

**Hydro One Brampton Networks Inc.**

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November 15, 2011

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Hydro One Brampton Networks Inc. 2012 IRM3 Distribution Rate Application  
Responses to Interrogatories, Board File No. EB-2011-0174**

Enclosed is an update to Hydro One Brampton's response to Board Staff Interrogatory #7 a). Hydro One Brampton's has amended its response to Board Staff Interrogatory #7 a) pertaining to its LRAM claim which was originally filed on November 10, 2011. Hydro One Brampton provides additional evidence relating to the adjustment to volumes relating to 2009 programs that were accounted for in Hydro One Brampton's 2011 load forecast.

Please find attached with this letter, two blue page copies of Hydro One Brampton's amendment to Board Staff Interrogatory #7 a) pertaining to its 2012 IRM3 Electricity Distribution Rate Application.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Miller". The signature is written in a cursive, flowing style.

Scott Miller  
Regulatory Affairs Manager  
Hydro One Brampton Networks Inc.  
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cc: Remy Fernandes, President & CEO, Hydro One Brampton Networks Inc.  
Aldo Mastrofrancesco, Vice President of Engineering & Operations, Hydro One  
Brampton Networks Inc.  
Michael Buonaguro, Counsel for VECC

Encl.

#### **APPLICANT COUNSEL**

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#### **INTERVENOR**

#### **Vulnerable Energy Consumers Coalition**

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**Ontario Energy Board Staff - Interrogatory # 7**

**LRAM Rate Rider**

7. Ref: Tab 6 / IndEco Third Party Review / Page 3 IndEco notes that since final 2010 OPA program results have yet to be provided by the OPA, the LRAM claim for the 2010 programs is based on savings estimates and is thus preliminary. It further states that the LRAM claim associated with 2010 OPA programs will be finalized once the OPA releases its final 2010 OPA program results.

a) Please provide a status update on the 2010 OPA evaluation results.

**Response:**

The final OPA-verified results of the 2010 OPA programs were received via an email to HOBNI from LDC support ([LDC.Support@powerauthority.on.ca](mailto:LDC.Support@powerauthority.on.ca)) dated September 19, 2011.

The LRAM claimed by HOBNI was updated to incorporate the final OPA-verified results of the 2010 OPA programs. The LRAM claim was also adjusted (decreased) to remove a portion of energy savings associated with 2009 programs that were accounted for in HOBNI's 2011 load forecast. All other assumptions and inputs remained unchanged from the claim originally filed as Tab 6 of HOBNI's IRM3 application EB-2011-0174. The updated claim can be found in the response to 7b) below.

The 2011 load forecast accounted for decreases in load due to CDM. CDM programs that were included in this forecast were programs that were initiated in 2005, 2006, 2007, 2008, and 2009; programs initiated in 2010 were not included. Since programs initiated in 2005-2008 are not included in the proposed LRAM claim, they are not an issue. However, some of the energy savings in 2011 from 2009 programs are included in the proposed LRAM claim. Therefore, HOBNI removed the portion of 2011 energy savings that was incorporated in its 2011 load forecast from the energy savings for which it is claiming LRAM.

Via regression analysis, HOBNI determined that its 2011 load forecast factored in 10.1 GWh from 2009 CDM programs. This 10.1 GWh was removed from the energy savings in 2011 from 2009 programs to ensure that they were not being double counted in the load forecast and in the LRAM claim. The table below shows the total kWh savings occurring in 2011 from 2009 programs, and the portion of savings that remain once the 10.1 GWh were subtracted off:

	Total kWh saved in 2011	Total kWh factored into the 2011 load forecast	Remaining kWh savings in 2011 for which an LRAM will be claimed
2009 Residential programs	2,784,382	2,320,318	464,064
2009 GS < 50 kW programs	2,412,842	2,010,702	402,140
2009 GS 50 to 699 kW programs	5,478,737	4,565,614	913,123
2009 GS 700 to 4,999 kW programs	1,456,373	1,213,644	242,729
<b>Total</b>	<b>12,132,334</b>	<b>10,110,278</b>	<b>2,022,056</b>

LRAM was calculated on the 'Remaining kWh for which an LRAM will be claimed' as shown in the table below.

	Remaining 2011 savings for which an LRAM will be claimed	Distribution rate (\$/kWh, or \$/kW-mo)	LRAM	Carrying charges	Total
2009 Residential programs	464,064 kWh	0.0142	\$6,590	\$61	\$6,650
2009 GS < 50 kW programs	402,140 kWh	0.0155	\$6,233	\$57	\$6,290
2009 GS 50 to 699 kW programs	1,769 kW-month	2.4192	\$4,280	\$40	\$4,320
2009 GS 700 to 4,999 kW programs	322 kW-month	3.5321	\$1,138	\$10	\$1,148
<b>LRAM claimed for unforecasted savings in 2011 from 2009 programs</b>					<b>\$18,409</b>

*Note: For the GS > 50 kW rate classes, LRAM is not calculated on kWh savings, but on kW saved each month. The kW-month savings shown here account for the GWh that are factored into the 2011 load forecast.*

A total of \$18,409 in LRAM was claimed for unforecasted savings in 2011 arising from 2009 programs. This LRAM amount contributes to the total LRAM claim of \$609,077 as shown below.

	LRAM claimed in:			Total
	2009	2010	2011	
2009 programs	\$124,213	\$121,065	<b><u>\$18,409</u></b>	\$263,687
2010 programs		\$183,580	\$161,811	\$345,390
<b>Total LRAM claim</b>	<b>\$124,213</b>	<b>\$304,645</b>	<b>\$180,220</b>	<b>\$609,077</b>

*Note: These LRAM claims also account for the update to final 2010 OPA program results.*