



74 Commerce Crescent
P.O. Box 3240
North Bay, Ontario
P1B 8Y5

Tel. (705) 474-8100
Fax: (705) 495-2756 Administration
Fax: (705) 474-3138 Engineering/Purchasing
Fax: (705) 474-8579 Customer Services/Accounting
Fax: (705) 474-4634 Operations

March 1, 2010

Delivered by Courier

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

Attention: Kirsten Walli
Board Secretary

Re: North Bay Hydro Distribution Limited (EB-2009-270)
2010 Electricity Distribution Rate (Cost of Service) Application
Responses to 2nd Round Supplemental Interrogatories

Dear Ms. Walli:

Please find attached a complete copy of the Energy Probe's second round of supplemental interrogatory responses.

In accordance with Procedural Order No. 2, two hard copies of this submission will be sent via courier. An electronic copy of the submission in PDF format will be submitted through the Ontario Energy Board's Regulatory Electronic Submission System.

An electronic copy of the submission in PDF format will be forwarded via email to the Intervenor as follows:

Energy Probe

- a) David MacIntosh, Energy Probe
- b) Randy Aiken, Aiken & Associates

Donald Rennick

- a) Donald Rennick, Independent Participants

School Energy Coalition

- a) John De Vellis, Shibley Righton LLP
- b) Wayne McNally, Ontario Education Services Corporation

Vulnerable Energy Consumers Coalition

- a) Michael Buonaguro, Public Interest Advocacy Centre
- b) William Harper, Econalysis Consulting Services Inc.

These responses are respectfully submitted for the Board's review and consideration.

Sincerely,

Original signed by

Cindy Tennant
Finance Manager
North Bay Hydro Distribution Limited
(705) 474-8100 (310)

**NORTH BAY HYDRO DISTRIBUTION LTD.
2010 RATE APPLICATION
EB-2009-0270
ENERGY PROBE – INTERROGATORIES 2nd ROUND**

Note: Numbering follows from the initial round of interrogatories.

Interrogatory # 29

Ref: Energy Probe Interrogatory #1

Given the additional time since the responses to the interrogatories were filed, does North Bay Hydro now have any estimate of the amount of the provincial retail sales tax included in the 2010 OM&A and/or capital expenditures or any estimate of the actual amount paid in any previous year? If yes, please provide the information.

Response:

North Bay Hydro does not have an estimate of the amount of the provincial retail sales tax included in the 2010 OM&A and/or capital expenditures or any estimate of the actual amount paid in any previous year at this time. The provincial sales tax paid is part of the landed cost of materials that is expensed to OM&A and capital either through inventory or direct purchases. It would be a manual time consuming task to determine the provincial sales tax that is embedded in theses actual and estimated OM&A and capital expenditures.

Interrogatory # 30

Ref: Energy Probe Interrogatory #2

Is the \$6,000 related to the provision of any specific service from North Bay Hydro Holdings Limited? If so, please elaborate.

Response:

Some of the services provided by North Bay Hydro Holdings Limited for the \$6,000 expense include:

- Recruitment and appointment of Directors for NBHDL's Board
- Approving large capital expenditures greater than \$2 Million
- Approving material changes in NBHDL's debt/equity ratio
- Review of the annual Business Plan with semi-annual updates
- Identifying synergies with City of North Bay programs or objectives
- Providing feedback on customer issues and opportunities

Interrogatory # 31

Ref: Energy Probe Interrogatory #3

The response provided is not adequate as it does not update the bill impact for the HST impact. The HST impact is the impact on the customer's bill, not the impact on the OM&A costs of the company. Please provide updated bill impacts as shown in Exhibit 8, Appendix 8-A that reflect the 9.75% ROE and an HST rate of 9% in place of the 5% GST.

Response:

Please see Appendix "A" for updated bill impacts that reflect the 9.75% ROE and an HST rate of 9% in place of the 5% GST.

Interrogatory # 32

Ref: Energy Probe Interrogatory #5

- a) Please confirm that the response to part (a) should reference Appendix A rather than Appendix B.

Response:

NBHDL confirms that the response to part (a) in Question # 5 should reference Appendix A rather than Appendix B.

- b) Please confirm that the figure of \$6,199,779 shown in Appendix A is comparable to the figure of \$8,251,981 shown in Exhibit 2, Table 2-10. If this is not the comparable figure, please indicate what the comparable figure is and where it is shown in the original evidence.

Response:

The figure of \$6,199,779 shown in Appendix A (Question 5) can be more appropriately compared to Tables 2-15 and 2-15A in the original evidence. For reference, Table 2-15 and Table 2-15A totals equal the \$8,251,981 found in Table 2-10.

- c) Please explain the variance from the original 2009 capital addition forecast to the response provided in Appendix A. In particular, please explain any major variances and whether the decrease is related to deferral of projects to 2010, deferral of projects to 2011 or after, lower cost projects, or cancelled projects.

