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April 26, 2010

Delivered by E-mail and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Oakville Hydro Electricity Distribution Inc. – 2010 Cost of Service
Electricity Distribution Rate Application – Board File No. EB-2009-0271**

We are counsel to Oakville Hydro Electricity Distribution Inc. (“Oakville Hydro”) in the above captioned matter.

A settlement conference was conducted in respect of this proceeding on Tuesday and Wednesday, April 6 and 7, 2010, in accordance with Procedural Order #5. We are pleased to advise that the parties have achieved a complete settlement in this matter. In accordance with Procedural Order #6, please find accompanying this letter a copy of the proposed Settlement Agreement. Each of the parties has reviewed and approved the Agreement, and the parties respectfully request that the Board approve the Settlement Agreement. The parties to this proceeding acknowledge with thanks the assistance of Ms. Morrison and Board staff in this process.

We are also writing at this time to address the remaining steps in this proceeding. At this time, Procedural Order #6 provides only that any Settlement Agreement arising from the Settlement Conference conducted on April 6 and 7, 2010 is to be filed with the Board by today’s date. In the normal course, the Board would consider and make its determination on the Settlement Agreement. If the Board were to approve the Settlement Agreement in a case such as this, where there is a complete settlement, the next step would be a Decision and Order in which the Board approves the Settlement Agreement and establishes dates for the filing of a Draft Rate Order indicating how the applicant’s proposed Tariff of Rates and Charges implements the Settlement Agreement and the Board’s Decision.

As confirmed in the Settlement Agreement (at page 5), as part of the settlement, the parties have considered the appropriate effective date for Oakville Hydro’s 2010 distribution rates and agree that the effective date of the new rates should be May 1, 2010. The parties agree further that in the event that the Board is not able to issue its final Rate Order in respect of Oakville Hydro’s rates in time for implementation as of May 1, 2010, then Oakville Hydro will be permitted to recover the distribution revenue



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requirement shortfall for any months in the 2010 Rate Year in respect of which the new rates have not been implemented by way of a rate rider.

Oakville Hydro must have a final rate order by May 11th in order to bill for May consumption at its new rates. The parties are hopeful that a Final Rate Order can be issued by that date in the event that the Board approves the Settlement Agreement, in order to avoid the need for an interim rate order and a rider through the 2010 rate year to recover incremental revenue for the month of May.

The parties have been working cooperatively in an effort to assist the Board in this regard, and Oakville Hydro proposes a slight change to the Board's typical practice. Oakville Hydro prepared a Draft Rate Order based on the Settlement Agreement, and circulated it to the parties and Board staff on April 23, 2010. Board staff requested a number of minor revisions to the Draft Rate Order, and Oakville Hydro has addressed them. Oakville Hydro will be filing the Draft Rate Order, reflecting the Settlement Agreement, tomorrow, and anticipates being able to confirm the intervenors' acceptance of the Draft Rate Order at that time. Oakville Hydro believes that in that way, should the Board approve the Settlement Agreement, the Board would be able to issue its Decision on the Application (as modified in the Settlement Agreement) and its Final Rate Order concurrently.

We thank you in advance for your consideration in this matter. Should you have any questions or require further information, please do not hesitate to contact me.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky

JCS

Encl.

cc. Theodore Antonopoulos, Ontario Energy Board
Silvan Cheung, Ontario Energy Board
Lesley Gallinger, Oakville Hydro Electricity Distribution Inc.
Intervenors of Record

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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 Oakville Hydro
Electricity Distribution Inc. for an order approving just and
reasonable rates and other charges for electricity distribution to be
effective May 1, 2010.

SETTLEMENT AGREEMENT

FILED APRIL 26, 2010

INTRODUCTION:

Oakville Hydro Electricity Distribution Inc. (“Oakville Hydro”) owns and operates the electricity distribution system in its licensed service area in Oakville, serving approximately 62,400 customers. Oakville Hydro’s distribution system is partially embedded within the Hydro One Networks Inc. distribution system.

Oakville Hydro filed an application (the “Application”) with the Ontario Energy Board (the “Board”) on August 28, 2009 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 Oakville Hydro charges for electricity distribution, to be effective May 1, 2010. The Board assigned File Number EB-2009-0271 to the Application. Three Parties requested and were granted intervenor status: Energy Probe (“EP”); the School Energy Coalition (“SEC”); and the Vulnerable Energy Consumers Coalition (“VECC”).

The Board issued Procedural Order No. 1 on October 7, 2009. Board staff filed interrogatories on October 20, 2009, and all registered intervenors filed interrogatories by October 23, 2009. Oakville Hydro requested an extension for filing the responses to the Interrogatories. The Board issued Procedural Order No. 2 on November 6, 2009. That Procedural Order granted extension of responses to all interrogatories to November 20, 2009. Oakville Hydro filed responses to interrogatories on November 20, 2009. The Board issued Procedural Order No.3 on November 30, 2009. That Procedural Order provided for confidentiality status in respect of certain material filed in this proceeding, and a Settlement Conference. On December 23 and 30, 2009 and January 7, 2010, Oakville Hydro requested adjournment to a future date due to a number of material revisions to its Application. The Board issued Procedural Order No. 4 on January 8, 2010. That Procedural Order directed Oakville Hydro to file updated information on its Application by February 18, 2010. Oakville Hydro submitted its revised Application on February 18, 2010. The Board issued Procedural Order No.5 on February 25, 2010. That Procedural Order provided for supplemental interrogatories and a Settlement Conference. Oakville Hydro responded to supplemental interrogatories from Board staff and the intervenors at the end of March 2010. On April 1 and 2, 2010, the intervenors filed clarification questions to assist in the Settlement Conference. Oakville Hydro responded to the clarification questions and presented them on April 6, 2010, the first day of Settlement Conference. Oakville Hydro subsequently filed

them on record in this proceeding. The evidence in this proceeding (referred to here as the “Evidence”) consists of the Application filed on August 28, 2009 and updated on February 18, 2010; Oakville Hydro’s responses to both the initial and supplemental rounds of interrogatories; and Oakville Hydro’s responses to the clarification questions. Except as otherwise indicated, all references to the Application in this Settlement Agreement are references to the Application as updated on February 18, 2010.

Further to Procedural Order #5, a settlement conference was scheduled for April 6 and 7, 2010 (the “Settlement Conference”).

The Settlement Conference was duly convened in accordance with Procedural Order No. 5 with Ms. Gail Morrison as facilitator. The Settlement Conference concluded on April 7, 2010. Oakville Hydro and the following intervenors (the “Intervenors” and collectively including Oakville Hydro, the “Parties”) participated in the Settlement Conference:

- Energy Probe Research Foundation (“EP”)
- School Energy Coalition (“SEC”)
- Vulnerable Energy Consumers Coalition (“VECC”)

The role adopted by the Board staff in the Settlement Conference is set out on page 5 of the Board’s Settlement Conference Guidelines (the “Guidelines”). Although Board staff is not a party to this Agreement, as noted in the Guidelines, the Board staff who did participate in the Settlement Conference are bound by the same confidentiality standards that apply to the Parties to the proceeding.

These settlement proceedings are subject to the rules relating to confidentiality and privilege contained in the Guidelines. The parties understand this to mean that the documents and other information provided, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference are strictly confidential and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the interpretation of any provision of this settlement proposal.

