

Corporation de distribution électrique de Hearst
Hearst Power Distribution Company Limited
925 rue Alexandra Street
Hearst ON

October 25, 2007

Ontario Energy Board
Suite 2700
2300 Yonge Street
Toronto, Ontario
M4P 1E4

ATT: Kirsten Walli
Board Secretary

Hearst Power Distribution Company Limited
2008 Electricity Distribution Rate Adjustment Application
EB-2007-xxxx

Hearst Power Distribution Company Limited (Hearst Power) submits this 2008 Electricity Distribution Rate Adjustment Application in accordance with the OEB Filing Instructions dated September 28, 2007.

Hearst Power is seeking approval of electricity distribution rates as presented in *Tab 10. 2008 Tariff Schedule* of the accompanying 2008 IRM Model.

Included with this application are:

- OEB 2008 IRM Model (2008_IRM_Model_Version2.0-Hearst PowerFor Submission)
- Managers Summary (Hearst_APPL_20071101-1For Submission)

Yours truly,

Jacques Lecours
Chair

**Manager's Summary (Hearst_APPL_20071101)
Hearst Power Distribution Company Limited (Hearst Power)
2008 Electricity Distribution Rate Adjustment Application**

Tab 1. LDC Information

Requisite LDC Information has been submitted. OEB will insert IRM 2008 EB Number in cell C16 as per OEB filing instructions.

Tab 2. 2007 Rate Classes

Hearst Power is not contemplating any changes to Service Classifications from the Board Approved 2007 Tariff of Rates and Charges.

Tab 3. 2007 Tariff Sheet

Board approved 2007 Tariff of Rates and Charges have been entered in this tab. Regulatory asset rate riders have been discontinued.

Tab 4. Smart Meter Information

Board Approved Smart meter adder has been input to appropriate classes in column D as required. Hearst Power acknowledges that the charge is removed for calculation purposes and re-incorporated in Tab 8. of the 2008 IRM model.

Tab 5. Rate adders

No adjustments were made to this tab as Hearst Power did not receive Board Approval for incremental CDM spending in 2007.

Tab 6. K-Factor

The Rate Base that is drawn from the 2006 EDR decision which does not include \$11,250 which would be the rate base impact of the \$75,000 LV charges which were included in the 2007 rate decision.

The 2006 Distribution Expenses (other than PILs), Item K cell G42 excludes the \$75,000 in LV charges which were introduced and approved and included in the 2007 rate decision. This \$75,000 was not included in the 2006 rates or revenue requirement.

The Base Revenue Requirement does not include either the cost of capital component of the \$75,000 LV charge or the \$75,000 LV charge.

The PILs allowance does not include the net income adjustment which flows from the rate base impact of the \$75,000 LV charge.

If all these adjustments were included, because the K-Factor is rounded to the adverse impact of Hearst, the K-Factor of minus 0.3% will not change.

Tab 7. Dx IRM Adjustment

No inputs were required or made to this sheet.

Tab 8. Addback of Smart Meter Amt.

No inputs were required or made to this sheet.

Tab 9. Rate Rider Adjustment

Hearst Power is not seeking Board approval for other rate adjustments, thus no inputs were required or made to this sheet.

Tab 10. 2008 Tariff Schedule

No inputs were required or made to this sheet.

Tab 11. Rate Change Summary.

No inputs were required or made to this sheet.

Tab 12. Bill Imp May07 vs May08

Bill impacts are presented in this tab. Hearst Power acknowledges that May 2007 commodity rates were used by the Board in this sheet.

Tab 13. Bill Impact by Consumption

A 1000 kWh residential customer will experience a -0.3% impact as a result of the applied for 2008 rate schedule.



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Sheet 1 Utility Information Sheet

Legend:	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.

