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Monday, April 11, 2011

Ontario Energy Board P.O. Box 2319, 27<sup>th</sup> Floor 2300 Yonge Street Toronto, ON M4P 1E4

Attention: Kristen Walli, Board Secretary

Dear Ms. Walli:

## Re: North Bay Hydro Distribution Ltd. (EB-2010-0102) Application for 2011 Electricity Distribution Rates Decision and Order – Confirmation of Rate Order and Explanation of Inaccuracies in Final STS model

Further to the Decision and Order of the Ontario Energy Board dated April 7, 2011 in the above-noted matter, please be advised that North Bay Hydro Distribution Ltd. (NBHDL) has reviewed the draft Tariff of Rates and Charges set out in Appendix A.

During the review of the IRM models, NBHDL noted a discrepancy in the final "NorthBay\_STS\_Final" model; the model appears to be grossing up the tax impact of the "PILs" component despite this being reflected in the effective tax rate used. NBHDL respectfully requests that the Board revise the STS model to properly reflect the both the "Total Tax Related Amounts" and the associated estimate future tax savings amounts.

NBHDL recognizes that the discrepancy identified above does not affect the Tariff of Rates and Charges as the company has been ordered to record the tax sharing refund in a variance account. Taking this into account, NBHDL is in agreement with the draft Tariff of Rates and Charges effective May 1, 2011 and confirms that the Tariff is complete and accurate.

Two hard copies of this submission will be sent via courier. An electronic copy of the response in PDF format will be submitted through the Ontario Energy Board's RESS.

An electronic copy of the response in PDF format will be forwarded via email to the Intervenors as follows:

Donald Rennick

a) Donald Rennick, Independent Participant

Vulnerable Energy Consumers Coalition

- a) Michael Buonaguro, Public Interest Advocacy Centre
- b) William Harper, Econalysis Consulting Services Inc.

Yours truly,

Original signed by

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