plan Submission and Review Criteria Rules for further information.

A. General Information

1.	CDM Plan Submission Date: (DD-Mon-YYYY)	15-Dec-2015
	CDM Plan Version	Version 2

2.	LDC INFORMATION										
	LDC 1	LDC 2	LDC 3	LDC 4	LDC 5	LCD 6	LCD 7	LCD 8	LCD 9	LCD 10	
	LDC Name:	Centre Wellington Hydro Ltd.	Lakeland Power Distribution Ltd.	Midland Power Utility Corporation	Orangeville Hydro Limited	Ottawa River Power Corporation	Rideau St. Lawrence Distribution Inc.	Wasaga Distribution Inc.			
	Company Representative:										
	Name:	Pat Kelly	Chris Litschko	Christine Bell	Ruth Tyrrell	Denis Montgomery	John Walsh	David Stavinga			
	Title:	Conservation Officer	Chief Executive Officer	Chief Financial Officer	Chief Corporate Officer	President and CEO	Chief Executive Officer	Director of Energy Services			
	Email Address:	kelly@cwhydro.ca	clitschko@lakelandpower.on.ca	cbell@midlandpuc.on.ca	rtyrrell@orangevillehydro.on.ca	dmontgomery@orpowercorp.com	jwalsh@rslu.ca	d.stavinga@wasagadist.ca			
	Phone Number (XXX-XXX-XXXX):	519-843-2900 ext. 222	705-789-5442 Ext. 224	705-526-9361	519-942-8000	613-732-3687 Ext. 28	613-925-3851	705-429-2517			

3.	Primary Contact for CDM Plan	
	Name:	Jennifer Montpetit
	LDC Name:	Lakeland Power Distribution
	Title:	Conservation and Demand Management Officer
	Email Address:	jmontpetit@lakelandpower.on.ca
	Phone Number (XXX-XXX-XXXX):	705-645-2670 Ext. 504

Estimated Start Date of CDM Plan: (DD-Mon-YYYY)	1-Jan-2016
--	------------

LDC CONFIRMATION FOR CDM PLAN	
Each LDC to this CDM Plan has executed the Energy Conservation Agreement.	Yes
A completed Cost-Effectiveness Tool is attached and forms part of the CDM Plan.	Yes
A completed Achievable Potential Tool is attached and forms part of the CDM Plan.	Yes
All customer segments in each LDC's service area are served by the Programs set out in this CDM Plan.	Yes
The CDM Plan includes all electricity savings attributable to all Programs and pilot programs that have in-service dates between Jan 1, 2015 and December 31, 2020.	Yes
The CDM Plan Budget for each LDC includes all eligible funding under the full cost recovery and pay-for-performance mechanisms for Programs under its CDM Plan.	Yes
Frequency of LDC Invoicing to IESO (subsequent changes to the frequency should be notified to us by email).	Quarterly

COMPLETE FOR CDM PLAN AMENDMENTS ONLY		
Select the reason(s) for CDM Plan amendment, as per ECA.		
One time each calendar year of the term		
LDC wishes to request an adjustment to the CDM Plan Budget		
The amendments to a provision of the ECA or any Rules will have a material effect on the CDM Plan		
LDC's actual spending under CDM Plan has exceeded (or is reasonably expected to exceed) the portion of the CDM Plan Budget allocated to the current year of the term		
Under a joint CDM Plan, LDCs that are parties to a joint CDM Plan reallocate any portion of their respective CDM Plan Targets and CDM Plan Budgets [Reallocation not subject to IESO approval]		
IESO has triggered remedies under Article 5 of the ECA		
LDC seeking to change its selection of the type of funding that it wishes to receive for each Program in the CDM Plan [ECA, section 4.1]		
Other (Please specify reason)		

B. LDC Authorization

LDC DECLARATION	
Please complete the declaration for each LDC that is listed in this CDM Plan. A separate page with each LDC's signed declaration should be included as part of the CDM Plan submission.	

