

**ECONALYSIS CONSULTING SERVICES**  
**34 KING STREET EAST, SUITE 630, TORONTO,**  
**ONTARIO M5C 2X8**  
[www.econalysis.ca](http://www.econalysis.ca)

August 26, 2018

**VIA E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St.  
Toronto, ON

Dear Ms. Walli:

**Re: EB-2018-0016– Alectra Utilities Corporation (Alectra) 2019 Rates/ICM  
Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)**

Please find the attached interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

*Mark Garner*

Consultant for VECC

Email copy:  
Indy Butany-DeSouza, Vice President, Regulatory Affairs  
[indy.butany@alectrautilities.com](mailto:indy.butany@alectrautilities.com)

<b>REQUESTOR NAME</b>	<b>VECC</b>
<b>TO:</b>	<b>Alectra Utilities Corporation (Alectra)</b>
<b>DATE:</b>	<b>August 24, 2018</b>
<b>CASE NO:</b>	<b>EB-2018-0016</b>
<b>APPLICATION NAME</b>	<b>2019 Rate Application</b>

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## **2.0 EXHIBIT 2/TAB 1 – HORIZON UTILITIES RATE ZONE**

### **2.0 –VECC -1**

Reference: Exhibit 2, Tab 1, Schedule 5, page 4 (Table 17)  
Attachment 4 (Horizon Utilities RZ RRWF)  
Attachment 8 (Horizon Utilities Cost Allocation Model)

- a) In Table 17 Revenue Offsets are shown as \$5,866,199 while in Attachment 4 (Tab 9) and Attachment 8 (Tab O1) Revenue Offsets are shown as \$5,953,889. Please reconcile and update the Application as required.

### **2.0 – VECC - 2**

Reference: Exhibit 2, Tab 1, Schedule 3, page 5 (Table 6)  
Exhibit 2, Tab 1, Schedule 5, page 4 (Table 17)  
Attachment 8 (Horizon Utilities Cost Allocation Model)

- a) With respect to Schedule 3, please confirm that the Table 6 represents the allocation of the Service Revenue Requirement and not the Base Revenue Requirement to customer classes as labelled.

### **2.0 – VECC - 3**

Reference: Exhibit 2, Tab 1, Schedule 3, pages 4-7  
Attachment 8 (Horizon Utilities Cost Allocation Model)

- a) Please provide a schedule that set out the changes made to each of the Cost Allocation Model's input sheets for purposes of the current Application relative to the Cost Allocation Model approved in Horizon Utilities 2015-2019 Custom IR Decision.

### 3.0 EXHIBIT 2/TAB 2 – BRAMPTON RATE ZONE

#### 3.0 –VECC -4

Reference: Exhibit 2, Tab 2, Schedule 9, pages 3-6  
Staff-43 & 46(current proceeding)  
EB-2014-0083, Exhibit 3, Tab 1, Schedule 2, pages 4-5,  
Tables 31 and 32  
Attachment 20 (Brampton LRAMVA Workform), Tabs 2 and 5

Preamble: It is noted that the approved 12,486,005 kWh LRAMVA threshold used for Residential is equivalent to the manual adjustment for CDM that was made to the load forecast in the last cost of service proceeding – which in turn was based on ½ year forecast CDM savings for 2013 and 2015 plus full year forecast CDM savings for 2014 as approved in EB-2014-0083 (see Table 31).  
It is also noted that this is a departure from the standard calculation of the LRAMVA Threshold, which is based on annualized savings as illustrated in Table 32.  
Finally, it is noted that the verified savings reported by the IESO are based on annualized savings (i.e., assuming all programs are implemented January 1<sup>st</sup>.)

- a) Given that the LRAMVA threshold was not based on forecast annualized CDM savings why is it appropriate to use the verified annualized savings reported by the IESO for purposes of calculating the LRAM claim?
- b) Please undertake the following and either:
  - i. Recalculate the LRAMVA thresholds using the forecast annualized savings as approved for the last cost of service proceeding and use these values in conjunction with the IESO verified results. (Note: This alternative follows the standard approach used in establishing and apply the LRAMVA threshold.) OR
  - ii. Use the LRAMVA thresholds as approved in the last of service proceeding but re-do the LRAMVA Workform where savings from 2013 and 2015 programs are reduced by 50% (Note: This approach recognizes that the basis for the approved LRAMVA threshold departed from standard practice and adjusts the reported verified savings accordingly).
- c) Please the response to Staff 46 in an excel model format.

#### 4.0 EXHIBIT 2/TAB 3 – POWER STREAM RATE ZONE

##### 4.0-VECC-5

Reference: EB-2017-0024, Interrogatory G-Staff-3

The following extract was provided in EB-2017-0024

Project Description	Gross Capex	Customer Contribution	Net Capex
Road Authority YRRT Yonge St	25,414,066	14,170,536	\$11,243,530

- a) Please provide an update of the expected 2018 year-end gross capital and customer contribution for this 2018 portion of the YRRT project.

##### 4.0-VECC-6

Reference: Board Decision EB-2017-0024, page 34 /Attachment 31pages 6-8

In approving the 2018 ICM for the YRRT the Board noted the capital was for:

Two sections along Yonge Street totaling 6.5 km (Y2) and two sections along Highway 7 and adjacent roadways totaling 8.5 km (H2) are scheduled for completion in 2018 and 2019. Each of Y2 and H2 involves major thoroughfares with significant overhead and underground distribution plant (including 27.6 kV feeders), which must be relocated before the rapid ways can be built.

In this application Alectra states it is “seeking ICM funding for the last phase in this project for Y2 and H2.