This Agreement represents a complete settlement of all issues. It is acknowledged and agreed that none of the Parties will withdraw from this Agreement under any circumstances, except as provided under Rule 32.05 of the Board’s Rules of Practice and Procedure.

The Parties explicitly request that the Board consider and accept this Settlement Agreement as a package. None of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this comprehensive Settlement Agreement. The distinct issues addressed in this proposal are intricately interrelated, and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the Parties. If the Board does not accept the Settlement Agreement in its entirety, then there is

no settlement unless the Parties agree that those portions of the Settlement Agreement that the Board does accept may continue as a valid settlement.

It is also agreed that this Settlement Agreement is without prejudice to any of the Parties re-examining these issues in any subsequent proceeding and taking positions inconsistent with the resolution of these issues in this Settlement Agreement. However, none of the Parties will in any subsequent proceeding take the position that the resolution therein of any issue settled in this Settlement Agreement, if contrary to the terms of this Settlement Agreement, should be applicable for all or any part of the 2010 Test Year.

References to the evidence supporting this Agreement on each issue are set out in each section of the Agreement. The Appendices to the Settlement Agreement provide further evidentiary support. The Parties agree that this Settlement Agreement and the Appendices form part of the record in EB-2009-0271. The Appendices were prepared by the Applicant. The intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement.

SUMMARY OF THE APPLICATION

The Parties are pleased to advise the Board that a complete settlement has been reached in this proceeding. As a result, the Parties submit that no further procedural steps are necessary prior to the issuance of the Board's Decision in this proceeding.

The revised Base Revenue Requirement including the updated Cost of Capital Parameters issued by the Board on February 24, 2010 for the 2010 Test Year is \$31,136,649 as detailed in Appendix A. The revenue deficiency, based on forecast 2010 revenue at current rates, is \$2,344,060. This is \$4,305,661 lower than the updated February 18, 2010 revenue deficiency of \$6,649,721 set out in the updated application, which had used a return on equity of 9.75% and a long term debt rate of 7.62% for long-term debt, in accordance with the Report of the Board on the Cost of Capital for Ontario Regulated Utilities (EB-2009-0084) issued on December 11, 2009. The updated February 18, 2010 revenue deficiency, using the Board's 2010 parameters reflecting a return on equity of 9.85% and a long term debt rate of 5.87%, would have been \$5,566,362.

The Parties agree that the proposed settlement achieves the Board's objectives of protecting the interests of consumers with respect to prices and the adequacy, reliability and quality of electricity service, promoting economic efficiency and cost effectiveness in the distribution of electricity, and facilitating the maintenance of the financial viability of Oakville Hydro. The Parties also agree that while Oakville Hydro has filed budgets for the Test Year that are illustrative of how it would achieve these goals, as is always the case with forward Test Year cost of service cases, the actual decisions as to how to allocate resources, and in what areas to spend the agreed-upon capital and operating, maintenance and administrative costs ("OM&A"), are ones that must be made by the utility during the course of the year.

The Parties have appended a revised Schedule of Proposed Rates and Charges as Appendix H to this Settlement Agreement. The Parties have also included, as Appendix I, a table of bill impacts reflecting all agreed-upon matters. The Parties agree that no rate classes face bill impacts in this

proceeding that require mitigation efforts.

There is no Board-approved Issues List for this proceeding. However, for the purposes of organizing this Settlement Agreement, the Parties have followed the Board's Filing Guidelines that address all of the revenue requirement components, load forecast, deferral and variance account dispositions, cost allocation and rate design and other issues relevant to determining Oakville Hydro's 2010 distribution rates and rate riders.

The following Appendices accompany this Settlement Agreement:

- Appendix A: Changes to Proposed Revenue Requirement and Revenue Deficiency Resulting from the Settlement Agreement
- Appendix B: Updated Rate Base Calculation
- Appendix C: Updated Working Capital and Cost of Power Calculation
- Appendix D: Updated Operating Revenues
- Appendix E: Updated Operating Costs
- Appendix F: Updated Taxable Income and PILs/Tax Provision Calculations
- Appendix G: Updated Cost of Capital Calculation
- Appendix H: Updated Rate Design and Tariff of Proposed Rates and Charges
- Appendix I: Bill Impacts
- Appendix J: Deferral and Variance Accounts
- Appendix K: LRAM/SSM

1. ADMINISTRATION

- a) **Has Oakville Hydro responded appropriately to all relevant Board directions from previous proceedings?**

Status: Complete Settlement

For the purpose of obtaining a complete settlement of all issues, the Parties accept the evidence of the Applicant that there are no relevant Board directions from previous proceedings.

- b) **What is the appropriate effective date for the change in rates arising out of this proceeding?**

Status: Complete Settlement

For the purpose of obtaining a complete settlement of all issues, the Parties agree that the effective date of the new rates should be May 1, 2010. The Parties agree further that in the event that the Board is not able to issue its final Rate Order in respect of Oakville Hydro's rates in time for implementation as of May 1, 2010, then Oakville Hydro will be permitted to recover the distribution revenue requirement shortfall for any months in the 2010 Rate Year in respect of which the new rates have not been implemented by way of a rate rider. For example, if Oakville Hydro will be able to implement the new rates on June 1, 2010, Oakville Hydro would be permitted to establish a rate rider that would enable it to recover its distribution revenue requirement shortfall for May 2010 based on forecast data approved by the Board in this Application.

2. RATE BASE (Exhibit 2)

a) Are the amounts proposed for the Rate Base appropriate?

Status: Complete Settlement

For the purpose of obtaining a complete settlement of all issues, the Parties agree that Oakville Hydro's Rate Base should be \$130,871,743 for the Test Year.

Accompanying this Settlement Agreement as Appendix B is an updated calculation of Oakville Hydro's Rate Base for the 2010 Test Year, reflecting a decrease of \$2,315,447 from the updated February 18, 2010 Application of \$133,187,190 to the settled amount of \$130,871,743. This reflects the following material changes:

- i. The Applicant has advised that Oakville Hydro's 2009 capital expenditures, forecast in the Application to be \$24,728,098, were actually \$22,767,200, a reduction of \$1,960,898. This reflects the fact that certain 2009 capital projects forecast in the Application for completion in 2009 were not completed in 2009 and were not in service in 2009. These projects will not be completed until 2010. In all cases, Oakville Hydro will be completing these projects during the 2010 Test Year. The Applicant has agreed that the ending 2009 Rate Base will be reduced to reflect projects that were in service in 2009. The proposed forecast of \$110,994,797 for the 2009 closing Rate Base is therefore revised to \$108,663,354.
- ii. The Working Capital Allowance will be increased by \$36,115 as set forth in paragraph 2(b) below.
- iii. The capital expenditures for the Test Year will be reduced by \$498,046 as set forth in paragraph 2(c) below.
- iv. The depreciation expense for the Test Year will be reduced by \$457,808 as set forth in paragraph 4(b) below.

