

HALDIMAND COUNTY HYDRO INC'S 2010 RATE APPLICATION

EB-2009-0265

INTERROGATORIES OF

THE VULNERABLE ENERGY CONSUMERS COALITION

Question #1

Reference: Exhibit 1/Tab 2/Schedule 2, page 1

- a) Please indicate whether there are any costs associated with the Board of Directors for any affiliates – including the holding company – included in the revenue requirement and, if so, please quantify these costs.

Response

Please refer to Exhibit 4/ Tab 2/ Schedule 5/ Page 4/ Table 8 entitled “HCHI’s Charges from Affiliates” and associated description below the table, which includes \$54,000 from Haldimand County Utilities Inc.

Question #2

Reference: Exhibit 1/Tab 2/Schedule 2, page 1

- a) Please provide the annual capital budgets and five-year forecasts as annually approved by the Board of Directors for each year 2006-2009 inclusive.

Response

***The capital budgets as annually approved by the Board of Directors for each year 2006 – 2009 inclusive are attached in Appendix A.
The five-year forecasts as annually approved by the Board of Directors for each year 2007 – 2009 (not available in 2006) inclusive are attached in Appendix B.***

- b) Please describe the adjustments HCHI has made to its capital and operating costs forecasts related to the harmonization of the GST and PST effective July 1, 2010.

Response

Haldimand County Hydro has not made any adjustments to its capital and operating costs forecasts related to the harmonization of the GST and PST effective July 1, 2010. For further explanation, refer to response to Energy Probe Interrogatory # 1.

Question #3

Reference: Exhibit 2/Tab 2/Schedule 1, pages 5-6

- a) Please explain why the 2009 and 2010 contributions are so low relative to their respective additions as compared to the other years shown in this schedule.

Response

The following table provided by Haldimand County shows the number of new home building permits for the years indicated. The number shows a decreasing trend.

Haldimand County Planning and Economic Development Department data

Year	New Dwelling Permits
2003	171
2004	244
2005	170
2006	141
2007	131
2008	100

Development in Haldimand County is stagnant because of 2 main factors;

- 1) First Nations land claim issues within Haldimand County Hydro's service territory. The land claim issues arose in 2006 and have not been settled to-date.***
- 2) Recession.***

Developers are taking a "wait and see" approach to the economy and land claim issues as the inventory of already serviced lots is being drawn down. A major development in Caledonia of over 600 lots has been abandoned because of protestors and land claim issues. Other potential developments have also been abandoned.

Question #4

Reference: Exhibit 2/Tab 4/Schedule 1, page 1

- a) Please provide a copy of the last lead-lag study undertaken by or on behalf of HCHI.

Response

Haldimand County Hydro has not undertaken a lead-lag study to date.

“Chapter 2 of the Filing Requirements for Transmission and Distribution Applications” issued May 27, 2009 by the Board provides the following:

“2.3.4 Allowance for Working Capital

The applicant may take two approaches to calculation of its allowance for working capital; (1) the 15% allowance approach, or (2) filing of a lead lag study.”

Haldimand County Hydro’s rate application was prepared in accordance with the first option; that is, the 15% allowance approach.

Question #5

Reference: **Exhibit 3/Tab 1/Schedule 2, page 1**

- a) Please provide a schedule setting out the rates and volumes by customer class supporting the 2010 test year revenues reported in Table 1.

Response

Customer Class	Consumption (kWh / kW)		Number of Customers / Connections	Proposed Monthly Service Charge	Proposed Distribution Volumetric Charge	Total Fixed Revenue	Total Variable Revenue	Transformer Ownership Allowance	Total Base Revenue Requirement
Residential	169,492,357	kWh	18,534	\$ 20.76	\$ 0.0240	\$ 4,617,190	\$ 4,067,817		\$ 8,685,007
General Service < 50 kW	60,923,412	kWh	2,357	\$ 29.37	\$ 0.0210	\$ 830,701	\$ 1,279,392		\$ 2,110,093
General Service 50 to 4999 kW	296,554	kW	143	\$ 105.91	\$ 4.9302	\$ 181,742	\$ 1,462,071	\$ (95,362)	\$ 1,548,451
Sentinel Lights	1,167	kW	589	\$ 7.39	\$ 19.0586	\$ 52,233	\$ 22,241		\$ 74,474
Street Lighting	6,475	kW	2,879	\$ 3.89	\$ 9.9657	\$ 134,392	\$ 64,528		\$ 198,920
Unmetered Scattered Load	482,264	kWh	84	\$ 20.91	\$ 0.0036	\$ 21,077	\$ 1,736		\$ 22,813
Embedded Distributor - Hydro One Networks Inc.	276,949	kW	8	\$ 191.77	\$ 0.5610	\$ 18,410	\$ 155,368		\$ 173,778
Total						\$ 5,855,744	\$ 7,053,153	\$ (95,362)	\$ 12,813,535

***Note: Small overall difference of \$10,109 due to rounding in above table.
99% of the difference is a result of an under collection from the Residential
and General Service < 50 kW rate classes.***

Question #6

Reference: **Exhibit 3/Tab 2/Schedule 1, page 8**
 Exhibit 8/Tab 1/Schedule 1, pages 10-11

- a) Why is it appropriate to maintain the wheeling rate for Norfolk at existing levels for 2010? Please comment on the merits of increasing this rate by the average increase in Haldimand's overall distribution rate for 2010.

Response

As outlined in response to Board Staff Interrogatory #14, it is now expected that Norfolk Power will only be taking service from Haldimand County Hydro up to the end of August 2010. As a result, it is not reasonable to include Norfolk Power in the load forecast for 2010. However, the question is how should Norfolk Power be treated from May 1, 2010 to August 31, 2010. One could argue that they should receive the service at no charge since they are not included in the forecast that supports approved May 1, 2010 rates and the approved rates cover the revenue requirement of Haldimand County Hydro. In Haldimand County Hydro's view this would not be a reasonable argument and Norfolk Power should be charged for the service they receive from May 1, 2010 to August 31, 2010.

As outlined in response to Board Staff Interrogatory #14, in the approved 2006 EDR model Norfolk Power was assigned \$74,493 of distribution revenue requirement. 2006 was the last year that Haldimand County Hydro submitted a cost of service / rebased rate application to the Board which means the current rates are based on the revenue requirement from the 2006 EDR model. From May 1, 2006 to May 1, 2010 Haldimand County Hydro should have collected \$297,972 from Norfolk Power (i.e. \$74,493 times 4). However, as outlined in response to Board Staff Interrogatory # 14, Haldimand County Hydro has only collected \$267,394. With the proposal for Norfolk Power outlined in the application, from May 1, 2010 to August 31, 2010 Haldimand County Hydro should collect \$14,068 in additional revenue from Norfolk Power which would be used to offset the loss of \$30,578 (i.e. \$297,972 - \$267,394). It would not be reasonable to increase the Norfolk Power rate by the average increase in Haldimand's overall distribution rate for 2010 since it is only to be applied to a very few months.

- b) Why is it appropriate for Haldimand Hydro to be compensated for the accumulated variance (2006-2009) between the actual and approved 2006 revenues from Norfolk Power?

Response

Please see response to (a) above.

- c) Does the lost revenue meet the Board's Z-factor criteria? If yes, please explain how.

Response

No the lost revenue does not meet the Board's Z-factor criteria.

- d) In the alternative, please comment on an approach whereby no provision is made for revenues from Norfolk Power in the 2010 revenue requirement, but a deferral account is set up to track any such revenues for future refund to Haldimand's customers.

Response

To set up an administrative process to track a potential \$14,068 does not appear to be a reasonable solution to Haldimand County Hydro. In Haldimand County Hydro's view there are two pragmatic alternatives –

- 1) Norfolk Power is charged for service from May 1, 2010 to August 31, 2010; or***
- 2) Norfolk Power is not charged.***

It would appear reasonable to charge Norfolk Power for service and use the additional \$14,068 in revenue to offset losses from prior years.

Question #7

Reference: Exhibit 3/Tab 2/Schedule 2, pages 1-2

- a) In its EB-2007-0680 Report (page 33) the Board directed Toronto Hydro to work with other parties to understand differences in load forecast methodologies employed. Has Haldimand had any discussions with Toronto Hydro regarding changes it may be implementing in its load forecast methodology? If yes, what was the outcome and how are they reflected in Haldimand's current approach?

Response

Haldimand County Hydro has not had any discussions with Toronto Hydro regarding changes it may be implementing in its load forecast methodology.

Question #8

Reference: Exhibit 3/Tab 2/Schedule 2, pages 10-15

- a) What is the definition and source for the population variable used in the regression analysis?

Response

The population variable used in Haldimand County Hydro's regression analysis is the population count in Haldimand County as recorded by Statistics Canada in the Census information for 1996, 2001, and 2006 Community Profiles.

In order to forecast the population for 2007 forward to the end of 2010, Haldimand County Hydro used information from a report prepared for Haldimand County by a third party consultant to update Population, Employment and Household Forecasts for Haldimand County to 2031. This review projected the increase in growth for the County to be approximately 10,000 persons between 2006 and 2031 which is in line with the projections in the Provincial Growth Plan. This 25 year period results in 400 persons per year or 2,000 persons in each census year up to and including 2031.

- b) If the data source for "population" does not provide monthly values, what is the frequency of the historical data and how were the monthly values established?

Response

As stated in part (a), the data source is a census period which is every five years; 1996, 2001, 2006, and 2011 forecasted as per part (a).

To forecast monthly data, the difference was taken between each census period, divided by the 5 years, and further divided by 12 months to allocate a growth amount to each month.

- c) Please confirm that the coefficient on the "Population" variable is negative such that higher population levels will lead to lower predicted purchases. Is this effect intuitively correct?

Response

Please refer to response to Board Staff Interrogatory # 8 (c).

- d) Please confirm that the coefficient on the “GDP” variable is negative such that higher GDP will lead to lower predicted purchases. Is this effect intuitively correct?

Response

Please refer to response to Board Staff Interrogatory # 8 (c).

- e) What other model specifications did Haldimand test (per page 11)? Please indicate the results of each in a format similar to that used on page 12.

Response

Below are the other model specifications tested by Haldimand County Hydro with results provided in the same format as the load forecast model results used in Haldimand County Hydro’s 2010 Rate Application at Exhibit 3/ Tab 2/ Schedule 2/ Page 12.

Heating & Cooling Degree Days Only

SUMMARY OUTPUT - Heating & Cooling Degree Days Only

<i>Regression Statistics</i>	
Multiple R	0.862342238
R Square	0.743634135
Adjusted R Square	0.738120891
Standard Error	1605092.872
Observations	96

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2	6.94996E+14	3.47498E+14	134.8814021	3.25087E-28
Residual	93	2.39598E+14	2.57632E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	24919560.69	438216.5159	56.86586376	4.82191E-74	24049349.56	25789771.82	24049349.56	25789771.82
Heating Degree Days	14004.63345	904.7918413	15.47829325	1.78827E-27	12207.89621	15801.37069	12207.89621	15801.37069
Cooling Degree Days	89053.71412	5982.035367	14.88685851	2.38895E-26	77174.57771	100932.8505	77174.57771	100932.8505

“Exclusion” of Customer Number

SUMMARY OUTPUT - Exclude Customer Number

<i>Regression Statistics</i>	
Multiple R	0.939732326
R Square	0.883096845
Adjusted R Square	0.870862794
Standard Error	1127133.691
Observations	96

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	9	8.25337E+14	9.17041E+13	72.18351776	2.88943E-36
Residual	86	1.09257E+14	1.27043E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-9069605.82	36737811.53	-0.246873873	0.805594201	-82101956.55	63962744.91	-82101956.5	63962744.91
Heating Degree Days	9997.316432	992.6613946	10.07122518	3.2664E-16	8023.97093	11970.66193	8023.97093	11970.66193
Cooling Degree Days	70624.35687	6731.64365	10.49139862	4.62201E-17	57242.29246	84006.42127	57242.29246	84006.42127
Ontario Real GDP Monthly %	99226.66626	126991.2269	0.781366309	0.436732844	-153223.5326	351676.8651	-153223.533	351676.8651
Number of Days in Month	1034682.067	154183.1747	6.71073267	1.96024E-09	728176.0666	1341188.068	728176.0666	1341188.068
Spring / Fall Flag	-2752716.17	454829.6848	-6.052191104	3.62094E-08	-3656887.642	-1848544.7	-3656887.64	-1848544.702
Population	-158.099277	1186.674655	-0.133228831	0.894323667	-2517.130368	2200.931815	-2517.13037	2200.931815
Number of Peak Hours	622.1179407	7867.549631	0.079073914	0.937157537	-15018.05278	16262.28866	-15018.0528	16262.28866
Blackout Flag	-469836.514	1174033.454	-0.400190057	0.690008872	-2803737.73	1864064.701	-2803737.73	1864064.701
Summer Months Flag	-2068776.55	775776.5185	-2.666717156	0.00915017	-3610969.198	-526583.905	-3610969.2	-526583.9048

“Exclusion” of Population

SUMMARY OUTPUT - Exclude Population

<i>Regression Statistics</i>	
Multiple R	0.959444795
R Square	0.920534315
Adjusted R Square	0.912218139
Standard Error	929291.8555
Observations	96

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	9	8.60326E+14	9.55918E+13	110.6920151	2.05837E-43
Residual	86	7.42682E+13	8.63583E+11		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-143276225	20744640.78	-6.906662136	8.0955E-10	-184515205.2	-102037245	-184515205	-102037244.8
Heating Degree Days	10376.10624	818.7088399	12.67374399	2.23803E-21	8748.566968	12003.64552	8748.566968	12003.64552
Cooling Degree Days	71364.34374	5474.313496	13.03621793	4.49946E-22	60481.76891	82246.91858	60481.76891	82246.91858
Ontario Real GDP Monthly %	-459772.936	86303.01414	-5.32742617	7.877E-07	-631337.6466	-288208.226	-631337.647	-288208.2256
Number of Days in Month	975199.7859	127014.259	7.677876432	2.36017E-11	722703.8008	1227695.771	722703.8008	1227695.771
Spring / Fall Flag	-2681197.65	375143.7921	-7.147119874	2.71144E-10	-3426958.814	-1935436.49	-3426958.81	-1935436.49
Number of Customers	9935.927523	1560.471544	6.367259667	9.07863E-09	6833.812825	13038.04222	6833.812825	13038.04222
Number of Peak Hours	2515.129657	6473.784315	0.388509956	0.698598835	-10354.32737	15384.58668	-10354.3274	15384.58668
Blackout Flag	-604101.072	968145.3876	-0.623977638	0.534293949	-2528710.366	1320508.222	-2528710.37	1320508.222
Summer Months Flag	-1889819.47	638297.7206	-2.960717873	0.003965993	-3158713.317	-620925.622	-3158713.32	-620925.6225

**“Exclusion” of Special Flags
(Spring / Fall, Blackout, & Summer Months)**

SUMMARY OUTPUT - Exclude Special Flags (Spring/Fall, Blackout, & Summer Months)

<i>Regression Statistics</i>	
Multiple R	0.932904902
R Square	0.870311556
Adjusted R Square	0.85999543
Standard Error	1173602.009
Observations	96

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	7	8.13388E+14	1.16198E+14	84.36418281	2.81663E-36
Residual	88	1.21206E+14	1.37734E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-86981379.7	40206107.5	-2.163387234	0.033221912	-166882567.9	-7080191.43	-166882568	-7080191.43
Heating Degree Days	14465.12018	669.4841347	21.6063674	6.01291E-37	13134.66117	15795.57919	13134.66117	15795.57919
Cooling Degree Days	87993.78535	4431.047541	19.85846113	2.88466E-34	79188.00967	96799.56103	79188.00967	96799.56103
Ontario Real GDP Monthly %	-291897.926	146786.3294	-1.988590675	0.049853459	-583604.9043	-190.947282	-583604.904	-190.9472818
Number of Days in Month	827553.5125	158141.6058	5.232990446	1.12007E-06	513280.3086	1141826.716	513280.3086	1141826.716
Number of Customers	11413.18951	2104.749542	5.422587953	5.09088E-07	7230.442165	15595.93685	7230.442165	15595.93685
Population	-2329.24994	1311.991519	-1.77535442	0.079296722	-4936.557335	278.0574521	-4936.55734	278.0574521
Number of Peak Hours	-6994.33877	7807.961182	-0.895795792	0.372805705	-22511.02056	8522.343026	-22511.0206	8522.343026

“Exclusion” of Population, GDP, # of Days, Spring/Fall & Blackout Flags

SUMMARY OUTPUT - Exclude Population, GDP, # of Days, Spring/Fall & Blackout Flags

<i>Regression Statistics</i>	
Multiple R	0.89403166
R Square	0.79929261
Adjusted R Square	0.788142199
Standard Error	1443683.418
Observations	96

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	5	7.47014E+14	1.49403E+14	71.68279638	7.03034E-30
Residual	90	1.8758E+14	2.08422E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-14226528.7	8718774.876	-1.631711894	0.106234604	-31547896.36	3094839.028	-31547896.4	3094839.028
Heating Degree Days	14433.26353	827.5139699	17.44171586	1.29271E-30	12789.26263	16077.26443	12789.26263	16077.26443
Cooling Degree Days	81820.75985	8290.985289	9.868641302	5.3553E-16	65349.27082	98292.24888	65349.27082	98292.24888
Number of Customers	1866.229845	391.3240401	4.76901405	7.09563E-06	1088.796355	2643.663336	1088.796355	2643.663336
Number of Peak Hours	3433.605748	9192.636841	0.373516958	0.709642121	-14829.17143	21696.38292	-14829.1714	21696.38292
Summer Months Flag	958100.0119	713725.3701	1.3423931	0.182844915	-459839.9789	2376040.003	-459839.979	2376040.003

“Exclusion” of Population, GDP, Spring / Fall & Blackout Flags

SUMMARY OUTPUT - Exclude Population, GDP, Spring /Fall & Blackout Flags

<i>Regression Statistics</i>	
Multiple R	0.918887986
R Square	0.844355131
Adjusted R Square	0.833862219
Standard Error	1278450.572
Observations	96

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	6	7.89129E+14	1.31522E+14	80.46909103	8.53104E-34
Residual	89	1.45465E+14	1.63444E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-33775811	8628085.702	-3.914635548	0.000176962	-50919633.14	-16631988.9	-50919633.1	-16631988.86
Heating Degree Days	14601.45871	733.5518326	19.90514925	1.55864E-34	13143.90688	16059.01055	13143.90688	16059.01055
Cooling Degree Days	77653.45979	7387.818299	10.51101376	2.83638E-17	62974.0225	92332.89707	62974.0225	92332.89707
Number of Days in Month	873270.3856	172033.6442	5.076160478	2.09483E-06	531443.2063	1215097.565	531443.2063	1215097.565
Number of Customers	1735.055776	347.4982682	4.992991144	2.93629E-06	1044.584133	2425.527418	1044.584133	2425.527418
Number of Peak Hours	-9610.00392	8536.439245	-1.125762586	0.263292609	-26571.72651	7351.718664	-26571.7265	7351.718664
Summer Months Flag	1155612.259	633234.4371	1.824935902	0.071365477	-102611.0527	2413835.57	-102611.053	2413835.57

“Exclusion” of Population, Spring / Fall & Blackout Flags

SUMMARY OUTPUT - Exclude Population, Spring/Fall & Blackout Flag

<i>Regression Statistics</i>	
Multiple R	0.934113243
R Square	0.87256755
Adjusted R Square	0.862430878
Standard Error	1163349.536
Observations	96

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	7	8.15497E+14	1.165E+14	86.08027754	1.30958E-36
Residual	88	1.19098E+14	1.35338E+12		
Total	95	9.34594E+14			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-143026621	25966980.96	-5.508018852	3.55405E-07	-194630537.7	-91422703.7	-194630538	-91422703.67
Heating Degree Days	14795.8858	668.9607542	22.11771872	1.05346E-37	13466.4669	16125.3047	13466.4669	16125.3047
Cooling Degree Days	77670.8376	6722.681858	11.5535495	2.49704E-19	64310.92036	91030.75484	64310.92036	91030.75484
Ontario Real GDP Monthly %	-476404.88	107933.1167	-4.413889776	2.87138E-05	-690899.2647	-261910.496	-690899.265	-261910.4959
Number of Days in Month	832858.9928	156812.6687	5.311171601	8.10408E-07	521226.7721	1144491.213	521226.7721	1144491.213
Number of Customers	10238.21672	1952.234607	5.244357764	1.06874E-06	6358.560753	14117.87269	6358.560753	14117.87269
Number of Peak Hours	-8115.03052	7775.269874	-1.043697601	0.299483986	-23566.74521	7336.684175	-23566.7452	7336.684175
Summer Months Flag	1258946.014	576698.6661	2.18302224	0.03169633	112878.624	2405013.404	112878.624	2405013.404

- f) If none of the model specifications tested reflected the current model but excluded the “population” variable please provide the results for such a model specification.

Response

Please refer to response to Board Staff Interrogatory # 8 (b).

- g) Please the most recent projections available to Haldimand for population, GDP and number of customers for 2009 and 2010.

Response

With regards to GDP, on October 22, 2009 the Ontario Minister of Finance provided a fall update to the 2009 Ontario Economic Outlook and Fiscal Review. In this review the 2009 GDP was updated from (2.5%) to (3.5%) and the 2010 GDP was updated from 2.3% to 2.0%

The population numbers will not have changed from the original forecast for 2009 and 2010 based on the source and method used as described in part (a) and (b) of this interrogatory. No further information has been received from Haldimand County.

Customer numbers updated to the end of October 31, 2009 (including connections) are 24,421 as compared to the 24,463 forecasted to the end of 2009. (Also refer to Energy Probe Interrogatory #13 for customer class details.) The October 31, 2009 actual number is the only information available to Haldimand County Hydro at this time related to customer numbers and Haldimand County Hydro feels that the 2009 and 2010 customer numbers originally projected as in the rate application are sufficient.

- h) Haldimand has assumed that its purchases for 2009 and 2010 will increase/decrease at the same rate as the province overall. Please prepare a schedule that compares the annual change Haldimand’s purchases between 2001 and 2008 with the overall all actual annual change in provincial electricity sales as reported by the IESO.

Response

The following table compares the annual change in Haldimand County Hydro’s purchases between 2003 and 2008 with the overall actual annual change in provincial electricity sales as reported by the IESO. Annual 2001 and 2002 information for provincial electricity sales has not been included as Haldimand County Hydro was not able to locate it on the IESO website

	Haldimand County Hydro Purchases (GWh)	Annual % Change	Provincial Electricity Sales from the IESO (GWh)	Annual % Change
2003	377		151,341	
2004	382	1.31%	155,407	2.69%
2005	398	4.11%	156,567	0.75%
2006	379	-4.88%	150,669	-3.77%
2007	385	1.74%	151,814	0.76%
2008	376	-2.24%	147,880	-2.59%

- i) Please prepare a table similar to Table 13, but use the definition of weather normal in predicting each historical year's total system purchases. The result will then be a **prediction of weather normal purchases** for each year 2001 – 2008.

Response

Please refer to response to Energy Probe Interrogatory # 11 (e).

- j) Please provide a schedule that compares the year over year changes in Haldimand's **prediction of weather normal purchases** from 2001-2008 (per part (i)) with the year over year change in weather normalized use in Ontario as determined by the IESO for the same period.

Response

The following table compares the annual change in Haldimand County Hydro's prediction of weather normal purchases from 2003 to 2008 with the overall actual annual change in weather corrected provincial electricity sales as reported by the IESO. Annual 2001 and 2002 information for provincial electricity sales has not been included as Haldimand County Hydro was not able to locate it on the IESO website.

	Haldimand County Hydro Weather Normal Purchases (GWh)	Annual % Change	Provincial Electricity Weather Corrected Sales from the IESO (GWh)	Annual % Change
2003	374		151,286	
2004	386	3.16%	154,125	1.88%

2005	390	1.08%	155,233	0.72%
2006	386	-1.14%	152,349	-1.86%
2007	380	-1.42%	151,603	-0.49%
2008	383	0.68%	148,920	-1.77%

- k) Given the impact the recent recession has had on specific industrial sectors, why is it reasonable to assume that energy purchases by Haldimand will change in 2009 and 2010 at the same rate as overall provincial purchases?

Response

Please refer to response to Board Staff Interrogatory # 9. Haldimand County Hydro does not have any information on how the recent recession would impact the specific industrial sectors within its service area. As a result, it is Haldimand County Hydro's view when service area specific information is not available it is reasonable to use the overall provincial assumptions.

Question #9

Reference: i) Exhibit 3/Tab 2/Schedule 2, pages 15-16
 ii) Exhibit 8, Appendix B, page 9

- a) Why was the proposed loss factor used to convert the forecast purchases to sales as opposed to the average historical loss factor over the 2002-2008 period as determined in Reference (ii)?

Response

The average historical loss factor over the period 2004 to 2008 (5-year average) is 1.0680 which is consistent with the proposed loss factor. This calculation was completed as per the OEB's update to "Chapter 2 of the Filing Requirements for Transmission and Distribution Applications" dated May 27, 2009; Appendix 2-Q "Loss Factors". Refer to Exhibit 8/ Appendix B/ Page 11 and Pages 19 to 20.

Question #10

Reference: Exhibit 3/Tab 2/Schedule 2, pages 16-17

- a) Please provide a schedule that compares the forecast number of new customers as set out in this Exhibit for 2009 and 2010 with the number of new connections for each year reflected in the capital spending forecast in Exhibit 2. Please reconcile any material differences.

Response

Exhibit 3/ Tab 2/ Schedule 2/ Page 4 of 24

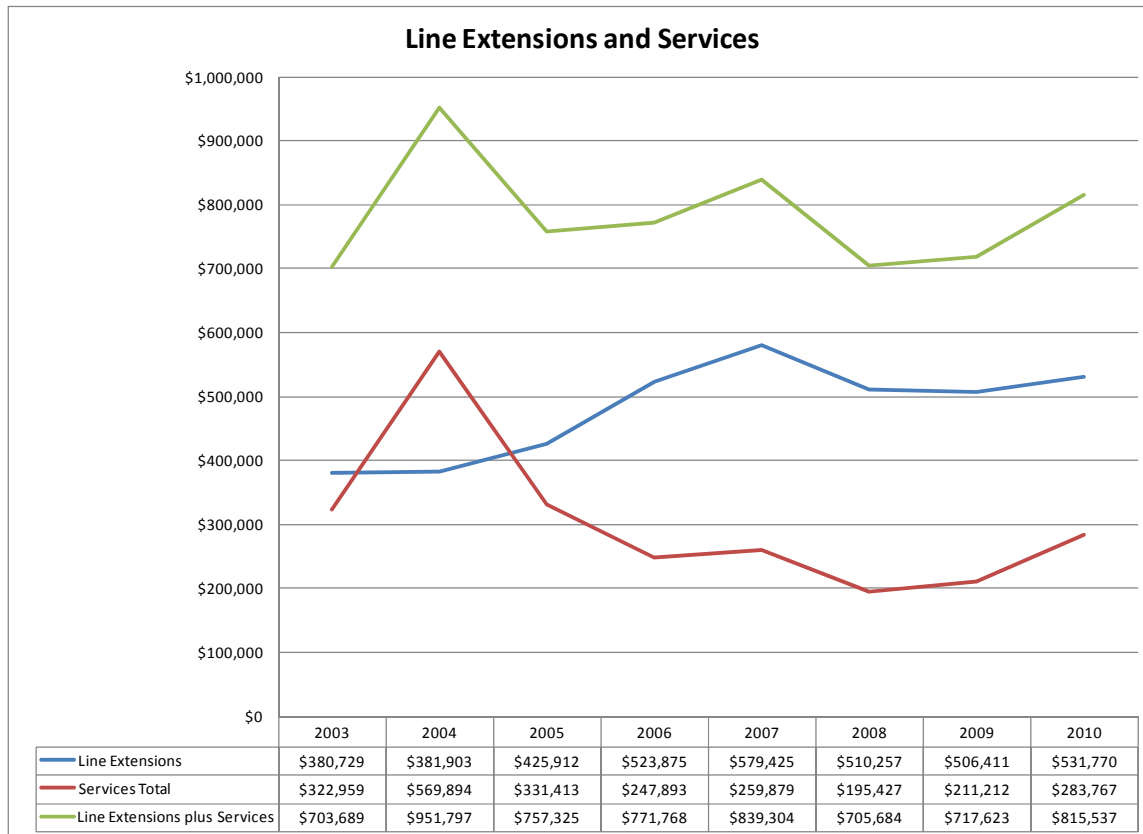
**Table 10
Summary of Load and
Customer / Connection Forecast**

Year	Billed (kWh)	Growth (kWh)	Percent Change	Customer / Connection Count	Growth	Percent Change
2002	352,096,966			23,472		
2003	358,594,281	6,497,315	1.85%	23,682	210	0.89%
2004	362,334,202	3,739,921	1.04%	23,816	134	0.57%
2005	373,431,335	11,097,133	3.06%	23,936	120	0.50%
2006	359,311,281	(14,120,054)	-3.78%	24,033	97	0.41%
2007	360,337,098	1,025,817	0.29%	24,160	127	0.53%
2008	352,084,249	(8,252,849)	-2.29%	24,343	183	0.76%
2009 Normalized	344,138,036	(7,946,213)	-2.26%	24,463	120	0.49%
2010 Normalized	343,105,622	(1,032,414)	-0.30%	24,586	123	0.50%
Note: Customer and Connection counts are as at Year-End (December 31st)						

The capital accounts for which costs for new services are captured are Line Extensions and Services. The number of new services predicted by the model as shown above in Table 10, reflect a fairly static growth pattern over the period from 2003 to 2010. As a result of this, a decision was made to predict future costs, using a trend function, based on past expenditures in these accounts. A graphical representation of the costs associated with new connections is shown below. The graphs clearly indicate a reduction in costs for 2008 and 2009 compared with 2007 activity levels and a slightly increasing trend in overall costs going forward into 2009 and 2010.

