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January 6, 2010

Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
TORONTO, ON M4P 1E4

**Re: Sioux Lookout Hydro Incorporated
Repy to Board Staff Interrogatories
Board File Number EB-2009-0249**

Dear Ms. Walli:

Please find attached Sioux Lookout Hydro Inc.'s reply to the Board Staff Submission dated December 14, 2009. Also attached with this submission is the revised Deferral Variance Account Workform V4 in excel format.

If there are any questions or concerns, please do not hesitate to contact me at (807)737-3800, or via email at slhydro@tbaytel.net.

Yours truly,

Deanne Kulchyski
Financial & Regulatory Affairs Officer

Encl/



**Response to Board Staff Interrogatories
2010 IRM3 Electricity Distribution Rate Application
Sioux Lookout Hydro Inc.
EB-2009-0249**

Interrogatory:

1. Ref: 2010 IRM Deferral Variance Account 1588 – Power

The 2008 ending balances reported in the 2010 IRM Deferral Variance Account workform prepared by Sioux Lookout shows the split for account 1588 – Power and Global Adjustment. On October 15, 2009 the Board issued “Regulatory Audit and Accounting Bulletin 200901” which clarified the accounting rules for reporting the 1588 – Global Adjustment sub-account.

Account Description	Account Number	Total Claim
	I = C + D + E + F + G + H	
RSVA - Power (Excluding Global Adjustment)	1588	120,943
RSVA - Power (Global Adjustment Sub-account)		535,034

- a) Has Sioux Lookout reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009, and ensured that it has accounted for its account 1588 and sub-account Global Adjustment in accordance with this Bulletin?
- b) Has Sioux Lookout made adjustments subsequent to filing the 2010 IRM3 application and need to re-file an updated 2010 IRM Deferral Variance Account workform?

Response:

- a) Yes Sioux Lookout Hydro has reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009 and made adjustments in order to ensure that it has accounted for account 1588 and sub-account Global Adjustment in accordance with this Bulletin.
- b) Yes Sioux Lookout has made adjustments subsequent to filing the 2010 IRM3 application and will re-file an updated 2010 IRM Deferral Variance Account workform with this submission.



Interrogatory:

2. Ref: 2010 IRM Deferral Variance Account 1588 – Global Adjustment

On November 13, 2009 Board Staff prepared a submission in the Enersource EB-2009-0193 IRM3 Application. The following is an excerpt from the submission in respect to Board staff concerns with the current proposal for handling the disposition of the USoA 1588 – Global Adjustment.

The EDDVAR Report as well as the Board's Decision in EB-2009-0113 adopted an allocation of the GA Sub-account balance based on kWh for non RPP customers by rate class. Traditionally this allocation would then be combined with all other allocated variance account balances by rate class. The combined balance by rate class would then be divided by the volumetric billing determinants (kWh or kW) from the most recent audited year end or Board approved forecast, if available. This process hence spreads the recovery or refund of allocated account balances to all customers in the affected rate class.

This method was factored on two premises; a) that the recovery/refund of a variance unique to a subset of customers within a rate class would not be unfair to the rate class as a whole and b) that the distributor's billing systems would not be able to bill a subset of customers within a rate class, without placing a significant burden to the distributor.

For these reasons the Board's original Deferral Variance Account workform was modeled on this basis. However based on Enersource's evidence, there could be material unfairness to RPP customers within the affected rate classes.

Therefore Board staff suggests that a separate rate rider be established to clear the GA sub-account balance to Non-RPP customers within rate classes.

What remains unclear to Board staff is whether Enersource's billing system could accommodate that change within a reasonable timeframe."

Board staff would like to poll Sioux Lookout on the above issue.

- a) Board staff is proposing that a separate disposition rate rider be applied prospectively to Non-RPP customers for 1588-Global Adjustment. Does Sioux Lookout agree that this proposal would be fair to all customers? Why or why not?
- b) If the Board were to order Sioux Lookout to provide such a rate rider, would Sioux Lookout's billing system be capable of billing non-RPP the separate rate rider? What complications, if any would Sioux Lookout see with this rate rider?
- c) If Sioux Lookout were to be unable to bill in this fashion what would Sioux Lookout consider proposing in the alternative?



Response:

- a) I don't believe that a separate disposition rate rider would be fair to all customers. The amount contained in account 1588 – Global Adjustment relates to variances since 2005. It would be difficult to justify charging the rate rider to just Non-RPP customers when there is continuous activity through customers leaving the RPP due to Retailers or most recently the MUSH sector. These customers would have made very little contribution to the balance of the Global Adjustment variance account.
- b) Sioux Lookout's billing system would be capable of billing non-RPP the separate rate rider. This would be true for CURRENT non-RPP customers. Sioux Lookout would not be able to bill customers who are now on RPP, but were on non-RPP at December 31, 2008.
- c) N/A

Interrogatory:

3. Ref: 2010 IRM Deferral Variance Billing Determinants

Below are the billing determinants identified on Sheet "B1.3 Rate Class And Bill Det" of the workform.

