

January 28, 2009

Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge St. 27th Floor
Toronto, Ontario, M4P1E4

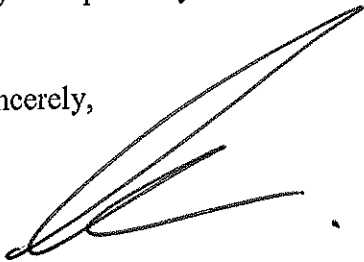
Re: Brant County Power – 2009 2nd Generation IRM Application (EB-2008-0161)
Board Staff IR Responses

Please see attached Board Staff IRs and Responses.

The requested RRRP letter is included in this submission.

If you require any further information, please contact me directly.

Sincerely,



Bruce Noble
Chief Executive Officer
Brant County Power
bnoble@brantcountypower.com
Ph: 519-442-2215

Brant County Power.
Board Staff Interrogatories
EB-2008-0161

Question #1

Ref. J1.1 Smart Meters Rate Adder
Brant County Hydro 2009 2GIRM Managers Summary
Guideline - Smart Meter Funding and Cost Recovery (G-2008-0002)

Brant County Hydro has applied for the Smart Meter rate adder amount of \$0.25, being the same rate adder approved in previous rate applications. On October 22, 2008 the Board issued the Guideline - Smart Meter Funding and Cost Recovery (G-2008-0002). An applicant not changing their previous smart meter rate adder, as calculated using the \$0.30 per residential customer applied to all metered customers, are identified as non-implementing distributors.

Page 9 of G-2008-0002 requires non-implementing distributors to provide the following in their manager's summary:

- *provide a statement that the distributor is not planning to start a smart meter program in the rate test year*
- *indicate the steps it intends to take in order to mitigate future rate impacts related to the implementation of smart meters in its service area*

Brant County Hydro has not included the above requirements in their Manager's Summary.

a.) Please complete the above noted requirements.

Brant County Power is implementing a Smart Meter program in 2010. As a result, we are considered a non-implementing distributor for 2009. We are requesting to continue our current Smart Meter Rate Adder until our next rate application (for May 1, 2010 rates).

The continuation of the Smart Meter Adder will allow for more additional capital costs to be funded under the current rate adder mechanism. In 2010, when Brant County Power implements smart meters, the adder will change.

Question #2

Ref. L1.1 Curr&Appl For TX Network
L2.1 Curr&Appl For TX Connect
Brant County Hydro 2009 2GIRM Managers Summary
Guideline - Electricity Distribution Retail Transmission Service Rates (G-2008-0001)

Brant County Power has not entered any adjustment values on sheets L1.1 and L2.1 referenced above of the 2GIRM Rate Generator model. The Boards Guideline - Electricity Distribution Retail Transmission Service Rates (G-2008-0001) requires the applicant to input an adjustment amount. Brant County Power's Manager Summary included the following:

Brant County intentionally omitted the adjustments for retail transmission rates, as decision EB-2008-0110 (approved for Nov. 1, 2008 implementation) provides us the level of retail revenue recovery we see appropriate for the 2009 rate year.

a) Please provide a detailed history and forecast of applicable charges and collections to qualify the statement in the Managers Summary quoted above.

Below Brant County Power is providing an excerpt from EB-2008-0110. The excerpt shows that from June 2006 to February 2008 Brant County Power collected network revenue of \$2,534,882 and had expenses of \$1,540,507.

Brant County Power applied (and received approval) to lower retail rates by 39% (collecting 61% of revenues).

61% of the \$2,534,882 collects \$1,546,278, an amount extremely close to the expenses.

Similar calculations are provided in the excerpt for the connection expenses and revenues.