The relationship between these costs and the number of new connections is complex due to the nature of the connections. In any given year there could be any number of new urban or rural connections. In general new urban services are much less costly to install than rural services even though the customer makes a substantial capital contribution in the case of rural connections.

The reconciliation of the number of new connections with the costs associated with these connections is inappropriate because the two different types of services (urban vs. rural) are not tracked and separated financially.



- b) The discussion on page 16 states that the geomean annual growth rates were calculated using 2002-2008 data. However, page 9 states that for the GS<50 and GS>50 classes only data for 2002-2006 was used. Please reconcile.

Response

The geomean annual growth rates in Table 15 were calculated using 2002 to 2008 data for the Residential and the Sentinel Lights rate classes and using 2002 to 2006 data for the G/S < 50 kW and G/S > 50 to 4999 kW rate classes.

The discussion on Exhibit 3/ Tab 2/ Schedule 2/ Page 9 outlines why historical data was only captured for the period 2002 to 2006 for the G/S classes. (“..... as a result of the reclassification of the General Service customers This reclassification distorted the geometric analysis and produced uncharacteristic growth”)

Please also refer to response to Board Staff Interrogatory #12 (a) where the G/S > 50 to 4999 kW rate class has been broken out between interval metered and non-interval metered customers as calculated in the load forecast. (Table 15)

Question #11

Reference: Exhibit 3/Tab 2/Schedule 2, pages 17-21

- a) Please confirm that for the Residential and GS<50 classes the historical average use per customer will be influenced by the weather conditions in the year concerned.
- Given this fact, please confirm that the calculated growth rates for these two classes will be affected by historical variations in weather.
 - Why is it appropriate to use the growth rate in usage per customer/connection (non weather-normalized) to forecast usage for 2008 and 2009?

Response

Haldimand County Hydro confirms that for the Residential and GS<50 classes the historical average use per customer will be influenced by the weather conditions in the year concerned. Haldimand County Hydro also confirms the calculated growth rates for these two classes will be affected by historical variations in weather

The growth rate in usage per customer / connection is used to forecast the usage per customer / connection for 2009 and 2010 which is used to determine the non weather-normalized forecast for 2009 and 2010. It is appropriate to use this growth rate since the non weather-normalized forecast should reflect an expectation of usage per customer in the forecast period.

- b) Please confirm that the calculation of the geometric annual growth rate really only considers the values for 2002 and 2008. If this is not the case, please explain more fully how the value is calculated.

Response

The geometric annual growth rate in usage per customer / connection was calculated using data from 2002 to 2008 for all rate classes except Sentinel Lights, Street Lighting and Unmetered Scattered Load as outlined in Exhibit 3/ Tab 2/ Schedule 2.

The Sentinel Lights geometric annual growth rate was calculated using data from 2004 to 2008 in order to accurately forecast for 2009 and 2010 the historical pattern of connections declining year over year.

The Street Lighting and Unmetered Scattered Loads growth was considered to remain constant at the 2008 level; that is, no projection for additional connections in 2009 and 2010.

Please also refer to response to Board Staff Interrogatory #12 (a) where the G/S > 50 to 4999 kW rate class has been broken out between interval metered

and non-interval metered customers as calculated in the load forecast. (Table 17)

- c) Please provide a schedules similar to Tables 15 and 17 for the GS>50 class where the customers reclassified from GS>50 to GS<50 during the period are reported separately.

Response

In order to provide schedules similar to Tables 15 and 17 in Exhibit 3/ Tab 2/ Schedule 2 as requested in this interrogatory, Haldimand County Hydro would require a significant amount of time and effort to retrieve the historical data (2002 to 2008) for each of the customers that were reclassified in 2007. Haldimand County Hydro considered this at the time of preparing the load forecast as part of this rate application; however, it was felt that the results of this considerable task would not have materially altered the results of the model.

- d) Please provide the Hydro One information relied on in order to determine the weather sensitivity by rate class (pages 19-20).

Response

Hydro One Load data supplied to Haldimand County Hydro as part of the 2007 Cost Allocation Informational filing (EB-2007-0002):

	TOTAL - Actual	TOTAL - Normalized		Equipment Saturation
Test Year 2004 - kWh by Rate Class	Weather	Weather	Residential Class Information	
1 Residential-Urban	98,748,337	100,527,503	Urban Class	
2 Residential-Sub urban	82,965,601	84,369,083	Electric space heating	11%
3 Street Lighting	2,263,805	2,263,805	Electric water heating	20%
4 Sentinel Lighting	600,812	600,812	Air conditioning	48%
5 General service <50 kW	55,403,036	56,326,149	Baseload	100%
6 General service >50kW Non Interval Meter (non IM)	60,025,953	60,343,393		
7 General service >50kW Interval Meter (IM)	72,435,593	72,739,833	Sub-urban Class	
8 Embedded distributor	64,587,370	65,305,781	Electric space heating	15%
9 USL	539,838	539,838	Electric water heating	43%
10 Standby	7,570,282	7,570,282	Air conditioning	37%
			Baseload	100%

General service >50kW Non IM	2004 kWh (Actual Weather)	2004 kWh (Weather Corrected)	Based on Actual Weather kWh
Weather sensitive load	34,751,766	35,069,206	58%
Non-weather sensitive load	25,274,187	25,274,187	42%
TOTAL	60,025,953	60,343,393	100%

Includes Standby - Rate Class Not Applied for in 2010 Rate Application (not required)					
General service >50kW IM	2004 kWh (Actual Weather)	2004 kWh (Weather Corrected)	2004 kWh (Actual Weather)	2004 kWh (Weather Corrected)	Based on Actual Weather kWh (includes Standby)
Weather sensitive load	23,417,575	23,721,815	23,417,575	23,721,815	29%
Non-weather sensitive load	49,018,018	49,018,018	56,588,300	56,588,300	71%
TOTAL	72,435,593	72,739,833	80,005,875	80,310,115	100%

Standby	2004 kWh (Actual Weather)	2004 kWh (Weather Corrected)
Weather sensitive load	-	-
Non-weather sensitive load	7,570,282	7,570,282
TOTAL	7,570,282	7,570,282

- e) Given that residential uses include lighting, cooking and refrigeration, why is it reasonable to assume that the Residential class is 100% weather sensitive?

Response

Haldimand County Hydro has assumed that 100% of Residential is weather sensitive based on Haldimand County Hydro 's understanding of the weather normalization process used by Hydro One to provide weather normalized load data for the cost allocation study

The data shows that G/S > 50 kW customers have a certain percentage of load that is weather sensitive and non-weather sensitive. The data also shows that for Street Lighting, Sentinel Lights and USL the total actual weather amounts and the total normalized amounts are the same, which suggest they are not weather sensitive. The data shows the classes that are partially weather sensitive and those that are 100% non-weather sensitive, but the Residential and G/S < 50 kW loads did not fall into these two categories. As a result, Haldimand County Hydro concluded that Residential and G/S < 50 kW loads are 100% weather sensitive. If these classes were partially weather sensitive then Hydro One would have provided similar information as was provided for the G/S > 50 kW customers.

- f) Please provide a schedule that sets out the average use per customer for each class as forecast for 2009 and 2010 based on the results on Table 21.

Response

Average Use per Customer / Connection by Rate Class - 2009 and 2010 Forecasts

Year	Residential	G/S < 50 kW	G/S 50 to 4999 kW (Non-Interval)	G/S 50 to 4999 kW (Interval)	Sentinel Lights	Street Lighting	Unmetered Scattered Loads
Forecast Non-Normalized Energy Usage (kWh) per Customer / Connection							
2009	9,292	25,441	328,832	1,658,826	723	809	5,741
2010	9,170	25,918	302,667	1,577,389	711	809	5,741
Adjustment for Weather (kWh) per Customer / Connection							
2009	(128)	(349)	(2,618)	(6,603)	-	-	-
2010	(25)	(70)	(472)	(1,231)	-	-	-
Forecast Weather-Normalized Energy Usage (kWh) per Customer / Connection							
2009	9,164	25,092	326,215	1,652,223	723	809	5,741
2010	9,145	25,848	302,194	1,576,158	711	809	5,741

- g) Please provide a schedule setting the average weather normalized use per customer for each class based on the data provided by Hydro One Networks for Haldimand's 2007 Cost Allocation filing and indicate the year the data is based on.

Response

**Average Use per Customer / Connection by Rate Class
Per 2007 Cost Allocation Filing - Based on 2004 Year**

Year	Residential	G/S < 50 kW	G/S 50 to 4999 kW (Non-Interval)	G/S 50 to 4999 kW (Interval)	Sentinel Lights	Street Lighting	Unmetered Scattered Loads
Weather Normalized Energy Usage (kWh) per Customer / Connection							
2004	10,401	24,458	478,916	3,346,255	824	815	6,665

- h) Please apply the same the methodology as used by Haldimand to weather normalize 2010 usage (pages 19-21) and determine the weather normalize use by customer class for 2008 using the predicted total weather normalized purchases as determined in Question 8, part (i) and the actual non-weather normalized used by class for 2008. Please provide a schedule that sets out the results in terms of total weather normalized use by customer class and per customer weather normalized use by customer class for 2008.

Response

2008 Weather-Normalized Usage by Customer Class

Year	Residential	G/S < 50 kW	G/S 50 to 4999 kW (Non-Interval)	G/S 50 to 4999 kW (Interval)	Sentinel Lights	Street Lighting	Unmetered Scattered Loads
Annual Weather-Normalized Energy Usage (kWh)							
2008	175,791,744	60,082,285	31,502,519	87,813,957	475,594	2,328,757	482,264
Weather Normalized Energy Usage (kWh) per Customer / Connection							
2008	9,635	25,556	362,098	1,756,279	735	809	5,741

Question #12

Reference: Exhibit 3/Tab 3/Schedule 1, page 1

- a) Please explain why the Rent from Electric Property increases in 2009 and then decreases in 2010.

Response

Prior to 2009, Haldimand County Hydro accrued pole rental revenue in account 4210 for the year in which it occurred for all parties; that is, except for Bell Canada, whose settlements were received extremely subsequent to the year end. Bell Canada pole rentals were previously recorded in the year received on account of the prior year. Commencing in 2009, Haldimand County Hydro now accrues all pole rental revenue, including Bell Canada, in the year that the rental occurs. This has resulted in two years, 2008 and 2009, of Bell Canada pole rental revenue recorded in 2009 in order to catch up and be consistent amongst all parties.

The 2010 Test Year represents one year of pole rental revenue from all parties.

- b) Please explain the decrease in interest and dividend income in 2009 and 2010 relative to earlier years. How much is attributed to lower interest rates and what assumptions were made regarding the applicable interest rates for 2009 and 2010?

Response

The decline in interest and dividend income in 2009 and 2010 is solely attributable to lower interest rates as compared to the historical years in Haldimand County Hydro's 2010 Rate Application. When preparing and finalizing the 2009 and 2010 forecasts, Haldimand County Hydro used a monthly prime rate of 3.00% (rate effective January 21, 2009) for both years.

As at September 30, 2009, the monthly prime rate has declined to 2.25% resulting in a 9-month Y.T.D. interest and dividend income on account of bank interest in the amount of \$13,171, as compared to a 2008 9-month Y.T.D. of \$107,993. One additional factor affecting the 9-month Y.T.D actual comparison is an approximate \$1,100,000 decline in the average monthly bank balance from September 2008 to September 2009.

Question #13

Reference: Exhibit 4/Tab 1/Schedule 1, page 3

- a) Please provide a copy of the operating budget as approved annually by the Board of Directors of HCHI for each year 2006-2009 inclusive.

Response

The operating budgets as annually approved by the Board of Directors for each year 2006 – 2009 inclusive are attached in Appendix C.

The following table provides a comparison of the 2009 OM&A Expenses per the 2009 Operating Budget as approved by Haldimand County Hydro's Board of Directors (January 21, 2009) and as per the 2009 Bridge Year as filed with this application (August 28, 2009) as provided for in Exhibit 4/ Tab 1/ Schedule 1/ Table 1:

OM&A Expense	2009 Approved Budget	2009 Bridge Year	Difference	Note
Operations	\$1,281,381	\$1,386,280	\$ 104,899	1
Maintenance	\$2,767,244	\$2,767,244	\$ 0	
Billing and Collections	\$1,354,223	\$1,355,335	\$ 1,112	2
Community Relations	\$ 45,972	\$ 45,972	\$ 0	
Administrative and General Expenses	\$2,031,564	\$1,890,001	\$(141,563)	3
Total OM&A Expense	\$7,480,384	\$7,444,832	\$ 35,552	

Note 1: Operations Expense included account 5065 – Meter Expense. The 2009 Bridge Year correctly reports this expense to include meter technician labour and truck time that was not included in the 2009 Operating Budget as it had been incorrectly allocated to the Smart Meter Initiative Budget at that time. This position is not incremental to the smart meter initiative, and should have been considered as part of operations expense.

Note 2: Billing and Collections Expense includes account 5340 – Miscellaneous Customer Account Expense, which includes the RSVA offset (credit) account. The 2009 Bridge Year reports an updated credit amount relative to that provided for in the 2009 Operating Budget.

Note 3: General and Administrative Expense includes account 5630 – Outside Services Employed, which includes regulatory costs associated with this rate application. The 2009 Bridge Year reports only the first of four years of these costs as they are proposed to be recovered over the rate term, versus the 2009 Operating Budget which included the full amount of these costs.

Question #14

Reference: **Exhibit 4/Tab 2/Schedule 2, page 4**
 Exhibit 4/Tab 2/Schedule 7, page 3, Table 14

- a) For Account 5610, Management Salaries and Expenses, the Board approved amount for 2006 was \$504,446 while the actual for that year was \$544,469, an increase of 7.9%. Further, the amounts forecast for 2009 and 2010 for Account 5610 are \$638,854 and \$654,364 respectively. Please provide a full explanation for the large annual percentage increases in actual spending on Management Salaries and Expenses.

Response

Account 5610, Management Salaries and Expenses increased by 7.9% or \$40,023 in 2006 as compared to 2004. This is due to an increase in wages of 3% effective January 1, 2005, 2% effective January 1, 2006, and 2% effective July 1, 2006. In addition, burden rates changed from 40% to 45% effective January 1, 2005, and from 45% to 50% effective January 1, 2006.

Management Salaries and Expenses increased by 7.46% or \$40,631 in 2007 as compared to 2006. This is due to an increase in wages of 3% effective April 1, 2007 and 2% effective July 1, 2007 and the payout of carried over vacation.

Management Salaries and Expenses increased by 6.2% or \$35,912 in 2008 as compared to 2007. This is due to an increase in wages of 4% effective April 1, 2008 and the payout of carried over vacation.

Management Salaries and Expenses are forecast to increase by 2.8% or \$17,842 in 2009 as compared to 2008. This is due to an increase in wages of 2% effective April 1, 2009 and 1% effective October 1, 2009.

Management Salaries and Expenses are forecast to increase by 2.43% or \$15,510 in 2010 as compared to 2009. This is due to an increase of 2% in wage rates effective April 1, 2010 and 1% effective October 1, 2010.

- b) Please explain why the 10% reduction in management FTEs in 2007 is not accompanied by anywhere near a 10% reduction in associated management costs in 2007 or thereafter.

Response

Exhibit 4/ Tab 2/ Schedule 7/ Page 3/ Table 14 indicates that the number of Management staff was 10 in 2006 and 9 in 2007 onwards. These numbers are as at the end of each year. However, during 2006 a new position of Customer Care Systems Supervisor was filled on April 18, 2006 and during 2007 an existing position of Line Supervisor was eliminated when the incumbent resigned on June 1, 2007. Thus, averaging the number of these employees at the start and end of each of each year would result in 9.5 for 2006 and 9.5 for 2007.

For clarity, the group of employees listed opposite "Management" in Exhibit 4/ Tab 2/ Schedule 7/ Page 3/ Table 14 is not the same as those included in "Account 5610 – Management Salaries and Expenses" referenced in part (a) above. Account 5610 includes the President and 4 Managers. The employees listed opposite "Management" in Exhibit 4/ Tab 2/ Schedule 7/ Page 3/ Table 14 includes the same 4 Managers along with all employees with the title of Supervisor. The costs for these employees with the title of Supervisor are included in their Departmental budgets and costs.

Question #15

Reference: Exhibit 7/Tab 1/Schedule 2, page 1

- a) Please provide a schedule that sets out how each of the amounts directly allocated to the “Embedded Distributor – HONI” class as shown in Worksheet I9 were determined.

Response

The amounts directly allocated to the “Embedded Distributor – HONI” rate class were calculated using the same methodology provided for in the 2006 EDR Handbook Chapter 10 and Schedule 10-7. This same methodology was used to calculate the Board approved Embedded Distributor rate for Norfolk Power effective May 1, 2006, “Distribution Wheeling Service Rate – Norfolk Power”.

The following schedule sets out the amounts directly allocated to the “Embedded Distributor – HONI” rate class.

Embedded Distribution Low Voltage Charges - Hydro One Networks Inc.(All Points including Air Products)

Note: Inclusive of all costs except Meter Reading, Meter Capital, and Customer Billing - Incorporated into Cost Allocation Model

	UG & OH km	Overhead km
27.6	293	284
Total Primary	1653	1570
Secondary	750	584

	Primary Allocation - Capital Cost (less Contributed Capital)	Primary Allocation - Accumulated Amortization	Primary Allocation - Net Book Value (as per Cost Allocation Model)	% Capital, Amort & O&MA
Capital - 1830	\$ 15,808,243	\$ 6,664,022	\$ 9,144,221	18.089%
Capital - 1835	\$ 8,268,377	\$ 2,586,035	\$ 5,682,342	
	<u>\$ 24,076,620</u>	<u>\$ 9,250,057</u>	<u>\$ 14,826,563</u>	
Capital - 1830	Amortization Exp. (net	\$ 801,384.80		
Capital - 1835	of Contr.Capital)	\$ 435,986.21		
		<u>\$ 1,237,371.01</u>		

1	2	3	4	5	6
Asset Class	Total annual OM&A costs of asset class providing LV services	original cost of asset class providing LV services	Accumulative amortization on asset class providing LV services	Annual amortization on asset class providing LV services 2010	NBV of asset class providing LV services
Primary feeders					
Distribution Stations					
Low Voltage lines	\$ 463,612.72	\$ 4,355,261.20	\$ 1,673,258.72	\$ 223,830.17	2,682,002.48

	7	8	9	10	11
	Share of facilities km	Share of facilities km	Share of facilities kW or kVA	Share of facilities kW or kVA	percent
Asset Class	Total line length or station capacity in asset class	Line length providing LV services	line capacity providing LV services	line capacity or station capacity used to provide LV services	Utilization factor
Primary feeders					
Distribution Stations					
Low Voltage lines	284.0	5.2	600,668	276,949	61.55%

* Based on Utilization Factor calculated by
Engineering (HONI kWh / Total kWh of LV Lines)

DIRECT ALLOCATION OF COSTS FOR CAR FILING

	\$	\$	\$	\$	\$	\$	\$
Asset Class	Poles - original cost of assets used to provide LV Services	O/H Conductor - original cost of assets used to provide LV Services	Accumulative Amortization on assets used to provide LV Services	NBV of asset class used to provide LV services	Annual Amortization on assets used to provide LV Services	O&M cost associated with assets used to provide LV Services plus Administration	OM & A cost associated with assets used to provide LV Services plus HONI LV Charge Cost
Primary feeders							
Distribution Stations							
Low Voltage lines	46,772.33	24,463.90	27,368.43	43,867.81	3,661.05	10,353.91	147,328.09
Accumulative Amortization	19,717.05	7,651.38					
Amortization Expense	2,371.08	1,289.97					

- b) Please provide a schedule that identifies those USOA accounts where costs were “allocated” to this “Embedded Distributor” class using the CA Model as opposed to being directly assigned per Worksheet I9.

Response

USOA Account	Account Description	Amount Allocated	USOA Account	Account Description	Amount Allocated
1860	Meters	\$51,508	5065	Meter Expense	\$5,054
1905	Land	\$141	5175	Maintenance of Meters	\$480
1906	Land Rights	\$705	5305	Supervision	\$47
1908	Buildings and Fixtures	\$2,042	5310	Meter Reading Expense	\$3,075
1915	Office Furniture and Equipment	\$354	5315	Customer Billing	\$193
1920	Computer Equipment - Hardware	\$563	5320	Collecting	\$82
1925	Computer Software	\$2,442	5340	Miscellaneous Customer Accounts Expenses	\$19
1930	Transportation Equipment	\$1,937	5410	Community Relations - Sundry	\$47
1940	Tools, Shop and Garage Equipment	\$543	5415	Energy Conservation	\$29
1955	Communication Equipment	\$67	5605	Executive Salaries and Expenses	\$116
1995	Contributions and Grants - Credit	(\$1,537)	5610	Management Salaries and Expenses	\$1,064
2105	Accum. Amortization of Electric Utility Plant - Property, Plant, & Equipment	(\$22,170)	5615	General Administrative Salaries and Expenses	\$882
2120	Accumulated Amortization of Electric Utility Plant - Intangibles	(\$207)	5620	Office Supplies and Expenses	\$183
3046	Balance Transferred From Income	(\$1,357)	5630	Outside Services Employed	\$653
4082	Retail Services Revenues	(\$11)	5635	Property Insurance	\$20
4090	Electric Services Incidental to Energy Sales	(\$34)	5655	Regulatory Expenses	\$164
4235	Miscellaneous Service Revenues	(\$68)	5665	Miscellaneous General Expenses	\$93
4325	Revenues from Merchandise, Jobbing, Etc.	(\$11)	5705	Amortization Expense - Property, Plant, and Equipment	\$2,760
4390	Miscellaneous Non-Operating Income	(\$383)	5715	Amortization of Intangibles and Other Electric Plant	\$18
4405	Interest and Dividend Income	(\$71)	6005	Interest on Long Term Debt	\$1,347
			6105	Taxes Other Than Income Taxes	\$56
			6110	Income Taxes	\$783

- c) Are there any USOA accounts with non-zero values for 2010 where a portion of the costs were not allocated to the Embedded Distributor class (either directly or by means of the CA model)? If yes, please identify and explain why a “zero” allocation is appropriate.

Response

The following Distribution Asset USOA Accounts with non-zero values have not been allocated to the Embedded Distributor – HONI:

- 1. 1820 – Distribution Station Equipment***
- 2. 1840 – Underground Conduit***
- 3. 1845 – Underground Conductors and Devices***
- 4. 1850 – Line Transformers***
- 5. 1855 – Services***

Hydro One does not use any portion of the above distribution asset classes as part of the embedded situation and therefore has not had any allocation of these accounts attributed to the costs associated with this rate class.

The following Revenue USoA Accounts with non-zero values have not been allocated to the Embedded Distributor – HONI:

- 1. 4080 – Distribution Service Revenue***
- 2. 4225 – Late Payment Charges***

Haldimand County Hydro currently does not have a Distribution Wheeling Service rate to charge Hydro One distribution revenue and thus there is no allocation of 4080. As well, there is no history of late payment charges and no basis for allocating the late payment charge revenue to Hydro One.

The following Distribution Expense USoA Accounts with non-zero values have not been allocated to the Embedded Distributor – HONI:

- 1. 5016 – Distribution Station Equipment – Operation Labour***
- 2. 5017 – Distribution Station Equipment – Operation Supplies & Expenses***
- 3. 5035 – Overhead Distribution Transformers – Operations***
- 4. 5055 – Underground Distribution Transformers – Operations***
- 5. 5070 – Customer Premises – Operation Labour***
- 6. 5114 – Maintenance Distribution Station Equipment***
- 7. 5130 – Maintenance of Overhead Services***
- 8. 5145 – Maintenance of Underground Conduit***
- 9. 5150 – Maintenance of Underground Conductors and Devices***
- 10. 5155 – Maintenance of Underground Services***
- 11. 5160 – Maintenance of Line Transformers***

These distribution expenses are associated with the distribution asset classes as noted above having not been allocated to Hydro One. Therefore, no associated expenses for those assets would be allocated.

The following Billing & Collecting USoA Account with a non-zero value has not been allocated to the Embedded Distributor – HONI:

- 1. 5335 – Bad Debt Expense***

The allocator for this account is based on history and Haldimand County Hydro has no history of bad debt with Hydro One to allocate any of these costs.

- d) Please provide the breakdown by customer class (in dollar values) of the allocation base used in the CA Model to allocation A&G costs (excluding Property Insurance and Community Safety Programs) to customer classes.

Response

It is Haldimand County Hydro's understanding the allocation base used in the CA Model to allocate A&G costs (excluding Property Insurance and Community Safety Programs) to customer classes is O&M. The following table provides the information from the 2010 cost allocation model which supports this allocator.

<i>Rate Class</i>	<i>2010 O&M Excluding Directly Allocated</i>	<i>Allocator</i>
<i>Residential</i>	<i>3,794,894</i>	<i>69.01%</i>
<i>General Service less than 50 kW</i>	<i>900,503</i>	<i>16.38%</i>
<i>General Service 50 to 4,999 kW</i>	<i>539,683</i>	<i>9.81%</i>
<i>Street Lighting</i>	<i>159,472</i>	<i>2.90%</i>
<i>Sentinel Lighting</i>	<i>83,365</i>	<i>1.52%</i>
<i>Unmetered Scattered Load</i>	<i>12,380</i>	<i>0.23%</i>
<i>Embedded Distributor - Hydro One</i>	<i>8,950</i>	<i>0.16%</i>
	<i>5,499,247</i>	<i>100.00%</i>

- e) Please confirm that, in the OEB CA model, directly allocated OM&A costs are not included in the allocation base used to allocate A&G costs to customer classes (i.e., those costs with an "ad" Group Designation in Worksheet O4 – with the exception of Property Insurance and Community Safety Programs).

Response

It is Haldimand County Hydro's understanding that in the OEB CA model, directly allocated OM&A costs are not included in the allocation base used to allocate A&G costs to customer.

- f) Please provide a revised allocation base broken down by customer class for A&G costs (excluding Property Insurance and Community Safety Programs) that includes directly allocated O&M costs.

Response

The following table provides a revised allocation base broken down by customer class for A&G costs (excluding Property Insurance and Community Safety Programs) that includes directly allocated O&M costs.

<i>Rate Class</i>	<i>2010 O&M Including Directly Allocated</i>	<i>Allocator</i>
<i>Residential</i>	<i>3,794,894</i>	<i>67.24%</i>
<i>General Service less than 50 kW</i>	<i>900,503</i>	<i>15.96%</i>
<i>General Service 50 to 4,999 kW</i>	<i>539,683</i>	<i>9.56%</i>
<i>Street Lighting</i>	<i>159,472</i>	<i>2.83%</i>
<i>Sentinel Lighting</i>	<i>83,365</i>	<i>1.48%</i>
<i>Unmetered Scattered Load</i>	<i>12,380</i>	<i>0.22%</i>
<i>Embedded Distributor - Hydro One</i>	<i>153,507</i>	<i>2.72%</i>
	<i>5,643,804</i>	<i>100.00%</i>

Question #16

**Reference: Exhibit 7/Tab 1/Schedule 3, page 3
2010 Cost Allocation Model run**

- a) Please provide a schedule that sets out calculation of the revenue based on current rates by class as shown in Table 2. Please confirm that the rates: a) exclude LV costs to Haldimand, b) exclude smart meter adders, and c) are reduced by transformer ownership allowances where appropriate. If not, please revise accordingly.

Response

The following table sets out the calculation of revenue based on the 2010 load forecast at 2009 approved rates. The rates exclude low voltage costs, the smart meter funding adder, and the G/S 50 to 4999 kW rate class has been reduced by the transformer ownership allowance.

Customer Class	2010 Forecasted kWh / kW (Variable Determinant)		2010 Forecasted Annualized Customer / Connection (Fixed Determinant)		2009 Approved Variable Rate (Excluding LV)	2009 Approved Fixed Rate (Excluding Smart Meter)	2010 Variable Distribution Revenue at 2009 Approved Rates	2010 Fixed Distribution Revenue at 2009 Approved Rates	Transformer Allowance	Total 2010 Distribution Revenue at 2009 Approved Rates
					(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Residential	169,492,357 kWh		222,408	Cust.	0.0305	11.01	5,169,517	2,448,712		7,618,229
G/S < 50 kW	60,923,412 kWh		28,284	Cust.	0.0220	18.07	1,340,315	511,092		1,851,407
G/S 50 to 4999 kW	296,554 kW		1,716	Cust.	5.7064	33.65	1,692,256	57,743	(95,362)	1,654,637
Sentinel Lights	1,167 kW		7,068	Conn.	4.4093	1.71	5,146	12,086		17,232
Street Lighting	6,475 kW		34,548	Conn.	3.8651	1.51	25,027	52,167		77,194
Unmetered Scattered Load	482,264 kWh		1,008	Conn.	0.0226	9.03	10,899	9,102		20,001
Embedded Distributor - Hydro One Networks Inc.	276,949 kW		96	Cust.	-	-	0	0		0
							8,243,159	3,090,903	(95,362)	11,238,700

b) Please reconcile the following:

- The depreciation charge (\$2,932,087) reported in Exhibits 6 and 8 with the value shown in Worksheet O1 (\$2,928,426).
- The Net Income r(\$1,284,710) reported in Exhibit 6 with the value shown in Worksheet O1 (\$1,282,827)
- The Interest Expense (\$1,275,060) reported in Exhibit 6 with the value shown in Worksheet O1 (\$1,273,192).
- The PILs Expense (\$722,880) reported in Exhibit 6 with the value shown in Worksheet O1 (\$740,616)
- The OM&A costs reported in Exhibit 6 with those set out in Worksheet O1.

