



**Jerry Van Ooteghem**  
President & C.E.O  
Tel: (519) 745-4771  
Fax: (519) 571-9338

April 19, 2010

**BY RESS & COURIER**

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 26<sup>th</sup> Floor, P.O. Box 2319  
TORONTO, ON M4P 1E4

**Re: EB Number: EB-2009-0267**  
**Kitchener-Wilmot Hydro Inc. Draft Rate Order**  
**2010 Electricity Distribution Rates, Licence No. ED-2002-0573**

Dear Ms. Walli:

On August 31, 2010, Kitchener-Wilmot Hydro Inc. ("KW Hydro") filed an application with the Ontario Energy Board ("the Board") under section 78 of the *Ontario Energy Board Act, S.O. 1998, c. 15, (Schedule B)*, seeking approval for changes to the rates that KW Hydro charges for electricity distribution to be effective May 1, 2010.

On April 7, 2010, the Board issued its Decision in this Application. In that Decision, the Board directed KW Hydro to file with the Board, and also forward to all Intervenor, a Draft Rate Order, attaching a proposed Tariff of Rates and Charges reflecting the Board's finding in its Decision, within 10 days of the date of the Decision. Included with the Draft Rate Order, KW Hydro has included detailed supporting information, including the Revenue Requirement Work Form in Microsoft Excel format.

As a result of adjustments made through the rebasing process for 2010, the estimated bill impact for residential customers consuming 800 kWh per month would result in an increase in the total bill of 2.51%.

A general service <50 kW, 2000 kWh per month customer would experience an increase of 0.96%.

Attached to this cover letter are the detailed customer bill impacts.

A copy of this submission has been electronically filed through the Board's RESS system. The original has been couriered to the Board's offices.



**Jerry Van Ooteghem**  
President & C.E.O  
Tel: (519) 745-4771  
Fax: (519) 571-9338

Should you require any further information or clarification of any of the above, kindly contact the writer.

Respectfully submitted,

*Original Signed by*

J. Van Ooteghem, P.Eng.

President & CEO

Attachments

cc All Intervenors

**BILL IMPACTS (Monthly Consumptions) - DELIVERY LINE INCLUDED**

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	43.67%
Distribution (kWh)	100	0.0123	1.23	100	0.0170	1.70	0.47	38.21%	7.77%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	4.57%
LRAM & SSM Rider (kWh)	100			100	0.0003	0.03	0.03	0.00%	0.14%
Global Adjustment Rate Rider (kWh) - if applicable	100			100	0.0001	0.01	0.01	100.00%	0.05%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	100	0.0000	0.00	100	(0.0019)	(0.19)	(0.19)	100.00%	(0.87%)
<b>Sub-Total - Distribution</b>			<b>11.78</b>			<b>12.10</b>	<b>0.32</b>	<b>2.72%</b>	<b>55.33%</b>
RTSR-Network (kWh)	103	0.0047	0.49	103	0.0048	0.50	0.01	2.04%	2.26%
RTSR-Connection (kWh)	103	0.0018	0.19	103	0.0015	0.15	(0.03)	(16.74%)	0.71%
<b>Sub-Total - Delivery</b>			<b>12.45</b>			<b>12.75</b>	<b>0.30</b>	<b>2.40%</b>	<b>58.30%</b>
Wholesale Market Services (kWh)	103	0.0052	0.54	103	0.0052	0.54	(0.00)	(0.09%)	2.45%
RRRP (kWh)	103	0.0013	0.13	103	0.0013	0.13	(0.00)	(0.09%)	0.61%
Debt Retirement Charge (kWh)	100	0.0070	0.70	100	0.0070	0.70	0.00	0.00%	3.20%
Cost of Power Commodity (kWh)	103	0.0650	6.71	103	0.0650	6.71	(0.01)	(0.09%)	30.67%
<b>Total Bill Before Taxes</b>			<b>20.54</b>			<b>20.83</b>	<b>0.29</b>	<b>1.42%</b>	<b>95.24%</b>
GST		5.00%	1.03		5.00%	1.04	0.01	1.42%	4.76%
<b>Total Bill</b>			<b>21.56</b>			<b>21.87</b>	<b>0.31</b>	<b>1.42%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	25.09%
Distribution (kWh)	250	0.0123	3.08	250	0.0170	4.25	1.18	38.21%	11.17%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	2.63%
LRAM & SSM Rider (kWh)	250			250	0.0003	0.08	0.08	0.00%	0.20%
Global Adjustment Rate Rider (kWh) - if applicable	250			250	0.0001	0.03	0.03	100.00%	0.07%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	250	0.0000	0.00	250	(0.0019)	(0.48)	(0.48)	100.00%	(1.25%)
<b>Sub-Total - Distribution</b>			<b>13.63</b>			<b>14.43</b>	<b>0.80</b>	<b>5.87%</b>	<b>37.90%</b>
RTSR-Network (kWh)	258	0.0047	1.21	258	0.0048	1.24	0.02	2.04%	3.25%
RTSR-Connection (kWh)	258	0.0018	0.46	258	0.0015	0.39	(0.08)	(16.74%)	1.02%
<b>Sub-Total - Delivery</b>			<b>15.30</b>			<b>16.05</b>	<b>0.75</b>	<b>4.88%</b>	<b>42.17%</b>
Wholesale Market Services (kWh)	258	0.0052	1.34	258	0.0052	1.34	(0.00)	(0.09%)	3.52%
RRRP (kWh)	258	0.0013	0.34	258	0.0013	0.34	(0.00)	(0.09%)	0.88%
Debt Retirement Charge (kWh)	250	0.0070	1.75	250	0.0070	1.75	0.00	0.00%	4.60%
Cost of Power Commodity (kWh)	258	0.0650	16.78	258	0.0650	16.77	(0.01)	(0.09%)	44.06%
<b>Total Bill Before Taxes</b>			<b>35.52</b>			<b>36.25</b>	<b>0.73</b>	<b>2.06%</b>	<b>95.24%</b>
GST		5.00%	1.78		5.00%	1.81	0.04	2.06%	4.76%
<b>Total Bill</b>			<b>37.29</b>			<b>38.06</b>	<b>0.77</b>	<b>2.06%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	14.68%
Distribution (kWh)	500	0.0123	6.15	500	0.0170	8.50	2.35	38.21%	13.07%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	1.54%
LRAM & SSM Rider (kWh)	500			500	0.0003	0.15	0.15	0.00%	0.23%
Global Adjustment Rate Rider (kWh) - if applicable	500			500	0.0001	0.05	0.05	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	500	0.0000	0.00	500	(0.0019)	(0.95)	(0.95)	100.00%	(1.46%)
<b>Sub-Total - Distribution</b>			<b>16.70</b>			<b>18.30</b>	<b>1.60</b>	<b>9.58%</b>	<b>28.14%</b>
RTSR-Network (kWh)	516	0.0047	2.43	516	0.0048	2.48	0.05	2.04%	3.81%
RTSR-Connection (kWh)	516	0.0018	0.93	516	0.0015	0.77	(0.16)	(16.74%)	1.19%
<b>Sub-Total - Delivery</b>			<b>20.06</b>			<b>21.55</b>	<b>1.49</b>	<b>7.45%</b>	<b>33.13%</b>
Wholesale Market Services (kWh)	516	0.0052	2.69	516	0.0052	2.68	(0.00)	(0.09%)	4.13%
RRRP (kWh)	516	0.0013	0.67	516	0.0013	0.67	(0.00)	(0.09%)	1.03%
Debt Retirement Charge (kWh)	500	0.0070	3.50	500	0.0070	3.50	0.00	0.00%	5.38%
Cost of Power Commodity (kWh)	516	0.0650	33.57	516	0.0650	33.54	(0.03)	(0.09%)	51.57%
<b>Total Bill Before Taxes</b>			<b>60.48</b>			<b>61.94</b>	<b>1.46</b>	<b>2.42%</b>	<b>95.24%</b>
GST		5.00%	3.02		5.00%	3.10	0.07	2.42%	4.76%
<b>Total Bill</b>			<b>63.51</b>			<b>65.04</b>	<b>1.53</b>	<b>2.42%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	10.18%
Distribution (kWh)	750	0.0123	9.23	750	0.0170	12.75	3.53	38.21%	13.59%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	1.07%
LRAM & SSM Rider (kWh)	750			750	0.0003	0.23	0.23	0.00%	0.24%
Global Adjustment Rate Rider (kWh) - if applicable	750			750	0.0001	0.08	0.08	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	750	0.0000	0.00	750	(0.0019)	(1.43)	(1.43)	100.00%	(1.52%)
<b>Sub-Total - Distribution</b>			<b>19.78</b>			<b>22.18</b>	<b>2.40</b>	<b>12.14%</b>	<b>23.63%</b>
RTSR-Network (kWh)	775	0.0047	3.64	774	0.0048	3.72	0.07	2.04%	3.96%
RTSR-Connection (kWh)	775	0.0018	1.39	774	0.0015	1.16	(0.23)	(16.74%)	1.24%
<b>Sub-Total - Delivery</b>			<b>24.81</b>			<b>27.05</b>	<b>2.24</b>	<b>9.03%</b>	<b>28.82%</b>
Wholesale Market Services (kWh)	775	0.0052	4.03	774	0.0052	4.02	(0.00)	(0.09%)	4.29%
RRRP (kWh)	775	0.0013	1.01	774	0.0013	1.01	(0.00)	(0.09%)	1.07%
Debt Retirement Charge (kWh)	750	0.0070	5.25	750	0.0070	5.25	0.00	0.00%	5.59%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	41.56%
Cost of Power Commodity (kWh) - Block 2	175	0.0750	13.10	174	0.0750	13.05	(0.05)	0.00%	13.90%
<b>Total Bill Before Taxes</b>			<b>87.20</b>			<b>89.38</b>	<b>2.19</b>	<b>2.51%</b>	<b>95.24%</b>
GST		5.00%	4.36		5.00%	4.47	0.11	2.51%	4.76%
<b>Total Bill</b>			<b>91.56</b>			<b>93.85</b>	<b>2.30</b>	<b>2.51%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	9.57%
Distribution (kWh)	800	0.0123	9.84	800	0.0170	13.60	3.76	38.21%	13.63%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	1.00%
LRAM & SSM Rider (kWh)	800			800	0.0003	0.24	0.24	0.00%	0.24%
Global Adjustment Rate Rider (kWh) - if applicable	800			800	0.0001	0.08	0.08	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	800	0.0000	0.00	800	(0.0019)	(1.52)	(1.52)	100.00%	(1.52%)
<b>Sub-Total - Distribution</b>			<b>20.39</b>			<b>22.95</b>	<b>2.56</b>	<b>12.56%</b>	<b>23.00%</b>
RTSR-Network (kWh)	826	0.0047	3.88	826	0.0048	3.96	0.08	2.04%	3.97%
RTSR-Connection (kWh)	826	0.0018	1.49	826	0.0015	1.24	(0.25)	(16.74%)	1.24%
<b>Sub-Total - Delivery</b>			<b>25.76</b>			<b>28.15</b>	<b>2.39</b>	<b>9.28%</b>	<b>28.21%</b>
Wholesale Market Services (kWh)	826	0.0052	4.30	826	0.0052	4.29	(0.00)	(0.09%)	4.30%
RRRP (kWh)	826	0.0013	1.07	826	0.0013	1.07	(0.00)	(0.09%)	1.08%
Debt Retirement Charge (kWh)	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	5.61%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	39.08%
Cost of Power Commodity (kWh) - Block 2	226	0.0750	16.97	226	0.0750	16.92	(0.05)	0.00%	16.96%
<b>Total Bill Before Taxes</b>			<b>92.71</b>			<b>95.04</b>	<b>2.33</b>	<b>2.51%</b>	<b>95.24%</b>
GST		5.00%	4.64		5.00%	4.75	0.12	2.51%	4.76%
<b>Total Bill</b>			<b>97.34</b>			<b>99.79</b>	<b>2.45</b>	<b>2.51%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	7.73%
Distribution (kWh)	1,000	0.0123	12.30	1,000	0.0170	17.00	4.70	38.21%	13.76%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.81%
LRAM & SSM Rider (kWh)	1,000			1,000	0.0003	0.30	0.30	0.00%	0.24%
Global Adjustment Rate Rider (kWh) - if applicable	1,000			1,000	0.0001	0.10	0.10	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	1,000	0.0000	0.00	1,000	(0.0019)	(1.90)	(1.90)	100.00%	(1.54%)
<b>Sub-Total - Distribution</b>			<b>22.85</b>			<b>26.05</b>	<b>3.20</b>	<b>14.00%</b>	<b>21.09%</b>
RTSR-Network (kWh)	1,033	0.0047	4.85	1,032	0.0048	4.95	0.10	2.04%	4.01%
RTSR-Connection (kWh)	1,033	0.0018	1.86	1,032	0.0015	1.55	(0.31)	(16.74%)	1.25%
<b>Sub-Total - Delivery</b>			<b>29.56</b>			<b>32.55</b>	<b>2.99</b>	<b>10.11%</b>	<b>26.35%</b>
Wholesale Market Services (kWh)	1,033	0.0052	5.37	1,032	0.0052	5.37	(0.00)	(0.09%)	4.34%
RRRP (kWh)	1,033	0.0013	1.34	1,032	0.0013	1.34	(0.00)	(0.09%)	1.09%
Debt Retirement Charge (kWh)	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	5.67%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	31.57%
Cost of Power Commodity (kWh) - Block 2	433	0.0750	32.47	432	0.0750	32.40	(0.07)	0.00%	26.23%
<b>Total Bill Before Taxes</b>			<b>114.75</b>			<b>117.66</b>	<b>2.91</b>	<b>2.54%</b>	<b>95.24%</b>
GST		5.00%	5.74		5.00%	5.88	0.15	2.54%	4.76%
<b>Total Bill</b>			<b>120.48</b>			<b>123.54</b>	<b>3.06</b>	<b>2.54%</b>	<b>100.00%</b>

RESIDENTIAL									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			9.55			9.55	0.00	0.00%	5.34%
Distribution (kWh)	1,500	0.0123	18.45	1,500	0.0170	25.50	7.05	38.21%	14.27%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.56%
LRAM & SSM Rider (kWh)	1,500			1,500	0.0003	0.45	0.45	0.00%	0.25%
Global Adjustment Rate Rider (kWh) - if applicable	1,500			1,500	0.0001	0.15	0.15	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	1,500	0.0000	0.00	1,500	(0.0019)	(2.85)	(2.85)	100.00%	(1.59%)
<b>Sub-Total - Distribution</b>			<b>29.00</b>			<b>33.80</b>	<b>4.80</b>	<b>16.55%</b>	<b>18.91%</b>
RTSR-Network (kWh)	1,549	0.0047	7.28	1,548	0.0048	7.43	0.15	2.04%	4.16%
RTSR-Connection (kWh)	1,549	0.0018	2.79	1,548	0.0015	2.32	(0.47)	(16.74%)	1.30%
<b>Sub-Total - Delivery</b>			<b>39.07</b>			<b>43.55</b>	<b>4.48</b>	<b>11.47%</b>	<b>24.37%</b>
Wholesale Market Services (kWh)	1,549	0.0052	8.06	1,548	0.0052	8.05	(0.01)	(0.09%)	4.50%
RRRP (kWh)	1,549	0.0013	2.01	1,548	0.0013	2.01	(0.00)	(0.09%)	1.13%
Debt Retirement Charge (kWh)	1,500	0.0070	10.50	1,500	0.0070	10.50	0.00	0.00%	5.87%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	1,000	0.0650	65.00	26.00	66.67%	36.37%
Cost of Power Commodity (kWh) - Block 2	949	0.0750	71.20	548	0.0750	41.10	(30.10)	(42.28%)	23.00%
<b>Total Bill Before Taxes</b>			<b>169.84</b>			<b>170.21</b>	<b>0.37</b>	<b>0.22%</b>	<b>95.24%</b>
GST		5.00%	8.49		5.00%	8.51	0.02	0.22%	4.76%
<b>Total Bill</b>			<b>178.33</b>			<b>178.73</b>	<b>0.39</b>	<b>0.22%</b>	<b>100.00%</b>

GENERAL SERVICE < 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			25.17			25.17	0.00	0.00%	22.60%
Distribution (kWh)	800	0.0090	7.20	800	0.0123	9.84	2.64	36.67%	8.83%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.90%
LRAM & SSM Rider (kWh)	800			800	0.0001	0.08	0.08	0.00%	0.07%
Global Adjustment Rate Rider (kWh) - if applicable	800			800	0.0001	0.08	0.08	100.00%	0.07%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	800	0.0000	0.00	800	(0.0021)	(1.68)	(1.68)	100.00%	(1.51%)
<b>Sub-Total - Distribution</b>			<b>33.37</b>			<b>34.49</b>	<b>1.12</b>	<b>3.36%</b>	<b>30.96%</b>
RTSR-Network (kWh)	826	0.0041	3.39	826	0.0042	3.47	0.08	2.35%	3.11%
RTSR-Connection (kWh)	826	0.0017	1.40	826	0.0015	1.24	(0.17)	(11.84%)	1.11%
<b>Sub-Total - Delivery</b>			<b>38.16</b>			<b>39.20</b>	<b>1.03</b>	<b>2.71%</b>	<b>35.19%</b>
Wholesale Market Services (kWh)	826	0.0052	4.30	826	0.0052	4.29	(0.00)	(0.09%)	3.85%
RRRP (kWh)	826	0.0013	1.07	826	0.0013	1.07	(0.00)	(0.09%)	0.96%
Debt Retirement Charge (kWh)	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	5.03%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	35.01%
Cost of Power Commodity (kWh) - Block 2	226	0.0750	16.97	226	0.0750	16.92	(0.05)	(0.32%)	15.19%
<b>Total Bill Before Taxes</b>			<b>105.11</b>			<b>106.08</b>	<b>0.97</b>	<b>0.93%</b>	<b>95.24%</b>
GST		5.00%	5.26		5.00%	5.30	0.05	0.93%	4.76%
<b>Total Bill</b>			<b>110.36</b>			<b>111.39</b>	<b>1.02</b>	<b>0.93%</b>	<b>100.00%</b>

GENERAL SERVICE < 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			25.17			25.17	0.00	0.00%	18.81%
Distribution (kWh)	1,000	0.0090	9.00	1,000	0.0123	12.30	3.30	36.67%	9.19%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.75%
LRAM & SSM Rider (kWh)	1,000			1,000	0.0001	0.10	0.10	0.00%	0.07%
Global Adjustment Rate Rider (kWh) - if applicable	1,000			1,000	0.0001	0.10	0.10	100.00%	0.07%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	1,000	0.0000	0.00	1,000	(0.0021)	(2.10)	(2.10)	100.00%	(1.57%)
<b>Sub-Total - Distribution</b>			<b>35.17</b>			<b>36.57</b>	<b>1.40</b>	<b>3.98%</b>	<b>27.33%</b>
RTSR-Network (kWh)	1,033	0.0041	4.23	1,032	0.0042	4.33	0.10	2.35%	3.24%
RTSR-Connection (kWh)	1,033	0.0017	1.76	1,032	0.0014	1.44	(0.31)	(17.72%)	1.08%
<b>Sub-Total - Delivery</b>			<b>41.16</b>			<b>42.35</b>	<b>1.19</b>	<b>2.89%</b>	<b>31.64%</b>
Wholesale Market Services (kWh)	1,033	0.0052	5.37	1,032	0.0052	5.37	(0.00)	(0.09%)	4.01%
RRRP (kWh)	1,033	0.0013	1.34	1,032	0.0013	1.34	(0.00)	(0.09%)	1.00%
Debt Retirement Charge (kWh)	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	5.23%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	29.14%
Cost of Power Commodity (kWh) - Block 2	433	0.0750	32.47	432	0.0750	32.40	(0.07)	(0.21%)	24.21%
<b>Total Bill Before Taxes</b>			<b>126.34</b>			<b>127.46</b>	<b>1.12</b>	<b>0.88%</b>	<b>95.24%</b>
GST		5.00%	6.32		5.00%	6.37	0.06	0.88%	4.76%
<b>Total Bill</b>			<b>132.66</b>			<b>133.83</b>	<b>1.17</b>	<b>0.88%</b>	<b>100.00%</b>

