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April 24, 2009

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

Dear Ms. Walli:

Re: Innisfil Hydro Distribution Systems Limited
2009 Distribution Rate Application
Board File No. EB-2008-0233
Updated Draft Rate Order

Innisfil Hydro is submitting its updated draft rate order for the 2009 Distribution Rate Application in response to comments made by Energy Probe dated April 17, 2009 and the OEB staff dated April 20, 2009.

An electronic copy of the updated draft rate order will be submitted through the OEB e-Filing services and two hard copies by courier. The updated draft rate order and the revenue requirement worksheet will be emailed to you, the intervenors and OEB staff.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Laurie Ann Cooledge'. The signature is fluid and cursive, with a large loop at the end.

Laurie Ann Cooledge, CMA, CPA
CFO/Treasurer

Enclosure

Innisfil Hydro Distribution Systems Limited

UPDATED DRAFT RATE ORDER

April 24, 2009

Innisfil Hydro Distribution Systems Limited ("Innisfil") submits the following Updated Draft Rate Order including a proposed 2009 Schedule of Rates and Charges and Bill Impacts as directed by the Ontario Energy Board (the "Board") in its Decision dated April 6, 2009. Innisfil is submitted an updated draft rate order in response to comments made by Energy Probe on April 17, 2009 and the Board staff on April 20, 2009.

Energy Probe comments:

Energy Probe submitted comments on April 17, 2009 regarding the ½ year rule for CCA class 50. Innisfil has subsequently verified the ½ year rule for CCA class 50 has been eliminated per the January 2009 Federal budget. Innisfil agrees 2009 CCA deduction for class 50 would be the full \$95,000 spent on computer equipment and software. This adjustment causes an incremental CCA deduction of \$47,500 on top of the \$21,375 CCA adjustment calculated in the draft rate order submitted April 15, 2009. There is a total incremental CCA deduction for class 50 of \$68,875 (\$21,375 + \$47,500) factored in the updated draft rate order compared to the rate application submitted August 15, 2008. The updated draft rate order reflects reduced taxes payable from the additional CCA of \$47,500 for \$15,675 based on the tax rate of 33%. The associated grossed up PILs are reduced by \$23,396 ($\$15,675 / (1 - .33)$).

The following updated table reflects the impact of the above noted item on the tax adjustments:

Calculation of tax adj - Exhibit 4 Tab 3 Schedule 1	Application	Change	Board Decision
Additions to accounting income			
Depreciation	\$1,980,834	Capital chges note 11	
		-\$62,343	
		<u>-\$62,343</u>	<u>\$1,918,491</u>
Meals & Mileage	<u>\$3,375</u>	<u>0</u>	<u>\$3,375</u>
Total additions	<u>\$1,984,209</u>	<u>-\$62,343</u>	<u>\$1,921,866</u>
Total Deductions from accounting income			
CCA	\$1,681,652	Cap chges note 11	
		08 Net cap reduc full year	
		-\$66,455	
		09 Net cap reduc 1/2 year rule	
		-\$55,462	
		Assets reclass from 1 to 47	
		\$59,256	
		09 Fed bud	
		2009 \$95k Computer adds @ 100% CCA vs 55% in appl @ 1/2 year rule	
		\$21,375	
		2009 \$95k Computer adds l no 1/2 year rule	
		<u>\$47,500</u>	
		<u>\$6,214</u>	<u>\$1,687,866</u>
CEC	<u>\$27,804</u>	<u>\$0</u>	<u>\$27,804</u>
Total deductions	<u>\$1,709,456</u>	<u>\$6,214</u>	<u>\$1,715,670</u>
Tax adjustments	<u>\$274,753</u>	<u>-\$68,557</u>	<u>\$206,196</u>

- Summary of Changes to the Tax Calculation**

The following Table summarizes the changes to the tax calculation, reflecting:

- The proposed return on common equity of \$793,207 as shown in Section 5 of the draft rate order;
- The revised adjusted tax adjustments of \$206,196 reflecting the additional CCA of \$47,500 from \$253,696 submitted in the April 15, 2009 draft rate order;
- The revised income taxes of \$329,803 reflecting the reduced taxes of \$15,675 from \$345,478 submitted in the April 15, 2009 draft rate order;
- The revised grossed up PILs of \$492,243 reflecting the reduced taxes of \$23,396 from \$515,639 submitted in the April 15, 2009 draft rate order;

