

May 8, 2008

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
TORONTO, ON M4P 1E4

**Attention: Kirsten Walli – Board Secretary**

**Re: 2007 Annual Report – CDM Third Tranche Funding - Kenora Hydro Electric Corporation Ltd ED-2003-0030**

Dear Ms. Walli:

Enclosed please find three hard copies and one CD containing the 2007 CDM Annual Report of Kenora Hydro.

Should you require anything further, please contact this office.

Sincerely,

Janice Robertson  
Manager of Finance & Regulatory Affairs  
Phone (807)467-2014



2007 ANNUAL REPORT  
CDM Third Tranche Funding  
KENORA HYDRO

ED – 2003-0030

- Janice Robertson
- Manager of Finance  
& Regulatory Affairs
- [jrobertson@kenora.ca](mailto:jrobertson@kenora.ca)
- Phone (807) 467-2014
- Fax (807) 467-2068



## INTRODUCTION

During 2007, Kenora Hydro Electric Corporation Ltd continued to develop its approved programs for Conservation and Demand Management. By year end 2007, \$48,064 of the Third Tranche of \$141,455 has been spent. Several new programs have been developed for implementation in the spring of 2008, as our deadline for spending has been extended into 2008.

Remaining Funds as at December 31, 2007:

Program	Public Awareness	Load Control	Smart Meter	Traffic Lights	Business AC
Cumulative Spending	\$6,218	\$9,200	\$4,146	\$26,000	\$2,500
Budget	\$37,000	\$53,455	\$5,000	\$26,000	\$20,000
Remaining	\$30,781	\$44,255	\$853	\$0	\$17,500

## EVALUATION OF THE CDM PLAN

See Appendix A, Evaluation of the CDM Plan, for evaluations of each of the programs offered in 2007.

## LESSONS LEARNED

### **Coney Island Fridge Rescue**

This program was developed as a result of customer inquiries about the OPA's Great Refrigerator Roundup. The OPA was unable to extend their appliance pickup to Coney Island, a large island with permanent residents served by Kenora Hydro. As a result, Kenora Hydro offered its own brand of the GRR, the Coney Island Fridge Rescue. Results were very positive, resulting in 12 units being barged off the island and sent for decommissioning. The OPA's Great Refrigerator Roundup resulted in 42 units decommissioned for the Kenora area, which is less than 1% of the potential customers participating. The Coney Island Rescue saw 12 units for a population of approximately 350, over 3% response rate. With a per-unit cost of \$127.75, this program is considered a huge success for Kenora Hydro.



## CONCLUSION

As a small LDC, we have found it very difficult to manage the CDM programs, as the two individuals used as resources are also responsible for other LDC functions, such as finance and administration. As a result, the CDM programs often are not high priority, and the planning and overseeing of the programs does not receive the time required to organize and run efficiently and effectively.

With one major residential program completed in 2007, Kenora Hydro anticipates significant time and resources will need to be dedicated to the CDM programs in 2008 to meet budgets. It is anticipated that the spring of 2008 will be busy, with several new programs set to roll out in the spring.

# Appendix C - Program and Portfolio Totals

Report Year: 2007

## 1. Residential Programs

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Coney Island Fridge Rescue	\$ 7,080	\$ 1,533	\$ 5,546	4.62	12,960	12,960	3	\$ 1,533
Energy Star rebate	\$ 565	\$ 500	\$ 65	1.13	74	1,406	0	\$ 500
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
<b>*Totals App. B - Residential</b>	<b>\$ 7,645</b>	<b>\$ 2,033</b>	<b>\$ 5,612</b>	<b>3.76</b>	<b>13,034</b>	<b>14,366</b>	<b>3</b>	<b>\$ 2,033</b>
Residential Indirect Costs not attributable to any specific program								
<b>Total Residential TRC Costs</b>		<b>\$ 2,033</b>						
<b>**Totals TRC - Residential</b>	<b>\$ 7,645</b>	<b>\$ 2,033</b>	<b>\$ 5,612</b>	<b>3.76</b>				

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
<b>Total TRC Costs</b>		<b>\$ -</b>	<b>\$ -</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program A			\$ -	0.00				
Name of Program B			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
<b>Total TRC Costs</b>		<b>\$ -</b>	<b>\$ -</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>

List each Appendix B in the cells below; Insert additional rows as required.

