



MIDLAND POWER UTILITY CORPORATION
16984 Highway#12 P.O. Box 820
Midland Ontario L4R 4P4

May 29, 2009

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

Dear Ms. Walli,

Midland Power Utility Corporation – License #ED-2002-0541
OEB File No.: EB-2008-0236

This will acknowledge receipt of the Ontario Energy Board's Decision and Order dated May 12, 2009. As a result Midland would submit its draft Rate Order for the 2009 Distribution Rate Application and enclose the following:

1. Manager's Summary
2. Customer Rate Impact Schedule
3. Tariff of Rates and Charges
4. RRWF excel model

Should you require any further information, please do not hesitate to contact the writer.

Yours very truly,

MIDLAND POWER UTILITY CORPORATION

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President & CEO
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**Midland Power Utility Corporation
Draft Rate Order
EB-2008-0236**

Manager's Summary

Midland Power Utility Corporation (Midland) submits this Manager's Summary as well as Customer Rate Impacts, a Tariff of Rates and Charges for 2009, and a completed RRWF excel model as directed by the Ontario Energy Board (Board) in its Decision and Order dated May 12, 2009. Midland has added two additional worksheets to the RRWF model to provide extensive documentation to support the change in calculations from August 15, 2008 to May 12, 2009. Midland is requesting the Rate Order be approved for an implementation date of July 1, 2009 with an effective date of May 1, 2009.

Midland has calculated the two (2) months of foregone distribution revenue to be recovered in a two (2) month rate rider. This calculation is based on annual gross revenues as follows:

Base Revenue Requirement	\$3,390,378
Transformer Allowance	\$151,200
Low Voltage Charges	\$279,640
Gross Revenue Requirement	\$3,821,218

The calculation of the two (2) month rate rider is provided in the table below. The split between fixed distribution and smart meter charges are provided in the last two columns.

Midland PUC

May 1, 2009 to June 30, 2009 - Assuming May 1, 2009 Effective Date, July 1, 2009 Implementation Date

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Midland Power Utility Corporation
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Manager's Summary
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Midland has provided the following Summary of Proposed Changes table reflecting the impact of all changes since the original 2009 Cost of Service Application dated August 15, 2008.

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Midland Power Utility Corporation
 Summary of Proposed Changes per Decision and Order

	Regulated Return on Capital	Rate of Return	Rate Base	Working Capital	Working Capital Allowance	Amortization	PLS	OM&A	Service Revenue Requirement	Base Revenue Requirement	Gross Revenue Deficiency
Original Submission August 2008											
OEB Re#3	\$780,334	6.33%	\$12,318,654	\$19,770,634	\$2,815,595	\$735,424	\$204,993	\$2,093,100	\$3,813,852	\$3,582,721	\$897,322
OEB Re#40	\$780,334	6.33%	\$12,318,654	\$19,770,634	\$2,815,595	\$735,424	\$80,822	\$2,093,100	\$3,688,681	\$3,458,550	\$73,151
OEB Re#5 & VECC Re#15	\$789,805	6.33%	\$12,468,160	\$19,767,341	\$2,965,101	\$735,424	\$85,328	\$2,093,100	\$3,703,657	\$3,472,526	\$87,127
OEB Re#14	\$789,805	6.33%	\$12,468,160	\$19,767,341	\$2,965,101	\$735,424	\$85,328	\$2,093,100	\$3,703,657	\$3,472,526	\$87,127
OEB Re#23 VECC Re#11	\$789,745	6.33%	\$12,467,222	\$19,761,091	\$2,964,164	\$735,424	\$82,441	\$2,086,850	\$3,694,461	\$3,463,330	\$77,931
SEC Re#1	\$789,983	6.33%	\$12,470,972	\$19,786,091	\$2,967,914	\$735,424	\$82,482	\$2,111,850	\$3,719,739	\$3,488,609	\$80,210
OEB Re#15 VECC Re#19	\$772,976	6.33%	\$12,202,496	\$19,786,091	\$2,967,914	\$725,027	\$82,998	\$2,111,850	\$3,692,751	\$3,461,620	\$76,221
1st IR's	\$772,976	6.33%	\$12,202,496	\$19,786,091	\$2,967,914	\$725,027	\$82,998	\$2,111,850	\$3,692,751	\$3,461,620	\$76,221
OEB 2nd IR #5	\$772,857	6.33%	\$12,200,621	\$19,773,591	\$2,966,039	\$725,027	\$77,366	\$2,099,350	\$3,674,600	\$3,443,470	\$75,071
Final Submission #1	\$727,927	5.97%	\$12,200,621	\$19,773,591	\$2,966,039	\$725,027	\$71,516	\$2,099,350	\$3,623,820	\$3,392,689	\$70,290
Final Submission #2	\$728,551	5.97%	\$12,211,091	\$19,843,391	\$2,976,509	\$725,027	\$71,588	\$2,099,350	\$3,624,516	\$3,393,385	\$70,986
Final Submission #3	\$728,015	5.97%	\$12,202,110	\$19,783,516	\$2,967,527	\$725,027	\$71,526	\$2,099,350	\$3,623,918	\$3,392,788	\$70,389
Final Submission #4	\$728,015	5.97%	\$12,202,110	\$19,783,516	\$2,967,527	\$725,027	\$71,526	\$2,099,350	\$3,623,918	\$3,392,788	\$70,389
Midland Final Submission - March 11, 2009	\$728,015	5.97%	\$12,202,110	\$19,783,516	\$2,967,527	\$725,027	\$71,526	\$2,099,350	\$3,623,918	\$3,392,788	\$70,389
Decision & Order	\$728,891	5.97%	\$12,216,778	\$19,881,303	\$2,982,195	\$725,027	\$68,241	\$2,099,350	\$3,621,509	\$3,390,378	\$70,979
Change - Decision & Order vs. August 15 Proposal	-\$51,443	-0.36%	-\$101,876	\$1,110,669	\$166,600	-\$10,397	-\$136,752	\$6,250	-\$192,343	-\$192,343	-\$192,343

Upon completion of the interrogatory and submission requirements in this proceeding, the Board addressed the following issues in its Decision:

- 1.0 Load Forecast
- 2.0 Operating, Maintenance & Administrative Expenses
- 3.0 Payments in Lieu of Taxes
- 4.0 Rate Base and Capital Expenditures
 - 4.1 Capital Expenditures
 - 4.2 Working Capital Allowance
- 5.0 Smart Meters
- 6.0 Cost of Capital & Capital Structure
- 7.0 Cost Allocation and Rate Design
 - 7.1 Line Losses
 - 7.2 Low Voltage Costs
 - 7.3 Revenue to Cost Ratios
 - 7.4 Retail Transmission Service Rates
- 8.0 Deferral and Variance Accounts

1.0 LOAD FORECAST

The Board accepted Midland's load and customer forecast as originally filed with the August 15, 2008 rate application. Midland submits it will take into consideration the Board's recommendation in its next rebasing application to:

- Integrate the forecasts of customer count and usage.
- Pro-rate monthly data, prior to the full availability of true monthly data based on smart metering.
- Develop a more rigorous approach to forecasting future use in the GS<50 class.

2.0 OPERATION, MAINTENANCE AND ADMINISTRATIVE EXPENSES

The Board found Midland's OM&A amount of \$2,099,350 including property and capital taxes of \$34,200 for 2009 is appropriate without any further adjustment. A reduction in regulatory costs to \$125,000 to be spread over four years and the addition of \$25,000 per year for IFRS over the rebasing period is included in this Draft Rate Order.

3.0 PAYMENTS IN LIEU OF TAXES (PILS)

The Board accepts Midland's proposed corporate tax rate of 16.5%. Midland has incorporated all known income and capital tax changes since filing the Application including the 2009 Federal Budget tax rates and the accelerated capital cost allowance. The additions and deductions used to arrive at taxable income are provided below:

Accounting Income**\$ 424,044****Additions:**

Amortization of tangible assets	\$ 725,027
Tax reserves beginning of year	80,000
Reserves from financial statements- balance at end of year	80,000

Total Additions**\$ 885,027****Deductions:**

Capital cost allowance from Schedule 8	\$ 801,830
Cumulative eligible capital deduction from Schedule 10 CEC	1,900
Tax reserves end of year	80,000
Reserves from financial statements - balance at beginning of year	80,000

Total Deductions**963,730****Net of Addbacks and Deductions****(78,703)****Taxable Income****\$ 345,341**

The tax rates and the resulting PILs expense are provided in the following PILs table.

P8 Total PILs Expense

	2009 Test ¹
Regulatory Taxable Income/(Loss)	345,341
Combined Income Tax Rate	16.50%
Total Income Taxes	56,981
Investment & Miscellaneous Tax Credits	
Income Tax Payable	<u>56,981</u>
Large Corporations Tax (LCT)	
Ontario Capital Tax (OCT)	
Grossed-up Income Tax	68,241
Grossed-up LCT	
Total PILs Expense	68,241

4.0 CAPITAL EXPENDITURES AND RATE BASE

4.1 Capital Expenditures

The Board accepted Midland's capital program including the fact that Midland conducted the substation renewal program appropriately. The Board concluded no reduction to the total capital budget is required.

4.2 Working Capital Allowance

The Board directed Midland to update the cost of power to reflect the price in the April 2009 RPP price report of \$0.06072 and the latest Board approved Hydro One charges to calculate the Transmission Network and Connection charges. Those updated charges are reflected in this Draft Rate Order along with a factor to address the balance in the RSVA Network and Connection accounts. The following two tables provide a comparison of the amount of Working Capital resulting from the rates used in the original application versus the updated rates directed by the Board.

