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February 9, 2009

Delivered by Courier

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Kirsten Walli
Board Secretary

Re: North Bay Hydro Distribution Limited (EB-2009-270)
2010 Electricity Distribution Rate (Cost of Service) Application
Responses to 1st Round Interrogatories

Dear Ms. Walli:

Please find attached a complete copy of the Energy Probe's first round of interrogatory responses. This submission should replace the one that was filed on January 19, 2010.

The following has been updated with responses:

Appendix "B" page 50

In accordance with Procedural Order No. 1, two hard copies of this submission will be sent via courier. An electronic copy of the response in PDF format will be submitted through the Ontario Energy Board's Regulatory Electronic Submission System.

An electronic copy of the response in PDF format will be forwarded via email to the Intervenors as follows:

Energy Probe

a) David MacIntosh, Energy Probe
b) Randy Aiken, Aiken & Associates

Donald Rennick

a) Donald Rennick, Independent Participants

School Energy Coalition

a) John De Vellis, Shibley Righton LLP
b) Wayne McNally, Ontario Education Services Corporation

Vulnerable Energy Consumers Coalition

a) Michael Buonaguro, Public Interest Advocacy Centre
b) William Harper, Econalysis Consulting Services Inc.

These responses are respectfully submitted for the Board's review and consideration.

Sincerely,

Original signed by

Cindy Tennant
Finance Manager
North Bay Hydro Distribution Limited
(705) 474-8100 (310)

NORTH BAY HYDRO DISTRIBUTION LIMITED
2010 RATES REBASING CASE
EB-2009-0270

ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES

Interrogatory # 1

Ref: Exhibit 2 & Exhibit 4

The provincial government has announced plans to harmonize the provincial retail sales tax (RST) with the goods and services tax (GST) effective July 1, 2010 to create harmonized sales tax (HST). Based on the proposed elimination of the RST effective July 1, 2010:

a) Please confirm that North Bay Hydro has not made any adjustments to the OM&A forecasts shown in Exhibit 4 to reflect the elimination of the 8% provincial sales tax.

Response:

NBHDL has not made any adjustments to the OM&A forecasts shown in Exhibit 4 to reflect the elimination of the 8% provincial sales tax effective July 1, 2010.

b) Please provide the estimated costs of the provincial sales tax included in the OM&A forecast for 2010.

Response:

NBHDL is unable to accurately estimate costs of the provincial sales tax included in the OM&A forecast for 2010 using reasonable efforts and within the required timelines.

c) Please provide the amount of provincial sales tax paid by North Bay Hydro in each of 2006, 2007, 2008 and 2009 on OM&A expenses.

Response:

NBHDL is unable to accurately estimate the amount of provincial sales tax paid by North Bay Hydro in each of 2006, 2007, 2008 and 2009 on OM&A expenses using reasonable efforts and within the required timelines.

d) Is there any reduction in compliance costs that will result from the reduction in the administrative burden on North Bay Hydro to comply with two separate sets of tax rules?

Response:

NBHDL is unable to estimate the potential reduction in compliance costs that will result from the reduction in the administrative burden on NBHDL to comply with two separate sets of tax rules at this time. There is a possibility that these administrative savings will be offset by other administrative duties required to implement and administer the HST rules.

e) Please confirm that North Bay Hydro has not made any adjustments to the capital expenditure forecasts shown in Exhibit 2 to reflect the elimination of the 8% provincial sales tax.

Response:

NBHDL confirms that it has not made any adjustments to the capital expenditure forecasts shown in Exhibit 2 to reflect the elimination of the 8% provincial sales tax.

f) Please provide the estimated costs of the provincial sales tax included in the capital expenditures included in rate base forecast for 2010.

Response:

NBHDL is unable to accurately estimate costs of the provincial sales tax included in the capital expenditures included in rate base forecast for 2010 using reasonable effort and within the required timelines.

g) Please provide the amount of provincial sales tax paid by North Bay Hydro on capital expenditures included in rate base in each of 2006, 2007, 2008 and 2009.

Response:

NBHDL is unable to accurately estimate the amount of provincial sales tax paid by North Bay Hydro on capital expenditures included in rate base in each of 2006, 2007, 2008 and 2009 using reasonable efforts and within the required timelines.

h) If North Bay Hydro is unable to quantify the impact of the removal of the provincial sales tax, is North Bay Hydro agreeable to the creation of a deferral account into which the resulting savings would be placed and rebated to customers in the future? If not, why not?

Response:

In principle NBHDL accepts the use of deferral accounts, please see response to Board Staff question # 11 a) relating to the use of deferral accounts for HST.

Interrogatory # 2

Ref: Exhibit 1, page 40

Are any of the costs associated with the Board of Directors of North Bay Hydro Holdings Limited, North Bay Hydro Generation Ltd. or North Bay Hydro Services Inc. included in the costs by North Bay Hydro for recovery through the revenue requirement? If yes, please identify and quantify these costs.

Response:

NBHDL has included $6,000 which is an annual fee from the Board of Directors of North Bay Hydro Holdings Limited in the costs for recovery through the revenue requirement. There are no costs included for North Bay Hydro Generation Ltd. or North Bay Hydro Services Inc.

Interrogatory # 3

Ref: Exhibit 1, page 49, Table 1-3

Please update the rate impacts shown in Table 1-3 to reflect a return on equity of 9.75% and a weighted average harmonized sales tax of 9% for 2010 in place of the current 5% goods and services tax.

Response:

NBHDL has updated the rate impacts shown in Table 1-3 to reflect a return on equity of 9.75%. Impacts are provided below:

Class - Typical Usage	Total Bill Impact - %	Monthly Dollar Impact
Residential: 800 kWh / mth	6.26%	$ 5.77
General Service < 50 kW: 2,000 kWh / mth	6.08%	$ 13.88
General Service > 50 kW to 2,999 kW: 40,000 kWh, 100 kW / mth	3.40%	$ 134.42
General Service > 3,000 kW to 4,999 kW: 2,000,000 kWh, 3,500 kW / mth	4.15%	$ 6,976.36
Street Lighting: 5,682 connections, 275,000 kWh, 800 kW / mth	84.32%	$ 23,278.77
Sentinal Lighting: 1 connection, 180 kWh, 1 kW	26.49%	$ 6.74
Unmetered Scattered Load 1,000 kWh / mth	14.75%	$ 17.78

Please note that there was an error in the original bill impact calculations for the Unmetered Scattered Load class – please refer to Board Staff question # 20, part b) for details. For comparison purposes, the bill impact on this class with a return on equity of 8.01% was 13.08% (total bill impact - %) and $15.77 (monthly dollar impact).

NBHDL is unable to accurately estimate the impact on costs of a weighted average harmonized sales tax of 9% for 2010 in place of the current 5% goods and services tax in the OM&A forecast using reasonable efforts and within the required timelines.

Interrogatory # 4

Ref: Exhibit 2, Tables 2-9, 2-10 & 2-11

a) Please explain the reduction in contributions and grants from $1,454,825 in 2008 to a forecast of $1,096,706 in 2009 and $594,434 in 2010.

Response:

The reduction in contributions and grants from $1,454,825 in 2008 to a forecast of $1,096,706 in 2009 and $594,434 in 2010 can be attributed to the following.

2008

- Enormous road reconstruction program for the City of North Bay which required major changes to a number of our lines. Contributions from the City of North Bay were in excess of $700k, which is well above the annual average for road relocation contributions.

2009

- One large expansion and one large rebuild of a line to accommodate a proposed development, both at 100% contribution amounts, totaling over $224k.
- Higher number of Subdivisions forecasted based on information received in 2008 from developers and the City of North Bay

2010

- There are no major expansions forecasted for 2010 and subdivision and road relocation projects expenditures are forecasted at the annual average, which is turn, lowers contribution amounts.

b) Please explain why no work-in-progress has been recorded in historical years and why none has been forecast for 2009 and 2010.

Response:

Work-in-progress (WIP) has not been recorded in historical years as it was assumed that all distribution assets recorded on the financial statements at the end of each fiscal year were in service. This assumption was made for both the 2009 and 2010 forecasts.

Interrogatory # 5

Ref: Exhibit 2, Tables 2-15 & 2-15A

a) Please update the capital expenditures to reflect actual expenditures for 2009. If final 2009 figures are not available, please provide 11 months of actual data and 1 month of forecast information.

Response:

The capital expenditures have been updated to reflect actual expenditures for 2009 up to October 31, 2009 with two months of forecast information. Please see Appendix "B".

b) Please confirm that all of the expenditures forecast for 2009 are related to projects that will be in service by the end of 2009.

Response:

The following projects forecasted in 2009 will not be in service by the end of 2009:

- Copeland St.
- Highway 11N – Thibeault Hill
- Timmins / Nipissing Rebuild
- Norwood Rebuild
- McPhail Rebuild
- King St. W Rebuild
- Percy St. Rebuild
- Front St. Rebuild
- MS# 4 Conversion

Interrogatory # 6

Ref: Exhibit 2, Tables 2-14 & 2-14A

Please confirm that all of the capital expenditures shown for 2010 are related to projects that will be completed and in service by the end of 2010.

Response:

NBHDL confirms that all of the capital expenditures shown for 2010 are related to projects that will be completed and in service by the end of 2010.

Interrogatory # 7

Ref: Exhibit 2, Table 2-23

a) Is the $0.06072 rate used to calculate the cost of power shown in Appendix A based on the April 15, 2009 Regulated Price Plan Price Report? If not, what is it based on?