GENERAL SERVICE < 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			25.17			25.17	0.00	0.00%	10.21%
Distribution (kWh)	2,000	0.0090	18.00	2,000	0.0123	24.60	6.60	36.67%	9.98%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.41%
LRAM & SSM Rider (kWh)	2,000			2,000	0.0001	0.20	0.20	0.00%	0.08%
Global Adjustment Rate Rider (kWh) - if applicable	2,000			2,000	0.0001	0.20	0.20	100.00%	0.08%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	2,000	0.0000	0.00	2,000	(0.0021)	(4.20)	(4.20)	100.00%	(1.70%)
<b>Sub-Total - Distribution</b>			<b>44.17</b>			<b>46.97</b>	<b>2.80</b>	<b>6.34%</b>	<b>19.06%</b>
RTSR-Network (kWh)	2,066	0.0041	8.47	2,064	0.0042	8.67	0.20	2.35%	3.52%
RTSR-Connection (kWh)	2,066	0.0017	3.51	2,064	0.0014	2.89	(0.62)	(17.72%)	1.17%
<b>Sub-Total - Delivery</b>			<b>56.15</b>			<b>58.53</b>	<b>2.38</b>	<b>4.23%</b>	<b>23.75%</b>
Wholesale Market Services (kWh)	2,066	0.0052	10.74	2,064	0.0052	10.73	(0.01)	(0.09%)	4.35%
RRRP (kWh)	2,066	0.0013	2.69	2,064	0.0013	2.68	(0.00)	(0.09%)	1.09%
Debt Retirement Charge (kWh)	2,000	0.0070	14.00	2,000	0.0070	14.00	0.00	0.00%	5.68%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	15.82%
Cost of Power Commodity (kWh) - Block 2	1,466	0.0750	109.94	1,464	0.0750	109.80	(0.13)	(0.12%)	44.55%
<b>Total Bill Before Taxes</b>			<b>232.51</b>			<b>234.74</b>	<b>2.23</b>	<b>0.96%</b>	<b>95.24%</b>
GST		5.00%	11.63		5.00%	11.74	0.11	0.96%	4.76%
<b>Total Bill</b>			<b>244.14</b>			<b>246.48</b>	<b>2.34</b>	<b>0.96%</b>	<b>100.00%</b>

GENERAL SERVICE < 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			25.17			25.17	0.00	0.00%	4.31%
Distribution (kWh)	5,000	0.0090	45.00	5,000	0.0123	61.50	16.50	36.67%	10.52%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.17%
LRAM & SSM Rider (kWh)	5,000			5,000	0.0001	0.50	0.50	0.00%	0.09%
Global Adjustment Rate Rider (kWh) - if applicable	5,000			5,000	0.0001	0.50	0.50	100.00%	0.09%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	5,000	0.0000	0.00	5,000	(0.0021)	(10.50)	(10.50)	100.00%	(1.80%)
<b>Sub-Total - Distribution</b>			<b>71.17</b>			<b>78.17</b>	<b>7.00</b>	<b>9.84%</b>	<b>13.38%</b>
RTSR-Network (kWh)	5,165	0.0041	21.17	5,160	0.0042	21.67	0.50	2.35%	3.71%
RTSR-Connection (kWh)	5,165	0.0017	8.78	5,160	0.0014	7.22	(1.56)	(17.72%)	1.24%
<b>Sub-Total - Delivery</b>			<b>101.12</b>			<b>107.07</b>	<b>5.94</b>	<b>5.88%</b>	<b>18.32%</b>
Wholesale Market Services (kWh)	5,165	0.0052	26.86	5,160	0.0052	26.83	(0.02)	(0.09%)	4.59%
RRRP (kWh)	5,165	0.0013	6.71	5,160	0.0013	6.71	(0.01)	(0.09%)	1.15%
Debt Retirement Charge (kWh)	5,000	0.0070	35.00	5,000	0.0070	35.00	0.00	0.00%	5.99%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	6.67%
Cost of Power Commodity (kWh) - Block 2	4,565	0.0750	342.34	4,560	0.0750	342.00	(0.34)	(0.10%)	58.52%
<b>Total Bill Before Taxes</b>			<b>551.03</b>			<b>556.61</b>	<b>5.58</b>	<b>1.01%</b>	<b>95.24%</b>
GST		5.00%	27.55		5.00%	27.83	0.28	1.01%	4.76%
<b>Total Bill</b>			<b>578.58</b>			<b>584.44</b>	<b>5.85</b>	<b>1.01%</b>	<b>100.00%</b>

GENERAL SERVICE < 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			25.17			25.17	0.00	0.00%	2.19%
Distribution (kWh)	10,000	0.0090	90.00	10,000	0.0123	123.00	33.00	36.67%	10.72%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.09%
LRAM & SSM Rider (kWh)	10,000			10,000	0.0001	1.00	1.00	0.00%	0.09%
Global Adjustment Rate Rider (kWh) - if applicable	10,000			10,000	0.0001	1.00	1.00	100.00%	0.09%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	10,000	0.0000	0.00	10,000	(0.0021)	(21.00)	(21.00)	100.00%	(1.83%)
<b>Sub-Total - Distribution</b>			<b>116.17</b>			<b>130.17</b>	<b>14.00</b>	<b>12.05%</b>	<b>11.34%</b>
RTSR-Network (kWh)	10,329	0.0041	42.35	10,320	0.0042	43.34	1.00	2.35%	3.78%
RTSR-Connection (kWh)	10,329	0.0017	17.56	10,320	0.0014	14.45	(3.11)	(17.72%)	1.26%
<b>Sub-Total - Delivery</b>			<b>176.08</b>			<b>187.96</b>	<b>11.88</b>	<b>6.75%</b>	<b>16.38%</b>
Wholesale Market Services (kWh)	10,329	0.0052	53.71	10,320	0.0052	53.66	(0.05)	(0.09%)	4.68%
RRRP (kWh)	10,329	0.0013	13.43	10,320	0.0013	13.42	(0.01)	(0.09%)	1.17%
Debt Retirement Charge (kWh)	10,000	0.0070	70.00	10,000	0.0070	70.00	0.00	0.00%	6.10%
Cost of Power Commodity (kWh) - Block 1	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	3.40%
Cost of Power Commodity (kWh) - Block 2	9,729	0.0750	729.68	9,720	0.0750	729.00	(0.67)	(0.09%)	63.52%
<b>Total Bill Before Taxes</b>			<b>1,081.89</b>			<b>1,093.04</b>	<b>11.15</b>	<b>1.03%</b>	<b>95.24%</b>
GST		5.00%	54.09		5.00%	54.65	0.56	1.03%	4.76%
<b>Total Bill</b>			<b>1,135.99</b>			<b>1,147.69</b>	<b>11.71</b>	<b>1.03%</b>	<b>100.00%</b>

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			232.71			232.71	0.00	0.00%	7.13%
Distribution (kWh)	30,000	0.0000	0.00	30,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	60	3.5202	211.21	60	4.0067	240.40	29.19	13.82%	7.37%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.03%
LRAM & SSM Rider (kW)	60			60	0.0172	1.03	1.03	0.00%	0.03%
Global Adjustment Rate Rider (kW) - if applicable	60			60	0.3360	20.16	20.16	100.00%	0.62%
Deferral & Variance Accounts Recovery Rate Rider (kW)	60	0.0000	0.00	60	(0.8566)	(51.40)	(51.40)	100.00%	(1.57%)
<b>Sub-Total - Distribution</b>			<b>444.92</b>			<b>443.91</b>	<b>(1.01)</b>	<b>(0.23%)</b>	<b>13.60%</b>
RTSR-Network (kW)	60	2.1384	128.30	60	2.2026	132.16	3.85	3.00%	4.05%
RTSR-Connection (kW)	60	0.8869	53.21	60	0.7539	45.23	(7.98)	(15.00%)	1.39%
<b>Sub-Total - Delivery</b>			<b>626.44</b>			<b>621.30</b>	<b>(5.14)</b>	<b>(0.82%)</b>	<b>19.04%</b>
Wholesale Market Services (kWh)	30,987	0.0052	161.13	30,960	0.0052	160.99	(0.14)	(0.09%)	4.93%
RRRP (kWh)	30,987	0.0013	40.28	30,960	0.0013	40.25	(0.04)	(0.09%)	1.23%
Debt Retirement Charge (kWh)	30,000	0.0070	210.00	30,000	0.0070	210.00	0.00	0.00%	6.43%
Cost of Power Commodity (kWh)	30,987	0.06704	2,077.37	30,960	0.06704	2,075.56	(1.81)	(0.09%)	63.60%
<b>Total Bill Before Taxes</b>			<b>3,115.22</b>			<b>3,108.10</b>	<b>(7.13)</b>	<b>(0.23%)</b>	<b>95.24%</b>
GST		5.00%	155.76		5.00%	155.40	(0.36)	(0.23%)	4.76%
<b>Total Bill</b>			<b>3,270.99</b>			<b>3,263.50</b>	<b>(7.48)</b>	<b>(0.23%)</b>	<b>100.00%</b>

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			232.71			232.71	0.00	0.00%	3.12%
Distribution (kWh)	75,000	0.0000	0.00	75,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	100	3.5202	352.02	100	4.0067	400.67	48.65	13.82%	5.38%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.01%
LRAM & SSM Rider (kW)	100			100	0.0172	1.72	1.72	0.00%	0.02%
Global Adjustment Rate Rider (kW) - if applicable	100			100	0.3360	33.60	33.60	100.00%	0.45%
Deferral & Variance Accounts Recovery Rate Rider (kW)	100	0.0000	0.00	100	(0.8566)	(85.66)	(85.66)	100.00%	(1.15%)
<b>Sub-Total - Distribution</b>			<b>585.73</b>			<b>584.04</b>	<b>(1.69)</b>	<b>(0.29%)</b>	<b>7.84%</b>
RTSR-Network (kW)	100	2.1384	213.84	100	2.2026	220.26	6.42	3.00%	2.96%
RTSR-Connection (kW)	100	0.8869	88.69	100	0.7539	75.39	(13.30)	(15.00%)	1.01%
<b>Sub-Total - Delivery</b>			<b>888.26</b>			<b>879.69</b>	<b>(8.57)</b>	<b>(0.96%)</b>	<b>11.81%</b>
Wholesale Market Services (kWh)	77,468	0.0052	402.83	77,400	0.0052	402.48	(0.35)	(0.09%)	5.40%
RRRP (kWh)	77,468	0.0013	100.71	77,400	0.0013	100.62	(0.09)	(0.09%)	1.35%
Debt Retirement Charge (kWh)	75,000	0.0070	525.00	75,000	0.0070	525.00	0.00	0.00%	7.05%
Cost of Power Commodity (kWh)	77,468	0.06704	5,193.42	77,400	0.06704	5,188.90	(4.53)	(0.09%)	69.64%
<b>Total Bill Before Taxes</b>			<b>7,110.22</b>			<b>7,096.69</b>	<b>(13.53)</b>	<b>(0.19%)</b>	<b>95.24%</b>
GST		5.00%	355.51		5.00%	354.83	(0.68)	(0.19%)	4.76%
<b>Total Bill</b>			<b>7,465.73</b>			<b>7,451.52</b>	<b>(14.21)</b>	<b>(0.19%)</b>	<b>100.00%</b>

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			232.71			232.71	0.00	0.00%	1.11%
Distribution (kWh)	200,000	0.0000	0.00	200,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	500	3.5202	1,760.10	500	4.0067	2,003.35	243.25	13.82%	9.52%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.00%
LRAM & SSM Rider (kW)	500			500	0.0172	8.60	8.60	0.00%	0.04%
Global Adjustment Rate Rider (kW) - if applicable	500			500	0.3360	168.00	168.00	100.00%	0.80%
Deferral & Variance Accounts Recovery Rate Rider (kW)	500	0.0000	0.00	500	(0.8566)	(428.30)	(428.30)	100.00%	(2.04%)
<b>Sub-Total - Distribution</b>			<b>1,993.81</b>			<b>1,985.36</b>	<b>(8.45)</b>	<b>(0.42%)</b>	<b>9.43%</b>
RTSR-Network (kW)	500	2.1384	1,069.20	500	2.2026	1,101.30	32.10	3.00%	5.23%
RTSR-Connection (kW)	500	0.8869	443.45	500	0.7539	376.95	(66.50)	(15.00%)	1.79%
<b>Sub-Total - Delivery</b>			<b>3,506.46</b>			<b>3,463.61</b>	<b>(42.85)</b>	<b>(1.22%)</b>	<b>16.46%</b>
Wholesale Market Services (kWh)	206,580	0.0052	1,074.22	206,400	0.0052	1,073.28	(0.94)	(0.09%)	5.10%
RRRP (kWh)	206,580	0.0013	268.55	206,400	0.0013	268.32	(0.23)	(0.09%)	1.28%
Debt Retirement Charge (kWh)	200,000	0.0070	1,400.00	200,000	0.0070	1,400.00	0.00	0.00%	6.65%
Cost of Power Commodity (kWh)	206,580	0.06704	13,849.12	206,400	0.06704	13,837.06	(12.07)	(0.09%)	65.75%
<b>Total Bill Before Taxes</b>			<b>20,098.35</b>			<b>20,042.27</b>	<b>(56.09)</b>	<b>(0.28%)</b>	<b>95.24%</b>
GST		5.00%	1,004.92		5.00%	1,002.11	(2.80)	(0.28%)	4.76%
<b>Total Bill</b>			<b>21,103.27</b>			<b>21,044.38</b>	<b>(58.89)</b>	<b>(0.28%)</b>	<b>100.00%</b>

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			232.71			232.71	0.00	0.00%	0.30%
Distribution (kWh)	800,000	0.0000	0.00	800,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	1,000	3.5202	3,520.20	1,000	4.0067	4,006.70	486.50	13.82%	5.23%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.00%
LRAM & SSM Rider (kW)	1,000			1,000	0.0172	17.20	17.20	0.00%	0.02%
Global Adjustment Rate Rider (kW) - if applicable	1,000			1,000	0.3360	336.00	336.00	100.00%	0.44%
Deferral & Variance Accounts Recovery Rate Rider (kW)	1,000	0.0000	0.00	1,000	(0.8566)	(856.60)	(856.60)	100.00%	(1.12)%
<b>Sub-Total - Distribution</b>			<b>3,753.91</b>			<b>3,737.01</b>	<b>(16.90)</b>	<b>(0.45%)</b>	<b>4.87%</b>
RTSR-Network (kW)	1,000	2.1384	2,138.40	1,000	2.2026	2,202.60	64.20	3.00%	2.87%
RTSR-Connection (kW)	1,000	0.8869	886.90	1,000	0.7539	753.90	(133.00)	(15.00%)	0.98%
<b>Sub-Total - Delivery</b>			<b>6,779.21</b>			<b>6,693.51</b>	<b>(85.70)</b>	<b>(1.26%)</b>	<b>8.73%</b>
Wholesale Market Services (kWh)	826,320	0.0052	4,296.86	825,600	0.0052	4,293.12	(3.74)	(0.09%)	5.60%
RRRP (kWh)	826,320	0.0013	1,074.22	825,600	0.0013	1,073.28	(0.94)	(0.09%)	1.40%
Debt Retirement Charge (kWh)	800,000	0.0070	5,600.00	800,000	0.0070	5,600.00	0.00	0.00%	7.31%
Cost of Power Commodity (kWh)	826,320	0.06704	55,396.49	825,600	0.06704	55,348.22	(48.27)	(0.09%)	72.20%
<b>Total Bill Before Taxes</b>			<b>73,146.78</b>			<b>73,008.13</b>	<b>(138.65)</b>	<b>(0.19%)</b>	<b>95.24%</b>
GST		5.00%	3,657.34		5.00%	3,650.41	(6.93)	(0.19%)	4.76%
<b>Total Bill</b>			<b>76,804.12</b>			<b>76,658.54</b>	<b>(145.58)</b>	<b>(0.19%)</b>	<b>100.00%</b>

GENERAL SERVICE > 50 kW									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			232.71			232.71	0.00	0.00%	0.14%
Distribution (kWh)	1,600,000	0.0000	0.00	1,600,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	4,000	3.5202	14,080.80	4,000	4.0067	16,026.80	1,946.00	13.82%	9.62%
Smart Meter Rider (per month)			1.00			1.00	0.00	0.00%	0.00%
LRAM & SSM Rider (kW)	4,000			4,000	0.0172	68.80	68.80	0.00%	0.87%
Global Adjustment Rate Rider (kW) - if applicable	4,000			4,000	0.3360	1,344.00	1,344.00	100.00%	0.81%
Deferral & Variance Accounts Recovery Rate Rider (kW)	4,000	0.0000	0.00	4,000	(0.8566)	(3,426.40)	(3,426.40)	100.00%	(2.06)%
<b>Sub-Total - Distribution</b>			<b>14,314.51</b>			<b>14,246.91</b>	<b>(67.60)</b>	<b>(0.47%)</b>	<b>9.38%</b>
RTSR-Network (kW)	4,000	2.1384	8,553.60	4,000	2.2026	8,810.40	256.80	3.00%	5.29%
RTSR-Connection (kW)	4,000	0.8869	3,547.60	4,000	0.7539	3,015.60	(532.00)	(15.00%)	1.81%
<b>Sub-Total - Delivery</b>			<b>26,415.71</b>			<b>26,072.91</b>	<b>(342.80)</b>	<b>(1.30%)</b>	<b>15.65%</b>
Wholesale Market Services (kWh)	1,652,640	0.0052	8,593.73	1,651,200	0.0052	8,586.24	(7.49)	(0.09%)	5.15%
RRRP (kWh)	1,652,640	0.0013	2,148.43	1,651,200	0.0013	2,146.56	(1.87)	(0.09%)	1.29%
Debt Retirement Charge (kWh)	1,600,000	0.0070	11,200.00	1,600,000	0.0070	11,200.00	0.00	0.00%	6.72%
Cost of Power Commodity (kWh)	1,652,640	0.06704	110,792.99	1,651,200	0.06704	110,696.45	(96.54)	(0.09%)	66.43%
<b>Total Bill Before Taxes</b>			<b>159,150.86</b>			<b>158,702.16</b>	<b>(448.70)</b>	<b>(0.28%)</b>	<b>95.24%</b>
GST		5.00%	7,957.54		5.00%	7,935.11	(22.43)	(0.28%)	4.76%
<b>Total Bill</b>			<b>167,108.40</b>			<b>166,637.27</b>	<b>(471.13)</b>	<b>(0.28%)</b>	<b>100.00%</b>

LARGE USER (> 5000 kW)									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			14,195.83			14,195.83	0.00	0.00%	5.94%
Distribution (kWh)	2,400,000	0.0000	0.00	2,400,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	5,000	1.4316	7,158.00	5,000	1.3786	6,893.00	(265.00)	(3.70%)	2.88%
Smart Meter Rider (per month)			1.00		1.0000	1.00	0.00	0.00%	0.00%
Global Adjustment Rate Rider (kW) - if applicable	5,000			5,000	1.1662	5,831.00	5,831.00	100.00%	2.44%
Deferral & Variance Accounts Recovery Rate Rider (kW)	5,000	0.0000	0.00	5,000	(1.4963)	(7,481.50)	(7,481.50)	100.00%	(3.13)%
<b>Sub-Total - Distribution</b>			<b>21,354.83</b>			<b>19,439.33</b>	<b>(1,915.50)</b>	<b>(8.97%)</b>	<b>8.14%</b>
RTSR-Network (kW)	5,000	2.0099	10,049.50	5,000	2.0702	10,351.00	301.50	3.00%	4.33%
RTSR-Connection (kW)	5,000	0.8336	4,168.00	5,000	0.7086	3,543.00	(625.00)	(15.00%)	1.48%
<b>Sub-Total - Delivery</b>			<b>35,572.33</b>			<b>33,333.33</b>	<b>(2,239.00)</b>	<b>(6.29%)</b>	<b>13.95%</b>
Wholesale Market Services (kWh)	2,412,720	0.0052	12,546.14	2,412,720	0.0052	12,546.14	0.00	0.00%	5.25%
RRRP (kWh)	2,412,720	0.0013	3,136.54	2,412,720	0.0013	3,136.54	0.00	0.00%	1.31%
Debt Retirement Charge (kWh)	2,400,000	0.0070	16,800.00	2,400,000	0.0070	16,800.00	0.00	0.00%	7.03%
Cost of Power Commodity (kWh)	2,412,720	0.06704	161,748.75	2,412,720	0.06704	161,748.75	0.00	0.00%	67.69%
<b>Total Bill Before Taxes</b>			<b>229,803.76</b>			<b>227,564.76</b>	<b>(2,239.00)</b>	<b>(0.97%)</b>	<b>95.24%</b>
GST		5.00%	11,490.19		5.00%	11,378.24	(111.95)	(0.97%)	4.76%
<b>Total Bill</b>			<b>241,293.95</b>			<b>238,943.00</b>	<b>(2,350.95)</b>	<b>(0.97%)</b>	<b>100.00%</b>



