James Sidlofsky
T 416.367.6277
F 416.361.2751
jsidlofsky@blg.com

John A.D. Vellone
T 416.367.6730
F 416.361.2758
jvellone@blg.com

Borden Ladner Gervais LLP
Scotia Plaza, 40 King Street W
Toronto, ON, Canada M5H 3Y4
T 416.367.6000
F 416.367.6749
blg.com

Borden Ladner Gervais

November 1, 2013

Delivered by RESS, Email and Courier

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

Dear Ms. Walli:

Re: EB-2012-0109 – Brantford Power Inc.
Application to the Ontario Energy Board for Electricity Distribution Rates and Charges effective November 1, 2013

We are counsel to Brantford Power Inc. ("**BPI**") with respect to the above-captioned matter. On October 23, 2013 BPI filed its interrogatory responses in respect of the above noted matter and requested that portions of three (3) interrogatory responses be held in confidence by the Board. On October 29, 2013 BPI filed corrections to the interrogatory responses for 2.0 Energy Probe-9, 2.0 SEC-2, 4.0 Energy Probe-21, and 4.0 SEC-12.

BPI has become aware that the letter referenced in the text of BPI's response to 9.0 Board Staff-31(a) was inadvertently omitted from the response. BPI is hereby filing the letter as Attachment U to its interrogatory responses. An updated interrogatory response, with the changes identified by sidebars together with a copy of Attachment U are included with this letter.

Should you have any questions or require further information, please do not hesitate to contact me.

Yours Truly,

BORDEN LADNER GERVAIS LLP

Original Signed by John A.D. Vellone

John A.D. Vellone

cc. Paul Kwasnik, Brantford Power Inc.
Heather Wyatt, Brantford Power Inc.
Parties of record in EB-2012-0109

TOR01: 5375809: v3

EB-2012-0109

BRANTFORD POWER INC.

2013 ELECTRICITY DISTRIBUTION RATE APPLICATION

RESPONSES TO INTERROGATORIES

INDEX

1	Responses to Interrogatories
Attachments	Reference:
A	1.0 SEC 1
B	1.0 Energy Probe-1
C	1.0 Energy Probe-5
D	1.0 Energy Probe-7a
E	1.0 Energy Probe-7b
F	1.0 HVAC-4
G	2.0 Energy Probe-14
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S	1.0 Staff-1
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U	9.0 Staff-31

9.0 Staff-31

Ref: Exhibit 9, Tab 2, Schedule 1, Page 10-11, Account 1582

BPI is seeking recovery of the December 31, 2012 balance in Account 1582 in the amount of $353,252.

BPI states that totals for 2002-2004 would have been included in the 2006 EDR recovered amount in 1580. However, since BPI reallocated these amounts from Account 1580 to Account 1582, BPI reduced future recoveries of Account 1580 balances.

The Board ordered final disposition of all of the BPI deferral and variance account balances in its 2006 EDR, and Accounts 1580 and 1582 were disposed of on a final basis.

a) Did BPI obtain Board approval to reallocate balances from the accounts that were disposed of on final basis?

Response: BPI did not obtain Board approval to reallocate the balances from Account 1580 to Account 1582. However, this matter was identified to Board staff during its audit conducted in 2007. A copy of correspondence received from Board staff dated August 27, 2007 setting out the results of the audit review of regulatory balances is attached as Attachment U to this document. The reallocation of balances is discussed at item 2.3b on page 8.

b) Please confirm that the amount reallocated from Account 1580 to 1582 that was already disposed of on final basis was a debit of $211,246.13 (total of the amounts for the years 2002, 2003, and 2004, shown on page 11)

Response: BPI confirms that the amount reallocated from Account 1580 to 1582 that was already disposed of on final basis was a debit of $211,246.13 (total of the amounts for the years 2002, 2003, and 2004.

c) Please provide alternative rate rider calculations after removing the $211,246.13 and all related carrying charges from Account 1582.

Response: While BPI is of the view that the amounts booked to Account 1582 should be passed through to the ratepayers, BPI has provided the requested alternative rate rider calculations after removing the $211,246.13 and $73,156.05 carrying charges from Account 1582 in the tables below.

