



Grimsby Power Incorporated

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P.A.I.C. – Public Interest Advocacy Centre
Vulnerable Energy Consumers Coalition (VECC)
ONE Nicholas Street, Suite 1204
Ottawa, Ontario K1N 7B7

Attention: Mr. Michael Janigan, Counsel for VECC

Dear Mr. Janigan,

**RE: OEB File No. EB-2014-0076 - 2015 IRM Electricity Rate Application
Grimsby Power Incorporated
Response to Vulnerable Energy Consumers Coalitions (VECC)
Interrogatories**

In accordance with the Notice of Application and Hearing, please find attached Grimsby Power's responses to VECC Interrogatories in the above proceeding.

As a result of the issuance of 2013 verified results from the OPA, the amount of Account 1568 - LRAMVA being requested for disposition has been revised from the initial 2015 IRM Rate Application, using the OPA's 2013 verified CDM Savings results.

This letter is sent by courier, e-mail and RESS. Should there be any questions, please do not hesitate to contact me.

Yours truly,

D. Kelly

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**Grimsby Power Inc.
2015 IRM Rate Application
VECC Interrogatories**

LRAMVA

VECC-1

Ref: 8. LRAM Variance Account

a) Please confirm the scope of the LRAMVA recovery Grimsby Power is seeking in this application.

Grimsby Power Inc.'s Response:

Grimsby Power is currently seeking to recover \$73,418 in the disposition of the LRAMVA Account 1568.

The components of this recovery from the 2014 Continuity Schedule (Worksheet #5) are as follows:

- Cumulative Principal 2011 – 2013: \$71,100
- Interest 2011 - 2013: \$2,318

The original 2015 IRM Application sought recovery of \$68,246 in the disposition of the LRAMVA Account 1568.

The components of this recovery from the 2014 Continuity Schedule (Worksheet #5) were as follows:

- Cumulative Principal 2011 – 2013: \$66,002
- Interest 2011 - 2013: \$2,243

The revised scope is due to the inclusion of the 2013 OPA Verified CDM Results which were issued on August 31, 2014, after the application was submitted.

b) Please confirm Grimsby Power has not recovered any of the amounts proposed in this application in a previous application.

Grimsby Power Inc.'s Response:

Grimsby Power confirms that no amounts proposed in this application have previously been recovered.

c) Please identify the CDM component by customer class that was included in Grimsby Power's last cost of service application.

Grimsby Power Inc.'s Response:

In the Revised Draft Rate Order, Table 7 (*EB-2011-0273, Feb 3, 2012, p.9*) depicts the unadjusted kWh CDM component by customer class in the last column as follows:

Table 7 – Forecast Data for 2012 Test Year

Class	Unit of Measure	Application	Adjustments	As per Decision and Settlement Agreement-without CDM (a)	As per Decision and Settlement Agreement-with CDM (b)	Net CDM Reduction (a)-(b)
Residential	# of Customers	9,703	0	9,703	9,703	
	kWh	92,606,843	1,984,057	95,463,586	94,590,900	872,686
GS < 50 kW	# of Customers	683	0	683	683	
	kWh	18,314,894	392,388	18,879,874	18,707,282	172,591
GS >50	# of Customers	100	0	100	100	
	kW	188,723	2,732	192,657	191,455	1,202
	kWh	68,877,755	997,239	70,313,629	69,874,994	438,635
Street Lighting	# of Connections	2,548	0	2,548	2,548	
	kW	4,403	0	4,403	4,403	
	kWh	1,578,145	0	1,578,145	1,578,145	
USL	# of Connections	80	0	80	80	
	kWh	355,293	0	355,293	355,293	
Total	# of Cust/Con	13,114	0	13,114	13,114	
	kW	193,126	2,732	197,060	195,858	1,202
	kWh	181,732,931	3,373,684	186,590,528	185,106,615	1,483,913

- d) Please provide the rationale for including 2013 estimated savings in the LRAMVA balance.

Grimsby Power Inc.'s Response:

Please refer to the Response to Board Staff Interrogatory #3A

- e) Please provide the source of the 2013 estimated savings.

Grimsby Power Inc.'s Response:

The estimate for 2013 savings was calculated using the unverified OPA cumulative Q3-2013 CDM Status Report, and adding an estimate for the fourth quarter 2013. The estimate was used in the preparation of the RRR 2.1.7 filing (April 30, 2014).

- f) Please provide a summary of the CDM measures implemented in 2011 and 2012 that have persistence of one year.

Grimsby Power Inc.'s Response:

The Evaluation, Measurement and Verification ("EM&V") on CDM measures were conducted by the OPA and measure persistence information was not revealed to Grimsby Power.¹

- g) Please adjust the LRAMVA amount as necessary to reflect the measure lives and unit savings for any/all measures that have expired in 2012.

