NIAGARA-ON-THE-LAKE HYDRO INC.

EB-2009-0237

APPLICATION FOR DISTRIBUTION RATES EFFECTIVE MAY 1, 2010

MANAGER'S SUMMARY

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1. SCHEDULING/GROUPING

Niagara-on-the-Lake Hydro Inc. ("NOTL") considers that this application falls into Group 3, based on the letter from the OEB dated July 3, 2009. That is, the application is an **IRM3** application with:

- The components referred to in the filing requirements as "straightforward", that would be applicable to Group 2 applications;

plus the following additional inclusions that bring the application into Group 3:

- Continuation of **LRAM/SSM** rate riders which were approved in the 2009 cost-of-service rate application process (EB-2008-0237, subsequently confirmed in EB-2009-0149);
- Continuation of a **Revenue Cost Ratio Adjustment**, also approved in EB-2008-0237; and
- Disposition of select **deferral/variance accounts** in accordance with the filing instructions issued on August 24, 2009.

2. STRAIGHT-FORWARD COMPONENTS

These components can be described by reference to the worksheets in the IRM3 model, with further reference to the **Supplemental Model** where required.

The proposed adjustments affecting rates are[1]:

- K-Factor adjustment of -0.31%
- Price-Cap adjustment of **1.18%**
- Stretch Factor of **0.4%**
- 50% sharing of tax savings of **-$ 12,599**
- Retail network charge increase of 3.500%

Current items with no proposed change are:

- Rate classes
- Retail connection charge
- Smart meter funding adder
- Deferral account rate rider 'One" (i.e. the current riders)
- Loss factor
- Allowances and service charges.

- B1.1 - Current and Applied For Rate Classes General

  NOTL is not applying for any changes to the rate classes approved in the 2009 cost-of-service application. Please note that in that application, the sentinel light class was eliminated.

[1] In various Sections of this application, colour highlighting/bolding of values such as these replicates the format of corresponding cells in the OEB models.

- C1.1 - Current Smart Meter Funding Adder and J1.1 - Applied for Smart Meter Funding Adder

  NOTL is not applying for any changes to the current adder of $ 1.000000 in Sheet C1.1. Thus, continuation of this adder is entered in Sheet J1.1.

- C2.2 - Deferral Account Rate Rider and J2.3 - Deferral Account Rate Rider One

  NOTL's current rate riders will sunset on April 30, 2013. Accordingly, continuation of these riders is entered in Sheet J2.3 as rate rider one.

- C2.3 - Foregone Distribution Revenue Rate Rider

  NOTL does not have this kind of rate rider.

- C2.4 - Tax Change Rate Rider and J2.1 - Tax Change Rate Rider

  NOTL does not have a current tax change rate rider (Sheet C2.4). The new tax change rate rider, pursuant to Section 4.2 of Chapter 3 of the filing requirements dated July 22, 2009, is calculated in the **Supplemental Model Sheets F1.1 and F1.3** and is entered in Sheet J2.1 of the IRM3 model.

  The proposed 50% sharing of tax savings is **-$ 12,599** .

- C3.1 - Current Low Voltage Volumetric Rate and J3.1 Applied For Low Voltage Volumetric Rate

  NOTL does not have a current low voltage volumetric rate and is not applying for one.

- D2.2 - K-Factor Adjustment from Supplemental Model

The proposed K-Factor adjustment of -0.31% is calculated in the **Supplemental Model Sheet E1.2** as shown below, and is entered in Sheet D2.2 of the IRM3 model:

K-Factor Adjustment

Applicants Rate Base	Last Rate Re-Basing Amount			
Average Net Fixed Assets				
Gross Fixed Assets - Re-Basing Opening	$36,453,097	A		
Add: CWIP Re-Basing Opening	$ -	B		
Re-Basing Capital Additions	$ 1,877,496	C		
Re-Basing Capital Disposals	-$ 25,000	D		
Re-Basing Capital Retirements	$ -	E		
Deduct: CWIP Re-Basing Closing	$ -	F		
Gross Fixed Assets - Re-Basing Closing	$38,305,593	G		
Average Gross Fixed Assets			$37,379,345	H
Accumulated Depreciation - Re-Basing Opening	$17,239,948	I		
Re-Basing Depreciation Expense	$ 1,330,077	J		
Re-Basing Disposals	-$ 10,600	K		
Re-Basing Retirements	$ -	L		
Accumulated Depreciation - Re-Basing Closing	$18,559,426	M		
Average Accumulated Depreciation			$17,899,687	N
Average Net Fixed Assets			$19,479,658	O
Working Capital Allowance				
Working Capital Allowance Base	$15,849,028	P		
Working Capital Allowance Rate	15.0%	Q		
Working Capital Allowance			**$ 2,377,354**	R
Rate Base			**$21,857,012**	S
Return on Rate Base				
Deemed ShortTerm Debt %	**4.00%**	T	$ 874,280	W
Deemed Long Term Debt %	**56.00%**	U	$12,239,927	X
Deemed Equity %	**40.00%**	V	$ 8,742,805	Y
Short Term Interest	1.33%	Z	$ 11,628	AC
Long Term Interest	6.04%	AA	$ 739,292	AD
Return on Equity	8.01%	AB	$ 700,299	AE
Return on Rate Base			**$ 1,451,218**	AF
Distribution Expenses				
OM&A Expenses	$ 1,878,791	AG		
Amortization	$ 1,243,584	AH		
Ontario Capital Tax	$ 15,428	AI		
Grossed Up PILs	$ 351,762	AJ		
Low Voltage	$ -	AK		
Transformer Allowance	$ 24,326	AL		
	$ -	AM		
	$ -	AN		
	$ -	AO		
			$ 3,513,892	AP
Revenue Offsets				
Specific Service Charges	-$ 115,430	AQ		
Late Payment Charges	-$ 48,070	AR		
Other Distribution Income	-$ 97,207	AS		
Other Income and Deductions	-$ 116,287	AT	**-$ 376,994**	AU
Revenue Requirement from Distribution Rates (after Capital Structure Transition)			**$ 4,588,116**	AV
Revenue Requirement from Distribution Rates (Before Capital Structure Transition)			**$ 4,602,325**	AW
K-factor Adjustment			-0.31%	AX

Please note that the grossed-up PILs amount of $351,762 (line AJ above) was approved by the OEB in NOTL's 2009 rebasing, as evidenced in the revenue requirement work form:

REVENUE REQUIREMENT WORK FORM

Name of LDC: Niagara-on-the-Lake Hydro Inc.
File Number: EB-2008-0237
Rate Year: 2009

Ontario

Taxes/PILs

Line No.	Particulars	Application	Per Board Decision	
	Determination of Taxable Income			
1	Utility net income	$807,312	$758,073	
2	Adjustments required to arrive at taxable utility income	$27,206	$5,634	(1)
3	Taxable income	$834,518	$763,707	
	Calculation of Utility income Taxes			
4	Income taxes	$275,391	$240,834	
5	Capital taxes	$15,166	$15,428	(2)
6	Total taxes	$290,557	$256,262	
7	Gross-up of Income Taxes	$135,640	$110,928	
8	Grossed-up Income Taxes	$411,031	$351,762	
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$426,197	$367,190	
10	Other tax Credits	$ -	$ -	
	Tax Rates			
11	Federal tax (%)	19.00%	19.00%	
12	Provincial tax (%)	14.00%	12.53%	
13	Total tax rate (%)	33.00%	31.53%	

- F1.2 - Price Cap Adjustment

The proposed Price Cap adjustment of **1.18%** is calculated in the **Supplemental model Sheet G1.1** as shown below and is entered in Sheet F1.2 of the IRM3 model.

Price Cap Index		
Price Escalator (GDP-IPI)	2.30%	
Less Productivity Factor	-0.72%	
Less Stretch Factor	-0.40%	
Price Cap Index		**1.18%**

- L1.1 - Applied For TX Network General

In accordance with the filing instructions and Chapter 3, page 13 of the Filing Requirements, the required adjustment to NOTL's retail network rates is a 3.5% increase, corresponding to the UTR-Network Service Rate increase of 3.5%. Thus, a 3.5% increase is entered in Sheet L1.1 of the IRM3 model.

- L1.2 - Applied For TX Connection General

NOTL is not subject to the UTR-Transformation Connection Rate because NOTL owns its own transformer stations. The UTR-Line Connection Service Rate is unchanged at $0.70 per kW per month. NOTL's current retail connection rates, as approved in EB-2009-0149, are based on this UTR Connection Service Rate of $0.70 and are therefore unchanged. Consequently, 0.0% is entered in Sheet L2.1 of the IRM3 model.

- N3.1 - Current and Applied For Loss Factors

  NOTL is not applying for any changes to the current loss factors.

- P1.1 - Current and Applied For Allowances and P2.1 - Current and Applied For Specific Service Charges and P3.1 - Current and Applied For Retail Service Charges

  NOTL is not applying for any changes to the current allowances or service charges.

3. LRAM/SSM

NOTL requests continuation of the LRAM/SSM rate riders which were approved in the 2009 cost-of-service rate application process (EB-2008-0237, subsequently confirmed in EB-2009-0149), with a sunset date of 30 April, 2011.

These currently approved rate riders are specified in Sheet C2.1 - Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider. Continuation of these riders is entered in Sheet J2.2 - Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider.

4. REVENUE COST RATIO ADJUSTMENTS

In accordance with the filing instructions for the **Supplemental model,** NOTL has completed the following input sheets of that model in order to calculate the adjustments:

- B1.1 Re-based Bill Determinants & Rates
- B1.2 Removal of Rate Adders
- B1.3 Re-Based Revenue from Rates
- B1.4 Re-Based Revenue Requirement
- C1.1 Revenue-to-Cost Ratio Adjustment
- C1.2 Revenue Offset Allocation
- C1.3 Transformer Ownership Allowance
- C1.5 Proposed Revenue-to-Cost Ratio Adjustment.

The resulting rate adjustments, which are found in Sheet C1.9 of the supplemental model, are entered in Sheet D1.2 of the IRM3 model, as instructed.

The details of the requested adjustments can be described by reference to these worksheets in the supplemental model:

- B1.1 - Rate Class and Re-Based Billing Determinants & Rates

  Most of the billing determinants and all the rebased rates are taken from the final Revenue Requirement Workbook for NOTL's approved 2009 rate application (see Sheet A – Data Input Sheet, Footnote 15):

(15) Recalculation due to all changes:

Customer Class	Application Number of Customers/ Connections	Board Decision Number of Customers/ Connections	Application Proposed Rates	Board Decision Proposed Rates	Application Revenue at Proposed Rates	Board Decision Revenue at Proposed Rates
Residential	6,584	6,584	$19.08	$18.05	$1,507,473	$1,426,094
GS <50 kW	1,209	1,209	$47.83	$45.33	$693,918	$657,648
GS>50 kW	123	123	$370.25	$346.25	$547,172	$511,704
Street Light	1,953	1,953	$3.0087	$2.91	$70,512	$68,199
Unmetered Scattered Load	32	32	$36.30	$53.55 *	$13,940	$20,563
					$2,833,014	$2,684,208

Customer Class	Volumes kW or kWh		Volumes kW or kWh	Proposed Rates	Proposed Rates	Revenue at Proposed Rates	Revenue at Proposed Rates
Residential	66,320,829	kWh	66,607,551	$0.01340	$0.0127	$888,699	$845,916
GS <50 kW	34,349,093	kWh	34,497,593	$0.01440	$0.0136	$494,627	$469,167
GS>50 kW	207,437	kW	208,072	$2.88560	$2.7058	$598,581	$563,002
Street Light	2,900	kW	2,900	$11.79060	$11.3847	$34,191	$33,014
Unmetered Scattered Load	302,169	kWh	302,169	$0.01090	$0.0161 *	$3,294	$4,866
						$2,019,392	$1,915,965
					Total of fixed and variable rates	$4,852,406	$4,600,172
					Transformer allowance	-$24,326	-$24,326
					Difference due to rounding in models	$1,438	$2,153
					Total distribution revenue at current rates	$4,829,518	$4,577,999
							-$251,519

Note re USL *
The change from Application to Board Decision includes the Board Findings [Page 23 of Rate Decision] to allocate the revenue requirement for the 39 re-assigned sentinel lights to the assigned classes, i.e. 25 sentinel lights (64%) go to USL and 14 lights (36%) go to streetlights. The relative impact on streetlights and USL of this re-assignment is different because of the relatively larger size (load) of the streetlight class. In the case of streetlights, the impact is offset by the net effect of various other changes made as a result of the interrogatory process.

