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March 28, 2017

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON. M4P 1E4

Dear Ms. Walli:

**RE: EB-2016-0056 – Atikokan Hydro Inc. 2017 Rate Application
Vulnerable Energy Consumers Coalition (VECC) #2 Pre-ADR Clarification**

Please find attached to this cover responses to Vulnerable Energy Consumers Coalition ("VECC) clarification questions.

An electronic copy of these responses have been submitted to the Board through the RESS system and two hard copies will be delivered to the OEB office.

If you have any further questions, please do not hesitate to contact at (807)597-6600 or via email at jen.wiens@athydro.com.

Yours truly,

Original signed by

Ms. Jennifer Wiens
CEO, Secretary/Treasurer

cc: Chris Codd, Ontario Energy Board
Ian Richlier, Ontario Energy Board

Mark Garner, VECC
Bill Harper, VECC

Michael Janigan, VECC

Atikokan Hydro Inc.

Vulnerable Energy Consumers Coalition (VECC)
Clarification Responses

EB-2016-0056

Rates Effective: May 1, 2017

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3-VECC 38

Reference: Staff 22

VECC 16 b) & d)

- a) The actual 2016 customer counts by class reported in these two responses are different. Please reconcile and indicate what the correct values are for 2016 and, in particular, whether the number of GS>50 increased to 18.
- b) Does the reconciliation change the values used in responding to VECC 16 d)? If so, please provide a revised response.

RESPONSE

- a) Atikokan confirms the actual year end 2016 customer/connections counts by class are

Residential	1392
GS < 50	229
GS > 50	17
Street Light	625

The actual average 2016 customer/connections by class are

Residential	1397
GS < 50	231
GS > 50	18
Street Light	625

Respectively, the GS > 50 class did not increase and the actual 2016 customer count is 17.

- b) The reconciliation does not change the values used in responding to VECC 16 d).

3-VECC 39

Reference: Staff 22, 23 and 24
VECC 17

- a) Given the volatility in the GS>50 class load in recent years, please re-estimate the purchase power equation using the revised 2002-2015 data but adjust:
 - The monthly purchase power values used to include local generation (per VECC 17) but exclude the GS>50 class load.
 - The customer count values used to exclude the GS>50 count.
- b) Please provide the resulting equation and 2017 forecast for purchased and billed load by class (excluding GS>50) based on the results of part (a). Note: The historical loss factor used to convert purchased to billed load will also need to be re-estimated.

RESPONSE

Atikokan only has good monthly billed kWh data for this class from 2010 and forward. All monthly data prior to this date is either not available or reliable due to the 2009 conversion to a new billing system. As a result, Atikokan is not able to answer this question since the necessary data needed to complete the answer is not available.

7-VECC 40

Reference: VECC 19 b)

- a) VECC 19 b) requested any IESO reports regarding the persisting effects of 2015 CDM programs. It is noted that the IESO produces a report for each LDC titled – Final 2015 Annual Verified Results – Annual Persistence Report that sets out the persisting effects of the LDC’s 2015 CDM programs which other distributors have filed in their 2017 COS proceedings (e.g. CNPI – EB-2016-0061). Please provide the comparable report for Atikokan.
- b) In the Application (Ex. 3, pages 18-19) a value of 64 MWh is used for the expected full year savings from 2015 CDM programs. However, the IESO Report for 2015 provided in response to VECC 19 b) indicates that actual verified savings were 127.219 MWh. Please revise Tables 3-15 through 3-20 to reflect the actual reported results for 2015 and their persisting savings through 2016 and 2017.

RESPONSE

- a) Atikokan has requested to receive the IESO Report; Final 2015 Annual Verified Results – Annual Persistence Report and as a result is unable to share this report at this time.
- b) Tables 3-15 through Table 3-20 are revised to reflect the actual reported results for 2015; verified actual savings of 127.219 Mwh.

Table 3-15: 2015-2027 Expected Full Year Total kWh Savings

	2015	2016	2017
2015 Programs	127,219	127,219	127,219
2016 Programs		147,000	147,000
2017 Programs			402,000
Total Applicable to Target	127,219	147,000	402,000
Total Including Persistence	127,219	274,219	676,219

Table 3-16: 2015-2027 Expected Full Year Residential kWh Savings

	2015	2016	2017
2015 Programs	55,215	55,215	55,215
2016 Programs		57,000	57,000
2017 Programs			97,000
Total Applicable to Target	55,215	57,000	97,000
Total Including Persistence	55,215	112,215	209,215

Table 3-17: 2015-2027 Expected Full Year GS < 50 KW kWh Savings

	2015	2016	2017
2015 Programs	72,004	72,004	72,004
2016 Programs		81,000	81,000
2017 Programs			274,500
Total Applicable to Target	72,004	81,000	274,500
Total Including Persistence	72,004	153,004	427,504

Table 3-18: 2015-2027 Expected Full Year GS > 50 KW kWh Savings

	2015	2016	2017
2015 Programs	0	0	0
2016 Programs		9,000	9,000
2017 Programs			30,500
Total Applicable to Target	0	9,000	30,500
Total Including Persistence	0	9,000	39,500

Table 3-19: Manual CDM Adjustment by Rate Class (kWh)

Year	Residential	GS<50 kW	GS>50 kW	Total
2016 Bridge	56,108	76,502	4,500	137,110
2017 Test	133,108	254,252	24,250	411,610

Table 3-20: 2017 Expected CDM Savings by Rate Class for LRAM Variance Account

Year	Residential	GS<50 kW	GS>50 kW	Total
2017 Test - kWh	154,000	355,500	39,500	549,000
2017 Test - kW Annual			112	112
2017 Test - kW Monthly			9	9

7-VECC 41

Reference: VECC 28 and VECC 29

- a) It is noted that the revised LRAMVA Work Form does not include:
- i. In Tab 4, the adjustments made in subsequent years to the initially verified Residential result for 2012 and 2013.
 - ii. In Tab 2, the approved 2012 LRAMVA threshold (per VECC 29).
- Please provide a corrected version of the Work Form.

RESPONSE

- a) Atikokan has revised the LRAMVA Work Form to include the adjustments as directed in this question. The live version will be filed as Atikokan_2017_LRAMVA_Work_Form_revised_20170328.

7-VECC 42

Reference: VECC 35

- a) In the model provided in response to VECC 35 it is noted that 100% of the costs in Account 1830 are assigned to “bulk” and while none of the cost in Account 1835 have been so assigned. One would have expected a portion of the costs in each account to be attributed to “bulk”. Please explain the basis for the assignments used and, if required, provide a revised model.

RESPONSE:

- a) Atikokan records all costs including sub transmission costs in account 1830. To answer the question the sub transmission component amount was removed from account 1830 and assigned to account 1835. Then account 1835 was 100% assigned to bulk. The remaining distribution costs in account 1830 were assigned to primary and secondary distribution asset categories.