



February 25, 2011

Ms. K. Walli
Board Secretary
Ontario Energy Board
Suite 2701
2300 Yonge Street
Toronto, Ontario M4P 1E4

Re: Cost Recovery of Late Payment Penalty (LPP) - OEB Generic Hearing EB-2010-0295 – Chapleau Public Utilities Corporation License number 2002-0528.

Dear Ms. Walli;

Please accept this application by Chapleau Public Utilities Corporation for the recovery of costs prudently incurred, by Chapleau PUC, in the outcome of the settlement of litigation before the Ontario Superior Court of Justice for the Late Payment Penalty.

Chapleau PUC currently has an IRM application before the Board, Board File Number EB-2010-0073, and requests that the new rate riders be added to Chapleaus IRM application.

Rate Rider Calculation

Chapleau PUC's share of the class action costs that is approved for recovery, as provided in Appendix A of the Board's Decision, is \$5,314.22. This cost is to be allocated to all customers on the basis of Chapleau's 2009 distribution revenues used in the RRR process and are to be recovered over a 12 month period through a fixed customer charge starting May 1, 2011.

Attached is an excel sheet used to calculate the rate riders using the above information.

The methodology used to develop the rate riders is as follows:



Using Chapleau's 2009 customer class distribution revenues, as reported in the RRR process, determine the percentage share for each customer class to calculate the amount to be recovered from each customer class. The customer class share amounts are divided by the number of customers or connections for each class, as reported in the 2009 RRR process, to determine the annual and monthly rate rider per customer or connection.

The rate riders developed for the recovery of the late payment penalty are:

Customer Class	Rate Rider
Residential	\$0.2584
General Service <50 kW	\$0.5323
General Service >50kW	\$3.3953
Unmetered Scattered Load	\$0.1844
Sentinel Lights	\$0.0321
Street Lights	\$0.0340

Enclosed with this application are two (2) hard copies of the documents used to develop the rate riders for the recovery of the late payment penalty.

These documents have been filed on behalf of Chapleau Public Utilities Corporation.

Sincerely,

Original signed by:

Peter Ioannou
Regulatory Compliance Services

Enclosure

cc: Marita Morin, Chapleau Public Utilities Corporation.
File

Chapleau Public Utilities Corporation

License Number ED-2002-0528

IRM3 Application Number EB-2010-0073

Cost Recovery Of Late Payment Penalty (OEB Hearing EB-2010-0295)**Monthly Rate Rider Calculation**

	TOTAL	Residential	GS <50 kW	GS >50 kW	Unmetered Scattered Ld	Sentinel Lights	Street Lights
2009 Distribution Revenues	\$ 637,143.48	\$ 425,334.95	\$ 124,065.74	\$ 68,388.53	\$ 1,591.70	\$ 1,060.57	\$ 16,701.99
Customer Class Share (%)	100.00%	66.76%	19.47%	10.73%	0.25%	0.17%	2.62%
Recovery Amount As Per Appendix A	\$ 5,314.22	\$ 3,547.59	\$ 1,034.79	\$ 570.41	\$ 13.28	\$ 8.85	\$ 139.31
Number of Customers or Connections		1,144	162	14	6	23	341
Annual Charge per Customer/Connection	\$ 5,314.22	\$ 3.10	\$ 6.39	\$ 40.74	\$ 2.21	\$ 0.38	\$ 0.41
Monthly Rate Rider	\$ 5,314.22	\$ 0.2584	\$ 0.5323	\$ 3.3953	\$ 0.1844	\$ 0.0321	\$ 0.0340