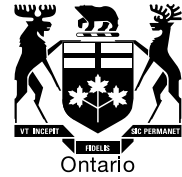


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BY E-MAIL

December 10, 2012

Geoffrey Sutton
Northern Ontario Wires Inc.
153 Sixth Avenue, P.O. Box 640
Cochrane ON P0L 1C0

Dear Mr. Sutton:

**Re: Northern Ontario Wires Inc. ("NOW Inc.")
Application for Rates
Application Board File Number EB-2012-0153**

A preliminary review of the application has identified that certain sections of the evidence supporting the application do not comply with the Board's Filing Requirements¹ for cost of service applications and/or the associated spreadsheets, models and work forms. As a result the Board is unable to process your application at this time.

The missing information includes:

Chapter 2 Filing Requirement Reference (page #)	Description
5	Statement as to when the forecast was prepared and when it was approved by the utility's management and/or Board of Directors for use in the application.
26	All data used to determine the forecasts should be presented and filed in live MS Excel spreadsheet format.
32	Summary of the nature of the product or service from non-affiliated firms and description of the specific methodology used in determining the

¹ Chapter 2 of the *Filing Requirements for Electricity Transmission and Distribution Applications*, dated June 28, 2012 and subsequent Board communications.

	<p>vendor are not included. In addition, for any transactions above the materiality threshold that were procured without a competitive tender, or are not in compliance with the procurement policy, NOW Inc. should provide an explanation as to why this was the case.</p>
34	<p>The capital additions in the UCC/CAA Schedule 8 do not agree with the rate base section for Test year. In Schedule 8 CCA – Test year, the capital additions is \$725,079; however in Exhibit 2/ Tab 3/ Schedule 3 the Fixed Asset Continuity Schedule for 2013 shows the total capital additions of \$1,799,692.</p>
36-37	<p>NOW Inc. has not included a request to dispose of its LRAMVA – Account 1568 balance as of December 31, 2011.</p> <p>As stated in Section 13.4 of the Board’s Guidelines for Electricity Distributor Conservation and Demand Management, April 26, 2012 (EB-2012-0003) and section 2.7.10 – CDM Costs, LRAMVA, Pages 36-37 of the Filing Requirements, at a minimum, distributors must apply for the disposition of the balance in the LRAMVA as part of their COS applications.</p> <p>Please provide the evidence supporting the disposition of your LRAMVA – Account 1568 balance as of December 31, 2011. Please ensure that the evidence comprises the elements listed below.</p> <ul style="list-style-type: none"> i) Full LRAMVA calculations that are based on the final evaluation results for 2011 OPA-Contracted Province-Wide CDM Programs (“OPA Programs”). The LRAMVA calculations are determined by calculating the energy savings by customer class and valuing those energy savings using the distributor’s Board-approved variable distribution charge appropriate to the class; ii) Separate tables for each rate class that shows the LRAMVA amounts requested in association with the final evaluation results for 2011 OPA Programs; iii) A statement that indicates the amount, if any, that NOW Inc.’s last approved load forecast was adjusted to reflect forecasted CDM impacts in association with NOW’s 2011-2014 CDM Targets; iv) Calculations showing the variance, if any, between the CDM component related to the 2011-2014 CDM Targets included in NOW Inc.’s last approved load forecast and the final evaluation results for NOW Inc.’s 2011 OPA Programs; v) A statement indicating that the distributor has relied on the most recent final evaluation report from the OPA in support of its LRAMVA calculation; vi) A statement indicating that the distributor has used the most recent

	<p>input assumptions available at the time of the program evaluation when calculating its LRAMVA amount;</p> <p>vii) Applicable LRAMVA rate riders for all affected rate classes;</p> <p>viii) A statement, and if applicable a table, that indicates if carrying charges are being requested on the LRAMVA amount; and,</p> <p>ix) Documentation of the distributor's final evaluation results for its 2011 OPA Programs.</p>
42	Board approved cost allocation model is provided; however hard copy of sheets I-6, I-8, O-1 and O2 has not been filed.
42	Board approved cost allocation model is provided; however a description of the weighting factors is not provided, including an explanation of why NOW Inc. has chosen to use the default values.
43-44	In Appendix 2-P Table C (Exhibit 7/ Tab 1/Schedule 1/ Attachment 1), the Status Quo and Proposed Revenue-to-Cost ratios do not correspond with the Revenue-to-Cost ratios documented in Exhibit 7/ Tab 2/ Schedule 1/Attachment 1.2, Table 2.
47	Support for the forecast of Low Voltage Charges of \$162,000 is not provided in Exhibit 8/ Tab 3/ Schedule 5.
47	NOW Inc. proposed distribution loss factor is greater than 5%; however details of actions currently planned, and actions taken to reduce losses in previous five years and results have not been provided.

The Board expects that Northern Ontario Wires Inc. will file the above listed required information as soon as possible.

If any of the information that is identified as missing or insufficient is located in sections other than those identified in the Filing Requirements, or if any of the information is not applicable in your circumstances, please provide an explanation when filing the remainder of the required information.

Please direct any questions relating to this application to Silvan Cheung, Advisor at (416) 544-5158 or Silvan.Cheung@ontarioenergyboard.ca.

Yours truly,

Original Signed By

John Pickernell
Assistant Board Secretary