Original Rate Application – August 15, 2008

Electricity (Commodity)		2009 rate (\$/kWh): \$0.05450	
	Customer Class	Volume	Amount
kWh	Residential	53,033,179	2,890,308
kWh	General Service <50 kW	29,450,950	1,605,077
kWh	General Service >50 Kw	148,504,837	8,093,514
kWh	Street Lighting	1,273,628	69,413
kWh	Sentinel Lighting	16,986	926
kWh	Unmetered Scattered Load	546,982	29,811
TOTAL		232,826,563	12,689,048

Transmission - Network			2009	
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0038	201,526
kWh	General Service <50 kW	29,450,950	\$0.0034	100,133
kW	General Service >50 Kw	332,681	\$1.4180	471,742
kW	Street Lighting	3,052	\$1.0694	3,264
kW	Sentinel Lighting	44	\$1.0749	47
kWh	Unmetered Scattered Load	546,982	\$0.0034	1,860
	TOTAL	83,366,888		778,572

Transmission - Connection			2009	
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0071	376,536
kWh	General Service <50 kW	29,450,950	\$0.0065	191,431
kW	General Service >50 Kw	332,681	\$2.5532	849,401
kW	Street Lighting	3,052	\$1.9738	6,024
kW	Sentinel Lighting	44	\$2.0150	89
kWh	Unmetered Scattered Load	546,982	\$0.0065	3,555
	TOTAL	83,366,888		1,427,036

Updated Cost of Power rate directed by the Board

Electricity (Commodity)		2009 rate (\$/kWh): \$0.06072	
	Customer Class	Volume	Amount
kWh	Residential	53,033,179	3,220,175
kWh	General Service <50 kW	29,450,950	1,788,262
kWh	General Service >50 Kw	148,504,837	9,017,214
kWh	Street Lighting	1,273,628	77,335
kWh	Sentinel Lighting	16,986	1,031
kWh	Unmetered Scattered Load	546,982	33,213
	TOTAL	<u>232,826,563</u>	<u>14,137,229</u>

Transmission - Network		2009		
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0047	249,256
kWh	General Service <50 kW	29,450,950	\$0.0042	123,694
kW	General Service >50 Kw	332,681	\$1.7676	588,047
kW	Street Lighting	3,052	\$1.3331	4,069
kW	Sentinel Lighting	44	\$1.3399	59
kWh	Unmetered Scattered Load	546,982	\$0.0042	2,297
	TOTAL	<u>83,366,888</u>		<u>967,422</u>

Transmission - Connection		2009		
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0044	233,346
kWh	General Service <50 kW	29,450,950	\$0.0040	117,804
kW	General Service >50 Kw	332,681	\$1.5852	527,366
kW	Street Lighting	3,052	\$1.2255	3,740
kW	Sentinel Lighting	44	\$1.2510	55
kWh	Unmetered Scattered Load	546,982	\$0.0040	2,188
	TOTAL	<u>83,366,888</u>		<u>884,499</u>

5.0 SMART METERS

The Board approved Midland's request for a smart meter funding adder of \$1.00 per month per metered customer in accordance with the Board Guideline on Smart Meter Funding and Cost Recovery. The smart meter funding adder is included in this Draft Rate Order.

6.0 COST OF CAPITAL AND CAPITAL STRUCTURE

The Board accepted Midland's proposed capital structure and cost of capital being consistent with Board policy and reflects the updated cost rates established by the Board. The Deemed Capital Structure and the return rates used in the Draft Rate Order are provided in the following table:

	Deemed Portion	Effective Rate ¹	Return Amount
Short-Term Debt	4.00%	1.33%	
Long-Term Debt	52.67%	4.64%	
Total Equity	43.33%	8.01%	
Regulated Rate of Return	100.00%	5.97%	
Rate Base ²			12,216,778
Regulated Return on Capital			728,891

7.0 COST ALLOCATION AND RATE DESIGN

7.1 Line Losses

The Board has accepted Midland's proposed Distribution Loss Factor of 1.0301 and a Total Loss Factor of 1.0651 for 2009. These loss factors are reflected in this Draft Rate Order and represent the existing loss factors currently in use by Midland.

7.2 Low Voltage Costs

The Board accepted Midland's updated Low Voltage costs based on the May 1, 2009 sub-transmission rates, including the proposed allocation of those costs. The original application included \$339,515 in Low Voltage costs for 2009. In response to an interrogatory, Midland updated the Low Voltage cost forecast to \$279,640 and confirms this updated amount is used in this Draft Rate Order.

The information used to calculate the Low Voltage costs forecast based on 2007 volumes is provided in the following table:

Billed KW	Shared LV \$ 0.063 HDH	Shared LV \$ 0.063 MVM	Shared LV & LVDS both chgs Firths	Shared LV \$ 0.063 PME #1	Shared LV \$ 0.063 PME #2
Jan 5-07 - Feb 3/07	512.45	1,515.60	2,315.59	17,537.12	16,456.39
Feb 3/07 - Mar 6/07	518.02	1,506.70	2,367.32	18,279.24	16,177.66
Mar 6/07 - Apr 4/07	492.04	1,541.32	2,313.96	17,560.59	15,229.88
Apr 4/07 - May 4/07	633.67	1,623.57	2,133.68	16,010.00	13,995.18
May 4/07 - Jun 5/07	712.52	2,023.59	2,680.06	16,580.93	14,579.11
Jun 5/07 - Jul 5/07	755.15	2,016.72	2,833.87	18,620.22	16,131.44
Jul 5/07 - Aug 3/07	738.93	2,063.36	2,931.74	17,662.47	15,383.54
Aug 3/07 - Sept 6/07	748.42	1,982.57	2,695.05	17,598.66	14,094.81
Sept 6/07 - Oct 5/07	752.13	2,010.09	2,723.97	16,626.66	15,357.19
Oct 5/07 - Nov 6/07	691.09	1,890.74	2,401.39	13,927.25	14,625.63
Nov 6/07 - Dec 5/07	503.11	1,539.60	2,349.12	14,971.51	17,023.72
Dec 5/07 - Jan 5/08	506.85	1,539.97	2,351.57	15,770.58	17,054.46
	7,564.38	21,253.83	30,097.32	201,145.23	186,109.01
Updated Rates					
Rate - Shared LV Line Rate	\$ 0.545	\$ 0.545	\$ 0.545	\$ 0.545	\$ 0.545
Rate - Shared LVDS			\$ 1.212		
Total LV Costs	\$ 4,122.59	\$ 11,583.34	\$ 52,880.99	\$ 109,624.15	\$ 101,429.41
Grand Total	\$ 279,640.48				

7.3 Revenue to Cost Ratios

Midland confirms it has used the data from Column 5 of Table 3 – Revenue to Cost Ratios of the Decision and Order in this Draft Rate Order. In a discussion with VECC on Tuesday, May 26, 2009 it was confirmed the value for the USL customer class in column 5 of Table 3 should be a ratio of 126.16 and not 120.16 as indicated on Page 15 of the Decision and Order.

Midland confirms it has updated the Cost Allocation model for the transformer allowance issue identified by VECC which resulted in the Ratios in column 3 of the 2009 Revenue to Cost Ratio Table provided below.

Midland will also use a revenue to cost ratio of 49.00 for both the Street Lighting and Sentinel Lighting customer classes which is approximately half-way to the bottom of the Board's target range. Midland will also move both of these classes to 70% with the 2010 IRM application as directed by the Board in their Decision and Order.

Additionally, Midland has set the revenue to cost ratios for the Residential and USL customer classes at 115% and 120%, respectively, as directed by the Board. To accommodate this change to the Residential and USL customer classes, the GS>50kW class has been increased to 83% from the 69.67 ratio proposed by the VECC method.

2009 Revenue to Cost Ratio Table

1	2	3	4
Customer Class	Aug 15, 2008 Application	VECC Ratios	Per Decision & Order
Residential	107 %	124.58	115 %
GS < 50kW	98 %	105.58	105 %
GS > 50 – 2999 kW	98 %	69.67	83 %
Street Lighting	49 %	25.77	49 %
Sentinel Lighting	49 %	31.03	49 %
Unmetered Scattered Load	100 %	26.16	120 %

7.4 Retail Transmission Service Rates

Following the original submission of its rate application on August 15, 2008 Midland updated its RTS rates to reflect the changes in the Board guideline, Electricity Distribution Retail Transmission Service Rates [G-2008-0001] issued on October 22, 2008. The Board accepted this updated proposal and Midland

confirms the resulting adjustment to its rates have been included in this Draft Rate Order.

The table below provides the information used to calculate the revised Network and Connection rates taking into consideration the Hydro One increase as well as a factor to address the balance in the RSVA Network and Connection accounts.

MPUC Proposed Retail Transmission Service Rates

RTS Category	Customer Class	Unit of Measure	2009 Test Year Rates	Uniform Transmission Rates % Increase	MPUC 2008 Variance Account Averages % Increase	Proposed 2009 Updated RTSR
Network	Residential	kWh	0.0038	1.113	1.1200	0.0047
	GS<50	kWh	0.0034	1.113	1.1200	0.0042
	GS>50	kW	1.4180	1.113	1.1200	1.7676
	Street Lights	kW	1.0694	1.113	1.1200	1.3331
	Sentinel Lights	kW	1.0749	1.113	1.1200	1.3399
	USL	kWh	0.0034	1.113	1.1200	0.0042
Connection	Residential	kWh	0.0071	1.055	0.5885	0.0044
	GS<50	kWh	0.0065	1.055	0.5885	0.0040
	GS>50	kW	2.5532	1.055	0.5885	1.5852
	Street Lights	kW	1.9738	1.055	0.5885	1.2255
	Sentinel Lights	kW	2.0150	1.055	0.5885	1.2510
	USL	kWh	0.0065	1.055	0.5885	0.0040

The proposed RTSRs have been used with the proposed 2009 volumes to arrive at the Network and Connection revenues as shown in the following tables:

Transmission - Network

			2009	
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0047	249,256
kWh	General Service <50 kW	29,450,950	\$0.0042	123,694
kW	General Service >50 Kw	332,681	\$1.7676	588,047
kW	Street Lighting	3,052	\$1.3331	4,069
kW	Sentinel Lighting	44	\$1.3399	59
kWh	Unmetered Scattered Load	546,982	\$0.0042	2,297
	TOTAL	83,366,888		967,422

Transmission - Connection

			2009	
	Customer Class	Volume	Rate	Amount
kWh	Residential	53,033,179	\$0.0044	233,346
kWh	General Service <50 kW	29,450,950	\$0.0040	117,804
kW	General Service >50 Kw	332,681	\$1.5852	527,366
kW	Street Lighting	3,052	\$1.2255	3,740
kW	Sentinel Lighting	44	\$1.2510	55
kWh	Unmetered Scattered Load	546,982	\$0.0040	2,188
	TOTAL	83,366,888		884,499

8.0 DEFERRAL AND VARIANCE ACCOUNTS

Midland has been directed by the Board to dispose of all of the accounts represented on the "Deferral and Variance Accounts to be considered for disposition" table on page 20 of the Decision and Order dated May 12, 2009 over a two (2) year period. The table below provides the results of this calculation including the 2 year rate rider for each customer class.

