

January 11, 2010

By RESS and mail

Ontario Energy Board
P.O. Box 2319
26th Floor, 2300 Yonge Street
Toronto, Ontario M4P 1E4
Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

**RE: TILLSONBURG HYDRO INC.
2010 Electricity Distribution Rate Application
EB-2009-0251**

Tillsonburg Hydro Inc. ("THI") received its approved Cost of Service 2009 Electricity Distribution Rate Order on August 31, 2009.

On October 21, 2009, THI filed its 2010 Electricity Distribution Rate Application based on the 3rd Generation Incentive Regulation Mechanism ("3GIRM") which included its Manager's Summary, the 2010 3GIRM Rate Generator Model, the 2010 3GIRM Supplemental Filing module, and the 2010 Deferral and Variance workform.

As was noted in THI's Manager's Summary (Page 5 of 6), THI noted that it had prepared the Deferral and Variance workform to the best of its ability and would be reviewing the detail further. THI has now completed its review and is submitting an updated 2010 Deferral and Variance workform (Exhibit D – updated January 11, 2010), using the OEB's version 4 template issued on December 7, 2009.

In the 2010 Deferral and Variance workform, THI has updated the estimate of 2009 Billed kWh for Non-RPP customers (Exhibit D – updated January 11, 2010, Page 5 of 19), provided the RRR filing amounts as at December 31 for the years ended 2005, 2006, 2007 and 2008, corrected the allocations within account 1588, completed the new C1.4a tab for 2009 activity in 1588, and corrected the distribution of the "Transfer of Board approved 2007 amounts to 1595 (2009 COS)". The net impact to these adjustments resulted in an increase of the Total 2008 Claim to (\$278,344), or a change of \$1,000. As the net adjustments did not significantly impact the resulting rate rider, and the OEB staff will be making other adjustments to the filing regarding the Price escalator [GDP-IDI] and stretch factor, THI will update the 2010 3GIRM Rate Generator Model once these other factors are known.

On December 3, 2009, THI received a notice of intervention by the Vulnerable Energy Consumers Coalition ("VECC"). No other notices of intervention were received.

On December 15, 2009, THI received OEB Board staff interrogatories. No interrogatories were received from VECC or any other party.

CORPORATE OFFICE

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Web: www.tillsonburg.ca

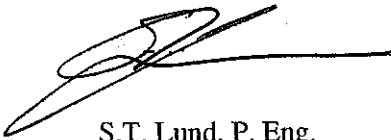
Tillsonburg Hydro Inc.

Tillsonburg Hydro Inc.
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Enclosed are two hard copies and a CD of THI's updated 2010 Deferral and Variance workform (Exhibit D – updated January 11, 2010) and its response to the OEB Board staff interrogatories (Exhibit H).

Should you have any questions or require further information, please do not hesitate to contact me.

Yours truly,

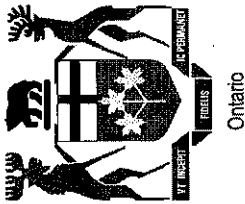


S.T. Lund, P. Eng.
General Manager

CORPORATE OFFICE

200 Broadway, Tillsonburg, Ontario, N4G 5A7, Telephone # (519) 842-6428, Fax # (519) 842-9431

Web: www.tillsonburg.ca



Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 2010

LDC Information

Applicant Name	Tillsonburg Hydro Inc.
OEB Application Number	EB-2009-0251
LDC Licence Number	ED-2003-0026
Applied for Effective Date	May 1, 2010

A1.1 LDC Information



Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 2010

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Name of LDC: Tillsonburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

2006 Regulatory Asset Recovery

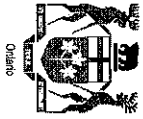
Account Description	Account Number	Column G Principal Amounts as of Dec-31 2004	Column K Hydro One charges (if applicable) to Dec31-03	Column M Hydro One charges (if applicable) Jan 1- 04 to Apr 30-06	Column D Transition Cost Adjustment	Column H Interest to Dec31- 04 F	Column H Interest per 2006 Reg Assets G = H * F * E	Column H Total Claim and Recoveries per 2006 Reg Assets H	Transfer of Board- approved amounts to 1580 as per 2006 EDR I = - E	Transfer of Board- approved Interest to 1580 as per 2006 EDR J = - (F + G)
RSVA - Wholesale Market Service Charge	1580	277,072	0	277,072	0	49,915	26,783	353,770	(277,072)	(76,895)
RSVA - One-time Wholesale Market Service	1562	20,917	0	20,917	0	1,366	2,022	24,305	(20,917)	(3,388)
RSVA - Retail Transmission Network Charge	1584	102,183	0	102,183	0	12,851	9,877	124,911	(102,183)	(22,728)
RSVA - Retail Transmission Connection Charge	1586	56,966	0	56,966	0	8,961	5,505	71,422	(56,966)	(14,466)
RSVA - Power	1588	(290,035)	0	(290,035)	0	(24,349)	(28,037)	(342,421)	290,035	52,386
Sub-Totals		157,063	0	157,063	0	49,744	15,150	231,987	(157,063)	(64,894)
Other Regulatory Assets	1508	6,462	0	6,462	0	0	625	7,087	(6,462)	(625)
Retail Cost Variance Account - Retail	1518	0	0	0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	0	0	0	0	0	1,740	19,745	(18,005)	(1,740)
Misc. Deferred Debits - incl. Rebate Cheques	1525	18,005	0	18,005	0	0	10,662	120,954	(110,292)	(10,662)
Pre-Market Opening Energy Variances Total	1571	110,292	0	110,292	0	0	0	0	0	0
Extra-Ordinary Event Losses	1572	0	0	0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0	0	0	0	0	0	0	0	0
Other Deferred Credits	2425	0	0	0	0	0	0	0	0	0
Sub-Totals		134,759	0	134,759	0	84,236	37,463	147,786	(134,759)	(13,027)
Qualifying Transition Costs	1570	387,550	0	387,550	(133,469)	84,236	37,463	509,249	(387,550)	(121,695)
Transition Cost Adjustment	1570	387,550	0	387,550	(133,469)	84,236	37,463	509,249	(387,550)	(121,695)
Sub-Totals		689,402	0	689,402	(133,469)	132,960	66,640	755,553	(655,933)	(199,620)
Total Regulatory Assets		689,402	0	689,402	(133,469)	132,960	66,640	755,553	(655,933)	(199,620)
Total Recoveries to April 30-06										0
Balance to be collected or refunded										(199,620)