Taxes/PILs		
Particulars	Application	Per Board Decision
<u>Determination of Taxable Income</u>		
Utility net income	\$894,530	\$793,207
Adjustments required to arrive at taxable utility income	\$274,753	\$206,196
Taxable income	\$1,169,283	\$999,403
<u>Calculation of Utility income Taxes</u>		
Income taxes	\$385,863	\$329,803
Capital taxes	\$20,451	\$17,707
Total taxes	\$406,314	\$347,510
Gross-up of Income Taxes	\$190,052	\$162,440
Grossed-up Income Taxes	\$575,915	\$492,243
PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$596,366	\$509,950
Other tax Credits	\$ -	\$ -
<u>Tax Rates</u>		
Federal tax (%)	19.00%	19.00%
Provincial tax (%)	14.00%	14.00%
Total tax rate (%)	33.00%	33.00%

SUMMARY OF CHANGES TO REVENUE REQUIREMENT

All of the changes directed by the Board in its decision discussed above and the subsequent impact on revenue requirement are summarized in the Table below:

Revenue Requirement			
Particulars	Application	Board Decision	Change
OM&A Expenses	\$3,921,120	\$3,922,740	\$1,620
Amortization/Depreciation	\$1,980,834	\$1,918,491	(\$62,343)
Property Taxes	\$10,600	\$10,600	\$ -
Capital Taxes	\$20,451	\$17,707	(\$2,744)
Income Taxes (Grossed up)	\$575,915	\$492,243	(\$83,672)
Other Expenses	\$ -	\$ -	\$ -
Return			
Deemed Interest Expense	\$838,240	\$953,466	\$115,226
Return on Deemed Equity	\$894,530	\$793,207	(\$101,323)
Distribution Revenue Requirement before Revenues	<u>\$8,241,690</u>	<u>\$8,108,454</u>	<u>(\$133,236)</u>
Distribution revenue	\$7,750,434	\$7,627,198	(\$123,236)
Other revenue	\$491,257	\$481,257	(\$10,000)
Total revenue	<u>\$8,241,691</u>	<u>\$8,108,455</u>	<u>(\$133,236)</u>

With the revised 2009 total distribution revenue requirement of \$8,108,455, the revenue deficiency resulting from the current approved rates would be \$919,917, as follows:

Revenue Sufficiency/Deficiency

Particulars	Per Application		Per Board Decision	
	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
Revenue Deficiency from Below		\$1,071,765		\$919,917
Distribution Revenue	\$6,678,669	\$6,678,669	\$6,707,280	\$6,707,280
Other Operating Revenue Offsets - net	\$491,257	\$491,257	\$481,257	\$481,257
Total Revenue	\$7,169,926	\$8,241,691	\$7,188,537	\$8,108,455
Operating Expenses	\$5,933,005	\$5,933,005	\$5,869,538	\$5,869,538
Deemed Interest Expense	\$838,240	\$838,240	\$953,466	\$953,466
Total Cost and Expenses	\$6,771,245	\$6,771,245	\$6,823,004	\$6,823,004
Utility Income Before Income Taxes	\$398,681	\$1,470,446	\$365,533	\$1,285,450
Tax Adjustments to Accounting				
Income per 2009 PILs	\$274,753	\$274,753	\$206,196	\$206,196
Taxable Income	\$673,434	\$1,745,199	\$571,729	\$1,491,646
Income Tax Rate	33.00%	33.00%	33.00%	33.00%
Income Tax on Taxable Income	\$222,233	\$575,916	\$188,670	\$492,243
Income Tax Credits	\$ -	\$ -	\$ -	\$ -
Utility Net Income	\$176,448	\$894,531	\$176,862	\$793,207
Utility Rate Base	\$24,089,365	\$24,089,365	\$22,869,989	\$22,869,989
Deemed Equity Portion of Rate Base	\$10,437,922	\$10,437,922	\$9,902,705	\$9,902,705
Income/Equity Rate Base (%)	1.69%	8.57%	1.79%	8.01%
Target Return - Equity on Rate Base	8.57%	8.57%	8.01%	8.01%
Sufficiency/Deficiency in Return on Equity	-6.88%	0.00%	-6.22%	0.00%
Indicated Rate of Return	4.21%	7.19%	4.94%	7.64%
Requested Rate of Return on Rate Base	7.19%	7.19%	7.64%	7.64%
Sufficiency/Deficiency in Rate of Return	-2.98%	0.00%	-2.69%	0.00%
Target Return on Equity	\$894,530	\$894,530	\$793,207	\$793,207
Revenue Sufficiency/Deficiency	\$718,082	\$1	\$616,345	\$0
Gross Revenue Sufficiency/Deficiency	\$1,071,765 (1)		\$919,917 (1)	