LDC	
<i>I represent that the information contained in this CDM Plan as it relates to the LDC is complete, true, and accurate in all respects. I acknowledge and agree to the following terms and conditions: (1) if this CDM Plan is approved by the IESO and accepted by each LDC to this CDM Plan, the CDM Plan together with any conditions to that approval is incorporated by reference into the Energy Conservation Agreement between the LDC and the IESO (2) the LDC will offer the Programs set out in Table 2 of this CDM Plan to customers in its service area; and (3) the LDC of will implement this CDM Plan in accordance with the CDM Plan Budget.</i>	
LDC's Legal Name:	
Company Representative:	
Signature	
	<i>I/We have the authority to bind the Corporation.</i>
Date (DD-Mon-YYYY)	

C. CDM Plan Summary

TABLE 1: SUMMARY OF CDM PORTFOLIO SAVINGS AND BUDGET												
		CDM PLAN TOTAL	LDC 1	LDC 2	LDC 3	LDC 4	LDC 5	LCD 6	LCD 7	LCD 8	LCD 9	LCD 10
a.	Allocated LDC CDM Plan Target (MWh) <i>Indicate total CDM Plan Target allocated to LDC(s)</i>	69,540	8,730.0	15,770.0	10,830.0	14,150.0	8,720.0	5,020.0	6,320.0			
b.	CDM Plan MWh Savings <i>Calculated as part of CDM Plan</i>	69,760	8,730	15,833	10,830	14,302	8,725	5,020	6,320	#REF!	#REF!	0
c.	Allocated LDC CDM Plan Budget (\$) <i>Indicate total budget allocated to LDC</i>	\$18,243,667	\$2,252,724.00	\$4,142,391.00	\$2,739,690.00	\$3,705,603.00	\$2,282,373.00	\$1,306,239.00	\$1,814,647.00			
d.	Total CDM Plan Budget (\$) <i>Calculated as part of CDM Plan</i>	\$18,243,667	\$2,252,724	4,142,391	2,739,690	3,705,603	2,282,373	1,306,239	1,814,647	#REF!	#REF!	0
f.	CDM Plan Cost Effectiveness <i>Indicate annual portfolio-level Cost Effectiveness for CDM Plan as determined by LDC(s) using output from Cost-Effectiveness Tool</i>	Program Year	Total Resource Cost (TRC)			Program Administrator Cost (PAC)			Levelized Cost (\$/kWh)			
			Benefits (\$)	Costs (\$)	Ratio	Benefits (\$)	Costs (\$)	Ratio				
		2015	\$9,285,392.61	\$3,664,702.90	2.5	\$7,940,473.37	\$0.92	8625089.9	\$0.000			
		2016	\$7,439,227.24	\$4,720,237.09	1.6	\$6,350,446.14	\$2,768,375.80	2.3	\$0.029			
		2017	\$7,021,122.16	\$3,857,136.59	1.8	\$5,914,522.34	\$2,373,572.62	2.5	\$0.029			
		2018	\$11,416,469.83	\$5,318,240.36	2.1	\$9,787,674.26	\$4,248,186.10	2.3	\$0.032			
		2019	\$11,588,210.88	\$4,989,299.94	2.3	\$9,930,782.67	\$3,895,352.04	2.5	\$0.030			
		2020	\$11,539,854.90	\$4,878,109.94	2.4	\$9,920,599.54	\$3,827,434.62	2.6	\$0.030			
			CDM Plan Total	\$58,290,278	\$27,427,727	2.1	\$49,844,498	\$17,112,922	2.9			
g	Plan Cost Effectiveness-Exceptions Rationale <i>Complete this section if proposed plan <u>does not</u> meet minimum Cost-Effectiveness Thresholds set out in CDM Plan Submission and Review Criteria Rules.</i>											

D. CDM Plan Detailed List of Programs, Election of Funding Mechanism, and Annual Milestones

NOTES	
1. CDM Plan	Complete Table 2 for all Programs for which will contribute towards the CDM Plan Target.
2. Program Name	Province-wide LDC Program names are found in the applicable Program Rules. Regional & local Program names should be consistent with those included in approved business cases (if applicable) and consistent throughout this CDM Plan.
3. Anticipated Annual Budget	Include annual budgets for each Program to be allocated against the CDM Plan Budget by funding mechanism. Note: LDC Eligible Expenses incurred in 2014 for programs delivered in 2015 (and not funded as part of the 2011-2014 Master CDM Program Agreement) should be included in 2015 Annual anticipated budget amounts.
4. Target Gap	Portion of the CDM Plan Target that the LDC reasonably expects, based on qualified independent third party analysis as accepted by the IESO, could only be achieved with funding in addition to the CDM Plan Budget.

LDC 7: Wasaga Distribution Inc.

TABLE 2. PROGRAM AND MILESTONE SCHEDULE																											
Funding Mechanism	Approved Province Wide Programs	Approved Local, Regional, or Pilot Programs	Proposed Pilots or Programs	Program Start Date (DD-Mon-YYYY)	Customer Segments Targeted by Program								Program Implementation Schedule (Annual Anticipated Budget & Incremental Annual Milestones by Program)														
													2015		2016		2017		2018		2019		2020		Total 2015 - 2020		
					Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Total CDM Plan Budget (\$)	Total Persisting Energy Savings in 2020 (MWh)									
Full Cost Recovery Programs	Heating and Cooling Program			1-Jan-2016	Yes									\$49,918	28.5	\$47,155	12.6	\$47,181	12.6	\$47,208	12.6	\$47,235	12.6	\$238,696	79.0		
	Coupon Program			1-Jan-2016	Yes									\$29,588	79.8	\$29,946	82.9	\$30,049	82.9	\$31,006	86.0	\$31,116	86.0	\$151,705	417.8		
	New Construction Program			1-Jan-2016	Yes									\$4,010	1.8	\$3,764	1.8	\$3,816	1.8	\$4,619	3.7	\$4,674	3.7	\$20,882	12.9		
	Home Assistance Program			1-Jan-2016		Yes								\$11,229	3.9	\$7,768	3.9	\$7,846	3.9	\$7,926	3.9	\$8,009	3.9	\$42,778	19.6		
	Retrofit			1-Jan-2016			Yes	Yes	Yes	Yes	Yes			\$78,151	305.0	\$70,589	308.4	\$63,561	255.5	\$58,258	212.8	\$53,997	204.9	\$324,557	1,286.8		
	Small Business Lighting			1-Jan-2016			Yes							\$33,802	54.0	\$33,310	54.0	\$33,414	54.0	\$33,521	54.0	\$33,042	54.0	\$167,089	270.1		
	High Performance New Construction			1-Jan-2016				Yes	Yes	Yes	Yes			\$23,970	57.0	\$3,006	0.0	\$3,058	0.0	\$23,830	57.0	\$23,885	57.0	\$77,750	171.0		
	Audit Funding Program			1-Jan-2016				Yes	Yes	Yes	Yes			\$1,933	0.0	\$9,136	75.9	\$1,835	0.0	\$1,861	0.0	\$1,889	0.0	\$16,654	75.9		
			Unassigned Target Consumer	1-Jan-2018	Yes									\$0	0.0	\$0	0.0	\$207,798	697.2	\$191,050	697.2	\$191,049	697.2	\$589,897	2,091.7		
			Unassigned Target Business	1-Jan-2018			Yes	Yes	Yes	Yes	Yes			\$0	0.0	\$0	0.0	\$72,712	196.1	\$55,964	196.1	\$55,963	196.1	\$184,639	588.2		
	FCR TOTAL													\$0	0.0	\$232,600	530.2	\$204,675	539.6	\$471,270	1,304.2	\$455,243	1,323.4	\$450,859	1,315.5	\$1,814,647	5,013.0
	Pay for Performance Programs																										
P4P TOTAL													\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	
2011-2014 CDM Framework (and 2015 extension of 2011-2014 Master CDM Agreement) (Not funded through 2015-2020 CDM Framework)	Heating and Cooling Initiative													25											25.0		
	Conservation Instant Coupon Booklet													74											73.6		
	Residential New Construction													2											1.8		
	Low Income Home Assistance Program													4											3.9		
	Retrofit Initiative													1,166.4											1,166.4		
	Direct Install Lighting													36											36.0		
	High Performance New Construction													0											0.0		
	Audit Funding																								0.0		
2011-2014 CDM Framework (and 2015 extension) TOTAL													\$0	1,306.8										0.0	1,306.8		
TARGET GAP TOTAL																									0.0		
CDM PLAN TOTAL													\$0	1,306.8	\$232,600	530.2	\$204,675	539.6	\$471,270	1,304.2	\$455,243	1,323.4	\$450,859	1,315.5	\$1,814,647	6,320	

E. Proposed Local and Regional Pilot CDM Programs

Notes			
Complete the following Table(s) for each proposed local and regional Program or Pilot Program in the CDM Plan for which a business case has NOT previously been approved by the IESO. Please refer to the Program Development and Rule Revision Guideline and the Business Case Template for full details on requirements and submission of a business case for approval of a local or regional Program. For the process for receiving funding for a Pilot Program, refer to the LDC Program Innovation Guideline.			

TABLE 3a. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3c. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name	Enhanced HVAC	Use same "Program name" included in other worksheets	
b. Program Type	Proposed Local Program		
b. Estimated Business Case Submission Date (DD-Mon-YYYY)	1-Jul-2017		
c. Customer Segment(s) Served by Programs	Residential		
d. Participating LDCs (if applicable)	Midland Power Utility Corporation		
e. Overview of Proposed Program or Pilot	The proposed program will be offered to residential customers and focus on additional savings from the purchase of new energy efficient furnaces and central air conditioners. Given the current changes expected in 2017 in the HVAC field, this program will be designed to capture additional savings from new measures to be implemented. Program Duration July 2017 - 2020. An enhanced program will be developed to capture additional savings in HVAC and offer additional incentives in order to attract customer participation. Midland PUC is in the research stage for this program and will investigate implementing prescriptive measures for the programs that do not exist under the current retrofit program but		
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3e. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3b. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name	Enhanced Comp. Air	Use same "Program name" included in other worksheets	
b. Program Type	Proposed Local Program		
b. Estimated Business Case Submission Date (DD-Mon-YYYY)	1-Jul-2017		
c. Customer Segment(s) Served by Programs	Industrial	Institutional	
d. Participating LDCs (if applicable)	Midland Power Utility Corporation		
e. Overview of Proposed Program or Pilot	The proposed program will be offered to industrial customers and will focus on energy savings obtained from enhanced measures for industrial compressed air systems. Program Duration July 2017-2020. Even though the custom program can be used for any miscellaneous savings under the current retrofit programs, an enhanced program will be developed to capture additional savings in Compressed Air and offer additional incentives in order to attract customer participation. Midland PUC is in the research stage for this program and will investigate implementing prescriptive measures for the programs that do not exist under the current retrofit program but will		
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3d. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name	Enhanced Appliance	Use same "Program name" included in other worksheets	
b. Program Type	Proposed Local Program		
b. Estimated Business Case Submission Date (DD-Mon-YYYY)	1-Jul-2017		
c. Customer Segment(s) Served by Programs	Residential		
d. Participating LDCs (if applicable)	Midland Power Utility Corporation		
e. Overview of Proposed Program or Pilot	The program will be offered to residential customers. It will focus on savings obtained from replacing appliances and electronic devices with new energy efficient appliances and electronic devices. Program Duration July 2017- 2020. This program will not compete with any current residential programs (coupons) as it will focused on appliances and electronic devices not presently covered in the marketplace.		
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3f. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

E. Proposed Local and Regional Pilot CDM Programs

Notes			
Complete the following Table(s) for each proposed local and regional Program or Pilot Program in the CDM Plan for which a business case has NOT previously been approved by the IESO. Please refer to the Program Development and Rule Revision Guideline and the Business Case Template for full details on requirements and submission of a business case for approval of a local or regional Program. For the process for receiving funding for a Pilot Program, refer to the LDC Program Innovation Guideline.			

