

BOMA INTERROGATORY #5

INTERROGATORY

Ref: Exhibit C1, Tab 2, Schedule 1, Appendix 1, Table 5

- (a) Please explain the variation in the rate of increase in unlocked meters from January through to December.
- (b) Please explain the derivation of the baseload average use (line 4) in the Table for the months other than July and August, which are set at zero.
- (c) What influencing factors are used, and what is the weight accorded to each of these factors? Please explain for each of the ten months, separately.

RESPONSE

(a) The opening balance of unlocks in January is the base from which any additional unlocks from new customer additions, changes from red lock meters, seasonal locks, and vacancies apply. During the course of the year, unlocks generally increase month to month from new customers unlocks added in the current year. However, starting in May red locked meters reduce the number of unlocks as heating service is less critical and the Company looks to act on its collection policies. This decline in unlocks continues into the summer months as seasonal locks apply. Over this period, depending on the construction season, new customer unlocks serve to offset the locks from customer non-payment or temporary locks as customers suspend service. As temperatures start to drop in September and October, unlocks increase steadily month over month to December from a combination of seasonal unlocks and new customer unlocks.

(b) and (c)
Please see the response to Board Staff Interrogatory #4 at Exhibit 1.C1.EGDI.STAFF.4 as well as Exhibit C1, Tab 2, Schedule 1, page 15, Paragraph 35.

Water heating demand typifies baseload consumption, and seasonality factors account for the variation in baseload demand over the course of the year. Seasonality factors are derived using the monthly profile of water heating demand relative to July and August consumption as the minimum level of demand.

For each month of water heating demand, average use consumption for water heating load revenue class is divided by the average of July and August consumption to

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generate the seasonality factor for the month. The seasonal baseload is used to determine the residual heatload that is normalized for weather impacts.