

October 29, 2007

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

RE: Northern Ontario Wires Inc. - 2008 IRM Model Application
Board File: ED-2003-0018; EB-2005-0398, EB-2007-0562

In accordance with instructions released September 28, 2007, Northern Ontario Wires Inc. (NOW) requests a final order for Electricity Distribution Rates commencing May 1, 2008.

This application contains the following parts:

- Cover Letter
- Manager's Summary,
- Completed 2008 IRM model

As per the Filing Instructions the following is attached:

- 2 hard copies of the application
- 1 electronic copy of the application in PDF format
- 1 electronic copy of the 2008 IRM model in Excel format

This application is respectfully submitted for the Board's consideration.

Yours truly,

Monika Malherbe, CA
Chief Financial Officer
Northern Ontario Wires Inc.

MANAGER'S SUMMARY
NORTHERN ONTARIO WIRES INC. - 2008 IRM MODEL APPLICATION
BOARD FILE: ED-2003-0018; EB-2005-0398, EB-2007-0562

Pursuant to Board correspondence dated September 28, 2007 re: *Cost of Capital (EB-2006-0088) and 2nd Generation Incentive Regulation (EB-2006-0089) – Filing Requirements for 2008 Incentive Regulation Mechanism Distribution Rate Adjustments*, Northern Ontario Wires Inc. (NOW) respectfully submits its application seeking approvals for the rate adjustments contained in the model.

As requested, we have filed electronically through the Board's website a copy of the application, consisting of Manager's Summary and the 2008 IRM Model in PDF Format. We have also emailed an excel format of the 2008 IRM Model. Furthermore, two (2) hard copies of the Manager's Summary and the 2008 IRM Model and a CD containing both an electronic copy of the PDF document and the Excel model have been mailed to the Board.

Incremental CDM Spending

NOW did not have any incremental CDM spending beyond the third tranche of MARR included in its approved May 1, 2006 distribution rates.

Large Corporation Tax

NOW did not have a Large Corporation Tax amount included in its approved May 1, 2006 distribution rates.

Smart Meter Funding

Application of the generic smart meter decision of the Board resulted in smart meter funding of \$.26 per metered customer per month included in the approved customer class rates.

Regulatory Asset Recovery

NOW has indicated on Sheet 3 that the Regulatory Asset Recovery rate adder will not continue into the 2008-2009 rate year in accordance with the 2006 Rate Application (EB-2005-0398) which provided for a 2 year recovery period. The 2006 Rate Application also provided for a May 1, 2006 effective date however the rates were only approved with an effective date of July 14, 2006. NOW assumes that the resulting under recovered balance will be accounted for in the next variance accounts recovery model.

Implementation of May 1, 2008 Approved Rates

The revised distribution rates when approved will be implemented by NOW on May 1, 2008.

These rates will be reflected on a pro-rated basis with pre-May 1 consumption at the old distribution rates and post-May 1 consumption at the new distribution rates.

Customer Impacts

All customer total bill impacts are very small. With the discontinuation of the regulatory asset recovery rate adder, customers will see a decrease.

If you have any questions regarding the application, please contact Monika Malherbe at (705) 272-2918, email monikam@puc.net

DATED: October 29, 2007



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Sheet 1 Utility Information Sheet

Legend:	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

Name of LDC:	Northern Ontario Wires Inc.		
Licence Number:	ED-2003-0018		
IRM 2008 EB Number: (if known)	EB-2007-XXXX		
IRM 2007 EB Number:	EB-2007-0562		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0398
Date of Submission:	10/26/07	Last Saved Date:	10/29/07 1:14 PM
Model Version:	2.0		

Contact Information

Name:	Monika Malherbe
Title:	Chief Financial Officer
Phone Number:	(705)272-4232
E-Mail Address:	monikam@puc.net

Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

Comments

Copyright

This IRM adjustment model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing an IRM adjustment application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing an IRM adjustment application, you must ensure that the person understands and agrees to the restrictions noted above.



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 2 - 2007 Rate Classes

Are you changing the descriptions of any of your Service Classifications?

YES NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

Instructions:

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.

Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 1,499 kW	Yes
4	Unmetered Scattered Load	Yes
5	Street Lighting	Yes
6	Rate Class 6	No
7	Rate Class 7	No
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

MONTHLY RATES AND CHARGES

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

Residential

Service Charge	\$	16.59	
Distribution Volumetric Rate	\$/kWh	0.0108	
Rate Rider 1 (if applicable)	\$/kWh		
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0047	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

General Service Less Than 50 kW

Service Charge	\$	21.71	
Distribution Volumetric Rate	\$/kWh	0.0102	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0031	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

General Service 50 to 1,499 kW

Service Charge	\$	208.49	
Distribution Volumetric Rate		2.0476	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	1.1357	No
Retail Transmission Rate – Network Service Rate	0	2.0129	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.5764	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Unmetered Scattered Load

Service Charge	\$	10.96	
Distribution Volumetric Rate		0.0102	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.0131	No
Retail Transmission Rate – Network Service Rate	0	0.0049	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0040	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Street Lighting

Service Charge	\$	1.04	
Distribution Volumetric Rate	\$/kWh	3.3746	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.8394	No
Retail Transmission Rate – Network Service Rate	\$/kWh	1.5181	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	1.2187	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.
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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
	\$	
	\$	
	\$	
	\$	
	\$	

Specific Charge for Access to the Power Poles \$(pole/year)	\$	22.35
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
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	\$	
	\$	
	\$	
	\$	
	\$	

Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)
	\$/kW	
	\$/kW	

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0429
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0324
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A



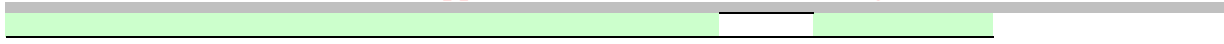
2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

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Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges





2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Northern Ontario Wires Inc.

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Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

Smart Meter Rate Adder

	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 1,499 kW	\$ 0.26	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

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Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

YES NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge		Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	\$	kW / kWh	
<i>Residential</i>	\$ 16.59	\$ 0.0108	\$ 0.26	\$ 0.26	\$ 16.33	\$ 0.0108	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 21.71	\$ 0.0102	\$ 0.26	\$ 0.26	\$ 21.45	\$ 0.0102	\$/kWh
<i>General Service 50 to 1,499 kW</i>	\$ 208.49	\$ 2.0476	\$ 0.26	\$ 0.26	\$ 208.23	\$ 2.0476	0
<i>Unmetered Scattered Load</i>	\$ 10.96	\$ 0.0102	\$ -	\$ -	\$ 10.96	\$ 0.0102	0
<i>Street Lighting</i>	\$ 1.04	\$ 3.3746	\$ -	\$ -	\$ 1.04	\$ 3.3746	\$/kWh



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.
 EB-2007-XXXX, EB-2007-0562, EB-2005-0398
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Sheet 6 - K-Factor Derivation

Capital Structure Transition

Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	4.73%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 5,558,590	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	46.7%	F2 Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	6.865%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	6.72%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 381,597.20	= C X G / 100
2008	J	\$ 373,764.59	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 2,360,922	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 2,462,371	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 49,317	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 2,742,519.20	= I + K
2008	O	\$ 2,734,686.59	= J + K

Target Net Income (EBIT)

Current	\$ 250,136.55	P1 = I - P2
2008	\$ 233,627.54	Q1 = J - Q2

Interest Expense

Current	\$ 131,460.65	P2 = C X (B X E1 / 100)
2008	\$ 140,137.06	Q2 = C X (B X F1 / 100)

PILs

Tax Rate R 18.62% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ -	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 59,377	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 259,509	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 256,435	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 59,376	V	= AC * (R / 100) / (1 - R / 100) 59,376
	2008 \$ 58,673	W	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

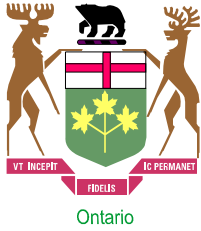
Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR)

