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Ontario

BY E-MAIL

February 8, 2012

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Fort Frances Power Corporation
Application Board File Number EB-2011-0146
Board Staff Interrogatories

In accordance with the Notice of Application and Hearing, please find attached Board Staff Interrogatories in the above proceeding. Please forward the following to Fort Frances Power Corporation and to all other registered parties to this proceeding.

In addition, please advise Fort Frances Power Corporation that responses to interrogatories are due by February 22, 2012.

Yours truly,

Original Signed By

Martha McOuat
Project Advisor, Applications

Encl.

Board Staff Interrogatories
2012 Electricity Distribution Rates
Fort Frances Power Corporation (“Fort Frances”)
EB-2011-0146

Group 1 Deferral and Variance Account Balances

1. Ref: 2012 IRM3 Rate Generator, Sheet 9
Ref: Manager’s Summary, pages 6-7

Board Staff notes that Fort Frances has not calculated projected interest on its Group 1 balances for the periods from Jan 1, 2011 to December 31, 2011 and January 1 2012 to April 30, 2012.

a) Please calculate carrying charges for the periods noted above, and provide these amounts for each account. Board staff will update the model accordingly.

b) Please confirm if the disposition threshold continues to be met when 2011-12 carrying charges are applied to these accounts. It will not be necessary to provide a new IRM model. This will automatically update with Board staff’s adjustments applied as in part a), above.

c) If the disposition threshold as calculated by Fort Frances in part b), above does not continue to be met, please confirm that Fort Frances will not seek disposition of its Group 1 Deferral and Variance Account balances.

2. Ref: EB-2010-0128 Decision and Order, page 8

The Board’s Decision EB-2010-0128 that,

> “The Board directs the applicant to file a detailed reconciliation of its RRR balances for the subject period, with the Board by June 30, 2011 and to file any final reconciliation of all group 1 accounts (including the global adjustment sub-account) at the time of filing its next rate application, regardless of whether the threshold is exceeded.”

Board staff notes that Fort Frances had not filed a detailed reconciliation of its RRR balances for the subject period with the Board by June 30, 2011.

Board staff further notes that in the 2012 deferral and variance accounts continuity schedule filed in the current rate proceeding, column BJ principal balances and column BO interest balances agree with column BW RRR balances.

a) Please confirm that it is Fort Frances' position that the continuity schedule represents the reconciliation as requested by the Board in the Board Decision EB-2010-0128.

Special Purpose Charge Assessment Variance Account Rate Rider

3. **Ref: Manager's Summary, page 7**
   Ref: 2012 IRM3 Rate Generator, Sheet 9

Board Staff is unable to verify the carrying charges applied to Account 1521 from the information entered into the continuity table on Sheet 9 of the IRM3 Rate Generator.

a) Please provide a copy of Fort Frances' original SPC invoice.

b) Please complete the following table:

SPC Assess-ment (Principal balance)	Amount recovered from customers in 2010	December 31, 2010 Year End Principal Balance	December 31, 2010 Year End Carrying Charges Balance	Amount recovered from customers in 2011	Carrying Charges for 2011	December 31, 2011 Year End Principal Balance	December 31, 2011 Year End Carrying Charges Balance	Forecast April 30, 2012 Carrying Charges Balance	Total for Disposition (Principal and Interest)

Billing Determinants

4. **Ref: IRM3 Rate Generator, Sheet 10**
   Ref: Chapter 3 of the Filing requirements for Transmission and Distribution Applications, section 1.3

Board Staff is unable to verify the billing determinants as described in part a), below entered into Sheet 10 of the IRM3 Rate Generator as identical with the 2010 RRR data provided to the Board. Chapter 3, section 1.3 of the Filing Requirements specifies the components of the application, stating that the application must include, among other components, "Supporting documentation cited within the application (e.g. excerpt of relevant past decision, relevant Reporting and Record-keeping Requirements ("RRR") data and Revenue Requirement Work Form ("RRWF")".

a) Please verify and provide corrected billing determinants as required for Metered kWh and Distribution Revenue on sheet 10. Board staff will make any required corrections in the final model for this proceeding.

b) Please provide supporting documentation for billing determinants provided.