Deferral / Variance Account	Total Recovery Amount	Allocation Basis	Residential	General Service <50 kW	General Service >50 Kw	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
1508-Other Regulatory Assets	89,068	Distribution Revenue (proposed rates)	48,374	14,532	23,871	1,710	132	450
1518-RCVARetail	(8,739)	Customers	(7,648)	(926)	(131)	(5)	(14)	(15)
1550-LV Variance Account	122,180	kWh's	27,830	15,455	77,931	668	9	287
1580-RSVAWMS	(395,943)	kWh's	(90,188)	(50,084)	(252,546)	(2,166)	(29)	(930)
1582-RSVAONE-TIME	15,930	kWh's	3,628	2,015	10,161	87	1	37
1584-RSVANW	280,233	kWh's	63,831	35,447	178,742	1,533	20	658
1586-RSVACN	(1,029,880)	kWh's	(234,586)	(130,273)	(656,893)	(5,634)	(75)	(2,420)
1588-RSVAPOWER	672,930	kWh's	153,280	85,121	429,218	3,681	49	1,581
Sub-Total for recovery	(254,221)		(35,477)	(28,713)	(189,648)	(125)	93	(351)
Total Recoveries Required (2 years)	(254,221)		(35,477)	(28,713)	(189,648)	(125)	93	(351)
Annual Recovery Amounts	(127,111)		(17,739)	(14,356)	(94,824)	(63)	47	(176)
Annual Volume			49,791,737	27,650,878	332,681	3,052	44	513,550
Proposed Rate Rider per			(\$0.0004) kWh	(\$0.0005) kWh	(\$0.2850) kW	(\$0.0205) kW	\$1.0618 kW	(\$0.0003) kWh

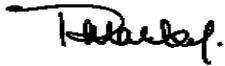
Although the disposition is effective May 1, 2009 with an implementation date of July 1, 2009 for the rate changes, Midland has calculated a two (2) month Foregone Revenue Regulatory Asset Recovery Account Rate Rider to dispose of two (2) months (May 1, 2009 – June 30, 2009) of the Deferral and Variance account balance. This rate rider will be in effect for a period of two (2) months and is provided in the table below:

Midland PUC					
Calculation of Foregone Deferral Account Rate Riders					
May 1, 2009 to June 30, 2009 - Assuming May 1, 2009 Effective Date, July 1, 2009 Implementation Date					
Customer Class		Test Year Normalized Forecast 2009	2009		2 month Deferral Rate Rider
			Rates	2 Months Volumetric	
		Volumetric			
Residential	Customers	6,018			
	kWh	49,791,737	(\$0.0004)	-\$3,319	(0.0004)
GS < 50 kW	Customers	729			
	kWh	27,650,878	(\$0.0005)	-\$2,304	(0.0005)
GS >50 kW	Customers	103			
	kWh	139,428,070			
	kW	332,681	(\$0.2850)	-\$15,802	(0.2850)
Street Lighting	Connections	1,564			
	kWh	1,195,783			
	kW	3,052	(\$0.0205)	-\$10	(0.0205)
Sentinel Lighting	Connections	22			
	kWh	15,948			
	kW	44	\$1.0618	\$8	1.0618
Unmetered Scattered	Customers	12			
	kWh	513,550	(\$0.0003)	-\$26	(0.0003)
		Total		-\$21,454	

Midland has submitted this Manager's Summary to identify and respond to the Board's Decision and Order dated May 12, 2009 and has provided documentation in support of the calculations for all changes to the Cost of Service Application since filing on August 15, 2008 within this Manager's Summary.

Respectfully submitted,

Midland Power Utility Corporation

A handwritten signature in black ink, appearing to read "Phil Marley".

Phil Marley, CMA
President & CEO
pmarley@midlandpuc.on.ca
705.526.9362 ext 204

Midland Power Utility Corporation

2009

Customer Rate Impacts

Residential

1,000 kWh's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
Monthly Service Charge				\$11.37			\$12.90	\$1.53	13.5%
Distribution	kWh	1,000	\$0.0198	\$19.80	1,000	\$0.0212	\$21.20	\$1.40	7.1%
Sub-Total (Distribution)				\$31.17			\$34.10	\$2.93	9.4%
Deferral/Variance	kWh	1,000			1,000	(\$0.0004)	(\$0.40)	(\$0.40)	
Electricity (Commodity)	kWh	1,065	RPP-Summer	\$57.44	1,065	RPP-Summer	\$57.44		
Transmission - Network	kWh	1,065	\$0.0038	\$4.05	1,065	\$0.0047	\$5.01	\$0.96	23.7%
Transmission - Connection	kWh	1,065	\$0.0071	\$7.56	1,065	\$0.0044	\$4.69	(\$2.87)	(38.0%)
Wholesale Market Service	kWh	1,065	\$0.0052	\$5.54	1,065	\$0.0052	\$5.54		
Rural Rate Protection	kWh	1,065	\$0.0010	\$1.07	1,065	\$0.0013	\$1.38	\$0.31	29.0%
Debt Retirement Charge	kWh	1,000	\$0.0070	\$7.00	1,000	\$0.0070	\$7.00		
TOTAL BILL				\$113.83			\$114.76	\$0.93	0.8%

General Service Less Than 50kW

2,000 kWh's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
Monthly Service Charge				\$12.61			\$15.73	\$3.12	24.7%
Distribution	kWh	2,000	\$0.0140	\$28.00	2,000	\$0.0167	\$33.40	\$5.40	19.3%
Sub-Total (Distribution)				\$40.61			\$49.13	\$8.52	21.0%
Deferral/Variance	kWh	2,000			2,000	(\$0.0005)	(\$1.00)	(\$1.00)	
Electricity (Commodity)	kWh	2,130	RPP-Summer	\$120.28	2,130	RPP-Summer	\$120.28		
Transmission - Network	kWh	2,130	\$0.0034	\$7.24	2,130	\$0.0042	\$8.95	\$1.71	23.6%
Transmission - Connection	kWh	2,130	\$0.0065	\$13.85	2,130	\$0.0040	\$8.52	(\$5.33)	(38.5%)
Wholesale Market Service	kWh	2,130	\$0.0052	\$11.08	2,130	\$0.0052	\$11.08		
Rural Rate Protection	kWh	2,130	\$0.0010	\$2.13	2,130	\$0.0013	\$2.77	\$0.64	30.0%
Debt Retirement Charge	kWh	2,000	\$0.0070	\$14.00	2,000	\$0.0070	\$14.00		
TOTAL BILL				\$209.19			\$213.73	\$4.54	2.2%

General Service 50 to 4,999 kW

1,383,000 kWh's

2,650 kW's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge		%
Monthly Service Charge				\$14.05			\$58.99	\$44.94	>100%
Distribution	kW	2,650	\$2.3148	\$6,134.22	2,650	\$3.4714	\$9,199.21	\$3,064.99	50.0%
Sub-Total (Distribution)				\$6,148.27			\$9,258.20	\$3,109.93	50.6%
Deferral/Variance	kW	2,650			2,650	(\$0.2850)	(\$755.25)	(\$755.25)	
Electricity (Commodity)	kWh	1,473,033	\$0.0603	\$88,823.91	1,473,033	\$0.0607	\$89,442.58	\$618.67	0.7%
Transmission - Network	kW	2,650	\$1.4180	\$3,757.70	2,650	\$1.7676	\$4,684.14	\$926.44	24.7%
Transmission - Connection	kW	2,650	\$2.5532	\$6,765.98	2,650	\$1.5852	\$4,200.78	(\$2,565.20)	(37.9%)
Wholesale Market Service	kWh	1,473,033	\$0.0052	\$7,659.77	1,473,033	\$0.0052	\$7,659.77		
Rural Rate Protection	kWh	1,473,033	\$0.0010	\$1,473.03	1,473,033	\$0.0013	\$1,914.94	\$441.91	30.0%
Debt Retirement Charge	kWh	1,383,000	\$0.0070	\$9,681.00	1,383,000	\$0.0070	\$9,681.00		
TOTAL BILL				\$124,309.66			\$126,086.16	\$1,776.50	1.4%

Unmetered Scattered Load

15,000 kWh's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge		%
Monthly Service Charge				\$12.35			\$24.53	\$12.18	98.6%
Distribution	kWh	15,000	\$0.0140	\$210.00	15,000	\$0.0278	\$417.00	\$207.00	98.6%
Sub-Total (Distribution)				\$222.35			\$441.53	\$219.18	98.6%
Deferral/Variance	kWh	15,000			15,000	(\$0.0003)	(\$4.50)	(\$4.50)	
Electricity (Commodity)	kWh	15,977	RPP-Summer	\$937.21	15,977	RPP-Summer	\$937.21		
Transmission - Network	kWh	15,977	\$0.0034	\$54.32	15,977	\$0.0042	\$67.10	\$12.78	23.5%
Transmission - Connection	kWh	15,977	\$0.0065	\$103.85	15,977	\$0.0040	\$63.91	(\$39.94)	(38.5%)
Wholesale Market Service	kWh	15,977	\$0.0052	\$83.08	15,977	\$0.0052	\$83.08		
Rural Rate Protection	kWh	15,977	\$0.0010	\$15.98	15,977	\$0.0013	\$20.77	\$4.79	30.0%
Debt Retirement Charge	kWh	15,000	\$0.0070	\$105.00	15,000	\$0.0070	\$105.00		
TOTAL BILL				\$1,521.79			\$1,714.10	\$192.31	12.6%

Sentinel Lighting

15,000 kWh's

10 kW's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
Monthly Service Charge				\$1.46			\$14.68	\$13.22	>100%
Distribution	kW	10	\$2.6254	\$26.25	10	\$26.3855	\$263.86	\$237.60	>100%
Sub-Total (Distribution)				\$27.71			\$278.54	\$250.82	>100%
Deferral/Variance	kW	10			10	\$1.0618	\$10.62	\$10.62	
Electricity (Commodity)	kWh	15,977	RPP-Summer	\$937.21	15,977	RPP-Summer	\$937.21		
Transmission - Network	kW	10	\$1.0749	\$10.75	10	\$1.3399	\$13.40	\$2.65	24.7%
Transmission - Connection	kW	10	\$2.0150	\$20.15	10	\$1.2510	\$12.51	(\$7.64)	(37.9%)
Wholesale Market Service	kWh	15,977	\$0.0052	\$83.08	15,977	\$0.0052	\$83.08		
Rural Rate Protection	kWh	15,977	\$0.0010	\$15.98	15,977	\$0.0013	\$20.77	\$4.79	30.0%
Debt Retirement Charge	kWh	15,000	\$0.0070	\$105.00	15,000	\$0.0070	\$105.00		
TOTAL BILL				\$1,199.88			\$1,461.13	\$261.24	21.8%

Street Lighting

59 kWh's

0.18 kW's

	Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
		Volume	Rate	Charge	Volume	Rate	Charge	\$	%
Monthly Service Charge				\$0.96			\$2.52	\$1.56	>100%
Distribution	kW	0.18	\$2.3727	\$0.42	0	\$6.2258	\$1.11	\$0.69	>100%
Sub-Total (Distribution)				\$1.38			\$3.63	\$2.25	>100%
Deferral/Variance	kW	0.18			0	(\$0.0205)			
Electricity (Commodity)	kWh	63	RPP-Summer	\$3.16	63	RPP-Summer	\$3.16		
Transmission - Network	kW	0.18	\$1.0694	\$0.19	0	\$1.3331	\$0.24	\$0.05	26.3%
Transmission - Connection	kW	0.18	\$1.9738	\$0.35	0	\$1.2255	\$0.22	(\$0.13)	(37.1%)
Wholesale Market Service	kWh	63	\$0.0052	\$0.33	63	\$0.0052	\$0.33		
Rural Rate Protection	kWh	63	\$0.0010	\$0.06	63	\$0.0013	\$0.08	\$0.02	33.3%
Debt Retirement Charge	kWh	59	\$0.0070	\$0.42	59	\$0.0070	\$0.42		
TOTAL BILL				\$5.89			\$8.08	\$2.19	37.1%

Midland Power Utility Corporation

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

Implementation July 1, 2009

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

EB-2008-0236

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 – July 1, 2009 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES – July 1, 2009 for all charges incurred by customers on or after that date.