Response:

Major variances from the original 2009 capital addition forecast to the revised projections provided in Appendix A (Question 5) are as follows:

<u>2009 Projection vs. Budget Variances:</u>	<u>Variance</u>
Projects started in 2009 and carried forward to 2010	\$ (336,726)
Projects deferred to 2010	\$ (571,112)
Lower cost projects	\$ (249,003)
Pinewood conversion and associated voltage conversion projects	\$ (878,149)
- lower contractor and electrical costs than budgeted -	
<u>Total explained variances</u>	<u>\$ (2,034,991)</u>

- d) Please provide a table that shows for each of the projects listed in the response to part (b), the total expenditures included in the 2009 budget. Please also indicate whether each of these projects will be in service by the end of 2010.

Response

The following table shows for each of the projects listed in the response to part (b) (Question 5), the total expenditures included in the 2009 budget:

Project Description	Total Projections - 2009	Total Budget 2009 (per original submission)	Variance
- Major Betterments -			
Copeland St. - 44 kV Loadbreak Switch	35,277	-	35,277
Hwy 11 North - Thibeault Hill	18,044	-	18,044
- Voltage Conversion -			
Timmins / Nipissing - Rebuild	252,111	412,383	(160,272)
Norwood - Rebuild	113,430	145,194	(31,763)
McPhail - Rebuild	46,925	88,316	(41,392)
King St. W - Rebuild	19,710	25,263	(5,553)
Percy - Rebuild	18,105	42,685	(24,579)
Front - Rebuild	11,213	56,501	(45,288)
MS#4 Conversion	5,585	86,784	(81,199)
Totals	520,399	857,125	(336,726)

Each of the projects listed within this table will be in service by the end of 2010.

- e) Based on the capital expenditures shown in the response at Appendix A, what is the amount of work-in-progress at the end of 2009?

Response:

Based on the capital expenditures shown in the response at Appendix A (Question 5), the amount of work-in-progress at the end of 2009 is \$520,399.

- f) What is the estimated amount of contributions and grants that is included in the total asset additions of \$6,199,779 shown in Appendix A?

Response:

The estimated amount of contributions and grants included in the total asset additions of \$6,199,779 shown in Appendix A (Question 5) is \$978,973.

Interrogatory # 33

Ref: Energy Probe Interrogatory #9

Please provide the information as requested in interrogatory #9 for the equation as shown in the response to part (a) but with the addition of the trend variable.

Response:

The following provides the same information as requested in interrogatory #9 for the equation as shown in the response to part (a) but with the addition of the trend variable. It is assumed the trend variable is a CDM trend variable consistent with CDM trend variables used in the interrogatory process of other 2010 cost of service applications. The CDM trend variable starts at 1 for January 2006 and moves to 60 for December 2010.

Statistic	Value
R Square	98.4%
Adjusted R Square	98.3%
F Test	865.5
T-stats by Variable	
Heating Degree Days	57.5
Cooling Degree Days	10.7
Ontario Real GDP Monthly %	2.5
Number of Days in Month	9.7
Spring Fall Flag	(8.3)
Number of Peak Hours	2.0
Blackout Flag	(2.8)
CDM Trend	(0.8)
Intercept	(0.5)
Coefficient by Variable	
Heating Degree Days	25,020
Cooling Degree Days	74,819
Ontario Real GDP Monthly %	30,182
Number of Days in Month	1,100,636
Spring Fall Flag	(1,927,363)
Number of Peak Hours	11,263
Blackout Flag	(2,046,748)
CDM Trend	(8,853)
Intercept	(2,001,442)
2009 Actual (J-A) and Weather Normal for remaining (GWh)	592.9
2010 Weather Normal - 10 year average (GWH)	592.8

Interrogatory # 34

Ref: Energy Probe Interrogatory #12 &
VECC Interrogatory #13 (c)

Please provide actual revenues associated with the SSS administration charge for 2009.

Response:

Revenues associated with the SSS administration charge estimated for 2009 are \$76,511.

Interrogatory #35

Ref: Energy Probe Interrogatory # 22(g) &
Board Staff Interrogatory # 14

The response to the Board Staff interrogatory indicates that:

“Due to this arrangement the amount for contracted services does not show a decrease nor does the Affiliate Administration Fee.”

- a) Please explain where in Table 4-19 provided in the Board Staff interrogatory response is the cost associated with the NBHS employee referred to in the response and please explain the total variance in this line item from the amount in the previous year.

Response:

The NBHS employee costs are part of the \$254,263 in the 2010 Test year Table 4-19. The table below demonstrates the components of the contracted services that NBHDL provides to NBHS and the variance between the 2010 Test year and the 2009 Bridge year. This change as stated in the answer to Board staff #14 does not show a decrease to the contracted services or the related management fee, since the overall change in contracted services is an increase of \$18,420, and the related management fee increases by \$2,763.