Col G

2. Rate Return Calculation

Col M

3. Rate Return Calculation



Name of LDC: Tillsborough Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

2006 Regulatory Asset Recovery Proportionate Share

Rate Class	Total Claim	% Total Claim
Residential	442,465	58.6%
GS < 50 KW	92,402	12.2%
GS > 50 Non TOU	125,498	16.6%
GS > 50 TOU	88,505	11.7%
Intermediate		0.0%
Large Users	3,929	0.0%
Small Scattered Load	1,214	0.5%
Serial/In Lighting	1,541	0.2%
Street Lighting		
Total	755,554	100.0%

2. Rate Riders Calculation
 Row 29



Name of LDC: Tillsonburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

Rate Class and 2009 Billing Determinants

2009

Billed Customers or Connections

A	B	C
5,942	49,583,434	
637	24,428,744	
70	35,624,529	101,127
8	24,500,614	53,192
3	45,716,514	88,121
19	472,835	
79	73,943	205
1	1,310,738	3,783

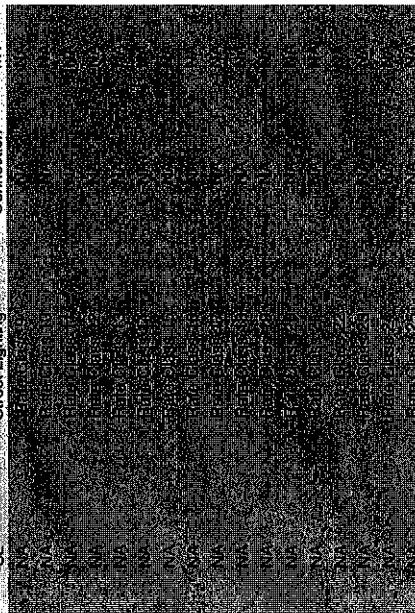
Billed kWh for Non-RPP customers

D	E
6,720,480	58.6%
4,504,891	12.2%
28,798,531	16.6%
24,500,614	11.7%
45,716,514	0.0%
34,591	0.5%
388,117	0.2%

1590 Recovery Share Proportion

E
58.6%
12.2%
16.6%
11.7%
0.0%
0.5%
0.2%
100.0%

Rate Group	Rate Class	Fixed Metric	Vol Metric
RES	Residential	Customer	kWh
GSLT50	General Service Less Than 50 kW	Customer	kWh
GSGT50	General Service 50 to 499 kW	Customer	kW
GSGT50	General Service 500 to 1,499 kW	Customer	kW
GSGT50	General Service > 1,500 kW	Customer	kW
USL	Unmetered Scattered Load	Connection	kWh
Sen	Sennel Lighting	Connection	kW
SL	Street Lighting	Connection	kW





Name of LDC: Tilconburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 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 1530 as per 2006 EDN	Closing Principal Balance as of May-1-05	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 1530 as per 2006 EDR	Closing Interest Amounts as of May-1-05
LV Variance Account	1550										
RSVA - Wholesale Market Service Charge	1530	277,072	0		(277,072)	0	48,915	36,789	0	(76,696)	0
RSVA - Retail Transmission Network Charge	1534	102,183	0		(102,183)	0	12,691	9,077	0	(22,728)	0
RSVA - Retail Transmission Connection Charge	1535	56,956	0		(56,956)	0	8,361	3,505	0	(14,865)	0
RSVA - Power (Excluding Global Adjustment)	1588	(290,035)			290,035	0	(64,349)	(28,037)	0	52,395	0
RSVA - Power (Global Adjustment Sub-account)	1590				555,333	774,356			0	(199,630)	199,630
Recovery of Regulatory Asset Balances	1535		218,623		(218,623)				0		
Disposition and recovery of Regulatory Balances Account	1535		218,623		(218,623)				0		
Sub-Total		146,176	218,623		409,737	774,356	47,378	(4,129)	0	139,114	(59,620)
RSVA - One-line Wholesale Market Service	1522	20,917	0		(20,917)	0	1,396	2,022		(3,988)	0
Other Regulatory Assets	1508	6,462	0		(6,462)	0	0	625		(625)	0
Retail Cost Variance Account - Retail	1518	0	0		0	0	0	0		0	0
Retail Cost Variance Account - STR	1548	0	0		0	0	0	0		0	0
Misc. Deferred Debits - Incl. Retail Cheques	1525	18,005	0		(18,005)	0	1,740	1,740		(1,740)	0
Pre-Market Opening Energy Variances Total	1571	110,282	0		(110,282)	0	10,662	10,662		(10,662)	0
Extra-Ordinary Event Losses	1572	0	0		0	0	0	0		0	0
Deferred Retail Impact Amounts	1574	0	0		0	0	0	0		0	0
Other Deferred Credits	2025	0	0		0	0	0	0		0	0
Qualifying Transition Costs	1570	387,450	0		(387,450)	0	84,236	37,463		(121,699)	0
Transition Cost Adjustment	1570		0		133,469	0					
Total		689,402	218,623	(133,469)	0	774,356	132,980	66,540	0	0	199,630