Evidence References:

Exhibit 2, Tab 1, Schedule 3, Page 4 of 5; Exhibit 2, Tab 2, Schedule 2; Exhibit 2, Tab 1, Schedule 3, Page 5 of 5; EP #37(c); Board staff #54; SEC second round interrogatory #39, EP Clarification # 3(c),(d),(e)

b) Has the Working Capital Allowance been determined appropriately?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that the amount proposed for Oakville Hydro's Working Capital Allowance shall be increased by \$36,115, reflecting the following adjustments:

- i. Oakville Hydro will use the current (the Board's October 15, 2009 Regulated Price Plan Price Report) RPP and non-RPP figures in the cost of power

component of the Working Capital Allowance calculation. For non-RPP customers, the cost of power will be \$ 35.42/MWh plus the Global Adjustment of \$ 24.94/MWh as set out in the Board's October 15, 2009 Report for a total of \$ 60.36 MWh;

- ii. Oakville Hydro will update its Cost of Power calculation based on the revised load forecast as detailed in paragraph 3 (a), Operating Revenue; and
- iii. Oakville Hydro will incorporate the changes in controllable OM&A costs, resulting from this settlement.

Accompanying this Settlement Agreement as Appendix C is an updated calculation of Oakville Hydro's Working Capital Calculation reflecting these changes.

Evidence References:

Exhibit 2, Tab 3, Schedule 1-3; EP #38 (d)

c) Are the amounts proposed for Capital Expenditures appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties have agreed that the 2010 Test Year capital expenditures, forecast in the Application to be \$15,219,273, will be reduced by \$498,046 to \$14,721,227, reflecting the following changes:

- i. An increase of \$1,960,898 in capital expenditures required for the completion of the 2009 projects coming into service in 2010 rather than in 2009 as forecasted in the Application;
- ii. A decrease of \$1,000,000 in capital expenditures in respect of 2010 project #10-46D – "Replace/Rear Lot Distribution". The project has a total value of \$1,435,000. Oakville Hydro will be deferring to 2011 one of the two large geographic areas to which this project pertains;
- iii. A decrease of \$489,503 in capital expenditures related to an increase in the contributions and grants from the original forecast of \$2,615,000 to the revised forecast of \$3,104,503;
- iv. A decrease of \$289,022 in capital expenditures related to Ontario's shift to a Harmonized Sales Tax ("HST"), planned for implementation effective July 1, 2010. In this regard, Oakville Hydro did not provide for the harmonization of taxes into HST in the Application, and purchases that would otherwise have attracted PST were not reduced in cost in the development of Oakville Hydro's 2010 capital forecast. The amount of \$578,044 represents an estimate by Oakville Hydro of the costs of PST included in Oakville Hydro's 2010 capital expenditures forecast. Given the July 1 implementation date for HST, an amount of \$289,022

would represent a half year of impacts. For the purpose of obtaining complete settlement of all issues, the Parties have agreed that with the use of estimates of PST reductions for both capital expenditures and OM&A expenditures, there is no need for a variance account to track the difference between this amount and the tax savings in 2010. The proposed reduction in PST related to OM&A expenditures is discussed below, in the context of operating costs (Exhibit 4); and

- v. A decrease of \$680,419 related to the Fibre optic network lease Oakville Hydro entered into with its then affiliate, Blink Communications Inc. (“Blink”). The Application used a value for this lease of \$704,573, which Oakville Hydro submitted represented Fair Market Value. Oakville Hydro’s auditors have advised that because the lease represents a related party transaction, the value of the assets is to be recorded at the Net Book Value of \$24,154, rather than the originally proposed value of \$704,573. The Parties believe that this may not reflect the appropriate approach for rate making purposes. For the purpose of obtaining complete settlement of all issues, the Parties have agreed that at this time, the value of these assets to be included in 2010 Rate Base will be the Net Book Value of \$24,154. However, for the purpose of obtaining complete settlement of all issues the Parties agree that Oakville Hydro may in a subsequent cost of service proceeding provide independent evidence of a more appropriate value than \$24,154, and at that time the Board will determine what additional amount, if any, will be added to Oakville Hydro’s Rate Base on a going forward basis. All Parties will be free to take any position in that proceeding that they feel is appropriate, without regard to the items they have agreed to in this Agreement, with the exception that no party shall dispute Oakville Hydro’s right to provide such independent evidence in a subsequent cost of service proceeding.

Evidence References:

Exhibit 2, Tab 2, Schedule 1-3; Exhibit 2, Tab 4, Schedule 3, Table 16; Exhibit 2, Tab 4, Schedule 4, Table 17; EP #58 (c) to (g); EP #53; SEC second round interrogatories #5 (b); Board staff #44; Board staff #54; VECC #58 (a).

3. OPERATING REVENUE (Exhibit 3)

a) Is the load forecast appropriate?

Status: Complete Settlement

In Exhibit 3 of the Application, Oakville Hydro set out its approach to customer and load forecasting for the 2010 Test Year. For the purpose of obtaining complete settlement of all issues, the Parties agree that the load forecast resulting from forecast methodology proposed by Energy Probe in Question 6(e) of its clarification questions filed with the Board on April 9, 2010 is appropriate. The non-uplifted forecasted billing determinants for the 2010 Test Year are 1,488 GWh and 2,058 GW.

For the purpose of obtaining complete settlement of all issues, the Parties agree that the customer forecasts used by Oakville Hydro are appropriate, as detailed in Appendix D, Table 2.

The Parties acknowledge that their agreement on this issue is specific to Oakville Hydro and its resulting forecast amounts, in consideration of the Parties' agreement on all issues set out in this Settlement Proposal, and should not be considered as agreement with respect to either Oakville Hydro's forecasting methodologies or Energy Probe's proposed methodology.

Evidence References:

Exhibit 3, Tab 2, Schedule 1, EP Clarification Question 6; Board staff #51; EP #40(b); EP# 41(f).

b) Are the proposed Loss Factors appropriate for conversion from purchased power to billed power? (Also Exhibit 8)

Status: Complete Settlement

The Applicant has agreed to use a five year average loss factor calculation of 3.77%, as opposed to the seven year average of 3.96% that Oakville Hydro had proposed in its Application. All parties accept this adjustment.

Evidence References:

Exhibit 8, Tab 1, Schedule 6 and Appendix 2-Q; EP Clarification # 5 (b)

c) Is the proposed amount for Other Revenue appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties have agreed that the forecast of Other Revenue in the Test Year should be \$2,063,163, an increase of

\$174,008, reflecting the following adjustments:

- i. In the Application, Oakville Hydro forecasted short term interest earned at 0.5%. This will be changed to an interest rate of 0.55% consistent with the March 17, 2010 published Q2 Prescribed Accounting Interest Rates for deferral and variance accounts, resulting in an increase in Other Revenue by \$11,518, over the value of \$115,181 shown in the Application.
- ii. In the Application, Oakville Hydro forecasted interest earned on its loans to affiliates at a rate of 5%. This interest rate will be updated to 5.87% which mirrors the Board's 2010 Cost of Capital Parameters for long term debt, and as a result Oakville Hydro will increase its Other Revenue by \$13,210.
- iii. In the Application, Oakville Hydro forecasted chargeable work in the 2010 Test Year of \$60,000. Based on the 2009 actual results, Oakville Hydro has agreed to increase the chargeable work forecast in the 2010 Test Year to \$185,000, and as a result Oakville Hydro will increase its Other Revenue by \$125,000.
- iv. In the Application, Oakville Hydro forecasted temporary transitional services revenues from Rogers Communications Inc. in the amount of \$602,880 over a two year period, which, was normalized over four years to include \$150,720 in the 2010 Test Year. For the purpose of obtaining complete settlement of all issues, the Parties have agreed to increase this amount to \$175,000 for the 2010 Test Year to account for the possibility that certain of the transitional services currently being provided to Rogers Communications Inc. by Oakville Hydro will be provided to other parties during the IRM period. Therefore, Oakville Hydro will increase its Other Revenue by \$24,280 in the 2010 Test Year.

