



**CANADIAN NIAGARA POWER INC.**

A **FORTIS** ONTARIO  
*Company*

**BY COURIER**

February 23, 2010

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**RE: CANADIAN NIAGARA POWER INC., PORT COLBORNE  
SUBMISSION TO THE BOARD  
2010 ELECTRICITY DISTRIBUTION RATE APPLICATION  
PORT COLBORNE, 2010 IRM3, EB-2009-0215**

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Please see attached Canadian Niagara Power Inc.'s submission in the above referenced matter.

Yours truly,

Original Signed by,

Douglas R. Bradbury  
Director, Regulatory Affairs

Enclosures



1 used a proxy stretch factor of 0.4% and intends to adjust the stretch factor when  
2 data becomes available.

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4 During the review of CNPI's 2009 EDR Applications (EB-2008-0222, EB-2008-0223  
5 and EB-2008-0224) there were interrogatories and discussions regarding the  
6 appropriateness of the PEG Benchmarking ranking of CNPI's individual service  
7 territories. In the particular, the School Energy Coalition in its Interrogatory No. 4,  
8 asked; Please calculate the combined PEG Benchmarking ranking of Canadian  
9 Niagara Power including all three franchise areas, first on the basis of the OM&A  
10 treatment used by the Applicant, and then on the basis that the lease payments to  
11 Port Colborne are not included in OM&A.

12  
13 This was recognition that CNPI, due to its arrangement of a single utility with multiple  
14 service territories managed through a system of shared services and assets,  
15 required a more comprehensive understanding. The response, provided in Exhibit 6  
16 of this Application, to the interrogatory placed CNPI in the middle cohort.

17  
18 Later in the review of its applications, CNPI provided Supplementary Evidence which  
19 was examined by Board Staff and intervenors. This evidence, marked Exhibit K.5 in  
20 that proceeding and included in this Application in Exhibit 6, provides further  
21 evidence that the Operations, Maintenance and Administration costs for CNPI's  
22 service territories is not indicative of CNPI's ranking with respect to its cohorts.

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24  
25 Otherwise, CNPI has no issue with the Board staff submission in this matter.  
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28 **ALL OF WHICH IS RESPECTFULLY SUBMITTED**