Name of LDC: Tillemburg Hydro Inc.
 File Number: EB-2005-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2005

Account Number	Account Description	Opening Principal Amounts as of Jan-1-05	Transactions (net of) during 2005 including interest and adjustments ¹	Transactions (net of) 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 Jan-1 to Dec-31-05	Closing Interest Amounts as of Dec-31-05	Total Closing Amounts as of Dec-31-05	Difference C = A - B
1550	LV Variance Account	0	0	0	0	0	0	0	0	0	0	0
1580	RSVA - Wholesale Market Service Charge	484,226	484,226	484,226	0	0	484,226	77,008	77,008	77,008	571,243	(70)
1594	RSVA - Retail Transmission Network Charge	103,669	103,669	103,669	0	0	103,669	20,654	20,654	20,654	124,323	0
1596	RSVA - Retail Transmission Connection Charge	74,639	74,639	74,639	0	0	74,639	14,410	14,410	14,410	89,049	0
1598	RSVA - Power (Excluding Global Adjustment)	(1,183,106)	(1,183,106)	(1,183,106)	0	0	(1,183,106)	(63,007)	(63,007)	(63,007)	(1,226,113)	0
1590	Recovery of Regulatory Asset Balances	0	0	0	0	0	0	0	0	0	0	0
1595	Disposition and recovery of Regulatory Balance Account	0	(490,593)	0	0	0	(490,593)	49,055	(49,055)	0	(441,538)	0
	Total	0	(490,593)	0	0	0	(490,593)	0	(49,055)	49,055	(441,538)	(441,538)

¹ For RSVA accounts only, report the net additions to the account during the year. For all other accounts, report the additions and reductions separately.
² Provide supporting statement indicating whether due to denial of costs in 2006 EDA by the Board
³ Provide supporting statement indicating nature of the adjustments and periods they relate to
⁴ Opening balances assumed to be zero as a result of clearance of December 2004 balances desired in 2005 Regulatory Asset process



Name of LDC: Tillsburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2006

Account Description	Account Number	Opening Principal Amounts as of 12/31/05	Transmissions (additions) during 2006, excluding interest and adjustments 1	Transmissions (deductions) during 2006, excluding interest and adjustments 1	Adjustments during 2006 - Inherited by Board 2	Adjustments during 2006 - other 3	Transfer of Board Balances as of 12/31/06 EDR	Closing Principal Balances as of Dec-31-06	Opening Interest Amounts as of 12/31/05	Interest Recovery Transmissions during 2006	Interest Adjustment 2006/2005	Interest Paid to Creditors 4	Transfer of Board Balances as of 12/31/06 EDR	Closing Interest Amounts as of Dec-31-06	Total Closing RFR Filing Amount as of Dec-31-06	Difference C - A - B
LV Reserve Account	1520	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSMA - Wholesale Market System Charge	1530	494,255	(825,263)	0	0	0	0	152,032	27,008	0	0	0	0	59,013	241,045	0
RSMA - Retail Transmission Network Charge	1544	103,669	(8,652)	0	0	0	0	22,427	28,654	0	0	0	0	47,465	47,465	0
RSMA - Retail Transmission Connection Charge	1558	74,893	(4,871)	0	0	0	0	27,738	14,410	0	0	0	0	46,096	46,096	0
RSMA - Power (Excluding Grid Acquisition)	1558	0	944,937	0	0	0	0	0	0	0	0	0	0	0	0	0
RSMA - Power (Grid Acquisition (See account))	1558	(1,103,146)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recovery of Regulatory Asset Balances	1559	0	276,579	0	0	0	0	1,049,335	0	0	0	0	0	0	1,049,335	0
Recovery of Regulatory Asset Balances Account	1559	0	276,579	0	0	0	0	1,049,335	0	0	0	0	0	0	1,049,335	0
Total		(438,583)	756,579	0	0	0	774,536	1,042,333	49,665	0	0	58,225	189,259	341,513	1,297,485	1,297,485

1 For RFR accounts only, report the net addition to the account during the year. For all other accounts, report the additions and reductions separately.
 2 For accounts supporting reference to Board Decision C-02-06-06.
 3 For accounts supporting reference to Board Decision C-02-06-06.
 4 For accounts supporting reference to Board Decision C-02-06-06.