	2009 Bridge Year	2010 Test Year	Variance Test Year 2009 Bridge Year	
NBHDL Contracted Services to NBHS				
IT	869	1,415	546	increase due to new NBHS employee
Rent	11,100	16,354	5,254	increase due to new NBHS employee
NBHDL Employees	81,500	29,120	52,380	decrease in customer service, accounts payable, financial statements
Services Employee Customer Service and Financial Statements	-	65,000	65,000	new NBHS employee
Total change related to new NBHS employee	93,469	111,889	18,420	
NBHDL Billing	51,350	51,350	-	
Services Employee Sales	88,373	91,024	2,651	
Total Contracted Services	233,192	254,263	21,071	

- b) Please explain the significant decrease in the level of purchases by NBHS shown in 2010 in the response to Board Staff, on which the 15% administration fee is applied.

Response:

As noted in response to Board Staff question #14, NBHS will pay their own invoices related to the water tank heater business starting in 2010. In prior years NBHDL would process these invoices and then seek reimbursement from NBHS. NBHDL would also charge NBHS a 15% management fee on the value of these invoices.

Interrogatory # 36

Ref: Energy Probe Interrogatory # 13

Please provide the numerical base (i.e. 2009 costs) associated with the goods and services to which the inflation rate of 2.3% was applied.

Response:

The numerical base associated with the goods and services to which the inflation rate of 2.3% was applied is \$1,857,537, which represents approximately 30% of eligible expenses.

Interrogatory # 37

Ref: Exhibit 4, Tables 4-22 to 4-26 & Exhibit 2, Table 2-1

- a) Please confirm that the depreciation expense shown in Tables 4-22 through 4-26 in Exhibit 4 was calculated based on use of the half year rule in each of 2008, 2009 and 2010 and a full year of depreciation in 2007 and in prior years for assets added in the current year.

Response:

NBHDL confirms that the depreciation expense shown in Tables 4-22 through 4-26 in Exhibit 4 was calculated based on use of the half year rule in each of 2008, 2009 and 2010 and a full year of depreciation in 2007 and in prior years for assets added in the current year.

- b) Please explain why the half year rule was applied to 2008 and 2009.

Response:

In 2008 NBHDL began utilizing the half-year rule as assets purchased throughout the year were being depreciated at the full year rate. NBHDL is of the understanding that this is an industry practice.

- c) Please recalculate the year-end rate base for 2009 and provide a revised Table 2-1 showing the impact of this new 2009 year-end figure on the rate base calculation for 2010 assuming full year depreciation was calculated on assets added in 2008 and 2009, as it was for previous years.

Response:

Below is a revised Table 2-1 showing the impact of a new 2009 year-end figure on the rate base calculation for 2010 assuming full year depreciation calculated on assets added in 2008 and 2009.

It should be noted that this assumption for 2008 and 2009 will result in a discrepancy with actual audited financial statements as NBHDL changed its policy in 2008 to utilize the ½ year rule for amortization purposes.

Table 2-1 - REVISED (USING FULL YEAR AMORT FOR '08/'09)
Summary of Rate Base

Description	2006 OEB Approved	2006 Actual	2007 Actual Year	2008 Actual Year - Revised	2009 Bridge Year - Revised	2010 Test Year - Revised
Gross Fixed Assets	64,435,012	69,683,266	71,026,049	74,444,721	82,643,048	90,495,323
Accumulated Depreciation	34,633,990	39,505,917	41,790,298	44,044,933	46,773,985	49,675,093
Net Book Value	29,801,022	30,177,348	29,235,751	30,399,788	35,869,063	40,820,230
Average Net Book Value	28,897,527	29,085,691	29,706,550	29,817,770	33,134,426	38,344,647
Working Capital	46,184,010	47,369,468	50,989,346	46,736,265	47,673,938	50,481,100
Working Capital Allowance	6,927,602	7,105,420	7,648,402	7,010,440	7,151,091	7,572,165
Rate Base	35,825,129	36,191,111	37,354,952	36,828,209	40,285,516	45,916,811

Interrogatory # 38

Ref: Energy Probe Interrogatory # 17 (b)

Please provide the amount related to the IFRS consulting costs that has been allocated to affiliates and provide details of how this allocation was determined.

Response:

The amount related to IFRS consulting that has been allocated to the affiliate NBHS is \$10,000 or 18% of the total estimated \$55,000 for consulting. This allocation was determined after the initial assessment of issues were identified, the number of issues that need to be dealt with for NBHS and the complexity of the issue in comparison to NBHDL.

Interrogatory # 39

Ref: Energy Probe Interrogatory # 22

Please provide a copy of the documentation that North Bay Hydro is relying on that limits the ATTC credit to \$5,000 per year to a maximum of \$15,000 over the first 48 month period.

Response:

NBHDL was relying on form 522 as presented in Appendix “B” that limited the ATTC credit to \$5,000 per year to a maximum of \$15,000. Upon further review NBHDL realizes that the ATTC has been increased to \$10,000 per year over the first 48 month period.