Current	\$ 2,801,895.68	X	= N + V + T
2008	\$ 2,793,359.73	Y	= O + W + T

Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 2,511,688.00	Z	= L + M
2008	\$ 2,503,152.05	AA1	= Z + (Y - X)
Difference	\$ - 8,535.95	AA2	= AA1 - Z
K-factor	-0.3%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment
1.9%	1.0%	0.9%	-0.3%	0.6%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
<i>Residential</i>	\$ 16.33	\$ 16.43	\$ 0.0108	\$ 0.0109
<i>General Service Less Than 50 kW</i>	\$ 21.45	\$ 21.58	\$ 0.0102	\$ 0.0103
<i>General Service 50 to 1,499 kW</i>	\$ 208.23	\$ 209.48	\$ 2.0476	\$ 2.0599
<i>Unmetered Scattered Load</i>	\$ 10.96	\$ 11.03	\$ 0.0102	\$ 0.0103
<i>Street Lighting</i>	\$ 1.04	\$ 1.05	\$ 3.3746	\$ 3.3948



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 16.43	\$ 0.26	\$ 16.69	0.0109
<i>General Service Less Than 50 kW</i>	\$ 21.58	\$ 0.26	\$ 21.84	0.0103
<i>General Service 50 to 1,499 kW</i>	\$ 209.48	\$ 0.26	\$ 209.74	2.0599
<i>Unmetered Scattered Load</i>	\$ 11.03	\$ -	\$ 11.03	0.0103
<i>Street Lighting</i>	\$ 1.05	\$ -	\$ 1.05	3.3948



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

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Sheet 9. - Z-Factor Rate Rider Adjustment

Is the Applicant seeking Board approval for other rate adjustments? YES NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](#), issued December 20, 2006 (link http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

Class	<i>Monthly Service Charge Rate Rider</i>	<i>Volumetric Charge Rate Rider</i>
	\$	kW / kWh
<i>Residential</i>		
<i>General Service Less Than 50 kW</i>		
<i>General Service 50 to 1,499 kW</i>		
<i>Unmetered Scattered Load</i>		
<i>Street Lighting</i>		

Northern Ontario Wires Inc.

Tariff OF RATES AND CHARGES

Effective May 1, 2008*

(*Except as otherwise noted)

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

EB-2007-0562

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	16.69
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0109
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	\$/kWh	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	21.84
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0103
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 1,499 kW

Service Charge	\$	209.74
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	0	2.0599
Distribution Volumetric, Non-routine Rate Rider	0	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	0	0.0000
Retail Transmission Rate – Network Service Rate	0	2.0129
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.5764
Retail Transmission Rate – Network Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge	\$	11.03
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	0	0.0103
Distribution Volumetric, Non-routine Rate Rider	0	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	0	0.0000
Retail Transmission Rate – Network Service Rate	0	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0040
Retail Transmission Rate – Network Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	0	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge	\$	1.05
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	3.3948
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	1.5181
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	1.2187
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00
	0	0.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)
	\$/kW	0.00
	\$/kW	0.00

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0429
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0324
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 16.59	\$ 0.0108
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.15	\$ 0.0001
Add: K-Factor	\$ (0.05)	-\$ 0.0000
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 16.69	\$ 0.0109

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 21.71	\$ 0.0102
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.19	\$ 0.0001
Add: K-Factor	\$ (0.06)	-\$ 0.0000
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 21.84	\$ 0.0103

General Service 50 to 1,499 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 208.49	\$ 2.0476
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 1.87	\$ 0.0184
Add: K-Factor	\$ (0.62)	-\$ 0.0061
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 209.74	\$ 2.0599

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 10.96	\$ 0.0102
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.10	\$ 0.0001
Add: K-Factor	\$ (0.03)	-\$ 0.0000
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 11.03	\$ 0.0103



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 11 - Distribution Rate Change Summary

Street Lighting

<u>Data</u>	<u>Fixed (\$)</u>	<u>Volumetric \$ per kW / kWh</u>
2007 Rates	\$ 1.04	\$ 3.3746
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0304
Add: K-Factor	\$ (0.00)	\$ 0.0101
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 1.05	\$ 3.3948



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 11 - Distribution Rate Change Summary





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 11 - Distribution Rate Change Summary





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan	Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to		600 \$	0.053	600 \$	0.053
greater than		> 600 \$	0.062	> 600 \$	0.062

Regulated Price Plan	Non-Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to		750 \$	0.053	750 \$	0.053
greater than		> 750 \$	0.062	> 750 \$	0.062

