



***PUBLIC INTEREST ADVOCACY CENTRE***  
***LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC***

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December 9, 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-2008-0227 Enwin Utilities Inc.**  
**Interrogatories**

Please find enclosed the interrogatories submitted on behalf of VECC in the above noted proceeding.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

**ONTARIO ENERGY BOARD**

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

AND IN THE MATTER OF an application by EnWin Utilities  
Ltd. for an Order or Orders pursuant to section 78 of the *Ontario  
Energy Board Act, 1998* approving just and reasonable rates and  
other charges for electricity distribution to be effective May 1, 2009.

**Interrogatories of the Vulnerable Energy Consumers Coalition**

**Question # 1**

**Reference: Exhibit 1 Tab 1 Schedule 14 Page 1 of 2**

EWU provides senior management and corporate services to the WUC and  
EWE. EWU provides corporate services to the City.

- a) Provide details of the composition of the EWU Board in terms of which party appoints the Directors- how many appointed by Windsor Canada and who appoints the non-Windsor Directors.
- b) How many of EWUs Directors hold positions with affiliates- indicate the number and the affiliate(s).
- c) Who are the Officers of Windsor Canada and EWU? To avoid use of names use Title/Position.
- d) Which Officers of EWU also hold positions with affiliates (position and title)?
- e) Provide the following actual 2007 and projected 2009 metrics for all affiliated business units of the City of Windsor, including WUC and EWE
  - i. Capital Deployed \$millions;
  - ii. Employees (FTEs) include separately # of contract employees;
  - iii. 2007 actual and 2009 projected operating revenue; and
  - iv. 2007 actual and 2009 projected operating costs.

## **Question # 2**

**Reference: Exhibit 1 Tab 2 Schedule 3 Attachment Schedule 1-1-3  
Preamble 2007 FS pg 16 Related party transactions:**

- a) Under a Management Services Agreement effective January 1, 2000, the Corporation provides certain finance, administration, human resource, management and other support services to the Commission. The total amount charged to the Commission for the year ended December 31, 2007 was \$8,614 (2006 - \$7,318).
- b) Under a Management Services Agreement effective January 1, 2000, the Corporation provides certain finance, administration, human resource, management and other support services to Enwin Energy Ltd. The total amount charged to Enwin Energy Ltd. for the year ended December 31, 2007 was \$695 (2006 - \$39).
- c) The Corporation provides sewer surcharge billing and collecting and street lighting maintenance for the City of Windsor for which it charges a fee. The total amount charged to the City of Windsor for the year ended December 31, 2007 was \$2,778 (2006 - \$2,100).
- d) The Corporation collects and remits the sewer surcharge on behalf of the City of Windsor.

The total amount owing to the City of Windsor at year-end relating to sewer surcharge was \$4,029 (2006 - \$3,064).

- a) Please provide a schedule that reconciles the above amounts in the Audited Financial Statements to the amounts shown at **Exhibit 4 Tab 2 Schedule 4 Page 6 Figure 4-2-4 D - Total Cost Allocated to EWU for Distribution**. Explain differences.
- b) Provide the 2007 service schedules that support the 2007 services.
- c) Explain for all outbound services the method of accounting for costs and revenues. Provide examples.

## **Question # 3**

**Reference: Exhibit 1 Tab 1 Schedule 21 Page 1 of 1 Attachment A**

- a) Provide a version of the schedule that shows for the residential class the Bill Impact - Delivery Charges for uses of 250 kwh, 500 kwh and 750kwh.
- b) Provide the distribution only impact in \$ and % for 250 kwh, 500 kwh, 750kwh and 1000kwh.

- c) Provide the Total Bill Impact for use of 250 kwh, 500 kwh and 750kwh.

#### **Question # 4**

**Reference: Exhibit 1Tab 2Schedule 1Attachment A –ESQRs**

- a) Provide more historic information prior to 2007 -annual average SAIDI, SAIFI and CAIDI.
- b) Provide YTD reliability estimates for 2008 -July forward.
- c) Provide 2009 targets for major reliability indicators.
- d) Provide trend analysis and discussion for each major reliability indicator including relationship to sustaining/other capital programs.
- e) For Telephone Accessibility provide trend analysis and discussion, including if any, the impact of the proposed Customer Contact Centre.

