



**ENTEGRUS™**

**Disposition of Account 1562 – Deferred PILs**

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Reply Submission  
Rate Zone: Chatham-Kent  
Board File No.: EB-2012-0097  
Date Filed: August 23, 2012

## **Background**

On March 30, 2012, Entegrus Powerlines Inc. (“Entegrus”) filed a stand-alone application on behalf of the former Chatham-Kent Hydro Inc. (“CKH”) for the disposition of Account 1562 – Deferred PILs (“PILs”) with respect to its Chatham-Kent rate territory. In the pre-filed evidence, Entegrus applied to collect from customers a debit balance of \$102,287, consisting of a principal debit amount of \$6,865 plus related carrying charges to April 30, 2012 of \$95,422.

Procedural Order 1 was issued on June 6, 2012, naming Board Staff and Vulnerable Energy Consumers Coalition (“VECC”) with intervenor status.

On July 6, 2012, Board Staff submitted interrogatories to Entegrus and on July 20, 2012, Entegrus filed responses to those interrogatories. VECC did not submit any interrogatories.

As part of its interrogatory responses to Board Staff, Entegrus filed updated SIMPIL models and an updated continuity schedule resulting in a proposed debit balance of \$274,818, consisting of a principal debit amount of \$147,444 plus related carrying charges to April 30, 2012 of a debit amount of \$127,374.

On August 2, 2012, Board Staff filed a submission on the following matters:

1. PILs Rate Slivers used in PILs Recovery Worksheets
2. Billing Determinants used in the PILs Recovery Worksheets
3. Excess Interest True-Up
4. Fixed Asset Transactions
5. Income Tax Rates Used in SIMPIL Models TAXCALC

No submissions were received from VECC.

### **1. PILs Rate Slivers used in PILs Recovery Worksheets**

During the 2001 to 2006 period when PILs rates were in effect, CKH had up to 11 different distribution rates per rate class. However, the billing determinants for that time period are available internally only in aggregate. For this reason, a weighted average approach was utilized to calculate the PILs rates for each rate class. Specifically, a weighted average PILs sliver rate was determined for each rate class and applied to the aggregate billing determinants corresponding to each rate class.

A PDF version of the above calculation was submitted as part of the original Application. In response to Board Staff interrogatory 1a), Entegrus supplied a live Excel version of this calculation.

Board Staff submitted that the recoveries from rates as calculated were reasonable.

Entegrus concurs with Board Staff that the recoveries as calculated are appropriate.

## **2. Billing Determinants used in the PILs Recovery Worksheets**

In interrogatory #1, Board Staff noted that CKH PILs recoveries were lower than expected in comparison to the trend for the majority of distributors. Board Staff also noted a discrepancy with the billing determinants utilized in the Application versus those utilized in the 2006 EDR application.

In response, Entegrus noted that during the preparation of the Application, it had been identified that CKH inadvertently utilized gross billing determinant data (equivalent to wholesale purchases) for rate making purposes in its 2002, 2004 and 2005 rate applications (EB-2002-0090, EB-2004-0022 and EB-2005-0017 respectively). As a result, the consumption billing determinants were overstated for rate making purposes, and distribution rates (including proxy amounts for PILs) were lower than they would have been had the billing determinants net of line losses been used.

Entegrus also provided a schedule<sup>1</sup> detailing the reconciliation of billing determinants utilized in the Application versus the appropriate statistics reported in Schedule 8-17 of CKH's 2010 Cost of Service application (EB-2010-0261), net of losses<sup>2</sup>. Entegrus confirmed that it utilized the actual statistics that were used to bill customers in the revised PILs recovery worksheets filed in its responses. Entegrus further noted that for the Application period, the amount of PILs collected by CKH of \$7.4 million exceeded the amount of PILs proxies in CKH rates of \$7.3 million.

Board Staff submitted that the statistics utilized in the PILs recovery calculation were consistent with the appropriate 2002-2006 historic billing determinant statistics, net of losses, filed in CKH's 2010 cost of service application (EB-2009-0261).

Entegrus concurs with Board Staff that the PILs recovery calculations are consistent with the appropriate 2002-2006 historic billing determinant statistics, net of losses.

## **3. Excess Interest True-Up**

When actual interest expense, as reflected in the financial statements and tax returns, exceeds the maximum deemed interest amount approved by the Board, the excess amount is subject to a claw-back penalty and is shown in the TAXCALC worksheet as an extra deduction in the true-up calculations.

