



December 9, 2010

Ms. Kirstin Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: Draft Rate Order

Dear Ms. Walli:

Renfrew Hydro Inc. ("Renfrew") acknowledges receipt of the Ontario Energy Board's Decision and Order dated November 25, 2010 and thus submits its Draft Rate Order for 2010 Distribution Rates effective December 1st, 2010

This Draft Rate Order contains the following components.

- Manager Summary
- Appendices A through C
 - Appendix A - Tariff of Rates and Charges
 - Appendix B - Customer Rate Impact Schedule (Summary and Detail)
 - Appendix C - PDF version of Revenue Requirement Work Form

Excel versions of;

- Rate Maker [RHI.RateMaker.RateOrder.Dec1]
- Rate Maker PILs Model [RHI.RMpils.RateOrder.Dec1]
- Revenue Requirement Work Form [RHI-2010 RRWF.RateOrder.Dec1]
- Cost Allocation Model [RHI-2010 CA Model.RateOrder.Dec1]

This document is being filed pursuant to the Board's e-Filing Services. In order to reduce the carbon footprint, hard copies of these documents will be provided upon request.

Should there be any questions, please do not hesitate to contact me at the number below.

Yours truly,

**Renfrew Hydro Inc.
Draft Rate Order
EB-2009-0146**

Manager's Summary

Renfrew Hydro Inc. Corporation ("Renfrew") submits this Manager Summary accompanied by a Tariff of Rates and Charges for 2010, Customer Bill Impacts, and a completed Revenue Requirement Work Form in both PDF and excel format. Renfrew is also filing its final Rate Maker Model revised to reflect the Board Decision and Order issued November 25, 2010.

In the following Manager Summary, Renfrew presents a brief review of Board's decision and how Renfrew's complied and implemented the Board's rulings. The summary follows the same format as the decision and is presented as follows;

The Issues;

- Effective date for new rates
- Rate Base and Capital Expenditures
- Load Forecast and Revenues
- Operating Costs
- Cost of Capital and Rate of Return
- Cost Allocation and Rate Design
- Deferral and Variance Accounts

EFFECTIVE DATE FOR NEW RATES

As per directed by the Board in its November 25, 2010 decision (“Decision and Order”) Renfrew acknowledges and reluctantly complies with the Board’s ruling on an effective date of December 1, 2010. With the Decision and Order issued three business days prior to the effective date, Renfrew’s Draft Rate Order is not being issued in time to implemented rates December 1, 2010. Renfrew confirms that this Draft Rate Order has been developed assuming an effective date of December 1, 2010 and since rates will only be applied to the bills on January 1, 2010, any revenue deficiency arising from the difference between the existing rates and the 2010 rates for the period December 1, 2010 to January 1, 2011 inclusive, are to be collected from Renfrew’s customers using a Foregone Revenue Rate Rider which will be in effect for a period of four months from January 1, 2011 to April 30, 2011 inclusive.

Please find below Renfrew’s determination of the foregone revenue rate rider.

<i>Monthly Service Charge</i>	New Rate	Existing Rate	Difference	Rate Rider
Residential	\$14.49	\$14.49	\$0.00	\$0.00
General Service Less Than 50 kW	\$29.96	\$29.96	\$0.00	\$0.00
General Service 50 to 4,999 kW	\$162.01	\$162.01	\$0.00	\$0.00
Unmetered Scattered Load	\$32.83	\$14.98	\$17.85	\$4.46
Street Lighting	\$1.49	\$0.97	\$0.52	\$0.13
	New Rate	Existing Rate	Difference	Rate Rider
<i>Distribution Volumetric Rate *</i>				
Residential	\$0.0149	\$0.0019	\$0.0130	\$0.0033
General Service Less Than 50 kW	\$0.1410	\$0.0080	\$0.1330	\$0.0333
General Service 50 to 4,999 kW	\$2.1683	\$2.1423	\$0.0260	\$0.0065
Unmetered Scattered Load	\$0.0074	\$0.0077	-\$0.0003	-\$0.0001
Street Lighting	\$3.6732	\$2.7542	\$0.9190	\$0.2298
* Excluding LV charge				

With respect to the ruling on Renfrew’s effective date of new rates, the utility respectfully offers its final thoughts on the matter;

In its decision, The Board noted that Renfrew should have been fully aware of the time required to prepare a cost of service application and could have planned accordingly. It is Renfrew’s opinion that Board has falsely assumed that a small utility can complete a cost of service application in the same timeframe as a utility which employs a full regulatory department. The nearly 200 schedules that make-up

the MFRs are required whether you services less than 5000 customers and employ a workforce of less than 10 OR a larger utility who operates with a multi-million dollar revenue requirement. The Board has failed to recognize the distinct link between the Cost, Time and Quality continuum. To limit rebasing costs as the Board has often done, to expect the application to be filed in the board's prescribed timeframe and to expect this application to be of the highest quality is an unrealistic demand.

Renfrew agrees with Board that filing a rate application is an integral part of utilities function but disagrees with Board's view that it is a core business activity of an LDC. If such is the case, as indicated in Renfrew's decision, utilities should be advised, encouraged and allowed to staff appropriately and more equitably with larger utilities. Renfrew is of the view that its core activity is to deliver electricity to its customers in a safe, reliable and cost-effective manner.

The Board has stated in previous decisions that a first year cost of service application should be a learning experience that enables a utility to substantially complete rate applications in subsequent years. Renfrew's Decision, on the other hand, sends a clear message that there is little incentive in the utility doing the work themselves and that small utilities should hire external consultants, overlooking the cost per customer, in order the meet the timeframe. The Board noted its concerns that some applicants do not consider seriously the timelines prescribed by the Board for filing applications. Renfrew's specific circumstances should have been judged on its own merit and consideration given to Renfrew's efforts in performing the work in-house thus reducing eventual costs to the customer.

A. RATE BASE AND CAPITAL EXPENDITURES

Sub-topics;

- Capital Policies and Plan
- Working Capital Allowance
- Service Quality and Reliability Performance

Capital Policies and Plan

Renfrew acknowledges the Board's approval of a Rate Base of \$6,016,657, which reflects Renfrew's proposed 2010 Capital Expenditures, Cost of Power and Working Capital Allowance. The determination of the utility's approved Rate Base is presented below;

Table A.1

<u>TOTAL RATE BASE</u>		
		<u>2010</u>
<u>Net Fixed Assets in Service:</u>		
Opening Balance	4,427,307	
Closing Balance	<u>4,658,667</u>	
Average Balance		4,542,987
Working Capital Allowance		1,473,670
<u>TOTAL RATE BASE</u>		<u>6,016,657</u>

As discussed in the various stages of this application, Renfrew has thus far maintained a legacy practice of recovering incremental costs for system expansion through charges recorded as revenue from jobbing rather than charging as capital contributions. Both VECC and Board staff noted that Renfrew's capital contribution policy did not follow the Board's Accounting Procedures Handbook ("APH") where capital contributions ought to have been included in Account 1995, and amortized over time. As per the Decision and Order, Renfrew confirms that in the future, it will adhere to the APH in the treatment of its capital contributions.

