



January 27, 2012

Ontario Energy Board  
2300 Yonge Street  
26<sup>th</sup> Floor  
P.O. Box 2319  
Toronto, Ontario  
M4P 1E4

- and - Mr. Michael Buonaguro, Counsel  
c/o Public Interest Advocacy Centre  
34 King Street East, Suite 1102  
Toronto, ON  
M5C 2X8

Attention: Ms. Kirsten Walli, Board Secretary

- and -

Ms. Shelley Grice, P.Eng.  
Econalysis Consulting Service  
34 King Street East, Suite 1102  
Toronto, ON  
M5C 2X8

Dear Sirs:

Re: Midland Power Utility Corporation – 2012 IRM3 Rate Application  
Licence #ED 2002-0541; Board File No. EB-2011-0182

Enclosed please find Midland's response to VECC Interrogatories due January 27, 2012 filed under the RESS filing system today. Should you have any questions please do not hesitate to contact the writer.

Yours very truly,

**MIDLAND POWER UTILITY CORPORATION**

A handwritten signature in black ink, appearing to read 'Phil Marley', is written over a horizontal line.

PHIL MARLEY, CMA  
President & CEO  
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**ONTARIO ENERGY BOARD**

**IN THE MATTER OF**

the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15 (Schedule B), as amended;

**AND IN THE MATTER OF** an Application by  
Midland Power Utility Corporation for an order or orders  
approving or fixing just and reasonable  
distribution rates to be effective May 1, 2012.

**MIDLAND POWER UTILITY CORPORATION**

**RESPONSE TO:**

**Information Requests of the Vulnerable Energy Consumers Coalition (VECC)**

Lost Revenue Adjustment Mechanism (LRAM)

**VECC Question # 1**

**Reference:** Tab 1, Manager's Summary, Page 15

Preamble: Midland Power seeks an LRAM claim of \$76,737.50 for impacted revenues from 2006 to 2010 OPA CDM programs.

- a) Please confirm the applicable years of lost revenue included in the LRAM claim from 2006 to 2010 OPA CDM programs.
- b) Please provide a summary of past LRAM claims.
- c) Please confirm that the LRAM amounts Midland Power is seeking to recover in this application are new amounts not included in past LRAM claims.
- d) When was Midland Power's load forecast last approved by the Board? Please discuss how any CDM savings have been accounted for in Midland Power's approved load forecast.
- e) Does the LRAM claim include carrying charges?
  - i) If no, please explain.
  - ii) If yes, please provide the calculation.
- f) Please provide the rationale for requesting lost revenues in 2011.

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**Response:**

- a) OPA Programs included in this LRAM claim include:
  - 2010 Program Results
  - 2010 Program Results persistent into 2011
  - 2006-2009 Program Results Persistent into 2010 & 2011
- b) Please refer to OEB IR #4c
- c) Please refer to OEB IR #4d
- d) Please refer to OEB IR #4e
- e) Please refer to OEB IR #4g
- f) No results were included for programs implemented in 2011. Revenues calculated are based on:
  - 2010 Program Results
  - 2010 Program Results persistent into 2011
  - 2006-2009 Program Results Persistent into 2010 & 2011

**VECC Question # 2**

**Reference:** Tab 6, Lost Revenue Adjustment Mechanism Report and Schedules, Burman Energy Consultant Group Inc.

- a) Please provide the following details by year for each CDM Program at the measure level to add to the data shown in Attachment A: # units, unit and total kWh savings, lifetime, and free ridership rate. Reconcile to the load impacts and lost revenues in Attachments A and B.
- b) Attachment A provides CDM load impacts for 2010 only, yet Attachment B shows foregone revenue in 2010 and 2011. Please explain.
- c) List and confirm OPA's input assumptions for Every Kilowatt Counts (EKC) 2006 including the measure life, unit kWh savings and free ridership rate for Compact Fluorescent Lights (CFLs) and Seasonal Light Emitting Diodes (LED). Confirm some of these assumptions were changed in 2007 and again in 2009 and compare the values.

- d) Demonstrate that savings for EKC 2006 Mass Market measures 13-15 W Energy Star CFLs & Seasonal LEDs have been removed from the LRAM claim beginning in 2010.
  - e) Adjust the LRAM claim as necessary to reflect the measure lives and unit savings for any/all measures that have expired.
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**Response:**

- a) The details referred to are included as a separate filing in an excel spreadsheet entitled "Attachment A-D LRAM Application Midland PUC r3.xls". Please refer to tab "VECC IR Q2a".

- b) Please see the excel file referred to in item a) above which provides the load impacts for 2010 and 2011 as follows:

Attachment A-D LRAM Application Midland PUC r3.xls – Attachment A - Load Impacts

- c) Please see the attached excel file:

Attachment A-D LRAM Application Midland PUC r3.xls – VECC IR Q2c

The attached file lists the OPA's input assumptions for Every Kilowatt Counts (EKC) 2006 for Compact Fluorescent Lights (CFLs) and Seasonal Light Emitting Diodes (LED). The attached file shows the CFL assumptions have changed from 104.40 (2006) kWh to 43kWh (2007) and LEDs have changed from 30.75 kWh (2006) to 13.70 kWh (2007).

- d) Please note the total savings for EKC 2006 Mass Market measures represents 415,455 kWh in 2009. CFLs which had a 4 year effective useful life, which would have expired beginning 2010 were not included, lowering the persistence to 53,565 kWh. Seasonal LEDs had an effective useful life of 30 years and would therefore not have expired in 2010. This can be seen in the attached file:

Attachment A-D LRAM Application Midland PUC r3.xls – VECC IR Q2d

- e) No changes are necessary as any measures which would have expired were not included in the claim.

### **VECC Question # 3**

**Reference:** Tab 3, LRAM Supporting Documentation, Burman Energy Consultant Group Inc. LRAM Report, Results Page 3

Preamble: Burman's LRAM report indicates that input assumptions and free ridership rates for the 2010 program were not provided in the September 16, 2011 OPA 2010 Final CDM Results Summary. These input assumptions will be updated once the 2010 Final CDM Results Detailed report is released.

- a) When does Midland Power expect to receive the 2010 Final CDM Results Detailed report?
  - b) How will these results impact the LRAM claim?
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#### **Response:**

- a) The finalized 2006-2010 OPA CDM details results were released November 15, 2011.
- b) Please see Midland PUC's response to OEB IR #4b)

### **VECC Question # 4**

**Reference:** Tab 6, Lost Revenue Adjustment Mechanism Report and Schedules, Burman Energy Consultant Group Inc. LRAM Report, Results Page 3

Preamble: Burman indicates Input assumptions and free ridership rates for 2006-2009 programs are identified in Attachment D – OPA Assumptions. VECC was unable to locate Attachment D in the evidence.

- a) Please provide Attachment D.
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#### **Response:**

- a) Please refer to this tab in the excel spreadsheet "Attachment A-D LRAM Application Midland PUC r3.xls" filed with this IR response under separate cover.