#### **RATE BASE**

#### **Question # 5**

**Reference: Exhibit 2Tab 1Schedule 1 Page 8 Table 2-1-1B**

- a) Provide a version of the Table that shows the base Board-Approved 2006 ERP capital expenditure amounts.
- b) Provide a summary schedule that shows for each major Category of capital expenditure the total year's capital spend from 2005-2009 and the average over 5 years.

#### **Question # 6**

**Reference: Exhibit 2Tab 1Schedule 1 Page 23**

Preamble: Operations Sustainability Capital

The Kinectrics 27.6 kV Report identified that, generally, EWU's 27.6 kV system is in good condition. However, approximately 3000 poles in the 27.6 kV system are in poor condition and should be replaced. EWU plans to replace approximately 160 poles in 2009 that have reached end-of-life. Of the \$850,000 budget for 2009, \$800,000 is estimated to be spent on pole replacements (160 poles x\$5,000/pole = \$800,000).

- a) How many pole replacements and at what cost in 2009 are covered under the 4kv conversion program?

- b) Confirm that replacement of poles under the 4 kv conversion program was not part of the Kinetrics report recommendation for 3000 replacements.
- c) If 3000 poles in the existing 27.6 kV system are in poor condition how will an accomplishment of 160/year be adequate?
- d) What is the impact on depreciation expense related to wood poles of the proposed 27 kv pole replacement schedule?
- e) Based on failure history, what improvement in reliability can be expected from the proposed 160/year pole replacement versus a higher level of annual replacement and capital cost?

### **Question # 7**

**Reference: Exhibit 2Tab 1Schedule 1Page 62 Comprehensive ERP**

EWU States "Based on the report by SJH Consulting which justifies EWU procuring a Comprehensive ERP and based on the implementation schedule developed by SJH Consulting, EWU anticipates \$7,250,445 becoming eligible for rate base in the 2009 test year. EWU accordingly requests that the Board approve the addition of \$7,250,445 into EWU's rate base for the 2009 test year".

- a) Provide the net book value (Ratebase) of the existing legacy systems to be replaced during the ERP Implementation.
- b) Provide a breakdown of current/estimated annual operating costs of the legacy systems (listed in the SJH Report at Appendix B) and the new ERP system(s). Include total operating cost and, if applicable, an estimate of capitalized OM&A.
- c) Provide a Copy of the ERP Business Case provided to the EWU Board for approval.
- d) Provide the Benefits Realization plan, including annual OM&A benefits to be realized from a Comprehensive ERP.
- e) Provide a schedule that shows the annual Distribution Revenue Requirement impact of the ERP from 2009-2013. The calculation should include capital/ratebase and OM&A including revenue from affiliates and the CCA/tax impacts. Provide explanation of all inputs/assumptions used.

### **Question # 8**

**Reference: Exhibit 2Tab 1Schedule 1 Attachment E-SJH Report**

**Preamble:** The SJH Report states “Based on the project phasing described above, it is expected that EWU will spend \$7,250,445 on functionality that will be go-live” within the 2009 calendar year. The remaining cost, some of which will actually be spent in 2009, will be in respect of functionality being deployed in 2010”.

- a) How can EWU predict the implementation schedule, 2009 costs, cash flow and assets in service until it has bid the Comprehensive ERP? Provide detailed support for these items.
- b) What experience does EWU have to be able to bid, evaluate and manage implementation of a Comprehensive ERP? Or is EWU bidding ERP on a turnkey basis? Please explain.
- c) Of the total estimated implementation cost of **\$13,600,000** how much is outsourced services? Provide details.
- d) Does the ERP cost estimate include contingency? Please provide details.
- e) Will the ERP provide enhanced services to EWU affiliates? Provide an estimate of the pre-ERP baseline and post ERP revenue related to ERP functions from affiliate services.

#### **Question # 9**

**References:**

- i) Exhibit 3/Tab 2/Schedule 1, page 7**
- ii) Exhibit 3/Tab 2/Schedule 2, page25**
- iii) Exhibit 2/Tab 1/Schedule 1, pages 12-14**

- a) With respect to references (i) and (ii), did EnWin seek input from the local municipal planning department regarding expectations for commercial and residential growth for 2008-2009? If not, why not? If yes, was their expectation that there would be zero growth in terms of new housing or businesses?
- b) Please provide further details regarding the 2008 and 2009 spending on “Services” (per reference (iii)). Is there any spending included for “new” services and, if so, how does this reconcile with EnWin’s forecast of customer connections?
- c) Based on the most available 2008 actual data, please provide EnWin’s current number of customer connections by customer class.

#### **Question # 10**

**Reference:** Exhibit 3/Tab 2/Schedule 1, page 9

- a) With respect to Table 3-2-1 D, please confirm if (for weather sensitive loads) the values presented are based on actual or weather normalized use. If actual, please redo the table using weather normalized values
- b) With respect to Table 3-2-1 E, please provide a schedule that breaks down the Transformer Ownership Allowance for 2008 and 2009 as between the various applicable customer classes.

#### **Question # 11**

**Reference: Exhibit 3/Tab 3/Schedule 1**

- a) Please explain the reason for the projected decline in late payment charges over the 2007-2009 period.
- b) Please explain the reason for the decrease in Miscellaneous Service Revenue in 2008 and 2009 relative to 2007.
- c) Please explain what the \$239,000 in 2007 for Gain on Disposition of Property represents.

#### **Question # 12**

**Reference: Exhibit 3/Tab 3/Schedule 2**

- a) Please explain why the basis for the \$65 rate (per lines 18-20) no longer exists and demonstrate that the proposed \$185 is justified.

#### **Question # 13**

**Reference: Exhibit 3/Tab 2/Schedule 2, ERA Load Forecast, pages 5-10**

- a) Page 2 states that the forecast is based on monthly class specific data for January 2003 to December 2007.
  - How frequently does EnWin read the meters for its Residential and GS<50 customer classes?
  - How was the billing data adjusted to account for the effect of meter reading dates?
  - Please comment on the validity of simply prorating billing data to account for the effect of meter reading dates, when the weather and/or the occurrence non-holiday weekdays could vary significantly over the period requiring prorating.

b) Pages 2-3 state that the approach used by ERA for classes viewed as weather sensitive is “generally consistent” with that used by Hydro One for EnWin’s Cost Allocation filing. Please indicate what the differences are, if any.

c) Pages 5-6, since ERA also forecasts number of connections by class, did ERA test a relationship that also included number of customers by class? If not, why not?

d) Please provide a schedule that sets out, for the period January 2003 to December 2007, the monthly values for:

- HDD and CDD
- Number of customers by class (month end)

e) Please provide the average (per customer) weather normalized usage for each customer class as determined and used for EnWin’s Cost Allocation informational filing and confirm which year the data represents.

f) Please develop alternative equations for the Residential, GS<50 and GS>50 classes that include the number of customers as an “explanatory variable”. If monthly customer counts are not available please make reasonable interpolations using existing data. Please provide the statistical results for the resulting equations and compare them with those for the equations developed by ERA.

g) Using the results from (d), please develop an alternative load forecast for 2008 and 2009.

#### **Question # 14**

**Reference: Exhibit 3/Tab 2/Schedule 1, ERA Load Forecast, pages 11-16**

a) With respect to page 12, are there more recent updates available for any of the economic forecasts presented in Tables 5 and 5a? If so, please provide and update the weather corrected consumption forecast in Table 7 accordingly.

b) With respect to page 13, what are the number of housing starts/completions currently projected for the City of Windsor and Windsor CMA for 2008?



### **Question # 15**

**Reference: Exhibit 3/Tab 2/Schedule 1, ERA Load Forecast, pages 16-26**

- a) With respect to page 19, what methodology was used to establish the “secular decline” between 2003 and 2007 for the LU-Regular class? Why is it reasonable to assume the company specific declines reflected in the forecast are all “incremental” to the observed secular decline?
- b) With respect to page 21, given the large decrease in use forecast for 2008 why is it reasonable to apply the historical secular trend to establish the 2009 usage level for the 3TS class. This secular 2008 reduction represents significantly more than “two years” of secular trend.
- c) Please confirm whether the data presented in Table 15 represent the year-end or average customer count for each class.