Other Revenues are in aggregate increased by \$174,008 from the Application amount of \$1,889,155, to the settled amount of \$2,063,163, as illustrated in Appendix D, Table 1.

Evidence References:

OEB – Q2 Prescribed Accounting Interest Rates; OEB- February 24, 2010 Cost of Capital Parameter Update for 2010 Cost of Service Applications; SEC second round interrogatories #9; SEC second round interrogatories #10; SEC second round interrogatories #43; Board staff #47 (a); EP #42 (a), (d); EP #60; VECC #57; EP Clarification #4 (a)

4. OPERATING COSTS (Exhibit 4)

a) Are the overall levels of OM&A budgets appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties have agreed that Oakville Hydro's 2010 OM&A expenditures will be reduced by \$1,485,458 from the forecast of \$13,114,261 proposed in the Application to an agreed forecast of \$11,628,803, reflecting the following adjustments:

- i. A general lump sum reduction of \$1,200,000 in total OM &A expenses excluding affiliates allocation and IFRS ("International Financial Reporting Standards"). This general reduction includes wage forecasts, director's costs, discretionary costs and the impact of HST effective July 1, 2010.
- ii. As noted in the preceding paragraph, the lump sum reduction of \$1,200,000 in OM&A expenses includes a reduction to account for the change to HST effective July 1, 2010. That reduction is in the amount of \$82,500. The total amount of \$82,500 represents an estimate of the costs of PST included in Oakville Hydro's 2010 OM&A expenditures forecast. Given the July 1, 2010 implementation date for HST, an amount of \$41,250 would represent a half year of impacts. As discussed in the context of capital expenditures (see item 2(d) above), for the purpose of obtaining complete settlement of all issues, the Parties have agreed that with the use of estimates of PST reductions for both capital expenditures and OM&A expenditures, there is no need for a variance account to track the difference between this amount and the tax savings in 2010.
- iii. A reduction of \$170,938 related to an increased allocation of costs to Oakville Hydro's affiliates. Oakville Hydro's current approach to inter-corporate cost allocation has been to allocate on the basis of total revenues rather than distribution revenues. The use of allocation based on total revenues rather than on distribution revenues has an impact of \$273,501 on Oakville Hydro's OM&A. Oakville Hydro has agreed to shift to allocation based on distribution revenue over a four year period. This will be accomplished by reallocating one-quarter of the \$273,501 to Oakville Hydro's affiliates in the 2010 Test Year and an additional one-quarter in each of the three IRM years that follow. To avoid the need for adjustments in this regard during IRM years, the Parties have agreed that Oakville Hydro will accomplish this phase-in in a single step, by reducing its 2010 Test Year OM&A by \$170,938 in order to normalize the change over a four year period. This amount is derived as follows:

2010 Test Year	\$68,375
2011 IRM	\$136,750
2012 IRM	\$205,125
2013 IRM	\$273,501
Total	\$683,752
Total Effect of change normalized over 4 years (\$683,752/4)	\$170,938

- iv. Oakville Hydro has also agreed to conduct a formal third party corporate cost allocation study prior to its next Cost of Service Application. The study will be filed with the Board as part of Oakville Hydro's next Cost of Service Application.
- v. A reduction of \$150,000 related to the IFRS transition costs. Oakville Hydro forecasted this project to cost \$1,000,000 and included \$250,000 in the 2010 Test Year. Oakville Hydro agrees to reduce the amount to \$100,000 in the 2010 Test Year. The Parties agree that all recoveries and costs incurred for IFRS transition, including the amount of \$100,000 agreed to be included in rates, will be recorded in the Board approved deferral and variance account (Account 1508, Other Regulatory Assets, "Sub-account IFRS Transition Costs Variance") for disposition at a later date.
- vi. An increase in OM&A costs of \$31,234 related to the SR&ED ("Scientific Research & Experimental Development") third party consulting costs.
- vii. An increase in OM&A costs of \$4,246 for the HST impact on the above mentioned \$1,200,000 reduction and the IFRS reduction of \$ 150,000 as outlined in Appendix E, Table 2.

In summary, Oakville Hydro will reduce its overall 2010 Test Year controllable OM&A expenditures by \$1,485,458. This represents a reduction from the \$13,114,261 proposed in the Application to a revised settled amount of \$11,628,803 as detailed in Appendix E, Table 1.

Evidence References:

Exhibit 4, Tab 2, Schedule 1, Appendix 2-F; Board staff #45(a), (b); Board staff #50(a), (b), (c); SEC second round interrogatories #12 (b); SEC second round interrogatories #16 (b); SEC second round interrogatories #29; SEC second round interrogatories #46; EP #35 (b); EP #47; EP#48; EP #49; VECC #56

b) Is Oakville Hydro's depreciation policy and expenses appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that Oakville Hydro will reduce its total depreciation expense in the Test Year by \$457,808, reflecting the adoption of the half year rule on capital additions for the 2010 Test Year and the noted adjustments to the 2010 Capital expenditures set out in item 2(c). This decrease reduces the total depreciation expense from \$10,265,490 in the Application, to \$9,807,682, as detailed in Appendix E, Table 3.

Evidence References:

Exhibit 4, Tab 2, Schedule 10, Page 1 of 8; EP #55 (a); EP #56 (a), (b).

c) Is the Payment in Lieu of Taxes (including methodology) appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that the Payments in Lieu of Taxes ("PILs") will be reduced by \$518,688 from the amount of \$2,417,746 in the updated Application to the agreed amount of \$1,899,098, reflecting the following adjustments:

- (a) Oakville Hydro's Small Business Deduction calculation will be revised as a result of the 2009 Ontario budget change that eliminates the Ontario Surtax effective July 1, 2010. This represents a decrease of \$18,750 (grossed up to \$27,174 for PILs) in OM&A.
- (b) Oakville Hydro will include the following tax credits in its OM&A calculation:
 - i. Ontario Apprenticeship Training Tax Credit of \$ 40,000
 - ii. Federal Investment Tax Credit from Apprenticeship Job Creation expenditures of \$2,000
 - iii. Co-operative Education Tax Credit of \$30,000
 - iv. To add back the estimated Apprenticeship Training Tax Credit to taxable income
- (c) Oakville Hydro will include a credit for the Ontario Scientific Research and Experimental Development Expenditures ("SR&ED") based upon an average over the last four years in the amount of \$87,550.
- (d) Oakville Hydro will include a credit for the Federal Investment Tax Credits based upon an average over the last four years in the amount of \$37,385.
- (e) Capital cost allowance ("CCA") calculations have been adjusted as a result of the revised 2009 capital spending forecast and the changes to the 2010 capital spending forecast; and

(f) Other changes in Rate Base set forth in this Agreement result in a further adjustment to the PILs amount.

Revised taxable income and PILs/tax provision calculations are provided in the attached Appendix F.

Evidence References:

SEC second round interrogatories #17; EP #42 (e); EP #50 (a)-(h); EP #51

5. COST OF CAPITAL AND CAPITAL STRUCTURE (Exhibit 5)

a) Are the proposed Capital Structure and Rate of Return on Equity appropriate?

Status: Complete Settlement.

