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BY E-MAIL

June 3, 2008

Board Secretary
Ontario Energy Board
2300 Yonge Street, Ste. 2701
Toronto ON M4P 1E4

Attention: Ms. Kirsten Walli

Dear Ms. Walli:

Re: Brantford Power Inc.
2008 Electricity Distribution Rates Application
Board File Number EB-2007-0698

Please find attached Board staff's submission for the above proceeding. Please forward the attached to Brantford Power Inc. and all intervenors in this proceeding.

Yours truly,

Original signed By

Christie Clark
Case Manager

Ontario

ONTARIO ENERGY BOARD

STAFF SUBMISSION

2008 ELECTRICITY DISTRIBUTION RATES

Brantford Power Inc.

EB-2007-0698

June 3, 2008

Introduction

Brantford Power Inc. ("Brantford Power" or "the Applicant") filed an application for 2008 electricity distribution rates on December 21, 2007.

Brantford Power serves approximately 48,000 customers in the City of Brantford. Brantford Power acts as a host utility to Brant County Power Inc.

These submissions reflect observations and concerns that arise from Board staff's review of the pre-filed evidence and interrogatory responses from the Applicant. .

Summary

Brantford applied for:

Service Revenue Requirement	$18,649,742
Base Revenue Requirement	$17,227,413
Rate Base	$70,179,031
Return on Rate Base	7.22%
Deficiency	$1,109,528

Brantford's proposed rate impacts:

Res @ 1,000 kWh: ($4.29) or -4.1%; Distribution charges only: $1.79 or +1.7%
GS<50 @2,000 kWh**:** ($9.60) -5.1% Distribution charges only: $2.79 or +1.3%

Operating Costs

Background

Brantford Power's Summary of Operating Costs is found at Exhibit 4/Tab 1/ Schedule 2 of its application ("Summary"). The 2008 Total Controllable OM&A Expenses forecast shown in Table 1 below is $8,200,077, which represents a 26% (or $1,675,056) increase compared to the 2006 actual level.

Discussion and Summary

Overall OM&A

Using the Summary as its base, Board staff created two different tables and asked interrogatories concerning each table to clarify the drivers of this increase. Brantford Power confirmed the accuracy of each of the tables[1].

Table 1 summarizes the key components of Brantford Power's operating costs for the 2006 Board approved and actual, 2007 Bridge and 2008 Test years.

Table 1
Controllable Expenses

	2006 Board Approved	2006 Actual	2007 Bridge	2008 Test
OM&A Expenses				
Operations	580,929	793,192	1,176,926	1,090,412
Maintenance	2,006,136	1,521,089	1,870,016	1,884,681
Billing & Collecting	905,817	1,900,231	2,145,847	2,302,509
Community Relations	446,549	326,422	190,140	139,091
Administrative and General Expenses	3,437,561	1,984,087	2,634,367	2,783,384
Total Controllable Expenses	**7,376,992**	**6,525,021**	**8,017,296**	**8,200,077**

[1] Response to Board staff interrogatory # 1.2a

To assist in understanding the increases in Total Controllable OM&A expenses identified above, the following Table 2 was prepared by Brantford Power in response to an interrogatory.[2] This table identifies the cost drivers of the increase between 2006 actual costs and the 2008 test year costs.

Table 2
Brantford Power's Cost Drivers

Total Controllable Expenses per Board Staff Table 1			
2006 Historical vs 2008 Test			
Increase in Directs		$ 857,993	15.51%
Increase in Indirects		701,094	34.42%
Decrease in amount of Indirects allocated to capital/billable		116,650	-11.23%
Overall Increase		1,675,737	25.67%
Increase in Directs:			
Salaries and benefits	*1*	523	61.0%
Supplies	*2*	146	17.0%
Fleet	*3*	93	10.8%
Regulatory Costs	*4*	97	11.3%
Net of other increases and decreases		*(1)*	-0.1%
		858	100.0%
Increase in Indirects:			
Insurance	*5*	28	4.0%
Accounting & Audit		(63)	-9.0%
IT	*6*	220	31.4%
Property	*7*	209	29.8%
Stores/Dispatch/Bldg		34	4.9%
Inventory OH Recovery	*8*	124	17.7%
Retirees Post-Employment Benefit Liability		45	6.4%
Energy Board Costs		31	4.4%
Net of other increases and decreases		*73*	10.4%
		701	100.0%

Board staff is unclear as to the criteria used by the Applicant to categorize controllable expenses in the above table as direct or indirect and invites the Applicant to direct staff to evidence filed on the record that would explain the criteria.

Board staff has specific comments on the following cost drivers of the 2008 versus 2006 cost increase.

[2] Response to Board staff interrogatory #1.2 b

Salaries and Benefits

Salaries and benefits, which are shown as increasing by $523,000, or 61%, are the largest driver of the overall increase.

Employee Compensation and Benefits

Board staff notes that Brantford Power is largely a virtual utility. Brantford Power indicates[3] that except for its Chief Executive Officer, employee costs are charged indirectly through the Corporation of the City of Brantford.

The following Table 3 prepared by Board staff summarizes the information on labour costs provided in Brantford Power's response to a SEC interrogatory[4]:

Table 3

	2006 Board Approved	2006 Actual	2007 Bridge	2008 Test
Compensation	$ 3,356,227	$ 4,039,954	$ 4,305,384	$ 4,671,608
Overtime	$ 127,474	$ 142,700	$ 129,589	$ 120,835
Pension and Benefits	$ 819,152	$ 921,097	$ 1,021,088	$ 1,048,942
Incentive Pay	$ 60,254	$ 35,181	$ -	$ -
Total Compensation	$ 4,363,107	$ 5,138,932	$ 5,456,061	$ 5,841,385

Board staff notes that the above compensation amounts, which have been derived by totaling the amounts in the interrogatory response tables entitled "Salaries," "Benefits," "Overtime" and "Incentives" do not appear to match the amounts in the table entitled "Total Aggregated Compensation Costs" provided in Brantford Power's response to the same interrogatory. Board staff invites Brantford Power to direct it to clarifications on the record that would explain the differential.

Board staff notes that the following analysis is based on the information provided in response to SEC, which as noted above appears to contain inconsistencies.[5] Staff would also note that these figures, which show a 2008 versus 2006

[3] Exhibit 4/Tab 2/Schedule 6
[4] Response to SEC interrogatory # 17(b)
[5] ibid

increase of $702,453, or 14%, do not appear to reconcile with the $523,000 Salaries and Benefits increase, or 61%, identified in the cost driver table discussed earlier in this submission. Staff invites the Applicant to provide explanations and/or clarifications of these differences in its reply submission.

In comparing the distributor's labour costs to Total Controllable OM&A, Board staff notes that Labour averages approximately 71% of operating costs as indicated in the following Table 4.