Residential

Consumption	1,500 kWh	0 kW	Loss Factor 1.0429
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%
Energy Second Tier (kWh)	964	\$ 0.0620	\$ 59.79	964	\$ 0.0620	\$ 59.79	\$0.00	0.0%
Sub-Total: Energy			\$ 91.59			\$ 91.59	\$0.00	0.0%
Monthly Service Charge	1	\$ 16.59	\$ 16.59	1	\$ 16.69	\$ 16.69	\$0.10	0.6%
Distribution (kWh)	1,500	\$ 0.0108	\$ 16.20	1,500	\$ 0.0109	\$ 16.35	\$0.15	0.9%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	1,500	\$ 0.0047	\$ 7.05	1,500	\$ -	\$ -	(\$7.05)	(100.0)%
Rate Riders	1,500	\$ -	\$ -	1,500	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,500	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	1,564	\$ 0.0054	\$ 8.45	1,564	\$ 0.0054	\$ 8.45	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,564	\$ 0.0044	\$ 6.88	1,564	\$ 0.0044	\$ 6.88	\$0.00	0.0%
Sub-Total: Delivery			\$ 55.17			\$ 48.37	(\$6.80)	(12.3)%
Wholesale Market Service Rate	1564	\$ 0.0052	\$ 8.13	1564	\$ 0.0052	\$ 8.13	\$0.00	0.0%
Rural Rate Protection Charge	1564	\$ 0.0010	\$ 1.56	1564	\$ 0.0010	\$ 1.56	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 9.95			\$ 9.95	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,500	\$ 0.0070	\$ 10.50	1,500	\$ 0.0070	\$ 10.50	\$0.00	0.0%
Total Bill before Taxes			\$ 167.21			\$ 160.41	(\$6.80)	(4.1)%
GST	\$ 167.21	6.00%	\$ 10.03	\$ 160.41	6.00%	\$ 9.62	(\$0.41)	(4.1)%
Total Bill after Taxes			\$ 177.24			\$ 170.03	(\$7.21)	(4.1)%

General Service Less Than 50 kW

Consumption	15,000 kWh	0 kW	Loss Factor 1.0429
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	14,894	\$ 0.0620	\$ 923.40	14,894	\$ 0.0620	\$ 923.40	\$0.00	0.0%
Sub-Total: Energy			\$ 963.15			\$ 963.15	\$0.00	0.0%
Monthly Service Charge	1	\$ 21.71	\$ 21.71	1	\$ 21.84	\$ 21.84	\$0.13	0.6%
Distribution (kWh)	15,000	\$ 0.0102	\$ 153.00	15,000	\$ 0.0103	\$ 154.50	\$1.50	1.0%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	15,000	\$ 0.0031	\$ 46.50	15,000	\$ -	\$ -	(\$46.50)	(100.0)%
Rate Riders	15,000	\$ -	\$ -	15,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	15,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	15,644	\$ 0.0049	\$ 76.65	15,644	\$ 0.0049	\$ 76.65	\$0.00	0.0%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Retail Transmission Rate – Line and Transformation Connection Service Rate	15,644	\$ 0.0040	\$ 62.57	15,644	\$ 0.0040	\$ 62.57	\$0.00	0.0%
Sub-Total: Delivery			\$ 360.44			\$ 315.57	(\$44.87)	(12.4)%
Wholesale Market Service Rate	15644	\$ 0.0052	\$ 81.35	15644	\$ 0.0052	\$ 81.35	\$0.00	0.0%
Rural Rate Protection Charge	15644	\$ 0.0010	\$ 15.64	15644	\$ 0.0010	\$ 15.64	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 97.24			\$ 97.24	\$0.00	0.0%
Debt Retirement Charge (DRC)	15,000	\$ 0.0070	\$ 105.00	15,000	\$ 0.0070	\$ 105.00	\$0.00	0.0%
Total Bill before Taxes			\$ 1,525.82			\$ 1,480.95	(\$44.87)	(2.9)%
GST	\$ 1,525.82	6.00%	\$ 91.55	\$ 1,480.95	6.00%	\$ 88.86	(\$2.69)	(2.9)%
Total Bill after Taxes			\$ 1,617.37			\$ 1,569.81	(\$47.56)	(2.9)%

