# ECONALYSIS CONSULTING SERVICES 34 KING STREET EAST, SUITE 630, TORONTO, ONTARIO M5C 2X8 <u>www.econalysis.ca</u>

September 8, 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-2016-0085 InnPower Corporation 2017 Rates Participation in Technical Conference by the Vulnerable Energy Consumers Coalition (VECC)

In response to Procedural Order No. 3 VECC is providing notification of our intention to seek clarification to the following interrogatories at the Technical Conference scheduled to be held September 12, 2017:

1-Staff-13	4-Staff-46	4-VECC-33
2-Staff-24 & 25	4-Staff-49 & 50	4-VECC-37
2-Staff-27	4-Staff-51	5-Staff-55 &56
2-Staff-34	4-Staff-53	5-VECC-39
2-Staff-38	4-VECC-27	5-VECC-40
2-VECC-15	4-VECC-28	
2-VECC-15	4-VECC-31	

In addition and in order to help the Applicant prepare in advance we have attached below specific questions of clarification (numbered following VECC's last interrogatories). As we continue to review this file we may have other areas of clarification.

Yours truly,

Mark Garner

**Consultant for VECC** 

Brenda L. Pinke Email: <u>brendap@innpower.ca</u>

#### InnPower Corporation

# 2017 Distribution Rate Application (EB-2016-0085) VECC'S Technical Conference Questions

NB – Question numbering resume from last VECC interrogatory 50

### 3.0 OPERATING REVENUE (EXHIBIT 3)

#### 3.0 – VECC - 51

Reference: 3-VECC-18 b)

- a) Please clarify what "rates" the Hydro One LTLT customers pay and who the revenues accrue to Hydro One or InnPower.
- b) Does InnPower provide have any of the facilities involved in serving/metering Hydro One LTLT customers or provide any services to these customers? If yes, what?
- c) Are the loads for the Hydro One LTLT customers included in the Cost Allocation model?
- 3.0 VECC 52

Reference: 3-VECC-20

- a) VECC 20 a) requested a copy of InnPower's CDM plan. However the referenced file in the response did not include InnPower's CDM plan as submitted to the IESO. Please confirm that Attachment A to these questions is InnPower's 2015-2020 CDM Plan as submitted to and approved by the IESO (Note: The Plan was downloaded from <u>http://www.ieso.ca/sector-participants/conservation-delivery-and-tools/cdmplans</u>). If not, please provide the correct file
- b) Please confirm that according to InnPower's CDM Plan the planned savings for 2017 are 2,193.2 MWh and not the 1,139.9 MWH used in the updated Load Forecast (Load Forecast File, Rate Class Energy Model Tab).
- c) VECC 20 b) requested a copy of InnPower's Final 2015 Annual Verified Results – Annual Persistence Report. However, the Report provided was in PDF formal as opposed to the original excel file such that the reported savings values were not accessible.
  - Please confirm that Attachment B to these questions is the excel version of the 2015 Annual Report. (Note: This report was downloaded from <u>http://www.ieso.ca/en/sector-participants/conservation-delivery-and-tools/conservation-targets-and-results</u>)

- Please confirm that the 2016 Annual Report for InnPower is now available and is provided in Attachment C to these questions. If not, please provide the correct file. (Note: This file was downloaded from <u>http://www.ieso.ca/en/sector-participants/conservationdelivery-and-tools/conservation-targets-and-results</u>).
- Please confirm that according to the IESO's 2016 Annual Verified Results Report for InnPower the verified 2016 CDM program savings persisting to 2017 are 2,569.5 MWh and not the 3,143.7 MWh used in the updated Load Forecast (Load Forecast File, Rate Class Energy Model Tab).

## 7.0 COST ALLOCATION

7.0 – VECC – 53

Reference: 7-SEC -39 – Revised Table 7.12 7-VECC-42 a) Updated RRWF, Cost Allocation Tab

- a) Is InnPower proposing an increase in the Revenue to Cost Ratio for Sentinel Lights (103.13% to 103.53%) or is the increase shown simply a matter of rounding?
- b) Why weren't the Revenue to Cost Ratios for USL, Residential and GS>50 to 4,999 all increased to the same level?

7.0 – VECC – 54

Reference: 7-VECC-41

- a) What is the basis for the total dollar values for each cost item (e.g., \$124,729 for Supervision)?
- b) For each cost items (i.e., Supervision, Billing, Collecting and Misc., how was the proportion of the costs attributable to each customer class determined?
- c) What was the basis for the number of bills for each customer class used in the calculation of the Total Cost per Bill?

### 8.0 RATE DESIGN

8.0 – VECC - 55

Reference: IRR RRWF – Tabs 12 & 13 Proposed Tariff IRR

- a) With the respect to the Residential class, please reconcile the following and indicate which rate values need to be revised:
  - The Final Adjusted Base Rates shown in the IRR RRWF-Tab 12 do not match those in Tab 13.
  - The Final Adjusted Base Rates shown in the IRR RRWF-Tab 12 do not match those in the Proposed Tarff IRR file.
- b) With respect to the other customer classes, please explain the basis for the fixed/variable split used for each in the IRR RRWF-Tab 13.

### 8.0 - VECC - 56

Reference: 8-VECC-44 and 45 Proposed Tariff IRR RTSR WorkForm IRR – Tab 5

- a) There appears to be an error in the input of Hydro One's 2017 Sub-Transmission rates in the RTSR WorkForm. Please review Tab 5 and correct as required.
- b) Please revise the proposed LV rates as required and provide a schedule setting out their calculation based on the (updated) RTSRs and the updated load forecast.

8.0 – VECC -57

Reference: 8-Staff-71

2006 Electricity Distribution Rate Handbook, pages 120-122

a) Staff-71 inquired as to why the engineering hours required for "Temporary Service Install & Remove – Overhead with Transformer" where materially higher than those in the 2006 Rate Handbook. The response indicated that it due to increased travel time as a result of the size of InnPower's service area.

However, the time requirements set out for field staff for the same service are in line with the Handbook (13 hours vs. 14 hours). In addition, the engineering time requirements set out by InnPower for other related services are in line with the Rate Handbook (e.g., Temporary Service Install & Remove – Underground – No Transformer @ 2 hours vs. 1.5 hours and Temporary Service Install & Remove – Overhead – No Transformer @ 1.5 hours vs. 1.5 hours). As a result the difference noted by Staff does not appear to be due to travel time. Please reconcile.

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