Table 4

		2006 Board Approved	2006 Actual	2007 Bridge	2008 Test
OM&A Labour	A	$ 4,363,107	$ 5,138,932	$ 5,456,061	$ 5,841,385
Total Controllable OM&A Expenses	B	$ 7,376,992	$ 6,525,021	$ 8,017,296	$ 8,200,077
Labour as a percent of OM&A	C = A / B	59.1%	78.8%	68.1%	71.2%

Board staff prepared Table 5 below to identify the final value of labour cost drivers to be used in the following cost driver analysis table.

Table 5

	2006 Board Approved	2006 Actual	2007 Bridge	2008 Test
OM&A Labour	$ 4,363,107	$ 5,138,932	$ 5,456,061	$ 5,841,385
Annual Labour Changes		$ 775,825	$ 317,129	$385,324
% Change		15%	5.8%	6.6%

From Table 6, the largest variance is the 15% increase in the 2006 actual year, relative to the 2006 Board Approved levels. One of the key components of this increase is total salary and wages, which increased by 20% from the 2006 Board, approved year to the 2006 actual year. Employee benefits and overtime compensation each increased by 12%. Staff asked the Applicant to provide a breakdown of the total number of employees, and Brantford Power indicated that the number increased from 62.98 in the Board approved year to 67.44 in the 2006 actual year, a 7% increase.[6]

Board staff notes the significant differential between the 2006 Board Approved amount of these costs and the 2006 Actual level. Whereas the difference

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[6] Response to Board staff interrogatory #1.12

between these two is not of focus of this proceeding Brantford Power is asked to direct Board staff to justifications and/or clarifications on the record, if any, to provide a explanation of this increase, where that increase is part of the justification for the expenses sought for 2008.

Purchase of Services

Brantford Power's purchases of services are significant, totaling $2.5 million in 2006 (approximately 40% of Brantford Power's Total Controllable Expenses) and $3.3 million in the 2008 test year (approximately 40% of Total Controllable Expenses). The 2008/2006 increase in these costs is roughly 34%. This is mostly due to a 37% increase in services purchased from the City of Brantford from $2.120 million in 2006 to $2.898 million in the 2008 test year, or roughly $778,000.

Brantford Power explains that : "In addition to the shared services discussed in the preceding reference, the City also provides direct services for operations and maintenance, electricity engineering, metering and settlement, administration and regulatory affairs."

Brantford Power provides a detailed explanation of the 2008 versus 2006 variance and states that its operating and maintenance budget had been routinely under spent in the period of 2000 to 2006 to preserve working capital but that these levels were not sustainable. Brantford Power further stated that with the greater clarity of the regulatory environment that followed the 2006 rate application, it moved to more sustainable levels of staffing and expenditures. Of the $778,000 increase, Brantford Power states the total is made up of the following costs:

- approximately $602,000 is staff related costs;
- $132,000 relates to repairs and maintenance to the distribution system deferred from previous years as a result of cost containment activities to preserve working capital; and
- the remaining $43,000 is attributable to non-material amounts related to resources required for the additional staff members, and other items.

Brantford Power has stated that the charges from the City of Brantford are for shared services but it is unclear as to whether these charges are supported by the evidence. Based on the Application, the justification is a variance from the Board approved cost levels in 2006, which accepted as forming part of its historic cost of service review but had not been examined in detail. However, there is little information either from a comprehensive budgeting process or from a competitive bidding process, to support the costs sought by Brantford Power. Failure to clarify such costs should be of concern for distributors who have large outsourcing components in their cost of service.   Board staff invites Brantford Power to direct parties to material on the record that will clarify this concern.

Board staff further submits that the amount of the increase in purchased services between 2006 and 2008 is significant.

Board staff, in addition, is unclear as to why certain services received from the City of Brantford are viewed as purchased services, while others are viewed as shared services and invites the Applicant to provide clarification of this matter in its reply argument.

Shared Services

Overview

The City of Brantford is the 100% shareholder in the Brantford Energy Corporation, which in turn owns 100% of Brantford Power Inc., the electricity distribution company, Brantford Hydro Inc., the retail company, and Brantford Generation Inc., which is involved in electricity generation.

Discussion and Submission

Brantford Power's shared services costs represent a significant percentage of its total expenses. Brantford Power states that shared services represented 57% of total expenses in 2006 and 55% in 2008.

Brantford Power's shared services costs for 2006, 2007 and 2008 indicate that these costs increased from $4.1 million in 2006 to $4.7 million in 2008, a 15% increase over two years. This increase was attributed to cost increases in the areas of customer services, IT services and property management.

Brantford Power has provided the means for determining charged services costs. However there is no submitted justification for these costs. It is not clear if these estimates were based on comprehensive (i.e. zero based) budgeting, or comparable competitive bids. Board staff invites Brantford Power to direct parties to material on the record that will clarify this issue.

The customer services increases were related to higher staffing costs, as well as postage, telephone contracted meter reading and interdepartmental charges. The principal cost drivers for IT services increases were additional staffing costs, data and system integration projects, custom programming and changes in annual costs for hardware, software and maintenance support. Increased property management charges were related to new space being occupied by the Finance Department and Human Resources Department.

Board staff notes that the increases proposed in IT and property costs are significant. As noted earlier in this submission, Brantford Power is requesting 2008 over 2006 increases of $220,000 (31%) for IT related costs and $209,000 (30%) for property related costs. Staff invites Brantford Power to direct it to material on the case record that would provide justification for this level of increases. Specifically, what mechanisms such as a competitive bid process or other costing methodology Brantford Power used to evaluate whether these services were provided cost effectively.

Fleet

Board staff notes that there appear to be inconsistencies in information provided in Brantford Power's evidence related to these costs. Table 2, set out earlier in this submission, is a reproduction of the cost driver table and indicates an increase in fleet costs in 2008 of $93,000 compared to 2006 actual costs.

Brantford Power provides an explanation for the change in these costs which shows that they are decreasing, not increasing, over the 2006 to 2008 period:

> Fleet clearing account established in 2007 in accordance with OEB APH Article 340. Article 340, Rolling Stock Operation, p12, states that any residual balance remaining after regular distribution shall be cleared to applicable plant and operating accounts on a basis which will distribute the costs equitably. Fleet costs increases have remained relatively stable since 2005. 2006 Historical reflects over distribution of costs to capital and billable vs. OM&A. This type of misallocation has been rectified in 2007 and 2008 projections which is primary cause for increase in fleet costs between 2006 Historical and 2008 Test.

Year	**2004**	**2005**	**2006**	**2007**	**2008**
Actual/Bridge	386	484	554	520	520[7]

Board staff notes that the numbers provided above show fleet costs decreasing by $34,000 in the 2006 to 2008 period rather than increasing by $93,000 as shown in the cost driver table. Staff invites Brantford Power to provide clarification of this discrepancy in its reply submission.

Regulatory Costs

General

Brantford Power states that "The 2008 rate Application includes regulatory staffing in the amount of $274,092.75 and external regulatory costs for legal and consultant services in the amount of $115,000.00. The 2008 forecast for internal regulatory staffing costs shows an increase of $115,322.98 or 42%."[8] Brantford Power attributes this increase to annual salary adjustments and the hiring of new staff.

