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February 2, 2016

VIA E-MAIL

Jane Donnelly
Ottawa River Power Corporation
283 Pembroke St. W.
P.O.Box 1067
Pembroke ON K8A 6Y6

Dear Ms. Donnelly:

**Re: Ottawa River Power Corporation's Application for Rates
Board File No. EB-2014-0105**

In accordance with Procedural Order No. 1 a Settlement Conference with respect to above application is scheduled to be convened starting February 9, 2016. After reviewing the initial Application and Ottawa River's interrogatory responses, VECC has identified a number areas requiring clarification before we can meaningfully participate in the Settlement Conference.

Given that there is no technical conference scheduled for this proceeding, these questions would typically be raised at the start of the Settlement Conference. In order to expedite the process, VECC is providing questions of clarification at this time and so that Ottawa River will have an opportunity to address them on or before February 9th.

We continue to review the interrogatory responses and may have further questions. We will do our best to provide these in advance of February 9th.

Yours truly,

B. Harper /for

Michael Janigan
Counsel for VECC

cc. Ontario Energy Board, Board Secretary
Christie Clark, OEB
Registered Intervenors

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**OTTAWA RIVER POWER CORPORATION'S
2016 RATE APPLICATION (EB-2014-0105)
VECC'S PRE-ADR CLARIFICATION QUESTIONS**

3.0 OPERATING REVENUE (EXHIBIT 3)

VECC –CQ 44

Reference: 3-VECC-19 a)
Load Forecast Model, Tabs #8 and #9
(Updated January 28, 2016)

- a) Tabs #8 and #9 both forecast GS>50 sales for 2016 but use different methodologies. The Application (Exhibit 3, page 30) suggests the approach used in Tab #8 is the basis for the 2016 forecast. However, it appears that the Load Forecast model used the results from Tab #9. Please reconcile and indicate which methodology Ottawa River proposes to rely on.

VECC – CQ 45

Reference: 3-VECC-19 c) & d)
3-VECC-20 a)

- a) Please confirm that the City of Pembroke's Street Light conversion was completed in 2015.
- b) Please confirm that the savings from the City of Pembroke's Street Light conversion are not reflected in the 2015-2020 CDM Plan submitted to the IESO.

4.0 OPERATING COSTS (EXHIBIT 4)

VECC – CQ 46

Reference: 4-Staff-67
4-VECC-35
LRAMVA Model (Updated January 28, 2016)

a) There appear to be a number of issue/errors with the updated LRAMVA model including:

- 2011 Revenue impact does not appear to account for the additional 216 kWh of pre-2011 program savings identified in 2012 audit as having impacted 2011.
- 2011, 2014 and 2014 Revenue impacts do not appear to account for the reduction of 15,574 kWh in 2011 savings noted in 2012 audit.
- 2012 Revenue impact does not appear to have accounted for the increase of 101,352 kWh in 2012 results reported in 2013 audit. (Note: Ottawa River's LRAM model actually treats this elsewhere as a reduction in reported savings for 2013)
- 2012 Revenue impact does not appear to have accounted for the increase of 325,621 kWh in 2012 results reported in the 2014 audit. (Note: Ottawa River's LRAM model actually treats this elsewhere as a reduction in reported savings for 2014)
- 2013 Revenue impact appears to treat the adjustment of 101,352 kWh for change in 2012 verified results as a reduction as opposed to an increase which is what it is shown as in the IESO Report.
- 2013 Revenue impact does not appear to include the 45,487 kWh adjustment for 2013 noted in the 2014 audit results (Note – in the IESO report this is shown as an increase whereas the LRAM calculation treats it elsewhere as a reduction).
- 2014 Revenue impact appears to treat the 101,352 kWh and 325,621 kWh increases to the 2012 verified results as reductions in the LRAM calculation.
- 2014 Revenue impact appears to treat the additional 45,487 kWh for 2013 noted in the 2014 audit as a reduction where it was an increase.
- 2014 Revenue impact appears to have overlooked the 66,458 kWh in savings attributable to the Home Assistance program.
- Contrary to the response to VECC #35 d), there has been no reduction in the 2011 and 2012 results used in the calculation for 2014 revenue impacts due to loss of persistence.

Please review and revise as required.

7.0 COST ALLOCATION (EXHIBIT 7)

VECC – CQ 45

Reference: 7-Staff-70
7-VECC-39

- a) Contrary to VECC #39, Appendix 2-P as filed with the IR responses does not match the revised results set out in Staff #70 c). Please revise the Appendix as required.

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