with the kWh for the GS > 50kW and Street lighting classes coming from an update reflecting the Board decision of Table 22 ("Summary of Forecast Data") in Exhibit 3, Tab 2, Schedule 3 of the 2009 application:

Sum of Quantity		Year Type						
Class	Unit of Measure	Historical Approved Data	Historical Approved Normalized	2006 Actual Data	2007 Actual Data	2008 Bridge Year Data	2008 Bridge Year Normalized	2009 Test Ye Normalize
Residential	# of Customers	5,902	5,902	6,276	6,424	6,509	6,509	6,584
	kWh	63,617,729	63,617,729	64,063,446	65,499,951	66,365,764	66,068,731	66,607,55
GS <50 kW	# of Customers	1,233	1,233	1,209	1,216	1,212	1,212	1,209
	kWh	35,862,790	35,862,790	30,478,041	34,969,161	34,867,109	34,711,054	34,497,593
GS>50 kW	# of Customers	98	98	117	115	117	117	123
	kW	205,820	205,820	201,104	203,395	206,478	205,206	208,0
	kWh	72,785,865	72,785,865	79,256,712	78,684,896	80,069,864	79,738,926	80,852,818
Large Use >5MW	# of Customers							
	kW							
	kWh							
Street Light	# of Connections	1,611	1,611	1,736	1,796	1,880	1,880	1,953
	kW	2,176	2,176	2,644	2,899	2,801	2,791	2,900
	kWh	860,329	860,329	1,118,911	1,002,185	1,049,040	1,045,473	1,086,069
Sentinel	# of Connections	105	105	77	76	37	37	0
	kW	362	362	251	257	119	119	0
	kWh	155,150	155,150	123,814	100,974	49,173	49,006	0
Unmetered Scattered Load	# of Customers	24	24	24	[illegible]	32	32	32

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- <u>B1.2 Removal of Rate Adders</u>

The only rate adders to remove here are the smart meter adders. Please note that NOTL is requesting continuation of the smart meter adder of $ 1.000000 through sheet J1.1 of the IRM3 model.

- *<u>B1.3 Re-Based Revenue from Rates</u>*

[Although the instructions (page 7) refer to this sheet as requiring input, it appears that it is automatically calculated.]

- <u>B1.4 Re-Based Revenue Requirement</u>

The data for the Working Capital Allowance, Return on Rate Base, Distribution Expenses and Revenue Offsets comes from the final Revenue Requirement Workbook, as shown in the copy of B1.4 below:

Detailed Re-Based Revenue From Rates

Applicants Rate Base	Last Rate Re-based Amount				
Average Net Fixed Assets					
Gross Fixed Assets - Re-based Opening	$ 36,453,037	A			
Add: CWIP Re-based Opening	$ -	B			
Re-based Capital Additions	$ 1,877,436	C			
Re-based Capital Disposals	-$ 25,000	D			
Re-based Capital Retirements	$ -	E			
Deduct: CWIP Re-based Closing	$ -	F			
Gross Fixed Assets - Re-based Closing	$ 38,305,533	G			
Average Gross Fixed Assets			$ 37,379,[illegible]	H = (A + G) / 2	
Accumulated Depreciation - Re-based Opening	$ 17,239,948	I			
Re-based Depreciation Expense	$ 1,330,077	J			
Re-based Disposals	-$ 10,600	K			
Re-based Retirements	$ -	L			
Accumulated Depreciation - Re-based Closing	$ 18,559,426	M			
Average Accumulated Depreciation			$ 17,899,687	N = (I + M) / 2	
Average Net Fixed Assets			**$ 19,479,658**	O = H - N	
Working Capital Allowance					
Working Capital Allowance Base	$ 15,849,028	P			
Working Capital Allowance Rate	15.0%	Q			
Working Capital Allowance			**$ 2,377,354**	R = P * Q	
Rate Base			**$ 21,857,012**	S = O + R	
Return on Rate Base					
Deemed ShortTerm Debt %	4.00%	T	$ 874,280	W = S * T	
Deemed Long Term Debt %	52.70%	U	$ 11,518,645	X = S * U	
Deemed Equity %	43.30%	V	$ 9,464,086	Y = S * V	
Short Term Interest	1.33%	Z	$ 11,628	AC = W * Z	
Long Term Interest	6.04%	AA	$ 695,726	AD = X * AA	
Return on Equity	8.01%	AB	$ 758,073	AE = Y * AB	
Return on Rate Base			**$ 1,465,427**	AF = AC + AD + AE	
Distribution Expenses					
OM&A Expenses	$ 1,878,731	AG			
Amortization	$ 1,243,584	AH			
Ontario Capital Tax [illegible]	$ 15,428	AI			
Grossed Up PILs [illegible]	$ 351,762	AJ			
Low Voltage	$ -	AK			
Transformer Allowance	$ 24,326	AL			
		AM			
		AN			
		AO			
			$ 3,513,892	AP = SUM (AG : AO)	
Revenue Offsets					
Specific Service Charges	-$ 115,430	AQ			
Late Payment Charges	-$ 48,070	AR			
Other Distribution Income	-$ 37,207	AS			
Other Income and Deductions	-$ 116,287	AT	**-$ 376,994**	AU = SUM (AQ : AT)	
Revenue Requirement from Distribution Rates			**$ 4,602,325**	AV = AF + AP + AU	
Rate Classes Revenue					
Rate Classes Revenue - Total (B1.1 Re-based Revenue - Gen)			$ 4,600,172	AW	
Difference			$ 2,153	AZ = AV - AW	
Difference (Percentage - should be less than 1%)			0.05%	BA = AZ / AW	

Details from Update of FA Continuity 2009 Sheet

As per Revenue Requirement Workbook - Rate Base Sheet

From Revenue Requirement Workbook - Rate Base Sheet

From Revenue Requirement Workbook - Cost of Capital Sheet

From Revenue Requirement Workbook - Data Input Sheet

From Revenue Requirement Workbook - Data Input Sheet

The Average Net Fixed Assets amount is consistent with the final Revenue Requirement Workbook, with the detailed data (e.g. additions and disposals) being taken from an update reflecting the Board's decision of Table 4 ("Niagara-on-the-Lake Hydro Inc. Distribution & Operations Fixed Asset Continuity Schedule as at December 31, 2009") in Exhibit 2, Tab 2, Schedule 1 of the 2009 application:

Fixed Asset Continuity Schedule (Distribution & Operations)
2009 Test Year
(Excludes account 1606 - Intangible plant: cost $25,038, annual depreciation

			Cost				Accumulated Depreciation				
CCA Class	**OEB**	**Description**	**Opening Balance**	**Additions**	**Disposal**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposal**	**Closing Balance**	**Net Book Value**
N/A	1805	Land - Substations	261,994	40,000		301,994	-			-	301,994
47	1808	Buildings - Substations	-			-	-			-	-
13	1810	Leasehold Improvements	-			-	-			-	-
47	1815	Transformer Station Equipment > 50 kV	5,311,654	5,000		5,316,654	576,656	132,854		709,509	4,607,145
47	1820	Substation Equipment	213,812	-		213,812	152,871	3,141		156,012	57,800
47	1825	Storage Battery Equipment	-			-	-			-	-
47	1830	Poles, Towers & Fixtures	4,363,730	111,666		4,475,396	2,562,842	134,930		2,697,771	1,777,625
47	1835	OH Conductors & Devices	6,042,216	334,166		6,376,382	3,244,404	195,881		3,440,285	2,936,097
47	1840	UG Conduit	3,927,229	709,166		4,636,395	1,603,749	167,535		1,771,284	2,865,111
47	1845	UG Conductors & Devices	7,339,730	406,666		7,746,396	3,389,683	293,586		3,683,270	4,063,126
47	1850	Line Transformers	6,784,715	180,832	5,000	6,960,547	3,069,354	244,850	5,000	3,309,204	3,651,343
47	1855	Services (OH & UG)	1,967,773	100,000		2,067,773	382,582	80,711		463,293	1,604,479
47	1860	Meters	1,039,529	20,000	20,000	1,039,529	606,403	36,174	5,600	636,977	402,552
47	1861	Smart Meters	-			-	-			-	-
N/A	1905	Land	49,000	-		49,000	-			-	49,000
CEC	1906	Land Rights	-			-	-			-	-
47	1908	Buildings & Fixtures	934,794	20,000		954,794	302,867	16,518		319,385	635,409
13	1910	Leasehold Improvements	-			-	-			-	-
8	1915	Office Furniture & Equipment	174,151	5,000		179,151	138,576	6,111		144,687	34,464
10	1920	Computer - Hardware up to Mar 22/04	233,047			233,047	232,422	625		233,047	0
45	1921	Computer - Hardware Mar 23/04 to Mar	53,318			53,318	30,037	9,983		40,021	13,297
45.1	1921	Computer - Hardware post Mar19/07	21,896	10,000		31,896	3,569	5,379		8,948	22,948
12	1925	Computer - Software	941,659	50,000		991,659	850,827	63,017		913,844	77,815
10	1930	Transportation Equipment	975,199	-		975,199	677,627	86,361		763,987	211,212
8	1935	Stores Equipment	18,039	20,000		38,039	14,600	1,384		15,984	22,055
8	1940	Tools, Shop & Garage Equipment	414,946	5,000		419,946	292,274	28,191		320,465	99,481
8	1945	Measurement & Testing Equipment	-			-	-			-	-
8	1950	Power operated Equipment	-			-	-			-	-
8	1955	Communications Equipment	36,768	-		36,768	22,212	2,269		24,481	12,287
8	1960	Miscellaneous Equipment	-			-	-			-	-
47	1965	Water Heater Rental Units	-			-	-			-	-
47	1970	Load Management controls	-			-	-			-	-
47	1975	Load Management Controls Utility Premises	-			-	-			-	-
47	1980	System Supervisory Equipment	325,463	10,000		335,463	141,304	22,031		163,335	172,128
47	1985	Sentinel Lighting Rental Units	-			-	-			-	-
47	1996	Hydro One S/S Contribution	-			-	-			-	-
47	1995	Contributions &	- 4,977,565	- 150,000		- 5,127,565	- 1,054,910	- 201,454		- 1,256,364	- 3,871,201
Total before Work in Process			**36,453,097**	**1,877,496**	**25,000**	**38,305,593**	**17,239,948**	**1,330,077**	**10,600**	**18,559,426**	**19,746,167**
WIP		Work in Process	-	-	-	-				-	-
Total after Work in Process			**36,453,097**	**1,877,496**	**25,000**	**38,305,593**	**17,239,948**	**1,330,077**	**10,600**	**18,559,426**	**19,746,167**

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- <u>C1.1 Revenue-to-Cost Ratio Adjustment</u>

Based on the filing instructions, the residential, GS<50kW and Unmetered Scattered Load (USL) classes are "no change" for NOTL. Street Lighting is "change" and GS>50kW is "rebalance", in accordance with the following extract from the Board decision on NOTL's 2009 rates:

> The Board accepts NOTL's proposal relating to street light rates, i.e. the revenue to cost ratio shall move half way to the bottom of the Board target range in 2009 and reach the 70% target range by 2011 in equal increments. The Board also accepts NOTL's proposal to use the additional revenue generated from the street light class to reduce the rates for the GS>50 kW customer class.
>
> [10] Barrie Hydro (EB-2007-0746), Espanola (EB-2007-0901), PUC (EB-2007-0931), Guelph Hydro (EB-2007-0742) and Wellington North (EB-2007-0693)
>
> Decision and Order - 25 - March 25, 2009

These groupings have been entered in Sheet C1.1 as shown below:

Decision - Cost Revenue Adjustments by Rate Class

Rate Class	Group	Pre -Rebased Year 2008	Rebased Year 2009	Transition Year 2 2010	Transition Year 3 2011	Transition Year 4 2012	Transition Year 5 2013
Residential	No Change	89.59%	94.80%	94.80%	94.80%	94.80%	94.80%
General Service Less Than 50 kW	No Change	92.47%	96.23%	96.23%	96.23%	96.23%	96.23%
General Service 50 to 4,999 kW	Rebalance	179.01%	143.30%	tbd	tbd	tbd	tbd
Unmetered Scattered Load	No Change	97.90%	100.00%	100.00%	100.00%	100.00%	100.00%
Street Lighting	Change	15.07%	42.43%	56.21%	70.00%	70.00%	70.00%

The "pre-based year 2008" percentages are in accordance with the Board Decision, as shown in the following extracts:

Board Findings

The Board recognizes the limitations in the cost allocation model with respect to treatment of the transformer ownership allowance. The Board is satisfied that the revenue to cost ratios in column 2 of Table 6 are appropriate for the purposes of reviewing the ratios for 2009. Accordingly, the Board's findings on revenue to cost ratios are made with respect to column 2. The Board also acknowledges VECC's

Table 6 - Revenue to Cost Ratio (%)

Customer Class	(1) Informational Filing Run 2	(2) Column 1 Revised (Transformer Ownership Allowance)	(3) Application: Exhibit 8 / Tab 1 / Schedule 2 / p. 4	(4) Board Target Range
Residential	88.74	88.59	94.37	85 – 115
GS < 50 kW	91.74	92.47	95.87	80 – 120
GS > 50 kW	183.49	179.01	145.15	80 – 180

Decision and Order - 23 - March 25, 2009

Niagara-on-the-Lake Hydro Inc. EB-2008-0237

Street Lights	14.85	15.07	42.43	70 – 120
Sentinel Lights	23.88	24.24	N/A	70 – 120
USL	97.26	97.90	100	80 – 120

[Please note that OEB staff concurred that the value for residential of 88.59% shown in Table 6 was a typographical error and should be 89.59% - see e-mail below:

"Daria Babaie"
<Daria.Babaie@oeb.gov.on.ca>
26/03/2009 12:54 PM

To <PWormwell@notlhydro.com>
cc
Subject RE: Page 23 - Typo?