Table 1.13-2 of the same response, reproduced below in Table 6, provides details of Brantford Power's proposed external regulatory cost recovery for the years 2008, 2009 and 2010 of $115,000 in each year:

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[7] Response to Board Staff Interrogatory #1.2 b)
[8] Response to Board staff interrogatory #1.13

Table 6

3rd GENERATION INCENTIVE REGULATION REGULATORY PROJECTS

2008 REGULATORY PROJECTS	ESTIMATED COST
2008 rate application. Written hearing and interrogatories	$60,000.00
Transfer Pricing Study	$55,000.00

2009 REGULATORY PROJECTS	ESTIMATED COST
2009 Smart Meter Rate Adder rate application	$10,000.00
Transfer Pricing Study	$10,000.00
Cost Allocation Study (preparatory to 2011 rate application)	$95,000.00

2010 REGULATORY PROJECTS	ESTIMATED COST
2011 Cost of Service rate application	$95,000.00
Other unspecified projects	$20,000.00

Clarification of the Record

Board staff would note that there are a number of areas where the record related to Brantford Power's regulatory cost claims appears to be unclear and invites the Applicant to provide clarifications of these areas in its reply submission.

The first of these areas relates to apparently different figures provided in different sections of the Applicant's response to Board staff interrogatory #1.13. As noted above, on page 30 of 32 of its response to this interrogatory, Brantford Power stated that it sought 2008 regulatory cost recovery of $274,093 of staffing costs and $115,000 of external costs. However, earlier in the same interrogatory response, on page 28 of 132, Brantford Power had provided a regulatory cost breakdown for 2006 Board Approved and Actual, 2007 and 2008 costs. For 2008, this table contains the $274,093 of internal regulatory costs noted above, but it is unclear how the external regulatory costs shown in the table on page 28, which appear to total $105,000, reconcile with the $115,000 shown on page 30 as the 2008 proposed recovery of external costs.

The second area of clarification staff requests from the Applicant relates to the amount of the total costs Brantford Power has incurred related to its 2008 rate application and a breakdown of such costs between those incurred in 2007 and 2008.

The final area of clarification relates to how the regulatory expenses stated in Exhibit 4/Tab 2/Schedule 1/Page 3 for Account 5655-Regulatory Expenses, indicating a 2006 Actual amount of $88,064 and a 2008 Test Year amount of $215,000 relate to those provided in the interrogatory response. Staff also seeks confirmation that the total regulatory cost recovery contained in the original application is the same as that proposed in the interrogatory response and, if not, Staff requests that Brantford Power explain any differences.

Proposed Approach to Cost Recovery

Board staff notes that Brantford is requesting recovery of the same level of external regulatory costs in 2009 and 2010, as in 2008, even though it is not anticipated that it will be undertaking a cost of service application in either of those years. It is not clear to staff whether or not Brantford Power is proposing to incorporate the recovery of one third of the costs of its 2008 cost of service application into its proposed 2008 revenue requirement, so that Brantford Power will not over-recover these costs during this three year period.

Brantford Power justifies its approach on the basis that it will incur equivalent levels of external regulatory costs in 2009 and 2010 relating to such other expenses as a 2009 cost allocation study and external costs in 2010 related to preparation of a 2011 cost of service application.

Staff would like to point out that for other distributors, the 2008 application costs were recovered over a three year period and a recovery based on anticipated 2009 and 2010 costs was not incorporated, as costs for these years are not under review in the 2008 application process.

COST OF CAPITAL

Discussion and Submission

The Applicant's approach to cost of capital, as amended through responses to interrogatories, is consistent with the policies in the Board Report.

Board staff notes that the Board issued updated Cost of Capital parameters on March 7, 2008 for use in setting 2008 electricity distribution rates in Cost of Service Applications. Board staff submits that Brantford Power's weighted average cost of capital updated to reflect the parameters announced in the March 7, 2008 letter would be 7.16% as reflected in Table 7:

Table 7
Weighted Average Cost of Capital reflecting Updated ROE and Debt Rate

	Capital structure		
	%	Rate	
Debt			
Short-term Debt	4	4.47%	0.18%
Long-term Debt	49.3	6.04%	2.98%
Total	53.3		3.16%
Equity			
Common Equity (ROE)	46.7	8.57%	4.00%
Preferred Shares			0.00%
Total Equity	46.7		4.00%
Total Capital	100		7.16%

Capital Expenditure

Background

Brantford Power is projecting 2008 capital expenditures of $5,433,102. This represents a decrease of approximately 7% compared to 2007 projected capital expenditures of $5,811,260, and an increase of approximately 1% compared to 2006 actual capital expenditures of $5,387,232. The capital expenditure amount for 2008 includes a total of $140,000 for smart meters, although these are not included in rate base and are tracked in deferral/variance account 1555. Smart meters are discussed further below.

Discussion and Submission

Board Staff finds that the Applicant has responded to information requirements and that the record is mostly complete. In responses to interrogatories posed by Board staff and intervenors, Brantford Power provided corrected continuity statements for assets for 2006 actual, 2007 Bridge, and 2008 Test, although Board staff noted some inconsistencies in reported figures. Board staff has some concerns with the Applicant's metering program and some of the Applicant's information regarding service reliability indicators. These matters are further discussed below.

Reconciliation of Capital Expenditures

Staff notes that there are several discrepancies in the evidence related to Brantford Power's total capital expenditures. As indicated in Table 8 below, there are several discrepancies in the total capital expenditures by year, as documented in the Application and in various interrogatory responses.

Table 8
Total Capital Expenditures by Year

Reference	2006 Actual	2007 Bridge	2008 Test
Exhibit 2/Tab 3/Page 4,15,26	$5,387,232	$5,811,260	$5,433,102
Response to Staff IR #3.1 b	$5,387,232	$5,871,260	$5,573,102
Response to Staff IR #3.3 a	$5,905,838	$5,777,604	$5,311,103
Response to Staff IR #3.3 b c (Continuity Statement – Total Additions)	$5,905,836	$5,778,063	$5,311,157

Board staff invites the Applicant to clarify these discrepancies in its reply submission and direct staff to material already filed with the Board in order to do so.

Capital Projects

Based on the Applicant's response to an interrogatory, the table below lists the percentage change of capital expenditures from 2006 actual to 2008 test year, including and excluding smart meter capital expenditures. [9]

Table 9
Annual Changes in Capital Expenditures

	2006 Actual	2007 Bridge	2008 Test
Capital Expenditure	$5,387,232	$5,871,260	$5,573,102
% change as compared to the prior year		9.0%	-5.1%
Capital Expenditure (excl. Smart Meters)	$5,387,232	$5,811,260	$5,433,102
% change as compared to the prior year		7.9%	-6.5%

Brantford Power has identified the major projects that have influenced the actual and projected capital expenditures in each year.[10] Brantford Power undertook a major voltage conversion project that had been deferred for several years, but which had been approved in the 2006 capital budget in Brantford Power's 2006 rates application. A second phase of this project was undertaken in 2007, as documented on pages 20-21 of the referenced exhibit. Another phase is forecasted for 2008. Board staff notes that Brantford Power's annual capital expenditures on this major voltage conversion project, and on its annual capital expenditures, are relatively stable and within a ±10% threshold.

