

**ONTARIO ENERGY BOARD  
IN THE MATTER OF AN APPLICATION BY  
HALTON HILLS HYDRO INC. (“HHHI”)  
2021 COST OF SERVICE APPLICATION  
CLARIFYING QUESTION RESPONSES FROM HALTON HILLS HYDRO INC.**

**VECC CLARIFYING QUESTIONS AND RESPONSES**

**VECC CQR – 50**

**REFERENCE: 3-VECC-14 a)**

PREAMBLE: VECC 14 a) asked: *“Is the methodology used to translate historical use by customer class into weather normal historical use by class (Table 2) the same as the methodology used to translate the non-weather normal 2021 forecasts by customer class into the forecast 2021 weather normalized values?”*

- a) The response provided briefly outlines methodologies used in the Application to: i) translate historical use by customer class into weather normal historical use by class and ii) translate the non-weather normal 2021 forecasts by customer class into the forecast 2021 weather normalized values. Based on the descriptions it appears the methodologies are different. Please respond to the question, as posed, and confirm (yes/no) if this is the case.

**Response:**

- a) Yes, the methodologies are the same.

**VECC CQR – 51**

**REFERENCE: 3-VECC-16 c)**

**Halton Hills\_IRR\_Att 3\_VECC\_16c\_Load Forecast Scenarios**

PREAMBLE: VECC 16 c) requested the results of an alternative load forecast model where: i) dependent variable in the regression model is purchased power (as used in the current model) plus cumulative CDM savings; ii) the purchased power (plus CDM) forecast is based on the same forecast of explanatory variables as used in the Application and iii) the forecast cumulative CDM values for 2020 and 2021 are removed from the resulting forecasts in order to obtain the purchased power forecast for 2020 and 2021 after CDM savings have been accounted for.

- a) The response provided does not follow the steps as set out in the question. In particular, the step (iii) was not followed in deriving the purchased power forecast after accounting for CDM. Please confirm that based on HHHI's response to VECC 16 c):
- The results of step (ii) are a purchased power (plus CDM) forecast for 2021 of 544,931,028 kWh (Purchased Power Model Tab, R160)
  - The cumulative CDM savings for 2021 are 32,875,486 kWh (CDM Tab, C217)
  - The resulting 2021 purchased power forecast (net of CDM) is 512,055,542 kWh.
  - The resulting 2021 billed energy (using HHHI's 5.16% loss factor) would be 486,929,956 kWh – compared to 2021 billed energy forecast in provided in the response to VECC 16 c) of 500,442,856 kWh.

If not confirmed, please provide HHHI's calculations based on the steps outlined in VECC 16 c).

**Response:**

- a) The requested scenarios will be provided at later time.

**VECC CQR – 52**

**REFERENCE: 8-VECC-45 a)  
8-Staff-76 h)  
Exhibit 8, page 16**

- a) The response to VECC 76 h) suggests that regardless of how the customer's self-generation facility operates during a month, the overall bill for volumetric distribution charges plus standby charges will be the same – e.g., in the examples provided the total for each is \$8,352.08. Please confirm whether this is the case.
- b) With respect to Staff 76 h) Example (i) – if the customer's generation is operating all month at 1,000 kW why isn't the value of the Remaining Demand Not Offset equal to 100 kW (i.e., 1100-1000) and why wouldn't the total bill be \$5,694.32 (i.e., \$759 (for volumetric distribution charges) plus \$4,935.32 (for standby charges)?
- c) With respect to Staff 76 h) Example (iii) – is the 300 kW meant to represent the output of the customer's generator at the time the monthly values for the sum of the customer's generation output plus metered demand was at its monthly maximum? If not, how is the 300 kW determined?
- d) With respect to Staff 76 h) Example (iv) – Given the customer can instantaneously shed load in the event of a generation outage why are the charges the same as for Example (i)?
- e) The response to VECC 45 a) confirms that the standby load has not been included in the cost allocation model nor in the determination of total revenues. Exhibit 8 indicates that the monthly standby reserve capacity for Customer 1 would be 780 kW. In HHHI's view should this monthly value of 780 kW be added to the 2021 load forecast for the GS 1,000-4,999 class? If not, why not and what value should be added to account for standby costs and revenues?

**Response:**

- a) Confirmed.
- b) If the load displacement facility is operating at its full faceplate capacity for the entire month, the total bill be \$5,694.32 (i.e., \$759 (for volumetric distribution charges) plus \$4,935.32 (for standby charges).
- c) Yes, the 300 kW meant to represent the output of the customer's generator at the time the monthly values for the sum of the customer's generation output plus metered demand was at its monthly maximum.
- d) The Standby Charges are intended to keep HHHI whole. Even if the customer can shed load, the charges would still equal the maximum load of 1100kW. If the customer was able to REDUCE their load to only the amount being generated, then the charges would be different.
- e) HHHI did not include any amount for the standby load in load forecast, cost allocation nor in the determination of total revenue. HHHI proposes to include the amount as Other Revenues.

**VECC CQR – 53**

**REFERENCE:** 3-Staff-43

**Exhibit 3, pages 24 and 28**

- a) For Customers 2 and 3 the kWh and kW adjustments do not reconcile with the kW/kWh ratios used in the Load Forecast. How were the adjustments for each customer determined and, if customer specific, how were the values established?

**Response:**

- a) The numbers were customer specific and were determined based on historical values from 2015 to 2019.

**VECC CQR – 54**

**REFERENCE: 3-VECC 19 b)  
 3-Staff 44 a)**

PREAMBLE: The following table compares the predicted purchases for January – September 2020 using HHHI’s load forecast model and actual HDD & CDD values (VECC 19 b)) with the actual sales for the same months (Staff 44 a)).

	Predicted Purchases				
	using Actual		Actual Sales		Ratio
2020	HDD & CDD (kWh)		(kWh)		Purchases/Sales
January	44,171,954		42,735,091		1.033623
February	41,424,851		39,826,517		1.040132
March	40,898,626		40,871,651		1.00066
April	38,689,095		35,936,336		1.076601
May	39,614,753		39,832,017		0.994545
June	44,241,155		45,433,847		0.973749
July	53,131,290		51,138,044		1.038978
August	46,511,545		47,440,878		0.980411
September	39,343,549		40,065,058		0.981992

- a) Please confirm that the values in the table are correct and, if not, provide a corrected version.
- b) Please confirm that the predicted purchases values in the above table have not been adjusted for either: i) the reductions in load attributable to the 3 GS customers or ii) impacts from the COVID-19 pandemic.
- c) Given that even without the adjustments referenced in part (b) one would expect purchases to exceed sales (due to losses), is it reasonable to conclude that HHI’s load forecast model has under forecast load for 2020? If not, why not?
- d) Please update the response to Staff 44 b) to include the months of July through September.

**Response:**

- a) Correct.
- b) Confirmed.
- c) HHHI disagrees with VECC’s statement. Please refer to the chart below.

2020	Predicted Purchases Using Act HDD CDD	Actuals	Ratio
January	44,171,954	42,735,091	1.0336
February	41,424,851	39,826,517	1.0401
March	40,898,626	40,871,651	1.0007
April	38,689,626	35,936,336	1.0766
May	39,614,753	39,832,017	0.9945
June	44,241,155	45,433,847	0.9737
July	53,131,290	51,138,044	1.0390
August	46,511,545	47,440,878	0.9804
September	39,343,549	40,065,058	0.9820
YTD Totals	388,027,349	383,279,439	1.0124

d) Please see Table VECC CQR 1a and Table VECC CQR 1b. As is evident in the following Tables, COVID-19 continues to have an impact on consumption and load.

**Table VECC CQR 1a - 2020 COVID-19 as compared to 2019 consumptions and demands**

	Units	Residential	GS<50	GS 50-999 kW <sub>s</sub>	GS 1000- 4999 kW <sub>s</sub>	Totals
April	kWhs	1,233,125	(607,754)	(1,401,013)	(954,519)	<b>(1,719,824)</b>
	kW <sub>s</sub>			(5,290)	(1,107)	<b>(6,394)</b>
May	kWhs	3,319,146	(440,565)	(920,854)	44,016	<b>2,013,044</b>
	kW <sub>s</sub>			492	1,034	<b>1,533</b>
June	kWhs	4,868,785	(176,201)	19,126	574,783	<b>5,294,085</b>
	kW <sub>s</sub>			(1,193)	995	<b>(198)</b>
July	kWhs	2,880,157	(179,150)	(306,395)	723,118	<b>3,126,733</b>
	kW <sub>s</sub>			(1,015)	866	<b>(146)</b>
August	kWhs	2,760,596	(124,723)	(277,631)	307,418	<b>2,677,270</b>
	kW <sub>s</sub>			813	416	<b>1,234</b>
September	kWhs	1,177,634	98,116	(274,056)	(5,797)	<b>1,007,092</b>
	kW <sub>s</sub>			(1,185)	95	<b>(1,088)</b>

**Table VECC CQR 1b - 2020 COVID-19 as compared to 2019 consumptions and demands shown as a percentage**

	Units	Residential	GS<50	GS 50-999 kW <sub>s</sub>	GS 1000- 4999 kW <sub>s</sub>	Totals
April	kWhs	8.546%	(15.447)%	(11.911)%	(12.974)%	<b>(4.57)%</b>
	kW <sub>s</sub>			(15.922)%	(5.926)%	<b>(12.25)%</b>
May	kWhs	23.562%	(11.578)%	(7.599)%	0.576%	<b>5.32%</b>
	kW <sub>s</sub>			1.455%	5.521%	<b>2.90%</b>
June	kWhs	29.640%	(4.558)%	0.159%	7.511%	<b>13.19%</b>
	kW <sub>s</sub>			(3.197)%	5.155%	<b>(0.35)%</b>
July	kWhs	13.345%	(4.016)%	(2.233)%	8.945%	<b>6.51%</b>
	kW <sub>s</sub>			(2.716)%	4.336%	<b>(0.25)%</b>
August	kWhs	14.347%	(2.936)%	(2.136)%	3.792%	<b>5.98%</b>
	kW <sub>s</sub>			2.235%	2.103%	<b>2.19%</b>
September	kWhs	7.794%	2.592%	(2.257)%	(0.074)%	<b>2.58%</b>
	kW <sub>s</sub>			(3.268)%	0.491%	<b>(1.94)%</b>

**VECC CQR – 55**

**REFERENCE: 3-VECC-19 d)**

- a) In the response provided the Weather Normalized Billed Energy Forecast values for 2020 and 2021 (487.3 GWh and 485.9 GWh respectively) do not reconcile with the values provided in the preceding rows. Please review and provide a corrected response.

**Response:**

- a) Table 17 as filed:

YEAR	RESIDENTIAL	GENERAL SERVICE LESS THAN 50 KW	GENERAL SERVICE 50 TO 999 KW	GENERAL SERVICE 1,000 TO 4,999 KW	SENTINEL LIGHTS	STREET LIGHTS	UNMETERED SCATTERED LOADS	TOTAL
<b>NON-NORMALIZED WEATHER BILLED ENERGY FORECAST (GWH)</b>								
<b>2020 BRIDGE YEAR</b>	203,957,742	51,377,934	150,365,345	88,636,118	251,879	979,604	962,029	496,530,651
<b>2021 TEST YEAR</b>	205,821,441	52,111,528	150,365,345	88,636,118	251,879	979,604	962,029	499,127,944
<b>WEATHER ADJUSTMENT (GWH)</b>								
<b>2020 BRIDGE YEAR</b>	(4,904,507)	(1,235,469)	(2,711,841)	(403,368)	0	0	0	(9,255,186)
<b>2021 TEST YEAR</b>	(7,023,406)	(1,778,242)	(3,848,275)	(572,405)	0	0	0	(13,222,329)
<b>ADJUSTMENT FOR GENERAL SERVICE 1,000 TO 4,999 KW CUSTOMERS (GWH)</b>								
<b>2020 BRIDGE YEAR</b>			1,018,590	(9,608,748)				(8,590,157)
<b>2021 TEST YEAR</b>			1,018,590	(9,608,748)				(8,590,157)
<b>COVID-19 ADJUSTMENT</b>								
<b>2020 BRIDGE YEAR</b>	8,073,327	(2,440,452)	(10,713,531)	(6,315,323)	0	0	0	(11,395,979)
<b>2021 TEST YEAR</b>	10,291,072	(3,126,692)	(13,532,881)	(7,977,251)	0	0	0	(14,345,751)
<b>WEATHER NORMALIZED BILLED ENERGY FORECAST (GWH)</b>								
<b>2020 BRIDGE YEAR</b>	207,126,561	47,702,014	137,958,563	72,308,679	251,879	979,604	962,029	487,275,466
<b>2021 TEST YEAR</b>	209,089,107	47,206,594	134,002,778	70,477,715	251,879	979,604	962,029	485,905,616



Table 17 Corrected as per tab Rate Class Energy Model of the Excel file entitled Halton\_Appl\_Load\_Forecast\_COS\_20200827 VECC 19:

YEAR	RESIDENTIAL	GENERAL SERVICE LESS THAN 50 KW	GENERAL SERVICE 50 TO 999 KW	GENERAL SERVICE 1,000 TO 4,999 KW	SENTINEL LIGHTS	STREET LIGHTS	UNMETERED SCATTERED LOADS	TOTAL	
<b>NON-NORMALIZED WEATHER BILLED ENERGY FORECAST (GWH)</b>									
<b>2020 BRIDGE YEAR</b>	203,957,742	51,377,934	150,365,345	88,636,118	251,879	979,604	962,029	0	Row 26
<b>2021 TEST YEAR</b>	205,821,441	52,111,528	150,365,345	88,636,118	251,879	979,604	962,029	0	Row 27
<b>WEATHER ADJUSTMENT (GWH)</b>									
<b>2020 BRIDGE YEAR</b>	(4,904,507)	(1,235,469)	(2,711,841)	(403,368)	0	0	0	(9,255,186)	Row 38
<b>2021 TEST YEAR</b>	(7,023,406)	(1,778,242)	(3,848,275)	(572,405)	0	0	0	(13,222,329)	Row 39
<b>ADJUSTMENT FOR GENERAL SERVICE 1,000 TO 4,999 KW CUSTOMERS (GWH)</b>									
<b>2020 BRIDGE YEAR</b>			1,018,590	(9,608,748)				(8,590,157)	Row 50
<b>2021 TEST YEAR</b>			1,018,590	(9,608,748)				(8,590,157)	Row 51
<b>COVID-19 ADJUSTMENT</b>									
<b>2020 BRIDGE YEAR</b>	8,073,327	(2,440,452)	(10,713,531)	(6,315,323)	0	0	0	(11,395,979)	Row 46
<b>2021 TEST YEAR</b>	10,291,072	(3,126,692)	(13,532,881)	(7,977,251)	0	0	0	(14,345,751)	Row 47
<b>WEATHER NORMALIZED BILLED ENERGY FORECAST (GWH)</b>									
<b>2020 BRIDGE YEAR</b>	207,126,561	47,702,014	137,958,563	72,308,679	251,879	979,604	962,029	487,275,466	Row 30
<b>2021 TEST YEAR</b>	209,089,107	47,206,594	134,002,778	70,477,715	251,879	979,604	962,029	485,905,616	Row 31

**VECC CQR – 56**

**REFERENCE: 3-VECC 20 b) (including 2011-2014 IESO Report)  
Load Forecast Model (COS), CDM Tab**

PREAMBLE: VECC 20 b) asked: *“Please provide a copy of the IESO Report that supports the CDM savings values use in the CDM Tab (Rows 8-11) for the years 2011-2014”.*

- a) Please indicate the basis/source for the annual saving persisting from 2011 CDM programs for the years 2012-2021 as used in the CDM Tab of the Load Forecast Model. These values do not appear to be provided in the 2011-2014 IESO Report filed by HHHI.
- b) With respect to the 2012 program savings in the 2011-2014 IESO Report, the savings in 2012 from 2012 programs as set out in the report do not appear to reconcile with the 2,248,766 kWh value used in the Load Forecast Model. Please explain how the 2,248,766 kWh was derived from the Report.
- c) Please indicate the basis/source for the annual saving persisting from 2012 CDM programs for the years 2013-2021 as used in the CDM Tab of the Load Forecast Model. These values do not appear to be provided in the IESO’s Report filed by HHHI.
- d) With respect to the 2013 program savings in the 2011-2014 IESO Report, the savings in 2013 from 2013 programs as set out in the report do not appear to reconcile with the 2,250,101 kWh value used in the Load Forecast Model. Please explain how the 2,250,101 kWh was derived from the Report.
- e) Please indicate the basis/source for the annual saving persisting from 2013 CDM programs for the years 2014-2021. These values do not appear to be provided in the IESO’s Report filed by HHHI.
- f) Please indicate the basis/source for the annual saving persisting from 2014 CDM programs for the years 2015-2021 as used in the CDM Tab of the Load Forecast Model. These values do not appear to be provided in the IESO’s Report.

**Response:**

- a) Please see the ‘2011-2014 Totals’ tab in Halton\_Att\_VECC\_CQR-56\_Persistence\_Summary\_20201211. Persistence of 2011 programs, including adjustments in 2012 and 2014, is equal to the values in the CDM Tab of the Load Forecast Model. Please note that a 2013 adjustment to the persistence of 2011 peaksaverPlus activities in 2013 (287 kWh) is not included.
- b) The 2,248,766 figure used in the Load Forecast is the sum of 2012 programs (2,173,440 kWh) from the 2012 tab of the HHHI report, 2013 adjustments to 2012 programs (74,655 kWh) from the 2013 tab, and 2014 adjustments to 2012 programs (672 kWh) in the 2014 tab.
- c) A 2013 adjustment to the persistence of 2012 peaksaverPlus activities in 2013 (355 kWh) was erroneously not included from the calculation of 2013 persistence of 2012 programs. As noted in part a), persistence in 2013 of 287 kWh savings from peaksaverPLUS activities in 2011 were also left out of the calculation. Correcting this error would increase total 2013 CDM savings by 643 kWh and would not impact savings in any other year, so it would not have a material impact on the Load Forecast.

Aside from this 355 kWh difference in persistence in 2013, the sum of persisting savings of 2012 programs in the HHHI Report are equal to the figures in the CDM tab of the Load

Forecast. Please see the reconciliation of Load Forecast CDM figures and HHHI report figures in the new '2011-2014 Totals' tab of Halton\_Att\_VECC\_CQR-56\_Persistence\_Summary\_20201211.

- d) The 2,250,101 kWh figure used in the Load Forecast is the sum of 2013 programs (1,159,962 kWh) from the 2013 tab of the HHHI report and 2014 adjustments to 2013 programs (1,090,139 kWh) in the 2014 tab.
- e) Please see the '2011-2014 Totals' tab in Halton\_Att\_VECC\_CQR-56\_Persistence\_Summary\_20201211. The sum of 2013 programs (and 2014 adjustments to 2013 programs) are equal to the persistence figures in the CDM tab of the Load Forecast.
- f) Please see the '2011-2014 Totals' tab in Halton\_Att\_VECC\_CQR-56\_Persistence\_Summary\_20201211. The sum of 2014 programs are equal to the persistence figures in the CDM tab of the Load Forecast.