In determining the excess interest true-up variances in the SIMPIL models, the Board approved maximum deemed interest of \$1,654,943 was deducted from actual interest expense. Consistent with the Board's decision for Hydro One Brampton's<sup>3</sup> interest expense used to calculate the interest claw-back variance should not include interest on customer deposits.

In Board Staff's submission, it was requested Entegrus confirm whether CKH had any interest expense, or stand-by charges or fees, on IESO or other prudential letters or lines of credit.

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<sup>1</sup> Entegrus – CK, EB-2012-0097, Interrogatory Responses, Filed July 20, 2012, Attachment A

<sup>2</sup> Chatham-Kent Hydro COS EB-2009-0261, Exhibit 8, Tab 1, Schedule 6, Page 1 of 2, Filed October 5, 2009.

<sup>3</sup> Hydro One Brampton, EB-2011-0174, Board Decision, Filed December 22, 2011, Page 9-10

As noted in the Manager's Summary of the Application<sup>4</sup>, Entegrus confirms that CKH did not have any interest expense, stand-by charges or fees on IESO or other prudential letters or lines of credit. Entegrus therefore submits that no changes are required to the previously submitted models.

#### **4. Fixed Asset Transactions**

In the Application, Entegrus included the true up of gains and losses on the disposal of fixed assets on TAXREC and TAXREC2 tabs.

In interrogatory #2, Board Staff requested an explanation for the proposed true up of fixed asset transactions. In response, Entegrus indicated that it had further reviewed the fixed asset transactions and agreed that the transactions should not true up to ratepayers. Entegrus moved the fixed asset transactions to sheet TAXREC3 and updated the PILs continuity schedule.

Board staff submitted that this treatment of fixed asset transactions in the SIMPIL models was consistent with decisions already made by the Board.

Entegrus concurs with Board Staff that the fixed asset transactions should not true up, consistent with the revised calculations submitted by Entegrus in response to interrogatory #2.

#### **5. Income Rates Used in SIMPIL Models TAXCALC**

In the original Application, Entegrus utilized the maximum income tax rates as shown on page 17 of the Board's Combined Proceeding<sup>5</sup> decision for the purpose of true-up calculations.

Board Staff submitted that the maximum income tax rates were appropriate for CKH.

Entegrus concurs with Board Staff that the maximum income tax rates are appropriate for CKH in this Application.

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<sup>4</sup> Entegrus-CK PILs Application, EB-2012-0097, Manager's Summary, 7-8 of 9

<sup>5</sup> PILs Combined Proceeding, EB-2008-0381, Decision and Order, Filed June 24, 2011

## **Conclusion**

As noted above Entegrus concurs with the submissions made by Board Staff and the disposition of a principal debit amount of \$147,444 plus related carrying charges, to be collected from rate payers over a one-year period commencing November 1, 2012.

As requested by Board Staff, please see Attachment A for an updated PILs continuity schedule in order to extend the interest period from April 30, 2012 to October 31, 2012. This schedule reflects the previously calculated principal balance of \$147,444 plus a revised interest amount of \$128,467 to October 31, 2012, for a total proposed disposition of \$275,911.

Please also see Attachment B for Entegrus' proposed PILs rate riders by rate class effective for one-year commencing November 1, 2012 for the Chatham-Kent rate zone.

All of which is respectfully submitted.

**Attachment A**  
**PILs Continuity Schedule**

Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2001												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,544	\$321,088	\$0
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,544	\$160,544	\$160,544	\$481,632
True-Up Variance Adjustment						\$0							\$0
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$160,544</b>	<b>\$321,088</b>	<b>\$481,632</b>	<b>\$481,632</b>
<b>Interest</b>													
Prescribed Rate										7.25%	7.25%	7.25%	
Days in Month										31	30	31	
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$957	\$0
Carrying Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$957	\$1,977	\$2,934
<b>Closing Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$957</b>	<b>\$2,934</b>	<b>\$2,934</b>