Name of LDC: Tillsonburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2007

Account Description	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions during 2007 (additions) and adjustments 1	Transactions during 2007 (reductions) and adjustments 1	Adjustments during 2007 as ordered 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 Dec-31-07	Closing Interest Amounts as of Dec-31-07	Total Closing Amounts as of Dec-31-07	PRR Filing Amount as of Dec-31-07	Difference C = A - B
LV Variance Account	1550	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1900	65,032	(65,121)	0	0	(407,089)	(407,089)	26,013	0	(62,697)	6,916	(84,773)	(84,773)	1
RSVA - Retail Transmission Network Charge	1504	22,077	(143,853)	0	0	(12,688)	(143,853)	20,424	0	(27,223)	(1,199)	(1,199)	(124,611)	0
RSVA - Retail Transmission Connector Charge	1505	27,735	(40,890)	0	0	(14,862)	(40,862)	6,356	0	(15,024)	(8,668)	(8,668)	(8,668)	1
RSVA - Power (Excluding Global Adjustment)	1508	222,191	(143,067)	0	0	(92,516)	(92,516)	(65,312)	0	28,964	(26,548)	(378,884)	(378,884)	0
RSVA - Power (Global Adjustment Sub-account)	1509	0	0	0	0	(12,750)	(12,750)	0	0	(65,190)	(65,190)	(70,940)	(70,940)	0
Recovery of Regulatory Asset Balances	1550	1,049,305	(276,285)	0	0	771,689	771,689	257,432	0	(182,857)	74,666	846,224	846,224	0
Disposition and recovery of Regulatory Balances Account	1555	0	0	0	0	0	0	344,913	0	(846,453)	(1,240)	(139,914)	(139,914)	2
Total														

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

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

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



Name of LDC: Tillsonburg Hydro Inc.
 File Number: EB-2008-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2008

Account Description	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions (additions) during 2008, excluding adjustments	Transactions (deductions) during 2008, including adjustments	Adjustments during 2008 - restricted by Board's	Adjustments during 2008 - other	Transfer of Board-approved 2008 amounts to 2009 (good CO2)	Closing Principal Balances as of Dec-31-08	Opening Interest Preference as of Jan-1-08	Interest Recovery Preference during 2008	Interest Jan-1 to Dec-31-08	Transfer of Board-approved 2008 interest amounts to 2009 (good CO2)	Closing Interest Preference as of Dec-31-08	Total Closing Preference as of Dec-31-08	HM Filing Amount as of Dec-31-08	Difference C-A-B
LV Valuation Account	1509	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Wholesale Market System Charge	1580	(401,008)	(716,644)	(16,642)				(617,293)	6,916	(1,785)	(18,580)	(9)	(1,477)	(881,187)	(821,110)	-60
RSVA - Retail Transmission Network Charge	1581	(121,288)	(16,282)					(678,116)	(1,785)	3,382	(8,724)	(9)	(0,511)	(900,653)	(250,625)	-650
RSVA - Retail Transmission Connection Charge	1582	(12,682)	(69,200)					(86,100)	3,382		(1,541)	(9)	1,791	(84,309)	(64,293)	-20
RSVA - Power (Excluding Good Adjustments)	1583	(882,216)	(94,190)					(646,981)	(882,216)		(16,228)	(9)	(42,971)	(1,311,420)	(1,268,449)	-42,971
RSVA - Power (Good Adjustments Side Account)	1584	771,696	(161,187)					(610,509)	771,696		1,887	(9)	(67,189)	(1,311,420)	(1,243,231)	-68,189
Recovery of Regulatory Asset Balances	1550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposition and Recovery of Regulatory Balances Account	1555	0	(64,323)	0	0	0	0	(64,323)	0	0	(18,322)	0	(82,645)	(64,323)	(64,323)	0
Total		(725,316)	(64,323)	0	0	0	0	(672,321)	(1,560)	0	(18,322)	0	(82,645)	(694,218)	(694,218)	(0)

1 For RSVA accounts only, report the net additions to the account during the year. For all other accounts, report the additions and reductions separately.
 2 Provide supporting evidence (e.g. Board Decision, CTO Order, etc.)
 3 Provide supporting evidence (including name of the adjustment and period they relate to)
 4 This column the values of amounts removed from Good CO2 accounts in previous proceedings; the does not meet criteria for expansion of 2008, or recovery has not been completed.



Name of LDC: Tillsonburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule 2009 - 1588 Power Account Only

Account Number	Account Description	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
1550	LV Variance Account					
1580	RSVA - Wholesale Market Services Charge					
1584	RSVA - Retail Transmission Network Charge					
1586	RSVA - Retail Transmission Connection Charge					
1588	RSVA - Power (Excluding Global Adjustment)	(216,873)				(216,873)
	RSVA - Power (Global Adjustment Sub-account)	760,387				760,387
1590	Recovery of Regulatory Asset Balances					
1596	Disposition and recovery of Regulatory Balances Account					
	Total	543,514	0	0	0	543,514

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: Tilisonburg Hydro Inc.
 File Number: EB-2009-0251
 Effective Date: Saturday, May 01, 2010

