



VIA RESS AND COURIER

November 28, 2008

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: AMPCO Interrogatories
2009 Electricity Distribution Rates: Lakeland Power Distribution Ltd.
Board File No. EB-2008-0234**

In accordance with Procedural Order No. 1 dated November 3, 2008, attached please find AMPCO's interrogatories on the above application.

Please contact Shelley Grice at 647-880-9942 if you have any questions or require any further information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Adam White", written over a horizontal line.

Adam White
President

Copies to: Mr. Chris Litschko, Lakeland Power Distribution Ltd.
Ms. Margaret Maw, Lakeland Power Distribution Ltd.

Association of Major Power Consumers in Ontario

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**AMPCO Interrogatories
2009 Electricity Distribution Rates**

**Lakeland Power Distribution Ltd. (LPDI)
EB-2008-0234**

Interrogatory #1

Comparison of OM&A Costs

Ref: Exhibit 1, Tab 2, Schedule 1, Appendix A, Page 1 (table)

LPDI has determined its 2009 OM&A expenses to be \$2,865,018. When OM&A is divided by 9207 customers (2009 data), the 2009 OM&A cost per customer = \$311. The PEG report, updated July 10, 2008, shows LPDI's average OM&A costs per customer as \$231 and the group average at \$222.

Please provide a full explanation and details on the proposed increase in OM&A costs to customer in 2009.

Interrogatory #2

Revenue to Cost Ratios

Ref: Exhibit 8, Tab 1, Schedule 2, Page 3, Table 2

LPDI is proposing to implement a partial shift towards full cost of service and is beginning to move to reduce cross-subsidization. The existing and proposed revenue/cost ratios in Table s show that GS>=50 customers are overcontributing (122.84%).

Over what time period is LPDI planning to move its cost allocation ratios to 100% for the GS>= 50 customer class?

Interrogatory #3

Please provide the data for the following table:

Customer Size	# of Customers	Total Annual kWhs	Average Monthly Usage	Average Peak kW –monthly
50 kW – 250 kW				
251 kW– 500 kW				
501 kW – 1000 kW				
1001kW – 3000 kW				
3001 kW- 5000 kW				

Interrogatory #4

Rate Design

Ref: Exhibit 9, Tab 1, Schedule 1, Page 3 (table)

LPDI is making changes to the current fixed and variable proportions of its rates in the residential customer class only resulting in an increase in the variable proportion (46.5% from 39.9%) For the GS \geq 50 kW customer class, the fixed/variable proportion is to remain unchanged at 70.2%/29.8%. In reviewing other LDC rate applications, it is apparent that the variable proportion is higher than the fixed proportion in the rate design.

- a) Please provide an explanation as to why LPDI's rates have a higher fixed to variable split?
- b) Does LPDI have any plans to increase the variable proportion of its rates for the GS \geq 50 kW customer class and if so, when will the changes be implemented?