With respect to asset management, Renfrew attests that it will file a long-term investment strategy in its next cost of service application.

Working Capital Allowance

With respect to the proposed Working Capital Allowance ("WCA"), VECC noted the appropriateness of factoring both RPP and non-RPP volumes in deriving a weighted average commodity price. Board Staff

did not refute the utility's proposed WCA. Therefore Renfrew acknowledges the approval of \$1,473,670 in WCA. The derivation of the approved WCA is presented below.

Table A.2

Working Capital Allowance		
		2010
<u>Eligible Distribution Expenses:</u>		
3500-Distribution Expenses - Operation		235,909
3550-Distribution Expenses - Maintenance		171,718
3650-Billing and Collecting		328,238
3700-Community Relations		1,000
3800-Administrative and General Expenses		434,729
3950-Taxes Other Than Income Taxes		-21,765
Total Eligible Distribution Expenses		1,149,829
3350-Power Supply Expenses		8,674,639
Total Expenses for Working Capital		9,824,468
Working Capital Allowance	15.0%	1,473,670

Service Quality and Reliability Performance

In its May 31, 2010 application, Renfrew demonstrated that its "Service Quality Indicator" continuously exceed industry standards. Neither Board Staff nor VECC expressed concerns in this area therefore Renfrew concludes that its "Service Quality and Reliability Performance" is satisfactory.

B. LOAD FORECAST AND REVENUES

Sub-topics;

- Customer and Load Forecasts
- Throughput, Distribution and Other Revenues

Customer and Load Forecasts

After summarizing the various views of Renfrew's proposed weather normalizing methodology, The Board rejected Board Staff's recommendation to include trend in its average consumption forecasting approach and accepted Renfrew's proposed load and customer forecast as filed in its May 31, 2010 rate application. The Board approved a 2010 test year forecast of 5,376 customer/connections and 98,720,895 kWh.

Throughput, Distribution and Other Revenues

Neither VECC nor Board Staff expressed reservations regarding the Revenue Offset. Renfrew acknowledges Board's approval the Revenue Offset of \$139,777.

C. OPERATING COSTS

Sub-topics;

- OM&A Expenses
- Employee Compensation
- Depreciation and Amortization
- Income and Capital Taxes
- Affiliate Transactions

OM&A Expenses:

As summarized in the Decision and Order, Renfrew requested approval of \$1,149,829 for its 2010 OM&A expenses. Renfrew confirms that its projections do not include PST amounts. Instead, Renfrew seeks to defer PST amounts paid in the first 6 months of 2010 for future recovery. Projections also exclude provisions for LEAP and costs associated with the Green Energy and Green Economy Act. Projections do include a provision of \$15,000 for the implementation of IFRS. After careful review of all party's views, Board approved the total OM&A as requested.

Renfrew attests that it intends to fully comply with Board's policy regarding the half year rule.

Employee Compensation

\$655,454 in 2010 employee compensation was confirmed in Renfrew's reply submission and subsequently approved by Board in its Decision and Order.

Depreciation and Amortization

For Rate Making purposes, Renfrew applied the half year rule retroactively, consistent with the manner in which other utilities are applied their revisions. The Board approved Renfrew's 2010 depreciation expense.

Income and Capital Taxes

Other than a revising its PILs calculation during preliminary interrogatories, to reflect the inclusion of the apprenticeship Tax credit, neither parties expressed concerns regarding Income and Capital Taxes. Board expressed no issues in that regard.

Affiliate Transactions

Renfrew confirms that it will file a copy of its service agreement before May 1 2011.

D. COST OF CAPITAL AND RATE OF RETURN

Renfrew attests that its cost of capital requires no further revision. Clarification is provided below.

Table D.1

Weighted Average Cost of Debt							
Description	Opening Balance	Issue Date (dd-mmm-yyyy)	Term Date (dd-mmm-yyyy)	Interest Rate (a)	Other Costs (b)	Deemed Rate?	
CORP TOWN OF RENFREW	2,705,168	1-Jan-2001	1-Jan-2099	7.25%		YES	
RBC variable-rate instalment loan	20,343	31-May-2002	4-Nov-2010	5.00%		YES	
RBC fixed-rate instalment loan	221,074	18-Feb-2009	2-Feb-2017	4.49%		NO	
Description	Effective Rate	Days o/s in 2010	Average Balance	2010 Cost	2010 Ending Balance	Debt o/s USA #	Int. Expense USA #
CORP TOWN OF RENFREW	5.87%	365	2,705,168	158,793	2,705,168	2225	6035
RBC variable-rate instalment loan	5.87%	308	9,934	499		2525	6035
RBC fixed-rate instalment loan	4.49%	365	207,835	9,146	194,255	2525	6035
TOTAL	5.76%		2,922,937	168,439	2,899,423		

Although the Effective Rate as indicated at Exhibit 5, Tab 2, Schedule 2, Attachment 1 (or as above) did in fact states that the effective rate for Renfrew's variable rate instalment loan is set at 5.87%, the Average Balance and 2010 Costs were calculated based on a rate of 5%. (as shown in table below).

Table D.2

RBC Variable Rate Instalment Loan			Rate:	5.00%	
Date	Payment	Interest	Principal	Balance	Days
31-Dec-09				20,342.83	31
31-Jan-10	1,923.41	84.76	1,838.65	18,504.18	28
28-Feb-10	1,923.41	77.10	1,846.31	16,657.87	31
31-Mar-10	1,923.41	69.41	1,854.00	14,803.87	30
30-Apr-10	1,923.41	61.68	1,861.73	12,942.14	31
31-May-10	1,923.41	53.93	1,869.48	11,072.66	30
30-Jun-10	1,923.41	46.14	1,877.27	9,195.38	31
31-Jul-10	1,923.41	38.31	1,885.10	7,310.29	31
31-Aug-10	1,923.41	30.46	1,892.95	5,417.34	30
30-Sep-10	1,923.41	22.57	1,900.84	3,516.50	31
31-Oct-10	3,531.15	14.65	3,516.50		61
31-Dec-10					
AVERAGE FOR 2010		499.01		9,933.83	365

Renfrew therefore submits that it did use 5% as the interest for its variable rate loan and that its cost of capital requires no further revisions.

E. COST ALLOCATION AND RATE DESIGN

Sub-topics;

- o Cost Allocation Methodology
- o Proposed Distribution Rates
- o Transmission, Low Voltage and Line Losses

Cost Allocation Methodology

After considering VECC’s concern on the starting point (2006 vs. 2010) for changes in the revenue- to-cost ratios (“R/C Ratio”), Board accepted Renfrew’s revenue-to-cost calculation method. For the purpose of setting revenue-to-costs ratios, the Board directed Renfrew to progressively increase the R/C ratios for the GS>50 kW over the period of 2010 to 2013 - specifically from 80% in 2010 to 84% in 2011, 87% in 2012 and finally 90% in 2013. Board specified that the upward progression should only increase until the Residential class reaches 100%. All other classes were approved as proposed by Renfrew. Renfrew attests that it has complied with the Board’s directions and will continue revise its R/C in subsequent IRM applications.