Oakville Hydro's proposed debt to equity ratio for rate making purposes is 60% to 40%; the debt component is in turn comprised of 56% long term debt and 4% short term debt for rate making purposes. The deemed debt capitalization is in accordance with the Board's December 20, 2006 Cost of Capital Report.

Similarly, with regard to Return on Equity, the methodology for determining the Return on Equity for the 2010 Test Year is as set out in the December 11, 2009 *Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*. In the Board's letter of February 24, 2010 setting out its cost of capital parameters for 2010 cost of service rate Applications, the Board advised that a Return on Equity of 9.85% will be applied by the Board in its consideration of 2010 cost of service Applications. For the purpose of preparing its Application, Oakville Hydro adopted the 2010 update of the cost of capital parameters, as detailed in Appendix G.

Accordingly, Oakville Hydro's deemed capital structure for rate making purposes is 56% long term debt; 4% short term debt, and 40% equity. Its Return on Equity for rate making purposes is 9.85%.

The intervenors take no position on the use of these parameters.

b) Is the proposed Return on Debt appropriate?

Status: Complete Settlement

With respect to the Long Term Debt rate, for the purpose of obtaining complete settlement of all issues, the Parties have agreed that the applicable rate for Oakville Hydro's long term debt will be 5.87%, as established by the Board in its February 24, 2010 updated cost of capital parameters.

Evidence References:

OEB letter dated February 24, 2010 Cost of Capital Parameter Update for 2010 Cost of Service Applications

6. CALCULATION OF REVENUE DEFICIENCY (Exhibit 6)

a) Is the calculation of Revenue Deficiency appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties accept and rely on the calculation of the Test Year revenue deficiency by Oakville Hydro as detailed in Appendix A.

Evidence References:

Exhibit 6, Tab 1, Schedule 2, Table 1 and Appendices to this Settlement Agreement.

b) Is the calculation of the proposed Revenue Requirement appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties accept and rely on the calculation of the Test Year revenue requirement by the Applicant as detailed in Appendix A.

Evidence References:

Exhibit 6, Tab 1, Schedule 2, Table 1 and Appendices to this Settlement Agreement.

7. COST ALLOCATION (Exhibit 7)

a) Is Oakville Hydro's cost allocation appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties accept Oakville Hydro's proposed cost allocation

Evidence References:

Exhibit 7, Tab 3, Schedule 3.

b) Are the proposed revenue-to-cost ratios appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties accept the updated table of revenue to cost ratios provided in Appendix H, Table 2.

Evidence References:

Exhibit 7, Tab 3, Schedule 3, Appendix 2-P and Appendices to this Settlement Agreement.

8. RATE DESIGN (Exhibit 8)

a) Are the customer charges and the fixed-variable splits for each class appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties have accepted Oakville Hydro's customer charges and the fixed-variable splits for each class as proposed in the Application, with one exception - for the purpose of obtaining complete settlement of all issues, Oakville Hydro has agreed that it will reduce the monthly service charge for the General Service >50 kW class to the Minimum System with PLCC Adjustment amount of \$116.64, from the proposed rate of \$313.98. Oakville Hydro will change the General Service >50 kW variable charges to \$3.6854/kW (which includes the variable rate of \$3.6216 plus the Low Voltage rate rider of \$0.0638), from the proposed rate of \$3.1942/kW, so that the forecasted revenue collected from the GS>50KW class remains unchanged provided that actual load and customer values correspond to the Board-approved forecasts. The revised Schedule of Proposed Rates and Charges, and the revised schedules of the Forecast Class Billing Determinants for 2010 Test Year Based on Existing and Proposed Class Revenue Proportions are provided in Appendix H, Table 1.

Evidence References:

Exhibit 8, Tab 1, Schedule 2 page 8, Exhibit 8, Tab 2, Schedule 5 (a)

b) Are the customer bill impacts appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that no rate classes face bill impacts in this proceeding that require mitigation efforts. Bill impact tables illustrating customer bill impacts based on the Application and based on the settled matters as set out in this Settlement Agreement using the Board's 2010 Return on Equity of 9.85% are provided at Appendix I.

Evidence References:

Exhibit 8, Tab 2, Schedule 2.

c) Are the proposed Retail Transmission Service and Low Voltage Charges appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that Oakville Hydro's proposed Retail Transmission Service and Low Voltage Charge rates are appropriate.

Evidence References:

Exhibit 8, Tab 1, Schedule 4, Table 15; Exhibit 8, Tab 1, Schedule 4, Table 17

d) Are the Specific Service Charges and the Transformer Allowance appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties agree that Oakville Hydro's Specific Service Charges and the Transformer Allowance are appropriate.

Evidence References:

Exhibit 8, Tab 1, Schedule 3 and Exhibit 8, Tab 2, Schedule 3.

e) Is the Z-factor Application appropriate?

Status: Complete Settlement

Oakville Hydro is withdrawing its Application to recover Z-factor amounts at this time.

Evidence References:

Exhibit 8, Tab 2, Schedule 1.

9. DEFERRAL AND VARIANCE ACCOUNTS (Exhibit 9)

- a) **Is the proposal for the amounts, disposition and continuance of Oakville Hydro's Deferral and Variance accounts appropriate?**

Status: Complete Settlement

In the Application, Oakville Hydro had proposed to dispose of the December 31, 2008 balances, together with carrying charges calculated to April 30, 2010, over a four year period in respect of the following accounts:

Group 1:

1550 Low Voltage
1580 RSVA Wholesale Market Service Charge Account
1584 RSVA Retail Transmission Network Charges Account
1586 RSVA Retail Transmission connection Charge Account
1588 RSVA Power (Not Including Global Adj. Sub. a/c) Account
1588 RSVA Power Account – Subaccount Global Adjustment
1590 Recovery of Regulatory Accounts Balances Account

Group 2:

1508 Other Regulatory Assets Account – Pension Contributions
1518 RCVA Retail Account
1525 Miscellaneous Deferred Debits
1548 RCVA Service Transaction Account

With respect to 1588 RSVA Power Account-Subaccount Global Adjustment, Oakville Hydro will implement a separate rate rider for non-RPP customers for the disposal of the Global Adjustment variance.

In the aggregate the deferral and variance accounts balances represent a credit of \$7,386,841 payable by Oakville Hydro to its customers. Of this total amount, \$278,162 relates specifically to the Global Adjustment subaccount and the remaining \$7,108,679 represents the balances of the other deferral and variance accounts proposed for disposition. Oakville Hydro has agreed to dispose of these balances over a three year period, and the Parties have accepted this proposal.

Revised Deferral and Variance account rate riders schedule are provided in Appendix J.

Evidence References:

Exhibit 9, Tab 2, Schedule 1, Table 8, Page 7 of 7; Board staff #52 (a)-(g); EP #68

b) Are the proposed Deferral and Variance Account rate riders appropriate?

Status: Complete Settlement

For the purpose of obtaining complete settlement of all issues, the Parties accept Oakville Hydro's calculation of the Deferral and Variance Account rate riders.

Evidence References:

Exhibit 9, Tab 2, Schedule 2, Table 9

c) Is the Smart Meter funding adder appropriate? (Exhibit 9)

Status: Complete Settlement

Oakville Hydro has proposed, in its responses to the second round of interrogatories, a utility specific Smart Meter funding adder of \$1.69 which reflects the updated cost of capital as set out in the December 11, 2009 *Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*. For the purpose of obtaining complete settlement of all issues, the Parties accept Oakville Hydro's proposed utility specific Smart Meter funding adder.