In response to a Board Staff interrogatory Brantford Power provided the following table comparing its capital expenditures over time[11]:

[9] Response to Board staff Interrogatory # 3.1 b)
[10] Exhibit 3/Tab 2/Schedule 1
[11] Response to Board staff interrogatory #3.3

Table 10
Capital Expenditures by Year, including Cost Drivers

A	B	$ Change (A – B)	% Change ($ Change / B)	Cost Drivers if change is either less than zero or more than 10%
2003	**2002**			
2,484,370	2,098,740	385,630.00	18%	Increased System Expansion Activity
2004	**2003**			
2,929,226	2,484,370	444,856.00	18%	Increased System Expansion Activity
2005	**2004**			
11,253,858	2,929,226	8,324,632.00	284%	New Powerline MTS - $5.2 million; feeders from new Powerline MTS - $0.6 million; Mayfair Conversion from 4 to 27 kV - $1.7 million; Increased System Expansion Activity
2006 Actual	**2005**			
5,905,838	11,253,858	-5,348.020.00	-48%	Minus TS - $5.2 million
2006 Actual	**2006 Approved**			
5,905,838	4,860,810	1,045,028	21%	2006 Board Approved was based on 2004 Actuals. 2004 actuals were low because rates were frozen.
2007 Bridge	**2006 Actual**			
5,777,604	5,905,838	-128,234.00	-2%	No Wholesale Metering Activity in 2007 compared to 2006: - $0.2 million.
2008 Test	**2007 Bridge**			
5,311,103	5,777,604	-266,501.00	-8%	Conversion project scope reduced compared with previous year: - 0.4 million

Brantford Power has undertaken some major capital expenditures in recent years, primarily the construction of the Powerline Transformer Station and the resurrection of the voltage conversion projects. However, Board staff notes later that Brantford Power's reliability performance has decreased in 2005 and 2006 relative to 2003 and 2004. Even considering increased scheduled outages to implement some of these projects, the relationship between these capital expenditures and the benefits to customers in terms of operational efficiencies and improved service reliability is not readily apparent.

Board staff invites Brantford Power to comment on the reasonableness of its proposed 2008 capital expenditures in light of its reliability performance and asset management, discussed further below.

Asset Management

In response to a Board staff interrogatory requesting Brantford Power's "most recent long term Capital Project or Asset Management Plan or equivalent", Brantford Power provided a tabular capital budget covering 2007 to 2013. [12] Brantford Power also stated that it "currently does not have an Asset Management Plan." Although Brantford Power pointed out that it has projects planned, it did not provide any studies as requested. Staff would be interested in comments from Brantford Power as to whether it should develop an asset management plan.

Meter replacements and installations

Table 11, prepared by Board staff, summarizes the information on metering costs.

Table 11
Metering Capital Expenditures by Year[13]

	2006 Actual	2007 Bridge	2008 Test
Total Metering Capital Expenditures	$607,903	$348,115	$447,461
Number of Meters Installed/Replaced	2,410	2,510	3,130
Capital expenditures per meter	$252.2	$138.7	$143.0

In comparing the unit costs of meter replacements and installations, the 2007 and 2008 unit costs have dropped significantly as compared to the 2006 costs. However, given that Brantford Power is not authorized to install smart meters and has stated that it is not doing so, Board staff is concerned about the level and

[12] Response to Board staff interrogatory #3.4 c) d) and Appendix D
[13] Exhibit 2/Tab 3/Schedule 1. pages 12, 22 and 32.

volatility of average metering capital expenditures. Board staff invites Brantford Power to comment on this matter and requests that they clarify the matter in its reply submission. The Applicant should direct staff to material already filed with the Board, if any, in support of their submissions on this issue.

Board staff also notes Brantford Power's proposed capital expenditures for meter installations and replacements and that over fifty percent of the proposed new meters are for replacement of existing meters which have become defective or on which the existing seal has expired. Board staff has compiled information from the Application into the following table:

Table 12
New and Replacement meters by year[14]

	2006 Actual	2007 Bridge	2008 Test
Meter replacements – Seal expiries	1200	1300	1920
Meter replacements – failed meters	10	10	10
New customer connections	1200	1200	1200
Total	2410	2510	3130

Brantford Power is not currently authorized to install smart meters. It installs or replaces existing meters with traditional meters for customers not subject to demand- or interval-metering. Brantford Power indicated that:

> "[it would] consider making an application to Measurement Canada for Temporary Permission to maintain in place the meters whose seals have expired pending the determination of smart meter implementation in [Brantford Power's] service area. [Brantford Power] believes, however, that it is prudent to maintain the current capital spending should Measurement Canada not grant [Brantford Power] Temporary Permission and/or should some compliance groups be rejected." [15]

While Staff notes that Brantford Power is not currently authorized to install smart meters and must deploy existing technology when necessary, staff is concerned about the necessity and prudence of these metering costs. In particular, staff is

[14] Exhibit 3/Tab 2/Schedule 1, pages 12, 22 & 23
[15] Response to SEC interrogatory #20 a)

unsure of the necessity for replacement of all meters with expired seals. The Board observed recently in its decision in Lakefront Utilities' 2008 distribution rate application:

> The Board concludes that Lakefront does not represent an exceptional circumstance. Lakefront's evidence is that "approximately half of our customer's meter seals are expired or on the verge of expiration." **The Board notes, however, that an expired seal does not necessarily require replacement of the meter. Rather, the meters will be subject to further testing.** [Emphasis added] [16]

However, Brantford Power contends that it is prudent to maintain the CAPEX for total meter replacement despite the option of a temporary permission by Measurement Canada to continue employing the existing meters. Brantford Power indicates that it intends to install smart meters in 2009 assuming that it is so authorized which would result in quickly stranding the newly acquired traditional replacement meters.

Maintaining the full metering CAPEX means that the associated capital-related costs will be recovered in rates even if Brantford Power does not incur the costs due to successfully pursuing other options.

Brantford Power is invited to provide comments on this matter.

Smart Meters

Brantford Power is not a named utility in the regulation authorizing utilities to conduct discretionary metering activities.[17] It currently has a Smart Meter rate adder of $0.28 per month per metered customer embedded in the monthly service charge of its approved distribution rates, and has proposed continuation of the Smart Meter rate adder at this level.[18]

Brantford Power stated that it has incurred some costs for investigating development of a smart meter plan but does not intend to install any smart meters in 2008.[19] Brantford Power states that it is planning to install smart

[16] EB-2007-0761
[17] Ontario Regulation 427/06
[18] Response to Board staff interrogatory #5.1 b)
[19] Response to Board staff interrogatory #5.2 a)

meters in 2009. Costs incurred to date have been booked to the established Variance Account 1555: Smart Meter Capital and Recovery Offset Variance Account.

Board staff submits that disposition of the Account 1555 balance as of December 31, 2006 is premature as Brantford Power is an unnamed distributor and has not undertaken smart meter installations to date.