General Service 50 to 1,499 kW

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0429
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,085,050	\$ 0.0620	\$ 129,273.10	2,085,050	\$ 0.0620	\$ 129,273.10	\$0.00	0.0%
Sub-Total: Energy			\$ 129,312.85			\$ 129,312.85	\$0.00	0.0%
Monthly Service Charge	1	\$ 208.49	\$ 208.49	1	\$ 209.74	\$ 209.74	\$1.25	0.6%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 2.0476	\$ 10,238.00	5,000	\$ 2.0599	\$ 10,299.50	\$61.50	0.6%
Regulatory Assets (kWh)	5,000	\$ 1.1357	\$ 5,678.50	5,000	\$ -	\$ -	(\$5,678.50)	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,215	\$ 2.0129	\$ 10,496.27	5,215	\$ 2.0129	\$ 10,496.27	\$0.00	0.0%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,215	\$ 1.5764	\$ 8,220.14	5,215	\$ 1.5764	\$ 8,220.14	\$0.00	0.0%
Sub-Total: Delivery			\$ 34,841.39			\$ 29,225.64	(\$5,615.75)	(16.1)%
Wholesale Market Service Rate	2085800	\$ 0.0052	\$ 10,846.16	2085800	\$ 0.0052	\$ 10,846.16	\$0.00	0.0%
Rural Rate Protection Charge	2085800	\$ 0.0010	\$ 2,085.80	2085800	\$ 0.0010	\$ 2,085.80	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 12,932.21			\$ 12,932.21	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 191,086.45			\$ 185,470.70	(\$5,615.75)	(2.9)%
GST	\$ 191,086.45	6.00%	\$ 11,465.19	\$ 185,470.70	6.00%	\$ 11,128.24	(\$336.95)	(2.9)%
Total Bill after Taxes			\$ 202,551.64			\$ 196,598.95	(\$5,952.70)	(2.9)%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Unmetered Scattered Load

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0429																
	<table border="1"> <thead> <tr> <th colspan="3">2007 BILL</th> <th colspan="3">2008 BILL</th> <th colspan="2">IMPACT</th> </tr> <tr> <th>Volume</th> <th>RATE \$</th> <th>CHARGE \$</th> <th>Volume</th> <th>RATE \$</th> <th>CHARGE \$</th> <th>\$</th> <th>%</th> </tr> </thead> </table>		2007 BILL			2008 BILL			IMPACT		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	
2007 BILL			2008 BILL			IMPACT													
Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%												
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%											
Energy Second Tier (kWh)	2,085,050	\$ 0.0620	\$ 129,273.10	2,085,050	\$ 0.0620	\$ 129,273.10	\$0.00	0.0%											
Sub-Total: Energy			\$ 129,312.85			\$ 129,312.85	\$0.00	0.0%											
Monthly Service Charge	1	\$ 10.96	\$ 10.96	1	\$ 11.03	\$ 11.03	\$0.07	0.6%											
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%											
Distribution (kW)	5,000	\$ 0.0102	\$ 51.00	5,000	\$ 0.0103	\$ 51.50	\$0.50	1.0%											
Regulatory Assets (kWh)	5,000	\$ 0.0131	\$ 65.50	5,000	\$ -	\$ -	(\$65.50)	(100.0)%											
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%											
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%											
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%											
Retail Transmission Rate – Network Service Rate	5,215	\$ 0.0049	\$ 25.55	5,215	\$ 0.0049	\$ 25.55	\$0.00	0.0%											
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,215	\$ 0.0040	\$ 20.86	5,215	\$ 0.0040	\$ 20.86	\$0.00	0.0%											
Sub-Total: Delivery			\$ 173.87			\$ 108.94	(\$64.93)	(37.3)%											
Wholesale Market Service Rate	2085800	\$ 0.0052	\$ 10,846.16	2085800	\$ 0.0052	\$ 10,846.16	\$0.00	0.0%											
Rural Rate Protection Charge	2085800	\$ 0.0010	\$ 2,085.80	2085800	\$ 0.0010	\$ 2,085.80	\$0.00	0.0%											
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%											
Sub-Total: Regulatory			\$ 12,932.21			\$ 12,932.21	\$0.00	0.0%											
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%											
Total Bill before Taxes			\$ 156,418.93			\$ 156,354.00	(\$64.93)	(0.0)%											
GST	\$ 156,418.93	6.00%	\$ 9,385.14	\$ 156,354.00	6.00%	\$ 9,381.24	(\$3.90)	(0.0)%											
Total Bill after Taxes			\$ 165,804.06			\$ 165,735.24	(\$68.83)	(0.0)%											