- a) Please provide the gross capital and capital contribution for this phase of the project and for the 2020 and 2021 phase to completion
- b) Using the format of Table 1 and Table 2 at Attachment 31 please show the work completed and to be completed in each year 2017 through 2021, adding a column to show the estimated cost of each phase/stage. For each year please provide a summary of the total costs and expected capital contribution (i.e. which totals to the response shown in a)...

#### 4.0 -VECC -7

Reference: Exhibit 2, Tab 3, Schedule 8, page 5  
Attachment 27 (Power Stream LRAMVA Workform), Tab 2

- a) Please provide references to the record from EB-2012-0161 that indicate:
  - i) the approval of the 137,099,754 kWh LRAMVA threshold (Tab 2) and ii) the breakdown by customer class.
- b) Was the LRAMVA threshold (as approved in EB-2012-0161) based on the impact in 2013 of annualized CDM savings from 2011-2013 CDM programs? If not, what was the basis for the value (e.g., i) what years were included in the calculation and ii) how were the annualized amounts assumed for each year adjusted)? ). Please provide references to the EB-2012-0033 record to support the response.
- c) Please provide the IESO reports (as the original excel file(s)) that support the persisting savings in 2016 from 2011-2014 CDM programs as used in the LRAMVA Workform.

### **5.0 EXHIBIT 2/TAB 4 – ENERSOURCE RATE ZONE**

#### 5.0-VECC-8

Reference: Exhibit 2, Tab 4, Schedule 11

- a) Please provide a map showing the road bordering the area known as the Rometown project. Is this area also referred to as 'Orchard Heights'?
- b) How many homes are served in the affected area?
- c) Please explain in what fashion the Rometown project is atypical of annual capital programs which address reliability issues in the Enersource Rate Zone?
- d) Please provide the annual capital spending in the Rometown area in each of the past 5 years?

## 5.0-VECC-9

Reference: Attachment 46, page 4

Preamble: The following Rometown outage history is provided at the reference:

**Table 1 – Outage History due to Equipment Failure in Rometown Area**

<b>Year</b>	<b>Number of Outages</b>	<b>Customers Impacted</b>	<b>Customer Interruption Minutes</b>
2012	2	1,565	1,565
2013	0	0	0
2014	1	13	1,586
2015	3	37	3,251
2016	0	0	0
2017	0	0	0
<b>Total</b>	<b>6</b>	<b>1,615</b>	<b>6,402</b>

**Table 2 – Outage History due to Tree Contact in Rometown Area**

<b>Year</b>	<b>Number of Outages</b>	<b>Customers Impacted</b>	<b>Customer Interruption Minutes</b>
2012	0	0	0
2013	0	0	0
2014	1	529	58,862
2015	1	1	198
2016	0	0	0
2017	1	1,023	44,179
<b>Total</b>	<b>3</b>	<b>1,553</b>	<b>103,239</b>

- Please explain how this outage history is atypical of other similar service areas in the Enersource Rate Zone.
- Please provide the outage history for an equal number of customers who adjoin the Rometown area (for example the area to the north and bounded by Dixie Road and the Queensway).
- What characteristics distinguish the Rometown area from the Lakeview area (i.e. to the west and bordered by Ogden Ave-Queensway) and the other adjoining neighbourhoods?

5.0-VECC-10

Reference: Attachment 46, pages 3-4 of 6

Pre-amble: The following tables are provided at the above reference:

Transformer Type	2013	2014	2015	2016	2017
KIOSK	2	4	5	2	0
PADMOUNT	92	179	372	274	369
PADMOUNT-3PH	5	2	18	12	33
POLEMOUNT	29	57	237	275	88
VAULT	29	143	103	212	138
<b>Total</b>	<b>157</b>	<b>385</b>	<b>735</b>	<b>775</b>	<b>628</b>
<b>Grand Total 2013-2017</b>					<b>2,680</b>

**Table 2 – List of Remaining Transformers to Replace (As of Jan 1, 2018)**

Transformer Type	PCB Transformers Indicating Leaking Oil	Non-Leaking Transformers with PCB Oil	Transformers (Non-PCB) Indicating Signs of Leaking	Total
Single-Phase Pad Mount	6	45	410	<b>461</b>
Three-Phase Pad Mount	1	2	44	<b>47</b>
Vault Transformers	0	31	202	<b>233</b>
Pole Mount Transformers	0	7	473	<b>480</b>
<b>Total</b>	<b>7</b>	<b>85</b>	<b>1,129</b>	<b>1,221</b>

- Please provide the current number of transformers replaced this year (2018).
- The first table shows that an average of 712 transformers per year. Please confirm that if Alectra were to continue replacing transformers based on the pattern of the previous 3 years it would replace all the leaking transformers by the end of 2019?
- How is this project atypical of the annual capital program for these assets?
- If transformer leakage is such a pending problem why were fewer transformers replaced in 2017 than in both 2015 and 2016?

5.0-VECC-11

Reference: Exhibit 2, Tab 4, Schedule 9, pages 4-6  
Attachment 42, Tabs 2 and 5

- a) Was the LRAMVA threshold (as approved in EB-2012-0033) based on the impact in 2013 of annualized CDM savings from 2011-2013 CDM programs? If not, what was the basis for the value (e.g., i) what years were included in the calculation and ii) how were the annualized amounts assumed for each year adjusted)? Please provide references to the EB-2012-0033 record to support the response.
- b) Please provide the IESO reports (as the original excel file(s)) that support the persisting savings in 2016 from 2011-2014 CDM programs as used in the LRAMVA Workform.

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