With the proposed rates, Innisfil would meet the target return on equity of \$793,207 shown above, as the utility net income after tax would be \$793,207, as shown below:

Utility income

Particulars	Application	Adjustments	Per Board Decision
<u>Operating Revenues:</u>			
Distribution Revenue (at Proposed Rates)	\$7,750,434	(\$123,236)	\$7,627,198
Other Revenue	\$491,257	(\$10,000)	\$481,257
Total Operating Revenues	\$8,241,691	(\$133,236)	\$8,108,455
<u>Operating Expenses:</u>			
OM+A Expenses	\$3,921,120	\$1,620	\$3,922,740
Depreciation/Amortization	\$1,980,834	(\$62,343)	\$1,918,491
Property taxes	\$10,600	\$ -	\$10,600
Capital taxes	\$20,451	(\$2,744)	\$17,707
Other expense	\$ -	\$ -	\$ -
Subtotal	\$5,933,005	(\$63,467)	\$5,869,538
Deemed Interest Expense	\$838,240	\$115,226	\$953,466
Total Expenses (lines 4 to 10)	\$6,771,245	\$51,759	\$6,823,004
Utility income before income taxes	\$1,470,446	(\$184,995)	\$1,285,450
Income taxes (grossed-up)	\$575,915	(\$83,672)	\$492,243
Utility net income	\$894,531	(\$101,324)	\$793,207

COST ALLOCATION AND RATE DESIGN

The proposed revenue to cost ratios for 2009 is as follows:

Revenue to Cost Ratios

Customer Class	Board Table 5 Col 2	2009 Rates per Board Decision
Residential	101.75	101.2
GS<50 kW	131.13	116.2
GS>50 kW	144.69	135.8
Street Lighting	9.47	40.0
Sentinel Lighting	17.01	43.0
USL	78.88	80.0

With the above proposed revenue to cost ratios, the resulting base revenue requirement of \$7,627,198 ("Net Revenue per 2009 Test Year") is derived as follows:

Net Revenue Requirement

Customer Class	2009 Service Revenue Requirement @ 100% Revenue/Cost Ratio	Proposed 2009 Revenue to Cost Ratios	2009 Miscellaneous Revenue Allocation	Net Revenue Per 2009 Test Year
Residential	\$ 6,345,999	101.20%	393,973	\$ 6,024,266
GS<50 (kW)	\$ 589,408	116.20%	45,657	\$ 639,235
GS>50 (kW)	\$ 527,284	135.80%	21,291	\$ 694,761
Street Lights	\$ 528,720	40.00%	6,316	\$ 205,172
Sentinel Lights	\$ 42,840	43.00%	802	\$ 17,619
Unmetered Scattered Loads	\$ 74,204	80.00%	13,218	\$ 46,145
TOTAL	\$ 8,108,455		481,257	\$ 7,627,198

- **Rate design – monthly fixed charges**

The Base Revenue is updated to \$7,627,198 and the changes to the customer classes were reflected to the variable charges as noted on the following table:

Proposed Fixed and Variable rates reflecting the Board's Decisions and updated Draft Rate Order

Customer Class	Total Base Revenue Requirement per Board Decision	Fixed Revenue Proportion per Board Decision	2009 Test Year Annualized Customers/ Connections	Proposed Fixed Distribution Chg per Application	Proposed Fixed Distribution Chg per Board Decision
Residential	\$ 6,024,266	51.14%	13,512	\$ 19.24	\$ 19.00
GS<50 (kW)	\$ 639,235	51.23%	827	\$ 34.00	\$ 33.00
GS>50 (kW)	\$ 694,761	44.74%	72	\$ 359.80	\$ 359.80
Street Lights	\$ 205,172	49.31%	2,810	\$ 3.00	\$ 3.00
Sentinel Lights	\$ 17,619	59.15%	193	\$ 4.50	\$ 4.50
Unmetered Scattered Loads	\$ 46,145	51.37%	85	\$ 23.24	\$ 23.24
TOTAL	\$ 7,627,198		17,499		