Regulatory Assets - Continuity Schedule Final

Account Description	Account Number	Opening Principal Amounts as of Jan-09 or Oct-09	Global Adjustment Reconciliation	Transfer of Board-approved 2007 amounts to 195 (2008 CDS)	Principal amounts to be disposed	Opening Interest Amounts as of Jan-09	Global Adjustment Reconciliation	Interest on Board-approved 2007 transfer - Jan 1, 2009 to Date of Transfer	Transfer of Board-approved 2007 Interest amounts to 195 (2009 CDS)	Projected Interest on Date of Jan 1, 2009 to Dec 31, 2009	Projected Interest balances from Jan 1, 2010 to April 30, 2010	Interest Amounts to be disposed	Total Claim
		A	B	C	E = A + B + C + D	F	G	H	I	J	K	M = F + G + H + I + J + K	N = E + M
L.V. Variance Account	1550	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(\$17,733)	0	401,089	(118,644)	(11,377)	0	16,828	16,828	(4,319)	2314	3,092	(115,612)
RSVA - Retail Transmission Network Charge	1594	(\$70,118)	0	121,826	(148,282)	(10,511)	0	8,227	8,227	(4,772)	680	6,729	(152,061)
RSVA - Retail Transmission Construction Charge	1595	(\$5,700)	0	12,892	(5,208)	1,751	0	(2,587)	(2,587)	(802)	(68)	(1,504)	(54,712)
RSVA - Power (Excluding Global Adjustment)	1598	(498,895)	0	382,518	(64,990)	(42,571)	0	37,162	37,162	(915)	(88)	3,678	(60,512)
RSVA - Power (Global Adjustment Sub-section)	1599	77,892	0	12,390	90,282	(\$7,703)	0	58,190	58,190	1,222	183	2,271	52,513
Recovery of Regulatory Asset Balances	1590	610,698	0	(610,698)	(0)	88,318	0	(104,082)	(104,082)	5,782	(0)	0	0
Disposition and recovery of Regulatory Balance Account	1595	(\$72,757)	0	290,465	(282,282)	(21,461)	0	23,389	23,389	2,650	(610)	5,907	(75,344)
Total													

Interest projected on December 31, 2008 daily principal balance

Month

Saturday, January 31, 2009	2.45
Saturday, February 28, 2009	2.46
Tuesday, March 31, 2009	2.46
Thursday, April 30, 2009	1.00
Friday, May 31, 2009	1.00
Monday, August 31, 2009	0.55
Saturday, September 30, 2009	0.55
Monday, November 30, 2009	0.55
Thursday, December 31, 2009	0.55

Prescribed Rate

0.2381
0.1879
0.2381
0.0982
0.0982
0.0467
0.0467
0.0467
0.0467

Monthly Interest

0.2381
0.1879
0.2381
0.0982
0.0982
0.0467
0.0467
0.0467
0.0467

Month

Sunday, January 31, 2010	0.55
Sunday, February 28, 2010	0.55
Wednesday, March 31, 2010	0.55
Friday, April 30, 2010	0.55

Prescribed Rate

0.2381
0.1879
0.2381
0.0982

Monthly Interest

0.2381
0.1879
0.2381
0.0982

Month

Sunday, January 31, 2010	0.55
Sunday, February 28, 2010	0.55
Wednesday, March 31, 2010	0.55
Friday, April 30, 2010	0.55

Prescribed Rate

0.2381
0.1879
0.2381
0.0982

Monthly Interest

0.2381
0.1879
0.2381
0.0982



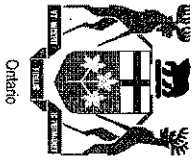
Ontario

Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 2010

Threshold Test

Rate Class	Billed kWh
Residential	49,583,434
General Service Less Than 50 kW	24,428,744
General Service 50 to 499 kW	35,624,529
General Service 500 to 1,499 kW	24,500,614
General Service > 1,500 kW	45,716,514
Unmetered Scattered Load	472,835
Sentinel Lighting	73,943
Street Lighting	1,310,738
Total Claim	(278,344)

Total Claim per kWh
 - 0.001532
 D1.1 Threshold Test

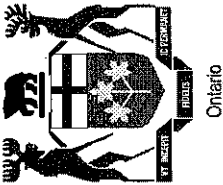


Name of LDC: **Tillsonburg Hydro Inc.**
 File Number: **EB-2009-0251**
 Effective Date: **Saturday, May 01, 2010**

Cost Allocation - kWh

Rate Class	Billed kWh	% kWh	1550	1580	1584	1586	1588 ¹	Total
Residential	49,583,434	27.3%	0	(31,001)	(41,482)	(14,929)	(13,783)	(101,196)
General Service Less Than 50 kW	24,428,744	13.4%	0	(15,274)	(20,437)	(7,365)	(6,791)	(49,857)
General Service 50 to 499 kW	35,624,529	19.6%	0	(22,274)	(29,804)	(10,726)	(9,903)	(72,707)
General Service 500 to 1,499 kW	24,500,614	13.5%	0	(15,319)	(20,497)	(7,377)	(6,811)	(50,004)
General Service > 1,500 kW	45,716,514	25.2%	0	(28,584)	(38,247)	(13,765)	(12,708)	(93,304)
Unmetered Scattered Load	472,835	0.3%	0	(296)	(396)	(142)	(131)	(965)
Sentinel Lighting	73,943	0.0%	0	(46)	(62)	(22)	(21)	(151)
Street Lighting	1,310,738	0.7%	0	(820)	(1,097)	(395)	(364)	(2,675)
	181,711,351	100.0%	0	(112,672)	(152,021)	(54,712)	(50,512)	(370,857)

¹ RSVA - Power (Excluding Global Adjustment)

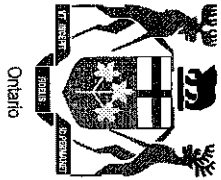


Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 2010

Cost Allocation - Non-RPP kWh

Rate Class	Non-RPP kWh	% kWh	1588 ¹
Residential	6,720,480	6.1%	5,618
General Service Less Than 50 kW	4,504,891	4.1%	3,766
General Service 50 to 499 kW	28,799,531	26.0%	24,076
General Service 500 to 1,499 kW	24,500,614	22.1%	20,482
General Service > 1,500 kW	45,716,514	41.3%	38,218
Unmetered Scattered Load	34,591	0.0%	29
Sentinel Lighting	0	0.0%	0
Street Lighting	388,117	0.4%	324
	110,664,738	100.0%	92,513

