



Revenue Requirement Work Form

Name of LDC: (1)
File Number:
Rate Year: Version: 1.0

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Notes:

(1) Pale green cells represent inputs

(2) **Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.**

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Revenue Requirement Work Form

Name of LDC: Orillia Power Distribution Corporation

File Number: EB-2009-0273

Rate Year: 2010

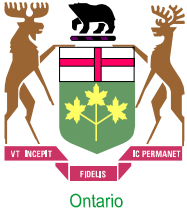
Data Input (1)

	Application	Adjustments	Per Board Decision
1 Rate Base			
Gross Fixed Assets (average)	\$36,244,000 (4)		\$36,244,000
Accumulated Depreciation (average)	(\$19,712,500) (5)	\$20,700	(\$19,691,800)
Allowance for Working Capital:			
Controllable Expenses	\$4,346,000 (6)		\$4,346,000
Cost of Power	\$23,732,000	\$279,000	\$24,011,000
Working Capital Rate (%)	15.00%		15.00%
2 Utility Income			
Operating Revenues:			
Distribution Revenue at Current Rates	\$6,161,700		\$6,202,400
Distribution Revenue at Proposed Rates	\$7,116,900		\$7,114,900
Other Revenue:			
Specific Service Charges	\$68,300		\$68,300
Late Payment Charges	\$60,000		\$60,000
Other Distribution Revenue	\$445,000		\$445,000
Other Income and Deductions	(\$32,000)		(\$32,000)
Operating Expenses:			
OM+A Expenses	\$4,282,000		\$4,282,000
Depreciation/Amortization	\$1,449,000	(\$41,300)	\$1,407,700
Property taxes	\$27,000		\$27,000
Capital taxes	\$6,000		\$6,000
Other expenses	\$31,000		\$31,000
3 Taxes/PILs			
Taxable Income:			
Adjustments required to arrive at taxable income	\$68,300 (3)		\$27,000
Utility Income Taxes and Rates:			
Income taxes (not grossed up)	\$214,099		\$244,329
Income taxes (grossed up)	\$302,400		\$343,400
Capital Taxes	\$6,000		\$6,000
Federal tax (%)	18.00%		18.00%
Provincial tax (%)	11.20%		10.85%
Income Tax Credits			
4 Capitalization/Cost of Capital			
Capital Structure:			
Long-term debt Capitalization Ratio (%)	56.0%		56.0%
Short-term debt Capitalization Ratio (%)	4.0% (2)		4.0% (2)
Common Equity Capitalization Ratio (%)	40.0%		40.0%
Preferred Shares Capitalization Ratio (%)			
Cost of Capital			
Long-term debt Cost Rate (%)	7.62%		6.25%
Short-term debt Cost Rate (%)	1.33%		1.33%
Common Equity Cost Rate (%)	8.01%		9.85%
Preferred Shares Cost Rate (%)			

Notes:

This input sheet provides all inputs needed to complete sheets 1 through 6 (Rate Base through Revenue Requirement), except for Notes that the utility may wish to use to support the components. Notes should be put on the applicable pages to understand the context of each such note.

- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- (2) 4.0% unless an Applicant has proposed or been approved for another amount.
- (3) Net of addbacks and deductions to arrive at taxable income.
- (4) Average of Gross Fixed Assets at beginning and end of the Test Year
- (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.



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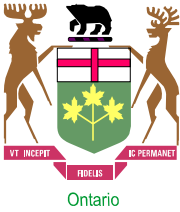
Name of LDC: Orillia Power Distribution Corporation
 File Number: EB-2009-0273
 Rate Year: 2010

Line No.	Particulars	Rate Base		
		Application	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)	\$36,244,000	\$ -	\$36,244,000
2	Accumulated Depreciation (average) (3)	(\$19,712,500)	\$20,700	(\$19,691,800)
3	Net Fixed Assets (average) (3)	\$16,531,500	\$20,700	\$16,552,200
4	Allowance for Working Capital (1)	\$4,211,700	\$41,850	\$4,253,550
5	Total Rate Base	\$20,743,200	\$62,550	\$20,805,750

(1) Allowance for Working Capital - Derivation				
6	Controllable Expenses	\$4,346,000	\$ -	\$4,346,000
7	Cost of Power	\$23,732,000	\$279,000	\$24,011,000
8	Working Capital Base	\$28,078,000	\$279,000	\$28,357,000
9	Working Capital Rate % (2)	15.00%		15.00%
10	Working Capital Allowance	\$4,211,700	\$41,850	\$4,253,550

Notes

- (2) Generally 15%. Some distributors may have a unique rate due as a result of a lead-lag study.
 (3) Average of opening and closing balances for the year.



