

IGUA INTERROGATORY #1

INTERROGATORY

Reference: Ex. B, Tab 1, Sch. 3, p. 1 of 8 and Ex. B, Tab 1, Sch. 2, p. 1-10 of 15.

Preamble: The TRM Front Section states that the purpose of TRM does not include determination of free ridership or spillover values as they are more a function of program design than they are of technology specific factors. The Updated Summary Table of Measure Assumptions includes a column titled “free rider (%)”, with a value provided for each measure.

Questions:

- (a) Please reconcile the statement made in the TRM front section with the inclusion of a free rider percentage for each measure in the Updated Summary Table of Measure Assumptions.
- (b) Explain how the values listed in the free rider column in the Updated Summary Table of Measure Assumptions were derived, and the source of the information for the free rider rates listed on p. 10 of 15.

RESPONSE

- a) Please see SEC Interrogatory response #3 found at Exhibit I.EGDI.SEC.3 a).
- b) Union:

Free rider rates for commercial/industrial custom programs, presented under “Other Free Rider Rates” on p.10 of Exhibit B, Tab 1, Schedule 2, has been derived and provided by the Custom Projects Attribution study performed by Summit Blue Consulting in 2008. Summit Blue calculated the free ridership rate for five segments and recommended Union use the aggregate portfolio-level value of 54%.

Union’s Low-Income free rider rate in the Other Free Rider Rates tables remains unchanged and was last included in the New and Updated DSM Measures Joint Submission (EB-2014-0354), which was filed March 27, 2015 and subsequently approved in a Board Decision dated July 23, 2015.

Witnesses: D. Bullock
L. Kulperger

Union notes an error in the 15% free rider rate listed for Residential-Home Reno Rebate. This value was filed and approved in the New and Updated DSM Measures Joint Submission (EB-2013-0430). Union updated this value to 5% as part of its 2015-2020 DSM Plan (EB-2015-0029), approved by the Board in their Decision and Order dated January 20, 2016.

Enbridge:

The Summit Blue study noted above, recommended the following free rider rates for Enbridge:

Custom Projects:

- a. Agriculture: 40%
- b. Commercial: 12%
- c. Industrial: 50%
- d. Multifamily: 20%
- e. New Construction: 26%

The 15% free rider rate value for Home Energy Conservation was endorsed by the Technical Evaluation Committee ("TEC") on February 13, 2014 and approved by the Board in EB-2013-0430.

Enbridge's 0% Low Income free rider rate for Part 9 and Part 3 buildings was derived during the 2013-2014 update to the 2012-2014 Demand Side Management ("DSM") Plan in EB-2012-0394.

Witnesses: D. Bullock
L. Kulperger