Response

In the cost allocation model, the directly allocated costs attributable to the Embedded Distributor – Hydro One Networks Inc., are shown separate on Worksheet O1 on a “Direct Allocation” line which accounts for the differences in all of the bullets above. The following table illustrates these differences.

	Cost Allocation Model - Worksheet O1 Revenue to Cost RR	Cost Allocation Model - Worksheet I9 Direct Allocation	Exhibit 6 - Calculation of Revenue Deficiency
OM&A Expenses (includes Property Taxes)	7,558,089	147,328	7,705,417
Depreciation Expense	2,928,426	3,661	2,932,087
Interest Expense	1,273,192	1,868	1,275,060
PIL's Expense (includes Capital Tax)	740,616	1,087	741,703
Net Income	1,282,827	1,883	1,284,710
Totals	13,783,150	155,827	13,938,977

With respect to the fourth bullet above, PILs Expense, the amount reported in Exhibit 6 of \$722,880 (\$743,880 less \$21,000 of income tax credits) does not include capital tax of \$18,823. The capital tax is included in the ‘Property & Capital Taxes’ line in the ‘Distribution Costs’. In order to reconcile between the Cost Allocation model and Exhibit 6 as requested in this interrogatory, Property Taxes has been included in OM&A Expenses and Capital Tax has been included in the PIL’s Expense in the above table, which is how the cost allocation model has grouped these two taxes.

- c) Why does Worksheet O1 report zero distribution revenue for Embedded Distributor=Hydro One Networks when according to Exhibit 8, Tab 1, Schedule 1, page 3 Hydro One Networks is currently paying rates base on the GS 50-4999 rates?

Response

Worksheet O1 reports zero distribution revenue for the “new” rate class Embedded Distributor – Hydro One Networks Inc., for reasons reported in Exhibit 8/ Tab 1/ Schedule 1/ page 3 – most notably, that the inclusion of this distribution revenue collected on an interim basis would have considerably distorted the billing statistics for this entire G/S 50 to 4999 kW class. Also refer to response to Board Staff Interrogatories # 23 and # 24.

- d) For purposes of the 2010 Cost Allocation run were the loads and/or revenues associated with Hydro One Networks included in the GS 50-4999 class? If yes, please re-do with these revenues and loads excluded and the revenues reported under the Embedded Distributor class.

Response

No, Haldimand County Hydro did not include any loads and / or revenues associated with Hydro One in the G/S 50 to 4999 kW rate class.

Question #17

Reference: **Exhibit 7/Tab 1/Schedule 3, page 4**
 Exhibit 8/Tab 1/Schedule 1, pages 5-9

- a) Please confirm that the Board's EB-2007-0667 Guideline (page 12) sets the upper limit for the MSC at 120% of avoided costs plus the allocated customer costs (i.e., Minimum System plus PLCC Adjustment). Based on this "maximum", do the proposed monthly service charges change?

Response

Please refer to response to Board Staff Interrogatory # 26. Based on this response the proposed monthly service charges will not change.

- b) Please provide a schedule that sets out the derivation of the percentages shown in Table 5 of Exhibit 8, Tab 1, Schedule 1.

Response

Customer Class	2010 Variable Distribution Revenue at 2009 Approved Rates	2010 Fixed Distribution Revenue at 2009 Approved Rates	Total 2010 Distribution Revenue at 2009 Approved Rates (before Trx Allowance)	Current Variable Split	Current Fixed Split	Total
	(\$)	(\$)	(\$)			
Residential	5,169,517	2,448,712	7,618,229	67.86%	32.14%	100.00%
G/S < 50 kW	1,340,315	511,092	1,851,407	72.39%	27.61%	100.00%
G/S 50 to 4999 kW	1,692,256	57,743	1,749,999	96.70%	3.30%	100.00%
Sentinel Lights	5,146	12,086	17,232	29.86%	70.14%	100.00%
Street Lighting	25,027	52,167	77,194	32.42%	67.58%	100.00%
Unmetered Scattered Load	10,899	9,102	20,001	54.49%	45.51%	100.00%
Embedded Distributor - Hydro One Networks Inc.	0	0	0			
	8,243,159	3,090,903	11,334,062			

- c) Please provide a schedule that sets out the 2010 service charges that would result if the fixed/variable split in revenues was maintained the same as for 2010 revenues at current rates.

Response

Customer Class	Current Variable Split	Current Fixed Split	Total	2010 Net Revenue Requirement	2010 Forecasted Annualized Customer / Connection	Fixed Rate Based on Current Fixed / Variable Split
				(\$)		(\$)
Residential	67.86%	32.14%	100.00%	8,692,594	222,408	12.56
G/S < 50 kW	72.39%	27.61%	100.00%	2,112,502	28,284	20.62
G/S 50 to 4999 kW	96.70%	3.30%	100.00%	1,548,436	1,716	29.77
Sentinel Lights	29.86%	70.14%	100.00%	74,483	7,068	7.39
Street Lighting	32.42%	67.58%	100.00%	199,036	34,548	3.89
Unmetered Scattered Load	54.49%	45.51%	100.00%	22,822	1,008	10.30
Embedded Distributor - Hydro One Networks Inc.				173,771	96	
				12,823,644		

- d) Please provide the analysis supporting the proposed percentages set out on page 7 (lines 11-12) of Exhibit 8, Tab 1, Schedule 1.

Response

Peer Group per PEG Report (Mid-Size Southern Low & Medium Undergrounding)	Residential Rates (HCHI Harmonized)		Fixed / Variable Allocation Based on Revenue Requirement by Rate Class		
	Monthly Service Charge	Distribution Volumetric Charge	Fixed % Allocation	Volumetric % Allocation	
Haldimand County Hydro Inc.	11.01	0.0314	32.17%	67.83%	100.00%
Fort Erie (CNP)	20.52	0.0122	63.00%	37.00%	100.00%
Innisfil Hydro Distribution Systems	19.00	0.0211	50.88%	49.12%	100.00%
Norfolk Power Inc.	21.02	0.0199	59.60%	40.40%	100.00%
Orillia Power Distribution	13.34	0.0128	56.84%	43.16%	100.00%
Niagara Peninsula Energy Inc. - Peninsula West	16.24	0.0138	35.30%	64.70%	100.00%
Average	18.02	0.0160	53.12%	46.88%	100.00%
Median	19.00	0.0138	56.84%	43.16%	100.00%
Minimum	11.01	0.0122	32.17%	37.00%	
Maximum	21.02	0.0314	63.00%	67.83%	
<hr/>					
Peer Group per PEG Report (Mid-Size Southern Low & Medium Undergrounding)	G/S < 50 kW		Fixed / Variable Allocation Based on Revenue Requirement by Rate Class		
	Monthly Service Charge	Distribution Volumetric Charge	Fixed % Allocation	Volumetric % Allocation	
Haldimand County Hydro Inc.	18.07	0.0228	27.63%	72.37%	100.00%
Fort Erie (CNP)	17.78	0.0260	25.50%	74.50%	100.00%
Innisfil Hydro Distribution Systems	33.00	0.0119	51.86%	48.14%	100.00%
Norfolk Power Inc.	49.74	0.0146	57.90%	42.10%	100.00%
Orillia Power Distribution	30.79	0.0144	41.57%	58.43%	100.00%
Niagara Peninsula Energy Inc. - Peninsula West	48.10	0.0102	19.75%	80.25%	100.00%
Average	35.88	0.0154	39.32%	60.68%	100.00%
Median	33.00	0.0144	41.57%	58.43%	100.00%
Minimum	17.78	0.0102	19.75%	42.10%	
Maximum	49.74	0.0260	57.90%	80.25%	
<p>Note: Monthly Service Charge excludes Smart Meter Funding Adder Distribution Volumetric excludes Regulatory Asset rate riders if applicable Distribution Volumetric includes LV Charge Pink Denotes LDC's that have rebased in 2008 or 2009 - remaining still part of 2nd GIRM Revenue Requirement Allocation % taken from 2006 EDR Applications for LDC's that have not rebased HCHI has been excluded from the "Average" & "Median" calculation for comparison purposes only</p>					

- e) Based on the 2009 rates for Haldimand and its peer utilities, please provide the typical monthly distribution bill for a residential customer using 800 kWh per month and a GS<50 customer using 2,000 kWh per month.

Response

Peer Group per PEG Report (Mid-Size Southern Low & Medium Undergrounding)	Residential Rates (HCHI Harmonized)		Residential Monthly Bill (based on 800 kWh)		
	Monthly Service Charge	Distribution Volumetric Charge	Monthly Service Charge	Distribution Volumetric Charge	Total Monthly Bill
Haldimand County Hydro Inc.	11.01	0.0314	11.01	25.12	36.13
Fort Erie (CNP)	20.52	0.0122	20.52	9.76	30.28
Innisfil Hydro Distribution Systems	19.00	0.0211	19.00	16.88	35.88
Norfolk Power Inc.	21.02	0.0199	21.02	15.92	36.94
Orillia Power Distribution	13.34	0.0128	13.34	10.24	23.58
Niagara Peninsula Energy Inc. - Peninsula West	16.24	0.0138	16.24	11.04	27.28
Average	18.02	0.0160	18.02	12.77	30.79
Median	19.00	0.0138	19.00	11.04	30.28
Minimum	11.01	0.0122	11.01	9.76	23.58
Maximum	21.02	0.0314	21.02	25.12	36.94
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Peer Group per PEG Report (Mid-Size Southern Low & Medium Undergrounding)	G/S < 50 kW		G/S < 50 kW Monthly Bill (based on 2000 kWh)		
	Monthly Service Charge	Distribution Volumetric Charge	Monthly Service Charge	Distribution Volumetric Charge	Total Monthly Bill
Haldimand County Hydro Inc.	18.07	0.0228	18.07	45.60	63.67
Fort Erie (CNP)	17.78	0.0260	17.78	52.00	69.78
Innisfil Hydro Distribution Systems	33.00	0.0119	33.00	23.80	56.80
Norfolk Power Inc.	49.74	0.0146	49.74	29.20	78.94
Orillia Power Distribution	30.79	0.0144	30.79	28.80	59.59
Niagara Peninsula Energy Inc. - Peninsula West	48.10	0.0102	48.10	20.40	68.50
Average	35.88	0.0154	35.88	30.84	66.72
Median	33.00	0.0144	33.00	28.80	61.80
Minimum	17.78	0.0102	17.78	20.40	38.18
Maximum	49.74	0.0260	49.74	52.00	101.74
<p>Note: Monthly Service Charge excludes Smart Meter Funding Adder Distribution Volumetric excludes Regulatory Asset rate riders if applicable Distribution Volumetric includes LV Charge Pink Denotes LDC's that have rebased in 2008 or 2009 - remaining still part of 2nd GIRM Revenue Requirement Allocation % taken from 2006 EDR Applications for LDC's that have not rebased HCHI has been excluded from the "Average" & "Median" calculation for comparison purposes only</p>					

- f) Why is it appropriate to align the fixed/variable split for the Residential and GS<50 classes with that of Haldimand's peers as opposed to basing the split on Haldimand's past practice and its forecast costs?

Response

Please refer to response to Board Staff Interrogatory # 26 (a) and (b).

Question #18

Reference: Exhibit 8/Tab 1/Schedule 1, page 12

- a) Please reconcile the \$160,500 in LV cost shown here with the \$209,412 value used in the determination of the working capital allowance (Exhibit 4, Tab 1, Schedule 1).

Response

The difference of \$48,912 included in the working capital allowance calculation represents the variance between the forecasted billed low voltage for 2010 (4 months at existing rates and 8 months at proposed rates) and the forecasted cost of low voltage charges from Hydro One Networks Inc. (12 months at rates effective May 1, 2009 implemented June 1, 2009, with proposal to update rates upon OEB decision on Hydro One Networks Inc.'s 2010 / 2011 Distribution Application currently before the Board).

Haldimand County Hydro has only included the forecasted cost of low voltage charges of \$160,500 from Hydro One Networks Inc. for the year 2010 in determining the "proposed" rates to bill the customer rate classes for low voltage services in order to mitigate the monthly variance between billed and charged.

- b) Please provide a schedule showing the derivation of the forecast LV costs, including the 2010 volumes and HON rates used.

Response

Hydro One Networks Inc. ("HONI")				2010 Forecasted Volumes (kW)
Peak (kW - Low Voltage - DS)				51,816
Peak (kW - Low Voltage - TS)				294,108
<hr/>				
Rates Effective May 1, 2009 (HONI Rates Implemented June 1, 2009)				Low Voltage Charges
\$50.70	NPI	Monthly Service Charge	\$	612
\$0.780	HONI	Low Voltage Charges - DS	\$	40,416
\$0.361	HONI	Low Voltage Charges - TS	\$	106,176
\$118.27	HONI	Monthly Service Charge (4 points)	\$	5,677
\$346.34	HONI	Meter Charge (2 DS's)	\$	7,619
Total				\$ 160,500

Question #19

Reference: Exhibit 8/Tab 1/Schedule 3

- a) Please provide a schedule setting out the derivation the Total Charges and Total Billed values in Tables 12 and 13, including the rates used.

Response

***Retail Transmission Charge Calculation – Table 12
(January 1, 2009 to April 30, 2010)***

Transmission Network Service Charges				Transmission Connection Service Charges			
	Charge Determinant	Rate	Charge Amount		Charge Determinant	Rate	Charge Amount
	(kW)	(\$)			(kW)	(\$)	
IESO Charges:				IESO Charges:			
Period January 1 to June 30, 2009 (Ontario Uniform Transmission Rate Effective Jan. 1/09)	244,618	2.57	\$ 628,668	Period January 1 to June 30, 2009 (Ontario Uniform Transmission Rate Effective Jan. 1/09)	258,090	2.32	\$ 598,769
Period July 1 to December 31, 2009 (Ontario Uniform Transmission Rate Effective July 1/09)	256,079	2.66	\$ 681,170	Period July 1 to December 31, 2009 (Ontario Uniform Transmission Rate Effective July 1/09)	270,183	2.27	\$ 613,315
Period January 1 to April 30, 2010 (Ontario Uniform Transmission Rate Effective July 1/09)	162,789	2.66	\$ 433,019	Period January 1 to April 30, 2010 (Ontario Uniform Transmission Rate Effective July 1/09)	171,755	2.27	\$ 389,884
			\$ 1,742,857				\$ 1,601,968
HONI Charges:				HONI Charges:			
Period January 1 to May 31, 2009 (Rate Order Effective May 1/08)	122,545	2.01	\$ 246,315	Period January 1 to May 31, 2009 (Rate Order Effective May 1/08)	122,545	1.88	\$ 230,385
Period June 1 to December 31, 2009 (Rate Order Effective May 1/09 Implemented June 1/09)	171,563	2.24	\$ 384,300	Period June 1 to December 31, 2009 (Rate Order Effective May 1/09 Implemented June 1/09)	171,563	1.99	\$ 341,410
Period January 1 to April 30, 2010 (Rate Order Effective May 1/09 Implemented June 1/09)	98,036	2.24	\$ 219,601	Period January 1 to April 30, 2010 (Rate Order Effective May 1/09 Implemented June 1/09)	98,036	1.99	\$ 195,092
			\$ 850,216				\$ 766,887
Total Transmission Network Service Charges			\$ 2,593,073	Total Transmission Connection Service Charges			\$ 2,368,855

***Retail Transmission Billed / Unbilled Calculation – Table 12
(January 1, 2009 to April 30, 2010)***

Transmission Network Service Charges				Transmission Connection Service Charges			
	Billing Determinant (kWh / kW)	Rate (\$)	Billed / Unbilled Amount		Billing Determinant (kWh / kW)	Rate (\$)	Billed / Unbilled Amount
Period January 1 to April 30, 2009 (Rate Order Effective May 1/08)				Period January 1 to April 30, 2009 (Rate Order Effective May 1/08)			
Residential	60,711,722 kWh	0.00420	\$ 254,987	Residential	60,711,722 kWh	0.00410	\$ 248,919
G/S < 50 kW	20,506,162 kWh	0.00380	\$ 77,923	G/S < 50 kW	20,506,162 kWh	0.00370	\$ 75,873
G/S 50 to 4999 kW (Non-Interval Metered)	29,830 kW	1.55990	\$ 46,532	G/S 50 to 4999 kW (Non-Interval Metered)	29,830 kW	1.47840	\$ 44,101
G/S 50 to 4999 kW (Interval Metered)	67,429 kW	1.65470	\$ 111,574	G/S 50 to 4999 kW (Interval Metered)	67,429 kW	1.63390	\$ 110,172
Embedded Distributor Norfolk Power Inc.	20,101 kW	2.41460	\$ 48,536	Embedded Distributor Norfolk Power Inc.	20,101 kW	2.39740	\$ 48,190
Sentinel Lights	406 kW	1.18230	\$ 480	Sentinel Lights	406 kW	1.16680	\$ 474
Street Lighting	2,036 kW	1.17640	\$ 2,395	Street Lighting	2,036 kW	1.14300	\$ 2,327
Unmetered Scattered Load	165,231 kWh	0.00380	\$ 628	Unmetered Scattered Load	165,231 kWh	0.00370	\$ 611
Period May 1 to December 31, 2009 (Rate Order Effective May 1/09)				Period May 1 to December 31, 2009 (Rate Order Effective May 1/09)			
Residential	117,274,858 kWh	0.00470	\$ 551,188	Residential	117,274,858 kWh	0.00430	\$ 504,283
G/S < 50 kW	41,928,398 kWh	0.00420	\$ 176,097	G/S < 50 kW	41,928,398 kWh	0.00390	\$ 163,521
G/S 50 to 4999 kW (Non-Interval Metered)	60,122 kW	1.73620	\$ 104,383	G/S 50 to 4999 kW (Non-Interval Metered)	60,122 kW	1.55970	\$ 93,772
G/S 50 to 4999 kW (Interval Metered)	149,920 kW	1.84170	\$ 276,105	G/S 50 to 4999 kW (Interval Metered)	149,920 kW	1.72380	\$ 258,433
Embedded Distributor Norfolk Power Inc.	49,028 kW	2.68750	\$ 131,762	Embedded Distributor Norfolk Power Inc.	49,028 kW	2.52930	\$ 124,007
Sentinel Lights	837 kW	1.31590	\$ 1,101	Sentinel Lights	837 kW	1.23100	\$ 1,030
Street Lighting	4,439 kW	1.30930	\$ 5,812	Street Lighting	4,439 kW	1.20590	\$ 5,353
Unmetered Scattered Load	344,281 kWh	0.00420	\$ 1,446	Unmetered Scattered Load	344,281 kWh	0.00390	\$ 1,343
Period January 1 to April 30, 2010 (Rate Order Effective May 1/09)				Period January 1 to April 30, 2010 (Rate Order Effective May 1/09)			
Residential	61,139,468 kWh	0.00470	\$ 287,353	Residential	61,139,468 kWh	0.00430	\$ 262,900
G/S < 50 kW	20,740,074 kWh	0.00420	\$ 87,108	G/S < 50 kW	20,740,074 kWh	0.00390	\$ 80,886
G/S 50 to 4999 kW (Non-Interval Metered)	29,600 kW	1.73620	\$ 51,392	G/S 50 to 4999 kW (Non-Interval Metered)	29,600 kW	1.55970	\$ 46,167
G/S 50 to 4999 kW (Interval Metered)	65,003 kW	1.84170	\$ 119,715	G/S 50 to 4999 kW (Interval Metered)	65,003 kW	1.72380	\$ 112,052
Embedded Distributor Norfolk Power Inc.	20,347 kW	2.68750	\$ 54,683	Embedded Distributor Norfolk Power Inc.	20,347 kW	2.52930	\$ 51,464
Sentinel Lights	371 kW	1.31590	\$ 488	Sentinel Lights	371 kW	1.23100	\$ 457
Street Lighting	1,777 kW	1.30930	\$ 2,327	Street Lighting	1,777 kW	1.20590	\$ 2,143
Unmetered Scattered Load	149,945 kWh	0.00420	\$ 630	Unmetered Scattered Load	149,945 kWh	0.00390	\$ 585
Total Transmission Network Service Charges			\$ 2,394,645	Total Transmission Connection Service Charges			\$ 2,239,063

***Embedded Distributor – HONI RTSR Charge Calculation – Table 13
(March 7, 2009 to June 30, 2009)***

Transmission Network Service Charges				Transmission Connection Service Charges			
	Charge Determinant (kW)	Rate (\$)	Charge Amount		Charge Determinant (kW)	Rate (\$)	Charge Amount
IESO Charges: Period March 7 to June 30, 2009 (Ontario Uniform Transmission Rate Effective Jan. 1/09)	57,070	2.57	\$ 146,670	IESO Charges: Period March 7 to June 30, 2009 (Ontario Uniform Transmission Rate Effective Jan. 1/09)	57,459	2.32	\$ 133,304
			\$ 146,671				\$ 133,305
HONI Charges: Period March 7 to May 31, 2009 (Rate Order Effective May 1/08)	43,202	2.01	\$ 86,837	HONI Charges: Period March 7 to May 31, 2009 (Rate Order Effective May 1/08)	43,202	1.88	\$ 81,220
Period June 1 to June 30, 2009 (Rate Order Effective May 1/09 Implemented June 1/09)	14,439	2.24	\$ 32,341	Period June 1 to June 30, 2009 (Rate Order Effective May 1/09 Implemented June 1/09)	14,439	1.99	\$ 28,733
			\$ 119,179				\$ 109,953
Total Transmission Network Service Charges			\$ 265,850	Total Transmission Connection Service Charges			\$ 243,258

***Embedded Distributor – HONI RTSR Billed / Unbilled Calculation – Table 13
(March 7, 2009 to June 30, 2009)***

Transmission Network Service Charges				Transmission Connection Service Charges			
	Billing Determinant (kWh / kW)	Rate (\$)	Billed / Unbilled Amount		Billing Determinant (kWh / kW)	Rate (\$)	Billed / Unbilled Amount
Period March 7 to April 30, 2009 (Rate Order Effective May 1/08) Embedded Distributor - Hydro One Networks (G/S 50 to 4999 kW (Interval Metered) Rate)	50,424 kW	1.65470	\$ 83,437	Period March 7 to April 30, 2009 (Rate Order Effective May 1/08) Embedded Distributor - Hydro One Networks (G/S 50 to 4999 kW (Interval Metered) Rate)	50,640 kW	1.63390	\$ 82,741
Period May 1 to June 30, 2009 (Rate Order Effective May 1/09) Embedded Distributor - Hydro One Networks (G/S 50 to 4999 kW (Interval Metered) Rate)	69,286 kW	1.84170	\$ 127,603	Period May 1 to June 30, 2009 (Rate Order Effective May 1/09) Embedded Distributor - Hydro One Networks (G/S 50 to 4999 kW (Interval Metered) Rate)	69,747 kW	1.72380	\$ 120,229
Total Transmission Network Service Charges			\$ 211,040	Total Transmission Connection Service Charges			\$ 202,970

Question #20

Reference: **Exhibit 8, Appendices D and E**

- a) Please reconcile the 2009 Residential rates used in Appendix E with the approved rates set out in Appendix D.

Response

Please refer to Exhibit 8/ Appendix A and the section “Rate Harmonization – Residential Rate Class” in Exhibit 8/ Tab 1/ Schedule 1/ pages 3 to 5.

- b) Please provide separate bill impact schedules for those Residential customers currently classified as Residential Urban versus Residential Suburban.

Response

RESIDENTIAL - URBAN

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption	Monthly Service Charge			10.85			20.76	9.91	91.34%	24.67%
	Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	2.22%
500 kWh	Distribution Volumetric (kWh)	500	0.0304	15.20	500	0.0240	12.00	(3.20)	(21.05%)	14.26%
	Low Voltage Cost Rate Adder (kWh)	500	0.0009	0.45	500	0.0005	0.25	(0.20)	(44.44%)	0.30%
	LRAM & SSM Rate Rider (kWh)	500	0.0000	0.00	500	0.0022	1.10	1.10	#DIV/0!	1.31%
	Deferral & Variance A/C Rate Rider (kWh)	500	0.0000	0.00	500	(0.0008)	(0.40)	(0.40)	#DIV/0!	(0.48%)
	Sub-Total A - Distribution			27.50			35.58	8.08	29.38%	42.29%
	RTSR - Network (kWh)	528	0.0047	2.48	534	0.0051	2.72	0.24	9.69%	3.24%
	RSTR - Connection (kWh)	528	0.0043	2.27	534	0.0045	2.43	0.16	6.95%	2.89%
	Sub-Total B (includes A) Delivery			32.25			40.73	8.48	26.29%	48.41%
	Wholesale Market Rate (kWh)	528	0.0052	2.75	534	0.0052	2.78	0.03	1.09%	3.30%
	RRRP (kWh)	528	0.0013	0.69	534	0.0013	0.69	0.01	1.09%	0.83%
	DRC (kWh)	500	0.0070	3.50	500	0.0070	3.50	0.00	0.00%	4.16%
	Cost of Power Commodity (kWh)	528	0.0607	32.08	534	0.0607	32.42	0.35	1.09%	38.54%
	Total Bill Before Taxes			71.26			80.13	8.86	12.44%	95.24%
	GST		5.00%	3.56		5.00%	4.01	0.44	12.44%	4.76%
	Total Bill			74.83			84.13	9.31	12.44%	100.00%

RESIDENTIAL - URBAN

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption	Monthly Service Charge			10.85			20.76	9.91	91.34%	17.25%
	Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	1.55%
800 kWh	Distribution Volumetric (kWh)	800	0.0304	24.32	800	0.0240	19.20	(5.12)	(21.05%)	15.95%
	Low Voltage Cost Rate Adder (kWh)	800	0.0009	0.72	800	0.0005	0.40	(0.32)	(44.44%)	0.33%
	LRAM & SSM Rate Rider (kWh)	800	0.0000	0.00	800	0.0022	1.76	1.76	#DIV/0!	1.46%
	Deferral & Variance A/C Rate Rider (kWh)	800	0.0000	0.00	800	(0.0008)	(0.64)	(0.64)	#DIV/0!	(0.53%)
	Sub-Total A - Distribution			36.89	43.35			6.46	17.51%	36.02%
	RTSR - Network (kWh)	845	0.0047	3.97	854	0.0051	4.36	0.39	9.69%	3.62%
	RSTR - Connection (kWh)	845	0.0043	3.63	854	0.0045	3.89	0.25	6.95%	3.23%
	Sub-Total B (includes A) Delivery			44.50	51.59			7.10	15.95%	42.87%
	Wholesale Market Rate (kWh)	845	0.0052	4.40	854	0.0052	4.44	0.05	1.09%	3.69%
	RRRP (kWh)	845	0.0013	1.10	854	0.0013	1.11	0.01	1.09%	0.92%
	DRC (kWh)	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	4.65%
	Cost of Power Commodity (kWh)	845	0.0607	51.32	854	0.0607	51.88	0.56	1.09%	43.10%
	Total Bill Before Taxes			106.91	114.63			7.72	7.22%	95.24%
	GST		5.00%	5.35		5.00%	5.73	0.39	7.22%	4.76%
	Total Bill			112.26	120.36			8.10	7.22%	100.00%

RESIDENTIAL - URBAN									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption									
1,000 kWh									
Monthly Service Charge			10.85			20.76	9.91	91.34%	14.37%
Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	1.29%
Distribution Volumetric (kWh)	1,000	0.0304	30.40	1,000	0.0240	24.00	(6.40)	(21.05%)	16.61%
Low Voltage Cost Rate Adder (kWh)	1,000	0.0009	0.90	1,000	0.0005	0.50	(0.40)	(44.44%)	0.35%
LRAM & SSM Rate Rider (kWh)	1,000	0.0000	0.00	1,000	0.0022	2.20	2.20	#DIV/0!	1.52%
Deferral & Variance A/C Rate Rider (kWh)	1,000	0.0000	0.00	1,000	(0.0008)	(0.80)	(0.80)	#DIV/0!	(0.55%)
Sub-Total A - Distribution			43.15			48.53	5.38	12.47%	33.58%
RTSR - Network (kWh)	1,057	0.0047	4.97	1,068	0.0051	5.45	0.48	9.69%	3.77%
RSTR - Connection (kWh)	1,057	0.0043	4.54	1,068	0.0045	4.86	0.32	6.95%	3.36%
Sub-Total B (includes A) Delivery			52.66			58.84	6.18	11.73%	40.71%
Wholesale Market Rate (kWh)	1,057	0.0052	5.49	1,068	0.0052	5.55	0.06	1.09%	3.84%
RRRP (kWh)	1,057	0.0013	1.37	1,068	0.0013	1.39	0.01	1.09%	0.96%
DRC (kWh)	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	4.84%
Cost of Power Commodity (kWh)	1,057	0.0607	64.15	1,068	0.0607	64.85	0.70	1.09%	44.88%
Total Bill Before Taxes			130.68			137.63	6.95	5.32%	95.24%
GST		5.00%	6.53		5.00%	6.88	0.35	5.32%	4.76%
Total Bill			137.21			144.51	7.30	5.32%	100.00%

