



WELLAND HYDRO-ELECTRIC SYSTEM CORP.

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January 20, 2009

Delivered by Courier and E-file

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

Dear Ms. Walli:

Re: Welland Hydro-Electric System Corp.
2009 Distribution Rates Application
Board File No. EB-2008-0247

Please find enclosed paper copies (2) and one electronic copy of a supplemental filing by Welland Hydro-Electric System Corp. in relation to the 2009 Cost of Service Rate Application EB-2008-0247.

An electronic copy has been filed using the OEB's E-filing services.

Yours very truly,

Wayne Armstrong
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Welland Hydro-Electric System Corp.
Manager's Summary
Revisions to Application EB-2008-0247
Loss of Two Large Users

1) Introduction

Cost of Service Rate Application EB-2008-0247 was filed on August 15, 2008 by Welland Hydro-Electric System Corporation. Subsequent to filing the rate application, two of Welland Hydro's large use customers made major announcements which will have a significant impact on Distribution Revenues. In the initial set of interrogatories, Board Staff addressed both the current economic downturn (Question #2) and the loss of one large user (Question #21). Board Staff also asked (Question #2b) if Welland Hydro planned on updating its current application, in whole or in part, to address any material impacts. Welland Hydro replied that it expected to revise the revenue forecast based on the material impact as a result of the loss of two large use customers. Attached are a revised Revenue Deficiency Schedule, Revised Cost Allocation Schedules, and Revised Distribution Rates along with supporting schedules.

2) Revenue Deficiency

Exhibit A shows a revised revenue deficiency of \$1,768,861 which is an increase of \$160,556 from the original filing. The change is the result of significant reductions in forecasted operating revenue which have been partially offset by decreases to operating expenses. They are detailed as follows:

A) Revenue

Exhibit B provides details for the reduction in operating revenues of \$372,438 comprised of \$284,479 in Distribution Revenues and \$87,959 in Other Operating Revenues. Reductions in Distribution Revenues were outlined in Welland Hydro's response to Board Staff Interrogatory #19 and are summarized in Exhibit C. The majority (95%) of the reduction in distribution revenue is from the loss of the two large use customers. One customer is shutting down and the other will now be in the General Service >50kW class. Welland Hydro continues to see a reduction in other customers within the General Service >50kW class. An increase to the number of General Service < 50 kW has been made based on the actual number of customers as at September 30, 2008. Although no changes have been made to the forecast number of Residential Customers, an adjustment has been made to use the average Kwh/customer from 2002 to 2007 of 8,383 Kwh versus the 2004 weather normalized 8,427 Kwh as a result of continued emphasis on Conservation & Demand.

A significant portion of the Other Operating Revenues is comprised of Interest Income. Welland Hydro provided details of Interest Income in the response to Energy Probe Interrogatory #11. Since the application was filed, interest rates have dropped significantly. Exhibit D outlines the reduction in interest income as a result of rates decreasing from 3.5% to 1.75%. The rate of 1.75% is the current rate for which further reductions are anticipated in the first quarter of 2009.

B) Operating Expenses

In response to Board Staff Interrogatory #3aai, Welland Hydro outlined reductions to operating expenses submitted in the original rate application. Two additional cost reductions have been added as outlined in Exhibit E. Administrative expenses have been reduced by \$43,000 to reflect a decrease in Retiree Benefits. An updated actuarial report for Retiree Benefits and Liabilities was received in December 2008. Operation & Maintenance expenses have been reduced by a total of \$150,849. The use of the average cost for the three year tree trimming cycle results in a reduction of \$34,000 to Account 5135. Welland Hydro will spread the cost of testing field transformers for PCB contamination from three years to five years resulting in a \$30,000 reduction in Account 5160. Overtime expenses were also reduced by \$20,000 to reflect actual amounts incurred from 2006 to 2008. Welland Hydro proposes to defer the additional apprentice lineperson to a later date resulting in a cost reduction of \$66,849. At the time of the rate application, Welland Hydro was concerned about the availability of subcontractors which are used to supplement the current line staff in the maintenance of the distribution system. As a result of the current economic downturn Welland Hydro has seen an increase in the availability of subcontractors and is confident sufficient resources are available to maintain the distribution system. Welland Hydro has added apprentice lineperson positions in both 2007 and 2008 which were not included in rates but required to replace current and potential retirements. Welland Hydro will continue to monitor lineperson staffing levels on an annual basis.

Depreciation expenses were reduced by \$4,667 to reflect a revision in forecasted capital expenditures in 2009 as outlined in the response to Board Staff Interrogatory 3aai.

C) Rate Base

In addition to adjusting depreciation expense for the reduction in forecasted 2009 Capital Spending. Exhibit F outlines the changes to the Rate Base used to determine Deemed Interest Expense (\$5,463 reduction) and Return on Equity (\$5,109 reduction).

3) Cost Allocation

The loss of two of three large users has presented a problem with the use of the 2007 Cost Allocation Filing. This filing was used to determine adjustments to rates required as a result of revenue to cost ratios which fall outside ranges approved by the OEB. The last remaining large use customer should not be expected to absorb the total cost allocated to this class in the 2007 Cost Allocation filing. As a result, Welland Hydro proposes to adjust amounts in the cost allocation as outlined in Exhibit G. Total revenues have been revised to reflect the loss of distribution revenue for the two large use accounts. The loss of \$331,897 in revenues has been prorated to the other customer classes. The amount allocated to the Residential Class would be calculated as follows:

$$\$5,387,744 / (\$7,865,584 - \$635,371) \times \$331,897 = \$247,320$$

The cost for the large user class was then adjusted to keep the same Revenue to Cost ratio of 100.73% for this classification in the original filing. The reductions in cost of \$329,719 for large users were then prorated to the other customer classes. The amount allocated to the Residential Class would be calculated as follows:

$$\$4,234,412 / (\$7,865,584 - \$630,994) \times \$329,719 = \$192,985$$

Welland Hydro proposes to use the adjusted amounts in Exhibit G to determine revised Distribution Rates for 2009. The cost allocation model will be updated prior to the next cost of service application.

Exhibit H determines the Distribution Revenue requirements by class for 2009 based on the revised cost allocation. Exhibit I determines the current proportions of Distribution Revenue by class using current rates. Exhibit J then compares the Distribution Revenue required from the cost allocation and from existing rates to amounts proposed by Welland Hydro in the rate application. The rates proposed by Welland Hydro are to phase all classes to be within revenue to cost ranges approved by the OEB by the year 2010. Both the 2009 and 2010 revised revenue to cost ratios are presented in Exhibit K.

In 2009 Welland Hydro is adjusting the Street Light classification by 50% of the required movement to attain targeted revenue to cost ratio of 70%. As a result, the revenue to cost ratio increases from 12.17% to 40.35%. The Sentinel Light classification has been increased by 50% of the required movement to attain targeted revenue to cost ratio of 90%. As a result, the revenue to cost ratio has been increased from 18.71% to 52.97%.

The Large Use revenue to cost ratio has been adjusted from 100.73% to 95.56% to reflect that the transformer credit was not increased from the current \$.60/kW. As this class was at a revenue to cost ratio of 100%, this adjustment ensures that distribution rates for the Large Use customer classification will only increase by 26% which is the required overall increase in distribution rates (\$1,768,861 / \$6,808,613).

The residential class had the current revenue to cost ratio of 127.28% reduced to 115.61% which is slightly outside of the target ranges. However, additional increases to Street Light and Sentinel Light distribution rates in 2010 will be offset by reductions in Residential distribution rates which will bring the ratio down to 112.90% which is within the targeted range.

The General Service customer classes had revenue to cost ratios below the ranges set out by the OEB. In order to minimize the bill impacts a target ratio of 85% has been set until the cost allocation process has been performed for a second time prior to the next cost of service application.

In 2010 the balance of the 50% adjustment to Street Light and Sentinel Light distribution rates will take place to bring both these customer classes within the target ratios. In addition the Large User class will be brought in line with the 85% ratio set for the General Service categories. The total resulting increase in distribution revenue of \$143,986 will be offset by a reduction in Residential rates to bring the ratio for this class down to 112.90%.

The resulting revised fixed and variable distribution rates are set out in Exhibit L.

4) Rate Rider

The original application included a rate rider to recover \$138,976/yr for three years for the recovery of accounts 1508, 1525, and 1574. Given the fact that the percentage increase for distribution rates is high, Welland Hydro proposes to include accounts 1580, 1582, 1584, 1586, and 1588 (excluding Global Adjustment). This would result in a credit to customers of \$360,783/yr for two years and provide considerable rate mitigation to customers for the first two year. It is Welland Hydro's understanding that the Board approved a similar request from Horizon Utilities in EB-2007-0697.

Exhibit M provides a revised Regulatory Continuity Schedule. The forecasted entry for account 1588 in 2008 reflects the amount of the December 31, 2007 balance that is actually due to the IESO. The balancing of amounts due to/from the IESO on form 1598 is trued up when actual billings for the period in question have been finalized which in this case was March 2008.

Exhibit N provides the allocation method for each variance and the resulting Deferral and Variance Rate Riders by Customer Class.

5) Smart Meters

The Smart Meter Funding adder in the original rate application was a \$0.27/mth charge for each metered customer. Welland Hydro indicated that it intended to file an application to cover smart meter funding separately. At the time, Welland Hydro expected to begin installation of Smart Meters in late 2009. However, Welland Hydro has now been scheduled to begin installation of smart meters in March 2009 over a three to four month period. As a result, Welland Hydro is now asking the OEB to approve an increase in the Smart Meter Funding adder from \$0.27/mth to \$1.00/mth as approved by the OEB in other rate decisions. Rather than file a separate Distributor Specific Rate Funding adder, Welland Hydro will seek cost recovery by way of the disposition of the balances in the smart meter related deferral accounts as per Guideline G-2008-0002 at the appropriate time. It is Welland Hydro's understanding that this can be done as part of an IRM plan and will not have to wait until the next cost of service application.

6) Bill Impacts

Exhibit O provides the revised bill impact for customers within each class as a result of revised distribution rates and revised rate rider amounts. In addition, a column has been added ("Revised All Charges") to include the affect of changes in RTR and RRPP which were supplementary filings to the original application as directed by the OEB. The increase in the Smart Meter Funding adder from \$.27/mth to \$1.00/mth has also been included.

A) Residential (Exhibit O – Pg.1)

The revised distribution rates/rate riders result in an increase of \$0.32/mth (0.28%) from the original rate application for a customer averaging 1000 kWh/mth (see 2009 Revised Distribution column). Increases in RTR, RRPP, and the Smart Meter Funding adder result in an additional increase of \$2.09/mth. The majority of this increase is due to the fact that RTR rates were reduced in 2008 only to increase in 2009.

