

September 18, 2013

Ontario Energy Board
PO Box 2319
2300 Yonge St
Toronto, ON M4P 1E4
Attn: Board Secretary

**RE: Brant County Power Inc. (BCP) – 2014 Annual Incentive Rate Setting (IRS)
Application EB-2013-0113 – Revised Cover Letter / Managers Summary**

OEB Staff have brought to our attention that a couple of pieces of information were not considered within this manager's summary. We are amending the managers summary to include these oversights. I have highlighted the additions in grey and have retained the original text.

Please find attached application for 2014 distribution rates based on Annual IRS rules and guidelines.

Brant County Power is filing:

- Overview / Managers Summary
- Proposed 2014 Rate Schedule – Appendix A
- Annual IRS Model – Appendix B
- Retail Transmission Service Rate Model – Appendix C
- Tax Sharing Model – Appendix D
- Customer Impacts Sheets – Appendix E

Overview of Application

BCP has completed the above models in accordance with OEB guidelines. Please note, that we used the 2013 IRM decision and order as the starting point for this submission. We also utilized Chapter 3 of the "Filing Requirements for Electricity Distributors Rate Applications" dated July 17, 2013 as general guidelines.

IRS Model – Appendix B

Rate Classes and Current Tariff Schedule:

BCP utilized the 2013 approved rate order for our customer classes, descriptions and starting rates for the 2014 IRS model.

Variance Accounts:

BCP received approval for disposition of 2011 balances in the 2013 IRM process. Accordingly we have used 2011 as the starting point for the continuity schedule.

We are proposing to dispose of the Group 1 variance accounts over a 1 year period, the group 1 balances totaling \$806,344 owing to our customers.

Billing Determinants:

BCP has utilized 2012 metered kWh/kW values as these were materially different (over 3%) from the 2011 CoS determinants.

Z-Factor

BCP did not file for a Z-Factor Adjustment as part of the 2014 IRS process.

Tax Changes – Appendix D

BCP has included a completed Tax Sharing Model as part of this application.

As the completed model calculates a total tax change value of \$14,731 and the 50% sharing of totals \$7,365 this value is below the threshold value identified by the OEB and the model. Upon approval of 2014 rates, BCP proposes to move this amount to 1595 for future consideration.

Variance Accounts

BCP has completed the variance account portion of the IRS model as required, please see Appendix B.

LRAM

BCP is not filing for a LRAM as part of this application.

Revenue to Cost Ratios

BCP was not required to adjust revenue to cost ratios.

Retail Transmission Service Rates – Appendix C

BCP has included the completed RTSR model as part of this submission.

If you have any questions regarding this application, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, consisting of several loops and a long horizontal tail.

Ian McKenzie
CFO and Director of Regulatory Affairs