Table 9.11: 2013 Deferral and variance Account Rate Rider by Class

Customer Class	Group 1 Variance Accounts	Group 2 Variance Accounts	Total of Accounts 1562 & 1592	Total Variance Accounts	Billing Determinnents Projected 2013 KWh	Billing Determinnents Projected 2013 KW	Recovery Period (Years)	Rate Rider
Residential	$ (1,494,173)	$ 336,334	$ (20,601)	(1,178,440)	280,913,502	-	1	$ (0.0042)
GS<50 kW	$ (518,738)	$ 116,778	$ (7,153)	(409,163)	97,535,297	-	1	$ (0.0042)
GS>50 kW	$ (2,829,579)	$ 636,931	$ (39,014)	(2,231,662)	531,977,718	1,354,270	1	$ (1.6479)
Unmetered Scattered Load	$ (7,738)	$ 1,742	$ (107)	(6,103)	1,454,727	-	1	$ (0.0042)
Sentinel Lighting	$ (2,359)	$ 531	$ (33)	(1,860)	443,490	1,356	1	$ (1.3718)
Street Lighting	$ (40,174)	$ 9,043	$ (553.9)	(31,685)	7,553,004	23,455	1	$ (1.3509)
Total	$ (4,892,811)	$ 1,101,359		(3,858,913)	919,877,738	1,379,081		

Table 9.12: 2013 Non-RPP Global Adjustment Rate Rider by Class

Customer Class	Total Variance Accounts	Projected 2013 Non-RPP KWh	Projected 2013 Non-RPP KW	Recovery Period (Years)	Rate Rider
Residential	$ 65,816	36,518,755	-	1	$ 0.0018
GS<50 kW	$ 17,578	9,753,530	-	1	$ 0.0018
GS>50 kW	$ 709,485	393,663,512	1,002,159	1	$ 0.7080
Unmetered Scattered Load	$ 2,622	1,454,727	-	1	$ 0.0018
Sentinel Lighting	$ 799	443,490	1,356	1	$ 0.5894
Street Lighting	$ 13,612	7,553,004	23,455	1	$ 0.5804
Total	$ 809,913	449,387,018	1,026,971		

ATTACHMENT U

REFERENCE: 9.0 STAFF 31

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone; 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273

Ontario

August 27, 2007

George Mychyailenko
Chief Executive Officer
Brantford Power Inc.
84 Market Street,
Brantford, Ontario N3T 5N8

Dear Mr. Mychyailenko,

Re: Audit Review of Regulatory Accounts and Affiliate Transactions

This letter sets out the results of our recent audit review of Brantford Power Inc. ("BPI") on the matters described below.

This audit review was conducted further to the Board's letter of June 4, 2007. Specifically, the objectives of the review were to assess whether accounting policies and procedures are properly and consistently applied, and to determine if balances as reported to the Board appear plausible. The review focused on regulatory asset and liability accounts in the 1500 and 2400 series of account numbers in the Uniform System of Accounts as well as on accounts involving transactions with affiliates.

The review was conducted in accordance with generally accepted standards for review engagements and consisted primarily of enquiry, analytical procedures and discussion related to information and materials provided by BPI or available to the Board from filings made under the Board's Electricity Reporting and Record Keeping Requirements.

In summary, the review identified some instances where the Board's regulatory accounting requirements were not followed. Except for these instances, which are detailed in Appendix A, nothing has come to our attention that would cause us to believe that regulatory asset and liability accounts in the 1500 and 2400 series of account numbers in the Uniform System of Accounts are not in accordance with the Board's regulatory accounting requirements.

The detailed results of this review and BPI's management response are set out in Appendix A. Reporting reliability, in particular quarterly reporting reliability, will be enhanced when the review recommendations are implemented.

As indicated in the Board's letter of June 4, 2007, the results of this review and associated documentation will be provided to other Board staff to assist them in their review and analysis of your forward test year application, and may ultimately be used as evidence in the hearing of your application.

No statutory power of decision has been delegated to me, and the views expressed in this letter are not binding on the Board.