Rate Class	2008		
	Billed Customers		
	or Connections	Billed kWh	Billed kW
	A	B	C
Residential	2,302	33,587,664	
General Service Less Than 50 kW	392	15,187,392	
General Service 50 to 4,999 kW	40	27,443,928	75,100
Unmetered Scattered Load	12	38,942	
Street Lighting	532	494,167	1,445

- a) Please identify if these values are from the Sioux Lookout 2008 Cost of Service Application or 2008 RRR reported values.
- b) If the above are from the 2008 CoS values, please explain why Sioux Lookout has not used the 2008 RRR reported values.



Response:

- a) The values identified above are from Sioux Lookout's 2008 RRR reported values.
- b) N/A

Interrogatory:

4. Ref: 2010 IRM Deferral Variance Billing Determinants

Below are the Billed kWh for Non-RPP customers identified on Sheet "B1.3 Rate Class And Bill Det" of the workform.

Rate Class	Billed kWh for Non-RPP customers D
Residential	2,565,068
General Service Less Than 50 kW	111,207
General Service 50 to 4,999 kW	14,160,971
Unmetered Scattered Load	0
Street Lighting	0

- a) Please identify if these values are estimated values or actual values and specify the applicable period.
- b) If the above values are estimated please explain why Sioux Lookout is unable to determine actual.
- c) As discussed in one of the questions above Board staff have proposed a non-RPP customer rate rider for disposition of the 1588 – Global adjustment. If accepted would Sioux Lookout support using the numbers above as the most reasonable denominator to be used for rate determination.
- d) If Sioux Lookout were to establish a separate rate rider to dispose of the balance of the 1588 – Global adjustment sub-account, does Sioux Lookout believe that the rider be applied to customers in the MUSH sector? If not, would Sioux Lookout have the billing capability to exclude customers in the MUSH sector if a separate rate rider were to apply for the disposition of the 1588 – Global adjustment sub-account?

Response:



- a) The values above are actual amounts billed to Non-RPP customers from January 1, 2008 to December 31, 2008.
- b) N/A
- c) Yes, Sioux Lookout would support using the above as the most reasonable denominator to be used for rate determination.
- d) Sioux Lookout does not believe the rate rider should be applied to customers in the MUSH sector as they were paying the RPP price up until the end of 2008. Sioux Lookout would not have the billing capability to exclude customers in the MUSH sector without the exercise becoming a manual and labour intensive process if a separate rate rider were to apply for the disposition of the 1588 – Global adjustment sub-account.

Interrogatory:

5. Ref: 2010 IRM Deferral Variance Total Claim

Below are the Total Claim values for the EDDVAR Group One Deferral Accounts.

Regulatory Assets - Continuity Schedule Final

	Account Number	Total Claim
Account Description		I = C + D+ E + F + G + H
LV Variance Account	1550	675,562
RSVA - Wholesale Market Service Charge	1580	(12,279)
RSVA - Retail Transmission Network Charge	1584	(137,224)
RSVA - Retail Transmission Connection Charge	1586	(1,129,375)
RSVA - Power (Excluding Global Adjustment)	1588	120,943
RSVA - Power (Global Adjustment Sub-account)		535,034
Recovery of Regulatory Asset Balances	1590	(301,404)
Disposition and recovery of Regulatory Balances Account	1595	0
Total		(248,744)



- a) Please complete the amended Deferral Variance Account Workform V4 as found on the Board's website under the 2010 Electricity Distribution Rates update December 7, 2009. Note that Board staff can assist in converting your most recent model (either the one filed with your application or a more recent version if available). Please contact your case manager to assist you if need be.
- b) Please confirm if these are the final balances for disposition. If not the final balances please provide amended workform to support final balances for disposition.
- c) Please reconcile final balance for disposition to the 2008 year end account balance reported in the RRR filing. Please identify the source and reasons for variances.
- d) Please confirm that Sioux Lookout has complied with and applied correctly the Boards accounting policy and procedures for calculation of the final disposition balance. If Sioux Lookout has used other practices in the calculation please explain where in the filing and why.
- e) Please confirm that Sioux Lookout has used the simple interest calculation as required by the Board using the Boards prescribed interest rates. If Sioux Lookout has used other calculations please explain where in the filing and why.
- f) Please confirm that Sioux Lookout has complied with the requirement to apply recoveries to principal firms as outlined in the 2006 Regulatory Assets Transactions document issued September 4, 2009 (included in the Updated IRM Deferral and Variance Account Work Form zip file). If Sioux Lookout has not complied with this requirement please explain why not?

Response:

- a) The amended Deferral Variance Account Workform V4 is attached with this submission. See below for the amended final amounts from sheet "C1.5 Reg Assets – Con Sch Final".



Regulatory Assets - Continuity Schedule Final

	Account Number	Total Claim
Account Description		N = E + M
LV Variance Account	1550	719,163
RSVA - Wholesale Market Service Charge	1580	10,330
RSVA - Retail Transmission Network Charge	1584	(142,263)
RSVA - Retail Transmission Connection Charge	1586	(1,199,700)
RSVA - Power (Excluding Global Adjustment)	1588	608,052
RSVA - Power (Global Adjustment Sub-account)		222,205
Recovery of Regulatory Asset Balances	1590	(300,935)
Disposition and recovery of Regulatory Balances Account	1595	0
	Total	(83,147)

- b) Yes these are the final amounts for disposition. Although since the threshold does not exceed the prescribed .0001/kWh set by the Board, Sioux Lookout is not applying for disposition at this time.