Yes. This is a typo. Please use the right figure and ensure when you are using the right figure, you are attaching and referencing to the document that you sent to me so that it would not create confusions among parties.

Reduce Your Carbon Footprint, Please Think Before You Print.

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From: PWormwell@notlhydro.com [mailto:PWormwell@notlhydro.com]
Sent: March 26, 2009 12:15 PM
To: Daria Babaie
Subject: Page 23 - Typo?

Daria - I just noticed that page 23 of the decision, Table 6, Col 2 has 88.59% as the reference % for residential. I think the Board's intention would be that it should read 89.59%, as per our IRR to VECC (see attached). Can I proceed on basis of 89.59%

The Rebased Year 2009 values result from moving residential and GS<50kW half-way to the 100% point, USL to the 100% point, Street Lighting half-way to the bottom (70%) of the target range and GS>50kW to the balancing point. The transition year values for Street Lighting result from reaching 70% by 2011 in equal increments in accordance with the Board decision shown above.

- C1.2 Revenue Offset Allocation

The Informational Filing Revenue Offsets are entered in column A of the model as shown below:

Revenue Offsets Allocation

Rate Class	Informational Filing Revenue Offsets	Percentage Split	Allocated Revenue Offsets
	A	C= A / B	E = D * C
Residential	111,562	60.24%	227,084
General Service Less Than 50 kW	49,546	26.75%	100,850
General Service 50 to 4,999 kW	19,551	10.56%	39,796
Unmetered Scattered Load	1,812	0.98%	3,689
Street Lighting	2,739	1.48%	5,575
	185,210	100.00%	376,994
	B		D

This data is taken from Table 5 of Exhibit 8, Tab 1, Schedule 2 of the 2009 application, with the Sentinel amount of $377 pro-rated across all the other classes in proportion to the amounts for the other classes, as the Sentinel class was eliminated in 2009:

Table 5
Calculation of Base Revenue % by Class

Class	Service Revenue Requirement - 2006 Cost Allocation Study	Service Revenue Requirement % - 2006 Cost Allocation Study	2009 Service Revenue Requirement at 100% Revenue/Cost Ratio*	2009 Proposed Revenue Cost Ratio	2009 Service Revenue Requirement at Proposed Revenue/Cost Ratio	Miscellaneous Revenue Allocation - 2006 Cost Allocation Study	Misc Rev Al
Residential	2,375,367	53.09%	2,771,676	94.37%	2,615,694	111,335	
GS <50 kW	1,148,759	25.67%	1,340,419	95.87%	1,285,028	49,445	
GS>50 kW	684,646	15.30%	798,873	145.15%	1,159,588	19,511	
Street Light	222,303	4.97%	259,393	42.43%	110,051	2,733	
Sentinel	25,659	0.57%	N/A	N/A	N/A	377	
Unmetered Scattered Load	17,808	0.40%	20,779	100.00%	20,779	1,808	
TOTAL	4,474,543	100.00%	5,191,140		5,191,140	185,211	

- C1.3 Transformer Ownership Allowance

The Board accepted NOTL's evidence on the adjustment to the transformer allowance in the 2009 rate application. The associated data for entry into Sheet C1.3 is found in Exhibit 9, Tab 1, Schedule 1 of the application:

Total Transformer Allowance Calculation

Description	2006 Actual		2007 Actual		2008 Forecast		2009 Test	
	kW	$	kW	$	kW	$	kW	$
General Service:								
GS>50 kW	68,600	($41,160.24)	55,488	($33,292.73)	49,464	($29,678.33)	43,440	($24,326.33)
Transformer Allowance rate	$0.60		$0.60		$0.60		$0.5600	

- C1.5 Proposed Revenue-to-Cost Ratio Adjustment.

NOTL used the "Iterate Selected Cell to Zero" option to calculate the proposed revenue cost ratio of 1.39 for the GS > 50 kW rebalancing class:

Proposed Revenue / Cost Ratio Adjustment

Rate Class	Adjusted Revenue A	Current Revenue Cost Ratio B	Re-Allocated Cost C = A / B	Proposed Revenue Cost Ratio D	Final Adjusted Revenue E = C * D	Dollar Change F = E - C	Percentage Change G = (E / C) - 1
Residential	$2,499,094	0.95	$ 2,636,247	0.95	$ 2,499,094	$ 0	0.0%
General Service Less Than 50 kW	$1,227,665	0.96	$ 1,275,715	0.96	$ 1,227,665	$ 0	0.0%
General Service 50 to 4,999 kW	$1,090,176	1.43	$ 760,746	1.39	$ 1,055,474	-$ 34,702	-3.2%
Unmetered Scattered Load	$ 29,117	1.00	$ 29,117	1.00	$ 29,117	$ -	0.0%
Street Lighting	$ 106,788	0.42	$ 251,702	0.56	$ 141,490	$ 34,702	32.5%
	$4,952,840		$ 4,953,527		$ 4,952,840	$ 0	0.0%
				Out of Balance	-		
				Final ?	Yes		

5. DEFERRAL/VARIANCE ACCOUNTS

5.0 DVA Work Form

In accordance with the filing instructions, NOTL has entered data where required in the following sheets:

- B1.1 2006 Regulatory Assets
- B1.2 2006 Regulatory Asset Recovery Proportionate Share
- B1.3 Rate Class and Billing Determinants
- C1.1 through C1.5 Regulatory Asset – Continuity Schedule (2005 to 2008)
- D1.1 Threshold Test
- E1.1 through E 1.4
- F1.1 Calculation of the Regulatory Rate Rider.

The details of the data are provided by reference to these worksheets below:

- B1.1 2006 Regulatory Assets

The source data entered into this Sheet from the 2006 EDR is provided below:

SHEET 1 - December 31, 2004 Regulatory Assets

NAME OF UTILITY	Niagara-on-the-Lake Hydro Inc.	LICENCE NUMBER	ED-ED-2002-0547
NAME OF CONTACT	Philip Wormwell	DOCID NUMBER	RP-2005-0020
E-mail Address	pwormwell@notlhydro.com		EB-2005--0395
VERSION NUMBER	v2.0 revised as a result of interrogatories	PHONE NUMBER	905 468 4235
Date	14-Jan-06	(extension)	38

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Regulatory Asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2004 Regulatory Asset filings with the OEB.)

Account Description	Account Number	Principal Amounts as of Dec-31 2004	Interest to Dec31-04	Interest Jan-1 to Dec31-05	Interest Jan1-06 to Apr30-06	Hydro One charges (if applicable) to Dec31-03	Interest on Hydro One charges - Apr1-05 to Apr30-06	Hydro One charges (if applicable) Jan 1-04 to Apr 30-06	Total Claim
RSVA - Wholesale Market Service Charge	1580	$ 234,771	$ 40,962	$ 17,021	$ 5,674	$ -	$ -	$ -	$ 298,428
RSVA - One-time Wholesale Market Service	1582	$ 28,926	$ 2,144	$ 2,097	$ 699	$ -	$ -	$ -	$ 33,867
RSVA - Retail Transmission Network Charge	1584	$ (3,911)	$ 2,640	$ (284)	$ (95)	$ (28,246)	$ (2,218)	$ (5,893)	$ (38,007)
RSVA - Retail Transmission Connection Charge	1586	$ (369,142)	$ (9,255)	$ (26,763)	$ (8,921)	$ 587,862	$ 46,172	$ 636,640	$ 856,593
RSVA - Power	1588	$ (129,103)	$ (21,918)	$ (9,360)	$ (3,120)				$ (163,502)
Sub-Totals		$ (238,460)	$ 14,574	$ (17,288)	$ (5,763)	$ 559,616	$ 43,953	$ 630,747	$ 987,379
Other Regulatory Assets	1508	$ 7,412	$ 107	$ 426	$ 142			$ 38,782	$ 46,869
Retail Cost Variance Account - Retail	1518	$ 18,156	$ -	$ 1,316	$ 439				$ 19,911
Retail Cost Variance Account - STR	1548	$ 27,144	$ -	$ 1,968	$ 656				$ 29,768
Misc. Deferred Debits - incl. Rebate Cheques	1525	$ 9,735	$ 1,354	$ 706	$ 235	$ 20,518			$ 32,548
Pre-Market Opening Energy Variances Total	1571	$ 125,204	$ 28,115	$ 9,077	$ 3,026				$ 165,422
Extra-Ordinary Event Losses	1572	$ -	$ -	$ -	$ -				$ -
Deferred Rate Impact Amounts	1574	$ -	$ -	$ -	$ -				$ -
Other Deferred Credits	2425	$ (806,082)	$ (84,708)	$ (58,441)	$ (19,480)				$ (968,711)
Sub-Totals		$ (618,430)	$ (55,133)	$ (44,947)	$ (14,982)	$ 20,518	$ -		$ (674,192)
Qualifying Transition Costs	1570	$ 401,006	$ 84,045	$ 29,073	$ 9,691	$ 55			$ 523,870
Totals per column		$ (455,884)	$ 43,486	$ (33,163)	$ (11,054)	$ 580,189	$ 43,953	$ 669,529	$ 837,057

Transition Cost Calculation

Please indicate choice of review:	minimum	Lesser of 10 % off or $60 per customer		revised total	$ 435,420
2004 customer numbers	7,257	Original $/customer	$ 72.19	Revised $/customer	$ 60.00

Annual interest rate:	7.25%	Grand Total Claimed--Minimum Review	$ 748,607
Monthly interest rate:	0.60%	Grand Total Claimed--Comprehensive Review	N/A

- <u>B1.2 2006 Regulatory Asset Recovery Proportionate Share</u>

Ordinarily, the total claims values could be taken directly from row 29 of the Rate Rider Calculation Sheet 2 of the 2006 Regulatory Asset Filing Module (RAFM), as indicated in the filing instructions. A modification of this approach is required in NOTL's case because of customer class changes since 2006. In 2006, unmetered scattered load (USL) customers were included in the GS<50 kW class; in 2009, the USL customers became a separate class. In 2006, Sentinel Lighting was a separate class; in 2009, this class was eliminated. NOTL believes that the modified approach described step-by-step below meets the intent of the filing instructions.