Thank you very much for the support and assistance provided to the audit team and the ideas that you provided for enhancing distributor accounting/reporting activities. Do not hesitate to contact me should you have any questions.

Yours truly,

Original Signed by Bill Cowan

Bill Cowan, P.Eng., C.A.
Chief Regulatory Auditor
Phone: (416) 440-7648
Bill.cowan@oeb.gov.on.ca

cc. Dave Mathews, Chairman of the Board
Brian G. D'Amboise, CFO
Heather Wyatt, Manager of Regulatory Compliance and Governance

Attach.

DETAILED OBSERVATIONS – Regulatory Accounts

1. Observations – General:

1.1 Sub-Accounts

Regulatory asset general ledger accounts do not currently contain sub accounts. For example:

- CDM accounts in the GL do not have separate sub accounts to track the spending by major activities or initiatives, and for capital and non-capital expenditures. Also, the GL does not track CDM amounts by the source of funding (e.g. MARR, incremental).

  Basis: Letter dated October 29, 2004 issued by the Board regarding CDM Account 1565. Board File No. RP-2004-0203

- There are no sub accounts to segregate costs and revenues into various categories within the Smart Meter account.

  Basis: Letter dated June 13, 2006 issued by the Board regarding Smart Meters Accounting Matters arising from the Board's 2006 EDR Decision on Common or Generic Issues. Board File No. EB-2006-0136

Recommendation: Brantford Power should use sub accounts within the regulatory accounts to properly track the various sub-categories as required by the Board.

Management Response:

The current general ledger in use by BPI has not provided for the use of any sub-accounts. As a result, BPI has accomplished the information requirements for sub-accounts by tracking the details in subledger spreadsheets or by disaggregating general ledger accounts to the desired detail at the time particular reporting is required. Management will review the Financial Information System's capabilities to determine if sub accounts can be implemented. If this is the case, BPI will establish the necessary sub accounts.

1.2 Interest Expense

Regulatory asset accounts do not have sub accounts for interest (carrying charges). However, the staff does have an Excel spreadsheet where they track carrying charges. Interest revenue is not recorded separately from interest expense; instead they are netted as interest revenue.

Basis:

- Electricity Distribution Rate Handbook issued November 3, 2000 (Revision 1.0)
- Article 490, APH
- Appendix B to the Letter dated November 28, 2006 issued by the Board on Approval of Accounting Interest Rates Methodology for Regulatory Accounts. Board File No. EB-2006-0117

Recommendation: Brantford Power should record the carrying charges in a separate sub-account within each regulatory account, as required by the Board.

Management Response:

Same response as 1.2, above.

1.3 Tier II Adjustment

The distributor had a Tier II adjustment in their 2006 rates for certain capital expenditures. The project is now complete and the distributor spent less than the amount that was allowed in their rates.

Recommendation: The distributor should highlight the underspending in their 2008 rate application.

Management Response:

Brantford Power concurs with the recommendation and notes that of the amount of $1,404,500 approved in its 2006 rates application, $702,250 was added to its asset base through the application of the ½ year rule. Brantford Power will highlight the under spending from the initial estimate in its 2008 rate application.

1.4 Accrual versus Cash Accounting

Brantford Power uses the accrual method for recording regulatory assets, but the cash method when applying carrying charges. Rather, a consistent basis should be used for both the underlying regulatory assets and the carrying charges.

Basis:

- December 9, 2004 Decision with Reasons – Recovery of Regulatory Assets – Phase 2 – Section 2.0.23

Recommendation: The distributor should follow either the accrual or cash approach for both the recording of the regulatory assets, as well as carrying charges. The approach, once selected, should be followed for all regulatory asset accounts and throughout the life of the assets.

