



CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.
1500 Bishop Street, P.O. Box 1060, Cambridge, ON N1R 5X6
Phone: 519-621-8405, Ext. 2355 Fax: 519-621-0383

May 10, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 26th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Cambridge and North Dumfries Hydro Inc.
Quarterly Report on the Implementation of the New CIS/Billing System
Re: EB-2009-0260**

In accordance with the Board's Decision regarding Cambridge and North Dumfries Hydro Inc. ("CND") 2010 Cost of Service Rate Application (EB-2009-0260), attached please find CND Quarter 1 (January to March) 2012 Report on the implementation of the CIS/Billing system.

Two copies of this letter have been forwarded to your attention via courier.

If you require any further information or clarification, please contact me at (519) 621-8405, ext 2355.

Sincerely,

CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.

A handwritten signature in blue ink, appearing to read "J. Grotheer", with a horizontal line extending to the right.

John W. Grotheer
President and CEO

Cambridge and North Dumfries Hydro Inc.

CIS/Billing System Implementation Report

For Quarter 1 (January to March) 2012

Status of the Project:

The CIS/Billing system implementation progressed well and the go-live date was May 9, 2011.

Capabilities/Functionality of the New Billing System:

To date, we have not discovered any significant capability/functionality limitation with the Harris NorthStar system that has been implemented.

Regulatory Impact:

In the Board's Decision, the revenue allocated to our CIS was contingent upon the system being implemented prior to December 31, 2010.

In accordance with the Board's Decision, the revenue requirement impact plus carrying charges have been recorded in Account 2425, Other Deferred Credits, Sub-account: Over-Recovery of Capital Expenditures. As of March 31, 2012 the balance in this account is a debit, receivable balance \$103,746 as per the attached spreadsheet.

Calculation of Principle and Carrying Charges In Variance Account 2425 to March 31, 2012

Year: 2010	Principle		Approved Interest rate	Interest		Total Variance
	Amount	Cumulative		Monthly	Cumulative	
January	\$0.00	\$0.00	0.55%	\$0.00	\$0.00	\$0.00
February	\$0.00	\$0.00	0.55%	\$0.00	\$0.00	\$0.00
March	\$0.00	\$0.00	0.55%	\$0.00	\$0.00	\$0.00
April	\$0.00	\$0.00	0.55%	\$0.00	\$0.00	\$0.00
May	\$7,214.00	\$7,214.00	0.55%	\$0.00	\$0.00	\$7,214.00
June	\$7,214.00	\$14,428.00	0.55%	\$3.31	\$3.31	\$14,431.31
July	\$7,214.00	\$21,642.00	0.89%	\$10.70	\$14.01	\$21,656.01
August	\$7,214.00	\$28,856.00	0.89%	\$16.05	\$30.06	\$28,886.06
September	\$7,214.00	\$36,070.00	0.89%	\$21.40	\$51.46	\$36,121.46
October	\$7,214.00	\$43,284.00	1.20%	\$36.07	\$87.53	\$43,371.53
November	\$7,214.00	\$50,498.00	1.20%	\$43.28	\$130.81	\$50,628.81
December	\$7,214.00	\$57,712.00	1.20%	\$50.50	\$181.31	\$57,893.31
Year: 2011						
January	\$7,214.00	\$64,926.00	1.47%	\$70.70	\$252.01	\$65,178.01
February	\$7,214.00	\$72,140.00	1.47%	\$79.53	\$331.54	\$72,471.54
March	\$7,214.00	\$79,354.00	1.47%	\$88.37	\$419.91	\$79,773.91
April	\$7,214.00	\$86,568.00	1.47%	\$97.21	\$517.12	\$87,085.12
May	\$1,400.00	\$87,968.00	1.47%	\$106.05	\$623.17	\$88,591.17
June	\$1,400.00	\$89,368.00	1.47%	\$107.76	\$730.93	\$90,098.93
July	\$1,400.00	\$90,768.00	1.47%	\$109.48	\$840.41	\$91,608.41
August	\$1,400.00	\$92,168.00	1.47%	\$111.19	\$951.60	\$93,119.60
September	\$1,400.00	\$93,568.00	1.47%	\$112.91	\$1,064.50	\$94,632.50
October	\$1,400.00	\$94,968.00	1.47%	\$114.62	\$1,179.12	\$96,147.12
November	\$1,400.00	\$96,368.00	1.47%	\$116.34	\$1,295.46	\$97,663.46
December	\$1,400.00	\$97,768.00	1.47%	\$118.05	\$1,413.51	\$99,181.51
Year: 2012						
January	\$1,400.00	\$99,168.00	1.47%	\$119.77	\$1,533.28	\$100,701.28
February	\$1,400.00	\$100,568.00	1.47%	\$121.48	\$1,654.76	\$102,222.76
March	\$1,400.00	\$101,968.00	1.47%	\$123.20	\$1,777.95	\$103,745.95
April	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
May	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
June	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
July	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
August	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
September	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
October	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
November	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95
December	\$0.00	\$101,968.00	0.00%	\$0.00	\$1,777.95	\$103,745.95