

EB 2013-0160

| OEB BOARD SECRETARY |             |
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**ONTARIO ENERGY BOARD**

Orangeville Hydro Limited  
 EB-2013-0160  
 Exhibit 9  
 Tab 6  
 Schedule 1  
 Page 1 of 2  
 October 1, 2013

**LRAM RECOVERY**

1 OHL herewith submits an application to the Ontario Energy Board (OEB) for the approval and  
 2 recovery of historical Lost Revenue Mechanism (LRAM) amount related to Conservation and  
 3 Demand Management (CDM) activities in 2011 and 2012. It is requested that these amounts be  
 4 recovered through a rate rider over a one-year period beginning May 1, 2014. Total amount for  
 5 recovery is \$ 18,074, including carrying charges of \$347.43 at the OEB prescribed rates.  
 6 Amounts for LRAM recovery are summarized in the table below.  
 7

| LRAMVA Calculations             |                     |                     |                 |                 |                 |
|---------------------------------|---------------------|---------------------|-----------------|-----------------|-----------------|
| Per class allocation (kWh)      | LF 2011             | LF 2012             | LF2013          | LF 2014         |                 |
| Residential                     | 85,903,538.00       | 85,673,643.00       | 88,880,994.00   | 89,706,964.00   |                 |
| General Service < 50 kW         | 35,863,634.00       | 35,683,448.00       | 37,014,298.00   | 36,780,123.00   |                 |
| General Service > 50 to 4999 kW | 121,707,245.00      | 120,453,549.00      | 120,548,540.00  | 120,031,135.00  |                 |
|                                 | 243,474,417.00      | 241,810,640.00      | 246,443,832.00  | 246,518,222.00  |                 |
|                                 |                     |                     |                 |                 |                 |
|                                 |                     |                     |                 |                 |                 |
| Per class allocation (kWh)      | 2011 Alloc by Class | 2012 Alloc by Class | 2011 LRAM (kWh) | 2012 LRAM (kWh) | 2011/2012 Total |
| Residential                     | 35%                 | 35%                 | 395,162.51      | 318,870.50      | 714,033.01      |
| General Service < 50 kW         | 15%                 | 15%                 | 164,975.32      | 132,810.96      | 297,786.28      |
| General Service > 50 to 4999 kW | 50%                 | 50%                 | 559,862.17      | 448,318.54      | 1,008,180.71    |
| USL                             |                     |                     | -               | -               | -               |
|                                 | 100%                | 100%                | 1,120,000       | 900,000         | 2,020,000       |
|                                 |                     |                     |                 |                 |                 |
| KW                              |                     |                     | 1,200           | 1,000           | 2,200           |
|                                 |                     |                     |                 |                 |                 |
|                                 |                     |                     |                 |                 |                 |
| LRAMVA Rate Rider               | 2011 Volumetric     | 2012 Volumetric     | 2011 LRAM       | 2012 LRAM       | 2011/2012 Total |
| Residential                     | 0.0139              | 0.0140              | \$5,492.76      | \$4,464.19      | 9,956.95        |
| General Service < 50 kW         | 0.0100              | 0.0101              | \$1,649.75      | \$1,341.39      | 2,991.14        |
| General Service > 50 to 4999 kW | 2.1632              | 2.1822              | \$2,595.84      | \$2,182.20      | 4,778.04        |
|                                 |                     |                     | \$9,738.35      | \$7,987.78      | \$17,726.13     |
|                                 |                     |                     |                 |                 |                 |
|                                 |                     |                     |                 |                 |                 |
| Carrying Charges                | Principal           | Jan 1-Dec 31/13     | Jan 1-Apr 30/14 | Total Claim     |                 |
| Residential                     | 9,957               | 146.37              | 48.79           | 10,152          |                 |
| General Service < 50 kW         | 2,991               | 43.97               | 14.66           | 3,050           |                 |
| General Service > 50 to 4999 kW | 4,778               | 70.24               | 23.41           | 4,872           |                 |
|                                 | \$17,726.13         | 260.57              | 86.86           | 18,074          |                 |

**LRAMVA Amounts**

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 10  
 11 The MFR state that distributors must apply for the disposition of the balance in the  
 12 LRAMVA as part of their COS applications. In compliance with the filing  
 13 requirements, OHL is filing for LRAMVA related to the CDM programs delivered

1 within the 2011 to 2014 term. In this proceeding, OHL seeks recovery of its 2011  
 2 LRAM with persistence up to 2012. The table below, extracted from the OEB  
 3 Appendix, shows the derivation of the load reduction eligible for LRAM recovery.

|  | 2011         | 2012          | 2013<br>kWh  | 2014         | Total for 2014 |
|--|--------------|---------------|--------------|--------------|----------------|
| Amount used for CDM threshold for LRAMVA (2014)  | 1,120,000.00 | 900,000.00    | 1,493,333.33 | 1,493,333.33 | 5,006,666.67   |
| Manual Adjustment for 2014 Load Forecast (billed basis)  | 1,120,000.00 | 450,000.00    | 1,493,333.33 | 746,666.67   | 3,810,000.00   |
| Proposed Loss Factor (TLF)   | 4.74%        | Format: X.XX% |              |              |                |
| Manual Adjustment for 2014 Load Forecast (system purchased basis)  | 1,173,064.74 | 471,320.65    | 1,564,086.32 | 782,043.16   | 3,990,514.87   |
| <i>Manual adjustment uses "gross" versus "net" (i.e. numbers multiplied by (1 + g)). The Weight factor is also used calculate the impact of each year's program on the CDM adjustment to the 2014 load forecast.</i> |              |               |              |              |                |

4  
 5 OHL attests that it has used the most recent input assumptions available at the time  
 6 of the program evaluation when calculating its LRAM amount;

7 OHL attests that has relied on the most recent and appropriate final evaluation  
 8 report from the OPA (see Appendix in support of its LRAM calculation;

9 OHL has separate tables for each rate class that shows the LRAM amounts  
 10 requested by the year they are associated with and the year the lost revenues took  
 11 place; in Exhibit 9 Tab 6 Schedule 1. Refer to LRAMVA Calculation table above.

12 In Exhibit 9 Tab 6 Schedule 1 OHL has included LRAM calculations, determined by  
 13 calculating the energy savings by customer class and valuing those energy savings  
 14 using the distributor's Board-approved variable distribution charge appropriate to  
 15 the class. Refer to LRAMVA Calculation table above.

16 Lastly, OHL attests that it does not have any Board approved programs.

17