



March 1, 2011

Kirsten Walli
Board Secretary
Ontario Energy Board,
2300 Yonge St.
Suite 2700, P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Board File Number EB-2010-0295
Proceeding on Recovery of Costs and Damages for Late Payment Penalty
Class Action**

On February 22, 2011, the Ontario Energy Board (the "Board") issued its Decision and Order on its proceeding to determine whether Affected Electricity Distributors should be allowed to recover from their ratepayers the costs and damages incurred in the Late Payment Penalty ("LPP") class action, and if so, the form and timing of such recovery.

Oakville Hydro Electricity Distribution Inc. ("Oakville Hydro") currently has an IRM application before the Board, Board file number EB-2010-0104. As per the Board's Order, Oakville Hydro has calculated the rate riders for the recovery of its share of the LPP costs and damages based on the distribution revenue and customers/connections reported in its 2009 Reporting and Record Keeping Requirements ("RRR") filing. The detailed calculations are attached.

Should there be any questions, please contact me at the number below.

Respectfully Submitted,

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Manager, Regulatory Affairs
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Proposed Late Payment Penalty (LPP) Class Action Rate Riders

Rate Class	Distribution Revenue	% of Total Distribution Revenue	Allocated LPP Class Action Costs	Customers / Connections	Monthly Rate Rider	Monthly Recovery	Total Recovery
Residential	17,558,909	63.123%	162,588.01	56,419	0.2401	13,549.00	162,588.01
General Service < 50 kW	3,985,324	14.327%	36,902.40	4,887	0.6293	3,075.20	36,902.40
General Service > 50 kW	4,935,340	17.742%	45,699.14	855	4.4541	3,808.26	45,699.14
General Service > 1,000 kW	1,099,000	3.951%	10,176.27	18	47.1124	848.02	10,176.27
Street Lighting	118,909	0.427%	1,101.05	16,286	0.0056	91.75	1,101.05
Sentinel Lighting	347	0.001%	3.21	183	0.0015	0.27	3.21
Scattered Unmetered Loads	119,036	0.428%	1,102.22	679	0.1353	91.85	1,102.22
	27,816,864	100.00%	257,572.31			21,464.36	257,572.31

Derivation of Rate Riders

Allocation of LPP Class Action Costs:

Oakville Hydro allocated its share of the LPP Class Action costs of \$257,572.31, as provided in Appendix A to the Board's Decision and Order, to each rate class based upon the percentage of the total distribution revenues used in its 2009 Reporting and Record Keeping Requirements ("RRR") filing.

In its calculations, Oakville Hydro has included the 2009 revenues reported under the Large Use rate class of \$87,407.49 in the General Service > 50 kW rate class. In 2009, Oakville Hydro's only Large Use customer was reclassified to the General Service > 50 kW rate class and Oakville Hydro reported a nil value for the number of customers in the Large Use class in its RRR filing.

Although Oakville Hydro reported its General Service > 50 kW rate class and General Service > 1,000 kW rate class under General Service > 50 kW in its RRR filing, it has calculated a separate rate rider for each of these classes based upon the distribution revenues used in the RRR process.

Calculation of the LPP Rate Rider:

As per the Board's Decision and Order, Oakville Hydro proposes that it recover its share of the amount approved for recovery over a 12 month-period beginning May 1, 2011 through a fixed customer charge for all customers. Oakville Hydro has calculated the monthly rate riders by dividing the LPP Class Action Costs allocated to each rate class by the number of customers or connections reported for each rate class in its 2009 RRR Filing and then dividing by 12.