

**Hearst Power Distribution Company Limited**

925 Rue Alexandra Street  
Hearst Ontario

March 3, 2011

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

Dear Ms. Walli:

**Re: Hearst Power Distribution Company Limited's Application for Distribution Rates Effective May 1, 2010 (EB-2009-0266) and Late Payment Penalty Rate Rider (EB-2010-0295)**

Hearst Power Distribution Company Limited hereby files its proposed Late Payment Penalty Settlement Rate Riders in accordance with the Board's Decision and Order (EB-2010-0295); please refer to Attachment A to this letter.

<b>Rate Class</b>	<b>Proposed Monthly Rate Rider</b>	<b>per</b>
Residential	\$0.30	Customer
General Service Less Than 50 kW	\$0.54	Customer
General Service 50 to 1,499 kW	\$5.35	Customer
General Service Intermediate 1,500 to 4	\$26.28	Customer
Sentinel Lighting	\$0.16	Connection
Street Lighting	\$0.02	Connection

Hearst Power Distribution Company Limited proposes to charge its residential customers a rate rider of \$0.30 per customer per month; it is expected to result in an immaterial impact on the total bill.

The Ontario Energy Board (the "Board") issued its Decision and Order, EB-2010-0295, on February 22, 2010. The Board found that the costs and damages authorized

through the April 21, 2010 Minutes of Settlement in the Late Payment Penalty class action are recoverable from electricity distribution ratepayers. Hearst Power Distribution Company Limited has followed the Board's direction on its preferred disposition mechanism. Specifically, Hearst Power Distribution Company Limited has used 2009 actual data to:

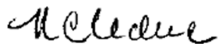
- apportion its Board quantified responsibility to each customer class using distribution revenues; and
- to estimate the monthly rate rider by dividing each class' responsibility by the average number of customers in the class and then dividing that amount by 12.

Hearst Power Distribution Company Limited requests that the Board provide direction on the accounting requirements for the revenues recovered through the operation of the proposed rate riders. Hearst Power Distribution Company Limited submits that it is not necessary to serve or publish notice of the proposed rate riders.

Hearst Power Distribution Company Limited further requests that the Board authorize recording the cost incurred to publish the Boards Notice EB-2010-0295, which amounted to \$2,452, in a Board authorized deferral account.

If you have any questions or concerns with this Final Submission, please do not hesitate to contact Nicole Leduc at (705) 372-2815 or [nleduc@hearstpower.com](mailto:nleduc@hearstpower.com).

Sincerely,



Nicole C. Leduc  
General Manager

Cc: EB-2009-0266 – All Intervenors of Record

Attachments

Name of LDC:     Hearst Power Distribution Company Limited  
OEB Licence Number:     ED-2002-0533  
Calculation of Rate Rider for Late Payment Penalty

Distributor Information

Applicant Name	Hearst Power Distribution Company Limited
OEB Licence Number	ED-2002-0533
Rate Rider for	Late Payment Penalty

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**Name of LDC:     Hearst Power Distribution Company Limited**

**OEB Licence Number:     ED-2002-0533**

**Calculation of Rate Rider for Late Payment Penalty**

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### Sheet Name

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### Purpose of Sheet

Enter LDC Data

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Set Up Rate Classes

Enter Rebased Charge Parameters

Calculate Revenue Allocation

Calculate LPP Rate Rider

**Name of LDC:     Hearst Power Distribution Company Limited****OEB Licence Number:     ED-2002-0533****Calculation of Rate Rider for Late Payment Penalty**

## Rate Class Selection

Rate Group	Rate Class	Fixed Metric	Vol Metric
RES	Residential	Customer	kWh
GSLT50	General Service Less Than 50 kW	Customer	kWh
GSGT50	General Service 50 to 1,499 kW	Customer	kW
GSGT50	General Service Intermediate 1,500 to 4,999 kW	Customer	kW
Sen	Sentinel Lighting	Connection	kW
SL	Street Lighting	Connection	kW
NA	Rate Class 7	NA	NA
NA	Rate Class 8	NA	NA
NA	Rate Class 9	NA	NA
NA	Rate Class 10	NA	NA
NA	Rate Class 11	NA	NA
NA	Rate Class 12	NA	NA
NA	Rate Class 13	NA	NA
NA	Rate Class 14	NA	NA
NA	Rate Class 15	NA	NA
NA	Rate Class 16	NA	NA
NA	Rate Class 17	NA	NA
NA	Rate Class 18	NA	NA
NA	Rate Class 19	NA	NA
NA	Rate Class 20	NA	NA
NA	Rate Class 21	NA	NA
NA	Rate Class 22	NA	NA
NA	Rate Class 23	NA	NA
NA	Rate Class 24	NA	NA
NA	Rate Class 25	NA	NA

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**Name of LDC:      Hearst Power Distribution Company Limited**

**OEB Licence Number:      ED-2002-0533**

**Calculation of Rate Rider for Late Payment Penalty**

## Charge Parameters

Rate Class	Billed Customers or Connections
Residential	2,332
General Service Less Than 50 kW	388
General Service 50 to 1,499 kW	41
General Service Intermediate 1,500 to 4,999 kW	3
Sentinel Lighting	12
Street Lighting	922

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**Name of LDC: Hearst Power Distribution Company Limited**

**OEB Licence Number: ED-2002-0533**

**Calculation of Rate Rider for Late Payment Penalty**

### Calculate Revenue Allocation

Rate Class	Vol Metric	Distribution Revenue \$	Distribution Revenue %
Residential	kWh	458,257	57.28%
General Service Less Than 50 kW	kWh	134,006	16.75%
General Service 50 to 1,499 kW	kW	141,525	17.69%
General Service Intermediate 1,500 to 4,999 kW	kW	50,843	6.35%
Sentinel Lighting	kW	1,231	0.15%
Street Lighting	kW	14,231	1.78%
		<b>800,092</b>	<b>100.00%</b>

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**Name of LDC:   Hearst Power Distribution Company Limited****OEB Licence Number:   ED-2002-0533****Calculation of Rate Rider for Late Payment Penalty**

Amount To Be Recovered	\$14,889.32	A
Start Date	May 1, 2011	
End Date	April 30, 2012	
Number of Months	12	B
Rate Class Selection	All	
Applied to	Fixed	

Rate Class	Fixed Metric	Billed Customers or Connections C	Total Revenue D	Total Revenue F = D / E	Total Amount Allocated For Recovery G = A * F	Rate Rider H = G / C / B	Expected Recovery after rounding I = C * H
Residential	Customer	2,332	458,257	57.28%	8,527.93	\$0.30	\$8,395.20
General Service Less Than 50 kW	Customer	388	134,006	16.75%	2,493.78	\$0.54	\$2,514.24
General Service 50 to 1,499 kW	Customer	41	141,525	17.69%	2,633.70	\$5.35	\$2,632.20
General Service Intermediate 1,500 to 4,999 kW	Customer	3	50,843	6.35%	946.16	\$26.28	\$946.08
Sentinel Lighting	Connection	12	1,231	0.15%	22.91	\$0.16	\$23.04
Street Lighting	Connection	922	14,231	1.78%	264.83	\$0.02	\$221.28
			<u>800,092</u>	<u>100.00%</u>	<u>14,889.32</u>		<u>14,732.04</u>
			E				