Response:

The $0.06072 rate used to calculate the cost of power shown in Appendix A is based on the April 15, 2009 Regulated Price Plan Price Report.

b) Please update the cost of power component of the working capital allowance to reflect the October 15, 2009 OEB RPP Report that has a cost of power of $.06215 per kWh.

Response:

Electricity - Commodity	2010 Forecasted Metered kWhs	Loss Factor Jan - Apr 2010	Loss Factor May Dec 2010	2010	2010	2010	2010	2010	2010	2010
Class per Load Forecast				**Jan - Apr**	**May - Dec**	**Jan - Apr**	**May - Dec**	**Jan - Apr**	**May - Dec**	**TOTAL**
Residential	214,191,103	1.0387	1.0480	88,561,889	135,117,448	$ 0.06072	$ 0.06072	5,377,478	8,204,331	13,581,809
GS<50	84,717,385	1.0387	1.0480	32,169,528	56,326,262	$ 0.06072	$ 0.06072	1,953,334	3,420,131	5,373,464
GS>50	220,909,973	1.0387	1.0480	85,139,892	145,611,459	$ 0.06072	$ 0.06072	5,169,694	8,841,528	14,011,222
Unmetered Scattered Load	337,792	1.0387	1.0480	122,104	230,809	$ 0.06072	$ 0.06072	7,414	14,015	21,429
Intermediate	40,318,944	1.0283	1.0375	14,568,714	27,131,848	$ 0.06072	$ 0.06072	884,612	1,647,446	2,532,058
Sentinel Lighting	516,493	1.0387	1.0480	178,623	361,062	$ 0.06072	$ 0.06072	10,846	21,924	32,770
Street Lighting	2,737,123	1.0387	1.0480	1,020,438	1,838,931	$ 0.06072	$ 0.06072	61,961	111,660	173,621
Standard Offer Program GS<50	9,866	1.0387	1.0480	3,832	6,473	$ 0.06072	$ 0.06072	233	393	626
								-	-	-
TOTAL	563,738,678			221,765,019	366,624,292			13,465,572	22,261,427	35,726,999

Working Capital Allowance % 15%

Working Capital Allowance **$ 5,359,050**

Electricity - Commodity	2010 Forecasted Metered kWhs	Loss Factor Jan - Apr 2010	Loss Factor May Dec 2010	2010	2010	2010	2010	2010	2010	2010
Class per Load Forecast				**Jan - Apr**	**May - Dec**	**Jan - Apr**	**May - Dec**	**Jan - Apr**	**May - Dec**	**TOTAL**
Residential	214,191,103	1.0387	1.0480	88,561,889	135,117,448	$ 0.06215	$ 0.06215	5,504,121	8,397,549	13,901,671
GS<50	84,717,385	1.0387	1.0480	32,169,528	56,326,262	$ 0.06215	$ 0.06215	1,999,336	3,500,677	5,500,013
GS>50	220,909,973	1.0387	1.0480	85,139,892	145,611,459	$ 0.06215	$ 0.06215	5,291,444	9,049,752	14,341,197
Unmetered Scattered Load	337,792	1.0387	1.0480	122,104	230,809	$ 0.06215	$ 0.06215	7,589	14,345	21,934
Intermediate	40,318,944	1.0283	1.0375	14,568,714	27,131,848	$ 0.06215	$ 0.06215	905,446	1,686,244	2,591,690
Sentinel Lighting	516,493	1.0387	1.0480	178,623	361,062	$ 0.06215	$ 0.06215	11,101	22,440	33,541
Street Lighting	2,737,123	1.0387	1.0480	1,020,438	1,838,931	$ 0.06215	$ 0.06215	63,420	114,290	177,710
Standard Offer Program GS<50	9,866	1.0387	1.0480	3,832	6,473	$ 0.06215	$ 0.06215	238	402	640
								-	-	-
TOTAL	563,738,678			221,765,019	366,624,292			13,782,696	22,785,700	36,568,396

Working Capital Allowance % 15%

Working Capital Allowance **$ 5,485,259**

Change in Working Capital Allowance **$ 126,210**

c) Has North Bay Hydro reflected the different rates applicable to RPP and non-RPP customers in the cost of power calculation? If not, why not?

Response:

North Bay Hydro did reflect the different rates applicable to RPP and non-RPP customers in the cost of power calculation. North Bay Hydro considers the difference between the RPP and non-RPP rates to be immaterial.

d) Please provide the percentage of the total kWh represented by the non RPP kWh based on actuals for 2008 and, if available for the 2010 forecast.

Response:

The following table provides the percentage of kWh's represented by the non RPP for 2008. The 2010 percentage is based on historical 2008 actual by class.

kWhs Billed in 2008	kWh	kWh (non-RPP Customers)	Percentage of kWhs for non-RPP Customers by Class	Percentage of total kWhs for non-RPP Customers
RESIDENTIAL	213,813,392	37,844,970	17.70%	13.23%
GENERAL SERVICE <50 kW	88,723,631	12,864,926	14.50%	4.50%
GENERAL SERVICE >50 <2999 kW	215,710,011	187,452,000	86.90%	65.53%
INTERMEDIATE	44,528,104	44,528,104	100.00%	15.57%
UNMETERED & SCATTERED LOAD	351,268		0.00%	0.00%
SENTINEL LIGHTING	567,633	44,275	7.80%	0.02%
STREET LIGHTING	3,327,501	3,327,501	100.00%	1.16%
Totals	**567,021,540**	**286,061,777**		**100.00%**

Percentage of non-RPP kWhs to total kWhs **50.4%**

2010 Load Forecast Data By Class	kWh	kWh (non-RPP Customers)	Percentage of kWhs for non-RPP Customers by Class	Percentage of total kWhs for non-RPP Customers
RESIDENTIAL	214,191,103	37,911,825	17.70%	13.29%
GENERAL SERVICE <50 kW	84,727,250	12,285,451	14.50%	4.31%
GENERAL SERVICE >50 <2999 kW	220,909,973	191,970,767	86.90%	67.30%
INTERMEDIATE	40,318,944	40,318,944	100.00%	14.13%
UNMETERED & SCATTERED LOAD	337,792		0.00%	0.00%
SENTINEL LIGHTING	516,493	40,286	7.80%	0.01%
STREET LIGHTING	2,737,123	2,737,123	100.00%	0.96%
Totals	**563,738,678**	**285,264,396**		**100.00%**

Percentage of non-RPP kWhs to total kWhs **50.6%**

e) Please calculate the cost of power and the related impact on the working capital allowance to reflect the RPP and non RPP volumes (as provided in the response to part (d) above using the RPP price of $0.06215 per kWh and a price of $0.05820 per kWh for the non RPP volumes (being the sum of the forecasted average HOEP price of $0.03326 per kWh and the forecasted global adjustment of $0.02494 per kWh for the RPP year).

Response:

The cost of power and the related impact on working capital allowance to reflect the RPP and non RPP volumes and the provided pricing is presented below.

2010 Load Forecast Data By Class	kWh	2010 Jan - Apr Loss Adjusted	2010 May - Dec Loss Adjusted	Per RPP Price Plan Report dated April 15, 2009	2010 Application	Price per kWh	Amount
RESIDENTIAL RPP	176,279,278	72,886,435	111,201,660	$ 0.06072	$ 11,177,829	$ 0.06215	$ 11,441,075
RESIDENTIAL non RPP	37,911,825	15,675,454	23,915,788	$ 0.06072	$ 2,403,980	$ 0.05820	$ 2,304,210
GENERAL SERVICE <50 kW RPP	72,441,799	27,508,222	48,164,488	$ 0.06072	$ 4,594,847	$ 0.06215	$ 4,703,059
GENERAL SERVICE <50 kW non RPP	12,285,451	4,665,137	8,168,247	$ 0.06072	$ 779,243	$ 0.05820	$ 746,903
GENERAL SERVICE >50 <2999 kW RPP	28,939,206	11,153,326	19,075,101	$ 0.06072	$ 1,835,470	$ 0.06215	$ 1,878,697
GENERAL SERVICE >50 <2999 kW non RPP	191,970,767	73,986,567	126,536,358	$ 0.06072	$ 12,175,752	$ 0.05820	$ 11,670,434
INTERMEDIATE	40,318,944	14,568,713	27,131,848	$ 0.06072	$ 2,532,058	$ 0.05820	$ 2,426,973
UNMETERED & SCATTERED LOAD RPP	337,792	122,104	230,809	$ 0.06072	$ 21,429	$ 0.06215	$ 21,934
SENTINEL LIGHTING RPP	476,207	164,691	332,899	$ 0.06072	$ 30,214	$ 0.06215	$ 30,925
SENTINEL LIGHTING non RPP	40,286	13,933	28,163	$ 0.06072	$ 2,556	$ 0.05820	$ 2,450
STREET LIGHTING non RPP	2,737,123	1,020,438	1,838,931	$ 0.06072	$ 173,621	$ 0.05820	$ 166,415
Totals	563,738,678	221,765,019	366,624,291		**$ 35,726,999**		**$ 35,393,075**
	285,264,396						
Working Capital Allowance %					15%		15%
Working Capital Allowance					**$ 5,359,050**		**$ 5,308,961**
Change in Working Capital Allowance							**$ (50,089)**

f) Are the kWh's associated with any market participants served by the distributor included in the kWh's used to calculate the cost of power? If yes, please recalculate the cost of power component of the working capital allowance removing any such volumes.

Response:

North Bay Hydro does not serve any market participants**;** therefore no kWhs associated with market participants were included in the cost of power calculation.

g) Does the distributor intend to update the transmission related cost of power to reflect 2010 transmission rates when they are approved by the Board?