- c) Below is a table reconciling the balance for disposition to the 2008 year end account balance reported in the RRR filing 2.1.1.

Account Description	Account Number	Final amount for Disposition	2008 year-end balance reported in the RRR Filing	Variance
LV Variance Account	1550	719,163	710,567	8,596
RSVA – Wholesale Market Service Charge	1580	10,330	10,457	(127)
RSVA – Retail Transmission Network Charge	1584	(142,263)	(141,061)	(1,202)
RSVA – Retail Transmission Connection Charge	1586	(1,199,700)	(1,187,764)	(11,936)
RSVA – Power (Excluding Global Adjustment)	1588	608,052	597,676	10,376
RSVA – Power (Global Adjustment Sub-account)	1588	222,205	219,313	2,892
Recovery of Regulatory Asset Balances	1590	(300,935)	(297,678)	(3,257)

The reason for the variances are the values found on sheet “C1.5 Reg Assets – Cont Sch Final”, column X, which are the projected interest on the December 31, 2008 balances from January 1, 2009 to December 31, 2009. These amounts were determined from actual interest applied on amounts to November 30, 2009.

- d) Sioux Lookout has complied with and applied correctly the Boards accounting policy and procedures for calculation of the final disposition balance.
- e) Sioux Lookout has used the simple interest calculation as required by the Board using the Board’s prescribed interest rates.
- f) Yes Sioux Lookout has complied with the requirement to apply recoveries to principal first as outlined in the 2006 Regulatory Assets Transactions document issued September 4, 2009.



Interrogatory:

6. Ref: Supplemental Module – Z-Factor Tax Changes

Sheet “F1.1 Z-Factor Tax Changes” of the supplemental module shows Grossed-Up Tax Amount as \$0 while the 2009 3GIRM Supplementary Filing Module sheet “F1.1 Z-Factor Tax Changes” shows Grossed-Up Income Taxes as \$55,473.

- a) Please review and advise of the correct amount.

Response:

- a) The correct amount to be included in the 2009 3IRM Supplementary Filing Module sheet “F1.1 Z-Factor Tax Changes” for the Grossed-Up Income Taxes should be \$55,473.

Interrogatory:

7. Ref: Supplemental Module – Revenue Offsets Allocation

Sheet “C1.2 Revenue Offsets Allocation” of the supplemental module shows informational Filing Revenue Offsets

Rate Class	Informational Filing Revenue Offsets
	A
Residential	29,134
General Service Less Than 50 kW	9,544
General Service 50 to 4,999 kW	7,032
Unmetered Scattered Load	4,018
Street Lighting	502
	<u>50,230</u>

- a) Please provide reference to the 2008 Cost of Service application that identifies the above Informational Filing Revenue Offsets.

Response:

- a) Sheet “C1.2 Revenue Offsets Allocation” is information taken from sheet “5.2 Specific Service Charges” from Sioux Lookout’s EDR 2006. The filing instructions issued by the Board on August 24, 2009 for C1.2 – Revenue Offset Allocation of the supplemental model on page 10 states, “Enter the revenue offsets amounts for each class as recorded in your 2006 Board approved EDR model.” The 2006 EDR model did not contain



information on the allocation of the revenue offsets, therefore the allocation was determined by using the percentages from sheet O1 from the informational cost allocation filing.

Interrogatory:

8. HST Interrogatory – Harmonized Sales Tax

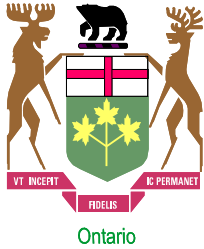
It is possible that the PST and GST may be harmonized effective July 1, 2010. Unlike the GST, the PST is included as an OM&A expense and is also included in capital expenditures. If the GST and PST are harmonized, corporations would see a reduction in OM&A expenses and capital expenditures.

In the event that PST and GST are harmonized effective July 1, 2010:

- a) Would Sioux Lookout agree to capture in a variance account the reductions in OM&A and capital expenditures?
- b) Are there other alternatives that the Board might consider to reflect the reductions in OM&A and capital expenditures if this bill is enacted?

Response:

- a) If the Board ordered LDCs to track the reductions in OM&A due to the implementation of the HST Sioux Lookout Hydro would agree to do so. There may be system restrictions to consider if not all items for which PST is now being charged as of July 1, 2010 could be identified and flowed to the variance account.
- b) Would it be possible to provide a uniform adjustment to all LDC's who are not rebasing? Since we know that the amount will be an 8% decrease to all capital and OM&A expenditures, maybe it would be possible to develop a formula to capture the decrease and apply it now rather than track it in a variance account.