Customer Class	Total Base Revenue Requirement per Board Decision	Variable Revenue Proportion per Board Decision	2009 Test Year kWh/kW Load by customer class	Proposed Variable Distribution Chg per Application	Proposed Variable Distribution Chg per Draft Rate Order	Proposed Variable Distribution Chg per Updated Draft Rate Order
Residential	\$ 6,024,266	48.86%	155,528,870	\$ 0.0196	\$ 0.0190	\$ 0.0189
GS<50 (kW)	\$ 639,235	48.77%	31,359,068	\$ 0.0101	\$ 0.0100	\$ 0.0099
GS>50 (kW)	\$ 694,761	55.26%	116,345	\$ 3.4070	\$ 3.4063	\$ 3.3880
Street Lights	\$ 205,172	50.69%	4,924	\$ 21.9540	\$ 21.2512	\$ 21.1234
Sentinel Lights	\$ 17,619	40.85%	344	\$ 22.1992	\$ 21.0781	\$ 20.9210
Unmetered Scattered Loads	\$ 46,145	48.63%	562,039	\$ 0.0413	\$ 0.0402	\$ 0.0399
TOTAL	\$ 7,627,198					

Board Staff comments:

The Board staff is requesting a summary of the forecast data in kW and kWh as provided in Exhibit 3 Tab 2 Schedule 3 page 12 of the Application. The following table reflects the load forecast using the distribution loss factor of 4.77%. This table was also provided in response to Energy Probe interrogatory #1b).

Summary of Forecast Data using a distribution loss factor of 4.77%

	2006 Board Approved	2006 Actual	2007 Actual	2008 Weather Normal	2009 Weather Normal
Actual kWh Purchases		227,671,082	235,121,981		
Predicted kWh Purchases	212,499,854	227,100,692	235,700,826	238,209,375	240,434,436
% Difference		-0.25%	0.25%		
Billed kWh	212,499,854	216,391,743	224,169,495	227,360,840	229,484,568
By Class					
Residential					
Customers	12,670	12,949	13,132	13,321	13,512
kWh	147,659,838	147,617,301	152,967,169	154,661,722	155,528,870
General Service < 50 kW					
Customers	771	903	831	829	827
kWh	24,497,971	27,543,435	28,694,771	30,078,846	31,359,068
General Service > 50 kW					
Customers	74	67	72	72	72
kWh	38,328,393	39,648,974	40,322,203	40,360,545	40,258,708
kW	107,765	118,220	118,203	116,639	116,345
Streetlights					
Connections	2,309	2,490	2,588	2,697	2,810
kWh	1,172,763	1,450,335	1,497,459	1,573,009	1,652,371
kW	3,713	4,028	4,157	4,688	4,924
Sentinel Lights					
Connections	183	184	188	190	193
kWh	136,591	131,698	125,854	124,678	123,512
kW	360	367	349	347	344
Unmeter Scattered Loads					
Connections	117	0	85	85	85
kWh	704,298	0	562,039	562,039	562,039
Total					
Customer/Connections	16,124	16,593	16,896	17,194	17,499
kWh	212,499,854	216,391,743	224,169,495	227,360,839	229,484,568
kW from applicable classes	111,838	122,615	122,709	121,674	121,613

212,499,854 216,391,743 224,169,495 227,360,840 229,484,568

The Board staff is requested clarification on the following tables:

Page 22 of the draft rate order, at the top of the page is a table referring to the revenue to cost ratios and has been updated to reflect the identification of the sentinel lights target range:

- Move residential to 101.2% as proposed;
- Move GS < 50 kW to 116.2% as proposed;
- Move GS > 50 kW to 135.8% as proposed;
- Move streetlights half-way to bottom (70%) of target range;
- Move sentinel lights half-way to bottom (70%) of target range;
- Move USL to 80% of the target range

Page 22 of the draft rate order, the Revenue to Cost Ratio table is updated as follows to include Sentinel Lights and USL:

Revenue to Cost Ratios

Customer Class	Board Table 5 Col 2	2009 Rates per Board Decision
Residential	101.75	101.2
GS<50 kW	131.13	116.2
GS>50 kW	144.69	135.8
Street Lighting	9.47	40.0
Sentinel Lighting	17.01	43.0
USL	78.88	80.0

Page 22 of the draft rate order, the Net Revenue Requirement table is updated to include the USL and Total line and reflect the impact of Energy Probe's comment regarding the elimination of the ½ year rule as follows:

Net Revenue Requirement

Customer Class	2009 Service Revenue Requirement @ 100% Revenue/Cost Ratio	Proposed 2009 Revenue to Cost Ratios	2009 Miscellaneous Revenue Allocation	Net Revenue Per 2009 Test Year
Residential	\$ 6,345,999	101.20%	393,973	\$ 6,024,266
GS<50 (kW)	\$ 589,408	116.20%	45,657	\$ 639,235
GS>50 (kW)	\$ 527,284	135.80%	21,291	\$ 694,761
Street Lights	\$ 528,720	40.00%	6,316	\$ 205,172
Sentinel Lights	\$ 42,840	43.00%	802	\$ 17,619
Unmetered Scattered Loads	\$ 74,204	80.00%	13,218	\$ 46,145
TOTAL	\$ 8,108,455		481,257	\$ 7,627,198