LARGE USER (> 5000 kW)									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			14,195.83			14,195.83	0.00	0.00%	4.57%
Distribution (kWh)	3,100,000	0.0000	0.00	3,100,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	8,000	1.4316	11,452.80	8,000	1.3786	11,028.80	(424.00)	(3.70%)	3.55%
Smart Meter Rider (per month)			1.00		1.0000	1.00	0.00	0.00%	0.00%
Global Adjustment Rate Rider (kW) - if applicable	8,000			8,000	1.1662	9,329.60	9,329.60	100.00%	3.00%
Deferral & Variance Accounts Recovery Rate Rider (kW)	8,000	0.0000	0.00	8,000	(1.4963)	(11,970.40)	(11,970.40)	100.00%	(3.86%)
<b>Sub-Total - Distribution</b>			<b>25,649.63</b>			<b>22,584.83</b>	<b>(3,064.80)</b>	<b>(11.95%)</b>	<b>7.27%</b>
RTSR-Network (kW)	8,000	2.0099	16,079.20	8,000	2.0702	16,561.60	482.40	3.00%	5.33%
RTSR-Connection (kW)	8,000	0.8336	6,668.80	8,000	0.7086	5,668.80	(1,000.00)	(15.00%)	1.83%
<b>Sub-Total - Delivery</b>			<b>48,397.63</b>			<b>44,815.23</b>	<b>(3,582.40)</b>	<b>(7.40%)</b>	<b>14.43%</b>
Wholesale Market Services (kWh)	3,116,430	0.0052	16,205.44	3,116,430	0.0052	16,205.44	0.00	0.00%	5.22%
RRRP (kWh)	3,116,430	0.0013	4,051.36	3,116,430	0.0013	4,051.36	0.00	0.00%	1.30%
Debt Retirement Charge (kWh)	3,100,000	0.0070	21,700.00	3,100,000	0.0070	21,700.00	0.00	0.00%	6.99%
Cost of Power Commodity (kWh)	3,116,430	0.06704	208,925.47	3,116,430	0.06704	208,925.47	0.00	0.00%	67.29%
<b>Total Bill Before Taxes</b>			<b>299,279.89</b>			<b>295,697.49</b>	<b>(3,582.40)</b>	<b>(1.20%)</b>	<b>95.24%</b>
GST		5.00%	14,963.99		5.00%	14,784.87	(179.12)	(1.20%)	4.76%
<b>Total Bill</b>			<b>314,243.89</b>			<b>310,482.37</b>	<b>(3,761.52)</b>	<b>(1.20%)</b>	<b>100.00%</b>

LARGE USER (> 5000 kW)									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			14,195.83			14,195.83	0.00	0.00%	3.45%
Distribution (kWh)	4,200,000	0.0000	0.00	4,200,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	10,000	1.4316	14,316.00	10,000	1.3786	13,786.00	(530.00)	(3.70%)	3.35%
Smart Meter Rider (per month)			1.00		1.0000	1.00	0.00	0.00%	0.00%
Global Adjustment Rate Rider (kW) - if applicable	10,000			10,000	1.1662	11,662.00	11,662.00	100.00%	2.83%
Deferral & Variance Accounts Recovery Rate Rider (kW)	10,000	0.0000	0.00	10,000	(1.4963)	(14,963.00)	(14,963.00)	100.00%	(3.63%)
<b>Sub-Total - Distribution</b>			<b>28,512.83</b>			<b>24,681.83</b>	<b>(3,831.00)</b>	<b>(13.44%)</b>	<b>5.99%</b>
RTSR-Network (kW)	10,000	2.0099	20,099.00	10,000	2.0702	20,702.00	603.00	3.00%	5.02%
RTSR-Connection (kW)	10,000	0.8336	8,336.00	10,000	0.7086	7,086.00	(1,250.00)	(15.00%)	1.72%
<b>Sub-Total - Delivery</b>			<b>56,947.83</b>			<b>52,469.83</b>	<b>(4,478.00)</b>	<b>(7.86%)</b>	<b>12.74%</b>
Wholesale Market Services (kWh)	4,222,260	0.0052	21,955.75	4,222,260	0.0052	21,955.75	0.00	0.00%	5.33%
RRRP (kWh)	4,222,260	0.0013	5,488.94	4,222,260	0.0013	5,488.94	0.00	0.00%	1.33%
Debt Retirement Charge (kWh)	4,200,000	0.0070	29,400.00	4,200,000	0.0070	29,400.00	0.00	0.00%	7.14%
Cost of Power Commodity (kWh)	4,222,260	0.06704	283,060.31	4,222,260	0.06704	283,060.31	0.00	0.00%	68.71%
<b>Total Bill Before Taxes</b>			<b>396,852.83</b>			<b>392,374.83</b>	<b>(4,478.00)</b>	<b>(1.13%)</b>	<b>95.24%</b>
GST		5.00%	19,842.64		5.00%	19,618.74	(223.90)	(1.13%)	4.76%
<b>Total Bill</b>			<b>416,695.47</b>			<b>411,993.57</b>	<b>(4,701.90)</b>	<b>(1.13%)</b>	<b>100.00%</b>

LARGE USER (> 5000 kW)									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			14,195.83			14,195.83	0.00	0.00%	2.99%
Distribution (kWh)	4,700,000	0.0000	0.00	4,700,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	15,000	1.4316	21,474.00	15,000	1.3786	20,679.00	(795.00)	(3.70%)	4.36%
Smart Meter Rider (per month)			1.00		1.0000	1.00	0.00	0.00%	0.00%
Global Adjustment Rate Rider (kW) - if applicable	15,000			15,000	1.1662	17,493.00	17,493.00	100.00%	3.69%
Deferral & Variance Accounts Recovery Rate Rider (kW)	15,000	0.0000	0.00	15,000	(1.4963)	(22,444.50)	(22,444.50)	100.00%	(4.73%)
<b>Sub-Total - Distribution</b>			<b>35,670.83</b>			<b>29,924.33</b>	<b>(5,746.50)</b>	<b>(16.11%)</b>	<b>6.31%</b>
RTSR-Network (kW)	15,000	2.0099	30,148.50	15,000	2.0702	31,053.00	904.50	3.00%	6.54%
RTSR-Connection (kW)	15,000	0.8336	12,504.00	15,000	0.7086	10,629.00	(1,875.00)	(15.00%)	2.24%
<b>Sub-Total - Delivery</b>			<b>78,323.33</b>			<b>71,606.33</b>	<b>(6,717.00)</b>	<b>(8.58%)</b>	<b>15.09%</b>
Wholesale Market Services (kWh)	4,724,910	0.0052	24,569.53	4,724,910	0.0052	24,569.53	0.00	0.00%	5.18%
RRRP (kWh)	4,724,910	0.0013	6,142.38	4,724,910	0.0013	6,142.38	0.00	0.00%	1.29%
Debt Retirement Charge (kWh)	4,700,000	0.0070	32,900.00	4,700,000	0.0070	32,900.00	0.00	0.00%	6.93%
Cost of Power Commodity (kWh)	4,724,910	0.06704	316,757.97	4,724,910	0.06704	316,757.97	0.00	0.00%	66.75%
<b>Total Bill Before Taxes</b>			<b>458,693.21</b>			<b>451,976.21</b>	<b>(6,717.00)</b>	<b>(1.46%)</b>	<b>95.24%</b>
GST		5.00%	22,934.66		5.00%	22,598.81	(335.85)	(1.46%)	4.76%
<b>Total Bill</b>			<b>481,627.87</b>			<b>474,575.02</b>	<b>(7,052.85)</b>	<b>(1.46%)</b>	<b>100.00%</b>

STREET LIGHTING									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge	23,299	0.7800	18,173.22	23,299	0.7800	18,173.22	0.00	0.00%	0.94%
Distribution (kWh)	16,689,726	0.0000	0.00	16,689,726	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	46,815	4.3948	205,742.56	46,815	5.2878	247,548.36	41,805.80	20.32%	12.82%
Global Adjustment Rate Rider (kW) - if applicable	46,815			46,815	0.1558	7,293.78	7,293.78	100.00%	0.38%
Deferral & Variance Accounts Recovery Rate Rider (kW)	46,815	0.0000	0.00	46,815	(0.8258)	(38,659.83)	(38,659.83)	100.00%	(2.00%)
<b>Sub-Total - Distribution</b>			<b>223,915.78</b>			<b>234,355.53</b>	<b>10,439.75</b>	<b>4.66%</b>	<b>12.14%</b>
RTSR-Network (kW)	46,815	1.3004	60,878.23	46,815	1.3394	62,704.01	1,825.79	3.00%	3.25%
RTSR-Connection (kW)	46,815	0.5394	25,252.01	46,815	0.4585	21,464.68	(3,787.33)	(15.00%)	1.11%
<b>Sub-Total - Delivery</b>			<b>310,046.02</b>			<b>318,524.22</b>	<b>8,478.20</b>	<b>2.73%</b>	<b>16.49%</b>
Wholesale Market Services (kWh)	17,238,818	0.0052	89,641.85	17,223,797	0.0052	89,563.75	(78.11)	(0.09%)	4.64%
RRRP (kWh)	17,238,818	0.0013	22,410.46	17,223,797	0.0013	22,390.94	(19.53)	(0.09%)	1.16%
Debt Retirement Charge (kWh)	16,689,726	0.0070	116,828.08	16,689,726	0.0070	116,828.08	0.00	0.00%	6.05%
Cost of Power Commodity (kWh)	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	0.00%
Cost of Power Commodity (kWh)	17,238,218	0.0750	1,292,866.35	17,223,197	0.0750	1,291,739.79	(1,126.56)	(0.09%)	66.89%
<b>Total Bill Before Taxes</b>			<b>1,831,831.77</b>			<b>1,839,085.77</b>	<b>7,254.01</b>	<b>0.40%</b>	<b>95.24%</b>
GST		5.00%	91,591.59		5.00%	91,954.29	362.70	0.40%	4.76%
<b>Total Bill</b>			<b>1,923,423.36</b>			<b>1,931,040.06</b>	<b>7,616.71</b>	<b>0.40%</b>	<b>100.00%</b>

STREET LIGHTING									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge	1	0.7800	0.78	1	0.7800	0.78	0.00	0.00%	1.19%
Distribution (kWh)	720	0.0000	0.00	720	0.0000	0.00	0.00	0.00%	0.00%
Distribution (kW)	2.00	4.3948	8.79	2.00	5.2878	10.58	1.79	20.32%	16.12%
Global Adjustment Rate Rider (kW) - if applicable	2			2	0.1558	0.31	0.31	100.00%	0.47%
Deferral & Variance Accounts Recovery Rate Rider (kW)	2.00	0.0000	0.00	2.00	(0.8258)	(1.65)	(1.65)	100.00%	(2.52%)
<b>Sub-Total - Distribution</b>			<b>9.57</b>			<b>10.02</b>	<b>0.45</b>	<b>4.66%</b>	<b>15.27%</b>
RTSR-Network (kW)	2	1.3004	2.60	2	1.3394	2.68	0.08	3.00%	4.08%
RTSR-Connection (kW)	2	0.5394	1.08	2	0.4585	0.92	(0.16)	(15.00%)	1.40%
<b>Sub-Total - Delivery</b>			<b>13.25</b>			<b>13.61</b>	<b>0.36</b>	<b>2.73%</b>	<b>20.75%</b>
Wholesale Market Services (kWh)	744	0.0052	3.87	743	0.0052	3.86	(0.00)	(0.09%)	5.89%
RRRP (kWh)	744	0.0013	0.97	743	0.0013	0.97	(0.00)	(0.09%)	1.47%
Debt Retirement Charge (kWh)	720	0.0070	5.04	720	0.0070	5.04	0.00	0.00%	7.68%
Cost of Power Commodity (kWh)	600	0.0650	39.00	600	0.0650	39.00	0.00	0.00%	59.45%
Cost of Power Commodity (kWh)	144	0.0750	10.78	144	0.0750	10.78	0.00	0.00%	0.00%
<b>Total Bill Before Taxes</b>			<b>62.12</b>			<b>62.48</b>	<b>0.36</b>	<b>0.58%</b>	<b>95.24%</b>
GST		5.00%	3.11		5.00%	3.12	0.02	0.58%	4.76%
<b>Total Bill</b>			<b>65.23</b>			<b>65.61</b>	<b>0.38</b>	<b>0.58%</b>	<b>100.00%</b>

UNMETERED SCATTERED									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			12.59			8.34	(4.25)	(33.76%)	22.89%
Distribution (kWh)	250	0.0090	2.25	250	0.0164	4.10	1.85	82.22%	11.25%
LRAM & SSM Rider (kW)	250	0.0000		250	0.0045	1.13	1.13		3.09%
Deferral & Variance Accounts Recovery Rate Rider (kW)	250	0.0000	0.00	250	(0.0020)	(0.50)	(0.50)		(1.37%)
<b>Sub-Total - Distribution</b>			<b>14.84</b>			<b>13.07</b>	<b>(1.78)</b>	<b>(11.96%)</b>	<b>35.85%</b>
RTSR-Network (kWh)	258	0.0041	1.06	258	0.0042	1.08	0.02	2.35%	2.97%
RTSR-Connection (kWh)	258	0.0017	0.44	258	0.0014	0.36	(0.08)	(17.72%)	0.99%
<b>Sub-Total - Delivery</b>			<b>16.34</b>			<b>14.51</b>	<b>(1.83)</b>	<b>(11.19%)</b>	<b>39.82%</b>
Wholesale Market Services (kWh)	258	0.0052	1.34	258	0.0052	1.34	(0.00)	(0.09%)	3.68%
RRRP (kWh)	258	0.0013	0.34	258	0.0013	0.34	(0.00)	(0.09%)	0.92%
Debt Retirement Charge (kWh)	250	0.0070	1.75	250	0.0070	1.75	0.00	0.00%	4.80%
Cost of Power Commodity (kWh)	258	0.0650	16.78	258	0.0650	16.77	(0.01)	(0.09%)	46.02%
<b>Total Bill Before Taxes</b>			<b>36.55</b>			<b>34.71</b>	<b>(1.84)</b>	<b>(5.05%)</b>	<b>95.24%</b>
GST		5.00%	1.83		5.00%	1.74	(0.09)	(5.05%)	4.76%
<b>Total Bill</b>			<b>38.38</b>			<b>36.44</b>	<b>(1.94)</b>	<b>(5.05%)</b>	<b>100.00%</b>

UNMETERED SCATTERED									
	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Monthly Service Charge			12.59			8.34	(4.25)	(33.76%)	17.55%
Distribution (kWh)	350	0.0090	3.15	350	0.0164	5.74	2.59	82.22%	12.08%
LRAM & SSM Rider (kWh)	350	0.0000		350	0.0045	1.58	1.58		3.31%
Deferral & Variance Accounts Recovery Rate Rider (kWh)	350	0.0000	0.00	350	(0.0020)	(0.70)	(0.70)		(1.47%)
<b>Sub-Total - Distribution</b>			<b>15.74</b>			<b>14.96</b>	<b>(0.79)</b>	<b>(4.99%)</b>	<b>31.47%</b>
RTSR-Network (kWh)	362	0.0041	1.48	361	0.0042	1.52	0.03	2.35%	3.19%
RTSR-Connection (kWh)	362	0.0017	0.61	361	0.0014	0.51	(0.11)	(17.72%)	1.06%
<b>Sub-Total - Delivery</b>			<b>17.84</b>			<b>16.98</b>	<b>(0.86)</b>	<b>(4.82%)</b>	<b>35.73%</b>
Wholesale Market Services (kWh)	362	0.0052	1.88	361	0.0052	1.88	(0.00)	(0.09%)	3.95%
RRRP (kWh)	362	0.0013	0.47	361	0.0013	0.47	(0.00)	(0.09%)	0.99%
Debt Retirement Charge (kWh)	350	0.0070	2.45	350	0.0070	2.45	0.00	0.00%	5.16%
Cost of Power Commodity (kWh)	362	0.0650	23.50	361	0.0650	23.48	(0.02)	(0.09%)	49.41%
<b>Total Bill Before Taxes</b>			<b>46.14</b>			<b>45.25</b>	<b>(0.88)</b>	<b>(1.91%)</b>	<b>95.24%</b>
GST		5.00%	2.31		5.00%	2.26	(0.04)	(1.91%)	4.76%
<b>Total Bill</b>			<b>48.44</b>			<b>47.52</b>	<b>(0.93)</b>	<b>(1.91%)</b>	<b>100.00%</b>



**EB-2009-0267**

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
*S.O. 1998, c.15* (Schedule B);

**AND IN THE MATTER OF** an Application by Kitchener-Wilmot  
Hydro Inc. to the Ontario Energy Board for an Order approving just  
and reasonable rates and other charges, effective May 1, 2010.

**DRAFT RATE ORDER OF**

**KITCHENER-WILMOT HYDRO INC.**

**A. BACKGROUND**

On August 31, 2009, KW Hydro filed an application with the Ontario Energy Board (“the Board”) under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that KW Hydro charges for electricity distribution to be effective May 1, 2010. The Board has assigned the File Number EB-2009-0267 to this Application (the “Application”).

On April 7, 2010, the Board issued its Decision in this Application. In that Decision, the Board directed KW Hydro to file with the Board, and also forward to all Intervenor, a Draft Rate Order (“DRO”), attaching a proposed Tariff of Rates and Charges reflecting the Board’s findings in its Decision, within 10 days of the date of the Decision. Included in the DRO, KW Hydro was directed to include customer rate impacts and detailed supporting information, showing the calculation of the final rates, including the Revenue Requirement Work Form in Microsoft Excel format.

KW Hydro submits this DRO, which incorporates the information directed by the Board resulting from the Board’s Decision of April 7, 2010. In addition, this DRO includes all adjustments to the Application included through the interrogatories and KW Hydro’s final submission dated February 2, 2010, which were assumed in the Decision but were not specifically identified in the Decision. All adjustments are described in detail in the supporting Appendices to this document.

## **B. THE ISSUES**

This DRO is presented in order of the following issues and the Board's Decision on those issues:

- Load Forecast
- Operating, Maintenance & Administrative Expenses
- Harmonized Sales Tax ("HST")
- Payments in Lieu of Taxes
- Depreciation
- Rate Base and Capital Expenditures
- Cost of Capital and Capital Structure
- Cost Allocation and Rate Design
- Deferral and Variance Accounts
- Smart Meters
- LRAM and SSM; and
- Implementation

### **Load Forecast**

- Load Forecast Methodology
- Weather Normalization; and
- Customer Forecast

### ***Board findings – as per page 8 of the Decision***

*"With respect to customer counts, the Board accepts KW Hydro's forecasts as submitted."*

### ***Board findings – as per page 9 of the Decision***

*"That being said, the Board accepts KW Hydro's load forecast for the 2010 test year."*

### **Response**

KW Hydro has made no changes to its load or customer count forecasts as per the Board's Decision and will endeavor to improve its weather normalization and load forecast methodologies for its next rebasing application, considering all of the comments made by the Board in its Decision.

**Operating, Maintenance and Administrative Expenses (OM&A)**

- General OM&A
- Non-labour inflation expense
- Non-union wage adjustment
- Regulatory costs
- Overtime expenses
- Bad debt expense
- “Catch up” meter maintenance
- Property tax expense
- International Financial Reporting Standards (IFRS)
- Harmonized Sales Tax

**General OM&A**

***Board findings – as per page 13 of the Decision***

*“The Board approves KW Hydro’s proposed OM&A envelope, subject to updates through discovery and documented by KW Hydro in its Argument-in-Chief”.*

**Response**

KW Hydro has maintained its OM&A envelope as documented in its Argument-in-Chief, subject to the updates through discovery and changes required from the Board’s Decision in this rates case (see Exhibit B, Table B-1).

**Non-labour inflation expense**

***Board findings – as per page 13 of the Decision***

*“On March 5, 2010, the Board announced the annual percentage change in the GDP-IPI (Final Domestic Demand) for 2009 over 2008, as released by Statistics Canada on March 1, 2010. The annual percentage change is 1.3%. KW Hydro is directed to update its non-labour expense forecasts for 2010 using this as the inflation adjustment factor”.*

**Response**

KW Hydro has updated the factor used for non-labour inflation expense to a factor of 1.3%, per the Board’s Decision, from the 2.25% factor used in its original Application. As per the OM&A Cost Driver

Table (Exhibit 4 Page 6 from the original Application), the 2009 non-labour expense was \$5,789,118. Inflation expense was calculated to be \$130,255 using an estimated inflation rate of 2.25%. The adjustment using the Board-announced GDP-IPI (Final Domestic Demand) rate of 1.3% is a reduction of (\$54,997) to OM&A. Non-labour inflation is therefore calculated to be \$75,259. Detailed calculations are included in Appendix B, Table B-2.