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

LDC Information

Applicant Name	Sioux Lookout Hydro Inc.
OEB Application Number	EB-2009-0249
LDC Licence Number	ED-2002-0514
Applied for Effective Date	May 1, 2010



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

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C1.0 2006 Reg Asset Recovery	Regulatory Assets - 2006 Regulatory Asset Recovery
C1.1 Reg Assets - Cont Sch 2005	Regulatory Assets - Continuity Schedule 2005
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D1.1 Threshold Test	Threshold Test
E1.1 Cost Allocation kWh	Cost Allocation - kWh
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E1.3 Cost Allocation 1590	Cost Allocation - 1590
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F1.1 Calculation Rate Rider	Calculation of Regulatory Asset Recovery Rate Rider
F1.2 Request for Clearance	Request for Clearance of Deferral and Variance Accounts



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

2006 Regulatory Asset Recovery

Account Description	Account Number	Principal Amounts as of Dec-31 2004 A	Hydro One charges (if applicable) to Dec31-03 B	Hydro One charges (if applicable) Jan 1- 04 to Apr 30-06 C	Transition Cost Adjustment D	Principal Amounts E = A + B + C + D	Interest to Dec31- 04 F	Interest per 2006 Reg Assets G = H - F - E	Total Claim and Recoveries per 2006 Reg Assets H	Transfer of Board- approved amounts to 1590 as per 2006 EDR I = - E	Transfer of Board- approved Interest to 1590 as per 2006 EDR J = - (F + G)
1. Dec. 31, 2004 Reg. Assets											
		Column G	Column K	Column M			Column H				
RSVA - Wholesale Market Service Charge	1580	83,402				83,402	504	434	84,340	(83,402)	(938)
RSVA - One-time Wholesale Market Service	1582	23,019				23,019	139	37	23,195	(23,019)	(176)
RSVA - Retail Transmission Network Charge	1584	(6,140)				(6,140)	(37)	(304)	(6,481)	6,140	341
RSVA - Retail Transmission Connection Charge	1586	(765,702)	1,194,317	1,089,268		1,517,883	(4,626)	1,602	1,514,859	(1,517,883)	3,024
RSVA - Power	1588	446,652				446,652	2,699	283	449,634	(446,652)	(2,982)
Sub-Totals		(218,769)	1,194,317	1,089,268		2,064,816	(1,321)	2,052	2,065,547	(2,064,816)	(731)
Other Regulatory Assets	1508					0		0		0	0
Retail Cost Variance Account - Retail	1518	2,668				2,668		0	2,668	(2,668)	0
Retail Cost Variance Account - STR	1548					0		0		0	0
Misc. Deferred Debits - incl. Rebate Cheques	1525					0		0		0	0
Pre-Market Opening Energy Variances Total	1571	276,745				276,745		0	276,745	(276,745)	0
Extra-Ordinary Event Losses	1572	6,519				6,519		0	6,519	(6,519)	0
Deferred Rate Impact Losses	1574					0		0		0	0
Other Deferred Credits	2425					0		0		0	0
Sub-Totals		285,932	0	0		285,932	0	0	285,932	(285,932)	0
Qualifying Transition Costs	1570	14,486				14,486		0	14,486	(14,486)	0
Transition Cost Adjustment	1570				(1,449)	(1,449)			(1,449)	1,449	0
Sub-Totals		14,486	0			13,037	0	0	13,037	(13,037)	0
Total Regulatory Assets		81,649	1,194,317	1,089,268	(1,449)	2,363,785	(1,321)	2,052	2,364,516	(2,363,785)	(731)
Total Recoveries to April 30-06	2. Rate Riders Calculation	Cell C48							509,363	(509,363)	0
Balance to be collected or refunded	2. Rate Riders Calculation	Cell N51							1,855,153	(1,854,422)	(731)



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

2006 Regulatory Asset Recovery Proportionate Share

Rate Class	Total Claim	% Total Claim
Residential	885,598	37.5%
GS < 50 KW	437,681	18.5%
GS > 50 Non TOU	1,030,342	43.6%
GS > 50 TOU		0.0%
Intermediate		0.0%
Large Users		0.0%
Small Scattered Load		0.0%
Sentinel Lighting		0.0%
Street Lighting	10,896	0.5%
Total	2,364,517	100.0%

2. Rate Riders Calculation

Row 29



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Rate Class and 2008 Billing Determinants

				2008			Billed kWh for Non-RPP customers D	1590 Recovery Share Proportion 1 E
Rate Group	Rate Class	Fixed Metric	Vol Metric	Billed Customers or Connections				
				A	Billed kWh B	Billed kW C		
RES	Residential	Customer	kWh	2,302	33,587,664		2,565,068	37.0%
GSLT50	General Service Less Than 50 kW	Customer	kWh	392	15,187,392		111,207	19.0%
GSGT50	General Service 50 to 4,999 kW	Customer	kW	40	27,443,928	75,100	14,160,971	43.0%
USL	Unmetered Scattered Load	Connection	kWh	12	38,942		0	
SL	Street Lighting	Connection	kW	532	494,167	1,445	0	1.0%
NA	Rate Class 6	NA	NA					
NA	Rate Class 7	NA	NA					
NA	Rate Class 8	NA	NA					
NA	Rate Class 9	NA	NA					
NA	Rate Class 10	NA	NA					
NA	Rate Class 11	NA	NA					
NA	Rate Class 12	NA	NA					
NA	Rate Class 13	NA	NA					
NA	Rate Class 14	NA	NA					
NA	Rate Class 15	NA	NA					
NA	Rate Class 16	NA	NA					
NA	Rate Class 17	NA	NA					
NA	Rate Class 18	NA	NA					
NA	Rate Class 19	NA	NA					
NA	Rate Class 20	NA	NA					
NA	Rate Class 21	NA	NA					
NA	Rate Class 22	NA	NA					
NA	Rate Class 23	NA	NA					
NA	Rate Class 24	NA	NA					
NA	Rate Class 25	NA	NA					
								100.0%