LOSS FACTOR ADJUSTMENT – July 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 an account where energy is supplied to customers residing in residential dwelling units. Energy is generally supplied as a single phase, 3-wire, 60-Hertz, having a nominal voltage of 120/240 Volts and having only one Delivery Point per dwelling. For the purposes of calculating customer connection fees, the Basic Connection for Residential customers is defined as 100 amp 120/240 volt overhead service. A residential building is supplied at one service voltage per land parcel. Street Townhouses and Condominiums requiring centralization bulk metering are covered under General Service Classification.

General Service Less Than 50 kW

This classification refers to the supply of electrical energy to General Service Buildings requiring a connection with a connected load less than 50 kW, and, Townhouses and Condominiums that require centralized bulk metering. General Service buildings are defined as buildings that are used for purposes other than single-family dwellings. A General Service building is supplied at one voltage per land parcel.

General Service 50 to 4,999 kW

This classification refers to the supply of electrical energy to General Service customers requiring a connection with a connected load equal to or greater than 50 kW and less than 5,000 kW. A General Service building is supplied at one service voltage per land parcel. Depending on the location of the building Primary supplies to transformers and Customer owned Sub-Stations will be one of the following as determined by the Distributor:

- 2,400/4,160 volts 3 Phase 4Wire
- 4,800/8,320 volts 3 Phase 4 Wire
- 7,200/12,400 volts 3 Phase 4 Wire
- 8,000/13,800 volts 3 Phase 4 Wire
- 16,000/27,600 volts 3 Phase 4 Wire
- 44,000 Volts 3 Phase 3 Wire

Unmetered Scattered Load

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Street Lighting

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template.

Midland Power Utility Corporation

TARIFF OF RATES AND CHARGES

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Implementation July 1, 2009

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EB-2008-0236

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	12.90
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009 1.53	\$	
Distribution Volumetric Rate	\$/kWh	0.0212
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kWh	0.0014
Deferral Account Rate Rider - effective until April 30, 2011	\$/kWh	(0.0004)
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kWh	(0.0004)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0047
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044
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	\$	15.73
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009 3.12	\$	
Distribution Volumetric Rate	\$/kWh	0.0167
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kWh	0.0027
Deferral Account Rate Rider - effective until April 30, 2011	\$/kWh	(0.0005)
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kWh	(0.0005)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
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	\$	58.99
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009 44.94	\$	
Distribution Volumetric Rate	\$/kW	3.4714
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kW	1.1566
Deferral Account Rate Rider - effective until April 30, 2011	\$/kW	(0.2850)
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kW	(0.2850)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7676
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5852
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 customer)	\$	24.53
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009 12.18	\$	
Distribution Volumetric Rate	\$/kWh	0.0278
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kWh	0.0138
Deferral Account Rate Rider - effective until April 30, 2011	\$/kWh	(0.0003)
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Midland Power Utility Corporation

TARIFF OF RATES AND CHARGES

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EB-2008-0236

Sentinel Lighting

Service Charge (per connection)	\$	14.68
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009	\$	
13.22		
Distribution Volumetric Rate	\$/kW	26.3855
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kW	23.7601
Deferral Account Rate Rider - effective until April 30, 2011	\$/kW	1.0618
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kW	1.0618
Retail Transmission Rate – Network Service Rate	\$/kW	1.3399
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2510
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)	\$	2.52
Foregone Distribution Revenue Rate Rider – Service Charge – effective until August 31, 2009	\$	
1.56		
Distribution Volumetric Rate	\$/kW	6.2258
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until August 31, 2009	\$/kW	3.8531
Deferral Account Rate Rider - effective until April 30, 2011	\$/kW	(0.0205)
Foregone Deferral Account Rate Rider - effective until August 31, 2009	\$/kW	(0.0205)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3331
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2255
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		
Notification Charge	\$	15.00
Account history	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Non-Payment of Account		
Late Payment – per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Specific Charge for Access to Power Poles \$/pole/year	\$	22.35
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
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)

Midland Power Utility Corporation
TARIFF OF RATES AND CHARGES
Effective May 1, 2009
Implementation July 1, 2009

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EB-2008-0236

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0651
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0545
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

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Bill Impacts Summary

Delivery Charges

Residential					
	<u>Current</u> <u>Rate</u>	<u>Volume</u> <u>(kWh)</u>	<u>Current</u> <u>Charge</u>	<u>Proposed</u> <u>Rate</u>	<u>Volume</u> <u>(kWh)</u>
DELIVERY CHARGES					
Service Charge	\$11.11		\$11.11	\$11.90	
Volumetric	\$0.0198	1000	\$19.80	\$0.0212	1000
Smart Meter Rider	\$0.26		\$0.26	\$1.00	
Regulatory assets	\$0.00		\$0.00	-\$0.0004	1000
Transmission - Network	\$0.0038	1065	\$4.05	\$0.0047	1065
Transmission - Connection	\$0.0071	1065	\$7.56	\$0.0044	1065
Total Delivery Charge			\$42.78		
Loss Factor	1.0651			1.0651	
GS<50kW					
	<u>Current</u> <u>Rate</u>	<u>Volume</u> <u>(kWh)</u>	<u>Current</u> <u>Charge</u>	<u>Current</u> <u>Rate</u>	<u>Volume</u> <u>(kWh)</u>
DELIVERY CHARGES					
Service Charge	\$12.35		\$12.35	\$14.73	
Volumetric	\$0.0140	2000	\$28.00	\$0.0167	2000
Smart Meter Rider	\$0.26		\$0.26	\$1.00	
Regulatory assets	\$0.00		\$0.00	-\$0.0005	2000
Transmission - Network	\$0.0034	2130	\$7.24	\$0.0042	2130
Transmission - Connection	\$0.0065	2130	\$13.85	\$0.0040	2130
Total Delivery Charge			\$61.70		
Loss Factor	1.0651			1.0651	

Total Bill Impacts

<u>Residential</u>		RPP: Summer									
1,000 0	kWh's	Metric	2008 BILL			2009 BILL			CHANGE IMPACT		
			Volume	Rate	Charge	Volume	Rate	Charge	\$	%	
		Monthly Service Charge			\$11.37			\$12.90	\$1.53	13.5%	
		Distribution	kWh	1,000	\$0.0198	\$19.80	1,000	\$0.0212	\$21.20	\$1.40	7.1%
		Sub-Total (Distribution)				\$31.17		\$34.10	\$2.93	9.4%	
		Deferral/Variance	kWh	1,000	\$0.0000	\$0.00	1,000	(\$0.0004)	(\$0.40)	(\$0.40)	0.0%
		Dispositions	kWh	1,065	RPP-Summer	\$57.44	1,065	RPP-Summer	\$57.44	\$0.00	0.0%
		Electricity (Commodity)	kWh	1,065	\$0.0038	\$4.05	1,065	\$0.0047	\$5.01	\$0.96	23.7%
		Transmission - Network	kWh	1,065	\$0.0071	\$7.56	1,065	\$0.0044	\$4.69	(\$2.87)	(38.0%)
		Transmission - Connection	kWh	1,065	\$0.0052	\$5.54	1,065	\$0.0052	\$5.54	\$0.00	0.0%
		Wholesale Market Service	kWh	1,065	\$0.0010	\$1.07	1,065	\$0.0013	\$1.38	\$0.31	29.0%
		Rural Rate Protection	kWh	1,065	\$0.0070	\$7.00	1,000	\$0.0070	\$7.00	\$0.00	0.0%
		Debt Retirement Charge	kWh	1,000	\$0.0070	\$7.00	1,000	\$0.0070	\$7.00	\$0.00	0.0%
		TOTAL BILL				\$113.83		\$114.76	\$0.93	0.8%	

General Service <50 kW		RPP: Summer								
2,000 kWh's		Metric	2008 BILL			2009 BILL			CHANGE IMPACT	
0			Volume	Rate	Charge	Volume	Rate	Charge	\$	%
Monthly Service Charge					\$12.61			\$15.73	\$3.12	24.7%
Distribution		kWh	2,000	\$0.0140	\$28.00	2,000	\$0.0167	\$33.40	\$5.40	19.3%
Sub-Total (Distribution)					\$40.61			\$49.13	\$8.52	21.0%
Deferral/Variance										
Dispositions		kWh	2,000	\$0.0000	\$0.00	2,000	(\$0.0005)	(\$1.00)	(\$1.00)	0.0%
Electricity (Commodity)		kWh	2,130	RPP-Summer	\$120.28	2,130	RPP-Summer	\$120.28	\$0.00	0.0%
Transmission - Network		kWh	2,130	\$0.0034	\$7.24	2,130	\$0.0042	\$8.95	\$1.71	23.6%
Transmission - Connection		kWh	2,130	\$0.0065	\$13.85	2,130	\$0.0040	\$8.52	(\$5.33)	(38.5%)
Wholesale Market Service		kWh	2,130	\$0.0052	\$11.08	2,130	\$0.0052	\$11.08	\$0.00	0.0%
Rural Rate Protection		kWh	2,130	\$0.0010	\$2.13	2,130	\$0.0013	\$2.77	\$0.64	30.0%
Debt Retirement Charge		kWh	2,000	\$0.0070	\$14.00	2,000	\$0.0070	\$14.00	\$0.00	0.0%
TOTAL BILL					\$209.19			\$213.73	\$4.54	2.2%