Page 23 of the draft rate order, the proposed fixed and Variable rates table is updated for the 2009 Test Year annualized customers. The table is also updating the base revenue requirement, fixed and variable proportions and the variable distribution charge reflecting the impact of Energy Probe's comment regarding the elimination of the ½ year rule:

Proposed Fixed and Variable rates reflecting the Board's Decisions and updated Draft Rate Order

Customer Class	Total Base Revenue Requirement per Board Decision	Fixed Revenue Proportion per Board Decision	2009 Test Year Annualized Customers/ Connections	Proposed Fixed Distribution Chg per Application	Proposed Fixed Distribution Chg per Board Decision
Residential	\$ 6,024,266	51.14%	13,512	\$ 19.24	\$ 19.00
GS<50 (kW)	\$ 639,235	51.23%	827	\$ 34.00	\$ 33.00
GS>50 (kW)	\$ 694,761	44.74%	72	\$ 359.80	\$ 359.80
Street Lights	\$ 205,172	49.31%	2,810	\$ 3.00	\$ 3.00
Sentinel Lights	\$ 17,619	59.15%	193	\$ 4.50	\$ 4.50
Unmetered Scattered Loads	\$ 46,145	51.37%	85	\$ 23.24	\$ 23.24
TOTAL	\$ 7,627,198		17,499		

Customer Class	Total Base Revenue Requirement per Board Decision	Variable Revenue Proportion per Board Decision	2009 Test Year kWh/kW Load by customer class	Proposed Variable Distribution Chg per Application	Proposed Variable Distribution Chg per Draft Rate Order	Proposed Variable Distribution Chg per Updated Draft Rate Order
Residential	\$ 6,024,266	48.86%	155,528,870	\$ 0.0196	\$ 0.0190	\$ 0.0189
GS<50 (kW)	\$ 639,235	48.77%	31,359,068	\$ 0.0101	\$ 0.0100	\$ 0.0099
GS>50 (kW)	\$ 694,761	55.26%	116,345	\$ 3.4070	\$ 3.4063	\$ 3.3880
Street Lights	\$ 205,172	50.69%	4,924	\$ 21.9540	\$ 21.2512	\$ 21.1234
Sentinel Lights	\$ 17,619	40.85%	344	\$ 22.1992	\$ 21.0781	\$ 20.9210
Unmetered Scattered Loads	\$ 46,145	48.63%	562,039	\$ 0.0413	\$ 0.0402	\$ 0.0399
TOTAL	\$ 7,627,198					

Page 24 of the draft rate order, the Retail Transmission Rates table is updated to reflect the Sentinel Lights and the USL:

Retail Transmission Service Rates

Customer Class	Network	Connection	Total
Residential	\$ 0.0048	\$ 0.0045	\$ 0.0093
GS<50 (kW)	\$ 0.0043	\$ 0.0041	\$ 0.0084
GS>50 (kW)	\$ 1.7653	\$ 1.6207	\$ 3.3860
GS>50 (kW) Interval Metered	\$ 1.7098	\$ 2.3764	\$ 4.0862
Street Lights	\$ 1.3313	\$ 1.2528	\$ 2.5841
Sentinel Lights	\$ 1.3381	\$ 1.2790	\$ 2.6171
Unmetered Scattered Loads	\$ 0.0043	\$ 0.0041	\$ 0.0084

Page 24 of the draft rate order, the Deferral Variance Accounts per rate application table is updated to reflect the quarterly interest rates per application:

Deferral Variance Accounts per rate application

Account Description	Account Number	Principal Amounts as of Dec-31 2007	Interest to Dec31-07	Interest Jan-1 to Dec31-08	Interest Jan1-09 to Apr30-09	Total Claim
Other Regulatory Assets	1508	\$ 153,077	\$ 15,272	\$ 5,128	\$ 1,709	\$ 175,186
Low Voltage	1550	\$ 229,974	\$ 7,558	\$ 7,704	\$ 2,568	\$ 247,804
Totals per column		\$ 383,051	\$ 22,830	\$ 12,832	\$ 4,277	\$ 422,990
		Q1 2008	Q2 2008	Q3 2008	Q4 2008	Jan to April 09
Prescribed Interest Rate		3.35%	3.35%	3.35%	3.35%	3.35%