Name of LDC: Sioux Lookout Hydro Inc.
 File Number: EB-2009-0249
 Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2006

Account Description	Account Number	Opening Principal Amounts as of Jan-1-05 1	Low Voltage and Recoveries per 2006 Reg Asset	Transition Cost Adjustment	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Principal Balance as of May-1-06	Opening Interest Amounts as of Jan-1-05 4	Interest per 2006 Reg Asset	Recoveries per 2006 Reg Asset	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Interest Amounts as of May-1-06
LV Variance Account	1550										0
RSVA - Wholesale Market Service Charge	1580	83,402	0		(83,402)	0	504	434		(938)	0
RSVA - Retail Transmission Network Charge	1584	(6,140)	0		6,140	0	(37)	(304)		341	0
RSVA - Retail Transmission Connection Charge	1586	(765,702)	2,283,585		(1,517,883)	0	(4,626)	1,602		3,024	0
RSVA - Power (Excluding Global Adjustment)	1588	446,652			(446,652)	0	2,699	283		(2,982)	0
RSVA - Power (Global Adjustment Sub-account)						0					0
Recovery of Regulatory Asset Balances	1590		(509,363)		2,363,785	1,854,422			0	731	731
Disposition and recovery of Regulatory Balances Account	1595					0					0
Sub-Total		(241,788)	1,774,222		321,988	1,854,422	(1,460)	2,015	0	176	731
RSVA - One-time Wholesale Market Service	1582	23,019	0		(23,019)	0	139	37		(176)	0
Other Regulatory Assets	1508	0	0		0	0	0	0		0	0
Retail Cost Variance Account - Retail	1518	2,668	0		(2,668)	0	0	0		0	0
Retail Cost Variance Account - STR	1548	0	0		0	0	0	0		0	0
Misc. Deferred Debits - incl. Rebate Cheques	1525	0	0		0	0	0	0		0	0
Pre-Market Opening Energy Variances Total	1571	276,745	0		(276,745)	0	0	0		0	0
Extra-Ordinary Event Losses	1572	6,519	0		(6,519)	0	0	0		0	0
Deferred Rate Impact Amounts	1574	0	0		0	0	0	0		0	0
Other Deferred Credits	2425	0	0		0	0	0	0		0	0
Qualifying Transition Costs	1570	14,486	0		(14,486)	0	0	0		0	0
Transition Cost Adjustment	1570			(1,449)	1,449	0					0
Total		81,649	1,774,222	(1,449)	0	1,854,422	(1,321)	2,052	0	0	731



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2005

Account Description	Account Number	Opening Principal Amounts as of Jan-1-05 ¹	Transactions (additions) during 2005, excluding interest and adjustments ¹	Transactions (reductions) during 2005, excluding interest and adjustments ¹	Adjustments during 2005 - instructed by Board ²	Adjustments during 2005 - other ³	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05 ⁴	Interest Recovery Transactions during 2005	Interest Jan-1 to Dec31-05	Closing Interest Amounts as of Dec-31-05	Total Closing Amounts as of Dec-31-05	RRR Filing Amount as of Dec-31-05	Difference
		A										A	B	C = A - B
LV Variance Account	1550						0				0	0		0
RSVA - Wholesale Market Service Charge	1580		58,223				58,223			8,270	8,270	66,493	150,399	(83,906)
RSVA - Retail Transmission Network Charge	1584		14,090				14,090			(1,576)	(1,576)	12,514	6,337	6,177
RSVA - Retail Transmission Connection Charge	1586		(282,085)		1,194,317		912,232			4,869	4,869	917,101	146,773	770,328
RSVA - Power (Excluding Global Adjustment)	1588		69,113				69,113			46,478	46,478	115,592	564,942	(449,350)
RSVA - Power (Global Adjustment Sub-account)			(143,622)				(143,622)			(1,910)	(1,910)	(145,532)	(145,532)	0
Recovery of Regulatory Asset Balances	1590			(316,102)			(316,102)				0	(316,102)	(316,102)	0
Disposition and recovery of Regulatory Balances Account	1595						0				0	0		
Total		0	(284,281)	(316,102)	1,194,317	0	593,934	0	0	56,131	56,131	650,065	406,816	243,249

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

² Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board

³ Provide supporting statement indicating nature of this adjustments and periods they relate to

⁴ Opening balances assumed to be zero as a result of clearance of December 2004 balances cleared in 2006 Regulatory Asset process



