



Gerry Hilhorst, P. Eng.  
VP, Regulatory Affairs

## WATERLOO NORTH HYDRO INC.

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October 25, 2007

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

**Attention: Ms. Kirsten Walli, Board Secretary**

Dear Ms Walli:

**Re: May 1, 2008 IRM Rate Filing / EB-2007-0585 / EB-2005-0448**

Pursuant to the OEB's December 20, 2006 and January 17, 2007 Cost of Capital (EB-2006-0088) and 2<sup>nd</sup> Generation Incentive Regulation Mechanism (EB-2006-0089) Issuance of Report of the Board and Instructions for Filing 2008 Rate Applications, Waterloo North Hydro Inc. hereby submits its May 1, 2008 Rate Adjustment application together with all relevant working papers. We enclose two (2) hard copies of the Manager's Summary and two 2008 IRM Models and a CD ROM containing an electronic format of the PDF documentation e-mailed to the Board and a completed copy of the 2008 Excel IRM models.

WNH has previously forwarded two (2) electronic versions of the Excel 2008 IRM Model via e-mail to [boardsec@oeb.gov.on.ca](mailto:boardsec@oeb.gov.on.ca) and an electronic filing of the application through the Board's web portal.

If there are any questions, please contact myself, Gerry Hilhorst at 519-888-5550, [ghilhorst@wnhydro.com](mailto:ghilhorst@wnhydro.com) .

Yours truly,

**Original signed by**

Gerry Hilhorst, P.Eng  
VP, Regulatory Affairs

# Waterloo North Hydro Inc. Distribution Rate Adjustment Application

## SUMMARY OF APPLICATION

**EB-2007-XXXX / ED-2002-0575 / EB-2005-0448**

IN THE MATTER OF the Ontario Energy Board Act, 1998, S. O. 1998, c. 15, Schedule B of the Energy Competition Act, 1998:

AND IN THE MATTER OF an Application by Waterloo North Hydro Inc. for an order approving just and reasonable rates as set out in this Application in accordance with the Ontario Energy Board's Filing Guidelines for the Adjustments of the Electricity Distribution Rates and PILs for May 1, 2008 Distribution Rate Adjustments, issued September 28, 2007.

### 1.0a Introduction

- 1.1 Waterloo North Hydro Inc. ("Waterloo North Hydro") submits this Application and supporting documentation for a rate adjustment and rate rider pursuant to the Ontario Energy Board's Filing Guidelines for May 1, 2008 Distribution Rate Adjustments and PILs, issued September 28, 2007.
- 1.2 The utility continues to operate under the authority of a Board of Directors and has been incorporated as "Waterloo North Hydro Inc." under the Ontario *Business Corporations Act* since May 1, 2000. Waterloo North Hydro operates under Electricity Distribution Licence ED-2002-0575.
- 1.3 In February 2002, Waterloo North Hydro received approval for new rates, which included an adjustment for the second 1/3 MARR increment effective March 1, 2002. These rates were implemented in April 2002.

- 1.4 In March 2004, Waterloo North Hydro received approval for new rates, which included an adjustment for the Regulatory Assets effective March 1, 2004. These rates were implemented on April 1, 2004.
- 1.5 In February 2005, Waterloo North Hydro received a rate adjustment to be effective March 1, 2005 and implemented on April 1, 2005 to its unbundled distribution rates to provide for the last third of MARR (with approved C&DM Plan), costs associated with Regulatory Assets and 2005 PILs as outlined in the December 20, 2004 filing guidelines.
- 1.6 Waterloo North Hydro received Board approval on April 12, 2006 for rate adjustments, effective and implemented May 1, 2006, to its unbundled distribution rates under a Cost of Service model, its associated 2006 PILs and costs associated with Regulatory Assets that were implemented as a rate rider, as outlined in the June 16, June 28 and July 12, 2005 filing guidelines issued by the OEB [EB-2005-0448]. Included in this rate approval were “negative” Regulatory Asset Recovery Rate Riders which in effect reduced customer bills.
- 1.7 Waterloo North Hydro received Board approval on April 12, 2007 for rate adjustments, effective and implemented May 1, 2007, to its unbundled distribution rates under an Incentive Regulation Mechanism, its associated 2007 PILs [EB-2007-0585] and a continuation of “negative” Regulatory Asset Recovery Rate Riders.
- 1.8 In this filing, Waterloo North Hydro is seeking approval for rate adjustments, to be effective and implemented May 1, 2008, to its unbundled distribution rates under the implementation of the cost of capital and 2<sup>nd</sup> generation incentive regulation mechanism policies, and its associated 2008 PILs, as provided in the Board’s September 28, 2007 filing guidelines.

### 1.8 Continued

Waterloo North Hydro is also seeking to extend its Regulatory Asset Recovery Rate Riders at their current rates on an interim basis. Waterloo North Hydro currently has negative rate riders and proposes to continue reducing its customers' bills for the May 2008 to April 2009 rate year. Please refer to section 2.5 Regulatory Asset Recovery Rate Rider below for further discussion.

### 1.0b Company Size and Number of Customers

1.9 Waterloo North Hydro Inc. is a municipally owned electric distribution company. Waterloo North Hydro serves approximately 50,000 residential, commercial, and industrial customers in the City of Waterloo and the Townships of Wellesley and Woolwich.

### 1.0c Customer Profile

1.10 The Company currently uses six customer classes for the purpose of distribution rates and billing: Residential, General Service < 50 kW, General Service > 50 kW, Large Use, Street Lighting and Unmetered Scattered Load.

1.11 The General Service < 50 kW class includes a wide range of customers including: office buildings, medium and small commercial and industrial establishments, farms, apartment and condominium buildings.

1.12 The General Service > 50 kW class is typically comprised of large commercial and industrial customers.

1.13 The Large Use class consists of two large use customers with an average load over five megawatts per customer.

- 1.14 The Street Light class contributes less than 1% to the Company's current distribution revenue. This class is included in the 2008 Electricity Distribution Rate Model; however, it is not mentioned further in this Summary of Application due to its minor significance relative to the other rate classes.
- 1.15 The Unmetered Scattered Load class contributes less than 1% to the Company's current distribution revenue. This class is included in the 2008 Electricity Distribution Rate Model; however, it is not mentioned further in this Summary of Application due to its minor significance relative to the other rate classes.

### **1.0d Previously Denied Amounts**

- 1.16 Waterloo North Hydro has not previously been denied for any amounts that are included in the account balances in this application.

## **2.0 Information supporting the data filed in this Application:**

### **2.1 2007 EDR Tariff Sheet as Approved by the Board**

Waterloo North Hydro has inserted its approved 2007 rates, including the 2007 Smart Meter Funding increment, as approved by the Board on April 12, 2007, in the 2008 IRM model.

### **2.2 Incremental Approved CDM Funding**

Waterloo North Hydro did not apply for incremental CDM funding in its 2007 distribution rates. Waterloo North Hydro has only received approval in 2005 for CDM funds under its third tranche of the Market Adjusted Revenue Requirement. No adjustment has thus been made in this rate filing.

### **2.3 Price Cap Adjustment**

Waterloo North Hydro has used the proxy value of 1.9% as the Price Escalator (GDP-IPI) as prescribed in the 2008 IRM Model. Waterloo North Hydro understands that the Board will adjust the inflation index in our 2008 IRM rate application model, when Statistics Canada publishes its final 2007 data in late February, 2008.

### **2.4 Smart Meter Adder**

Waterloo North Hydro has included its monthly smart meter service charge for metered customers, as shown in its 2007 approved rates, in Sheet 4 of the IRM model.

### **2.5 Regulatory Asset Recovery Rate Rider**

Waterloo North Hydro is proposing to extend its current Regulatory Asset Recovery Rate Riders on an interim basis for the rate year May 2008 through April 2009.

Waterloo North Hydro currently has “negative” Regulatory Asset Recovery Rate Riders in its rate order EB-2007-0585. Waterloo North Hydro submits that an extension of these rate riders, which will reduce our customers’ bills, is in the best interests of our customers. A continuation of the return of funds will allow rate stability and avoid future rate shock.

Waterloo North Hydro continues to have a Regulatory Liability to its customers and an extension of the current repayment will return these funds to our customers on a more timely basis, rather than waiting until Waterloo North Hydro submits its next Cost of Service Application.

## 2.5 Regulatory Asset Recovery Rate Rider Continued

The following chart reflects our current Regulatory Asset Recovery Rate Riders, the amount that our customers' bills will increase if the rate riders are removed from our rates and the effect if the Rate Riders are continued:

Class	Current Regulatory Asset Recovery Rate Rider	\$ Increase in Monthly Distribution Charge if Rate Rider <u>Removed</u>	% Increase in Total Charge if Rate Rider <u>Removed</u>	% Increase in Total Charge if Rate Rider <u>Continued</u>
Residential (1,000 kWh)	(\$ .0008)	\$ .80	0.8%	0.0%
Gen. Service < 50 kW (kWh) (2,000 kWh)	(\$ .0009)	\$ 1.80	0.9%	0.0%
Gen. Service > 50 kW (kW) (100,000kWh/500kW)	(\$ .1947)	\$ 97.35	0.7%	0.0%
Large User (kW) (2,000,000 kWh / 5,000 kW)	(\$ .8509)	\$4,254.50	2.3%	0.0%

As illustrated above, it is in our customers' best interest to extend the Regulatory Asset Recovery Rate Riders in order to continue to have the benefit of reduced bills at this time, rather than see an increase now and later have the funds refunded.

Waterloo North Hydro has submitted two versions of the 2008 Incentive Rate Mechanism Adjustment Models; one which reflects the removal of the Rate Riders (Sheet 3 Pull Down menus for Rate Rider Continuation indicates 'No') and one which reflects the continuation of the Rate Riders (Sheet 3 Pull Down menus for Rate Rider Continuation indicates 'Yes').

## 2.5 Regulatory Asset Recovery Rate Rider Continued

If the Board approves the extension of the current Regulatory Asset Recovery Rate Riders Waterloo North Hydro proposes to record the funds disbursed in USoA Account 1590 Recovery of Regulatory Asset Balances.

