

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'énergie de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone; 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

October 29, 2013

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: London Hydro Inc. ("London Hydro")
2014 IRM Distribution Rate Application
Board Staff Interrogatories
Board File No. EB-2013-0150**

In accordance with the Notice of Application and Hearing, please find attached Board Staff interrogatories in the above proceeding. Please forward the following to London Hydro and to all other registered parties to this proceeding.

London Hydro's responses to interrogatories are due by November xx, 2013.

Yours truly,

Original Signed By

Suresh Advani

Encl.

**London Hydro Inc. (“London Hydro”)
2014 Electricity Distribution Rates
EB-2013-0150
Board Staff Interrogatories**

1. LRAM/LRAMVA

Ref: 2014 IRM Application, page 13-18 of 22

Ref: Board’s CDM Guidelines (EB-2012-0003)¹

London Hydro has requested the recovery of lost revenues related to CDM programs delivered in 2011 and 2012 in the total amount of \$59,376.55. London Hydro has stated that its request has been prepared in accordance with the Board’s CDM Guidelines issued March 28, 2008 (the “2008 CDM Guidelines”). London Hydro has requested recovery over a one-year period.

London Hydro has further indicated that it is not applying for disposition of its LRAMVA (Account 1568) at this time.

The Board’s CDM Guidelines (EB-2012-0003) issued on April 26, 2012 (the “2012 CDM Guidelines”) outline the process for recovering lost revenues related to CDM Programs delivered between 2011-2014 and authorized the establishment of the LRAMVA to capture the differences between the CDM impacts included in a distributors load forecast and the actual, verified impacts of authorized CDM activities undertaken by the distributor.

- a) Please confirm that London Hydro is only requesting recovery of lost revenues (\$59,376.55) associated with CDM programs delivered in 2011 and 2012 which will count towards London Hydro’s CDM Targets. If London Hydro has included lost revenues from other programs, please provide a detailed explanation and supporting materials for any other programs that are included in London Hydro’s request.

¹ http://www.ontarioenergyboard.ca/OEB/ Documents/EB-2012-0003/CDM_Guidelines_Electricity_Distributor.pdf

- b) If the answer to a) is yes, please discuss why London Hydro has not characterized its request for lost revenues as a request for disposition of its LRAMVA as outlined in the Board's 2012 CDM Guidelines.
- c) If London Hydro agrees that its lost revenue request is properly characterized as a disposition of its LRAMVA, please update the Deferral and Variance Account rate schedule accordingly.
- d) Please confirm that London Hydro has not previously recovered any of the amounts claimed in this application in previous applications.
- e) Please discuss if London Hydro relied on the final OPA 2012 Results in its calculation of its lost revenues. If London Hydro has not relied on the final OPA 2012 Results in preparing its application, please update the lost revenue calculations accordingly.
- f) The net 2012 savings values included in Table 5 on page 17 for various programs (highlighted in the table below) do not appear to correspond to the energy (kWh) savings and/or peak (kW) demand savings in Table 3 on Page 15 for the corresponding programs. Please reconcile.
- g) Please discuss why London Hydro has not included all of the 2011 programs (i.e. the Appliance Retirement and Appliance Exchange programs) in its lost revenue calculations.

Table 5: Forgone Revenue by Program and Class (2012 OPA Programs Only)

Class/ Program	Year Program Implemented	2012				Total Revenue
		Load Impact	kWh or kW	Rate per Unit *	Revenue	
RESIDENTIAL						
Appliance Retirement	2012	855,873	kWh	\$ 0.0143	\$ 12,238.98	\$ 12,238.98
Appliance Exchange	2012	17,215	kWh	\$ 0.0143	\$ 246.17	\$ 246.17
HVAC Incentives	2012	1,062,635	kWh	\$ 0.0143	\$ 15,195.68	\$ 15,195.68
HVAC Incentives	2011	-245,260	kWh	\$ 0.0142	\$ (3,482.69)	\$ (3,482.69)
Conservative Instant Coupon Booklet	2012	38,182	kWh	\$ 0.0143	\$ 546.00	\$ 546.00
Conservative Instant Coupon Booklet	2011	7,528	kWh	\$ 0.0142	\$ 106.90	\$ 106.90
Home Assistance Program	2012	178,744	kWh	\$ 0.0143	\$ 2,556.04	\$ 2,556.04
Bi-Annual Retailer Event	2012	731,361	kWh	\$ 0.0143	\$ 10,458.46	\$ 10,458.46
Bi-Annual Retailer Event	2011	59,625	kWh	\$ 0.0142	\$ 846.68	\$ 846.68
Residential Total		2,705,903			\$ 38,712.22	\$ 38,712.22
General Service < 50 kW						
Retrofit	2012	836,808	kWh	\$ 0.0092	\$ 7,698.64	\$ 7,698.64
Retrofit	2011	297,630	kWh	\$ 0.0091	\$ 2,708.43	\$ 2,708.43
High Performance New Construction	2012	77,180	kWh	\$ 0.0092	\$ 710.06	\$ 710.06
Direct Install Lighting	2012	228,414	kWh	\$ 0.0092	\$ 2,101.41	\$ 2,101.41
Direct Install Lighting	2011	23,308	kWh	\$ 0.0091	\$ 212.10	\$ 212.10
Demand Response 3	2012	7,751	kWh	\$ 0.0092	\$ 71.31	\$ 71.31
New Construction	2012	2,576	kWh	\$ 0.0092	\$ 23.70	\$ 23.70
Energy Audit	2011	226,586	kWh	\$ 0.0091	\$ 2,061.93	\$ 2,061.93
Total General Service < 50 kW		1,700,254			\$ 15,587.58	\$ 15,587.58
General Service 50 kW to 4,999 kW						
Retrofit	2012	1,971.9	kW	\$ 1.6223	\$ 3,198.95	\$ 3,198.95
High Performance New Construction	2012	162.5	kW	\$ 1.6223	\$ 263.60	\$ 263.60
Demand Response 3	2012	994	kW	\$ 1.6223	\$ 1,612.57	\$ 1,612.57
Energy Manager	2012	1	kW	\$ 1.6223	\$ 1.62	\$ 1.62
Total General Service 50 to 4,999 kW		3,129			\$ 5,076.74	\$ 5,076.74
Total Forgone Revenue OPA programs		4,409,286			\$ 59,376.55	\$ 59,376.55

2. Non-Loss Adjusted Metered Billed kWh and kW

Ref: RTSR Model

A portion of Sheet “4. RRR Data” from the RTSR Model is reproduced below.

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	1,103,889,962		1.0350		1,142,526,111	-
General Service Less Than 50 kW	kWh	400,003,533		1.0350		414,003,657	-
General Service 50 to 4,999 kW	kW	405,941,130	1,167,979		47.64%	405,941,130	1,167,979
General Service 50 to 4,999 kW – Interval Metered	kW	1,089,147,192	2,662,421		56.07%	1,089,147,192	2,662,421
General Service 1,000 To 4,999 kW (co-generation)	kW	39,375,740	46,415		116.27%	39,375,740	46,415
Standby Power - APPROVED ON AN INTERIM BASIS	kW		154,800		0.00%	-	154,800
Large Use	kW	183,363,380	389,123		64.59%	183,363,380	389,123
Street Lighting	kW	23,812,743	66,305		49.22%	23,812,743	66,305
Sentinel Lighting	kW	790,064	2,146		50.46%	790,064	2,146
Unmetered Scattered Load	kWh	5,600,414		1.0350		5,796,428	-

- a. Please confirm that the amounts entered into the columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” have not been adjusted by London Hydro’s Board-approved loss factor.