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2006

Account Description	Account Number	Opening Principal Amounts as of Jan-1-06	Transactions (additions) during 2006, excluding interest and adjustments ¹	Transactions (reductions) during 2006, excluding interest and adjustments ¹	Adjustments during 2006 - instructed by Board ²	Adjustments during 2006 - other ³	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Recovery Transactions during 2006	Interest Adjustment 2005/2006	Interest Jan-1 to Dec31-06	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Interest Amounts as of Dec-31-06	Total Closing Amounts as of Dec-31-06	RRR Filing Amount as of Dec-31-06	Difference
															A	B	C = A - B
LV Variance Account	1550	0	229,375					229,375	0			877		877	230,253	230,253	0
RSVA - Wholesale Market Service Charge	1580	58,223	(53,194)			4,817		9,936	8,270			7,863		16,133	26,069	26,069	(1)
RSVA - Retail Transmission Network Charge	1584	14,090	(40,146)					(26,056)	(1,576)			(416)		(1,992)	(28,048)	(28,048)	(0)
RSVA - Retail Transmission Connection Charge	1586	912,232	(299,464)		(1,194,317)			(581,550)	4,869			(6,685)		(3,816)	(585,365)	(585,365)	0
RSVA - Power (Excluding Global Adjustment)	1588	69,113	(189,525)					(120,412)	46,478			16,471		62,949	(57,462)	(57,463)	1
RSVA - Power (Global Adjustment Sub-account)		(143,622)	337,675					194,053	(1,910)			4,257		2,347	196,400	196,400	(0)
Recovery of Regulatory Asset Balances	1590	(316,102)	182,276			(339,143)	1,854,422	1,381,453	0			(2,099)	731	(1,368)	1,380,085	1,380,085	0
Disposition and recovery of Regulatory Balances Account	1595	0						0	0					0	0		
Total		593,934	167,087	0	(1,194,317)	(334,326)	1,854,422	1,086,800	56,131	0	0		731	75,131	1,161,931	1,161,930	1

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

² Provide supporting evidence (i.e. Board Decision, CRO Order, etc).

³ Provide supporting statement indicating nature of this adjustments and periods they relate to



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2007

Account Description	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions (additions) during 2007, excluding interest and adjustments ¹	Transactions (reductions) during 2007, excluding interest and adjustments ¹	Adjustments during 2007 - instructed by Board ²	Adjustments during 2007 - other ³	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Recovery Transactions during 2007	Interest Jan-1 to Dec31-07	Closing Interest Amounts as of Dec-31-07	Total Closing Amounts as of Dec-31-07	RRR Filing Amount as of Dec-31-07	Difference
												A	B	C = A - B
LV Variance Account	1550	229,375	357,823				587,198	877		18,740	19,618	606,816	606,816	0
RSVA - Wholesale Market Service Charge	1580	9,936	(17,954)				(8,018)	16,133		1,089	17,222	9,204	9,205	(1)
RSVA - Retail Transmission Network Charge	1584	(26,056)	(40,373)				(66,428)	(1,992)		(922)	(2,914)	(69,342)	(69,342)	(0)
RSVA - Retail Transmission Connection Charge	1586	(581,550)	(306,125)				(887,674)	(3,816)		(33,293)	(37,108)	(924,783)	(924,783)	0
RSVA - Power (Excluding Global Adjustment)	1588	(120,412)	262,528				142,117	62,949		13,739	76,689	218,805	218,804	1
RSVA - Power (Global Adjustment Sub-account)		194,053	(42,776)				151,276	2,347		5,440	7,787	159,063	159,063	(0)
Recovery of Regulatory Asset Balances	1590	1,381,453		(960,193)			421,260	(1,368)		(4,704)	(6,072)	415,188	415,188	0
Disposition and recovery of Regulatory Balances Account	1595	0					0	0			0	0		
Total		1,086,800	213,124	(960,193)	0	0	339,730	75,131	0	91	75,222	414,952	414,951	1

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

² Provide supporting evidence i.e. Board Decision, CRO Order, etc.

³ Provide supporting statement indicating nature of this adjustments and periods they relate to



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2008

Account Description	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions (additions) during 2008, excluding interest and adjustments ¹	Transactions (reductions) during 2008, excluding interest and adjustments ¹	Adjustments during 2008 - instructed by Board ²	Adjustments during 2008 - other ³	Transfer of Board-approved 2006 amounts to 1595 (2008 COS) ⁴	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Recovery Transactions during 2008	Interest Jan-1 to Dec31-08	Transfer of Board-approved 2006 interest amounts to 1595 (2008 COS)	Closing Interest Amounts as of Dec-31-08	Total Closing Amounts as of Dec-31-08	RRR Filing Amount as of Dec-31-08	Difference
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
LV Variance Account	1550	587,198	344,993				(252,605)	679,586	19,618		27,773	(16,410)	30,981	710,567	710,567	0
RSVA - Wholesale Market Service Charge	1580	(8,019)	604					(7,414)	17,222		648		17,870	10,456	10,457	(2)
RSVA - Retail Transmission Network Charge	1584	(66,428)	(68,411)					(134,839)	(2,914)		(3,308)		(6,222)	(141,061)	(141,061)	(0)
RSVA - Retail Transmission Connection Charge	1586	(887,674)	(221,980)					(1,109,655)	(37,108)		(41,001)		(78,109)	(1,187,763)	(1,187,764)	0
RSVA - Power (Excluding Global Adjustment)	1588	142,117	355,775					497,892	76,689		23,096		99,785	597,677	597,676	1
RSVA - Power (Global Adjustment Sub-account)		151,276	54,890					206,167	7,787		5,360		13,147	219,313	219,313	(0)
Recovery of Regulatory Asset Balances	1590	421,260		(705,375)				(284,115)	(6,072)		(7,491)		(13,563)	(297,678)	(297,678)	0
Disposition and recovery of Regulatory Balances Account	1595	0						0	0				0	0		
Total		339,730	465,871	(705,375)	0	0	(252,605)	(152,379)	75,222	0	5,078	(16,410)	63,890	(88,489)	(88,489)	0

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

² Provide supporting evidence i.e. Board Decision, CRO Order, etc.