RESIDENTIAL - URBAN									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption									
2,500 kWh									
Monthly Service Charge			10.85			20.76	9.91	91.34%	6.38%
Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	0.57%
Distribution Volumetric (kWh)	2,500	0.0304	76.00	2,500	0.0240	60.00	(16.00)	(21.05%)	18.43%
Low Voltage Cost Rate Adder (kWh)	2,500	0.0009	2.25	2,500	0.0005	1.25	(1.00)	(44.44%)	0.38%
LRAM & SSM Rate Rider (kWh)	2,500	0.0000	0.00	2,500	0.0022	5.50	5.50	#DIV/0!	1.69%
Deferral & Variance A/C Rate Rider (kWh)	2,500	0.0000	0.00	2,500	(0.0008)	(2.00)	(2.00)	#DIV/0!	(0.61%)
Sub-Total A - Distribution			90.10			87.38	(2.72)	(3.02%)	26.83%
RTSR - Network (kWh)	2,641	0.0047	12.41	2,670	0.0051	13.62	1.20	9.69%	4.18%
RSTR - Connection (kWh)	2,641	0.0043	11.36	2,670	0.0045	12.15	0.79	6.95%	3.73%
Sub-Total B (includes A) Delivery			113.87			113.14	(0.73)	(0.64%)	34.75%
Wholesale Market Rate (kWh)	2,641	0.0052	13.73	2,670	0.0052	13.88	0.15	1.09%	4.26%
RRRP (kWh)	2,641	0.0013	3.43	2,670	0.0013	3.47	0.04	1.09%	1.07%
DRC (kWh)	2,500	0.0070	17.50	2,500	0.0070	17.50	0.00	0.00%	5.37%
Cost of Power Commodity (kWh)	2,641	0.0607	160.38	2,670	0.0607	162.12	1.75	1.09%	49.79%
Total Bill Before Taxes			308.92			310.12	1.20	0.39%	95.24%
GST		5.00%	15.45		5.00%	15.51	0.06	0.39%	4.76%
Total Bill			324.36			325.63	1.27	0.39%	100.00%

2009 BILL			2010 BILL			IMPACT		
Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
		11.34			20.76	9.42	83.07%	24.67%
		1.00			1.87	0.87	87.00%	2.22%
500	0.0306	15.30	500	0.0240	12.00	(3.30)	(21.57%)	14.26%
500	0.0009	0.45	500	0.0005	0.25	(0.20)	(44.44%)	0.30%
500	0.0000	0.00	500	0.0022	1.10	1.10	#DIV/0!	1.31%
500	0.0000	0.00	500	(0.0008)	(0.40)	(0.40)	#DIV/0!	(0.48%)
		28.09			35.58	7.49	26.66%	42.29%
528	0.0047	2.48	534	0.0051	2.72	0.24	9.69%	3.24%
528	0.0043	2.27	534	0.0045	2.43	0.16	6.95%	2.89%
		32.84			40.73	7.89	24.02%	48.41%
528	0.0052	2.75	534	0.0052	2.78	0.03	1.09%	3.30%
528	0.0013	0.69	534	0.0013	0.69	0.01	1.09%	0.83%
500	0.0070	3.50	500	0.0070	3.50	0.00	0.00%	4.16%
528	0.0607	32.08	534	0.0607	32.42	0.35	1.09%	38.54%
		71.85			80.13	8.27	11.52%	95.24%
	5.00%	3.59		5.00%	4.01	0.41	11.52%	4.76%
		75.45			84.13	8.69	11.52%	100.00%

2009 BILL			2010 BILL			IMPACT		
Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
		11.34			20.76	9.42	83.07%	17.25%
		1.00			1.87	0.87	87.00%	1.55%
800	0.0306	24.48	800	0.0240	19.20	(5.28)	(21.57%)	15.95%
800	0.0009	0.72	800	0.0005	0.40	(0.32)	(44.44%)	0.33%
800	0.0000	0.00	800	0.0022	1.76	1.76	#DIV/0!	1.46%
800	0.0000	0.00	800	(0.0008)	(0.64)	(0.64)	#DIV/0!	(0.53%)
		37.54			43.35	5.81	15.48%	36.02%
845	0.0047	3.97	854	0.0051	4.36	0.39	9.69%	3.62%
845	0.0043	3.63	854	0.0045	3.89	0.25	6.95%	3.23%
		45.15			51.59	6.45	14.28%	42.87%
845	0.0052	4.40	854	0.0052	4.44	0.05	1.09%	3.69%
845	0.0013	1.10	854	0.0013	1.11	0.01	1.09%	0.92%
800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	4.65%
845	0.0607	51.32	854	0.0607	51.88	0.56	1.09%	43.10%
		107.56			114.63	7.07	6.57%	95.24%
	5.00%	5.38		5.00%	5.73	0.35	6.57%	4.76%
		112.94			120.36	7.42	6.57%	100.00%

RESIDENTIAL - SUBURBAN

	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption									
1,000 kWh									
Monthly Service Charge			11.34			20.76	9.42	83.07%	14.37%
Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	1.29%
Distribution Volumetric (kWh)	1,000	0.0306	30.60	1,000	0.0240	24.00	(6.60)	(21.57%)	16.61%
Low Voltage Cost Rate Adder (kWh)	1,000	0.0009	0.90	1,000	0.0005	0.50	(0.40)	(44.44%)	0.35%
LRAM & SSM Rate Rider (kWh)	1,000	0.0000	0.00	1,000	0.0022	2.20	2.20	#DIV/0!	1.52%
Deferral & Variance A/C Rate Rider (kWh)	1,000	0.0000	0.00	1,000	(0.0008)	(0.80)	(0.80)	#DIV/0!	(0.55%)
Sub-Total A - Distribution			43.84			48.53	4.69	10.70%	33.58%
RTSR - Network (kWh)	1,057	0.0047	4.97	1,068	0.0051	5.45	0.48	9.69%	3.77%
RSTR - Connection (kWh)	1,057	0.0043	4.54	1,068	0.0045	4.86	0.32	6.95%	3.36%
Sub-Total B (includes A) Delivery			53.35			58.84	5.49	10.29%	40.71%
Wholesale Market Rate (kWh)	1,057	0.0052	5.49	1,068	0.0052	5.55	0.06	1.09%	3.84%
RRRP (kWh)	1,057	0.0013	1.37	1,068	0.0013	1.39	0.01	1.09%	0.96%
DRC (kWh)	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	4.84%
Cost of Power Commodity (kWh)	1,057	0.0607	64.15	1,068	0.0607	64.85	0.70	1.09%	44.88%
Total Bill Before Taxes			131.37			137.63	6.26	4.77%	95.24%
GST		5.00%	6.57		5.00%	6.88	0.31	4.77%	4.76%
Total Bill			137.93			144.51	6.57	4.77%	100.00%

RESIDENTIAL - SUBURBAN

	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption									
2,500 kWh									
Monthly Service Charge			11.34			20.76	9.42	83.07%	6.38%
Smart Meter Funding Adder (per month)			1.00			1.87	0.87	87.00%	0.57%
Distribution Volumetric (kWh)	2,500	0.0305	76.25	2,500	0.0240	60.00	(16.25)	(21.31%)	18.43%
Low Voltage Cost Rate Adder (kWh)	2,500	0.0009	2.25	2,500	0.0005	1.25	(1.00)	(44.44%)	0.38%
LRAM & SSM Rate Rider (kWh)	2,500	0.0000	0.00	2,500	0.0022	5.50	5.50	#DIV/0!	1.69%
Deferral & Variance A/C Rate Rider (kWh)	2,500	0.0000	0.00	2,500	(0.0008)	(2.00)	(2.00)	#DIV/0!	(0.61%)
Sub-Total A - Distribution			90.84			87.38	(3.46)	(3.81%)	26.83%
RTSR - Network (kWh)	2,641	0.0047	12.41	2,670	0.0051	13.62	1.20	9.69%	4.18%
RSTR - Connection (kWh)	2,641	0.0043	11.36	2,670	0.0045	12.15	0.79	6.95%	3.73%
Sub-Total B (includes A) Delivery			114.61			113.14	(1.47)	(1.28%)	34.75%
Wholesale Market Rate (kWh)	2,641	0.0052	13.73	2,670	0.0052	13.88	0.15	1.09%	4.26%
RRRP (kWh)	2,641	0.0013	3.43	2,670	0.0013	3.47	0.04	1.09%	1.07%
DRC (kWh)	2,500	0.0070	17.50	2,500	0.0070	17.50	0.00	0.00%	5.37%
Cost of Power Commodity (kWh)	2,641	0.0607	160.38	2,670	0.0607	162.12	1.75	1.09%	49.79%
Total Bill Before Taxes			309.66			310.12	0.46	0.15%	95.24%
GST		5.00%	15.48		5.00%	15.51	0.02	0.15%	4.76%
Total Bill			325.14			325.63	0.49	0.15%	100.00%

- c) Please provide a schedule that includes the following information:
- Total number of Haldimand residential customers (year end 2008) broken down between Residential Urban and Residential Suburban
 - Total number of Residential Urban customers using i) less than 100 kWh per month and ii) between 100 and 250 kWh per month (based on most recent 12 months billing data)
 - Total number of Residential Suburban customers using i) less than 100 kWh per month and ii) between 100 and 250 kWh per month (based on most recent 12 months billing data).

Response

As of December 31, 2008, Haldimand County Hydro had a total of 18,245 residential customers, comprised of 12,493 Residential Urban and 5,752 Residential Suburban.

Haldimand County Hydro used the average monthly consumption over a 12 month period to determine whether the customer uses “less than 100 kWh per month” or “between 100 and 250 kWh per month”. As a result, cottage customers who have half the year with zero consumption may end up being included in these low consumption statistics. Some cottage areas are classed as Residential Urban due to their density characteristics.

Using recent billing information collected on November 5, 2009, Haldimand County Hydro identified 485 Residential Urban customers who, on average, use less than 100 kWh per month and 515 Residential Urban customers who, on average, use between 100 and 250 kWh per month.

Using recent billing information collected on November 5, 2009, Haldimand County Hydro identified 105 Residential Suburban customers who, on average, use less than 100 kWh per month and 98 Residential Suburban customers who, on average, use between 100 and 250 kWh per month.

Question #21

Reference: Exhibit 9/Tab 2/Schedule 1, Pages 3 -6

- a) Provide details of the Actual YTD vs Forecast Residential SM Unit costs (procurement and installation).

Response

Actual costs as at September 30, 2009 are \$1,934,373. As of September 30, 2009, 7,688 meters have been installed. Please note that not all actual costs have been invoiced to-date to give an accurate Actual YTD cost.

- b) Provide Support/details of the Residential SM AML, communications and back office Actual vs forecast costs_(procurement and installation).

Response:

Actual communication costs have not been invoiced from the vendor. Back office equipment has not yet been procured.

- c) Please Update to November1, 2009 Table 7 Actual and Planned Smart Meter Implementations as of July 1, 2009.

Response:

<i>Month</i>	<i>Planned Residential Meters Installed</i>	<i>Actual Residential Meters Installed</i>	<i>Planned General Service < 50 kW Meters Installed</i>	<i>Actual General Service < 50 kW Meters Installed</i>	<i>Total Planned Meters Installed</i>	<i>Total Actual Meters Installed</i>
<i>April 2009</i>	<i>12</i>	<i>12</i>	<i>8</i>	<i>8</i>	<i>20</i>	<i>20</i>
<i>May 2009</i>	<i>2</i>	<i>2</i>	<i>1</i>	<i>1</i>	<i>3</i>	<i>3</i>
<i>June 2009</i>	<i>22</i>	<i>22</i>	<i>9</i>	<i>9</i>	<i>31</i>	<i>31</i>
<i>July 2009</i>	<i>1519</i>	<i>876</i>	<i>392</i>	<i>16</i>	<i>1911</i>	<i>892</i>
<i>Aug. 2009</i>	<i>4556</i>	<i>2850</i>	<i>392</i>	<i>167</i>	<i>4948</i>	<i>3017</i>
<i>Sept. 2009</i>	<i>4556</i>	<i>3460</i>	<i>392</i>	<i>301</i>	<i>4856</i>	<i>3761</i>
<i>Oct. 2009</i>	<i>3038</i>	<i>3532</i>	<i>392</i>	<i>244</i>	<i>3038</i>	<i>3776</i>
<i>Nov. 2009</i>	<i>3038</i>		<i>392</i>			
<i>Dec. 2009</i>	<i>1482</i>		<i>376</i>			
<i>Total</i>	<i>18225</i>	<i>10754</i>	<i>2354</i>	<i>746</i>	<i>20579</i>	<i>11500</i>

- d) if there are material $>10\%\pm$ variations in YTD Capital and OM&A relative to the costs shown in Tables 8&9, provide a YTD actual column and revised 2009 and 2010 forecasts

Response

Actual costs from Vendors have not yet been invoiced. An accurate YTD comparison can therefore not be made.

Question #22

Reference: Exhibit 9/Tab 2/Schedule 3

NOTE Questions a and b) are to be answered only if the Answer to Part d) above indicates that there is a material $>10\%\pm$ difference between 2009 YTD and forecast

- a) Provide a cash flow projection showing SM rate adder revenue and SM expenditures by Month for the 2009 and 2010 rate year.

Response

Refer to response to Interrogatory #21 (d) above.

- b) Provide a revised copy of the OEB Worksheet for calculation of the 2009 and 2010 revenue requirements related to SM.

Response

Refer to response to Interrogatory # 21 (d) above.

- c) Estimate the Impact on the amount and/or duration of the \$1.87 SM rate adder, if the Board allowed an increase in the rate adder effective July1 2009 rather than May 1 2010.

Response

Haldimand County Hydro was not in a position to apply for a utility-specific smart meter funding adder prior to this request as part of this current cost of service rate application. The actual and forecast costs included at this time would have likely been the same had an application been filed a few months earlier. Haldimand County Hydro has chosen the 48-month period now in conjunction with the current rate period and to mitigate the associated rate increase at this time. It is unlikely that the duration of the recovery period would have been extended by applying for the funding adder sooner. Once Haldimand County Hydro has completed installation and the required audited actual costs are available, it would be our intention to request disposition of the smart meter costs and approval for their recovery through a disposition rider; that is, prior to our next cost of service proceeding.

Question #23

References: I) Exhibit 10 Tab1 Schedule 3 Page 2-3 Tables 2&3
 II) Enerspectrum Report Section 11. Attachment A – CDM Load
 Impacts by Class and Program and Attachment B - Foregone
 Revenue by Class and Program

Preamble: The LRAM amount resulting from third tranche CDM programs is \$40,734, and from OPA CDM programs is \$316,496, and from combined carrying charges is \$26,547 – for a total requested LRAM recovery of \$383,777. The total requested SSM recovery amount, in relation only to Haldimand's third tranche CDM programs, is \$10,027. The total combined LRAM (including carrying charges) and SSM amount requested for recovery is \$393,804.

- a) Provide a schedule for the *Residential Sector and GS<50 kw* CDM programs that breaks down by measure the components of the LRAM claim and the total kWh and kW for each year 2005-2009 (including showing separately carry forward of prior years' savings)
- i. Third tranche Programs
 - ii. OPA Funded programs
 - iii. Other e.g. Rate funded programs.

Response

Below is the schedule, "Assumptions for LRAM" that outlines the breakdown by measure the components of the LRAM claim for the third tranche programs delivered by Haldimand County Hydro. The OPA Measures and Assumptions used for the calculation of LRAM are noted in response to Interrogatory # 24 (f) below.

<u>Assumptions used for LRAM</u>							
VECC - Question 23 a)							
Programs	#of participants/ units	Net kWh Savings/year	Net kW savings/ year	Free Ridership	Incremental Costs	EE Technology Life	OPA Table Applied
2005							
Lighten Your Electricity Bill - CFL 11W	1035	25,802.55	0.93	10%	\$ (1,863.00)	8	Residential
Lighten Your Electricity Bill - CFL 15W	500	19,440.00	0.45	10%	\$ (900.00)	8	Residential
Lighten Your Electricity Bill - LED Lights - 5 Watt	1275.5	69,068.33	0.00	5%	\$ 2,423.45	30	Residential
Lighten Your Electricity Bill - LED Lights - Incandescent Mini Lights	1275.5	8,744.78	0.00	5%	\$ 2,423.45	30	Residential
Lighten Your Electricity Bill - Outdoor and Indoor Timers	98.77	3,653.50	0.00	10%	\$ 1,777.86	10	Residential
Lighten Your Electricity Bill - Programmable Thermostat	141	20,187.76	20.68	10%	\$ 7,614.00	18	Residential
2006							
Co-Branded Mass Market - Cold Water Washing	601	280,817.25	9.38	25%	\$ 4,507.50	1	Residential
Co-Branded Mass Market - LED christmas lights 5 Watt	1000	54,150.00	0.00	5%	\$ 1,900.00	30	Residential
Co-Branded Mass Market - LED christmas lights Mini Watt	1000	6,855.96	0.00	5%	\$ 1,900.00	30	Residential
2007							
Social Housing - CFL 15W	1400	54,432.00	1.26	10%	\$ (2,520.00)	8	Residential
Co-Branded Mass Market - LED christmas lights 5 Watt	500	27,075.00	0.00	5%	\$ 950.00	30	Residential
Co-Branded Mass Market - LED christmas lights Mini Watt	500	3,427.98	0.00	5%	\$ 950.00	30	Residential

The following table details by CDM measure the load impacts by customer category. The carry forward load is extended to meet the technology life cycle as it relates to the years of claim for both third tranche and OPA programs.

CDM LOAD IMPACTS BY PROGRAM AND RATE CLASS											
		2006		2007		2008		2009		TOTAL	
Class / PROGRAM	Year Implemented	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW
THIRD TRANCHE CDM PROGRAMS											
Residential											
Lighten Your Electricity Bill	2005	146,897	22.07	146,897	22	146,897	22	146,897	22	587,588	88
CFL 11W		25,803	0.93	25,803	1	25,803	1	25,803	1	103,210	4
CFL 15W		19,440	0.45	19,440	0	19,440	0	19,440	0	77,760	2
LED Lights - 5W		69,068	0.00	69,068	0	69,068	0	69,068	0	276,273	0
LED Lights - Mini Lights		8,745	0.00	8,745	0	8,745	0	8,745	0	34,979	0
Outdoor & Indoor Times		3,654	0.00	3,654	0	3,654	0	3,654	0	14,614	0
Programmable Thermostats		20,188	20.68	20,188	21	20,188	21	20,188	21	80,751	83
Co-Branded Mass Market	2006 & 2007	341,823	9.38	91,509	0	91,509	0	91,509	0	616,350	9
Cold Water Wash		280,817	9.38	0	0	0	0	0	0	280,817	9
LED Lights - 5W		54,150	0.00	81,225	0	81,225	0	81,225	0	297,825	0
LED Lights - Mini Lights		6,856	0.00	10,284	0	10,284	0	10,284	0	37,708	0
Social Housing	2007			27,216	1	54,432	1	54,432	1	136,080	3
15W CFL				27,216	1	54,432	1	54,432	1	136,080	3
Sub - total Residential		488,720	31	265,622	23	292,838	23	292,838	23	1,340,018	101
TOTAL THIRD TRANCHE CDM PROGRAMS		488,720	31.44	265,622	23	292,838	23	292,838	23	1,340,018	101
OPA CDM PROGRAMS											
Residential											
Every Kilowatt Counts (spring)	2006	585,074	3.81	585,074	4	585,074	4	585,074	4	2,340,298	15
Secondary Fridge Retirement Pilot	2006	23,952	5.43	23,952	5	23,952	5	23,952	5	95,810	22
Every Kilowatt Counts (fall)	2006	949,168	14.28	949,168	14	949,168	14	949,168	14	3,796,672	57
The Great Refrigerator Roundup	2007			103,294	13	103,294	13	103,294	13	309,881	39
Every Kilowatt Counts	2007			558,365	21	551,594	19	551,594	21	1,661,553	62
Cool Saving Rebate	2006 & 2007	44,594	45.68	172,261	129	172,261	129	172,261	129	561,377	434
Peaksaver	2007			0	1	0	1	0	1	0	3
Summer Savings	2007			698,385	388	698,385	388	0	0	1,396,770	776
Sub - total Residential		1,602,789	69.20	3,090,500	576	3,083,729	574	2,385,344	188	10,162,361	1408
General Service < 50 kW											
Social Housing	2007			50,322	6	50,322	6	50,322	6	150,965	18
Energy Efficiency Assist. - Houses - Pilot	2007			862	1	862	1	862	1	2,586	2
Sub - total General Service < 50 kW		0	0.00	51,184	6	51,184	6	51,184	6	153,551	19
General Service 50 to 4999 kW											
Demand Response 1	2006 & 2007	0	430.36	0	706	0	706	0	0	0	1843
Other Demand Response	2007			0	59	0	0	0	0	0	59
Sub - total G/S 50 to 4999 kW		0	430.36	0	765	0	706	0	0	0	1902
TOTAL OPA CDM PROGRAMS		1,602,789	499.57	3,141,684	1348	3,134,912	1287	2,436,527	195	10,315,912	3330
TOTAL "ALL" PROGRAMS		2,091,509	531	3,407,305	1371	3,427,750	1310	2,729,365	218	11,655,929	3430

The following table is included to demonstrate the forgone revenue by measure by customer class by year and the carry forward amounts extended to meet the technology life cycle as it relates the years of LRAM claim for both third tranche and OPA programs.

Class / PROGRAM		FOREGONE REVENUE BY CLASS												TOTAL REVENUE
		2006			2007			2008			2009			
		Load Unit (kWh or	HCHI Dist'n	Revenue (\$)	Load Unit (kWh or	HCHI Dist'n	Revenue (\$)	Load Unit (kWh or	HCHI Dist'n	Revenue (\$)	Load Unit (kWh or	HCHI Dist'n	Revenue (\$)	
*net of regulatory asset rate rider														
THIRD TRANCHE CDM PROGRAMS														
Residential														
Lighten Your Electricity Bill	urban	81,234	\$0.0315	\$ 2,296	81,498	\$0.0318	\$ 2,583	81,484	\$0.0313	\$ 2,564	81,910	\$0.0313	\$ 2,564	\$ 10,008
	suburban	65,663	\$0.0317	\$ 1,869	65,399	\$0.0320	\$ 2,086	65,413	\$0.0315	\$ 2,071	64,987	\$0.0315	\$ 2,047	\$ 8,074
Lighten Your Electricity Bill		146,897	\$0.0315	\$ 4,165	146,897	\$0.0318	\$ 4,670	146,897	\$0.0313	\$ 4,635	146,897	\$0.0313	\$ 4,611	\$ 18,081
CFL 11W		25,803			25,803			25,803			25,803			
	urban	14,269	\$0.0315	\$ 403	14,315	\$0.0318	\$ 454	14,313	\$0.0313	\$ 450	14,388	\$0.0313	\$ 450	\$ 1,758
	suburban	11,534	\$0.0317	\$ 328	11,487	\$0.0320	\$ 366	11,490	\$0.0315	\$ 364	11,415	\$0.0315	\$ 360	\$ 1,418
CFL 15W		19,440			19,440			19,440			19,440			
	urban	10,750	\$0.0315	\$ 304	10,785	\$0.0318	\$ 342	10,783	\$0.0313	\$ 339	10,840	\$0.0313	\$ 339	\$ 1,324
	suburban	8,690	\$0.0317	\$ 247	8,655	\$0.0320	\$ 278	8,657	\$0.0315	\$ 274	8,600	\$0.0315	\$ 271	\$ 1,068
LED Lights - 5W		69,068			69,068			69,068			69,068			
	urban	38,195	\$0.0315	\$ 1,080	38,319	\$0.0318	\$ 1,215	38,312	\$0.0313	\$ 1,206	38,512	\$0.0313	\$ 1,205	\$ 4,705
	suburban	30,874	\$0.0317	\$ 879	30,749	\$0.0320	\$ 981	30,756	\$0.0315	\$ 974	30,556	\$0.0315	\$ 963	\$ 3,796
LED Lights - Mini Lights		8,745			8,745			8,745			8,745			
	urban	4,836	\$0.0315	\$ 137	4,852	\$0.0318	\$ 154	4,851	\$0.0313	\$ 153	4,876	\$0.0313	\$ 153	\$ 596
	suburban	3,909	\$0.0317	\$ 112	3,893	\$0.0320	\$ 124	3,894	\$0.0315	\$ 123	3,869	\$0.0315	\$ 122	\$ 482
Outdoor & Indoor Times		3,654			3,654			3,654			3,654			
	urban	2,020	\$0.0315	\$ 57	2,027	\$0.0318	\$ 64	2,027	\$0.0313	\$ 64	2,037	\$0.0313	\$ 64	\$ 249
	suburban	1,633	\$0.0317	\$ 46	1,627	\$0.0320	\$ 52	1,627	\$0.0315	\$ 52	1,616	\$0.0315	\$ 51	\$ 201
Programmable Thermostats		20,188			20,188			20,188			20,188			
	urban	11,164	\$0.0315	\$ 316	11,200	\$0.0318	\$ 355	11,198	\$0.0313	\$ 352	11,257	\$0.0313	\$ 352	\$ 1,375
	suburban	9,024	\$0.0317	\$ 257	8,988	\$0.0320	\$ 287	8,990	\$0.0315	\$ 285	8,931	\$0.0315	\$ 281	\$ 1,110
Co-Branded Mass Market	urban	189,028	\$0.0315	\$ 5,343	50,769	\$0.0318	\$ 1,609	50,760	\$0.0313	\$ 1,597	51,025	\$0.0313	\$ 1,597	\$ 10,147
	suburban	152,795	\$0.0317	\$ 4,350	40,740	\$0.0320	\$ 1,300	40,749	\$0.0315	\$ 1,290	40,484	\$0.0315	\$ 1,275	\$ 8,215
Co-Branded Mass Market		341,823	\$0.0315	\$ 9,693	91,509	\$0.0318	\$ 2,909	91,509	\$0.0313	\$ 2,888	91,509	\$0.0313	\$ 2,872	\$ 18,362
Cold Water Wash		280,817			-			-			-			
	urban	155,292	\$0.0315	\$ 4,390	-	\$0.0318	\$ -	-	\$0.0313	\$ -	-	\$0.0313	\$ -	\$ 4,390
	suburban	125,525	\$0.0317	\$ 3,573	-	\$0.0320	\$ -	-	\$0.0315	\$ -	-	\$0.0315	\$ -	\$ 3,573
LED Lights - 5W		54,150			81,225			81,225			81,225			\$ -
	urban	29,945	\$0.0315	\$ 846	45,064	\$0.0318	\$ 1,429	45,056	\$0.0313	\$ 1,418	45,291	\$0.0313	\$ 1,418	\$ 5,110
	suburban	24,205	\$0.0317	\$ 689	36,161	\$0.0320	\$ 1,154	36,169	\$0.0315	\$ 1,145	35,934	\$0.0315	\$ 1,132	\$ 4,120
LED Lights - Mini Lights		6,856			10,284			10,284			10,284			\$ -
	urban	3,791	\$0.0315	\$ 107	5,706	\$0.0318	\$ 181	5,705	\$0.0313	\$ 180	5,734	\$0.0313	\$ 179	\$ 647
	suburban	3,065	\$0.0317	\$ 87	4,578	\$0.0320	\$ 146	4,579	\$0.0315	\$ 145	4,550	\$0.0315	\$ 143	\$ 522
Social Housing - 15W CFL	urban				15,099	\$0.0318	\$ 479	30,193	\$0.0313	\$ 950	30,351	\$0.0313	\$ 950	\$ 2,379
	suburban				12,117	\$0.0320	\$ 387	24,239	\$0.0315	\$ 768	24,081	\$0.0315	\$ 759	\$ 1,913
Social Housing - 15W CFL					27,216	\$0.0318	\$ 865	54,432	\$0.0313	\$ 1,718	54,432	\$0.0313	\$ 1,709	\$ 4,291
Sub - Total Residential				\$ 13,858			\$ 8,444			\$ 9,241			\$ 9,192	\$ 40,734
TOTAL THIRD TRANCHE CDM PROGRAMS				\$ 13,858			\$ 8,444			\$ 9,241			\$ 9,192	\$ 40,734
OPA CDM PROGRAMS														
Residential														
Every Kilowatt Counts (spring)	urban	323,546	\$0.0315	\$ 9,146	324,599	\$0.0318	\$ 10,290	324,541	\$0.0313	\$ 10,212	326,237	\$0.0313	\$ 10,211	\$ 39,859
	suburban	261,528	\$0.0317	\$ 7,445	260,475	\$0.0320	\$ 8,309	260,534	\$0.0315	\$ 8,250	258,837	\$0.0315	\$ 8,153	\$ 32,158
Every Kilowatt Counts (spring)		585,074	\$0.0315	\$ 16,590	585,074	\$0.0318	\$ 18,599	585,074	\$0.0313	\$ 18,462	585,074	\$0.0313	\$ 18,365	\$ 72,016
Secondary Fridge Retirement Pilot	urban	13,246	\$0.0315	\$ 374	13,289	\$0.0318	\$ 421	13,356	\$0.0313	\$ 420	13,356	\$0.0313	\$ 418	\$ 1,634
	suburban	10,707	\$0.0317	\$ 305	10,664	\$0.0320	\$ 340	10,597	\$0.0315	\$ 336	10,597	\$0.0315	\$ 334	\$ 1,314
Secondary Fridge Retirement Pilot		23,952	\$0.0315	\$ 679	23,952	\$0.0318	\$ 761	23,952	\$0.0313	\$ 756	23,952	\$0.0313	\$ 752	\$ 2,948
Every Kilowatt Counts (fall)	urban	524,890	\$0.0315	\$ 14,837	526,598	\$0.0318	\$ 16,693	526,503	\$0.0313	\$ 16,567	529,256	\$0.0313	\$ 16,566	\$ 64,663
	suburban	424,278	\$0.0317	\$ 12,078	422,570	\$0.0320	\$ 13,480	422,664	\$0.0315	\$ 13,384	419,912	\$0.0315	\$ 13,227	\$ 52,169
Every Kilowatt Counts (fall)		949,168	\$0.0315	\$ 26,915	949,168	\$0.0318	\$ 30,173	949,168	\$0.0313	\$ 29,952	949,168	\$0.0313	\$ 29,793	\$ 116,832
The Great Refrigerator Roundup	urban				57,307	\$0.0318	\$ 1,215	57,297	\$0.0313	\$ 1,803	57,597	\$0.0313	\$ 1,803	\$ 4,821
	suburban				45,986	\$0.0320	\$ 981	45,997	\$0.0315	\$ 1,457	45,697	\$0.0315	\$ 1,439	\$ 3,877
The Great Refrigerator Roundup					103,294	\$0.0318	\$ 2,196	103,294	\$0.0313	\$ 3,260	103,294	\$0.0313	\$ 3,242	\$ 8,698
Every Kilowatt Counts	urban				309,781	\$0.0318	\$ 6,567	307,569	\$0.0313	\$ 9,678	307,569	\$0.0313	\$ 9,627	\$ 25,872
	suburban				248,584	\$0.0320	\$ 5,303	244,025	\$0.0315	\$ 7,727	244,025	\$0.0315	\$ 7,687	\$ 20,717
Every Kilowatt Counts					558,365	\$0.0318	\$ 11,870	551,594	\$0.0313	\$ 17,406	551,594	\$0.0313	\$ 17,314	\$ 46,590
Cool Saving Rebate	urban	24,660	\$0.0315	\$ 697	95,571	\$0.0318	\$ 3,030	95,553	\$0.0313	\$ 3,007	96,053	\$0.0313	\$ 3,006	\$ 9,740
	suburban	19,933	\$0.0317	\$ 567	76,691	\$0.0320	\$ 2,446	76,708	\$0.0315	\$ 2,429	76,208	\$0.0315	\$ 2,401	\$ 7,844
Cool Saving Rebate		44,594	\$0.0315	\$ 1,265	172,261	\$0.0318	\$ 5,476	172,261	\$0.0313	\$ 5,436	172,261	\$0.0313	\$ 5,407	\$ 17,583
Summer Savings	urban				387,464	\$0.0318	\$ 8,214	387,394	\$0.0313	\$ 12,190	-	\$0.0313	\$ -	\$ 20,404
	suburban				310,921	\$0.0320	\$ 6,633	310,991	\$0.0315	\$ 9,848	-	\$0.0315	\$ -	\$ 16,481
Summer Savings					698,385	\$0.0318	\$ 14,847	698,385	\$0.0313	\$ 22,038	-	\$0.0313	\$ -	\$ 36,885
Sub -Total Residential				\$ 45,449			\$ 83,923			\$ 97,309			\$ 74,872	\$ 301,553
General Service < 50 kW														
Social Housing					50,322	\$0.0231	\$ 1,159	50,322	\$0.0228	\$ 1,152	50,322	\$0.0228	\$ 1,147	\$ 3,459
Energy Efficiency Assist. - Houses - Pilot					862	\$0.0231	\$ 20		\$0.0228	\$ 20	862	\$0.0228	\$ 20	\$ 59
Sub - Total General Service < 50 kW				\$ -			\$ 1,179			\$ 1,172			\$ 1,167	\$ 3,518
General Service 50 to 4999 kW														
Demand Response 1		430	\$6.0641	\$ 2,479	706	\$6.1187	\$ 4,309	706	\$6.0269	\$ 4,278	-	\$6.0333	\$ -	\$ 11,066
Other Demand Response					59	\$6.1187	\$ 358	-	\$6.0269	\$ -	-	\$6.0333	\$ -	\$ 358
Sub - Total G/S 50 to 4999 kW				\$ 2,479			\$ 4,667			\$ 4,278			\$ -	\$ 11,424
TOTAL OPA CDM PROGRAMS				\$ 47,927			\$ 89,769			\$ 102,759			\$ 76,039	\$ 316,495
TOTAL "ALL" PROGR AMS				\$ 61,786			\$ 98,213			\$ 112,000			\$ 85,231	\$ 357,230

