

Entegrus Powerlines Inc.

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entegrus.com

June 7, 2012

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

Re: Final Disposition of Account 1562 Deferred Payments in Lieu of Taxes

Rate Zone: Strathroy, Mount Brydges & Parkhill

Board File No.: EB-2012-0098

Dear Ms. Walli,

On March 30, 2012, Entegrus Powerlines Inc. ("Entegrus") filed an application for Final Disposition of Account 1562 Deferred Payments in Lieu of Taxes ("PILs") for the Strathroy, Mt Brydges & Parkhill rate zone. It has come to Entegrus' attention that Attachment 1 to the Application is currently referencing the Chatham-Kent rate zone. Please accept the attached file as replacement to Attachment 1 or page 12 of the Application.

If you have any further questions, please do not hesitate to contact me at the information below.

Sincerely,

[Original Signed By]

Andrya Eagen Senior Regulatory Specialist (519) 352-6300 x243

Email: andrya.eagen@entegrus.com

cc: Dan Charron, President

Chris Cowell, Chief Financial and Regulatory Officer

David Ferguson, Director of Regulatory Affairs and Administration

Board File No.: EB-2012-0098

Proposed Rate Rider

Entegrus has allocated the April 30, 2012 Account 1562 balance to each customer class based on its 2010 billing determinants as filled in its annual RRR, which is consistent with the approach utilized in the 2012 IRM Rate Generator Model – Tab 10. Table 1 below sets out the allocation of the April 30, 2012 Account 1562 balance by each customer class and calculates the proposed Rate Riders for disposition.

Entegrus requests that these rate riders be included in its Tariff of Rates and Charges effective for a one year period commencing November 1, 2012.

The following reasons support Entegrus' request for a one year disposition period commencing November 1, 2012:

- A November 1, 2012 date is proposed to allow sufficient time for the regulatory process for the current Application, since the new distribution rates will be approved in EB-2011-0148 effective for May 1, 2012;
- In terms of the new May 1, 2012 distribution rates, customer rate communications (exclusive of the impact of the proposed PILs rate riders herein), including newspaper advertisements, brochures and letters are already currently in progress for the rate period commencing May 1, 2012;
- Entegrus plans on filing an application for smart meter cost recovery and prudence review in the second quarter of 2012, so the timing of any corresponding rate rider could coincide with a November 1, 2012 date;
- Combining both changes into a November 1, 2012 rate change may alleviate customer confusion by ensuring one coordinated rate change in a relatively short period of time.

Entegrus Inc. - Strathroy, Mt Brydges & Parkhill Table 1: PILs Disposition Rate Rider Calculation

Effective November 1, 2012 to October 31, 2013

PILs Disposition Amount	-\$275,777.17
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Rate Class	Unit	Metered kWh	Metered kW	Distribution Revenue	Allocate to Rate Class	Rate Rider
Residential	\$/kWh	58,904,267	-	\$2,032,894.44	-\$211,330.57	-\$0.0036
General Service <50	\$/kWh	17,998,806	-	\$254,708.06	-\$26,478.30	-\$0.0015
General Service >50	\$/kW	91,846,588	235,476	\$331,410.29	-\$34,451.92	-\$0.1463
Large User	\$/kW	29,034,336	56,098	\$20,593.00	-\$2,140.76	-\$0.0382
Unmetered Scattered Load	\$/kWh	311,683	-	\$6,864.18	-\$713.57	-\$0.0023
Sentinel Lights	\$/kW	42,724	119	\$303.37	-\$31.54	-\$0.2660
Street Lighting	\$/kW	1,458,103	4,316	\$6,065.23	-\$630.51	-\$0.1461
Total		199,596,507	296,009	\$2,652,838.57	-\$275,777.17	