Step 1:

The 2004 data for the GS<50kW class from the approved 2006 RAFM, Sheet 1 is noted, from which the USL data needs to be split out:

2004 Data By Class	kW	kWhs	Cust. Num.'s	Dx Revenue	Cust. #'s w/ Rebate Cheques
RESIDENTIAL CLASS		59,183,003	5,902	$ (1,445,035)	5,520
GENERAL SERVICE <50 KW CLASS		34,299,194	1,257	$ (743,214)	1,262
GENERAL SERVICE >50 KW NON TIME OF USE	196,428	73,591,518	98	$ (854,779)	0
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	$ -	0
INTERMEDIATE CLASS	0	0	0	$ -	0
LARGE USER CLASS	0	0	0	$ -	0
SMALL SCATTERED LOADS	0	0	0	$ -	0
SENTINEL LIGHTS	398	159,641	49	$ (3,935)	0
STREET LIGHTING	2,568	931,847	5	$ (25,627)	0
Totals	199,394	168,165,203	7,311	$ (3,072,589)	6,782

Step 2:

The "Total to be Recovered" from row 29 of sheet 2 of the approved 2006 RAFM is noted, in which USL needs to be split out from GS<50kW:

Sheet 2 - Rate Riders Calculation

NAME OF UTILITY	Niagara-on-the-Lake Hydro Inc.	**LICENCE NUMBER**	ED-ED-2002-0547
NAME OF CONTACT	Philip Wormwell	**DOCID NUMBER**	RP-2005-0020
E-mail Address	pwormwell@notlhydro.com		EB-2005--0395
VERSION NUMBER	v2.0 revised as a result of interrogatories	**PHONE NUMBER**	905 468 4235
Date	14-Jan-06	**(extension)**	38

Regulatory Asset Accounts:	**Decision Ref.#**	**Amount**	**ALLOCATOR**	**Residential**	**GS < 50 KW**	**GS > 50 Non TOU**	**GS > 50 TOU**	**Intermediate**	**Large Users**	**Small Scattered Load**	**Sentinel Lighting**	**Street Lighting**	**Total**
WMSC - Account 1580	2.0.35	$ 298,428	kWh	$ 105,027	$ 60,868	$ 130,596	$ -	$ -	$ -	$ -	$ 283	$ 1,654	$ 298,428
One-Time WMSC - Account 1582	2.0.35	$ 33,867	kWh	$ 11,919	$ 6,907	$ 14,821	$ -	$ -	$ -	$ -	$ 32	$ 188	$ 33,867
Network - Account 1584	2.0.35	$ (38,007)	kWh	$ (13,376)	$ (7,752)	$ (16,632)	$ -	$ -	$ -	$ -	$ (36)	$ (211)	$ (38,007)
Connection - Account 1586	2.0.35	$ 856,593	kWh	$ 301,464	$ 174,712	$ 374,857	$ -	$ -	$ -	$ -	$ 813	$ 4,747	$ 856,593
Power - Account 1588	2.0.35	$ (163,502)	kWh	$ (57,542)	$ (33,348)	$ (71,551)	$ -	$ -	$ -	$ -	$ (155)	$ (906)	$ (163,502)
Subtotal - RSVA		$ 987,379		$ 347,492	$ 201,387	$ 432,091	$ -	$ -	$ -	$ -	$ 937	$ 5,471	$ 987,379
Other Regulatory Assets - Account 1508		$ 46,869	Dx Revenue	$ 22,042	$ 11,337	$ 13,039	$ -	$ -	$ -	$ -	$ 60	$ 391	$ 46,869
Retail Cost Variance Account - Acct 1518		$ 19,911	# of Customers	$ 16,074	$ 3,423	$ 267	$ -	$ -	$ -	$ -	$ 133	$ 14	$ 19,911
Retail Cost Variance Account (STR) Acct 1548		$ 29,768	# of Customers	$ 24,031	$ 5,118	$ 399	$ -	$ -	$ -	$ -	$ 200	$ 20	$ 29,768
Rebate Cheques - Acct 1525	5.0.19	$ 12,030	# cust. w/ Rebate Cheq	$ 9,791	$ 2,239	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,030
Hydro One's Environmental Costs - Acct 1525	5.0.25	$ 20,518	Dx Revenue	$ 9,650	$ 4,963	$ 5,708	$ -	$ -	$ -	$ -	$ 26	$ 171	$ 20,518
Pre Market Opening Energy - Acct 1571	3.0.27	$ 165,422	kWh for Non TOU Cust.	$ 58,598	$ 33,960	$ 72,864				$ -			$ 165,422
Extraordinary Event Losses - Acct 1572		$ -											$ -
Deferred Rate Impact Amounts - Acct 1574		$ -											$ -
Other Deferred Credits - Acct 2425		$ (968,711)	kWh	$ (340,922)	$ (197,606)	$ (423,922)	$ -	$ -	$ -	$ -	$ (920)	$ (5,368)	$ (968,711)
Transition Costs - Acct 1570	7.0.67	$ 435,420	# of Customers	$ 351,504	$ 74,863	$ 5,837	$ -	$ -	$ -	$ -	$ 2,918	$ 298	$ 435,420
Subtotal - Non RSVA		$ (238,772)		$ 150,769	$ (61,677)	$ (325,809)	$ -	$ -	$ -	$ -	$ 2,418	$ (4,474)	$ (238,772)
Total to be Recovered		$ 748,607		$ 498,261	$ 139,711	$ 106,283	$ -	$ -	$ -	$ -	$ 3,355	$ 997	$ 748,607

Interim Transition Cost Recoveries (if applicable)

Step 3:

As a basis for splitting this data, the 2006 informational filing is noted, in which USL is detailed separately for kWh, revenue and customers as shown below:

2006 COST ALLOCATION INFORMATION FILING
Niagara-on-the-Lake Hydro Inc.
EB-2005-0395 EB-2006-0247
December 13, 2006
Sheet I6 Customer Data Worksheet - Second Run - With USL as a class

Click Here For Instructions on How to Complete This Worksheet

Total kWhs	173,499,794
Total kWs	208,357
Total Approved Distribution Revenue ($)	$4,289,333

	ID	Total	1 Residential	2 GS <50	3 GS>50-Regular	7 Street Light	8 Sentinel	9 Unmetered Scattered Load
Billing Data								
kWh from approved EDR model, Sheet 7-1, Col M	CEN	173,499,794	63,617,729	35,735,420	72,785,865	860,329	155,150	345,301
kW from approved EDR model, Sheet 7-1, Col S	CDEM	208,357			205,820	2,176	362	
kW, included in CDEM, from customers with line transformer allowance from approved EDR model, Sheet 6-3, Col P		68,671			68,671			
Optional - kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		-						
KWh excluding KWh from Wholesale Market Participants	CEN EWMP	173,499,794	63,617,729	35,735,420	72,785,865	860,329	155,150	345,301
kWh - 30 year weather normalized amount	Click here to Enter Data	172,298,198	57,139,833	33,801,570	79,936,768	923,866	155,198	340,961
Approved Distribution Rev from approved EDR, Sheet 7-1, Col AK + Sheet 7-3 Col H	CREV	$4,289,333	$1,396,674	$1,004,372	$1,236,741	$30,285	$5,750	$15,511
Bad Debt 3 Year Historical Average from Approved EDR Model	BDHA	$23,963	$8,588	$14,120	$1,255	$0	$0	$0
Late Payment 3 Year Historical Average	LPHA	$22,674	$13,604	$6,802	$2,268	$0	$0	$0
Weighting Factor - Services			1.0	2.0	10.0	1.0	1.0	1.0
Weighting Factor - Billings			1.0	2.0	7.0	1.0	0.1	5.0
Number of Bills	CNB	87,744	70,824	14,736	1,176	60	600	288
Number of Connections (Unmetered)	CCON	1,037				884	105	48
Total Number of Customer from Approved EDR, Sheet 7-1, Col H excluding connections	CCA	7,312	5,902	1,233	98	5	50	24
Bulk Customer Base	CCB	-	-	-	-	-	-	-
Primary Customer Base	CCP	7,312	5,902	1,233	98	5	50	24
Line Transformer Customer Base	CCLT	7,295	5,902	1,232	82	5	50	24
Secondary Customer Base	CCS	6,755	5,581	1,095	-	5	50	24
Weighted Service	CWC	[illegible]	5,581	2,190	-	4	105	[illegible]

Step 4:

The percentage of the total data for GS<50kW and USL combined which is USL only in the Step 2 data above is calculated (the %-age of customer #s with rebate cheques is assumed to be the same as for customer #s). These %-ages are used to split out the USL data in Step 1 above. The amounts for the eliminated class of Sentinel Lights are set to zero. The calculated %-ages and the resulting modified "2004 Data by Class" are shown below:

2004 Data By Class	kW	kWhs	Cust. Num.'s	Dx Revenue	Cust. #'s w/ Rebate Cheques
RESIDENTIAL CLASS		59,183,003	5,902	$ (1,445,035)	5,520
GENERAL SERVICE <50 KW CLASS		**33,970,943**	**1,233**	**$ (731,910)**	**1,238**
GENERAL SERVICE >50 KW NON TIME OF USE	196,428	73,591,518	98	$ (854,779)	0
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	$ -	0
INTERMEDIATE CLASS	0	0	0	$ -	0
LARGE USER CLASS	0	0	0	$ -	0
SMALL SCATTERED LOADS	0	**328,251**	**24**	**$ (11,303)**	**24**
SENTINEL LIGHTS	0	0	0	$ -	0
STREET LIGHTING	2,568	931,847	5	$ (25,627)	0
Totals	198,996	168,005,562	7,262	$ (3,068,655)	6,782
GENERAL SERVICE <50 KW CLASS		**99.04%**	**98.09%**	**98.48%**	**98.09%**
		From Cost Allocation Review			
		Row 21	Row 38	Row 29	

Step 5:

The modified total claim values can then be found in the modified Sheet 2, which draws upon the data in the modified Sheet 1 and calculates in the same way as the approved RAFM model:

Sheet 2 - Rate Riders Calculation

NAME OF UTILITY	Niagara-on-the-Lake Hydro Inc.	**LICENCE NUMBER**	ED-ED-2002-0547
NAME OF CONTACT	Philip Wormwell	**DOCID NUMBER**	RP-2005-0020
E-mail Address	pwormwell@notlhydro.com		EB-2005--0395
VERSION NUMBER	v2.0 revised as a result of interrogatories	**PHONE NUMBER**	905 468 4235
Date	14-Jan-06	**(extension)**	38

Regulatory Asset Accounts:	**Decision Ref.#**	**Amount**	**ALLOCATOR**	**Residential**	**GS < 50 KW**	**GS > 50 Non TOU**	**GS > 50 TOU**	**Intermediate**	**Large Users**	**Small Scattered Load**	**Sentinel Lighting**	**Street Lighting**	**Total**
WMSC - Account 1580	2.0.35	$ 298,428	kWh	$ 105,127	$ 60,343	$ 130,720	$ -	$ -	$ -	$ 583	$ -	$ 1,655	$ 298,428
One-Time WMSC - Account 1582	2.0.35	$ 33,867	kWh	$ 11,930	$ 6,848	$ 14,835	$ -	$ -	$ -	$ 66	$ -	$ 188	$ 33,867
Network - Account 1584	2.0.35	$ (38,007)	kWh	$ (13,389)	$ (7,685)	$ (16,648)	$ -	$ -	$ -	$ (74)	$ -	$ (211)	$ (38,007)
Connection - Account 1586	2.0.35	$ 856,593	kWh	$ 301,750	$ 173,204	$ 375,214	$ -	$ -	$ -	$ 1,674	$ -	$ 4,751	$ 856,593
Power - Account 1588	2.0.35	$ (163,502)	kWh	$ (57,596)	$ (33,060)	$ (71,619)	$ -	$ -	$ -	$ (319)	$ -	$ (907)	$ (163,502)
Subtotal - RSVA		$ 987,379		$ 347,822	$ 199,649	$ 432,502	$ -	$ -	$ -	$ 1,929	$ -	$ 5,477	$ 987,379
Other Regulatory Assets - Account 1508		$ 46,869	Dx Revenue	$ 22,071	$ 11,179	$ 13,055	$ -	$ -	$ -	$ 173	$ -	$ 391	$ 46,869
Retail Cost Variance Account - Acct 1518		$ 19,911	# of Customers	$ 16,182	$ 3,381	$ 269	$ -	$ -	$ -	$ 66	$ -	$ 14	$ 19,911
Retail Cost Variance Account (STR) Acct 1548		$ 29,768	# of Customers	$ 24,193	$ 5,054	$ 402	$ -	$ -	$ -	$ 98	$ -	$ 20	$ 29,768
Rebate Cheques - Acct 1525	5.0.19	$ 12,030	# cust. w/ Rebate Cheq	$ 9,791	$ 2,196	$ -	$ -	$ -	$ -	$ 43	$ -	$ -	$ 12,030
Hydro One's Environmental Costs - Acct 1525	5.0.25	$ 20,518	Dx Revenue	$ 9,662	$ 4,894	$ 5,715	$ -	$ -	$ -	$ 76	$ -	$ 171	$ 20,518
Pre Market Opening Energy - Acct 1571	3.0.27	$ 165,422	kWh for Non TOU Cust.	$ 58,598	$ 33,635	$ 72,864				$ 325			$ 165,422
Extraordinary Event Losses - Acct 1572		$ -											$ -
Deferred Rate Impact Amounts - Acct 1574		$ -											$ -
Other Deferred Credits - Acct 2425		$ (968,711)	kWh	$ (341,246)	$ (195,875)	$ (424,325)	$ -	$ -	$ -	$ (1,893)	$ -	$ (5,373)	$ (968,711)
Transition Costs - Acct 1570	7.0.67	$ 435,420	# of Customers	$ 353,876	$ [illegible]	$ 5,876	$ -	$ -	$ -	$ 1,439	$ -	$ 300	$ 435,420
Subtotal - Non RSVA		$ (238,772)		$ 153,128	$ (61,607)	$ (326,144)	$ -	$ -	$ -	$ 326	$ -	$ (4,476)	$ (238,772)
Total to be Recovered		$ 748,607		$ 500,9[illegible]	$ 138,042	$ 106,358	$ -	$ -	$ -	$ 2,256	$ -	$ [illegible]00	$ 748,607
Interim Transition Cost Recoveries (if													