Page 26 of the draft rate order, the Deferral Variance Accounts recovery period per Board Decision table is updated to reflect the proposed rate riders for the DVAs':

Deferral Variance Accounts recovery period per Board Decision

Deferral and Variance Accounts:	Amount	ALLOCATOR	Residential	GS < 50 KW	GS > 50 Non TOU	USL	Sentinel Lighting	Street Lighting	Total
Other Regulatory Assets - Account 1508	\$ 175,507	Distr Revenue	\$ 138,666	\$ 17,890	\$ 17,097	\$ 651	\$ 135	\$ 1,066	\$ 175,507
Low Voltage - Account 1550	\$ 248,285	Transmiss Connect	\$ 169,645	\$ 29,096	\$ 47,571	\$ 570	\$ 111	\$ 1,293	\$ 248,285
Total to be Recovered	\$ 423,792		\$ 308,311	\$ 46,986	\$ 64,668	\$ 1,221	\$ 246	\$ 2,359	\$ 423,792

Balance to be collected or refunded, Variable	\$ 423,792		\$ 308,311	\$ 46,986	\$ 64,668	\$ 1,221	\$ 246	\$ 2,359	\$ 423,792
Number of years for Variable	4								
Balance to be collected or refunded per year, Variable	\$ 105,948		\$ 77,078	\$ 11,746	\$ 16,167	\$ 305	\$ 61	\$ 590	\$ 105,948

Class	Residential	GS < 50 KW	GS > 50 Non TOU	USL	Sentinel Lighting	Street Lighting
Deferral & Variance Account Rate Riders-Variable	\$ 0.0005	\$ 0.0004	\$ 0.1368	\$ 0.0005	\$ 0.1762	\$ 0.1419
Billing Determinants	kWh	kWh	kW	kWh	kW	kW

The Board staff is requesting clarification to the descriptions of service classifications provided in the draft Rate Order and match the 2008 rate order. Innisfil utilized a different template of the Tariff of Rates and Charges schedule as provided in the application. Innisfil will be utilizing the descriptions of the service classifications provided in the draft Rate Order.

CONCLUSION

A draft Tariff of Rates and Charges based on the changes in this Updated Draft Rate Order and to be effective May 1, 2009 is included in **Appendix A**. The bill impacts of the proposed draft rates for representative levels of consumption are shown in **Appendix B**.

APPENDIX A

DRAFT 2009 TARIFF OF RATES AND CHARGES

April 24, 2009

Innisfil Hydro Distribution Systems Ltd.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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

EB-2008-0233

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2009 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES - May 1, 2009 for all charges incurred by customers on or after that date.
RETAIL SERVICE CHARGES - May 1, 2009 for all charges incurred by retailers or customers on or after that date.
LOSS FACTOR ADJUSTMENT - May 1, 2009 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in the utility's Conditions of Service.

General Service Less Than 50 kW

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to be less than 50 kW. Further servicing details are available in the utility's Conditions of Service.

General Service 50 to 4,999 kW

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is expected to be equal to or greater than 50 kW but less than 5000 kW. Further servicing details are available in the utility's Conditions of Service.

Unmetered Scattered Load

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than or expected to be less than 50 kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in the utility's Conditions of Service.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the utility's Conditions of Service.

Street Lighting

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the utility's Conditions of Service.

Innisfil Hydro Distribution Systems Ltd.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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

EB-2008-0233

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	20.00
Distribution Volumetric Rate	\$/kWh	0.0211
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0005
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
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	\$	34.00
Distribution Volumetric Rate	\$/kWh	0.0119
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
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	\$	360.80
Distribution Volumetric Rate	\$/kW	4.1946
Deferral Account Rate Rider – effective until April 30, 2013	\$/kW	0.1368
Retail Transmission Rate – Network Service Rate	\$/kW	1.7653
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6207
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.7098
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.3764
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	23.24
Distribution Volumetric Rate	\$/kWh	0.0422
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0005
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	4.50
Distribution Volumetric Rate	\$/kW	21.6846
Deferral Account Rate Rider – effective until April 30, 2013	\$/kW	0.1762
Retail Transmission Rate – Network Service Rate	\$/kW	1.3381
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2790
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)	\$	3.00
Distribution Volumetric Rate	\$/kW	22.8843
Deferral Account Rate Rider – effective until April 30, 2013	\$/kW	0.1419