Service Reliability

Brantford Power provided its annual service reliability results.[20] Board staff has extracted data from that response in Table 13.

Table 13
Service Reliability Performance by Year

	Board staff Calculations			Brantford's information as reported in Board staff IR #43		
	SAIDI	**SAIFI**	**CAIDI**	**SAIDI**	**SAIFI**	**CAIDI**
2003	0.56507	0.93358	0.605275	0.56506	0.93358	21.33935
2004	0.71213	1.43779	0.495293	0.71213	1.43779	8.28498
2005	1.39378	2.15106	0.647949	1.381	2.13869	7.61763
2006	1.04811	1.54446	0.678629	1.04811	1.54446	11.63222
2007	1.20190	1.24814	0.962955			

Brantford Power’s reported CAIDI statistics are not clear. As documented in section 15.2.3 of the 2006 Electricity Distribution Rate Handbook, CAIDI is defined as the ratio of SAIDI to SAIFI. There are minor differences in the reported SAIDI and SAIFI figures for 2005. Details of Board staff’s calculations are provided in the table in Appendix A.

Board staff invites the Applicant to clarify and reconcile its reported CAIDI performance.

Brantford Power attributed its lower reliability performance in 2006 to increased scheduled outages pertaining to voltage conversion projects and an unscheduled

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[20] Response to Board staff interrogatory # 3.4 f) (i)

outage on August 21, 2006 due to an outage on the Hydro One Networks Inc. transmission system from Burlington. [21]

Brantford Power also advises that: “Brantford Power has not established any specific targets in this regard [i.e. with respect to improving reliability performance as measured by SAIDI, SAIFI and CAIDI].” [22] Brantford Power has also not identified specific projects to improve reliability performance.

Board staff invites Brantford Power to comment, with reference to the record of this Application, on the adequacy of their reliability performance and on projects planned or being undertaken to address this issue.

Load Forecasting

Background

In Exhibit 3 of the Application, the development of the Applicant’s customer count and load forecasts are discussed. Utilizing the 2002 to 2006 historical data, the 2007 Bridge Year and 2008 Test Year customer count by class were determined. The kWh forecast – and the kW forecast for appropriate classes – was presented by customer class. Variance analyses were presented in support of the forecasts.

The Applicant provided additional information in response to Board Staff and SEC forecasting interrogatories.

Discussion and Submission

Methodology and Model

The Applicant explained the trend in customer connections experienced during the 2002-2006 period and the extrapolation of that trend to 2007 and 2008. The Applicant noted that it had used a simple trend given the slow growth and consistent movement in customer numbers in the Applicant’s service territory and the minor variations experienced over time.

[21] Response to Board staff interrogatory #3.4 (f) (ii)
[22] Response to Board staff interrogatory # 3.4 f) (iii)

For the kWh volume forecasts, the Applicant explained that, for its weather sensitive load, it first developed the retail normalized average use per customer ("retail NAC") by customer class; the retail NAC value by class was based on the 2004 load values that had been weather-normalized for the Applicant by Hydro One. The Applicant explained and confirmed in an interrogatory response that the 2004-based retail NAC was assumed to be applicable in the future and was used without change as the basis for the load forecasts. [23] The forecasted kWh loads were determined by multiplying the 2004-based retail NAC by the forecasted number of customers in the forecast year.

Board staff is concerned that the methodology chosen utilizes only a single year of weather-normalized historical load to determine the future load. Brantford Power's methodology assumes that the retail NAC value remains constant over a number of years. This is the equivalent of stating that no CDM has occurred during the past few years and none is expected in the immediate future. The effect of the constant assumption could result in an error in the weather sensitive load and correspondingly an error in the required rates.

Board staff submits that the kWh load methodology employed could be biased in that it has used minimal weather normalization and effectively based the load forecast on the results of a single year (i.e. 2004). Board staff invites Brantford Power to address as to whether or not they should utilize multi-year weather normalization in future applications.

Weather Normalization

The Applicant noted that Hydro One carried out the weather normalization that was performed for the year 2004. While no detail of Hydro One's weather normalization process was presented, Board staff invites the Applicant to confirm that Hydro One used its established method that received Board acceptance in the Distribution Cost Allocation Review[24] and Hydro One's own 2006 Distribution Rate case[25].

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[23] Exhibit 3 and Response to Board Staff interrogatory #8.2

[24] EB-2005-0317

[25] RP-2005-0020/EB-2005-0378

Results

The Applicant's forecast shows a 1.7% annual average growth in customer numbers from 2006 to the 2008 Test Year which is virtually identical to the 2002-2006 historical 1.6% annual average growth[26]. Board Staff submits that the forecasted change in customer numbers is consistent with what one might expect based on the input data.

The Applicant's forecast shows a 0.8% annual average kWh load growth from 2006 to the 2008 Test Year[27]. This compares with an average annual kWh load growth of 2.2% during the 2002 to 2006 period[28].

Board staff notes that an historical 1.6% annual average growth in customer numbers drove a 2.2% kWh growth while the forecasted 1.7% annual average growth in customer numbers is expected to drive only a 0.8% kWh growth. Brantford Power is asked to comment on the inconsistency of the historic relationship versus the forecast relationship between customers and load.

PILS

Discussion and Submission

Income tax rates

The federal government introduced tax legislation in its October 30, 2007 Economic Statement. Effective January 1, 2008 the federal income tax rate declined to 19.5%. Brantford Power has agreed to use the combined federal and Ontario rate of 33.5% when it submits its draft rate order. [29]

Interest expense and its use in the PILs calculations

Brantford has forecasted that it will pay more interest ($2,384,429) than the Board's deemed structure permits ($2,222,304).[30] In its Budget of March 22,

[26] Exhibit 3, Tab 2, Schedule 2, Table 3.2.2-1
[27] Exhibit 3, Tab 2, Schedule 2, Page 5, Table 3.2.2-4
[28] Response to Board Staff interrogatory #8.7 a) i , revised May 13, 2008
[29] Response to Board staff interrogatory 7.1(b)
[30] Response to Board staff interrogatory 7.3

2007, the Ontario government introduced legislation that will minimize the interest deduction used in the PILs calculations in the actual tax returns.

In its application, Brantford Power added back the higher forecast 2008 interest expense and deducted the lower deemed interest expense in the PILs calculations. The effect of this treatment raises taxable income and would increase the PILs allowance in rates.

In the 2006 EDR Handbook, the Board provided for an excess interest penalty to be deducted in the PILs calculations. Brantford Power showed that it deducted excess interest of $551,459 in its 2006 application in accordance with Chapter 7 of the Handbook. [31] In its 2008 application, Brantford Power applied for an increase in taxable income caused by excess interest ($2,384,429 - $2,222,304) as opposed to a reduction as indicated in the 2006 Handbook.

In the Board's recent Decision and Order in the Oshawa PUC Networks Inc. application there is a discussion of the treatment of excess interest in Oshawa's methodology. [32] The Board concluded that it "accepts the result flowing from the calculation using Board staff's suggestion, which reflects the Board-approved method." Detailed calculations can be found in the rate order evidence submitted by Oshawa.