Step 6:

The data from row 29 is entered in Sheet B1.2 as follows:

2006 Regulatory Asset Recovery Proportionate Share

Rate Class	Total Claim	% Total Claim
Residential	500,950	66.9%
GS < 50 KW	138,042	18.4%
GS > 50 Non TOU	106,358	14.2%
GS > 50 TOU		0.0%
Intermediate		0.0%
Large Users		0.0%
Small Scattered Load	2,256	0.3%
Sentinel Lighting		0.0%
Street Lighting	1,000	0.1%
Total	**748,607**	**100.0%**

2. Rate Riders Calculation
Row 29

- B1.3 Rate Class and Billing Determinants

Columns A, B and C are the same 2009 data as provided in Sheet B1.1 of the Supplemental Model. See **4. REVENUE COST RATIO ADJUSTMENTS** earlier in this Manager's Summary for the source of these billing determinants. Please note that the model's heading for columns A, B and C shows as "2008". In accordance with the filing instructions, as NOTL is an IRM3 applicant that rebased in 2009, the data provided is the 2009 weather normalized forecast.

The billed kWh for non-RPP customers in column D is estimated by taking the proportions of 2008 actual kWh that is non-RPP and applying these proportions to the 2009 forecast. An estimation approach such as this is required because the 2009 weather normalization methodology did not estimate RPP vs. non-RPP consumption. The details of the calculation are tabulated below (the result in column U is entered in column D of sheet B1.3.):

	2008 Actual Billed Consumption			2009 Approved Rebasing	
	Total kWh	Non-RPP kWh	Non-RPP %	2009 Normalized kWh	Estimated 2009 non-RPP kWh
	P	Q	S = Q / R	T	U= S x T
Residential	63,512,671	3,841,454	6.05%	66,607,551	4,028,642
GS<50	34,985,367	3,284,331	9.39%	34,497,593	3,238,540
GS >50	74,447,759	63,629,090	85.47%	80,852,618	69,103,202
USL	206,362	672	0.33%	302,169	984
Street Lighting	1,131,571	1,029,516	90.98%	1,086,069	988,118
Total	173,152,159	71,785,063	41.46%	183,346,001	77,359,486

Based on the footnote in Sheet B1.3 ("Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented"), the values in column E come from the Sheet B 1.2 column headed "% total claim", reflecting the rate rider approval year of 2006.

- <u>C1.0 – 2006 Reg Asset Recovery</u>

[No input required.]

- <u>C1.1 through C1.5 Regulatory Asset – Continuity Schedule (2005 to 2008)</u>

Data has been entered in accordance with the Filing Instructions. Further explanatory details of the account entries are provided in Section 5.1 below.

- <u>D1.1 Threshold Test</u>

NOTL's total claim of $ - 0.001486 per kWh exceeds the threshold amount of $0.001 per kWh, as shown below, and disposal is requested:

Rate Class	Billed kWh B
Residential	66,607,551
General Service Less Than 50 kW	34,497,593
General Service 50 to 4,999 kW	80,852,618
Unmetered Scattered Load	302,169
Street Lighting	1,086,069
	183,346,001
Total Claim	(272,507)
Total Claim per kWh	- 0.001486

- E1.1 through E 1.4

[These sheets require no data input.]

- F1.1 Calculation of the Regulatory Rate Rider.

NOTL has selected a "rate rider recovery period – years" of One year in order to pass on the credit to customers as soon as possible. The cash impact on NOTL over this period (approx. $270 thousand) will be offset to a significant degree by the termination of Hydro One Regulatory Asset Recovery charges as of April 30, 2010, saving approx. $168 thousand per annum.

5.1 General Filing Requirements

In accordance with "Appendix A: Filing Guidelines" of the EDDVAR Report, July 31, 2009, the following general information is provided:

5.1.a - Manager's Summary
5.1.b – Reconciliation
For each Account balance submitted for disposition:
5.1.c.i – Continuity Schedules
5.1.c.ii – Last Board Approved Balances
5.1.c.iii – Transfer to Accounts 1590, 1595
5.1.c.iv – Balances Submitted

5.1.c.v - Projected Carrying Charges
5.1.d – Interest Rates Used
5.1.e – Allocation of Balances Claimed
5.1.f – Impact Analysis
5.1.g – Rate Rider Calculations

- 5.1.a - Manager's Summary [DVA Submission]

Summary

NOTL is requesting rate riders for One year to dispose of a credit balance totaling $ (272,507) including the RSVA accounts and the residual 1590 balance from the 2006 EDR approved total of $138,464, as follows, from Sheet C1.5:

Account 1580	$ (424,741)
Account 1584	$ 53,018
Account 1586	$ (406,657)
Account 1588 - non GA	$ 388,950
Account 1588 - GA	$ 140,305
Account 1590	$ (23,382)

Certification

In accordance with the filing guidelines, the following certification is provided:

CERTIFICATION

I, James Huntingdon, President of Niagara-on-the-Lake Hydro Inc. certify this application:

Signature

- 5.1.b – Reconciliation

The 2008 audited financial statements, page 11, reported the following balances as of December 31, 2008 – please note that the amounts are stated as being liabilities, so that the amount shown here as $360,389 is a credit balance of ($360,389) on the balance sheet:

As at December 31, 2008, the company has accumulated $ 360,389 ($ 676,889 - 2007) in net regulatory liabilities on the balance sheet as other liabilities. It is management's belief that these assets/liabilities are consistent with the OEB's deferral criteria.

	2008 $	2007 $
Deferred PILS variances	108,391	104,908
Settlement variances	(32,542)	72,564
Other deferral accounts	312,559	488,640
Smart meter recovery	(28,019)	10,777
	360,389	**676,889**

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crawford smith & swallow

The 2008 Q4 RRR data was reported as shown below (only accounts with non-zero amounts are shown here):

Report Summary

Filing Year: 2009	Filing Form Name: 2.1.1	Filing Form Description: Monitoring Requirements For
RRR Filing No: 6,483	Reporting Period: January- 2009Niagara-on-the-Lake Hydro Inc., Virgil: Corporation; ED-2002-0547; ;	Extension Granted:
Report Version: 2	Due: February 2, 2009	Extension Deadline:
Status: Revised	Submitted On: March 16, 2009	Submitter Name: Phillip Wormwell
Licence Type: Distributor		

Deferral Accounts

For the quarter ending — For the Quarter Ending on: Dec 31, 2008

Account	Quarter Opening Balance DR/-CR	Carrying Charges DR/-CR this Period	Carrying Charges DR/-CR Life to Date	Net Accruals DR/-CR this Period	Net Accruals DR/-CR Life to Date	Other Adjustment DR/-CR this Period	Other Adjustment DR/-CR Life to Date	Quarter Closing Balance DR/-CR	Life To Date Check
1508 other regulatory assets	108,236.52	800.38	13,469.05		95,567.85			109,036.90	109,036.90
1518 RCVA retail	43,387.34	347.30	3,066.51	2,434.78	43,102.91			46,169.42	46,169.42
1525 miscellaneous deferred debit									
1548 RCVA STR	35,497.84	293.93	1,971.53	55,096.88	88,917.12			90,888.65	90,888.65
1550 LV Variance Account	20,558.04	157.50	1,911.05		18,804.49			20,715.54	20,715.54
1555 Smart Meter Capital and Recovery Offset Variance	5,192.06	124.49	-850.44	22,702.16	28,869.15			28,018.71	28,018.71
1556 Smart Meter OM&A Variance									
1562 deferred PILs	-107,658.71	-732.70	-20,880.55		-87,510.86			-108,391.41	-108,391.41
1563 PILs Contra impact amounts									
1580 RSVA WMS	-396,453.58	-3,378.97	-15,798.28	-19,614.14	-403,648.41			-419,446.69	-419,446.69
1582 RSVA one-time	11,838.17	85.45	1,720.98		10,202.64			11,923.62	11,923.62
1584 RSVA NW	73,835.62	397.43	11,291.59	-21,755.30	41,186.16			52,477.75	52,477.75
1586 RSVA CN	-386,342.92	-3,058.30	-31,052.00	-12,393.16	-370,742.38			-401,794.38	-401,794.38
1588 RSVA Power	204,394.09	1,464.98	12,946.41	316,711.64	509,624.30			522,570.71	522,570.71
1592 PILS & Tax									
1590 Recovery of regulatory asset balances	-351,431.59	469.73	37,041.21	38,403.00	-349,600.07			-312,558.86	-312,558.86

Additional Information

Sub-Account	Quarter Opening Balance DR/-CR	Carrying Charges DR/-CR this Period	Carrying Charges DR/-CR to Date	Net Accruals DR/-CR this Period	Net Accruals DR/-CR to Date	Other Adjustment DR/-CR this Period	Other Adjustment DR/-CR to Date	Quarter Closing Balance DR/-CR	Life To Date Check
1588 RSVA Power Sub-Account Global Adjustment	105,860.86	862.87	-723.51	31,755.56	139,202.80			138,479.29	138,479.29
1595 Sub-Account									

The following Table provides the reconciliation between these two documents:

2008 Audited Financial Statements

RRR Report*	Deferred PILS variances	Settlement variances	Other deferral accounts	Smart meter recovery	TOTALS
1508		$109,037			$109,037
1518		$46,169			$46,169
1548		$90,889			$90,889
1550		$20,716			$20,716
1555				$28,019	$28,019
1562	-$108,391				-$108,391
1580		-$419,447			-$419,447
1582		$11,924			$11,924
1584		$52,478			$52,478
1586		-$401,794			-$401,794
1588		$522,571			$522,571
1590			-$312,559		-$312,559
TOTALS	-$108,391	$32,542	-$312,559	$28,019	-$360,390
				Rounding difference	$1
				Net Regulatory Liability	**-$360,389**

** 2008 Q4 Closing Balances*

- 5.1.c – For each Account balance submitted for disposition:

Account 1550

- 5.1.c.i – Continuity Schedules

The schedule is found in sheets C1.1 to C1.5 in the submitted DVA model.

- 5.1.c.ii – Last Board Approved Balances

The principal and interest balances as of December 31, 2007 in this account, and the projected interest on this principal balance from January 1, 2008 to April 30, 2010, all totaling $20,869, were approved for recovery in NOTL's 2009 cost of service (COS) application, EB-2008-0237. Details are shown below:

SHEET 1 - December 31, 2007 Regulatory Assets

NAME OF UTILITY	Niagara-on-the-Lake Hydro Inc.	LICENCE NUMBER	ED-2002-0547
NAME OF CONTACT	Philip Wormwell	DOCID NUMBER	EB-XXXX-XXXX
E-mail Address	pwormwell@notlhydro.com		
VERSION NUMBER		PHONE NUMBER	905.468.4235
Date		(extension)	38

Note to User - You may want to add others

Enter appropriate data in cells which are highlighted in ~~yellow~~ green only.
Enter the total applied for Deferral and Variance amounts for each account in the appropriate cells below:

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	$ 95,568	$ 9,665	$ 3,804	$ 665	$ 109,702
Low Voltage	1550	$ 18,804	$ 1,163	$ 748	$ 154	20,869
Totals per column		$ 114,372	$ 10,828	$ 4,552	$ 819	$ 130,571

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 - April 2009
Prescribed/Forecast Annual	5.14%	4.08%	3.35%	3.35%	2.45%	1.00%

As explained in EB-2008-0237, this account had been used to record the amounts charged to NOTL by Hydro One for use of the shared LV line from the Hydro One owned Stanley Transformer Station. The amounts charged were for the period May 2006 to July 2007. As of January 1, 2007, NOTL intentionally chose not to utilize the Stanley TS supply point, negating the monthly per kW charge as of July 2007. Thus, there have been no further principal transactions since 2007.