Evidence References:

Exhibit 9, Tab 3, Schedule 1; EP #69; and Board staff # 55, Table 12, page 61 of 64.

10. LRAM/SSM (Exhibit 10)

- a) **Are the amounts proposed for Oakville Hydro's LRAM and SSM recoveries appropriate?**

Status: Complete Settlement.

For the purpose of obtaining complete settlement of all issues, the Parties agree to accept the proposed recovery of LRAM (including carrying charges) as filed, in the amount of \$693,565.

With respect to Oakville Hydro's SSM claim in the amount of \$123,051, the Parties agree for the purposes of settlement that the attribution to Oakville Hydro of net savings resulting from the Every Kilowatt Counts program will be reduced to 25%. This represents a reduction of \$113,414 in the SSM, for a revised total SSM recovery of \$9,637.

The revised total LRAM and SSM claim is \$703,202. The revised amounts and updated rate riders are set out in Appendix K.

For the purpose of obtaining complete settlement of all issues, the Parties accept Oakville Hydro's proposed recovery of these amounts over a four year period.

Evidence References:

Exhibit 10, Tab 1, Schedule 1; VECC #48; VEC #49; Appendices for VECC #48-50

APPENDIX A

**CHANGES TO PROPOSED REVENUE REQUIREMENT AND REVENUE
DEFICIENCY**

Table 1

Base Revenue Requirement

	Application Updated 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Net Fixed Assets	\$ 113,471,689	\$ 113,471,689	\$ 111,120,127
Working Capital Allowance	19,715,501	19,574,947	19,751,616
Rate Base	\$ 133,187,190	\$ 133,046,636	130,871,743
Deemed Long Term Debt Component %	56%	56%	56%
Deemed Short Term Debt Component %	4%	4%	4%
Deemed Equity Component %	40%	40%	40%
Long Term Debt Rate	7.62%	5.87%	5.87%
Short Term Debt Rate	1.33%	2.07%	2.07%
Rate of Return	9.75%	9.85%	9.85%
Weighted Average Cost of Capital	8.22%	7.31%	7.31%
Cost of capital (Return on Rate Base)	\$ 10,948,519	\$ 9,725,709	\$ 9,566,724
OM&A	13,114,261	13,114,261	11,628,803
Municipal & Property Taxes	210,600	210,600	210,600
Capital Taxes	88,640	88,535	86,904
Depreciation & Amortization	10,265,490	10,265,490	9,807,682
PILs (Grossed up)	2,417,786	2,433,729	1,899,098
Deemed Interest Expense	5,754,219	4,483,672	4,410,378
Return on Deemed Equity	5,194,300	5,242,037	5,156,347
Service Revenue Requirement	37,045,297	35,838,324	33,199,812
Revenue Offset	1,889,155	1,889,155	2,063,163
Base Revenue Requirement	35,156,142	33,949,170	31,136,649

Cost of Capital changes include:

Return on Equity	9.75%	9.85%	9.85%
Short Term Debt	1.33%	2.07%	2.07%
Long Term Debt	7.62%	5.87%	5.87%

* As per Oakville Hydro's response to Board Staff Interrogatory #55

Table 2
Revenue Deficiency

	Application Updated 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Revenue			
Revenue Deficiency	\$ 6,649,721	\$ 5,566,362	\$ 2,344,060
Distribution Revenue	28,506,421	28,382,808	28,792,590
Other Operating Revenue	1,889,155	1,889,155	2,063,163
Total Revenue	37,045,297	35,838,324	33,199,812
Operating Expenses	23,590,351	23,590,351	21,647,086
Capital Taxes	88,640	88,535	86,904
Deemed Interest expense	5,754,219	4,483,672	4,410,378
Total Costs & Expenses	29,433,210	28,162,557	26,144,367
Utility Income before Income taxes	7,612,086	7,675,767	7,055,445
Net Adjustments per 2010 PILs	187,223	174,973	(233,563)
Taxable Income	7,799,309	7,850,740	6,821,882
Tax Rate	31.0%	31.0%	27.8%
Income Tax	2,417,786	2,433,729	1,899,098
Utility Net Income	\$ 5,194,300	\$ 5,242,037	\$ 5,156,347
Utility Rate Base	\$ 133,187,190	\$ 133,046,636	\$ 130,871,743
Deemed Equity Portion of Rate Base	\$ 53,274,876	\$ 53,218,654	\$ 52,348,697
Income/Equity Rate Base (%)	9.75%	9.85%	9.85%
Target Return - Equity on Rate Base	9.75%	9.85%	9.85%
Sufficiency/Deficiency in Return on Equity	0.00%	0.00%	0.00%
Indicated Rate of Return	8.22%	7.31%	7.31%
Requested Rate of Return on Rate Base	8.22%	7.31%	7.31%
Sufficiency/Deficiency in Rate of Return	0.00%	0.00%	0.00%
Target Return on Rate Base	\$ 5,194,300	\$ 5,242,037	\$ 5,156,347
Revenue Sufficiency/Deficiency			
gross Revenue Sufficiency/Deficiency			

* As per Oakville Hydro's response to Board Staff Interrogatory #55

APPENDIX B
UPDATED RATE BASE CALCULATION

Table 1

Updated Rate Base Calculation

	Updated Application 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Fixed Assets Opening Balance	189,921,471	189,921,471	187,960,573
Additions	15,219,273	15,219,273	14,721,227
Fixed Assets Closing Balance	205,140,744	205,140,744	202,681,800
Accumulated Depreciation Opening Balance	78,926,674	78,926,674	79,297,219
Additions	10,265,490	10,265,490	9,807,682
Accumulated Depreciation Closing Balance	89,192,164	89,192,164	89,104,901
Average Fixed Asset Balance	113,471,689	113,471,689	111,120,127
Working Capital Allowance	19,715,501	19,574,947	19,751,616
Rate Base	133,187,190	133,046,635	130,871,743
Regulated Rate of Return	8.22%	7.31%	7.31%
Regulated Return on Capital	10,949,186	9,725,709	9,566,724
Deemed Interest Expense	5,754,569	4,483,672	4,410,378
Deemed Return on Equity	5,194,617	5,242,037	5,156,347

* As per Oakville Hydro's response to Board Staff Interrogatory #55

Revisions to 2010 Capital Expenditures

Total Capital Expenditures (per Updated Application February 18, 2010)	\$ 15,219,273
Changes per Settlement	
2009 Capital Expenditures Completed in 2010	1,960,898
Deferral of Capital Spending to 2011	(1,000,000)
Increased Capital Contributions	(489,503)
Decrease in Capital Expenditures Related to HST	(289,022)
Reduction in Fibre Optic Network Lease	(680,419)
Total Changes	(498,046)
Revised Capital Expenditures per Settlement	\$ 14,721,227