Response:

North Bay Hydro intends to update the transmission related cost of power to reflect 2010 transmission rates when they are approved by the Board.

Interrogatory # 8

Ref: Exhibit 3, Table 3-3

Please update the 2009 figures shown in Table 3-3 to reflect the most recent year-to-date information available.

Response:

The following table has updated 2009 figures to October 2009 inclusive.

Distribution Revenues	2010 Test	2009 Bridge	2010 Test vs. 2009 Bridge	2008 Actual	2009 Bridge vs. 2008 Actual	2007 Actual	2008 Actual vs. 2007 Actual	2006 Actual	2007 Actual vs. 2006 Actual
Residential	5,557,218	5,628,892	(71,673)	5,584,327	44,564	5,754,751	(170,423)	4,797,690	957,061
GS<50	1,870,116	1,915,011	(44,894)	1,976,870	(61,859)	2,074,620	(97,750)	1,761,242	313,378
GS>50	2,401,882	2,139,164	262,718	2,146,126	(6,962)	2,063,894	82,232	1,825,159	238,735
Intermediate	66,735	59,129	7,606	70,690	(11,560)	71,255	(566)	58,196	13,059
Unmetered Scattered Load	10,190	9,699	490	9,451	248	10,956	(1,505)	5,363	5,593
Street Lighting	48,155	50,533	(2,378)	53,735	(3,202)	47,656	6,079	32,643	15,013
Sentinel Lighting	21,879	23,010	(1,131)	18,634	4,376	16,155	2,479	20,473	(4,318)
SSS Administration Charge	73,632	76,224	(2,592)	76,476	(252)	73,942	2,534	70,118	3,824
Distribution Revenue	10,049,807	9,901,662	148,145	9,936,308	(34,646)	10,113,228	(176,920)	8,570,884	1,542,344

Interrogatory # 9

Ref: Exhibit 3, page 14-17

The regression statistics shown in Table 3-7 indicate that the coefficients on GDP and population are not statistically significant at any high level of confidence. Please provide the regression coefficients (as shown on page 14), the regression statistics as shown in Table 3-7 and the total system purchased for 2009 and 2010 (using the 10 year average for weather) as shown in Table 3-8 for each of the following:

a) The equation as shown, excluding the population variable;

Response

The requested information for the equation as shown, excluding the population variable is provided below:

Statistic	Value
R Square	98.4%
Adjusted R Square	98.3%
F Test	992.8
T-stats by Variable	
Heating Degree Days	58.0
Cooling Degree Days	10.9
Ontario Real GDP Monthly %	2.7
Number of Days in Month	9.7
Spring Fall Flag	(8.3)
Number of Peak Hours	2.1
Blackout Flag	(2.8)
Intercept	(0.3)
Coefficient by Variable	
Heating Degree Days	25,057
Cooling Degree Days	75,435
Ontario Real GDP Monthly %	23,842
Number of Days in Month	1,095,467
Spring Fall Flag	(1,913,377)
Number of Peak Hours	11,526
Blackout Flag	(2,008,514)
Intercept	(1,206,536)
2009 Actual (J-A) and Weather Normal for remaining (GWh)	595.1
2010 Weather Normal - 10 year average (GWH)	597.2

b) The equation as shown, excluding both the GDP and population variables;

Response:

The requested information for the equation as shown excluding both the GDP and population variables is shown below:

Statistic	Value
R Square	98.3%
Adjusted R Square	98.2%
F Test	1097.2
T-stats by Variable	
Heating Degree Days	56.4
Cooling Degree Days	10.5
Number of Days in Month	9.5
Spring Fall Flag	(8.1)
Number of Peak Hours	2.0
Blackout Flag	(2.5)
Intercept	0.5
Coefficient by Variable	
Heating Degree Days	25,007
Cooling Degree Days	74,561
Number of Days in Month	1,106,200
Spring Fall Flag	(1,921,795)
Number of Peak Hours	11,068
Blackout Flag	(1,894,226)
Intercept	1,686,640
2009 Actual (J-A) and Weather Normal for remaining (GWh)	593.2
2010 Weather Normal - 10 year average (GWH)	594.1

c) The equation in (b) above, with addition of a trend variable.

Response:

The requested information for the equation in (b) above, with addition of a trend variable is shown below:

Statistic	Value
R Square	98.4%
Adjusted R Square	98.3%
F Test	995.2
T-stats by Variable	
Heating Degree Days	58.1
Cooling Degree Days	10.9
Number of Days in Month	9.7
Spring Fall Flag	(8.3)
Number of Peak Hours	2.1
Blackout Flag	(2.8)
Trend Variable	2.7
Intercept	0.4
Coefficient by Variable	
Heating Degree Days	25,066
Cooling Degree Days	75,542
Number of Days in Month	1,094,631
Spring Fall Flag	(1,910,603)
Number of Peak Hours	11,625
Blackout Flag	(1,996,501)
Trend Variable	6,787
Intercept	1,399,325
2009 Actual (J-A) and Weather Normal for remaining (GWh)	596.9
2010 Weather Normal - 10 year average (GWH)	600.4

Interrogatory # 10

Ref: Exhibit 3, page 18

a) Please explain why North Bay Hydro has used a loss factor based only on the 2006 through 2008 period to calculate the billed energy forecast.

Response:

Please refer to Board Staff Interrogatory 21 (b).

b) Please provide a table showing the total loss factor for each year from 1999 through 2008. If data for all years is not available, please provide data for all the years that is available.

Response:

Please see following table:

North Bay Hydro Distribution Ltd.

North Bay Hydro Distribution Ltd.								
Calculation of Total Loss Factor	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
Net "Retail" kWh Delivered by Distributor	567,021,540	570,440,203	560,321,499	577,056,180	566,916,803	562,521,396	561,663,526	558,632,478
Wholesale kWh Delivered to Distributor **With** Losses	594,904,196	598,640,314	585,762,798	606,363,661	601,756,740	594,630,408	593,838,876	587,842,840
System Losses, Unaccounted for kWh	27,882,656	28,200,111	25,441,299	29,307,481	34,839,937	32,109,012	32,175,350	29,210,362

Interrogatory # 11

Ref: Exhibit 3, Table 3-11, Table 3-14 & page 8

a) Please confirm whether the distributors shown on page 8 used an arithmetic mean or a geometric mean in their versions of Tables 3-11 and 3-14.

Response:

The distributors shown on page 8 used a geometric mean in their versions of Tables 3-11 and 3-14.

b) Please recalculate Tables 3-11 and 3-14 using a geometric mean.

Response:

The recalculate Tables 3-11 and 3-14 using a geometric mean are shown below

Table 3-11

Year	Residential	General Service < 50 kW	General Service > 50 to 2999 kW	General Service > 3000 to 4999 kW	Streetlights	Sentinel Lights	Unmetered Loads
Growth Rate in Customers/Connections							
1999							
2000	0.4%	0.4%	4.6%	0.0%	2.8%	0.0%	0.0%
2001	0.9%	2.2%	6.6%	0.0%	0.0%	0.0%	0.0%
2002	1.7%	0.3%	4.5%	0.0%	2.9%	0.0%	0.0%
2003	(0.6%)	0.2%	(0.8%)	(33.3%)	(0.2%)	10.7%	0.0%
2004	0.5%	1.2%	0.0%	0.0%	4.4%	(10.5%)	0.0%
2005	0.8%	(0.1%)	0.8%	0.0%	0.5%	(3.3%)	0.0%
2006	2.1%	3.2%	1.2%	0.0%	(0.4%)	9.2%	0.0%
2007	0.8%	(1.9%)	3.5%	0.0%	0.4%	(4.8%)	0.0%
2008	0.1%	(0.4%)	2.2%	0.0%	0.3%	(9.7%)	0.0%
Geo Mean	**0.8%**	**0.6%**	**2.5%**	**(4.4%)**	**1.2%**	**(1.2%)**	**0.0%**

Table 3-14

Year	Residential	General Service < 50 kW	General Service > 50 to 2999 kW	General Service > 3000 to 4999 kW	Streetlights	Sentinel Lights	Unmetered Loads
Growth Rate in Customer/Connection							
1999							
2000	(1.7%)	0.2%	0.5%	3.1%	(18.9%)	(11.7%)	(7.7%)
2001	(1.7%)	(3.6%)	(4.2%)	(4.1%)	(1.5%)	(9.0%)	0.5%
2002	2.9%	(2.9%)	(0.7%)	(15.8%)	(2.8%)	(9.9%)	(0.3%)
2003	2.1%	(0.9%)	1.1%	44.0%	4.4%	(22.4%)	(5.6%)
2004	(0.6%)	(0.3%)	0.8%	3.2%	0.4%	18.7%	5.3%
2005	0.6%	1.6%	2.8%	(2.3%)	(5.1%)	1.1%	(4.2%)
2006	(5.1%)	(4.3%)	(2.8%)	(9.6%)	0.1%	(14.2%)	(0.5%)
2007	2.0%	1.4%	(0.4%)	(3.2%)	0.4%	3.3%	(0.0%)
2008	0.2%	(0.7%)	(1.2%)	(10.8%)	0.4%	10.6%	(5.0%)
Geo Mean	**(0.2%)**	**(1.1%)**	**(0.5%)**	**(0.7%)**	**(2.7%)**	**(4.5%)**	**(2.0%)**

c) Please update the forecasts in Tables 3-12 and 3-15 reflecting the geometric means calculated in part (b) above.

Response:

The updated forecasts in Tables 3-12 and 3-15 reflecting the geometric means calculated in part (b) is provided below.