³ Provide supporting statement indicating nature of this adjustments and periods they relate to

⁴ This records the values of amounts removed from Group One accounts in previous proceedings; but does not enter offsets for disposition of 1590, as recovery has not been completed.

Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Regulatory Assets - Continuity Schedule 2009 - 1588 Power Account Only

Account Description	Account Number	Transactions (additions) during 2009, excluding interest and adjustments ¹	Transactions (reductions) during 2009, excluding interest and adjustments ¹	Adjustments during 2009 - instructed by Board ²	Adjustments during 2009 - other ³	Closing Principal Balance as of Sep-30-09
LV Variance Account	1550					
RSVA - Wholesale Market Service Charge	1580					
RSVA - Retail Transmission Network Charge	1584					
RSVA - Retail Transmission Connection Charge	1586					
RSVA - Power (Excluding Global Adjustment)	1588					0
RSVA - Power (Global Adjustment Sub-account)						0
Recovery of Regulatory Asset Balances	1590					
Disposition and recovery of Regulatory Balances Account	1595					
Total		0	0	0	0	0

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.

² Provide supporting evidence i.e. Board Decision, CRO Order, etc.

³ Provide supporting statement indicating nature of this adjustments and periods they relate to

⁴ This records the values of amounts removed from Group One accounts in previous proceedings; but does not enter offsets for disposition of 1590, as recovery has not been completed.



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

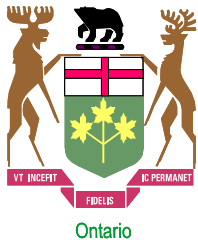
Regulatory Assets - Continuity Schedule Final

Account Description	Account Number	Opening Principal Amounts as of Jan-1-09 or Oct-01-09	Global Adjustment Reconciliation	Transfer of Board-approved 2007 amounts to 1595 (2009 COS)	Principal Amounts to be disposed	E = A + B + C + D	Opening Interest Amounts as of Jan-1-09	Global Adjustment Interest Reconciliation	Interest on Board-approved 2007 amounts prior to transfer Jan-1, 2009 to Date of Transfer	Transfer of Board-approved 2007 interest amounts to 1595 (2009 COS)	Projected Interest on Dec 31 -08 balance from Jan 1, 2009 to Dec 31, 2009 ¹	Projected Interest on Dec 31 -08 balance from Jan 1, 2010 to April 30, 2010 ¹	Interest Amounts to be disposed	Total Claim
		A	B	C			F	G	H	I	J	K	M = F + G + H + I + J + K	N = E + M
LV Variance Account	1550	679,586				679,586	30,981				8,595		39,577	719,163
RSVA - Wholesale Market Service Charge	1580	(7,414)				(7,414)	17,870				(126)		17,745	10,330
RSVA - Retail Transmission Network Charge	1584	(134,839)				(134,839)	(6,222)				(1,202)		(7,424)	(142,263)
RSVA - Retail Transmission Connection Charge	1586	(1,109,655)				(1,109,655)	(78,109)				(11,936)		(90,045)	(1,199,700)
RSVA - Power (Excluding Global Adjustment)	1588	497,892				497,892	99,785				10,376		110,161	608,052
RSVA - Power (Global Adjustment Sub-account)		206,167				206,167	13,147				2,891		16,038	222,205
Recovery of Regulatory Asset Balances	1590	(284,115)				(284,115)	(13,563)				(3,257)		(16,820)	(300,935)
Disposition and recovery of Regulatory Balances Account	1595	0				0	0				0	0	0	0
Total		(152,379)	0	0		(152,379)	63,890	0	0	0	5,342	0	69,232	(83,147)

¹ Interest projected on December 31, 2008 closing principal balance.

Month	Prescribed Rate	Monthly Interest
January 31, 2009	2.45	0.2081
February 28, 2009	2.45	0.1879
March 31, 2009	2.45	0.2081
April 30, 2009	1.00	0.0822
May 31, 2009	1.00	0.0849
June 30, 2009	1.00	0.0822
July 31, 2009	0.55	0.0467
August 31, 2009	0.55	0.0467
September 30, 2009	0.55	0.0452
October 31, 2009	0.55	0.0467
November 30, 2009	0.55	0.0452
December 31, 2009	0.55	0.0467
Effective Rate		1.1307

Month	Prescribed Rate	Monthly Interest
January 31, 2010	0.55	0.0467
February 28, 2010	0.55	0.0422
March 31, 2010	0.55	0.0467
April 30, 2010	0.55	0.0452
Effective Rate		0.1808



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Threshold Test

Rate Class	Billed kWh B
Residential	33,587,664
General Service Less Than 50 kW	15,187,392
General Service 50 to 4,999 kW	27,443,928
Unmetered Scattered Load	38,942
Street Lighting	494,167
	<u>76,752,093</u>
Total Claim	(83,147)
Total Claim per kWh	- 0.001083