- b) Provide a Schedule that provides the details of the calculation of the SSM claim for the Residential and GS<50 kW classes.

Response

Please refer to Attachment C of the Enerspectrum report that outlines the breakdown of the SSM calculation details for Residential Customers. Haldimand County Hydro is not making a SSM claim for the G/ S< 50 kW rate class.

- c) Provide a reconciliation of the Residential and GS<50 kW Sectors kWh savings and LRAM and SSM amounts in the Schedules in the responses to parts a and b with those shown in Exhibit Exhibit 10, Tab1, Schedule 3, pages 2-3, Table 2 and Table 3

Response

There is no revision required. Haldimand County Hydro has not altered the current claim for LRAM and SSM amounts.

Question #24

Reference: **Exhibit 10/Tab 1/Schedule 1, page 2 of 2**

Preamble: By letter issued January 27, 2009, the Board acknowledged endorsement of the OPA's List of CDM input assumptions. In accordance with the CDM Guidelines including the CDM input assumptions, HCHI is requesting the recovery of historical LRAM and SSM amounts.

- a) Confirm that the EnerSpectrum independent review of 2009 lost revenue associated with 2005 -2009 savings used the latest OPA input assumptions residential mass market measures and Affordable/Social housing (notably CFLs, Low Flow Showerheads, SLEDs and PTs) as demonstrated in the following OPA documents:
- i. OPA 2007 EKC Program Calculator
 - ii. OPA 2008/2009 Measures and Assumptions list (now adopted by the OEB).

Response

Yes, Enerspectrum used the latest OPA Measures and Assumption List to confirm the associated savings for the Third Tranche programs delivered between 2005 and 2007. The OPA programs' results were determined by the OPA review using the assumptions outlined in Interrogatory # 24 (f) below.

- b) Provide details of the adjustments that Enerspectrum made to the 2005-2008 input values used in the Haldimand Annual reports, in particular any adjustments to the above measures.

Response

The following table outlines the adjustments from previously filed OEB Annual Reports and Haldimand County Hydro's submission for LRAM and SSM. The table details each measure and directly compares the inputs. At the bottom of the table, eight adjustments have been highlighted.

Programs	# of participants/units		kWh Savings		kW savings		Free Ridership		Incremental Costs		EE Technology Life		Residential Table Applied	
	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports	LRAM/SSM Submission	Annual Reports
2005														
CFL 11W	1035		25,802.55		0.93		10%		\$(1,863.00)		8			
Lighten Your Electricity Bill - CFL 15W	500	1535	19,440.00		0.45		10%	0% ⁽¹⁾	\$ (900.00)	\$2,800.00	8	20 ⁽²⁾	OPA	OEB
Lighten Your Electricity Bill - LED Lights - 5 Watt	1275.5		69,068.33		0.00		5%		\$ 2,423.45		30			
Lighten Your Electricity Bill - LED Lights - Incandescent Mini Lights	1275.5	2545 ⁽³⁾	8,744.78		0.00		5%	0% ⁽⁴⁾	\$ 2,423.45	\$4,800.00	30	30	OPA	OEB
Lighten Your Electricity Bill - Outdoor and Indoor Timers	98.77	135 ⁽⁵⁾	3,653.50		0.00		10%	10%	\$ 1,777.86	\$2,400.00	10	20	OPA	OEB
Lighten Your Electricity Bill - Programmable Thermostat	141	141 ⁽⁶⁾	20,187.76		20.68		10%	0% ⁽⁷⁾	\$ 7,614.00	\$7,600.00	18	18	OPA	OEB
TOTAL			146,896.91	243,054.77	22.07	9.00								
2006														
Co-Branded Mass Market - Cold Water Washing	601	601	280,817.25	280,817.25	9.38	9.00	25%	25%	\$ 4,507.50	\$4,500.00	1	1	OPA	OEB
Co-Branded Mass Market - LED christmas lights 5 Watt	1000	1000	54,150.00	17,913.96	0.00	0.00	5%	5%	\$ 1,900.00	\$1,900.00	30	30	OPA	OEB
Co-Branded Mass Market - LED christmas lights Mini Watt	1000	1000	6,855.96	6,855.96	0.00	0.00	5%	5%	\$ 1,900.00	\$1,900.00	30	30	OPA	OEB
TOTAL			341,823.21	427,657.00	9.38	37.00								
2007														
Social Housing - CFL 15W	1400	1400	54,432.00	131,544.00	1.26	0.00	10%	10%	\$(2,520.00)	\$2,520.00	8	30 ⁽⁸⁾	OPA	OEB
Co-Branded Mass Market - LED christmas lights 5 Watt	500	500	27,075.00	8,956.98	0.00	0.00	5%	5%	\$ 950.00	\$ 950.00	30	30	OPA	OEB
Co-Branded Mass Market - LED christmas lights Mini Watt	500	500	3,427.98	3,427.98	0.00	0.00	5%	5%	\$ 950.00	\$ 950.00	30	30	OPA	OEB
TOTAL			84,934.98	143,929.00	1.26	0.00								

(1) 11W & 15W CFL were combined on one TRC which cancelled out the free ridership

(2) Tables show a life of 3 Years for 11W CFL and 4 Years for 15W CFL - however TRC was calculated based on 20 years

(3) TRC has a total number of participants as 2545, however tables use 2551

(4) 5W and Mini SLEDs were combined on one TRC which cancelled out the free ridership.

(5) TRC was based on 98.77 units, however Annual Report shows 135

(6) TRC was based on 87.843 units (63.45 for Space Cooling, 24.393 for Space Heating) , however Annual Filed report shows 141

(7) Programmable Thermostats for Space Heating and Programmable Thermostats for Space Cooling were combined in one TRC which cancelled out the free ridership

(8) Tables show life of 4 years, however TRC was calculated based on 30 years

**LDC OM&A Costs were not added to individual TRCs, total Administrative costs were included in Attachment C while calculated total SSM Claim

- c) Provide a Copy of the 2006 and 2007 OPA Every Kilowatt Counts Program Calculators.

Response

The OPA produced the following three reports for the 2006 and 2007 Every Kilowatt Counts Program Calculators.

The following Executive Summaries have been included as Appendix D.

- 1. Fall 2006 Program Report – Highlights March 2007***
- 2. Residential Education and Coupon Incentive (“Every Kilowatt Counts”) Program***
- 3. Final Evaluation Report: 2007 Every Kilowatt Counts Program***

- d) Confirm whether Haldimand reported to the OPA on the 2006 and 2007 EKC campaigns using Mass Market measures assumptions (particularly CFLs) specified in the OPA 2006 and 2007 EKC Program Calculators.

Response

No, Haldimand County Hydro did not report to the OPA on the 2006 or 2007 EKC campaigns.

- e) Confirm whether or not the LRAM claim for 2005, 2006, 2007 and 2008 related to third tranche programs is based on using the OEB Guide values for CFLs, showerheads, SLEDs and PTs, or the OPA 2007 EKC Calculator or OPA 2008/2009 Measures values.

Response

Haldimand County Hydro’s LRAM claim was calculated using the OPA 2008/2009 Measures and Values.

- f) Confirm whether the 2006-2008 claim for OPA programs is based on the OPA 2008 Measures and Input assumptions for CFIs, Low Flow Showerheads, SLEDs and PTs.

Response

The following statement provided by email from the OPA on November 10, 2009 is in response to this specific question:

“The source of the assumptions for calculating the final results of OPA 2006 and 2007 programs varied by program (see Table), however in all cases the results were based on the best available information at the time and are considered final. (Source: OPA)”

#	Year	Program Name	Measures & Assumptions Source(s)
1	2006	Every Kilowatt Counts (Spring)	OEB Measures & Assumptions List; and OPA
2	2006	Cool Savings	OEB Measures & Assumptions List; and OPA
3	2006	Secondary Refrigerator Retirement	OEB Measures & Assumptions List
4	2006	Every Kilowatt Counts (Autumn)	OEB Measures & Assumptions List; and OPA
5	2006	Demand Response 1	Contracted Nameplate Capacity
6	2007	Great Refrigerator Roundup	Third Party EM&V
7	2007	Cool Savings	Third Party EM&V
8	2007	Aboriginal	OEB Measures & Assumptions List; and OPA
9	2007	Every Kilowatt Counts	Third Party EM&V
10	2007	peaksaver	OPA
11	2007	Summer Savings	Third Party EM&V
12	2007	Affordable Housing	OEB Measures & Assumptions List
13	2007	Social Housing	OEB Measures & Assumptions List
14	2007	Energy Efficiency Assistance for Houses	OEB Measures & Assumptions List
15	2007	Toronto Comprehensive	Third Party EM&V; and Toronto Hydro
16	2007	Electricity Retrofit Incentive	OPA
17	2007	Demand Response 1	Third Party EM&V
18	2007	Other Demand Response	Contracted Nameplate Capacity
19	2007	Renewable Energy Standard Offer	Contracted Nameplate Capacity

- g) With respect to the SSM Claim, does Haldimand agree that the Board's Guidelines indicate that Assumptions used from the beginning of any year will be those assumptions in existence in the immediately prior year. For example, if any input assumptions change in 2007, those changes should apply for SSM purposes from the beginning of 2008 onwards until changed again. Provide the rationale for using the recently published OPA assumptions and measures list for all programs/projects, and how these align with section 7.3 of the Board's Guideline as quoted above.

Response

Please refer to response to Board Staff Interrogatory # 42 (a).

Question #25

**References: Exhibit 10/Tab1/Appendix A, Enerspectrum Report, Section 12.
Appendices – LRAM and SSM Supporting Material**

- a) Provide a Schedule that lists by measure **by year** the input assumptions used to prepare the Residential and GS<50kw kWh and kW load impacts in the Enerspectrum Report Exhibit 10, Section 11 Attachments A-E and associated LRAM and SSM claims.
- a. 2005 Lighten Your Electricity Bill LRAM, SSM, Assumptions A
 - i. 11 Watt CFL
 - ii. 15 Watt CFL
 - iii. 5 Watt LED Light
 - iv. Mini LED Light
 - v. Programmable Timers
 - vi. Programmable Thermostats
 - b. 2006 Co-Branded Mass Market B
 - ii. 5 Watt LED Christmas Light Exchange
 - iii. Mini LED Christmas Light Exchange
 - c. 2007 Social Housing C
 - i. 15 Watt CFL
 - ii. 5 Watt LED Christmas Light Exchange
 - iii. Mini LED Christmas Light Exchange
 - d. OPA Sponsored Programs 2006 and 2007 D
 - i. 11 Watt CFL
 - ii. 15 Watt CFL
 - iii. 5 Watt LED Light
 - iv. Mini LED Light
 - v. Programmable Timers
 - vi. Programmable Thermostats

Include the following assumptions:

- a. #participants/units
- b. kWh and kW savings
- c. Free ridership
- d. Cost of measure
- e. Measure life
- f. Source(s)/authority(ies) for assumption(s)

Response

Please refer to response to Interrogatory # 23 (a) above.

- b) Provide a list/comparison of any assumptions that differ from the OPA 2008/2009 Measures and Assumptions List. Discuss the rationale for the differences/changes.

Response

Haldimand County Hydro did not deviate from the OPA 2008/2009 Measures and Assumptions List for calculations as they relate to the third tranche programs.

- c) Provide a revised version of the schedules provided in response to VECC IR #1 parts a and b) adjusted to reflect the kWh savings using OPA 2008/2009 measures and input assumptions list for CFLs, SLEDs and PTs provided in part a) of this IR.

Response

Assuming the intended reference in this interrogatory was VECC IR #25 (a) and (b), Haldimand County Hydro did not deviate from the OPA Measures and Assumptions List.

- d) Adjust the as filed Carrying Costs (Table 5) to reflect the revised LRAM and SSM amounts resulting from the answer to part c)

Response

No revision is being made that would result in adjustment to the Carrying Costs reported in Table 5.

Question #26

References: **Exhibit 10/Tab 1/Schedule 2, page 1 of 1, Table 1**
 Exhibit 9(sic)/Tab 1/Schedule 6, page 1 of 1, Table 7

- a) Provide the revised kWh, LRAM/SSM Rate rider calculations using the complete set of updated OPA assumptions from the 2008/2009 Measures List for the Residential and GS<50 kW Sector LRAM/SSM claims.

Response

Haldimand County Hydro used the updated OPA 2008/2009 Measures and Assumptions list to calculate Third Tranche CDM measures and utilized the information provided by the OPA for LRAM/SSM claims.

- b) Provide Revised Bill impacts using the complete set of updated OPA assumptions from the 2008/2009 Measures List for the Residential Sector LRAM/SSM claims.

Response

Please refer to response in (a) above.

- c) Comment on the timing/implementation of the Rate riders given the above revisions

Response

Please refer to response in (a) above.

Question #27

Reference: No Reference

- a) Provide a copy of the Residential Sector/Mass market (and If applicable Social Housing Sector) Report(s) that Haldimand provided to OPA, including the detailed breakdown of measures, unit savings, participants and other assumptions.

Response

Haldimand County Hydro has not provided Residential Sector/Mass market reports to the OPA.

- b) Please provide any correspondence from OPA confirming its acceptance of the Reports(s)

Response

Please refer to response in (a) above.

HALDIMAND COUNTY HYDRO INC'S 2010 RATE APPLICATION

EB-2009-0265

INTERROGATORIES OF

THE VULNERABLE ENERGY CONSUMERS COALITION

APPENDIX A

Annual Capital Budgets (2006 to 2009)

HALDIMAND COUNTY HYDRO INC.								
2006 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2006
1	Eliminate Forest Street 4kV Station	18,000	23,600	3,600	-	8,800		54,000
2	RIVER CROSSINGS - York (s. side), McClung, Cayuga (w.side), & Forfar (s.side)	-	9,750	-	-	24,995		34,745
3	Hagersville Conversion Ph 1 & Ph 2 (eliminate John DS)	-	180,000	-	-	272,632	(294,585)	158,047
4	Stepdown Transformers to Convert Conc 8 & 9 (Customer Low Voltage)	-	40,000	-	-	25,000		65,000
5	Capacitor Controls For Low Voltage Problems (Walpole)	-	-	-	8,000	4,000		12,000
6	Purchase 27M5 Feeder From Hydro One	-	-	-	160,000	-		160,000
7	Replace 5 defective TX pads	-	20,000	-	-	30,000		50,000
8	Hawk Road Rebuild	-	60,000	-	-	90,000		150,000
9	Long Term Load Transfer Eliminations	-	55,000	-	-	175,000		230,000
10	Shelter Cove Line Extension	-	230,000	-	-	135,000		365,000
11	Installation of 1 Load Break Switch	-	10,000	-	-	15,000		25,000
	Capital Project Sub-Total	\$ 18,000	\$ 628,350	\$ 3,600	\$ 168,000	\$ 780,427	\$ (294,585)	\$ 1,303,792
	Betterments	21,283	49,380	10,710	7,170	34,980		123,523
	Line Extensions	110,480	227,844	60,570	-	20,000		418,894
	Contributed Capital							(480,000)
	- Regular (\$230,000)							
	- Developer - Shelter Cove Line Extension (\$350,000)							
	- Developer Refunds \$100,000							
	Construction Total	\$ 149,763	\$ 905,574	\$ 74,880	\$ 175,170	\$ 835,407		\$ 1,366,209

HALDIMAND COUNTY HYDRO INC.								
2006 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2006
	Services Overhead	97,519	9,770	32,994	-	24,600		164,883
	Services Underground	101,718	26,770	32,256	4,460	36,360		201,564
	Services (NEW) Miscellaneous	1,433	2,910	1,116	-	798		6,257
	Meters - Regular	11,250	-	1,800	87,750	-		100,800
	Meters - RWM Caledonia TS	8,655	30,000	1,620	-	111,500		151,775
	Meters - RWM Dunnville TS	5,375	70,000	900	-	34,000		110,275
	Services Total	\$ 225,950	\$ 139,450	\$ 70,686	\$ 92,210	\$ 207,258		\$ 735,554
	Transportation Equipment	-	-	-	180,000	-		180,000
	Tools, Shop and Measuring Equipment	-	-	-	36,405	-		36,405
	Equipment Total	\$ -	\$ -	\$ -	\$ 216,405	\$ -		\$ 216,405
	Buildings and Fixtures	-	-	-	79,700	282,930		362,630
	Office Equipment	-	-	-	62,200	-		62,200
	ESRI Distribution System Mapping	-	-	-	38,000	162,000		200,000
	Computer Equipment - Hardware	-	-	-	69,270	-		69,270
	Computer Equipment - Software	-	-	-	69,148	-		69,148
	General Administration Total	\$ -	\$ -	\$ -	\$ 318,318	\$ 444,930		\$ 763,248
	TOTAL 2006 CAPITAL BUDGET	\$ 375,713	\$ 1,045,024	\$ 145,566	\$ 802,103	\$ 1,487,595		\$ 3,081,416

HALDIMAND COUNTY HYDRO INC.								
2007 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2007
#	2007 CONSTRUCTION PROJECTS							
1	Line to supply Hagersville from Jarvis	-	292,500	-	-	357,500		650,000
2	Eliminate Long Term Load Transfers (Haldibrook Road & McClung, Haldibrook & Hwy 6, Hwy 3 W & Hald Rd 20 & Conc 17)	-	100,000	-	-	152,000		252,000
3	Frank Marshall Parkway - Dunnville	-	30,000	-	-	31,000		61,000
4	Central Lane Rebuild to 27.6 KV - Dunnville	-	45,000	-	-	40,000		85,000
5	Replace Junction Box J19 - Caledonia, Highland & McMaster	-	30,000	-	-	20,000		50,000
6	Replace 5 Defective Transformer Pads	-	20,000	-	-	30,000		50,000
	Construction Project Sub-Total	\$ -	\$ 517,500	\$ -	\$ -	\$ 630,500	\$ -	\$ 1,148,000
	Betterments	80,365	145,673	32,791	3,266	145,838		\$ 407,933
	Line Extensions	61,357	258,770	24,035	-	19,293		\$ 363,455
	Contributed Capital							
	- Regular (includes \$61,000 Frank Marshall Parkway - Dunnville)							(291,000)
	- Developer Refunds (21 lots Meadowbrook, 41 lots Walpole Sq. Phase 3, & 27 lots Walpole Sq. Phase 4)							124,600
								\$ (166,400)
	Construction Total	\$ 141,722	\$ 921,943	\$ 56,826	\$ 3,266	\$ 795,631	\$ -	\$ 1,752,988

HALDIMAND COUNTY HYDRO INC.								
2007 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2007
	SERVICES							
	Services Overhead	56,484	13,621	15,264	-	9,134		94,503
	Services Underground	47,584	11,097	12,906	-	41,556		113,143
	Services (NEW) Miscellaneous	1,541	1,298	641	4,410	6,226		14,116
	Meters - Regular	13,850	10,800	1,800	57,750	-		84,200
	Services Total	\$ 119,459	\$ 36,816	\$ 30,611	\$ 62,160	\$ 56,916	\$ -	\$ 305,962
	EQUIPMENT							
	Transportation Equipment	-	-	-	65,033	-		65,033
	Tools, Shop and Measuring Equipment	-	-	-	65,812	-		65,812
	Communications Equipment	-	-	-	1,440	-		1,440
	Equipment Total	\$ -	\$ -	\$ -	\$ 132,285	\$ -		\$ 132,285
	GENERAL ADMINISTRATION							
	Buildings and Fixtures	-	-	-	-	225,650		225,650
	Office Equipment	-	-	-	48,000	-		48,000
	ESRI Distribution System Mapping	-	-	-	4,000	105,000		109,000
	Computer Equipment - Hardware	-	-	-	97,916	-		97,916
	Computer Equipment - Software	-	-	-	194,994	-		194,994
	General Administration Total	\$ -	\$ -	\$ -	\$ 344,910	\$ 330,650		\$ 675,560
	Total 2007 Capital Budget - "Hydro"	\$ 261,181	\$ 958,759	\$ 87,437	\$ 542,621	\$ 1,183,197	\$ -	\$ 2,866,795

HALDIMAND COUNTY HDYRO INC.									
2008 CAPITAL BUDGET									
COST SUMMARY BY PROJECT									
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER		TOTAL BUDGET 2008
#	2008 CONSTRUCTION PROJECTS								
1	Pole Replacement Program (resulting from OEB inspections)	107,040	86,850	46,560	-	33,057			273,507
2	Decewsville DS - Transformer Replacement	6,320	4,000	1,856	115,841	39,440			167,457
3	Conversion, Line from Hagersville to Jarvis	-	649,000	-	-	794,000			1,443,000
4	Purchase Hydro One M5 and M3 from Jarvis Transformer Station	-	-	-	145,000	-			145,000
5	Elimination of Nanticoke Distribution Station	-	174,000	-	-	133,000			307,000
	Construction Project Sub-Total	\$ 113,360	\$ 913,850	\$ 48,416	\$ 260,841	\$ 999,497	\$ -		\$ 2,335,964
	Betterments	68,366	123,361	40,000	2,305	67,270			\$ 301,302
	Line Extensions	89,919	255,704	56,806	-	59,729			\$ 462,158
	Contributed Capital								
	- Regular								(230,000)
	- Developer Refunds (25 lots Stirling Woods, Caledonia; 17 lots Meadowview Ph.4, Jarvis; 33 lots Maple Creek, Dunnville)								112,500
									\$ (117,500)
	Construction Total	\$ 271,645	\$ 1,292,915	\$ 145,222	\$ 263,146	\$ 1,126,496	\$ -		\$ 2,981,924
	SERVICES								
	Services Overhead	62,375	10,362	26,004	-	5,526			104,267
	Services Underground	43,396	19,032	18,693	-	37,948			119,069
	Services (NEW) Miscellaneous	1,447	649	701	2,205	3,113			8,115
	Meters - Regular	11,945	3,000	1,900	62,500	-			79,345
	Services Total	\$ 119,163	\$ 33,043	\$ 47,298	\$ 64,705	\$ 46,587	\$ -		\$ 310,796

HALDIMAND COUNTY HDYRO INC.								
2008 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB- CONTRACT	OTHER	TOTAL BUDGET 2008
	EQUIPMENT							
	Transportation Equipment	-	-	-	337,926	-		337,926
	Tools, Shop and Measuring Equipment	-	-	-	60,231	-		60,231
	Communications Equipment	-	-	-	1,500	-		1,500
	Equipment Total	\$ -	\$ -	\$ -	\$ 399,657	\$ -		\$ 399,657
	GENERAL ADMINISTRATION							
	Buildings and Fixtures	-	-	-	6,600	45,000		51,600
	Office Equipment	-	-	-	2,900	-		2,900
	ESRI Distribution System Mapping	-	-	-	13,000	185,000		198,000
	Computer Equipment - Hardware	-	-	-	33,897	-		33,897
	Computer Equipment - Software	-	-	-	20,000	-		20,000
	General Administration Total	\$ -	\$ -	\$ -	\$ 76,397	\$ 230,000		\$ 306,397
		\$ 390,808	\$ 1,325,958	\$ 192,520	\$ 803,905	\$ 1,403,083	\$ -	\$ 3,998,774
	CIS CONVERSION	\$ 180,265	\$ -	\$ -	\$ 168,161	\$ 261,352	\$ -	\$ 609,778
	Total - "HYDRO"	\$ 571,073	\$ 1,325,958	\$ 192,520	\$ 972,066	\$ 1,664,435	\$ -	\$ 4,608,552

HALDIMAND COUNTY HYDRO INC.								
2009 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2009
#	2009 CONSTRUCTION PROJECTS							
1	Pole Replacement Program (resulting from inspections)	-	121,240	-	-	371,280		492,520
2	Central Lane Phase II Conversion, Dunnville	-	67,500	-	-	67,500		135,000
3	Moulton Sherbrooke Townline - Rattlesnake Road Conversion, Dunnville	-	74,000	-	-	74,000		148,000
4	Lakeshore Road Re-build (Melville Lane area)	-	115,500	-	-	231,000		346,500
5	Eliminate Selkirk North 8 KV Distribution Station	-	145,000	-	-	150,000		295,000
6	Purchase Hydro One F2 Feeder out of Argyle Distribution Station	-	-	-	200,000	-		200,000
7	Construction of Line from Hagersville to Jarvis	-	145,000	-	-	150,000		295,000
	Construction Project Sub-Total	\$ -	\$ 668,240	\$ -	\$ 200,000	\$ 1,043,780	\$ -	\$ 1,912,020
	Betterments	48,946	78,860	29,329	1,830	98,400		\$ 257,365
	Line Extensions	137,161	187,265	69,053	258	112,674		\$ 506,411
	Contributed Capital							
	- Regular							(175,000)
	- Developer Refunds (60 lots Stirling South, Caledonia and 24 lots Walpole Square Phase 6, Hagersville)							127,200
								\$ (47,800)
	Construction Total	\$ 186,107	\$ 934,365	\$ 98,382	\$ 202,088	\$ 1,254,854	\$ -	\$ 2,627,996
	SERVICES							
	Services Overhead	61,159	1,322	19,653	81	4,716		86,931
	Services Underground	53,105	9,904	17,480	-	7,844		88,333
	Services (NEW) Miscellaneous	2,704	1,915	682	-	1,448		6,749
	Meters - Regular	5,292	-	532	23,375	-		29,199
	Services Total	\$ 122,260	\$ 13,141	\$ 38,347	\$ 23,456	\$ 14,008	\$ -	\$ 211,212