Board staff invites Brantford Power to comment on whether it is appropriate to remove the interest expense addition and deduction in finalizing its PILs tax allowance for the rate order.

Use of Changes in Regulatory Asset and Liability Balances in the PILs Calculations

In the 2006 EDR Board Report, the Board set out its policy with respect to movements in regulatory assets and liabilities in the PILs tax calculations. [33] The Board concluded that a PILs tax provision on these movements was not necessary. In the Board's Decision with respect to PUC Distribution Inc.'s

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[31] ibid
[32] EB-2007-0710
[33] *2006 Electricity Rate Handbook RP-2004-0188, Ch 7, pg 61*

application the Board denied increasing regulatory taxable income through the addition of movements or recoveries in regulatory assets. [34]

Brantford Power has shown a negative addition of ($822,597) and a negative deduction of ($2,026,651) related to regulatory assets. The net effect of these two items is an increase in taxable income of $1,204,054. This is inconsistent with the Board's 2006 EDR report.

In its 2008 evidence related to 2006 EDR, Brantford Power reflected an addition of $8,887,185 and a deduction of $8,320,494 pertaining to regulatory assets that resulted in higher taxable income. It appears from this 2008 evidence that the Applicant may have received a higher PILs proxy in 2006 rates than it should have if the policy set in Chapter 7 of the 2006 Rate Handbook had been considered.

Included in the Other Addition category of $1,123,441 is another regulatory asset amount of $265,936 related to the Global Adjustment. Brantford Power has argued that the Global Adjustment should be ignored for tax purposes.[35] However, the Applicant has increased taxable income by including the amount in the PILs calculations, rather than excluding the amount from the derivation of taxable income.

Board staff invites Brantford Power to comment on whether it is appropriate to remove the regulatory asset elements from its PILs tax calculations.

Line Losses

Background

Brantford Power updated the actual Distribution Loss Factors ("DLF") and associated kWh data for the 5-yr period 2002 to 2006. [36] Brantford Power has proposed a Total Loss Factor ("TLF") for 2008 of 1.0373 based on the average of actual factors for the 5-yr period 2002 to 2006. This is slightly higher than the 2007 approved TLF of 1.0370. The underlying DLF corresponding to the proposed TLF is 1.0326.

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[34] *EB-2007-0723, at pages 2-3*
[35] Response to Board staff interrogatory 7.3 (c) i
[36] Response to Board staff interrogatory #9

In the table provided in Attachment N of the referenced interrogatory response, Brantford Power has provided 1.0373 as the average DLF for the 5-yr period 2002 to 2006 and also as the proposed TLF for 2008 for Secondary Metered Customers < 5,000 kW.

Brantford's actual loss factor has fluctuated in the 5-yr period from 2002 to 2006 as shown in the table below.

Table 24
Brantford Power Inc' Loss Factor

Year	2002	2003	2004	2005	2006
A. "Wholesale" kWh (IESO)	944,383,346	947,648,812	989,156,247	1,023,183,440	1,022,782,846
D. Retail kWh (Distributor)	907,624,411	914,155,229	954,965,318	983,345,833	990,086,984
G. Loss Factor	1.0405	1.0366	1.0358	1.0405	1.0330

Discussion and submission

Board staff finds the evidence inconsistent in that Brantford Power has referred to the calculated loss factor 1.0373 in various places both as DLF and as TLF. Since the DLF and TLF must differ from each other by a factor of 1.0045, a clarification is required. Staff submits that if the data titled "Wholesale kWh IESO" in row A is at the IESO deemed delivery point on the primary side of the transmitter's transformer, then the calculated factor is the TLF. Alternatively, if the data in row A is the metered data on the secondary side of the transmitter's transformer, then the calculated factor would more accurately be referred to as DLF. In that case, Brantford Power is in effect requesting approval of a TLF for its Secondary Metered Customers < 5,000 kW of 1.0420 (based on 1.0373 x 1.0045). Board staff invites Brantford Power to clarify its requested loss factors.

Cost Allocation and Rate Design

Customer Classification

Background

Brantford Power is requesting approval of rates for a single General Service > 50 kW class, continuing its current approved structure. Brantford County Power, an embedded distributor, is included in that class, as is a customer whose load is larger than 5000 kW. Each of these customers is shown as a separate entity in the cost allocation Informational Filing EB-2007-0001 although the individual load consumption data is not provided due to the confidentiality provisions in that filing.

Discussion and Submission

Board staff notes that neither of the customers mentioned has intervened in this proceeding.

Board staff submits that host distributors should in general be proposing a rate for embedded distributors as part of their re-basing applications. However, the Board has not made this a requirement and the practice of billing embedded distributors under the same General Service rates as ordinary customers in the host distributor's own service area is not unusual. In the present application, a separate rate is not requested. Board staff notes that the issue would become moot if the host and embedded distributor were to become a single distributor.

Board staff submits that a distributor with a customer larger than 5000 kW would normally apply for approval of a Large User rate. The reason given for not having designed a Large User rate is that the customer is fairly new in this size range and the time and resources were not available to include this task in the application. Staff notes that, according to the results of the cost allocation study summarized below, the revenue to cost ratio for the large customer is not very much different from the ratio for the General Service class as a whole.

Cost Allocation

Background

Brantford Power filed its cost allocation Informational Filing EB-2007-0001, with Run 2 showing the embedded distributor and the Large Use customer as separate entities. In its pre-filed evidence with this application, Brantford Power has provided a revenue to cost ratio for the General Service class as a single entity including the two customers, which are set out in the following table. Column 1 shows the ratio for the whole class and for the class net of the two atypical customers. Column 2 shows the Board's target range where applicable.

Table 15
Revenue to Cost Ratios

	Informational Filing and Pre-filed Submission	**Target Range**
Customer Class	*Col 1 (%)*	*Col 2 (%)*
Residential	91.2	85 – 115
GS < 50 kW	82.7	80 – 120
GS > 50 kW	139.6	
GS 50 – 5000 kW	152.7	80 – 180
Large Use > 5000 kW	132.6	85 – 115
Embedded Distributor	5.8	
Street Lights	36.9	70 – 120
Sentinel Lights	10.0	70 – 120
Unmetered Scattered Load	109.7	80 – 120
Back-up / Standby	115.7	

Discussion and Submission

Brantford Power is proposing rates that will generate revenue from each class in proportions very similar to those in the Informational Filing. They are also proposing to increase all distribution rates by a nearly identical percentage. It is reasonable to conclude that the revenue to cost ratios would be close to those in column 1 above.

Board staff notes that the ratios are within the target range except for Streetlighting and Sentinel Lights. Staff points out that the Board has decided in other applications that distributors are to adjust their rates over three years so as to reach the target range before the expected date of the next rebasing. In some decisions, when starting from a ratio similar to Streetlighting, the Board has ordered a phase-in over two years in equal steps, for example a ratio of 54% in 2008 and 70% in 2009. In several decisions, when starting from a ratio near to Sentinel Lighting, the Board has ordered that rates should yield a ratio half-way to the target in 2008, i.e. 40%, followed by two adjustments to 55% in 2009 and 70% in 2010.