Street Lighting

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0429																
	<table border="1"> <thead> <tr> <th colspan="3">2007 BILL</th> <th colspan="3">2008 BILL</th> <th colspan="2">IMPACT</th> </tr> <tr> <th>Volume</th> <th>RATE \$</th> <th>CHARGE \$</th> <th>Volume</th> <th>RATE \$</th> <th>CHARGE \$</th> <th>\$</th> <th>%</th> </tr> </thead> </table>		2007 BILL			2008 BILL			IMPACT		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	
2007 BILL			2008 BILL			IMPACT													
Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%												
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%											
Energy Second Tier (kWh)	2,085,050	\$ 0.0620	\$ 129,273.10	2,085,050	\$ 0.0620	\$ 129,273.10	\$0.00	0.0%											
Sub-Total: Energy			\$ 129,312.85			\$ 129,312.85	\$0.00	0.0%											
Monthly Service Charge	1	\$ 1.04	\$ 1.04	1	\$ 1.05	\$ 1.05	\$0.01	1.0%											
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%											
Distribution (kW)	5,000	\$ 3.3746	\$ 16,873.00	5,000	\$ 3.3948	\$ 16,974.00	\$101.00	0.6%											
Regulatory Assets (kWh)	5,000	\$ 0.8394	\$ 4,197.00	5,000	\$ -	\$ -	(\$4,197.00)	(100.0)%											
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%											
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%											
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%											
Retail Transmission Rate – Network Service Rate	5,215	\$ 1.5181	\$ 7,916.13	5,215	\$ 1.5181	\$ 7,916.13	\$0.00	0.0%											
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,215	\$ 1.2187	\$ 6,354.91	5,215	\$ 1.2187	\$ 6,354.91	\$0.00	0.0%											
Sub-Total: Delivery			\$ 35,342.08			\$ 31,246.09	(\$4,095.99)	(11.6)%											
Wholesale Market Service Rate	2085800	\$ 0.0052	\$ 10,846.16	2085800	\$ 0.0052	\$ 10,846.16	\$0.00	0.0%											
Rural Rate Protection Charge	2085800	\$ 0.0010	\$ 2,085.80	2085800	\$ 0.0010	\$ 2,085.80	\$0.00	0.0%											
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%											
Sub-Total: Regulatory			\$ 12,932.21			\$ 12,932.21	\$0.00	0.0%											
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%											
Total Bill before Taxes			\$ 191,587.14			\$ 187,491.15	(\$4,095.99)	(2.1)%											
GST	\$ 191,587.14	6.00%	\$ 11,495.23	\$ 187,491.15	6.00%	\$ 11,249.47	(\$245.76)	(2.1)%											



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Northern Ontario Wires Inc.

EB-2007-XXXX, EB-2007-0562, EB-2005-0398

Friday, October 26, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Total Bill after Taxes	\$	203,082.37		\$	198,740.62	(\$4,341.75)	(2.1)%
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3.99%
20.10%
5.18%
1.00%
0.02%
6.19%
6.69%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
65.75%
65.77%
0.11%
0.00%
5.24%
0.00%
0.00%
0.00%
0.00%
0.00%
5.34%
4.18%
14.87%
5.52%
1.06%
0.00%
6.58%
7.12%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
78.00%
78.02%
0.01%
0.00%
0.03%
0.00%
0.00%
0.00%
0.00%
0.00%
0.02%
0.01%
0.07%
6.54%
1.26%
0.00%
7.80%
8.45%
94.34%
5.66%
100.00%

% of Total Bill
0.02%
65.05%
65.07%
0.00%
0.00%
8.54%
0.00%
0.00%
0.00%
0.00%
0.00%
3.98%
3.20%
15.72%
5.46%
1.05%
0.00%
6.51%
7.04%
94.34%
5.66%



100.00%