Table 3-12

Year	Residential	General Service < 50 kW	General Service > 50 to 2999 kW	General Service > 3000 to 4999 kW	Streetlights	Sentinel Lights	Unmetered Loads	TOTAL
Forecast number of Customers/Connections								
2009 Actual (J-A) and Weather Normal for remaining	**20,915**	**2,631**	**280**	**2**	**5,615**	**515**	**21**	**29,978**
2010 Normalized Test	**21,075**	**2,645**	**287**	**2**	**5,680**	**509**	**21**	**30,218**

Table 3-15

Year	Residential	General Service < 50 kW	General Service > 50 to 2999 kW	General Service > 3000 to 4999 kW	Streetlights	Sentinel Lights	Unmetered Loads
Forecast Annual kWh Usage per Customers/Connection							
2009 Actual (J-A) and Weather Normal for remaining	**10,284**	**33,553**	**786,465**	**22,119,262**	**583**	**1,041**	**16,391**
2010 Normalized Test	**10,267**	**33,193**	**782,800**	**21,975,413**	**567**	**994**	**16,062**

d) Please provide a revised Table 3-22 Summary of Forecast and a revised Table 6-1 Revenue Deficiency Calculation that reflects the geometric means calculated in part (b) above.

Response:

A revised Table 3-22 Summary of Forecast and a revised Table 6-1 Revenue Deficiency Calculation that reflects the geometric means calculated in part (b) is provided below

Table 3-22 please see below.

	2006 Board Approved	2006 Actual	2007 Actual	2008 Actual	2009 With Actual (J-A) Weather Normal Remaining	2010 Weather Normal Test
ACTUAL AND PREDICTED KWH PURCHASES						
Actual kWh Purchases		585,762,798	598,640,314	594,904,000		
Predicted kWh Purchases before CDM adjustment		585,503,448	600,026,148	596,125,068	595,943,204	598,376,492
% Difference between actual and predicted purchases		**(0.0%)**	**0.2%**	**0.2%**		
CDM Adjustment					2,477,227	7,575,714
Predicted kWh Purchases after CDM adjustment					593,465,977	590,800,779
BILLING DETERMINANTS BY CLASS						
Residential						
Customers	20,364	20,555	20,726	20,757	20,915	21,075
kWh	213,032,514	207,199,584	213,131,701	213,813,392	214,358,682	214,923,813
General Service < 50 kW						
Customers	2,895	2,678	2,626	2,616	2,631	2,645
kWh	96,953,564	90,175,438	89,681,002	88,723,631	87,232,964	85,026,017
General Service > 50 to 2999 kW						
Customers	253	258	267	273	280	287
kW	549,145	602,160	604,780	602,776	631,112	638,330
kWh	215,399,937	207,117,428	213,456,497	215,710,011	218,936,132	221,440,020
General Service > 3000 to 4999 kW						
Customers	2	2	2	2	2	2
kW	105,859	96,180	95,580	88,904	79,486	74,106
kWh	57,326,857	51,603,012	49,926,708	44,528,104	41,599,855	38,784,125
Streetlights						
Customers	5,459	5,510	5,534	5,550	5,615	5,680
kW	9,821	9,192	9,239	9,270	9,213	7,658
kWh	3,450,155	3,278,340	3,306,186	3,327,501	3,274,125	2,721,605
Sentinel Lights						
Customers	1,000	606	577	521	515	509
kW	850	1,595	1,543	1,531	1,464	1,382
kWh	631,412	577,963	568,496	567,633	535,827	505,803
Unmetered Loads						
Customers		21	21	21	21	21
kWh		369,735	369,615	351,268	344,210	337,294
Total						
Customer/Connections	**29,973**	**29,630**	**29,753**	**29,740**	**29,978**	**30,218**
kWh	**586,794,438**	**560,321,499**	**570,440,204**	**567,021,540**	**566,281,795**	**563,738,678**
kW from applicable classes	**665,675**	**709,127**	**711,141**	**702,481**	**721,274**	**721,475**

Revised Table 6-1

Calculation of Revenue Deficiency or Surplus

	2010 Test Existing Rates	2010 Test Proposed Rates
Revenue		
Suff/ Def From Below.		$1,825,769
Distribution Revenue	$9,991,868	$9,991,868
Other Operating Revenue (Net)	$825,116	$825,116
Total Revenue	$10,816,985	$12,642,754
Distribution Costs		
Operation, Maintenance, and Administration	$5,779,054	$5,779,054
Depreciation & Amortization	$2,901,108	$2,901,108
Property & Capital Taxes	$87,707	$87,707
Interest- Deemed Interest	$1,821,365	$1,821,365
Total Costs and Expenses	$10,589,234	$10,589,234
Utility Income Before Income Taxes	$227,751	$2,053,520
Net Adjustments per 2010 Pils	-$186,938	-$186,938
Taxable Income	$40,813	$1,866,582
Tax Rate	31.0%	31.0%
Income Tax	$12,652	$578,640
Tax Credits	$6,000	$6,000
Income Tax After Credit	$6,652	$572,640
Utility Income	$221,099	$1,480,880
Rate Base	$46,219,722	$46,219,722
Equity	40.00%	40.00%
Equity Component Rate Base	$18,487,889	$18,487,889
Income / Equity Rate Base %	1.20%	8.01%
Target Return -Equity on Rate Base	8.01%	8.01%
Return- Equity on Rate Base	$1,480,880	$1,480,880
Revenue Deficiency	$1,259,781	$0
Revenue Deficiency (Gross-up)	$1,825,769	$0

e) Please provide a revised Appendix 8-A to Exhibit 8 showing the resulting rate and bill impacts that result from use of the geometric mean approach.

Response:

A revised Appendix 8-A to Exhibit 8 showing the resulting rate and bill impacts that result from use of the geometric mean approach is shown below.

RESIDENTIAL

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Consumption 800 kWh	Monthly Service Charge			12.53			14.82	2.29	18.28%	14.56%
	Distribution (kWh)	800	0.0112	8.96	800	0.0132	10.56	1.60	17.86%	10.37%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	1.44%
	LRAM & SSM Rider (kWh)	800	0.0000	0.00	800	0.0004	0.32	0.32	#DIV/0!	0.31%
	Regulatory Assets (kWh)	800	0.0000	0.00	800	0.0004	0.33	0.33	#DIV/0!	0.33%
	Sub-Total - Distribution			**23.60**			**27.50**	**3.90**	**16.55%**	**27.02%**
	RTSR - Network	831	0.0052	4.32	838	0.0053	4.43	0.11	2.44%	4.35%
	RTSR - Connection	831	0.0047	3.91	838	0.0048	4.05	0.14	3.62%	3.97%
	Sub-Total - Delivery			**31.83**			**35.98**	**4.15**	**13.04%**	**35.34%**
	Wholesale Market Rate	831	0.0065	5.40	838	0.0065	5.45	0.05	0.90%	5.35%
	DRC	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	5.50%
	Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	33.59%
	Cost of Power Commodity (kWh)	231	0.0660	15.24	238	0.0660	15.74	0.49	3.24%	15.46%
	Sub-Total - Other Charges			**92.27**			**96.96**	**4.69**	**5.09%**	**95.24%**
	GST		5.00%	4.61		5.00%	4.85	0.23	5.09%	4.76%
	TOTAL BILL			**96.88**			**101.81**	**4.93**	**5.09%**	**100.00%**

GENERAL SERVICE < 50 kW

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Consumption 2,000 kWh	Monthly Service Charge			21.70			25.67	3.97	18.29%	10.20%
	Distribution (kWh)	2,000	0.0139	27.80	2,000	0.0164	32.80	5.00	17.99%	13.04%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.58%
	LRAM & SSM Rider (kWh)	2,000	0.0000	0.00	2,000	0.0002	0.40	0.40	#DIV/0!	0.16%
	Regulatory Assets (kWh)	2,000	0.0000	0.00	2,000	0.0004	0.79	0.79	#DIV/0!	0.31%
	Sub-Total - Distribution			**51.61**			**61.13**	**9.52**	**18.45%**	**24.30%**
	RTSR - Network	2,077	0.0048	9.97	2,096	0.0049	10.21	0.24	2.44%	4.06%
	RTSR - Connection	2,077	0.0042	8.72	2,096	0.0043	9.04	0.32	3.62%	3.59%
	Sub-Total - Delivery			**70.31**			**80.38**	**10.08**	**14.34%**	**31.95%**
	Wholesale Market Rate	2,077	0.0065	13.50	2,096	0.0065	13.62	0.12	0.90%	5.42%
	DRC	2,000	0.0070	14.00	2,000	0.0070	14.00	0.00	0.00%	5.56%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	16.99%
	Cost of Power Commodity (kWh)	1,327	0.0660	87.60	1,346	0.0660	88.84	1.24	1.41%	35.31%
	Sub-Total - Other Charges			**228.16**			**239.60**	**11.44**	**5.01%**	**95.24%**
	GST		5.00%	11.41		5.00%	11.98	0.57	5.01%	4.76%
	Total Bill			**239.57**			**251.58**	**12.01**	**5.01%**	**100.00%**