Proposed Distribution Rates

Other than a few observations, neither VECC nor Board Staff expressed specific concerns regarding the fixed to variable split and resulting proposed distribution rates. Renfrew concludes that since it did not state otherwise, Board accepted Renfrew’s proposed distribution rates. The final rate schedule can be found at Appendix A of this document.

Transmission, Low Voltage and Line Losses

Renfrew acknowledges that neither VECC nor Board Staff took issue with the determination of proposed Retail Transmission Service Rates (RTSR). Therefore Renfrew’s proposed RTSR are approved as such. The resulting rates are presented below.

Customer Class Name	2010 Rates	
	Network	Connection
Residential	\$0.0048	\$0.0028
General Service Less Than 50 kW	\$0.0044	\$0.0026
General Service 50 to 4,999 kW	\$1.7961	\$1.0060
Unmetered Scattered Load	\$0.0044	\$0.0026
Street Lighting	\$1.3546	\$0.7776

Renfrew proposed to increase its Low Voltage (LV) charges by 1.8% and propose to present the

LV rate on a distinct line item on the tariff sheet. Board approved Renfrew's proposed LV charges as requested.

Board approved Renfrew's proposed loss factor as requested with a specific direction to file by letter to the Board by January 14, 2011, a progress report on meeting the recommendations contained in the Line Loss Study. Renfrew agrees to do so.

Smart Meter Adder

As approved, Renfrew will implement a utility-specific smart meter funding adder of \$2.05 per metered customer per month as approved by the Board

MicroFIT Generator Service Classification and Rate

As part of its draft Rate Order, Renfrew has identified the MicroFIT Generator service classification on its Tariff of Rates and Charges and included the currently approved monthly service charge of \$5.25.

F. DEFERRAL AND VARIANCE ACCOUNTS

Renfrew confirms that it will dispose of the balances specified in the Decision in the manner directed by the Board in the Decision. Group 1 and Group 2 accounts will be transferred to Account 1595 Disposition and Recovery of regulatory Balances Control Account by January , 2011 so that the Reporting and Record-keeping Requirements ("RRR") data reported in the first quarter of 2011 reflects these adjustments.

Renfrew also confirms that it will dispose of its balances at December 31, 2009, including interest up to April 30, 2010, over a period of 29 months as per directed by the Board. The balance of the Global Adjustment sub-account, in the amount of \$108,400 will be disposed of over a period of 16 months which would end on April 30, 2012. This is done to avoid changing rates mid-year.

Both VECC and Board Staff approved of Renfrew's recommendation to record the actual amounts of PST paid in the first six month of 2010 in a deferral account and dispose of this balance at a later date. The Board approved the new deferral account as requested. Supporting evidence of the implementation of Board's directions is presented at Appendix D

G. IMPLEMENTATION OF RATES

Please note that the 2010 Rate Base and Revenue Requirement has not changed as a result of the November 25, 2010 Decision and Order. The only changes pertain to the Deferral and Variance Account Rate Rider and the Rate Rider to cover the loss revenue between the effective date and implementation date. As discussed at section A of this Draft Rate Order, Renfrew proposes to implement its new rates January 1, 2011.

Renfrew poses to objections to VECC's request for cost award.

~ Respectfully submitted ~

Appendix A

Tariffs of Rates and Charges

Schedule of Rates and Charges

		Effective Dec 1, 2010
Residential		
Service Charge	\$	14.49
Smart Meter Rate Adder	\$	2.05
Distribution Volumetric Rate	\$/kWh	0.0149
Low Voltage Service Rate	\$/kWh	0.0011
Deferral Account Rate Rider - effective until April 30, 2013	\$/kWh	(0.0051)
Global Adjustment Rate Rider (non-RPP accounts) - effective until April 30, 2012	\$/kWh	0.0017
Foregone Revenue Volumetric Rate Rider - effective until April 30, 2011	\$/kWh	0.0033
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0028
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25
General Service Less Than 50 kW		
Service Charge	\$	29.96
Smart Meter Rate Adder	\$	2.05
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0010
Deferral Account Rate Rider - effective until April 30, 2013	\$/kWh	(0.0049)
Global Adjustment Rate Rider (non-RPP accounts) - effective until April 30, 2012	\$/kWh	0.0017
Foregone Revenue Volumetric Rate Rider - effective until April 30, 2011	\$/kWh	0.0333
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0026
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25
General Service 50 to 4,999 kW		
Service Charge	\$	162.01
Smart Meter Rate Adder	\$	2.05
Distribution Volumetric Rate	\$/kW	2.1683
Low Voltage Service Rate	\$/kW	0.3564
Deferral Account Rate Rider - effective until April 30, 2013	\$/kW	(1.9552)
Global Adjustment Rate Rider (non-RPP accounts) - effective until April 30, 2012	\$/kWh	0.0017
Foregone Revenue Volumetric Rate Rider - effective until April 30, 2011	\$/kWh	0.0065
Retail Transmission Rate – Network Service Rate	\$/kW	1.7961
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0060
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Schedule of Rates and Charges

		Effective Dec 1, 2010
Unmetered Scattered Load		
Service Charge	\$	32.83
Distribution Volumetric Rate	\$/kWh	0.0074
Low Voltage Service Rate	\$/kWh	0.0010
Deferral Account Rate Rider - effective until April 30, 2013	\$/kWh	(0.0056)
Global Adjustment Rate Rider (non-RPP accounts) - effective until April 30, 2012	\$/kWh	0.0017
Foregone Revenue Rate Rider - effective until April 30, 2011	\$	4.4600
Foregone Revenue Volumetric Rate Rider - effective until April 30, 2011	\$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0026
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25
Street Lighting		
Service Charge (per connection)	\$	1.49
Distribution Volumetric Rate	\$/kW	3.6732
Low Voltage Service Rate	\$/kW	0.2754
Deferral Account Rate Rider - effective until April 30, 2013	\$/kW	(1.4451)
Global Adjustment Rate Rider (non-RPP accounts) - effective until April 30, 2012	\$/kWh	0.0017
Foregone Revenue Rate Rider - effective until April 30, 2011	\$	0.1300
Foregone Revenue Volumetric Rate Rider - effective until April 30, 2011	\$/kWh	0.2298
Retail Transmission Rate – Network Service Rate	\$/kW	1.3546
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7776
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25
microFIT Generator Service (effective September 21, 2009)		
Service Charge	\$	5.25
Specific Service Charges		
Arrears Certificate	\$	15.00
Account history	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Account set up charge / change of occupancy charge	\$	30.00
Late Payment - per month	%	1.50
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Retailer Service Agreement -- standard charge	\$	100.00
Retailer Service Agreement -- monthly fixed charge (per retailer)	\$	20.00
Retailer Service Agreement -- monthly variable charge (per customer)	\$	0.50
Distributor-Consolidated Billing -- monthly charge (per customer)	\$	0.30
Retailer-Consolidated Billing -- monthly credit (per customer)	\$	-0.30
Service Transaction Request -- request fee (per request)	\$	0.25
Service Transaction Request -- processing fee (per processed request)	\$	0.50
EBT more than twice a year, per request (plus incremental delivery costs)	\$	2.00