Interrogatory # 40

Ref: Energy Probe Interrogatory # 25 (b)

The response indicates that North Bay Hydro has received \$1,911,270 in fiscal 2009 of the Infrastructure Ontario loan referenced as a \$3.5 million loan. Will North Bay Hydro be receiving the remainder the loan amount in 2010? What is the expected amount owing on this loan at the end of 2010?

Response:

NBHDL received \$1,911,270 in fiscal 2009, \$874,694 in February 2010 and will be receiving the remainder of the Infrastructure Ontario loan in 2010. The expected balance at the end of 2010 is \$3,295,833.

Interrogatory # 41

Ref: Exhibit 3, Table 3-8

- a) Please fill in the following table for 2009, using the most recent monthly total system purchased available. The predicted values should equal the values used in arriving at the 595.5 GWh forecast for 2009 shown in Table 3-8.

	Predicted	Actual	Difference	%
Jan				
Feb				
Mar				
Apr				
May				
Jun				
July				
Aug				
Sept				
Oct				
Nov				
Dec				
Total	595.5			

Response:

The requested information is provided in the following table. Please note the total predicted values for 2009 shown in Table 3-8. are 595.9 GWh.

	2009 Actual (J-A) and Weather Normal for remaining (GWh)	2009 Actual (GWh)	Difference (GWh) (Actual - Predicted)	%
Jan	66.4	66.4	0.0	0.0%
Feb	54.4	54.4	0.0	0.0%
Mar	54.2	54.2	0.0	0.0%
Apr	45.3	45.3	0.0	0.0%
May	43.6	40.7	(2.9)	(7.0%)
Jun	43.6	41.2	(2.4)	(5.7%)
July	45.3	41.7	(3.5)	(8.5%)
Aug	44.1	42.8	(1.2)	(2.9%)
Sept	41.3	40.9	(0.5)	(1.2%)
Oct	47.1	46.3	(0.8)	(1.7%)
Nov	50.3	47.5	(2.9)	(6.0%)
Dec	60.3	58.8	(1.5)	(2.6%)
Total	595.9	580.3	(15.6)	(2.7%)

- b) Please fill in the two tables below for January through December 2009, or to the latest month of total system purchases available for 2009.

	Fcst Heating Degree Days (a)	Actual Heating Degree Days (b)	Difference (c) = (b) - (a)	Equation Coefficient (d)	Heating Degree Day Impact (e) = (c) x (d)
Jan				25,064	
Feb				25,064	
Mar				25,064	
Apr				25,064	
May				25,064	
Jun				25,064	
July				25,064	
Aug				25,064	
Sept				25,064	
Oct				25,064	
Nov				25,064	
Dec				25,064	
Total					

	Fcst Cooling Degree Days (a)	Actual Cooling Degree Days (b)	Difference (c) = (b) - (a)	Equation Coefficient (d)	Cooling Degree Day Impact (e) = (c) x (d)
Jan				75,500	
Feb				75,500	
Mar				75,500	
Apr				75,500	
May				75,500	
Jun				75,500	
July				75,500	
Aug				75,500	
Sept				75,500	
Oct				75,500	
Nov				75,500	
Dec				75,500	
Total					

Response:

The requested information is provided in the following tables:

Heating Degree Days	2009 Actual	2009 Forecast 10 Year Average	Difference	Equation Coefficient	Impact
	(a)	(b)	(c) = (b) - (a)	(d)	(e) = (c) x (d)
Jan	1046.1	922	(124)	25,064	(3,099,916)
Feb	773.1	803	30	25,064	746,406
Mar	671.1	695	24	25,064	592,012
Apr	421.4	414	(8)	25,064	(190,486)
May	257.1	209	(48)	25,064	(1,205,578)
Jun	85.2	68	(18)	25,064	(440,625)
Jul	46.3	25	(22)	25,064	(539,879)
Aug	60.9	40	(21)	25,064	(528,098)
Sep	126.2	131	4	25,064	111,785
Oct	409.4	356	(53)	25,064	(1,335,911)
Nov	453.8	541	87	25,064	2,176,558
Dec	822.9	803	(20)	25,064	(492,006)
Total	5173.5	5,006	(168)		(4,205,739)

Cooling Degree Days	2009 Actual	2009 Forecast 10 Year Average	Difference	Equation Coefficient	Impact
	(a)	(b)	(c) = (b) - (a)	(d)	(e) = (c) x (d)
Jan	0	0	0	75,500	0,000
Feb	0	0	0	75,500	0,000
Mar	0	0	0	75,500	0,000
Apr	0	0	0	75,500	6,795
May	0	6	6	75,500	443,185
Jun	34	37	3	75,500	190,260
Jul	14	59	46	75,500	3,452,615
Aug	36	43	8	75,500	579,085
Sep	5	14	9	75,500	708,945
Oct	0	1	1	75,500	80,030
Nov	0	0	0	75,500	0,000
Dec	0	0	0	75,500	0,000
Total	88.2	161	72		5,460,915

Interrogatory # 42

Ref: Board Staff Interrogatory # 27

Please explain the increase in the working capital of \$386,146 shown in the Summary of Proposed Changes that are based on the split between RPP and non-RPP volumes and use of the October 15, 2009 Price Report. Please reconcile this increase with the decrease in the cost of power component of the working capital shown in the response to Energy Probe Interrogatory #7 (e) that shows a working capital amount of \$35,393,075 for the cost of power, a reduction of \$333,924 from the filed figure of \$35,726,999.