Name of LDC:	Hearst Power Distribution Company Limited		
Licence Number:	ED-2002-0533		
IRM 2008 EB Number: (if known)	EB-2007-XXXX		
IRM 2007 EB Number:	EB-2007-0537		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0339
Date of Submission:	10/29/07	Last Saved Date:	10/24/07 11:54 AM
Model Version:	2.0		
Contact Information			
Name:	Nicole Leduc		
Title:	General Manager		
Phone Number:	(705) 372-2815		
E-Mail Address:	nleduc@ntl.sympatico.ca		

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 2nd Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

Comments

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

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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 2,999 kW	Yes
4	General Service 3,000 to 4,999 kW	Yes
5	Sentinel Lighting	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

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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	\$	7.59	
Distribution Volumetric Rate	\$/kWh	0.0101	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0005)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050	
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

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

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

General Service Less Than 50 kW

Service Charge	\$	5.17	
Distribution Volumetric Rate	\$/kWh	0.0096	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0010)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045	
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 2,999 kW

Service Charge	\$	29.34	
Distribution Volumetric Rate	\$/kW	2.9601	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.4674)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.8141	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7882	
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	

General Service 3,000 to 4,999 kW

Service Charge	\$	55.98	
Distribution Volumetric Rate	\$/kW	0.8807	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.6214)	No
Retail Transmission Rate – Network Service Rate	\$/kW	2.0289	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1090	
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	

Sentinel Lighting

Service Charge	\$	3.94	
Distribution Volumetric Rate	\$/kW	1.8733	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.7676	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.3751	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4113	
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

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

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

Street Lighting

Service Charge	\$	0.98	
Distribution Volumetric Rate	\$/kW	1.2772	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.5719)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.3681	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824	
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

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL
Hearst Power Distribution Company Limited
EB-2007-XXXX, EB-2007-0537, EB-2005-0339
Monday, October 29, 2007

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

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Easement letter	\$	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
Special meter reads	\$	30.00
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection		30.00
Disconnect/Reconnect at meter - during regular hours		40.00
Disconnect/Reconnect at pole - during regular hours		time and materials

Install/Remove load control device - during regular hours	\$	40.00
Temporary service install & remove - overhead - no transformer	\$	time and materials
Temporary service install & remove - underground - no transformer	\$	time and materials
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

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		1.0509
Total Loss Factor - Secondary Metered Customer > 5,000 kW		N/A
Total Loss Factor - Primary Metered Customer < 5,000 kW		1.0404
Total Loss Factor - Primary Metered Customer > 5,000 kW		N/A



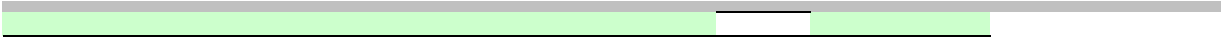
2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

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





2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Hearst Power Distribution Company Limited
EB-2007-XXXX, EB-2007-0537, EB-2005-0339
Monday, October 29, 2007
Sheet 4 - Smart Meter Information

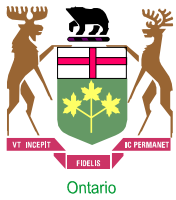
The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision 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	\$ 0.25	
General Service Less Than 50 kW	\$ 0.25	
General Service 50 to 2,999 kW	\$ 0.25	
General Service 3,000 to 4,999 kW	\$ 0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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>	\$ 7.59	\$ 0.0101	\$ 0.25	\$ 0.25	\$ 7.34	\$ 0.0101	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 5.17	\$ 0.0096	\$ 0.25	\$ 0.25	\$ 4.92	\$ 0.0096	\$/kWh
<i>General Service 50 to 2,999 kW</i>	\$ 29.34	\$ 2.9601	\$ 0.25	\$ 0.25	\$ 29.09	\$ 2.9601	\$/kW
<i>General Service 3,000 to 4,999 kW</i>	\$ 55.98	\$ 0.8807	\$ 0.25	\$ 0.25	\$ 55.73	\$ 0.8807	\$/kW
<i>Sentinel Lighting</i>	\$ 3.94	\$ 1.8733	\$ -	\$ -	\$ 3.94	\$ 1.8733	\$/kW
<i>Street Lighting</i>	\$ 0.98	\$ 1.2772	\$ -	\$ -	\$ 0.98	\$ 1.2772	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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	6.25%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 2,377,605	(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	7.625%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.53%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 181,292.38	= C X G / 100
2008	J	\$ 179,134.70	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 776,520	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 796,784	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 87,959	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 957,812.38	= I + K
2008	O	\$ 955,654.70	= J + K

Target Net Income (EBIT)

Current	\$ 106,992.23	P1 = I - P2
2008	\$ 99,930.74	Q1 = J - Q2

Interest Expense

Current	\$ 74,300.16	P2 = C X (B X E1 / 100)
2008	\$ 79,203.97	Q2 = C X (B X F1 / 100)