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows a reduction in charges of \$0.39/mth (-0.32%) for a Residential Customer averaging 1000 kWh/mth.

B) General Service < 50kW (Exhibit O – Pg.2)

The revised distribution rates/rate riders result in a decrease of \$3.36/mth (-1.16%) from the original rate application for a customer averaging 3,000 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an increase in charges of 1.47% over a two year period.

C) General Service > 50kW (Exhibit O – Pg.3)

The revised distribution rates/rate riders result in a decrease of \$28.60/mth (-2.38%) from the original rate application for a customer averaging 62 kw/9,840 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an increase in charges of 9.87% over a two year period. A customer with this demand/usage profile has been significantly impacted by the revenue to cost ratio adjustments.

D) General Service > 50kW (Exhibit O – Pg.4)

The revised distribution rates/rate riders result in a decrease of \$115.30/mth (-1.66%) from the original rate application for a customer averaging 250 kw/75,000 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an increase in charges of 0.88% over a two year period.

E) General Service > 50kW (Exhibit O – Pg.5)

The revised distribution rates/rate riders result in a decrease of \$1,844.80/mth (-1.35%) from the original rate application for a customer averaging 4,000 kw/1,600,000 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an increase of \$83.41 (prior to GST) over a two year period.

F) Large User (Exhibit O – Pg.6)

The revised distribution rates/rate riders result in a decrease of \$5,957.83/mth (-1.49%) from the original rate application for a customer averaging 13,900 kw/4,700,000 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an decrease of \$62.23 (prior to GST) over a two year period.

G) Unmetered Scattered (Exhibit O – Pg.7)

The revised distribution rates/rate riders result in a decrease of \$0.12/mth (-0.21%) from the original rate application for a customer averaging 500 kWh/mth (see 2009 Revised Distribution column).

A comparison between the total expected monthly bills in 2009 (Revised All Charges) and the 2007 monthly bill shows an increase in charges of 5.60% over a two year period.

H) Sentinel Light (Exhibit O – Pg.8)

The revised distribution rates/rate riders result in a decrease of \$0.21/mth (-1.81%) from the original rate application for a customer averaging 0.3kw/134.55 kWh/mth (see 2009 Revised Distribution column).

Sentinel Light customers have been impacted significantly by the revenue to cost ratio adjustments with additional increases scheduled for 2010.

I) Street Light (Exhibit O – Pg.9)

The revised distribution rates/rate riders result in a decrease of \$264.85/mth (-0.80%) from the original rate application for a customer averaging 1106kw/417,140 kWh/mth (see 2009 Revised Distribution column).

This customer has been impacted significantly by the revenue to cost ratio adjustments with additional increases scheduled for 2010.

7) Summary

Significant events have occurred since the original rate application was filed that will have a material impact on the forecasted operating revenues for Welland Hydro. These events have been outside the control of Welland Hydro. However, with the proposed adjustments to operating costs and the deferral and variance rate rider, Welland Hydro has shown that the revised bill impact to all customer classes is not materially different from the original application. In fact, most customer classifications will see a decrease in bill impact compared to the original rate application (excluding RPR, RRPP, and Smart Meter Funding adder). Charges for RPR, RRPP, and Smart Meter Funding are not directly controlled by Welland Hydro.

Welland Hydro-Electric System Corp.
Exhibit A
Revised Revenue Deficiency Determination

Description	2008 Bridge Actual	2009 Test Existing Rates	2009 Test - Required Revenue	2009 Revised Existing Rates	2009 Revised - Required Revenue
Revenue			1,608,304.65		1,768,860.77
Revenue Deficiency				6,808,613.00	6,808,613.00
Distribution Revenue	7,051,503.00	7,093,092.00	7,093,092.00	568,391.00	568,391.00
Other Operating Revenue (Net)	698,920.00	656,350.00	656,350.00		
Smart Meter Deferral Account Adjustment					
Total Revenue	7,750,423.00	7,749,442.00	9,357,746.65	7,377,004.00	9,145,864.77
Costs and Expenses					
Administrative & General, Billing & Collecting	2,213,326.00	2,385,686.00	2,385,686.00	2,342,686.00	2,342,686.00
Operation & Maintenance	2,513,506.00	2,728,250.00	2,728,250.00	2,577,401.00	2,577,401.00
Depreciation & Amortization	1,718,187.02	1,721,827.03	1,721,827.03	1,717,160.37	1,717,160.37
Capital Taxes	25,792.00	27,730.00	27,730.00	27,420.35	27,420.35
Deemed Interest	881,547.39	948,856.52	948,856.52	943,393.60	943,393.60
Total Costs and Expenses	7,352,358.41	7,812,349.55	7,812,349.55	7,608,061.32	7,608,061.32
Less OCT Included Above	-25,792	-27,730	-27,730	-27,420	-27,420
Total Costs and Expenses Net of OCT	7,326,566.41	7,784,619.55	7,784,619.55	7,580,640.97	7,580,640.97
Utility Income Before Income Taxes	423,856.59	-35,177.55	1,573,127.10	-203,636.97	1,565,223.80
Income Taxes:					
Corporate Income Taxes	203,779.93	696.72	531,437.26	0.00	528,952.14
Ontario Capital Taxes	25,792.00	27,730.00	27,730.00	27,420.35	27,420.35
Total Income Taxes	229,571.93	28,426.72	559,167.26	27,420.35	556,372.49
Utility Net Income	194,284.66	-63,604.27	1,013,959.85	-231,057.32	1,008,851.31
Capital Tax Expense Calculation:					
Total Rate Base	26,462,961.05	27,324,488.38	27,324,488.38	27,186,822.00	27,186,822.00
Exemption	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00
Deemed Taxable Capital	11,462,961.05	12,324,488.38	12,324,488.38	12,186,822.00	12,186,822.00
Ontario Capital Tax	25,791.66	27,730.10	27,730.10	27,420.35	0.00
Income Tax Expense Calculation:					
Accounting Income	423,856.59	-35,177.55	1,573,127.10	-203,636.97	1,565,223.80
Ontario Capital Tax	-25,792.00	-27,730.00	-27,730.00	-27,420.35	-27,420.35
Tax Adjustments to Accounting Income	210,233.72	65,018.83	65,018.83	65,081.83	65,081.83
Taxable Income	608,298.31	2,111.27	1,610,415.93	-165,975.49	1,602,885.28
Income Tax Expense	203,779.93	696.72	531,437.26	0.00	528,952.14
	33.50%	33.00%	33.00%	33.00%	33.00%
Actual Return on Rate Base:					
Rate Base	26,462,961.05	27,324,488.38	27,324,488.38	27,186,822.00	27,186,822.00
Interest Expense	881,547.39	948,856.52	948,856.52	943,393.60	943,393.60
Net Income	194,284.66	-63,604.27	1,013,959.85	-231,057.32	1,008,851.31
Total Actual Return on Rate Base	1,075,832.05	885,252.25	1,962,816.37	712,336.28	1,952,244.91
Actual Return on Rate Base	4.07%	3.24%	7.18%	2.62%	7.18%
Required Return on Rate Base:					
Rate Base	26,462,961.05	27,324,488.38	27,324,488.38	27,186,822.00	27,186,822.00
Return Rates:					
Return on Debt (Weighted)	6.25%	6.12%	6.12%	6.12%	6.12%
Return on Equity	9.00%	8.57%	8.57%	8.57%	8.57%
Deemed Interest Expense	881,547.39	948,856.52	948,856.52	943,393.60	943,393.60
Return On Equity	1,112,238.25	1,013,959.85	1,013,959.85	1,008,851.31	1,008,851.31
Total Return	1,993,785.64	1,962,816.37	1,962,816.37	1,952,244.91	1,952,244.91
Expected Return on Rate Base	7.53%	7.18%	7.18%	7.18%	7.18%
Revenue Deficiency After Tax	917,953.60	1,077,564.12		1,239,908.63	
Revenue Deficiency Before Tax	1,380,381.35	1,608,304.65		1,768,860.77	

WELLAND HYDRO ELECTRIC SYSTEM CORP
EXHIBIT B
SUMMARY OF REVISED OPERATING REVENUE

	2009 Original Test Yr Current Rates (\$)	2009 Revised Test Yr Current Rates (\$)	Change (\$)
Distribution Services Revenue-Monthly			
Residential	3,063,071	3,063,071	0
General Service Less Than 50 kw	389,104	394,155	5,051
General Service 50 to 4999 kw	412,029	393,615	-18,414
Large Use	383,265	127,755	-255,510
Unmetered Scattered Load*	24,236	24,236	0
Sentinel Lighting	3,115	3,115	0
Street Lighting	14,422	14,422	0
Total Distribution Revenue Monthly	4,289,242	4,020,369	-268,873
Distribution Services Revenue-Volumetric			
Residential	2,170,996	2,159,673	-11,323
General Service Less Than 50 kw	366,084	370,835	4,751
General Service 50 to 4999 kw	316,565	354,709	38,144
Large Use	215,889	121,790	-94,099
Unmetered Scattered Load*	7,188	7,188	0
Sentinel Lighting	2,133	2,133	0
Street Lighting	10,196	10,196	0
Total Distribution Revenue Volumetric	3,089,051	3,026,524	-62,527
Transformer Allowance-General Service 50 to 4999 kW	-104,868	-136,548	-31,680
Transformer Allowance-Large Use	-180,333	-101,732	78,601
Total Distribution Services Revenue	7,093,092	6,808,613	-284,479
SSA Administrative Revenue	72,780	72,816	36
Retail Services Revenue	35,174	35,174	0
Service Transaction Requests	2,040	2,040	0
Rent from Electric Property	149,031	149,031	0
Late Payment Charges	66,000	66,000	0
Misc-Account Status Fee	3,960	3,960	0
Misc Service-NSF Charges	6,480	6,480	0
Misc Service-Occupancy Related	83,880	83,880	0
Misc Service-Disconnect/Reconnect	31,135	31,135	0
Misc Service-Mark Up on Work Orders	24,000	24,000	0
Scrap Metal Sales	12,000	12,000	0
Miscellaneous Non Operating	7,020	7,020	0
Interest Income Bank Account	175,990	87,995	-87,995
Interest Variance Accounts	-13,140	-13,140	0
Other Income & Reveune	656,350	568,391	-87,959
Total Operating Revenue	7,749,442	7,377,004	-372,438

Exhibit C
Welland Hydro-Electric System Corp. Revised Revenues
2009 Test Year @ 2008 Rates

