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February 7, 2017

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-2016-0105 Thunder Bay Hydro 2017 Rates
Pre-Settlement Questions of Vulnerable Energy Consumers Coalition (VECC)**

Please find attached clarification questions and request for answers to interrogatories which have not yet been responded to. While the Board has not made provision for supplementary interrogatories, responses to these questions will help VECC more efficiently develop its positions for the upcoming Settlement Conference. As we continue to analyse the interrogatory responses we may have further questions which, if necessary, will be raised at the time of the Conference.

Yours truly,

M. Garner/for

Michael Janigan
Counsel for VECC

Cindy Speziale, Vice President Finance, Thunder Bay Hydro
Email: cspeziale@tbhydro.on.ca

REQUESTOR NAME	VECC
TO:	Thunder Bay Hydro (TBH)
DATE:	February 7, 2017
CASE NO:	EB-2016-0105
APPLICATION NAME	2017 COS Application
	PRE-SETTLEMENT CONFERENCE
	CLARIFICATION QUESTIONS

NB: Numbering continues from last VECC interrogatory

3-VECC 48

Reference: VECC 16 b)

- a) The IR responses filed did not include a response to this question. Please provide.

3-VECC 49

Reference: VECC 18

Load Forecast Model, CDM Activity Tab

VECC 21 b) - IESO's Final 2015 Annual Verified Results Report –
Thunder Bay Hydro

VECC 21 c)

- a) The following two files referenced in part (a) of the response do not appear to have been submitted with the IR responses – please provide:
 - “2006-2010 Final OPA CDM Results. Thunder Bay Hydro Electricity Distribution Inc.”
 - “CDM 2015-2020 Plan by Rate Class_ April 2016 _ v4”
- b) The tab referenced in part (a) of the response (“5. Static CDM Result by Program”) does not provide the persisting values for 2011-2014 programs for the period after 2014. It is also noted that in the Load Forecast model Thunder Bay has assumed that the persisting values for these programs post-2014 are equal to the 2014 values. What is the basis for this assumption?
- c) VECC notes that other distributors (see EB-2016-0061, VECC IR #31) have received reports from the IESO/OPA regarding the persisting effects of 2011-2014 CDM programs post-2014. Is a similar report available for Thunder Bay and, if so, please provide?

- d) It is noted that the 2015 CDM results used in the Load Forecast model differ from those reported in the IESO's Verified Results Report (per VECC 21 b)). For the Residential, GS<50 and GS 50-999 classes, please: i) indicate the 2015 impacts from 2015 CDM programs based on the IESO's Verified Results Report; ii) compare these values with those used by Thunder Bay in its Load Forecast and iii) indicate whether the load forecast models for these customer classes need to be re-estimated using the IESO verified results for the 2015 CDM activity variable. If not, please explain why not.
- e) It is also noted that in the Load Forecast model, there is no loss in persistence in the impact of 2015 CDM programs assumed for 2016 and 2017 when establishing the forecast 2016 and 2017 values for the CDM Activity variable. However, the IESO's 2015 Verified Results Report does forecast a loss of persistence in the impact of 2015 CDM programs in 2016 and 2017. Please indicate whether the 2016 and 2017 values for the CDM Activity variables used to forecast Residential, GS<50 and GS 50-999 energy use in the 2016 and 2017 need to be updated and, if not, explain why.
- f) For the GS>1000 and Street Lighting classes, please provide the 2015-2017 impact from 2015 CDM programs based on the IESO Verified Results Report and indicate whether the manual CDM adjustments used for these classes need to be updated.
- g) The full year impact of the 2015 CDM related to Street Lighting is noted as 966,000 kWh in the Application (Table 3-16). However, in response to VECC 21 c) the savings are quoted as 919,209 kWh. Please reconcile and confirm which value is correct.
- h) Based on the responses to the preceding questions please update, as necessary, i) the regression models for Residential, GS<50 and GS 50-999 classes; ii) the resulting forecasts per Tables 3-6 to 3-8 as well as Table 3-15; iii) the manual CDM adjustments per Tables 3-16, 3-17 and 3-19 and iv) the 2017 LRAMVA threshold per Table 3-18.

7-VECC 50

Reference: VECC 42 a) and b)

- a) With respect to the Billing and Collecting weighting factors:
 - a. How was the total time for Residential and GS<50 determined and what year is it based on?
 - b. Please breakdown the total time as between Billing and Collecting for each class.
- b) With respect to the Meter Reading weighting factors:
 - a. How were the meter reading costs for each class determined?

- b. Given the increased complexity of the GS>1000 meters and bills, please explain why the cost per read is less than for Residential and GS<50 customers.

7-VECC 51

Reference: VECC 43

Preamble: Since the demands used to determine the 12CP load factor are based on demand at the time of the system peak, the sum of the 12 CP demand for the new GS>1000 and LU classes divided by the sum of the energy for the two classes should equal the 12 CP load factor for the “old” GS>1000 class. However, combining the loads for the new GS>1000 and LU classes in this manner produces a load factor of roughly 0.0017 versus the value of 0.002 value quoted for the combined class per the informational filing. See the following table based on the data provided in the Cost Allocation model (Tabs I6.1 & I8).

	<u>EB-2016-0105 (Application)</u>		
	<u>GS>1000</u>	<u>LU</u>	<u>Combined</u>
Energy (MWh)	133,371.2	36,734.8	170,106.0
12-CP (MW-Prim)	218.5	74.3	292.8
Load Factor	0.00164	0.00202	0.00172

- a) Please reconcile the 2017 load factors for these two classes with the load factor for the original GS>1000 class per Thunder Bay’s cost allocation informational filing.

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