**Non-union wage adjustment**

***Board findings – as per page 13 of the Decision***

*“The Board accepts KW Hydro’s proposed non-unionized wages adjustment of 3%. This is no more than what is forecasted for KW Hydro’s unionized staff, and is in line with adjustments approved in other recent rate applications by the Board”.*

**Response**

KW Hydro has made no changes to the economic adjustment made to non-unionized wages per the Board’s Decision.

**Regulatory costs**

***Board findings – as per page 13 of the Decision***

*“The Board accepts KW Hydro’s estimate of regulatory costs associated with this application, and will allow the proposed amount of \$57,500, as \$228,000 in expenses amortized over the four years of 2010 rebasing and 3<sup>rd</sup> Generation IRM”.*

**Response**

KW Hydro has made no changes to its regulatory costs per the Board’s Decision.

**Overtime expenses**

***Board findings – as per page 14 of the Decision***

*“The Board accepts KW Hydro’s forecasts of overtime expenses for the 2010 test year”.*



**Response**

KW Hydro has made no changes to its overtime expenses per the Board's Decision.

**Bad debt expense**

***Board findings – as per page 14 of the Decision***

*“The Board accepts KW Hydro’s estimate of bad debt expenses for 2010, and rejects the reduction of \$10,000 proposed by SEC”.*

**Response**

KW Hydro has made no changes to its 2010 bad debt expenses, as accepted by the Board and documented in its Submission-in-Chief.

**Catch-up meter maintenance**

***Board findings – as per page 14 of the Decision***

*“The Board finds that KW Hydro’s explanation that the \$100,000 in meter maintenance costs will be recurring past 2010 reasonable, as it may take more than one year to “catch-up” with activities that have been deferred for past years due to smart meter deployment”.*

**Response**

KW Hydro has made no changes to its estimate for “catch-up” meter maintenance expenses, as accepted by the Board.

**Property Taxes**

***Board findings – as per page 14 of the Decision***

*“The Board finds the revised property tax estimate of \$410,656, as agreed to by KW Hydro, reasonable.*

**Response**

KW Hydro has reduced its 2010 estimate of property taxes to \$410,656 as documented in Appendix B. KW Hydro’s estimate in both its original Application and in its Submission-in-Chief was \$550,500, requiring a reduction of \$139,844.

## **IFRS**

### ***Board findings – as per page 14 of the Decision***

*“The Board notes that the Board has established a deferral account which KW Hydro shall use to track incremental costs related to conversion to IFRS. As noted in October 2009 FAQ for the Accounting Procedures Handbook, the Board has approved account 1508, Other Regulatory Assets “Sub-account Deferred IFRS Transition Costs” for this purpose.*

### **Response**

KW Hydro confirms that it will track incremental costs related to conversion to IFRS in the Board-approved account 1508, Other Regulatory Assets: “Sub-account Deferred IFRS Transition Costs” as noted by the Board.

## **Harmonized Sales Tax**

### ***Board findings – as per page 17 of the Decision***

*“The Board will not direct reductions to 2010 OM&A and capital expenditures, but will establish a deferral account whereby KW Hydro will record incremental savings due to the implementation of the HST. KW Hydro will use deferral account 1592 PILS and Tax Variances, “Sub-account HST/OVAT Input Tax Credits” for recording this information”.*

*“The distributors will retain copies of their GST/HST returns as part of RRR and for evidence in future rates proceedings”.*

### **Response**

KW Hydro has not reduced either its OM&A or capital expenditures forecasts in anticipation of the implementation of the HST, per the Board’s Decision in this case. As per the Board’s direction, KW Hydro will set up the deferral sub-account in its chart of accounts to record incremental savings due to the implementation of HST. Further, KW Hydro will retain its GST/HST returns and other evidence records as part of RRR and for evidence in future rates proceedings.

### **Payments In Lieu of Taxes (“PILs”)**

#### ***Board findings – as per page 18 of the Decision***

*“The Board accepts KW Hydro’s approach to the determination of its PILs allowance, as modified by the submissions of Energy Probe and agreed upon by KW Hydro in reply. The Board notes that the level of the PILs allowance will be determined on the basis of the Board’s findings regarding other cost components and directs KW Hydro to provide sufficient detail regarding the PILS calculation in its draft Rate Order”.*

#### **Response**

KW Hydro has updated its estimation of the required PILs allowance (presented in Appendix C), using the same methodology followed in the discovery process and agreed on by all Intervenors and the Board in its Decision.

The revised Service Revenue Requirement for 2010 is \$39,999,959, updated from the amounts calculated in KW Hydro’s Submission-in-Chief. The full calculation is shown in the Tax Exhibit in Appendix C. After the flow-through of expenses, the deemed utility net income is \$6,459,200 (see below section on Cost of Capital and Capital Structure).

The final PILS allowance is \$3,406,826, comprised of \$3,295,122 (\$2,273,963 before gross-up) plus \$111,704 in Ontario Capital Tax.

KW Hydro has added the \$106,000 (see Exhibit C, Table C1) in Provincial Tax Credits (stemming from Co-operative and Apprenticeship programs) into the calculation of regulatory taxable income for 2010 as directed by the Board and shown in Appendix C. The following increases resulting from the Board’s Decision update the calculations from the Submission-in-Chief submitted by KW Hydro:

- Provincial Capital Tax increase of \$638 (Provincial Capital Tax rate of 0.075% multiplied by the \$850,241 increase in rate base).
- PILS expense increase of \$714,319 (Combined Federal and Provincial Tax Rates of 30.99% multiplied by the \$2,305,000 increase to Taxable income).

The revised overall PILs allowance from all adjustments resulting from the Board's Decision in this rates case is increased by \$714,319. The detailed calculations with SIC comparators are included in Appendix C, Table C-2.

**Rate Base and Capital Expenditures**

- Fixed Assets
- Depreciation
- Working Capital
  - RPP/Non-RPP Split
  - Retail Transmission Rates
  - Lead-lag Study

***Fixed Assets***

***Board findings – as per page 21 of the Decision***

*“The Board accepts that KW Hydro’s proposed Capital Expenditures and Rate Base contained in its original Application represented the best information available at the time of filing. However, estimates for the bridge and test years may be subject to updating during the course of the proceeding; these changes can occur due to corrections and clarification of the evidence or equally due to actual events. KW Hydro provided updated information on its 2009 and 2010 capital expenditures and net plant in response to Energy Probe IR #38. In reply, KW Hydro did not dispute these numbers, and has agreed to incorporate these updates if so directed by the Board”.*

*“Accordingly, the Board directs KW Hydro to reflect the updated 2009 and 2010 capital expenditures and net fixed assets as documented in Energy Probe IR #38”.*

**Response**

KW Hydro has updated its fixed asset tables to reflect the updated 2009 and 2010 capital expenditures and net fixed assets as presented in Energy Probe IR #38. The adjusted fixed asset tables are attached in Appendix D, Tables D2~ D4. Due to the changes required, KW Hydro’s 2010 net fixed asset value was reduced by (\$1,216,466) to \$138,599,634 from its Submission-in-Chief value of \$139,816,100. A summary is also provided in Appendix D, Table D1.

## ***Depreciation***

### ***Board findings – as per page 23 of the Decision***

*“The Board finds that KW Hydro should use the ½ year rule for calculating depreciation expense for 2010 capital additions”.*

### **Response**

KW Hydro has adjusted its amortization expense and associated fixed assets tables to incorporate the use of the ½ year rule for 2010 capital additions. The detail supporting the (\$418,817) decrease to amortization expense is attached in Appendix D, Table D-5.

## ***Working Capital***

### **RPP/Non-RPP Split**

### ***Board findings – as per page 26 of the Decision***

*“However, and notwithstanding the Board’s agreement that a more general review of the WCA methodology may be warranted, the Board agrees with Energy Probe and finds that the WCA should be determined in a way that recognizes the split between RPP and non-RPP customers”.*

*“However, the Board does not accept Energy Probe’s proposal to update the RPP/non-RPP split to reflect the November 1, 2009 RPP eligibility criteria changes. The Board prefers that the split between RPP and non-RPP be based on actual data, such as was provided in the response to Energy Probe IR #40”.*

### **Retail Transmission Rates**

### ***Board findings – as per page 26 of the Decision***

*“In accordance with the Board’s findings elsewhere in the Decision with respect to Retail Transmission Rates, the Board finds that KW Hydro should reflect the Uniform Transmission Rates approved by the Board in its January 21, 2010 Decision under Board File No.EB-2008-0272.*

### **Lead-lag Study**

#### ***Board findings – as per page 27 of the Decision***

*“The Board notes that the appropriateness of the level of working capital is also being raised in other applications, and that the Board may initiate a generic proceeding/consultation on determining a new working capital methodology in advance of KW Hydro’s next cost of service filing. In such case, the Board expects that KW Hydro will participate in such a process and will take into account the outcomes of such a process. The Board expects that KW Hydro will support its cash working capital allowance in its next rebasing application based on the outcomes of this Board-led process or based on the lead/lag study that KW Hydro stated it would individually undertake”.*

### **Response**

Using the same methodology as used in Energy Probe IR #40, KW Hydro has updated the following unit prices for the electricity commodity using the most recent information as announced by the OEB on April 15, 2010:

- RPP tier prices for RPP customers to be
  - \$0.065/kWh for consumption up 600 kWh per month and;
  - \$0.075/ kWh for all remaining consumption
- Non-RPP prices for market-price customers to be \$0.06704/kWh made up of:
  - \$0.03932/kWh HOEP
  - \$0.02772/kWh Global Adjustment

This change has increased KW Hydro’s estimated commodity cost to \$129,561,054, an increase of \$13,048,118 from \$116,512,936 as per KW Hydro’s original Application. The detailed commodity cost calculation is presented in Appendix D, Table D7.

KW Hydro has made no changes to the revenue expected from Wholesale Market Services.

Retail transmission rates have been adjusted to incorporate the Board’s Decision in EB-2008-0272 for Uniform Transmission Rates (“UTRs”) effective January 1, 2010 using the same consumption data as used in the original Application. More detailed information of KW Hydro’s compliance of this Board Decision and calculation of the rate is included in the section on Rate Design. The expected revenues

from Transmission Network and Transmission Connection have been recalculated using the new rates calculated and are included in Appendix D, Table D-8. Revenue increases stemming from the adjusted rates are:

- Retail Transmission Network                      \$684,482 increase
- Retail Transmission Connection                      \$240,281 increase

The above changes to the 2010 Cost of Power estimate increase the Cost of Power component of KW Hydro's working capital calculation by \$13,972,888. Details are attached in Appendix D, Table D-8.

A revised working capital and working capital allowance calculation is also attached as part of Appendix D, Tables D-6 and D-9 ~ D-10.

In the event that the Board initiates a process to determine a different working capital methodology, KW Hydro will participate in the process. In the absence of the Board initiating such a process prior to its next rebasing year, KW Hydro will conduct a lead/lag study as part of its next rebasing application.

#### **Cost of Capital and Capital Structure**

- Return on Equity
- Cost of Long-Term Debt
- Capital Structure
- Weighted Average Cost of Capital

#### **Return on Equity**

#### ***Board findings – as per page 30 and page 31 of the Decision***

*“The Board will not make the adjustment to the method of determining the ROE proposed by Energy Probe”.*

*“The Board concludes that the policy should be applied unadjusted”.*

## **Cost of Long-Term Debt**

### ***Board findings – as per page 32 of the Decision***

*“The Board finds that KW Hydro’s cost of long-term debt should be 5.87%, reflecting the current deemed long-term debt rate announced in the Board’s letter of February 24, 2010 for May 1, 2010 rates”.*

*“The Board does not accept VECC’s proposal to consider the \$10,000,000 of forecasted debt for Smart Meters”.*

*“The Board also notes that KW Hydro’s smart meter investments are not currently in rate base but are tracked in established deferral/variance accounts. As such, the Board agrees with KW Hydro that this loan, if and when it materializes, should be used in the determination of Smart Meter rate adders, or disposition riders, rather than in the calculation of the base 2010 distribution rates”.*

## **Capital Structure**

### ***Board findings – as per page 32 of the Decision***

*“The Board will make no adjustment to the deemed capital structure of 56% long-term debt and 4% short-term debt”.*

## **Weighted Average Cost of Capital**

### ***Board findings – as per page 33 of the Decision***

*“The table below sets out the Board’s conclusions for KW Hydro’s deemed capital structure and cost of capital for the purposes of setting its 2010 revenue requirement and distribution rates:*

**Board-approved 2009 Capital Structure and Cost of Capital for KW Hydro**

<b>Capital Component</b>	<b>% of Total Capital Structure</b>	<b>Cost rate (%)</b>
Long-Term Debt	56.0	5.87
Short-Term Debt	4.0	2.07
Equity	40.0	9.85
<b>Weighted Average Cost of Capital</b>		<b>7.31</b>

*In preparing its updated revenue requirement arising from this decision and the draft Rate Order to implement this Decision, KW Hydro should reflect these parameters in its calculation”.*



**Response**

In the calculation of its updated revenue requirement, KW Hydro has used the parameters set out by the Board in its Decision in this rates case, shown in the Table above. No other values were changed.

Based on the revised rate base value (shown in detail in Appendix E, Tables E-1 ~ E-2), KW Hydro's 2010 deemed capital structure is calculated and shown, also in Appendix E.

Any long-term debt that may arise from the Smart Meter initiative will be applied to the accounts designated for Smart Meters and will be incorporated as part of KW Hydro's overall Smart Meter cost when applying for a utility-specific Smart Meter rate rider.

**Cost Allocation and Rate Design**

- Loss Factors
- Revenue-to-Cost Ratios
- Rate Design
- Specific Service Charges
- Transformer Ownership Allowance
- Embedded Distributor
- Other Distribution Revenue
- Retail Transmission Rates
- MicroFIT Generator Service Classification and Rate

**Loss Factors**

***Board findings – as per page 34 of the Decision***

*“The Board approves KW Hydro's proposed loss factors, as updated through discovery and clarified in its reply submission”.*

**Response**

KW Hydro will apply the loss factors, as per the Board's Decision.

## Revenue-to-Cost Ratios

### **Board findings – as per pages 36~38 of the Decision**

*“The Board notes that KW Hydro could have better documented its evidence on Cost Allocation”.*

*“As such, the Board directs KW Hydro to use the R/C ratios documented by VECC, and to adjust the R/C ratios as proposed by VECC in its submission”.*

*“It is expected that KW Hydro will provide an updated Cost Allocation study in support of its next cost of service rebasing application. In conducting such a study, KW Hydro is expected to address matters raised in this Decision including:*

- *Integration of the embedded distributor class within the cost allocation study;*
- *Appropriateness of separating GS>50 kW in separate classes for Transformation 50-1349 kW and above 1350-4999 kW; and*
- *Weighting factors for connections for daisy-chained streetlighting”.*

### Response

KW Hydro has updated its cost allocation R/C ratios to reflect those as suggested by VECC as shown below (and shown in the Board’s Decision in this rates case):

Rate Class	Existing Rates		Final Proposed	
	KW Hydro	VECC	KW Hydro	VECC
Residential	93.83%	90.70%	93.90%	Add shortfall
GS < 50 kW	102.59%	104.60%	102.55%	No Change
GS > 50 kW	111.95%	116.90%	111.94%	No Change
Large User	96.75%	96.00%	100.22%	No Change
Street Lighting	108.91%	128.10%	107.66%	120.00%
Unmetered Scattered Load	135.53%	159.50%	110.81%	120.00%

Detail is presented in Appendix F, Table F-1 ~ F-3. The cost allocation model was updated to incorporate all changes made to KW Hydro’s 2010 Test Year trial balance (i.e. changes to rate base including updated CAPEX budgets, application of the half-year rule, reductions to OM&A, etc) prior to finalization of the model.

KW Hydro agrees to continue work on its cost allocation methodology in anticipation of its next cost of service application and will work to expand its documentation of how its methodology has been applied.

### **Rate Design**

#### ***Board findings – as per page 40 of the Decision***

*“The Board accepts KW Hydro’s proposal to freeze the monthly service charge for each customer class as acceptable”.*

*“The Board accepts KW Hydro’s proposal to maintain its existing standby rate on an interim basis as continuation of its existing approval”.*

### **Response**

KW Hydro has maintained its current monthly service charges for each customer class and has made no changes to its rate design model for this issue. Further, interim approval for its Standby rate has been included in the DRO.

Supporting details on the calculation of KW Hydro’s adjusted rates by rate classification are included in Appendix F, Table F-4.

### **Specific Service Charges**

#### ***Board findings – as per page 41 of the Decision***

*“The Board approves KW Hydro’s proposed new Specific Service Charges. The Board assumes that KW Hydro will make appropriate efforts to ensure that customers are aware of the new Specific Service Charges, and may wish to consider the suggestions in VECC’s submission.”*

### **Response**

KW Hydro will begin communications to its customers regarding the new Specific Service Charges upon final approval of the Rate Order and will maintain flexibility in how and when they are applied.

## **Transformer Ownership Allowance**

### ***Board findings – as per page 41~42 of the Decision***

*“However, there is one difference in KW Hydro’s situation compared to the cases of Guelph Hydro and London Hydro, relating to the threshold. In the cases of Guelph Hydro and London Hydro, the threshold for not providing transformation or the Transformer Allowance Credit aligns with the boundary between two customer classes (1000 kW for Guelph Hydro and 5000 kW for London Hydro). In this Application, KW Hydro is proposing that the threshold would occur in the middle of the GS 50-4999 kW class...”*

*“Aligning at the boundary between two customer classes is preferable, as it allows transformation costs to be assigned to the class or excluded, as the case may be, for both cost allocation and for rate design”.*

*“One approach would be for KW Hydro to establish separate rate classes for General Service 50-1349 kW and 1350-4999 kW customers. In the absence of this, the Board believes it reasonable for KW Hydro to establish different volumetric rates such that the volumetric rate for the General Service 1350-4999 kW sub-class is \$0.70/kW less than that for the General Service 50-1349 kW customer with transformation (i.e. step-down transformation provided by KW Hydro). In its draft Rate Order submission, KW Hydro should calculate and document updated rates to reflect this.”*

*“With the above finding, the Board approves KW Hydro’s proposal to discontinue the transformer allowance for the customers with their own transformers over 1500 kVA, and directs KW Hydro to reflect this finding in its draft Rate Order and in its Conditions of Service. The Board also approves KW Hydro’s proposal to increase the transformer allowance credit to \$0.70/kW for other customer to which the credit will apply”.*

*“If KW Hydro feels that it is unable to implement the above split of the volumetric rates for the GS 50-4999 class at this time, then the Board denies KW Hydro’s proposal. KW Hydro should maintain the existing Transformer Allowance Credit for all customer classes, at the existing charge of \$0.60/kW”.*

### **Response**

At this time, KW Hydro is unable to implement new rate classes or sub-classes. Creation of a new rate class would introduce complexities into rate design that have not been contemplated in this rate application. In addition, the introduction of a new GS>50 kW sub-class would put additional pressure on KW Hydro’s IT department, already dealing with changes stemming from the Smart Meter initiative, the

Green Energy Act and from this Decision. KW Hydro recognizes the Board's concern on this issue and notes that, in the absence of a split in the GS > 50 kW class, a preferable demarcation point may be at the existing split between the GS > 50 kW and Large Use rate classes (5,000 kW). Given the Board's argument on this issue, KW Hydro submits that it would be appropriate to maintain the existing transformer allowance credit of \$0.60/kW for the GS 50-4999 kW rate class and discontinue the transformer allowance for the Large Use rate class (5,000 kW and above) since all customers in this rate class own their own transformers. In the absence of this option, KW Hydro will maintain its existing Transformer Allowance Credit for all customer classes at the existing charge of \$0.60/kW.