**VECC CQR – 57**

**REFERENCE:** 3-Staff 39 a), b) and d)  
3-VECC 20 c)  
3-Energy Probe 22 a)  
Load Forecast Model (COS), CDM Tab  
Participation and Cost Report, April 2019, LDC Progress Tab  
Att 3 Staff 39 d), 2019-2020 CDM Report

**PREAMBLE:** Staff 39 a) explains that the Load Forecast Model did not include the 2016 and 2017 CDM savings adjustments identified in the 2019 P&C Report as they were unverified and the Report did not provide sufficient details.

Staff 39 b) offers the same explanation as to why the 2018 CDM savings used in the Load Forecast do not match those in the 2019 P&C Report.

Energy Probe 22 a) indicates that the 2018 CDM program results have been verified by the IESO.

- a) Please provide a reference for both the 2018 CDM values used in the CDM Tab (Row 15, Columns X->AA) and the fact they are “verified” by the IESO.
- b) Please explain why HHHI has declined to use the CDM results for 2016, 2017 and 2018 as reported in the 2019 P&C Report (on the basis they are unverified) but has included the results for 2019 and 2020 as reported in the 2019-2020 CDM Report, even though they are not verified by the IESO (per Energy Probe 22 a)).
- c) It is noted that the value for the 2019 CDM programs (970,290 kWh per the 2019-2020 CDM Report) are gross savings. Why did HHHI use a gross savings as opposed to a net savings value?
- d) The savings reported for 2019 in the 2019-2020 CDM Report appear to be for those projects where the payment was made by the IESO in 2019 and include projects with an in-service date of 2018. Please explain why this is appropriate. Shouldn't projects with a 2018 in-service date be included in the 2018 CDM program results?
- e) The savings reported for 2020 in the 2019-2020 CDM Report appear to be for those projects where the payment was made by the IESO in 2020 and include projects with in-service dates of 2018 and 2019. Please explain why this is appropriate. Shouldn't those projects with an in-service date of 2018 or 2019 be included in the 2018 CDM program results and 2019 CDM program results respectively?

**Response:**

- a) The figure provided for 2018 savings in 2018 and persistence of 2018 savings to 2020 are the total 2018 incremental Year to Date kWh and Persisting to 2020 kWh savings as provided in the February 2019 Participation and Cost Report. Persistence of 2018 savings to 2019 is calculated as the average of the 2018 and 2020 figures provided in that report. The figure used for persistence of 2018 to 2021 is equal to persistence in 2020. Verified figures for 2018 were not provided by the IESO.
- b) HHHI anticipates the load forecast will be updated during the settlement conference, at which time it intends to include 2019 adjustments to 2016, 2017 and 2018 savings as provided in the IESO's April 2019 Participation and Cost Report.

- c) HHHI's CDM consultant provided only gross figures for 2019. HHHI will use net figures in the updated load forecast.
- d) There is a labeling error in the 2019-2020 CDM Report. The dates listed under "In Service Date" are in fact "App Pre-Approval Date" and the dates listed under "Opportunity Name" are the "In Service Date. Information in the "Opportunity Name" column included confidential data and was deleted (the dates shifted right but the title did not).
- e) Please see HHHI's response VECC CQR – 57 part d.

**VECC CQR – 58**

**REFERENCE: 3-VECC 21**

- a) Please explain why it is appropriate to remove SSS Administration Revenue from Other Revenues.
- b) Are the revenues from the microFIT service charge included in Other Revenues and, if so, where and what is the value for 2021?

**Response:**

- a) With reference to the OEB Appendix 2 – H Template, the USofA 4086 SSS Administration Revenue is not included in the Other Revenues group of accounts.
- b) No amount for microFIT service charge is included in Other Revenues for 2021.

**VECC CQR – 59**

**REFERENCE: 7-Staff 71**

PREAMBLE: The response to Staff 71 states: “Outside of load transfers, HHHI does not have any connection arrangements where a customer is deemed to be taking secondary distribution but does not require the use of a HHHI line transformer”.