- 5.1.c.iii – Transfer to Accounts 1590, 1595

As explained above, all principal and interest balances to April 30, 2010 have been approved for recovery. These approved balances have been transferred to account 1595 effective May 1, 2009 in accordance in accordance with Q.2 in the OEB APH FAQ, dated August 2008.

- 5.1.c.iv – Balances Submitted

The net claim is therefore nil, as shown in the DVA work form.

- 5.1.c.v - Projected Carrying Charges

The projected carrying charges on the nil balance in 5.1.c.iv above are nil.

RSVA Accounts 1580, 1584, 1586, 1588

- 5.1.c.i – Continuity Schedules

The RSVA principal and interest transactions for the years 2005 to 2008 are entered in Sheets C1.1 to C1.5, in accordance with the Filing Instructions

- 5.1.c.ii – Last Board Approved Balances

The last Board approved balances as of December 2004 are tabulated in Sheet B1.1, as approved in the 2006 EDR.

- 5.1.c.iii – Transfer to Accounts 1590, 1595

The 2006 EDR approved amounts have been transferred to 1590. These balances are referred to below under "Account 1590".

- 5.1.c.iv – Balances Submitted

The balances submitted (as of January 1, 2009) are shown in Sheet C1.5, columns headed "C" and "D" plus the carrying charges referred to below.

- 5.1.c.v - Projected Carrying Charges

Projected carrying charges from January 2009 to April 2010 are shown in the columns headed "G" and "H" in Sheet C1.5.

Account 1590

- 5.1.c.i – Continuity Schedules

Sheet C1.2 picks up the approved principal [$95,241] and interest [$43,222] components of the approved 2006 EDR balance of $138,464. The principal and interest recovery transactions for energy usage from May 2006 to April 2008 and the interest on principal balances are

calculated as shown below and entered in the appropriate continuity sheets C1.2 to C1.5:

	A	B	C	D	E	F	G	H	I
1	**1590 from 2006 EDR**	Month	*Interest Rate %*	Month-End Principal	Total Recoveries	Recoveries Applied to Principal	Recoveries Applied to Interest	Interest on Principal Balance	Month End Interest Balance
2	2006	Apr	*4.14*	$ 95,241					$ 43,222
3		May	*4.14*	$ 95,876	$ 635	$ 635	$ -	$ 329	$ 43,551
4		Jun	*4.14*	$ 92,344	-$ 3,532	-$ 3,532	$ -	$ 331	$ 43,882
5		Jul	*4.59*	$ 86,081	-$ 6,263	-$ 6,263	$ -	$ 319	$ 44,200
6		Aug	*4.59*	$ 77,587	-$ 8,493	-$ 8,493	$ -	$ 329	$ 44,529
7		Sep	*4.59*	$ 68,184	-$ 9,404	-$ 9,404	$ -	$ 297	$ 44,826
8		Oct	*4.59*	$ 60,483	-$ 7,700	-$ 7,700	$ -	$ 261	$ 45,087
9		Nov	*4.59*	$ 54,886	-$ 5,598	-$ 5,598	$ -	$ 231	$ 45,318
10		Dec	*4.59*	$ 49,403	-$ 5,483	-$ 5,483	$ -	$ 210	$ 45,528
11	Total				-$ 45,839	-$ 45,839	$ -	$ 2,306	
12									
13	2007	Jan	*4.59*	$ 43,217	-$ 6,186	-$ 6,186	$ -	$ 189	$ 45,717
14		Feb	*4.59*	$ 35,602	-$ 7,615	-$ 7,615	$ -	$ 165	$ 45,883
15		Mar	*4.59*	$ 27,540	-$ 8,061	-$ 8,061	$ -	$ 136	$ 46,019
16		Apr	*4.59*	$ 20,809	-$ 6,731	-$ 6,731	$ -	$ 105	$ 46,124
17		May	*4.59*	$ 14,553	-$ 6,256	-$ 6,256	$ -	$ 80	$ 46,204
18		Jun	*4.59*	$ 9,274	-$ 5,279	-$ 5,279	$ -	$ 56	$ 46,259
19		Jul	*4.59*	$ 3,018	-$ 6,256	-$ 6,256	$ -	$ 35	$ 46,295
20		Aug	*4.59*	$ -	-$ 7,822	-$ 3,018	-$ 4,803	$ 12	$ 41,503
21		Sep	*4.59*	$ -	-$ 7,719		-$ 7,719	$ -	$ 33,784
22		Oct	*5.14*	$ -	-$ 8,597		-$ 8,597	$ -	$ 25,187
23		Nov	*5.14*	$ -	-$ 6,794		-$ 6,794	$ -	$ 18,393
24		Dec	*5.14*	$ -	-$ 5,690		-$ 5,690	$ -	$ 12,704
25	Total				-$ 83,005	-$ 49,403	-$ 33,603	$ 778	
26									
27	2008	Jan	*5.14*	$ -	-$ 6,423		-$ 6,423	$ -	$ 6,280
28		Feb	*5.14*	$ -	-$ 7,080		-$ 7,080	$ -	-$ 800
29		Mar	*5.14*	$ -	-$ 7,683		-$ 7,683	$ -	-$ 8,482
30		Apr	*4.08*	$ -	-$ 6,603		-$ 6,603	$ -	-$ 15,086
31		May	*4.08*	$ -	-$ 6,207		-$ 6,207	$ -	-$ 21,293
32		Jun	*4.08*	$ -	-$ 2,246		-$ 2,246	$ -	-$ 23,539
33		Jul	*3.35*	$ -	-$ 14		-$ 14	$ -	-$ 23,553
34		Aug	*3.35*	$ -	$ -		$ -	$ -	-$ 23,553
35		Sep	*3.35*	$ -	$ -		$ -	$ -	-$ 23,553
36		Oct	*3.35*	$ -	$ -		$ -	$ -	-$ 23,553
37		Nov	*3.35*	$ -	$ -		$ -	$ -	-$ 23,553
38		Dec	*3.35*	$ -	$ -		$ -	$ -	-$ 23,553
39	Total				-$ 36,256	$ -	-$ 36,256	$ -	
40									
41	Grand Total				-$ 165,100	-$ 95,241	-$ 69,859	$ 3,084	
42									
43	Approved					-$ 95,241	-$ 43,222		
44						Total	-$ 138,464		
45						Actual recovery	-$ 165,100		
46						Excess recovery	-$ 26,637		
47						Interest (per above)	$ 3,084		
48						Net claim	-$ 23,553		

Please note that the amount shown above for months May to July 2008 are based on customer billings for consumption occurring before April 30, 2008.

- 5.1.c.ii – Last Board Approved Balances

As stated in 5.1.c.ii above

- 5.1.c.iii – Transfer to Accounts 1590, 1595

Not applicable (this is account 1590).

- 5.1.c.iv – Balances Submitted

As shown in Sheet C1.5, the balance claimed is an interest balance of $ (23,382) resulting from excess recoveries plus the interest on the principal balance, as shown in 5.1.c.i above.

- 5.1.c.v - Projected Carrying Charges

The projected carrying charges are nil, as the principal balance is nil as of December 2008.

Account 1595

- 5.1.c.i – Continuity Schedules

The schedule is found in sheets C1.1 to C1.5 in the submitted DVA model.

- 5.1.c.ii – Last Board Approved Balances
- Not applicable at this time. In accordance with Q.4 in the OEB APH FAQ, dated August 2008, the residual balances in this account would be reviewed at the end of the deferral account rate rider period. This period sunsets on April 30, 2013 per the 2009 COS approval
- 5.1.c.iii – Transfer to Accounts 1590, 1595
- Not applicable.
- 5.1.c.iv – Balances Submitted
- Not applicable at this time.

- 5.1.c.v - Projected Carrying Charges
- Not applicable at this time.

- 5.1.d – Interest Rates Used

The interest rates used in calculating the interest shown in the continuity schedules in the DVA model for 2005 through 2008 were the deemed rate of 7.25% through 2006 Q1 and then the OEB prescribed interest rates:

2005	Q1	7.25%
	Q2	7.25%
	Q3	7.25%
	Q4	7.25%
2006	Q1	7.25%
	Q2	4.14%
	Q3	4.59%
	Q4	4.59%
2007	Q1	4.59%
	Q2	4.59%
	Q3	4.59%
	Q4	5.14%
2008	Q1	5.14%
	Q2	4.08%
	Q3	3.35%
	Q4	3.35%

- 5.1.e – Allocation of Balances Claimed

The allocation factors are calculated in sheets E1.1 and E1.2 of the DVA model submitted. NOTL's methodology has not been changed from the approach in the model provided by the OEB, which we believe to be in accordance with the allocation factors in Table 1, page 19 of the EDDVAR report dated July 31, 2009.

- 5.1.f – Impact Analysis

The impact analysis is provided through Sheet O2.1 of the submitted IRM3 model, in combination with the other bill components.

- 5.1.g – Rate Rider Calculations

The detailed calculation of the proposed rate riders is provided in the submitted DVA model, concluding in sheet F1.1.

5.2 Account Specific Filing Requirements

In accordance with "Appendix A: Filing Guidelines" of the EDDVAR Report, July 31, 2009, pages ii to iv, the following account specific information is provided for the Group 1 accounts for which specific filing requirements are stated::

- RSVA Accounts 1580, 1584, 1586, 1588

Pursuant to the account specific filing requirements in the EDDVAR report, NOTL states that it has used the accrual approach for the RSVA Accounts and that this approach has been used consistently over time and among RSVA Accounts for the applicable period.

For the account 1588 (RSVA power), NOTL confirms that the variance between Board-approved and actual line losses is reflected in Account 1588 for the applicable period.

5.3 Note Regarding Regulatory Asset Recovery by Hydro One.

This note is to provide information with regard to the difference between the Hydro One charges and interest approved in the 2006 EDR vs. the actual Hydro One amounts invoiced to NOTL for Hydro One's regulatory asset recovery. So far as NOTL is aware, the 2010 IRM3 deferral variance model does not provide for factoring this difference into rate rider calculations, and thus it is excluded. Our understanding from discussion with OEB staff during preparation of our application is that, subsequent to the filing date, the interrogatory process should assist in clarifying how this difference should be treated.

- Hydro One charges and interest approved in the 2006 EDR

The Table below is extracted from the 2006 EDR. The approved amounts, indicated by the arrows, total to:

Principal	$1,249,718
Interest	$ 43,593
Total	$1,293,671

SHEET 1 - December 31, 2004 Regulatory Assets

NAME OF UTILITY	Niagara-on-the-Lake Hydro Inc.	LICENCE NUMBER	ED-ED-2002-0547
NAME OF CONTACT	Philip Wormwell	DOCID NUMBER	RP-2005-0020
E-mail Address	pwormwell@notlhydro.com		EB-2005--0395
VERSION NUMBER	v2.0 revised as a result of interrogatories	PHONE NUMBER	905 468 4235
Date	14-Jan-06	(extension)	38

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Regulatory Asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2004 Regulatory Asset filings with the OEB.)