KW Hydro's decision to stay with the status quo increases its estimate of the 2010 Transformer Allowance Credit by \$297,164. The estimated credit is now calculated to be (\$723,936) from the previous estimate of (\$426,772). Detailed support is included in Appendix F, Table F-5. Estimated customer kW values have been taken from the following two tables within the original Application:

- Transformer Allowance Calculation for GS > 50 - 1350 kW Exhibit 3 Page 59
- Summary of Consumption and Customer Count for 2009 and 2010 Exhibit 3 Page 45

In its original application, KW Hydro had calculated the Transformer Allowance Credit to be \$426,772 using (\$0.70) as the credit per kW applicable to only those customers that own their own transformers with annual demand below 1,350 kVA. The Board's Decision in this rates reintroduces the customers with demand greater than 1,349 kVA (including Large Use customers) back into the total estimated credit for 2010. This increases the total overall Transformer Allowance Credits dollars by \$297,164.

### **Embedded Distributor**

#### ***Board findings – as per page 44 of the Decision***

*“The Board accepts the current methodology for determining embedded distributor rates, and directs KW Hydro to update its proposed embedded distributor rates, consistent with the Board's findings on Cost of Capital, tax rates and other findings in this Decision which affect the embedded distributor's rates. The Board expects that KW Hydro will file sufficient information showing the updated rate derivation in its draft Rate Order submission”.*

*“The Board agrees with the submissions of Board staff and VECC on the need to integrate the embedded customer class in any subsequent Cost Allocation work”.*

### **Response**

KW Hydro has updated all of the values mentioned above in its calculation of the rates for the Embedded Distributor class. The overall revenue requirement required from the Embedded Distributor class has increased by \$272 due to the application of the Board-mandated changes. This increase is a direct result of the increase in the Rate of Return before Taxes. In KW Hydro's original Application, this value was 8.96%. Following the changes made through this Decision, the Rate of Return before Taxes is now 9.08%. The final rates are shown below. The detailed calculation with comparators to the original Application is shown in Appendix F, Table F-6.

#### **2010 Embedded Distributor Summary**

<b>Component</b>	<b>Application</b>	<b>DRO</b>	<b>% Increase</b>
Specific Line \$\$/kW	1.29	1.30	0.78%
Shared Line \$\$/kW	0.14	0.14	0.00%
Revenue Requirement \$\$	70,145	70,417	0.39%

### **Other Distribution Revenue**

#### ***Board findings – as per page 45 of the Decision***

*“The Board finds that KW Hydro’s proposals with respect to Other Distribution Revenue as revised during the course of the proceeding, are reasonable.*

### **Response**

KW Hydro made no changes to its Other Distribution Revenue and has maintained the amended forecast of \$1,861,512 as submitted in its Submission-in-Chief, as per the Board's Decision.

### **Retail Transmission Service Rates**

#### ***Board findings – as per page 46 of the Decision***

*“The Board finds that KW Hydro has appropriately applied the Board’s guidelines for the derivation of the RTS rates. However, the Board notes that an order was issued on January 21, 2010 setting new UTRs effective January 1, 2010. The changes in the UTRs are shown in the following table:*

**Uniform Transmission Rates**

	Effective on July 1, 2009	Effective on July 1, 2010
	(\$kW/month)	(\$kW/month)
Network Service Rate	2.66	2.97
Line Connection Service Rate	0.70	0.73
Transformation Connection Service Rate	1.57	1.71

*The Board directs KW Hydro to update its RTS rates accordingly in its draft Rate Order. The Board also directs KW Hydro to use the new UTRs in updating the WCA.*

**Response**

KW Hydro has adjusted its UTR cost estimates in the same manner as the UTRs have changed. Following an analysis of the changes in the UTRs as per the tables originally submitted in its Application, the cost increases to KW Hydro to be billed by the IESO are as follows:

Network Service Rate - 11.7% increase. The Network Service charge applied to KW Hydro's total load.

Line Connection Service and Transformation Connection Service Rate – 4.99% increase. The Line Connection Service rate applied to KW Hydro's total load where the Transformation Connection Service Rate applies to only 7.9% of KW Hydro's load (see Appendix F, Table F-7).

The Network Service charge applies to KW Hydro's total load.

The Transformation Connection Service Rate charged by electricity transmitters in Ontario applies to only one delivery point within KW Hydro's service territory or 7.9% of its total load. The estimated cost increase to KW Hydro for this UTR is then calculated to arrive at the estimated increase of 7.49% as follows:

Uniform Transmission Rate	Current Rate	Rate Effective Jan. 1, 2010	Applies to	% Increase
Network Service Rate	\$ 2.66	\$ 2.97	100%	11.7%
Line Connection Service Rate	\$ 0.70	\$ 0.73	100.00%	4.3%
Transformation Connection Service Rate	\$ 1.57	\$ 1.71	7.90%	0.7%
	\$ 2.27	\$ 2.44		4.99%

Based on this data, KW Hydro has calculated the required changes to its Retail Transmission Service Rates to reach a cost-to-revenue ratio of 100%. The required increases/reductions are:

Retail Transmission Network Charge - 3% increase

Retail Transmission Connection Charge - (15%) decrease

Detailed calculations are attached in Appendix F, Table F-8, using the same methodology as was used in the initial Application and accepted by all participants in this proceeding.

KW Hydro has thus adjusted its RTR rates as presented below:

		2009	Adjusted Rates Proposed 2010
<b>Network</b>	Residential	0.0047	0.0048
	< 50	0.0041	0.0042
	> 50	2.1384	2.2026
	Large Use	2.0099	2.0702
	USL	0.0041	0.0042
	Streetlighting	1.3004	1.3394
	Embedded Distributor	2.0162	2.0767
<b>Connection</b>	Residential	0.0018	0.0015
	< 50	0.0017	0.0014
	> 50	0.8869	0.7539
	Large Use	0.8336	0.7086
	USL	0.0017	0.0014
	Streetlighting	0.5394	0.4585
	Embedded Distributor	0.8362	0.7108

KW Hydro has also used the new rates and resulting revenue in the calculation of its WCA, as per Board direction in this Decision.



**MicroFit Generator Service Classification and Rate**

***Board findings – as per page 47 of the Decision***

*“As part of its draft Rate Order material, KW Hydro shall identify the MicroFit Generator service classification on its Tariff of Rates and Charges and include the approved monthly service charge documented above”.*

**Response**

KW Hydro has included the MicroFit Generator service classification on its Tariff of Rates and Charges using the single province-wide Board approved rate of \$5.25 per month.

**Deferral and Variance Accounts**

***Board findings – as per pages 49 ~ 50 of the Decision***

*“The Board finds that the proposed balances for disposition, at December 31, 2008 shall be disposed of, plus projected interest to the effective date of the 2010 distribution rates. The Board finds that a period from the implementation date through to April 30, 2012, as proposed, is appropriate.*

*The Board will adopt the proposal of Board staff that a separate rate rider be developed for the Global Adjustment sub-account and that this rider will apply to the non-RPP customers, including those in the MUSH sector”.*

*“The Board accepts KW Hydro’s proposal that this rate rider be in effect for 24 months”.*

*“The Board reminds KW Hydro that the necessary accounting entries to reflect the Board’s decision and order in this proceeding with respect to the disposition of deferral and variance accounts should be recorded as soon as possible, and certainly no later than June 30, 2010, for Reporting and Record-keeping Requirement purposes”.*

**Response**

KW Hydro has included the applicable rate riders for both the “general” deferral and variance accounts and the separate global adjustment rate riders in its Tariff of Rates and Charges and in the estimation of customer bill impacts.

KW Hydro will dispose of these deferral accounts over a 24 month period using Board-approved account 1595 – Disposition and Recovery of Regulatory Balances. The necessary accounting entries to record the disposition will be completed by KW Hydro no later than June 30, 2010. Supporting detail for the rate riders is included in Appendix G, Tables G-1~G3.

### **Smart Meters**

#### ***Board findings – as per page 51 of the Decision***

*“The Board finds that KW Hydro has complied with legislation and with the Board’s Smart Meter Guideline, and so approves a continuation of smart meter funding adder of \$1.00 per month per metered customer”.*

### **Response**

KW Hydro has included the Smart Meter Rate Adder of \$1.00 per metered customer per month to its Tariff of Rates and Charges and in its estimation of customer bill impacts.

### **Lost Revenue Adjustment Mechanism and Shared Savings Mechanism**

#### ***Board findings – as per page 53 of the Decision***

*“The Board finds that KW Hydro’s application is consistent with the Board’s CDM Guidelines”.*

*“The Board approves the updated LRAM and SSM claim of \$910,937.13 (\$736,944 for LRAM and \$173,993.29 for SSM)”.*

### **Response**

KW Hydro will work to improve its documentation for LRAM and SSM claims in the future as per the Board’s suggestion. The rate riders for LRAM and SSM have been included in its Tariff of Rates and Charges and customer bill impacts, as approved by the Board in this Decision. The detailed support is attached as Appendix H, Table H-1, unchanged from KW Hydro’s Submission-in-Chief.



## REVENUE REQUIREMENT WORK FORM

Name of LDC: **KITCHENER-WILMOT HYDRO INC.** (1)

File Number: **EB-2009-0267**

Rate Year: **2010**

Version: **1.0**

### Table of Content

<u>Sheet</u>	<u>Name</u>
<b>A</b>	<a href="#"><u>Data Input Sheet</u></a>
<b>1</b>	<a href="#"><u>Rate Base</u></a>
<b>2</b>	<a href="#"><u>Utility Income</u></a>
<b>3</b>	<a href="#"><u>Taxes/PILS</u></a>
<b>4</b>	<a href="#"><u>Capitalization/Cost of Capital</u></a>
<b>5</b>	<a href="#"><u>Revenue Sufficiency/Deficiency</u></a>
<b>6</b>	<a href="#"><u>Revenue Requirement</u></a>
<b>7</b>	<a href="#"><u>Bill Impacts</u></a>

#### Notes:

(1) Pale green cells represent inputs

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

#### **Copyright**

*This Revenue Requirement Work Form Model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing your draft rate order. 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 your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.*



## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

Data Input (1)					
	Application		Adjustments		Per Board Decision
<b>1 Rate Base</b>					
Gross Fixed Assets (average)	\$268,267,178	(4)			\$268,267,178
Accumulated Depreciation (average)	(\$129,667,544)	(5)			(\$129,667,544)
<b>Allowance for Working Capital:</b>					
Controllable Expenses	\$14,292,159	(6)			\$14,292,159
Cost of Power	\$154,637,501				\$154,637,501
Working Capital Rate (%)	15.00%				
<b>2 Utility Income</b>					
Operating Revenues:					
Distribution Revenue at Current Rates	\$32,748,623				
Distribution Revenue at Proposed Rates	\$38,138,447				
<b>Other Revenue:</b>					
Specific Service Charges	\$257,840				
Late Payment Charges	\$215,220				
Other Distribution Revenue	\$951,584				
Other Income and Deductions	\$436,868				
<b>Operating Expenses:</b>					
OM+A Expenses	\$13,881,503				\$13,881,503
Depreciation/Amortization	\$10,317,027				\$10,317,027
Property taxes	\$410,656				\$410,656
<b>Capital taxes</b>	\$111,704				
Other expenses					
<b>3 Taxes/PILs</b>					
Taxable Income:					
Adjustments required to arrive at taxable income	\$1,332,712	(3)			
<b>Utility Income Taxes and Rates:</b>					
Income taxes (not grossed up)	\$2,273,963				
<b>Income taxes (grossed up)</b>	\$3,295,122				
Capital Taxes	\$111,704				
Federal tax (%)	18.00%				
Provincial tax (%)	12.99%				
Income Tax Credits	(\$140,750)				
<b>4 Capitalization/Cost of Capital</b>					
<b>Capital Structure:</b>					
Long-term debt Capitalization Ratio (%)	56.0%				
Short-term debt Capitalization Ratio (%)	4.0%	(2)			(2)
Common Equity Capitalization Ratio (%)	40.0%				
Preferred Shares Capitalization Ratio (%)	0.0%				
					Capital Structure must total 100%
<b>Cost of Capital</b>					
Long-term debt Cost Rate (%)	5.87%				
Short-term debt Cost Rate (%)	2.07%				
Common Equity Cost Rate (%)	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.



## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

			Rate Base		
Line No.	Particulars		Application	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(3)	\$268,267,178	\$ -	\$268,267,178
2	Accumulated Depreciation (average)	(3)	(\$129,667,544)	\$ -	(\$129,667,544)
3	Net Fixed Assets (average)	(3)	\$138,599,634	\$ -	\$138,599,634
4	Allowance for Working Capital	(1)	\$25,339,449	\$ -	\$25,339,449
5	<b>Total Rate Base</b>		<b>\$163,939,083</b>	<b>\$ -</b>	<b>\$163,939,083</b>
<b>(1) Allowance for Working Capital - Derivation</b>					
6	Controllable Expenses		\$14,292,159	\$ -	\$14,292,159
7	Cost of Power		\$154,637,501	\$ -	\$154,637,501
8	Working Capital Base		\$168,929,661	\$ -	\$168,929,661
9	Working Capital Rate %	(2)	15.00%		15.00%
10	Working Capital Allowance		\$25,339,449	\$ -	\$25,339,449

### 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.



## REVENUE REQUIREMENT WORK FORM

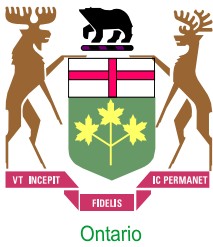
Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

### Utility income

Line No.	Particulars	Application	Adjustments	Per Board Decision
	<b><u>Operating Revenues:</u></b>			
1	Distribution Revenue (at Proposed Rates)	\$38,138,447	\$ -	\$38,138,447
2	Other Revenue (1)	\$1,861,512	\$ -	\$1,861,512
3	Total Operating Revenues	\$39,999,959	\$ -	\$39,999,959
	<b><u>Operating Expenses:</u></b>			
4	OM+A Expenses	\$13,881,503	\$ -	\$13,881,503
5	Depreciation/Amortization	\$10,317,027	\$ -	\$10,317,027
6	Property taxes	\$410,656	\$ -	\$410,656
7	Capital taxes	\$111,704	\$ -	\$111,704
8	Other expense	\$ -	\$ -	\$ -
9	Subtotal	\$24,720,891	\$ -	\$24,720,891
10	Deemed Interest Expense	\$5,524,747	\$ -	\$5,524,747
11	Total Expenses (lines 4 to 10)	\$30,245,638	\$ -	\$30,245,638
12	Utility income before income taxes	\$9,754,321	\$ -	\$9,754,321
13	Income taxes (grossed-up)	\$3,295,122	\$ -	\$3,295,122
14	Utility net income	\$6,459,200	\$ -	\$6,459,200

### Notes

(1)	<b>Other Revenues / Revenue Offsets</b>		
	Specific Service Charges	\$257,840	\$257,840
	Late Payment Charges	\$215,220	\$215,220
	Other Distribution Revenue	\$951,584	\$951,584
	Other Income and Deductions	\$436,868	\$436,868
	Total Revenue Offsets	\$1,861,512	\$1,861,512



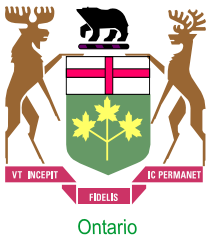
## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

### Taxes/PILs

Line No.	Particulars	Application	Per Board Decision
<u>Determination of Taxable Income</u>			
1	Utility net income	\$6,459,200	\$6,459,200
2	Adjustments required to arrive at taxable utility income	\$1,332,712	\$1,332,712
3	Taxable income	\$7,791,912	\$7,791,912
<u>Calculation of Utility income Taxes</u>			
4	Income taxes	\$2,273,963	\$2,273,963
5	Capital taxes	\$111,704	\$111,704
6	Total taxes	\$2,385,668	\$2,385,668
7	Gross-up of Income Taxes	\$1,021,158	\$1,021,158
8	Grossed-up Income Taxes	\$3,295,122	\$3,295,122
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$3,406,826	\$3,406,826
10	Other tax Credits	(\$140,750)	(\$140,750)
<u>Tax Rates</u>			
11	Federal tax (%)	18.00%	18.00%
12	Provincial tax (%)	12.99%	12.99%
13	Total tax rate (%)	30.99%	30.99%

### Notes



## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

### Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
<b>Application</b>					
<b>Debt</b>					
1	Long-term Debt	56.00%	\$91,805,887	5.87%	\$5,389,006
2	Short-term Debt	4.00%	\$6,557,563	2.07%	\$135,742
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$98,363,450</b>	<b>5.62%</b>	<b>\$5,524,747</b>
<b>Equity</b>					
4	Common Equity	40.00%	\$65,575,633	9.85%	\$6,459,200
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$65,575,633</b>	<b>9.85%</b>	<b>\$6,459,200</b>
7	<b>Total</b>	<b>100%</b>	<b>\$163,939,083</b>	<b>7.31%</b>	<b>\$11,983,947</b>
<b>Per Board Decision</b>					
<b>Debt</b>					
8	Long-term Debt	56.00%	\$91,805,887	5.87%	\$5,389,006
9	Short-term Debt	4.00%	\$6,557,563	2.07%	\$135,742
10	<b>Total Debt</b>	<b>60.00%</b>	<b>\$98,363,450</b>	<b>5.62%</b>	<b>\$5,524,747</b>
<b>Equity</b>					
11	Common Equity	40.0%	\$65,575,633	9.85%	\$6,459,200
12	Preferred Shares	0.0%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>40.0%</b>	<b>\$65,575,633</b>	<b>9.85%</b>	<b>\$6,459,200</b>
14	<b>Total</b>	<b>100%</b>	<b>\$163,939,083</b>	<b>7.31%</b>	<b>\$11,983,947</b>

#### Notes

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





## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

Ontario

### 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		\$5,389,824		\$5,389,824
2	Distribution Revenue	\$32,748,623	\$32,748,623	\$32,748,623	\$32,748,623
3	Other Operating Revenue Offsets - net	\$1,861,512	\$1,861,512	\$1,861,512	\$1,861,512
4	<b>Total Revenue</b>	<b>\$34,610,135</b>	<b>\$39,999,959</b>	<b>\$34,610,135</b>	<b>\$39,999,959</b>
5	Operating Expenses	\$24,720,891	\$24,720,891	\$24,720,891	\$24,720,891
6	Deemed Interest Expense	\$5,524,747	\$5,524,747	\$5,524,747	\$5,524,747
	<b>Total Cost and Expenses</b>	<b>\$30,245,638</b>	<b>\$30,245,638</b>	<b>\$30,245,638</b>	<b>\$30,245,638</b>
7	<b>Utility Income Before Income Taxes</b>	<b>\$4,364,497</b>	<b>\$9,754,321</b>	<b>\$4,364,497</b>	<b>\$9,754,321</b>
	Tax Adjustments to Accounting				
8	Income per 2009 PILs	\$1,332,712	\$1,332,712	\$1,332,712	\$1,332,712
9	<b>Taxable Income</b>	<b>\$5,697,209</b>	<b>\$11,087,033</b>	<b>\$5,697,209</b>	<b>\$11,087,033</b>
10	Income Tax Rate	30.99%	30.99%	30.99%	30.99%
11	<b>Income Tax on Taxable Income</b>	<b>\$1,765,565</b>	<b>\$3,435,872</b>	<b>\$1,765,565</b>	<b>\$3,435,872</b>
12	<b>Income Tax Credits</b>	<b>(\$140,750)</b>	<b>(\$140,750)</b>	<b>(\$140,750)</b>	<b>(\$140,750)</b>
13	<b>Utility Net Income</b>	<b>\$2,739,682</b>	<b>\$6,459,200</b>	<b>\$2,739,682</b>	<b>\$6,459,200</b>
14	<b>Utility Rate Base</b>	<b>\$163,939,083</b>	<b>\$163,939,083</b>	<b>\$163,939,083</b>	<b>\$163,939,083</b>
	Deemed Equity Portion of Rate Base	\$65,575,633	\$65,575,633	\$65,575,633	\$65,575,633
15	Income/Equity Rate Base (%)	4.18%	9.85%	4.18%	9.85%
16	Target Return - Equity on Rate Base	9.85%	9.85%	9.85%	9.85%
	Sufficiency/Deficiency in Return on Equity	-5.67%	0.00%	-5.67%	0.00%
17	Indicated Rate of Return	5.04%	7.31%	5.04%	7.31%
18	Requested Rate of Return on Rate Base	7.31%	7.31%	7.31%	7.31%
19	Sufficiency/Deficiency in Rate of Return	-2.27%	0.00%	-2.27%	0.00%
20	Target Return on Equity	\$6,459,200	\$6,459,200	\$6,459,200	\$6,459,200
21	Revenue Sufficiency/Deficiency	\$3,719,518	(\$0)	\$3,719,518	(\$0)
22	<b>Gross Revenue Sufficiency/Deficiency</b>	<b>\$5,389,824 (1)</b>		<b>\$5,389,824 (1)</b>	

