



---

February 28, 2011

Ms. Kirsten Walli  
Ontario Energy Board  
PO Box 2319  
27<sup>th</sup> Floor, 2300 Yonge Street  
Toronto, Ontario M4P 1E4

**Re: Cost Recovery of Late Payment Penalty**  
**Board File No.: EB-2010-0295, EB-2010-0098, EB-2010-0274, EB-2010-0275**

Dear Ms. Walli,

As per the Board's Decision and Order on February 22, 2011, Middlesex Power Distribution Corporation ("MPDC") has calculated the requested rate rider for the purposes of recovery in the above-noted proceeding.

As background, please note that on April 30, 2009, MPDC - Main purchased Newbury Power Inc. and Dutton Hydro in MAAD EB-2008-0350 and MAAD EB-2008-0322, respectively. Accordingly, MPDC - Main's 2009 RRR submission was reported on a combined basis. Specifically, the submission included 12 months of activity for MPDC - Main and 7 months of post-acquisition activity for MPDC - Dutton and MPDC - Newbury.

To facilitate the rate rider calculation and align with the principles used in the current IRM applications, MPDC - Dutton and MPDC - Newbury have used January - April of pre-acquisition activity and May - December post-acquisition activity in the calculation. Please see Attachment 1 for a reconciliation between the activity used in the rate rider calculation and the 2009 RRR submission.

Attachment 2 contains the detailed calculation of the rate rider for MPDC - Main, MPDC - Dutton and MPDC - Newbury.

MPDC - Main (EB-2010-0098), MPDC - Dutton (EB-2010-0274) and MPDC - Newbury (EB-2010-0275) currently have active 2011 IRM rate proceedings before the Board. The intervenor to these proceedings has been copied as evidence of the rate rider calculation.



---

If you have any further questions please do not hesitate to contact David Ferguson at (519) 352-6300, extension 558 or [davidferguson@ckenergy.com](mailto:davidferguson@ckenergy.com).

Regards,

*[Original Signed By]*

Andrya Eagen  
Senior Regulatory Specialist  
Phone: (519) 352-6300 Ext. 243  
Email: [andryaeagen@ckenergy.com](mailto:andryaeagen@ckenergy.com)

CC: Dave Kenney, President of Chatham-Kent Hydro & Middlesex Power Distribution  
Chris Cowell, Chief Financial and Regulatory Officer  
David Ferguson, Director of Regulatory Affairs and Risk Management

## Reconciliation of 2009 RRR Filing to Data used in Rate Rider Calculation

**Chart 1: Number of Customers at December 31, 2009**

Rate Class	MPDC	Dutton	Newbury	Total RRR Filing
Residential	6,305	511	168	6,984
General Service <50	663	86	31	780
General Service >50	91		4	95
Large Use	1			1
Street Lighting Connections	2,250	1	1	2,252
Sentinel Lighting Connections	47	1		48
Sub Transmission	-			-
Scattered Unmetered Load	51			51
<b>TOTAL</b>	<b>9,408</b>	<b>599</b>	<b>204</b>	<b>10,211</b>

**Chart 2: 2009 Distribution Revenue Reconciliation**

Rate Class	MPDC - Main	Dutton			Newbury			Combined CY 2009 Total	Total Per RRR Filing
		Jan-Apr	May-Dec	Total 2009	Jan-Apr	May-Dec	Total 2009		
A	B	C	D	E = C + D	F	G	H = F + G	I = B + E + H	J = B + D + G
Residential	\$2,014,750	\$30,787	\$49,472	\$80,259	\$14,814	\$23,314	\$38,128	\$2,133,137	\$2,087,535
General Service <50	\$257,339	\$10,600	\$17,830	\$28,430	\$4,757	\$7,604	\$12,361	\$298,130	\$282,773
General Service >50	\$341,285			\$0	\$5,875	\$10,994	\$16,870	\$358,154	\$352,279
Large Use	\$27,873			\$0			\$0	\$27,873	\$27,873
Street Lighting Connections	\$6,547	\$570	\$998	\$1,569	\$461	\$818	\$1,279	\$9,394	\$8,363
Sentinel Lighting Connections	\$379	\$5	\$10	\$16			\$0	\$394	\$389
Sub Transmission	\$0			\$0			\$0	\$0	\$0
Scattered Unmetered Load	\$7,091			\$0			\$0	\$7,091	\$7,091
<b>TOTAL</b>	<b>\$2,655,263</b>	<b>\$41,963</b>	<b>\$68,311</b>	<b>\$110,274</b>	<b>\$25,908</b>	<b>\$42,730</b>	<b>\$68,638</b>	<b>\$2,834,174</b>	<b>\$2,766,303</b>

**Notes:**

A) On April 30, 2009, MPDC - Main purchased Newbury Power Inc. and Dutton Hydro in MAAD EB-2008-0350 and MAAD EB-2008-0322, respectively.

