

CCC INTERROGATORY #5

INTERROGATORY

(Ex. C1/T2/S1/p. 5)

The evidence states that regression model results for Rate 1 and Rate 6 are adjusted for planned DSM in the test year through partially-effective volumetric savings by program. Please explain, in detail, the process EGD undertakes to derive these adjustments. What programs do the 2018 adjustments relate to?

RESPONSE

Following the derivation of average uses by revenue class and region using regression models as described at Exhibit CS, Tab 2, Schedule 1, DSM forecast savings are subtracted from the resulting average use baseline forecasts to account for incremental DSM programs in 2018 not otherwise inherent in historical average use.

Partially effective annual DSM volumetric savings are used to reflect the forecast DSM savings for any given year, recognizing that DSM program participants will be added at different times during the year. (Fully effective DSM savings would only apply if all programs and participants were delivered and fully subscribed on January 1st of the program year.) Partially effective DSM savings are calculated by dividing 75% of the annual savings equally by month, assuming savings accumulate at the same rate monthly. For specificity, partially effective volumes in January represent 1/12 of the savings; for February, year-to-date DSM savings represent 2/12 of the savings from January, plus 1 / 12 of the new savings in February, and so on. Total partially-effective volumes per unlocked customer are subtracted from the average use forecast per unlocked customer at the revenue class level for Rates 1 and 6.

The DSM results reflected in the 2018 forecast as noted in the 2015 to 2020 Multi-Year DSM Plan (EB-2015-0049), include the following offers:

Rate 1

Home Energy Conservation
Adaptive Thermostat
Low Income Winter Proofing

Rate 6

Commercial & Industrial Custom
Commercial & Industrial Prescriptive
Run it Right
Direct Install
Low-Income MR Affordable Housing

Witnesses: E. Reimer
M. Suarez