Schedule of Rates and Charges

**Effective
Dec 1, 2010**

Schedule of Rates and Charges

		Effective Dec 1, 2010
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	-0.60
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	-1.00
LOSS FACTORS		
Secondary Metered Customer < 5,000kW		1.0810
Primary Metered Customer < 5,000kW		1.0802

Appendix B

Summary and Detailed Customer Bill Impacts

F9 Bill Impact Summary

Customer Class Name	Volume		RPP Rate Class	Distribution Charges *		Delivery Sub-total		Total Bill	
	kWh	kW		\$ change	% change	\$ change	% change	\$ change	% change
Residential	800		Summer	\$5.07	20.9%	\$1.37	4.5%	\$0.80	0.8%
	1,000		Winter	\$5.89	22.1%	\$1.28	3.7%	\$0.56	0.5%
General Service Less Than 50 kW	2,000		Non-res.	\$14.19	30.7%	\$5.35	8.9%	\$3.92	1.6%
General Service 50 to 4,999 kW	68,500	190	Non-res.	\$74.45	13.1%	(\$260.22)	(24.4%)	(\$309.36)	(4.1%)
Unmetered Scattered Load	397		Non-res.	\$18.13	>100%	\$16.11	77.3%	\$15.87	29.3%
Street Lighting	80	0.22	n/a	\$0.78	49.7%	\$0.49	24.5%	\$0.44	5.0%

* Includes Low Voltage charges

F8 Customer Bill Impact Analysis

RPP rates per sheet Y7

Residential

RPP: Summer

800 kWh's

	Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
† Monthly Service Charge				\$14.75			\$16.54	\$1.79	12.1%
† Distribution	kWh	800	\$0.0119	\$9.52	800	\$0.0160	\$12.80	\$3.28	34.5%
Sub-Total (Distribution)				\$24.27			\$29.34	\$5.07	20.9%
† Deferral/Variance	kWh	800			800	(\$0.0051)	(\$4.08)	(\$4.08)	
Electricity (Commodity)	kWh	872	RPP-Summer	\$59.39	865	RPP-Summer	\$58.86	(\$0.53)	(0.9%)
† Transmission - Network	kWh	872	\$0.0045	\$3.92	865	\$0.0048	\$4.15	\$0.23	5.9%
† Transmission - Connection	kWh	872	\$0.0026	\$2.27	865	\$0.0028	\$2.42	\$0.15	6.6%
Wholesale Market Service	kWh	872	\$0.0052	\$4.53	865	\$0.0052	\$4.50	(\$0.03)	(0.7%)
Rural Rate Protection	kWh	872	\$0.0013	\$1.13	865	\$0.0013	\$1.12	(\$0.01)	(0.9%)
Debt Retirement Charge	kWh	800	\$0.0061	\$4.88	800	\$0.0061	\$4.88		
TOTAL BILL				\$100.39			\$101.19	\$0.80	0.8%
† <i>Delivery Only</i>				\$30.46			\$31.83	\$1.37	4.5%

F8 Customer Bill Impact Analysis

RPP rates per sheet Y7

General Service Less Than 50 kW

RPP: Non-res.

2,000 kWh's

	Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
† Monthly Service Charge				\$30.22			\$32.01	\$1.79	5.9%
† Distribution	kWh	2,000	\$0.0080	\$16.00	2,000	\$0.0142	\$28.40	\$12.40	77.5%
Sub-Total (Distribution)				\$46.22			\$60.41	\$14.19	30.7%
† Deferral/Variance	kWh	2,000			2,000	(\$0.0049)	(\$9.80)	(\$9.80)	
Electricity (Commodity)	kWh	2,180	RPP-Non-res.	\$155.97	2,162	RPP-Non-res.	\$154.65	(\$1.32)	(0.8%)
† Transmission - Network	kWh	2,180	\$0.0041	\$8.94	2,162	\$0.0044	\$9.51	\$0.57	6.4%
† Transmission - Connection	kWh	2,180	\$0.0024	\$5.23	2,162	\$0.0026	\$5.62	\$0.39	7.5%
Wholesale Market Service	kWh	2,180	\$0.0052	\$11.33	2,162	\$0.0052	\$11.24	(\$0.09)	(0.8%)
Rural Rate Protection	kWh	2,180	\$0.0013	\$2.83	2,162	\$0.0013	\$2.81	(\$0.02)	(0.7%)
Debt Retirement Charge	kWh	2,000	\$0.0061	\$12.20	2,000	\$0.0061	\$12.20		
TOTAL BILL				\$242.72			\$246.64	\$3.92	1.6%
† <i>Delivery Only</i>				<i>\$60.39</i>			<i>\$65.74</i>	<i>\$5.35</i>	<i>8.9%</i>

F8 Customer Bill Impact Analysis

RPP rates per sheet Y7

General Service 50 to 4,999 kW

RPP: Non-res.

	Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
68,500 kWh's									
190 kW's									
† Monthly Service Charge				\$162.27			\$164.06	\$1.79	1.1%
† Distribution	kW	190	\$2.1423	\$407.04	190	\$2.5247	\$479.69	\$72.66	17.8%
Sub-Total (Distribution)				\$569.31			\$643.75	\$74.45	13.1%
† Deferral/Variance	kW	190			190	(\$1.9552)	(\$371.49)	(\$371.49)	
Electricity (Commodity)	kWh	74,651	RPP-Non-res.	\$5,591.35	74,049	RPP-Non-res.	\$5,546.14	(\$45.21)	(0.8%)
† Transmission - Network	kW	190	\$1.6772	\$318.67	190	\$1.7961	\$341.26	\$22.59	7.1%
† Transmission - Connection	kW	190	\$0.9311	\$176.91	190	\$1.0060	\$191.14	\$14.23	8.0%
Wholesale Market Service	kWh	74,651	\$0.0052	\$388.19	74,049	\$0.0052	\$385.05	(\$3.14)	(0.8%)
Rural Rate Protection	kWh	74,651	\$0.0013	\$97.05	74,049	\$0.0013	\$96.26	(\$0.79)	(0.8%)
Debt Retirement Charge	kWh	68,500	\$0.0061	\$417.85	68,500	\$0.0061	\$417.85		
TOTAL BILL				\$7,559.33			\$7,249.96	(\$309.36)	(4.1%)
† <i>Delivery Only</i>				<i>\$1,064.89</i>			<i>\$804.66</i>	<i>(\$260.22)</i>	<i>(24.4%)</i>

F8 Customer Bill Impact Analysis

RPP rates per sheet Y7

Unmetered Scattered Load

RPP: Non-res.