### **Operating Costs**

### **Question # 16**

**Reference: Exhibit 4Tab 2Schedule 1Page 3 Table 4-2-1 B**

- a) Provide a version of the Table with a column showing Board-Approved 2006 EDR amounts.
- b) Provide a variance discussion relative to 2006 Board approved costs

### **Question # 17**

**Reference: Exhibit 4Tab 2Schedule 1 Page 3**

- a) With regard to benchmarking EWUs historic OM&A costs, please confirm/correct the data for 2005 and 2007 shown in the file “Comparison of Distributors (EB-2006-0268)” found on the OEB web site:  
[http://www.oeb.gov.on.ca/OEB/\\_Documents/EB-2006-0268/Comparison\\_of\\_Distributors\\_with\\_2007\\_data.xls](http://www.oeb.gov.on.ca/OEB/_Documents/EB-2006-0268/Comparison_of_Distributors_with_2007_data.xls)

2007	2006	2005
\$30,456,985	\$22,279,233	\$21,843,228

Please indicate the correct data for 2005-2007 and reconcile with Exhibit 4/Tab 2/Schedule 1 Table 4-2-1 B as updated for 2006.

- b) For the historic years 2005-2007 compute the average EWU OM&A cost per customer and compare the EWU average to that of the peer group shown on the OEB website.

- c) Compute the distribution OM&A cost per customer for the years 2007-2009.
- d) Compute the OM&A per kilowatt hour of energy distributed for the years 2005-2009.
- e) Discuss trends in OM&A per customer and per Kilowatt hr of energy distributed for the years 2005-2009.

### **Question # 18**

**Reference: Exhibit 4Tab 2 Schedule 2Page 1**

**Preamble:** EWU has employees who are fully dedicated to the regulated business; employees who are shared between the regulated business and affiliates; and employees who are fully dedicated to affiliates.

- a) For 2007-2009 provide the FTE breakdown for each category for the groupings of employees shown in Table 4-2-2-A.
- b) Provide 2007-2009 the total compensation for all categories in the format of Table 4-2-2 B.
- c) For the Shared employees provide their annual costs attributable to EWU and the affiliate(s) in the format provided in Table 4-2-2-B.
- d) For utility employees (and those shared employees conducting utility business) relate the increase in Total compensation Table 4-2-2B to the increase in total administrative costs 2007-2009 from \$14.4 million to \$18.2 million. Include explanation of the cost increases shown in Table 4-2-1C. Present the results in terms of the payroll-related cost drivers impacting the overall administration cost increases.
- e) Provide additional explanations for the non-payroll administration cost increases 2007-2009.

### **Question # 19**

**Reference: Exhibit 4 Tab2 Schedule 1**

- a) Does ENWIN have support for its tree trimming program? If so provide a copy of the report(s) that sets out the annual budgets, accomplishment and the trimming cycle(s).

## **Shared Services**

### **Question # 20**

**Reference: Exhibit 4 Tab 2 Schedule 4 Page 5**

- a) Provide a copy of the Master Service Agreements with the City of Windsor, WUC and EWE.
- b) Provide a copy of the respective 2009 Service Schedules.
- c) Provide a copy of the KPMG Spreadsheet populated with 2009 data. Provide explanatory notes.
- d) Provide a copy of the Affiliate transactions spreadsheet populated with 2009 data
- e) Provide a copy of the Document "Organizational and Inter-organizational Overview of Enwin Utilities Ltd and Associated Organizations".
- f) Confirm that for costing shared/corporate services, Enwin uses FAC based on costs of the service provider, rather than market- based costs. If not please provide a list of shared services and the 2009 amounts that are based on comparable market costs.
- g) Provide an example of the FAC calculation for a service provided to WUC.
- h) If not provided in the KPMG Spreadsheet, provide a schedule that contains a list of 2009 major cost drivers based on Attachment C and a matrix that shows for each driver the 2009 total metrics and cost allocated for each affiliate, excluding Maxess (e.g. FTEs).

### **Question # 21**

**Reference: Exhibit 4 Tab 2 Schedule 4 Page 6 and Figure 4-2-4 D**

- a) Provide a detailed explanation of the increase in total shared services of \$6 million from 2007 to 2009 despite the sale of Maximum and Maxess. The drivers for the increases such as the costs of providing the services and the level of services should be covered.
- b) Provide a schedule based on Figure 4-2-4 D - Total Cost Allocated to EWU for Distribution that shows the breakdown of the 2009 cost of all *outbound* services provided to each affiliate. This includes shared services and direct services such as Street lighting for the city.

