



February 21, 2012

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

Dear Ms. Walli:

Re: **Fort Frances Power Corporation**  
**2012 IRM2 Distribution Rate Application**  
**Reply to Board Staff Interrogatories**  
**Board File No. EB-2011-0146**

This letter acknowledges the receipt of the Vulnerable Energy Consumers Coalition (VECC) interrogatories on February 8, 2012. Fort Frances Power Corporation respectfully submits two (2) paper copies of its responses to the VECC Interrogatories for the 2012 IRM Distribution Rate Application by electronic copy through the Ontario Energy Board's RESS on-line filing system and via email, including a copy to all intervenors.

Please contact the undersigned for any additional information.

Regards,

A handwritten signature in blue ink, appearing to read 'Lori Cain', is written over a faint, larger signature.

Lori Cain  
Finance and Regulatory Officer

cc Michael Buonaguro, Counsel for Vulnerable Energy Consumers Coalition (VECC)

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  
Fort Frances Power Corporation for an order or orders  
approving or fixing just and reasonable  
distribution rates to be effective May 1, 2012.

**Response by Fort Frances Power Corporation (FFPC) to Information Requests of the Vulnerable Energy Consumers Coalition (VECC) completed February 17, 2012.**

Lost Revenue Adjustment Mechanism (LRAM)

**VECC Question # 1**

**Reference:** Manager's Summary, Lost Revenue Adjustment Mechanism (LRAM), Page 11

Preamble: Fort Frances Power seeks an LRAM recovery of \$50,043 including carrying charges associated with 2006 to 2010 savings from OPA programs that Fort Frances Power participated in from 2006 to 2010.

a) Please provide a summary of past LRAM claims.

**Response:** *FFPC has no prior LRAM claims.*

b) Please confirm that the LRAM amounts Fort Frances Power is seeking to recover in this application are new amounts not included in past LRAM claims.

**Response:** *The LRAM amounts that FFPC is seeking to recover in this application are new amounts and are not included in past LRAM claims, as Q1, a).*

c) When was Fort Frances Power's load forecast last approved by the Board? Please discuss how any CDM savings have been accounted for in Fort Frances Power's approved load forecast.

**Response:** *The last load forecast approved by the Board was completed in 2006 as a requirement of the 2006 EDR Application.*

- d) Did Fort Frances Power retain a third party to verify its LRAM claim? Please discuss.

**Response:** *FFPC did not retain a third party to verify its LRAM claim. FFPC did acquire working documents and guidance from a consultant to assist with the claim preparation.*

## **VECC Question # 2**

**Reference:** Manager's Summary, Lost Revenue Adjustment Mechanism (LRAM), Page 11

**Preamble:** Fort Frances Power indicates that the detailed calculations supporting the foregone revenue are provided in the completed LRAM model.

- a) Please provide the following input assumption details by year for each CDM program at the measure level: # units, unit and total kWh savings, effective useful life and free ridership rate and resulting energy savings for each program.

**Response:** *Please see the 'Bdstaff\_IR\_Fort Frances\_Response'; Question 13 a).*

- b) Please provide the results of the LRAM model or calculations to show the energy savings and contributions to LRAM to support the LRAM amounts by rate class shown on Page 12 of the Manager's Summary.

**Response:** *Please see the 'Bdstaff\_IR\_Fort Frances\_Response'; Question 13 a).*

- 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.

**Response:** *As this is the first LRAM application, FFPC does not need to adjust prior claims that may have overstated the useful life measure or savings. FFPC has used the most current OPA Measures and Assumptions available in the completion of the LRAM application.*

- 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.

**Response:** Please note the highlighted excerpt from the FFPC LRAM 2006-2010 that demonstrates the removal of the EKC 2006 Mass Market impact of the CFL & Seasonal LED programs.

**Gross KWh saved from OPA program**

Source of Data: 2006-2010 Final OPA CDM Results-Fort Frances Power Corporation

OPA Initiative Name	Program Year	Results Status	Market	2006 kWh Saved	2007 kWh Saved	2008 kWh Saved	2009 kWh Saved	2010 kWh Saved	Total kWh Saved	
Every Kilowatt Counts	2006	Final	Consumer	379,310	379,310	379,310	379,310	48,905	1,566,143	

**Net KWh saved from OPA program**

Source of Data: 2006-2010 Final OPA CDM Results-Fort Frances Power Corporation

OPA Initiative Name	Program Year	Results Status	Market	2006 kWh Saved	2007 kWh Saved	2008 kWh Saved	2009 kWh Saved	2010 kWh Saved	Total kWh Saved	Free Ridership %
Every Kilowatt Counts	2006	Final	Consumer	341,379	341,379	341,379	341,379	44,015	1,409,529	10%

- e) Adjust the LRAM claim as necessary to reflect the measure lives and unit savings for any/all measures that have expired.

**Response:** As this is the first LRAM application, FFPC does not need to adjust prior claims that may have overstated beyond the useful life measure or savings. FFPC has used the most current OPA Measures and Assumptions available in the completion of the LRAM application.