

1. In Enersource's 2013 COS application, 110,890 kW was the streetlighting load forecast before CDM activity. For setting 2013 rates, Enersource was approved to use 49,889 kW as the load forecast for streetlights. Rates were accordingly increased by the amount of the CDM adjustment determined at that time.

OEB staff believes that incremental savings due to CDM for the Enersource rate zone should be 4,154 kW on the following basis:

Forecast Load, without CDM for streetlights	110,890 kW
CDM adjustment for streetlights	(61,001 kW)
Forecast Load, with CDM for streetlights	49,889 kW
Total Actual Billed Demand (Table 1)	45,735 kW
Incremental Savings due to CDM (before NTG)	4,154 kW

- a) As the utility has already been compensated for 61,001 kW of load reduction due to CDM since 2013, please discuss the appropriateness of using 110,890 kW as the basis for comparison against actual billed demand to calculate incremental savings.**
- b) Please confirm whether or not Alectra agrees that gross savings of 4,154 kW should in fact be claimed. If yes, please update tab 8 of the LRAMVA workform and re-file the workform in reply to my email.**

Response:

- 1 a) In Enersource's 2013 COS application, the estimated CDM load reduction for streetlights
- 2 was 61,001 kW. This value becomes the CDM threshold for comparison when calculating
- 3 actual energy savings versus forecasted energy savings. In 2016, total billed demand was
- 4 45,735 kW, resulting in total savings achieved of 65,155 kW, as presented in Table 1,
- 5 below.

Table 1 – Actual 2016 Streetlight Savings

Actual 2016 Streetlight Savings	Demand (kW)
Forecast Load, without CDM for streetlights	110,890
2016 Billed demand for streetlights	(45,735)
CDM savings achieved for streetlights	65,155

Alectra Utilities then applied a net-to-gross ratio of 72% to the gross savings of 65,155 kW in the Enersource Rate Zone, resulting in net savings of 47,283 kW. The total net savings of 47,283 kW is then compared with the threshold of 61,001 kW, resulting in a true-up of 13,718 kW. The calculation of lost revenues from street lights of \$151,455 is presented in Table 2, below.

Table 2 – 2016 Streetlight LRAMVA

SL LRAMVA	Demand (kw)	Distribution Rate	LRAMVA (\$)
2016 Actuals	47,283	11.0402	522,008
2016 Forecast	(61,001)	11.0402	(673,463)
Amount for Disposition	(13,718)		(151,455)

b) Per the response to part a) above, no update is required to the LRAMVA workform for streetlight savings.

2. Please confirm whether new additions were netted out of actual billed demand. In table format, please show the kW and number of new streetlight additions since 2013.

Response:

The total increase in the number of LED lights in 2016 was 3,465 and the corresponding decrease in Non-LED lights in 2016 was 3,183. Based on this analysis, 282 new additions of LED lights were installed. The total billed demand associated with the newly installed LED lights is 16 kW as shown in the table below. The 72% net-to-gross ratio is then applied, for a total of 12 kW. After applying the distribution rate of \$11.0402, the total amount of LRAMVA associated with new additions is \$131. This amount has not been removed from the actual billed demand.

Table 3 – 2016 Streetlight Additions

2016	Addition of LED Lights	Reduction in Non-LED Lights	New LED Lights	Avg LED kW	Billed Demand for newly added LED Lights
January	-	-	-	0.06	-
February	548	- 535	13	0.06	1
March	13	- 12	1	0.06	0
April	-	1	1	0.06	0
May	6	1	7	0.06	0
June	-	-	-	0.06	-
July	-	-	-	0.06	-
August	49	- 5	44	0.06	3
September	1,870	- 1,839	31	0.06	2
October	288	- 223	65	0.06	4
November	617	- 504	113	0.06	7
December	74	- 67	7	0.06	0
Total	3,465	- 3,183	282		16
Net to Gross Ratio					72%
Demand Savings					11.88
Distribution Rate					\$11.0402
LRAMVA					\$131