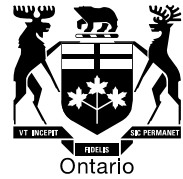


**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL

January 26, 2011

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Brantford Power Inc.
2011 IRM3 Distribution Rate Application
Board Staff Submission
Board File No. EB-2010-0066**

In accordance with the Notice of Application and Written Hearing, please find attached the Board Staff Submission in the above proceeding. Please forward the following to Brantford Power Inc. and to all other registered parties to this proceeding.

In addition please remind Brantford Power Inc. that its Reply Submission is due by February 14, 2011.

Yours truly,

Original Signed By

Kelli Dobson
Analyst, Applications & Regulatory Audit

Encl.



ONTARIO ENERGY BOARD

STAFF SUBMISSION

2011 ELECTRICITY DISTRIBUTION RATES

Brantford Power Inc.

EB-2010-0066

January 26, 2011

**Board Staff Submission
Brantford Power Inc.
2011 IRM3 Rate Application
EB-2010-0066
Dated: January 26, 2011**

Introduction

Brantford Power Inc. (“BPI”) filed an application (the “Application”) with the Ontario Energy Board (the “Board”) on October 29th, 2010 under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the distribution rates that BPI charges for electricity distribution, to be effective May 1, 2011. The Application is based on the 2011 3rd Generation Incentive Regulation Mechanism.

The purpose of this document is to provide the Board with the submissions of Board staff based on its review of the evidence submitted by BPI.

Staff has no concerns with the data supporting the updated Retail Transmission Service Rates proposed by BPI. Pursuant to Guideline G-2008-0001, updated on July 8, 2010, staff notes that the Board will update the applicable data at the time of this Decision based on any available updated Uniform Transmission Rates.

The tax sharing model has been updated on sheet B1.1 Re-Based Bill Det & Rates with the correct rates and reflects the Revenue Requirement Work Form from Board Decision EB-2008-0230. Board staff has no concerns with these adjustments. Staff notes that these adjustments did not change the final tax sharing amount to be returned to customers.

Staff notes that BPI is proposing to maintain its smart meter funding adder at \$2.07 per metered customer per month.

BPI is proposing to dispose of its Group 1 deferral and variance account balances as of December 31, 2009 having exceeded the \$0.001/kWh disposition threshold. The total balance requested for disposition is a credit of \$1,192,282 to be returned to ratepayers over a one-year period. Board staff notes that the principal amounts to be disposed as of December 31, 2009 reconcile with the amounts reported as part of the Reporting and Record-keeping Requirements. BPI’s original deferral and variance account model requested the global adjustment be recovered through the electricity component. In

response to Board staff interrogatory #4, BPI has updated the deferral and variance account model to recover the global adjustment through the delivery component. Staff has no concerns with the balances or recovery methodology proposed.

All of which is respectfully submitted