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	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program A			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
<b>Total TRC Costs</b>		<b>\$ -</b>	<b>\$ -</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program A			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				

\$ -	\$ -	\$ -	0.00	0	0	0	\$ -
<div style="display: flex; align-items: center;"> <span style="color: blue; font-size: 1.2em; margin-right: 5px;">→</span> <div style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px 10px;"></div> </div>							
<b>Total TRC Costs</b>	\$ -	\$ -	\$ -	<b>0.00</b>			

### 6. LDC System Programs

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Load Control Study			\$ -	0.00				\$ 9,200
Future Funding Study			\$ -	0.00				\$ 2,500
Smart Meter Study			\$ -	0.00				\$ 4,147
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program C			\$ -	0.00				
<b>*Totals App. B - LDC System</b>	\$ -	\$ -	\$ -	0.00	0	0	0	\$ 15,847
LDC System Indirect Costs not attributable to any specific program	<div style="display: flex; align-items: center;"> <span style="color: blue; font-size: 1.2em; margin-right: 5px;">→</span> <div style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px 10px;"></div> </div>							
<b>Total TRC Costs</b>	\$ -	\$ -	\$ -	<b>0.00</b>				
<b>**Totals TRC - LDC System</b>	\$ -	\$ -	\$ -	<b>0.00</b>				

### 7. Smart Meters Program

Only spending information that was authorized under the 3rd tranche of MARR is required to be reported for Smart Meters.

Report Year Gross C&DM Expenditures (\$) →

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program F			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
<b>#REF!</b>	\$ -	\$ -	\$ -	0.00	0	0	0	\$ -
	<div style="display: flex; align-items: center;"> <span style="color: blue; font-size: 1.2em; margin-right: 5px;">→</span> <div style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px 10px;"></div> </div>							
<b>Total TRC Costs</b>	\$ -	\$ -	\$ -	<b>0.00</b>				

List each Appendix B in the cells below; Insert additional rows as required.

Note: To ensure the integrity of the formulas, please insert the additional rows in the middle of the list below.

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
Name of Program A			\$ -	0.00				
Name of Program B			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program D			\$ -	0.00				
Name of Program E			\$ -	0.00				
Name of Program C			\$ -	0.00				
Name of Program G			\$ -	0.00				
Name of Program H			\$ -	0.00				
Name of Program I			\$ -	0.00				
Name of Program J			\$ -	0.00				
	\$ -	\$ -	\$ -	0.00	0	0	0	\$ -
	<div style="display: flex; align-items: center;"> <span style="color: blue; font-size: 1.2em; margin-right: 5px;">→</span> <div style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px 10px;"></div> </div>							
<b>Total TRC Costs</b>	\$ -	\$ -	\$ -	<b>0.00</b>				

### LDC's CDM PORTFOLIO TOTALS

	TRC Benefits (PV)	TRC Costs (PV)	\$ Net TRC Benefits	Benefit/Cost Ratio	Report Year Total kWh Saved	Lifecycle (kWh) Savings	Total Peak Demand (kW) Saved	Report Year Gross C&DM Expenditures (\$)
<b>*TOTALS FOR ALL APPENDIX B</b>	\$ 7,645	\$ 2,033	\$ 5,612	3.76	13,034	14,366	3	\$ 17,880
Any other Indirect Costs not attributable to any specific program	<div style="display: flex; align-items: center;"> <span style="color: blue; font-size: 1.2em; margin-right: 5px;">→</span> <div style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px 10px;"></div> </div>							
<b>TOTAL ALL LDC COSTS</b>	\$ 7,645	\$ 2,033	\$ 5,612	3.76				
<b>**LDC' PORTFOLIO TRC</b>	\$ 7,645	\$ 2,033	\$ 5,612	3.76				

\* The savings and spending information from this row is to be carried forward to Appendix A.  
 \*\* The TRC information from this row is to be carried forward to Appendix A.