Account Description	Account Number	Principal Amounts as of Dec-31 2004	Interest to Dec31-04	Interest Jan-1 to Dec31-05	Interest Jan1-06 to Apr30-06	Hydro One charges (if applicable) to Dec31-03	Interest on Hydro One charges - Apr1-05 to Apr30-06	Hydro One charges (if applicable) Jan 1-04 to Apr 30-06	Total Cla
RSVA - Wholesale Market Service Charge	1580	$ 234,771	$ 40,962	$ 17,021	$ 5,674	$ -	$ -	$ -	$ 298,4
RSVA - One-time Wholesale Market Service	1582	$ 28,926	$ 2,144	$ 2,097	$ 699	$ -	$ -	$ -	$ 33,86
RSVA - Retail Transmission Network Charge	1584	$ (3,911)	$ 2,640	$ (284)	$ (95)	$ (28,246)	$ (2,218)	$ (5,893)	$ (38,00
RSVA - Retail Transmission Connection Charge	1586	$ (369,142)	$ (9,255)	$ (26,763)	$ (8,921)	$ 587,862	$ 46,172	$ 636,640	$ 856,59
RSVA - Power	1588	$ (129,103)	$ (21,918)	$ (9,360)	$ (3,120)				$ (163,5
Sub-Totals		$ (238,460)	$ 14,574	$ (17,288)	$ (5,763)	$ 559,616	$ 43,953	$ 630,747	$ 987,3
Other Regulatory Assets	1508	$ 7,412	$ 107	$ 426	$ 142			$ 38,782	$ 46,8
Retail Cost Variance Account - Retail	1518	$ 18,156	$ -	$ 1,316	$ 439				$ 19,91
Retail Cost Variance Account - STR	1548	$ 27,144	$ -	$ 1,968	$ 656				$ 29,7
Misc. Deferred Debits - incl. Rebate Cheques	1525	$ 9,735	$ 1,354	$ 706	$ 235	$ 20,518			$ 32,548
Pre-Market Opening Energy Variances Total	1571	$ 125,204	$ 28,115	$ 9,077	$ 3,026				$ 165,422
Extra-Ordinary Event Losses	1572	$ -	$ -	$ -	$ -				$ -
Deferred Rate Impact Amounts	1574	$ -	$ -	$ -	$ -				$ -
Other Deferred Credits	2425	$ (806,082)	$ (84,708)	$ (58,441)	$ (19,480)				$ (968,7
Sub-Totals		$ (618,430)	$ (55,133)	$ (44,947)	$ (14,982)	$ 20,518	$ -	$ 38,782	$ (674,192
Qualifying Transition Costs	1570	$ 401,006	$ 84,045	$ 29,073	$ 9,691	$ 55			$ 523,8
Totals per column		$ (455,884)	$ 43,486	$ (33,163)	$ (11,054)	$ 580,189	$ 43,953	$ 669,529	$ 837,05

Transition Cost Calculation

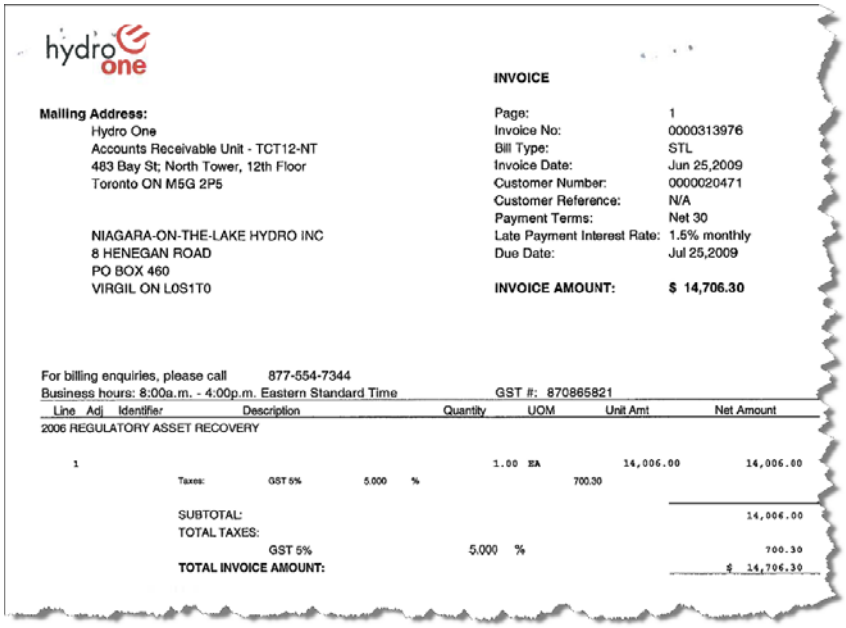
Please indicate choice of review: minimum — Lesser of 10 % customer — revised total $ 435

- <u>Hydro One's regulatory asset recovery</u>

NOTL has received and paid, or will receive and pay, invoices from Hydro One each month from April 2005 through April 2010. These payments are being debited to account 1590, where the liability for these payments was transferred from account 2425 following the 2006 EDR approval. The principal and interest split of the charges in total were identified by Hydro One staff at the outset of the invoicing period, and each payment has been recorded to 1590 principal or 1590 interest in the same proportion. The invoices are in two streams:

- April 2005 to March 2008 – 36 charges of $16,116 each ($13,803 principal and $2,313 interest) for "2005 Regulatory Asset Recovery"; and

- May 2006 to April 2010 – 48 charges of $14,006 each ($12,801 principal and $1,205 interest) for "2006 Regulatory Asset Recovery". An example of a recent invoice is shown below:



hydro one

INVOICE

Mailing Address:
Hydro One
Accounts Receivable Unit - TCT12-NT
483 Bay St; North Tower, 12th Floor
Toronto ON M5G 2P5

NIAGARA-ON-THE-LAKE HYDRO INC
8 HENEGAN ROAD
PO BOX 460
VIRGIL ON L0S1T0

Page:	1
Invoice No:	0000313976
Bill Type:	STL
Invoice Date:	Jun 25,2009
Customer Number:	0000020471
Customer Reference:	N/A
Payment Terms:	Net 30
Late Payment Interest Rate:	1.5% monthly
Due Date:	Jul 25,2009
INVOICE AMOUNT:	**$ 14,706.30**

For billing enquiries, please call 877-554-7344
Business hours: 8:00a.m. - 4:00p.m. Eastern Standard Time
GST #: 870865821

Line	Adj	Identifier	Description	Quantity	UOM	Unit Amt	Net Amount
2006 REGULATORY ASSET RECOVERY							
1				1.00	EA	14,006.00	14,006.00
	Taxes:	GST 5%	5.000 %			700.30	
	SUBTOTAL:						14,006.00
	TOTAL TAXES:						
		GST 5%		5.000	%		700.30
	TOTAL INVOICE AMOUNT:						$ 14,706.30

The combined Hydro One actual charges to April 2010 will be:

Principal	36 x $13,803 + 48 x $12,801	= $1,111,356
Interest	36 x $2,313 + 48 x $1,205	= $ 141,108
Total		$1,252,464

- <u>Difference</u>

In summary, the difference is:

	Actual Charges A	Approved B	Difference A-B
Principal	$1,111,356	$1,249,718	($138,362)
Interest	$ 141,108	$ 43,593	$ 97,155
Total	$1,252,464	$1,293,671	($41,207)

[This data does not include the impact of carrying charges applied each month up to April 2010 to the residual 1590 balance related to the Hydro One charges.]

Because of this difference, the net 1590 balance related to these charges will not reduce to zero at April 2010, subject to clarification as to how this difference should be treated

6. PROPOSED RATES TARIFF

The proposed rates tariff is comprised of:

- Applied for monthly rates and charges general
- Current and applied for loss factors
- Current and applied for allowances
- Current and applied for specific service charges
- Current and applied for retail service charges

These components of the rates tariff as generated by the various models are provided on the following pages. A PDF copy of the entire rate tariff is provided in the application filing as prescribed in the Update to Chapter 3 of the Filing Requirements (July 22, 2009).

Applied for monthly rates and charges general

Rate Class
Residential

Rate Description	Metric	Rate
Service Charge	$	18.21
Service Charge Smart Meter Funding Adder	$	1.00
Distribution Volumetric Rate	$/kWh	0.0128
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2011	$/kWh	(0.00009)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Me	$/kWh	0.00010
Distribution Volumetric Deferral Account Rate Rider One – effective until April 30, 2013	$/kWh	0.00020
Distribution Volumetric Deferral Account Rate Rider Two – effective until April 30, 2011	$/kWh	(0.00236)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0014
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Rate Class
General Service Less Than 50 kW

Rate Description	Metric	Rate
Service Charge	$	45.72
Service Charge Smart Meter Funding Adder	$	1.00
Distribution Volumetric Rate	$/kWh	0.0137
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2011	$/kWh	(0.00009)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Me	$/kWh	0.00010
Distribution Volumetric Deferral Account Rate Rider One – effective until April 30, 2013	$/kWh	0.00020
Distribution Volumetric Deferral Account Rate Rider Two – effective until April 30, 2011	$/kWh	(0.00225)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0013
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Rate Class
General Service 50 to 4,999 kW

Rate Description	Metric	Rate
Service Charge	$	337.94
Service Charge Smart Meter Funding Adder	$	1.00
Distribution Volumetric Rate	$/kW	2.6409
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2011	$/kW	(0.01369)
Distribution Volumetric Deferral Account Rate Rider One – effective until April 30, 2013	$/kW	0.04700
Distribution Volumetric Deferral Account Rate Rider Two – effective until April 30, 2011	$/kW	(0.84132)
Retail Transmission Rate – Network Service Rate	$/kW	2.0578
Retail Transmission Rate – Network Service Rate – Interval metered	$/kW	2.2241
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.5096
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval metered	$/kW	1.2257
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Rate Class
Unmetered Scattered Load

Rate Description	Metric	Rate
Service Charge (per Customer)	$	54.01
Distribution Volumetric Rate	$/kWh	0.0162
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2011	$/kWh	(0.00023)
Distribution Volumetric Deferral Account Rate Rider One – effective until April 30, 2013	$/kWh	0.00330
Distribution Volumetric Deferral Account Rate Rider Two – effective until April 30, 2011	$/kWh	(0.00236)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0013
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Rate Class
Street Lighting

Rate Description	Metric	Rate
Service Charge (per connection)	$	3.94
Distribution Volumetric Rate	$/kW	15.4329
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2011	$/kW	(0.12837)
Distribution Volumetric Deferral Account Rate Rider One – effective until April 30, 2013	$/kW	0.09650
Distribution Volumetric Deferral Account Rate Rider Two – effective until April 30, 2011	$/kW	(0.80623)
Retail Transmission Rate – Network Service Rate	$/kW	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Current and applied for loss factors

LOSS FACTORS	Current
Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0463
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0156
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0358
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0055

Current and applied for allowances

Allowances	Metric	Current
Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.56)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

Current and applied for specific service charges.

Customer Administration	Metric	Current
Arrears certificate	$	15.00
Statement of account	$	15.00
Pulling post dated cheques	$	15.00
Duplicate invoices for previous billing	$	15.00
Request for other billing information	$	15.00
Easement letter	$	15.00
Account history	$	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Charge to certify cheque	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account	Metric	Current
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	185.00
Disconnect/Reconnect at pole - during regular hours	$	185.00
Collection of account charge - no disconnection - after regular hours	$	415.00
Other	Metric	Current
Service Call - Customer-owned Equipment - During Regular Hours	$	30.00
Service Call - Customer-owned Equipment - After Regular Hours	$	165.00
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
Temporary service install & remove - overhead - with transformer	$	1000.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35
Specific Charge for Bell Canada Access to the Power Poles - per pole/year Note: Specific Charge for Bell Canada Access to the Power Poles is valid only until the existing joint-use agreement is terminated	$	18.36

Current and applied for retail service charges

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	Metric	Current
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

7. BILL IMPACTS

Using the IRM3 rate generator, the total bill impacts for NOTL customer classes with the volumes pre-set in the model are all less than 10%, except for Street Lighting. The major increase in Street Lighting is due to the continuation of the revenue to cost ratio increase adjustment for this class further to the OEB decision in the 2009 rebasing.

NOTL proposes that bill impact mitigation measures are not required for any of the classes, due to the small changes in rates or, for Street Lighting, because the increase follows directly from the 2009 rebasing decision.

Details of the bill impacts are provided below from the model. Also, a PDF copy of all of the bill impacts is provided in the application filing as prescribed in the Update to Chapter 3 of the Filing Requirements (July 22, 2009).