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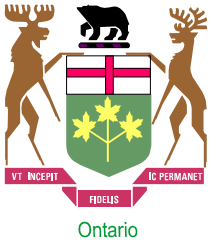
Rate Year: 2010

Utility income

Line No.	Particulars	Application	Adjustments	Per Board Decision
Operating Revenues:				
1	Distribution Revenue (at Proposed Rates)	\$7,116,900	(\$2,000)	\$7,114,900
2	Other Revenue (1)	\$541,300	\$ -	\$541,300
3	Total Operating Revenues	\$7,658,200	(\$2,000)	\$7,656,200
Operating Expenses:				
4	OM+A Expenses	\$4,282,000	\$ -	\$4,282,000
5	Depreciation/Amortization	\$1,449,000	(\$41,300)	\$1,407,700
6	Property taxes	\$27,000	\$ -	\$27,000
7	Capital taxes	\$6,000	\$ -	\$6,000
8	Other expense	\$31,000	\$ -	\$31,000
9	Subtotal	\$5,795,000	(\$41,300)	\$5,753,700
10	Deemed Interest Expense	\$896,189	(\$156,919)	\$739,270
11	Total Expenses (lines 4 to 10)	\$6,691,189	(\$198,219)	\$6,492,970
12	Utility income before income taxes	\$967,011	\$196,219	\$1,163,230
13	Income taxes (grossed-up)	\$302,400	\$41,000	\$343,400
14	Utility net income	\$664,611	\$155,219	\$819,830

Notes

(1)	Other Revenues / Revenue Offsets		
	Specific Service Charges	\$68,300	\$68,300
	Late Payment Charges	\$60,000	\$60,000
	Other Distribution Revenue	\$445,000	\$445,000
	Other Income and Deductions	(\$32,000)	(\$32,000)
	Total Revenue Offsets	\$541,300	\$541,300



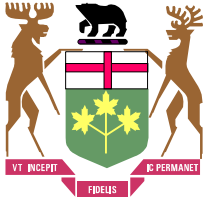
Revenue Requirement Work Form

Name of LDC: Orillia Power Distribution Corporation
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Taxes/PILs

Line No.	Particulars	Application	Per Board Decision
<u>Determination of Taxable Income</u>			
1	Utility net income	\$664,612	\$819,747
2	Adjustments required to arrive at taxable utility income	\$68,300	\$27,000
3	Taxable income	\$732,912	\$846,747
<u>Calculation of Utility income Taxes</u>			
4	Income taxes	\$214,099	\$244,329
5	Capital taxes	\$6,000	\$6,000
6	Total taxes	\$220,099	\$250,329
7	Gross-up of Income Taxes	\$88,301	\$99,071
8	Grossed-up Income Taxes	\$302,400	\$343,400
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$308,400	\$349,400
10	Other tax Credits	\$ -	\$ -
<u>Tax Rates</u>			
11	Federal tax (%)	18.00%	18.00%
12	Provincial tax (%)	11.20%	10.85%
13	Total tax rate (%)	29.20%	28.85%

Notes



Ontario

Revenue Requirement Work Form

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Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
Application					
Debt					
1	Long-term Debt	56.00%	\$11,616,192	7.62%	\$885,154
2	Short-term Debt	4.00%	\$829,728	1.33%	\$11,035
3	Total Debt	60.00%	\$12,445,920	7.20%	\$896,189
Equity					
4	Common Equity	40.00%	\$8,297,280	8.01%	\$664,612
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$8,297,280	8.01%	\$664,612
7	Total	100%	\$20,743,200	7.52%	\$1,560,801
Per Board Decision					
Debt					
8	Long-term Debt	56.00%	\$11,651,220	6.25%	\$728,201
9	Short-term Debt	4.00%	\$832,230	1.33%	\$11,069
10	Total Debt	60.00%	\$12,483,450	5.92%	\$739,270
Equity					
11	Common Equity	40.0%	\$8,322,300	9.85%	\$819,747
12	Preferred Shares	0.0%	\$ -	0.00%	\$ -
13	Total Equity	40.0%	\$8,322,300	9.85%	\$819,747
14	Total	100%	\$20,805,750	7.49%	\$1,559,016

Notes

(1) 4.0% unless an Applicant has proposed or been approved for another amount.