Innisfil Hydro Distribution Systems Ltd.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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EB-2008-0233

Retail Transmission Rate – Network Service Rate	\$/kW	1.3313
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2528
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration		
Arrears Certificate	\$	15.00
Easement Letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned Cheque (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	15.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	40.00
Disconnect/Reconnect at Meter - after regular hours	\$	185.00
Disconnect/Reconnect at Pole – during regular hours	\$	185.00
Disconnect/Reconnect at Pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	40.00
Install/Remove load control device – after regular hours	\$	185.00
Temporary service install and remove – overhead – no transformer	\$	500.00
Temporary service install and remove – underground – no transformer	\$	300.00
Temporary service install and remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
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)

Retail Service Charges (if applicable)

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

Innisfil Hydro Distribution Systems Ltd.
TARIFF OF RATES AND CHARGES
Effective May 1, 2009

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EB-2008-0233

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0746
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0638
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

APPENDIX B

DRAFT 2009 BILL IMPACTS

April 24, 2009

BILL IMPACTS (Monthly Consumption)

RESIDENTIAL

		2008 BILL			2009 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption 1,000 kWh	Monthly Service Charge			19.24			19.00	(0.24)	(1.25%)	14.25%
	Distribution (kWh)	1,000	0.0155	15.50	1,000	0.0211	21.10	5.60	36.13%	15.83%
	Smart Meter Rider (per month)			0.28			1.00	0.72	257.14%	0.75%
	LRAM & SSM Rider (kWh)	1,000			1,000	0.0000	0.00	0.00	0.00%	0.00%
	Regulatory Assets (kWh)	1,000	0.0000	0.00	1,000	0.0005	0.50	0.50	100.00%	0.38%
	Sub-Total			35.02			41.60	6.58	18.79%	31.21%
	Other Charges (kWh)	1,054	0.0219	23.08	1,075	0.0228	24.50	1.42	6.16%	18.38%
	Cost of Power Commodity (kWh)	1,000	0.0560	56.00	1,000	0.0560	56.00	0.00	0.00%	42.01%
	Cost of Power Commodity (kWh)	54	0.0650	3.50	75	0.0650	4.85	1.35	38.45%	3.64%
	Total Bill Before Taxes			117.60			126.95	9.35	7.95%	95.24%
	GST		5.00%	5.88		5.00%	6.35	0.47	7.95%	4.76%
	Total Bill			123.48			133.30	9.82	7.95%	100.00%

GENERAL SERVICE < 50 kW

		2008 BILL			2009 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption 2,000 kWh	Monthly Service Charge			36.49			33.00	(3.49)	(9.56%)	13.17%
	Distribution (kWh)	2,000	0.0121	24.20	2,000	0.0119	23.80	(0.40)	(1.65%)	9.50%
	Smart Meter Rider (per month)			0.28			1.00	0.72	257.14%	0.40%
	Regulatory Assets (kWh)	2,000	0.0000	0.00	2,000	0.0004	0.80	0.80	100.00%	0.32%
	Sub-Total			60.97			58.60	(2.37)	(3.89%)	23.39%
	Other Charges (kWh)	2,108	0.0211	44.48	2,149	0.0219	47.06	2.57	5.79%	18.78%
	Cost of Power Commodity (kWh)	750	0.0560	42.00	750	0.0560	42.00	0.00	0.00%	16.76%
	Cost of Power Commodity (kWh)	1,358	0.0650	88.27	1,399	0.0650	90.95	2.68	3.04%	36.30%
	Total Bill Before Taxes			235.72			238.61	2.89	1.23%	95.24%
	GST		5.00%	11.79		5.00%	11.93	0.14	1.23%	4.76%
	Total Bill			247.51			250.54	3.03	1.23%	100.00%

GENERAL SERVICE > 50 kW

		2008 BILL			2009 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption 30,000 kWh 100 kW	Monthly Service Charge			359.80			359.80	0.00	0.00%	10.09%
	Distribution (kWh)	30,000	0.0000	0.00	30,000	0.0000	0.00	0.00	0.00%	0.00%
	Distribution (kW)	100	3.3571	335.71	100	4.1763	417.63	81.92	24.40%	11.71%
	Smart Meter Rider (per month)			0.28			1.00	0.72	257.14%	0.03%
	Regulatory Assets (kW)	100	0.0000	0.00	100	0.1368	13.68	13.68	100.00%	0.38%
	Sub-Total			695.79			792.11	96.32	13.84%	22.21%
	Other Charges (kWh)	31,617	0.0132	417.34	32,239	0.0135	435.22	17.88	4.28%	12.20%
	Other Charges (kW)	105	3.1780	334.93	107	3.3860	363.87	28.94	8.64%	10.20%
	Cost of Power Commodity (kWh)	31,617	0.0560	1,770.55	32,239	0.0560	1,805.37	34.82	1.97%	50.62%
	Total Bill Before Taxes			3,218.62			3,396.57	177.96	5.53%	95.24%
	GST		5.00%	160.93		5.00%	169.83	8.90	5.53%	4.76%
	Total Bill			3,379.55			3,566.40	186.86	5.53%	100.00%