If a separate rate were to be designed for the Large User, the results of the Informational Filing would suggest that the rate would be lower than that for the customers smaller than 5000 kW, in order to reach the target range before the next re-basing.

Brantford Power has submitted that it receives no revenue from its embedded distributor, Brantford County Power Inc., which would produce a ratio of zero.[37] The Informational Filing shows approved revenue that is not quite zero, but the apparent "revenue" is predominantly miscellaneous revenue not associated with embedded distribution but assigned that way by default in the cost of service model. Staff welcomes any further clarification from Brantford Power concerning the actual situation and its intentions for billing its embedded distributor in the future.

Rate Design

Board staff does not understand the reasons for the higher increase of the kW rate for the GS>50 kW class, relative to all other rates. Brantford Power is assigning the gross-up for the transformer credit directly to the GS>50 class. Staff submits that the allocated costs were designed to be gross of the transformer allowance for all classes and a differential adjustment is therefore not required.

Staff seeks comments from Brantford Power on whether their proposal to continue the transformer allowance at the current approved level of $0.60 per kW is appropriate.

Board staff submits that Brantford Power is not proposing to change its rate structure, which is consistent with Board policy as it applies to situations where the current Monthly Service Charge is higher than the ceiling.

[37] Response to Board staff interrogatory 10.2 c)

Retail Transmission Service Rates

Brantford Power has proposed new rates that reflect the current wholesale rates that were approved in November 2007. Board staff is uncertain about the proposed rate levels for the network and connect charges for the GS>50, Street Lights and Sentinel classes. There are differences between information in the application and the interrogatory responses. [38] Board staff requests clarification as to which are the appropriate rates.

Brantford Power has explained the development of their Retail Transmission Service rates by discussing the development of their adjustment factors that they applied to the existing network and connection charges. These factors reduce the respective charges by approximately 16% and 14% respectively. The wholesale transmission rates were reduced by 18% for network charges and 5% for line and transformation connect charges. Board staff requires clarification as to why the proposed changes are different from the changes to the wholesale rates.

Deferral and Variance Accounts

Overview

Brantford Power is proposing to clear the balances of certain deferral and variance accounts.

[38] Exhibit 9/Tab 1/Schedule 3 and Response to Board staff interrogatory 11.2

Disposition

Request for Disposition

Brantford Power is requesting that the following accounts and balances as per Brantford Power's be cleared for disposition.[39] Brantford Power has included the balances as of December 31, 2006 plus interest to April 30, 2008.

1508 Other Regulatory Assets, $89,919
1518 RCVA – Retail, $19,363
1525 Miscellaneous Deferred Debits, $7,898
1548 RCVA – STR, $320,252
1550 LV Variance, ($217,343)
1565 Conservation and Demand Management Expenditures and Recoveries, ($89,823)
1566 Conservation and Demand Management Contra, ($1,450)
1571 Pre – Market Opening Energy Variances, ($333,319)
1580 RSVA – Wholesale Market Service Charge, ($2,422,484)
1582 RSVA – One Time Wholesale Market Service, $333,033
1584 RSVA – Retail Transmission Network Charges, $615,321
1586 RSVA – Retail Transmission Connection Charges, ($1,071,809)
1588 RSVA – Power, $783,232

Total: ($1,967,210)

The Applicant's proposal is to refund these amounts to the ratepayers over one year beginning May 1, 2008 via rate riders.[40].

DISCUSSION AND SUBMISSION

Failure to supply sufficient information

Board staff requested that the Applicant complete and submit the Continuity Schedule of regulatory assets in Board staff interrogatory 12.8. This schedule identifies transactions into the deferral and variance accounts, such as the clearance of previously approved balances into account 1590, from January 1,

[39] As set out in Response to Board staff interrogatory 12.1, Attachment P
[40] As stated in Response to Board staff interrogatory 12.1, Attachment P

2005 to April 30, 2008 which includes the accounts being requested for disposition. Brantford Power stated this schedule was completed in its interrogatory reply in Attachment R. However, attachment R related to Board staff interrogatory 12.5e. The Continuity Schedule was not found elsewhere in the interrogatory responses. This schedule has been submitted by all 2008 cost of service applicants to date. By not providing this schedule, the Applicant may not have provided sufficient information to verify the balances requested for disposition. Board staff notes that the total amount requested for clearance is a refund to ratepayers, although this may not be the case depending on which accounts the Board approves for disposition.

Treatment of RCVA's and RSVA's

The Applicant is applying for disposition of RCVA and RSVA accounts. The Board has recently announced that it intends to develop a streamlined process for account 1588, RSVA Power, and possibly include the remainder of the RCVA and RSVA accounts as part of this process. The Board may wish to consider the impact of ordering disposition of these accounts upon that process.

Request for an Expanded Account 1592

Brantford Power is requesting that Account 1592 – PILs and Tax Variance for 2006 and subsequent years be expanded to include the impacts on PILs and taxes arising from new non-discretionary changes in Generally Accepted Accounting Principles ("GAAP") due to the introduction of International Financial Reporting Standards ("IFRS") or in changes in the Board's APH. Brantford Power has not provided any precedent for Board approval of this request in its application. Brantford Power noted that the Ministry of Finance and Canada Revenue Agency have yet to determine whether IFRS will be adopted within the scope of their respective statutory responsibilities. [41]

Board staff notes that requests for new accounts should be considered in light of the four regulatory principles: materiality, prudence, causation, and management's inability to control. Board staff also notes that within the electricity sector, deferral and variance accounts are generally established and defined on a generic basis and not on a utility specific basis. Brantford Power has not

[41] Response to Board staff interrogatory #12.6

provided evidence to demonstrate causality as IFRS will not be implemented until 2011. Brantford Power has not provided evidence of Canada Revenue Agency's or Ministry of Finance position on IFRS. The Board will be considering the impact of IFRS on regulatory accounting and, by letter dated May 8, 2008, informed stakeholders of the creation of a consultation process to deal with the transition to IFRS.

Brantford Power has not addressed the materiality requirement for a deferral account and stated that "the impacts of this transition are unknown at the present time". [42] Brantford Power further stated that it "has no direct ability to predetermine the impacts of this change on its PILs obligation". [43]

Treatment of 1565 and 1566

Brantford Power is requesting to clear accounts 1565 Conservation and Demand Management Expenditures and Recoveries, which has a credit of $89,823, and 1566 CDM Contra Account which has a credit of $1,450. These two accounts are tracking accounts for 3rd Tranche CDM spending, which was subject to a separate review by the Board. [44] Ordering disposition of these balances may indicate that Brantford Power has completed its obligations as per the Third Tranche funding. The CDM activities were expected to continue until September 2007. The balances above may not reflect the final financial position since they represent balances as at December 31, 2006. Board staff submits that this account should not be cleared at this time.