- c) Provide a schedule that shows 2009 *inbound* services and costs provided to the distribution utility from affiliates (for example water service).
- d) Provide details of the CDM services provided to EWU by EWE in 2008 and forecast 2009 including type of service(s), costs and details of how the costs are calculated.
- e) Provide full details as to how shared services and other direct services are charged to affiliates and the accounting treatment the costs and revenues.
- f) Are the costs of services received from affiliates netted out or charged to operations as billed? Provide details.

## **Question # 22**

**Reference: Exhibit 4 Tab 2 Schedule 4 Attachments A (T of R) and B (BDR report)**

Preamble:

- 1) The consultant will review the transfer pricing arrangement between EnWin and its affiliates, and develop an opinion on the appropriateness of the transfer pricing arrangements.
- 2) The consultant will review the costs charged to and by EnWin in respect of its affiliates and develop an opinion on the appropriateness of those costs.
  - a) Did BDR assess the appropriateness of overall level of shared services or just the allocation of the total pool of costs. Please explain.
  - b) Were BDR provided with all the Service Agreements, including the detailed service schedules for 2008 and 2009 including those for EWU and the City of Windsor? If so are these the same as requested in the Question above?
  - c) With respect to Governance functions provide details of the allocation of the costs based on Cost Allocator 002 Board of Directors "Estimated by Management Judgement". Specifically provide details of how the 2008 and 2009 time and costs of the Board of Directors is allocated among the City, WUC, EWE and EWU.
  - d) Provide a list of services for which "no portion is allocated to the City" and explain why this is the case.
  - e) Distinguish festival lighting and streetlighting and explain what is changing with regard to Festival Lighting services in 2009.

f) With respect to Table 6 Page 30 Explain in detail how the costs of the CEO and CFO are derived and/or allocated as a “proportion of direct costs from all departments”.

g) Why is there no allocator for Corporate Secretary? Does EWU have a Corporate Secretary? If so how are the costs allocated?

h) Is there an allocator(s) for Audit and Rating (DBRS/S&P) services? If so indicate which allocator and the amounts allocated to each affiliate 2007-2009.

i) Provide more details as to how BDR concluded that Water Services were a shared service as opposed to a separate operation. Specifically is the water service physically and financially separate from the distribution utility. Please explain.

j) Why should not water services be a separate entity that buys (shared) services from EWU just like EWE?

### **Question # 23**

**Reference: Exhibit 4Tab 2Schedule 6 Page 2 Distribution Loss Factor**

a) Explain why the DLF has not gone down over the period 2002-2008 given the 4kv conversion program.

b) Discuss whether DLFs should reduce as a direct benefit of the conversion program

### **Question # 24**

**References: Exhibit 5 Tab 1 Schedule 1 Page 4 and Exhibit 5Tab 2 Schedule 2 Page 1 Account 1550 and Smart Meter Program**

Preamble: EWU estimates that the per-meter cost of each Smart Meter and its installation will be approximately \$169.12. EWU estimates an additional per-meter cost of approximately \$17.96 for computer hardware and incremental O&M expenses. EWU estimates the total incremental expenditure for Smart Metering in the test year will be approximately \$7,336,100. The 15 year present value is estimated to be \$16,231,216.

a) Provide a copy of the EWU Smart Meter Plan.

b) Provide the accomplishment (units) 2006-2010.

- c) Provide the amounts recorded on account 1555 for the rate adder revenue in each fiscal year and the year end 2008 estimated total balance, including accrued interest.
- d) How is EWU confident of the unit price? Have the meters been bid/procured and if so how does the actual price compare to the above estimate?
- e) Do the units include features for functionality above minimum functionality and if so why is there no additional cost-please specify.

### **Question # 25**

**Reference: Exhibit 5Tab 2 Schedule 1 Page 1**

- a) Why are there in costs of the Smart meter rate adder allocated to any classes except the Residential Class (taking the monthly charge from \$12.45 to \$13.45)? Please explain amounts shown in *Table 5-2-1 A* -for other classes.