Table 2

Oakville Hydro Electricity Distribution Inc. License Number ED-2003-0135, File Number												
Fixed Asset Continuity Schedule (Distribution & Operations) As at December 31, 2009												
CCA Class	OEB	Description	Cost				Accumulated Depreciation				Net Book Value	
			Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance		
N/A	1805	Land	250,717	0		250,717	0	0	0	0	250,717	
CEC	1806	Land Rights	0	0		0	0	0	0	0	0	
1	1808	Buildings and Fixtures	829,700	0		829,700	185,202	20,072		205,273	624,426	
N/A	1810	Leasehold Improvements	951,687	1,036,921		1,988,609	165,298	198,861		364,159	1,624,450	
	1815	Transformer Station Equipment - Normally Prima	0	0		0	0	0		0	0	
47	1820	Distribution Station Equipment - Normally Prima	3,627,988	1,842,618		5,470,586	1,210,357	271,565		1,481,922	3,988,664	
	1825	Storage Battery Equipment	0	0		0	0	0		0	0	
47	1830	Poles, Towers and Fixtures	23,425,490	3,757,151		27,182,641	9,697,796	1,182,668		10,880,463	16,302,178	
47	1835	Overhead Conductors and Devices	7,038,448	2,391,709		9,430,157	1,010,838	458,330		1,469,168	7,960,989	
47	1840	Underground Conduit	53,697,686	3,624,216		57,321,902	23,505,639	2,935,100		26,440,739	30,881,163	
47	1845	Underground Conductors and Devices	22,618,255	5,288,096		27,906,351	4,237,081	1,114,718		5,351,799	22,554,552	
47	1850	Line Transformers	35,862,371	2,791,005		38,653,376	12,785,185	1,796,363		14,581,548	24,071,829	
47	1855	Services	4,971,902	1,490,319		6,462,222	387,685	235,676		623,362	5,838,860	
47	1860	Meters	10,744,857	1,666,935		12,411,792	3,989,540	623,168		4,612,708	7,799,084	
	1865	Other Installations on Customer's Premises	0	0		0	0	0		0	0	
N/A	1905	Land	0	0		0	0	0		0	0	
CEC	1906	Land Rights	0	0		0	0	0		0	0	
1	1908	Buildings and Fixtures	0	0		0	0	0		0	0	
	1910	Leasehold Improvements	0	0		0	0	0		0	0	
8	1915	Office Furniture and Equipment	780,849	68,002		848,851	623,961	44,832		668,793	180,059	
45	1920	Computer Equipment - Hardware	4,777,732	1,317,520		6,095,252	3,514,219	1,355,381		4,869,600	1,225,652	
45.1	1925	Computer Software	2,242,840	0		2,242,840	2,240,920	1,921		2,242,840	0	
10	1930	Transportation Equipment	2,520,625	875,996		3,396,621	1,021,480	387,832		1,409,312	1,987,309	
	1935	Stores Equipment	153,067	2,800		155,867	133,556	13,341		146,897	8,970	
8	1940	Tools, Shop and Garage Equipment	920,048	161,869		1,081,917	504,682	98,079		602,761	479,156	
	1945	Measurement and Testing Equipment	0	0		0	0	0		0	0	
	1950	Power Operated Equipment	0	0		0	0	0		0	0	
	1955	Communication Equipment	0	0		0	0	0		0	0	
	1960	Miscellaneous Equipment	3,666	1,534		5,200	733	520		1,253	3,947	
	1970	Load Management Controls - Customer Premise	171,648	0		171,648	171,648	0		171,648	0	
	1975	Load Management Controls - Utility Premises	49,876	0		49,876	49,876	0		49,876	0	
47	1980	System Supervisory Equipment	2,960,363	429,949		3,390,312	1,551,830	230,410		1,782,240	1,608,071	
	1985	Sentinel Lighting Rentals	0	0		0	0	0		0	0	
	1990	Other Tangible Property	0	0		0	0	0		0	0	
47	1995	Contributions and Grants	(26,528,944)	(3,979,439)		(30,508,383)	(4,726,995)	(1,182,249)		(5,909,244)	(24,599,139)	
	2005	Property Under Capital Leases	13,122,519	0		13,122,519	6,646,122	603,978		7,250,100	5,872,418	
	0		0	0		0	0	0		0	0	
95		Total before Work in Process	165,193,373	22,767,200	0	187,960,573	68,906,652	10,390,567	0	79,297,219	108,663,354	
WIP		Work in Process	13,069,905	(5,784,266)		7,285,640	0	0		0	7,285,640	
		Total after Work in Process	178,263,279	16,982,934	0	195,246,213	68,906,652	10,390,567	0	79,297,219	115,948,994	

Table 3

Oakville Hydro Electricity Distribution Inc. License Number ED-2003-0135, File Number														
Fixed Asset Continuity Schedule (Distribution & Operations) As at December 31, 2010														
CCA Class	OEB	Description	Cost				Accumulated Depreciation				Net Book Value			
			Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance				
N/A	1805	Land	250,717			250,717	0			0				250,717
CEC	1806	Land Rights	0			0	0			0				0
1	1808	Buildings and Fixtures	829,700			829,700	205,273	32,612		237,885				591,814
N/A	1810	Leasehold Improvements	1,988,609	300,500		2,289,109	364,159	136,694		500,852				1,788,256
	1815	Transformer Station Equipment - Normally Prima	0			0	0			0				0
47	1820	Distribution Station Equipment - Normally Prima	5,470,586	771,500		6,242,086	1,481,922	291,691		1,773,614				4,468,473
	1825	Storage Battery Equipment	0			0	0			0				0
47	1830	Poles, Towers and Fixtures	27,182,641	2,574,144		29,756,785	10,880,463	1,195,635		12,076,098				17,680,686
47	1835	Overhead Conductors and Devices	9,430,157	2,111,973		11,542,130	1,469,168	486,879		1,956,047				9,586,083
47	1840	Underground Conduit	57,321,902	1,172,913		58,494,815	26,440,739	3,098,921		29,539,660				28,955,155
47	1845	Underground Conductors and Devices	27,906,351	3,062,592		30,968,943	5,351,799	1,156,696		6,508,495				24,460,447
47	1850	Line Transformers	38,653,376	3,369,955		42,023,331	14,581,548	1,955,986		16,537,534				25,485,797
47	1855	Services	6,462,222	1,100,000		7,562,222	623,362	286,096		909,458				6,652,764
47	1860	Meters	12,411,792	750,000		13,161,792	4,612,708	611,851		5,224,559				7,937,233
	1865	Other Installations on Customer's Premises	0			0	0			0				0
N/A	1905	Land	0			0	0			0				0
CEC	1906	Land Rights	0			0	0			0				0
1	1908	Buildings and Fixtures	0			0	0			0				0
	1910	Leasehold Improvements	0			0	0			0				0
8	1915	Office Furniture and Equipment	848,851			848,851	668,793	20,222		689,015				159,837
45	1920	Computer Equipment - Hardware	6,095,252	165,200		6,260,452	4,869,600	307,602		5,177,202				1,083,249
	1925	Computer Software	2,242,840	1,041,800		3,284,640	2,242,840	154,728		2,397,568				887,072
10	1930	Transportation Equipment	3,396,621	340,000		3,736,621	1,409,312	349,918		1,759,230				1,977,391
	1935	Stores Equipment	155,867			155,867	146,897	806		147,703				8,164
8	1940	Tools, Shop and Garage Equipment	1,081,917	130,000		1,211,917	602,761	77,790		680,551				531,366
	1945	Measurement and Testing Equipment	0			0	0			0				0
	1950	Power Operated Equipment	0			0	0			0				0
	1955	Communication Equipment	0			0	0	27,434		27,434				(27,434)
	1960	Miscellaneous Equipment	5,200			5,200	1,253	367		1,620				3,580
	1970	Load Management Controls - Customer Premise	171,648			171,648	171,648			171,648				0
	1975	Load Management Controls - Utility Premises	49,876			49,876	49,876			49,876				0
47	1980	System Supervisory Equipment	3,390,312	911,000		4,301,312	1,782,240	290,643		2,072,883				2,228,429
	1985	Sentinel Lighting Rentals	0			0	0			0				0
	1990	Other Tangible Property	0			0	0			0				0
47	1995	Contributions and Grants	(30,508,383)	(3,104,503)		(33,612,886)	(5,909,244)	(1,259,962)		(7,169,206)				(26,443,680)
	2005	Property Under Capital Leases	13,122,519	24,154		13,146,673	7,250,100	585,073		7,835,174				5,311,499
	0		0			0	0			0				0
		Total before Work in Process	187,960,573	14,721,227	0	202,681,800	79,297,219	9,807,682	0	89,104,901	0	89,104,901	113,576,899	
95		Work in Process	7,285,640			7,285,640	0			0				7,285,640
		Total after Work in Process	195,246,213	14,721,227	0	209,967,440	79,297,219	9,807,682	0	89,104,901	0	89,104,901	120,862,539	