Management Response:

Management believes that its current approach is entirely consistent with the original procedures outlined in the Accounting Procedures Handbook Article 490. This is the case for the following reasons:

- Entry Number 6 of Article 490 – indicates the following "it should be noted that in closing the accounts for the fiscal period the utility will normally accrue for all related revenues and expenses. While these accruals will be reversed in the new fiscal period, it is important to ensure that the carrying charges for the first month of the new period are calculated on what would be the RSVA opening balance prior to any year end accrued revenues and expenses. This is because the purpose of the carrying charge is to provide a return on the net cash flows rather than on the accrued revenues and expenses"
- The underlying implication of the above noted instruction is this entry needs to be prepared at year-end. Since BPI prepares interim financial statements on a monthly basis, the same entry is required any time an entity closes a fiscal period. This ensures that the Company does not reflect a profit or loss on the commodity related transactions on its income statement. The only way to remove the impact of pass through commodity transactions is to fully accrue for them on a monthly basis. Management believes this approach is absolutely consistent with the intent and instructions outlined in Article 490 and further, is totally consistent with the generally accepted accounting principle for "matching of revenues and expenses;
- Given that the original handbook explicitly allows for the recording of interest charges on a cash basis and prescribes the accrual method for the fiscal year end, the booking and reversal of the monthly accruals results in the same impact as booking and reversing of the annual accrual entry identified as Entry 6,
- The Board Findings in the regulatory asset decision stated on 2.0.23 that "The Board therefore will accept either approach". Management believes this decision allows for adoption of the complete accrual method vs. the method

prescribed in the Accounting Procedures Handbook where the interest is calculated on the cash basis and the other transactions are recorded as outlined for Entry 6;

- Management believes the cash method observations by the OEB in its regulatory asset decision were only intended to apply to carrying charge methodology and not to all transactions. To ignore the accruals as suggested would prevent the income accounts from ever reflecting the pass through of commodity and related costs as the timing differences relating to unbilled revenue would not be recognized
- The auditor's recommendations suggest that Management eliminate the accrual transactions on the regulatory asset accounts. Since the other side of these entries impact the commodity and other related pass through revenues and expenses, Management requests clarification on how the distributor is to accomplish the break-even position on commodity, transmission and wholesale market service charge revenues and expense accounts also prescribed in Article 490.

Regulatory Audit Further Comment:

The recent Accounting Procedures Handbook revision, issued July 31, 2007, provides further clarification of this issue. Page 10 of Article 490 states that the billed method (or cash method) may be used. The billed method is the basis of the RSVA accounting procedures when this Article was original issued. Where the billed method is used, monthly carrying charges are calculated on the billed/cash balances.

Alternatively, however, a distributor may elect to use the accrual method. Where the accrual method is used, monthly carrying charges are calculated on the accrued balances (i.e., not on a billed/cash basis). The method chosen by the distributor shall be consistently applied on an ongoing basis to all RSVAs.

The Board is not recommending a specific method. If there is a concern that the pass through of the commodity and related costs be more precisely matched, then BPI may choose to use the accrual method. While the cash method may not give precise matching of costs to a specific time period, matching will be achieved over a longer time period.

2. Observations – Specific Regulatory Accounts:

2.1 Account 1550 – LV Variance Account

In 2006 EDR decision, Brantford Power was given LV rate adjustment effective May 1, 2006. However, the distributor had purchased the line from H1 in October 2005, and no longer incurred these costs. As a result of the decision, Brantford Power has been collecting LV charges in their rates, and had a balance of approximately $68,000 credit in account 1550 as of December 2006. This amount includes interest improvement amounts.

Recommendations: Brantford Power should:

- Include the LV credit to be dispositioned (credited back to their customers) in the 2008 rate rebasing application; and
- Highlight the fact in the 2008 rate application, that they no longer incur these LV charges and inform the Board that they no longer need this in rates.

Management Response:

Brantford Power concurs with the recommendation and will include the LV credit to be credited back to its customers in the 2008 rate rebasing application and highlight the fact in the 2008 rate application, that they no longer incur these LV charges and inform the Board that they no longer need this in rates.

2.2 Accounts 1565 & 1566 – CDM

a) No carrying charges were applied on CDM spending. However, the impact is immaterial.

Basis: Letter dated October 29, 2004 issued by the Board regarding CDM Account 1565. Board File No. RP-2004-0203 (per Board guidance, carrying charges were to be applied to February 28, 2005).

Recommendation: None, as the amount is not material.

b) CDM spending per the GL for 2005 and 2006 does not match the CDM annual report for MARR funding. It varies by 6%.