	Service Charge 2008 Rate	Service Charge Revenue	Annual Billing kwh/kw	Volumetric Charge 2008 Rate	Volumetric Charge Revenue	Transformer Credit 2008 Rate	Transformer Credit Revenue	2009 Total Distribution Revenue
Residential								
Original	19,818	\$3,063,070	166,999,701	\$0.0130	\$2,170,996			\$5,234,066
Revised	19,818	\$3,063,070	166,128,692	\$0.0130	\$2,159,673			\$5,222,743
Change in Forecast	0	0	-871,009		-11,323			-\$11,323
GS<50 kW								
Add Additional Customers	22	\$5,051	709,192	\$0.0067	\$4,752			\$9,803
GS 50 to 4999 kW								
Subtract Lost Customers	-9	-\$20,717	-5,400	\$0.8047	-\$4,345			-\$25,062
Add Customer from Large Use	1	\$2,303	52,800	\$0.8047	\$42,488	\$0.60	-\$31,680	\$13,111
Large Use kW								
Customer #1 (Down Sizing)	-1	-\$10,646.26	-62,055	\$0.7183	-\$44,574	\$0.60	\$37,233	-\$135,096
Customer #2 (Closing)	-1	-\$10,646.26	-68,948	\$0.7183	-49,525	\$0.60	\$41,369	-\$135,912
Total Lost Revenue		-\$268,873			-\$62,527		\$46,922	-\$284,479

Exhibit D
Welland Hydro-Electric System Corp
Revised Interest Income

	----- 2008 Bridge Year -----			----- 2009 Test Year Filing -----			----- 2009 Test Year Revised -----		
	Avg	Rate	Interest	Avg	Rate	Interest	Avg	Rate	Interest
Bank Account	\$6,058,787	3.500	\$212,057.55	\$5,028,287	3.500	\$175,990.05	\$5,028,287	1.750	\$87,995.02
Credit Bureau			\$0.00			\$0.00			\$0.00
Regulatory Accounts			<u>-\$6,108.00</u>			<u>-\$13,140.00</u>			<u>-\$13,140.00</u>
Total Interest Income			\$205,949.55			\$162,850.05			\$74,855.02

Welland Hydro-Electric System Corp.
Summary of Cost Changes
Exhibit E

Administrative & General, Billing & Collecting

Original Rate Application	\$2,385,686
Reduction in Retiree Benefits-Actuary Report	<u>-43,000</u>
Revised Expenses	<u><u>\$2,342,686</u></u>

Operation & Maintenance

Original Rate Application	\$2,728,250
Reduction in Account 5135 (Board Staff 3a ii)	-34,000
Reduction in Account 5160 (Board Staff 3a ii)	-30,000
Reduction in Overtime Expense (Board Staff 3a ii)	-20,000
Defer Additional Apprentice Lineperson	<u>-66,849</u>
Total Reductions	<u>-150,849</u>
Revised Expenses	<u><u>\$2,577,401</u></u>

Depreciation Expense

Original Rate Application	\$1,721,827
Reduction in Depreciation Expense (Board Staff 3a ii)	<u>-4,667</u>
Revised Expenses	<u><u>\$1,717,160</u></u>

Welland Hydro-Electric System Corp.
Summary of Rate Base Changes
Exhibit F

	2008 Bridge Year	2009 Test Year Filing	Reduced Capital Spending	2009 Test Year Revised
Gross Fixed Assets	\$44,476,751	\$47,034,751	-\$280,000	\$46,754,751
Accumulated Depreciation	<u>\$23,913,517</u>	<u>\$25,635,344</u>	<u>-\$4,667</u>	<u>\$25,630,677</u>
Net Book Value	\$20,563,234	\$21,399,407	-\$275,333	\$21,124,074
Average Net Book Value	\$20,310,343	\$20,981,320		\$20,843,654
Working Capital	\$41,017,457	\$42,287,786		\$42,287,786
Working Capital Allowance	<u>\$6,152,619</u>	<u>\$6,343,168</u>		<u>\$6,343,168</u>
Rate Base	<u><u>\$26,462,961</u></u>	<u><u>\$27,324,488</u></u>		<u><u>\$27,186,822</u></u>

WELLAND HYDRO ELECTRIC SYSTEM CORP
EXHIBIT G
REVISED COST ALLOCATION ANALYSIS

	Total	Residential	GS < 50	GS 50 - 4999	Large Use	Street Light	Sentinel Light	Unmetered
Distribution Revenue 2006 Cost Allocation Monthly	3,998,909	2,786,883	356,642	450,726	360,807	13,590	2,999	27,262
Distribution Revenue 2006 Cost Allocation Volume	2,706,053	1,894,678	289,009	321,962	191,490	9,355	1,703	7,856
2007 PILS Increase - EB-2007-0663	353,832	246,527	34,072	40,776	29,145	1,211	248	1,853
Distribution Revenue Revised Cost Allocation	7,058,794	4,918,088	679,723	813,464	581,442	24,156	4,950	36,971
Revenue Offsets	806,790	489,656	122,480	124,753	53,929	25,820	3,772	6,380
Total Revenue Cost Allocation Before Loss of Large Users	7,865,584	5,387,744	802,203	938,217	635,371	49,976	8,722	43,351
Adjustment Large Users	0	247,320	36,824	43,068	-331,897	2,294	400	1,990
Total Revenue Cost Allocation After Loss of Large Users	7,865,584	5,635,064	839,027	981,285	303,474	52,270	9,122	45,341
Total Expenses 2006 Cost Allocation	6,433,582	3,474,354	910,838	1,171,067	464,823	341,068	38,701	32,731
2007 PILS Increase - EB-2007-0663	353,832	246,527	34,072	40,776	29,145	1,211	248	1,853
Total Expenses Revised Cost Allocation	6,787,414	3,720,881	944,910	1,211,843	493,968	342,279	38,949	34,584
Allocated Net Income 2006 Cost Allocation	1,078,170	513,531	121,786	226,657	137,026	68,348	7,674	3,148
Total Expense and Allocated Income Before Loss of Large Users	7,865,584	4,234,412	1,066,696	1,438,500	630,994	410,627	46,623	37,732
Adjustment Large Users	0	192,985	48,615	65,560	-329,719	18,714	2,125	1,720
Total Expense and Allocated Income After Loss of Large Users	7,865,584	4,427,397	1,115,311	1,504,060	301,275	429,341	48,748	39,452
Revenue to Expense %		127.28%	75.23%	65.24%	100.73%	12.17%	18.71%	114.93%
Existing Revenue Minus Allocated Costs		1,207,667	-276,284	-522,775	2,199	-377,071	-39,625	5,889
Revenue-to-cost Ratios Ranges EB-2007-0667		85% to 115%	80% to 120%	80% to 180%	85% to 115%	70% to 120%	70% to 120%	80% to 120%

Cost Allocation Based Calculations

Class	Revenue Requirement Cost Allocation	Less Transformer Allowance	Revenue Requirement Cost Allocation Excluding Transformer Allowance	Service Revenue Requirement % Cost Allocation	2009 Serv Rev Requirement	Miscellaneous Rev Allocation Cost Allocation	Miscellaneous Revenue %	Current Miscellaneous Revenue	Base Rev Requirement Excluding Transformer	Base Revenue Per Class %	Addback Transformer Allowances	Gross Revenue for Rates
Residential	4,427,397	0	4,427,397	58.05%	5,308,871	469,656	58.21%	330,877	4,977,994	58.04%	-	4,977,994
GS <50 kW	1,115,311	0	1,115,311	14.62%	1,337,364	122,480	15.18%	86,288	1,251,078	14.59%	-	1,251,078
GS >50 kW	1,504,060	136,548	1,367,512	17.93%	1,639,777	124,753	15.46%	87,890	1,551,888	18.09%	136,548	1,688,436
Large Use >5MW	301,275	101,732	199,543	2.62%	239,271	53,929	6.66%	37,993	201,278	2.35%	101,732	303,010
Street Light	429,341	0	429,341	5.63%	514,821	25,820	3.20%	18,190	496,630	5.79%	-	496,630
Sentinel	48,748	0	48,748	0.64%	58,454	3,772	0.47%	2,657	55,796	0.65%	-	55,796
Unmetered Scattered Load	39,452	0	39,452	0.52%	47,307	6,380	0.79%	4,495	42,812	0.50%	-	42,812
Back-up/Standby Power	0	0	0	0.00%	0	-	0.00%	0.00	0.00	0.00%	-	0
TOTAL	7,865,684	238,280	7,627,304	100.00%	9,145,665	806,790	100.00%	568,391	8,577,474	100.00%	238,280	8,815,754

Welland Hydro Electric System Corp

Exhibit I

Revised-Loss of Large Users

Forecast Class Billing Determinants for 2009 Test Year Based on Existing Class Revenue Proportions
Revenue At Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	166,128,962		237,816		3,063,070	2,159,677	5,222,747		5,222,747	76.71%
GS <50 kW	55,348,528		20,604		394,155	370,835	764,990		764,990	11.24%
GS>50 kW	160,782,066	440,796	2,052		393,615	354,709	748,323	136,548	611,775	8.99%
Large Use >5MW	49,804,199	169,553	12		127,755	121,790	249,545	101,732	147,813	2.17%
Street Light	4,722,781	13,262		80,124	14,422	10,196	24,618		24,618	0.36%
Sentinel	1,098,311	2,592		8,652	3,115	2,133	5,248		5,248	0.08%
Unmetered Scattered Load	1,072,774			2,496	24,236	7,188	31,424		31,424	0.46%
Back-up/Standby Power	0	0			0	0	0		0	0.00%
	438,957,621	626,203	260,484	91,272	4,020,368	3,026,527	7,046,895	238,280	6,808,615	100%

Welland Hydro Electric System Corp

Exhibit J

Revised-Loss of Large Users

2009 Test Year Class Revenue Design

Customer Class	Outstanding Base Revenue Requirement %			Outstanding Base Revenue Requirement \$		
	Cost Allocation	Existing Rates	Rate Application	Cost Allocation	Existing Rates	Rate Application
Residential	58.04%	76.71%	67.70%	4,977,994.31	6,579,601.87	5,806,949.90
GS <50 kW	14.59%	11.24%	12.20%	1,251,075.98	963,731.88	1,046,451.83
GS>50 kW	18.09%	8.99%	14.89%	1,551,887.68	770,712.70	1,277,185.88
Large Use >5MW	2.35%	2.17%	2.17%	201,277.61	186,214.46	186,131.19
Street Light	5.79%	0.36%	2.21%	496,630.38	31,013.87	189,562.18
Sentinel	0.65%	0.08%	0.33%	55,796.09	6,611.66	28,305.66
Unmetered Scattered Load	0.50%	0.46%	0.50%	42,811.94	39,587.55	42,887.37
Back-up/Standby Power	0.00%	0.00%	0.00%	0.00	0.00	0.00
TOTAL	100.00%	100.00%	100.00%	8,577,474.00	8,577,474.00	8,577,474.00
Check						
	OK	OK	OK			