397 kWh's

	Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
† Monthly Service Charge				\$14.98			\$32.83	\$17.85	>100%
† Distribution	kWh	397	\$0.0077	\$3.05	397	\$0.0084	\$3.33	\$0.28	9.1%
Sub-Total (Distribution)				\$18.03			\$36.16	\$18.13	>100%
† Deferral/Variance	kWh	397			397	(\$0.0056)	(\$2.22)	(\$2.22)	
Electricity (Commodity)	kWh	432	RPP-Non-res.	\$28.10	429	RPP-Non-res.	\$27.88	(\$0.22)	(0.8%)
† Transmission - Network	kWh	432	\$0.0041	\$1.77	429	\$0.0044	\$1.89	\$0.12	6.8%
† Transmission - Connection	kWh	432	\$0.0024	\$1.04	429	\$0.0026	\$1.12	\$0.08	7.7%
Wholesale Market Service	kWh	432	\$0.0052	\$2.25	429	\$0.0052	\$2.23	(\$0.02)	(0.9%)
Rural Rate Protection	kWh	432	\$0.0013	\$0.56	429	\$0.0013	\$0.56		
Debt Retirement Charge	kWh	397	\$0.0061	\$2.42	397	\$0.0061	\$2.42		
TOTAL BILL				\$54.17			\$70.04	\$15.87	29.3%
† <i>Delivery Only</i>				<i>\$20.84</i>			<i>\$36.95</i>	<i>\$16.11</i>	<i>77.3%</i>

F8 Customer Bill Impact Analysis

RPP rates per sheet Y7

Street Lighting

RPP: n/a

Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
	Volume	Rate	Charge	Volume	Rate	Charge	\$	%
80 kWh's								
0 kW's								
† Monthly Service Charge			\$0.97			\$1.49	\$0.52	53.6%
† Distribution	kW	0.22	\$2.7542	0	\$3.9486	\$0.87	\$0.26	43.4%
Sub-Total (Distribution)			\$1.58			\$2.36	\$0.78	49.7%
† Deferral/Variance	kW	0.22		0	(\$1.4451)	(\$0.32)	(\$0.32)	
Electricity (Commodity)	kWh	87	\$0.0667	86	\$0.0667	\$5.74	(\$0.05)	(0.9%)
† Transmission - Network	kW	0.22	\$1.2649	0	\$1.3546	\$0.30	\$0.02	7.1%
† Transmission - Connection	kW	0.22	\$0.7197	0	\$0.7776	\$0.17	\$0.01	6.3%
Wholesale Market Service	kWh	87	\$0.0052	86	\$0.0052	\$0.45		
Rural Rate Protection	kWh	87	\$0.0013	86	\$0.0013	\$0.11		
Debt Retirement Charge	kWh	80	\$0.0061	80	\$0.0061	\$0.49		
TOTAL BILL			\$8.86			\$9.30	\$0.44	5.0%
† Delivery Only			\$2.02			\$2.51	\$0.49	24.5%

F8 Customer Bill Impact Analysis

RPP rates per sheet

Residential

RPP: Winter

1,000 kWh's

	Metric	2009 BILL			2010 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
† Monthly Service Charge				\$14.75			\$16.54	\$1.79	12.1%
† Distribution	kWh	1,000	\$0.0119	\$11.90	1,000	\$0.0160	\$16.00	\$4.10	34.5%
Sub-Total (Distribution)				\$26.65			\$32.54	\$5.89	22.1%
† Deferral/Variance	kWh	1,000			1,000	(\$0.0051)	(\$5.10)	(\$5.10)	
Electricity (Commodity)	kWh	1,090	RPP-Winter	\$71.74	1,081	RPP-Winter	\$71.08	(\$0.66)	(0.9%)
† Transmission - Network	kWh	1,090	\$0.0045	\$4.90	1,081	\$0.0048	\$5.19	\$0.29	5.9%
† Transmission - Connection	kWh	1,090	\$0.0026	\$2.83	1,081	\$0.0028	\$3.03	\$0.20	7.1%
Wholesale Market Service	kWh	1,090	\$0.0052	\$5.67	1,081	\$0.0052	\$5.62	(\$0.05)	(0.9%)
Rural Rate Protection	kWh	1,090	\$0.0013	\$1.42	1,081	\$0.0013	\$1.41	(\$0.01)	(0.7%)
Debt Retirement Charge	kWh	1,000	\$0.0061	\$6.10	1,000	\$0.0061	\$6.10		
TOTAL BILL				\$119.31			\$119.87	\$0.56	0.5%
† Delivery Only				\$34.38			\$35.66	\$1.28	3.7%

Appendix C

Revenue Requirement Work Form



REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.

File Number: EB-2009-0146

Rate Year: 2010

Ontario

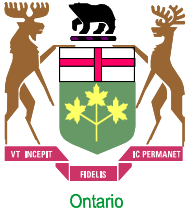
Data Input (1)

	Application	Adjustments	Per Board Decision
1 Rate Base			
Gross Fixed Assets (average)	\$12,436,805 (4)		\$12,436,805
Accumulated Depreciation (average)	(\$7,893,818) (5)		(\$7,893,818)
Allowance for Working Capital:			
Controllable Expenses	\$1,149,829 (6)		\$1,149,829
Cost of Power	\$8,674,639		\$8,674,639
Working Capital Rate (%)	15.00%		15.00%
2 Utility Income			
Operating Revenues:			
Distribution Revenue at Current Rates	\$1,579,423		
Distribution Revenue at Proposed Rates	\$1,877,960		
Other Revenue:			
Specific Service Charges	\$58,727		
Late Payment Charges	\$31,200		
Other Distribution Revenue	\$12,500		
Other Income and Deductions	\$37,350		
Operating Expenses:			
OM+A Expenses	\$1,149,829		\$1,149,829
Depreciation/Amortization	\$389,051		\$389,051
Property taxes			
Capital taxes	(\$14,500)		
Other expenses	\$ -		\$0
3 Taxes/PILs			
Taxable Income:			
Adjustments required to arrive at taxable income	\$63,014 (3)		
Utility Income Taxes and Rates:			
Income taxes (not grossed up)	\$48,011		
Income taxes (grossed up)	\$57,156		
Capital Taxes	(\$14,500) a		
Federal tax (%)	11.00%		
Provincial tax (%)	5.00%		
Income Tax Credits			
4 Capitalization/Cost of Capital			
Capital Structure:			
Long-term debt Capitalization Ratio (%)	56.0%		
Short-term debt Capitalization Ratio (%)	4.0% (2)		(2)
Common Equity Capitalization Ratio (%)	40.0%		
Preferred Shares Capitalization Ratio (%)	0.0%		
			Capital Structure must total 100%
Cost of Capital			
Long-term debt Cost Rate (%)	5.76%		
Short-term debt Cost Rate (%)	2.07%		
Common Equity Cost Rate (%)	9.85%		
Preferred Shares Cost Rate (%)	0.00%		

Notes:

This input sheet provides all inputs needed to complete sheets 1 through 6 (Rate Base through Revenue Requirement), except for Notes that the utility may wish to use to support the components. Notes should be put on the applicable pages to understand the context of each such note.

- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- (2) 4.0% unless an Applicant has proposed or been approved for another amount.
- (3) Net of addbacks and deductions to arrive at taxable income.
- (4) Average of Gross Fixed Assets at beginning and end of the Test Year
- (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- a Not Capital Tax; reflects apprenticeship tax credits



REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.
 File Number: EB-2009-0146
 Rate Year: 2010

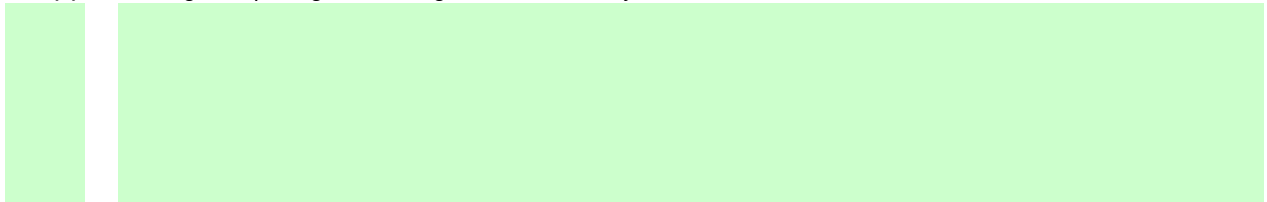
Rate Base

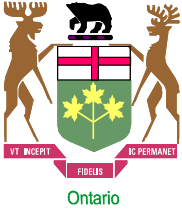
Line No.	Particulars	Application	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)	\$12,436,805	\$ -	\$12,436,805
2	Accumulated Depreciation (average) (3)	(\$7,893,818)	\$ -	(\$7,893,818)
3	Net Fixed Assets (average) (3)	\$4,542,987	\$ -	\$4,542,987
4	Allowance for Working Capital (1)	\$1,473,670	\$ -	\$1,473,670
5	Total Rate Base	\$6,016,657	\$ -	\$6,016,657

(1) Allowance for Working Capital - Derivation				
6	Controllable Expenses	\$1,149,829	\$ -	\$1,149,829
7	Cost of Power	\$8,674,639	\$ -	\$8,674,639
8	Working Capital Base	\$9,824,468	\$ -	\$9,824,468
9	Working Capital Rate % (2)	15.00%		15.00%
10	Working Capital Allowance	\$1,473,670	\$ -	\$1,473,670

Notes

- (2) Generally 15%. Some distributors may have a unique rate due as a result of a lead-lag study.
 (3) Average of opening and closing balances for the year.





REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.

File Number: EB-2009-0146

Rate Year: 2010

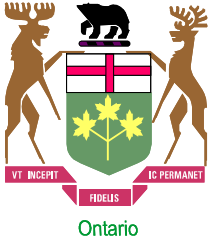
Utility income

Line No.	Particulars	Application	Adjustments	Per Board Decision
Operating Revenues:				
1	Distribution Revenue (at Proposed Rates)	\$1,877,960	\$ -	\$1,877,960
2	Other Revenue (1)	\$139,777	\$ -	\$139,777
3	Total Operating Revenues	\$2,017,737	\$ -	\$2,017,737
Operating Expenses:				
4	OM+A Expenses	\$1,149,829	\$ -	\$1,149,829
5	Depreciation/Amortization	\$389,051	\$ -	\$389,051
6	Property taxes	\$ -	\$ -	\$ -
7	Capital taxes	(\$14,500) a	\$ -	(\$14,500)
8	Other expense	\$ -	\$ -	\$ -
9	Subtotal	\$1,524,380	\$ -	\$1,524,380
10	Deemed Interest Expense	\$199,144	\$ -	\$199,144
11	Total Expenses (lines 4 to 10)	\$1,723,524	\$ -	\$1,723,524
12	Utility income before income taxes	\$294,213	\$ -	\$294,213
13	Income taxes (grossed-up)	\$57,156	\$ -	\$57,156
14	Utility net income	\$237,056	\$ -	\$237,056

Notes

(1)	Other Revenues / Revenue Offsets		
	Specific Service Charges	\$58,727	\$58,727
	Late Payment Charges	\$31,200	\$31,200
	Other Distribution Revenue	\$12,500	\$12,500
	Other Income and Deductions	\$37,350	\$37,350
	Total Revenue Offsets	\$139,777	\$139,777

a Reflects apprenticeship tax credits



REVENUE REQUIREMENT WORK FORM

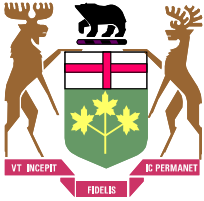
Name of LDC: Renfrew Hydro Inc.
 File Number: EB-2009-0146
 Rate Year: 2010

Taxes/PILs

Line No.	Particulars	Application	Per Board Decision
<u>Determination of Taxable Income</u>			
1	Utility net income	\$237,056	\$237,056
2	Adjustments required to arrive at taxable utility income	\$63,014	\$63,014
3	Taxable income	\$300,071	\$300,071
<u>Calculation of Utility income Taxes</u>			
4	Income taxes	\$48,011	\$48,011
5	Capital taxes	(\$14,500) a	(\$14,500)
6	Total taxes	\$33,511	\$33,511
7	Gross-up of Income Taxes	\$9,145	\$9,145
8	Grossed-up Income Taxes	\$57,156	\$57,156
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$42,656	\$42,656
10	Other tax Credits	\$ -	\$ -
<u>Tax Rates</u>			
11	Federal tax (%)	11.00%	11.00%
12	Provincial tax (%)	5.00%	5.00%
13	Total tax rate (%)	16.00%	16.00%

Notes

a Reflects apprenticeship tax credits



Ontario

REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.

File Number: EB-2009-0146

Rate Year: 2010

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
Application					
Debt					
1	Long-term Debt	56.00%	\$3,369,328	5.76%	\$194,163
2	Short-term Debt	4.00%	\$240,666	2.07%	\$4,982
3	Total Debt	60.00%	\$3,609,994	5.52%	\$199,144
Equity					
4	Common Equity	40.00%	\$2,406,663	9.85%	\$237,056
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$2,406,663	9.85%	\$237,056
7	Total	100%	\$6,016,657	7.25%	\$436,201
Per Board Decision					
Debt					
8	Long-term Debt	56.00%	\$3,369,328	5.76%	\$194,163
9	Short-term Debt	4.00%	\$240,666	2.07%	\$4,982
10	Total Debt	60.00%	\$3,609,994	5.52%	\$199,144
Equity					
11	Common Equity	40.0%	\$2,406,663	9.85%	\$237,056
12	Preferred Shares	0.0%	\$ -	0.00%	\$ -
13	Total Equity	40.0%	\$2,406,663	9.85%	\$237,056
14	Total	100%	\$6,016,657	7.25%	\$436,201

Notes

(1) 4.0% unless an Applicant has proposed or been approved for another amount.



REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.
 File Number: EB-2009-0146
 Rate Year: 2010

Ontario

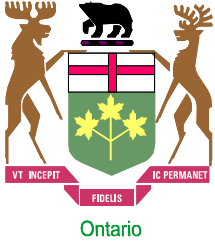
Revenue Sufficiency/Deficiency

Line No.	Particulars	Per Application		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$298,536		\$298,536
2	Distribution Revenue	\$1,579,423	\$1,579,423	\$1,579,423	\$1,579,423
3	Other Operating Revenue Offsets - net	\$139,777	\$139,777	\$139,777	\$139,777
4	Total Revenue	\$1,719,201	\$2,017,737	\$1,719,201	\$2,017,737
5	Operating Expenses	\$1,524,380	\$1,524,380	\$1,524,380	\$1,524,380
6	Deemed Interest Expense	\$199,144	\$199,144	\$199,144	\$199,144
	Total Cost and Expenses	\$1,723,524	\$1,723,524	\$1,723,524	\$1,723,524
7	Utility Income Before Income Taxes	(\$4,324)	\$294,213	(\$4,324)	\$294,213
	Tax Adjustments to Accounting				
8	Income per 2009 PILs	\$63,014	\$63,014	\$63,014	\$63,014
9	Taxable Income	\$58,691	\$357,227	\$58,691	\$357,227
10	Income Tax Rate	16.00%	16.00%	16.00%	16.00%
11	Income Tax on Taxable Income	\$9,391	\$57,156	\$9,391	\$57,156
12	Income Tax Credits	\$ -	\$ -	\$ -	\$ -
13	Utility Net Income	(\$13,714)	\$237,056	(\$13,714)	\$237,056
14	Utility Rate Base	\$6,016,657	\$6,016,657	\$6,016,657	\$6,016,657
	Deemed Equity Portion of Rate Base	\$2,406,663	\$2,406,663	\$2,406,663	\$2,406,663
15	Income/Equity Rate Base (%)	-0.57%	9.85%	-0.57%	9.85%
16	Target Return - Equity on Rate Base	9.85%	9.85%	9.85%	9.85%
	Sufficiency/Deficiency in Return on Equity	-10.42%	0.00%	-10.42%	0.00%
17	Indicated Rate of Return	3.08%	7.25%	3.08%	7.25%
18	Requested Rate of Return on Rate Base	7.25%	7.25%	7.25%	7.25%
19	Sufficiency/Deficiency in Rate of Return	-4.17%	0.00%	-4.17%	0.00%
20	Target Return on Equity	\$237,056	\$237,056	\$237,056	\$237,056
21	Revenue Sufficiency/Deficiency	\$250,770	\$ -	\$250,770	\$ -
22	Gross Revenue Sufficiency/Deficiency	\$298,536 (1)		\$298,536 (1)	

Notes:

(1) Revenue Sufficiency/Deficiency divided by (1 - Tax Rate)

(2)



REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.
 File Number: EB-2009-0146
 Rate Year: 2010

Revenue Requirement

Line No.	Particulars	Application	Per Board Decision
1	OM&A Expenses	\$1,149,829	\$1,149,829
2	Amortization/Depreciation	\$389,051	\$389,051
3	Property Taxes	\$ -	\$ -
4	Capital Taxes	(\$14,500)	(\$14,500)
5	Income Taxes (Grossed up)	\$57,156	\$57,156
6	Other Expenses	\$ -	\$ -
7	Return		
	Deemed Interest Expense	\$199,144	\$199,144
	Return on Deemed Equity	\$237,056	\$237,056
8	Distribution Revenue Requirement before Revenues	\$2,017,737	\$2,017,737
9	Distribution revenue	\$1,877,960	\$1,877,960
10	Other revenue	\$139,777	\$139,777
11	Total revenue	\$2,017,737	\$2,017,737
12	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	\$ - (1)	\$ - (1)

Notes

- (1) Line 11 - Line 8
- (4) Reflects apprenticeship tax credits



REVENUE REQUIREMENT WORK FORM

Name of LDC: Renfrew Hydro Inc.

File Number: EB-2009-0146

Rate Year: 2010

Selected Delivery Charge and Bill Impacts Per Draft Rate Order									
		Monthly Delivery Charge				Total Bill			
		Current	Per Draft Rate Order	Change		Current	Per Draft Rate Order	Change	
				\$	%			\$	%
Residential	800 kWh/month	\$ 30.46	\$ 33.43	\$ 2.97	9.8%	\$ 100.39	\$ 102.79	\$ 2.40	2.4%
GS < 50kW	2000 kWh/month	\$ 60.39	\$ 69.74	\$ 9.35	15.5%	\$ 242.72	\$ 250.64	\$ 7.92	3.3%

Notes:

Appendix D

Calculation of Deferral and Variance Rate Rider

C6 Proposed Deferral /Variance Account Balance Recoveries

Deferral / Variance Account	Recover Balance as at?	Additional Interest to 30 Apr/10?	Balance for Recovery ¹	Additional Interest for Recovery	Total Recovery Amount
1508-Other Regulatory Assets	31-Dec-09	YES	58,860	96	58,956
1518-RCVARetail	31-Dec-09	YES	2,151	4	2,154
1525-Miscellaneous Deferred Debits	31-Dec-09	YES	5,122	8	5,131
1548-RCVASTR	31-Dec-09	YES	3,323	6	3,329
1550-LV Variance Account	31-Dec-09	YES	48,944	86	49,030
1555-Smart Meters Capital Variance Account	No Recovery				
1556-Smart Meters OM&A Variance Account	No Recovery				
1562-Deferred Payments in Lieu of Taxes	No Recovery				
1565-Conservation and Demand Management Expenditures and Recoveries	No Recovery				
1566-CDM Contra Account	No Recovery				
1580-RSVAWMS	31-Dec-09	YES	-454,175	-804	-454,979
1582-RSVAONE-TIME	31-Dec-09	YES	2,282	4	2,286
1584-RSVANW	31-Dec-09	YES	-330,092	-529	-330,621
1586-RSVACN	31-Dec-09	YES	-489,469	-788	-490,256
1588-RSVAPOWER	31-Dec-09	YES	-164,377	-217	-164,593
1590-Recovery of Regulatory Asset Balances	31-Dec-09	YES	88,658	157	88,815
1598-1588 Global Adjustment sub-acct	No Recovery	NO			
Sub-Total for Recovery					-1,230,750
1590-Recovery of Regulatory Asset Balances (residual)	31-Dec/09	YES			
Total Recoveries Required					-1,230,750
Annual Recovery Amounts	# years:	2.4166			-509,290

¹ per sheet B5, except account 1590 (sheet C5)² Interest Rate = 0.55% per sheet Y1³ Recorded in USA #6035 per sheet C5