GENERAL SERVICE > 50 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
40,000 kWh	Monthly Service Charge			311.40			329.20	17.80	5.72%	7.72%
100 kW	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
	Distribution (kW)	100	2.1783	217.83	100	2.3115	231.15	13.32	6.11%	5.42%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.03%
	LRAM & SSM Rider (kW)	100	0.0000	0.00	100	0.0677	6.77	6.77	100.00%	0.16%
	Regulatory Assets (kW)	100	0.0000	0.00	100	0.4513	45.13	45.13	0.00%	1.06%
	Sub-Total - Distribution			**531.34**			**613.72**	**82.38**	**15.50%**	**14.39%**
	RTSR - Network	100	1.9313	193.13	100	1.9607	196.07	2.94	1.52%	4.60%
	RTSR - Connection	100	1.6636	166.36	100	1.7084	170.84	4.48	2.69%	4.01%
	Sub-Total - Delivery			**890.83**			**980.62**	**89.79**	**10.08%**	**22.99%**
	Wholesale Market Rate	41,546	0.0065	270.05	41,546	0.0065	270.05	0.00	0.00%	6.33%
	DRC	40,000	0.0070	280.00	40,000	0.0070	280.00	0.00	0.00%	6.57%
	Cost of Power Commodity (kWh)	41,546	0.0604	2,508.52	41,921	0.0604	2,531.14	22.62	0.90%	59.35%
	Sub-Total - Other Charges			**3,949.40**			**4,061.81**	**112.41**	**2.85%**	**95.24%**
	GST		5.00%	197.47		5.00%	203.09	5.62	2.85%	4.76%
	TOTAL BILL			**4,146.87**			**4,264.90**	**118.03**	**2.85%**	**100.00%**

General Service > 3000 to 4999 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
2,000,000 kWh	Monthly Service Charge			2,399.29			4,780.92	2,381.63	99.26%	2.60%
3,500 kW	Distribution (kWh)	0	0.0000	0.00	2,000,000	0.0000	0.00	0.00	0.00%	0.00%
	Distribution (kW)	3,500	0.7321	2,562.35	3,500	0.8632	3,021.20	458.85	17.91%	1.65%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.00%
	Transformer Credit	3,500	(0.6000)	(2,100.00)	3,500	(0.6000)	(2,100.00)	0.00	0.00%	(1.14%)
	LRAM & SSM Rider (kW)	3,500	0.0000	0.00	3,500	0.0170	59.50	59.50	100.00%	0.03%
	Regulatory Assets (kW)	3,500	0.0000	0.00	3,500	0.6821	2,387.33	2,387.33	0.00%	1.30%
	Sub-Total - Distribution			**2,863.75**			**8,150.42**	**5,286.67**	**184.61%**	**4.44%**
	RTSR - Network	3,500	2.0487	7,170.45	3,500	2.0798	7,279.42	108.97	1.52%	3.97%
	RTSR - Connection	3,500	1.8386	6,435.10	3,500	1.8881	6,608.27	173.17	2.69%	3.60%
	Sub-Total - Delivery			**16,469.30**			**22,038.12**	**5,568.82**	**33.81%**	**12.01%**
	Wholesale Market Rate	2,056,533	0.0065	13,367.46	2,075,075	0.0065	13,487.99	120.53	0.90%	7.35%
	DRC	2,000,000	0.0070	14,000.00	2,000,000	0.0070	14,000.00	0.00	0.00%	7.63%
	Cost of Power Commodity (kWh)	2,056,533	0.0604	124,171.81	2,075,075	0.0604	125,291.40	1,119.58	0.90%	68.26%
	Sub-Total - Other Charges			**168,008.58**			**174,817.50**	**6,808.92**	**4.05%**	**95.24%**
	GST		5.00%	8,400.43		5.00%	8,740.88	340.45	4.05%	4.76%
	TOTAL BILL			**176,409.01**			**183,558.38**	**7,149.37**	**4.05%**	**100.00%**

Street Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	5,680	0.4400	2,499.29	5,680	2.6980	15,325.22	12,825.92	513.18%	29.40%
5,680 Connections	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
275,000 kWh	Distribution (kW)	800	2.3570	1,885.60	800	14.4633	11,570.64	9,685.04	513.63%	22.20%
	LRAM & SSM Rider (kW)	800	0.0000	0.00	800	0.0000	0.00	0.00	0.00%	0.00%
800 kW	Regulatory Assets (kW)	800	0.0000	0.00	800	(0.8624)	(689.90)	(689.90)	0.00%	(1.32%)
	Sub-Total - Distribution			**4,384.89**			**26,205.96**	**21,821.06**	**497.64%**	**0.50**
	RTSR - Network	800	1.4565	1,165.20	800	1.4786	1,182.91	17.71	1.52%	2.27%
	RTSR - Connection	800	1.2860	1,028.80	800	1.3206	1,056.49	27.69	2.69%	2.03%
	Sub-Total - Delivery			**6,578.89**			**28,445.35**	**21,866.46**	**332.37%**	**54.57%**
	Wholesale Market Rate	285,630	0.0065	1,856.59	288,205	0.0065	1,873.33	16.74	0.90%	3.59%
	DRC	275,000	0.0070	1,925.00	275,000	0.0070	1,925.00	0.00	0.00%	3.69%
	Cost of Power Commodity (kWh)	285,630	0.0604	17,246.09	288,205	0.0604	17,401.58	155.50	0.90%	33.38%
	Sub-Total - Other Charges			**27,606.57**			**49,645.27**	**22,038.69**	**79.83%**	**95.24%**
	GST		5.00%	1,380.33		5.00%	2,482.26	1,101.93	79.83%	4.76%
	TOTAL BILL			**28,986.90**			**52,127.53**	**23,140.63**	**79.83%**	**100.00%**

Sentinel Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	1	1.9800	1.98	1	3.3970	3.40	1.42	71.57%	10.24%
1 Connection	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
180 kWh	Distribution (kW)	1	6.9018	6.90	1	11.8521	11.85	4.95	71.72%	35.74%
	LRAM & SSM Rider (kWh)	1	0.0000	0.00	1	0.000000	0.00	0.00	0.00%	0.00%
1 kW	Regulatory Assets (kW)	1	0.0000	0.00	1	(0.3749)	(0.37)	(0.37)	0.00%	(1.13%)
	Sub-Total - Distribution			**8.88**			**14.87**	**5.99**	**67.47%**	**0.45**
	RTSR - Network	1	1.4639	1.46	1	1.4861	1.49	0.02	1.52%	4.48%
	RTSR - Connection	1	1.3130	1.31	1	1.3483	1.35	0.04	2.69%	4.07%
	Sub-Total - Delivery			**11.66**			**17.71**	**6.05**	**51.89%**	**53.40%**
	Wholesale Market Rate	187	0.0065	1.22	189	0.0065	1.23	0.01	0.90%	3.70%
	RRRP	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
	DRC	180	0.0070	1.26	180	0.0070	1.26	0.00	0.00%	3.80%
	Cost of Power Commodity (kWh)	187	0.0604	11.29	189	0.0604	11.39	0.10	0.90%	34.34%
	Sub-Total - Other Charges			**25.42**			**31.58**	**6.16**	**24.24%**	**95.24%**
	GST		5.00%	1.27		5.00%	1.58	0.31	24.24%	4.76%
	TOTAL BILL			**26.69**			**33.16**	**6.47**	**24.24%**	**100.00%**

Unmetered Scattered

Consumption		2009 BILL			2010 BILL			IMPACT		
1,000 kWh		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
	Monthly Service Charge			21.75			25.67	3.92	100.00%	17.94%
	Distribution (kWh)	1,000	0.0139	13.90	1,000	0.0221	22.10	8.20	58.99%	15.44%
	LRAM & SSM Rider (kWh)	1,000	0.0000	0.00	1,000	0.0024	2.40	2.40	100.00%	1.68%
	Regulatory Assets (kW)	1,000	0.0000	0.00	1,000	0.0003	0.26	0.26	0.00%	0.18%
	Sub-Total - Distribution			**35.65**			**50.42**	**14.77**	**41.44%**	**0.35**
	RTSR - Network	1,039	0.0048	4.99	1,048	0.0049	5.11	0.12	2.44%	3.57%
	RTSR - Connection	1,039	0.0042	4.36	1,048	0.0043	4.52	0.16	3.62%	3.16%
	Sub-Total - Delivery			**45.00**			**60.05**	**15.05**	**33.46%**	**41.97%**
	Wholesale Market Rate	1,039	0.0065	6.75	1,048	0.0065	6.81	0.06	0.90%	4.76%
	RRRP	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
	DRC	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	4.89%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	29.87%
	Cost of Power Commodity (kWh)	289	0.0660	19.05	298	0.0660	19.67	0.62	3.24%	13.75%
	Sub-Total - Other Charges			**120.55**			**136.28**	**15.73**	**13.05%**	**95.24%**
	GST		5.00%	6.03		5.00%	6.81	0.79	13.05%	4.76%
	TOTAL BILL			**126.58**			**143.10**	**16.52**	**13.05%**	**100.00%**

Interrogatory # 12

Ref: Exhibit 3, Table 3-23 &
Exhibit 8, Table 8-1

a) Please reconcile the figure of $782,990 in Table 3-23 with the figure of $825,116 in table 8-1.

Response:

Reconciliation of the figure of $782,990 in Table 3-23 with the figure of $825,116 in table 8-1 is provided in the table below.

Table 3-23 Other Revenue		782,990
Less RSVA Interest	-	31,506
Plus SSS Administration Charge		73,632
Table 8-1 Revenue Offsets		825,116

b) Please explain why RSVA interest is included in Table 3-23 when interest costs or revenues associated with deferral, variance and regulatory asset accounts are not to be included in the other revenue.

Response:

The RSVA interest is included in Table 3-23 in order for the reader to tie Total Other Revenue to NBHDL Financial Statements. The RSVA Interest is not included in other revenue as an offset to the revenue requirement for rate base purposes as demonstrated in the reconciliation provided to part a) of this question.

c) Please explain why accounts 4355 and 4360 appear to be netted out of the other revenue.