Grimsby Power Inc.'s Response:

The LRAMVA amount being submitted for recovery has been revised to reflect actual savings as reported in the OPA's 2013 Verified CDM Savings Results. These take into consideration the measure lives and unit savings for all measures that have expired in 2012.¹

¹ Footnoted responses are answered to the best of our knowledge at this time.

h) Page 15 Table 6 - Please provide the calculation that support the rate riders for each rate class in Table 6 showing the applicable distribution rates and billing determinants for each customer class.

Grimsby Power Inc.'s Response:

The LRAMVA rate riders were derived for each rate class by dividing the manual lost revenue dollar allocation for the LRAMVA claim (EB-2014-0076, Appendix 6), by the Board-approved consumption forecast by rate class (Revised Draft Rate Order, Table 7, *EB-2011-0273, Feb 3, 2012, p.9*), as follows:

Initial 2015 IRM Application (with 2013 estimated CDM savings):

Rate Class	Unit	Lost Revenue by Rate			Billed kWh	Billed kW	Calculated Rate Rider
		Class for Principal (Appendix 6)	Allocation of Interest	Total Claim Allocation			
RESIDENTIAL	\$/kWh	(3,693.21)	(125.53)	(3,818.74)	94,590,899.78		(0.0000)
GENERAL SERVICE LESS THAN 50 KW	\$/kWh	74,681.59	2,538.36	77,219.95	18,707,282.20		0.0041
GENERAL SERVICE 50 TO 4,999 KW	\$/kW	(4,986.05)	(169.47)	(5,155.52)	69,874,994.39	191,454.93	(0.0269)
STREET LIGHTING	\$/kW				1,578,145.32	4,403.19	0.0000
UNMETERED SCATTERED LOAD	\$/kWh				355,293.47		0.0000
Total		66,002.33	2,243.36	68,245.69	185,106,615.16	195,858.12	

Application with revised LRAMVA claim (with actual verified 2013 CDM savings):

Rate Class	Unit	Lost Revenue by Rate			Billed kWh	Billed kW	Calculated Rate Rider
		Class for Principal	Allocation of Interest	Total Claim Allocation			
RESIDENTIAL	\$/kWh	(5,262.79)	(171.60)	(5,434.39)	94,590,899.78		(0.0001)
GENERAL SERVICE LESS THAN 50 KW	\$/kWh	81,348.95	2,652.48	84,001.43	18,707,282.20		0.0045
GENERAL SERVICE 50 TO 4,999 KW	\$/kW	(4,986.05)	(162.58)	(5,148.63)	69,874,994.39	191,454.93	(0.0269)
STREET LIGHTING	\$/kW				1,578,145.32	4,403.19	0.0000
UNMETERED SCATTERED LOAD	\$/kWh				355,293.47		0.0000
Total		71,100.11	2,318.30	73,418.41	185,106,615.16	195,858.12	

VECC-2

Ref: Appendix 6

- a) Please confirm the source of the data for each year of lost revenue (2011 to 2013) for the Appliance Retirement Program for the residential rate class.

Grimsby Power Inc.'s Response:

The sources of data for each year of lost revenue (2011 to 2013) for the Appliance Retirement Program for the residential rate class are as follows:

- 2011: OPA 2011 Verified CDM Savings Results
- 2012: OPA 2012 Verified CDM Savings Results
- 2013 (initial application using 2013 estimated CDM savings): OPA Q3 – 2013 CDM Status Report for GPI with additional estimates for Q4-2013.
- 2013: (revised application using 2013 actual verified CDM savings): OPA 2013 Verified CDM Savings Results

- b) Please confirm that the 2011-2013 kW savings values reported for the Demand Response 3 program are contracted values and not actual demand reductions in each year.

Grimsby Power Inc.'s Response:

This is not confirmed. The 2011-2013 kW savings values for the LRAMVA revised application are taken from the OPA's 2013 Verified CDM Savings Results, which are actual demand reduction measures in each year.²

² Footnoted responses are answered to the best of our knowledge at this time.

- c) Does Grimsby Power have any record as to how much actual demand reduction was achieved in each year due to the Demand Response 3 program? If so, how much was the actual demand reduction in each year and was the demand reduction coincident with the peak interval used to establish the customers' billing demands?

Grimsby Power Inc.'s Response:

The OPA 2013 Verified CDM Savings Report indicates the following actual demand reduction per year due to the Demand Response 3 program:

2011:	285.78 kW
2012:	380.86 kW
2013	361.19 kW

The demand reduction was coincident with peak intervals used to establish the customers' billing demands.³

³ Footnoted responses are answered to the best of our knowledge at this time.