HALDIMAND COUNTY HYDRO INC.								
2009 CAPITAL BUDGET								
COST SUMMARY BY PROJECT								
	ITEM	LABOUR	MATERIAL	TRUCKS	DIRECT PURCHASES	SUB-CONTRACT	OTHER	TOTAL BUDGET 2009
	EQUIPMENT							
	Transportation Equipment	-	-	-	350,039	-		350,039
	Tools, Shop and Measuring Equipment	-	-	-	53,864	-		53,864
	Equipment Total	\$ -	\$ -	\$ -	\$ 403,903	\$ -		\$ 403,903
	GENERAL ADMINISTRATION							
	Buildings and Fixtures	-	-	-	4,435	15,000		19,435
	ESRI Distribution System Mapping	-	-	-	-	177,500		177,500
	Computer Equipment - Hardware	-	-	-	42,542	-		42,542
	Computer Equipment - Software	-	-	-	35,880	-		35,880
	General Administration Total	\$ -	\$ -	\$ -	\$ 82,857	\$ 192,500		\$ 275,357
	Total - "HYDRO"	\$ 308,367	\$ 947,506	\$ 136,729	\$ 712,304	\$ 1,461,362	\$ -	\$ 3,518,468

HALDIMAND COUNTY HYDRO INC'S 2010 RATE APPLICATION

EB-2009-0265

INTERROGATORIES OF

THE VULNERABLE ENERGY CONSUMERS COALITION

APPENDIX B

Annual Five-Year Forecasts (2007 to 2009)

Five Year Capital Forecast - 2007 - 2011	Years				
	2007	2008	2009	2010	2011
Capital Construction Projects					
8Kv to 16Kv Conversion Projects					
Town Conversions					
Dunnville					
Central Lane - Phase I - East Portion					
	\$ 85,000	\$ -	\$ -	\$ -	\$ -
Central Lane - Phase II - West Portion					
	\$ -	\$ 117,000	\$ -	\$ -	\$ -
Main Street East					
	\$ -	\$ -	\$ -	\$ -	\$ -
Cedar to Queen Business Area					
	\$ -	\$ -	\$ -	\$ -	\$ -
Caledonia					
Orkney West of Sheffield					
	\$ -	\$ 110,000	\$ -	\$ -	\$ -
Kinross Street					
	\$ -	\$ -	\$ -	\$ -	\$ -
Cayuga					
Munsee Street North					
	\$ -	\$ -	\$ -	\$ -	\$ -
Rural Conversion					
Moulton Sherbrooke Townline Road					
	\$ -	\$ -	\$ -	\$ -	\$ -
Hwy 6 N of 66 - Convert Using Stepdowns					
	\$ -	\$ -	\$ -	\$ -	\$ -
Regional Rd 6					
	\$ -	\$ -	\$ -	\$ -	\$ -
Eliminate Distribution Substations					
Nanticoke DS					
	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -
Jarvis DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Selkirk North DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Dunnville DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Canfield DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Selkirk South DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Decewsville DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Install Load Break Switches					
Install Load Break Switches 1					
	\$ -	\$ 25,000	\$ -	\$ -	\$ -
Install Load Break Switches 2					
	\$ -	\$ -	\$ 25,000	\$ -	\$ -
Install Load Break Switches 3					
	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Install Load Break Switches 4					
	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Install Load Break Switches 5					
	\$ -	\$ -	\$ -	\$ -	\$ -

Eliminate Load Transfer Customers						
Haldibrook Road and Hwy # 6, Haldibrook Road and McClung, Haldimand Rd 20 W of Hagersville	\$ 252,000	\$ -	\$ -	\$ -	\$ -	\$ -
Norcliff Retirement Home						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27Kv Infrastructure - Major Line Construction						
Tie From Jarvis to Hagersville - Phase I						
	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ -
Tie From Jarvis to Hagersville - Phase II						
	\$ -	\$ 650,000	\$ -	\$ -	\$ -	\$ -
Hwy 6 & 3rd Line Tie - Hagersville to Caledonia						
	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -
Frank Marshall Parkway						
	\$ 61,000	\$ -	\$ -	\$ -	\$ -	\$ -
Supply to Shelter Cove						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Circuit to Selkirk South						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reinsulate 31M2 - Bing to Water Plant or Alternate Path						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Townsend - Alternate Supply						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tie Haldimand Road 17						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
John to Haldimand Rd #9						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
McClung Road - River Crossing						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hwy # 3 and Hwy # 56						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase Lines from Hydro One						
Purchase Lines from Hydro One 1						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replace Defective Infrastructure						
Lakeshore Rebuilds						
Lakeshore Rebuilds 1						
	\$ -	\$ -	\$ 84,000	\$ -	\$ -	\$ -
Lakeshore Rebuilds 2						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 3						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 4						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 5						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 6						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 7						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 8						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 9						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 10						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 11						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 12						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Lakeshore Rebuilds 13					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 14					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds 15					
	\$ -	\$ -	\$ -	\$ -	\$ -
Replace J19 - Highland and McMaster					
	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Canal Bank					
	\$ -	\$ 110,000	\$ -	\$ -	\$ -
Rainham Road - Selkirk to Dunnville					
	\$ -	\$ -	\$ -	\$ -	\$ -
Defective Transformer Foundation Replacements					
Defective Transformer Foundation Replacements 1					
	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Defective Transformer Foundation Replacements 2					
	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Defective Transformer Foundation Replacements 3					
	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Defective Transformer Foundation Replacements 4					
	\$ -	\$ -	\$ -	\$ 50,000	\$ -
Defective Transformer Foundation Replacements 5					
	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Miscellaneous Projects					
Recloser on 31M2					
	\$ -	\$ -	\$ -	\$ -	\$ -
27Kv North of Cayuga - Upgrade Wire Size					
	\$ -	\$ -	\$ -	\$ -	\$ -
Alternate Supply for Charles Cullen Parkway					
	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Allowance					
Capital Project Allowance					
	\$ -	\$ 498,565	\$ -	\$ -	\$ -
Capital Project Allowance					
	\$ -	\$ -	\$ 1,573,205	\$ -	\$ -
Capital Project Allowance					
	\$ -	\$ -	\$ -	\$ 1,958,345	\$ -
Capital Project Allowance					
	\$ -	\$ -	\$ -	\$ -	\$ 2,138,184
Betterments					
Betterments 1					
	\$ 407,933	\$ -	\$ -	\$ -	\$ -
Betterments 2					
	\$ -	\$ 369,265	\$ -	\$ -	\$ -
Betterments 3					
	\$ -	\$ -	\$ 432,406	\$ -	\$ -
Betterments 4					
	\$ -	\$ -	\$ -	\$ 506,343	\$ -
Betterments 5					
	\$ -	\$ -	\$ -	\$ -	\$ 592,922
Line Extensions					
Line Extensions 1					
	\$ 363,455	\$ -	\$ -	\$ -	\$ -
Line Extensions 2					
	\$ -	\$ 380,898	\$ -	\$ -	\$ -
Line Extensions 3					
	\$ -	\$ -	\$ 377,774	\$ -	\$ -
Line Extensions 4					
	\$ -	\$ -	\$ -	\$ 374,675	\$ -

Line Extensions 5					
	\$ -	\$ -	\$ -	\$ -	\$ 371,602
Contributed Capital					
Contributed Capital 1					
	\$ (291,000)	\$ -	\$ -	\$ -	\$ -
Contributed Capital 2					
	\$ -	\$ (230,000)	\$ -	\$ -	\$ -
Contributed Capital 3					
	\$ -	\$ -	\$ (230,000)	\$ -	\$ -
Contributed Capital 4					
	\$ -	\$ -	\$ -	\$ (230,000)	\$ -
Contributed Capital 5					
	\$ -	\$ -	\$ -	\$ -	\$ (230,000)
Developer Refunds					
Developer Refunds 1					
	\$ 124,600	\$ -	\$ -	\$ -	\$ -
Developer Refunds 2					
	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Refunds 3					
	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Refunds 4					
	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Refunds 5					
	\$ -	\$ -	\$ -	\$ -	\$ -
Services Overhead					
Services Overhead 1					
	\$ 94,503	\$ -	\$ -	\$ -	\$ -
Services Overhead 2					
	\$ -	\$ 107,454	\$ -	\$ -	\$ -
Services Overhead 3					
	\$ -	\$ -	\$ 116,036	\$ -	\$ -
Services Overhead 4					
	\$ -	\$ -	\$ -	\$ 125,305	\$ -
Services Overhead 5					
	\$ -	\$ -	\$ -	\$ -	\$ 135,313
Services Underground					
Services Underground 1					
	\$ 113,143	\$ -	\$ -	\$ -	\$ -
Services Underground 2					
	\$ -	\$ 101,310	\$ -	\$ -	\$ -
Services Underground 3					
	\$ -	\$ -	\$ 91,458	\$ -	\$ -
Services Underground 4					
	\$ -	\$ -	\$ -	\$ 82,563	\$ -
Services Underground 5					
	\$ -	\$ -	\$ -	\$ -	\$ 74,534
Services (NEW) Miscellaneous					
Services (NEW) Miscellaneous 1					
	\$ 14,116	\$ -	\$ -	\$ -	\$ -
Services (NEW) Miscellaneous 2					
	\$ -	\$ 22,074	\$ -	\$ -	\$ -
Services (NEW) Miscellaneous 3					
	\$ -	\$ -	\$ 28,045	\$ -	\$ -
Services (NEW) Miscellaneous 4					
	\$ -	\$ -	\$ -	\$ 35,632	\$ -
Services (NEW) Miscellaneous 5					
	\$ -	\$ -	\$ -	\$ -	\$ 45,271
Meters - Regular					

Meters - Regular 1					
	\$ 84,200	\$ -	\$ -	\$ -	\$ -
Meters - Regular 2					
	\$ -	\$ 85,000	\$ -	\$ -	\$ -
Meters - Regular 3					
	\$ -	\$ -	\$ 85,000	\$ -	\$ -
Meters - Regular 4					
	\$ -	\$ -	\$ -	\$ 87,000	\$ -
Meters - Regular 5					
	\$ -	\$ -	\$ -	\$ -	\$ 87,000
Smart Meters					
Smart Meters 1					
	\$ 122,333	\$ -	\$ -	\$ -	\$ -
Smart Meters 2					
	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -
Smart Meters 3					
	\$ -	\$ -	\$ 6,950	\$ -	\$ -
Smart Meters 4					
	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters 5					
	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Equipment					
Transportation Equipment 1					
	\$ 65,033	\$ -	\$ -	\$ -	\$ -
Transportation Equipment 2					
	\$ -	\$ 318,405	\$ -	\$ -	\$ -
Transportation Equipment 3					
	\$ -	\$ -	\$ 327,958	\$ -	\$ -
Transportation Equipment 4					
	\$ -	\$ -	\$ -	\$ 297,222	\$ -
Transportation Equipment 5					
	\$ -	\$ -	\$ -	\$ -	\$ 306,138
Tools, Shop, and Measuring Equipment					
Tools, Shop, and Measuring Equipment 1					
	\$ 65,812	\$ -	\$ -	\$ -	\$ -
Tools, Shop, and Measuring Equipment 2					
	\$ -	\$ 45,529	\$ -	\$ -	\$ -
Tools, Shop, and Measuring Equipment 3					
	\$ -	\$ -	\$ 45,853	\$ -	\$ -
Tools, Shop, and Measuring Equipment 4					
	\$ -	\$ -	\$ -	\$ 46,180	\$ -
Tools, Shop, and Measuring Equipment 5					
	\$ -	\$ -	\$ -	\$ -	\$ 46,509
Communications Equipment					
Communications Equipment 1					
	\$ 1,440	\$ -	\$ -	\$ -	\$ -
Communications Equipment 2					
	\$ -	\$ -	\$ -	\$ -	\$ -
Communications Equipment 3					
	\$ -	\$ -	\$ -	\$ -	\$ -
Communications Equipment 4					
	\$ -	\$ -	\$ -	\$ -	\$ -
Communications Equipment 5					
	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings and Fixtures					
Buildings and Fixtures 1					
	\$ 225,650	\$ -	\$ -	\$ -	\$ -
Buildings and Fixtures 2					
	\$ -	\$ 130,000	\$ -	\$ -	\$ -

Buildings and Fixtures 3					
	\$ -	\$ -	\$ 90,000	\$ -	\$ -
Buildings and Fixtures 4					
	\$ -	\$ -	\$ -	\$ 90,000	\$ -
Buildings and Fixtures 5					
	\$ -	\$ -	\$ -	\$ -	\$ 90,000
Office Equipment					
Office Equipment 1					
	\$ 48,000	\$ -	\$ -	\$ -	\$ -
Office Equipment 2					
	\$ -	\$ 20,000	\$ -	\$ -	\$ -
Office Equipment 3					
	\$ -	\$ -	\$ 20,000	\$ -	\$ -
Office Equipment 4					
	\$ -	\$ -	\$ -	\$ 20,000	\$ -
Office Equipment 5					
	\$ -	\$ -	\$ -	\$ -	\$ 20,000
ESRI Distribution System Mapping					
ESRI Distribution System Mapping 1					
	\$ 109,000	\$ -	\$ -	\$ -	\$ -
ESRI Distribution System Mapping 2					
	\$ -	\$ 105,000	\$ -	\$ -	\$ -
ESRI Distribution System Mapping 3					
	\$ -	\$ -	\$ 105,000	\$ -	\$ -
ESRI Distribution System Mapping 4					
	\$ -	\$ -	\$ -	\$ 65,000	\$ -
ESRI Distribution System Mapping 5					
	\$ -	\$ -	\$ -	\$ -	\$ 65,000
Computer Equipment - Hardware					
Computer Equipment - Hardware 1					
	\$ 97,916	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Hardware 2					
	\$ -	\$ 26,110	\$ -	\$ -	\$ -
Computer Equipment - Hardware 3					
	\$ -	\$ -	\$ 60,827	\$ -	\$ -
Computer Equipment - Hardware 4					
	\$ -	\$ -	\$ -	\$ 60,867	\$ -
Computer Equipment - Hardware 5					
	\$ -	\$ -	\$ -	\$ -	\$ 79,060
Computer Equipment - Software					
Computer Equipment - Software 1					
	\$ 194,994	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Software 2					
	\$ -	\$ 85,500	\$ -	\$ -	\$ -
Computer Equipment - Software 3					
	\$ -	\$ -	\$ 61,109	\$ -	\$ -
Computer Equipment - Software 4					
	\$ -	\$ -	\$ -	\$ 5,000	\$ -
Computer Equipment - Software 5					
	\$ -	\$ -	\$ -	\$ -	\$ 51,109
Total					
	\$ 2,989,128	\$ 9,202,110	\$ 3,450,621	\$ 3,699,132	\$ 3,947,642

Five Year Capital Forecast - 2008 - 2012	Years				
	2008	2009	2010	2011	2012
Capital Construction Projects					
8Kv to 16Kv Conversion Projects					
Town Conversions					
Dunnville					
Central Lane - Phase II - West Portion	\$ -	\$ 120,000	\$ -	\$ -	\$ -
Main Street East	\$ -	\$ -	\$ -	\$ -	\$ -
Cedar to Queen Business Area	\$ -	\$ -	\$ -	\$ -	\$ -
Fairview - Pine to Tamarac	\$ -	\$ -	\$ -	\$ -	\$ -
Fairview - Pine to John	\$ -	\$ -	\$ -	\$ -	\$ -
Cedar & Broad - Padmount	\$ -	\$ -	\$ -	\$ -	\$ -
Maple Street	\$ -	\$ -	\$ -	\$ -	\$ -
Caledonia					
Orkney West of Sheffield	\$ -	\$ -	\$ 110,000	\$ -	\$ -
Kinross Street	\$ -	\$ -	\$ -	\$ -	\$ -
Cayuga					
Munsee Street North	\$ -	\$ -	\$ -	\$ -	\$ -
Hagersville					
Norcliff Retirement Home	\$ -	\$ -	\$ -	\$ -	\$ -
Rural Conversion					
Kohler Road - South from Existing Line to Irish Line	\$ -	\$ 97,000	\$ -	\$ -	\$ -
Moulton Sherbrooke Townline Road	\$ -	\$ 138,000	\$ -	\$ -	\$ -
Hwy 6 N of 66 - Convert Using Stepdowns	\$ -	\$ -	\$ -	\$ -	\$ -
Haldimand Rd 66 to the East of Young Road	\$ -	\$ -	\$ -	\$ -	\$ -
Northshore Rd S of Canel Bank	\$ -	\$ -	\$ -	\$ -	\$ -
Darling Road S of Hwy 3	\$ -	\$ -	\$ -	\$ -	\$ -
Eliminate Distribution Substations					
Nanticoke DS	\$ 307,000	\$ -	\$ -	\$ -	\$ -
Jarvis DS (Costs to be part of Capital Project Allowance Only)	\$ -	\$ -	\$ 295,000	\$ -	\$ -
Selkirk North DS	\$ -	\$ -	\$ -	\$ -	\$ -
Lythmore F2 and F1	\$ -	\$ -	\$ -	\$ -	\$ -
Dunnville DS	\$ -	\$ -	\$ -	\$ -	\$ -
Canfield DS	\$ -	\$ -	\$ -	\$ -	\$ -
Selkirk South DS	\$ -	\$ -	\$ -	\$ -	\$ -

Decewsville DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Install Load Break Switches					
Install Load Break Switches 1					
	\$ -	\$ -	\$ 25,000	\$ -	\$ -
Install Load Break Switches 2					
	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Install Load Break Switches 3					
	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Install Load Break Switches 4					
	\$ -	\$ -	\$ -	\$ -	\$ -
Install Load Break Switches 5					
	\$ -	\$ -	\$ -	\$ -	\$ -
Eliminate Load Transfer Customers					
Future Transfers?					
	\$ -	\$ -	\$ -	\$ -	\$ -
27Kv Infrastructure - Major Line Construction					
Tie From Jarvis to Hagersville - Phase II					
	\$ 650,000	\$ -	\$ -	\$ -	\$ -
Hwy 6 & 3rd Line Tie - Hagersville to Caledonia					
	\$ 78,000	\$ -	\$ -	\$ -	\$ -
New Circuit to Selkirk South					
	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Line Extensions - Concession 9, 10, & 11					
	\$ -	\$ -	\$ -	\$ -	\$ -
Conversion to Supply Innophos to 31M1 (Alternate Supply)					
	\$ -	\$ -	\$ -	\$ -	\$ -
Supply to Shelter Cove					
	\$ -	\$ -	\$ -	\$ -	\$ -
Reinsulate 31M2 - Bing to Water Plant or Alternate Path					
	\$ -	\$ -	\$ -	\$ -	\$ -
Townsend - Alternate Supply					
	\$ -	\$ -	\$ -	\$ -	\$ -
Haldimand Road 17 - Haldimand Rd 32 to Hwy 3					
	\$ -	\$ -	\$ -	\$ -	\$ -
John to Haldimand Rd #9					
	\$ -	\$ -	\$ -	\$ -	\$ -
McClung Road - River Crossing					
	\$ -	\$ -	\$ -	\$ -	\$ -
Hwy # 3 and Hwy # 56					
	\$ -	\$ -	\$ -	\$ -	\$ -
Haldimand Rd 12 - Concession 7 to 5					
	\$ -	\$ -	\$ -	\$ -	\$ -
Haldimand Rd 20 - Haldimand Rd 9 to Concession 9					
	\$ -	\$ -	\$ -	\$ -	\$ -
Taylor Road N of Northshore Dr					
	\$ -	\$ -	\$ -	\$ -	\$ -
Replace Defective Infrastructure					
Lakeshore Rebuilds					
Lakeshore Rebuilds - Melville Lane - Selkirk					
	\$ 315,000	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ 295,000	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ 295,000	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ 295,000	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ 295,000
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -

Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Lakeshore Rebuilds					
	\$ -	\$ -	\$ -	\$ -	\$ -
Canal Bank					
	\$ -	\$ -	\$ 110,000	\$ -	\$ -
Miscellaneous Projects					
Recloser on 31M2					
	\$ -	\$ -	\$ -	\$ -	\$ -
27Kv North of Cayuga - Upgrade Wire Size					
	\$ -	\$ -	\$ -	\$ -	\$ -
Alternate Supply for Charles Cullen Parkway					
	\$ -	\$ -	\$ -	\$ -	\$ -
Substation Projects					
Decewsville Substation - Replace Transformer					
	\$ 167,457	\$ -	\$ -	\$ -	\$ -
Spare Substation Transformer - Purchase					
	\$ -	\$ 115,841	\$ -	\$ -	\$ -
Pole Replacement Program					
Replace Defective Poles by Inspection Area					
	\$ 273,507	\$ -	\$ -	\$ -	\$ -
Replace Defective Poles by Inspection Area					
	\$ -	\$ 277,827	\$ -	\$ -	\$ -
Replace Defective Poles by Inspection Area					
	\$ -	\$ -	\$ 283,729	\$ -	\$ -
Replace Defective Poles by Inspection Area					
	\$ -	\$ -	\$ -	\$ 292,241	\$ -
Replace Defective Poles by Inspection Area					
	\$ -	\$ -	\$ -	\$ -	\$ 301,008
Purchase Lines from Hydro One					
57M3 and 57M4					
	\$ 145,000	\$ -	\$ -	\$ -	\$ -
Capital Project Allowance					
Capital Project Allowance 1					
	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Allowance 2					
	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Allowance 3					
	\$ -	\$ -	\$ 215,021	\$ -	\$ -
Capital Project Allowance 4					
	\$ -	\$ -	\$ -	\$ 996,190	\$ -
Capital Project Allowance 5					
	\$ -	\$ -	\$ -	\$ -	\$ 1,216,010
Betterments					
Betterments 1					
	\$ 301,302	\$ -	\$ -	\$ -	\$ -
Betterments 2					
	\$ -	\$ 303,785	\$ -	\$ -	\$ -
Betterments 3					
	\$ -	\$ -	\$ 323,172	\$ -	\$ -

Betterments 4					
	\$ -	\$ -	\$ -	\$ 342,967	\$ -
Betterments 5					
	\$ -	\$ -	\$ -	\$ -	\$ 362,762
Line Extensions					
Line Extensions					
	\$ 462,158	\$ -	\$ -	\$ -	\$ -
Line Extensions					
	\$ -	\$ 465,510	\$ -	\$ -	\$ -
Line Extensions					
	\$ -	\$ -	\$ 500,209	\$ -	\$ -
Line Extensions					
	\$ -	\$ -	\$ -	\$ 514,059	\$ -
Line Extensions					
	\$ -	\$ -	\$ -	\$ -	\$ 527,910
Contributed Capital					
Contributed Capital					
	\$ (230,000)	\$ -	\$ -	\$ -	\$ -
Contributed Capital					
	\$ -	\$ (230,000)	\$ -	\$ -	\$ -
Contributed Capital					
	\$ -	\$ -	\$ (230,000)	\$ -	\$ -
Contributed Capital					
	\$ -	\$ -	\$ -	\$ (230,000)	\$ -
Contributed Capital					
	\$ -	\$ -	\$ -	\$ -	\$ (230,000)
Developer Refunds					
Developer Refunds					
	\$ 112,500	\$ -	\$ -	\$ -	\$ -
Developer Refunds					
	\$ -	\$ 90,000	\$ -	\$ -	\$ -
Developer Refunds					
	\$ -	\$ -	\$ 90,000	\$ -	\$ -
Developer Refunds					
	\$ -	\$ -	\$ -	\$ 90,000	\$ -
Developer Refunds					
	\$ -	\$ -	\$ -	\$ -	\$ 90,000
Services Overhead					
Services Overhead					
	\$ 104,267	\$ -	\$ -	\$ -	\$ -
Services Overhead					
	\$ -	\$ 105,002	\$ -	\$ -	\$ -
Services Overhead					
	\$ -	\$ -	\$ 108,634	\$ -	\$ -
Services Overhead					
	\$ -	\$ -	\$ -	\$ 113,722	\$ -
Services Overhead					
	\$ -	\$ -	\$ -	\$ -	\$ 118,811
Services Underground					
Services Underground					
	\$ 119,069	\$ -	\$ -	\$ -	\$ -
Services Underground					
	\$ -	\$ 123,511	\$ -	\$ -	\$ -
Services Underground					
	\$ -	\$ -	\$ 100,718	\$ -	\$ -
Services Underground					
	\$ -	\$ -	\$ -	\$ 91,250	\$ -
Services Underground					
	\$ -	\$ -	\$ -	\$ -	\$ 81,782
Services (NEW) Miscellaneous					
Services (NEW) Miscellaneous					
	\$ 8,115	\$ -	\$ -	\$ -	\$ -

Services (NEW) Miscellaneous					
	\$ -	\$ 8,166	\$ -	\$ -	\$ -
Services (NEW) Miscellaneous					
	\$ -	\$ -	\$ 7,615	\$ -	\$ -
Services (NEW) Miscellaneous					
	\$ -	\$ -	\$ -	\$ 7,473	\$ -
Services (NEW) Miscellaneous					
	\$ -	\$ -	\$ -	\$ -	\$ 7,330
Meters - Regular					
Meters - Regular					
	\$ 79,345	\$ -	\$ -	\$ -	\$ -
Meters - Regular					
	\$ -	\$ 79,666	\$ -	\$ -	\$ -
Meters - Regular					
	\$ -	\$ -	\$ 54,786	\$ -	\$ -
Meters - Regular					
	\$ -	\$ -	\$ -	\$ 44,863	\$ -
Meters - Regular					
	\$ -	\$ -	\$ -	\$ -	\$ 34,941
Transportation Equipment					
Transportation Equipment					
	\$ 337,926	\$ -	\$ -	\$ -	\$ -
Transportation Equipment					
	\$ -	\$ 390,022	\$ -	\$ -	\$ -
Transportation Equipment					
	\$ -	\$ -	\$ 312,966	\$ -	\$ -
Transportation Equipment					
	\$ -	\$ -	\$ -	\$ 322,354	\$ -
Transportation Equipment					
	\$ -	\$ -	\$ -	\$ -	\$ 195,988
Tools, Shop, and Measuring Equipment					
Tools, Shop, and Measuring Equipment					
	\$ 60,231	\$ -	\$ -	\$ -	\$ -
Tools, Shop, and Measuring Equipment					
	\$ -	\$ 60,309	\$ -	\$ -	\$ -
Tools, Shop, and Measuring Equipment					
	\$ -	\$ -	\$ 60,851	\$ -	\$ -
Tools, Shop, and Measuring Equipment					
	\$ -	\$ -	\$ -	\$ 63,295	\$ -
Tools, Shop, and Measuring Equipment					
	\$ -	\$ -	\$ -	\$ -	\$ 65,739
Communications Equipment					
Communications Equipment					
	\$ 1,500	\$ -	\$ -	\$ -	\$ -
Communications Equipment					
	\$ -	\$ 1,500	\$ -	\$ -	\$ -
Communications Equipment					
	\$ -	\$ -	\$ 750	\$ -	\$ -
Communications Equipment					
	\$ -	\$ -	\$ -	\$ 750	\$ -
Communications Equipment					
	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Buildings and Fixtures					
Buildings and Fixtures					
	\$ 51,600	\$ -	\$ -	\$ -	\$ -
Buildings and Fixtures					
	\$ -	\$ 41,663	\$ -	\$ -	\$ -
Buildings and Fixtures					
	\$ -	\$ -	\$ 30,163	\$ -	\$ -
Buildings and Fixtures					
	\$ -	\$ -	\$ -	\$ 30,163	\$ -
Buildings and Fixtures					
	\$ -	\$ -	\$ -	\$ -	\$ 30,163

Office Equipment					
Office Equipment					
Office Equipment	\$ 2,900	\$ -	\$ -	\$ -	\$ -
Office Equipment	\$ -	\$ 1,500	\$ -	\$ -	\$ -
Office Equipment	\$ -	\$ -	\$ 4,400	\$ -	\$ -
Office Equipment	\$ -	\$ -	\$ -	\$ 4,400	\$ -
Office Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,400
ESRI Distribution System Mapping					
ESRI Distribution System Mapping	\$ 198,000	\$ -	\$ -	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ 185,000	\$ -	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ 65,000	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ -	\$ 65,000	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ -	\$ -	\$ 65,000
Computer Equipment - Hardware					
Computer Equipment - Hardware	\$ 33,897	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ 69,010	\$ -	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ 67,757	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ -	\$ 64,300	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ -	\$ -	\$ 85,984
Computer Equipment - Software					
Computer Equipment - Software	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ 349,569	\$ -	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ 11,460	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ -	\$ 52,109	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters					
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters	\$ -	\$ 4,467,520	\$ -	\$ -	\$ -
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ -
CIS Conversion	\$ 1,009,778	\$ -	\$ -	\$ -	\$ -
CIS Conversion					
Total	\$ 4,608,552	\$ 7,555,401	\$ 3,092,231	\$ 3,185,136	\$ 3,280,828