#### Notes:

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



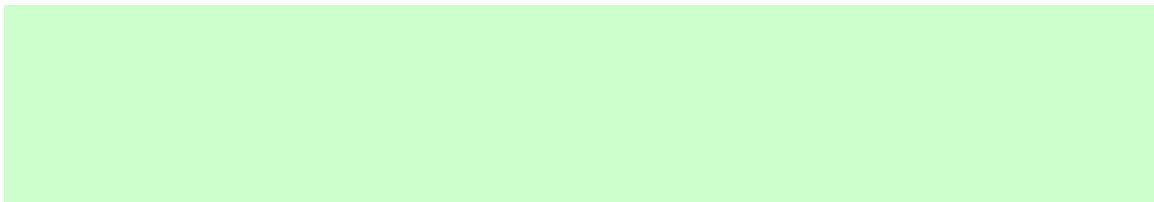
## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

Revenue Requirement			
Line No.	Particulars	Application	Per Board Decision
1	OM&A Expenses	\$13,881,503	\$13,881,503
2	Amortization/Depreciation	\$10,317,027	\$10,317,027
3	Property Taxes	\$410,656	\$410,656
4	Capital Taxes	\$111,704	\$111,704
5	Income Taxes (Grossed up)	\$3,295,122	\$3,295,122
6	Other Expenses	\$ -	\$ -
7	Return		
	Deemed Interest Expense	\$5,524,747	\$5,524,747
	Return on Deemed Equity	\$6,459,200	\$6,459,200
8	Distribution Revenue Requirement before Revenues	\$39,999,959	\$39,999,959
9	Distribution revenue	\$38,138,447	\$38,138,447
10	Other revenue	\$1,861,512	\$1,861,512
11	<b>Total revenue</b>	\$39,999,959	\$39,999,959
12	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<b>(\$0) (1)</b>	<b>(\$0) (1)</b>

### Notes

(1) Line 11 - Line 8





## REVENUE REQUIREMENT WORK FORM

Name of LDC: KITCHENER-WILMOT HYDRO INC.  
File Number: EB-2009-0267  
Rate Year: 2010

		Selected Delivery Charge and Bill Impacts Per Draft Rate Order								
		Monthly Delivery Charge					Total Bill			
		Current	Per Draft Rate	Change			Current	Per Draft Rate	Change	
				\$	%				\$	%
Residential	1000 kWh/month	\$ 22.85	\$ 26.05	\$ 3.20	14.0%		\$ 120.48	\$ 123.54	\$ 3.06	2.5%
GS < 50kW	2000 kWh/month	\$ 44.17	\$ 46.97	\$ 2.80	6.3%		\$ 244.14	\$ 246.48	\$ 2.34	1.0%

Notes:

## **Appendix B**

***Table B-1***

### **Summary of 2010 Distribution Expenses**

<b>Distribution Expenses</b>	<b>SIC</b>	<b>Final Adjusted</b>
Distribution Expenses - Operation	3,051,200	3,051,200
Distribution Expenses - Maintenance	4,761,500	4,761,500
Billing and Collecting	3,003,200	3,003,200
Community Relations	209,400	209,400
Administrative and General Expenses	2,911,200	2,911,200
Taxes Other than Income Taxes	550,500	550,500
Less: Non-Labour inflation	-	(54,997)
Less: Property Tax Reduction	-	(139,844)
Total Eligible Distribution Expenses	14,487,000	14,292,159

***Table B-2***

### **2010 Non-Labour Inflation Adjustment**

	<b>Application</b>	<b>Per Board Decision</b>	<b>Decrease</b>
Opening Balance	13,861,000	13,861,000	
Labour Portion	(8,071,882)	(8,071,882)	
Net Non-Labour Cost	5,789,118	5,789,118	
Inflation Rate	2.25%	1.30%	
Inflation (labour removed)	130,255	75,259	(54,997)

## Appendix C

*Table C-1*

### **Determination of Tax Adjustments to Accounting Income for 2010**

Line Item	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Utility Amount
<b>Additions:</b>				
Amortization of tangible assets	104	11,606,901	0	11,606,901
Non-deductible meals and entertainment expense	121	25,000	0	25,000
Other Additions - Apprentice & Co-op Education Tax Credits	295	106,000	0	106,000
<b>Total Additions</b>		<b>11,737,901</b>	<b>0</b>	<b>11,737,901</b>
<b>Deductions:</b>				
Gain on disposal of assets per financial statements	401	30,000	0	30,000
Capital cost allowance from Schedule 8	403	10,465,189	0	10,465,189
<b>Total Deductions</b>		<b>10,495,189</b>	<b>0</b>	<b>10,495,189</b>
Charitable donations from Schedule 2	311	90,000	0	90,000
<b>Total Adjustments</b>		<b>90,000</b>	<b>0</b>	<b>90,000</b>
<b>Tax Adjustments to Accounting Income</b>		<b>1,332,711.68</b>	<b>0.00</b>	<b>1,332,711.68</b>

Table C-2

2010 PILS Calculation

Description	2010 SIC	2010 Test - Final	Increase / (Decrease)
<b>Revenue</b>			
Distribution Revenue	38,324,657	38,138,447	(186,210)
Other Operating Revenue (Net)	1,861,512	1,861,512	0
<b>Total Revenue</b>	<b>40,186,169</b>	<b>39,999,959</b>	<b>(186,210)</b>
<b>Costs and Expenses</b>			
Administrative & General, Billing & Collecting	6,123,800	6,123,800	0
Operation & Maintenance	7,812,700	7,812,700	0
Depreciation & Amortization	10,735,844	10,317,027	(418,817)
Non-labour Inflation Adjustment	0	(54,997)	(54,997)
Property Taxes	550,500	410,656	(139,844)
Capital Taxes	111,067	111,704	638
Deemed Interest	7,046,090	5,524,747	(1,521,343)
<b>Total Costs and Expenses</b>	<b>32,380,001</b>	<b>30,245,638</b>	<b>(2,134,363)</b>
Less OCT Included Above			
<b>Total Costs and Expenses Net of OCT</b>	<b>32,380,001</b>	<b>30,245,638</b>	<b>(2,134,363)</b>
<b>Utility Income Before Income Taxes</b>	<b>7,806,168</b>	<b>9,754,321</b>	<b>1,948,153</b>
<b>Income Taxes:</b>			
Corporate Income Taxes	2,580,802	3,295,122	714,319
<b>Total Income Taxes</b>	<b>2,580,802</b>	<b>3,295,122</b>	<b>714,319</b>
<b>Utility Net Income</b>	<b>5,225,366</b>	<b>6,459,200</b>	<b>1,233,834</b>
<b>Capital Tax Expense Calculation:</b>			
Total Rate Base	163,088,842	163,939,083	850,241
Exemption	15,000,000	15,000,000	-
Deemed Taxable Capital	<b>148,088,842</b>	<b>148,939,083</b>	<b>850,241</b>
Ontario Capital Tax	111,067	111,704	638
<b>Income Tax Expense Calculation:</b>			
Accounting Income	7,806,169	9,754,321	1,948,153
Tax Adjustments to Accounting Income	975,865	1,332,712	356,847
<b>Taxable Income</b>	<b>8,782,034</b>	<b>11,087,033</b>	<b>2,305,000</b>
<b>Income Tax Expense before deductions</b>	<b>2,721,552</b>	<b>3,435,872</b>	<b>714,319</b>
<b>Miscellaneous Deductions</b>	<b>(140,750)</b>	<b>(140,750)</b>	<b>0</b>
<b>Income Tax Expense after deductions</b>	<b>2,580,802</b>	<b>3,295,122</b>	<b>714,319</b>
<b>Tax Exhibit</b>	<b>2010 SIC</b>	<b>2010 Final</b>	<b>Increase / (Decrease)</b>
Deemed Utility Income	5,225,366	6,459,200	1,233,833
Tax Adjustments to Accounting Income	975,865	1,332,712	356,847
<b>Taxable Income prior to adjusting revenue for ATTC and PILs</b>	<b>6,201,231</b>	<b>7,791,912</b>	<b>1,590,680</b>
Tax Rate - Federal	30.99%	30.99%	0.00%
Total PILs before gross up (includes misc. adjustments \$140,750)	<b>1,781,012</b>	<b>2,273,963</b>	<b>492,952</b>
<b>Grossed up PILs</b>	<b>2,580,802</b>	<b>3,295,122</b>	<b>714,319</b>

**Table D-1 Rate Base****Summary of Fixed Assets**

	<b>2009</b>		<b>2010</b>			
	<b>SIC</b>	<b>Updated Capex Budgets</b>	<b>SIC</b>	<b>Updated Capex Budgets</b>	<b>Half-Year Rule</b>	<b>Final Change from SIC</b>
Gross Fixed Assets						
Opening	250,925,565	250,925,565	259,667,530	258,843,093	258,843,093	(824,437)
Closing	259,667,530	258,843,093	279,213,064	277,691,263	277,691,263	(1,521,801)
Accumulated Depreciation						
Opening	119,897,299	119,897,299	127,780,165	128,021,045	128,021,045	240,880
Closing	127,780,165	128,021,045	131,468,229	131,917,167	131,314,043	(154,186)
Net Fixed Assets						
Opening	131,028,266	131,028,266	131,887,365	130,822,048	130,822,048	(1,065,317)
Closing	131,887,365	130,822,048	147,744,835	145,774,096	146,377,220	(1,367,615)
Average	131,457,816	130,925,157	139,816,100	138,298,072	138,599,634	(1,216,466)

\* Submission-in-Chief

**Table D-2 2009 Capital Expenditures Adjustment**

<b>UPDATED BUDGETS - REVISED Fixed Asset Continuity Schedule (Distribution &amp; Operations)</b>										
<b>as at December 31, 2009</b>										
<b>OEB</b>	<b>Description</b>	<b>Cost</b>				<b>Accumulated Depreciation</b>				<b>Net Book Value</b>
		<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>	<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>	
1805	Land	2,331,738			2,331,738	0			0	2,331,738
1806	Land Rights	265,449			265,449	244,610	2,700.00		247,310	18,139
1808	Buildings and Fixtures	6,227,536	67,865		6,295,401	1,561,369	118,300.77		1,679,670	4,615,731
1810	Leasehold Improvements	0			0	0	-		0	0
1815	Transformer Station Equipment - Normally Primary above 50 kV	38,712,090	1,148,547		39,860,637	13,689,712	983,785.78		14,673,498	25,187,139
1820	Distribution Station Equipment - Normally Primary below 50 kV	2,853,105			2,853,105	1,733,558	77,456.79		1,811,015	1,042,089
1825	Storage Battery Equipment	0			0	0	-		0	0
1830	Poles, Towers and Fixtures	25,851,567	1,655,291	505,439	27,001,419	10,871,393	1,114,575.69	505,439	11,480,530	15,520,889
1835	Overhead Conductors and Devices	29,774,758	1,657,751	697,480	30,735,029	14,001,767	1,277,028.44	697,480	14,581,315	16,153,713
1840	Underground Conduit	20,010,044	1,176,331		21,186,375	8,096,264	897,679.24		8,993,943	12,192,432
1845	Underground Conductors and Devices	35,933,596	1,154,122		37,087,718	17,898,677	1,608,175.06		19,506,852	17,580,866
1850	Line Transformers	48,710,018	1,988,171	389,183	50,309,007	23,857,364	2,004,930.76	389,183	25,473,112	24,835,895
1855	Services	36,788,796	1,747,589	63,845	38,472,540	14,275,083	1,620,534.65	63,845	15,831,773	22,640,767
1860	Meters	11,606,960	301,400		11,908,360	5,953,616	472,032.71		6,425,648	5,482,711
1861	Smart Meters	0			0	0	-		0	0
1905	Land	1,395,300			1,395,300	0	-		0	1,395,300
1906	Land Rights	0			0	0	-		0	0
1908	Buildings and Fixtures	9,369,791			9,369,791	2,896,573	166,170.41		3,062,743	6,307,048
1910	Leasehold Improvements	0			0	0	-		0	0
1915	Office Furniture and Equipment	969,240	60,000	30,300	998,940	683,091	49,200.00	30,300	701,991	296,949
1920	Computer Equipment - Hardware	2,179,346	339,100	243,300	2,275,146	1,582,539	236,500.00	243,300	1,575,739	699,408
1925	Computer Software	2,360,459	182,900		2,543,359	1,650,178	269,600.00		1,919,778	623,580
1930	Transportation Equipment	6,874,197	718,069	410,500	7,181,766	4,524,920	645,500.00	410,500	4,759,920	2,421,847
1935	Stores Equipment	36,630	2,400		39,030	36,630			36,630	2,400
1940	Tools, Shop and Garage Equipment	828,508	75,200	49,700	854,008	454,527	72,657.50	49,700	477,484	376,524
1945	Measurement and Testing Equipment	622,261	10,900	48,000	585,161	504,343	44,011.21	48,000	500,354	84,807
1950	Power Operated Equipment	680,955	118,200	39,500	759,655	343,143	62,119.79	39,500	365,763	393,892
1955	Communication Equipment	173,729			173,729	84,996	12,411.50		97,407	76,322
1960	Miscellaneous Equipment	30,566			30,566	19,688	6,200.00		25,888	4,678
1970	Load Management Controls - Customer Premises	0			0	0			0	0
1975	Load Management Controls - Utility Premises	0			0	0			0	0
1980	System Supervisory Equipment	1,608,893		9,061	1,599,832	1,296,759	71,682.82	9,061	1,359,381	240,451
1985	Sentinel Lighting Rentals	0			0	0			0	0
1990	Other Tangible Property	0			0	0			0	0
1995	Contributions and Grants	(35,269,965)	(2,000,000)		(37,269,965)	(6,363,499)	(1,203,200)		(7,566,699)	(29,703,266)
	<b>Total before Work in Process</b>	<b>250,925,565</b>	<b>10,403,836</b>	<b>2,486,307</b>	<b>258,843,093</b>	<b>119,897,299</b>	<b>10,610,053</b>	<b>2,486,307</b>	<b>128,021,045</b>	<b>130,822,048</b>
2070	Other Utility Plant	551,269		41,269	510,000					510,000
WIP	Work in Process	6,258,291	4,132,234		10,390,525	0	0		0	10,390,525
	<b>Total after Work in Process</b>	<b>257,735,125</b>	<b>14,536,069</b>	<b>2,527,576</b>	<b>269,743,618</b>	<b>119,897,299</b>	<b>10,610,053</b>	<b>2,486,307</b>	<b>128,021,045</b>	<b>141,722,573</b>



**Table D-3 2010 Capital Expenditures Adjustment**

UPDATED BUDGETS - REVISED Fixed Asset Continuity Schedule (Distribution & Operations)										
as at December 31, 2010										
OEB	Description	Cost				Accumulated Depreciation				Net Book Value
		Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
1805	Land	2,331,738			2,331,738	0			0	2,331,738
1806	Land Rights	265,449			265,449	247,310	2,700		250,010	15,439
1808	Buildings and Fixtures	6,295,401	2,162,898		8,458,299	1,679,670	161,559		1,841,229	6,617,070
1810	Leasehold Improvements	0			0	0	-		0	0
1815	Transformer Station Equipment - Normally Primary above 50 kV	39,860,637	14,383,924		54,244,561	14,673,498	1,343,384		16,016,881	38,227,679
1820	Distribution Station Equipment - Normally Primary below 50 kV	2,853,105			2,853,105	1,811,015	77,457		1,888,472	964,633
1825	Storage Battery Equipment	0			0	0	-		0	0
1830	Poles, Towers and Fixtures	27,001,419	1,786,435	529,910	28,257,944	11,480,530	1,186,033	529,910	12,136,653	16,121,291
1835	Overhead Conductors and Devices	30,735,029	1,496,540	731,249	31,500,320	14,581,315	1,336,890	731,249	15,186,956	16,313,364
1840	Underground Conduit	21,186,375	1,366,376	601,433	21,951,317	8,993,943	952,334	601,433	9,344,844	12,606,473
1845	Underground Conductors and Devices	37,087,718	1,893,373	1,492,881	37,488,210	19,506,852	1,683,910	1,492,881	19,697,881	17,790,329
1850	Line Transformers	50,309,007	2,480,865	2,004,412	50,785,460	25,473,112	2,104,165	2,004,412	25,572,865	25,212,594
1855	Services	38,472,540	1,964,538	987,325	39,449,753	15,831,773	1,699,116	987,325	16,543,564	22,906,189
1860	Meters	11,908,360	385,000	374,316	11,919,043	6,425,648	497,699	374,316	6,549,031	5,370,012
1861	Smart Meters	0			0	0			0	0
1905	Land	1,395,300			1,395,300	0			0	1,395,300
1906	Land Rights	0			0	0			0	0
1908	Buildings and Fixtures	9,369,791			9,369,791	3,062,743	166,170		3,228,913	6,140,877
1910	Leasehold Improvements	0			0	0			0	0
1915	Office Furniture and Equipment	998,940	63,000	30,300	1,031,640	701,991	54,800	30,300	726,491	305,149
1920	Computer Equipment - Hardware	2,275,146	307,500	243,300	2,339,346	1,575,739	265,900	243,300	1,598,339	741,008
1925	Computer Software	2,543,359	322,500		2,865,859	1,919,778	396,500		2,316,278	549,580
1930	Transportation Equipment	7,181,766	660,000	507,900	7,333,866	4,759,920	663,000	507,900	4,915,020	2,418,847
1935	Stores Equipment	39,030			39,030	36,630			36,630	2,400
1940	Tools, Shop and Garage Equipment	854,008	73,000	49,700	877,308	477,484	96,940	49,700	524,724	352,584
1945	Measurement and Testing Equipment	585,161	12,000	48,000	549,161	500,354	58,720	48,000	511,074	38,087
1950	Power Operated Equipment	759,655	1,000	76,700	683,955	365,763	82,881	76,700	371,943	312,011
1955	Communication Equipment	173,729			173,729	97,407	16,559		113,967	59,762
1960	Miscellaneous Equipment	30,566			30,566	25,888	3,700		29,588	978
1970	Load Management Controls - Customer Premises	0			0	0			0	0
1975	Load Management Controls - Utility Premises	0			0	0			0	0
1980	System Supervisory Equipment	1,599,832		33,352	1,566,480	1,359,381	71,683	33,352	1,397,712	168,768
1985	Sentinel Lighting Rentals	0			0	0			0	0
1990	Other Tangible Property	0			0	0			0	0
1995	Contributions and Grants	(37,269,965)	(2,800,000)		(40,069,965)	(7,566,699)	(1,315,200)		(8,881,899)	(31,188,066)
					0	0			0	0
	<b>Total before Work in Process</b>	<b>258,843,093</b>	<b>26,558,949</b>	<b>7,710,779</b>	<b>277,691,263</b>	<b>128,021,045</b>	<b>11,606,901</b>	<b>7,710,779</b>	<b>131,917,167</b>	<b>145,774,096</b>
2070	Other Utility Plant	510,000	205,000		715,000	0			0	715,000
	Work in Process	10,390,525	(6,209,350)		4,181,175	0			0	4,181,175
	<b>Total after Work in Process</b>	<b>269,743,618</b>	<b>20,554,599</b>	<b>7,710,779</b>	<b>282,587,438</b>	<b>128,021,045</b>	<b>11,606,901</b>	<b>7,710,779</b>	<b>131,917,167</b>	<b>150,670,271</b>