5. **Ref: RTSR Work Form, Sheet 4**
   Ref: Chapter 3 of the Filing Requirements for Transmission and Distribution Applications, section 1.3

Board Staff is unable to verify the billing determinants as described in part a), below entered into Sheet 4 of the RTSR Work Form as identical with the 2010 RRR data provided to the Board. Chapter 3, section 1.3 of the Filing Requirements specifies the components of the application, stating that the application must include, among other components, “Supporting documentation cited within the application (e.g. excerpt of relevant past decision, relevant Reporting and Record-keeping Requirements (“RRR”) data and Revenue Requirement Work Form (“RRWF”)”.

a) Please verify and provide corrected billing determinants as required for non-loss adjusted Metered kWh and kW. Board staff will make any required corrections in the final model for this proceeding.

b) Please provide supporting documentation for billing determinants provided.

6. **Ref: 2012 IRM3 Tax Savings Workform**
   Ref: Chapter 3 of the Filing Requirements for Transmission and Distribution Applications, section 1.3
   Ref: EB-2005-0366 Decision and Order

Board Staff is unable to verify the billing determinants entered into Sheet 3 of the 2012 IRM3 Tax Savings Workform as identical with those contained in Fort Frances’ most recent Board-approved rates. Specifically, Fort Frances has included 67,445 kWh for Unmetered Scattered Load in addition to the kWh calculated for each rate class in Fort Frances’ 2006 cost of service proceeding (EB-2005-0366). Board staff notes that in that proceeding, the Board’s Decision established a new subclass for Unmetered Scattered Load to be billed in the same manner as the GS <50kW class, stating that the rate design change “will not affect the revenue requirement of the applicant”.

Chapter 3, section 1.3 of the Filing Requirements specifies the components of the application, stating that the application must include, among other components, “Supporting documentation cited within the application (e.g. excerpt of relevant past decision, relevant Reporting and Record-keeping Requirements (“RRR”) data and Revenue Requirement Work Form (“RRWF”)”.

a) Please confirm that the kWh attributed to Unmetered Scattered Load should be a subset of those approved in EB-2005-0366 for GS <50kW.

b) Please confirm that the Base Revenue Requirement in that proceeding was allocated on the basis of a total calculated kWh of 82,092,018.

c) Please verify and provide corrected billing determinants as required for Re-based Billed Customers or Connection, Re-based Billed kWh and Re-based Billed kW. Board staff will make any required corrections in the final model for this proceeding.

d) Please provide supporting documentation for billing determinants provided.

7. Ref: EB-2010-0128 Decision and Order, Appendix A, Tariff of Rates and Charges
Ref: 2012 IRM3 Rate Generator, Sheet 10, Other Charges

Board Staff notes several inconsistencies between Fort Frances' Specific Service Charges in its last approved Tariff of Rates and Charges and those shown on Sheet 19 of the IRM3 Rate Generator. Specifically, the following items appear in the 2011 approved tariff, but not in the proposed 2012 tariff: Pulling post-dated cheques $15; Notification charge $15; and Charge to certify a cheque $15.

a) Please confirm if these omissions are errors. If they are errors, Board staff will make the required corrections to the model.

b) If these are not errors, please provide supporting evidence for the proposed changes to the approved Tariff of Rates and Charges.

8. Ref: EB-2010-0128 Decision and Order, Appendix A, Tariff of Rates and Charges
Ref: 2012 IRM3 Rate Generator, Sheet 10, Other Charges

Board Staff notes several inconsistencies between Fort Frances' Specific Service Charges in its last approved Tariff of Rates and Charges and those shown on Sheet 19 of the IRM3 Rate Generator. Specifically, the following items show rates that have changed from those in the approved tariff: Account set up charge/change of occupancy $30 (previously $15); Disconnect/Reconnect at meter after regular hours $245 (previously $185); Disconnect/Reconnect at pole during regular hours $185 (previously $45); Install/Remove load control device after regular hours $65 (previously $185); and Install/Remove load control device during regular hours $185 (previously $65).

a) Please confirm if these changed rates are errors. If they are errors, Board staff will make the required corrections to the model.

b) If these are not errors, please provide supporting evidence for the proposed changes to the approved Tariff of Rates and Charges.