¹ RSVA - Power (Global Adjustment Sub-account)
 E1.2 Cost Allocation Non-RPPkWh

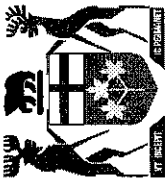


Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 2010

Cost Allocation - 1590

1590 Recovery Share
Rate Class **Proportion** **1590**

Residential	58.6%	0
General Service Less Than 50 kW	12.2%	0
General Service 50 to 499 kW	16.6%	0
General Service 500 to 1,499 kW	11.7%	0
General Service > 1,500 kW	0.0%	0
Unmetered Scattered Load	0.5%	0
Sentinal Lighting	0.2%	0
Street Lighting	0.2%	0
	100.0%	0

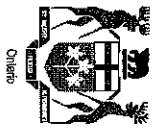


Ontario

Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 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 499 kW	0.0%	0
General Service 500 to 1,499 kW	0.0%	0
General Service > 1,500 kW	0.0%	0
Unmetered Scattered Load	0.0%	0
Sentinel Lighting	0.0%	0
Street Lighting	0.0%	0
	0.0%	0



Name of LDC: **Tilsonburg Hydro Inc.**
 File Number: **EB-2009-0251**
 Effective Date: **Saturday, May 01, 2010**

Calculation of Regulatory Asset Recovery Rate Rider

Rate Rider Recovery Period - Years: **One**
 Rate Rider Effective To Date: **Saturday, April 30, 2011**

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	49,583,434	0	(101,196)	5,618	0	0	(95,577)	(0.00199)
General Service Less Than 50 kW	kWh	24,428,744	0	(49,857)	3,766	0	0	(46,091)	(0.00189)
General Service 50 to 499 kW	kW	35,624,529	101,127	(72,707)	24,076	0	0	(48,631)	(0.48089)
General Service 500 to 1,499 kW	kW	24,500,614	53,192	(50,004)	20,482	0	0	(29,522)	(0.55500)
General Service > 1,500 kW	kW	45,716,514	88,121	(93,304)	38,218	0	0	(55,086)	(0.62512)
Unmetered Scattered Load	kWh	472,835	0	(965)	29	0	0	(936)	(0.00198)
Sentinel Lighting	kW	73,943	205	(151)	0	0	0	(151)	(0.73615)
Street Lighting	kW	1,310,738	3,783	(2,675)	324	0	0	(2,351)	(0.62137)
		181,711,351	246,428	(376,857)	92,513	0	0	(278,344)	

Enter the above value into Sheet
 U2.T DataCalc.com Rate Rider
 of the 2010 OEB/IMC Rate Generator
 J25 DataCalc.com Rate Rider?
 of the 2010 OEB/IMC Rate Generator



Name of LDC: Tillsonburg Hydro Inc.
File Number: EB-2009-0251
Effective Date: Saturday, May 01, 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	0	0	0
RSVA - Wholesale Market Service Charge	1580	116,644	(3,032)	113,612
RSVA - Retail Transmission Network Charge	1584	148,292	3,729	152,021
RSVA - Retail Transmission Connection Charge	1586	53,208	1,504	54,712
RSVA - Power (Excluding Global Adjustment)	1588	54,390	(3,878)	50,512
RSVA - Power (Global Adjustment Sub-account)	1588	(90,242)	(2,271)	(92,513)
Recovery of Regulatory Asset Balances	1590	0	(0)	(0)
Disposition and recovery of Regulatory Balances Account	1595	(282,292)	3,947	(278,344)
Total		0	0	0

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

The 2008 ending balances reported in the 2010 IRM Deferral Variance Account workform prepared by Tillsonburg 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 1558 – Global Adjustment sub-account.

Account Description	Account Number	Total Claim I = C + D+ E + F + G + H
RSVA - Power (Excluding Global Adjustment)	1588	39,646
RSVA - Power (Global Adjustment Sub-account)		3,463

- a) Has Tillsonburg 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 Tillsonburg made adjustments subsequent to filing the 2010 IRM3 application and need to re-file an updated 2010 IRM Deferral Variance Account workform?

Response:

- a) Tillsonburg has reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009. Tillsonburg notes that it will need to set-up additional variance accounts in order to comply with the crediting of power expense. Currently, all variances are either debited or credited to a power revenue variance account since that method ensured power costs represented the true amount. Tillsonburg notes that the required method will understate power revenues and understate power expenses, but will have no net impact. Tillsonburg also notes that it had posted the full Global Adjustment variance to the sub-account of 1588 which had resulted in the RPP portion in the incorrect variance account. As this issue was known when the application was filed, the above values reflect this estimate. As was noted when the 2010 IRM Deferral Variance Account workform was filed, a further review of the balances was to be completed. See the response to (b).

- b) Tillsonburg has made adjustments subsequent to filing the 2010 IRM3 application and is filing an updated 2010 IRM Deferral Variance Account workform (Exhibit D – Updated January 11, 2010). Tillsonburg has completed its review of the balances and determined that the RSVA – Power (Global Adjustment Sub-account) should have been \$92,513, with the RSVA – Power (Excluding Global Adjustment) of (\$50,512) (Exhibit D – Updated January 11, 2010, Page 12 of 19)

Account Description	Account Number	Total Claim
		N = E + M
RSVA - Power (Excluding Global Adjustment)	1588	(50,512)
RSVA - Power (Global Adjustment Sub-account)		92,513

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 2010 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 distributors' 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 reason 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 Tillsonburg 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 Tillsonburg agree that this proposal would be fair to all customers? Why or why not?
- b) If the Board were to order Tillsonburg to provide such a rate rider, would Tillsonburg's billing system be capable of billing non-RPP the separate rate rider? What complications, if any, would Tillsonburg see with this rate rider?
- c) If Tillsonburg were to be unable to bill in this fashion what would Tillsonburg consider proposing in the alternative?