Response:

Accounts 4355 and 4360 are netted out of Other Revenue as NBHDL accounts for the gains and losses on disposal of utility and other property in the category of “Other Items” on their financial statements instead of including it in other revenue.

d) Please provide the actual 2009 revenues in the same level of detail as shown in Table 3-23. If actual 2009 figures are not available, please provide the most recent year-to-date figures for 2009 and the corresponding figures for the same period in 2008.

Response:

2009 actual figures are not available at this time therefore October year to date actual figures for 2009 revenues and 2008 revenues in the same level of detail as Table 3-23 are presented in the table below.

USoA	Other Revenue	2009 Oct YTD	2008 Oct YTD
4080b	SSS Administration Charge Revenue		
4225	Late Payment Charges	122,540	108,535
4235	Specific Service Charges	294,583	274,174
4210	Rent from Electric Property	153,312	151,877
4325/4330	Merchandising, Jobbing	(8,982)	4,061
4355	Gain on disposal of property	6,000	1,088
4360	Loss on disposal r property	(718)	-
4375/4380	Revenues from Non-Utility Operations	-	13,065
4375	Affiliate Administration Fee	62,912	46,197
4384	Service Transaction Requests		
4385	Non-Utility Rental Income	(58)	(102)
4390	Miscellaneous Non-Operating Income	3,560	351
4405	Interest & Dividend Income - Affiliate Interest	-	55,540
4405	Interest & Dividend Income - Investments	18,597	70,203
4405	Interest & Dividend Income - Bank Deposit	72,549	269,632
4405	RSVA Interest		
	Other Income and Expenses	153,860	460,035
	Other Revenue	724,295	994,621
4405	Plus RSVA Interest	77,959	202,762
4355	Less Gain on disposal of utility and other property	6,000	1,088
4360	Less Loss on disposal of utility and other property	(718)	-
	Adjustments to Other Distribution Rever	72,677	201,674
	Total Other Revenue as per Financial Statements	796,972	1,196,295

e) Please provide a table for 2006 through 2010 showing actual and forecast figures for accounts 4375 & 4380 (revenues from non-utility operations). Please also provide the most recent year-to-date 2009 (or actual 2009) figures.

Response:

The detail for 2006 through 2010 showing actual and forecasted figures for accounts 4375 & 4380 (revenues from non-utility operations) and October 2009 year to date are provided in the table below as requested.

	2010 Test	2009 Bridge	October YTD 2009	2008 Actual	2007 Actual	2006 Actual
4375-Revenues from Non-Utility Operations	209,000	235,278	301610	185,389	-	-
4380-Expenses of Non-Utility Operations	- 209,000	- 235,278	-301610	- 185,389	-	-
Net	-	-		-	-	-

f) Please confirm the accuracy of the 0.055% interest rate shown at line 14 of page 26. With bank interest of $38,024 for 2010, this would imply an average bank balance of more than $70 million.

Response:

The calculation of the bank interest of $38,025 for 2010 is shown in the table below. The interest is calculated using the monthly forecasted cash balance at a rate of .055%.

Table 3-23 Other Revenue
2010 Interest & Dividend Income - Bank Deposit

	Cash Balance	Interest Rate	Interest
January	5,487,732	0.055%	3,045
February	3,906,154	0.055%	2,167
March	4,068,340	0.055%	2,257
April	4,235,558	0.055%	2,350
May	5,208,093	0.055%	2,889
June	6,475,700	0.055%	3,593
July	6,185,017	0.055%	3,431
August	8,439,971	0.055%	4,682
Sept	7,015,629	0.055%	3,892
October	6,971,405	0.055%	3,868
November	6,167,476	0.055%	3,422
December	4,377,867	0.055%	2,429
Total 2010 Forecast			38,025

g) Please explain the significant reduction shown in 2010 in account 4375 related to the affiliate administration fee.

Response:

Please refer to the Board Staff question #14 for the explanation regarding the significant reduction shown in 2010 in account 4375 related to the affiliate administration fee.

Interrogatory # 13

Ref: Exhibit 4, page 8

The evidence indicates that North Bay Hydro has applied an inflation rate of 2.3% as an adjustment factor where an inflationary increase was appropriate.

a) Please identify the base upon which the inflation rate of 2.3% was applied.

Response:

Where appropriate, NBHDL applied the inflation rate of 2.3% on good and services.

b) Please identify the impact on the revenue requirement of a 50 basis point change in the inflation rate used.

Response:

NBHDL did not apply the inflation rate on a generic basis to a flat, base dollar amount and as such cannot estimate the impact of a 50 basis point change in the inflation rate used using reasonable efforts and within the required timelines.

c) Please provide the impact on the revenue requirement of the 3% increase for union staff on the revenue requirement.

Response:

The impact on the revenue requirement of the 3% increase for union staff is $34,510.45.

d) Please provide the impact on the revenue requirement of the 3% increase for non union staff on the revenue requirement.

Response:

The impact on the revenue requirement of the 3% increase for non union staff is $22,581.41.

Interrogatory # 14

Ref: Exhibit 4, page 9

Please confirm that the new FTE that was added to the CDM department, for which full recovery is anticipated through the Global Adjustment mechanism, has no impact on the 2010 revenue requirement. If this cannot be confirmed, please explain.

Response:

NBHDL confirms that the new FTE that was added to the CDM department, for which full recovery is anticipated through the Global Adjustment mechanism, has no impact on the 2010 revenue requirement.

Interrogatory # 15

Ref: Exhibit 4, Table 4-5

Please provide the actual 2009 costs in the same level of detail as shown in Table 4-5. If actual 2009 figures are not available, please provide the most recent year-to-date figures for 2009 and the corresponding figures for the same period in 2008.

Response:

NBHDL has provided actual 2009 costs up to October 31, 2009 in the same level of detail as shown in Table 4-5 in Appendix “B”. Corresponding figures for the same period in 2008 have also been provided.

Interrogatory # 16

Ref: Exhibit 4, page 24-25

Please explain why North Bay Hydro believes that the costs associated with the $195,000 in account 5415 will be entirely paid for by local distribution customers and that no funding will be available from other sources.

Response:

NBHDL was advised by OEB staff only CDM initiatives would be funded through the Global Adjustment Mechanism and not distribution rates. Other agencies were approached and no funding was obtained.

Interrogatory # 17

Ref: Exhibit 4, page 26

a) **Please confirm that the deferral account noted in relation to IFRS costs should be a variance account since North Bay Hydro is including $25,000 in the 2010 (and subsequent 3 years) revenue requirement.**

Response:

NBHDL confirms that the deferral account noted in relation to IFRS costs should be a variance account since North Bay Hydro is including $25,000 in the 2010 (and subsequent 3 years) revenue requirement.

b) **Will any of the other affiliates benefit from the work being done by North Bay Hydro related to IFRS changes? If so, how have the costs related to the transition to IFRS been allocated to the affiliates?**

Response:

During the initial IFRS review it was determined that North Bay Hydro Services Inc. (NBHS) will not be affected in the same degree as NBHDL. However a portion the IFRS consulting costs has been assigned to NBHS and this amount is not included in this application

Interrogatory # 18

Ref: Exhibit 4, page 27

a) Please explain why the $20,000 in customer information costs related to the conversion of time of use rates has not been included in the costs to be recovered through the smart meter rate rider.

Response:

The $20,000 in customer information costs would cover more than just time of use rates. In general NBHDL believes it must increase its communication activities with customers in areas such as retailers, payment options, winter consumption patterns and explaining the basic bill.

b) These costs would appear to be one-time in nature. Please explain why they have not been amortized over a four year period.

Response:

NBHDL does not believe these costs are one-time in nature. As indicated in the last sentence of the first paragraph on page 27 of Exhibit 4 increased customer communications is a new priority of the business. Increased communications is an ongoing commitment.

c) Please provide actual legal costs incurred in 2006 through 2008, the forecast for 2009 and 2010 and the actual legal costs incurred in 2009.

Response:

Actual legal costs incurred in 2006 through 2008, the forecast for 2009 and 2010 and the actual legal costs incurred in 2009 are shown in the table below.

2010 Test	2009 Forecast	2009 YTD October	2008 Actual	2007 Actual	2006 Actual
43,000	22,640	10,960	44,529	34,043	22,963

Interrogatory # 19

Ref: Exhibit 4, page 53

The evidence indicates a cost of $15,000 related to LEAP.

Are there any other expenses or capital additions related to the implementation of LEAP included in the 2010 revenue requirement? If yes, please identify and quantify these costs.

Response:

Please refer to Board Staff question #8.

Interrogatory # 20

Ref: Exhibit 4, Table 4-8

Does the total cost associated with the 2010 cost of service application include costs associated with an oral (technical conference and/or hearing) component of the rates application? If yes, please provide the amount by component that is associated with an oral component to the application.

Response:

The total cost associated with the 2010 cost of service application does not include costs associated with an oral (technical conference and/or hearing) component of the rates application.

Interrogatory # 21

Ref: Exhibit 4, Table 4-29

a) **Please indicate how the $6,000 shown as miscellaneous tax credits and Ontario tax credits has been calculated.**

Response:

The miscellaneous tax credit was calculated as 2 apprentices at $3,000 each for a total of $6,000. Upon further review this tax credit needs to be revised as stated in 22 a).

b) How many apprentice positions eligible for the apprenticeship training tax credit did North Bay Hydro have at the end of 2009? Please indicate for each year up to 2009, how many new apprentices were added. Please indicate how much such positions are included in the 2010 forecast.

Response:

NBHDL had 3 apprentice positions eligible for the apprenticeship training tax credit at the end of 2009. The table below shows for each year up to 2009, how many new apprentices were added. The 2010 forecast includes 3 apprenticeship positions that qualify for this tax credit.

