

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** Hydro One Networks Inc.'s Application for electricity distribution rates beginning January 1, 2018 until December 31, 2022.

**TECHNICAL CONFERENCE QUESTIONS  
FROM THE CITY OF HAMILTON  
TO HYDRO ONE NETWORKS INC.**

**Introduction:**

The City of Hamilton's ("COFH") interrogatories were intended to determine whether, and if so with that effect on rates, Hydro One Networks Inc. ("HONI") had included the COFH's LED conversion program for street lights in the forecast rates for the street light rate class. HONI's responses to the COFH's interrogatories appear to be in conflict with the pre-filed evidence and, as a result, do not answer the questions posed. In its interrogatory responses, HONI has identified 22 GWh of past street light CDM savings and 35 GWh of pre-approved (future) street light CDM savings. This translates to a reduction in consumption (and consequently demand) of approximately 47%. This is a significant drop in load for the rate class, however it is not identified or accounted for anywhere in the pre-filed evidence. In fact, HONI's pre-filed evidence suggests a street light load profile that has little or no change over the time period in question. These Technical Conference Questions seek clarification of the interrogatory responses, including a reconciliation of those responses with the pre-filed evidence.

**COHF-1 (a)**

**Background:**

In HONI's response, it states that the total cumulative energy savings from municipal LED street light conversion programs is about 22 GWh. The response further states that "The actual street lighting load in 2016, which is the base for forecasting, should already reflect the conservation impact of the street lighting conversion program."

Table E.9 in Appendix E of Exhibit E1, Tab 2, Schedule 1, identifies the CDM impacts, by Rate Class that were considered in HONI's load forecasting. That table does not include the street light class. Accordingly, it is not clear how the 22 GWh of CDM savings that HONI has identified in their interrogatory response is accounted for.

Table E.6 from Appendix E of Exhibit E1, Tab 2, Schedule 1 provides HONI's actual sales and forecasted sales (in GWh) for its various rate classes. The street light class does appear in this Table. However, the load forecast in the Table is essentially flat with the exception of the load increase in 2021 and 2022 when acquired utilities are accounted for. The actual and forecast sales would, thus, not appear to reflect the impact of the LED conversions.

Table E.4 in Exhibit E1, Tab 2, Schedule 1 sets out the number of customers (historical and forecast) that contribute to HONI's load forecast. For the period between 2017 and 2020, the forecast is that the number of customers will grow by only approximately 2% for the street light class. That suggests that the impact of CDM reductions is not offset by customer growth.

**Questions:**

1. Where in HONI's pre-filed evidence can the historical CDM impact of 22 GWh be found?
2. What has HONI forecast for CDM savings, on a year-by-year basis, related to the street light rate class for years 2017 through 2022?
  - (a) Is this information specifically identified in HONI's pre-filed evidence?
  - (b) If so, where can this information be found in the pre-filed evidence?
3. If the information is not identified in the pre-filed evidence, what is the basis for the statement about the effect of the municipal LED street light conversion program on forecast loads and, therefore, on rates?

**COHF-1 (b)**

**Background:**

By this question, the COH sought to understand the impact to HONI's street light Service Charge and Distribution Volumetric Rate given the impact of the street light load profile forecast related specifically to CDM (LED conversions).

**Questions:**

1. What effect has reduced demand, due to forecasted CDM impacts, had on HONI's SLAF for the years 2018 through 2022? Please provide the SLAF values for both the CDM and non-CDM adjusted cases.
2. What would be HONI's street light rate class Service Charge and Distribution Volumetric Rates for each year (2018 through 2022).
  - (a) With CDM (LED conversions) accounted for?

- (b) Without CDM (LED conversions) accounted for?
- (c) What data and assumptions were used to generate this forecast, and how is LED technology adoption accounted for?

**COHF-1 (c)**

**Background:**

HONI has stated in its response to interrogatory COFH-1 (a) that “the load forecast for the street lighting reflects the effects the COH’s LED street light conversion program, as well as the LED conversion program in all other municipalities served by Hydro One”.

**Questions:**

1. Without consideration of other rate classes, what data and assumptions were used to develop the load forecast specific to the street light rate class for the years 2017 through 2022?
2. If CDM/LED conversions were considered as an input to the street light rate class load forecasting process, what impact did they have on the load forecast (expressed in MW) on a yearly basis from 2018 through 2022?

**COHF-4 (c)**

**Background:**

In its response, HONI sets out the estimated energy savings related to municipality street lighting programs for 2015 to 2017.

While the energy savings numbers above vary significantly from year to year, the actual sales (GWh) shown in Table E.6 of Appendix E of Exhibit E1, Tab 2, Schedule 1 barely vary year-over-year (2015=122 GWh, 2016=122 GWh, 2017=121 GWh).

**Question:**

1. Can HONI explain why the 2015, 2016, 2017 energy savings figures expressed in their interrogatory answer appear to have no impact on the sales figures for those same years expressed in Table E.6?

**COFH-5 (b)**

**Background:**

In its response, HONI states that “The street lighting load profile implicitly includes any saving through the LED conversion projects noted above”.

**Question:**

1. Please provide a load profile, year-over-year, spanning from 2012 through 2022 that clearly shows HONI’s street light (and only street light) consumption that identifies historical and projected impacts from CDM in a format similar to Figure 2 from Exhibit E1, Tab 2, Schedule 1 of HONI’s pre-filed evidence.

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