<u>Proposed</u>
<u>Charge</u>
\$11.90
\$21.20
\$1.00
-\$0.40
\$5.01
\$4.69
\$43.39

<u>Current</u>
<u>Charge</u>
\$14.73
\$33.40
\$1.00
-\$1.00
\$8.95
\$8.52
\$65.60



REVENUE REQUIREMENT WORK FORM

Name of LDC: (1)
 File Number:
 Rate Year: Version: 1.0

Table of Content

<u>Sheet</u>	<u>Name</u>
A	Data Input Sheet
1	Rate Base
2	Utility Income
3	Taxes/PILS
4	Capitalization/Cost of Capital
5	Revenue Sufficiency/Deficiency
6	Revenue Requirement
7	Bill Impacts

Notes:

- (1) Pale green cells represent inputs
 (2) **Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.**

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REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation
File Number: EB-2008-0236
Rate Year: 2009

Data Input (1)

	Application		Adjustments		Per Board Decision
1 Rate Base					
Gross Fixed Assets (average)	\$19,842,199	(4)	(\$280,470)	A	\$19,561,729
Accumulated Depreciation (average)	(\$10,339,141)	(5)	\$11,995	A	(\$10,327,146)
Allowance for Working Capital:					
Controllable Expenses	\$2,093,100	B	\$6,250	B	\$2,099,350
Cost of Power	\$16,677,534	C	\$1,104,419	C	\$17,781,953
Working Capital Rate (%)	15.00%				15.00%
2 Utility Income					
Operating Revenues:					
Distribution Revenue at Current Rates	\$2,692,898				\$2,692,898
Distribution Revenue at Proposed Rates	\$3,582,721	F			\$3,390,378 F
Other Revenue:					
Specific Service Charges	\$91,625				\$91,625
Late Payment Charges	\$10,000				\$10,000
Other Distribution Revenue	\$98,306				\$98,306
Other Income and Deductions	\$31,200				\$31,200
Operating Expenses:					
OM+A Expenses	\$2,058,900		\$6,250	B	\$2,065,150
Depreciation/Amortization	\$735,424		(\$10,397)	D	\$725,027
Property taxes	\$34,200		\$ -		\$34,200
Capital taxes	\$0				\$0
Other expenses					
3 Taxes/PILs					
Taxable Income:					
Adjustments required to arrive at taxable income	(\$72,956)	(3)			(\$78,703) E
Utility Income Taxes and Rates:					
Income taxes (not grossed up)	\$158,935	H			\$56,981 H
Income taxes (grossed up)	\$204,998				\$68,241
Capital Taxes	\$ -				\$ -
Federal tax (%)	0.00%	H			11.00% H
Provincial tax (%)	22.47%	H			5.50% H
Income Tax Credits	\$ -				\$ -
4 Capitalization/Cost of Capital					
Capital Structure:					
Long-term debt Capitalization Ratio (%)	52.7%				52.7%
Short-term debt Capitalization Ratio (%)	4.0%	(2)			4.0% (2)
Common Equity Capitalization Ratio (%)	43.3%				43.3%
Preferred Shares Capitalization Ratio (%)	0.0%				0.0%
Cost of Capital					
Long-term debt Cost Rate (%)	4.64%				4.64%
Short-term debt Cost Rate (%)	4.47%	G			1.33% G
Common Equity Cost Rate (%)	8.57%	G			8.01% G
Preferred Shares Cost Rate (%)	0.00%				0.00%

Notes:

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

- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
 (2) 4.0% unless an Applicant has proposed or been approved for another amount.
 (3) Net of addbacks and deductions to arrive at taxable income.
 (4) Average of Gross Fixed Assets at beginning and end of the Test Year
 (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
 A-H Please see worksheet A. Data Input Sup. Doc.

Hilgited cells identify Board Decision

Rate Base

A Fixed Assets and Accumulated Depreciation

Application - August 15, 2008

Net Capital Asset Table

Amounts from sheets B1 and B2

Account Description	2008 Projection - Ending Balances			2009 Projection - Ending Balances		
	Gross Assets	Accumulated Amortization	Net Book Value	Gross Assets	Accumulated Amortization	Net Book Value
1610-Miscellaneous Intangible Plant	0	0	0	0	0	0
1905-Land	365,298	0	365,298	365,298	0	365,298
1906-Land Rights	32,555	(15,060)	17,495	32,555	(15,060)	17,495
1908-Buildings and Fixtures	939,699	(349,133)	590,566	974,699	(380,129)	594,570
1810-Leasehold Improvements	0	0	0	0	0	0
1815-Transformer Station Equipment - Normally Primary above 50 kV	0	0	0	0	0	0
1820-Distribution Station Equipment - Normally Primary below 50 kV	3,021,546	(940,641)	2,080,904	4,067,346	(1,064,399)	3,002,947
1830-Poles, Towers and Fixtures	3,481,016	(1,730,283)	1,750,732	3,858,156	(1,841,189)	2,016,967
1835-Overhead Conductors and Devices	1,742,432	(1,098,543)	643,890	1,907,692	(1,153,755)	753,937
1840-Underground Conduit	0	0	0	0	0	0
1845-Underground Conductors and Devices	3,004,285	(1,820,110)	1,184,175	3,382,065	(1,942,016)	1,440,049
1850-Line Transformers	2,929,663	(1,632,590)	1,297,072	3,307,803	(1,740,535)	1,567,267
1855-Services	170,076	(8,411)	161,666	268,956	(17,129)	251,827
1860-Meters	1,030,782	(593,808)	436,974	1,040,782	(629,428)	411,354
1875-Street Lighting and Signal Systems	2,407	(2,407)	0	2,407	(2,407)	0
1905-Land	0	0	0	0	0	0
1906-Land Rights	0	0	0	0	0	0
1908-Buildings and Fixtures	0	0	0	0	0	0
1910-Leasehold Improvements	0	0	0	0	0	0
1915-Office Furniture and Equipment	246,273	(215,421)	30,851	246,273	(221,846)	24,426
1920-Computer Equipment - Hardware	401,887	(371,886)	30,001	420,927	(384,220)	36,707
1925-Computer Software	293,858	(151,905)	141,953	313,858	(200,052)	113,806
1930-Transportation Equipment	863,673	(531,220)	332,452	1,044,592	(460,827)	583,765
1935-Stores Equipment	8,610	(8,487)	123	8,610	(8,610)	0
1940-Tools, Shop and Garage Equipment	252,199	(241,658)	10,541	262,199	(250,997)	11,202
1945-Measurement and Testing Equipment	2,634	0	2,634	2,634	0	2,634
1950-Power Operated Equipment	0	0	0	0	0	0
1955-Communication Equipment	131,713	(82,663)	49,050	131,713	(84,655)	47,058
1960-Miscellaneous Equipment	19,220	(3,106)	16,114	19,220	(3,698)	15,522
1965-Water Heater Rental Units	0	0	0	0	0	0
1970-Load Management Controls - Customer Premises	0	0	0	0	0	0
1975-Load Management Controls - Utility Premises	0	0	0	0	0	0
1980-System Supervisory Equipment	365,803	(226,985)	138,818	465,803	(253,009)	212,794
1985-Sentinel Lighting Rental Units	0	0	0	0	0	0
1990-Other Tangible Property	0	0	0	0	0	0
1995-Contributions and Grants - Credit	(759,810)	0	(759,809)	(985,010)	0	(985,009)
2005-Property Under Capital Leases	0	0	0	0	0	0
TOTAL	18,545,819	(10,024,319)	8,521,501	21,138,579	(10,653,963)	10,484,616

Draft Rate Order

Net Capital Asset Table

Amounts from sheets B1 and B2

Account Description	2008 Projection - Ending Balances			2009 Projection - Ending Balances		
	Gross Assets	Accumulated Amortization	Net Book Value	Gross Assets	Accumulated Amortization	Net Book Value
1610-Miscellaneous Intangible Plant						
1805-Land	365,298		365,298	365,298		365,298
1806-Land Rights	32,555	(15,060)	17,495	32,555	(15,060)	17,495
1808-Buildings and Fixtures	939,699	(349,133)	590,566	974,699	(380,129)	594,570
1810-Leasehold Improvements						
1815-Transformer Station Equipment - Normally Primary above 50 kV						
1820-Distribution Station Equipment - Normally Primary below 50 kV	3,080,146	(941,814)	2,138,332	4,153,946	(1,068,476)	3,085,470
1830-Poles, Towers and Fixtures	3,441,016	(1,729,483)	1,711,533	3,960,156	(1,840,693)	2,119,463
1835-Overhead Conductors and Devices	1,722,432	(1,098,144)	624,288	1,888,492	(1,153,508)	734,984
1840-Underground Conduit						
1845-Underground Conductors and Devices	2,754,285	(1,815,110)	939,175	3,132,065	(1,927,017)	1,205,048
1850-Line Transformers	2,869,663	(1,631,390)	1,238,272	3,247,803	(1,736,935)	1,510,867
1855-Services	140,076	(7,811)	132,265	238,956	(15,330)	223,626
1860-Meters	1,030,782	(593,808)	436,974	1,040,782	(629,428)	411,354
1875-Street Lighting and Signal Systems	2,407	(2,407)		2,407	(2,407)	
1905-Land						
1906-Land Rights						
1908-Buildings and Fixtures						
1910-Leasehold Improvements						
1915-Office Furniture and Equipment	246,273	(215,421)	30,851	246,273	(221,846)	24,426
1920-Computer Equipment - Hardware	401,887	(371,916)	29,971	420,487	(384,206)	36,281
1925-Computer Software	293,858	(151,905)	141,953	313,858	(200,052)	113,806
1930-Transportation Equipment	863,673	(531,220)	332,452	1,096,092	(464,046)	632,046
1935-Stores Equipment	8,610	(8,487)	123	8,610	(8,610)	0
1940-Tools, Shop and Garage Equipment	252,199	(241,658)	10,541	262,199	(250,997)	11,202
1945-Measurement and Testing Equipment	2,634		2,634	2,634		2,634
1950-Power Operated Equipment						
1955-Communication Equipment	131,713	(82,663)	49,050	131,713	(84,655)	47,058
1960-Miscellaneous Equipment	19,220	(3,106)	16,114	19,220	(3,698)	15,522
1965-Water Heater Rental Units						
1970-Load Management Controls - Customer Premises						
1975-Load Management Controls - Utility Premises						
1980-System Supervisory Equipment	365,803	(226,986)	138,817	365,803	(249,676)	116,127
1985-Sentinel Lighting Rental Units						
1990-Other Tangible Property						
1995-Contributions and Grants - Credit	(759,810)	0	(759,809)	(985,010)	0	(985,009)
2005-Property Under Capital Leases						
TOTAL	18,204,419	(10,017,523)	8,186,896	20,919,039	(10,636,770)	10,282,269