Waterloo North Hydro would request that the Board seriously considers our request for extension of the Regulatory Asset Recovery Rate Riders on an interim basis in order to reduce our customers' bills.

## 3.0 Rate Impacts/Mitigation

The following chart indicates the current and proposed distribution rates calculated as per the 2008 IRM Model:

Class	Current Rates: Service Charge/ Distribution Charge	Proposed Rates: Service Charge/ Distribution Charge	\$ Increase (Decrease) in Distribution Charge	% Increase (Decrease) in Distribution Charge
Residential	\$ 15.15 \$ .0135	\$ 15.19 \$ .0135	\$ .04 \$ .0000	0.3% 0.0%
Gen. Service < 50 kW (kWh)	\$ 31.59 \$ .0108	\$ 31.68 \$ .0108	\$ .09 \$ .0000	0.3% 0.0%
Gen. Service > 50 kW (kW)	\$ 191.54 \$ 3.6531	\$ 192.11 \$ 3.6641	\$ .57 \$ .0110	0.3% 0.3%
Large User (kW)	\$ 6,839.47 \$ 2.7951	\$6,859.99 \$ 2.8035	\$ 20.52 \$ .0084	0.3% 0.3%



### 3.1 Rate Impacts/Mitigation on Total Bill

The following chart indicates a comparison between bills, based upon a customer's Total Bill before Taxes, on an Annualized Basis (Sheets 12 & 13), including a commodity component and other charges to get an order of magnitude.

#### Rate Impacts if Regulatory Asset Recovery Rider Continued

Class	2007 Bill	2008 Bill	\$ Increase (Decrease)	% Increase (Decrease)
Residential (1,000 kWh)	\$ 115.89	\$ 115.93	\$ .04	0.0%
Gen. Service < 50 kW (2,000 kWh)	\$ 229.68	\$ 229.77	\$ .09	0.0%
Gen. Service > 50 kW (100,000 kWh/500kW)	\$ 15,389.17	\$ 15,395.61	\$ 6.44	0.0%
Large User (2,000,000 kWh / 5,000 kW)	\$197,104.32	\$197,170.59	\$ 66.27	0.0%

#### Rate Impacts if Regulatory Asset Recovery Rider Removed

Class	2007 Bill	2008 Bill	\$ Increase (Decrease)	% Increase (Decrease)
Residential (1,000 kWh)	\$ 115.89	\$ 116.78	\$ .89	0.8%
Gen. Service < 50 kW (2,000 kWh)	\$ 229.68	\$ 231.68	\$ 2.00	0.9%
Gen. Service > 50 kW (100,000 kWh/500kW)	\$ 15,389.17	\$ 15,498.80	\$ 109.63	0.7%
Large User (2,000,000 kWh / 5,000 kW)	\$197,104.32	\$201,680.36	\$4,576.04	2.3%

### 3.1 Rate Impacts/Mitigation on Total Bill – continued

Waterloo North Hydro remains concerned that significant increases or decreases be managed so as to mitigate undue rate impacts in all rate classes. We are also concerned that customers understand the rate impacts. Two critical measures of the impact analysis for each rate class are the percentage increase from current rates, and the respective dollar amount of the impact. Providing both the dollar impact and the percentage change puts the increase in the proper context. Waterloo North Hydro used both percentages and dollar amounts to demonstrate relative impacts. As indicated above there is an increase of .70% to 2.30% on the total bill before taxes, to all classes after all proposed rate adjustments have been accounted for as well as the removal of the Regulatory Asset Recovery Rate Rider. However, as indicated above, if the Regulatory Asset Recovery Rate Rider remains at its current level, the overall increase on the total bill is 0.0% for the classes.

The impact of the distribution rate changes reflects a .30% increase to the rate classes, which is the Total Price Cap Adjustment. This was derived from the Proxy Price Escalator (GDP-IPI) of 1.9%, reduced by the Average Annual Expected Productivity Gain (X) of (1.0%) and further reduced by the K Factor Adjustment of (.6%).

**3.2 Rate Impacts/Mitigation - Proposed Rate Schedule**

The following is Waterloo North Hydro's proposed Distribution Rates/Rate Rider for the Board's approval based on the 2008 IRM Model:

**Rate Impacts if Regulatory Asset Recovery Rider Continued**

Classification	Rate
<b>RESIDENTIAL</b>	
Monthly Service Charge	\$ 15.19
Distribution Volumetric Rate (per kWh)	\$ .0135
Regulatory Asset Rate Rider (per kWh)	(\$ .0008)
<b>GENERAL SERVICE &lt; 50kW</b>	
Monthly Service Charge	\$ 31.68
Distribution Volumetric Rate (per kWh)	\$ .0108
Regulatory Asset Rate Rider (per kWh)	(\$ .0009)
<b>GENERAL SERVICE &gt; 50kW (Non Time of Use)</b>	
Monthly Service Charge	\$ 192.11
Distribution Volumetric Rate (per kW)	\$ 3.6641
Regulatory Asset Rate Rider (per kW)	(\$ .1947)
<b>Large User</b>	
Monthly Service Charge	\$ 6,859.99
Distribution Volumetric Rate (per kW)	\$ 2.8035
Regulatory Asset Rate Rider (per kW)	(\$ .8509)
Monthly Service Charge	\$ 0.34
Distribution Volumetric Rate (per kW)	\$ 6.9427
Regulatory Asset Rate Rider (per kW)	(\$ 1.0991)
<b>GENERAL SERVICE Unmetered Scattered Load</b>	
Monthly Service Charge	\$ 15.71
Distribution Volumetric Rate (per kWh)	\$ .0107
Regulatory Asset Rate Rider (per kWh)	(\$ .0012)

***Waterloo North Hydro would like to recommend to the Board that approval of this version of the Proposed Rate Schedule is in all parties' best interests.***

3.2 Rate Impacts/Mitigation - Proposed Rate Schedule - Continued

**Rate Impacts if Regulatory Asset Recovery Rider Removed**

Classification	Rate
<b>RESIDENTIAL</b>	
Monthly Service Charge	\$ 15.19
Distribution Volumetric Rate (per kWh)	\$ .0135
Regulatory Asset Rate Rider (per kWh)	(\$ .0000)
<b>GENERAL SERVICE &lt; 50kW</b>	
Monthly Service Charge	\$ 31.68
Distribution Volumetric Rate (per kWh)	\$ .0108
Regulatory Asset Rate Rider (per kWh)	(\$ .0000)
<b>GENERAL SERVICE &gt; 50kW (Non Time of Use)</b>	
Monthly Service Charge	\$ 192.11
Distribution Volumetric Rate (per kW)	\$ 3.6641
Regulatory Asset Rate Rider (per kW)	(\$ .0000)
<b>Large User</b>	
Monthly Service Charge	\$ 6,859.99
Distribution Volumetric Rate (per kW)	\$ 2.8035
Regulatory Asset Rate Rider (per kW)	(\$ .0000)
<b>STREET LIGHTING (Non Time of Use)</b>	
Monthly Service Charge	\$ 0.34
Distribution Volumetric Rate (per kW)	\$ 6.9427
Regulatory Asset Rate Rider (per kW)	(\$ 0.0000)
<b>GENERAL SERVICE Unmetered Scattered Load</b>	
Monthly Service Charge	\$ 15.71
Distribution Volumetric Rate (per kWh)	\$ .0107
Regulatory Asset Rate Rider (per kWh)	(\$ .0000)

### **3.2 Rate Impacts/Mitigation - Proposed Rate Schedule - Continued**

Waterloo North Hydro proposes to implement the new rates as of May 1, 2008. Waterloo North Hydro will prorate the customers' bills in order that consumption prior to May 1, 2008 will be billed at its current rates and post May 1, 2008 consumption will be billed at the rates proposed in this rate application.

### **4.0 Publishing Notice of Rate Change**

Waterloo North Hydro is prepared to publish a Notice concerning this rate change in the local newspaper to inform electricity ratepayers of the proposed changes to distribution rates.

Waterloo North Hydro expects its customers may require further information about rate impacts as a result of this application. It will undertake to inform and explain the rate changes and the reasons for them to customers.

Dated at Waterloo, Ontario this 25th day of October 2007.

#### **Original signed by**

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Rene W. Gatien, P. Eng.  
President & CEO  
Waterloo North Hydro Inc.



# Ontario Energy Board

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Sheet 1 Utility Information Sheet

<b>Legend:</b>	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

<b>Name of LDC:</b>	Waterloo North Hydro Inc.		
<b>Licence Number:</b>	ED-2002-0575		
<b>IRM 2008 EB Number:</b> (if known)	EB-2007-XXXX		
<b>IRM 2007 EB Number:</b>	EB-2007-0585		
<b>EDR 2006 RP Number:</b>	RP-2005-0020	<b>EDR 2006 EB Number:</b>	EB-2005-0448
<b>Date of Submission:</b>	10/25/07	<b>Last Saved Date:</b>	10/22/07 5:31 PM
<b>Model Version:</b>	2.0		
<b>Contact Information</b>			
<b>Name:</b>	Gerry Hilhorst		
<b>Title:</b>	VP, Regulatory Affairs		
<b>Phone Number:</b>	519-888-5550		
<b>E-Mail Address:</b>	ghilhorst@wnhydro.com		

Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

#### Comments

This version has the continuation of Regulatory Asset Recovery Rate Riders for the rate year May 2008 to April 2009.

#### Copyright

This IRM adjustment model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing an IRM adjustment application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing an IRM adjustment application, you must ensure that the person understands and agrees to the restrictions noted above.



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### **Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

### **Sheet 2 - 2007 Rate Classes**

**Are you changing the descriptions of any of your Service Classifications?**

YES     NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

**Instructions:**

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.

