



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

LDC Information

Applicant Name	PUC Distribution Inc.
OEB Application Number	EB-2009-0247
LDC Licence Number	ED-2002-0546
Applied for Effective Date	May 1, 2010
Stretch Factor Group	II
Stretch Factor Value	0.4%
Re-based Year	2008
Most Recent Year Reported	2009



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Rate Class and Re-Based Billing Determinants & Rates

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Re-based Tariff Service Charge D	Re-based Tariff Distribution Volumetric Rate kWh E	Re-based Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	28,675	352,377,221		9.65	0.0150	
GSLT50	General Service Less Than 50 kW	Customer	kWh	3,294	96,197,960		16.40	0.0185	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	426	265,745,829	675,865	151.07		4.5237
USL	Unmetered Scattered Load	Customer	kWh	26	755,305		10.94	0.0269	
Sen	Sentinel Lighting	Connection	kW	436	273,329	759	1.93		17.9528
SL	Street Lighting	Connection	kW	8,753	7,051,649	21,706	1.56		10.1419
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



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Removal of Rate Adders

Rate Class	Re-based Tariff	Re-based Tariff Distribution	Re-based Tariff Distribution	Service Charge	Distribution Volumetric	Distribution Volumetric
	Service Charge	Volumetric Rate kWh	Volumetric Rate kW	Rate Adders	kWh Rate Adders	kW Rate Adders
	A	B	C	D	E	F
Residential	9.65	0.0150	0.0000	1.00	0.0000	0.0000
General Service Less Than 50 kW	16.40	0.0185	0.0000	1.00	0.0000	0.0000
General Service 50 to 4,999 kW	151.07	0.0000	4.5237	1.00	0.0000	0.0000
Unmetered Scattered Load	10.94	0.0269	0.0000	0.00	0.0000	0.0000
Sentinel Lighting	1.93	0.0000	17.9528	0.00	0.0000	0.0000
Street Lighting	1.56	0.0000	10.1419	0.00	0.0000	0.0000



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Calculated Re-Based Revenue From Rates

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Re-based Base Service Charge D	Re-based Base Distribution Volumetric Rate kWh E	Re-based Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D *12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I
Residential	28,675	352,377,221	0	8.65	0.0150	0.0000	2,976,465	5,290,592	0	8,267,057
General Service Less Than 50 kW	3,294	96,197,960	0	15.40	0.0185	0.0000	608,731	1,781,182	0	2,389,913
General Service 50 to 4,999 kW	426	265,745,829	675,865	150.07	0.0000	4.5237	767,158	0	3,057,384	3,824,542
Unmetered Scattered Load	26	755,305	0	10.94	0.0269	0.0000	3,413	20,309	0	23,722
Sentinel Lighting	436	273,329	759	1.93	0.0000	17.9528	10,098	0	13,626	23,724
Street Lighting	8,753	7,051,649	21,706	1.56	0.0000	10.1419	163,856	0	220,141	383,997
							4,529,721	7,092,082	3,291,152	14,912,955



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Detailed Re-Based Revenue From Rates

Applicants Rate Base		Last Rate Re-based Amount	
Average Net Fixed Assets			
Gross Fixed Assets - Re-based Opening	\$ 79,274,399	A	
Add: CWIP Re-based Opening		B	
Re-based Capital Additions	\$ 4,900,000	C	
Re-based Capital Disposals		D	
Re-based Capital Retirements	\$ 1,433,932	E	
Deduct: CWIP Re-based Closing		F	
Gross Fixed Assets - Re-based Closing	\$ 85,608,331	G	
Average Gross Fixed Assets			\$ 82,441,365 $H = (A + G) / 2$
Accumulated Depreciation - Re-based Opening	\$ 42,950,631	I	
Re-based Depreciation Expense	\$ 3,165,769	J	
Re-based Disposals		K	
Re-based Retirements	\$ 1,433,932	L	
Accumulated Depreciation - Re-based Closing	\$ 47,550,332	M	
Average Accumulated Depreciation			\$ 45,250,482 $N = (I + M) / 2$
Average Net Fixed Assets			\$ 37,190,884 $O = H - N$
Working Capital Allowance			
Working Capital Allowance Base	\$ 56,190,596	P	
Working Capital Allowance Rate	15.0%	Q	
Working Capital Allowance			\$ 8,428,589 $R = P * Q$
Rate Base			\$ 45,619,473 $S = O + R$
Return on Rate Base			
Deemed ShortTerm Debt %	4.00%	T	\$ 1,824,779 $W = S * T$
Deemed Long Term Debt %	49.33%	U	\$ 22,504,086 $X = S * U$
Deemed Equity %	46.67%	V	\$ 21,290,608 $Y = S * V$
Short Term Interest	4.47%	Z	\$ 81,568 $AC = W * Z$
Long Term Interest	6.10%	AA	\$ 1,372,749 $AD = X * AA$
Return on Equity	8.57%	AB	\$ 1,824,605 $AE = Y * AB$
Return on Rate Base			\$ 3,278,922 $AF = AC + AD + AE$
Distribution Expenses			
OM&A Expenses	\$ 7,980,150	AG	
Amortization	\$ 3,165,769	AH	
Ontario Capital Tax (F1.1 Z-Factor Tax Changes)	\$ 87,265	AI	
Grossed Up PILs (F1.1 Z-Factor Tax Changes)	\$ 1,286,785	AJ	
Low Voltage		AK	
Transformer Allowance	\$ 86,864	AL	
		AM	
		AN	
		AO	
			\$ 12,606,833 $AP = \text{SUM} (AG : AO)$
Revenue Offsets			
Specific Service Charges	-\$ 172,900	AQ	
Late Payment Charges	-\$ 195,000	AR	
Other Distribution Income	-\$ 604,821	AS	
Other Income and Deductions		AT	-\$ 972,721 $AU = \text{SUM} (AQ : AT)$
Revenue Requirement from Distribution Rates			\$ 14,913,034 $AV = AF + AP + AU$
Rate Classes Revenue			
Rate Classes Revenue - Total (B1.1 Re-based Revenue - Gen)			\$ 14,912,955 AW
Difference			\$ 79 $AZ = AV - AW$
Difference (Percentage - should be less than 1%)			0.00% $BA = AZ / AW$