Street Lighting

	2008 BILL			2009 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Billing Determinants									
2,810 Connections									
1,652,371 kWh									
4,924 kW									
Monthly Service Charge	2,810	0.6700	1,882.70	2,810	3.0000	8,430.00	6,547.30	347.76%	2.93%
Distribution (kWh)	1,652,371	0.0000	0.00	1,652,371	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	4,924	5.0513	24,872.60	4,924	22.7565	112,053.01	87,180.40	350.51%	38.91%
Regulatory Assets (kW)	4,924	0.0000	0.00	4,924	0.1419	698.72	698.72	100.00%	0.24%
Sub-Total			26,755.30			121,181.72	94,426.42	352.93%	42.08%
Other Charges (kWh)	1,741,434	0.0132	22,986.93	1,775,681	0.0135	23,971.69	984.76	4.28%	8.32%
Other Charges (kW)	5,189	2.4207	12,561.99	5,291	2.5841	13,673.66	1,111.67	8.85%	4.75%
Cost of Power Commodity (kWh)	0	0.0560	0.00	0	0.0560	0.00	0.00	0.00%	0.00%
Cost of Power Commodity (kW)	1,740,684	0.0650	113,193.20	1,775,681	0.0650	115,419.24	2,226.05	1.97%	40.08%
Total Bill Before Taxes			175,497.41			274,246.31	98,748.90	56.27%	95.24%
GST		5.00%	8,774.87		5.00%	13,712.32	4,937.44	56.27%	4.76%
Total Bill			184,272.28			287,958.62	103,686.34	56.27%	100.00%

Sentinel Lighting

	2008 BILL			2009 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Billing Determinants									
193 Connections									
123,512 kWh									
344 kW									
Monthly Service Charge	193	1.3400	258.62	193	4.5000	868.50	609.88	235.82%	4.46%
Distribution (kWh)	123,512	0.0000	0.00	123,512	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	344	7.0109	2,411.75	344	21.5275	7,405.46	4,993.71	207.06%	38.07%
Regulatory Assets (kW)	344	0.0000	0.00	344	0.1762	60.61	60.61	100.00%	0.31%
Sub-Total			2,670.37			8,334.57	5,664.20	212.11%	42.84%
Other Charges (kWh)	130,169	0.0132	1,718.23	132,729	0.0135	1,791.84	73.61	4.28%	9.21%
Other Charges (kW)	363	2.4485	887.68	370	2.6171	967.47	79.78	8.99%	4.97%
Cost of Power Commodity (kWh)	130,169	0.0560	7,289.48	132,729	0.0560	7,432.83	143.35	1.97%	38.21%
Total Bill Before Taxes			12,431.64			18,526.72	5,960.95	47.44%	95.24%
GST		5.00%	628.29		5.00%	926.34	298.05	47.44%	4.76%
Total Bill			13,194.06			19,453.05	6,259.00	47.44%	100.00%

Unmetered Scattered

	2008 BILL			2009 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption									
500 kWh									
Monthly Service Charge	1	18.2500	18.25	1	23.2400	23.24	4.99	27.34%	25.57%
Distribution (kWh)	500	0.0121	6.05	500	0.0419	20.95	14.90	246.28%	23.05%
Regulatory Assets (kW)	500	0.0000	0.00	500	0.0005	0.25	0.25	100.00%	0.28%
Sub-Total			24.30			44.44	20.14	82.88%	48.90%
Other Charges (kWh)	527	0.0211	11.12	537	0.0219	11.77	0.65	5.83%	12.95%
Cost of Power Commodity (kWh)	527	0.0560	29.51	537	0.0560	30.09	0.58	1.97%	33.11%
Total Bill Before Taxes			64.93			86.55	21.62	33.30%	95.24%
GST		5.00%	3.25		5.00%	4.33	1.08	33.30%	4.76%
Total Bill			68.17			90.87	22.70	33.30%	100.00%