PILs

Tax Rate	R	18.62%	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)
Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ -	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 34,525	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 150,893	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 149,578	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 34,525	V	= AC * (R / 100) / (1 - R / 100) 34,525
	2008 \$ 34,224	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	\$ 992,337.17	X	= N + V + T
2008	\$ 989,878.66	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	\$ 884,743.40	Z	= L + M
2008	\$ 882,284.88	AA1	= Z + (Y - X)
Difference	\$ - 2,458.52	AA2	= AA1 - Z
K-factor	-0.3%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Hearst Power Distribution Company Limited
EB-2007-XXXX, EB-2007-0537, EB-2005-0339
Monday, October 29, 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%	-0.3%	0.6%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
<i>Residential</i>	\$ 7.34	\$ 7.38	\$ 0.0101	\$ 0.0102
<i>General Service Less Than 50 kW</i>	\$ 4.92	\$ 4.95	\$ 0.0096	\$ 0.0097
<i>General Service 50 to 2,999 kW</i>	\$ 29.09	\$ 29.26	\$ 2.9601	\$ 2.9779
<i>General Service 3,000 to 4,999 kW</i>	\$ 55.73	\$ 56.06	\$ 0.8807	\$ 0.8860
<i>Sentinel Lighting</i>	\$ 3.94	\$ 3.96	\$ 1.8733	\$ 1.8845
<i>Street Lighting</i>	\$ 0.98	\$ 0.99	\$ 1.2772	\$ 1.2849



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL
Hearst Power Distribution Company Limited
EB-2007-XXXX, EB-2007-0537, EB-2005-0339
Monday, October 29, 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>	\$ 7.38	\$ 0.25	\$ 7.63	0.0102
<i>General Service Less Than 50 kW</i>	\$ 4.95	\$ 0.25	\$ 5.20	0.0097
<i>General Service 50 to 2,999 kW</i>	\$ 29.26	\$ 0.25	\$ 29.51	2.9779
<i>General Service 3,000 to 4,999 kW</i>	\$ 56.06	\$ 0.25	\$ 56.31	0.8860
<i>Sentinel Lighting</i>	\$ 3.96	-	\$ 3.96	1.8845
<i>Street Lighting</i>	\$ 0.99	-	\$ 0.99	1.2849



2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Hearst Power Distribution Company Limited
EB-2007-XXXX, EB-2007-0537, EB-2005-0339
Monday, October 29, 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). 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 2,999 kW</i>		
<i>General Service 3,000 to 4,999 kW</i>		
<i>Sentinel Lighting</i>		
<i>Street Lighting</i>		

Hearst Power Distribution Company Limited

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-2007-0537

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	7.63
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0102
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	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050
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	\$	5.20
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0097
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	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
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 50 to 2,999 kW

Service Charge	\$	29.51
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	2.9779
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	1.8141
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7882
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

General Service 3,000 to 4,999 kW

Service Charge	\$	56.31
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	0.8860
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	2.0289
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1090
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

Sentinel Lighting

Service Charge	\$	3.96
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	1.8845
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	1.3751
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4113
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

Street Lighting

Service Charge	\$	0.99
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	1.2849
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	1.3681
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824
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

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Easement letter	\$	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
Special meter reads	\$	30.00
	\$	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
Collection of account charge - no disconnection	0	30.00
Disconnect/Reconnect at meter - during regular hours	0	40.00
Disconnect/Reconnect at pole - during regular hours	0	time and materials
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00

Install/Remove load control device - during regular hours	\$	40.00
Temporary service install & remove - overhead - no transformer	\$	time and materials
Temporary service install & remove - underground - no transformer	\$	time and materials
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

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0509
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0404
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 7.59	\$ 0.0101
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.07	\$ 0.0001
Add: K-Factor	\$ (0.02)	-\$ 0.0000
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 7.63	\$ 0.0102

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 5.17	\$ 0.0096
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.04	\$ 0.0001
Add: K-Factor	\$ (0.01)	-\$ 0.0000
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 5.20	\$ 0.0097