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2009 Base Distribution Rates

Rate Class	Fixed Metric	Vol Metric	Current Base	Current Base	Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW	Current Base	Current Base	Current Base	Total Current Base Revenue
			Service Charge	Distribution Volumetric Rate kWh				Service Charge Revenue	Distribution Volumetric Rate kWh Revenue	Distribution Volumetric Rate kW Revenue	
Residential	Customer	kWh	8.72	0.0151	28,675	352,377,221	0	3,000,552	5,320,896	0	8,321,448
General Service Less Than 50 kW	Customer	kWh	15.12	0.0182	3,294	96,197,960	0	597,663	1,750,803	0	2,348,466
General Service 50 to 4,999 kW	Customer	kW	148.59		426	265,745,829	675,865	759,592	0	3,027,267	3,786,859
Unmetered Scattered Load	Customer	kWh	11.03	0.0271	26	755,305	0	3,441	20,469	0	23,910
Sentinel Lighting	Connection	kW	2.25		436	273,329	759	11,772	0	15,892	27,664
Street Lighting	Connection	kW	2.08		8,753	7,051,649	21,706	218,475	0	293,767	512,242
								4591496	7092168	3336925	15020589

"C7.1 Base Dist Rates Gen"
 of the 2010 OEB IRM3 Rate
 Generator.



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Cost Allocation Information

Rate Class	2006 EDR	2006 Cost Allocation Informational Filing				Allocation of Revised Total			
	TOA Sheet 6-3	Total Revenue	Revenue Requirement	To Cost Ratio	TOA Allocators	TOA	Revenue	Revenue Requirement	Revenue to Cost Ratio
	A	B	C	D = B / C	E	G = F * E	H = B - A	I = C - G	J = H / I
					LTNCP4				
Residential		7,083,879	7,900,721	89.66%	54.52%	47,358	7,083,879	7,853,363	90.20%
General Service Less Than 50 kW		2,441,615	1,783,662	136.89%	15.51%	13,473	2,441,615	1,770,189	137.93%
General Service 50 to 4,999 kW	86,864	3,354,056	2,532,482	132.44%	29.97%	26,033	3,267,192	2,506,449	130.35%
Unmetered Scattered Load		22,331	27,257	81.93%		0	22,331	27,257	81.93%
Sentinel Lighting		15,651	41,096	38.08%		0	15,651	41,096	38.08%
Street Lighting		133,369	765,682	17.42%		0	133,369	765,682	17.42%
Total		13,050,901	13,050,900	100.00%	100.00%		12,964,037	12,964,036	100.00%
Transformer Ownership Allowance	86,864 F					86,864			



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Calculate New Starting Point for 2008 Re-Based Decisions

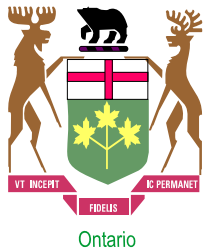
Rate Class	2008 Decision	2008	2009	2010	2011	2012	New Starting Point	2008	2009	2010	2011	2012
	A	B	C	D	E	F	G	H = B * (G / A) I = C * (G / A) J = D * (G / A) K = E * (G / A) L = F * (G / A)				
Residential	89.66%	93.00%	93.00%	93.00%			90.20%	93.56%	93.56%	93.56%	0.00%	0.00%
General Service Less Than 50 kW	136.89%	117.00%	114.00%	tbd			137.93%	117.89%	114.87%	0.00%	0.00%	0.00%
General Service 50 to 4,999 kW	132.44%	125.00%	123.00%	tbd			130.35%	123.03%	121.06%	0.00%	0.00%	0.00%
Unmetered Scattered Load	81.93%	82.00%	82.00%	82.00%			81.93%	82.00%	82.00%	82.00%	0.00%	0.00%
Sentinel Lighting	38.08%	54.00%	62.00%	70.00%			38.08%	54.00%	62.00%	70.00%	0.00%	0.00%
Street Lighting	17.42%	44.00%	57.00%	70.00%			17.42%	44.00%	57.00%	70.00%	0.00%	0.00%



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Decision - Cost Revenue Adjustments by Rate Class

Rate Class	Group	Pre -Rebased	Rebased	Transition	Transition	Transition	Transition
		Year 2007	Year 2008	Year 2 2009	Year 3 2010	Year 4 2011	Year 5 2012
Residential	No Change	90.20%	93.56%	93.56%	93.56%	0.00%	0.00%
General Service Less Than 50 kW	Rebalance	137.93%	117.89%	114.87%	tbd	tbd	tbd
General Service 50 to 4,999 kW	Rebalance	130.35%	123.03%	121.06%	tbd	tbd	tbd
Unmetered Scattered Load	No Change	81.93%	82.00%	82.00%	82.00%	0.00%	0.00%
Sentinel Lighting	Change	38.08%	54.00%	62.00%	70.00%	0.00%	0.00%
Street Lighting	Change	17.42%	44.00%	57.00%	70.00%	0.00%	0.00%



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Revenue Offsets Allocation

Rate Class	Informational Filing	Percentage Split	Allocated Revenue
	Revenue Offsets		Offsets
	A	C= A / B	E = D * C
Residential	742,543	67.48%	656,394
General Service Less Than 50 kW	169,117	15.37%	149,496
General Service 50 to 4,999 kW	157,128	14.28%	138,898
Unmetered Scattered Load	2,720	0.25%	2,404
Sentinel Lighting	1,469	0.13%	1,299
Street Lighting	27,410	2.49%	24,230
	1,100,387	100.00%	972,721
	B		D



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Transformer Allowance

Rate Class	Transformer Allowance	Transformer Allowance		Transformer Allowance	Volumetric Distribution		Adjusted Volumetric Distribution Rate
	In Rate	Transformer Allowance	kW's	Rate	Rate	Billed kW's	
		A	C	E	F	G	I = (F * (G - C) + (F - E) * C) / G
Residential	Yes	-	-	-	-	-	-
General Service Less Than 50 kW		-	-	-	-	-	-
General Service 50 to 4,999 kW		86,864	144,773	0.6000	4.5237	675,865	4.3951
Unmetered Scattered Load		0	0	0.0000	0.0000	0	0.0000
Sentinel Lighting		-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-
		86,864	144,773			675,865	
		B	D			H	
		-	0				



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Revenue / Cost Ratio Revenue

Rate Class	Billed Customers or Connections A	Billed kWh B	Billed kW C		Base Service Charge D	Base Distribution Volumetric Rate kWh E	Base Distribution Volumetric Rate kW F	Service Charge G = A * D * 12	Distribution Volumetric Rate kWh H = B * E	Distribution Volumetric Rate kW I = C * F	Revenue Requirement from Rates J = G + H + I
Residential	28,675	352,377,221	0	0	8.65	0.0150	0.0000	2,976,465	5,290,592	0	8,267,057
General Service Less Than 50 kW	3,294	96,197,960	0	0	15.40	0.0185	0.0000	608,731	1,781,182	0	2,389,913
General Service 50 to 4,999 kW	426	265,745,829	675,865	0	150.07	0.0000	4.3951	767,158	0	2,970,521	3,737,678
Unmetered Scattered Load	26	755,305	0	0	10.94	0.0269	0.0000	3,413	20,309	0	23,722
Sentinel Lighting	436	273,329	759	0	1.93	0.0000	17.9528	10,098	0	13,626	23,724
Street Lighting	8,753	7,051,649	21,706	0	1.56	0.0000	10.1419	163,856	0	220,141	383,997
								4,529,721	7,092,082	3,204,288	14,826,091



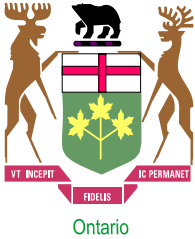
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Proposed Revenue / Cost Ratio Adjustment

Rate Class	Adjusted Revenue	Current Revenue Cost Ratio	Re-Allocated Cost	Proposed Revenue Cost Ratio	Final Adjusted Revenue	Dollar Change	Percentage Change
	A	B	C = A / B	D	E = C * D	F = E - C	G = (E / C) - 1
Residential	\$ 8,923,450	0.94	\$ 9,537,593	0.94	\$ 8,923,450	\$ -	0.0%
General Service Less Than 50 kW	\$ 2,539,410	1.18	\$ 2,154,041	1.13	\$ 2,438,453	-\$ 100,957	-4.0%
General Service 50 to 4,999 kW	\$ 3,876,577	1.23	\$ 3,150,986	1.18	\$ 3,728,894	-\$ 147,682	-3.8%
Unmetered Scattered Load	\$ 26,126	0.82	\$ 31,861	0.82	\$ 26,126	\$ -	0.0%
Sentinel Lighting	\$ 25,022	0.54	\$ 46,338	0.70	\$ 32,437	\$ 7,414	29.6%
Street Lighting	\$ 408,227	0.44	\$ 927,789	0.70	\$ 649,452	\$ 241,225	59.1%
	<u>\$ 15,798,812</u>		<u>\$ 15,848,609</u>		<u>\$ 15,798,812</u>	<u>-\$ 0</u>	<u>0.0%</u>

Out of Balance **0**

Final ? **Yes**



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Proposed Revenue from Revenue / Cost Ratio Adjustment

Rate Class	Adjusted Revenue By Revenue Cost Ratio A	Allocated Re- Based Revenue Offsets B	Revenue Requirement from Rates Before Transformer Allowance C = A - B	Re-based Transformer Allowance D	Revenue Requirement from Rates E = C + D
Residential	\$ 8,923,450	\$ 656,394	\$ 8,267,057	\$ -	\$ 8,267,057
General Service Less Than 50 kW	\$ 2,438,453	\$ 149,496	\$ 2,288,956	\$ -	\$ 2,288,956
General Service 50 to 4,999 kW	\$ 3,728,894	\$ 138,898	\$ 3,589,996	\$ 86,864	\$ 3,676,860
Unmetered Scattered Load	\$ 26,126	\$ 2,404	\$ 23,722	\$ -	\$ 23,722
Sentinel Lighting	\$ 32,437	\$ 1,299	\$ 31,138	\$ -	\$ 31,138
Street Lighting	\$ 649,452	\$ 24,230	\$ 625,222	\$ -	\$ 625,222
	<u>\$ 15,798,812</u>	<u>\$ 972,721</u>	<u>\$14,826,091</u>	<u>\$ 86,864</u>	<u>\$14,912,955</u>



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Proposed Fixed Variable Revenue Allocation

Rate Class	Revenue Requirement from Rates A	Service Charge % Revenue C = A / B	Revenue Requirement from Rates E = F * C
Residential	\$ 8,267,057	55.4%	\$ 8,326,724
General Service Less Than 50 kW	\$ 2,288,956	15.3%	\$ 2,305,477
General Service 50 to 4,999 kW	\$ 3,676,860	24.7%	\$ 3,703,397
Unmetered Scattered Load	\$ 23,722	0.2%	\$ 23,893
Sentinel Lighting	\$ 31,138	0.2%	\$ 31,363
Street Lighting	\$ 625,222	4.2%	\$ 629,735
	<u>\$ 14,912,955</u> B		<u>\$ 15,020,589</u> -



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Proposed Fixed Variable Revenue Allocation

Rate Class	Revenue Requirement from Rates A	Distribution Volumetric Distribution Volumetric			Distribution Volumetric Distribution Volumetric Revenue Requirement			
		Service Charge % Revenue B	Rate % Revenue kWh C	Rate % Revenue kW D	Service Charge Revenue E = A * B	Rate Revenue kWh F = A * C	Rate Revenue kW G = A * D	from Rates by Rate Class H = E + F + G
Residential	\$ 8,326,724	36.0%	64.0%	0.0%	\$ 2,997,947	\$ 5,328,776	\$ -	\$ 8,326,724
General Service Less Than 50 kW	\$ 2,305,477	25.5%	74.5%	0.0%	\$ 587,225	\$ 1,718,252	\$ -	\$ 2,305,477
General Service 50 to 4,999 kW	\$ 3,703,397	20.1%	0.0%	79.9%	\$ 742,858	\$ -	\$ 2,960,540	\$ 3,703,397
Unmetered Scattered Load	\$ 23,893	14.4%	85.6%	0.0%	\$ 3,438	\$ 20,455	\$ -	\$ 23,893
Sentinel Lighting	\$ 31,363	42.6%	0.0%	57.4%	\$ 13,349	\$ -	\$ 18,014	\$ 31,363
Street Lighting	\$ 629,735	42.7%	0.0%	57.3%	\$ 268,715	\$ -	\$ 361,019	\$ 629,735
	<u>\$ 15,020,589</u>				<u>\$ 4,613,532</u>	<u>\$ 7,067,484</u>	<u>\$ 3,339,573</u>	<u>\$ 15,020,589</u>



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Proposed Fixed and Variable Rates

Rate Class	Distribution Volumetric Distribution Volumetric			Re-based Billed			Proposed Base Service Charge G = A / D / 12	Proposed Base Distribution Volumetric Rate kWh H = B / E	Proposed Base Distribution Volumetric Rate kW I = C / F
	Service Charge Revenue A	Rate Revenue kWh B	Rate Revenue kW C	Customers or Connections D	Re-based Billed kWh E	Re-based Billed kW F			
Residential	\$ 2,997,947	\$ 5,328,776	\$ -	28,675	352,377,221	0	8.71	0.0151	-
General Service Less Than 50 kW	\$ 587,225	\$ 1,718,252	\$ -	3,294	96,197,960	0	14.86	0.0179	-
General Service 50 to 4,999 kW	\$ 742,858	\$ -	\$ 2,960,540	426	265,745,829	675,865	145.32	-	4.3804
Unmetered Scattered Load	\$ 3,438	\$ 20,455	\$ -	26	755,305	0	11.02	0.0271	-
Sentinel Lighting	\$ 13,349	\$ -	\$ 18,014	436	273,329	759	2.55	-	23.7334
Street Lighting	\$ 268,715	\$ -	\$ 361,019	8,753	7,051,649	21,706	2.56	-	16.6322



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Adjustment required to Proposed Rates

Rate Class	Proposed Base Service Charge A	Proposed Base Distribution Volumetric Rate kWh B	Proposed Base Distribution Volumetric Rate kW C	Current Base Service Charge D	Current Base Distribution Volumetric Rate kWh E	Current Base Distribution Volumetric Rate kW F	Adjustment Required Base Service Charge G = A - D	Adjustment Required Base Distribution Volumetric Rate kWh H = B - E	Adjustment Required Base Distribution Volumetric Rate kW I = C - F
Residential	\$ 8.71	\$ 0.0151	\$ -	\$ 8.72	\$ 0.0151	\$ -	-\$ 0.01	\$ 0.0000	\$ -
General Service Less Than 50 kW	\$ 14.86	\$ 0.0179	\$ -	\$ 15.12	\$ 0.0182	\$ -	-\$ 0.26	-\$ 0.0003	\$ -
General Service 50 to 4,999 kW	\$ 145.32	\$ -	\$ 4.3804	\$ 148.59	\$ -	\$ 4.4791	-\$ 3.27	\$ -	-\$ 0.0987
Unmetered Scattered Load	\$ 11.02	\$ 0.0271	\$ -	\$ 11.03	\$ 0.0271	\$ -	-\$ 0.01	-\$ 0.0000	\$ -
Sentinel Lighting	\$ 2.55	\$ -	\$ 23.7334	\$ 2.25	\$ -	\$ 20.9375	\$ 0.30	\$ -	\$ 2.7959
Street Lighting	\$ 2.56	\$ -	\$ 16.6322	\$ 2.08	\$ -	\$ 13.5339	\$ 0.48	\$ -	\$ 3.0983

Enter the above values onto Sheet
 "D1.2 Revenue Cost Ratio Adj"
 of the 2010 OEB IRM3 Rate Generator.



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Load Actual - Most Recent Year

Most Recent Year Reported - 2009

Rate Class	Fixed Metric	Vol Metric	Billed Customers			Base Service Charge	Base Distribution		Service Charge Revenue	Distribution Volumetric		Total Revenue by Rate Class
			or Connections	Billed kWh	Billed kW		Volumetric Rate kWh	Volumetric Rate kW		Rate Revenue kWh	Rate Revenue kW	
			A	B	C	D	E	F	G = A * D * 12	H = B * E	I = C * F	J = G + H + I
Residential	Customer	kWh	28,675	352,377,221	0	\$8.65	\$0.0150	\$0.0000	\$2,976,465	\$5,290,592	\$0	\$8,267,057
General Service Less Than 50 kW	Customer	kWh	3,294	96,197,960	0	\$15.40	\$0.0185	\$0.0000	\$608,731	\$1,781,182	\$0	\$2,389,913
General Service 50 to 4,999 kW	Customer	kW	426	265,745,829	675,865	\$150.07	\$0.0000	\$4.5237	\$767,158	\$0	\$3,057,384	\$3,824,542
Unmetered Scattered Load	Customer	kWh	26	755,305	0	\$10.94	\$0.0269	\$0.0000	\$3,413	\$20,309	\$0	\$23,722
Sentinel Lighting	Connection	kW	436	273,329	759	\$1.93	\$0.0000	\$17.9528	\$10,098	\$0	\$13,626	\$23,724
Street Lighting	Connection	kW	8,753	7,051,649	21,706	\$1.56	\$0.0000	\$10.1419	\$163,856	\$0	\$220,141	\$383,997
									\$4,529,721	\$7,092,082	\$3,291,152	\$14,912,955



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Capital Structure Transition

Capital Structure Transition

Size of Utility (Rate Base)

Year	Small [\$0, \$100M)			Med-Small [\$100M,\$250M)			Med-Large [\$250M,\$1B)			Large >=\$1B		
	Short Term Debt	Long Term Debt	Equity	Short Term Debt	Long Term Debt	Equity	Short Term Debt	Long Term Debt	Equity	Short Term Debt	Long Term Debt	Equity
2007	4.0%	46.0%	50.0%	4.0%	51.0%	45.0%	4.0%	56.0%	40.0%	4.0%	61.0%	35.0%
2008	4.0%	49.3%	46.7%	4.0%	53.5%	42.5%	4.0%	56.0%	40.0%	4.0%	58.5%	37.5%
2009	4.0%	52.7%	43.3%	4.0%	56.0%	40.0%	4.0%	56.0%	40.0%	4.0%	56.0%	40.0%
2010	4.0%	56.0%	40.0%	4.0%	56.0%	40.0%	4.0%	56.0%	40.0%	4.0%	56.0%	40.0%

Rate Base **A**

Size of Utility **B**

\$45,619,473
Small

Deemed Capital Structure

	Short Term Debt	Long Term Debt	Equity
2008	4.0%	49.3%	46.7%
2009	4.0%	52.7%	43.3%
2010	4.0%	56.0%	40.0%



Name of LDC: PUC Distribution Inc.
 File Number: EB-2009-0247
 Effective Date: Saturday, May 01, 2010

K-Factor Adjustment

Applicants Rate Base		Last Rate Re-Basing Amount	
Average Net Fixed Assets			
Gross Fixed Assets - Re-Basing Opening	\$79,274,399	A	
Add: CWIP Re-Basing Opening	\$ -	B	
Re-Basing Capital Additions	\$ 4,900,000	C	
Re-Basing Capital Disposals	\$ -	D	
Re-Basing Capital Retirements	\$ 1,433,932	E	
Deduct: CWIP Re-Basing Closing	\$ -	F	
Gross Fixed Assets - Re-Basing Closing	\$85,608,331	G	
Average Gross Fixed Assets			\$82,441,365 H
Accumulated Depreciation - Re-Basing Opening	\$42,950,631	I	
Re-Basing Depreciation Expense	\$ 3,165,769	J	
Re-Basing Disposals	\$ -	K	
Re-Basing Retirements	\$ 1,433,932	L	
Accumulated Depreciation - Re-Basing Closing	\$47,550,332	M	
Average Accumulated Depreciation			\$45,250,482 N
Average Net Fixed Assets			\$37,190,884 O
Working Capital Allowance			
Working Capital Allowance Base	\$56,190,596	P	
Working Capital Allowance Rate	15.0%	Q	
Working Capital Allowance			\$ 8,428,589 R
Rate Base			\$45,619,473 S
Return on Rate Base			
Deemed ShortTerm Debt %	4.00%	T	\$ 1,824,779 W
Deemed Long Term Debt %	56.00%	U	\$25,546,905 X
Deemed Equity %	40.00%	V	\$18,247,789 Y
Short Term Interest	4.47%	Z	\$ 81,568 AC
Long Term Interest	6.10%	AA	\$ 1,558,361 AD
Return on Equity	8.57%	AB	\$ 1,563,836 AE
Return on Rate Base			\$ 3,203,764 AF
Distribution Expenses			
OM&A Expenses	\$ 7,980,150	AG	
Amortization	\$ 3,165,769	AH	
Ontario Capital Tax	\$ 87,265	AI	
Grossed Up PILs	\$ 1,286,785	AJ	
Low Voltage	\$ -	AK	
Transformer Allowance	\$ 86,864	AL	
	\$ -	AM	
	\$ -	AN	
	\$ -	AO	
			\$12,606,833 AP
Revenue Offsets			
Specific Service Charges	-\$ 172,900	AQ	
Late Payment Charges	-\$ 195,000	AR	
Other Distribution Income	-\$ 604,821	AS	
Other Income and Deductions	\$ -	AT	-\$ 972,721 AU
Revenue Requirement from Distribution Rates (after Capital Structure Transition)			\$14,837,876 AV
Revenue Requirement from Distribution Rates (Before Capital Structure Transition)			\$14,913,034 AW
K-factor Adjustment			-0.50% AX
2008 Filers K-factor Adjustment			-0.25% AY = AX / 2

Enter the above value onto Sheet
 "D2.2 K-Factor Adjustment"
 of the 2010 OEB IRM3 Rate Generator.



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Z-Factor Tax Changes

Summary - Sharing of Tax Change Forecast Amounts

1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2008	2009	2010	2011	2012
Taxable Capital	\$ 45,619,473	\$ 45,619,473	\$ 45,619,473	\$ 45,619,473	\$ 45,619,473
Deduction from taxable capital up to \$15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Net Taxable Capital	\$ 30,619,473	\$ 30,619,473	\$ 30,619,473	\$ 30,619,473	\$ 30,619,473
Rate	0.225%	0.225%	0.150%	0.000%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ 68,894	\$ 68,894	\$ 22,902	\$ -	\$ -