**Upon completion, press the update button.**

**LEGEND**

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Large Use	Yes
5	Unmetered Scattered Load	Yes
6	Street Lighting	Yes
7	Rate Class 7	No
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

**MONTHLY RATES AND CHARGES**

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

**Residential**

Service Charge	\$	15.15	
Distribution Volumetric Rate	\$/kWh	0.0135	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0008)	Yes
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

**General Service Less Than 50 kW**

Service Charge	\$	31.59	
Distribution Volumetric Rate	\$/kWh	0.0108	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0009)	Yes
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

**General Service 50 to 4,999 kW**

Service Charge	\$	191.54	
Distribution Volumetric Rate	\$/kW	3.6531	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.1947)	Yes
Retail Transmission Rate – Network Service Rate - (less than 1,000 kW)	\$/kW	2.1218	
Retail Transmission Rate – Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.6855	
Retail Transmission Rate – Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.2535	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.8563	
Retail Transmission Rate – Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.2508	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.8553	
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

**Large Use**

Service Charge	\$	6,839.47	
Distribution Volumetric Rate	\$/kW	2.7951	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.8509)	Yes
Retail Transmission Rate – Network Service Rate	\$/kW	2.4952	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8593	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

**Unmetered Scattered Load**

Service Charge	\$	15.66	
Distribution Volumetric Rate	\$/kWh	0.0107	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0012)	Yes
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

### **Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

#### Street Lighting

Service Charge	\$	0.34	
Distribution Volumetric Rate	\$/kW	6.9219	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(1.0991)	<b>Yes</b>
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5299	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Waterloo North Hydro Inc.**  
**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**  
**Thursday, October 25, 2007**  
**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

**Specific Service Charges**

**Customer Administration**

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	
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	\$	
	\$	
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	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
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	\$	
	\$	
	\$	

**Allowances**

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)
	\$/kW	
	\$/kW	

**LOSS FACTORS**

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0505
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0400
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

### Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

#### Smart Meter Rate Adder

	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 4,999 kW	\$ 0.26	
Large Use	\$ 0.26	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

## Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

YES     NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge		Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	\$	kW / kWh	
<i>Residential</i>	\$ 15.15	\$ 0.0135	\$ 0.26	\$ 14.89	\$ 0.0135	\$/kWh	
<i>General Service Less Than 50 kW</i>	\$ 31.59	\$ 0.0108	\$ 0.26	\$ 31.33	\$ 0.0108	\$/kWh	
<i>General Service 50 to 4,999 kW</i>	\$ 191.54	\$ 3.6531	\$ 0.26	\$ 191.28	\$ 3.6531	\$/kW	
<i>Large Use</i>	\$ 6,839.47	\$ 2.7951	\$ 0.26	\$ 6,839.21	\$ 2.7951	\$/kW	
<i>Unmetered Scattered Load</i>	\$ 15.66	\$ 0.0107	\$ -	\$ 15.66	\$ 0.0107	\$/kWh	
<i>Street Lighting</i>	\$ 0.34	\$ 6.9219	\$ -	\$ 0.34	\$ 6.9219	\$/kW	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

### Sheet 6 - K-Factor Derivation

#### Capital Structure Transition

##### Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

#### Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	6.28%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 97,659,868	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

#### Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	46.7%	F2 Based on C, copies the deemed D/E from row "2008" of the table

#### Cost of Capital

Current	G	7.64%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.55%	= (F1 X B) + (F2 X A)	

#### Return on Rate Base

Current	I	\$ 7,461,213.92	= C X G / 100
2008	J	\$ 7,373,554.42	= C X H / 100

#### Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 14,228,719	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 23,716,999	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 744,464	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

#### Revenue Requirement (before PILs)

Current	N	\$ 21,689,932.92	= I + K
2008	O	\$ 21,602,273.42	= J + K

#### Target Net Income (EBIT)

Current	\$ 4,394,694.06	P1 = I - P2
2008	\$ 4,104,644.25	Q1 = J - Q2

#### Interest Expense

Current	\$ 3,066,519.86	P2 = C X (B X E1 / 100)
2008	\$ 3,268,910.17	Q2 = C X (B X F1 / 100)

#### PILs

Tax Rate R 36.12% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ 8,722	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 295,387	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 3,030,475	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 4,821,713	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 4,716,947	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 2,726,366	V	= AC * (R / 100) / (1 - R / 100) 3,030,475
	2008 \$ 2,667,128	W	= AD * (R / 100) / (1 - R / 100)

#### Base Revenue Requirement Adjustment (including PILs)

##### Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR)

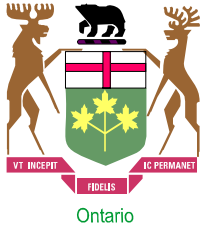
Current	\$ 24,711,686.13	X	= N + V + T
2008	\$ 24,564,788.25	Y	= O + W + T

#### Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 24,461,463.40	Z	= L + M
2008	\$ 24,314,565.52	AA1	= Z + (Y - X)
Difference	\$ - 146,897.88	AA2	= AA1 - Z
K-factor	-0.6%	AB	= AA2 / Z





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### **Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

### **Sheet 7 - Price Cap Adjustment**

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment
1.9%	1.0%	0.9%	-0.6%	0.3%
	Adjusted Monthly Service Charge	<b>Monthly Service Charge with Price Cap Adjustment</b>	Adjusted Volumetric Rate <b>(kW / kWh)</b>	<b>Volumetric Rate with Price Cap Adjustment</b>
<i>Residential</i>	\$ 14.89	\$ 14.93	\$ 0.0135	\$ 0.0135
<i>General Service Less Than 50 kW</i>	\$ 31.33	\$ 31.42	\$ 0.0108	\$ 0.0108
<i>General Service 50 to 4,999 kW</i>	\$ 191.28	\$ 191.85	\$ 3.6531	\$ 3.6641
<i>Large Use</i>	\$ 6,839.21	\$ 6,859.73	\$ 2.7951	\$ 2.8035
<i>Unmetered Scattered Load</i>	\$ 15.66	\$ 15.71	\$ 0.0107	\$ 0.0107
<i>Street Lighting</i>	\$ 0.34	\$ 0.34	\$ 6.9219	\$ 6.9427



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 8 - Addback of Smart Meter Rate Adder**

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 14.93	\$ 0.26	\$ 15.19	0.0135
<i>General Service Less Than 50 kW</i>	\$ 31.42	\$ 0.26	\$ 31.68	0.0108
<i>General Service 50 to 4,999 kW</i>	\$ 191.85	\$ 0.26	\$ 192.11	3.6641
<i>Large Use</i>	\$ 6,859.73	\$ 0.26	\$ 6,859.99	2.8035
<i>Unmetered Scattered Load</i>	\$ 15.71	\$ -	\$ 15.71	0.0107
<i>Street Lighting</i>	\$ 0.34	\$ -	\$ 0.34	6.9427



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 9. - Z-Factor Rate Rider Adjustment**

Is the Applicant seeking Board approval for other rate adjustments?  YES  NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the *Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors*, issued December 20, 2006 (link [http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report\\_of\\_the\\_board\\_201206.pdf](http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf) ). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

Class	<i>Monthly Service Charge Rate Rider</i> \$	<i>Volumetric Charge Rate Rider</i> kW / kWh
<i>Residential</i>		
<i>General Service Less Than 50 kW</i>		
<i>General Service 50 to 4,999 kW</i>		
<i>Large Use</i>		
<i>Unmetered Scattered Load</i>		
<i>Street Lighting</i>		

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors

EB-2007-0585

FOR OEB STAFF USE ONLY

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	15.19
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0135
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	(0.0008)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### General Service Less Than 50 kW

Service Charge	\$	31.68
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0108
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	(0.0009)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

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EB-2007-0585

### General Service 50 to 4,999 kW

Service Charge	\$	192.11
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	3.6641
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	(0.1947)
Retail Transmission Rate – Network Service Rate - (less than 1,000 kW)	\$/kW	2.1218
Retail Transmission Rate – Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.6855
Retail Transmission Rate – Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.2535
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.8563
Retail Transmission Rate – Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.2508
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.8553
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Large Use

Service Charge	\$	6,859.99
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	2.8035
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	(0.8509)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4952
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8593
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Unmetered Scattered Load

Service Charge	\$	15.71
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0107
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	(0.0012)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

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EB-2007-0585

### Street Lighting

Service Charge	\$	0.34
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	6.9427
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	(1.0991)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5299
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# **Waterloo North Hydro Inc.**

**Tariff OF RATES AND CHARGES**

**Effective May 1, 2008\***

**(\*Except as otherwise noted)**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges, and Loss Factors**

**EB-2007-0585**

# **Waterloo North Hydro Inc.**

**Tariff OF RATES AND CHARGES**

**Effective May 1, 2008\***

**(\*Except as otherwise noted)**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges, and Loss Factors**

**EB-2007-0585**



# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors**

EB-2007-0585

### Specific Service Charges

#### Customer Administration

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
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	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

#### Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)
	\$/kW	0.00
	\$/kW	0.00

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

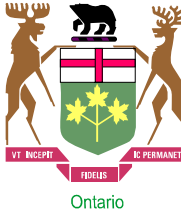
**This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors**

EB-2007-0585

### LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0505
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0400
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045

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2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 11 - Distribution Rate Change Summary**

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 15.15	\$ 0.0135
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.13	\$ 0.0001
Add: K-Factor	\$ (0.09)	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 15.19</b>	<b>\$ 0.0135</b>

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 31.59	\$ 0.0108
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.28	\$ 0.0001
Add: K-Factor	\$ (0.19)	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 31.68</b>	<b>\$ 0.0108</b>

General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 191.54	\$ 3.6531
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 1.72	\$ 0.0329
Add: K-Factor	\$ (1.15)	-\$ 0.0219
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 192.11</b>	<b>\$ 3.6641</b>

Large Use

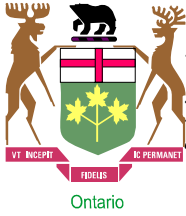
Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 6,839.47	\$ 2.7951
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 61.55	\$ 0.0252
Add: K-Factor	\$ (41.04)	-\$ 0.0168
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 6,859.99</b>	<b>\$ 2.8035</b>

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 15.66	\$ 0.0107
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.14	\$ 0.0001
Add: K-Factor	\$ (0.09)	-\$ 0.0001
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 15.71</b>	<b>\$ 0.0107</b>

Fixed

Volumetric



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 11 - Distribution Rate Change Summary**

Street Lighting

Data	(\$)	\$ per kW / kWh
2007 Rates	\$ 0.34	\$ 6.9219
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPPI - X	\$ 0.00	\$ 0.0623
Add: K-Factor	\$ (0.00)	\$ 0.0415
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 0.34</b>	<b>\$ 6.9427</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