9. Ref: EB-2010-0128 Decision and Order, Appendix A, Tariff of Rates and Charges
Ref: 2012 IRM3 Rate Generator, Sheet 10, Other Charges

Board Staff notes several inconsistencies between Fort Frances' Specific Service Charges in its last approved Tariff of Rates and Charges and those shown on Sheet 19 of the IRM3 Rate Generator. Specifically, the following 2012 item appears to have been added to the 2011 approved charges: Owner Requested Disconnection/Reconnection during regular hours $65.

a) Please confirm if this addition is an error. If so, Board staff will make the required corrections to the model.

b) If this is not an error, please provide supporting evidence for this proposed change to the approved Tariff of Rates and Charges.

10. Ref: Appendix B, 2001-2012 Calculation of PILs Collected Approved Amounts, 2002-2005 GS<50kW Class Energy Statistics
Ref: EB-2005-0366 EDR 2006 Model, Sheet 6-2

Board staff notes certain inconsistencies in the data reported for this rate class.

a) Please explain the significant decline in energy consumed from 2004 (21,680,941 kWh) to 2005 (16,546,730 kWh) shown in the Monthly Volumes Tab in Appendix B.

b) The total energy for 2003 and 2004 shown in the 2006 EDR application in Tab 6-2 DEMAND, RATES (Input) does not agree with that data shown for 2003 and 2004 in Appendix B of the current application. Please explain the inconsistencies between the two sets of statistics for the same years used in the applications.

11. Ref: Appendix B, 2001-2012 Calculation of PILs Collected Approved Amounts, 2002-2005 GS>50kW Class Energy Statistics
Ref: EB-2005-0366 EDR 2006 Model, Sheet 6-2

Board staff notes certain inconsistencies in the data reported for this rate class.

a) Although the number of customers in this class remains relatively constant over the reported period, the demand by month in 2002 is much lower than similar months in 2003 through 2005. Please explain why.

b) The total demand shown for 2005 of 60,087 kW is identical to that shown for 2004 demand in the 2006 EDR application in Tab 6-2 DEMAND, RATES (Input). The 2004 data in the current application does not agree with that shown for 2004 in the 2006 EDR application. Please explain the inconsistencies between the two sets of statistics for the same years used in the applications.

12. Ref: Appendix B, 2001-2012 Calculation of PILs Collected Approved Amounts, Unbilled Revenue Accrual as at April 30, 2006

a) Please explain how Fort Frances determined the PILs amounts associated with the unbilled revenue accrual as at April 30, 2006 and how this was included in the various Excel worksheets.

b) Please provide the dollars billed to customers after April 30, 2006 using the rates that were in effect prior to May 1, 2006 and the PILs dollar amounts included in these billings.

13. Ref: Manager's Summary, Page 11, LRAM

Fort Frances has requested an LRAM recovery for a total amount of $50,043, which includes $2,746 of carrying charges, for lost revenues incurred from 2006-2010 based on CDM programs delivered from 2006-2010.

a) Please confirm that Fort Frances has used final 2010 program evaluation results from the OPA to calculate its LRAM amount.

b) If Fort Frances did not use final 2010 program evaluation results from the OPA, please explain why and update the LRAM amount accordingly.

c) Please discuss if Fort Frances has collected any LRAM amounts in the past. If Fort Frances has collected LRAM in the past, please provide a table that shows the LRAM amounts collected historically.

d) Please confirm that Fort Frances has not received any of the lost revenues requested in this application in the past. If Fort Frances has collected lost revenues related to programs applied for in this application, please discuss the appropriateness of this request.

e) Please provide a table that shows the LRAM amounts requested in this application by the year they are associated with and the year the lost revenues took place, divided by rate class within each year. Use the table below as an example and continue for all the years LRAM is requested:

Program Years (Divided by rate class)	Years that lost revenues took place				
	2006	2007	2008	2009	2010
2006	$xxx	$xxx	$xxx	$xxx	$xxx
2007		$xxx	$xxx	$xxx	$xxx
2008			$xxx	$xxx	$xxx
2009				$xxx	$xxx
2010					$xxx

f) Please provide a table that shows the monthly LRAM balances, the Board-approved carrying charge rate and the total carrying charges by month for the duration of this LRAM request to support your request for carrying charges. Use the table below as an example:

Year	Month	Monthly Lost Revenue	Closing Balance	Interest Rate	Interest $