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PUC Distribution Inc.

Reply Submission to

Board Staff Submission

Concerning PUC Distribution Inc.'s 2009 Electricity Distribution Rate Application

EB-2008-0208

February 12, 2009

Payment in Lieu of Taxes (PILs)

<u>Issue</u>

Board Staff submits that for consistency and fairness across electricity distributors, the difference in Capital Tax PUC is collecting in its distribution rates as a result of its 2008 CoS Decision having been issued before May 24, 2008, should be removed as of May 1, 2009. In Boards staff's submission, PUC's distribution rates should be adjusted to reduce the revenues collected by \$18,371. This amount corresponds to the difference between \$87,265 (the Ontario capital tax calculated on page 14 of PUC's 2008 CoS rate order submission dated June 17, 2008) and \$68,894 (the Capital Tax calculated in cell E128 of Sheet F1.1 of the 2009 3rd Gen. IRM Supplementary Filing Module).

Comment

PUC is in agreement with the proposed adjustment by Board Staff to reduce revenue collected by its distribution rates by \$18,371. PUC contacted Board Staff for assistance in reflecting this proposed change in the Excel Rate Generator Model. The revised model reflecting the change has been submitted with this reply submission as PUCDistribution_ReplySub_RateGeneratorModel_20090212.