Revenue to Cost Analysis Per Cost Allocation Study-2009

Customer Class	Revenue to Cost Ratios Per C.A. Study	Net Revenue Per 2009 Test Year	Addback Transformer Allowances	Gross Distribution Revenue	Miscellaneous Revenue Allocation 2009	Total Revenue Cost Allocation 2009	Updated C.A. Study Cost Proportions For 2009 Excluding Transformer	Addback Transformer Allowances	Updated C.A. Study Cost Proportions For 2009 Excluding Transformer	Revenue to Cost Ratios Per 2009 Test Year Filing	Target Ranges Low High
Residential	127.28%	5,806,949.90		5,806,949.90	330,876.99	6,137,826.88	5,308,871.29		5,308,871.29	115.61%	85.00% 115.00%
GS <50 kW	75.23%	1,046,451.83		1,046,451.83	86,288.29	1,132,740.12	1,337,364.27		1,337,364.27	84.70%	80.00% 120.00%
GS>50 kW	85.24%	1,277,185.88	136,548.00	1,413,733.88	87,889.64	1,501,623.52	1,639,777.32	136,548.00	1,776,325.32	84.54%	80.00% 180.00%
Large Use >5MW	100.73%	186,131.19	101,732.00	287,863.19	37,993.48	325,856.66	239,271.09	101,732.00	341,003.09	95.56%	85.00% 115.00%
Street Light	12.17%	189,562.18		189,562.18	18,190.43	207,752.60	514,820.81		514,820.81	40.35%	70.00% 120.00%
Sentinel	18.71%	28,305.66		28,305.66	2,657.41	30,963.07	58,453.50		58,453.50	52.97%	70.00% 120.00%
Unmetered Scattered Load	114.93%	42,887.37		42,887.37	4,494.77	47,382.14	47,306.71		47,306.71	100.16%	80.00% 120.00%
Back-up/Standby Power											
		8,577,474.00	238,280.00	8,815,754.00	568,391.00	9,384,145.00	9,145,865.00	238,280.00	9,384,145.00		

Revenue to Cost Analysis Per Cost Allocation Study-2010

Customer Class	Revenue to Cost Ratios Per C.A. Study	Net Revenue Per 2010 Test Year	Addback Transformer Allowances	Gross Distribution Revenue	Miscellaneous Revenue Allocation 2009	Total Revenue Cost Allocation 2010	Updated C.A. Study Cost Proportions For 2009 Excluding Transformer	Addback Transformer Allowances	Updated C.A. Study Cost Proportions For 2009 Excluding Transformer	Revenue to Cost Ratios Per 2009 Test Year Filing	Target Ranges Low High
Residential	127.28%	5,652,964.08		5,652,964.08	330,876.99	5,983,841.06	5,308,871.29		5,308,871.29	112.90%	85.00% 115.00%
GS <50 kW	75.23%	1,046,451.83		1,046,451.83	86,288.29	1,132,740.12	1,337,364.27		1,337,364.27	84.70%	80.00% 120.00%
GS>50 kW	85.24%	1,277,185.88	136,548.00	1,413,733.88	87,889.64	1,501,623.52	1,639,777.32	136,548.00	1,776,325.32	84.54%	80.00% 180.00%
Large Use >5MW	100.73%	150,127.19	101,732.00	251,859.19	37,993.48	289,852.66	239,271.09	101,732.00	341,003.09	85.00%	85.00% 115.00%
Street Light	12.17%	347,641.18		347,641.18	18,190.43	365,831.60	514,820.81		514,820.81	71.06%	70.00% 120.00%
Sentinel	18.71%	50,216.48		50,216.48	2,657.41	52,873.89	58,453.50		58,453.50	90.45%	70.00% 120.00%
Unmetered Scattered Load	114.93%	42,887.37		42,887.37	4,494.77	47,382.14	47,306.71		47,306.71	100.16%	80.00% 120.00%
Back-up/Standby Power											
		8,577,474.00	238,280.00	8,815,754.00	568,391.00	9,384,145.00	9,145,865.00	238,280.00	9,384,145.00		

Weland Hydro Electric System Corp

Exhibit L

Revised-Loss of Large Users

Distribution Rate Allocation Between Fixed & Variable Rates For 2008 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	5,806,949.90	67.70%	14.32	\$0.0145	\$ 3,405,525	\$ 2,401,425		5,806,949.90	0.00	5,806,949.90
GS <50 kW	1,046,451.83	12.20%	26.17	\$0.0092	\$ 539,207	\$ 507,245		1,046,451.83	0.00	1,046,451.83
GS>50 kW	1,277,185.88	14.89%	327.34	\$1.6834	\$ 671,702	\$ 605,484	\$ 136,548	1,413,733.88	0.00	1,413,733.88
Large Use >5MW	186,131.19	2.17%	12,281.01	\$0.8286	\$ 147,372	\$ 38,759	\$ 101,732	287,863.19	0.00	287,863.19
Street Light	189,562.18	2.21%	1.39	\$5.8958	\$ 111,372	\$ 78,190		189,562.18	0.00	189,562.18
Sentinel	28,305.66	0.33%	1.94	\$4.4447	\$ 16,785	\$ 11,521		28,305.66	0.00	28,305.66
Unmetered Scattered Load	42,887.37	0.50%	13.25	\$0.0091	\$ 33,072	\$ 9,815		42,887.37	0.00	42,887.37
Back-up/Standby Power										
TOTAL	8,577,474.00	100.00%			\$ 4,925,035	\$ 3,652,439	\$ 238,280	\$ 8,815,754	\$ -	\$ 8,815,754

Forecast Fixed/Variable Ratios 55.866% 41.431% 2.703% 100.000%

Existing Fixed/Variable Ratios 58.133% 38.001% 3.866% 100.000%

Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Split	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2008 Rates From OEB Approved Tariff	Minimum System with PLCC Adjustment (Ceiling Fixed Charge From Cost Allocation Model)	Fixed Rate Threshold @ 120% of Ceiling Charge
Residential	41.35%	58.65%	100.00%	14.32	12.88	7.98	9.58
GS <50 kW	48.48%	51.52%	100.00%	26.17	19.13	22.06	26.47
GS>50 kW	47.40%	52.60%	100.00%	362.39	191.82	97.77	117.32
Large Use >5MW	48.80%	51.20%	100.00%	12,281.01	10,646.26	258.15	309.78
Street Light	41.42%	58.58%	100.00%	1.39	0.18	5.24	6.29
Sentinel	40.65%	59.35%	100.00%	1.94	0.36	5.19	6.23
Unmetered Scattered Load	22.87%	77.13%	100.00%	13.25	9.71	6.98	8.38
Back-up/Standby Power							
TOTAL							

SHEET 1 - Regulatory Assets - Continuity Schedule - Revised

NAME OF UTILITY
Application ID NUMBER
Date

Wellhead Hydro-Electric System Corp.
ES-2006-2267
15-Dec-08

Exhibit M - Pg 1

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Regulatory Asset amounts for each account in the appropriate cells below.
Debits should be recorded as positive numbers and credits should be recorded as negative numbers.
Repeat cells going across as necessary for each year in application

Account Number	Account Description	2005					
		Opening Principal Amounts as of Jan-1-05 ¹	Transactions (additions) during 2005, excluding interest and adjustments ³	Transactions (deductions) during 2005, excluding interest and adjustments ³	Adjustments during 2005 - instructed by Board ⁴	Adjustments during 2005 - other ⁵	Closing Principal Balance as of Dec-31-05
1508	Other Regulatory Assets - Sub-Account - OER Cost Assessments	\$ 11,663	\$ 20,088				\$ 31,751
1508	Other Regulatory Assets - Sub-Account - Pension Contributions	\$ -	\$ 151,187				\$ 151,187
1508	Other Regulatory Assets - Sub-Account - Other ⁶	\$ -					\$ -
1508	Other Regulatory Assets - Sub-Account - Other ⁶	\$ -					\$ -
1508	Other Regulatory Assets - Sub-Account - Other ⁶	\$ -					\$ -
1518	Retail Cost Variance Account - Retail	\$ 17,842					\$ 17,842
1525	Misc. Deferred Debits	\$ -					\$ -
1546	Retail Cost Variance Account - STR	\$ -					\$ -
1570	Qualifying Transition Costs ⁴	\$ -					\$ -
1571	Pre-Market Opening Energy Variances Total ⁴	\$ 438,917	n/a	n/a			\$ 438,917
1572	Extra-Ordinary Event Costs	\$ 868,760	n/a	n/a			\$ 868,760
1574	Deferred Rate Impact Amounts	\$ -					\$ -
1582	RSVA - One-time Wholesale Market Service	\$ -					\$ -
1582	2006 PILS & Taxes Variance	\$ 48,109	\$ 27,409	n/a	n/a		\$ 75,518
2425	Other Deferred Credits	\$ n/a	n/a	n/a			\$ n/a
	Sub-Total	\$ 1,488,291	\$ 184,704	\$ -	\$ -	\$ -	\$ 1,686,865
1555	Smart Meter Capital and Recovery Offset	\$ -					\$ -
1556	Smart Meter Operation, Maintenance and Administration	\$ -					\$ -
1552	Deferred Payments in Lieu of Taxes	\$ 11,820	\$ (114,544)				\$ (102,724)
1553	Deferred PILS Centre Account ⁸	\$ -					\$ -
1555	CDM Expenditures and Recoveries	\$ 9,013	\$ (539,561)				\$ (530,548)
1558	CDM Contra Account	\$ -					\$ -
1550	Recovery of Regulatory Asset Balances	\$ (468,775)	\$ (631,105)				\$ (1,099,880)
	No sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1550	Low Voltage Variance Account	\$ -					\$ -
1580	RSVA - Wholesale Market Service Charge	\$ 770,612	\$ 335,550				\$ 1,106,162
1584	RSVA - Retail Transmission Network Charge	\$ 986,753	\$ 135,634				\$ 1,122,387
1586	RSVA - Retail Transmission Connection Charge	\$ 148,509	\$ 48,726				\$ 197,235
1588	RSVA - Power (Including Global Adjustment)	\$ 80,703	\$ (481,037)				\$ (400,334)
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -	\$ (848,121)				\$ (848,121)
	Sub-Total	\$ 1,986,567	\$ 30,773	\$ -	\$ -	\$ -	\$ 2,017,340
	Footnotes						

- As per general ledger, if does not agree to Dec-31-04 balance filed in 2006 EDR then provide supplementary analysis
- Provide supporting statement indicating whether due to credit of costs in 2006 EDR by the Board, 10% transition costs write-off, and etc.
- Provide supporting statement indicating return of this adjustments and periods they relate to
- Closed April 30, 2002
- For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.
- Please describe "other" components of 1508 and add more component lines if necessary.
- Interest projected on December 31, 2007 closing principal balance.
- 1553 is a contra-account and is not included in the total but is shown on a memo basis. Account 1552 establishes the obligation to the ratepayer.

