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December 1, 2008

VIA MAIL and 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: Vulnerable Energy Consumers Coalition (VECC)
EB-2008-0219
EGD 2009 Rates: Technical Conference Questions

Please find enclosed the questions of the Vulnerable Energy Consumers Coalition (VECC) for the upcoming technical conference.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

EB-2008-0219

Technical Conference Questions-VECC

Question 1

B/1/2 App A pages 1 and 2

a) Provide support for the change in lag days from EB-2007-0701 Q4-3 of 3.9 days and EB-2008-0263 Q4-3 4.2 days.

b) What is the historic year range of Board Approved net lag days?

c) How does EGD compare to Union.

d) Provide the impact of 0.1 lag days on the 2008 gas purchase cost relative to the $50.415 million shown in the Exhibit.

Question 2

B/1/4 Table1 and B/1/4 Figure 2

Given Franchise Housing Starts, how does the 2009 Additions number relate to housing starts; please provide forecast and actual historic total additions and residential additions vs. forecast franchise housing starts.

Question 3

B/1/5 Appendix B page 6

a) Provide the updated 2008 estimate of customers shown in Column 1.

b) How will a change in 2008 forecast or actual customer number at year end be reflected in the 2009 Distribution Revenue Requirement.

Question 4

B/1/6 Plus Appendix A

a) When will the assets related to the 2009 Capital spend for Portlands be in service?

b) When will the Assets related to the Thorold Cogen. be in service?

c) Explain the assumptions/calculations underpinning the Ratebase amounts shown on Line 1 of Page 2 and carried to line 8 on page 18 of Appendix A.

d) What are the 2008 and 2009 revenues $ million from each of these projects and identify where these can be found.

Question 5

<u>B/1/7 and E/2/1 Appendix F</u>

a) Provide the detailed CIS cost per customer calculations for 2008 and 2009.

b) Provide details of the true-up due to changes in customer count forecasts.

Question 6

<u>B/1/5 pages 7 and 8</u>

a) Explain the impact the change in normalized average use due to the lower forecast of Gas supply costs in 2009 (as per the Latest QRAM) relative to the 40 cents/m3 shown in figure 1.

b) Provide an estimate of the impact on NAC of a change in gas supply costs of 10 c/m3 on the explanatory variable(s) and the forecast NAC.

c) Does the explanatory variable take into account the market shares of system supply vs marketer/contract supply? If so please explain the assumptions and impact of this split.

d) For the components listed in paragraph 16 and Table 3 provide, in tabular form, a comparison showing the similar estimates for 2007 and 2008 Discuss any material changes.

e) Provide support for the estimate for the DSM reduction of 15.1 m3. If not provided in the above response, provide 2007 and 2008 comparables. Relate the estimates provided to the LRAM calculation for the historic years.

f) Provide EGD’s estimate on NAC of higher mandatory minimum efficiency (90% vs. 78%) for forced air heating equipment. Where is this accounted for in Table 3?

g) Provide support for the calculation of the 2.4 m3 reduction in NAC shown in Table 3 attributable to Building Code changes.

Question 7

E/1/1

Provide a sample/illustrative calculation of the true-up mechanism for residential NAC assuming a Variation from the 2009 forecast of 2637 m3. Provide any explanatory notes.

Question 8

B/ 1/ 5

Paragraph 29 indicates that the regression model will not be able to predict rate switching and that both the 2008 and 2009 volumes for Rate 6 have been layered onto the regression model's average use forecast.

a) Provide the model's pre migration average use forecast for 2008 and 2009 and the number of customers to which this average use applies.

b) Provide the annual volume and the number of customers that are forecast to migrate to Rate 6 for both 2008 and 2009.

c) Show how the NAC for 2008 (24,198) and for 2009 (28,165) are derived.

d) Provide an illustrative calculation of the NAC true-up calculation for Rate 6.

Question 9

B/1/5 page 20 Table 4

Provide support for the DSM estimate of 8.1 m3 for the Apartment Sector and compare to the 2007 and 2008 estimates.

Question 10

B/3/10 Pages 2-9

a) Provide a schedule(s) showing the 2007 and 2008 Board- approved R/C ratios (page 2)

b) Provide a schedule(s) Showing 2007 and 2008 Board -approved values (page 5)

c) Provide a schedule(s) showing Board-approved % allocators (page 9).

d) Provide support for the allocation of $1.47m LTC Y factor to Rate1 (page 6).

Question 11

D/2/5 Page 1 line 1.3

a) Provide an explanation for the $3.1 m increase in LPPs.

b) Provide estimates of revenue from LPPs in 2008 and 2009.