**Table D-4 2010 Application of Half-Year Rule**

<b>HALF-YEAR RULE - REVISED Fixed Asset Continuity Schedule (Distribution &amp; Operations)</b>										
<b>as at December 31, 2010</b>										
		<b>Cost</b>				<b>Accumulated Depreciation</b>				
<b>OEB</b>	<b>Description</b>	<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>	<b>Opening Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>	<b>Net Book Value</b>
1805	Land	2,331,738			2,331,738	0			0	2,331,738
1806	Land Rights	265,449			265,449	247,310	2,700		250,010	15,439
1808	Buildings and Fixtures	6,295,401	2,162,898		8,458,299	1,679,670	139,930		1,819,600	6,638,699
1810	Leasehold Improvements	0			0	0	-		0	0
1815	Transformer Station Equipment - Normally Primary above 50 kV	39,860,637	14,383,924		54,244,561	14,673,498	1,163,585		15,837,082	38,407,478
1820	Distribution Station Equipment - Normally Primary below 50 kV	2,853,105			2,853,105	1,811,015	77,457		1,888,472	964,633
1825	Storage Battery Equipment	0			0	0			0	0
1830	Poles, Towers and Fixtures	27,001,419	1,786,435	529,910	28,257,944	11,480,530	1,150,304	529,910	12,100,924	16,157,020
1835	Overhead Conductors and Devices	30,735,029	1,496,540	731,249	31,500,320	14,581,315	1,306,959	731,249	15,157,026	16,343,295
1840	Underground Conduit	21,186,375	1,366,376	601,433	21,951,317	8,993,943	925,007	601,433	9,317,517	12,633,800
1845	Underground Conductors and Devices	37,087,718	1,893,373	1,492,881	37,488,210	19,506,852	1,646,043	1,492,881	19,660,014	17,828,197
1850	Line Transformers	50,309,007	2,480,865	2,004,412	50,785,460	25,473,112	2,054,548	2,004,412	25,523,248	25,262,212
1855	Services	38,472,540	1,964,538	987,325	39,449,753	15,831,773	1,659,825	987,325	16,504,274	22,945,480
1860	Meters	11,908,360	385,000	374,316	11,919,043	6,425,648	484,866	374,316	6,536,198	5,382,845
1861	Smart Meters	0			0	0			0	0
1905	Land	1,395,300			1,395,300	0			0	1,395,300
1906	Land Rights	0			0	0			0	0
1908	Buildings and Fixtures	9,369,791			9,369,791	3,062,743	166,170		3,228,913	6,140,877
1910	Leasehold Improvements	0			0	0			0	0
1915	Office Furniture and Equipment	998,940	63,000	30,300	1,031,640	701,991	52,350	30,300	724,041	307,599
1920	Computer Equipment - Hardware	2,275,146	307,500	243,300	2,339,346	1,575,739	267,250	243,300	1,599,689	739,658
1925	Computer Software	2,543,359	322,500		2,865,859	1,919,778	301,850		2,221,628	644,230
1930	Transportation Equipment	7,181,766	660,000	507,900	7,333,866	4,759,920	686,750	507,900	4,938,770	2,395,097
1935	Stores Equipment	39,030			39,030	36,630			36,630	2,400
1940	Tools, Shop and Garage Equipment	854,008	73,000	49,700	877,308	477,484	76,307	49,700	504,092	373,216
1945	Measurement and Testing Equipment	585,161	12,000	48,000	549,161	500,354	44,611	48,000	496,965	52,196
1950	Power Operated Equipment	759,655	1,000	76,700	683,955	365,763	62,170	76,700	351,233	332,722
1955	Communication Equipment	173,729			173,729	97,407	12,412		109,819	63,910
1960	Miscellaneous Equipment	30,566			30,566	25,888	6,200		32,088	(1,522)
1970	Load Management Controls - Customer Premises	0			0	0			0	0
1975	Load Management Controls - Utility Premises	0			0	0			0	0
1980	System Supervisory Equipment	1,599,832		33,352	1,566,480	1,359,381	71,683	33,352	1,397,712	168,768
1985	Sentinel Lighting Rentals	0			0	0			0	0
1990	Other Tangible Property	0			0	0			0	0
1995	Contributions and Grants	(37,269,965)	(2,800,000)		(40,069,965)	(7,566,699)	(1,355,200)		(8,921,899)	(31,148,066)
					0	0			0	0
	<b>Total before Work in Process</b>	<b>258,843,093</b>	<b>26,558,949</b>	<b>7,710,779</b>	<b>277,691,263</b>	<b>128,021,045</b>	<b>11,003,777</b>	<b>7,710,779</b>	<b>131,314,043</b>	<b>146,377,220</b>
2070	Other Utility Plant	510,000	205,000		715,000	0			0	715,000
	Work in Process	10,390,525	(6,209,350)		4,181,175	0			0	4,181,175
	<b>Total after Work in Process</b>	<b>269,743,618</b>	<b>20,554,599</b>	<b>7,710,779</b>	<b>282,587,438</b>	<b>128,021,045</b>	<b>11,003,777</b>	<b>7,710,779</b>	<b>131,314,043</b>	<b>151,273,395</b>

**Table D-5****2010 Depreciation Expense**

	Application	Per Board Decision	Decrease
Gross Depreciation Expense	11,398,844	11,003,777	(395,067)
Fully Allocated Depreciation	(663,000)	(686,750)	(23,750)
Net Depreciation Expense	10,735,844	10,317,027	(418,817)

**Table D-6 Working Capital****2010 Power Supply Cost**

<b>Component</b>	<b>SCI</b>	<b>DRO</b>	<b>Increase</b>
Electricity Commodity	116,512,936	129,561,054	13,048,118
Wholesale Market Services	12,397,626	12,397,626	-
Transmission Network	8,839,598	9,524,079	684,481
Transmission Connection	2,914,453	3,154,742	240,289
	140,664,613	154,637,501	13,972,888

**Table D-7****2010 Cost of Power Calculation**

		Per New RPP Price
Commodity Price (\$/kWh)		0.06704
RPP Price (\$/kWh)		
First Tier		0.065
Second Tier		0.075
Consumption (kWh)	1,918,855,997	
Non-RPP Consumption	50.01%	959,535,336
RPP Consumption		
First Tier	35.00%	671,524,463
Second Tier	15.00%	287,796,198
<b>Commodity Charge (\$)</b>		<b>129,561,054</b>
Non-RPP Consumption		64,327,249
RPP Consumption		
First Tier		43,649,090
Second Tier		21,584,715

**Table D-8****Revised 2010 Retail Transmission Rates Revenue**

<b><u>Transmission - Network</u></b>		<b>Volume</b>	<b>DRO</b>				<b>Application</b>	
<b>Class per Load Forecast</b>		<b>Metric</b>	<b>2010</b>				<b>2010</b>	<b>Increase</b>
Residential		kWh	670,839,568		\$0.0048	\$3,220,030	\$3,018,778	\$201,252
GS<50		kWh	242,996,379		\$0.0042	\$1,020,585	\$947,686	\$72,899
GS>50		kW	2,231,346		\$2.2026	\$4,914,763	\$4,532,979	\$381,783
Large User		kW	140,928		\$2.0702	\$291,749	\$269,088	\$22,661
Street Lighting		kW	46,815		\$1.3394	\$62,704	\$57,835	\$4,869
Unmetered Scattered Load		kWh	3,392,576		\$0.0042	\$14,249	\$13,231	\$1,018
<b>TOTAL</b>						<b>\$9,524,079</b>	<b>\$8,839,598</b>	<b>\$684,482</b>

<b><u>Transmission - Connection</u></b>		<b>Volume</b>	<b>DRO</b>				<b>Application</b>	
<b>Class per Load Forecast</b>		<b>Metric</b>	<b>2010</b>				<b>2010</b>	<b>Increase</b>
Residential		kWh	670,839,568		\$0.0015	\$1,006,259	\$939,175	\$67,084
GS<50		kWh	242,996,379		\$0.0014	\$340,195	\$315,895	\$24,300
GS>50		kW	2,231,346		\$0.7539	\$1,682,212	\$1,543,645	\$138,567
Large User		kW	140,928		\$0.7086	\$99,862	\$91,631	\$8,230
Street Lighting		kW	46,815		\$0.4585	\$21,465	\$19,695	\$1,770
Unmetered Scattered Load		kWh	3,392,576		\$0.0014	\$4,750	\$4,410	\$339
<b>TOTAL</b>						<b>\$3,154,742</b>	<b>\$2,914,453</b>	<b>\$240,289</b>

### WORKING CAPITAL ALLOWANCE FOR 2010

Distribution Expenses	SIC	DRO	Increase / (Decrease)
Distribution Expenses - Operation	3,051,200	3,051,200	0
Distribution Expenses - Maintenance	4,761,500	4,761,500	0
Billing and Collecting	3,003,200	3,003,200	0
Community Relations	209,400	209,400	0
Administrative and General Expenses	2,911,200	2,911,200	0
Taxes Other than Income Taxes	550,500	550,500	0
<b>Less: Non-Labour inflation</b>	-	(54,997)	(54,997)
<b>Less: Property Tax Reduction</b>	-	(139,844)	(139,844)
<b>Total Eligible Distribution Expenses</b>	<b>14,487,000</b>	<b>14,292,159</b>	<b>-194,841</b>
Power Supply Expenses	140,664,613	154,637,501	13,972,888
<b>Total Working Capital Expenses</b>	<b>155,151,613</b>	<b>168,929,661</b>	<b>13,778,048</b>
Working Capital Allowance Rate of 15%	\$ 23,272,742	\$ 25,339,449	\$ 2,066,707

### RATE BASE CALCULATION FOR 2010

	SIC	DRO	Increase / (Decrease)
Fixed Assets Opening Balance 2010	131,887,366	130,822,048	(1,065,318)
Fixed Assets Closing Balance 2010	147,744,834	146,377,220	(1,367,615)
<b>Average Fixed Asset Balance for 2010</b>	<b>139,816,100</b>	<b>138,599,634</b>	<b>(1,216,466)</b>
Working Capital Allowance	23,272,742	25,339,449	2,066,707
<b>Rate Base</b>	<b>163,088,842</b>	<b>163,939,083</b>	<b>850,241</b>
Regulated Rate of Return	7.5244%	7.3100%	-0.2144%
<b>Regulated Return on Capital</b>	<b>12,271,457</b>	<b>11,983,947</b>	<b>(287,510)</b>
Deemed Interest Expense	7,046,090	5,524,747	(1,521,343)
Deemed Return on Equity	5,225,366	6,459,200	1,233,833

**Appendix E – Cost of Capital and Capital Structure**

**Table E-1**

**2010 Capitalization/Cost of Capital**

**DRO REVISED**

<b>Particulars</b>	<b>Deemed Capitalization Ratio</b>		<b>Cost Rate</b>	<b>Return</b>
	(%)	(\$)	(%)	(\$)
<b>Debt</b>				
Long-term Debt	56.00%	\$91,805,886	5.87%	\$5,389,006
Short-term Debt	4.00%	\$6,557,563	2.07%	\$135,742
<b>Total Debt</b>	<b>60.0%</b>	<b>\$98,363,450</b>	<b>5.62%</b>	<b>\$5,524,747</b>
<b>Equity</b>				
Common Equity	40.00%	\$65,575,633	9.85%	\$6,459,200
Preferred Shares	0.00%	\$ -		\$ -
<b>Total Equity</b>	<b>40.0%</b>	<b>\$65,575,633</b>	<b>9.85%</b>	<b>\$6,459,200</b>
<b>Total</b>	<b>100.0%</b>	<b>\$163,939,083</b>	<b>7.31%</b>	<b>\$11,983,947</b>

**TABLE E-2 2010**

Description	Deemed Portion	SIC	DRO
Long-Term Debt	56.00%	7.62%	5.87%
Short-Term Debt	4.00%	1.33%	2.07%
Return On Equity	40.00%	8.01%	9.85%
<b>Weighted Debt Rate</b>		<b>7.20%</b>	<b>5.62%</b>
<b>Regulated Rate of Return</b>		<b>7.5244%</b>	<b>7.3100%</b>

**WORKING CAPITAL ALLOWANCE FOR 2010**

Distribution Expenses	SIC	DRO	Increase / (Decrease)
Distribution Expenses - Operation	3,051,200	3,051,200	0
Distribution Expenses - Maintenance	4,761,500	4,761,500	0
Billing and Collecting	3,003,200	3,003,200	0
Community Relations	209,400	209,400	0
Administrative and General Expenses	2,911,200	2,911,200	0
Taxes Other than Income Taxes	550,500	550,500	0
<b>Less: Non-Labour Inflation</b>	-	(54,997)	(54,997)
<b>Less: Property Tax Reduction</b>	-	(139,844)	(139,844)
<b>Total Eligible Distribution Expenses</b>	<b>14,487,000</b>	<b>14,292,159</b>	<b>-194,841</b>
Power Supply Expenses	140,664,613	154,637,501	13,972,888
<b>Total Working Capital Expenses</b>	<b>155,151,613</b>	<b>168,929,661</b>	<b>13,778,048</b>
Working Capital Allowance Rate of 15%	\$ 23,272,742	\$ 25,339,449	\$ 2,066,707

**RATE BASE CALCULATION FOR 2010**

	SIC	DRO	Increase / (Decrease)
Fixed Assets Opening Balance 2010	131,887,366	130,822,048	(1,065,318)
Fixed Assets Closing Balance 2010	147,744,834	146,377,220	(1,367,615)
<b>Average Fixed Asset Balance for 2010</b>	<b>139,816,100</b>	<b>138,599,634</b>	<b>(1,216,466)</b>
Working Capital Allowance	23,272,742	25,339,449	2,066,707
<b>Rate Base</b>	<b>163,088,842</b>	<b>163,939,083</b>	<b>850,241</b>
Regulated Rate of Return	7.5244%	7.3100%	-0.2144%
<b>Regulated Return on Capital</b>	<b>12,271,457</b>	<b>11,983,947</b>	<b>(287,510)</b>
Deemed Interest Expense	7,046,090	5,524,747	(1,521,343)
Deemed Return on Equity	5,225,366	6,459,200	1,233,833





# 2006 COST ALLOCATION INFORMATION FILING

## Kitchener-Wilmot Hydro Inc.

EB-2007-0002

Saturday, August 15, 2009

### TABLE F-1 Revenue to Cost Summary Worksheet - First Run

Kitchener-Wilmot Hydro Inc.

EB-2009-0267

Filed: April 19, 2010

Page 45 of 67

#### Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets	Total	1	2	3	6	7	9
		Residential	GS <50	GS>50-Regular	Large Use >5MW	Street Light	Unmetered Scattered Load
<b>crev</b> Distribution Revenue (sale)	38,068,030.25	\$20,036,463	\$5,153,489	\$11,741,331	\$534,988	\$465,628	\$136,131
<b>mi</b> Miscellaneous Revenue (mi)	1,931,929.41	\$1,237,979	\$257,448	\$406,993	\$16,209	\$10,312	\$2,988
<b>Total Revenue</b>	<b>39,999,959.66</b>	<b>\$21,274,442</b>	<b>\$5,410,937</b>	<b>\$12,148,325</b>	<b>\$551,197</b>	<b>\$475,940</b>	<b>\$139,119</b>
<b>Expenses</b>							
<b>di</b> Distribution Costs (di)	\$7,467,200	\$4,315,103	\$970,853	\$1,961,070	\$116,317	\$74,726	\$29,130
<b>cu</b> Customer Related Costs (cu)	\$3,348,700	\$2,448,272	\$424,830	\$472,732	\$2,110	\$473	\$283
<b>ad</b> General and Administration (ad)	\$3,476,259	\$2,131,994	\$448,513	\$817,993	\$41,537	\$26,625	\$9,597
<b>dep</b> Depreciation and Amortization (dep)	\$10,317,027	\$6,070,187	\$1,359,323	\$2,591,316	\$141,336	\$120,649	\$34,216
<b>INPUT</b> PILs (INPUT)	\$3,407,197	\$1,855,953	\$435,893	\$1,006,949	\$60,398	\$38,550	\$9,453
<b>INT</b> Interest	\$5,525,425	\$3,009,784	\$706,884	\$1,632,962	\$97,947	\$62,517	\$15,330
<b>Total Expenses</b>	<b>\$33,541,808</b>	<b>\$19,831,293</b>	<b>\$4,346,296</b>	<b>\$8,483,023</b>	<b>\$459,646</b>	<b>\$323,541</b>	<b>\$98,009</b>
<b>Direct Allocation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>NI</b> Allocated Net Income (NI)	\$6,459,992	\$3,518,858	\$826,446	\$1,909,160	\$114,514	\$73,091	\$17,923
<b>Revenue Requirement (includes NI)</b>	<b>40,001,800.13</b>	<b>\$23,350,151</b>	<b>\$5,172,741</b>	<b>\$10,392,184</b>	<b>\$574,160</b>	<b>\$396,632</b>	<b>\$115,933</b>
Revenue Requirement Input equals Output							
<b>Rate Base Calculation</b>							
<b>Net Assets</b>							
<b>dp</b> Distribution Plant - Gross	278,905,987.46	\$161,991,310	\$36,719,973	\$72,156,796	\$4,001,265	\$3,108,059	\$928,585
<b>gp</b> General Plant - Gross	28,031,155.80	\$16,150,184	\$3,679,242	\$7,388,876	\$416,805	\$300,567	\$95,482
<b>accum dep</b> Accumulated Depreciation	(\$129,667,544)	(\$76,007,400)	(\$17,131,614)	(\$32,818,272)	(\$1,782,185)	(\$1,507,835)	(\$420,237)
<b>co</b> Capital Contribution	(\$38,669,965)	(\$26,235,330)	(\$5,493,720)	(\$6,174,061)	(\$215,463)	(\$340,173)	(\$211,217)
<b>Total Net Plant</b>	<b>138,599,633.90</b>	<b>\$75,898,764</b>	<b>\$17,773,881</b>	<b>\$40,553,338</b>	<b>\$2,420,422</b>	<b>\$1,560,617</b>	<b>\$392,612</b>
<b>Directly Allocated Net Fixed Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>COP</b> Cost of Power (COP)	\$154,771,564	\$54,054,829	\$19,580,133	\$73,514,514	\$5,960,865	\$1,387,857	\$273,367
OM&A Expenses	\$14,292,159	\$8,895,369	\$1,844,196	\$3,251,795	\$159,964	\$101,824	\$39,010
Directly Allocated Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$169,063,723</b>	<b>\$62,950,198</b>	<b>\$21,424,329</b>	<b>\$76,766,309</b>	<b>\$6,120,829</b>	<b>\$1,489,681</b>	<b>\$312,377</b>
<b>Working Capital</b>	<b>\$25,359,559</b>	<b>\$9,442,530</b>	<b>\$3,213,649</b>	<b>\$11,514,946</b>	<b>\$918,124</b>	<b>\$223,452</b>	<b>\$46,857</b>
<b>Total Rate Base</b>	<b>163,959,192.40</b>	<b>\$85,341,293</b>	<b>\$20,987,530</b>	<b>\$52,068,284</b>	<b>\$3,338,547</b>	<b>\$1,784,069</b>	<b>\$439,468</b>
Rate Base Input equals Output							
<b>Equity Component of Rate Base</b>	<b>\$65,583,677</b>	<b>\$34,136,517</b>	<b>\$8,395,012</b>	<b>\$20,827,314</b>	<b>\$1,335,419</b>	<b>\$713,628</b>	<b>\$175,787</b>
<b>Net Income on Allocated Assets</b>	<b>6,458,151.71</b>	<b>\$1,443,149</b>	<b>\$1,064,641</b>	<b>\$3,665,301</b>	<b>\$91,551</b>	<b>\$152,399</b>	<b>\$41,110</b>
<b>Net Income on Direct Allocation Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Income</b>	<b>\$6,458,152</b>	<b>\$1,443,149</b>	<b>\$1,064,641</b>	<b>\$3,665,301</b>	<b>\$91,551</b>	<b>\$152,399</b>	<b>\$41,110</b>
<b>RATIOS ANALYSIS</b>							
REVENUE TO EXPENSES %	100.00%	91.11%	104.60%	116.90%	96.00%	120.00%	120.00%
EXISTING REVENUE MINUS ALLOCATED COSTS	(\$1,840)	(\$2,075,709)	\$238,195	\$1,756,141	(\$22,963)	\$79,308	\$23,186
RETURN ON EQUITY COMPONENT OF RATE BASE	9.85%	4.23%	12.68%	17.60%	6.86%	21.36%	23.39%

**TABLE F-2**

**2010 Cost Allocation Revenue Shares Summary**

<b>Rate Class</b>	<b>VECC Existing</b>	<b>VECC Proposal</b>	<b>Final 2010 Revenue Share</b>
Residential	90.70%	Add Shortfall	91.11%
GS < 50 kW	104.60%	No Change	104.60%
GS > 50 kW	116.90%	No Change	116.90%
Large Use	96.00%	No Change	96.00%
Street Light	128.10%	120.00%	120.00%
Unmetered Scattered Load	159.50%	120.00%	120.00%

**TABLE F-3**

**2010 Cost Allocation Revenue Summary**

<b>Component</b>	<b>Board Decision</b>	<b>Adjustment **</b>	<b>Adjusted \$\$</b>
Distribution Revenue *	38,138,447.25	(70,417)	38,068,030
Miscellaneous Revenue ***	1,861,512	70,417	1,931,929
	39,999,959	-	39,999,959

\* 2010 Final Revenue Deficiency Schedule - also in 2010 Tax Calculation (see Exhibit C)

\*\* Embedded Distributor (see Appendix F)

