



Renfrew Hydro Inc.
29 Bridge Avenue W.
Renfrew, ON
K7V 3K3

January 27, 2012

Ms. Kirstin Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: Reply Submission EB-2011-0195

Dear Ms. Walli:

Please find enclosed Renfrew Hydro Inc.'s reply submission with respect to VECC's late filed submission on Renfrew Hydro's application for new rates under Third Generation Incentive Regulation Mechanism, effective May 1, 2012.

This document is being filed pursuant to the Board's e-Filing Services.

Yours Truly,

A handwritten signature in black ink that reads 'J. Thomas Freemark'. The signature is written in a cursive, flowing style.

Tom Freemark
President

Reply to VECC Submission

Introduction

Renfrew Hydro Inc. ("Renfrew Hydro") filed an application (the "Application") with the Ontario Energy Board (the "Board") on September 22, 2011, under section 78 of the Ontario Energy Board Act, 1998, seeking approval for changes to the distribution rates that Renfrew Hydro Inc. charges for electricity distribution, to be effective May 1, 2012. The Application is based on the 2011 3rd Generation Incentive Regulation Mechanism.

On January 26, 2012, VECC filed late their submission to Renfrew Hydro (submissions from intervenors were due January 13 2012). VECC made detailed submissions on the following matters:

- Revenue to Cost Ratio Adjustments and;
- Lost Revenue Adjustment Mechanism ("LRAM").

More specifically with respect to the LRAM VECC expressed concern with the following matters:

- Load Forecast;
- 2006 to 2010 CDM Programs – Recovery of Lost Revenue in 2010 and beyond ;
and
- 2006 to 2009 CDM Programs – Recovery of Lost Revenue in 2006, 2007, 2008 &
2009.

VECC's submission on Renfrew Hydro's LRAM claim addressed the same concerns as submitted by Board staff; whether the 2010 approved cost of service load forecast had already included load reductions to account for subsequent CDM initiatives and , lost revenues related to 2010 and beyond.

Exhibit: 6
Tab: 1
Schedule: 1
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Date Filed: January 27, 2012

1 Renfrew Hydro concurs with VECC's submission with respect to lost revenues prior to
2 2010. However Renfrew Hydro does not concur with VECC other two concerns
3 expressed above and would note that this was addressed in Renfrew Hydro's Reply to
4 Submissions filed on time with the Board January 23, 2012.

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6 ~ All of which is respectively submitted ~
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