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June 13, 2011

Board Secretary
Ontario Energy Board
PO Box 2319
27th Floor 2300 Young Street
Toronto, Ontario Canada
M4P 1E4

Re: Conservation and Demand Management Code for Electricity Distributors
Board File No. **EB-2010-0215**: Atikokan Hydro Inc. CDM Strategy
Addendum

Dear Ms. Walli,

As per the Board's letter dated May 20, 2011, the Board directed Atikokan Hydro Inc. ("AHI") to file an addendum to its CDM Strategy that contains estimated, prospective budgets for planned OPA-Contracted Province Wide CDM Programs and Board-Approved CDM Programs. The Board clarified that the budgets associated with the OPA's low-income program do not need to be included.

Please find attached AHI's addendum to its 2011-2014 Conservation and Demand Management Strategy previously submitted and dated November 1, 2010. The addendum contains the following:

- Estimated, prospective budgets for planned OPA-Contracted Province-Wide Programs;
- Program name changes and additions as per the OPA schedules.
- Comments on OPA timing and OEB target changes

At this time, AHI would like to note that two of the four potential rate-based CDM Programs are still in preliminary study stages, and therefore, lack budget information.

Sincerely,

A handwritten signature in black ink that reads "Wilf Thorburn".

Wilf Thorburn
CEO / Sec / Treas
Atikokan Hydro Inc

BUDGET FOR OPA-CONTRACTED PROVINCE-WIDE CDM PROGRAMS

The chart below details the annual budget for OPA-contracted province-wide CDM Programs by customer type:

Year	Residential	Commercial & Institutional	Industrial	Low Income
2011	15,000.00	60,000.00	16,000.00	*NA
2012	15,000.00	45,000.00	12,000.00	*NA
2013	10,000.00	30,000.00	8,000.00	*NA
2014	10,000.00	15,000.00	4,000.00	*NA
Total	50,000.00	150,000.00	40,000.00	*NA

Key - * Budget associated with the OPA Low Income program do not need to be included as per the Board file No. EB-2010-0215.

PROGRAM NAME CHANGES AND ADDITIONS

Since its original submission of the CDM Strategy dated November 1,2010, certain CDM Programs have changed names or been added, thus, AHI submits two charts below with these changes by Residential and Commercial/Institutional customer type:

Sector	Previous Program Name	Revised Program Name
Residential	Appliance Retirement/Exchange	Appliance Retirement Initiative
	* Instant Discount (Rebates)	Conservation Instant Coupon Booklet Initiative
		Bi-Annual Retailer Event Initiative
	HVAC Discounts (Rebates)	HVAC Incentives Initiative
	Demand Response	Residential Demand Response Initiative
	*Mid-stream Incentives	Midstream Electronics Initiative
		Midstream Pool Equipment Initiative
	New Construction	Residential New Construction and Major Renovation Initiative

Key: * The OPA has split this program into two Initiatives

Sector	Previous Program Name	Revised Program Name
Commercial / Institutional	Direct Install lighting	Direct Install lighting and water heater initiative
	Direct Service Space Cooling	Direct Service Space Cooling Initiative
	Demand Response	Commercial demand response initiative
	Pre-project Assessments	Energy Audit Initiative
	Equipment Replacement	Equipment Replacement Initiative
	Existing Building Commissioning	Existing Building Commissioning Initiative
	Demand Response 1 (DR1)	Demand Response 1 Initiative
	Demand Response 3 (DR3)	Demand Response 3 Initiative
	New Construction	Commercial New Construction and Major Renovation Initiative

ATIKOKAN HYDRO INC. Revised LDC CDM Targets

As per OEB's November 12th, 2011 Decision and Order AHI has been given revised CDM Targets as found in Appendix A of the Decision and Order. AHI's new targets are:

1. 2014 – Net Annual Demand Savings Target (MW) – 0.2 MW or expressed in kW – 200 kW
2. 2014 – Net Cumulative Energy Savings Target (GWh) – 1.16 GWh or expressed in MWh – 1,160 MWh
3. AHI will work as hard as possible to meet its targets, but must point out that the energy savings target is significantly higher than our original plan was designed for.
4. AHI must also point out that the original plan anticipated 2011 having 12 months of activity, not 7 or 8 months for OPA programs. This will create more challenges as the only method to compress a schedule is to reduce the anticipated output or increase the resources. AHI will work diligently to reach its anticipated goals, and will keep the Board informed as to its progress via normal Board reporting requirements.

Limitations / Constraints

The estimated budgets are based on meeting the required mW and GWh targets for AHI. Final costs may vary depending on the following considerations:

1. Technologies and measures chosen
2. Final details of program design and costs to deliver
3. The ability to meet forecast costs in AHI delivery area especially with the increased target values and compressed OPA schedule.
4. The need for programs to exceed energy targets to meet demand targets in an isolated area that is not summer peaking.

As noted above, AHI will keep the Board posted on progress regarding budget and assigned CDM targets in its annual submissions to the board.