Welland Hydro-Electric System Corp.
EB-2008-0247

Application ID NUMBER

Dec-08

No substantial

Sub-Total

Footnotes

SHEET 1 - Regulatory Assets - Continuity Schedule - Revised

NAME OF UTILITY

Application ID NUMBER

Date

15-Dec-08

Wehland Hydro-Electric System Corp.

EE-2008-0247

Exhibit M - Pg 3

Account Description	Account Number	2007					Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Closing Interest Amounts as of Dec-31-07
		Opening Principal Amounts as of Jan-1-07	Transactions (additions) during 2007, excluding interest and adjustments ³	Transactions (reductions) during 2007, excluding interest and adjustments ³	Adjustments during 2007 - instructed by Board ²	Adjustments during 2007 - other ³				
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 27,095					\$ 27,095	\$ 6,010	\$ 533	\$ 5,943
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	\$ 208,737					\$ 208,737	\$ 11,163	\$ 7,116	\$ 18,279
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$ -					\$ -	\$ -	\$ -	\$ -
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$ -					\$ -	\$ -	\$ -	\$ -
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$ -					\$ -	\$ -	\$ -	\$ -
Other Regulatory Assets - Sub-Account - Retail	1518	\$ -					\$ -	\$ -	\$ -	\$ -
Retail Cost Variance Account - Retail	1525	\$ 11,871					\$ 11,871	\$ 289	\$ 408	\$ 707
Misc. Deferred Debits	1548	\$ -					\$ -	\$ -	\$ -	\$ -
Retail Cost Variance Account - STR	1570	\$ -					\$ -	\$ -	\$ -	\$ -
Qualifying Transition Costs ⁴	1571	\$ -					\$ -	\$ -	\$ -	\$ -
Pre-Market Opening Energy Variances Total ⁴	1572	\$ -					\$ -	\$ -	\$ -	\$ -
Extra-Ordinary Event Costs	1574	\$ -					\$ -	\$ -	\$ -	\$ -
Deferred Rate Impact Amounts	1582	\$ 37,163					\$ 37,163	\$ 1,978	\$ 1,767	\$ 3,735
RSVA - Retail Wholesale Market Service	1592	\$ -					\$ -	\$ -	\$ -	\$ -
2008 PILs & Trades Variance	2425	\$ -					\$ -	\$ -	\$ -	\$ -
Other Deferred Credits		\$ -					\$ -	\$ -	\$ -	\$ -
Sub-Total		\$ 292,866	\$ -	\$ -	\$ -	\$ -	\$ 292,866	\$ 19,450	\$ 10,214	\$ 29,664
Smart Meter Capital and Recovery Offset	1555	\$ (39,893)	\$ (56,028)				\$ (95,921)	\$ (460)	\$ (3,089)	\$ (3,565)
Smart Meter Operation, Maintenance and Administration	1556	\$ (2,757)					\$ (2,757)	\$ 5,085	\$ (730)	\$ 4,865
Deferred Payments in Lieu of Taxes	1553	\$ -					\$ -	\$ -	\$ -	\$ -
Deferred PILs Contra Account ⁵	1555	\$ (446,847)	\$ 446,847				\$ -	\$ -	\$ -	\$ -
CDM Expenditures and Recoveries	1555	\$ -					\$ -	\$ -	\$ -	\$ -
CDM Contra Account	1556	\$ 1,218,310	\$ (857,687)				\$ 360,623	\$ 45,211	\$ 115	\$ 45,326
Recovery of Regulatory Asset Balances	1550	\$ -					\$ -	\$ -	\$ -	\$ -
No sub-total		\$ (268,573)	\$ (561,618)	\$ (561,618)			\$ (868,181)	\$ 9,113	\$ (25,446)	\$ (16,333)
Low Voltage Variance Account	1580	\$ 310,805	\$ 81,737				\$ 392,542	\$ 13,643	\$ 17,896	\$ 31,569
RSVA - Wholesale Market Service Charge	1584	\$ 92,281	\$ 82,868				\$ 175,149	\$ 4,678	\$ 5,870	\$ 10,548
RSVA - Retail Transmission Network Charge	1586	\$ (1,513,022)	\$ (691,246)				\$ (2,204,268)	\$ (21,609)	\$ (38,124)	\$ (59,732)
RSVA - Retail Transmission Connection Charge	1588	\$ (331,704)	\$ (313,078)				\$ (644,782)	\$ (31,129)	\$ (9,331)	\$ (40,460)
RSVA - Power (Including Global Adjustment)	1588	\$ -					\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -					\$ -	\$ -	\$ -	\$ -
Sub-Total		\$ (1,505,509)	\$ (487,202)	\$ (487,202)	\$ -	\$ -	\$ (1,992,711)	\$ 5,828	\$ (48,075)	\$ (33,919)

Footnotes

SHEET 1 - Regulatory Assets - Continuity Schedule -Revised

NAME OF UTILITY
Application ID NUMBER
Date

Welland Hydro-Electric System Corp.
EP-2003-0247
16-Dec-08

Exhibit M - Pg 4

Account Number	Account Description	Projected Interest on Dec 31 -07 balance from Jan 1, 2003 to Dec 31, 2003 ¹	Projected Interest on Dec 31 -07 balance from Jan 1, 2003 to April 30, 2009 ¹	Balances before Forecasted Transactions	Forecasted Transactions, Excluding Interest from Jan 1, 2003 to Dec 31, 2008	Forecasted Transactions, Excluding Interest from Jan 1, 2003 to April 30, 2009	Projected Interest from Jan 1, 2008 to April 30, 2009 on Forecasted Transx (Excl Interest) from Jan 1, 2008 to April 30, 2009	Projected Interest from Jan 1, 2008 to April 30, 2009 on Forecasted Transx (Excl Interest) from Jan 1, 2008 to April 30, 2009	Balance
1508	Other Regulatory Assets - Sub-Account - OEB Cost Assessments	\$ 1,163	\$ 366	\$ 35,569					\$ 35,569
1508	Other Regulatory Assets - Sub-Account - Precision Contributions	\$ 8,873	\$ 2,859	\$ 236,847					\$ 236,847
1508	Other Regulatory Assets - Sub-Account - Other ⁶								
1508	Other Regulatory Assets - Sub-Account - Other ⁶								
1508	Other Regulatory Assets - Sub-Account - Other ⁶								
1518	Retail Cost Variance Account - Retail	\$ 509	\$ 170	\$ 13,257					\$ 13,257
1525	Misc. Deferred Debits								
1548	Retail Cost Variance Account - STR								
1570	Qualifying Transition Costs ⁴								
1571	Pre-Market Opening Energy Variances Total ⁴								
1572	Extra-Ordinary Event Costs								
1574	Deferred Rate Impact Amounts	\$ 1,595	\$ 532	\$ 43,025	\$ 124,132	\$ 5,328	\$ 1,776		\$ 31,236
1582	RSVA - On-time Wholesale Market Service								\$ 43,025
2495	2009 PILs & Taxes Variance								
	Other Deferred Credits								
	Sub-Total	\$ 12,140	\$ 4,048	\$ 328,716	\$ 124,132	\$ 5,328	\$ 1,776		\$ 458,954
1555	Smart Meter Capital and Recovery Offset								
1556	Smart Meter Operation, Maintenance and Administration								
1562	Deferred Payments in Lieu of Taxes								
1563	Deferred PILs Centre Account ⁸								
1565	CDM Expenditures and Recoveries								
1566	CDM Centre Account								
1550	Recovery of Regulatory Asset Balances								
	No sub-total			\$ 405,840	\$ (391,815)				\$ 13,954
1550	Low Voltage Variance Account								
1580	RSVA - Wholesale Market Service Charge	\$ (37,253)	\$ (12,421)	\$ (334,206)					\$ (334,206)
1584	RSVA - Retail Transmission Network Charge	\$ 18,450	\$ 5,617	\$ 446,668					\$ 446,668
1586	RSVA - Retail Transmission Connection Charge	\$ 7,510	\$ 2,603	\$ 195,541					\$ 195,541
1588	RSVA - Power (Including Global Adjustment)	\$ (35,544)	\$ (13,161)	\$ (1,094,333)	\$ 80,005	\$ 3,416	\$ 1,139		\$ (949,872)
	RSVA - Power - Sub-Account - Global Adjustment	\$ (799)	\$ (259)	\$ (60,151)					\$ (60,151)
	Sub-Total	\$ (53,246)	\$ (17,746)	\$ (1,328,232)	\$ 80,005	\$ 3,416	\$ 1,139		\$ (1,241,571)
	Footnotes								

Welland Hydro Electric System Corp.

Exhibit N

Revised-Rate Riders Calculation

Deferral and Variance Accounts:

Other Regulatory Assets OEB Assessment- Account 1508
 Other Regulatory Assets Pension- Account 1508
 Deferred Regulatory Assets - Account 1525
 Deferred Revenue - Account - 1574
 RSVA-Wholesale Market Service Charge-1580
 RSVA-One-Time Wholesale Market Service-1582
 RSVA-Retail Transmission Network Charge-1584
 RSVA-Retail Transmission Connection Charge-1586
 RSVA-Power Excluding Global Adj-1588
Subtotal - Non RSVA, Variable

Amount	ALLOCATOR	Residential	GS < 50 KW	GS 50-4999	Large Use	USL	Sentinel Lighting	Street Lighting	Total
\$ 35,589	Dx Revenue	\$ 25,312	\$ 3,634	\$ 4,032	\$ 2,361	\$ 106	\$ 25	\$ 119	\$ 35,589
\$ 236,847	Dx Revenue	\$ 168,454	\$ 24,186	\$ 26,832	\$ 15,712	\$ 705	\$ 169	\$ 790	\$ 236,847
\$ 13,257	Dx Revenue	\$ 9,429	\$ 1,354	\$ 1,502	\$ 879	\$ 39	\$ 9	\$ 44	\$ 13,257
\$ 131,236	Dx Revenue	\$ 93,339	\$ 13,401	\$ 14,867	\$ 8,706	\$ 391	\$ 94	\$ 438	\$ 131,236
\$ (934,208)	kwhs	\$ (322,049)	\$ (105,751)	\$ (322,180)	\$ (170,390)	\$ (2,323)	\$ (2,206)	\$ (9,309)	\$ (934,208)
\$ 43,025	Dx Revenue	\$ 30,501	\$ 4,393	\$ 4,874	\$ 2,854	\$ 128	\$ 31	\$ 144	\$ 43,025
\$ 446,668	kwhs	\$ 153,979	\$ 50,562	\$ 154,042	\$ 81,468	\$ 1,111	\$ 1,055	\$ 4,451	\$ 446,668
\$ 195,542	kwhs	\$ 67,409	\$ 22,135	\$ 67,437	\$ 35,665	\$ 486	\$ 462	\$ 1,949	\$ 195,542
\$ (889,522)	kwhs	\$ (306,644)	\$ (100,693)	\$ (306,769)	\$ (162,240)	\$ (2,212)	\$ (2,100)	\$ (8,864)	\$ (889,522)
\$ (721,566)		\$ (80,169)	\$ (86,779)	\$ (355,363)	\$ (184,985)	\$ (1,569)	\$ (2,462)	\$ (10,239)	\$ (721,566)
\$ (721,566)		\$ (80,169)	\$ (86,779)	\$ (355,363)	\$ (184,985)	\$ (1,569)	\$ (2,462)	\$ (10,239)	\$ (721,566)