Description	2002												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$481,632	\$606,440	\$731,248	\$689,622	\$647,995	\$606,369	\$558,126	\$516,500	\$474,874	\$433,248	\$391,621	\$349,995	\$481,632
Board Approved PILs Proxy Amts	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$1,497,696
True-Up Variance Adjustment						-\$6,617							-\$6,617
Rate Recoveries	\$0	\$0	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$1,664,343
<b>Closing Balance</b>	<b>\$606,440</b>	<b>\$731,248</b>	<b>\$689,622</b>	<b>\$647,995</b>	<b>\$606,369</b>	<b>\$558,126</b>	<b>\$516,500</b>	<b>\$474,874</b>	<b>\$433,248</b>	<b>\$391,621</b>	<b>\$349,995</b>	<b>\$308,369</b>	<b>\$308,369</b>
<b>Interest</b>													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$2,934	\$5,899	\$9,272	\$13,775	\$17,884	\$21,874	\$25,488	\$28,924	\$32,105	\$34,934	\$37,602	\$39,936	\$2,934
Carrying Charges	\$2,966	\$3,373	\$4,503	\$4,109	\$3,990	\$3,613	\$3,437	\$3,180	\$2,830	\$2,668	\$2,334	\$2,155	\$39,157
<b>Closing Balance</b>	<b>\$5,899</b>	<b>\$9,272</b>	<b>\$13,775</b>	<b>\$17,884</b>	<b>\$21,874</b>	<b>\$25,488</b>	<b>\$28,924</b>	<b>\$32,105</b>	<b>\$34,934</b>	<b>\$37,602</b>	<b>\$39,936</b>	<b>\$42,091</b>	<b>\$42,091</b>

Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2003												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$308,369	\$307,811	\$307,252	\$306,694	\$306,136	\$305,578	\$309,793	\$309,235	\$308,677	\$308,119	\$307,561	\$307,003	\$308,369
Board Approved PILs Proxy Amts	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$1,979,328
True-Up Variance Adjustment						\$4,773							\$4,773
Rate Recoveries	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$1,986,025
<b>Closing Balance</b>	<b>\$307,811</b>	<b>\$307,252</b>	<b>\$306,694</b>	<b>\$306,136</b>	<b>\$305,578</b>	<b>\$309,793</b>	<b>\$309,235</b>	<b>\$308,677</b>	<b>\$308,119</b>	<b>\$307,561</b>	<b>\$307,003</b>	<b>\$306,445</b>	<b>\$306,445</b>
<b>Interest</b>													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	31
Opening Balance	\$42,091	\$43,990	\$45,702	\$47,594	\$49,421	\$51,306	\$53,127	\$55,035	\$56,939	\$58,778	\$60,675	\$62,508	\$42,091
Carrying Charges	\$1,899	\$1,712	\$1,892	\$1,828	\$1,885	\$1,821	\$1,908	\$1,904	\$1,839	\$1,897	\$1,833	\$1,890	\$22,308
<b>Closing Balance</b>	<b>\$43,990</b>	<b>\$45,702</b>	<b>\$47,594</b>	<b>\$49,421</b>	<b>\$51,306</b>	<b>\$53,127</b>	<b>\$55,035</b>	<b>\$56,939</b>	<b>\$58,778</b>	<b>\$60,675</b>	<b>\$62,508</b>	<b>\$64,399</b>	<b>\$64,399</b>

Description	2004												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$306,445	\$275,847	\$245,249	\$214,651	\$233,461	\$252,272	\$218,321	\$237,132	\$255,942	\$274,753	\$293,564	\$312,374	\$306,445
Board Approved PILs Proxy Amts	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$1,618,104
True-Up Variance Adjustment						-\$52,761							-\$52,761
Rate Recoveries	-\$165,440	-\$165,440	-\$165,440	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$1,540,603
<b>Closing Balance</b>	<b>\$275,847</b>	<b>\$245,249</b>	<b>\$214,651</b>	<b>\$233,461</b>	<b>\$252,272</b>	<b>\$218,321</b>	<b>\$237,132</b>	<b>\$255,942</b>	<b>\$274,753</b>	<b>\$293,564</b>	<b>\$312,374</b>	<b>\$331,185</b>	<b>\$331,185</b>
<b>Interest</b>													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31	31
Opening Balance	\$64,399	\$66,285	\$67,874	\$69,385	\$70,664	\$72,101	\$73,604	\$74,949	\$76,409	\$77,934	\$79,626	\$81,375	\$64,399
Carrying Charges	\$1,887	\$1,589	\$1,510	\$1,279	\$1,438	\$1,503	\$1,344	\$1,460	\$1,525	\$1,692	\$1,749	\$1,923	\$18,900
<b>Closing Balance</b>	<b>\$66,285</b>	<b>\$67,874</b>	<b>\$69,385</b>	<b>\$70,664</b>	<b>\$72,101</b>	<b>\$73,604</b>	<b>\$74,949</b>	<b>\$76,409</b>	<b>\$77,934</b>	<b>\$79,626</b>	<b>\$81,375</b>	<b>\$83,299</b>	<b>\$83,299</b>



Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2005												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$331,185	\$337,412	\$343,640	\$349,868	\$344,042	\$338,217	\$173,380	\$167,554	\$161,729	\$155,903	\$150,077	\$144,252	\$331,185
Board Approved PILs Proxy Amts	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$1,660,188
True-Up Variance Adjustment						-\$159,011							-\$159,011
Rate Recoveries	-\$132,121	-\$132,121	-\$132,121	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$1,693,936
<b>Closing Balance</b>	<b>\$337,412</b>	<b>\$343,640</b>	<b>\$349,868</b>	<b>\$344,042</b>	<b>\$338,217</b>	<b>\$173,380</b>	<b>\$167,554</b>	<b>\$161,729</b>	<b>\$155,903</b>	<b>\$150,077</b>	<b>\$144,252</b>	<b>\$138,426</b>	<b>\$138,426</b>
<b>Interest</b>													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$83,299	\$85,338	\$87,214	\$89,330	\$91,415	\$93,534	\$95,549	\$96,617	\$97,648	\$98,612	\$99,572	\$100,466	\$83,299
Carrying Charges	\$2,039	\$1,877	\$2,116	\$2,085	\$2,118	\$2,015	\$1,068	\$1,032	\$964	\$960	\$894	\$888	\$18,056
<b>Closing Balance</b>	<b>\$85,338</b>	<b>\$87,214</b>	<b>\$89,330</b>	<b>\$91,415</b>	<b>\$93,534</b>	<b>\$95,549</b>	<b>\$96,617</b>	<b>\$97,648</b>	<b>\$98,612</b>	<b>\$99,572</b>	<b>\$100,466</b>	<b>\$101,355</b>	<b>\$101,355</b>

Description	2006												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$138,426	\$140,599	\$142,772	\$144,945	\$147,118	\$147,118	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$138,426
Board Approved PILs Proxy Amts	\$142,863	\$142,863	\$142,863	\$142,863	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$571,451
True-Up Variance Adjustment						\$326							
Rate Recoveries	-\$140,690	-\$140,690	-\$140,690	-\$140,690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$562,759
<b>Closing Balance</b>	<b>\$140,599</b>	<b>\$142,772</b>	<b>\$144,945</b>	<b>\$147,118</b>	<b>\$147,118</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,118</b>
<b>Interest</b>													
Prescribed Rate	7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$101,355	\$102,207	\$102,989	\$103,868	\$104,361	\$104,879	\$105,379	\$105,954	\$106,529	\$107,085	\$107,660	\$108,216	\$101,355
Carrying Charges	\$852	\$782	\$879	\$493	\$517	\$501	\$575	\$575	\$556	\$575	\$556	\$575	\$7,436
<b>Closing Balance</b>	<b>\$102,207</b>	<b>\$102,989</b>	<b>\$103,868</b>	<b>\$104,361</b>	<b>\$104,879</b>	<b>\$105,379</b>	<b>\$105,954</b>	<b>\$106,529</b>	<b>\$107,085</b>	<b>\$107,660</b>	<b>\$108,216</b>	<b>\$108,791</b>	<b>\$108,791</b>

Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2007												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$108,791	\$109,366	\$109,885	\$110,460	\$111,016	\$111,591	\$112,147	\$112,722	\$113,296	\$113,853	\$114,496	\$115,119	\$108,791
Carrying Charges	\$575	\$519	\$575	\$556	\$575	\$556	\$575	\$575	\$556	\$644	\$623	\$644	\$6,972
<b>Closing Balance</b>	<b>\$109,366</b>	<b>\$109,885</b>	<b>\$110,460</b>	<b>\$111,016</b>	<b>\$111,591</b>	<b>\$112,147</b>	<b>\$112,722</b>	<b>\$113,296</b>	<b>\$113,853</b>	<b>\$114,496</b>	<b>\$115,119</b>	<b>\$115,763</b>	<b>\$115,763</b>