\*\*\* Revenue Offset per Board Decision

**TABLE F-4 Rate Design**

**UPDATED Distribution Rate Allocation Between Fixed & Variable Rates For 2010 Test Year**

Customer Class	Total Net Rev. Requirement	Revenue Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Total Distribution Revenue
Residential	20,036,463	52.63%	9.55	\$0.0170	\$ 8,954,729	\$ 11,081,734	20,036,463
GS<50 kW	5,153,489	13.54%	25.17	\$0.0123	\$ 2,260,467	\$ 2,893,022	5,153,489
GS>50 kW	11,741,331	30.84%	232.71	\$4.0067	\$ 2,800,898	\$ 8,940,433	11,741,331
Large Use	534,988	1.41%	14,195.83	\$1.3786	\$ 340,700	\$ 194,288	534,988
Street Lighting	465,628	1.22%	0.78	\$5.2878	\$ 218,079	\$ 247,549	465,628
USL	136,131	0.36%	8.34	\$0.0164	\$ 82,066	\$ 54,065	136,131
<b>TOTAL</b>	<b>38,068,030</b>	<b>100.00%</b>			<b>\$ 14,656,938</b>	<b>\$ 23,411,092</b>	<b>\$ 38,068,030</b>
Forecast Fixed/Variable Ratios					<b>38.502%</b>	<b>61.498%</b>	<b>100.000%</b>

**TABLE F-5**

**2010 Transformer Ownership Credit Calculation**

<b>Rate Class</b>	<b>kW - Customer Owned Transformers</b>	<b>\$ / kW</b>	<b>\$\$ Credit</b>
GS > 50 *	1,065,632	(0.60)	(639,379)
Large User **	140,928	(0.60)	(84,557)

Total 2010 Estimated Transformer Allowance Credits (723,936)

Estimated Transformer Allowance Credits per Application (426,772)

**Increase to 2010 Estimated Transformer Allowance Credits (297,164)**

\* *Transformer Allowance Calculation for GS > 50 - 1350 kW Exhibit 3 Page 59*

\*\* *Summary of Consumption and Customer Count for 2009 and 2010 Exhibit 3 Page 45*

**TABLE F-6 EMBEDDED DISTRIBUTOR**  
**REVISED 2010 CALCULATION OF WHEELING CHARGES**

	2010 Application	2010 Final	Increase/ (Decrease)
KILOMETERS OF OVERHEAD LINE AS PER INDICIES	1,044.2	1,044.2	-
LENGTH OF LINE - SPECIFIC	7.21	7.21	0
LENGTH OF LINE - SHARED	1.4	1.4	0
AVERAGE LOAD WHEELED-SPECIFIC LINE (kW)	4,088.6	4,088.6	-
AVERAGE LOAD WHEELED-SHARED LINE (kW)	7,351.3	7,351.3	-
DEPRECIATION RATE	4%	4%	0%
TOTAL FIXED ASSET VALUE	269,440,297	269,440,297	-
CAPITAL COST OF LINE:	57,542,139	57,542,139	-
OPERATING AND MAINTENANCE COSTS:	2,660,000	2,660,000	-
ACCUMULATED DEPRECIATION	26,898,658	26,898,658	-
GENERAL ADMINISTRATION COSTS	6,838,276	6,838,276	-
ADMIN COSTS SPECIFIC TO OVERHEAD	1,460,394.03	1,460,394.03	-
DEEMED DEBT RATE-LONG TERM	7.62%	5.87%	-1.75%
DEEMED DEBT RATE-SHORT TERM	1.33%	2.07%	0.74%
DEEMED RETURN ON EQUITY BEFORE TAX	8.01%	9.85%	1.84%
DEEMED DEBT SHARE-LONG TERM	56.0%	56.0%	0.0%
DEEMED DEBT SHARE-SHORT TERM	4.0%	4.0%	0.0%
DEEMED EQUITY SHARE	40.00%	40.00%	0.00%
TAX RATE	30.99%	30.99%	0.00%
RATE OF RETURN BEFORE TAX	8.96%	9.08%	0.12%
UTILIZATION FACTOR-SPECIFIC	0.6905%	0.6905%	0.0000%
UTILIZATION FACTOR-SHARED	0.0746%	0.0746%	0.0000%
SPECIFIC LINE:			
DEPRECIATION EXPENSE OF OVERHEAD LINE:	\$15,893	\$15,893	\$0
RETURN ON ASSETS	\$18,965	\$19,211	\$246
ADMINISTRATION COSTS	\$28,451	\$28,451	\$0
SHARED LINE:			
DEPRECIATION EXPENSE OF OVERHEAD LINE:	1,716.33	1,716.33	-
RETURN ON ASSETS	\$2,048	\$2,075	\$27
ADMINISTRATION COSTS	3,072.51	3,072.51	-
SPECIFIC LINE TOTAL WHEELING COSTS	63,308	63,554	246
SHARED LINE TOTAL WHEELING COSTS	6,837	6,863	27
<b>TOTAL REVENUE REQUIREMENT FOR WHEELING CHARGES:</b>	<b>70,145</b>	<b>70,417</b>	<b>272</b>
LINE:	\$ 1.29	\$ 1.30	\$ 0.01
MONTHLY DISTRIBUTION WHEELING SERVICE RATE -SHARED L.V. LINE:	\$ 0.14	\$ 0.14	\$ 0.00
Original Application		70,145	
Increase from Original Application		272.21	

**TABLE F-7 Retail Transmission Rates**

Uniform Transmission Rate	Current Rate	Rate Effective Jan. 1, 2010	Applies to	% Increase
Network Service Rate	\$ 2.66	\$ 2.97	100%	11.7%
Line Connection Service Rate	\$ 0.70	\$ 0.73	100.00%	4.3%
Transformation Connection Service Rate	\$ 1.57	\$ 1.71	7.90%	0.7%
	\$ 2.27	\$ 2.44		4.99%

**TABLE F-8 2010 Retail Transmission Rates**

**Revenue by Year (includes billed and unbilled)**

Network				11.3% Projected	103.0% Proposed
	2006	2007	2008	2009	2010
Residential	3,420,133	3,374,260	2,978,128	3,314,656	3,414,096
< 50	1,131,077	1,093,034	966,156	1,075,332	1,107,592
> 50	5,546,937	5,360,340	4,539,054	5,051,967	5,203,526
Large Use	864,320	729,909	628,275	699,270	720,248
USL	21,965	(3,829)	13,703	15,252	15,709
Streetlighting	36,174	36,153	35,565	39,584	40,771
Embedded Distributor	104,741	109,819	94,023	104,648	107,787
	11,125,346	10,699,684.74	9,254,904	10,300,708	10,609,729

Connection				15.24% Projected	85% Proposed
	2006	2007	2008	2009	2010
Residential	1,161,839	1,124,698	1,078,873	1,243,293	1,056,799
< 50	401,086	388,618	372,662	429,456	365,037
> 50	1,942,768	1,859,512	1,733,712	1,997,929	1,698,240
Large Use	302,939	252,461	239,587	276,100	234,685
USL	7,810	(1,356)	5,236	6,034	5,129
Streetlighting	21,627	21,404	21,232	24,468	20,797
Embedded Distributor	36,692	38,000	35,722	41,166	34,992
	3,874,761	3,683,337	3,487,024	4,018,446	3,415,679

Retail Transmission Cost				Projected	Estimated
	2006	2007	2008	2009	2010
Network	10,823,154.33	10,628,758.11	8,532,460.86	9,496,628.94	10,607,734.52
Connection	3,431,021.83	3,676,093.77	2,812,189.76	3,240,767.48	3,402,481.78
	14,254,176.16	14,304,851.88	11,344,650.62	12,737,396.42	14,010,216.30

Variance (net of carrying charges and other adjustments)				Projected	Proposed
	2006	2007	2008	2009	2010
Wholesale Network	(302,191.92)	(70,926.63)	(722,443.10)	(804,079.17)	(1,994.83)
Connection	(443,739.10)	(7,243.43)	(674,834.15)	(777,678.87)	(13,197.62)
	(745,931.02)	(78,170.06)	(1,397,277.25)	(1,581,758.04)	(15,192.45)

Cost to Revenue Ratio				Projected	Proposed
	2006	2007	2008	2009	2010
Network	0.97	0.99	0.92	0.92	1.00
Connection	0.89	1.00	0.81	0.81	1.00



**Appendix G – Deferral and Variance Accounts**

**TABLE G-1**

**Summary of Deferral and Variance Account Rate Riders**

	Application (4 Year Disposition)	SIC (2 Year Disposition)	Final - Net of GA	GA Rate Rider
Residential	(0.0009)	(0.0018)	(0.0019)	0.0001
GS < 50 kW	(0.0010)	(0.0019)	(0.0021)	0.0001
GS > 50 kW	(0.2603)	(0.5206)	(0.8566)	0.3360
Large Use	(0.0165)	(0.3301)	(1.4963)	1.1662
Unmetered Scattered Load	(0.0010)	(0.0020)	(0.0020)	0.0000
Street Lighting	(0.3350)	(0.6701)	(0.8258)	0.1558
Total to be Collected / (Refunded)	(5,773,603)	(5,773,603)	(7,823,475)	2,049,873
Per Year for two (2) Years	(1,443,401)	(2,886,802)	(3,911,738)	1,024,937

**TABLE G-2**

**Rate Riders Calculation - net of Global Adjustment**

	Account			Unmetered							
Deferral and Variance Accounts:	Number	Amount	ALLOCATOR	Residential	GS < 50	GS > 50	Large Users	Scattered Load	Street Lighting	Total	
RSVA - Wholesale Market Service Charge	1580	\$ (5,164,694)	kWh	\$ (1,803,798)	\$ (653,385)	\$ (2,453,164)	\$ (198,913)	\$ (9,122)	\$ (46,312)	\$ (5,164,694)	
RSVA - Retail Transmission Network Charge	1584	\$ (2,874,602)	kWh	\$ (1,003,971)	\$ (363,666)	\$ (1,365,399)	\$ (110,712)	\$ (5,077)	\$ (25,777)	\$ (2,874,602)	
RSVA - Retail Transmission Connection Charge	1586	\$ (1,958,220)	kWh	\$ (683,919)	\$ (247,734)	\$ (930,130)	\$ (75,419)	\$ (3,459)	\$ (17,560)	\$ (1,958,220)	
RSVA - Power (excluding the GA)	1588	\$ 1,065,138	kWh	\$ 372,005	\$ 134,750	\$ 505,927	\$ 41,023	\$ 1,881	\$ 9,551	\$ 1,065,138	
			kWh for non-RPP customers								
RSVA - Power (GA)	1588	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Recovery of Regulatory Asset Balances	1590	\$ (258,888)	Recovery Share	\$ (56,541)	\$ (29,151)	\$ (51,363)	\$ (103,529)	\$ (3,573)	\$ (14,731)	\$ (258,888)	
Subtotal - Group 1		\$ (9,191,266)		\$ (3,176,224)	\$ (1,159,185)	\$ (4,294,129)	\$ (447,550)	\$ (19,350)	\$ (94,829)	\$ (9,191,266)	
Other Regulatory Assets	1508	\$ 1,279,437	Dx Revenue	\$ 655,084	\$ 169,262	\$ 411,816	\$ 20,964	\$ 5,931	\$ 16,380	\$ 1,279,437	
Retail Cost Variance Account - Retail	1518	\$ (108,825)	# of Customers	\$ (98,130)	\$ (9,399)	\$ (1,260)	\$ (3)	\$ (26)	\$ (8)	\$ (108,825)	
CDM Expenditures & Recovery	1565	\$ 269	% of CDM Expenditures	\$ 45	\$ 40	\$ 157	\$ -	\$ 27	\$ -	\$ 269	
Retail Cost Variance Account - STR	1548	\$ 56,528	# of Customers	\$ 50,972	\$ 4,882	\$ 654	\$ 1	\$ 14	\$ 4	\$ 56,528	
			# of Customers with rebate cheques								
Misc. Deferred Debits	1525	\$ 14,493		\$ 13,209	\$ 1,192	\$ 92	\$ -	\$ -	\$ -	\$ 14,493	
RSVA - One-time Wholesale Market Service	1582	\$ 125,890	kWh	\$ 43,968	\$ 15,926	\$ 59,796	\$ 4,849	\$ 222	\$ 1,129	\$ 125,890	
Subtotal - Group 2		\$ 1,367,791		\$ 665,147	\$ 181,904	\$ 471,255	\$ 25,812	\$ 6,168	\$ 17,505	\$ 1,367,791	
<hr/>											
Total to be Recovered		\$ (7,823,475)		\$ (2,511,077)	\$ (977,281)	\$ (3,822,874)	\$ (421,739)	\$ (13,181)	\$ (77,324)	\$ (7,823,475)	
<hr/>											
Balance to be collected or refunded, Variable		\$ (7,823,475)		\$ (2,511,077)	\$ (977,281)	\$ (3,822,874)	\$ (421,739)	\$ (13,181)	\$ (77,324)	\$ (7,823,475)	
Number of years for Variable	2										
Balance to be collected or refunded per year, Variable		\$ (3,911,738)		\$ (1,255,538)	\$ (488,641)	\$ (1,911,437)	\$ (210,869)	\$ (6,591)	\$ (38,662)	\$ (3,911,738)	

Class
Deferral and Variance Account Rate Riders, Variable
Billing Determinants

Residential	GS < 50 KW	GS > 50 Non		Large Users	Unmetered Scattered Load	Street Lighting
		TOU				
\$ (0.0019)	\$ (0.0021)	\$ (0.8566)		\$ (1.4963)	\$ (0.0020)	\$ (0.8258)
kWh	kWh	kW		kW	kWh	kW

**TABLE G- 3 Global Adjustment Rate Rider Calculation**

Deferral and Variance Accounts:	Account Number	Amount	ALLOCATOR	Residential	GS < 50	GS > 50	Large Users	Unmetered Scattered Load	Street Lighting	Total
RSVA - Wholesale Market Service Charge	1580	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power (excluding the GA)	1588	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power (GA)	1588	\$ 2,049,873	2008 kWh for non-RPP customers	\$ 145,797	\$ 61,312	\$ 1,499,475	\$ 328,704	\$ -	\$ 14,584	\$ 2,049,873
Recovery of Regulatory Asset Balances	1590	\$ -	Recovery Share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal - Group 1</b>		\$ 2,049,873		\$ 145,797	\$ 61,312	\$ 1,499,475	\$ 328,704	\$ -	\$ 14,584	\$ 2,049,873
Other Regulatory Assets	1508	\$ -	Dx Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retail Cost Variance Account - Retail	1518	\$ -	# of Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CDM Expenditures & Recovery	1565	\$ -	% of CDM Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retail Cost Variance Account - STR	1548	\$ -	# of Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc. Deferred Debits	1525	\$ -	# of Customers with rebate cheques	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - One-time Wholesale Market Service	1582	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal - Group 2</b>		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total to be Recovered</b>		\$ 2,049,873		\$ 145,797	\$ 61,312	\$ 1,499,475	\$ 328,704	\$ -	\$ 14,584	\$ 2,049,873
Balance to be collected or refunded, Variable		\$ 2,049,873		\$ 145,797	\$ 61,312	\$ 1,499,475	\$ 328,704	\$ -	\$ 14,584	\$ 2,049,873
Number of years for Variable	2									
Balance to be collected or refunded per year, Variable		\$ 1,024,937		\$ 72,898	\$ 30,656	\$ 749,738	\$ 164,352	\$ -	\$ 7,292	\$ 1,024,937
<b>Class</b>				<b>Residential</b>	<b>GS &lt; 50 KW</b>	<b>GS &gt; 50 Non TOU</b>	<b>Large Users</b>	<b>Unmetered Scattered Load</b>	<b>Street Lighting</b>	
<b>Deferral and Variance Account Rate Riders, Variable</b>				\$ 0.0001	\$ 0.0001	\$ 0.3360	\$ 1.1662	\$ -	\$ 0.1558	
<b>Billing Determinants</b>				kWh	kWh	kW	kW	kWh	kW	

**Appendix H – Lost Revenue Adjustment Mechanism and Shared Savings Mechanism**

**TABLE H-1**

**2010 Test Year - LRAM and SSM Rider**

Rate Class	Amounts (2005 ~ 2007)		Billing Units (2008)		Rate Riders			Four Year Rate Rider	Rate Rider to Use
	LRAM	SSM			LRAM	SSM	Total	Total	Total
	\$	\$		Metrics	\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)
Residential	592,748.69	49,182.13	638,167,356	kWh	0.0009	0.0001	0.0010	0.0003	0.0003
GS<50 kW	37,972.98	18,783.20	233,464,130	kWh	0.0002	0.0001	0.0002	0.0001	0.0001
GS>50 kW	74,687.99	78,146.56	2,227,288	kW	0.0335	0.0351	0.0686	0.0172	0.0172
USL	31,533.79	27,881.40	3,287,782	kWh	0.0096	0.0085	0.0181	0.0045	0.0045
<b>Total</b>	<b>736,943.45</b>	<b>173,993.29</b>							

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **RESIDENTIAL SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	9.55
Smart Meter Funding Adder	\$	1.00
Distribution Volumetric Rate	\$/kWh	0.0170
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0001
Rate Rider for Deferral/Variance Account Disposition – effective until April 30, 2012	\$/kWh	(0.0019)
Rate Rider for LRAM/SSM - effective until April 30, 2014	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	25.17
Smart Meter Funding Adder	\$	1.00
Distribution Volumetric Rate	\$/kWh	0.0123
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0001
Rate Rider for Deferral/Variance Account Disposition – effective until April 30, 2012	\$/kWh	(0.0021)
Rate Rider for LRAM/SSM - effective until April 30, 2014	\$/kWh	0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0014

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION**

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 999 kW non-interval metered

General Service 50 to 999 kW interval metered

General Service 1,000 to 4,999 kW interval metered.

Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	232.71
Smart Meter Funding Adder	\$	1.00
Distribution Volumetric Rate	\$/kW	4.0067
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.3360
Rate Rider for Deferral/Variance Account Disposition – effective until April 30, 2012	\$/kW	(0.8566)
Rate Rider for LRAM/SSM - effective until April 30, 2014	\$/kWh	0.0172
Retail Transmission Rate – Network Service Rate	\$/kW	2.2026
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7539

### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **LARGE USE SERVICE CLASSIFICATION**

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	14,195.83
Smart Meter Funding Adder	\$	1.00
Distribution Volumetric Rate	\$/kW	1.3786
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	1.1662
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(1.4963)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.0702
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.7086

### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25



**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **STANDBY POWER SERVICE CLASSIFICATION**

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of the billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component – INTERIM APPROVAL**

Monthly Rate - Applicable Customer Class Distribution Volumetric Rate – \$/kW of contracted amount      \$/kW

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	8.34
Distribution Volumetric Rate	\$/kWh	0.0164
Rate Rider for Deferral/Variance Account Disposition – effective until April 30, 2012	\$/kWh	(0.0002)
Rate Rider for LRAM/SSM - effective until April 30, 2014	\$/kWh	0.0045
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0014

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **STREET LIGHTING SERVICE CLASSIFICATION**

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection)	\$	0.78
Distribution Volumetric Rate	\$/kW	5.2878
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.1558
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.8258)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3394
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4585

### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **microFIT GENERATOR SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES – Delivery Component – effective September 21, 2009**

Service Charge	\$	5.25
----------------	----	------

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

### **MONTHLY RATES AND CHARGES**

Monthly Distribution Wheeling Service Rate – Dedicated LV Line	\$/kW	1.1300
Monthly Distribution Wheeling Service Rate – Shared LV Line	\$/kW	0.1400
Retail Transmission Rate – Network Service Rate	\$/kW	2.0761
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7108

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## 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)

## SPECIFIC SERVICE CHARGES

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

<b>Customer Administration</b>		
Returned Cheque charge (plus bank charges)	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	10.00
Collection of Account Charge – No Disconnection	\$	30.00
Meter Dispute Charge Plus Measurement Canada Fees (if meter found correct)	\$	30.00
Meter Removal Without Authorization	\$	60.00
<b>Non-Payment of Account</b>		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter – during regular hours	\$	45.00
Disconnect/Reconnect at meter – after regular hours	\$	75.00
Disconnect/Reconnect at pole – during regular hours	\$	95.00
Service call – after regular hours	\$	105.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2010**  
**except for the microFIT Generator Class effective date of September 21, 2009**

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

EB-2009-0267

## **RETAIL SERVICE CHARGES (if applicable)**

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail		
Settlement Code directly to retailers and customers, if not delivered electronically through the		
Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

## **LOSS FACTORS**

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0320
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0154
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0226
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0053