Total to be Recovered

2	\$ (721,566)	\$ (80,169)	\$ (86,779)	\$ (355,363)	\$ (184,985)	\$ (1,569)	\$ (2,462)	\$ (10,239)	\$ (721,566)
2	\$ (360,783)	\$ (40,085)	\$ (43,389)	\$ (177,582)	\$ (92,493)	\$ (784)	\$ (1,231)	\$ (5,120)	\$ (360,783)

Balance to be collected or refunded, Variable

Number of years for Variable

Number of years for Fixed (Smart Meters)

Balance to be collected or refunded per year, Variable

Class	Residential	GS < 50 KW	GS 50-4999	Large Use	USL	Sentinel Lighting	Street Lighting
Deferral and Variance Account Rate Riders- Variable	\$ (0.0002)	\$ (0.0008)	\$ (0.4025)	\$ (0.3605)	\$ (0.0007)	\$ (0.4540)	\$ (0.3912)
Billing Determinants	kWh	kWh	kWh	kWh	kWh	kWh	kWh

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption	Monthly Service Charge			13.15			13.15			14.09			14.69			15.32
1,000 kWh	Distribution (kWh)	1,000	0.0130	13.00	1,000	0.0130	13.00	1,000	0.0139	13.90	1,000	0.0145	14.50	1,000	0.0145	14.50
	Distributor			28.15			28.15			27.99			29.09			29.82
	Regulatory Assets (kWh)	1,000	0.0030	3.00			0.00	1,000	0.0006	0.60	1,000	(0.0002)	(0.20)	1,000	(0.0002)	(0.20)
Loss Factor	Retail Transmission (kWh)	1,060	0.0108	11.45	1,060	0.0103	10.92	1,053	0.0103	10.85	1,053	0.0103	10.85	1,053	0.0112	11.80
1.0599 2007/8	Wholesale & Rural (kWh)	1,060	0.0062	6.57	1,060	0.0062	6.67	1,053	0.0062	6.53	1,053	0.0062	6.53	1,053	0.0065	6.85
1.0532 2009	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	1,000	0.0070	7.00	1,000	0.0070	7.00	1,000	0.0070	7.00	1,000	0.0070	7.00	1,000	0.0070	7.00
	Cost of Power Commodity (kWh)	600	0.0500	30.00	600	0.0500	30.00	600	0.0500	30.00	600	0.0500	30.00	600	0.0500	30.00
	"	460	0.0590	27.13	460	0.0590	27.13	453	0.0590	26.74	453	0.0590	26.74	453	0.0590	26.74
	Sub Total			111.55			108.02			109.96			110.26			112.25
	G.S.T.		6.0%	6.69		5.0%	6.40		5.0%	5.50		5.0%	5.51		5.0%	6.61
	Total Bill			118.25			113.42			115.46			115.77			117.86
							Increase over 2008			1.79%			2.07%			3.91%
							Increase over 2007			-2.36%			-2.09%			-0.32%

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

		Niagara Falls			Grimsby			N.O.T.L.		
		2008 BILL			2008 BILL			2008 BILL		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Consumption	Monthly Service Charge			16.49			15.43			17.71
1,000 kWh	Distribution (kWh)	1,000	0.0138	13.80	1,000	0.0093	9.30	1,000	0.0123	12.30
	Distributor:			30.29			24.73			30.01
	Regulatory Assets (kWh)	1,000	0.0000	0.00	1,000	0.0000	0.00	1,000	0.0000	0.00
Loss Factor	Retail Transmission (kWh)	1,057	0.0092	9.73	1,050	0.0098	10.29	1,050	0.0067	7.04
1.0572 NF	Wholesale & Rural (kWh)	1,057	0.0062	6.55	1,050	0.0062	6.51	1,050	0.0062	6.51
1.0502 GR	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
1.0501 NOTL	Debt Retirement	1,000	0.0070	7.00	1,000	0.0070	7.00	1,000	0.0070	7.00
	Cost of Power Commodity (kWh)	600	0.0500	30.00	600	0.0500	30.00	600	0.0500	30.00
	"	457	0.0590	26.97	450	0.0590	25.56	450	0.0590	26.56
	Sub Total:			110.80			105.35			107.36
	G.S.T.		5.0%	5.54		5.0%	5.27		5.0%	5.37
	Total Bill:			116.34			110.61			112.73

GENERAL SERVICE < 50 - BILL IMPACTS (Monthly Consumptions)																	
WELLAND HYDRO COMPARISON 2007 - 2009																	
		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	
Consumption	Monthly Service Charge			19.40			19.40			26.50			26.44			27.17	
	Distribution (kWh)	3,000	0.0067	20.10	3,000	0.0067	20.10	3,000	0.0092	27.60	3,000	0.0092	27.60	3,000	0.0092	27.60	
	Distributor:			39.50			39.50			54.10			54.04			54.77	
Loss Factor	Regulatory Assets (kWh)	3,000	0.0020	6.00			0.00	3,000	0.0003	0.90	3,000	(0.0008)	(2.40)	3,000	(0.0008)	(2.40)	
	Retail Transmission (kWh)	3,180	0.0097	30.84	3,180	0.0092	29.25	3,160	0.0092	29.07	3,160	0.0092	29.07	3,160	0.0100	31.60	
	Wholesale & Rural (kWh)	3,180	0.0062	19.71	3,180	0.0062	19.71	3,160	0.0062	19.59	3,160	0.0062	19.59	3,160	0.0065	20.54	
1.0599 2007/8	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	
2009	Debt Retirement	3,000	0.0070	21.00	3,000	0.0070	21.00	3,000	0.0070	21.00	3,000	0.0070	21.00	3,000	0.0070	21.00	
	Cost of Power Commodity (kWh)	750	0.0500	37.50	750	0.0500	37.50	750	0.0500	37.50	750	0.0500	37.50	750	0.0500	37.50	
	"	2,430	0.0590	143.35	2,430	0.0590	143.35	2,410	0.0590	142.17	2,410	0.0590	142.17	2,410	0.0590	142.17	
	Sub Total			298.16			290.57			304.57			301.21			305.42	
	G.S.T.		6.0%	17.89		5.0%	14.53		5.0%	15.23		5.0%	15.06		5.0%	15.27	
	Total Bill			316.05			305.10			319.80			316.27			320.69	
										Increase over 2008		4.82%				5.11%	
										Increase over 2007		1.19%				0.07%	
																1.47%	

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES																
		Niagara Falls			Grimsby			N.O.T.L.								
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
Consumption	Monthly Service Charge			48.30			25.91			40.11						
	Distribution (kWh)	3,000	0.0102	30.60	3,000	0.0106	31.80	3,000	0.0120	36.00						
	Distributor:			78.90			57.71			76.11						
Loss Factor	Regulatory Assets (kWh)	3,000	0.0000	0.00	3,000	0.0000	0.00	3,000	0.0000	0.00						
	Retail Transmission (kWh)	3,172	0.0083	26.32	3,151	0.0090	28.36	3,150	0.0062	19.53						
	Wholesale & Rural (kWh)	3,172	0.0062	19.66	3,151	0.0062	19.53	3,150	0.0062	19.53						
1.0572 NF	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25						
1.0502 GR	Debt Retirement	3,000	0.0070	21.00	3,000	0.0070	21.00	3,000	0.0070	21.00						
1.0501 NOTL	Cost of Power Commodity (kWh)	750	0.0500	37.50	750	0.0500	37.50	750	0.0500	37.50						
	"	2,422	0.0590	142.87	2,401	0.0590	141.64	2,400	0.0590	141.62						
	Sub Total			326.51			305.98			315.54						
	G.S.T.		5.0%	16.33		5.0%	15.30		5.0%	15.78						
	Total Bill			342.84			321.28			331.32						

GENERAL SERVICE 50 TO 4,999 KW - BILL IMPACTS (Monthly Consumptions)

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
			\$	\$		\$	\$		\$	\$		\$	\$		\$	\$
Consumption	Monthly Service Charge			192.09			192.09			327.61			327.61			328.34
	Distribution (kWh)	62	0.8047	49.89	62	0.8047	49.89	62	1.7064	105.80	62	1.6834	104.37	62	1.6834	104.37
9,840 kWh	Distributor			241.98			241.98			433.41			431.98			432.71
62 Kw	Regulatory Assets (kW)	62	0.5337	33.09			0.00	62	0.0357	2.21	62	(0.4025)	(24.96)	62	(0.4025)	(24.96)
	Retail Transmission (kW)	66	3.3291	218.77	66	3.1501	207.01	65	3.1501	205.70	65	3.1501	205.70	65	3.4206	223.36
Loss Factor	Wholesale & Rural (kWh)	10,429	0.0062	64.66	10,429	0.0062	64.66	10,363	0.0062	64.25	10,363	0.0062	64.25	10,363	0.0065	67.36
1.0599 2007/8	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
1.0632 2009	Debt Retirement	9,840	0.0070	68.88	9,840	0.0070	68.88	9,840	0.0070	68.88	9,840	0.0070	68.88	9,840	0.0070	68.88
	Cost of Power Commodity (kWh)	10,429	0.0593	618.46	10,429	0.0593	618.46	10,363	0.0593	614.55	10,363	0.0593	614.55	10,363	0.0593	614.55
	Sub Total			1,246.10			1,201.24			1,389.28			1,360.66			1,382.16
	G.S.T.		6.0%	74.77		5.0%	60.06		5.0%	69.46		5.0%	68.03		5.0%	69.11
	Total Bill			1,320.86			1,261.31			1,458.72			1,428.69			1,451.27
										15.65%			13.27%			15.06%
										10.44%			8.18%			9.87%