Response:

Referencing Board Staff Interrogatory #27 NBHDL used the following rates (also from the October 15, 2009 RPP Price Report): \$0.06215 per kWh for RPP volumes and \$0.06062 per kWh for non RPP volumes (HOEP \$0.03568 and Global Adjustment \$0.02494). These rates result in a total cost of power of \$36,113,145.

NBHDL's response to Energy Probe Interrogatory #7(e) shows a working capital amount of \$35,303,075 for the cost of power that was calculated, as requested, using the following rates from the October 15, 2009 RPP Price Report: \$0.06215 per kWh for RPP volumes and \$0.05820 per kWh for non RPP volumes (HOEP \$0.03326 and Global Adjustment \$0.02494). These rates result in a total cost of power of \$35,393,075.

Cost of Power per Board Staff Question # 27	36,113,145
Cost of Power per Energy Probe Question # 7	35,393,075
Variance	720,070

The difference is the rate used for HOEP for non RPP customers (\$0.03568 - \$0.03326 = \$0.00242).

Non-RPP kWh = 285,264,396 x \$0.00242 = \$720,070.

APPENDIX “A”

RESIDENTIAL

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption	Monthly Service Charge			12.53			15.42	2.89	23.06%	14.43%
800 kWh	Distribution (kWh)	800	0.0112	8.96	800	0.0138	11.04	2.08	23.21%	10.33%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	1.38%
	LRAM & SSM Rider (kWh)	800	0.0000	0.00	800	0.0004	0.32	0.32		0.30%
	Regulatory Assets (kWh)	800	0.0000	0.00	800	0.0004	0.33	0.33		0.31%
	Sub-Total - Distribution			23.60			28.58	4.98	21.12%	26.75%
	RTSR - Network	831	0.0052	4.32	838	0.0053	4.43	0.11	2.44%	4.14%
	RTSR - Connection	831	0.0047	3.91	838	0.0048	4.05	0.14	3.62%	3.79%
	Sub-Total - Delivery			31.83			37.06	5.23	16.44%	34.68%
	Wholesale Market Rate	831	0.0065	5.40	838	0.0065	5.45	0.05	0.90%	5.10%
	DRC	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	5.24%
	Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	32.00%
	Cost of Power Commodity (kWh)	231	0.0660	15.24	238	0.0660	15.74	0.49	3.24%	14.72%
	Sub-Total - Other Charges			92.27			98.04	5.77	6.26%	91.74%
	GST		5.00%	4.61		9.00%	8.82	4.21	91.27%	8.26%
	TOTAL BILL			96.88			106.87	9.98	10.31%	100.00%

GENERAL SERVICE < 50 kW

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption	Monthly Service Charge			21.70			26.71	5.01	23.09%	10.12%
2,000 kWh	Distribution (kWh)	2,000	0.0139	27.80	2,000	0.0171	34.20	6.40	23.02%	12.96%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.56%
	LRAM & SSM Rider (kWh)	2,000	0.0000	0.00	2,000	0.0002	0.40	0.40		0.15%
	Regulatory Assets (kWh)	2,000	0.0000	0.00	2,000	0.0004	0.79	0.79		0.30%
	Sub-Total - Distribution			51.61			63.57	11.96	23.17%	24.10%
	RTSR - Network	2,077	0.0048	9.97	2,096	0.0049	10.21	0.24	2.44%	3.87%
	RTSR - Connection	2,077	0.0042	8.72	2,096	0.0043	9.04	0.32	3.62%	3.43%
	Sub-Total - Delivery			70.31			82.82	12.52	17.81%	31.39%
	Wholesale Market Rate	2,077	0.0065	13.50	2,096	0.0065	13.62	0.12	0.90%	5.16%
	DRC	2,000	0.0070	14.00	2,000	0.0070	14.00	0.00	0.00%	5.31%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	16.20%
	Cost of Power Commodity (kWh)	1,327	0.0660	87.60	1,346	0.0660	88.84	1.24	1.41%	33.67%
	Sub-Total - Other Charges			228.16			242.04	13.88	6.08%	91.74%
	GST		5.00%	11.41		9.00%	21.78	10.38	90.95%	8.26%
	Total Bill			239.57			263.82	24.25	10.12%	100.00%

