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June 27, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Walli:

RE: COLLUS Power Corp – Smart Meter Deployment Disposition & Recovery Application
Board File No: EB-2012-0017
Response to Decision & Order dated June 21, 2012

COLLUS Power Corp (“COLLUS”) is providing with this letter confirmation of receipt of the Board’s Decision and Order in this matter. The Board required in its’ Decision that COLLUS complete the following:

1. That the Board’s Smart Meter Model be updated to ensure that cost recovery of capital asset costs was not applicable until June 25, 2008 and after. COLLUS has shifted costs that had been recorded into 2007 in the model, into the 2008 area of the model. This results in a change to the Deferred Incremental Revenue Requirement amount from 2008 to Dec 2011 plus interest on OM&A and Amortization to \$979,662 (formerly \$991,521). In addition, the 2012 Smart Meter Incremental Revenue Requirement changes to \$641,122 (formerly \$640,791). The updated Model is submitted with this information filing for consideration by Board staff and the intervenor(VECC).
2. That the resulting per meter per month SMDR amount of (\$0.47) and the SMIRR \$3.34 determined by the model be allocated as per the Board direction. Following the Board’s guidelines of allocating on a cost causality basis the resulting rate riders applied for are:

Residential Meters - SMDR (\$1.51) and SMIRR \$3.59
GS < 50 kW Meters - SMDR \$7.78 and SMIRR \$7.29

The approved allocation process as outlined in the Board's decision includes determining the full year amount and then determining the recovery over a 10 month (July 1/12 to April 30/13) period of time. Also as required in the Decision COLLUS has recalculated the SMDR based on class specific revenues. The revenues from GS>50 kW, the non-participating class have been allocated equally to the participating classes on a metered customer basis. This means the allocation of \$8,000 from the GS > 50 kW class is corrected to be based on a meter ratio between number of Residential meters as compared to GS < 50 kW. The allocation model used to calculate the riders is submitted with this information filing also for consideration.

3. The Board Decision required that COLLUS provide a draft Tariff of Rates and Charges that includes the results of both EB-2011-0161(2012 IRM3 filing) and EB-2012-0017. Enclosed with this information filing is an attachment which is a copy of the draft tariff sheet. It has been updated to indicate an Implementation of approved May 1, 2012 SMDR and SMIRR for July 1, 2012. The latter date is the one allowed for in the Board decision. The updated information also includes an indication that EB-2012-0017 is one of the Application numbers that has resulted in these tariffs and rates. The draft tariff sheets are provided in both excel and word format for consideration.

COLLUS submits that the steps outlined above complete all of the current requirements of the Board regarding their recent decision. As per Item 2 on Page 9 in the Orders section of the decision this information is being provided within 7 days of issuance. Also a copy of this correspondence has been forwarded to VECC for their review. COLLUS is prepared to respond to any inquiries and inform the appropriate parties within the required timelines if necessary.

COLLUS will await further notification from the Board before implementing the proposed rates. If there are any questions please contact the undersigned at your convenience.

Thank you,

T Fryer

Mr. T. (Tim) E. Fryer CMA
Chief Financial Officer
COLLUS Power Corp