



Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
TORONTO, ON M4P 1E4

February 11, 2013

Attention: Board Secretary

Re: Kenora Hydro Electric Corporation Ltd. (EB-2012-0141) 2013 IRM Application – Reply to Board Staff Submission

Dear Ms. Walli:

Attached please find Kenora Hydro's responses to the Board Staff Submission as received by e-mail on February 11, 2013.

Should you require additional information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Robertson", is written over a light blue horizontal line.

Janice Robertson, CPA, CA
Manager of Finance & Regulatory Affairs
Kenora Hydro Electric Corporation Ltd.
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DISPOSITION OF GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

Kenora Hydro agrees that the Deferral and Variance accounts as submitted should be disposed of on a final basis over a one year period.

REVENUE-TO-COST RATIO ADJUSTMENT

Kenora Hydro agrees that the revenue-to-cost ratio adjustments as filed are in accordance with the Board's decision in Kenora Hydro's 2011 COS proceeding.

LRAM CLAIM

Kenora Hydro agrees that the LRAM claim of \$(2,780) should be disposed of, over a one year period.