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption									
40,000 kWh									
100 kW									
Monthly Service Charge			311.40			342.37	30.97	9.95%	7.69%
Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	100	2.1783	217.83	100	2.3997	239.97	22.14	10.16%	5.39%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.03%
LRAM & SSM Rider (kW)	100	0.0000	0.00	100	0.0679	6.79	6.79		0.15%
Regulatory Assets (kW)	100	0.0000	0.00	100	0.4513	45.13	45.13		1.01%
Sub-Total - Distribution			531.34			635.73	104.39	19.65%	14.28%
RTSR - Network	100	1.9313	193.13	100	1.9607	196.07	2.94	1.52%	4.40%
RTSR - Connection	100	1.6636	166.36	100	1.7084	170.84	4.48	2.69%	3.84%
Sub-Total - Delivery			890.83			1,002.63	111.80	12.55%	22.52%
Wholesale Market Rate	41,546	0.0065	270.05	41,546	0.0065	270.05	0.00	0.00%	6.07%
DRC	40,000	0.0070	280.00	40,000	0.0070	280.00	0.00	0.00%	6.29%
Cost of Power Commodity (kWh)	41,546	0.0604	2,508.52	41,921	0.0604	2,531.14	22.62	0.90%	56.86%
Sub-Total - Other Charges			3,949.40			4,083.82	134.42	3.40%	91.74%
GST		5.00%	197.47		9.00%	367.54	170.07	86.13%	8.26%
TOTAL BILL			4,146.87			4,451.37	304.50	7.34%	100.00%

General Service > 3000 to 4999 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption									
2,000,000 kWh									
3,500 kW									
Monthly Service Charge			2,399.29			4,923.16	2,523.87	105.19%	2.58%
Distribution (kWh)	0	0.0000	0.00	2,000,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	3,500	0.7321	2,562.35	3,500	0.8711	3,048.85	486.50	18.99%	1.60%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.00%
Transformer Credit	3,500	(0.6000)	(2,100.00)	3,500	(0.6000)	(2,100.00)	0.00	0.00%	(1.10%)
LRAM & SSM Rider (kW)	3,500	0.0000	0.00	3,500	0.0163	57.05	57.05		0.03%
Regulatory Assets (kW)	3,500	0.0000	0.00	3,500	0.6821	2,387.33	2,387.33		1.25%
Sub-Total - Distribution			2,863.75			8,317.86	5,454.11	190.45%	4.36%
RTSR - Network	3,500	2.0487	7,170.45	3,500	2.0798	7,279.42	108.97	1.52%	3.82%
RTSR - Connection	3,500	1.8386	6,435.10	3,500	1.8881	6,608.27	173.17	2.69%	3.46%
Sub-Total - Delivery			16,469.30			22,205.56	5,736.26	34.83%	11.64%
Wholesale Market Rate	2,056,533	0.0065	13,367.46	2,075,075	0.0065	13,487.99	120.53	0.90%	7.07%
DRC	2,000,000	0.0070	14,000.00	2,000,000	0.0070	14,000.00	0.00	0.00%	7.34%
Cost of Power Commodity (kWh)	2,056,533	0.0604	124,171.81	2,075,075	0.0604	125,291.40	1,119.58	0.90%	65.69%
Sub-Total - Other Charges			168,008.58			174,984.94	6,976.36	4.15%	91.74%
GST		5.00%	8,400.43		9.00%	15,748.64	7,348.22	87.47%	8.26%
TOTAL BILL			176,409.01			190,733.59	14,324.58	8.12%	100.00%

Street Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	5,682	0.4400	2,499.92	5,682	2.8221	16,034.17	13,534.25	541.39%	28.91%
5,682 Connections	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
275,000 kWh	Distribution (kW)	800	2.3570	1,885.60	800	15.1280	12,102.40	10,216.80	541.83%	21.82%
	LRAM & SSM Rider (kW)	800	0.0000	0.00	800	0.0000	0.00	0.00		0.00%
800 kW	Regulatory Assets (kW)	800	0.0000	0.00	800	(0.8624)	(689.90)	(689.90)		(1.24%)
	Sub-Total - Distribution			4,385.52			27,446.67	23,061.14	525.85%	0.49
	RTSR - Network	800	1.4565	1,165.20	800	1.4786	1,182.91	17.71	1.52%	2.13%
	RTSR - Connection	800	1.2860	1,028.80	800	1.3206	1,056.49	27.69	2.69%	1.90%
	Sub-Total - Delivery			6,579.52			29,686.06	23,106.54	351.19%	53.52%
	Wholesale Market Rate	285,630	0.0065	1,856.59	288,205	0.0065	1,873.33	16.74	0.90%	3.38%
	DRC	275,000	0.0070	1,925.00	275,000	0.0070	1,925.00	0.00	0.00%	3.47%
	Cost of Power Commodity (kWh)	285,630	0.0604	17,246.09	288,205	0.0604	17,401.58	155.50	0.90%	31.37%
	Sub-Total - Other Charges			27,607.20			50,885.97	23,278.77	84.32%	91.74%
	GST		5.00%	1,380.36		9.00%	4,579.74	3,199.38	231.78%	8.26%
	TOTAL BILL			28,987.56			55,465.71	26,478.15	91.34%	100.00%