Sheet 12 - Annualized Bill Impact

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to	600 \$	0.053	600 \$	0.053
greater than	> 600 \$	0.062	> 600 \$	0.062

Regulated Price Plan Non-Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to	750 \$	0.053	750 \$	0.053
greater than	> 750 \$	0.062	> 750 \$	0.062

**Residential**

<b>Consumption</b>	<b>1,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	27.43%
Energy Second Tier (kWh)	451	\$ 0.0620	\$ 27.93	451	\$ 0.0620	\$ 27.93	\$0.00	0.0%	24.09%
<b>Sub-Total: Energy</b>			<b>\$ 59.73</b>			<b>\$ 59.73</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>51.52%</b>
Monthly Service Charge	1	\$ 15.15	\$ 15.15	1	\$ 15.19	\$ 15.19	\$0.04	0.3%	13.10%
Distribution (kWh)	1,000	\$ 0.0135	\$ 13.50	1,000	\$ 0.0135	\$ 13.50	\$0.00	0.0%	11.64%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	-\$ 0.0008	-\$ 0.80	1,000	-\$ 0.0008	-\$ 0.80	\$0.00	0.0%	-0.69%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,051	\$ 0.0057	\$ 5.99	1,051	\$ 0.0057	\$ 5.99	\$0.00	0.0%	5.17%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,051	\$ 0.0019	\$ 2.00	1,051	\$ 0.0019	\$ 2.00	\$0.00	0.0%	1.72%
<b>Sub-Total: Delivery</b>			<b>\$ 35.83</b>			<b>\$ 35.87</b>	<b>\$0.04</b>	<b>0.1%</b>	<b>30.94%</b>
Wholesale Market Service Rate	1051	\$ 0.0052	\$ 5.46	1051	\$ 0.0052	\$ 5.46	\$0.00	0.0%	4.71%
Rural Rate Protection Charge	1051	\$ 0.0010	\$ 1.05	1051	\$ 0.0010	\$ 1.05	\$0.00	0.0%	0.91%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
<b>Sub-Total: Regulatory</b>			<b>\$ 6.76</b>			<b>\$ 6.76</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.83%</b>
<b>Debt Retirement Charge (DRC)</b>	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	6.04%
<b>Total Bill before Taxes</b>			<b>\$ 109.33</b>			<b>\$ 109.37</b>	<b>\$0.04</b>	<b>0.0%</b>	<b>94.34%</b>
GST	\$ 109.33	6.00%	\$ 6.56	\$ 109.37	6.00%	\$ 6.56	\$0.00	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 115.89</b>			<b>\$ 115.93</b>	<b>\$0.04</b>	<b>0.0%</b>	<b>100.00%</b>

**General Service Less Than 50 kW**

<b>Consumption</b>	<b>2,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	17.30%
Energy Second Tier (kWh)	1,351	\$ 0.0620	\$ 83.76	1,351	\$ 0.0620	\$ 83.76	\$0.00	0.0%	36.45%
<b>Sub-Total: Energy</b>			<b>\$ 123.51</b>			<b>\$ 123.51</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>53.75%</b>
Monthly Service Charge	1	\$ 31.59	\$ 31.59	1	\$ 31.68	\$ 31.68	\$0.09	0.3%	13.79%
Distribution (kWh)	2,000	\$ 0.0108	\$ 21.60	2,000	\$ 0.0108	\$ 21.60	\$0.00	0.0%	9.40%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	-\$ 0.0009	-\$ 1.80	2,000	-\$ 0.0009	-\$ 1.80	\$0.00	0.0%	-0.78%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,101	\$ 0.0052	\$ 10.93	2,101	\$ 0.0052	\$ 10.93	\$0.00	0.0%	4.75%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,101	\$ 0.0017	\$ 3.57	2,101	\$ 0.0017	\$ 3.57	\$0.00	0.0%	1.55%
<b>Sub-Total: Delivery</b>			<b>\$ 65.89</b>			<b>\$ 65.98</b>	<b>\$0.09</b>	<b>0.1%</b>	<b>28.71%</b>
Wholesale Market Service Rate	2101	\$ 0.0052	\$ 10.93	2101	\$ 0.0052	\$ 10.93	\$0.00	0.0%	4.75%
Rural Rate Protection Charge	2101	\$ 0.0010	\$ 2.10	2101	\$ 0.0010	\$ 2.10	\$0.00	0.0%	0.91%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.11%
<b>Sub-Total: Regulatory</b>			<b>\$ 13.28</b>			<b>\$ 13.28</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.78%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	6.09%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

<b>Total Bill before Taxes</b>			\$ 216.68			\$ 216.77	\$0.09	0.0%	94.34%
GST	\$ 216.68	6.00%	\$ 13.00	\$ 216.77	6.00%	\$ 13.01	\$0.01	0.0%	5.66%
<b>Total Bill after Taxes</b>			\$ 229.68			\$ 229.77	\$0.10	0.0%	100.00%

**General Service 50 to 4,999 kW**

<b>Consumption</b>	<b>100,000 kWh</b>	<b>500 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.26%
Energy Second Tier (kWh)	104,300	\$ 0.0620	\$ 6,466.60	104,300	\$ 0.0620	\$ 6,466.60	\$0.00	0.0%	42.00%
<b>Sub-Total: Energy</b>			<b>\$ 6,506.35</b>			<b>\$ 6,506.35</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>42.26%</b>
Monthly Service Charge	1	\$ 191.54	\$ 191.54	1	\$ 192.11	\$ 192.11	\$0.57	0.3%	1.25%
Distribution (kWh)	100,000	\$ -	\$ -	100,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 3.6531	\$ 1,826.55	500	\$ 3.6641	\$ 1,832.05	\$5.50	0.3%	11.90%
Regulatory Assets (kWh)	500	-\$ 0.1947	-\$ 97.35	500	-\$ 0.1947	-\$ 97.35	\$0.00	0.0%	-0.63%
Rate Riders	500	\$ -	\$ -	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	525	\$ 6.6261	\$ 3,480.36	525	\$ 6.6261	\$ 3,480.36	\$0.00	0.0%	22.61%
Retail Transmission Rate – Line and Transformation Connection Service Rate	525	\$ 2.3971	\$ 1,259.08	525	\$ 2.3971	\$ 1,259.08	\$0.00	0.0%	8.18%
<b>Sub-Total: Delivery</b>			<b>\$ 6,660.18</b>			<b>\$ 6,666.25</b>	<b>\$6.07</b>	<b>0.1%</b>	<b>43.30%</b>
Wholesale Market Service Rate	105050	\$ 0.0052	\$ 546.26	105050	\$ 0.0052	\$ 546.26	\$0.00	0.0%	3.55%
Rural Rate Protection Charge	105050	\$ 0.0010	\$ 105.05	105050	\$ 0.0010	\$ 105.05	\$0.00	0.0%	0.68%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 651.56</b>			<b>\$ 651.56</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>4.23%</b>
<b>Debt Retirement Charge (DRC)</b>	100,000	\$ 0.0070	<b>\$ 700.00</b>	100,000	\$ 0.0070	<b>\$ 700.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>4.55%</b>
<b>Total Bill before Taxes</b>			<b>\$ 14,518.09</b>			<b>\$ 14,524.16</b>	<b>\$6.07</b>	<b>0.0%</b>	<b>94.34%</b>
GST	\$ 14,518.09	6.00%	\$ 871.09	\$ 14,524.16	6.00%	\$ 871.45	\$0.36	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 15,389.17</b>			<b>\$ 15,395.61</b>	<b>\$6.43</b>	<b>0.0%</b>	<b>100.00%</b>



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

**Large Use**

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0145</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.02%
Energy Second Tier (kWh)	2,028,250	\$ 0.0620	\$ 125,751.50	2,028,250	\$ 0.0620	\$ 125,751.50	\$0.00	0.0%	63.78%
<b>Sub-Total: Energy</b>			<b>\$ 125,791.25</b>			<b>\$ 125,791.25</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>63.80%</b>
Monthly Service Charge	1	\$ 6,839.47	\$ 6,839.47	1	\$ 6,859.99	\$ 6,859.99	\$20.52	0.3%	3.48%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 2.7951	\$ 13,975.50	5,000	\$ 2.8035	\$ 14,017.50	\$42.00	0.3%	7.11%
Regulatory Assets (kWh)	5,000	-\$ 0.8509	-\$ 4,254.50	5,000	-\$ 0.8509	-\$ 4,254.50	\$0.00	0.0%	-2.16%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,073	\$ 2.4952	\$ 12,656.90	5,073	\$ 2.4952	\$ 12,656.90	\$0.00	0.0%	6.42%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,073	\$ 0.8593	\$ 4,358.80	5,073	\$ 0.8593	\$ 4,358.80	\$0.00	0.0%	2.21%
<b>Sub-Total: Delivery</b>			<b>\$ 33,576.17</b>			<b>\$ 33,638.69</b>	<b>\$62.52</b>	<b>0.2%</b>	<b>17.06%</b>
Wholesale Market Service Rate	2029000	\$ 0.0052	\$ 10,550.80	2029000	\$ 0.0052	\$ 10,550.80	\$0.00	0.0%	5.35%
Rural Rate Protection Charge	2029000	\$ 0.0010	\$ 2,029.00	2029000	\$ 0.0010	\$ 2,029.00	\$0.00	0.0%	1.03%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,580.05</b>			<b>\$ 12,580.05</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.38%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	7.10%
<b>Total Bill before Taxes</b>			<b>\$ 185,947.47</b>			<b>\$ 186,009.99</b>	<b>\$62.52</b>	<b>0.0%</b>	<b>94.34%</b>
GST	\$ 185,947.47	6.00%	\$ 11,156.85	\$ 186,009.99	6.00%	\$ 11,160.60	\$3.75	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 197,104.32</b>			<b>\$ 197,170.59</b>	<b>\$66.27</b>	<b>0.0%</b>	<b>100.00%</b>

**Unmetered Scattered Load**

<b>Consumption</b>	<b>540 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	567	\$ 0.0530	\$ 30.07	567	\$ 0.0530	\$ 30.07	\$0.00	0.0%	45.48%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Energy</b>			<b>\$ 30.07</b>			<b>\$ 30.07</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>45.48%</b>
Monthly Service Charge	1	\$ 15.66	\$ 15.66	1	\$ 15.71	\$ 15.71	\$0.05	0.3%	23.76%
Distribution (kWh)	540	\$ 0.0107	\$ 5.78	540	\$ 0.0107	\$ 5.78	\$0.00	0.0%	8.74%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	540	-\$ 0.0012	-\$ 0.65	540	-\$ 0.0012	-\$ 0.65	\$0.00	0.0%	-0.98%
Rate Riders	540	\$ -	\$ -	540	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	540	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	567	\$ 0.0052	\$ 2.95	567	\$ 0.0052	\$ 2.95	\$0.00	0.0%	4.46%
Retail Transmission Rate – Line and Transformation Connection Service Rate	567	\$ 0.0017	\$ 0.96	567	\$ 0.0017	\$ 0.96	\$0.00	0.0%	1.46%
<b>Sub-Total: Delivery</b>			<b>\$ 24.70</b>			<b>\$ 24.75</b>	<b>\$0.05</b>	<b>0.2%</b>	<b>37.44%</b>
Wholesale Market Service Rate	567	\$ 0.0052	\$ 2.95	567	\$ 0.0052	\$ 2.95	\$0.00	0.0%	4.46%
Rural Rate Protection Charge	567	\$ 0.0010	\$ 0.57	567	\$ 0.0010	\$ 0.57	\$0.00	0.0%	0.86%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.38%
<b>Sub-Total: Regulatory</b>			<b>\$ 3.77</b>			<b>\$ 3.77</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.70%</b>
<b>Debt Retirement Charge (DRC)</b>	540	\$ 0.0070	\$ 3.78	540	\$ 0.0070	\$ 3.78	\$0.00	0.0%	5.72%
<b>Total Bill before Taxes</b>			<b>\$ 62.32</b>			<b>\$ 62.37</b>	<b>\$0.05</b>	<b>0.1%</b>	<b>94.34%</b>
GST	\$ 62.32	6.00%	\$ 3.74	\$ 62.37	6.00%	\$ 3.74	\$0.00	0.1%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 66.06</b>			<b>\$ 66.11</b>	<b>\$0.05</b>	<b>0.1%</b>	<b>100.00%</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

**Street Lighting**

<i>Consumption</i>	<b>33</b>	<i>kWh</i>	<b>0</b>	<i>kW</i>	<i>Loss Factor 1.0505</i>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	35	\$ 0.0530	\$ 1.84	35	\$ 0.0530	\$ 1.84	\$0.00	0.0%	0.64%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Energy</b>			<b>\$ 1.84</b>			<b>\$ 1.84</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>0.64%</b>
Monthly Service Charge	1	\$ 0.34	\$ 0.34	1	\$ 0.34	\$ 0.34	\$0.00	0.0%	0.12%
Distribution (kWh)	33	\$ 6.9219	\$ 228.42	33	\$ 6.9427	\$ 229.11	\$0.69	0.3%	80.18%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	33	-\$ 1.0991	-\$ 36.27	33	-\$ 1.0991	-\$ 36.27	\$0.00	0.0%	-12.69%
Rate Riders	33	\$ -	\$ -	33	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	33	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	35	\$ 1.6002	\$ 55.47	35	\$ 1.6002	\$ 55.47	\$0.00	0.0%	19.41%
Retail Transmission Rate – Line and Transformation Connection Service Rate	35	\$ 0.5299	\$ 18.37	35	\$ 0.5299	\$ 18.37	\$0.00	0.0%	6.43%
<b>Sub-Total: Delivery</b>			<b>\$ 266.34</b>			<b>\$ 267.02</b>	<b>\$0.69</b>	<b>0.3%</b>	<b>93.45%</b>
Wholesale Market Service Rate	35	\$ 0.0052	\$ 0.18	35	\$ 0.0052	\$ 0.18	\$0.00	0.0%	0.06%
Rural Rate Protection Charge	35	\$ 0.0010	\$ 0.03	35	\$ 0.0010	\$ 0.03	\$0.00	0.0%	0.01%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.09%
<b>Sub-Total: Regulatory</b>			<b>\$ 0.46</b>			<b>\$ 0.46</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>0.16%</b>
Debt Retirement Charge (DRC)	33	\$ 0.0070	\$ 0.23	33	\$ 0.0070	\$ 0.23	\$0.00	0.0%	0.08%
<b>Total Bill before Taxes</b>			<b>\$ 268.87</b>			<b>\$ 269.56</b>	<b>\$0.69</b>	<b>0.3%</b>	<b>94.34%</b>
GST		\$ 268.87	6.00%		\$ 269.56	6.00%			
<b>Total Bill after Taxes</b>			<b>\$ 285.00</b>			<b>\$ 285.73</b>	<b>\$0.73</b>	<b>0.3%</b>	<b>100.00%</b>





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**October 25, 2007**

**Sheet 13 - Bill Impacts by Consumption**

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 25.85	\$ 25.89	\$ 0.04	0.2%	0.2%	0.0%
	250		\$ 40.14	\$ 40.18	\$ 0.04	0.1%		
	500		\$ 63.96	\$ 64.00	\$ 0.04	0.1%		
	600		\$ 73.77	\$ 73.81	\$ 0.04	0.1%		
	750		\$ 89.57	\$ 89.61	\$ 0.04	0.0%		
	1,000		\$ 115.89	\$ 115.93	\$ 0.04	0.0%		
	1,500		\$ 168.53	\$ 168.57	\$ 0.04	0.0%		
General Service Less Than 50 kW	2,000		\$ 229.68	\$ 229.77	\$ 0.10	0.0%	0.0%	0.0%
	2,500		\$ 280.45	\$ 280.54	\$ 0.10	0.0%		
	4,000		\$ 432.76	\$ 432.85	\$ 0.10	0.0%		
	5,000		\$ 534.30	\$ 534.39	\$ 0.10	0.0%		
	10,000		\$ 1,042.00	\$ 1,042.09	\$ 0.10	0.0%		
	12,500		\$ 1,295.85	\$ 1,295.94	\$ 0.10	0.0%		
	15,000		\$ 1,549.70	\$ 1,549.79	\$ 0.10	0.0%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,587.55	\$ 1,588.28	\$ 0.72	0.0%	0.0%	0.0%
	40,000	27	\$ 3,906.57	\$ 3,907.49	\$ 0.92	0.0%		
	100,000	500	\$ 15,389.17	\$ 15,395.61	\$ 6.43	0.0%		
	400,000	274	\$ 37,300.43	\$ 37,304.23	\$ 3.80	0.0%		
	1,000,000	685	\$ 92,956.85	\$ 92,965.45	\$ 8.59	0.0%		
	1,500,000	1,028	\$ 139,337.21	\$ 139,349.80	\$ 12.59	0.0%		
	2,000,000	1,371	\$ 185,717.56	\$ 185,734.15	\$ 16.59	0.0%		
Large Use	15,000	10	\$ 8,512.62	\$ 8,534.46	\$ 21.84	0.3%	0.3%	0.0%
	40,000	27	\$ 10,628.74	\$ 10,650.73	\$ 22.00	0.2%		
	100,000	69	\$ 15,707.42	\$ 15,729.78	\$ 22.36	0.1%		
	400,000	274	\$ 41,100.82	\$ 41,125.01	\$ 24.19	0.1%		
	1,000,000	685	\$ 91,887.63	\$ 91,915.48	\$ 27.85	0.0%		
	1,500,000	1,028	\$ 134,209.97	\$ 134,240.87	\$ 30.90	0.0%		
	2,000,000	5,000	\$ 197,104.32	\$ 197,170.59	\$ 66.27	0.0%		
Unmetered Scattered Load	540	0	\$ 66.06	\$ 66.11	\$ 0.05	0.1%	0.1%	0.0%
	40,000	27	\$ 3,344.71	\$ 3,344.76	\$ 0.05	0.0%		
	100,000	69	\$ 8,347.20	\$ 8,347.25	\$ 0.05	0.0%		
	400,000	274	\$ 33,359.67	\$ 33,359.73	\$ 0.05	0.0%		
	1,000,000	685	\$ 83,384.62	\$ 83,384.68	\$ 0.05	0.0%		
	1,500,000	1,028	\$ 125,072.08	\$ 125,072.13	\$ 0.05	0.0%		
	2,000,000	1,371	\$ 166,759.53	\$ 166,759.59	\$ 0.05	0.0%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**October 25, 2007**

**Sheet 13 - Bill Impacts by Consumption**

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Street Lighting	33	0	\$ 3.82	\$ 3.83	\$ -	0.1%	0.1%	0.0%
	40,000	27	\$ 3,562.19	\$ 3,562.80	\$ 0.60	0.0%		
	100,000	69	\$ 8,915.28	\$ 8,916.79	\$ 1.51	0.0%		
	400,000	274	\$ 35,680.70	\$ 35,686.74	\$ 6.04	0.0%		
	1,000,000	685	\$ 89,211.55	\$ 89,226.66	\$ 15.11	0.0%		
	1,500,000	1,028	\$ 133,820.59	\$ 133,843.25	\$ 22.66	0.0%		
	2,000,000	1,371	\$ 178,429.62	\$ 178,459.84	\$ 30.22	0.0%		



# Ontario Energy Board

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Sheet 1 Utility Information Sheet

<b>Legend:</b>	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

<b>Name of LDC:</b>	Waterloo North Hydro Inc.		
<b>Licence Number:</b>	ED-2002-0575		
<b>IRM 2008 EB Number:</b> (if known)	EB-2007-XXXX		
<b>IRM 2007 EB Number:</b>	EB-2007-0585		
<b>EDR 2006 RP Number:</b>	RP-2005-0020	<b>EDR 2006 EB Number:</b>	EB-2005-0448
<b>Date of Submission:</b>	10/25/07	<b>Last Saved Date:</b>	10/25/07 2:03 PM
<b>Model Version:</b>	2.0		
<b>Contact Information</b>			
<b>Name:</b>	Gerry Hilhorst		
<b>Title:</b>	VP, Regulatory Affairs		
<b>Phone Number:</b>	519-888-5550		
<b>E-Mail Address:</b>	ghilhorst@wnhydro.com		

Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

#### Comments

This version has the removal of the Regulatory Asset Recovery Rate Riders.

#### Copyright

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

### Sheet 2 - 2007 Rate Classes

Are you changing the descriptions of any of your Service Classifications?

YES  NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

#### Instructions:

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.

Upon completion, press the update button.

#### LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Large Use	Yes
5	Unmetered Scattered Load	Yes
6	Street Lighting	Yes
7	Rate Class 7	No
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

**MONTHLY RATES AND CHARGES**

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

**Residential**

Service Charge	\$	15.15	
Distribution Volumetric Rate	\$/kWh	0.0135	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0008)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

## Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

### General Service Less Than 50 kW

Service Charge	\$	31.59	
Distribution Volumetric Rate	\$/kWh	0.0108	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0009)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

### General Service 50 to 4,999 kW

Service Charge	\$	191.54	
Distribution Volumetric Rate	\$/kW	3.6531	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.1947)	No
Retail Transmission Rate – Network Service Rate - (less than 1,000 kW)	\$/kW	2.1218	
Retail Transmission Rate – Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.6855	
Retail Transmission Rate – Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.2535	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.8563	
Retail Transmission Rate – Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.2508	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.8553	
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

### Large Use

Service Charge	\$	6,839.47	
Distribution Volumetric Rate	\$/kW	2.7951	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.8509)	No
Retail Transmission Rate – Network Service Rate	\$/kW	2.4952	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8593	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

### Unmetered Scattered Load

Service Charge	\$	15.66	
Distribution Volumetric Rate	\$/kWh	0.0107	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0012)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

### **Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

<b>Street Lighting</b>			
Service Charge	\$	0.34	
Distribution Volumetric Rate	\$/kW	6.9219	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(1.0991)	<b>No</b>
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5299	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

### Specific Service Charges

#### Customer Administration

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	
	\$	
	\$	
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	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
	\$	
	\$	
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	\$	

#### Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)
	\$/kW	
	\$/kW	

#### LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0505
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0400
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

### Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

#### Smart Meter Rate Adder

	2007 IRM	2008 IRM
Residential	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 4,999 kW	\$ 0.26	
Large Use	\$ 0.26	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

## Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

YES  NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge		Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	\$	kW / kWh	
<i>Residential</i>	\$ 15.15	\$ 0.0135	\$ 0.26	\$ 14.89	\$ 0.0135		\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 31.59	\$ 0.0108	\$ 0.26	\$ 31.33	\$ 0.0108		\$/kWh
<i>General Service 50 to 4,999 kW</i>	\$ 191.54	\$ 3.6531	\$ 0.26	\$ 191.28	\$ 3.6531		\$/kW
<i>Large Use</i>	\$ 6,839.47	\$ 2.7951	\$ 0.26	\$ 6,839.21	\$ 2.7951		\$/kW
<i>Unmetered Scattered Load</i>	\$ 15.66	\$ 0.0107	-	\$ 15.66	\$ 0.0107		\$/kWh
<i>Street Lighting</i>	\$ 0.34	\$ 6.9219	-	\$ 0.34	\$ 6.9219		\$/kW



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

### Sheet 6 - K-Factor Derivation

#### Capital Structure Transition

##### Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

#### Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	6.28%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 97,659,868	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

#### Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	46.7%	F2 Based on C, copies the deemed D/E from row "2008" of the table

#### Cost of Capital

Current	G	7.64%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.55%	= (F1 X B) + (F2 X A)	

#### Return on Rate Base

Current	I	\$ 7,461,213.92	= C X G / 100
2008	J	\$ 7,373,554.42	= C X H / 100

#### Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 14,228,719	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 23,716,999	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 744,464	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

#### Revenue Requirement (before PILs)

Current	N	\$ 21,689,932.92	= I + K
2008	O	\$ 21,602,273.42	= J + K

#### Target Net Income (EBIT)

Current	\$ 4,394,694.06	P1 = I - P2
2008	\$ 4,104,644.25	Q1 = J - Q2

#### Interest Expense

Current	\$ 3,066,519.86	P2 = C X (B X E1 / 100)
2008	\$ 3,268,910.17	Q2 = C X (B X F1 / 100)

#### PILs

Tax Rate R 36.12% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ 8,722	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 295,387	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 3,030,475	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 4,821,713	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 4,716,947	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 2,726,366	V	= AC * (R / 100) / (1 - R / 100) 3,030,475
	2008 \$ 2,667,128	W	= AD * (R / 100) / (1 - R / 100)

#### Base Revenue Requirement Adjustment (including PILs)

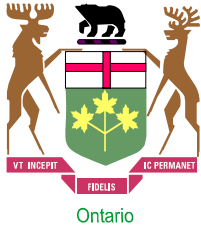
##### Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR)

Current	\$ 24,711,686.13	X	= N + V + T
2008	\$ 24,564,788.25	Y	= O + W + T

#### Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 24,461,463.40	Z	= L + M
2008	\$ 24,314,565.52	AA1	= Z + (Y - X)
Difference	\$ - 146,897.88	AA2	= AA1 - Z
K-factor	-0.6%	AB	= AA2 / Z



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### **Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

### **Sheet 7 - Price Cap Adjustment**

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment
1.9%	1.0%	0.9%	-0.6%	0.3%
	Adjusted Monthly Service Charge	<b>Monthly Service Charge with Price Cap Adjustment</b>	Adjusted Volumetric Rate <b>(kW / kWh)</b>	<b>Volumetric Rate with Price Cap Adjustment</b>
<i>Residential</i>	\$ 14.89	\$ 14.93	\$ 0.0135	\$ 0.0135
<i>General Service Less Than 50 kW</i>	\$ 31.33	\$ 31.42	\$ 0.0108	\$ 0.0108
<i>General Service 50 to 4,999 kW</i>	\$ 191.28	\$ 191.85	\$ 3.6531	\$ 3.6641
<i>Large Use</i>	\$ 6,839.21	\$ 6,859.73	\$ 2.7951	\$ 2.8035
<i>Unmetered Scattered Load</i>	\$ 15.66	\$ 15.71	\$ 0.0107	\$ 0.0107
<i>Street Lighting</i>	\$ 0.34	\$ 0.34	\$ 6.9219	\$ 6.9427



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 8 - Addback of Smart Meter Rate Adder**

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 14.93	\$ 0.26	\$ 15.19	0.0135
<i>General Service Less Than 50 kW</i>	\$ 31.42	\$ 0.26	\$ 31.68	0.0108
<i>General Service 50 to 4,999 kW</i>	\$ 191.85	\$ 0.26	\$ 192.11	3.6641
<i>Large Use</i>	\$ 6,859.73	\$ 0.26	\$ 6,859.99	2.8035
<i>Unmetered Scattered Load</i>	\$ 15.71	\$ -	\$ 15.71	0.0107
<i>Street Lighting</i>	\$ 0.34	\$ -	\$ 0.34	6.9427



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 9. - Z-Factor Rate Rider Adjustment**

Is the Applicant seeking Board approval for other rate adjustments?  YES  NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the *Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors*, issued December 20, 2006 (link [http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report\\_of\\_the\\_board\\_201206.pdf](http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf) ). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

Class	<i>Monthly Service Charge Rate Rider</i> \$	<i>Volumetric Charge Rate Rider</i> kW / kWh
<i>Residential</i>		
<i>General Service Less Than 50 kW</i>		
<i>General Service 50 to 4,999 kW</i>		
<i>Large Use</i>		
<i>Unmetered Scattered Load</i>		
<i>Street Lighting</i>		



# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors

EB-2007-0585

FOR OEB STAFF USE ONLY

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	15.19
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0135
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### General Service Less Than 50 kW

Service Charge	\$	31.68
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0108
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

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EB-2007-0585

### General Service 50 to 4,999 kW

Service Charge	\$	192.11
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	3.6641
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate - (less than 1,000 kW)	\$/kW	2.1218
Retail Transmission Rate – Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.6855
Retail Transmission Rate – Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.2535
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.8563
Retail Transmission Rate – Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.2508
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.8553
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Large Use

Service Charge	\$	6,859.99
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	2.8035
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate	\$/kW	2.4952
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8593
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Unmetered Scattered Load

Service Charge	\$	15.71
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0107
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors

EB-2007-0585

### Street Lighting

Service Charge	\$	0.34
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	6.9427
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5299
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# **Waterloo North Hydro Inc.**

**Tariff OF RATES AND CHARGES**

**Effective May 1, 2008\***

(\*Except as otherwise noted)

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges, and Loss Factors**

**EB-2007-0585**

# **Waterloo North Hydro Inc.**

**Tariff OF RATES AND CHARGES**

**Effective May 1, 2008\***

(\*Except as otherwise noted)

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges, and Loss Factors**

**EB-2007-0585**

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors**

EB-2007-0585

### Specific Service Charges

#### Customer Administration

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

#### Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)
	\$/kW	0.00
	\$/kW	0.00

### LOSS FACTORS

# Waterloo North Hydro Inc.

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors**

EB-2007-0585

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0505
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0400
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

## Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

### Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 15.15	\$ 0.0135
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.13	\$ 0.0001
Add: K-Factor	\$ (0.09)	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 15.19</b>	<b>\$ 0.0135</b>

### General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 31.59	\$ 0.0108
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.28	\$ 0.0001
Add: K-Factor	\$ (0.19)	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 31.68</b>	<b>\$ 0.0108</b>

### General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 191.54	\$ 3.6531
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 1.72	\$ 0.0329
Add: K-Factor	\$ (1.15)	-\$ 0.0219
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 192.11</b>	<b>\$ 3.6641</b>

### Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 6,839.47	\$ 2.7951
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 61.55	\$ 0.0252
Add: K-Factor	\$ (41.04)	-\$ 0.0168
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 6,859.99</b>	<b>\$ 2.8035</b>





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 11 - Distribution Rate Change Summary**

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 15.66	\$ 0.0107
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.14	\$ 0.0001
Add: K-Factor	\$ (0.09)	\$ 0.0001
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 15.71</b>	<b>\$ 0.0107</b>

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.34	\$ 6.9219
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.00	\$ 0.0623
Add: K-Factor	\$ (0.00)	\$ 0.0415
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 0.34</b>	<b>\$ 6.9427</b>



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 11 - Distribution Rate Change Summary**





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 11 - Distribution Rate Change Summary**





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan	Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to		600 \$	0.053	600 \$	0.053
greater than		> 600 \$	0.062	> 600 \$	0.062

Regulated Price Plan	Non-Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to		750 \$	0.053	750 \$	0.053
greater than		> 750 \$	0.062	> 750 \$	0.062

**Residential**

<b>Consumption</b>	<b>1,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	27.23%
Energy Second Tier (kWh)	451	\$ 0.0620	\$ 27.93	451	\$ 0.0620	\$ 27.93	\$0.00	0.0%	23.92%
<b>Sub-Total: Energy</b>			<b>\$ 59.73</b>			<b>\$ 59.73</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>51.15%</b>
Monthly Service Charge	1	\$ 15.15	\$ 15.15	1	\$ 15.19	\$ 15.19	\$0.04	0.3%	13.01%
Distribution (kWh)	1,000	\$ 0.0135	\$ 13.50	1,000	\$ 0.0135	\$ 13.50	\$0.00	0.0%	11.56%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	-\$ 0.0008	-\$ 0.80	1,000	\$ -	\$ -	\$0.80	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,051	\$ 0.0057	\$ 5.99	1,051	\$ 0.0057	\$ 5.99	\$0.00	0.0%	5.13%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,051	\$ 0.0019	\$ 2.00	1,051	\$ 0.0019	\$ 2.00	\$0.00	0.0%	1.71%
<b>Sub-Total: Delivery</b>			<b>\$ 35.83</b>			<b>\$ 36.67</b>	<b>\$0.84</b>	<b>2.3%</b>	<b>31.40%</b>
Wholesale Market Service Rate	1051	\$ 0.0052	\$ 5.46	1051	\$ 0.0052	\$ 5.46	\$0.00	0.0%	4.68%
Rural Rate Protection Charge	1051	\$ 0.0010	\$ 1.05	1051	\$ 0.0010	\$ 1.05	\$0.00	0.0%	0.90%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.21%
<b>Sub-Total: Regulatory</b>			<b>\$ 6.76</b>			<b>\$ 6.76</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.79%</b>
<b>Debt Retirement Charge (DRC)</b>	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	5.99%
<b>Total Bill before Taxes</b>			<b>\$ 109.33</b>			<b>\$ 110.17</b>	<b>\$0.84</b>	<b>0.8%</b>	<b>94.34%</b>
GST	\$ 109.33	6.00%	\$ 6.56	\$ 110.17	6.00%	\$ 6.61	\$0.05	0.8%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 115.89</b>			<b>\$ 116.78</b>	<b>\$0.89</b>	<b>0.8%</b>	<b>100.00%</b>

**General Service Less Than 50 kW**

<b>Consumption</b>	<b>2,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
--------------------	------------------	-------------	---------------------------

	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	17.16%
Energy Second Tier (kWh)	1,351	\$ 0.0620	\$ 83.76	1,351	\$ 0.0620	\$ 83.76	\$0.00	0.0%	36.15%
<b>Sub-Total: Energy</b>			<b>\$ 123.51</b>			<b>\$ 123.51</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>53.31%</b>
Monthly Service Charge	1	\$ 31.59	\$ 31.59	1	\$ 31.68	\$ 31.68	\$0.09	0.3%	13.67%
Distribution (kWh)	2,000	\$ 0.0108	\$ 21.60	2,000	\$ 0.0108	\$ 21.60	\$0.00	0.0%	9.32%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	-\$ 0.0009	-\$ 1.80	2,000	\$ -	\$ -	\$1.80	(100.0)%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,101	\$ 0.0052	\$ 10.93	2,101	\$ 0.0052	\$ 10.93	\$0.00	0.0%	4.72%



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Retail Transmission Rate – Line and Transformation Connection Service Rate	2,101	\$ 0.0017	\$ 3.57	2,101	\$ 0.0017	\$ 3.57	\$0.00	0.0%	1.54%
<b>Sub-Total: Delivery</b>			<b>\$ 65.89</b>			<b>\$ 67.78</b>	<b>\$1.89</b>	<b>2.9%</b>	<b>29.25%</b>
Wholesale Market Service Rate	2101	\$ 0.0052	\$ 10.93	2101	\$ 0.0052	\$ 10.93	\$0.00	0.0%	4.72%
Rural Rate Protection Charge	2101	\$ 0.0010	\$ 2.10	2101	\$ 0.0010	\$ 2.10	\$0.00	0.0%	0.91%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.11%
<b>Sub-Total: Regulatory</b>			<b>\$ 13.28</b>			<b>\$ 13.28</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.73%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	<b>\$0.00</b>	<b>0.0%</b>	<b>6.04%</b>
<b>Total Bill before Taxes</b>			<b>\$ 216.68</b>			<b>\$ 218.57</b>	<b>\$1.89</b>	<b>0.9%</b>	<b>94.34%</b>
GST	\$ 216.68	6.00%	\$ 13.00	\$ 218.57	6.00%	\$ 13.11	<b>\$0.11</b>	<b>0.9%</b>	<b>5.66%</b>
<b>Total Bill after Taxes</b>			<b>\$ 229.68</b>			<b>\$ 231.68</b>	<b>\$2.00</b>	<b>0.9%</b>	<b>100.00%</b>

**General Service 50 to 4,999 kW**

<b>Consumption</b>	<b>100,000 kWh</b>	<b>500 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.26%
Energy Second Tier (kWh)	104,300	\$ 0.0620	\$ 6,466.60	104,300	\$ 0.0620	\$ 6,466.60	\$0.00	0.0%	41.72%
<b>Sub-Total: Energy</b>			<b>\$ 6,506.35</b>			<b>\$ 6,506.35</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>41.98%</b>
Monthly Service Charge	1	\$ 191.54	\$ 191.54	1	\$ 192.11	\$ 192.11	\$0.57	0.3%	1.24%
Distribution (kWh)	100,000	\$ -	\$ -	100,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 3.6531	\$ 1,826.55	500	\$ 3.6641	\$ 1,832.05	\$5.50	0.3%	11.82%
Regulatory Assets (kWh)	500	\$ 0.1947	\$ 97.35	500	\$ -	\$ -	\$97.35	(100.0)%	0.00%
Rate Riders	500	\$ -	\$ -	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	525	\$ 6.6261	\$ 3,480.36	525	\$ 6.6261	\$ 3,480.36	\$0.00	0.0%	22.46%
Retail Transmission Rate – Line and Transformation Connection Service Rate	525	\$ 2.3971	\$ 1,259.08	525	\$ 2.3971	\$ 1,259.08	\$0.00	0.0%	8.12%
<b>Sub-Total: Delivery</b>			<b>\$ 6,660.18</b>			<b>\$ 6,763.60</b>	<b>\$103.42</b>	<b>1.6%</b>	<b>43.64%</b>
Wholesale Market Service Rate	105050	\$ 0.0052	\$ 546.26	105050	\$ 0.0052	\$ 546.26	\$0.00	0.0%	3.52%
Rural Rate Protection Charge	105050	\$ 0.0010	\$ 105.05	105050	\$ 0.0010	\$ 105.05	\$0.00	0.0%	0.68%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 651.56</b>			<b>\$ 651.56</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>4.20%</b>
<b>Debt Retirement Charge (DRC)</b>	100,000	\$ 0.0070	\$ 700.00	100,000	\$ 0.0070	\$ 700.00	<b>\$0.00</b>	<b>0.0%</b>	<b>4.52%</b>
<b>Total Bill before Taxes</b>			<b>\$ 14,518.09</b>			<b>\$ 14,621.51</b>	<b>\$103.42</b>	<b>0.7%</b>	<b>94.34%</b>
GST	\$ 14,518.09	6.00%	\$ 871.09	\$ 14,621.51	6.00%	\$ 877.29	<b>\$6.21</b>	<b>0.7%</b>	<b>5.66%</b>
<b>Total Bill after Taxes</b>			<b>\$ 15,389.17</b>			<b>\$ 15,498.80</b>	<b>\$109.63</b>	<b>0.7%</b>	<b>100.00%</b>



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**Thursday, October 25, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

**Large Use**

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0145</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.02%
Energy Second Tier (kWh)	2,028,250	\$ 0.0620	\$ 125,751.50	2,028,250	\$ 0.0620	\$ 125,751.50	\$0.00	0.0%	62.35%
<b>Sub-Total: Energy</b>			<b>\$ 125,791.25</b>			<b>\$ 125,791.25</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>62.37%</b>
Monthly Service Charge	1	\$ 6,839.47	\$ 6,839.47	1	\$ 6,859.99	\$ 6,859.99	\$20.52	0.3%	3.40%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 2.7951	\$ 13,975.50	5,000	\$ 2.8035	\$ 14,017.50	\$42.00	0.3%	6.95%
Regulatory Assets (kWh)	5,000	-\$ 0.8509	-\$ 4,254.50	5,000	\$ -	\$ -	-\$4,254.50	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,073	\$ 2.4952	\$ 12,656.90	5,073	\$ 2.4952	\$ 12,656.90	\$0.00	0.0%	6.28%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,073	\$ 0.8593	\$ 4,358.80	5,073	\$ 0.8593	\$ 4,358.80	\$0.00	0.0%	2.16%
<b>Sub-Total: Delivery</b>			<b>\$ 33,576.17</b>			<b>\$ 37,893.19</b>	<b>\$4,317.02</b>	<b>12.9%</b>	<b>18.79%</b>
Wholesale Market Service Rate	2029000	\$ 0.0052	\$ 10,550.80	2029000	\$ 0.0052	\$ 10,550.80	\$0.00	0.0%	5.23%
Rural Rate Protection Charge	2029000	\$ 0.0010	\$ 2,029.00	2029000	\$ 0.0010	\$ 2,029.00	\$0.00	0.0%	1.01%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,580.05</b>			<b>\$ 12,580.05</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.24%</b>
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	6.94%
<b>Total Bill before Taxes</b>			<b>\$ 185,947.47</b>			<b>\$ 190,264.49</b>	<b>\$4,317.02</b>	<b>2.3%</b>	<b>94.34%</b>
GST	\$ 185,947.47	6.00%	\$ 11,156.85	\$ 190,264.49	6.00%	\$ 11,415.87	\$259.02	2.3%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 197,104.32</b>			<b>\$ 201,680.36</b>	<b>\$4,576.04</b>	<b>2.3%</b>	<b>100.00%</b>

