BLUEWATER POWER
DISTRIBUTION CORPORATION

P.O. Box 2140
855 Confederation Street
Sarnia, Ontario   N7T 7L6
Tel: (519) 337-8201
Fax: (519) 344-6094

April 11, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board,
P.O. Box 2319
2300 Yonge Street, 27th Floor,
Toronto, Ontario
M4P 1E4

Re: EB-2010-0065, Bluewater Power 2011 IRM Rate Application

Dear Ms. Walli:

Bluewater Power Distribution Corporation ("Bluewater Power") is in receipt of the Decision and Order and Draft Tariff of Rates and Charges dated April 7, 2011.

Bluewater Power seeks to request the utilization of a uniform rate rider for the disposition of the balance in Account 1588 – RSVA Power (sub-account for Global Adjustment) as per sheet G1.1c of the Deferral and Variance Account Workform, rather than the class-specific rate rider endorsed by the Rate Order. Throughout our application and in response to Interrogatories we have proposed a uniform rate rider of $.00256/kWh. We also indicated that, from a bill presentation perspective, we would be prepared to include that rate rider within either the 'delivery' or 'electricity' line item of the bill. That was not meant to indicate that we were abandoning our request for a uniform rate rider, but simply that we could present such a uniform rate rider anywhere on the bill the OEB felt was appropriate.

That position was intended to be made clear in our response to Board Staff Interrogatory 1(a) as follows:

> *Question 1(a) : Please confirm that Bluewater has the capability to apply the Global adjustment sub-account rate rider to the delivery component of the bill.*
>
> *".....Certainly, Bluewater Power would expect to be capable of implementing any disposition approved by the OEB, including the ability to use the uniform proposed rate of $.00256/kWh as indicated on sheet G1.1c of the Deferral and Variance Account Workform and include the calculated rate rider within the delivery component of the bill..."*

There appears to have been a misinterpretation and it may be that the model and Board Staff anticipated distributors to use either the uniform rate and include it within the electricity line item <u>or</u> use the unique rate rider per rate class and include it with the delivery line item. Bluewater Power is proposing to use a combination of the two, which is to use the uniform rate and include it within the delivery line item.

Given the quick turnaround between final rate approval and implementation, we were required to take steps to implement rate design on what we understood to be something that was acceptable. We have fully tested our system and we are ready to implement a uniform rate rider within the delivery line item. We would not be in a position to implement a unique rate rider per rate class given the full dedication of our IT resources and consultants to the implementation of TOU rates.

Bluewater Power hereby requests to use the uniform rate rider of $.00256/kWh as detailed in sheet G1.1c of the Deferral and Variance Account Workform (attached), to dispose of the balance in Account 1588 – RSVA Power (sub-account for Global Adjustment). Whether the rate rider is calculated based solely on kWh (resulting in a uniform rate rider) or based on a combination of kWh and KW (resulting in a unique rate rider per rate class) does not impact the overall disposition amount. For certainty, Bluewater Power is proposing to use the uniform rate rider of $.00256/kWh for all rate classes, and include that rate rider in the 'delivery' line item of customer's bills.

We respectfully request an update to the Draft Tariff of Rates and Charges to include the uniform rate rider within each rate class.
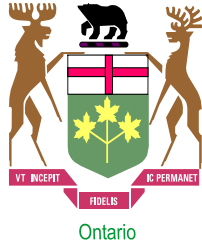
Sincerely,

L. Dugas

Leslie Dugas
Manager of Regulatory Affairs
Bluewater Power Distribution Corporation
Phone: 519-337-8201 Ext 255
Email: ldugas@bluewaterpower.com

Cc via email:

Mr. Michael Buonaguro, mbuonaguro@piac.ca
Mr. Bill Harper, bharper@econalysis.ca

Name of LDC: Bluewater Power Distribution Corporation
File Number: EB-2010-0065
Effective Date: Sunday, May 01, 2011

Ontario

Calculation of Electricity Component Global Adjustment Rate Rider

Rate Rider Recovery Period - Years 　　　　　　　Two

Rate Rider Effective To Date

Tuesday, April 30, 2013

Rate Class	Vol Metric	Non-RPP kWh	Accounts Allocated by Non-RPP kWh	Rate Rider kWh
All Non-RPP Customers	kWh	508,436,971	2,606,090	0.00256
				Enter the above value onto Sheet "XXX" of the 2011 OEB IRM Rate Generator

G1.1c Energy Glob Adj Rt Rider