Sentinel Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	1	1.9800	1.98	1	3.5246	3.52	1.54	78.01%	10.06%
1 Connection	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
180 kWh	Distribution (kW)	1	6.9018	6.90	1	12.2970	12.30	5.40	78.17%	35.08%
	LRAM & SSM Rider (kWh)	1	0.0000	0.00	1	0.000000	0.00	0.00		0.00%
1 kW	Regulatory Assets (kW)	1	0.0000	0.00	1	(0.3749)	(0.37)	(0.37)		(1.07%)
	Sub-Total - Distribution			8.88			15.45	6.56	73.91%	0.44
	RTSR - Network	1	1.4639	1.46	1	1.4861	1.49	0.02	1.52%	4.24%
	RTSR - Connection	1	1.3130	1.31	1	1.3483	1.35	0.04	2.69%	3.85%
	Sub-Total - Delivery			11.66			18.28	6.62	56.80%	52.15%
	Wholesale Market Rate	187	0.0065	1.22	189	0.0065	1.23	0.01	0.90%	3.50%
	RRRP	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
	DRC	180	0.0070	1.26	180	0.0070	1.26	0.00	0.00%	3.59%
	Cost of Power Commodity (kWh)	187	0.0604	11.29	189	0.0604	11.39	0.10	0.90%	32.50%
	Sub-Total - Other Charges			25.42			32.16	6.74	26.49%	91.74%
	GST		5.00%	1.27		9.00%	2.89	1.62	127.69%	8.26%
	TOTAL BILL			26.69			35.05	8.36	31.31%	100.00%

Unmetered Scattered

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption	Monthly Service Charge			21.75			26.71	4.96	22.82%	17.72%
1,000 kWh	Distribution (kWh)	1,000	0.0139	13.90	1,000	0.0231	23.10	9.20	66.19%	15.32%
	LRAM & SSM Rider (kWh)	1,000	0.0000	0.00	1,000	0.0024	2.40	2.40		1.59%
	Regulatory Assets (kW)	1,000	0.0000	0.00	1,000	0.0003	0.26	0.26		0.17%
	Sub-Total - Distribution			35.65			52.47	16.82	47.19%	0.35
	RTSR - Network	1,039	0.0048	4.99	1,048	0.0049	5.11	0.12	2.44%	3.39%
	RTSR - Connection	1,039	0.0042	4.36	1,048	0.0043	4.52	0.16	3.62%	3.00%
	Sub-Total - Delivery			45.00			62.10	17.10	38.01%	41.19%
	Wholesale Market Rate	1,039	0.0065	6.75	1,048	0.0065	6.81	0.06	0.90%	4.52%
	RRRP	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
	DRC	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	4.64%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	28.35%
	Cost of Power Commodity (kWh)	289	0.0660	19.05	298	0.0660	19.67	0.62	3.24%	13.04%
	Sub-Total - Other Charges			120.55			138.33	17.78	14.75%	91.74%
	GST		5.00%	6.03		9.00%	12.45	6.42	106.55%	8.26%
	TOTAL BILL			126.58			150.78	24.20	19.12%	100.00%

APPENDIX “B”

ONTARIO APPRENTICESHIP TRAINING TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day 2009-12-31
---------------------	-----------------	--

- If you are a corporation, use this schedule to claim an Ontario apprenticeship training tax credit (ATTC) under section 89 of the *Taxation Act*, 2007 (Ontario).
- The ATTC is a refundable tax credit that is equal to a specified percentage (25% to 30%) of the eligible expenditures incurred by a corporation in respect of a qualifying apprenticeship. The maximum credit for each apprentice is \$5,000 per year to a maximum credit of \$15,000 over the first 36-month period of the qualifying apprenticeship.
- Eligible expenditures are salaries and wages (including taxable benefits) paid to an apprentice in a qualifying apprenticeship or fees paid to an employment agency for the provision of services performed by the apprentice in a qualifying apprenticeship. These expenditures must be:
 - paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario;
 - for services provided by the apprentice during the first 36 months of the apprenticeship program.
- **An expenditure is not eligible for an ATTC if the same expenditure was used, or will be used, to claim a co-operative education tax credit or if it is greater than an amount that would be paid to an arm's length apprentice.**
- An apprenticeship must meet all of the following conditions to be a qualifying apprenticeship:
 - The apprenticeship is in a qualifying skilled trade approved by the Ministry of Training, Colleges and Universities (Ontario).
 - The corporation and the apprentice must be participating in an apprenticeship program in which the training agreement has been registered under the *Apprenticeship and Certification Act, 1998* or in which the contract of apprenticeship has been registered under the *Trades Qualification and Apprenticeship Act*.
- Ensure that you keep a copy of the training agreement or contract of apprenticeship to support your claim. Do not submit the training agreement or contract of apprenticeship with the *T2 Corporation Income Tax Return*.
- Submit a completed copy of Schedule 552 when you file your T2 return.