B) In Chart 2, Columns B, E & H are used to calculate LPP rate rider.

MPDC - Main Rate Rider for LPP - EB-2010-0295 & EB-2010-0098						
Recovery Amount	Middlesex - Main				\$25,780.68	
Rate Class	No. Customers	Revenue	Revenue expressed as a Percent	Allocation on Revenue	Per Customer Connection (Annual)	Per Customer Connection (Monthly)
A	B	C	D = C / Total C	E = \$25,780.68 * D	F = E / B	G = F / 12
Residential	6,305	\$2,014,750	75.9%	\$19,561.76	\$3.10	\$0.2585
General Service <50	663	\$257,339	9.7%	\$2,498.58	\$3.77	\$0.3140
General Service >50	91	\$341,285	12.9%	\$3,313.63	\$36.41	\$3.0345
Large Use	1	\$27,873	1.0%	\$270.63	\$270.63	\$22.5522
Street Lighting Connections	2,250	\$6,547	0.2%	\$63.56	\$0.03	\$0.0024
Sentinel Lighting Connections	47	\$379	0.0%	\$3.68	\$0.08	\$0.0065
Sub Transmission	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Scattered Unmetered Load	51	\$7,091	0.3%	\$68.85	\$1.35	\$0.1125
<b>TOTAL</b>	<b>9,408</b>	<b>\$2,655,263</b>	<b>100%</b>	<b>\$25,780.68</b>		

MPDC - Dutton Rate Rider for LPP - EB-2010-0295 & EB-2010-0274						
Recovery Amount	Middlesex - Dutton				\$1,254.13	
Rate Class	No. Customers	Revenue	Revenue expressed as a Percent	Allocation on Revenue	Per Customer Connection (Annual)	Per Customer Connection (Monthly)
A	B	C	D = C / Total C	E = \$1,254.13 * D	F = E / B	G = F / 12
Residential	511	\$80,259	72.8%	\$912.77	\$1.79	\$0.1489
General Service <50	86	\$28,430	25.8%	\$323.34	\$3.76	\$0.3133
General Service >50	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Large Use	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Street Lighting Connections	1	\$1,569	1.4%	\$17.84	\$17.84	\$1.4868
Sentinel Lighting Connections	1	\$16	0.0%	\$0.18	\$0.18	\$0.0148
Sub Transmission	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Scattered Unmetered Load	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
<b>TOTAL</b>	<b>599</b>	<b>\$110,274</b>	<b>100%</b>	<b>\$1,254.13</b>		

MPDC - Newbury Rate Rider for LPP - EB-2010-0295 & EB-2010-0274						
Recovery Amount	Middlesex - Newbury				\$556.81	
Rate Class	No. Customers	Revenue	Revenue expressed as a Percent	Allocation on Revenue	Per Customer Connection (Annual)	Per Customer Connection (Monthly)
A	B	C	D = C / Total C	E = \$556.81 * D	F = E / B	G = F / 12
Residential	168	\$38,128	55.5%	\$309.31	\$1.84	\$0.1534
General Service <50	31	\$12,361	18.0%	\$100.28	\$3.23	\$0.2696
General Service >50	4	\$16,870	24.6%	\$136.85	\$34.21	\$2.8511
Large Use	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Street Lighting Connections	1	\$1,279	1.9%	\$10.38	\$10.38	\$0.8646
Sentinel Lighting Connections	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Sub Transmission	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
Scattered Unmetered Load	-	\$0	0.0%	\$0.00	\$0.00	\$0.0000
<b>TOTAL</b>	<b>204</b>	<b>\$68,638</b>	<b>100%</b>	<b>\$556.81</b>		