Five Year Capital Forecast - 2009-2013	Years				
	2009	2010	2011	2012	2013
Capital Construction Projects					
8Kv to 16Kv Conversion Projects					
Town Conversions					
Dunnville					
Central Lane - Phase II Conversion					
	\$ 135,000	\$ -	\$ -	\$ -	\$ -
Alder Street - Dunnville - Conversion					
	\$ -	\$ 300,000	\$ -	\$ -	\$ -
Main Street East					
	\$ -	\$ -	\$ -	\$ -	\$ -
Cedar to Queen Business Area					
	\$ -	\$ -	\$ -	\$ -	\$ -
Fairview - Pine to Tamarac					
	\$ -	\$ -	\$ -	\$ -	\$ -
Fairview - Pine to John					
	\$ -	\$ -	\$ -	\$ -	\$ -
Cedar & Broad - Padmount					
	\$ -	\$ -	\$ -	\$ -	\$ -
Maple Street					
	\$ -	\$ -	\$ -	\$ -	\$ -
Caledonia					
Orkney West of Sheffield					
	\$ -	\$ -	\$ -	\$ 110,000	\$ -
Kinross Street					
	\$ -	\$ -	\$ -	\$ -	\$ -
Cayuga					
Munsee Street North					
	\$ -	\$ -	\$ -	\$ -	\$ -
Hagersville					
Norcliff Retirement Home					
	\$ -	\$ -	\$ -	\$ -	\$ -
Rural Conversion					
Moulton Sherbrooke Townline Road - Rattlesnake Road Coverion, Dunnville					
	\$ 148,000	\$ -	\$ -	\$ -	\$ -
Hwy 6 N of 66 - Convert Using Stepdowns					
	\$ -	\$ -	\$ -	\$ -	\$ -
Haldimand Rd 66 to the East of Young Road					
	\$ -	\$ -	\$ -	\$ -	\$ -
Northshore Rd S of Canel Bank					
	\$ -	\$ -	\$ -	\$ -	\$ -
Darling Road S of Hwy 3					
	\$ -	\$ -	\$ -	\$ -	\$ -
Kohler Road - South from Existing Line to Irish Line					
	\$ -	\$ -	\$ -	\$ -	\$ -
Eliminate Distribution Substations					
Selkirk North DS					
	\$ 295,000	\$ -	\$ -	\$ -	\$ -
Jarvis DS					
	\$ -	\$ -	\$ 496,000	\$ -	\$ -
Dunnville DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Canfield DS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Decewsville DS					

	\$	-	\$	-	\$	-	\$	-	\$	-
Selkirk South DS										
Projects to Eliminate LV Charges	\$	-	\$	-	\$	-	\$	-	\$	-
57M3 - Elimination for Concession 12, 13, 14, 15, 16, and 17										
	\$	-	\$	160,000	\$	-	\$	-	\$	-
Lythmore DS - East - Phase I										
	\$	-	\$	127,000	\$	-	\$	-	\$	-
57M3 - Elimination Concessions 9, 10, & 11										
	\$	-	\$	-	\$	160,000	\$	-	\$	-
Lythmore DS - South - Phase II										
	\$	-	\$	-	\$	198,000	\$	-	\$	-
Lythmore DS - North - Phase III										
	\$	-	\$	-	\$	-	\$	135,000	\$	-
New Circuit to Selkirk South										
	\$	-	\$	-	\$	-	\$	250,000	\$	-
Install Load Break Switches										
Install Load Break Switches 1										
	\$	-	\$	-	\$	25,000	\$	-	\$	-
Install Load Break Switches 2										
	\$	-	\$	-	\$	-	\$	25,000	\$	-
Install Load Break Switches 3										
	\$	-	\$	-	\$	-	\$	-	\$	25,000
Install Load Break Switches 4										
	\$	-	\$	-	\$	-	\$	-	\$	-
Install Load Break Switches 5										
	\$	-	\$	-	\$	-	\$	-	\$	-
27Kv Infrastructure - Major Line Construction										
Conversion of Line From Hagersville to Jarvis										
	\$	295,000	\$	-	\$	-	\$	-	\$	-
Conversion to Supply Innophos to 31M1 (Alternate Supply)										
	\$	-	\$	197,000	\$	-	\$	-	\$	-
Supply to Shelter Cove										
	\$	-	\$	-	\$	-	\$	-	\$	-
Reinsulate 31M2 - Bing to Water Plant or Alternate Path										
	\$	-	\$	-	\$	-	\$	-	\$	-
Townsend - Alternate Supply										
	\$	-	\$	-	\$	-	\$	-	\$	-
Haldimand Road 17 - Haldimand Rd 32 to Hwy 3										
	\$	-	\$	-	\$	-	\$	-	\$	-
John to Haldimand Rd #9										
	\$	-	\$	-	\$	-	\$	-	\$	-
McClung Road - River Crossing										
	\$	-	\$	-	\$	-	\$	-	\$	-
Hwy # 3 and Hwy # 56										
	\$	-	\$	-	\$	-	\$	-	\$	-
Haldimand Rd 12 - Concession 7 to 5										
	\$	-	\$	-	\$	-	\$	-	\$	-
Haldimand Rd 20 - Haldimand Rd 9 to Concession 9										
	\$	-	\$	-	\$	-	\$	-	\$	-
Taylor Road N of Northshore Dr										
	\$	-	\$	-	\$	-	\$	-	\$	-
Replace Defective Infrastructure										
Lakeshore Rebuilds										
Lakeshore Rebuilds										
Lakeshore Rebuilds - Melville Lane - Selkirk - Phase 1										
	\$	346,500	\$	-	\$	-	\$	-	\$	-
Lakeshore Rebuilds - Phase 2										
	\$	-	\$	300,000	\$	-	\$	-	\$	-

Lakeshore Rebuilds - Phase 3						
	\$ -	\$ -	\$ 300,000	\$ -	\$ -	
Lakeshore Rebuilds - Phase 4						
	\$ -	\$ -	\$ -	\$ 300,000	\$ -	
Lakeshore Rebuilds - Phase 5						
	\$ -	\$ -	\$ -	\$ -	\$ 300,000	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Lakeshore Rebuilds						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Canal Bank						
	\$ -	\$ -	\$ -	\$ 110,000	\$ -	
Miscellaneous Projects						
Recloser on 31M2						
	\$ -	\$ -	\$ -	\$ -	\$ -	
27Kv North of Cayuga - Upgrade Wire Size						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Alternate Supply for Charles Cullen Parkway						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Pole Replacement Program						
Replace Defective Poles by Inspection Area						
	\$ 492,520	\$ -	\$ -	\$ -	\$ -	
Replace Defective Poles by Inspection Area						
	\$ -	\$ 507,360	\$ -	\$ -	\$ -	
Replace Defective Poles by Inspection Area						
	\$ -	\$ -	\$ 522,581	\$ -	\$ -	
Replace Defective Poles by Inspection Area						
	\$ -	\$ -	\$ -	\$ 538,258	\$ -	
Replace Defective Poles by Inspection Area						
	\$ -	\$ -	\$ -	\$ -	\$ 554,406	
Purchase Lines from Hydro One						
Hydro One Argyle Distribution Station F2 Feeder						
	\$ 200,000	\$ -	\$ -	\$ -	\$ -	
Capital Project Allowance						
Capital Project Allowance						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Project Allowance						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Project Allowance						
	\$ -	\$ -	\$ 69,293	\$ -	\$ -	
Capital Project Allowance						
	\$ -	\$ -	\$ -	\$ 448,589	\$ -	
Capital Project Allowance						
	\$ -	\$ -	\$ -	\$ -	\$ 1,929,999	
Betterments						

Betterments					
	\$ 257,365	\$ -	\$ -	\$ -	\$ -
Betterments					
	\$ -	\$ 270,991	\$ -	\$ -	\$ -
Betterments					
	\$ -	\$ -	\$ 314,074	\$ -	\$ -
Betterments					
	\$ -	\$ -	\$ -	\$ 329,018	\$ -
Betterments					
	\$ -	\$ -	\$ -	\$ -	\$ 343,962
Line Extensions					
Line Extensions					
	\$ 506,411	\$ -	\$ -	\$ -	\$ -
Line Extensions					
	\$ -	\$ 531,770	\$ -	\$ -	\$ -
Line Extensions					
	\$ -	\$ -	\$ 566,345	\$ -	\$ -
Line Extensions					
	\$ -	\$ -	\$ -	\$ 586,358	\$ -
Line Extensions					
	\$ -	\$ -	\$ -	\$ -	\$ -
Contributed Capital					
Contributed Capital					
	\$ (47,800)	\$ -	\$ -	\$ -	\$ -
Contributed Capital					
	\$ -	\$ (131,600)	\$ -	\$ -	\$ -
Contributed Capital					
	\$ -	\$ -	\$ (115,068)	\$ -	\$ -
Contributed Capital					
	\$ -	\$ -	\$ -	\$ (115,068)	\$ -
Contributed Capital					
	\$ -	\$ -	\$ -	\$ -	\$ (115,068)
Services Overhead					
Services Overhead					
	\$ 86,931	\$ -	\$ -	\$ -	\$ -
Services Overhead					
	\$ -	\$ 89,818	\$ -	\$ -	\$ -
Services Overhead					
	\$ -	\$ -	\$ 83,418	\$ -	\$ -
Services Overhead					
	\$ -	\$ -	\$ -	\$ 84,536	\$ -
Services Overhead 5					
	\$ -	\$ -	\$ -	\$ -	\$ 85,655
Services Underground					
Services Underground					
	\$ 88,333	\$ -	\$ -	\$ -	\$ -
Services Underground					
	\$ -	\$ 98,844	\$ -	\$ -	\$ -
Services Underground					
	\$ -	\$ -	\$ 66,415	\$ -	\$ -
Services Underground					
	\$ -	\$ -	\$ -	\$ 53,660	\$ -
Services Underground					
	\$ -	\$ -	\$ -	\$ -	\$ 40,905
Services (NEW) Miscellaneous					
Services (NEW) Miscellaneous					
	\$ 6,749	\$ -	\$ -	\$ -	\$ -
Services (NEW) Miscellaneous					
	\$ -	\$ 7,342	\$ -	\$ -	\$ -

Services (NEW) Miscellaneous						
	\$ -	\$ -	\$ 6,485	\$ -	\$ -	
Services (NEW) Miscellaneous						
	\$ -	\$ -	\$ -	\$ 6,214	\$ -	
Services (NEW) Miscellaneous						
	\$ -	\$ -	\$ -	\$ -	\$ 5,943	
Meters - Regular						
Meters - Regular						
	\$ 29,199	\$ -	\$ -	\$ -	\$ -	
Meters - Regular						
	\$ -	\$ 87,763	\$ -	\$ -	\$ -	
Meters - Regular						
	\$ -	\$ -	\$ 41,295	\$ -	\$ -	
Meters - Regular						
	\$ -	\$ -	\$ -	\$ 31,048	\$ -	
Meters - Regular						
	\$ -	\$ -	\$ -	\$ -	\$ 20,801	
Transportation Equipment						
Transportation Equipment						
	\$ 350,039	\$ -	\$ -	\$ -	\$ -	
Transportation Equipment						
	\$ -	\$ 273,600	\$ -	\$ -	\$ -	
Transportation Equipment						
	\$ -	\$ -	\$ 315,586	\$ -	\$ -	
Transportation Equipment						
	\$ -	\$ -	\$ -	\$ 269,677	\$ -	
Transportation Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ 37,150	
Tools, Shop, and Measuring Equipment						
Tools, Shop, and Measuring Equipment						
	\$ 53,864	\$ -	\$ -	\$ -	\$ -	
Tools, Shop, and Measuring Equipment						
	\$ -	\$ 39,333	\$ -	\$ -	\$ -	
Tools, Shop, and Measuring Equipment						
	\$ -	\$ -	\$ 50,108	\$ -	\$ -	
Tools, Shop, and Measuring Equipment						
	\$ -	\$ -	\$ -	\$ 50,692	\$ -	
Tools, Shop, and Measuring Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ 51,276	
Communications Equipment						
Communications Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Communications Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Communications Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Communications Equipment						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Buildings and Fixtures						
Buildings and Fixtures						
	\$ 19,435	\$ -	\$ -	\$ -	\$ -	
Buildings and Fixtures						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Buildings and Fixtures						
	\$ -	\$ -	\$ 20,000	\$ -	\$ -	
Buildings and Fixtures						
	\$ -	\$ -	\$ -	\$ 20,000	\$ -	
Buildings and Fixtures						

	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Office Equipment					
Office Equipment					
	\$ -	\$ -	\$ -	\$ -	\$ -
Office Equipment	\$ -	\$ 5,336	\$ -	\$ -	\$ -
Office Equipment	\$ -	\$ -	\$ 5,000	\$ -	\$ -
Office Equipment	\$ -	\$ -	\$ -	\$ 5,000	\$ -
Office Equipment	\$ -	\$ -	\$ -	\$ -	\$ 5,000
ESRI Distribution System Mapping					
ESRI Distribution System Mapping					
	\$ 177,500	\$ -	\$ -	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ 187,825	\$ -	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ 187,825	\$ -	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ -	\$ 187,825	\$ -
ESRI Distribution System Mapping	\$ -	\$ -	\$ -	\$ -	\$ 187,825
Computer Equipment - Hardware					
Computer Equipment - Hardware					
	\$ 42,542	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ 18,676	\$ -	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ 52,179	\$ -	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ -	\$ 36,518	\$ -
Computer Equipment - Hardware	\$ -	\$ -	\$ -	\$ -	\$ 71,180
Computer Equipment - Software					
Computer Equipment - Software					
	\$ 35,880	\$ -	\$ -	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ 241,243	\$ -	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ 30,040	\$ -	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ -	\$ 32,000	\$ -
Computer Equipment - Software	\$ -	\$ -	\$ -	\$ -	\$ 30,040
Smart Meters					
Smart Meters 1					
	\$ 3,460,605	\$ -	\$ -	\$ -	\$ -
Smart Meters 2	\$ -	\$ (96,041)	\$ -	\$ -	\$ -
Smart Meters 3	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters 4	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meters 5	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 6,979,073	\$ 3,216,260	\$ 3,394,576	\$ 3,494,325	\$ 3,594,074

HALDIMAND COUNTY HYDRO INC'S 2010 RATE APPLICATION

EB-2009-0265

INTERROGATORIES OF

THE VULNERABLE ENERGY CONSUMERS COALITION

APPENDIX C

Annual Operating Budgets (2006 to 2009)

HALDIMAND COUNTY HYDRO INC.		
2006 OPERATING BUDGET		
<i>SUMMARY</i>		
		HCHI
Distribution Service Revenue	\$	11,654,625
Other Operating Revenue	\$	1,024,362
<i>Total Revenue</i>	\$	12,678,987
Operating and Maintenance	\$	3,083,005
Billing and Collecting	\$	1,437,681
General Administration	\$	1,594,529
<i>Total Operating Expenses</i>	\$	6,115,214
Amortization	\$	2,468,810
<i>Income Before Interest and Taxes</i>	\$	4,094,963
Interest	\$	951,315
Income Taxes (<i>**see Note 2 Below</i>) (2005 marginal rate = 36.12%)	\$	1,315,486
NET INCOME After Taxes	\$	1,828,162

HALDIMAND COUNTY HYDRO INC.		
2006 OPERATING BUDGET		
REVENUE		
		HCHI
Distribution Service Revenue		
Monthly Service Charges	\$	2,925,535
Distribution Volumetric Charges	\$	8,675,082
"SSS" Administration Charges	\$	54,009
	\$	11,654,625
Other Operating Revenue		
Retail Service Charges	\$	29,091
Rent Property-Joint Use Poles Rentals	\$	56,734
Late Payment Interest	\$	66,240
Collection Charges	\$	276,560
Occupancy Charges	\$	45,958
Reconnection Charges	\$	33,320
Profit from Sale on Services	\$	15,120
Water and Sewer Billings	\$	321,659
Miscellaneous	\$	50,920
Interest and Dividend Income	\$	128,760
OEB Deferred Charges		
	\$	1,024,362
	\$	12,678,987

HALDIMAND COUNTY HYDRO INC.		
2006 OPERATING BUDGET		
OPERATIONS and MAINTENANCE EXPENSES		
		HCHI
	Supervision and Engineering	
5005	Ops - Supervision & Engineering	\$ 361,620
5105	Mtce - Supervision & Engineering	\$ 88,020
		\$ 449,640
	Distribution Station Equipment	
5012	Ops - Station Buildings/Fixtures	\$ 18,372
5016	Ops - Distribution Station Equipment	\$ 13,978
5110	Mtce - Buildings & Fixtures	\$ 2,328
5114	Mtce - Distribution Station Equipment	\$ 111,035
		\$ 145,713
	Overhead Distribution Lines	
5020	Ops - O/H Distribution Lines & Feeders	\$ 124,627
5085	Ops - Miscellaneous Distribution Exp.	\$ 201,189
5120	Mtce - Poles, Towers, Fixtures	\$ 311,090
5125	Mtce - O/H Conductor & Devices	\$ 512,878
5130	Mtce - O/H Services	\$ 116,128
5135	Mtce - O/H Dist'n Lines & Feeders	\$ 237,591
		\$ 1,503,503
	Underground Distribution Lines	
5040	Ops - U/G Distribution Lines & Feeders	\$ 50,870
5145	Mtce - Underground Conduit	\$ 2,965
5150	Mtce - U/G Conductor & Devices	\$ 21,469
5155	Mtce - Underground Services	\$ 81,747
		\$ 157,051
	Distribution Transformers	
5035	Ops - Overhead Transformers	\$ 387,657
5055	Ops - Underground Transformers	\$ 28,480
5160	Mtce - Line Transformers	\$ 106,899
		\$ 523,036
	Distribution Meters	
5065	Ops - Meter Expense	\$ 224,025
5175	Mtce - Meters	\$ 24,300
		\$ 248,325
	Utilization, Operation and Maintenance	
5070	Ops - Customer Premises	\$ 11,326
5195	Mtce-Installs Customer Premises	\$ 2,461
5410/5415	Community Relations	\$ 41,950
		\$ 55,737
		\$ 3,083,005

HALDIMAND COUNTY HYDRO INC.		
2006 OPERATING BUDGET		
<i>BILLING and COLLECTING EXPENSES</i>		
		HCHI
	Supervision	
5305	Billing & Collecting Supervision	\$ 139,342
	Meter Reading	
5310	Meter Reading Expense	\$ 332,684
	Customer Billing	
5315	Customer Billing	\$ 529,965
	Collecting	
5320	Collecting	\$ 243,654
		\$ 243,654
	Miscellaneous	
5340	Misc. Customer Account Expense	\$ 192,035
		\$ 1,437,681

HALDIMAND COUNTY HYDRO INC.		
2006 OPERATING BUDGET		
GENERAL ADMINISTRATION EXPENSES		
		HCHI
	Board of Directors	
5605	Board of Directors	\$ 88,091
	Management Salaries and Expenses	
5610	Management Salaries and Expenses	\$ 567,998
	Administrative Salaries and Expenses	
5615	Administrative Salaries and Expenses	\$ 349,504
	Office	
5620	Office Expenses	\$ 111,681
	Professional Fees	
5630	Outside Services	\$ 275,106
	Property Insurance	
5635	Property Insurance	\$ 15,465
	Miscellaneous	
5655/5665	Miscellaneous (Regulatory)	\$ 122,912
6105	Taxes Other Than Income Taxes	\$ 63,772
		\$ 186,684
		\$ 1,594,529
AMORTIZATION and INTEREST EXPENSES		
	Amortization	
5705	Amortization - Distribution	\$ 2,145,674
5706	Amortization - General Plant	\$ 323,136
		\$ 2,468,810
	Interest	
6005	Bank Charges and Interest	\$ 951,315

HALDIMAND COUNTY HYDRO INC.	
2007 OPERATING BUDGET	
<i>SUMMARY</i>	
	HCHI
Distribution Service Revenue	\$ 12,058,950
Other Operating Revenue	\$ 1,177,502
<i>Total Revenue</i>	\$ 13,236,452
Operating and Maintenance	\$ 4,016,807
Billing and Collecting	\$ 1,288,868
General Administration	\$ 1,827,260
<i>Total Operating Expenses</i>	\$ 7,132,935
Amortization	\$ 2,387,066
<i>Income Before Interest and Taxes</i>	\$ 3,716,450
Interest	\$ 874,514
<i>Income Before Taxes</i>	\$ 2,841,936
Income Taxes	
	\$ 929,145
NET INCOME After Taxes	\$ 1,912,791

HALDIMAND COUNTY HYDRO INC.		
2007 OPERATING BUDGET		
REVENUE		
		HCHI
Distribution Service Revenue		
Transformer Allowances	\$	(114,049)
Regulator Asset Recoveries - Rate "Adders"	\$	581,372
Monthly Service Charges	\$	3,075,176
Distribution Volumetric Charges	\$	8,375,445
Distribution Wheeling Charges - Embedded Dist.	\$	89,769
"SSS" Administration Charges	\$	51,237
	\$	12,058,950
Other Operating Revenue		
Retail Service Charges	\$	34,841
Rent Property-Joint Use Poles Rentals	\$	67,856
Late Payment Interest	\$	46,800
Collection Charges	\$	310,695
Occupancy Charges	\$	75,960
Reconnection Charges	\$	42,315
Profit from Sale on Services	\$	17,333
Water and Sewer Billings	\$	340,083
Miscellaneous	\$	105,965
Interest and Dividend Income	\$	249,534
OEB Deferred Charges	\$	(113,880)
	\$	1,177,502
	\$	13,236,452

HALDIMAND COUNTY HYDRO INC.			
2007 OPERATING BUDGET			
OPERATIONS and MAINTENANCE EXPENSES			
		HCHI	
	Supervision and Engineering		
5005	Ops - Supervision & Engineering	\$ 408,245	
5105	Mtce - Supervision & Engineering	\$ 103,732	
		\$ 511,977	
	Distribution Station Equipment		
5012	Ops - Station Buildings/Fixtures	\$ 19,460	
5016	Ops - Distribution Station Equipment	\$ 19,423	
5110	Mtce - Buildings & Fixtures	\$ 3,644	
5114	Mtce - Distribution Station Equipment	\$ 98,869	
		\$ 141,396	
	Overhead Distribution Lines		
5020	Ops - O/H Distribution Lines & Feeders	\$ 113,594	
5085	Ops - Miscellaneous Distribution Exp.	\$ 175,165	
5120	Mtce - Poles, Towers, Fixtures	\$ 734,806	
5125	Mtce - O/H Conductor & Devices	\$ 542,375	
5130	Mtce - O/H Services	\$ 119,687	
5135	Mtce - O/H Dist'n Lines & Feeders	\$ 635,358	
		\$ 2,320,985	
	Underground Distribution Lines		
5040	Ops - U/G Distribution Lines & Feeders	\$ 55,320	
5145	Mtce - Underground Conduit	\$ 2,196	
5150	Mtce - U/G Conductor & Devices	\$ 37,395	
5155	Mtce - Underground Services	\$ 109,816	
		\$ 204,727	
	Distribution Transformers		
5035	Ops - Overhead Transformers	\$ 366,474	
5055	Ops - Underground Transformers	\$ 24,407	
5160	Mtce - Line Transformers	\$ 77,346	
		\$ 468,227	
	Distribution Meters		
5065	Ops - Meter Expense	\$ 199,546	
5175	Mtce - Meters	\$ 20,100	
		\$ 219,646	
	Utilization, Operation and Maintenance		
5070	Ops - Customer Premises	\$ 11,710	
5195	Mtce-Installs Customer Premises	\$ 2,340	
5410/5415	Community Relations	\$ 135,800	
		\$ 149,850	
		\$ 4,016,807	

HALDIMAND COUNTY HYDRO INC.		
2007 OPERATING BUDGET		
<i>BILLING and COLLECTING EXPENSES</i>		
		HCHI
	Supervision	
5305	Billing & Collecting Supervision	\$ 128,596
	Meter Reading	
5310	Meter Reading Expense	\$ 332,324
	Customer Billing	
5315	Customer Billing	\$ 501,821
	Collecting	
5320	Collecting	\$ 259,322
5325	Cash Over and Short	\$ -
		\$ 259,322
	Miscellaneous	
5340	Misc. Customer Account Expense	\$ 145,894
5350	RCVA Offsets	\$ (79,089)
		\$ 66,805
		\$ 1,288,868

HALDIMAND COUNTY HYDRO INC.		
2007 OPERATING BUDGET		
GENERAL ADMINISTRATION EXPENSES		
		HCHI
	Board of Directors	
5605	Board of Directors	\$ 84,279
	Management Salaries and Expenses	
5610	Management Salaries and Expenses	\$ 590,895
	Administrative Salaries and Expenses	
5615	Administrative Salaries and Expenses	\$ 425,171
	Office	
5620	Office Expenses	\$ 102,080
	Professional Fees	
5630	Outside Services	\$ 395,734
	Property Insurance	
5635	Property Insurance	\$ 17,413
	Miscellaneous	
5655/5665	Miscellaneous (Regulatory)	\$ 152,579
6105	Taxes Other Than Income Taxes	\$ 59,109
		\$ 211,688
		\$ 1,827,260
AMORTIZATION and INTEREST EXPENSES		
	Amortization	
5705	Amortization - Distribution	\$ 2,020,146
5706	Amortization - General Plant	\$ 366,920
		\$ 2,387,066
	Interest	
6005	Bank Charges and Interest	\$ 874,514
		\$ 3,261,580

HALDIMAND COUNTY HYDRO INC.	
2008 OPERATING BUDGET	
SUMMARY	
	HCHI
Distribution Service Revenue	\$ 11,983,450
Other Operating Revenue	\$ 1,251,560
Total Revenue	\$ 13,235,010
Operating and Maintenance	\$ 4,106,044
Billing and Collecting	\$ 1,317,351
General Administration	\$ 1,890,490
Total Operating Expenses	\$ 7,313,885
Amortization	\$ 2,675,982
Income Before Interest and Taxes	\$ 3,245,143
Interest	
Debentures & Term Loan - "Existing"	\$ 810,355
CIS Conversion to SAP - "New" 2008	\$ 23,225
Other - Capital Items "New" 2008	\$ 28,910
Total Interest	\$ 862,490
Income Before Taxes	\$ 2,382,653
Income Taxes	\$ 1,048,109
NET INCOME AFTER TAXES	\$ 1,334,544

HALDIMAND COUNTY HYDRO INC.	
2008 OPERATING BUDGET	
REVENUE	
	HCHI
Distribution Service Revenue	
Transformer Allowances	\$ (77,957)
RAR's and Smart Meters - Rate "Adders"	\$ 141,509
Monthly Service Charges	\$ 3,115,449
Distribution Volumetric Charges	\$ 8,658,748
Distribution Wheeling Charges - Embedded Dist.	\$ 81,912
"SSS" Administration Charges	\$ 63,789
	\$ 11,983,450
Other Operating Revenue	
Retail Service Charges	\$ 34,879
Rent from Property - Joint Use of Poles Rentals	\$ 69,196
Late Payment Charges	\$ 60,000
Collection Charges	\$ 271,605
Occupancy Charges	\$ 81,000
Reconnection Charges	\$ 59,640
Profit from Sale on Services	\$ 19,817
Water and Sewer Billings	\$ 353,178
Miscellaneous	\$ 44,284
Interest and Dividend Income	\$ 284,736
OEB Deferred Charges	\$ (26,775)
	\$ 1,251,560
	\$ 13,235,010

HALDIMAND COUNTY HYDRO INC.		
2008 OPERATING BUDGET		
<i>OPERATIONS and MAINTENANCE EXPENSES</i>		
		HCHI
	Supervision and Engineering	
5005	Ops - Supervision & Engineering	\$ 490,719
5105	Mtce - Supervision & Engineering	\$ 111,144
		\$ 601,863
	Distribution Station Equipment	
5012	Ops - Station Buildings/Fixtures	\$ 16,864
5016	Ops - Distribution Station Equipment	\$ 15,492
5110	Mtce - Buildings & Fixtures	\$ 3,000
5114	Mtce - Distribution Station Equipment	\$ 126,814
		\$ 162,170
	Overhead Distribution Lines	
5020	Ops - O/H Distribution Lines & Feeders	\$ 88,985
5085	Ops - Miscellaneous Distribution Expense	\$ 176,688
5120	Mtce - Poles, Towers, Fixtures	\$ 694,662
5125	Mtce - O/H Conductor & Devices	\$ 804,198
5130	Mtce - O/H Services	\$ 150,490
5135	Mtce - O/H Dist'n Lines & Feeders - Right of Way	\$ 566,985
		\$ 2,482,008
	Underground Distribution Lines	
5040	Ops - U/G Distribution Lines & Feeders	\$ 55,462
5145	Mtce - Underground Conduit	\$ 896
5150	Mtce - Underground Conductor & Devices	\$ 28,466
5155	Mtce - Underground Services	\$ 90,000
		\$ 174,824
	Distribution Transformers	
5035	Ops - Overhead Transformers	\$ 238,125
5055	Ops - Underground Transformers	\$ 13,086
5160	Mtce - Line Transformers	\$ 148,790
		\$ 400,001
	Distribution Meters	
5065	Ops - Meter Expense	\$ 206,119
5175	Mtce - Meters	\$ 23,700
		\$ 229,819
	Utilization, Operation and Maintenance	
5070	Ops - Customer Premises	\$ 11,833
5195	Mtce - Other Installs on Customer Premises	\$ 346
5410	Community Relations	\$ 25,180
		\$ 37,359
	C&DM Activities	
5415	CDM Activities	\$ 18,000
		\$ 18,000
		\$ 4,106,044