Part 1 – Corporate information

110 Name of person to contact for more information	120 Telephone number including area code
Is the claim filed for an ATTC earned through a partnership? * 150 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>	
If yes to the question at line 150, what is the name of the partnership? 160	
Enter the percentage of the partnership's ATTC allocated to the corporation 170 %	
* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 552 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 552 to claim the partner's share of the partnership's ATTC. The allocated amounts can never exceed the amount of the partnership's ATTC.	

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? 200 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)? 210 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
If you answered no to question 1 or yes to question 2, then you are not eligible for the ATTC.

Part 3 – Calculation of the specified percentage

Corporation's salaries and wages paid in the previous tax year * 300
– If line 300 is \$400,000 or less, enter 30% on line 310, after March 26, 2009 enter 45% on line 310a
– If line 300 is \$600,000 or greater, enter 25% on line 310, after March 26, 2009 enter 35% on line 310a
– If line 300 is over \$400,000 and less than \$600,000, enter the percentage on line 310 or 310a using the following formula:
$\text{Eligible percentage before March 27, 2009} = 30\% - \left[5\% \times \left(\frac{\text{amount at line 300} - 400,000}{200,000} \right) \right]$
Eligible percentage before March 27, 2009 (enter at column K in Part 4) 310 30.000 %
$\text{Eligible percentage after March 26, 2009} = 45\% - \left[10\% \times \left(\frac{\text{amount at line 300} - 400,000}{200,000} \right) \right]$
Eligible percentage after March 26, 2009 (enter at column K1 in Part 4) 310a 45.000 %
* If this is the first tax year of an amalgamated corporation and subsection 89(6) of the <i>Taxation Act</i> , 2007 (Ontario) applies, enter salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Information on qualifying apprentice(s) and calculation of tax credit

Complete a separate entry for each apprentice that is a qualifying apprenticeship with the corporation. When claiming an ATTC for repayment of government assistance, complete a separate entry for each repayment and complete columns A to G and N and O with the details for the employment period in the previous tax year in which the government assistance was received.

	A Trade code 400	B Apprenticeship program/ trade name 405	C Name of apprentice 410	D Original contract or training agreement number 420	E Original registration date of apprenticeship contract or training agreement (see note 1 below) 425
1.					

	F Start date of employment as an apprentice in the tax year (see note 2 below) 430	G End date of employment as an apprentice in the tax year (see note 3 below) 435	H Number of days employed as an apprentice in the tax year before March 27, 2009 (see note 4 below) 440	H1 Number of days employed as an apprentice in the tax year after March 26, 2009 (see note 4 below) 445	I Limit for the tax year (see note 5 below) 445	J Eligible expenditures before March 27, 2009 (see note 6 below) 450	K Specified percentage before March 27, 2009 (from line 310 in Part 3)
1.							30.000 %

	J1 Eligible expenditures after March 26, 2009 (see note 6 below) 460	K1 Specified percentage after March 26, 2009 (from line 310a in Part 3) 460	L Product of column J multiplied by column K 470	M ATTC on eligible expenditures (lesser of columns I and L) 470	N ATTC on repayment of government assistance (see note 7 below) 480	O ATTC for each apprentice (column M or column N, whichever applies) 490
1.		45.000 %				

If insufficient space, attach additional schedule(s).

Ontario apprenticeship training tax credit (total of amounts in column O) **500**

P

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount P:

Amount P _____ x percentage at line 170 in Part 1 _____ % = **Q**

Enter amount P or Q, whichever applies, on line 454 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 552, add the amounts from line P or Q, whichever applies, on all the schedules and enter the total amount on line 454 of Schedule 5.

Note 1: Enter the original registration date of the apprenticeship contract or training agreement in all cases, even when multiple employers employed the apprentice.

Note 2: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that in the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the start date of employment as an apprentice for the tax year in which the government assistance was received.

Note 3: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that in the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the end date of employment as an apprentice for the tax year in which the government assistance was received.

Note 4: The days employed as an apprentice in the tax year must be within 36 months of the registration date provided in column E and cannot extend beyond the end date of employment as an apprentice for the tax year with the corporation entered in column G. When there are multiple employment periods as an apprentice in the tax year with the corporation, do not include days in which the individual was not employed as an apprentice.

Note 5: Limit for the tax year when days are before March 27, 2009, 5 000 * column H /365. Divide by 366 days when the tax year includes February 29. Limit for the tax year when days are after March 26, 2009, 10 000 * column H1 /365. Divide by 366 days when the tax year includes February 29.

Note 6: Reduce eligible expenditures by all government assistance, as defined under subsection 89(19) of the *Taxation Act*, 2007 (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, in respect of the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 7: Include the amount of government assistance repaid in the tax year multiplied by the specified percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the ATTC in that tax year.