

SEC INTERROGATORY #2

INTERROGATORY

[B/1/1, p. 4]

Please confirm that the Union Custom EUL Table and the Enbridge Measure Life Guide for Custom Offers have not been approved by the TEC or by the Board. Please describe in detail any approvals that have been given by any person other than the Utilities to these documents. Please confirm that, in seeking approval from the Board for these documents, the Utilities are asking the Board to look at these documents, and the information within them, with a view to approving them for the first time.

RESPONSE

Not confirmed.

The Utilities have included measure life assumptions for commercial and industrial Custom Offers in input assumption filings for at least ten years. Over that period, measure lives contained therein have been employed by the Utilities for the purpose of forecasting savings to support defining targets, determining cost-effectiveness, calculating lifetime natural gas savings and have been subject to review and update by multiple independent auditors and audit committees through the annual audit process and through Custom Project Savings Verification. The values contained in the Utilities' respective guides recommend a measure life for particular technologies.

Per the 2014 program year, the Utilities further note that prior years' Demand Side Management ("DSM") variance and deferral accounts clearance applications were based upon, at least in part, measure lives taken from these tables, and have been the subject of a complete settlement. It is therefore inaccurate to suggest that this is the first time that many of the measure lives have been before the Board.

Union's custom Effective Useful Life ("EUL") table shown in Exhibit B, Tab 1, Schedule 2 was approved as part of Union's 2015-2020 DSM Plan Board filing (EB-2015-0029, Exhibit A, Tab 3, Appendix D).

In Enbridge's case, the table below summarizes updates made to the Enbridge Measure Life Guide shown in Exhibit B, Tab 1, Schedule 2, p. 15, since those detailed

Witnesses: D. Bullock
L. Kulperger

in the March 27th, 2015 New & Updated DSM Measures filing (EB-2014-0354) approved by the Board on July 23, 2015:

Updates to Enbridge’s Measure Life Guide

Measure	Nature of Update	Supporting Reference	Notes
Infrared Heaters	Increase from 10 to 17 years	Technical Reference Manual substantiation document, endorsed by TEC May 28, 2015	Previously noted in the Dec 16, 2015 New & Updated DSM Measures filing (EB-2015-0344)
Heat Reflector Panels	Increase from 15 to 25 years	Technical Reference Manual substantiation document, endorsed by TEC May 28, 2015	Previously noted in the Dec 16, 2015 New & Updated DSM Measures filing (EB-2015-0344)
Steam Pipe/ Tank Insulation	Increase from 15 to 20 years	2011 ASHRAE Handbook – HVAC Applications, Chapter 37, Table 4	Previously noted in the Dec 16, 2015 New & Updated DSM Measures filing (EB-2015-0344)
Steam Trap	Increase from 5 to 6 years	Massachusetts 2013 Prescriptive Gas Impact Evaluation, Steam Trap Evaluation, June 17, 2015	Previously noted in the Dec 16, 2015 New & Updated DSM Measures filing (EB-2015-0344)
Home Energy Conservation	25 years for all projects	Union’s 2015-2020 DSM Plan Board filing (EB-2015-0029) approved by the Board January 16, 2016.	Please also see response to Exhibit I.EGDI.SEC.5 a).

As previously noted in the December 16, 2015 New & Updated DSM Measures filing (EB-2015-0344), Exhibit B, Tab 1, Schedule 1, p. 5, in reference to Enbridge’s Measure Life Guide, the supporting reference/source was updated in a few cases to reflect updated/best available information with no resulting change to the measure life assumption.

Witnesses: D. Bullock
 L. Kulperger