Table 1

	Network	Connection
Estimated New		
IESO, Hydro One & Bramford Power Costs	\$1,540,507	\$1,323,012
Billing Revenues	\$2,534,882	\$2,173,388
Ratio	61%	61%
Current Retail Transmission Service Rates		
Residential	\$0.0057	\$0.0050
General Service Less Than 50 kW	\$0.0062	\$0.0045
General Service 50 to 4,999 kW	\$2.1216	\$1.7892
General Service 50 to 4,999 kW Int Meter > 1000 kW	\$2.2625	\$1.8903
General Service 50 to 4,999 kW Int Meter < 1000 kW	\$2.2604	\$1.8769
Large Use	\$2.4852	\$2.2417
Street Lights	\$1.0002	\$1.3824
Sanitary Lights	\$1.0083	\$1.4113
Unmetered Scattered Load	\$0.0082	\$0.0045
Proposed Retail Transmission Service Rates		
Residential	\$0.0036	\$0.0030
General Service Less Than 50 kW	\$0.0032	\$0.0027
General Service 50 to 4,999 kW	\$1.2886	\$1.0886
General Service 50 to 4,999 kW Int Meter > 1000 kW	\$1.3688	\$1.1833
General Service 50 to 4,999 kW Int Meter < 1000 kW	\$1.3879	\$1.2030
Large Use	\$1.5194	\$1.3546
Street Lights	\$0.0725	\$0.8416
Sanitary Lights	\$0.0774	\$0.8591
Unmetered Scattered Load	\$0.0032	\$0.0027

The above shows that the retail rates have been adjusted to accurately collect expenditure levels at 2008 wholesale rates.

The table below shows the increases expected from the wholesale increase in Q1 2009. Brant County Power would like to include these increases to the retail rates approved in EB-2008-0110.

	Old Rate	New Rate	Percentage Change
RTR – Network Service	\$ 2.31	\$2.57	11.255%
RTR – Line Connection	\$ 0.59	\$ 0.70	
RTR – Transformation Connection	\$ 1.61	\$ 1.62	
RTR – Connection Total	\$ 2.20	\$ 2.32	5.455%

It is Brant County Power's belief that the easiest way to adjust these rates is via the 2009 IRM model. Please let us know if a revised version of the model is required to be officially filed.

Question #3

Ref. Rural or Remote Electricity Rate Protection ("RRRP")

By letter dated December 17, 2008, the Board informed the electricity distributors of the approval it has given to the IESO regarding the level of charge the IESO may apply to its Market Participants for the Rural or Remote Electricity Rate Protection (RRRP) program. In that letter, the Board stated: "Distributors that currently have a rate application before the Board shall file this letter as an update to their evidence along with a request that the RRRP charge in their tariff sheet be revised to 0.13 cents per kilowatt-hour effective May 1, 2009."

a) If Brant County Hydro has not done so, please file the required addition to the evidence as outlined in the December 17th letter.

The letter is attached within this document. This should complete the filing requirements for the RRRP issue.

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December 17, 2008

To: All Licensed Electricity Distributors and Retailers

Re: Rural or Remote Electricity Rate Protection

Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection ("RRRP") (made under the *Ontario Energy Board Act, 1998*) requires the Ontario Energy Board (the "Board") to calculate the amount to be charged by the Independent Electricity System Operator ("IESO") with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

Amount to be charged by the IESO for RRRP

Based on the demand forecast provided by the IESO, the Board has determined that the amount to be charged by the IESO with respect to the RRRP shall remain at the current level of 0.1 cents per kilowatt-hour effective January 1, 2009. Effective May 1, 2009, the IESO's RRRP charge shall be 0.13 cents per kilowatt-hour.

Amount to be Charged by Distributors and Retailers for RRRP

Effective January 1, 2009, the RRRP charge shall remain at the current level of 0.1 cents per kilowatt-hour.

Effective May 1, 2009, the RRRP charge shall be 0.13 cents per kilowatt-hour.

After May 1, 2009 the RRRP charge shall remain at 0.13 cents per kilowatt-hour until such time as the Board revises it.

Distributors that currently have a rate application before the Board shall file this letter as an update to their evidence along with a request that the RRRP charge in their tariff sheet be revised to 0.13 cents per kilowatt-hour effective May 1, 2009.

Where a distributor does not have a rate application before the Board, the distributor shall make an application to the Board to alter the RRRP charge in its tariff sheet effective May 1, 2009 to 0.13 cents per kilowatt-hour.

In the collection of this amount from customers, the customer's metered energy consumption shall be adjusted by the Total Loss Factor as approved by the Board.

The Board wishes to remind all distributors and retailers that in accordance with subsection 5(6) of the Regulation:

A distributor or retailer who bills a consumer for electricity shall aggregate the amount that the consumer is required to contribute to the compensation required by subsection 79(3) of the Act with the wholesale market service rate described in the Electricity Distribution Rate Handbook issued by the Board, as it read on October 31, 2001.

Yours Truly,

Original Signed By

Kirsten Walli
Board Secretary