### **Cost of Capital**

### **Question # 26**

**Reference: Exhibit 6Tab 1 Schedule 1 page 4**

Preamble: EWU long term debt includes a Note to the City of Windsor due December 2009, in the amount of \$3,255,973 at an interest rate of 6%.

- a) Please provide a copy of the term sheet for the City Note and indicate any revisions or amendments made to this.
- b) EWU has used the current deemed long-term debt rate of 6.10% in its long term cost of debt calculation rather than the actual 6.0% that is being paid to the City of Windsor. Explain why this is appropriate.
- c) Please provide a revised calculation of Attachment A and the Weighted Average Cost of Capital using a debt rate of 6.0% for the Promissory Note.
- d) The City Note expires in 2009. How does EWU plan to renew/replace this debt?

e) Please provide the market rate for a similar loan from a third party.

**Question # 27**

**Reference: Exhibit 6 Tab 1Schedule 1Page 4**

- a) Provide the total EDFIN issue costs as well as the percentage allocation to EWU.
- b) Provide the calculation of the effective Debenture cost rate and the total blended debt cost assuming 6.0% for the City Note.
- c) Provide the latest forecast for the Short term debt cost rate.

**Question # 28**

**References: i) Exhibit 8/Tab 1/Schedule 1, page 2 and Attachment A,pg19  
ii) Exhibit 8/Tab 1/Schedule 2, page 1  
iii) Exhibit 10/Tab 1/Schedule 9**

- a) Please explain the basis for the 2007 Revenue to Cost ratios in reference (iii).

**Question # 29**

**Reference: Exhibit 8/Tab 1/Schedule 1**

- a) Please confirm that for purposes of Enwin's Cost Allocation – Run 3:
  - The Revenues are based on distribution rates (excluding the discounts for transformer ownership allowance).
  - The Costs include the cost of the Transformer Ownership Allowance.
  - The cost of the Transformer Ownership Allowance is allocated to all customer classes.
- b) Please provide the results of a cost allocation run with an alternative treatment of the Transformer Ownership Allowance where:
  - The Revenues by class are based the rates reduced by the transformer ownership allowance where applicable.

- The Costs allocated exclude the “cost” of the Transformer Ownership Allowance.

(Note: For purposes of the response please just file the revised Output Sheet O1)

### **Question # 30**

**References:**

- i) Exhibit 10/Tab 1/Schedule 6**
- ii) Exhibit 10/Tab 1/Schedule 7**
- iii) Exhibit 7/Tab 1/Schedule 1, Attachment A**

- a) Please provide a schedule that sets out the build up of the 2009 Base Revenue Requirement set out in reference (ii) and reconciles it with the values in reference (iii).
- b) Please reconcile the 2009 total revenues reported in references (i) and (ii).

### **Question # 31**

**Reference: Exhibit 8/Tab 1/Schedule 1, Attachment A**

- a) The Board’s Cost Allocation Report set out tests to determine which CP and NCP allocators (e.g. 1NCP vs. 4 NCP) should be used. Did the consultant assess whether the adjustments to the load data (pages 15-17) changed the definition of the CP or NCP allocators that should be used in Enwin’s Cost Allocation run? If not, why not? If yes, what were the results?
- b) With respect to page 18 (lines 5-6), since revenues are based on both volume sales and number of customers why were revenues by customer class adjusted in proportion to the change in energy and demand?
- c) With respect to page 18 (lines 8-9), was the proportional adjustment applied to Total Revenues for each customer class (i.e., including miscellaneous revenues) or to just the Distribution Revenues by customer class? If the first approach was used, please recalculate the revenue to cost ratios using the second approach.

### **LRAM SSM**

### **Question # 32**

**Reference: Exhibit 9 Tab 1 Schedule 1 Attachments A and B**



Preamble: EWU seeks recovery of \$298,733.99 through the Lost Revenue Adjustment Mechanism ("LRAM") and \$378,687.61 through the Shared Savings Mechanism ("SSM");

- a) Provide a schedule showing details of the Keep Cool/Torchier Exchange and Porch Light -full input assumptions and costs.
- b) Provide the relevant references/extracts from the OEB CDM guide for these measures.
- c) Provide a copy of any explicit OEB approval of the input assumptions for these measures.
- d) Provide the reference(s) and/or extract from the OPA Input measures and Assumptions Guide.