Summary of Gross Fixed Asset Changes since Application - Aug 15, 200	2008	2009	Average Gross Fixed Assets
Gross Fixed Assets per Rate Application	\$ 18,545,819	\$ 21,138,579	\$ 19,842,199
Development Contributions - Economic Evaluations	(400,000)	(400,000)	
Increase- capital miscellaneous work	58,600	58,600	
Increase- capital miscellaneous work		360	
Increase- Bourgeois Lane		89,900	
Decrease - Project 2009-08 Scada Software		(100,000)	
Increase - transportation equipment		51,500	
Increase - Fourth St Substation		28,000	
Increase - Pole Line Rebuilds		52,100	
Board Decision	\$ 18,204,419	\$ 20,919,039	\$ 19,561,729

Summary of Accumulated Amortization Changes since Application - Aug 15, 200	Accum Amrt 2008	Accum Amort 2009	Average
Application	\$10,024,319.00	\$10,653,963.00	\$10,339,141.00
2008 Changes	(\$6,796.00)	(\$6,796.00)	
2009 Changes		(\$10,397.00)	
Board Decision	\$10,017,523.00	\$10,636,770.00	\$10,327,146.50

Rate Base Before Working Capital Allowance \$ 9,234,583

B Controllable Expenses

OM&A Expenses

	Application 2009 Test Year	IFRS	Regulatory Reduction over 4 years	Regulatory Decrease - Oral Component	Commodity, RTSR, RRRA & Low Voltage	Capital & Amortization	PILs (with gross up)	Sub-Total of Changes	As per OEB Decision Revised 2008
Operations	\$455,700	\$0							\$455,700
Maintenance	\$353,900	\$0							\$353,900
Billing and Collecting	\$435,800	\$0							\$435,800
Community Relations	\$5,600	\$0							\$5,600
Administration and General Expense	\$807,900	\$25,000	-\$6,250	-\$12,500				\$6,250	\$814,150
Total Controllable Expenses	\$2,058,900	\$25,000	-\$6,250	-\$12,500				\$6,250	\$2,065,150
Taxes Other Than Income Taxes	\$34,200								\$34,200
Total OM&A	\$2,093,100	\$25,000	-\$6,250	-\$12,500				\$6,250	\$2,099,350

C Cost of Power

Application - August 15, 2008

Cost of Power Projections

Volumes from sheet C1, Account #s from sheet Y4

Enter rates for pass-through charges and estimated Low Voltage revenues

Electricity (Commodity)	Customer Class Name	Revenue USA #	Expense USA #	2009 rate (\$/kWh):		\$0.05450
				Volume	Rate	Amount
kWh	Residential	4006	4705	53,033,179		2,890,308
kWh	General Service <50 kW	4035	4705	29,450,950		1,605,077
kWh	General Service >50 Kw	4035	4705	148,504,837		8,093,514
kWh	Street Lighting	4025	4705	1,273,628		69,413
kWh	Sentinel Lighting	4030	4705	16,986		926
kWh	Unmetered Scattered Ld	4035	4705	546,982		29,811
	TOTAL	0	0	232,826,563		12,689,048
Transmission - Network	Customer Class Name	Revenue USA #	Expense USA #	2009		
				Volume	Rate	Amount
kWh	Residential	4066	4714	53,033,179	\$0.0038	201,526
kWh	General Service <50 kW	4066	4714	29,450,950	\$0.0034	100,133
kW	General Service >50 Kw	4066	4714	332,681	\$1.4180	471,742
kW	Street Lighting	4066	4714	3,052	\$1.0694	3,264
kW	Sentinel Lighting	4066	4714	44	\$1.0749	47
kWh	Unmetered Scattered Ld	4066	4714	546,982	\$0.0034	1,860
	TOTAL	0	0	83,366,888		778,572
Transmission - Connection	Customer Class Name	Revenue USA #	Expense USA #	2009		
				Volume	Rate	Amount
kWh	Residential	4068	4716	53,033,179	\$0.0071	376,536
kWh	General Service <50 kW	4068	4716	29,450,950	\$0.0065	191,431
kW	General Service >50 Kw	4068	4716	332,681	\$2.5532	849,401
kW	Street Lighting	4068	4716	3,052	\$1.9738	6,024
kW	Sentinel Lighting	4068	4716	44	\$2.0150	89
kWh	Unmetered Scattered Ld	4068	4716	546,982	\$0.0065	3,555
	TOTAL	0	0	83,366,888		1,427,036
Wholesale Market Service	Customer Class Name	Revenue USA #	Expense USA #	2009 rate (\$/kWh):		\$0.00520
				Volume	Rate	Amount
kWh	Residential	4062	4708	53,033,179		275,773
kWh	General Service <50 kW	4062	4708	29,450,950		153,145
kWh	General Service >50 Kw	4062	4708	148,504,837		772,225
kWh	Street Lighting	4062	4708	1,273,628		6,623
kWh	Sentinel Lighting	4062	4708	16,986		88
kWh	Unmetered Scattered Ld	4062	4708	546,982		2,844
	TOTAL	0	0	232,826,563		1,210,698
Rural Rate Protection	Customer Class Name	Revenue USA #	Expense USA #	2009 rate (\$/kWh):		\$0.00100
				Volume	Rate	Amount
kWh	Residential	4062	4730	52,872,087		52,872
kWh	General Service <50 kW	4062	4730	29,450,950		29,451
kWh	General Service >50 Kw	4062	4730	148,504,837		148,505
kWh	Street Lighting	4062	4730	1,273,628		1,274
kWh	Sentinel Lighting	4062	4730	16,986		17
kWh	Unmetered Scattered Ld	4062	4730	546,982		547
	TOTAL	0	0	232,665,471		232,665
Debt Retirement Charge	Customer Class Name	Revenue USA #	Expense USA #	2009 rate (\$/kWh):		\$0.00700
				Volume	Rate	Amount
	TOTAL	0	0	0		0
Low Voltage Charges	Customer Class Name	Revenue USA #	Expense USA #	2009		
				Volume	Rate	Amount
	TOTAL (Input amount)	4075	4750	0	339,515.32	339,515
GRAND TOTAL		0	0	0		16,677,534

Board Decision

Cost of Power Projections

Volumes from sheet C1, Account #s from sheet Y4

Enter rates for pass-through charges and estimated Low Voltage revenues

Electricity (Commodity)	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.06072
				Volume	Amount		
kWh	Residential	4006	4705	53,033,179	3,220,175		
kWh	General Service <50 kW	4035	4705	29,450,950	1,788,262		
kWh	General Service >50 Kw	4035	4705	148,504,837	9,017,214		
kWh	Street Lighting	4025	4705	1,273,628	77,335		
kWh	Sentinel Lighting	4030	4705	16,986	1,031		
kWh	Unmetered Scattered Ld	4035	4705	546,982	33,213		
	TOTAL	0	0	232,826,563	14,137,229		
Transmission - Network	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.0047
				Volume	Amount		
kWh	Residential	4066	4714	53,033,179	249,256		
kWh	General Service <50 kW	4066	4714	29,450,950	123,694		
kW	General Service >50 Kw	4066	4714	332,681	588,047		
kW	Street Lighting	4066	4714	3,052	4,069		
kW	Sentinel Lighting	4066	4714	44	59		
kWh	Unmetered Scattered Ld	4066	4714	546,982	2,297		
	TOTAL	0	0	83,366,888	967,422		
Transmission - Connection	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.0044
				Volume	Amount		
kWh	Residential	4068	4716	53,033,179	233,346		
kWh	General Service <50 kW	4068	4716	29,450,950	117,804		
kW	General Service >50 Kw	4068	4716	332,681	527,366		
kW	Street Lighting	4068	4716	3,052	3,740		
kW	Sentinel Lighting	4068	4716	44	55		
kWh	Unmetered Scattered Ld	4068	4716	546,982	2,188		
	TOTAL	0	0	83,366,888	884,499		
Wholesale Market Service	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.00520
				Volume	Amount		
kWh	Residential	4062	4708	53,033,179	275,773		
kWh	General Service <50 kW	4062	4708	29,450,950	153,145		
kWh	General Service >50 Kw	4062	4708	148,504,837	772,225		
kWh	Street Lighting	4062	4708	1,273,628	6,623		
kWh	Sentinel Lighting	4062	4708	16,986	88		
kWh	Unmetered Scattered Ld	4062	4708	546,982	2,844		
	TOTAL	0	0	232,826,563	1,210,698		
Rural Rate Protection	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.00130
				Volume	Amount		
kWh	Residential	4062	4730	52,872,087	68,734		
kWh	General Service <50 kW	4062	4730	29,450,950	38,286		
kWh	General Service >50 Kw	4062	4730	148,504,837	193,056		
kWh	Street Lighting	4062	4730	1,273,628	1,656		
kWh	Sentinel Lighting	4062	4730	16,986	22		
kWh	Unmetered Scattered Ld	4062	4730	546,982	711		
	TOTAL	0	0	232,665,471	302,465		
Debt Retirement Charge	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.00700
				Volume	Amount		
	TOTAL	0	0	0	0		
Low Voltage Charges	Customer Class Name	Revenue USA #	Expense USA #	2009		rate (\$/kWh):	\$0.00700
				Volume	Amount		
	TOTAL (Input amount)	4075	4750	0	279,640.00		
GRAND TOTAL		0	0	0	17,781,953		

Cost of Power Changes

Electricity (Commodity)	\$1,448,182
Transmission - Network	\$188,850
Transmission - Connection	(\$542,537)
Wholesale Market Service	\$0
Rural Rate Protection	\$69,800
Low Voltage Charges	(\$59,875)
Total Cost of Power Changes	\$1,104,419