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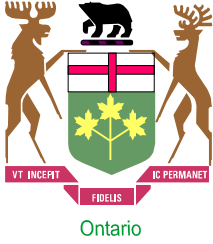
Rate Year: 2010

Revenue Sufficiency/Deficiency

Line No.	Particulars	Per Application		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$955,076		\$912,356
2	Distribution Revenue	\$6,161,700	\$6,161,824	\$6,202,400	\$6,202,544
3	Other Operating Revenue Offsets - net	\$541,300	\$541,300	\$541,300	\$541,300
4	Total Revenue	\$6,703,000	\$7,658,200	\$6,743,700	\$7,656,200
5	Operating Expenses	\$5,795,000	\$5,795,000	\$5,753,700	\$5,753,700
6	Deemed Interest Expense	\$896,189	\$896,189	\$739,270	\$739,270
	Total Cost and Expenses	\$6,691,189	\$6,691,189	\$6,492,970	\$6,492,970
7	Utility Income Before Income Taxes	\$11,811	\$967,011	\$250,730	\$1,163,230
	Tax Adjustments to Accounting				
8	Income per 2009 PILs	\$68,300	\$68,300	\$27,000	\$27,000
9	Taxable Income	\$80,111	\$1,035,311	\$277,730	\$1,190,230
10	Income Tax Rate	29.20%	29.20%	28.85%	28.85%
11	Income Tax on Taxable Income	\$23,392	\$302,311	\$80,125	\$343,381
12	Income Tax Credits	\$ -	\$ -	\$ -	\$ -
13	Utility Net Income	(\$11,582)	\$664,611	\$170,605	\$819,830
14	Utility Rate Base	\$20,743,200	\$20,743,200	\$20,805,750	\$20,805,750
	Deemed Equity Portion of Rate Base	\$8,297,280	\$8,297,280	\$8,322,300	\$8,322,300
15	Income/Equity Rate Base (%)	-0.14%	8.01%	2.05%	9.85%
16	Target Return - Equity on Rate Base	8.01%	8.01%	9.85%	9.85%
	Sufficiency/Deficiency in Return on Equity	-8.15%	0.00%	-7.80%	0.00%
17	Indicated Rate of Return	4.26%	7.52%	4.37%	7.49%
18	Requested Rate of Return on Rate Base	7.52%	7.52%	7.49%	7.49%
19	Sufficiency/Deficiency in Rate of Return	-3.26%	0.00%	-3.12%	0.00%
20	Target Return on Equity	\$664,612	\$664,612	\$819,747	\$819,747
21	Revenue Sufficiency/Deficiency	\$676,194	(\$1)	\$649,142	\$84
22	Gross Revenue Sufficiency/Deficiency	\$955,076 (1)		\$912,356 (1)	

Notes:

(1) Revenue Sufficiency/Deficiency divided by (1 - Tax Rate)



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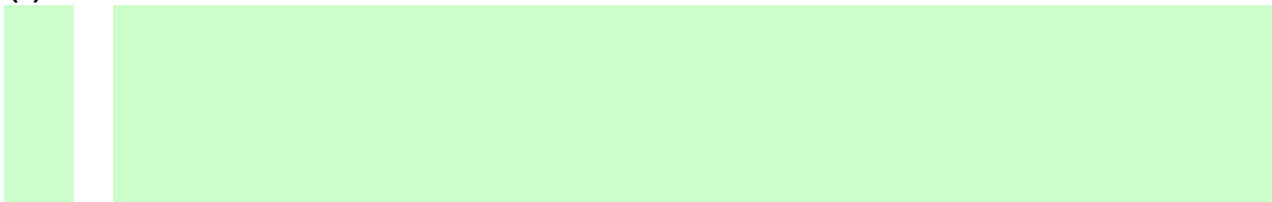
Ontario

		Revenue Requirement	
Line No.	Particulars	Application	Per Board Decision
1	OM&A Expenses	\$4,282,000	\$4,282,000
2	Amortization/Depreciation	\$1,449,000	\$1,407,700
3	Property Taxes	\$27,000	\$27,000
4	Capital Taxes	\$6,000	\$6,000
5	Income Taxes (Grossed up)	\$302,400	\$343,400
6	Other Expenses	\$31,000	\$31,000
7	Return		
	Deemed Interest Expense	\$896,189	\$739,270
	Return on Deemed Equity	\$664,612	\$819,747
8	Distribution Revenue Requirement before Revenues	\$7,658,201	\$7,656,116
9	Distribution revenue	\$7,116,900	\$7,114,900
10	Other revenue	\$541,300	\$541,300
11	Total revenue	\$7,658,200	\$7,656,200
12	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	(\$1) (1)	\$84 (1)

Notes

(1)

Line 11 - Line 8





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Rate Year: 2010

Selected Delivery Charge and Bill Impacts Per Draft Rate Order									
		Monthly Delivery Charge				Total Bill			
		Current	Per Draft Rate Order	Change		Current	Per Draft Rate Order	Change	
				\$	%			\$	%
Residential	800 kWh/month	\$ 24.58	\$ 26.20	\$ 1.62	6.6%	\$ 89.34	\$ 92.15	\$ 2.81	3.1%
GS < 50kW	2000 kWh/month	\$ 60.59	\$ 65.75	\$ 5.16	8.5%	\$ 227.48	\$ 235.65	\$ 8.17	3.6%

Notes: