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December 2, 2016

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: EB-2016-0166 Renfrew Hydro Inc. 2017 Rates
Technical Conference Questions of Vulnerable Energy Consumers Coalition (VECC)

We are in receipt of Procedural Order No. 2 in the above noted proceeding. That Order anticipates parties to the proceeding providing topics for questioning for a scheduled technical conference to be provided by December 7th. In order to assist the Applicant and make the process as efficient as possible VECC has attached a number of specific questions which we will be raising at the December 9th Technical Teleconference. We may have further questions and will provide these and any other topics we intend to seek clarification on, on or before December 7th.

Yours truly,

M. Garner/for

Michael Janigan
Counsel for VECC

Bill Nippard, President Renfrew Hydro
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REQUESTOR NAME	**VECC**
TO:	**Renfrew Hydro Inc.**
DATE:	**December 2 27, 2016**
	Technical Conference Questions
CASE NO:	**EB-2016-0166**
APPLICATION NAME	**2017 COS Application**

3.0 OPERATING REVENUE (EXHIBIT 3)

3.0 – VECC -48

Reference: 3-Staff-44 & 45
3-VECC-22
Exhibit 3, page 25 – Table 3-14
OEB Cost of Service Filing Requirements, page 29

a) RHI has revised its load forecast model and corrected the 20-year HDD/CDD values. Please provide an updated version of Table 3-14, i.e., the predicted purchase power for 2016 and 2017 using a 20-year weather normalization.

3.0 - VECC - 49

Reference: 3-VECC-19 b)

a) Since Customer No. 2 is still in business, how did RHI determine the monthly adjustments made for this customer?

3.0 – VECC -50

Reference: 3-VECC-20

a) Are the results reported in this response based on the initial load forecast model and HDD/CDD values as presented in the Application or the revised ones as presented in the interrogatory responses?
b) If based on the initial model, please provide a revised response based on the updated model and HDD/CDD values.

3.0 - VECC - 51

Reference: Preamble to Exhibit 3 IR Responses

a) It is noted that the coefficient for the “Employment Stats” variable is negative, please confirm that this means higher employment levels will lead to a lower predicted value for wholesale purchases – assuming all other variables remain unchanged.
b) Please confirm that this result is counter-intuitive, in that one would intuitively expect the predicted value for wholesale purchases to increase if employment levels are higher?
c) Using the updated HDD/CDD values please re-estimate the load forecast equation excluding the “Employment Stats” variable and provide the predicted 2016 and 2017 wholesale power purchases that would result.

3.0 - VECC - 52

Reference: 3-VECC-21 d)

a) The initial question did not request RHI to revise its regression equation but rather to use its “model” and the employment growth rates from the appropriate forecast on pages 12 and 13 of Exhibit 3. Please provide the requested response.

3.0 - VECC - 53

Reference: 3-VECC-24 e) / 3-VECC-22 b)

a) What is the difference, in terms of how they were calculated, between::
   i. The values reported in VECC 22 b) under “Weather Adjusted (HDD and CDD Adjusted)” and
   ii. The values reported in VECC 24 e) under “Weather Normalized (Predicted Wholesale)”?

3.0 - VECC - 54

Reference: 3-Staff-47
3-VECC-26
Revised Appendix 2-I (filed with IR responses)
Revised Load Forecast Model – CDM Adjustment

a) The revised Appendix 2-I values for 2011-2014 CDM Results (also shown in VECC 26 d)) do not reconcile with the responses to Staff-47 and VECC-26 a). Please correct as necessary.
b) With respect to the response to VECC 26 c), other LDCs have provided such reports. Has RHI inquired of the IESO as to whether such reports are available?

c) In the revised load forecast, the CDM adjustment is based on 100% of 2016 CDM program savings plus 50% of 2017 CDM program savings. Please explain why there has been no allowance included for 50% of the 2015 CDM program savings.
d) If the CDM adjustment was to include 50% of 2015 program savings, please confirm that the appropriate 2015 value to use would be the actual verified 2015 savings of 378,437 kWh (per VECC 26 f)). If not, why not?
e) Why does the revised Load Forecast use CDM program savings for 2016 and 2017 of 695,000 kWh in each case as opposed to the planned savings of 606,000 kWh and 616,000 kWh respectively (per VECC 26 c))? In RHI's view, which are the more appropriate values to use?
f) VECC 26 e) states that the LRAMVA threshold should be based on 100% of savings for 2016 and 2017 programs. However, the revised Appendix 2-I also includes in the threshold calculation program results for 2014 and 2015. Please reconcile and correct as required.

3.0 - VECC - 55

Reference: 3-VECC-28 b)

a) Please provide a further update on the status of the building sale. Is the sale now more likely to occur in 2016 or 2017?

4.0 OPERATING COSTS (EXHIBIT 4)

3.0 - VECC - 56

Reference: 4-Staff-58
4-VECC-39
3-VECC-26

a) The above referenced IRs noted a number of errors in both the kWh values and rates used in the calculations supporting the LRAM requested amounts. However, contrary to the request in VECC-39 the LRAMVA model has not been updated. Please provide a corrected version of the LRAMVA model and indicate what the resulting rate riders would be for each customer class. In doing so, please note the specific changes made to the original LRAMVA model as filed.

4.0 – VECC - 57

Reference: 4-VECC-40

a) Please confirm that, for the 2011-2014 period, all of the participants in the Business CDM programs were GS<50 customers.

7.0 COST ALLOCATION

7.0 – VECC – 58

Reference: 7-VECC-43

a) The response does not address the question posed which was whether or not it was RHI's intent that Street Lighting and USL not be allocated any Collecting costs and, if so, how was this implemented in the model. Please provide a response.

8.0 RATE DESIGN

8.0 – VECC -59

Reference: 8-VECC-46

a) Please confirm that, in 2015, HON's LV charges to RHI were $184,697.
b) If so, why are the 2017 LV costs used on the rate design assumed to be less than ½ this amount ($91,095)?

8.0 – VECC -60

Reference: 8-Staff-63

a) Please confirm that RHI is now proposing a 4-year disposition period for all deferral and variance accounts.

END OF DOCUMENT