- a) Please describe how/why load transfers would give rise to a situation where a customer is using HHHI’s secondary distribution but does not require the use of a HHHI line transformer.
- b) Given the OEB’s past initiatives to eliminate long-term load transfers, are there any load transfers assumed to be included in the 2021 Load Forecast?

**Response:**

- a) HHHI has a temporary licence exemption to 6.5.3 of the Distribution System Code allowing for a load transfer arrangement of thirty-three (33) customers along Winston Churchill Boulevard between 5 Side Road and 10 Side Road in Halton Hills (Norval). The temporary exemption is in relation to the delay in a road improvement project to be completed jointly by the Region of Halton and the Region of Peel. Once the road improvement commences, HHHI and Alectra will replace the current arrangement with a joint pole line. In this case, the current pole line is on the east side of the road and owned by Alectra Utilities but feeds HHHI customers on the west side of the road. As these customers are currently fed from Alectra Utilities assets, the secondary line from the transformer is HHHI, but the transformer itself is owned by Alectra Utilities.
- b) Please see HHHI’s response to Clarifying Question VECC-59.

**VECC CQR – 60**

**REFERENCE: Exhibit 8, page 32**

- a) Since the loss factor is applied to all load, including that served from the HHHI-owned MTS1, why is it appropriate to exclude the two feeders located at MTS1 from the weighted calculation of the Supply Facilities Loss Factor?

**Response:**

- a) HHHI has recalculated the loss factor, including the two (2) HHHI-owned MTS1 feeders that were commissioned in 2019. The result of the losses calculation did not change. Please see Table VECC CQR 2.

**Table VECC CQR 2 – Revised Proposed Total Loss Factor**

		Historical Years					5-Year Average
		2015	2016	2017	2018	2019	
	<b>Losses Within Distributor's System</b>						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	533,813,769	526,701,336	500,433,348	520,181,401	513,132,840	518,852,539
A(2)	"Wholesale" kWh delivered to distributor (lower value)	520,395,181	513,458,896	487,853,407	507,097,511	502,382,446	506,237,488
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	520,395,181	513,458,896	487,853,407	507,097,511	502,382,446	506,237,488
D	"Retail" kWh delivered by distributor	512,279,689	505,220,809	483,076,156	500,061,363	494,417,598	499,011,123
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor = D - E	512,279,689	505,220,809	483,076,156	500,061,363	494,417,598	499,011,123
G	Loss Factor in Distributor's system = C / F	1.0158	1.0163	1.0099	1.0141	1.0161	1.0145
	<b>Losses Upstream of Distributor's System</b>						
H	Supply Facilities Loss Factor	1.02600	1.02600	1.02600	1.02600	1.02156	1.02511
	<b>Total Losses</b>						
I	Total Loss Factor = G x H	1.0423	1.0427	1.0361	1.0404	1.0380	1.0400



**VECC CQR – 61**

**REFERENCE:** 3-VECC-15 a)  
2-VECC 12

PREAMBLE: VECC 15 a) confirms that the purchased power model and, therefore the resulting billed energy forecast, includes sales to HHHI's wholesale market participant customer.

- a) VECC 12 a) requested that HHHI "*demonstrate that the kWh usage associated with HHHI's Market Participant(s) has been excluded from the calculation of the commodity costs.*" However the response indicates that the loads used to calculate the commodity costs equal (after adjustments for losses) the load forecast values which include HHHI's wholesale market participant customer. Please confirm that the customer class loads used to calculate the commodity costs have not been adjusted to remove forecast sales to HHHI's wholesale market participant customer.
- b) In which customer class is HHHI's wholesale market participant customer and what is the customer's forecast load (kWh and kW) for 2021? In responding, please indicate how the 2021 forecast sales to HHHI's wholesale market participant customer were determined.

**Response:**

- a) Confirmed. The removal of the wholesale market participant load from the linked models would be cumbersome. The WMP load accounts for approximately 0.7% of the load forecasted and was not material.
- b) The WMP customer is in the General Service 50 to 999 kW class. The 2021 forecasted sales were determined as part of the General Service 50 to 999 kW class.