2. Tax Related Amounts Forecast from Income Tax Rate Changes

	2008	2009	2010	2011	2012
Regulatory Taxable Income	\$ 2,554,365	\$ 2,554,365	\$ 2,554,365	\$ 2,554,365	\$ 2,554,365
Corporate Tax Rate	33.5%	33.0%	32.0%	30.5%	29.0%
Tax Impact	\$ 855,712	\$ 842,940	\$ 817,397	\$ 779,081	\$ 740,766
Grossed-up Tax Amount	\$ 1,286,785	\$ 1,258,120	\$ 1,202,054	\$ 1,120,980	\$ 1,043,332
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ 68,894	\$ 68,894	\$ 22,902	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 1,286,785	\$ 1,258,120	\$ 1,202,054	\$ 1,120,980	\$ 1,043,332
Total Tax Related Amounts	\$ 1,355,679	\$ 1,327,014	\$ 1,224,956	\$ 1,120,980	\$ 1,043,332
Incremental Tax Savings		-\$ 28,665	-\$ 130,723	-\$ 234,699	-\$ 312,347
Total Tax Savings (2009 - 2012)					-\$ 706,435
Sharing of Tax Savings (50%)		-\$ 14,333	-\$ 65,362	-\$ 117,349	-\$ 156,174
Total Sharing of Tax Savings (50%)					-\$ 353,217



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Calculate Tax Change Rate Rider Option B Volumetric

Rate Class	Total Revenue \$ by Rate Class A	Total Revenue % by Rate Class B = A / \$H	Total Z-Factor Tax Change\$ by Rate Class C = \$I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	\$8,267,057	55.44%	-\$36,234	352,377,221	0	-\$0.000103	
General Service Less Than 50 kW	\$2,288,956	15.35%	-\$10,032	96,197,960	0	-\$0.000104	
General Service 50 to 4,999 kW	\$3,676,860	24.66%	-\$16,115	265,745,829	675,865		-\$0.023844
Unmetered Scattered Load	\$23,722	0.16%	-\$104	755,305	0	-\$0.000138	
Sentinel Lighting	\$31,138	0.21%	-\$136	273,329	759		-\$0.179808
Street Lighting	\$625,222	4.19%	-\$2,740	7,051,649	21,706		-\$0.126245
	<u>\$14,912,955</u> H	<u>100.00%</u>	<u>-\$65,362</u> I				

Enter the above value onto Sheet
 "J2.1 Tax Change Rate Rider"
 of the 2010 OEB IRM3 Rate



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Threshold Parameters

Price Cap Index

Price Escalator (GDP-IPI)	2.30%
Less Productivity Factor	-0.72%
Less Stretch Factor	-0.40%

Price Cap Index 1.18%

Enter the above value onto Sheet
"F1.2 Price Cap Adjustment"
of the 2010 OEB IRM3 Rate Generator.

Growth

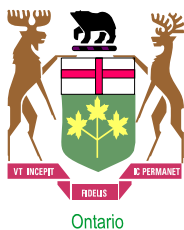
Re-Based Revenue Requirement From Rates	\$14,912,955	A
Most Recent Year Reported Revenue Requirement From Rates	\$14,912,955	B
Growth	0.00%	C



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Threshold Test

Year	2008	
Status	Re-Basing	
Price Cap Index	1.18%	A
Growth	0.00%	B
Dead Band	20%	C
Average Net Fixed Assets		
Gross Fixed Assets Opening	\$79,274,399	
Add: CWIP Opening	\$ -	
Capital Additions	\$ 4,900,000	
Capital Disposals	\$ -	
Capital Retirements	\$ 1,433,932	
Deduct: CWIP Closing	\$ -	
Gross Fixed Assets - Closing	\$85,608,331	
Average Gross Fixed Assets	\$82,441,365	
Accumulated Depreciation - Opening	\$42,950,631	
Depreciation Expense	\$ 3,165,769	D
Disposals	\$ -	
Retirements	\$ 1,433,932	
Accumulated Depreciation - Closing	\$47,550,332	
Average Accumulated Depreciation	\$45,250,482	
Average Net Fixed Assets	\$37,190,884	E
Working Capital Allowance		
Working Capital Allowance Base	\$56,190,596	
Working Capital Allowance Rate	15%	
Working Capital Allowance	\$ 8,428,589	F
Rate Base	\$45,619,473	G = E + F
Depreciation	D \$ 3,165,769	H
Threshold Test	137.00%	I = 1 + (G / H) * (B + A * (1 + B)) + C
Threshold CAPEX	\$ 4,337,233	J = H *I



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Summary of Incremental Capital Projects

Number of ICP's

6

Project ID #	Incremental Capital Non-Discretionary Project Description	Incremental Capital CAPEX	Amortization Expense	CCA
ICP 1				
ICP 2				
ICP 3				
ICP 4				
ICP 5				
ICP 6				
		0	0	0



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Incremental Capital Adjustment

Current Revenue Requirement

Current Revenue Requirement - Total	\$ 14,913,034
-------------------------------------	---------------

A

Return on Rate Base

Incremental Capital CAPEX		\$ -
Depreciation Expense		\$ -
Incremental Capital CAPEX to be included in Rate Base		\$ -
Deemed Short Term Debt %	4.0%	E \$ -
Deemed Long Term Debt %	56.0%	F \$ -
Short Term Interest	4.47%	I \$ -
Long Term Interest	6.10%	J \$ -
Return on Rate Base - Interest		\$ -
Deemed Equity %	40.0%	N \$ -
Return on Rate Base -Equity	8.57%	O \$ -
Return on Rate Base - Total		\$ -

