

February 28, 2011 Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27th Floor Toronto, ON M4P 1E4

By RESS and Courier

Dear Ms. Walli,

## Re: LATE PAYMENT PENALTY CLASS ACTION SETTLEMENT RECOVERY. EB-2010-0295 BRANTFORD POWER INC. LATE PAYMENT PENALTY RATE RIDER. EB-2010-0066

Pursuant to the Ontario Energy Board Decision and Order on the above proceeding, Brantford Power Inc. is submitting an Application for Recovery of the Late Payment Penalty Class Action Costs.

Please contact me if you have any further questions.

Yours Truly,

Original Signed By

George Mychailenko, CEO

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March 1, 2011

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

Dear Ms. Walli:

## RE: LATE PAYMENT PENALTY CLASS ACTION SETTLEMENT RECOVERY. EB-2010-0295 BRANTFORD POWER INC. LATE PAYMENT PENALTY RATE RIDER. EB-2010-0066

In its Decision and Order dated February 22, 2011 in the Late Payment Penalty Class Action Settlement Generic Proceeding, the Ontario Energy Board ("the Board") directed that the costs and damages arising from the Late Payment Penalty class action shall be recovered from all ratepayers of the Affected Electricity Distributors. In the case of Brantford Power Inc. ("BPI"), an Affected Electricity Distributor, the approved amount to the recovered is \$126,681.66.

For the purposes of recovery, the costs and damages shall be allocated to all customers of BPI on the basis of distribution revenues and the distribution revenues used for this purpose shall be the 2009 distribution revenues used in the RRR process. BPI confirms that the total distribution revenue used for the calculation of the Late Payment Penalty ("LPP") rate rider is the 2009 distribution revenue used in the RRR process; the revenue data used is set out in Table 1 – Late Payment Penalty Rate Rider Calculation, below. BPI further advises that at the time that the 2009 RRR filing, BPI had not established an embedded distributor class and revenue for that class, which has three connections, was included in the distribution revenue recoverable from the GS 50 to 4999 kW class. As a result of the Board's decision in the proceeding with its embedded distributor, Brant County Power Inc, [EB-2009-0063; Decision dated August 10, 2010], BPI established an embedded distributor class in 2010 with the resultant new rates applied back to September 2008. For the purposes of this application, the distribution revenue attributable to the new embedded distributor class have been deducted from the GS 50 to 4999 kW class and a rate rider specific to the embedded distributor class has been calculated.

The LPP rate rider shall be a fixed customer charge and for the purposes of the calculation, the Affected Electricity Distributor shall use the 2009 year-end actual customer or connection data as reported in the RRR filings. BPI confirms it has used the total 2009 year-end actual customer or connection data as reported in its RRR filing; the customer or connection data used is set out in Table 1 below. As discussed above in relation to distribution revenues, BPI established an embedded distributor class in 2010 with the new rates applied back to September 2008. For the purposes of this application, the three connections of the embedded distributor have been removed from the GS 50 to 4999kW class and a rate rider specific to the embedded distributor class has been calculated.

The rate rider to be used to recover the subject costs should be established on the basis of a fixed customer charge for all utilities. Under this approach, a distributor shall first allocate the amount it is seeking to recover to each rate class by distribution revenue and then calculate a specific rate rider for each rate class based on the number of customers in that rate class. With respect to the unmetered rate classes, the rate rider shall be based on the number of connections in those rate classes. BPI confirms that it has used this methodology to calculate the LPP rate rider.

Finally, with respect to the duration of the monthly fixed charge rate rider, the Board concluded that for all eligible Affected Electricity Distributors with the exception of THESL, the rate rider shall be calculated so that the full amount to be recovered will be recovered over a 12-month period, starting May 1, 2011. BPI confirms that it has calculated the monthly fixed charge rate rider so that the full amount will be recovered over a 12-month period.

The calculation of the Late Payment Penalty Rate Rider for BPI is set out in Table 1 below.

## TABLE 1

## LATE PAYMENT PENALTY RATE RIDER CALCULATION

Rate Class	Number	Distribution	% of Total	Re	covery	Allocation of Recover	r Fixed Rate Ride
	(A)	Revenue (B)	Revenue (C )	An	nount (D)	Amount E=(C*D)	/Month (F)
Residential	34,089	\$8,301,363	55.42%	\$	126,681.66	\$70,202.80	\$0.17162
GS<50kW	2,721	\$1,405,603	9.38%	\$	126,681.66	\$11,886.87	\$0.36405
GS 50 – 4,999kW	410	\$4,626,484	30.88%	\$	126,681.66	\$39,125.16	\$7.95227
Embedded Distributor	3	\$430,432	2.87%	\$	126,681.66	\$3,640.07	\$101.11292
Street Lighting	9,952	\$113,932	0.76%	\$	126,681.66	\$963.50	\$0.00807
Sentinel Lighting	716	\$20,653	0.14%	\$	126,681.66	\$174.66	\$0.02033
Scattered Unmetered Load	445	\$81,427	0.54%	\$	126,681.66	\$688.61	\$0.12895
Total	48,336	\$14,979,894	100.00%			\$126,681.66	

As BPI currently has an IRM rate application [EB-2010-0066] before the Board, BPI is submitting its detailed calculations outlining the derivation of the rate riders based on the methodology outlined in this decision.

Yours truly

Original Signed By

George Mychailenko CEO