



January 27, 2010

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

Via RESS and Courier

Dear Ms. Walli,

**RE: BRANTFORD POWER INC. REPLY SUBMISSION TO BRANT COUNTY
POWER INC.'S 2010 IRM DISTRIBUTION RATE APPLICATION EB-2009-0258**

Please find attached Brantford Power Inc.'s reply submission to Brant County Power Inc.'s 2010 IRM Distribution Rate Application interrogatories filed on January 6, 2010.

We would be pleased to provide any further information or details that you may require.

Yours truly,

Original signed by

Heather Wyatt, Manager of Regulatory Compliance & Governance, Board Secretary
Brantford Power Inc.

cc.

George Mychailenko, CEO
Nadia Tahir, Regulatory Analyst

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an Application by Brant
County Power Inc. to the Ontario Energy Board for an
Order or Orders approving changes for the rates that Brant
County Power Inc. charges for electricity distribution, to be
effective May 1, 2010 (EB-2009-0258)

REPLY SUBMISSIONS OF BRANTFORD POWER INC.

DELIVERED JANUARY 27, 2010

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Brantford ON N3T 5N8

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TO:

THE ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary
Ontario Energy Board
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2300 Yonge Street
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AND TO:

BRANT COUNTY POWER INC.

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Chief Executive Officer
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1. On December 4, 2009, Brantford Power Inc. (“Brantford Power”) requested intervenor status in Brant County Power Inc.’s (“BCPI’s”) 2010 IRM distribution rate application. Brantford Power is the neighbouring local electricity distribution company to BCPI. Brantford Power is a host distributor in relation to and also an embedded distributor of BCPI and is charged by BCPI for distribution and retail transmission services.
2. Anticipating acceptance of its intervenor status, Brantford Power filed interrogatories in this proceeding on December 10, 2009 and Brantford Power’s intervenor status was acknowledged by Board Staff on December 11, 2009.
3. BCPI submitted its responses to interrogatories from both Board Staff and Brantford Power on January 6, 2010.
4. In its 2010 IRM rate application, BCPI is seeking to dispose of a total balance of approximately \$3.4 million that has accrued in its Deferral and Variance Accounts – BCPI is proposing to return this money to its customers. Of that total amount, approximately \$2 million pertains to Retail Transmission – Network services, and approximately \$1.9 million pertains to Retail Transmission – Connection services. Brantford Power is concerned that in its application, BCPI is proposing to dispose of monies that are owed to Brantford Power for retail transmission services (both Network and Connection) provided to BCPI by Brantford Power through Brantford Power assets. The issue of the amounts owed to Brantford Power by BCPI for several years of retail transmission services (Brantford Power has calculated the outstanding amount to be approximately \$2.1 million as of September 30, 2009, and that amount is growing) is among the matters to be addressed by the Board in EB-2009-0063 – a proceeding relating to a review of the Board’s Decision in Brantford Power’s 2008 forward test year cost of service distribution rate application. That proceeding is currently underway, and is close to completion. It is of critical importance to Brantford Power that no determination be made as to the amounts, if

- any, to be disposed of by BCPI in this IRM proceeding, and the manner of that disposal, before the review proceeding in respect of the Board's Decision in Brantford Power's 2008 EDR Application (EB-2009-0063) is complete and a determination has been made as to the amounts payable directly to Brantford Power by BCPI on account of these services. Any amount that is determined to be payable by BCPI to Brantford Power on account of transmission service will have to be removed from the amounts otherwise available for disposition in the IRM process.
5. Brantford Power notes that in response to Brantford Power's Interrogatory 1, BCPI has confirmed that the amounts recorded in BCPI's Account 1584 – RSVA Network and Account 1586 – RSVA Connection, of which BCPI is seeking to dispose in its 2010 IRM Application, are under dispute in its review motion in respect of the Board's Decision in Brantford Power's 2008 electricity distribution rate application (Board file No. EB-2009-0063), currently before the Ontario Energy Board.
 6. Brantford Power also notes that in response the Board Staff Interrogatory 2a), BCPI has stated

Currently BCP is in the middle of two processes that will impact the variance account balances. The first is the motion before the Board (EB-2009-0063) which will impact both the 1584 RSVA Network & 1586 RSVA Connection accounts. The 2nd is an independent 3rd party rebuild of variance account balances from Jan 1 2005 to Dec 31, 2009. This will ensure that all OEB guidelines have been followed for variance balances and interest calculations.
 7. In response to Board Staff Interrogatory 2b), BCPI has stated

Brant County will need to refile to 2010 IRM deferral Variance Account workform after completion of both issues identified in a) above.
 8. Brantford Power wishes to ensure that no decisions are made in BCPI's 2010 IRM application that would jeopardize Brantford Power's ability to recover the monies

owed to it by BCPI. BCPI has confirmed that amounts recorded in its accounts 1584 (RSVA Network) and 1586 (RSVA Connections) are subject to another proceeding before the Board (EB-2009-0063) that will impact the balances in the account and that BCPI has committed to refile the 2010 IRM Deferral and Variance Account workform.

9. However, BCPI has also advised that the balances recorded in its deferral and variance accounts, which may include accounts 1584 (RSVA Network) and 1586 (RSVA Connections), are subject to an independent 3d party rebuild of those accounts to ensure that all OEB guidelines have been followed. As a result, Brantford Power retains an interest in BCPI's re-filed deferral Variance Account workform and may need to make further submissions in this matter once the workform has been re-filed. Brantford Power respectfully requests that the Board confirm that it will have an opportunity to do so.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 27th DAY OF JANUARY,
2010

BRANTFORD POWER INC.

Original signed by

Heather Wyatt
Manager of Regulatory Compliance and Governance, Board Secretary