D Depreciation/Amortization

Application - August 15, 2008

Amortization of Capital Assets Table

Capital Asset Account	2008 Projection Ending Balance	2009 Projection		Ending Balance
		Amortization Expense	Retirements / Other	
1610-Miscellaneous Intangible Plant	0	0	0	0
1805-Land	0	0	0	0
1806-Land Rights	(15,060)	0	0	(15,060)
1808-Buildings and Fixtures	(349,133)	(30,996)	0	(380,129)
1810-Leasehold Improvements	0	0	0	0
1815-Transformer Station Equipment - Normally Primary above 50 kV	0	0	0	0
1820-Distribution Station Equipment - Normally Primary below 50 kV	(940,641)	(123,758)	0	(1,064,399)
1830-Poles, Towers and Fixtures	(1,730,283)	(110,905)	0	(1,841,189)
1835-Overhead Conductors and Devices	(1,098,543)	(55,212)	0	(1,153,755)
1840-Underground Conduit	0	0	0	0
1845-Underground Conductors and Devices	(1,820,110)	(121,907)	0	(1,942,016)
1850-Line Transformers	(1,632,590)	(107,945)	0	(1,740,535)
1855-Services	(8,411)	(8,719)	0	(17,129)
1860-Meters	(593,808)	(35,620)	0	(629,428)
1875-Street Lighting and Signal Systems	(2,407)	0	0	(2,407)
1905-Land	0	0	0	0
1906-Land Rights	0	0	0	0
1908-Buildings and Fixtures	0	0	0	0
1910-Leasehold Improvements	0	0	0	0
1915-Office Furniture and Equipment	(215,421)	(6,425)	0	(221,846)
1920-Computer Equipment - Hardware	(371,886)	(12,334)	0	(384,220)
1925-Computer Software	(151,305)	(48,147)	0	(200,052)
1930-Transportation Equipment	(531,220)	(83,688)	154,080	(460,827)
1935-Stores Equipment	(8,487)	(123)	0	(8,610)
1940-Tools, Shop and Garage Equipment	(241,658)	(9,339)	0	(250,997)
1945-Measurement and Testing Equipment	0	0	0	0
1950-Power Operated Equipment	0	0	0	0
1955-Communication Equipment	(82,663)	(1,992)	0	(84,655)
1960-Miscellaneous Equipment	(3,106)	(592)	0	(3,698)
1965-Water Heater Rental Units	0	0	0	0
1970-Load Management Controls - Customer Premises	0	0	0	0
1975-Load Management Controls - Utility Premises	0	0	0	0
1980-System Supervisory Equipment	(226,985)	(26,024)	0	(253,009)
1985-Sentinel Lighting Rental Units	0	0	0	0
1990-Other Tangible Property	0	0	0	0
1995-Contributions and Grants - Credit	0	48,300	(48,300)	0
2005-Property Under Capital Leases	0	0	0	0
TOTAL	(10,024,319)	(735,424)	105,780	(10,653,963)
Accumulated Amortization on Balance Sheet				
Amortization Expense Adjustment				
Amortization Expense		735,424		

Board Decision

Amortization of Capital Assets Table

Capital Asset Account	2008 Projection Ending Balance	2009 Projection		Ending Balance
		Amortization Expense	Retirements / Other	
1610-Miscellaneous Intangible Plant	0	0	0	0
1805-Land	0	0	0	0
1806-Land Rights	(15,060)	0	0	(15,060)
1808-Buildings and Fixtures	(349,133)	(30,996)	0	(380,129)
1810-Leasehold Improvements	0	0	0	0
1815-Transformer Station Equipment - Normally Primary above 50 kV	0	0	0	0
1820-Distribution Station Equipment - Normally Primary below 50 kV	(941,814)	(126,662)	0	(1,068,476)
1830-Poles, Towers and Fixtures	(1,729,483)	(111,210)	0	(1,840,693)
1835-Overhead Conductors and Devices	(1,098,144)	(55,364)	0	(1,153,508)
1840-Underground Conduit	0	0	0	0
1845-Underground Conductors and Devices	(1,815,110)	(111,907)	0	(1,927,017)
1850-Line Transformers	(1,631,390)	(105,545)	0	(1,736,935)
1855-Services	(7,811)	(7,519)	0	(15,330)
1860-Meters	(593,808)	(35,620)	0	(629,428)
1875-Street Lighting and Signal Systems	(2,407)	0	0	(2,407)
1905-Land	0	0	0	0
1906-Land Rights	0	0	0	0
1908-Buildings and Fixtures	0	0	0	0
1910-Leasehold Improvements	0	0	0	0
1915-Office Furniture and Equipment	(215,421)	(6,425)	0	(221,846)
1920-Computer Equipment - Hardware	(371,916)	(12,290)	0	(384,206)
1925-Computer Software	(151,905)	(48,147)	0	(200,052)
1930-Transportation Equipment	(531,220)	(86,906)	154,080	(464,046)
1935-Stores Equipment	(8,487)	(123)	0	(8,610)
1940-Tools, Shop and Garage Equipment	(241,658)	(9,339)	0	(250,997)
1945-Measurement and Testing Equipment	0	0	0	0
1950-Power Operated Equipment	0	0	0	0
1955-Communication Equipment	(82,663)	(1,992)	0	(84,655)
1960-Miscellaneous Equipment	(3,106)	(592)	0	(3,698)
1965-Water Heater Rental Units	0	0	0	0
1970-Load Management Controls - Customer Premises	0	0	0	0
1975-Load Management Controls - Utility Premises	0	0	0	0
1980-System Supervisory Equipment	(226,986)	(22,690)	0	(249,676)
1985-Sentinel Lighting Rental Units	0	0	0	0
1990-Other Tangible Property	0	0	0	0
1995-Contributions and Grants - Credit	0	48,300	(48,300)	0
2005-Property Under Capital Leases	0	0	0	0
TOTAL	(10,017,523)	(725,027)	105,780	(10,636,770)
Accumulated Amortization on Balance Sheet				
Amortization Expense Adjustment				
Amortization Expense		725,027		

Depreciation/Amortization Change

(10,397)

E Adjustments Required To Arrive At Taxable Income

Application - August 15, 2008

P6 Taxable Income

	2009 @ new dist. rates
Additions:	
Amortization of tangible assets	735,424
Tax reserves beginning of year	80,000
Reserves from financial statements- balance at end of year	80,000
Total Additions	895,424
Deductions:	
Capital cost allowance from Schedule 8	806,480
Cumulative eligible capital deduction from Schedule 10 CEC	1,900
Tax reserves end of year	80,000
Reserves from financial statements - balance at beginning of year	80,000
Total Deductions	968,380
Net of Addbacks and Deductions	(72,956)

Board Decision

P6 Taxable Income

	2009 @ new dist. rates
Additions:	
Amortization of tangible assets	725,027
Tax reserves beginning of year	80,000
Reserves from financial statements- balance at end of year	80,000
Total Additions	885,027
Deductions:	
Capital cost allowance from Schedule 8	801,830
Cumulative eligible capital deduction from Schedule 10 CEC	1,900
Tax reserves end of year	80,000
Reserves from financial statements - balance at beginning of year	80,000
Total Deductions	963,730
Net of Addbacks and Deductions	(78,703)

F Application - August 15, 2008

Distribution Revenue Requirement

		2009 Projection
OM&A Expenses	from sheet D1	2,093,100
3850-Amortization Expense	from sheet E2	735,424
Total Distribution Expenses		2,828,524
Regulated Return On Capital	from sheet D3	780,334
PILs (with gross-up)	from sheet E4	204,993
Service Revenue Requirement		3,813,851
Less: Revenue Offsets	from sheet C9	231,131
Base Revenue Requirement		3,582,720

Board Decision

Distribution Revenue Requirement

		2009 Projection
OM&A Expenses	from sheet D1	2,099,350
3850-Amortization Expense	from sheet E2	725,027
Total Distribution Expenses		2,824,377
Regulated Return On Capital	from sheet D3	728,891
PILs (with gross-up)	from sheet E4	68,241
Service Revenue Requirement		3,621,509
Less: Revenue Offsets	from sheet C9	231,131
Base Revenue Requirement		3,390,378

Distribution Revenue Requirement Changes

OM&A Expenses	\$	6,250	See B Above
3850-Amortization Expense	-\$	10,397	See D Above
Regulated Return On Capital	-\$	51,444	See G Below
PILs (with gross-up)	-\$	136,752	See H Below
Less: Revenue Offsets	\$	-	
Total Distribution Revenue Requirement Changes	-\$	192,343	

G Regulated Return on Capital

Application - August 15, 2008

Deemed Capital Structure and Return on Capital

	Current Application		Return Amount
	Deemed Portion	Effective Rate ¹	
Short-Term Debt	4.00%	4.47%	12,318,654
Long-Term Debt	52.67%	4.64%	
Total Equity	43.33%	8.57%	
Regulated Rate of Return	100.00%	6.33%	
Rate Base ²			12,318,654
Regulated Return on Capital			780,334

Board Decision

Deemed Capital Structure and Return On Capital

	Current Application		Return Amount
	Deemed Portion	Effective Rate ¹	
Short-Term Debt	4.00%	1.33%	12,216,778
Long-Term Debt	52.67%	4.64%	
Total Equity	43.33%	8.01%	
Regulated Rate of Return	100.00%	5.97%	
Rate Base ²			12,216,778
Regulated Return on Capital			728,891

Regulated Return on Capital Difference (51,444)

H PILs

Application - August 15, 2008

Total PILs Expense

	2008 Projection	2009 Projection ¹	2009 Test ¹
Regulatory Taxable Income/(Loss)	83,857	(307,515)	707,378
Combined Income Tax Rate	16.50%	0.00%	22.47%
Total Income Taxes	13,836	0	158,935
Investment & Miscellaneous Tax Credits			0
Income Tax Payable	13,836	0	158,935
Large Corporations Tax (LCT)	0	0	0
Ontario Capital Tax (OCT)	0	0	0
Grossed-up Income Tax			204,993
Grossed-up LCT			0
Total PILs Expense	13,836	0	204,993

Note: The 22.47% Combined Income Tax Rate is the result of the calculation below

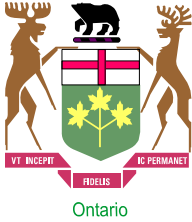
			Federal	Provincial
Income Range \$0 - \$400,000	400,000 x .165	66,000	11%	5.5%
Income Range \$400,000 - \$500,000	100,000 x .245	24,500	19%	5.5%
Income Range \$500,000 - \$1,500,000	207,378 x .33	68,435	19%	14.0%
		<u>158,935</u>		

Board Decision

Total PILs Expense

	2009 Test ¹
Regulatory Taxable Income/(Loss)	345,341
Combined Income Tax Rate	16.50%
Total Income Taxes	56,981
Investment & Miscellaneous Tax Credits	0
Income Tax Payable	56,981
Large Corporations Tax (LCT)	0
Ontario Capital Tax (OCT)	0
Grossed-up Income Tax	68,241
Grossed-up LCT	0
Total PILs Expense	68,241

PILs Expense Difference	68,241
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REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation
 File Number: EB-2008-0236
 Rate Year: 2009

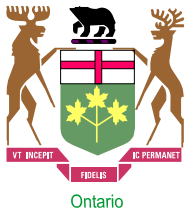
			Rate Base				
Line No.	Particulars		Application		Adjustments		Per Board Decision
1	Gross Fixed Assets (average)	(3)	\$19,842,199	A	(\$280,470)	A	\$19,561,729
2	Accumulated Depreciation (average)	(3)	(\$10,339,141)	A	\$11,995	A	(\$10,327,146)
3	Net Fixed Assets (average)	(3)	\$9,503,058		(\$268,475)		\$9,234,583
4	Allowance for Working Capital	(1)	\$2,815,595		\$166,600		\$2,982,195
5	Total Rate Base		\$12,318,653		(\$101,875)		\$12,216,778

(1) Allowance for Working Capital - Derivation							
6	Controllable Expenses		\$2,093,100	B	\$6,250	B	\$2,099,350
7	Cost of Power		\$16,677,534	C	\$1,104,419	C	\$17,781,953
8	Working Capital Base		\$18,770,634		\$1,110,669		\$19,881,303
9	Working Capital Rate %	(2)	15.00%				15.00%
10	Working Capital Allowance		\$2,815,595		\$166,600		\$2,982,195

Notes

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

A - C Please see worksheet "A. Data Input Sup. Doc."



REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation
 File Number: EB-2008-0236
 Rate Year: 2009

Utility income

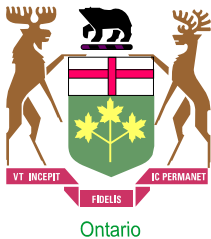
Line No.	Particulars	Application	Adjustments	Per Board Decision
Operating Revenues:				
1	Distribution Revenue (at Proposed Rates)	\$3,582,721 F	(\$192,343) F	\$3,390,378
2	Other Revenue (1)	\$231,131	\$ -	\$231,131
3	Total Operating Revenues	\$3,813,852	(\$192,343)	\$3,621,509
Operating Expenses:				
4	OM+A Expenses	\$2,058,900 B	\$6,250 B	\$2,065,150
5	Depreciation/Amortization	\$735,424 C	(\$10,397) C	\$725,027
6	Property taxes	\$34,200	\$ -	\$34,200
7	Capital taxes	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -
9	Subtotal	\$2,828,524	(\$4,147)	\$2,824,377
10	Deemed Interest Expense	\$323,080	(\$18,016)	\$305,064
11	Total Expenses (lines 4 to 10)	\$3,151,604	(\$22,163)	\$3,129,441
12	Utility income before income taxes	\$662,248	(\$170,180)	\$492,068
13	Income taxes (grossed-up)	\$204,998	(\$136,757)	\$68,241
14	Utility net income	\$457,250	(\$33,423)	\$423,828

Notes

(1)	Other Revenues / Revenue Offsets		
	Specific Service Charges	\$91,625	\$91,625
	Late Payment Charges	\$10,000	\$10,000
	Other Distribution Revenue	\$98,306	\$98,306
	Other Income and Deductions	\$31,200	\$31,200
	Total Revenue Offsets	\$231,131	\$231,131

B, C & F

Deemed debt interest expense rounding difference of \$218. Reference line 10 - Deemed Interest Expense
 Please see worksheet "A. Data Input Sup. Doc."



REVENUE REQUIREMENT WORK FORM

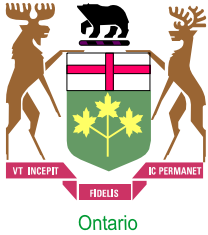
Name of LDC: Midland Power Utility Corporation
 File Number: EB-2008-0236
 Rate Year: 2009

Taxes/PILs

Line No.	Particulars	Application	Per Board Decision
<u>Determination of Taxable Income</u>			
1	Utility net income	\$457,439	\$424,012
2	Adjustments required to arrive at taxable utility income	(\$72,956) E	(\$78,703)
3	Taxable income	\$384,483	\$345,309
<u>Calculation of Utility income Taxes</u>			
4	Income taxes	\$158,935 H	\$56,981
5	Capital taxes	\$ -	\$ -
6	Total taxes	\$158,935	\$56,981
7	Gross-up of Income Taxes	\$46,063	\$11,260
8	Grossed-up Income Taxes	\$204,998	\$68,241
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$204,998	\$68,241
10	Other tax Credits	\$ -	\$ -
<u>Tax Rates</u>			
11	Federal tax (%)	0.00% H	11.00%
12	Provincial tax (%)	22.47% H	5.50%
13	Total tax rate (%)	22.47%	16.50%

Notes

E & H See worksheet "A. Data input Sup. Doc."



REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation

File Number: EB-2008-0236

Rate Year: 2009

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
Application					
	Debt				
1	Long-term Debt	52.67%	\$6,488,235	4.64%	\$301,054
2	Short-term Debt	4.00%	\$492,746	4.47% G	\$22,026
3	Total Debt	56.67%	\$6,980,981	4.63%	\$323,080
	Equity				
4	Common Equity	43.33%	\$5,337,672	8.57% G	\$457,439
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	43.33%	\$5,337,672	8.57%	\$457,439
7	Total	100%	\$12,318,653	6.34%	\$780,518
Per Board Decision					
	Debt				
8	Long-term Debt	52.67%	\$6,434,577	4.64%	\$298,564
9	Short-term Debt	4.00%	\$488,671	1.33% G	\$6,499
10	Total Debt	56.67%	\$6,923,248	4.41%	\$305,064
	Equity				
11	Common Equity	43.3%	\$5,293,530	8.01% G	\$424,012
12	Preferred Shares	0.0%	\$ -	0.00%	\$ -
13	Total Equity	43.3%	\$5,293,530	8.01%	\$424,012
14	Total	100%	\$12,216,778	5.97%	\$729,075

Notes

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

G Please see worksheet "A. Data Input Sup. Doc."



REVENUE REQUIREMENT WORK FORM

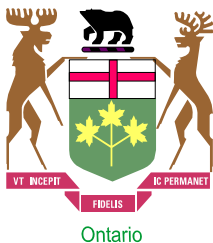
Name of LDC: Midland Power Utility Corporation
 File Number: EB-2008-0236
 Rate Year: 2009

Revenue Sufficiency/Deficiency

Line No.	Particulars	Per Application		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$796,445		\$697,658
2	Distribution Revenue	\$2,692,898	\$2,786,276	\$2,692,898	\$2,692,720
3	Other Operating Revenue Offsets - net	\$231,131	\$231,131	\$231,131	\$231,131
4	Total Revenue	\$2,924,029	\$3,813,852	\$2,924,029	\$3,621,509
5	Operating Expenses	\$2,828,524	\$2,828,524	\$2,824,377	\$2,824,377
6	Deemed Interest Expense	\$323,080	\$323,080	\$305,064	\$305,064
	Total Cost and Expenses	\$3,151,604	\$3,151,604	\$3,129,441	\$3,129,441
7	Utility Income Before Income Taxes	(\$227,575)	\$662,248	(\$205,412)	\$492,068
	Tax Adjustments to Accounting				
8	Income per 2009 PILs	(\$72,956)	(\$72,956)	(\$78,703)	(\$78,703)
9	Taxable Income	(\$300,531)	\$589,292	(\$284,115)	\$413,365
10	Income Tax Rate	22.47%	22.47%	16.50%	16.50%
11	Income Tax on Taxable Income	(\$67,529)	\$132,414	(\$46,879)	\$68,205
12	Income Tax Credits	\$ -	\$ -	\$ -	\$ -
13	Utility Net Income	(\$160,046)	\$457,250	(\$158,533)	\$423,828
14	Utility Rate Base	\$12,318,653	\$12,318,653	\$12,216,778	\$12,216,778
	Deemed Equity Portion of Rate Base	\$5,337,672	\$5,337,672	\$5,293,530	\$5,293,530
15	Income/Equity Rate Base (%)	-3.00%	8.57%	-2.99%	8.01%
16	Target Return - Equity on Rate Base	8.57%	8.57%	8.01%	8.01%
	Sufficiency/Deficiency in Return on Equity	-11.57%	0.00%	-11.00%	0.00%
17	Indicated Rate of Return	1.32%	6.33%	1.20%	5.97%
18	Requested Rate of Return on Rate Base	6.34%	6.34%	5.97%	5.97%
19	Sufficiency/Deficiency in Rate of Return	-5.01%	0.00%	-4.77%	0.00%
20	Target Return on Equity	\$457,439	\$457,439	\$424,012	\$424,012
21	Revenue Sufficiency/Deficiency	\$617,484	(\$188)	\$582,545	(\$184)
22	Gross Revenue Sufficiency/Deficiency	\$796,445 (1)		\$697,658 (1)	

Notes:

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



REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation
 File Number: EB-2008-0236
 Rate Year: 2009

		Revenue Requirement	
Line No.	Particulars	Application	Per Board Decision
1	OM&A Expenses	\$2,058,900	\$2,065,150
2	Amortization/Depreciation	\$735,424	\$725,027
3	Property Taxes	\$34,200	\$34,200
4	Capital Taxes	\$ -	\$ -
5	Income Taxes (Grossed up)	\$204,998	\$68,241
6	Other Expenses	\$ -	\$ -
7	Return		
	Deemed Interest Expense	\$323,080	\$305,064
	Return on Deemed Equity	\$457,439	\$424,012
8	Distribution Revenue Requirement before Revenues	<u>\$3,814,040</u>	<u>\$3,621,693</u>
9	Distribution revenue	\$3,582,721	\$3,390,378
10	Other revenue	<u>\$231,131</u>	<u>\$231,131</u>
11	Total revenue	<u>\$3,813,852</u>	<u>\$3,621,509</u>
12	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>(\$188) (1)</u>	<u>(\$184) (1)</u>

Notes

(1) Line 11 - Line 8



REVENUE REQUIREMENT WORK FORM

Name of LDC: Midland Power Utility Corporation

File Number: EB-2008-0236

Rate Year: 2009

		Selected Delivery Charge and Bill Impacts Per Draft Rate Order									
		Monthly Delivery Charge				J	Total Bill				
		Current	Per Draft Rate Order	Change			Current	Per Draft Rate Order	Change		
				\$	%				\$	%	
Residential	1000 kWh/month	\$ 42.78	\$ 43.39	\$ 0.61	1.4%	J	\$ 113.83	\$ 114.76	\$ 0.93	0.8%	J
GS < 50kW	2000 kWh/month	\$ 61.70	\$ 65.60	\$ 3.90	6.3%	J	\$ 209.19	\$ 213.73	\$ 4.54	2.2%	J

Notes:

J

See worksheet "7. Bill Impacts Supp. Doc."