Recommendation: Brantford Power should take steps to ensure that all information filed with the Board is accurate.

Management Response:

Management agrees with the recommendations. Procedures will be implemented to ensure amounts in filings reflect the values in the General Ledger.

2.3 Account 1590 – Recoveries

a) In the 2006 rate decision, the Board approved the recovery of certain regulatory assets on the books of Brantford Power, on a final basis. As of the date of this review, the distributor had not moved these balances into account 1590. However, Brantford Power staff has indicated that they are currently in the process of moving these regulatory assets into account 1590, and this move will be effective January 1, 2007.

Basis: Not in accordance with November 28, 2006 letter issued by the Board.

Recommendation: Brantford Power should complete the necessary entries into their books of accounts, i.e. move the approved amounts of the specific regulatory assets into the recoveries account 1590.

Management Response:

Management initiated a detailed review of its regulatory assets accounting practices during 2005. This review was not completed until 2006 following the submission of the EDR 2006 rate submission. As the Company decided to change auditors for the 2006 fiscal year, Management decided to leave the recoveries in 1590 pending the review of all regulatory asset accounting balances and related practices by the new auditors to avoid the intermingling of various regulatory asset accounts.

Management reclassified these closed accounts in the RRR to be consistent with the rate order. With the auditors validation of the accounts now complete, Management has completed the transfer of the necessary amounts in accordance with the instructions received.

b) Brantford Power changed the balances in certain regulatory assets subsequent to Board approval for their final disposition in 2006 EDR decision.

In addition, Brantford Power reclassified certain balances from non-RSVA regulatory asset account to RSVA accounts subsequent to Board approval for their final disposition in 2006 EDR decision. Balances within the RSVA accounts were also changed.

As a result of recommendations made by their consultants in a report dated July 18, 2005, Brantford Power changed their methodology for calculating carrying charges on the regulatory accounts. This resulted in the interest portion of the regulatory assets that had already been ordered to be recovered to be higher by approximately $718K. This information was available to the distributor before the decision was made final on April 12, 2006, but was not provided to the Board.

The distributor should have provided updated information to the Board, as it became available.

Recommendations:

- As part of the distributor's upcoming rate application for 2008, Brantford Power should submit all regulatory asset accounts, which were previously approved, but subsequently adjusted. The submission of these accounts for balances as of December 31, 2004 should reflect the new balances including all adjusting entries and interest corrections.
- A detailed explanation should be provided in the rate application outlining the reasons for and the nature of the changes.
- The request for the approval of the new account balances should be outlined in the Manager's Summary section of the application.
- Once the 2008 rate application has been approved, the new approved amounts for the accounts should be moved from the specific regulatory assets to the recoveries account 1590.

Management Response:

Brantford Power concurs with the recommendations and will

- Submit all regulatory asset accounts, which were previously approved, but subsequently adjusted; the submission of these accounts for balances as of December 31, 2004 would reflect the new balances including all adjusting entries and interest corrections.
- Provide a detailed explanation in the rate application outlining the reasons for and the nature of the changes.
- Outline the request for the approval of the new account balances in the Manager's Summary section of the application.
- Once the 2008 rate application has been approved, the new approved amounts for the accounts would be moved from the specific regulatory assets to the recoveries account 1590.

2.4 RCVA and RSVA Regulatory Accounts

At period-end, the comparison of the revenue accounts to the expense accounts results in a journal entry which debits or credits expense, for RSVA accounts, and debits or credits revenue, for RCVA accounts, with an offsetting entry to the related RSVA or RCVA accounts. Instead, at period-end, the comparison of the revenue accounts to the expense accounts should result in a journal entry, which reduces the higher of the revenue or expense account, with an offsetting entry to the related RSVA or RCVA accounts.

Basis: Article 490, Accounting Procedures Handbook

Recommendation: The distributor should follow Article 490 of the APH.

Management Response:

Management agrees with the auditor observations and will implement this requirement.

Management believes the OEB should consider amending this requirement with the next update of the APH. It is Management's view that the purpose of these accounts was to track the revenue surplus or deficiency with respect to various pass through transactions. If the distributor applies the current direction, costs or revenues may need to be adjusted from time to time. As a result, neither the revenue accounts nor the expense accounts reflect the true accumulation of transactions as both sets may have been netted with periodic variances.