General Service 50 to 2,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 29.34	\$ 2.9601
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.26	\$ 0.0266
Add: K-Factor	\$ (0.09)	-\$ 0.0089
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 29.51	\$ 2.9779

General Service 3,000 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 55.98	\$ 0.8807
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.50	\$ 0.0079
Add: K-Factor	\$ (0.17)	-\$ 0.0026
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 56.31	\$ 0.8860



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

Sheet 11 - Distribution Rate Change Summary

Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 3.94	\$ 1.8733
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.04	\$ 0.0169
Add: K-Factor	\$ (0.01)	\$ 0.0056
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 3.96	\$ 1.8845

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.98	\$ 1.2772
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0115
Add: K-Factor	\$ (0.00)	\$ 0.0038
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.99	\$ 1.2849



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

Sheet 11 - Distribution Rate Change Summary





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 2007

Sheet 11 - Distribution Rate Change Summary





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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

Consumption	1,000 kWh	0 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%
Energy Second Tier (kWh)	451	\$ 0.0620	\$ 27.96	451	\$ 0.0620	\$ 27.96	\$0.00	0.0%
Sub-Total: Energy			\$ 59.76			\$ 59.76	\$0.00	0.0%
Monthly Service Charge	1	\$ 7.59	\$ 7.59	1	\$ 7.63	\$ 7.63	\$0.04	0.5%
Distribution (kWh)	1,000	\$ 0.0101	\$ 10.10	1,000	\$ 0.0102	\$ 10.20	\$0.10	1.0%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	1,000	-\$ 0.0005	-\$ 0.50	1,000	\$ -	\$ -	-\$0.50	(100.0)%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	1,051	\$ 0.0049	\$ 5.15	1,051	\$ 0.0049	\$ 5.15	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,051	\$ 0.0050	\$ 5.25	1,051	\$ 0.0050	\$ 5.25	\$0.00	0.0%
Sub-Total: Delivery			\$ 27.59			\$ 28.23	\$0.64	2.3%
Wholesale Market Service Rate	1051	\$ 0.0052	\$ 5.46	1051	\$ 0.0052	\$ 5.46	\$0.00	0.0%
Rural Rate Protection Charge	1051	\$ 0.0010	\$ 1.05	1051	\$ 0.0010	\$ 1.05	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 6.77			\$ 6.77	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%
Total Bill before Taxes			\$ 101.12			\$ 101.76	\$0.64	0.6%
GST	\$ 101.12	6.00%	\$ 6.07	\$ 101.76	6.00%	\$ 6.11	\$0.04	0.6%
Total Bill after Taxes			\$ 107.18			\$ 107.86	\$0.68	0.6%

General Service Less Than 50 kW

Consumption	2,000 kWh	0 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	1,352	\$ 0.0620	\$ 83.81	1,352	\$ 0.0620	\$ 83.81	\$0.00	0.0%
Sub-Total: Energy			\$ 123.56			\$ 123.56	\$0.00	0.0%
Monthly Service Charge	1	\$ 5.17	\$ 5.17	1	\$ 5.20	\$ 5.20	\$0.03	0.6%
Distribution (kWh)	2,000	\$ 0.0096	\$ 19.20	2,000	\$ 0.0097	\$ 19.40	\$0.20	1.0%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	2,000	-\$ 0.0010	-\$ 2.00	2,000	\$ -	\$ -	\$2.00	(100.0)%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	2,102	\$ 0.0044	\$ 9.25	2,102	\$ 0.0044	\$ 9.25	\$0.00	0.0%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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	2,102	\$ 0.0045	\$ 9.46	2,102	\$ 0.0045	\$ 9.46	\$0.00	0.0%
Sub-Total: Delivery			\$ 41.08			\$ 43.31	\$2.23	5.4%
Wholesale Market Service Rate	2102	\$ 0.0052	\$ 10.93	2102	\$ 0.0052	\$ 10.93	\$0.00	0.0%
Rural Rate Protection Charge	2102	\$ 0.0010	\$ 2.10	2102	\$ 0.0010	\$ 2.10	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13.28			\$ 13.28	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%
Total Bill before Taxes			\$ 191.92			\$ 194.15	\$2.23	1.2%
GST	\$ 191.92	6.00%	\$ 11.52	\$ 194.15	6.00%	\$ 11.65	\$0.13	1.2%
Total Bill after Taxes			\$ 203.43			\$ 205.80	\$2.36	1.2%