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

		Niagara Falls			Grimsby			N.O.T.L.		
		2008 BILL			2008 BILL			2008 BILL		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
Consumption	Monthly Service Charge			284.91			165.87			493.72
	Distribution (kWh)	62	3.0608	189.77	62	1.7051	105.72	62	3.4654	214.55
9,840 kWh	Distributor			474.68			271.59			678.57
62 Kw	Regulatory Assets (kWh)	62	0.0000	0.00	62	0.0000	0.00	62	0.0000	0.00
	Retail Transmission (kWh)	66	3.3626	220.41	65	3.5913	233.84	65	2.4755	161.17
Loss Factor	Wholesale & Rural (kWh)	10,403	0.0062	64.50	10,334	0.0062	64.07	10,333	0.0062	64.06
1.0572 NF	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
1.0502 GR	Debt Retirement	9,840	0.0070	68.88	9,840	0.0070	68.88	9,840	0.0070	68.88
1.0501 NOTL	Cost of Power Commodity (kWh)	10,403	0.0593	616.69	10,334	0.0593	612.80	10,333	0.0593	612.75
	Sub Total			1,445.60			1,251.43			1,585.69
	G.S.T.		5.0%	72.28		5.0%	62.57		5.0%	79.28
	Total Bill			1,517.88			1,314.00			1,664.97

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	
Consumption	Monthly Service Charge			192.09			192.09			327.61			327.61			328.34	
	75,000 kWh	Distribution (kW)	250	0.8047	201.18	250	0.8047	201.18	250	1.7064	426.60	250	1.6834	420.85	250	1.6834	420.85
250 Kw	Distributor			393.27			393.27			754.21			748.46			749.19	
	Regulatory Assets (kW)	250	0.5337	133.43			0.00	250	0.0357	8.93	250	(0.4025)	(100.63)	250	(0.4025)	(100.63)	
Loss Factor	Retail Transmission (kW)	265	3.3291	882.13	265	3.1501	834.70	263	3.1501	829.42	263	3.1501	829.42	263	3.4206	900.64	
	1.0599 2007/8	Wholesale & Rural (kWh)	79,493	0.0062	492.85	79,493	0.0062	492.85	78,990	0.0062	489.74	78,990	0.0062	489.74	78,990	0.0065	513.44
1.0532 2009	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	
	Debt Retirement	75,000	0.0070	525.00	75,000	0.0070	525.00	75,000	0.0070	525.00	75,000	0.0070	525.00	75,000	0.0070	525.00	
	Cost of Power Commodity (kWh)	79,493	0.0593	4,713.91	79,493	0.0593	4,713.91	78,990	0.0593	4,684.11	78,990	0.0593	4,684.11	78,990	0.0593	4,684.11	
	Sub-Total			7,140.83			6,959.97			7,291.65			7,176.35			7,272.00	
	G.S.T.		6.0%	428.45		5.0%	348.00		5.0%	364.58		5.0%	358.82		5.0%	363.60	
	Total Bill			7,569.28			7,307.97			7,656.23			7,535.17			7,635.60	
										4.77%				3.11%	4.48%		
										1.15%				-0.45%	0.88%		

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

Niagara Falls				Grimsby			N.O.T.L.			
2008 BILL				2008 BILL			2008 BILL			
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	
Consumption	Monthly Service Charge		284.91			165.87			463.72	
	Distribution (kWh)	250	3.0608	765.20	250	1.7051	426.28	250	3.4654	866.35
250 Kw	Distributor		1,050.11			592.15			1,330.07	
	Regulatory Assets (kWh)	250	0.0000	0.00	250	0.0000	0.00	250	0.0000	0.00
Loss Factor	Retail Transmission (kWh)	264	3.3626	888.74	263	3.5913	942.90	263	2.4755	649.88
	Wholesale & Rural (kWh)	79,290	0.0062	491.60	78,765	0.0062	488.34	78,758	0.0062	488.30
1.0572 NF	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
1.0502 GR	Debit Retirement	75,000	0.0070	525.00	75,000	0.0070	525.00	75,000	0.0070	525.00
1.0501 NOTL	Cost of Power Commodity (kWh)	79,290	0.0593	4,701.90	78,765	0.0593	4,670.76	78,758	0.0593	4,670.32
	Sub Total		7,657.59			7,219.40			7,663.82	
	G.S.T.		5.0% 382.88			5.0% 360.97			5.0% 383.19	
	Total Bill		8,040.47			7,580.37			8,047.01	

GENERAL SERVICE 50 TO 4,999 KW - BILL IMPACTS (Monthly Consumptions)

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption	Monthly Service Charge			192.09			192.09			327.61			327.61			328.34
1,600,000 kWh	Distribution (kW)	4,000	0.8047	3,218.80	4,000	0.8047	3,218.80	4,000	1.7064	6,825.60	4,000	1.6834	6,733.60	4,000	1.6834	6,733.60
4,000 Kw	Transformer	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00
	Distributor			1,010.89			1,010.89			4,763.21			4,661.21			4,661.84
	Regulatory Assets (kW)	4,000	0.5937	2,134.80			0.00	4,000	0.6357	142.80	4,000	(0.4025)	(1,610.00)	4,000	(0.4025)	(1,610.00)
Loss Factor	Retail Transmission (kW)	4,197	3.5965	15,095.23	4,197	3.4230	14,387.02	4,171	3.4230	14,276.65	4,171	3.4230	14,276.65	4,171	3.7078	15,463.66
1.0493 - 2007/8	Wholesale & Rural (kWh)	1,676,880	0.0062	10,409.08	1,678,880	0.0062	10,409.08	1,668,320	0.0062	10,343.58	1,668,320	0.0062	10,343.58	1,668,320	0.0065	10,844.08
1.0427 - 2009	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00
	Cost of Power/Commodity (kWh)	1,678,880	0.0593	99,557.58	1,678,880	0.0593	99,557.58	1,668,320	0.0593	98,931.38	1,668,320	0.0593	98,931.38	1,668,320	0.0593	98,931.38
	Sub Total			139,407.81			136,544.80			139,647.87			137,803.07			139,491.30
	G.S.T.		6.0%	8,384.47		5.0%	6,827.24		5.0%	6,982.39		5.0%	6,890.16		5.0%	6,974.57
	Total Bill			147,772.28			143,372.04			146,630.26			144,693.22			146,465.87
										2.27%			0.92%			2.16%
										-0.77%			-2.08%			-0.89%

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

Nagaya Falls				Grimsby			N.O.T.L		
2008 BILL				2008 BILL			2008 BILL		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption			284.91			185.07			463.72
Monthly Service Charge									
1,600,000 kWh	4,000	3.0608	12,243.20	4,000	1.7051	6,820.40	4,000	3.4654	13,861.60
4,000 Kw			12,628.11			6,985.47			14,326.32
Distributor									
Regulatory Assets (KWh)	4,000	0.0000	0.00	4,000	0.0000	0.00	4,000	0.0000	0.00
Transformer	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00	4,000	(0.6000)	-2,400.00
Loss Factor									
Retail Transmission (KWh)	4,188	3.3626	14,077.19	4,159	3.7102	15,429.98	4,158	3.5434	14,734.87
1.0466 NF	1,674,560	0.0062	10,382.27	1,663,520	0.0062	10,312.92	1,663,360	0.0082	10,312.83
Wholesale & Rural (kWh)									
1.0397 GR	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
Standard Supply									
Debt Retirement	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00
Cost of Power Commodity (KWh)	1,674,560	0.0593	99,301.41	1,663,520	0.0593	98,646.74	1,663,360	0.0593	98,637.25
Sub Total			145,089.23			140,176.26			146,810.62
G.S.T.		5.0%	7,254.46		5.0%	7,008.81		5.0%	7,340.53
Total Bill			152,343.69			147,185.07			154,151.06

LARGE USE - BILL IMPACTS (Monthly Consumptions)
WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
Consumption	Monthly Service Charge			10,646.53			10,646.53			12,512.31			12,281.28			12,282.01
	Distribution (kWh)	13,900	0.7183	9,984.37	13,900	0.7163	9,984.37	13,900	0.8442	11,734.38	13,900	0.8268	11,517.54	13,900	0.8268	11,517.54
4,700,000 kWh	Transformer	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00
13,900 KW	Distributor			12,299.90			12,299.90			15,908.69			15,458.82			15,459.55
	Regulatory Assets (kW)	13,900	0.1004	1,395.56			0.00	13,900	0.0359	499.01	13,900	(0.3605)	(5,010.95)	13,900	(0.3605)	(5,010.95)
Loss Factor	Retail Transmission (kW)	13,963	3.2821	45,826.49	13,963	3.1638	44,174.72	13,963	3.1638	44,174.72	13,963	3.1638	44,174.72	13,963	3.4081	47,585.77
	Wholesale & Rural (kWh)	4,721,150	0.0062	29,271.13	4,721,150	0.0062	29,271.13	4,721,150	0.0062	29,271.13	4,721,150	0.0062	29,271.13	4,721,150	0.0065	30,687.48
1.0045 2007-8	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00
	Cost of Power Commodity (kWh)	4,721,150	0.0593	279,964.20	4,721,150	0.0593	279,964.20	4,721,150	0.0593	279,964.20	4,721,150	0.0593	279,964.20	4,721,150	0.0593	279,964.20
	Sub Total			401,648.52			398,601.19			402,715.99			396,758.16			401,586.29
	G.S.T.		6.0%	24,098.91		5.0%	19,930.06		5.0%	20,135.60		5.0%	19,837.91		5.0%	20,079.31
	Total Bill			425,747.43			418,531.25			422,851.79			416,596.07			421,665.60
							Increase over 2008			1.03%			-0.48%			0.75%
							Increase over 2007			-0.68%			-2.15%			-0.96%

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

Kitchener				Cambridge			Samia		
2008 BILL				2008 BILL			2008 BILL		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption			14,184.10			4,385.25			18,021.42
Monthly Service Charge									
4,700,000 kWh	13,900	1.4304	19,882.58	13,900	1.6342	25,495.38	13,900	1.1431	15,889.09
13,900 Kw									
Distributor			34,066.68			25,880.63			33,910.51
Regulatory Agents (KWh)	13,900	0.0000	0.00	13,900	0.0000	0.00	13,900	0.0000	0.00
Transformer	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00	13,900	(0.6000)	-8,340.00
Retail Transmission (KWh)	13,974	2.5292	35,342.21	13,972	3.2612	45,566.40	13,963	4.1757	58,303.42
1.0053 KIT	4,724,910	0.0062	29,294.44	4,724,440	0.0062	29,231.53	4,721,150	0.0062	29,271.13
1.0052 CAM	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
1.0045 SAR	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00
Cost of Power Commodity (KWh)	4,724,910	0.0593	280,187.16	4,724,440	0.0593	280,159.28	4,721,150	0.0593	279,964.20
Cost of Power Commodity (KWh)	0	0.0593	0.00	0	0.0593	0.00	0	0.0593	0.00
Sub Total			403,450.72			409,458.10			426,009.51
G.S.T.		5.0%	20,172.54		5.0%	20,472.90		5.0%	21,300.48
Total Bill			423,623.26			429,931.00			447,309.98