**Unmetered Scattered Load**

<b>Consumption</b>	<b>540 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	567	\$ 0.0530	\$ 30.07	567	\$ 0.0530	\$ 30.07	\$0.00	0.0%	45.01%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Energy</b>			<b>\$ 30.07</b>			<b>\$ 30.07</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>45.01%</b>
Monthly Service Charge	1	\$ 15.66	\$ 15.66	1	\$ 15.71	\$ 15.71	\$0.05	0.3%	23.52%
Distribution (kWh)	540	\$ 0.0107	\$ 5.78	540	\$ 0.0107	\$ 5.78	\$0.00	0.0%	8.65%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	540	-\$ 0.0012	-\$ 0.65	540	\$ -	\$ -	\$0.65	(100.0)%	0.00%
Rate Riders	540	\$ -	\$ -	540	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	540	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	567	\$ 0.0052	\$ 2.95	567	\$ 0.0052	\$ 2.95	\$0.00	0.0%	4.42%
Retail Transmission Rate – Line and Transformation Connection Service Rate	567	\$ 0.0017	\$ 0.96	567	\$ 0.0017	\$ 0.96	\$0.00	0.0%	1.44%
<b>Sub-Total: Delivery</b>			<b>\$ 24.70</b>			<b>\$ 25.40</b>	<b>\$0.70</b>	<b>2.8%</b>	<b>38.03%</b>
Wholesale Market Service Rate	567	\$ 0.0052	\$ 2.95	567	\$ 0.0052	\$ 2.95	\$0.00	0.0%	4.42%
Rural Rate Protection Charge	567	\$ 0.0010	\$ 0.57	567	\$ 0.0010	\$ 0.57	\$0.00	0.0%	0.85%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.37%
<b>Sub-Total: Regulatory</b>			<b>\$ 3.77</b>			<b>\$ 3.77</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.64%</b>
Debt Retirement Charge (DRC)	540	\$ 0.0070	\$ 3.78	540	\$ 0.0070	\$ 3.78	\$0.00	0.0%	5.66%
<b>Total Bill before Taxes</b>			<b>\$ 62.32</b>			<b>\$ 63.01</b>	<b>\$0.70</b>	<b>1.1%</b>	<b>94.34%</b>
GST	\$ 62.32	6.00%	\$ 3.74	\$ 63.01	6.00%	\$ 3.78	\$0.04	1.1%	5.66%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Waterloo North Hydro Inc.

EB-2007-XXXX, EB-2007-0585, EB-2005-0448

Thursday, October 25, 2007

Sheet 12 - Annualized Bill Impact

**Instructions**

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Total Bill after Taxes	\$	66.06			\$	66.80	\$0.74	1.1%	100.00%
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**Street Lighting**

<b>Consumption</b>	<b>33</b>	<b>kWh</b>	<b>0</b>	<b>kW</b>	<b>Loss Factor 1.0505</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	35	\$ 0.0530	\$ 1.84	35	\$ 0.0530	\$ 1.84	\$0.00	0.0%	0.57%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Energy</b>			<b>\$ 1.84</b>			<b>\$ 1.84</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>0.57%</b>
Monthly Service Charge	1	\$ 0.34	\$ 0.34	1	\$ 0.34	\$ 0.34	\$0.00	0.0%	0.10%
Distribution (kWh)	33	\$ 6.9219	\$ 228.42	33	\$ 6.9427	\$ 229.11	\$0.69	0.3%	70.67%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	33	\$ 1.0991	\$ 36.27	33	\$ -	\$ -	\$36.27	(100.0)%	0.00%
Rate Riders	33	\$ -	\$ -	33	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	33	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	35	\$ 1.6002	\$ 55.47	35	\$ 1.6002	\$ 55.47	\$0.00	0.0%	17.11%
Retail Transmission Rate – Line and Transformation Connection Service Rate	35	\$ 0.5299	\$ 18.37	35	\$ 0.5299	\$ 18.37	\$0.00	0.0%	5.67%
<b>Sub-Total: Delivery</b>			<b>\$ 266.34</b>			<b>\$ 303.29</b>	<b>\$36.96</b>	<b>13.9%</b>	<b>93.56%</b>
Wholesale Market Service Rate	35	\$ 0.0052	\$ 0.18	35	\$ 0.0052	\$ 0.18	\$0.00	0.0%	0.06%
Rural Rate Protection Charge	35	\$ 0.0010	\$ 0.03	35	\$ 0.0010	\$ 0.03	\$0.00	0.0%	0.01%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.08%
<b>Sub-Total: Regulatory</b>			<b>\$ 0.46</b>			<b>\$ 0.46</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>0.14%</b>
Debt Retirement Charge (DRC)	33	\$ 0.0070	\$ 0.23	33	\$ 0.0070	\$ 0.23	\$0.00	0.0%	0.07%
<b>Total Bill before Taxes</b>			<b>\$ 268.87</b>			<b>\$ 305.83</b>	<b>\$36.96</b>	<b>13.7%</b>	<b>94.34%</b>
GST	\$ 268.87	6.00%	\$ 16.13	\$ 305.83	6.00%	\$ 18.35	\$2.22	13.7%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 285.00</b>			<b>\$ 324.17</b>	<b>\$39.17</b>	<b>13.7%</b>	<b>100.00%</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**October 25, 2007**

**Sheet 13 - Bill Impacts by Consumption**

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 25.85	\$ 25.98	\$ 0.13	0.5%	0.8%	0.5%
	250		\$ 40.14	\$ 40.39	\$ 0.25	0.6%		
	500		\$ 63.96	\$ 64.42	\$ 0.47	0.7%		
	600		\$ 73.77	\$ 74.32	\$ 0.55	0.7%		
	750		\$ 89.57	\$ 90.24	\$ 0.68	0.8%		
	1,000		\$ 115.89	\$ 116.78	\$ 0.89	0.8%		
	1,500		\$ 168.53	\$ 169.85	\$ 1.31	0.8%		
General Service Less Than 50 kW	2,000		\$ 229.68	\$ 231.68	\$ 2.00	0.9%	0.9%	0.9%
	2,500		\$ 280.45	\$ 282.93	\$ 2.48	0.9%		
	4,000		\$ 432.76	\$ 436.67	\$ 3.91	0.9%		
	5,000		\$ 534.30	\$ 539.16	\$ 4.87	0.9%		
	10,000		\$ 1,042.00	\$ 1,051.63	\$ 9.64	0.9%		
	12,500		\$ 1,295.85	\$ 1,307.87	\$ 12.02	0.9%		
	15,000		\$ 1,549.70	\$ 1,564.10	\$ 14.41	0.9%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,587.55	\$ 1,590.40	\$ 2.85	0.2%	0.7%	0.2%
	40,000	27	\$ 3,906.57	\$ 3,913.15	\$ 6.58	0.2%		
	100,000	500	\$ 15,389.17	\$ 15,498.80	\$ 109.63	0.7%		
	400,000	274	\$ 37,300.43	\$ 37,360.80	\$ 60.37	0.2%		
	1,000,000	685	\$ 92,956.85	\$ 93,106.88	\$ 150.03	0.2%		
	1,500,000	1,028	\$ 139,337.21	\$ 139,561.95	\$ 224.74	0.2%		
	2,000,000	1,371	\$ 185,717.56	\$ 186,017.02	\$ 299.46	0.2%		
Large Use	15,000	10	\$ 8,512.62	\$ 8,543.73	\$ 31.11	0.4%	2.3%	0.4%
	40,000	27	\$ 10,628.74	\$ 10,675.46	\$ 46.72	0.4%		
	100,000	69	\$ 15,707.42	\$ 15,791.59	\$ 84.17	0.5%		
	400,000	274	\$ 41,100.82	\$ 41,372.26	\$ 271.44	0.7%		
	1,000,000	685	\$ 91,887.63	\$ 92,533.59	\$ 645.97	0.7%		
	1,500,000	1,028	\$ 134,209.97	\$ 135,168.04	\$ 958.08	0.7%		
	2,000,000	5,000	\$ 197,104.32	\$ 201,680.36	\$ 4,576.04	2.3%		
Unmetered Scattered Load	540	0	\$ 66.06	\$ 66.80	\$ 0.74	1.1%	1.1%	0.0%
	40,000	27	\$ 3,344.71	\$ 3,344.79	\$ 0.09	0.0%		
	100,000	69	\$ 8,347.20	\$ 8,347.34	\$ 0.14	0.0%		
	400,000	274	\$ 33,359.67	\$ 33,360.08	\$ 0.40	0.0%		
	1,000,000	685	\$ 83,384.62	\$ 83,385.55	\$ 0.92	0.0%		
	1,500,000	1,028	\$ 125,072.08	\$ 125,073.44	\$ 1.36	0.0%		
	2,000,000	1,371	\$ 166,759.53	\$ 166,761.33	\$ 1.80	0.0%		





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Waterloo North Hydro Inc.**

**EB-2007-XXXX, EB-2007-0585, EB-2005-0448**

**October 25, 2007**

**Sheet 13 - Bill Impacts by Consumption**

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Street Lighting	33	0	\$ 3.82	\$ 3.93	\$ 0.11	2.8%	2.8%	0.9%
	40,000	27	\$ 3,562.19	\$ 3,594.73	\$ 32.54	0.9%		
	100,000	69	\$ 8,915.28	\$ 8,996.63	\$ 81.35	0.9%		
	400,000	274	\$ 35,680.70	\$ 36,006.11	\$ 325.41	0.9%		
	1,000,000	685	\$ 89,211.55	\$ 90,025.07	\$ 813.52	0.9%		
	1,500,000	1,028	\$ 133,820.59	\$ 135,040.87	\$ 1,220.29	0.9%		
	2,000,000	1,371	\$ 178,429.62	\$ 180,056.67	\$ 1,627.05	0.9%		