HALDIMAND COUNTY HYDRO INC.			
2008 OPERATING BUDGET			
<i>BILLING and COLLECTING EXPENSES</i>			
			HCHI
	Supervision		
5305	Billing & Collecting Supervision	\$	146,291
	Meter Reading		
5310	Meter Reading Expense	\$	303,220
	Customer Billing		
5315	Customer Billing	\$	559,895
	Collecting		
5320	Collecting	\$	242,705
		\$	242,705
	Miscellaneous		
5340	Misc. Customer Account Expense	\$	149,117
5350	RCVA Offsets	\$	(83,877)
		\$	65,240
		\$	1,317,351

HALDIMAND COUNTY HYDRO INC.		
2008 OPERATING BUDGET		
GENERAL ADMINISTRATION EXPENSES		
		HCHI
	Board of Directors	
5605	Board of Directors	\$ 74,018
	Management Salaries and Expenses	
5610	Management Salaries and Expenses	\$ 618,664
	Administrative Salaries/Regulatory/IT Support	
5615	Administrative Salaries and Expenses	\$ 402,532
5615	IT Salaries and Expenses	\$ 95,670
		\$ 498,202
	Office	
5620	Office Expenses	\$ 102,164
	Professional Fees	
5630	Outside Services	\$ 393,669
	Property Insurance	
5635	Property Insurance	\$ 17,935
	Miscellaneous	
5655/5665	Regulatory & Miscellaneous	\$ 132,460
6105	Taxes Other Than Income Taxes	\$ 53,378
		\$ 185,838
		\$ 1,890,490
AMORTIZATION and INTEREST EXPENSES		
	Amortization	
5705	Amortization - Distribution	\$ 2,026,661
5706	Amortization - General Plant	\$ 585,608
5706	Amortization - Vehicles	\$ 156,004
5715	Amortization - Contributed Capital	\$ (92,291)
		\$ 2,675,982
	Interest	
6005	Bank Charges and Interest	\$ 810,355
		\$ 3,486,337

HALDIMAND COUNTY HYDRO INC.	
2009 OPERATING BUDGET	
SUMMARY	
	HCHI
Distribution Service Revenue	\$ 11,633,896
Other Operating Revenue	\$ 1,182,552
Non-Utility Revenue	\$ 35,000
Total Revenue	\$ 12,851,448
Operating and Maintenance	\$ 4,094,597
Billing and Collecting	\$ 1,354,223
General Administration	\$ 2,031,564
Total Operating Expenses	\$ 7,480,384
Amortization	\$ 2,818,560
Income Before Interest and Taxes	\$ 2,552,504
Interest	
Bank Charges, Interest on Long-Term Debt and Interest Miscellaneous	\$ 1,056,758
Total Interest	\$ 1,056,758
Income Before Taxes	\$ 1,495,746
Income Taxes	\$ 493,597
NET INCOME AFTER TAXES	\$ 1,002,149

HALDIMAND COUNTY HYDRO INC.		
2009 OPERATING BUDGET		
REVENUE		
		HCHI
Distribution Service Revenue		
Transformer Allowances		(95,362)
RAR's and Smart Meters - Rate "Adders"		(188,436)
Monthly Service Charges		3,252,768
Distribution Volumetric Charges		8,544,118
Distribution Wheeling Charges - Embedded Dist.		56,320
"SSS" Administration Charges		64,488
		\$ 11,633,896
Other Operating Revenue		
Retail Service Charges		33,288
Rent from Property - Joint Use of Poles Rentals		107,197
Late Payment Charges		60,000
Collection Charges		259,125
Occupancy Charges		81,000
Reconnection Charges		52,200
Profit from Sale on Services		10,100
Water and Sewer Billings		359,823
Miscellaneous		63,140
Interest and Dividend Income		67,548
OEB Deferred Charges		89,131
		\$ 1,182,552
Non-Utility Revenue		
OPA CDM Management Fee & Bonus		35,000
		\$ 35,000
		\$ 12,851,448

HALDIMAND COUNTY HYDRO INC.			
2009 OPERATING BUDGET			
<i>OPERATIONS and MAINTENANCE EXPENSES</i>			
			HCHI
	Supervision and Engineering		
5005	Ops - Supervision & Engineering		492,414
5105	Mtce - Supervision & Engineering		125,994
		\$	618,408
	Distribution Station Equipment		
5012	Ops - Station Buildings/Fixtures		19,000
5016	Ops - Distribution Station Equipment		17,334
5110	Mtce - Buildings & Fixtures		3,952
5114	Mtce - Distribution Station Equipment		86,215
		\$	126,501
	Overhead Distribution Lines		
5020	Ops - O/H Distribution Lines & Feeders		115,403
5085	Ops - Miscellaneous Distribution Expense		186,655
5120	Mtce - Poles, Towers, Fixtures		637,848
5125	Mtce - O/H Conductor & Devices		848,105
5130	Mtce - O/H Services		151,442
5135	Mtce - O/H Dist'n Lines & Feeders - Right of Way		564,461
		\$	2,503,914
	Underground Distribution Lines		
5040	Ops - U/G Distribution Lines & Feeders		57,554
5145	Mtce - Underground Conduit		9,574
5150	Mtce - Underground Conductor & Devices		37,325
5155	Mtce - Underground Services		108,412
		\$	212,865
	Distribution Transformers		
5035	Ops - Overhead Transformers		212,380
5055	Ops - Underground Transformers		15,186
5160	Mtce - Line Transformers		166,502
		\$	394,068
	Distribution Meters		
5065	Ops - Meter Expense		152,328
5175	Mtce - Meters		25,366
		\$	177,694
	Utilization, Operation and Maintenance		
5070	Ops - Customer Premises		13,127
5195	Mtce - Other Installs on Customer Premises		2,048
5410	Community Relations		45,972
		\$	61,147
		\$	4,094,597

HALDIMAND COUNTY HYDRO INC.			
2009 OPERATING BUDGET			
<i>BILLING and COLLECTING EXPENSES</i>			
			HCHI
	Supervision		
5305	Billing & Collecting Supervision	\$	142,969
	Meter Reading		
5310	Meter Reading Expense	\$	280,668
	Customer Billing		
5315	Customer Billing	\$	580,156
	Collecting		
5320	Collecting		250,781
		\$	250,781
	Provision for Bad Debts		
5335	Bad Debt Expense	\$	30,000
	Miscellaneous		
5340	Misc. Customer Account Expense		144,061
5350	RCVA Offsets		(74,412)
		\$	69,649
		\$	1,354,223

HALDIMAND COUNTY HYDRO INC.		
2009 OPERATING BUDGET		
GENERAL ADMINISTRATION EXPENSES		
		HCHI
	Board of Directors	
5605	Board of Directors	\$ 71,428
	Management Salaries and Expenses	
5610	Management Salaries and Expenses	\$ 638,854
	Administrative Salaries/Regulatory/IT Support	
5615	Administrative Salaries and Expenses	\$ 425,220
5615	IT Salaries and Expenses	\$ 99,589
		\$ 524,809
	Office	
5620	Office Expenses	\$ 106,564
	Professional Fees	
5630	Outside Services	\$ 474,703
	Property Insurance	
5635	Property Insurance	\$ 18,844
	Miscellaneous	
5655/5665	Regulatory & Miscellaneous	\$ 144,425
6105	Taxes Other Than Income Taxes	\$ 51,937
		\$ 196,362
		\$ 2,031,564
AMORTIZATION and INTEREST EXPENSES		
	Amortization	
5705	Amortization - Distribution	\$ 2,190,696
5706	Amortization - General Plant	\$ 550,824
5706	Amortization - Vehicles	\$ 183,924
5715	Amortization - Contributed Capital	\$ (106,884)
		\$ 2,818,560
	Interest	
6005	Bank Charges and Interest	\$ 1,056,758
		\$ 3,875,318

HALDIMAND COUNTY HYDRO INC'S 2010 RATE APPLICATION
EB-2009-0265
INTERROGATORIES OF
THE VULNERABLE ENERGY CONSUMERS COALITION

APPENDIX D
OPA Every Kilowatt Counts
Program Calculators
“Executive Summaries”
(2006 and 2007)



Residential Education and Coupon Incentive ("Every Kilowatt Counts") Program

Spring 2006

Final Report

December 8, 2006

Prepared by:

The MEARIE Group

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I. EXECUTIVE SUMMARY

This is the Final Report on the "Every Kilowatt Counts" (EKC) Spring 2006 Program. An Interim Progress Report providing details on the review of the program implementation processes was completed on June 30, 2006.

The EKC Spring 2006 Program is a residential education and coupon incentive campaign of the Ontario Power Authority (OPA). It had the following goal and objectives:

A. Goal:

- Provide homeowners and tenants with the necessary tools to save energy and have a positive impact on the environment by implementing "easy-to-do and low cost" programs.

B. Objectives:

- Provide homeowners with information on easy-to-do conservation activities within their home or apartment.
- Provide meaningful incentives to homeowners and tenants to take action on one or more of the easy-to-do actions identified in the Program.

For maximum reach, the primary education medium used was a Direct Mail package that was distributed using billing addresses from LDCs. The campaign period ran from May to August 2006. Evaluation and reporting were conducted subsequently.

Based on the Total Resource Cost (TRC) analysis, the Program achieved over \$33.5 Million of net benefits and the benefit cost ratio is 4.46. The demand reduction and lifetime energy savings are as follows:

Measure	Target	Actual
Demand Reduction	8.8 MW	0.9 MW
Lifetime Energy Savings	742,000 MWh	713,605 MWh

The budget cost of the Program was \$12.6 Million. The actual cost is 33% below the budget and is \$ 8.4 Million. With the Ontario Energy Board (OEB) TRC Guide assuming CFLs having no impact on summer peak demand reduction, the demand reduction achieved is only 0.9 MW according to the guide even though 483,000 CFL coupons were redeemed. The lifetime energy savings achieved is 713,605 MWh.

A total of 3,000 people were surveyed in the pre- and post-program surveys. As could be gleaned from Section K of the Program Results

chapter of this report, the results of the surveys confirmed that there is a measurable positive improvement in conservation awareness after the Program.

The Program was managed within very aggressive timelines. The design, production and delivery of 4.58 Million addressed direct mail packages to homeowners and tenants were completed on June 7, 2006, less than three months after the Program was kicked off on March 15, 2006.

The project team recruited the participation of:

- 80 LDCs representing 97% of residential customers in Ontario,
- 2,108 retail stores (17 chains, 34 independents)
- 18 manufacturers.

The resources of these partners were leveraged and the partners were mobilized.

Pre-program and post-program surveys were conducted in April and June 2006, respectively, each with 1,500 respondents. The results of the post-program survey were compared with those from the pre-launch survey to assess the impact of the Program, with respect to both awareness and energy savings.

Coupon redemption data were tracked on a weekly basis and questionable coupons and redemptions were reported to the Steering Committee.

An Interim Process Review was conducted on June 15, 2006 to assess program implementation processes and to determine what can be done for the remainder of the Program.

A total of 549,385 coupons were redeemed, which is 62% higher than the ambitious target of 344,000 coupons. However, while the overall number of coupons exceeded target, coupons for the mix of products that were redeemed were different from what was anticipated.

The redemption results for the products are shown in the table below:

Product	Target Participation	Actual Participation	Target Coupons	Actual Coupons
CFL	5.00%	10.55%	215,000	483,132
Timer	1.25%	0.82%	53,750	37,518
Thermostat	1.25%	0.36%	53,750	16,320
Ceiling Fan	0.50%	0.27%	21,500	12,415
Total			344,000	549,385

Given the accomplishments and results achieved relative to the goal and objectives set forth, it can be declared that the EKC Spring 2006 Campaign was successful. As such, it is recommended that the OPA continue with this type of education and incentive program.

Based on feedback from suppliers and participants, lessons learned from the Program were documented and the key ones are as follows:

- There is a need to encourage retailers to increase their level of participation; e.g., teams of representatives can be deployed to focus on education and encourage customers to purchase energy efficient products at the stores.
- There were more in-store coupons redeemed (85.51%) than those from the mail (14.49%). As such, to further increase the level of coupon redemption, the retailer component of the Program should be enhanced.
- The redemption of CFL coupons was well above target. On the other hand, the redemption of coupons for the timers, thermostats and ceiling fans were below target. Additional research on the current market penetration, the potential market penetration and the appropriate incentive level may be warranted.
- Depending on the product/retailer, discussions with retailers should happen well in advance; say, 6-12 months, in order to gain maximum support and ensure adequate stock of products on the shelf.
- The brochure should provide greater focus on the products and incentives. It was suggested that coupons be made more visible, either on the back of the booklet or on individual product pages rather than just centre spread.
- There is a need to increase program visibility by increasing the frequency of advertisements. As well, at least one month lead time should be provided for the placement of advertisements, particularly for radio advertisements.
- The printing and mailing of overprints (extra unaddressed booklets) for LDCs should be done before mailing out packages to prime the LDC staff and call centre.
- Given the problems encountered at the redemption house (e.g., coupons submitted with no franking and duplicate receipts), there is a need for a tighter process to ensure that retailer stores follow the established procedures for processing coupons and making claims for redeemed coupons.
- The Program website should be more educational/interactive and not just be a brochureware.

Inputs and feedback from suppliers and partners have been solicited throughout the project. Their key suggestions for future programs are as follows:

- The retail component of the EKC Program should be enhanced further. For example, retailers could provide a temporary sales force for enhanced in-store support and be trained to maximize use of the coupons.
- More emphasis should be given to in-store advertising and point-of-sale (POS) or point-of-purchase (POP) promotions.
- All suppliers should be required to provide a Quality Control Plan. There is also a need to secure budget for engaging the services of a third party quality controller to conduct the audits.
- Financial incentives should be provided to LDCs to participate in and organize local PR events.
- LDCs should be given more time to prepare for supporting activities and coordinate the Program with their own Conservation and Demand Management (CDM) initiatives.
- Use of television and magazine advertising to support the Program should be explored.



Every Kilowatt Counts

**Fall 2006 Program Report - Highlights
March 2007**

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1.0 Executive Summary

The Every Kilowatt Counts program is an educational and incentive based initiative targeting residential customers across Ontario. This program was intended to raise awareness of conservation opportunities by identifying products sold at many stores that could reduce electricity use. Programs such as this use the credibility of the utility and government sector to tell the public what products work, and the efficiency of the retail sector to distribute those products. It is very much a mass market approach to energy efficiency.

In April 2006, the Ontario Power Authority (OPA) launched the Every Kilowatt Counts (EKC) campaign to enhance the culture of energy conservation to the province. The program ran from May to August and the OPA mailed booklets to every household in the province in April and May. These booklets contained information on how households could become more energy efficient through the purchase of products that are designed to save energy. The booklets also contained discount coupons for many of these products and these coupons could be redeemed through 1800 participating retailers. In addition, there was radio and print advertising promoting the program. In total, over 549,000 coupons were redeemed and the lifetime energy savings related to the program topped more than 713,000 MWh (Megawatt hours).

On October 1st, the OPA launched the Fall 2006 EKC initiative, running in the months of October and November. The program was similar in nature to the spring, with booklets mailed out to all households (over 4.65 million) in Ontario. Booklets were mailed out in a span of 8 business days at the beginning of October with all booklets reaching customers just after the Thanksgiving weekend. Similar to the spring, the booklet contained more energy savings information and featured products that were more specific to the winter heating season. Advertising, promotion and public relations were undertaken as well, at about the same level as the spring program.

Program Goal: The Goal of the program was to provide all residential households with the right information to use electricity more efficiently and encourage customers to purchase energy efficient products that would help them take greater control of their electricity consumption.

Program Objectives:

1. Provide every Ontario household with information on easy-to-do conservation activities within their house or apartment.
2. Achieve energy and demand savings by providing meaningful financial incentive to homeowners and tenants to undertake one or more easy-to-do energy saving actions.

The Products: The products promoted were:

ENERGYSTAR qualified Compact Fluorescent Lights (CFLs);
Seasonal LED holiday lights (strings of 50 bulbs or more);
Dimmer Switches;
Motion Sensor switches; and,
Programmable Thermostats (PStats).

For the Fall campaign, PStats for electric baseboards were introduced to further focus on electricity savings.

Key Results:

Deliverable	Target	Actual
Participating LDC's	90	80
Participating retailers	34	34
Retail stores visited for training & merchandising	1500	1304
Direct Mail Coverage of customers	100%	99.5%
Total Coupons Redeemed	418,500	1,108,680
Summer Peak Demand Reduction (MW)	0.36	3.3
Winter Peak Demand Reduction (MW)	18.5	43.9
Life time MWh savings (GW.h)	465	1350
Total Resource Cost Test		\$80.74M
Budget total	\$5.27 M	\$10.44M
Fixed costs	\$4.8M	\$5.18
Rebate costs	\$1.75M	\$5.19

It is clear that the overwhelming response by customers to the program had a significant effect on the overall results. An increase of 265% over redemption forecast positively impacted both demand reduction and lifetime energy savings – but also increased budget costs attributable to higher redemption costs. An increase over the fixed budget can be mainly attributed to increased printing costs for the program. This increase was due, in part, to the greater number of participating retailers, the customized development of the point of sale material and associated printing costs.

Operations: Energyshop was engaged to manage the external elements of the Fall Program. Energyshop applied their knowledge and experience to increase the number of participating retailers; train retailer staff to be more knowledgeable about energy saving products and the EKC program; increase the number of participating Local Distribution Companies (LDC's) and further their involvement by increased co-op advertising and local events promotion. The Project Team worked in concert to design, produce, print and disseminate over 4.65M direct mail brochures, 20,000 bill inserts, 3,000 retailer kits and a complete media promotion / advertising campaign.

Of particular note were a number of key differences from the spring campaign that were pursued in the fall:

Retailers: Energyshop undertook a drive to increase the number of participating retailers with a target of 3000 participating outlets. To further support this important program channel, Energyshop recruited and coordinated personnel to visit retail stores to inform store staff about the Program, train retail floor staff and ensure that Program materials were displayed prominently and appropriately. Thirty-one (31) trainers were engaged and over 1200 stores were visited with many stores receiving a second mid-program visit.

In total, over 3,040 retail outlets were registered to participate in the program.

Bill Inserts: Bill inserts were offered to LDC's that were unable to provide their customer data and to twelve participating LDC's (who provided their customer data). The purpose of restricting the use of the bill inserts to select LDC's was to trial the use of bill inserts and compare the relative effectiveness of direct mail versus the use of bill inserts. In total fifteen utilities used bill inserts to further promote the program and to test the viability of bill inserts as a delivery mechanism for the program. In these jurisdictions, bill inserts were used 6.6%. Coupons from the direct mail booklet were redeemed 9.44%.

Events: The main launch for the program was conducted in Toronto and involved the participation of the Honourable Dwight Duncan, Minister of Energy. Five subsequent regional events were held across the province in support of the launch of the campaign. Mid-term events were coordinated in 8 communities across the province to encourage residential customers to exchange their old, inefficient holiday lights for new seasonal LED's. In total 3573 packages were exchanged for 4876 old, incandescent strings.

Market Research: A total of 3,000 surveys were conducted in the pre and post market research studies. Overall, the research demonstrates the positive impact of these types of campaigns and that energy conservation is beginning to take hold in the minds of Ontarians. Research was conducted in September and December with the results being compared between the pre and post surveys.

Coupon Redemption: Redemption tracking and reporting was conducted on a weekly basis

and incorporated the extrapolation of data to gauge progress. In total, over 1.1 million coupons were redeemed, eclipsing the program target by 265%. While it was anticipated that Compact Fluorescent and seasonal LED lights would be the leaders in coupon redemption, redemptions for programmable thermostats (PStats)– specifically baseboard thermostats – was the surprise hit of the campaign. The overall results for each product were:

PRODUCT	TARGET	ACTUAL	% CHANGE
CFLs	250000	539203	215.70%
SEASONAL LIGHTS	150000	477612	318.40%
PSTAT's	5500	50536	918.80%
DIMMER SWITCH	5000	24895	479.90%
MOTION SENSOR	5000	8933	178.70%
BASEBOARD PSTAT	3000	7501	250%
TOTAL	418500	1108680	265.00%

It is also important to note that CFL's, which are largely sold in multi-packs, were found to average 3.68 bulbs per coupon (or package) translating into over 1.98 M bulbs sold through the program.

Based on these results, and the overall accomplishments of the campaign, it is clear that the 2006 Fall EKC campaign was a success and the opportunity for the continuance of similar future programs is well supported.

Lessons Learned: A post campaign session was held for all project team members to review the program from a logistical and process standpoint. The session explored both the successes associated with the campaign and the challenges that were encountered. The key lessons learned were:

1. Develop a fundamental creative concept early in the critical path;
2. Develop a dynamic team model of 4-5 key members and specialize team meetings;
3. Engage LDCs through workshops and meetings;
4. Improve communications with retailers and suppliers;
5. Engage printers at onset;
6. Develop an events calendar for internal/marketplace understanding;
7. Provide buffer time for printing and mailing;
8. Provide program knowledge for trainers;
9. Conduct on the ground research (e.g. mystery shopping/transactional data);
10. Link public relations and marketing into a sub-group for program messaging;
11. Communicate timelines with all parties involved;
12. Re-visit stores and enhance relationship between retailers and trainers;
13. Engage local media in process;
14. Address information gap at point-of-sale; and
15. Enhance community relations through education with retailers and communication with LDCs.

In addition project team members provided the following additional recommendations:

- **Communications and Messaging:** The group suggested that communications and messaging be improved by determining priorities for program delivery. The engagement of city governments and library channels could be pursued to further support the program and reinforce the educational elements of the program within communities. In addition, developing an OPA strategic relations/communications plan with LDCs six to twelve months in advance was identified as a key improvement.
- **Timing:** Participants suggested elasticity be built into the process in order to absorb outside forces impacting the program. Timing of mailing can be alleviated by coordinating a date for simultaneous mail out.

- **LDCs:** Participants indicated that a follow-up survey with LDCs would provide valuable program research. In addition, participants suggested further co-op funding for LDCs be awarded on a performance basis.
- **Retailers:** The group provided several suggestions to improve the retailer component of EKC including addressing retailer limitations to adjust their marketing plans on short notice and expanding the methods of submission delivery via couriers. Furthermore, considerations were put forward regarding the selection and focus of a primary list of retailers to leverage value-added features. Participants suggested bridging head-office/retailer gap for coupon redemption and contact information for consistency in coupon franking and tracking.

Strategic Recommendations for Future Programs: The strategy for the EKC Program should reflect the objective of the OPA to foster a “culture of conservation” through the leveraging of the mass merchandise retail channel. The goal should be to involve as many retail stores as practical in order to maximize both product sales and public education. It should leverage the promotional power of retailers and the marketing strengths of manufacturers and continue to encourage the purchase and application of energy saving products and technologies. While product sales will directly affect electricity use, the customer mailer, mass communication and in-store point-of-sale materials will both cause sales and advance the culture of conservation.

Based on its experience with the Fall 2006 EKC campaign, and other similar initiatives, Energyshop’s strategic recommendations for future programs are:

1) Plan as far in advance as possible

Retailers have very long lead times because:

- a) Many, if not most of their mass market products come from off-shore; and,
- b) They plan their flyer advertising long in advance. Major retailers know what they are discounting 8-12 months in advance and some have flyers and pricing complete 6 months in advance.

Manufacturers have the budget to support this type of Program through the retailers, and the retailers demand much of them. However, they have annual budgets that are in many cases allocated a year in advance.

2) Shift the product discounting responsibility for established products to the retailers and manufacturers

Coupon values can be reduced for 3 reasons

- a) Retailers are now convinced of the impact of the Program.
- b) The fact that the OPA and the LDCs have a Program promoting a product is enough to motivate the consumer. It is the recommendation that attracts attention.
- c) Several products, like CFLs and SLEDs (seasonal LED lights) are becoming well established.

The point is that the amount of the incentive has much less impact on sales than the credibility of the utility industry. The spring 2006 incentives were designed and successfully implemented to get the attention of retailers and consumers alike. The Fall 2006 coupon values were adjusted downward (where appropriate – ex: CFL incentive changed from \$5 to \$3) to match the changes in the market. Incentive levels were also set to ensure that the price paid by consumers would be meaningful in that they were purchasing to use the product and not because of a low, trivial cost.

It is recommended that the OPA continue to lower incentives for established products in 2007 and begin to work with retailers / manufacturers to allow market forces to create competitive and special pricing in 2008.

3) Concentrate OPA discounts on new and effective products that are early in their product or acceptance life cycle.

The OPA has an opportunity to significantly shorten the introductory phase of the product life cycle for selected products, making under utilized products mainstream and creating a welcome environment for manufacturers and retailers to introduce new products. This was started in the Fall 2006 Program with baseboard programmable thermostats. While these are not new products, there is very low awareness and market penetration.

4) Focus seasonal Programs on seasonal products.

The 2007 spring Program should concentrate on products that reduce summer peak demand. Given the summer peak time of 2 pm to 6 pm, the residential sector contributes to this peak with air conditioning, cooking, refrigeration and miscellaneous load, a substantial portion of which is standby power for electronics (Source, Lawrence Berkeley Labs, 1999). This suggests products such as ceiling fans, PStats, and maybe furnace filters.

The 2007 Fall Program should concentrate on the winter peak period of 4 pm to 8 pm, and occasionally late at night on the coldest days of the year. This is driven by electric space

heating, extensive HVAC fan operation on fossil fuel heating systems and the coincidence in the 5-7 pm period of commercial/retail lighting with residential lighting and food preparation. This suggests an emphasis on multiple types of lighting, PStats (especially baseboard) and electricity measurement devices.

Campaigns should find opportunities to work with retailers such as Home Depot and CTC to incorporate the Program into their "Eco Options" and "Advance Green" Programs.

**FINAL EVALUATION REPORT:
2007 EVERY KILOWATT COUNTS
PROGRAM**

Presented to



Ontario Power AuthorityTM

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EXECUTIVE SUMMARY

The 2007 Every Kilowatt Counts (EKC) program was a province-wide education and incentive program targeted at Ontario's residential households. The goal of the program was to provide Ontario homeowners and tenants with the necessary tools and information to save electricity and to have a positive impact on the environment by inducing customers to implement 'easy to do' and 'low cost' energy saving measures. The program had two campaigns – one in the spring and another in the fall:

- **Spring Campaign** – The products for which discount coupons were provided in the Spring campaign included Energy Star® qualified compact fluorescent lights (CFLs), Energy Star® qualified ceiling fans, pleated fabric or electrostatic furnace filters, off outdoor solar lights, outdoor motion detectors, lighting products and dimmer switches
- **Fall Campaign** – The products for which coupons were provided in the Fall campaign were Energy Star® qualified CFLs, seasonal LED (SLED) light strings, appliance/lighting control products (timers, dimmers and motion sensors), baseboard programmable thermostats, Residential T-8 lights and fixtures, power bars with integrated timers and Energy Star® qualified residential light fixtures.

The program was supported by a media campaign, in-store point of purchase material, a program website, a toll-free hotline, as well as local promotion by LDCs.

The estimated gross and net energy and demand savings for the 2007 EKC program is summarized below.

Table 1: 2007 EKC Program Impact

	Annual Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Winter Peak Demand Savings (MW)	Summer Peak Demand Savings (MW)
Gross	187	1,476	51	7
Net	132	1,060	37	5

Based on results from Navigant Consulting's Monte Carlo simulation of the potential variability in key input parameters, there is 90% confidence that the net annual energy savings were at least 123 GWh and the net summer demand reduction was at least 4.6 MW.

The 2007 EKC program was cost-effective under both the Total Resource Cost and the Program Administrator Cost tests. Under the Total Resource Cost test, the net benefits created by the 2007 EKC program were estimated to be \$37 million and the benefit / cost ratio was estimated to be 2.5 / 1, with 90% confidence that the net benefits were at least \$27 million and that the benefit / cost ratio for the program was at least 2.1 / 1.

Only three of the products promoted through the 2007 EKC program were found to have a benefit / cost ratio less than one. The three products – furnace filters, outdoor solar lights, and SLEDs – were found to have benefit / cost ratios of 0.7, 0.2 and 0.9 respectively. Note that the overall impact of these measures on the overall cost-effectiveness of the program was not significant. Excluding these measures, the net benefits would increase from approximately \$37 million to \$38 million.

The program was found to provide a net benefit of approximately \$25 million under the Program Administrator Cost test. In simple terms, the OPA's "investment" in the 2007 EKC program is expected to realize 1,060 GWh of energy savings over the life of the various measure implemented at a cost of approximately 1.7 cents per kWh.

Overall, there were over three million products purchased as a result of the program, with more than 75% of these products being CFLs.

More than three-quarters of all EKC CFL coupon redeemers felt that their CFL had helped improve the environment and helped them save energy, and more than two-thirds felt that their CFL had helped save them money. This suggests there is a somewhat stronger linkage in consumers' minds between CFLs and the environment than between CFLs and saving money. It also suggests that consumers' actions related to relatively low cost products such as those promoted through the 2007 EKC program can be driven as much or more by environmental considerations than by economic or financial considerations.

Outside the direct impact from EKC product purchases, participants also reported increased awareness of no and low-cost energy savings opportunities due to the program.

It is interesting to note that 2007 EKC program participants were seven times as likely as non-participants to have purchased Energy Star® appliances in 2007. Similarly, EKC CFL coupon redeemers were eleven times more likely to have purchased Energy Star® appliances in 2007 than those who did not redeem EKC CFL coupons. Whether these differences are due to the 2007 EKC program or whether they simply reflect a greater propensity for consumers who purchase Energy Star® appliances to participate in programs like the 2007 EKC program is not known.