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## Interrogatories of Commission Expert

**TO:** Prince Edward Island Energy Corporation  
**FROM:** Synapse Energy Economics, Inc.  
**DATE:** October 19, 2018  
**RE:** Electricity Efficiency and Conservation Plan  
**Docket:** UE41400

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Throughout this document, the 2018-2021 Demand Side Management (“DSM”) Resource Plan will be referred to as “the Plan”.

34. Please refer to the attachment to the response to Synapse IR-08 (b). Why are net customer costs negative for Custom Energy Solutions in 2018/19?
35. Please refer to the response to Synapse IR-14. Please provide the operational procedures for separately tracking costs and energy savings for electricity and other fuels.
36. Please refer to the response to Synapse IR-15. Is ePEI or PEIEC responsible for attaining the non-electrical energy savings targets? If so, how does ePEI or PEIEC plan on attaining the goal for non-electrical savings?
37. Please refer to the response to Synapse IR-16, regarding the MECL 2015-2020 DSM Plan.
  - a. Please describe any overlap between the MECL programs and the proposed ePEI programs.
  - b. How does ePEI plan to coordinate with MECL?
  - c. How does ePEI plan to address customer and contractor confusion about multiple program administrators?
  - d. Please provide progress reports showing the activities, savings, etc. associated with the MECL programs.
38. On page 23 of the Plan, ePEI states, “While there are alternative ways of ensuring rate classes are treated fairly with the allocation of EE&C expenditures, ePEI is prepared to undertake the administrative requirements in order to track separately by

rate class EE&C expenditure and electricity savings, establish a specific rate rider for each rate class, and is recommending this option for EE&C cost recovery in response to requests by several stakeholders.”

- a. How is ePEI planning to allocate EE&C expenditures by rate class? Please explain in detail. If there is any formula for allocating the EE&C expenditure, please provide it.
  - b. Please describe the “alternative ways of ensuring that rate classes are treated fairly with cost recovery.” For each, please indicate where it has been employed, the pros and cons, and why ePEI is not recommending it.
39. Refer to the response to Synapse IR-26.
- a. Several programs target more than one rate class. If a program targets more than one rate class, how will costs be allocated between the rate classes?
40. Would any of the proposed programs use upstream or midstream delivery mechanisms? If so, how would costs for such programs be allocated, since it is often not known who exactly is participating in these programs?
41. Refer to the Response to Synapse IR-01 Attachment 1. On the Residential tab, please clarify the difference between the number of homes/units (shown in cells C43:C46 and E43:E46) and the number of dwellings (shown in B8:D12). Please include the methodology for how each of those values were calculated.
42. Refer to the Response to Synapse IR-01 Attachment 1. On the Business Programs and Measures tab, please define “milestones” (shown in cells B105:B115 and E105:F115) in the context of the Custom Energy Solutions program.
43. Refer to the Response to Synapse IR-01 Attachment 1. On the Summary Programs tab, please clarify whether the savings reported in GWh are annual or lifetime savings.
44. Refer to the Response to Synapse IR-01 Attachment 1. On the Technical Tables tab, please refer to columns N and O, rows 17-30. The columns show the incremental cost of the technology next to the measure incentive for low-income customers.
- a. Is the customer’s out of pocket expense equal to the incremental cost of the technology less the incentive?
  - b. If so, has ePEI evaluated how likely a low-income customer is to pay the out of pocket expense for each measure?
45. Please refer to Appendix A of the Plan. On Page 46, the 7,200 eligible customers listed are all from Maritime Electric. Will this program be directed to Summerside Electric customers as well?
46. Please refer to Attachment 1 to Synapse IR-02, and the Plan at page 12.
- a. According to the MECL Integrated Resource Plan at page 6, peak load is growing and is projected to continue to grow faster than energy. Has ePEI accounted for this in the DSM Plan? If so, how?
  - b. Does ePEI have a strategy for managing peak load in the event that MECL does not implement time of use rates? If not, why not?
47. Please refer to lines 1–4 on p. 26 of the Plan.
- a. Please provide more details on ePEI’s proposal for MECL ratemaking.
  - b. Could the proposed mechanism be described as a form of decoupling? If not, how does it differ from decoupling?

- c. Does ePEI recommend that any other changes to MECL's ratemaking be considered? If so, please describe changes that ePEI recommends for consideration.
48. Is ePEI recommending that MECL's revenue requirements be reconciled, where the difference between the actual revenues and the forecasted revenues are determined and made up with customers? If so, please describe in detail how the reconciliation would work. If not, why not?
49. Please answer the following questions regarding MECL's most recent rate case filing.
- a. Did MECL make adjustments to its sales forecasts to reflect anticipated customer adoption of distributed energy resources? If so, how were such adjustments made? Please provide a reference to all sections and exhibits in the rate case filing that pertain to load forecast adjustments for distributed energy resources.
  - b. Did MECL make adjustments to its sales forecasts to reflect anticipated customer adoption of energy efficiency and conservation? If so, how were such adjustments made? Please provide a reference to all sections and exhibits in the rate case filing that pertain to these adjustments.
  - c. Please provide a reference to all the sections and exhibits in the most recent rate case filing that pertain to estimates of future revenue requirements.
  - d. Does MECL use a future test year?
  - e. How many years of revenue requirements does the rate case forecast include?
  - f. What assumptions are used in estimating the revenue requirements in the future test year?
  - g. Are the revenue requirement forecasts based on inflation, and/or productivity, and/or some other index?
50. How often does MECL file for a rate case? Is there a prescribed minimum or maximum number of years?
51. Does MECL currently have any form of performance incentive mechanisms in place? Is ePEI recommending some form of performance incentive mechanism? If so, please describe in detail.
52. Does MECL currently have any form of earnings adjustment mechanism in place? Is ePEI recommending some form of earnings adjustment mechanism? If so, please describe in detail.