	2009	2008	2007	2006
New Apprentices	1	1		1

Interrogatory # 22

Ref: Exhibit 4, Table 4-29

The evidence is not clear as to whether or not North Bay Hydro has included any apprenticeship or co-operative education tax credits in the calculation of the regulatory income tax.

a) Please calculate the impact on taxes and on the revenue requirement of including the Apprenticeship Training Tax Credit as modified in the 2009 provincial budget to 35% of qualifying wages to a maximum of $10,000 per position and extending the eligibility period from 36 months to 48 months if these changes have not already been reflected in the calculation of income taxes. Please show the number of positions eligible for the credit and the amount that can be claimed for each in 2010.

Response:

NBHDL had included 2 apprentices at $3,000 each in the tax calculation. As stated above upon further review this amounts needs to be changed as follows. The number of positions eligible for the tax credit and the amount that can be claimed for 2010 is shown in the table below. NBHDL understanding is that this tax credit been revised to a maximum of $5,000 per year to a maximum of $15,000 over the first 48 month period. The impact on taxes and on the revenue requirement for this change will be included in the Board Staff #27 response.

Provincial Apprenticeship Training Tax Credit
Max credit is $5,000/year to Max $15,000 over first 48 months

Apprentice #1	Dec 4 2006	Dec 4 2010	5,000
Apprentice #2	Feb 11 2008	Feb 11 2012	5,000
Apprentice #3	March 22 2009	March 22 2013	5,000
			15,000

b) Has North Bay Hydro included any tax credits related to the Co-operative Education Tax Credit? If not, why not? If not, please provide a calculation that reflects the 2009 provincial budget changes that increased the credit to 25% of qualifying wages to a maximum of $3,000.

Response:

NBHDL had not included any tax credits related to the Co-operative Education Tax Credit since they were unaware of this tax credit at the time of preparing the application. NBHDL had one Co-Operative student that qualifies for the after March 26, 2009 tax credit of 30% for a total of $1,878 in 2009. NBHDL does not have a qualifying Co-operative education student in the 2010 test year forecast.

c) Has North Bay Hydro included the $2,000 federal training tax credit available for the first 24 months for such positions in its tax calculations? If not, why not? Please provide the number of positions eligible for this credit in 2010.

Response:

NBHDL had not included the $2,000 federal training tax credit available for the first 24 months for such positions in its tax calculations. At the time of preparing the application NBHDL was not aware of this tax credit. The number of positions eligible for the tax credit and the amount that can be claimed for 2010 is shown in the table below. The impact on taxes and on the revenue requirement of including this tax credit will be included in the Board Staff #27 response.

Federal Training Tax Credit
Max credit is $2,000 first 24 months

			24 months
Apprentice #1	Dec 4 2006	Dec 4 2010	-
Apprentice #2	Feb 11 2008	Feb 11 2012	2,000
Apprentice #3	March 22 2009	March 22 2013	2,000
Total			4,000

Interrogatory # 23

Ref: Exhibit 4, Table 4-29

a) Please confirm that the 2009 provincial budget reduced the small business tax rate from 5.5% to 4.5% effective July 1, 2010 on the first $500,000 of taxable income and eliminated the 4.25% surtax on taxable income over $500,000, also effective July 1, 2010.

Response:

NBHDL confirms that the 2009 provincial budget reduced the small business tax rate from 5.5% to 4.5% effective July 1, 2010 on the first $500,000 of taxable income and eliminated the 4.25% surtax on taxable income over $500,000, also effective July 1, 2010.

b) Please confirm that the 2010 provincial tax savings resulting from the above change is $18,750, the difference between the following calculations on the first $1,500,000 of taxable income:

* **13% x $1,500,000 = $195,000 and**

* **5% x $500,000 = $25,000**
  13% x $1,000,000 = $130,000
  2.125% x $1,000,000 = $21,250
  Total = $176,250

If these calculations cannot be confirmed, please provide the calculations that show the reduction in the provincial income tax and provide the rationale for the rates and numbers used.

Response:

NBHDL will include an updated tax calculation regarding the reduction in the provincial income tax as part of the Board Staff questions #27.

Interrogatory # 24

Ref: Exhibit 4, Table 4-1 &
Exhibit 6, Table 6-1

Please explain the different figures shown in the two tables referenced above in relation to total OM&A expenses.

Response:

Table 4-1 includes $6,000 in account '6205-Charitable Donations' as part of the total OM&A expenses for 2010. NBHDL did not include these expenses in determining revenue requirement which is summarized in Table 6-1.

Table 4-1 - OM&A Total	5,785,054
Less - Account 6205	- 6,000
Table 6-1 - OM&A Total	5,779,054

Interrogatory # 25

Ref: Exhibit 5

a) Please provide a table showing the calculation of the requested long term debt rate of 6.95% for 2010.

Response:

The table below shows the calculation of the requested weighted average long term debt rate of 6.95% for 2010.

Description	Debt Holder	Affliated with LDC?	Date of Issuance	Principal	Rate%	Interest Cost
Shareholder loan	City of North Bay	Y	March 17, 2003	19,511,601	7.62%	1,486,784
Bank Loan # 1	Infrastructure Ontario	N	September 30, 2009	3,058,824	4.28%	130,918
Bank Loan # 2	Infrastructure Ontario	N	August 30, 2010	2,444,134	4.86%	118,785
Total Debt				25,014,559	6.94%	1,736,487

b) Has North Bay Hydro received the first loan from Infrastructure Ontario referenced in the evidence as $3.5 million to be received in 2009 for a 10 year term at an interest rate of 4.28%? If no, please provide the actual term and rates applicable to any such loan received in 2009.

Response:

NBHDL received $1,911,270 in fiscal 2009 of the Infrastructure Ontario loan that was referenced in the application for 2009. The terms of the loan are $3.5 million, 10 year term, annual interest rate of 3.82% and a construction loan for up to 12 months at an indicative interest rate of .94% calculated on an actual monthly basis.

c) What is the current Infrastructure Ontario rate applicable to the $2.5 million loan to be received in 2010 for a 15 year term?

Response:

The January 13, 2010 lending rate to a Distribution Company from Infrastructure Ontario for a 15 year term is 4.63%.

d) Does the promissory note from the City of North Bay have a variable interest rate or a fixed interest rate?

Response:

The promissory note from the City of North Bay has a fixed interest rate.

e) As of the first week of January, 2010, has North Bay Hydro received any notice from the City that it is calling any or part of the promissory note?

Response:

As of the first week of January, 2010, North Bay Hydro had not received any notice from the City that it was calling any or part of the promissory note.

Interrogatory # 26

Ref: Exhibit 7, Table 7-3 &
Exhibit 8, page 22

a) Please explain why North Bay Hydro is proposing to increase the revenue to cost ratio for the GS 3000-5000 kW class to only 58.1% in 2010 when the total bill impact associated with this increase is only 4%?

Response:

NBHDL has moved the revenue to cost ratio for the GS 3000-5000 kW class consistent with other classes that are below the Board's target range. This is consistent with the Board's Decision for 2008 and 2009 cost of service applicants with regards to the revenue to cost ratio for rate classes that were under the Board's target range.

b) What would be the total bill impact for the GS 3000-5000 kW class if the revenue to cost ratio was increased to 80% in 2010?

Response:

The total bill impact for the GS 3000-5000 kW class if the revenue to cost ratio was increased to 80% in 2010 would be 5.34%. It should be noted that any change in this class would result in a change to the GS>50 kW class. The revised total bill impact on this class would be 2.6% as opposed to 2.87% in the original submission on page 22 of Exhibit 8.

Interrogatory # 27

Ref: Exhibit 8, Table 8-12

a) Please explain why North Bay Hydro has based its total loss factor on only three years of historical data rather than the preferred five years as indicated in the Board's filing requirements.

Response:

The Board filing requirements specify a minimum of three years of data are required for loss factor adjustments. In light of NBHDL's response to Board Staff's Interrogatory 21 (b) data from 2006 through 2008 is the most accurate available for calculation of loss factor adjustments.

b) Please expand Table 8-12 to include data for 2004 and 2005.

Response:

Please see the following table:
.

Table 8-12
Total Loss Factor Calculation

	Description	2004	2005	2006	2007	2008	Total
A1	Hydro One MS#3 and MS#7 (Inputs to Trout Lake TS Delivery Point 105340)				16,148,710		
A2	Difference (Excludes MS#3 and MS#7 above)				578,490,183		
A	"Wholesale" kWh IESO **Without** Losses (Total of Delivery Points 105340 and 100279)			581,595,644	594,638,894	590,931,792	1,767,166,329
B	"Wholesale" kWh for Large Use customer(s)						
C	Net "Wholesale" kWh (A)-(B)			581,595,644	594,638,894	590,931,792	1,767,166,329
D	"Retail" kWh (Distributor)	566,916,803	577,056,180	560,321,499	570,440,203	567,021,540	1,697,783,242
E	"Retail" kWh for Large Use Customer(s)						
F	Net "Retail" kWh (D)-(E)	566,916,803	577,056,180	560,321,499	570,440,203	567,021,540	1,697,783,242
G	Loss Factor [(C)/(F)]			1.037968	1.042421	1.042168	1.040867
H	**Distribution Loss Adjustment Factor (3 year avg.)**						**1.040867**
I	**Supply Facility Loss Factor (3 year avg.)**			1.007165	1.006729	1.006722	**1.006870**
X	Wholesale kWh Delivered to Distributor **With** Losses	601,756,740	606,363,661				
J	**Total Loss Factor (3 Year avg.)**	1.061455	1.050788	1.045405	1.049436	1.049174	**1.048018**
Y	**Total Loss Factor (5 Year avg)**	1.061455	1.050788	1.045405	1.049436	1.049174	**1.051251**

c) Please provide the actual data (or data for the most recent year-to-date period available) in the same level of detail as shown in Table 8-12 for 2009.