Response:

- a) Tillsonburg agrees that the proposal to create a separate disposition rate rider to be applied prospectively to Non-RPP customers for 1588 may be fair but the treatment of customers that have moved to/from RPP to Non-RPP status must be explored prior to a final decision being made. These status changes primarily take place due to changes in Regulation (MUSH), customer reclassifications and Retailer enrolment. Tillsonburg is questioning whether these customers should or should not qualify for a portion equal to their contribution to account 1588.
- b) If current Non-RPP Standard Supply Service customers are the only customers that would be eligible for the distribution rate rider, Tillsonburg's billing system would be capable of billing these customers the separate rate rider. If Retail customers or customers that have moved to/from RPP also qualify, Tillsonburg would not be able to effectively apply the separate rate rider. The reasoning for this is that Tillsonburg's CIS has been designed to use the same rate codes for all customers within the same rate class. In other words, if the Board was to mandate that the disposition of the rate rider would be to all customers that contributed in part to the balance in 1588, the disposition to those customers presently paying RPP rates would not be possible through our rate engine. Further to this, if the Board was to mandate the above, beyond Non-RPP SSS customers, a possible complication would be significant software costs to redesign the CIS system.

- c) An alternative would be to dispose of the variance through a mechanism similar to the OPG/MPMA Rebate process. This process produced a listing of all Non-RPP billed usages, by customer, and the disposition of funds was managed outside the billing/rate engine via monetary adjustments to customers accounts. This could be a one-time adjustment or some other frequency as determined by the Board.

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	Billed Customers or Connections		
	A	Billed kWh B	Billed kW C
Residential	5,942	49,583,434	
General Service Less Than 50 kW	637	24,428,744	
General Service 50 to 499 kW	70	35,624,529	101,127
General Service 500 to 1,499 kW	8	24,500,614	53,192
General Service > 1,500 kW	3	45,716,514	88,121
Unmetered Scattered Load	19	472,835	
Sentinel Lighting	79	73,943	205
Street Lighting	1	1,310,738	3,783

- a) Please identify if these values are from the Tillsonburg 2009 Cost of Service Application or 2008 RRR reported values.
- b) If the above are from the 2009 CoS application please provide reference to location in the application.
- c) If the above are from the 2008 RRR reported values, please explain why Tillsonburg has not used the 2009 CoS values.

Response:

- a) The values noted are from the Tillsonburg 2009 Cost of Service Application.
- b) The original application reflected a request of a new Unmetered Scattered Load class – in which the existing Unmetered Scattered Load and Sentinel Lighting customer classes would be combined - which was not approved. The customer count for the two noted classes is shown in the 2009 Cost of Service Application, EB-2008-0246. December 2008 Update. Filed: December 15, 2008, Exhibit 3, Tab 2, Schedule 4, Page 1 of 2. And, the consumption detail is at 2009 Cost of

Service Application, EB-2008-0246. Interrogatory Responses. Filed: March 13, 2009, Exhibit 10, Tab 1, Schedule 8, Page 3 of 4

All other classes are summarized at 2009 Cost of Service Application, EB-2008-0246. Response to Board Staff Interrogatory #37. Filed: March 13, 2009, Exhibit 10, Tab 1, Schedule 37, Page 2 of 6.

- c) The values noted are from the Tillsonburg 2009 Cost of Service Application.

4. Ref: 2010 IRM Deferral Variance Billing Determinants

Below is 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	6,475,676
General Service Less Than 50 kW	4,242,851
General Service 50 to 499 kW	28,500,912
General Service 500 to 1,499 kW	24,500,614
General Service > 1,500 kW	45,716,514
Unmetered Scattered Load	24,887
Sentinel Lighting	
Street Lighting	542,844

- a) Please identify if these values estimated values or actual values and specify the applicable period.
- b) If the above values are estimated please explain why Tillsonburg 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 Tillsonburg support using the numbers above as the most reasonable denominator to be used for rate determination.
- d) If Tillsonburg were to establish a separate rate rider to dispose of the balance of the 1588 – Global adjustment sub-account, does Tillsonburg believe that the rider be applied to customers in the MUSH sector? If not, would Tillsonburg 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 billed kWh for Non-RPP customers noted was an estimate for 2009. In preparing the revised 2010 IRM Deferral Variance Account workform, the estimate has been updated. Revised Billed kWh for Non-RPP customers (Exhibit D – Updated January 11, 2010, Page 5 of 19) is as follows:

Rate Class	Billed kWh for Non-RPP customers D
Residential	6,720,480
General Service Less Than 50 kW	4,504,891
General Service 50 to 499 kW	28,799,531
General Service 500 to 1,499 kW	24,500,614
General Service > 1,500 kW	45,716,514
Unmetered Scattered Load	34,591
Sentinel Lighting	
Street Lighting	388,117

- b) Tillsonburg's 2009 actual Non-RPP is not yet available, and the total consumption is therefore based on 2009 Normalized kWh. The estimate was determined as the difference between the 2009 Normalized kWh used in the 2009 Cost of Service Application and the 2008 actual RPP consumption.
- c) Tillsonburg would support using the revised numbers (as noted in (a)) as the most reasonable denominator to be used for rate determination.
- d) Tillsonburg does not believe that the rider should be applied to customers in the MUSH sector. However, CIS limitations do not allow for these customers to be excluded from receiving, as they are now being billed using the same Non-RPP rates as customers who would qualify. Effective November 1st, 2009, most MUSH customers were moved from RPP rate codes to Non-RPP rate codes. As stated previously, in Tillsonburg's opinion, the only way to effectively exclude MUSH customers from a GA rate rider disposition is by using an adjustment process similar to the OPG/MPMA Rebate process.