B

C

D = B - C

G = D * E

H = D * F

K = G * I

L = H * J

M = K + L

P = D * N

Q = P * O

R = M + Q

Amortization Expense

Amortization Expense - Incremental	C \$ -
------------------------------------	--------

S

Grossed up PIL's

Regulatory Taxable Income	O \$ -
Add Back Amortization Expense	S \$ -
Deduct CCA	\$ -
Incremental Taxable Income	\$ -
Current Tax Rate (F1.1 Z-Factor Tax Changes)	33.0% X
PIL's Before Gross Up	\$ -
Incremental Grossed Up PIL's	\$ -

T

U

V

W = T + U - V

Y = W * X

Z = Y / (1 - X)

Ontario Capital Tax

Incremental Capital CAPEX	\$ -
Less : Available Capital Exemption (if any)	\$ -
Incremental Capital CAPEX subject to OCT	\$ -
Ontario Capital Tax Rate (F1.1 Z-Factor Tax Changes)	0.225% AD
Incremental Ontario Capital Tax	\$ -

AA

AB

AC = AA - AB

AE = AC * AD

Incremental Revenue Requirement

Return on Rate Base - Total	Q \$ -
Amortization Expense - Total	S \$ -
Incremental Grossed Up PIL's	Z \$ -
Incremental Ontario Capital Tax	AE \$ -
Incremental Revenue Requirement	\$ -

AF

AG

AH

AI

AJ = AF + AG + AH + A



Name of LDC: PUC Distribution Inc.
 File Number: EB-2009-0247
 Effective Date: Saturday, May 01, 2010

Calculation of Incremental Capital Rate Adder - Option A Fixed and Variable

Rate Class	Distribution Volumetric		Distribution Volumetric	Service Charge Revenue	Distribution Volumetric		Total Revenue by Rate Class	Billed Customers or Connections			Service Charge Rate Rider	Distribution Volumetric	
	Rate %	Revenue kWh			Rate %	Revenue kW		Billed kWh	Billed kW			Rate kWh	Rate kW
	A	B	C	D = \$N * A	E = \$N * B	F = \$N * C	F	H	I	J	K = D / H / 12	L = E / I	M = F / J
Residential	30.7%	0.0%	461595273.3%	\$ -	\$ -	\$ -	\$ -	28,675	352,377,221	0	\$0.000000	\$0.000000	
General Service Less Than 50 kW	2.4%	0.0%	35386255.4%	\$ -	\$ -	\$ -	\$ -	3,294	96,197,960	0	\$0.000000	\$0.000000	
General Service 50 to 4,999 kW	6.1%	0.0%	91309023.0%	\$ -	\$ -	\$ -	\$ -	426	265,745,829	675,865	\$0.000000	\$0.000000	\$0.000000
Unmetered Scattered Load	0.0%	0.0%	3800.6%	\$ -	\$ -	\$ -	\$ -	26	755,305	0	\$0.000000	\$0.000000	
Sentinel Lighting	0.0%	0.0%	6548.5%	\$ -	\$ -	\$ -	\$ -	436	273,329	759	\$0.000000	\$0.000000	\$0.000000
Street Lighting	0.2%	0.0%	2640149.0%	\$ -	\$ -	\$ -	\$ -	8,753	7,051,649	21,706	\$0.000000	\$0.000000	\$0.000000
	39.3%	0.0%	590941049.9%	\$ -	\$ -	\$ -	\$ -						

N

Enter the above value onto Sheet "J1.2 Incremental Cap Fund Adder" of the 2010 OEB IRM3 Rate Generator.



Name of LDC: PUC Distribution Inc.
File Number: EB-2009-0247
Effective Date: Saturday, May 01, 2010

Calculation of Incremental Capital Rate Adder - Option B Variable

Rate Class	Total Revenue \$ by Rate Class A	Total Revenue % by Rate Class B = A / \$H	Total Incremental Capital \$ by Rate Class C = \$I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	\$8,267,057	55.44%	\$0	352,377,221	0	\$0.000000	
General Service Less Than 50 kW	\$2,288,956	15.35%	\$0	96,197,960	0	\$0.000000	
General Service 50 to 4,999 kW	\$3,676,860	24.66%	\$0	265,745,829	675,865		\$0.000000
Unmetered Scattered Load	\$23,722	0.16%	\$0	755,305	0	\$0.000000	
Sentinel Lighting	\$31,138	0.21%	\$0	273,329	759		\$0.000000
Street Lighting	\$625,222	4.19%	\$0	7,051,649	21,706		\$0.000000
	<u>\$14,912,955</u>	<u>100.00%</u>	<u>\$0</u>				

H

I

Enter the above value onto Sheet
"J1.2 Incremental Cap Fund Adder"
of the 2010 OEB IRM3 Rate Generator.