Management believes improved information can be achieved if the expense accounts always reflect the actual cost of those transactions as evidenced by third party invoices or internal cost allocations. Using this approach, the trend and comparative figures for the expenses year over year and between distributor's will be transparent. By limiting variance adjustments to the revenue accounts, it would be much simpler to identify the annual and cumulative amount of revenue surplus or deficiencies as a percentage of gross costs as no variance offsets would have been recorded in the expenses.

2.5 Account 1588

The 1588 regulatory asset account has a $1.9 million debit that represents underlying cost of power that has not been paid out to the IESO to date. This represents a true-up adjustment performed at year-end which represents the correction of previously incorrect signs posted to Form 1598 (debits posted as credits and vice versa) and differences between estimated and actual consumption. Management plans to pay this amount in August 2007.

Recommendations:

- Brantford Power should take the necessary steps to pay the amount owing to the IESO.
- In the event that the amount owing to the IESO is still outstanding at the time of the 2008 rate filing, Brantford Power should provide a detailed explanation in their rate application outlining the reasons for and the nature of the previously unpaid IESO amount. The distributor should also provide a description of the actions it has taken to pay the amount owing to the IESO (e.g. filing the necessary paperwork with the IESO).

Management Response:

Management identified a significant liability at the time the initial true up calculations were completed. As a result of the materiality of the amount and turnover in staff involved with the related business processes, Management directed staff to undertake a full retroactive review of all transactions impacting this true up calculation to validate this liability.

This retroactive validation was performed during the fall of 2006 into early 2007. Following this staff review, Management engaged the Company's auditors to review the corrected practices and validate the liability. Management expects to return these excess funds shortly following the review of a staff report summarizing the circumstances, which resulted in the accumulation of this liability.

Management expects to have this amount remitted prior to the 2008 rate filing.

2.6 Account 1571, Pre Market Opening Energy Variance

Carrying charges totaling $75K have been recorded for Account 1571 from May 1, 2006. This should not have occurred.

Basis: Not in accordance with Appendix B, November 28, 2006 OEB letter to distributors.

Recommendation: All carrying charges recorded after May 1, 2006 should be taken out of Account 1571.

Management Response:

Management agrees with the recommendation. It is important to note that there was no material deviation to the total carrying charges as a result of BPI's approach. This is the case as any carrying charges calculated in this account were substantially offset by the carrying charge liability calculated in Account 1590 as discussed in item 2.3 above. The adjustments to this account has been completed as requested.

2.7 Reporting & Record Keeping Requirements (RRR) Section 2.1.1

Quarterly RRR data under S.2.1.1 does not balance with the GL (RRR 2.1.7 report) at year end for 2005 and 2006. [Appendix B]

Basis: Data in both reports are sourced from the same database and should be the same.

Recommendation: Ensure that future RRR filings reflect the correct balances.

Management Response:

Management agrees with the recommendations. Procedures will be implemented to ensure amounts in filings reflect the values in the General Ledger. Management agrees with the recommendation.

2.8 Global Adjustment Sub-Account

The balance in the December 31, 2006 trial balance for account 1588 does not agree with the quarterly filing for account 1588 (control account).

Basis: Data in both reports are sourced from the same database and should be the same.

Recommendation: Quarterly reporting of the 1588 (control account) and the 1588 (global adjustment sub-account) should be booked in accordance with guidance set out in the Board's letter dated February 15, 2005.

Management Response:

Management agrees with the recommendations. Procedures will be implemented to ensure amounts in filings reflect the values in the General Ledger. Management agrees with the recommendation.

BPI's MANAGEMENT RESPONSE – In General:

BPI is committed to ensuring that the Company meets the OEB's requirements. The Company has taken various measures to ensure this on going compliance. In particular, the Company has increased regulatory and accounting staff and also initiated further compliance due diligence by engaging independent consultants and auditors to review particular accounting practices.