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 Description	Account Number	Total Claim I = C + D + E + F + G + H
LV Variance Account	1550	0
RSVA - Wholesale Market Service Charge	1580	(113,702)
RSVA - Retail Transmission Network Charge	1584	(151,997)
RSVA - Retail Transmission Connection Charge	1586	(54,755)
RSVA - Power (Excluding Global Adjustment)	1588	39,646
RSVA - Power (Global Adjustment Sub-account)		3,463
Recovery of Regulatory Asset Balances	1590	0
Disposition and recovery of Regulatory Balances Account	1595	0
	Total	(277,344)

- 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 Tillsonburg has complied with and applied correctly the Board's accounting policy and procedures for calculation of the final disposition balance. If Tillsonburg has used other practices in the calculation, please explain where in the filing and why.
- e) Please confirm that Tillsonburg has used the simple interest calculation as required by the Board using the Boards prescribed interest rates. If Tillsonburg has used other calculations, please explain where in the filing and why.

- f) Please confirm that Tillsonburg has complied with the requirement to apply recoveries to principal first 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 Tillsonburg has not complied with this requirement please explain why not.

Response:

- a) The amended Deferral Variance Account Workform V4 as found on the Board's website under the 2010 Electricity Distribution Rates update December 7, 2009, has now been completed and filed. (Exhibit D - Updated January 11, 2010)
- b) These values are final for disposition after correcting the Global Adjustment Sub-account in the updated 2010 IRM Deferral Variance Account workform filed (Exhibit D – Updated January 11, 2010, Page 12 of 19)

Regulatory Assets - Continuity Schedule Final

Account Description	Account Number	Total Claim
		N = E + M
LV Variance Account	1550	0
RSVA - Wholesale Market Service Charge	1580	(113,612)
RSVA - Retail Transmission Network Charge	1584	(152,021)
RSVA - Retail Transmission Connection Charge	1586	(54,712)
RSVA - Power (Excluding Global Adjustment)	1588	(50,512)
RSVA - Power (Global Adjustment Sub-account)		92,513
Recovery of Regulatory Asset Balances	1590	0
Disposition and recovery of Regulatory Balances Account	1595	0
	Total	(278,344)

- c) The 2008 year end final account balances for disposition agree to the amounts reported in the RRR filing E2.1.1 and 2.1.7, as revised June 24, 2009.
- d) Tillsonburg has reviewed the Regulatory Audit & Accounting Bulletin 200901 dated October 15, 2009. Tillsonburg notes that it will need to set-up additional variance accounts in order to comply with the crediting of power expense. Currently, all variances are either debited or credited to a power revenue variance account since that method ensured power costs represented the true amount. Tillsonburg notes that the required method will understate power revenues and understate power expenses, but will have no net impact. Tillsonburg also notes that it had posted the full Global Adjustment variance to the sub-account of 1588 which had resulted in the RPP portion in the incorrect variance account. As this issue was known when the application was filed, the original filing reflected an estimate of the correction. As was noted when the 2010 IRM Deferral Variance Account workform was filed, a further review of the balances was to be completed. The review has been completed and a revised Deferral Variance workform has been filed. (Exhibit D – Updated January 11, 2010)
- e) Tillsonburg has used the simple interest calculation as required by the Board using the Boards prescribed interest rates.
- f) Tillsonburg has complied with the requirement to apply recoveries to principal first as outlined in the 2006 Assets Transactions document issued September 4, 2009.

6. 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	1,095,243
General Service Less Than 50 kW	361,742
General Service 50 to 499 kW	268,490
General Service 500 to 1,499 kW	139,234
General Service Equal to or Greater than 1,500 kW	332,325
Unmetered Scattered Load	15,889
Sentinel Lighting	2,025
Street Lighting	72,134
	2,287,082

- a) Please provide reference to the 2009 Cost of Service application that identifies the above Informational Filing Revenue Offsets.

Response:

- a) The Informational Filing Revenue Offsets reference is 2009 Cost of Service Application, EB-2008-0246. Comments on the Draft Rate order. Filed: August 7, 2009, Attachment D.1, Page 1 of 1.

HST Interrogatory

7. 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 Tillsonburg 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) Tillsonburg would not agree to capture in a variance account the reduction in OM&A and capital expenditures given the potential difficulties. It is unclear on how Tillsonburg would be able to determine the amount accurately given the final rules of the HST are not yet known. The fact is, the HST rate will not be applied to all expenditures and not all expenditures were allowed recovery in THI's rate base. Further to this, in our opinion, the cost to modify the CIS and financial system to maintain two sets of financial records would outweigh any expected benefit. Tillsonburg is of the opinion that the OEB believes PST savings will flow through to the LDC which remains to be seen. Tillsonburg would also like to point out that the opposite could occur – that costs incurred could increase.
- b) Tillsonburg does not have any other alternatives to suggest.