TABLE 3g. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3i. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3h. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3j. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

F. Detailed Information on Collaboration and Regional Planning

ADDITIONAL DETAILED INFORMATION	
Regional LDC(s) Collaboration <i>Description of how the LDC(s) will collaborate with other LDCs. If collaboration will not occur, description of why it will not occur.</i>	As Members of the CHEC Association there is plenty of experience with collaboration between utilities on the CDM Portfolio. The Plan development has been assisted by participation in CHEC and the sharing of information between Members. Activities of the past including; a shared REM resource, program design, delivery, and marketing as well as procurement of 3rd party services will continue in the collaborative spirit of CHEC. In addition, further opportunities to collaborate on the delivery of programs with CHEC Members and with neighbouring LDCs will be pursued. The diverse geographical distribution of CHEC Members will assist with the transfer of best practices from one region to another to facilitate further collaboration and knowledge transfer.
Gas Collaboration <i>Description of how the LDC(s) will collaborate with other gas utility programs delivered in service area (if applicable). If collaboration will not occur, description of why it will not occur.</i>	The opportunity to collaborate with the gas company is welcomed as it can drive delivery efficiencies. With the gas company's mandate to collaborate as well, there should be opportunities moving forward. Currently there has been no discussions at the local level however, once CDM Plans are in place, the focus will be to discuss opportunities on known programs and to engage in discussions on opportunities for programs to help address the un-accounted for target. Developing collaboration into the design stage will be an important element to reduce costs, improve outcomes and provide value to the customer.
CDM Contribution to Regional Planning <i>Description of how the CDM Plan considers the electricity needs and investments identified in other plans or planned initiatives, completed or underway within the LDC(s)' service area or region. This may include Integrated Regional Resource Plans or Municipal Community Energy Plans.</i>	Regional Planning - Expand to see full listing We are aware that Regional planning is conducted through the Integrated Regional Resource Planning (IRRP) process. The LDCs represented within this joint plan cover the following planning regions:- Greater Ottawa and Kitchener-Waterloo-Cambridge-Guelph (Group 1) Active South Georgian Bay/Muskoka (Group 2) Active St Lawrence (Group 3) Upcoming Group 1 - Active LDC. 1: Centre Wellington Hydro Limited CDM Support Pat Kelly pkelly@cwhydro.ca

G. Additional Documentation for CDM Plan (If applicable)

ADDITIONAL INFORMATION AND DOCUMENTATION	
Programs <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for approved 2015-2020 province-wide programs</i>	A detailed assumption list has been provided for each LDC to support the CDM Plan. A further response to the IESO IR and Observations have also been filed as of June 10, 2015
Approved Local and/or Regional Programs and Pilot Programs <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for approved 2015-2020 local or regional programs or pilot programs</i>	This section does not apply at this time.
Proposed Local and/or Regional Programs and Pilot Programs <i>Opportunity to provide additional information on assumptions used for forecast budgets and/or savings for proposed programs or pilot programs</i>	This section does not apply at this time.
Programs from 2011-2014/2015 CDM Framework <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings from existing 2011-2014/2015 CDM Programs</i>	A working sheet for each LDC has been provided as an attachment which outlines the historical performance of programs and their extension into 2015. The historical performance has been assumed in moving these programs forward. In the CDM Plan it will be noted that funds will be expended in 2015 across all project types. These funds cover the estimated cost of CDM Plan preparation for recovery from the Conservation First Funding once received.
Programs funded through Pay-for-Performance <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for Pay for Performance Programs</i>	Pay for Performance is not part of the plan at this time.
Other <i>Additional assumptions used in the CDM Plan</i>	A detailed assumption list has been provided for each LDC to support the CDM Plan.

Summary of Changes to CDM Template

Version No.	Date	Tab	Change Summary
2	20-Jan-15	A. General Information	Inclusion of "Company Name" for Primary Contact
			Inclusion of frequency of invoicing (monthly vs. quarterly)
			Update date format to eliminate confusion
			Change reference to OPA
			Additional LDCs for joint plan
		B. LDC Authorization	Update date format to eliminate confusion
		D. CDM Plan Milestone LDC 1-10	Additional line items for FRC program names
			Additional LDCs for joint plan
			Update on the program names
			Update date format to eliminate confusion
			Update column headers: - "Province Wide Program Name" - "Proposed Regional or Local CDM Program or Pilot Program Name"
			Change reference to OPA
			Update Header and Footer
		E.. Proposed Program&Pilots	Additional boxes for proposed programs
			Update date format to eliminate confusion
		F. Detailed Information	Clarify if it is primary LDC or all LDCs in a joint CDM Plan.