Street Lighting

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	$	2.91	3.94
Service Charge Rate Adder(s)	$	-	-
Service Charge Rate Rider(s)	$	-	-
Distribution Volumetric Rate	$/kW	11.3847	15.4329
Distribution Volumetric Rate Adder(s)	$/kW	-	-
Low Voltage Volumetric Rate	$/kW	-	-
Distribution Volumetric Rate Rider(s)	$/kW	0.0965	- 0.8381
Retail Transmission Rate – Network Service Rate	$/kW	1.4994	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939	0.3939
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	$/kWh	0.25	0.25

Consumption	**37**	**kWh**	**0.10**	**kW**	***Loss Factor***	***1.0463***
RPP Tier One	**750**	**kWh**	***Load Factor***	***50.7%***		

Street Lighting	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Energy First Tier (kWh)	39	0.0570	2.22	39	0.0570	2.22	0.00	0.0%	24.64%
Energy Second Tier (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00	0.0%	0.00%
Sub-Total: Energy			**2.22**			**2.22**	**0.00**	**0.0%**	**24.64%**
Service Charge	1	2.91	2.91	1	3.94	3.94	1.03	35.4%	43.73%
Service Charge Rate Adder(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate	0.10	11.3847	1.14	0.10	15.4329	1.54	0.40	35.1%	17.09%
Distribution Volumetric Rate Adder(s)	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	0.10	0.0965	0.01	0.10	-0.8381	-0.08	-0.09	(900.0)%	-0.89%
Total: Distribution			**4.06**			**5.40**	**1.34**	**33.0%**	**59.93%**
Retail Transmission Rate – Network Service Rate	0.10	1.4994	0.15	0.10	1.5519	0.16	0.01	6.7%	1.78%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	0.3939	0.04	0.10	0.3939	0.04	0.00	0.0%	0.44%
Total: Retail Transmission			**0.19**			**0.20**	**0.01**	**5.3%**	**2.22%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**4.25**			**5.60**	**1.35**	**31.8%**	**62.15%**
Wholesale Market Service Rate	39	0.0052	0.20	39	0.0052	0.20	0.00	0.0%	2.22%
Rural Rate Protection Charge	39	0.0013	0.05	39	0.0013	0.05	0.00	0.0%	0.55%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	2.77%
Sub-Total: Regulatory			**0.50**			**0.50**	**0.00**	**0.0%**	**5.55%**
Debt Retirement Charge (DRC)	37	0.00700	**0.26**	37	0.00700	**0.26**	**0.00**	**0.0%**	**2.89%**
Total Bill before Taxes			**7.23**			**8.58**	**1.35**	**18.7%**	**95.23%**
GST	7.23	5%	**0.36**	8.58	5%	**0.43**	**0.07**	**19.4%**	**4.77%**
Total Bill			**7.59**			**9.01**	**1.42**	**18.7%**	**100.00%**

Street Lighting

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	$	2.91	3.94
Service Charge Rate Adder(s)	$	-	-
Service Charge Rate Rider(s)	$	-	-
Distribution Volumetric Rate	$/kW	11.3847	15.4329
Distribution Volumetric Rate Adder(s)	$/kW	-	-
Low Voltage Volumetric Rate	$/kW	-	-
Distribution Volumetric Rate Rider(s)	$/kW	0.0965	- 0.8381
Retail Transmission Rate – Network Service Rate	$/kW	1.4994	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939	0.3939
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	$/kWh	0.25	0.25

Consumption	37	kWh	0.10	kW	*Loss Factor*	*1.0463*
RPP Tier One	750	kWh	*Load Factor*	*50.7%*		

Street Lighting	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Energy First Tier (kWh)	39	0.0570	2.22	39	0.0570	2.22	0.00	0.0%	24.64%
Energy Second Tier (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00	0.0%	0.00%
Sub-Total: Energy			**2.22**			**2.22**	**0.00**	**0.0%**	**24.64%**
Service Charge	1	2.91	2.91	1	3.94	3.94	1.03	35.4%	43.73%
Service Charge Rate Adder(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate	0.10	11.3847	1.14	0.10	15.4329	1.54	0.40	35.1%	17.09%
Distribution Volumetric Rate Adder(s)	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	0.10	0.0965	0.01	0.10	-0.8381	-0.08	-0.09	(900.0)%	-0.89%
Total: Distribution			**4.06**			**5.40**	**1.34**	**33.0%**	**59.93%**
Retail Transmission Rate – Network Service Rate	0.10	1.4994	0.15	0.10	1.5519	0.16	0.01	6.7%	1.78%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	0.3939	0.04	0.10	0.3939	0.04	0.00	0.0%	0.44%
Total: Retail Transmission			**0.19**			**0.20**	**0.01**	**5.3%**	**2.22%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**4.25**			**5.60**	**1.35**	**31.8%**	**62.15%**
Wholesale Market Service Rate	39	0.0052	0.20	39	0.0052	0.20	0.00	0.0%	2.22%
Rural Rate Protection Charge	39	0.0013	0.05	39	0.0013	0.05	0.00	0.0%	0.55%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	2.77%
Sub-Total: Regulatory			**0.50**			**0.50**	**0.00**	**0.0%**	**5.55%**
Debt Retirement Charge (DRC)	37	0.00700	**0.26**	37	0.00700	**0.26**	**0.00**	**0.0%**	**2.89%**
Total Bill before Taxes			**7.23**			**8.58**	**1.35**	**18.7%**	**95.23%**
GST	7.23	5%	**0.36**	8.58	5%	**0.43**	**0.07**	**19.4%**	**4.77%**
Total Bill			**7.59**			**9.01**	**1.42**	**18.7%**	**100.00%**

Street Lighting

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	$	2.91	3.94
Service Charge Rate Adder(s)	$	-	-
Service Charge Rate Rider(s)	$	-	-
Distribution Volumetric Rate	$/kW	11.3847	15.4329
Distribution Volumetric Rate Adder(s)	$/kW	-	-
Low Voltage Volumetric Rate	$/kW	-	-
Distribution Volumetric Rate Rider(s)	$/kW	0.0965	- 0.8381
Retail Transmission Rate – Network Service Rate	$/kW	1.4994	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939	0.3939
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	$/kWh	0.25	0.25

Consumption	37	kWh	0.10	kW	*Loss Factor*	*1.0463*
RPP Tier One	750	kWh	*Load Factor*	*50.7%*		

Street Lighting	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Energy First Tier (kWh)	39	0.0570	2.22	39	0.0570	2.22	0.00	0.0%	24.64%
Energy Second Tier (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00	0.0%	0.00%
Sub-Total: Energy			**2.22**			**2.22**	**0.00**	**0.0%**	**24.64%**
Service Charge	1	2.91	2.91	1	3.94	3.94	1.03	35.4%	43.73%
Service Charge Rate Adder(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate	0.10	11.3847	1.14	0.10	15.4329	1.54	0.40	35.1%	17.09%
Distribution Volumetric Rate Adder(s)	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	0.10	0.0965	0.01	0.10	-0.8381	-0.08	-0.09	(900.0)%	-0.89%
Total: Distribution			**4.06**			**5.40**	**1.34**	**33.0%**	**59.93%**
Retail Transmission Rate – Network Service Rate	0.10	1.4994	0.15	0.10	1.5519	0.16	0.01	6.7%	1.78%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	0.3939	0.04	0.10	0.3939	0.04	0.00	0.0%	0.44%
Total: Retail Transmission			**0.19**			**0.20**	**0.01**	**5.3%**	**2.22%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**4.25**			**5.60**	**1.35**	**31.8%**	**62.15%**
Wholesale Market Service Rate	39	0.0052	0.20	39	0.0052	0.20	0.00	0.0%	2.22%
Rural Rate Protection Charge	39	0.0013	0.05	39	0.0013	0.05	0.00	0.0%	0.55%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	2.77%
Sub-Total: Regulatory			**0.50**			**0.50**	**0.00**	**0.0%**	**5.55%**
Debt Retirement Charge (DRC)	37	0.00700	**0.26**	37	0.00700	**0.26**	**0.00**	**0.0%**	**2.89%**
Total Bill before Taxes			**7.23**			**8.58**	**1.35**	**18.7%**	**95.23%**
GST	7.23	5%	**0.36**	8.58	5%	**0.43**	**0.07**	**19.4%**	**4.77%**
Total Bill			**7.59**			**9.01**	**1.42**	**18.7%**	**100.00%**

Street Lighting

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	$	2.91	3.94
Service Charge Rate Adder(s)	$	-	-
Service Charge Rate Rider(s)	$	-	-
Distribution Volumetric Rate	$/kW	11.3847	15.4329
Distribution Volumetric Rate Adder(s)	$/kW	-	-
Low Voltage Volumetric Rate	$/kW	-	-
Distribution Volumetric Rate Rider(s)	$/kW	0.0965	- 0.8381
Retail Transmission Rate – Network Service Rate	$/kW	1.4994	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939	0.3939
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	$/kWh	0.25	0.25

Consumption	**37**	**kWh**	**0.10**	**kW**	***Loss Factor***	***1.0463***
RPP Tier One	**750**	**kWh**	***Load Factor***	***50.7%***		

Street Lighting	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Energy First Tier (kWh)	39	0.0570	2.22	39	0.0570	2.22	0.00	0.0%	24.64%
Energy Second Tier (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00	0.0%	0.00%
Sub-Total: Energy			**2.22**			**2.22**	**0.00**	**0.0%**	**24.64%**
Service Charge	1	2.91	2.91	1	3.94	3.94	1.03	35.4%	43.73%
Service Charge Rate Adder(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate	0.10	11.3847	1.14	0.10	15.4329	1.54	0.40	35.1%	17.09%
Distribution Volumetric Rate Adder(s)	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	0.10	0.0965	0.01	0.10	-0.8381	-0.08	-0.09	(900.0)%	-0.89%
Total: Distribution			**4.06**			**5.40**	**1.34**	**33.0%**	**59.93%**
Retail Transmission Rate – Network Service Rate	0.10	1.4994	0.15	0.10	1.5519	0.16	0.01	6.7%	1.78%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	0.3939	0.04	0.10	0.3939	0.04	0.00	0.0%	0.44%
Total: Retail Transmission			**0.19**			**0.20**	**0.01**	**5.3%**	**2.22%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**4.25**			**5.60**	**1.35**	**31.8%**	**62.15%**
Wholesale Market Service Rate	39	0.0052	0.20	39	0.0052	0.20	0.00	0.0%	2.22%
Rural Rate Protection Charge	39	0.0013	0.05	39	0.0013	0.05	0.00	0.0%	0.55%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	2.77%
Sub-Total: Regulatory			**0.50**			**0.50**	**0.00**	**0.0%**	**5.55%**
Debt Retirement Charge (DRC)	37	0.00700	**0.26**	37	0.00700	**0.26**	**0.00**	**0.0%**	**2.89%**
Total Bill before Taxes			**7.23**			**8.58**	**1.35**	**18.7%**	**95.23%**
GST	7.23	5%	**0.36**	8.58	5%	**0.43**	**0.07**	**19.4%**	**4.77%**
Total Bill			**7.59**			**9.01**	**1.42**	**18.7%**	**100.00%**

Street Lighting

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	$	2.91	3.94
Service Charge Rate Adder(s)	$	-	-
Service Charge Rate Rider(s)	$	-	-
Distribution Volumetric Rate	$/kW	11.3847	15.4329
Distribution Volumetric Rate Adder(s)	$/kW	-	-
Low Voltage Volumetric Rate	$/kW	-	-
Distribution Volumetric Rate Rider(s)	$/kW	0.0965	- 0.8381
Retail Transmission Rate – Network Service Rate	$/kW	1.4994	1.5519
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.3939	0.3939
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	$/kWh	0.25	0.25

Consumption	**37**	**kWh**	**0.10**	**kW**	***Loss Factor***	***1.0463***
RPP Tier One	**750**	**kWh**	***Load Factor***	***50.7%***		

Street Lighting	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Energy First Tier (kWh)	39	0.0570	2.22	39	0.0570	2.22	0.00	0.0%	24.64%
Energy Second Tier (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00	0.0%	0.00%
Sub-Total: Energy			**2.22**			**2.22**	**0.00**	**0.0%**	**24.64%**
Service Charge	1	2.91	2.91	1	3.94	3.94	1.03	35.4%	43.73%
Service Charge Rate Adder(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate	0.10	11.3847	1.14	0.10	15.4329	1.54	0.40	35.1%	17.09%
Distribution Volumetric Rate Adder(s)	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	0.10	0.0000	0.00	0.10	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	0.10	0.0965	0.01	0.10	-0.8381	-0.08	-0.09	(900.0)%	-0.89%
Total: Distribution			**4.06**			**5.40**	**1.34**	**33.0%**	**59.93%**
Retail Transmission Rate – Network Service Rate	0.10	1.4994	0.15	0.10	1.5519	0.16	0.01	6.7%	1.78%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	0.3939	0.04	0.10	0.3939	0.04	0.00	0.0%	0.44%
Total: Retail Transmission			**0.19**			**0.20**	**0.01**	**5.3%**	**2.22%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**4.25**			**5.60**	**1.35**	**31.8%**	**62.15%**
Wholesale Market Service Rate	39	0.0052	0.20	39	0.0052	0.20	0.00	0.0%	2.22%
Rural Rate Protection Charge	39	0.0013	0.05	39	0.0013	0.05	0.00	0.0%	0.55%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	2.77%
Sub-Total: Regulatory			**0.50**			**0.50**	**0.00**	**0.0%**	**5.55%**
Debt Retirement Charge (DRC)	37	0.00700	**0.26**	37	0.00700	**0.26**	**0.00**	**0.0%**	**2.89%**
Total Bill before Taxes			**7.23**			**8.58**	**1.35**	**18.7%**	**95.23%**
GST	7.23	5%	**0.36**	8.58	5%	**0.43**	**0.07**	**19.4%**	**4.77%**
Total Bill			**7.59**			**9.01**	**1.42**	**18.7%**	**100.00%**

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