C6 Proposed Deferral /Variance Acc

Deferral / Variance Account	31 Dec/09 Projected Balance	31 Dec/10 Projected Balance	2009 Projected Interest ²	2010 Projected Interest ²
1508-Other Regulatory Assets	58,860	192	-569	-289
1518-RCVARetail	2,151	8	-28	-11
1525-Miscellaneous Deferred Debits	5,122	17	-51	-25
1548-RCVASTR	3,323	13	-6	-19
1550-LV Variance Account	48,944	171	-700	-257
1555-Smart Meters Capital Variance Account	-6,213	-6,235	308	22
1556-Smart Meters OM&A Variance Account	820	824	-7	-4
1562-Deferred Payments in Lieu of Taxes	-64,991	-65,314	664	323
1565-Conservation and Demand Management Expenditures and Recoveries	-2,727	-2,727		
1566-CDM Contra Account	2,727	2,727		
1580-RSVAWMS	-454,175	-1,608	3,677	2,413
1582-RSVAONE-TIME	2,282	7	-23	-11
1584-RSVANW	-330,092	-1,058	3,082	1,587
1586-RSVACN	-489,469	-1,575	4,938	2,363
1588-RSVAPOWER	-164,377	-433	1,976	650
1590-Recovery of Regulatory Asset Balances	88,658	313	-965	-470
1598-1588 Global Adjustment sub-acct	107,911		-4,076	-489
Sub-Total for Recovery	-1,191,246	-74,679	8,219	5,782
1590-Recovery of Regulatory Asset Balances (residual)				
Total Recoveries Required				-934
Annual Recovery Amounts	# years:			
		Interest Totals: ³	8,219	4,848

¹ per sheet B5, except account 1590 (sheet C5)

² Interest Rate = 0.55% per sheet Y1

³ Recorded in USA #6035 per sheet C5

C7 Rate Riders

Deferral / Variance Account	Total Recovery Amount	Allocation Basis	Residential	General Service Less Than 50 kW	General Service 50 to 4,999 kW	Unmetered Scattered Load
1508-Other Regulatory Assets	58,956	Distribution Revenue (existing rates)	34,182	9,263	14,542	219
1518-RCVARetail	2,154	Number of Customers	1,863	243	33	15
1525-Miscellaneous Deferred Debits	5,131	Number of Customers with rebate cheques	4,620	464	31	13
1548-RCVASTR	3,329	Number of Customers	2,878	375	51	24
1550-LV Variance Account	49,030	kWh's	15,834	6,436	26,132	71
1580-RSVAWMS	-454,979	kWh's	-146,933	-59,723	-242,497	-658
1582-RSVAONE-TIME	2,286	kWh's	738	300	1,218	3
1584-RSVANW	-330,621	kWh's	-106,773	-43,399	-176,216	-478
1586-RSVACN	-490,256	kWh's	-158,326	-64,354	-261,299	-709
1588-RSVAPOWER	-164,593	kWh's	-53,155	-21,606	-87,726	-238
1590-Recovery of Regulatory Asset Balances	88,815	Previously approved recoveries	14,015	19,723	51,100	-184
Total Recoveries Required (2.4166 years)	-1,230,750		-391,057	-152,277	-674,632	-1,922
Annual Recovery Amounts	-509,290		-161,821	-63,013	-279,166	-795
Annual Volume			31,881,465	12,958,689	142,778	142,827
Proposed Rate Rider			(\$0.0051)	(\$0.0049)	(\$1.9552)	(\$0.0056)
per			kWh	kWh	kW	kWh

¹ per sheet C6

C7 Rate Riders			
Deferral / Variance Account	Total Recovery Amount	Allocation Basis	Street Lighting
1508-Other Regulatory Assets	58,956	Distribution Revenue (existing rates)	751
1518-RCVARetail	2,154	Number of Customers	1
1525-Miscellaneous Deferred Debits	5,131	Number of Customers with rebate cheques	3
1548-RCVASTR	3,329	Number of Customers	1
1550-LV Variance Account	49,030	kWh's	557
1580-RSVAWMS	-454,979	kWh's	-5,167
1582-RSVAONE-TIME	2,286	kWh's	26
1584-RSVANW	-330,621	kWh's	-3,755
1586-RSVACN	-490,256	kWh's	-5,568
1588-RSVAPOWER	-164,593	kWh's	-1,869
1590-Recovery of Regulatory Asset Balances	88,815	Previously approved recoveries	4,160
Total Recoveries Required (2.4166 years)	-1,230,750		-10,861
Annual Recovery Amounts	-509,290		-4,494
Annual Volume			3,110
Proposed Rate Rider			(\$1.4451)
per			kW

¹ per sheet C6

C7 Rate Riders

Allocators	Data Source	2010 Projection Total	Residential	General Service Less Than 50 kW	General Service 50 to 4,999 kW	Unmetered Scattered Load
Customers / Connections	C1	5,376	3,635	474	64	30
kWh's	C1	98,720,895	31,881,465	12,958,689	52,616,773	142,827
Distribution Revenue (existing rates)	C4	1,744,534	1,011,443	274,082	430,297	6,493
Distribution Revenue (proposed rates)	F4	1,877,960	1,108,205	341,441	383,041	12,876
Transmission Connection Revenue	C2	279,375	96,499	36,422	143,635	401
Previously approved recoveries	2006 EDR	-139,944	-22,083	-31,078	-80,518	289
2009 Non-RPP, non-MUSH kWh's	ElectricityPrice	46,552,315	2,312,382	1,978,322	42,194,893	66,718
Number of Customers	C1	4,204	3,635	474	64	30
Number of Customers with rebate cheques	billing system	3,977	3,581	360	24	10
Approved Recoveries	C5					

C7 Rate Riders

Allocators	Data Source	2010 Projection Total	Street Lighting
Customers / Connections	C1	5,376	1,173
kWh's	C1	98,720,895	1,121,141
Distribution Revenue (existing rates)	C4	1,744,534	22,219
Distribution Revenue (proposed rates)	F4	1,877,960	32,397
Transmission Connection Revenue	C2	279,375	2,418
Previously approved recoveries	2006 EDR	-139,944	-6,555
2009 Non-RPP, non-MUSH kWh's	ElectricityPrice	46,552,315	
Number of Customers	C1	4,204	1
Number of Customers with rebate cheques	billing system	3,977	2
Approved Recoveries	C5		

Global Adjustment Rate Rider

Per Sheet B5:	Principal	Interest	Total
Balance for Recovery (31-Dec-2009):	88,985	18,926	107,911
Additional Interest to 30-Apr-2010		163	163
Total for Recovery	88,985	19,089	108,074
Years for Recovery	16 months		1.3333
Annual Recovery			81,058
Non-RPP, non-MUSH kWh's (2009 Actual)			46,552,315
GA Rate Rider, per kWh *			\$0.0017

* Applies to non-RPP, non-MUSH customers only