UNMETERED SCATTERED - BILL IMPACTS (Monthly Consumptions)

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
			\$	\$		\$	\$		\$	\$		\$	\$		\$	\$
Consumption	Monthly Service Charge			9.71			9.71			12.91			13.25			13.25
	500 kWh															
Loss Factor	Distribution (kWh)	500	0.0067	3.35	500	0.0067	3.35	500	0.0089	4.45	500	0.0091	4.55	500	0.0091	4.55
	Distributor:			13.06			13.06			17.36			17.80			17.80
	Regulatory Assets (kWh)	500	0.0020	1.00			0.00	500	0.0004	0.20	500	(0.0007)	(0.35)	500	(0.0007)	(0.35)
	Retail Transmission (kWh)	530	0.0097	5.14	530	0.0092	4.88	527	0.0092	4.84	527	0.0092	4.84	527	0.0100	5.27
	Wholesale & Rural (kWh)	530	0.0062	3.29	530	0.0062	3.29	527	0.0062	3.26	527	0.0062	3.26	527	0.0065	3.42
	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	500	0.0070	3.50	500	0.0070	3.50	500	0.0070	3.50	500	0.0070	3.50	500	0.0070	3.50
	Cost of Power Commodity (kWh)	530	0.0500	26.50	530	0.0500	26.50	527	0.0500	26.33	527	0.0500	26.33	527	0.0500	26.33
	Sub Total:			52.74			51.47			55.75			55.64			56.22
	G.S.T.		6.0%	3.16		5.0%	2.57		5.0%	2.79		5.0%	2.78		5.0%	2.81
Total Bill				55.90			54.04			58.54			58.42			59.03
		Increase over 2008									8.31%			9.22%		
		Increase over 2007									4.72%			4.51%		

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

		Niagara Falls			Grimsby			N.O.T.L.		
		2008 BILL			2008 BILL			2008 BILL		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
Consumption	Monthly Service Charge			24.03			12.82			39.87
	500 kWh									
Loss Factor	Distribution (kWh)	500	0.0102	5.10	500	0.0106	5.30	500	0.0120	6.00
	Distributor:			29.13			18.12			45.87
	Regulatory Assets (kWh)	500	0.0000	0.00	500	0.0000	0.00	500	0.0000	0.00
	Retail Transmission (kWh)	529	0.0083	4.39	525	0.0090	4.73	525	0.0062	3.26
	Wholesale & Rural (kWh)	529	0.0062	3.28	525	0.0062	3.26	525	0.0062	3.26
	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	500	0.0070	3.50	500	0.0070	3.50	500	0.0070	3.50
	Cost of Power Commodity (kWh)	529	0.0500	26.43	525	0.0500	26.26	525	0.0500	26.25
	Sub Total:			66.97			56.11			82.38
	G.S.T.		5.0%	3.35		5.0%	2.81		5.0%	4.12
Total Bill				70.32			58.91			86.50

SENTINEL LIGHTS - BILL IMPACTS (Monthly Consumptions)																	
WELLAND HYDRO COMPARISON 2007 - 2009																	
		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	
Consumption	Monthly Service Charge			0.36			0.36			1.97			1.94			1.94	
	134.55 kWh	0.30	0.8231	0.25	0.30	0.8231	0.25	0.30	4.5024	1.35	0.30	4.4447	1.33	0.30	4.4447	1.33	
0.30 Kw	Distributor:			0.61			0.61			3.32			3.27			3.27	
Loss Factor	Regulatory Assets (kW)	0.30	1.2981	0.39			0.00	0.30	0.0365	0.01	0.30	(0.4540)	(0.14)	0.30	(0.4540)	(0.14)	
	Retail Transmission (kW)	0.32	3.1007	0.99	0.32	2.9340	0.93	0.32	2.9340	0.93	0.32	2.9340	0.93	0.32	3.1859	1.01	
	1.0599 2007/8	Wholesale & Rural (kWh)	143	0.0062	0.88	143	0.0062	0.88	142	0.0062	0.88	142	0.0062	0.88	142	0.0065	0.92
	1.0532 2009	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
		Debt Retirement	135	0.0070	0.94	135	0.0070	0.94	135	0.0070	0.94	135	0.0070	0.94	135	0.0070	0.94
	Cost of Power Commodity (kWh)	143	0.0500	7.13	143	0.0500	7.13	142	0.0500	7.09	142	0.0500	7.09	142	0.0500	7.09	
	Sub Total			11.19			10.75			13.41			13.22			13.34	
	G.S.T.		6.0%	0.67		5.0%	0.54		5.0%	0.67		5.0%	0.66		5.0%	0.67	
	Total Bill			11.86			11.28			14.09			13.88			14.01	
										Increase over 2008		24.83%		23.02%		24.16%	
										Increase over 2007		18.76%		17.04%		18.12%	

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES										
		Niagara Falls			Grimsby			N.O.T.L.		
		Volume	RATE	CHARGE	Volume	RATE	CHARGE	Volume	RATE	CHARGE
Consumption	Monthly Service Charge			1.12			0.00			2.92
134.55 kWh	Distribution (kWh)	0.30	4.1487	1.24	0.30	0.0000	0.00	0.30	5.8909	1.77
0.30 Kw	Distributor:			2.36			0.00			4.69
	Regulatory Assets (kWh)	0.30	0.0000	0.00	0.30	0.0000	0.00	0.30	0.0000	0.00
Loss Factor	Retail Transmission (kWh)	0.32	2.5977	0.82	0.32	0.0000	0.00	0.32	1.8969	0.60
1.0672 NF	Wholesale & Rural (kWh)	142	0.0062	0.88	141	0.0000	0.00	141	0.0062	0.88
1.0502 GR	Standard Supply	1	0.2500	0.25	1	0.0000	0.00	1.00	0.2500	0.25
1.0501 NOTL	Debt Retirement	135	0.0070	0.94	135	0.0000	0.00	135	0.0070	0.94
	Cost of Power Commodity (kWh)	142	0.0500	7.11	141	0.0000	0.00	141	0.0530	7.49
	Sub Total			12.37			0.00			14.84
	G.S.T.		5.0%	0.62		5.0%	0.00		5.0%	0.74
	Total Bill			12.99			0.00			15.58

STREET LIGHTS - BILL IMPACTS (Monthly Consumptions)

WELLAND HYDRO COMPARISON 2007 - 2009

		2007 BILL			2008 BILL			2009 BILL-FILING			2009 REVISED DISTRIBUTION			2009 REVISED ALL CHARGES		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption	Monthly Service Charge	6677	0.18	1,201.86	6677	0.18	1,201.86	6677	1.37	9,147.49	6677	1.39	9,281.03	6677	1.39	9,281.03
	417,140 kWh															
	Distribution (kWh)	1,106.00	0.7688	850.29	1,106.00	0.7688	850.29	1,106.00	5.8294	6,447.32	1,106.00	5.9958	6,520.75	1,106.00	5.9958	6,520.75
	1,106.00 Kw															
	Distributor			2,052.15			2,052.15			16,694.81			16,801.76			16,801.76
	Regulatory Assets (kW)	1,106.00	0.0477	52.76			0.00	1,106.00	0.0354	39.15	1,106.00	(0.3912)	(432.67)	1,106.00	(0.3912)	(432.67)
Loss Factor	Retail Transmission (kW)	1,172.25	3.0939	3,626.82	1,172.25	2.9275	3,431.76	1,164.84	2.9275	3,410.07	1,164.84	2.9275	3,410.07	1,164.84	3.1789	3,702.91
	1,0699 2007/8															
	Wholesale & Rural (kWh)	442,127	0.0062	2,741.19	442,127	0.0062	2,741.19	439,332	0.0062	2,723.86	439,332	0.0062	2,723.86	439,332	0.0065	2,855.66
	1,0532 2009															
	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25	1.00	0.2500	0.25
	Debt Retirement	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98
	Cost of Power Commodity (kWh)	442,127	0.0500	22,106.33	442,127	0.0500	22,106.33	439,332	0.0500	21,968.58	439,332	0.0500	21,868.59	439,332	0.0500	21,968.59
	Sub Total			33,499.48			33,261.66			46,554.71			46,389.86			46,814.50
	G.S.T.		5.0%	2,009.97		5.0%	1,662.58		5.0%	2,332.74		5.0%	2,319.49		5.0%	2,340.73
	Total Bill			35,609.45			34,914.25			48,987.44			48,709.36			49,155.23
										40.31%			39.51%			40.79%
										37.86%			37.17%			38.43%

2008 COMPARISON TO OTHER DISTRIBUTION COMPANIES

		Niagara Falls			Grimshy			N.O.T.L		
		2008 BILL			2008 BILL			2008 BILL		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$
Consumption	Monthly Service Charge	6677	0.33	2,203.41	6677	0.66	4,406.82	6677	1.10	7,344.70
417,140 kWh	Distribution (kWh)	1,106.00	1.7192	1,901.44	1,106.00	3.4653	3,832.62	1,106.00	4.3107	4,787.53
1,106.00 Kw	Distributor:			4,104.85			8,239.44			12,112.33
	Regulatory Assets (KWh)	1,106.00	0.0000	0.00	1,106.00	0.0000	0.00	1,106.00	0.0000	0.00
Loss Factor	Retail Transmission (kWh)	1,169.26	2.5655	2,989.74	1,161.52	2.7418	3,184.65	1,161.41	1.8793	2,182.64
1.0572 NF	Wholesale & Rural (kWh)	441,000	0.0062	2,734.20	438,080	0.0082	2,716.10	436,039	0.0062	2,715.84
1.0602 GR	Standard Supply	1	0.2500	0.25	1	0.2500	0.25	1.00	0.2500	0.25
1.0501 NOTL	Debt Retirement	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98	417,140	0.0070	2,919.98
	Cost of Power Commodity (kWh)	441,000	0.0500	22,050.02	438,080	0.0500	21,904.02	438,039	0.0500	21,901.84
	Sub Total			34,809.04			38,964.45			41,832.98
	G.S.T.		5.0%	1,740.45		5.0%	1,948.22		5.0%	2,091.65
	Total Bill			36,549.50			40,912.67			43,924.63