Description	2008												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$115,763	\$116,407	\$117,009	\$117,652	\$118,147	\$118,658	\$119,152	\$119,572	\$119,991	\$120,397	\$120,817	\$121,223	\$115,763
Carrying Charges	\$644	\$602	\$644	\$494	\$511	\$494	\$420	\$420	\$406	\$420	\$406	\$420	\$5,879
<b>Closing Balance</b>	<b>\$116,407</b>	<b>\$117,009</b>	<b>\$117,652</b>	<b>\$118,147</b>	<b>\$118,658</b>	<b>\$119,152</b>	<b>\$119,572</b>	<b>\$119,991</b>	<b>\$120,397</b>	<b>\$120,817</b>	<b>\$121,223</b>	<b>\$121,642</b>	<b>\$121,642</b>

Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2009												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$121,642	\$121,949	\$122,226	\$122,533	\$122,654	\$122,779	\$122,901	\$122,969	\$123,038	\$123,105	\$123,174	\$123,240	\$121,642
Carrying Charges	\$307	\$277	\$307	\$121	\$125	\$121	\$69	\$69	\$67	\$69	\$67	\$69	\$1,667
<b>Closing Balance</b>	<b>\$121,949</b>	<b>\$122,226</b>	<b>\$122,533</b>	<b>\$122,654</b>	<b>\$122,779</b>	<b>\$122,901</b>	<b>\$122,969</b>	<b>\$123,038</b>	<b>\$123,105</b>	<b>\$123,174</b>	<b>\$123,240</b>	<b>\$123,309</b>	<b>\$123,309</b>

Description	2010												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$123,309	\$123,378	\$123,440	\$123,509	\$123,576	\$123,645	\$123,711	\$123,823	\$123,934	\$124,042	\$124,192	\$124,338	\$123,309
Carrying Charges	\$69	\$62	\$69	\$67	\$69	\$67	\$111	\$111	\$108	\$150	\$145	\$150	\$1,179
<b>Closing Balance</b>	<b>\$123,378</b>	<b>\$123,440</b>	<b>\$123,509</b>	<b>\$123,576</b>	<b>\$123,645</b>	<b>\$123,711</b>	<b>\$123,823</b>	<b>\$123,934</b>	<b>\$124,042</b>	<b>\$124,192</b>	<b>\$124,338</b>	<b>\$124,488</b>	<b>\$124,488</b>

Entegrus Powerlines Inc. - Chatham-Kent

Account 1562 Deferred PILs, EB-2012-0097

Reply Submission, Attachment A

Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2011												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$124,488	\$124,672	\$124,839	\$125,023	\$125,201	\$125,385	\$125,563	\$125,747	\$125,931	\$126,109	\$126,293	\$126,472	\$124,488
Carrying Charges	\$184	\$166	\$184	\$178	\$184	\$178	\$184	\$184	\$178	\$184	\$178	\$184	\$2,167
<b>Closing Balance</b>	<b>\$124,672</b>	<b>\$124,839</b>	<b>\$125,023</b>	<b>\$125,201</b>	<b>\$125,385</b>	<b>\$125,563</b>	<b>\$125,747</b>	<b>\$125,931</b>	<b>\$126,109</b>	<b>\$126,293</b>	<b>\$126,472</b>	<b>\$126,656</b>	<b>\$126,656</b>

Description	2012												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<b>Principal</b>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Balance</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>	<b>\$147,444</b>
<b>Interest</b>													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%			
Days in Month	31	29	31	30	31	30	31	31	30	31			
Opening Balance	\$126,656	\$126,840	\$127,012	\$127,196	\$127,374	\$127,558	\$127,736	\$127,920	\$128,105	\$128,283	\$128,467	\$128,467	\$126,656
Carrying Charges	\$184	\$172	\$184	\$178	\$184	\$178	\$184	\$184	\$178	\$184	\$0	\$0	\$1,811
<b>Closing Balance</b>	<b>\$126,840</b>	<b>\$127,012</b>	<b>\$127,196</b>	<b>\$127,374</b>	<b>\$127,558</b>	<b>\$127,736</b>	<b>\$127,920</b>	<b>\$128,105</b>	<b>\$128,283</b>	<b>\$128,467</b>	<b>\$128,467</b>	<b>\$128,467</b>	<b>\$128,467</b>

<b>GRAND TOTAL</b>														<b>\$275,910.76</b>
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**Attachment B**  
**PILs Rate Rider Calculation**