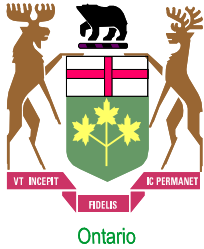


Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Cost Allocation - kWh

Rate Class	Billed kWh	% kWh	1550	1580	1584	1586	1588 ¹	Total
Residential	33,587,664	43.8%	314,714	4,521	(62,256)	(525,003)	266,091	(1,933)
General Service Less Than 50 kW	15,187,392	19.8%	142,305	2,044	(28,150)	(237,392)	120,319	(874)
General Service 50 to 4,999 kW	27,443,928	35.8%	257,148	3,694	(50,868)	(428,972)	217,419	(1,580)
Unmetered Scattered Load	38,942	0.1%	365	5	(72)	(609)	309	(2)
Street Lighting	494,167	0.6%	4,630	67	(916)	(7,724)	3,915	(28)
	<u>76,752,093</u>	<u>100.0%</u>	<u>719,163</u>	<u>10,330</u>	<u>(142,263)</u>	<u>(1,199,700)</u>	<u>608,052</u>	<u>(4,417)</u>
			-	-	-	-	-	0

¹ RSVA - Power (Excluding Global Adjustment)



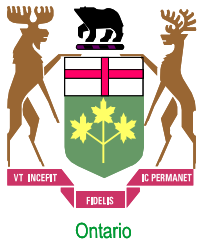
Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Cost Allocation - Non-RPP kWh

Rate Class	Non-RPP kWh	% kWh	1588 ¹
Residential	2,565,068	15.2%	33,852
General Service Less Than 50 kW	111,207	0.7%	1,468
General Service 50 to 4,999 kW	14,160,971	84.1%	186,885
Unmetered Scattered Load	0	0.0%	0
Street Lighting	0	0.0%	0
	16,837,247	100.0%	222,205

-

¹ RSVA - Power (Global Adjustment Sub-account)

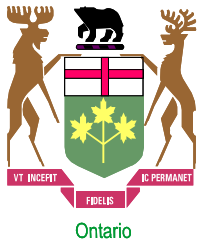


Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Cost Allocation - 1590

Rate Class	1590 Recovery Share Proportion	1590
Residential	37.0%	(111,346)
General Service Less Than 50 kW	19.0%	(57,178)
General Service 50 to 4,999 kW	43.0%	(129,402)
Unmetered Scattered Load	0.0%	0
Street Lighting	1.0%	(3,009)
	100.0%	(300,935)

-



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Cost Allocation - 1595

Rate Class	1595 Recovery Share Proportion	1595
Residential	0.0%	0
General Service Less Than 50 kW	0.0%	0
General Service 50 to 4,999 kW	0.0%	0
Unmetered Scattered Load	0.0%	0
Street Lighting	0.0%	0
	0.0%	0

-



Name of LDC: Sioux Lookout Hydro Inc.
 File Number: EB-2009-0249
 Effective Date: May 1, 2010

Calculation of Regulatory Asset Recovery Rate Rider

Rate Rider Recovery Period - Years

Three

Rate Rider Effective To Date

April 30, 2013

Rate Class	Vol Metric	Billed kWh A	Billed kW B	kWh C	Non-RPP D	1590 E	1595 F	Total G = C + D + E + F	Rate Rider kWh H = G / A (kWh) or H = G / B (kW)
Residential	kWh	33,587,664	0	(1,933)	33,852	(111,346)	0	(79,427)	(0.00079)
General Service Less Than 50 kW	kWh	15,187,392	0	(874)	1,468	(57,178)	0	(56,584)	(0.00124)
General Service 50 to 4,999 kW	kW	27,443,928	75,100	(1,580)	186,885	(129,402)	0	55,904	0.24813
Unmetered Scattered Load	kWh	38,942	0	(2)	0	0	0	(2)	(0.00002)
Street Lighting	kW	494,167	1,445	(28)	0	(3,009)	0	(3,038)	(0.70076)
		<u>76,752,093</u>	<u>76,545</u>	<u>(4,417)</u>	<u>222,205</u>	<u>(300,935)</u>	<u>0</u>	<u>(83,147)</u>	
				0	-	-	-	-	

Enter the above value onto Sheet
 "J2.1 DeferralAccount Rate Rider"
 of the 2010 OEB IRM2 Rate Generator
 "J2.5 DeferralAccount Rate Rider2"
 of the 2010 OEB IRM3 Rate Generator



Name of LDC: Sioux Lookout Hydro Inc.
File Number: EB-2009-0249
Effective Date: May 1, 2010

Request for Clearance of Deferral and Variance Accounts

Account Description	Account Number	Principal Amounts A	Interest Amounts B	Total Claim C = A + B
LV Variance Account	1550	(679,586)	(39,577)	(719,163)
RSVA - Wholesale Market Service Charge	1580	7,414	(17,745)	(10,330)
RSVA - Retail Transmission Network Charge	1584	134,839	7,424	142,263
RSVA - Retail Transmission Connection Charge	1586	1,109,655	90,045	1,199,700
RSVA - Power (Excluding Global Adjustment)	1588	(497,892)	(110,161)	(608,052)
RSVA - Power (Global Adjustment Sub-account)	1588	(206,167)	(16,038)	(222,205)
Recovery of Regulatory Asset Balances	1590	284,115	16,820	300,935
Disposition and recovery of Regulatory Balances Account	1595	(152,379)	69,232	(83,147)
	Total	0	0	0