### **Question # 33**

#### **Reference: Exhibit 9 Tab 1 Schedule 2 Page 6 (Keep Cool/Torchiere Exchange and Porchlight)**

Preamble: EnerSpectrum Group used OEB assumptions for technologies implemented as a comparator to the TRC analysis previously reported.:

- a) Provide source reference(s) and a copy of all the comparator input assumptions data used by Enerspectrum for evaluation of these measures.
- b) Provide verification for the participants.
- c) Comment on the free ridership and persistence of these measures.

### **Question # 34**

#### **Reference: Exhibit 9 Tab1 Schedule 1 LRAM & SSM Allocation**

Preamble: Attachment D shows the determinations of the unit rate riders for the collection of the LRAM and SSM balances.

- a) What volumes are used to allocate the balances?
- b) Provide details of the allocations of the LRAM and SSM balances to the customer classes.
- c) Please provide bill impact for the proposed riders for a residential customer with a load of 500 and 1,000 kWh/month.
- d) What is the rationale for a two year recovery period rather than 1 year?

### **Question # 35**

**Reference: Exhibit 10/Tab 1/Schedule 6**

- a) Please provide a revised schedule that shows 2009 revenues at 2008 rates. In place of the existing last three columns please include:
- The proportion of each class' revenue recovered from fixed and variable charges.
  - The percentage each class' revenue represents of the total revenue. In calculating the revenues please ensure:
  - The fixed charges exclude the 2008 smart meter rate adder.
  - The variable revenue reflect the rates actually paid by customer, i.e., the revenues are reduced by the transformer ownership allowance discount where applicable.

### **Question # 36**

**Reference: Exhibit 10/Tab 1/Schedule 7**

- a) There appear to be three footnotes to the Table which are missing. Please provide.
- b) Please provide the basis (e.g., Run 3 cross-reference) for the percentages set out in the second column ("Cost Allocation").
- c) Please explain how the determination of the "Cost Allocation" percentages accounts for the inclusion of Miscellaneous Revenues in the derivation of Revenue to Cost ratios.
- d) Please explain how the percentages in third column (Existing Rates) were determined.
- e) Please reconcile any differences between the percentages in third column and the percentage of revenue at existing (2008) rates obtained from each customer class.
- f) Please indicate how the percentages in the fourth column were determined.

### **Question # 37**

**References:** i) **Exhibit 10/Tab 1/Schedule 1**  
ii) **Exhibit 10/Tab 1/Schedule 8**

- a) Please provide a schedule that compares EnWin's 2008 service charges and its proposed 2009 service charges for each customer class with the range established by the Report of the Board - Application of Cost Allocation for Electricity Distributors, EB-2007-0667, November 28, 2007.
- b) Please provide the service charges for each customer class that would result if EnWin were to maintain the same fixed/variable revenue split for each class as produced by the 2008 rates.

### **Question # 38**

**Reference:** **Exhibit 10/Tab 1/Schedule 10**

- a) Based on a recent 12 consecutive months of actual billing data, please indicate the percentage of total residential customers that:
  - Consume less than 100 kWh per month
  - Consume 100 -> 250 kWh per month
  - Consume 250 -> 500 kWh per month
  - Consume 500 -> 750 kWh per month
  - Consume 750 -> 1000 kWh per month
  - Consume 1000 -> 1500 kWh per month
  - Consume 1500 -> 2000 kWh per month
  - Consume more than 2000 kWh per month

### **Question # 39**

**Reference:** **Exhibit 10/Tab 1/Schedule 10, Attachment A**

- a) Please provide similar customer bill impact analyses for residential customers using 100, 250, 500 and 750 kWh per month.

### **Question #40**

**Reference:** Exhibit 3/Tab 2/Schedule 1, ERA Load Forecast, page 15-23

- c) With respect to page 15, please provide a table that set out the monthly kWhs and kW for the following customer classes for the years 2004 to 2007 and 2008 year to date:

- GS >50 kW
- Intermediate Class
- Large Use – Regular Class
- Large Use – 3TS
- Large Use – Ford Annex