Response:

NBHDL has not undertaken the 2009 loss analysis and would caution about only using partial year information to draw conclusions due to seasonality in loads.

Interrogatory # 28

Ref: Exhibit 8, page 21 & Exhibit 9, page 5

Do the rate impact calculations shown in Exhibit 8 reflect the removal of the $0.64 rate rider associated with extraordinary event costs that is scheduled to end April 30, 2010, as referenced in Exhibit 9 at page 5?

Response:

The rate impact calculations shown in Exhibit 8 reflect the removal of the $0.64 rate rider associated with extraordinary event costs that is scheduled to end April 30, 2010.

APPENDIX "A"

NBHDL 2009 Capital Spending Forecast

Project Description	Total Projections - 2009
- Major Betterments -	
Cranberry Rd. - Callander Sewage Lagoons	133,174
College Dr.	73,568
Tackaberry	66,134
McKeown Ave. - Line Rebuild	52,493
Copeland St. - 44 kV Loadbreak Switch	35,277
Asset Management	30,961
Hwy 11 North - Thibeault Hill	18,044
PCB Removals	6,566
Mercer Dr.	6,520
Merick Landfill - 1.6MW Methane Generator Proposal	6,193
Bourke Playgroud	3,473
Ferris Dr. - Goodyear	3,252
NBRHC Generation Project	1,293
Songis - Line Extension	738
Champlain - Shopper's Drug Mart	- 28,391
Switch Transfer - W/O # 309809	- 16,045
Gormanville Rd. - Hwy. # 17 W to MS # 4	- 14,790
Pinewood Park Dr. - Line Extension	- 9,350
- Voltage Conversion -	
Jane - Rebuild	508,203
Timmins / Nipissing - Rebuild	252,111
Philip / Burns / Elizabeth - Rebuild	213,887
Pinegrove / Pinewood - Rebuild	190,703
Norwood - Rebuild	113,430
Clarence (3 Phase Poleline) - Rebuild	85,845
Olive - Rebuild	80,586
Clarence Street (U/G Install) - Rebuild	59,876
Reynold/Vimy - Rebuild	54,755
McPhail - Rebuild	46,925
Tie Across Bypass - MS12-MS4	45,018
King St. W - Rebuild	19,710
Percy - Rebuild	18,105
Reynold/Vimy - Rebuild	15,299
Front - Rebuild	11,213
Jane - Rebuild - MS16 to MS 19 Tie	9,966
Pinewood Conversion - Phase 1~4 NBHDL plant removal	9,274
Chippewa St. - Loadbreak switch installation	6,844
MS#4 Conversion	5,585
Jane - Rebuild - Transformer Change	4,880
Harvey - Rebuild	1,182
Third Ave. - Rebuild	23
- Minor Betterments -	
Customer Demand	145,671
- Porc. Hardware Replacement -	
Porcelain Switch Replacement	37,706
Porcelain Insulator Replacement	2,835
- Primary Services -	
Customer Demand	58,449
- Secondary Services -	
Customer Demand	138,482
- Subdivisions -	
Customer Demand	- 63,175
- Metering -	
Various	79,993
- Transformer Purchases -	
Overhead / Underground	193,610
- Substations -	
MS # 19 Conversion	1,095,811
Miscellaneous Costs	12,950
MS # 8	141,820
- Road Relocations -	
Gormanville - Substation End	1,993
Various	- 74,116
- Pinewood Conversion -	
Civil & Prep	1,458,871
Total Net Distribution Assets	**5,353,428**

NBHDL 2009 Capital Spending Forecast

Project Description	Total Projections - 2009
General Plant:	
Buildings / Fixtures	42,266
Buildings / Fixtures - Engineering Office Upgrade	96,004
Furniture / Equipment	4,441
IT Requirements - Hardware & Software	94,304
ICCP Installation	45,735
SCADA	31,008
Communication Equipment	24,588
Fleet	10,213
Fleet - Truck 39 Replacement - new unit # 38	199,136
Fleet - Truck 31 Replacement - new unit # 31	275,171
Tool Requirements	23,485
Total General Asset Additions	**846,350**
Total 2009 Forecasted Assets	**6,199,779**

Total projections by project are net of contribtued capital
Includes October 31, 2009 YTD Actuals plus 2 months forecast

APPENDIX "B" – Updated February 9, 2010

OM&A Cost Summary

Expense Description	October 2009 YTD	October 2008 YTD
Operation:		
5005-Operation Supervision and Engineering	13,617	252,842
5010-Load Dispatching	53,304	54,297
5012-Station Buildings and Fixtures Expense	14,414	30,506
5014-Transformer Stat. Equip. - Operation Labour	-	-
5015-Transformer Stat. Equip. - Supplies / Expenses	-	-
5016-Distribution Stat. Equip. - Operation Labour	-	-
5017-Distribution Stat. Equip. - Supplies / Expenses	-	-
5020-OH Distribution Lines and Feeders - Labour	402	294
5025-OH Dist. Lines & Feeders - Supplies / Expenses	70	232
5030-OH Subtransmission Feeders - Operation	(12)	373
5035-OH Distribution Transformers- Operation	2,640	-
5040-UG Distribution Lines and Feeders - Labour	79,099	41,746
5045-UG Dist. Lines & Feeders - Supplies / Expenses	7,211	9,179
5050-UG Subtransmission Feeders - Operation	-	-
5055-UG Distribution Transformers - Operation	-	-
5060-Street Lighting and Signal System Expense	-	-
5065-Meter Expense	161,098	134,143
5070-Customer Premises - Operation Labour	241	-
5075-Customer Premises - Materials and Expenses	-	-
5085-Miscellaneous Distribution Expense	252,485	314,274
5090-UG Distribution Lines and Feeders - Rental Paid	-	-
5095-OH Distribution Lines and Feeders - Rental Paid	33,255	46,707
5096-Other Rent	2,275	-
Sub-Total Operation	**620,099**	**884,592**
Maintenance		
5105-Maintenance Supervision and Engineering	-	-
5110-Mtnc of Buildings and Fixtures - Distribution Stations	12,340	22,625
5112-Maintenance of Transformer Station Equipment	-	-
5114-Maintenance of Distribution Station Equipment	74,368	72,272
5120-Maintenance of Poles, Towers and Fixtures	63,974	62,296
5125-Maintenance of Overhead Conductors and Devices	150,537	160,179
5130-Maintenance of Overhead Services	116,713	80,518
5135-Overhead Distribution Lines and Feeders - RoW	198,774	191,802
5145-Maintenance of Underground Conduit	3,235	147
5150-Maintenance of Underground Conductors and Devices	25,525	28,891
5155-Maintenance of Underground Services	106,984	38,436
5160-Maintenance of Line Transformers	54,649	88,318
5165-Maintenance of Street Lighting and Signal Systems	-	-
5170-Sentinel Lights - Labour	-	-
5172-Sentinel Lights - Materials and Expenses	-	-
5175-Maintenance of Meters	12,444	8,706
5178-Customer Installations Expenses - Leased Property	-	-
5195-Mtnc of Other Installations on Customer Premises	-	-
Sub-Total Maintenance	**819,542**	**754,190**

Expense Description	October 2009 YTD	October 2008 YTD
Billing and Collections		
5305-Supervision	-	-
5310-Meter Reading Expense	257,685	221,084
5315-Customer Billing	278,276	414,826
5320-Collecting	170,186	182,090
5325-Collecting- Cash Over and Short	456	(21)
5330-Collection Charges	-	-
5335-Bad Debt Expense	327,996	105,000
5340-Misc. Customer Accounts Expenses	-	20
Sub-Total Billing and Collections	**1,034,597**	**923,000**
Community Relations		
5405-Supervision	-	-
5410-Community Relations - Sundry	-	-
5415-Energy Conservation	3,346	453,682
5420-Community Safety Program	-	-
5425-Misc. Customer Service & Informational Expenses	-	12,772
5505-Supervision	-	-
5510-Demonstrating and Selling Expense	-	-
5515-Advertising Expense	-	-
5520-Miscellaneous Sales Expense	-	-
Sub-Total Community Relations	**3,346**	**466,454**
Administrative and General Expenses		
5610-Management Salaries and Expenses	510,323	459,607
5615-General Administrative Salaries and Expenses	154,174	381,561
5620-Office Supplies and Expenses	1,427	1,058
5625-Administrative Expense Transferred-Credit	-	-
5630-Outside Services Employed	219,746	214,468
5635-Property Insurance	97,686	135,234
5640-Injuries and Damages	-	-
5645-Employee Pensions and Benefits	341,176	337,648
5650-Franchise Requirements	-	-
5655-Regulatory Expenses	108,242	65,858
5660-General Advertising Expenses	9,113	-
5665-Miscellaneous General Expenses	114,131	124,352
5670-Rent	-	-
5675-Maintenance of General Plant	133,218	76,976
5680-Electrical Safety Authority Fees	9,753	10,446
5685-Independent Market Operator Fees & Penalties	-	-
5695-OM&A Contra Account	-	-
6205-Charitable Donations	-	-
6215-Penalties	-	-
Sub-Total Administrative and General Expenses	**1,698,989**	**1,807,208**
Total Operating, Maintenance & Administrative Expenses	**4,176,573**	**4,835,444**