General Service 50 to 2,999 kW

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,101,050	\$ 0.0620	\$ 130,265.10	2,101,050	\$ 0.0620	\$ 130,265.10	\$0.00	0.0%
Sub-Total: Energy			\$ 130,304.85			\$ 130,304.85	\$0.00	0.0%
Monthly Service Charge	1	\$ 29.34	\$ 29.34	1	\$ 29.51	\$ 29.51	\$0.17	0.6%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 2.9601	\$ 14,800.50	5,000	\$ 2.9779	\$ 14,889.50	\$89.00	0.6%
Regulatory Assets (kWh)	5,000	\$ 0.4674	\$ 2,337.00	5,000	\$ -	\$ -	\$2,337.00	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,255	\$ 1.8141	\$ 9,532.19	5,255	\$ 1.8141	\$ 9,532.19	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,255	\$ 1.7882	\$ 9,396.10	5,255	\$ 1.7882	\$ 9,396.10	\$0.00	0.0%
Sub-Total: Delivery			\$ 31,421.13			\$ 33,847.30	\$2,426.17	7.7%
Wholesale Market Service Rate	2101800	\$ 0.0052	\$ 10,929.36	2101800	\$ 0.0052	\$ 10,929.36	\$0.00	0.0%
Rural Rate Protection Charge	2101800	\$ 0.0010	\$ 2,101.80	2101800	\$ 0.0010	\$ 2,101.80	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13,031.41			\$ 13,031.41	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 188,757.39			\$ 191,183.56	\$2,426.17	1.3%
GST	\$ 188,757.39	6.00%	\$ 11,325.44	\$ 191,183.56	6.00%	\$ 11,471.01	\$145.57	1.3%
Total Bill after Taxes			\$ 200,082.83			\$ 202,654.57	\$2,571.74	1.3%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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.

General Service 3,000 to 4,999 kW

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,101,050	\$ 0.0620	\$ 130,265.10	2,101,050	\$ 0.0620	\$ 130,265.10	\$0.00	0.0%
Sub-Total: Energy			\$ 130,304.85			\$ 130,304.85	\$0.00	0.0%
Monthly Service Charge	1	\$ 55.98	\$ 55.98	1	\$ 56.31	\$ 56.31	\$0.33	0.6%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 0.8807	\$ 4,403.50	5,000	\$ 0.8860	\$ 4,430.00	\$26.50	0.6%
Regulatory Assets (kWh)	5,000	-\$ 0.6214	-\$ 3,107.00	5,000	\$ -	\$ -	\$3,107.00	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,255	\$ 2.0289	\$ 10,660.86	5,255	\$ 2.0289	\$ 10,660.86	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,255	\$ 2.1090	\$ 11,081.74	5,255	\$ 2.1090	\$ 11,081.74	\$0.00	0.0%
Sub-Total: Delivery			\$ 23,095.08			\$ 26,228.91	\$3,133.83	13.6%
Wholesale Market Service Rate	2101800	\$ 0.0052	\$ 10,929.36	2101800	\$ 0.0052	\$ 10,929.36	\$0.00	0.0%
Rural Rate Protection Charge	2101800	\$ 0.0010	\$ 2,101.80	2101800	\$ 0.0010	\$ 2,101.80	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13,031.41			\$ 13,031.41	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 180,431.34			\$ 183,565.17	\$3,133.83	1.7%
GST	\$ 180,431.34	6.00%	\$ 10,825.88	\$ 183,565.17	6.00%	\$ 11,013.91	\$188.03	1.7%
Total Bill after Taxes			\$ 191,257.22			\$ 194,579.08	\$3,321.86	1.7%