Management believes the distributor compliance activities could be enhanced if:

- The OEB provided timely guidance on new requirements. In some cases the guidance is issued after the affected transactions need to be recorded;
- The OEB's Accounting Procedures Handbook and related guidance provides a good conceptual basis for prescribed procedures. In some circumstances, it does not appear that sufficient consideration have been given to the implementation and operational issues related to such pronouncements.

  BPI believes it would improve distributor compliance if the OEB were to consult more with a representative group of distributor accounting professionals, perhaps through the EDA's Finance and Corporate Issues Council. Management believes such consultation would provide the OEB with practical feedback on the implications of proposed accounting changes and also raise any implementation or interpretation issues, which may need to be addressed prior to the release of any new pronouncements. This approach was used by the OEB when drafting the original Accounting Procedures Handbook and resulted in significant improvements being incorporated prior to its final release;
- Accounting instructions are provided in varied ways including, Board decisions, Q & A's, Handbook amendments or OEB letters. The ability for any distributor to be compliant is made more challenging, as an distributor can never be sure that all of the new requirements have been identified. BPI Management believes this could be improved by implementing on or more of the following suggestions:
  a) Create a specific area of the OEB's website that specifically tracks all changes to the accounting requirements regardless of the source document initiating the new requirement;
  b) Include a new section of the APH for Interim Bulletins dealing with emerging accounting issues or other accounting type requirements which can be issued in sequence until the next full revision of the APH;
  c) Document OEB Q&A responses on the OEB website as they are answered instead of issuing a memo with numerous answers on an annual or less frequent basis. This will allow all distributor's to get immediate benefit of interpretations or clarifications provided by the OEB staff so that applicable timely amendments to their practices can be adopted;
  d) Provide (perhaps in conjunction with EDA events where distributor accounting professionals are in attendance) presentations addressing major new requirements impacting accounting and reporting. This training venue will again provide the OEB with practical questions and feedback and result in a more consistent interpretation by distributor's of the OEB's requirements.

Appendix B

RRR S.2.1.1 & S.2.1.7 Analysis
As at December 31, 2005 and 2006

Regulatory Account	31-Dec-06 2.1.7	31-Dec-06 2.1.1	31-Dec-06 Difference	31-Dec-05 2.1.7	31-Dec-05 2.1.1	31-Dec-05 Difference
1508	124,968	-	124,968	100,565	101,905	(1,341)
1518	16,509	13,459	3,050	18,654	-	18,654
1525	70,985	-	70,985	67,908	60,809	7,099
1548	221,809	221,809	-	184,064	-	184,064
1550	(67,841)	(67,841)	-	-	-	-
1555	(81,304)	(81,819)	514	-	-	-
1556	13,018	11,216	1,802	-	-	-
1562	(6,317,815)	(6,193,433)	(124,383)	(2,621,949)	(2,645,502)	23,553
1563	6,317,815	6,193,433	124,383	2,621,949	-	2,621,949
1565	(26,134)	(23,879)	(2,255)	140,783	-	140,783
1566	(1,450)	-	(1,450)	(140,783)	-	(140,783)
1570	984,737	-	984,737	944,229	944,229	-
1571	3,279,510	-	3,279,510	3,142,516	3,456,776	(314,260)
1572	-	-	-	-	-	-
1574	-	-	-	-	-	-
1580	1,027,240	1,017,472	9,768	2,173,218	2,342,086	(168,868)
1582	314,367	314,367	-	300,078	-	300,078
1584	2,134,154	2,184,372	(50,218)	1,776,372	1,923,498	(147,126)
1586	1,408,738	1,483,642	(74,904)	1,668,831	1,796,955	(128,123)
1588	(2,118,885)	(2,481,781)	362,896	(2,705,812)	(3,134,596)	428,784
1588 subaccount	NA	(1,730,840)	NA	NA	(945,802)	NA
1590	(4,709,816)	324,715	(5,034,531)	(2,485,905)	(2,230,665)	(255,240)
1592	-	-	-	-	-	-
2425	-	-	-	-	-	-
Total*	**2,590,604**	**2,915,731**	**(325,127)**	**5,184,718**	**2,615,495**	**2,569,223**

* The total excludes 1588 subaccount.