Treatment of 1571 and RSVA Accounts

In its 2006 EDR, Brantford Power requested disposition of account 1571 – Pre Market Opening Variance Account balance based on the unadjusted 2004 balance. Board staff requested that Brantford Power provide an explanation of the adjustments for all accounts for any restatements made subsequent to 2006 EDR. Brantford Power stated that it did not have sufficient systems in place to differentiate between pre- and post-market opening consumption. [45] However in

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[42] Exhibit 5/Tab 1/Schedule 1
[43] Response to Board staff interrogatory 12.6b
[44] RP 2004-0203
[45] Response to Board staff interrogatory #12.5

2005, a detailed analysis was done to correct the split. Adjustments were made in 2005 that affected account balances for 1571, 1580 and 1582 resulting in the reallocation of amounts with a net impact of zero to the 2004 account balances. According to Brantford Power, it is important to make every attempt to correctly reflect the balances of the deferral and variance accounts even if the net impact is zero. Board staff notes that Brantford Power is not aware of a regulatory precedent for approving these prior period adjustments. [46]

While Board staff noted that the 2005 adjustments in Attachment R[47] mentioned above netted to zero, all the unadjusted account balances except for account 1582 balance under the "Claimed on 2006 EDR" column in Attachment R were different from the Board approved amounts in the 2006 EDR. Brantford Power did not provide an explanation for the difference.

As a result of this difference, Board staff is uncertain if the 2004 balances which were carried forward in the amounts requested for disposition for accounts 1571, the RSVA accounts and others, are correct. Board staff is also uncertain if the Board approved recoverable amounts transferred from these accounts to account 1590 are correct.

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[46] Board staff interrogatory #12.5
[47] Board staff interrogatory #12.5e

Appendix “A”

Board staff's recalculation of SAIDI, SAIFI and CAIDI; Based on data in response to Board staff interrogatory #3.4 f) (I)

	2003			2004			2005			2006			2007		
	SAIDI			SAIDI			SAIDI			SAIDI			SAIDI		
	Cust-Hrs	**Cust**	**SAIDI**	**Cust-Hrs**	**Cust**	**SAIDI**	**Cust-Hrs**	**Cust**	**SAIDI**	**Cust-Hrs**	**Cust**	**SAIDI**	**Cust-Hrs**	**Cust**	**SAIDI**
Jan	285.33333	33000	0.0086465	1152.46667	33000	0.03492323	1950.5	33000	0.0591061	1440.9833	35000	0.041171	2946.1333	35000	0.0841752
Feb	1554.61667	33000	0.0471096	2210.86667	33000	0.06699596	348.25	33000	0.010553	882.58333	35000	0.0252167	674.91667	35000	0.0192833
Mar	1140.45	33000	0.0345591	2459.41667	33000	0.07452778	4094.5	33000	0.1240758	1039.2167	35000	0.0296919	4919.3833	36000	0.1366495
Apr	912.71667	33000	0.0276581	2385.65	33000	0.07229242	2228.1833	33000	0.0675207	2767.1333	35000	0.079061	3000	36000	0.0833333
May	2370.8333	33000	0.0718434	2163.15	33000	0.06555	1785.4332	33000	0.054104	1031.15	35000	0.0294614	10110.433	36000	0.2808454
Jun	7526.08333	33000	0.2280631	1762.6	33000	0.05341212	5211.85	33000	0.1579348	2363.7667	35000	0.0675362	2611.0333	36000	0.0725287
Jul	494.45	33000	0.0149833	8518.1333	33000	0.25812525	9438.3167	35000	0.2696662	3561.7167	35000	0.1017633	11557.317	36000	0.3210366
Aug	1478.71667	33000	0.0448096	135.03333	33000	0.00409192	2600.6833	35000	0.0743052	6248.7333	35000	0.1785352	247.03333	36000	0.006862
Sep	547.73333	33000	0.016598	552.75	33000	0.01675	13410.383	35000	0.3831538	2138.3667	35000	0.0610962	740.35	36000	0.0205653
Oct	1307.83333	33000	0.0396313	550	33000	0.01666667	1211.9	35000	0.0346257	4979.1667	35000	0.1422619	3409.2833	36000	0.0947023
Nov	1021.48333	33000	0.030954	412.31667	33000	0.01249444	5050.95	35000	0.1443129	7628.6667	35000	0.2179619	2277.3833	36000	0.0632606
Dec	7.05	33000	0.0002136	1197.8	33000	0.03629697	57.41667	35000	0.0016405	2602.4667	35000	0.0743562	574.91667	36000	0.0159699
SAIDI	18647.29996	33000	0.5650697	23500.1833	33000	0.71212677	47388.367	34000	1.3937755	36683.95	35000	1.0481129	43068.183	35833.33	1.2019028
	SAIFI			SAIFI			SAIFI			SAIFI			SAIFI		
	Cust Interruptions	**Cust**	**SAIFI**	**Cust Interruptions**	**Cust**	**SAIFI**	**Cust Interruptions**	**Cust**	**SAIFI**	**Cust Interruptions**	**Cust**	**SAIFI**	**Cust Interruptions**	**Cust**	**SAIFI**
Jan	155	33000	0.004697	832	33000	0.02521212	2811	33000	0.0851818	906	35000	0.0258857	5741	35000	0.1640286
Feb	2642	33000	0.0800606	3139	33000	0.09512121	5357	33000	0.1623333	560	35000	0.016	242	35000	0.0069143
Mar	2989	33000	0.0905758	2900	33000	0.08787879	2954	33000	0.0895152	3037	35000	0.0867714	4651	36000	0.1291944
Apr	935	33000	0.0283333	5334	33000	0.16163636	5556	33000	0.1683636	5499	35000	0.1571143	3000	36000	0.0833333
May	3547	33000	0.1074848	5335	33000	0.16166667	5883	33000	0.1782727	615	35000	0.0175714	6212	36000	0.1725556
Jun	570	33000	0.0172727	3066	33000	0.09290909	5786	33000	0.1753333	1913	35000	0.0546571	9841	36000	0.2733611
Jul	570	33000	0.0172727	16909	33000	0.51239394	7235	35000	0.2067143	2720	35000	0.0777143	9208	36000	0.2557778
Aug	5268	33000	0.1596364	74	33000	0.00224242	10947	35000	0.3127714	11679	35000	0.3336857	218	36000	0.0060556
Sep	356	33000	0.0107879	914	33000	0.02769697	8644	35000	0.2469714	1970	35000	0.0562857	195	36000	0.0054167
Oct	10812	33000	0.3276364	902	33000	0.02733333	5456	35000	0.1558857	6915	35000	0.1975714	1830	36000	0.0508333
Nov	2891	33000	0.0876061	2713	33000	0.08221212	9481	35000	0.2708857	12291	35000	0.3511714	1950	36000	0.0541667
Dec	73	33000	0.0022121	5329	33000	0.16148485	3026	35000	0.0864571	5951	35000	0.1700286	1637	36000	0.0454722
SAIFI	30808	33000	0.9335758	47447	33000	1.43778788	73136	34000	2.1510588	54056	35000	1.5444571	44725	35833.33	1.2481395
CAIDI			0.6052746			0.49529334			0.6479486			0.6786286			0.9629555