Sentinel Lighting

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,101,050	\$ 0.0620	\$ 130,265.10	2,101,050	\$ 0.0620	\$ 130,265.10	\$0.00	0.0%
Sub-Total: Energy			\$ 130,304.85			\$ 130,304.85	\$0.00	0.0%
Monthly Service Charge	1	\$ 3.94	\$ 3.94	1	\$ 3.96	\$ 3.96	\$0.02	0.5%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 1.8733	\$ 9,366.50	5,000	\$ 1.8845	\$ 9,422.50	\$56.00	0.6%
Regulatory Assets (kWh)	5,000	\$ 0.7676	\$ 3,838.00	5,000	\$ -	\$ -	(\$3,838.00)	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,255	\$ 1.3751	\$ 7,225.46	5,255	\$ 1.3751	\$ 7,225.46	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,255	\$ 1.4113	\$ 7,415.68	5,255	\$ 1.4113	\$ 7,415.68	\$0.00	0.0%
Sub-Total: Delivery			\$ 27,849.58			\$ 24,067.60	(\$3,781.98)	(13.6)%
Wholesale Market Service Rate	2101800	\$ 0.0052	\$ 10,929.36	2101800	\$ 0.0052	\$ 10,929.36	\$0.00	0.0%
Rural Rate Protection Charge	2101800	\$ 0.0010	\$ 2,101.80	2101800	\$ 0.0010	\$ 2,101.80	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13,031.41			\$ 13,031.41	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 185,185.84			\$ 181,403.86	(\$3,781.98)	(2.0)%
GST	\$ 185,185.84	6.00%	\$ 11,111.15	\$ 181,403.86	6.00%	\$ 10,884.23	(\$226.92)	(2.0)%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hearst Power Distribution Company Limited

EB-2007-XXXX, EB-2007-0537, EB-2005-0339

Monday, October 29, 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	\$	196,296.99		\$	192,288.09	(\$4,008.90)	(2.0)%
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Street Lighting

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0509
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,101,050	\$ 0.0620	\$ 130,265.10	2,101,050	\$ 0.0620	\$ 130,265.10	\$0.00	0.0%
Sub-Total: Energy			\$ 130,304.85			\$ 130,304.85	\$0.00	0.0%
Monthly Service Charge	1	\$ 0.98	\$ 0.98	1	\$ 0.99	\$ 0.99	\$0.01	1.0%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 1.2772	\$ 6,386.00	5,000	\$ 1.2849	\$ 6,424.50	\$38.50	0.6%
Regulatory Assets (kWh)	5,000	\$ 0.5719	\$ 2,859.50	5,000	\$ -	\$ -	\$2,859.50	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,255	\$ 1.3681	\$ 7,188.68	5,255	\$ 1.3681	\$ 7,188.68	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,255	\$ 1.3824	\$ 7,263.82	5,255	\$ 1.3824	\$ 7,263.82	\$0.00	0.0%
Sub-Total: Delivery			\$ 17,979.98			\$ 20,877.99	\$2,898.01	16.1%
Wholesale Market Service Rate	2101800	\$ 0.0052	\$ 10,929.36	2101800	\$ 0.0052	\$ 10,929.36	\$0.00	0.0%
Rural Rate Protection Charge	2101800	\$ 0.0010	\$ 2,101.80	2101800	\$ 0.0010	\$ 2,101.80	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13,031.41			\$ 13,031.41	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 175,316.24			\$ 178,214.25	\$2,898.01	1.7%
GST	\$ 175,316.24	6.00%	\$ 10,518.97	\$ 178,214.25	6.00%	\$ 10,692.86	\$173.88	1.7%
Total Bill after Taxes			\$ 185,835.22			\$ 188,907.11	\$3,071.89	1.7%



4.60%
21.04%
5.31%
1.02%
0.12%
6.45%
6.80%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
64.28%
64.30%
0.01%
0.00%
7.35%
0.00%
0.00%
0.00%
0.00%
4.70%
4.64%
16.70%
5.39%
1.04%
0.00%
6.43%
6.91%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
66.95%
66.97%
0.03%
0.00%
2.28%
0.00%
0.00%
0.00%
0.00%
5.48%
5.70%
13.48%
5.62%
1.08%
0.00%
6.70%
7.20%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
67.74%
67.77%
0.00%
0.00%
4.90%
0.00%
0.00%
0.00%
0.00%
3.76%
3.86%
12.52%
5.68%
1.09%
0.00%
6.78%
7.28%
94.34%
5.66%

██████████

100.00%

% of Total Bill
0.02%
68.96%
68.98%
0.00%
0.00%
3.40%
0.00%
0.00%
0.00%
0.00%
0.00%
3.81%
3.85%
11.05%
5.79%
1.11%
0.00%
6.90%
7.41%
94.34%
5.66%
100.00%