



Public Interest Advocacy Centre  
ONE Nicholas Street, Suite 1204  
Ottawa, ON K1N 7B7

September 25, 2012

Attention: Michael Janigan

Re: Kenora Hydro Electric Corporation Ltd. (ED-2011-0177) 2012 IRM Application -  
Interrogatories

Dear Mr. Janigan:

Attached please find Kenora Hydro's responses to PIAC's Interrogatories as received by e-mail on September 15, 2012.

Should you require additional information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Robertson", with a stylized flourish at the end.

Janice Robertson  
Manager of Finance & Regulatory Affairs  
Kenora Hydro Electric Corporation Ltd.  
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Encls.

**EB-2011-0177**

**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  
Kenora Hydro Electric Corporation Ltd. For an order or orders  
approving or fixing just and reasonable  
distribution rates to be effective October 1, 2012.

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

Lost Revenue Adjustment Mechanism (LRAM)

**VECC Question # 1**

**Reference:** Appendix D, Summary of LRAM and Carrying Charges by Class

Preamble: Kenora seeks an LRAM claim of \$80,961.95 including carrying charges from OPA CDM activities.

a) Please confirm the scope of the LRAM claim in this application.

**Kenora's Response:**

Kenora Hydro is seeking approval for a cumulative recovery of 2006, 2007, 2008, 2009 and 2010 LRAM as part of this application. Total revised principal of \$76,083.90 plus carrying charges totaling \$2,938.44 for a total claim of \$79,022.34. The years of requested LRAM have not previously been applied for as a recovery. The proposed recovery period is 12 months from the date of OEB approval of rates resulting from this IRM.

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

**Kenora's Response:**

LRAM amounts applied for in this application are new amounts, they have not been included in any prior rate applications.

- c) Please explain why Kenora did not make a claim for LRAM amounts in the 2011 COS rate application.

**Kenora's Response:**

Kenora Hydro did not make the claim for the historical LRAM amounts in the 2011 COS rate application in an effort to mitigate the rate increases experienced by customers as a result of that application.

- d) When was Kenora's load forecast last approved by the Board prior to 2011?

**Kenora's Response:**

Prior to 2011, the Board has not approved a load forecast for Kenora Hydro.

- e) Please provide the calculation of the carrying charges for this LRAM claim.

**Kenora's Response:**

See Kenora's response to OEB IR #6 g).

- f) Please discuss why Kenora did not use a 3<sup>rd</sup> party to verify the CDM results.

**Kenora's Response:**

Kenora Hydro did not use a third party to verify the CDM results as the results used were the final OPA calculated savings figures, there were no other programs offered by Kenora where internal calculations were prepared.

- g) Please provide a copy of the OPA's final 2006-2010 CDM results for Kenora and update the current LRAM claim accordingly.

**Kenora's Response:**

The final OPA results were received after the date of this original filing, and are now attached as Appendix C. The LRAM claim figures have been updated accordingly.

## VECC Question # 2

**Reference:** LRAM Rate Rider By Class

- a) Please confirm the recovery period (beginning and ending dates or the proposed rate riders) and the resulting rate impacts by customer class.

### Kenora's Response:

The proposed beginning recovery date for the LRAM rate rider would be October 1, 2012, assuming this application process is complete and the OEB issues a Rate Order effective October 1, 2012. The proposed rider will end 12 months after the approved date, assumed in this application to be ending September 30, 2013. The resulting rate impacts by class are included in the table as below:

LRAM Rate Rider Impact by Class				
Rate Class	Billing Determinant	Average Consumption	Rate Rider	Customer Charge Per Month*
Residential	kWh	800	0.001914	\$ 1.53
General Service <50kW	kWh	2,000	0.000025	\$ 0.05
General Service >50kW	kW	100	0.022350	\$ 2.24
*Assumes a 12 month recovery period is approved				

### **VECC Question # 3**

**Reference:** Appendix D, Details of OPA Program Results by Year and Class

- a) Please provide the following details by year for each CDM Program at the measure level to add to the data shown in Appendix D: # units, unit and total kWh energy savings, lifetime, and free ridership rate. Reconcile to the load impacts and lost revenues shown in Appendix D.

#### **Kenora's Response:**

**Assumptions for the OPA programs for 2006-2010 have been included in Appendix C.**

- b) 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.

#### **Kenora's Response:**

**Assumptions used by the OPA for all programs can be found in detail in Appendix C.**

- c) Demonstrate that savings for EKC 2006 Mass Market measures 13-15 W Energy Star CFLs & Seasonal LEDs have been removed from the LRAM claim in 2010.

#### **Kenora's Response:**

**Assumptions used by the OPA for all programs can be found in detail in Appendix C.**

- d) Adjust the LRAM claim as necessary to reflect the measure lives and unit savings for any/all measures that have expired in 2010.

#### **Kenora's Response:**

**Assumptions used by the OPA for all programs can be found in detail in Appendix C. The LRAM claim has been adjusted for final OPA results.**