Table 4

Cost of Power Calculations

Updated Application - February 18, 2010

Settlement Proposal April 26, 2010

Electricity - Commodity	2010		2010			2010 Forecasted Metered kWhs	2010 Proposed Loss Factor	2010		2010 Forecasted Metered kWhs	2010 Proposed Loss Factor	2010	
	Forecasted Metered kWhs	Proposed Loss Factor	Uplifted kWh	RPP Price	Cost of Power			Uplifted kWh	*Weighted Price			Cost of Power	
Class per Load Forecast													
Residential	545,392,460	1.0396	566,970,679	\$0.06215	\$35,237,228	557,127,208	1.0377	578,130,904	\$0.06199	\$35,838,557			
GS<50kW	179,011,079	1.0396	186,093,575	\$0.06215	\$11,565,716	173,390,609	1.0377	179,927,435	\$0.06185	\$11,128,819			
GS 50kW to 999kW	595,468,621	1.0396	619,028,082	\$0.06215	\$38,472,595	594,844,951	1.0377	617,270,606	\$0.06065	\$37,437,553			
GS 1000kW to 4999kW	112,278,338	1.0396	116,720,583	\$0.06215	\$7,254,184	147,132,426	1.0377	152,679,318	\$0.06035	\$9,214,225			
Large Use		1.0396		\$0.06215			1.0377						
Unmetered Scattered Load	3,780,548	1.0396	3,930,124	\$0.06215	\$244,257	3,881,044	1.0377	4,027,360	\$0.06213	\$250,206			
Sentinel Lighting	140,163	1.0396	145,709	\$0.06215	\$9,056	135,511	1.0377	140,620	\$0.06035	\$8,486			
Street Lighting	12,465,256	1.0396	12,956,360	\$0.06215	\$805,238	11,730,313	1.0377	12,172,546	\$0.06214	\$756,401			
TOTAL	1,448,536,465		1,492,743,043		\$93,588,274	1,488,242,062		1,532,035,622		\$94,634,246			
Transmission - Network													
Class per Load Forecast		Volume Metric	2010				Volume Metric	2010					
Residential		kWh	566,970,679	\$0.0055	\$3,110,176		kWh	578,130,904	\$0.0055	\$3,171,397			
GS<50kW		kWh	186,093,575	\$0.0051	\$943,791		kWh	179,927,435	\$0.0051	\$912,519			
GS 50kW to 999kW		kW	1,655,087	\$1.9781	\$3,273,976		kW	1,670,520	\$1.9781	\$3,304,505			
GS 1000kW to 4999kW		kW	265,326	\$1.9781	\$524,849		kW	353,675	\$1.9781	\$699,616			
Large Use		kW	0		\$0		kW	0		\$0			
Unmetered Scattered Load		kWh	3,930,124	\$0.0051	\$19,932		kWh	4,027,360	\$0.0051	\$20,425			
Sentinel Lighting		kW	389	\$0.3841	\$149		kW	389	\$0.3841	\$149			
Street Lighting		kW	33,349	\$1.5986	\$53,311		kW	33,349	\$1.5986	\$53,311			
TOTAL					\$7,926,185					\$8,161,923			
Transmission - Connection													
Class per Load Forecast		Volume Metric	2010				Volume Metric	2010					
Residential		kWh	566,970,679	\$0.0046	\$2,582,827		kWh	578,130,904	\$0.0046	\$2,633,667			
GS<50kW		kWh	186,093,575	\$0.0042	\$781,257		kWh	179,927,435	\$0.0042	\$755,370			
GS 50kW to 999kW		kW	1,655,087	\$1.6273	\$2,693,308		kW	1,670,520	\$1.6273	\$2,718,423			
GS 1000kW to 4999kW		kW	265,326	\$1.6273	\$431,763		kW	353,675	\$1.6273	\$575,533			
Large Use		kW	0		\$0		kW	0		\$0			
Unmetered Scattered Load		kWh	3,930,124	\$0.0042	\$16,499		kWh	4,027,360	\$0.0042	\$16,908			
Sentinel Lighting		kW	389	\$0.3159	\$123		kW	389	\$0.3159	\$123			
Street Lighting		kW	33,349	\$1.3150	\$43,855		kW	33,349	\$1.3150	\$43,855			
TOTAL					\$6,549,631					\$6,743,878			
Wholesale Market Service													
Class per Load Forecast		Volume Metric	2010				Volume Metric	2010					
Residential		kWh	566,970,679	\$0.0052	\$2,948,248		kWh	578,130,904	\$0.0052	\$3,006,281			
GS<50kW		kWh	186,093,575	\$0.0052	\$967,687		kWh	179,927,435	\$0.0052	\$935,623			
GS 50kW to 999kW		kWh	619,028,082	\$0.0052	\$3,218,946		kWh	617,270,606	\$0.0052	\$3,209,807			
GS 1000kW to 4999kW		kWh	116,720,583	\$0.0052	\$606,947		kWh	152,679,318	\$0.0052	\$793,932			
Large Use		kWh	0	\$0.0052	\$0		kWh	0	\$0.0052	\$0			
Unmetered Scattered Load		kWh	3,930,124	\$0.0052	\$20,437		kWh	4,027,360	\$0.0052	\$20,942			
Sentinel Lighting		kWh	145,709	\$0.0052	\$758		kWh	140,620	\$0.0052	\$731			
Street Lighting		kWh	12,956,360	\$0.0052	\$67,373		kWh	12,172,546	\$0.0052	\$63,297			
TOTAL					\$7,830,395					\$8,030,614			
Rural Rate Assistance													
Class per Load Forecast		Volume Metric	2010				Volume Metric	2010					
Residential		kWh	566,970,679	\$0.0013	\$737,062		kWh	578,130,904	\$0.0013	\$751,570			
GS<50kW		kWh	186,093,575	\$0.0013	\$241,922		kWh	179,927,435	\$0.0013	\$233,906			
GS 50kW to 999kW		kWh	619,028,082	\$0.0013	\$804,737		kWh	617,270,606	\$0.0013	\$802,452			
GS 1000kW to 4999kW		kWh	116,720,583	\$0.0013	\$151,737		kWh	152,679,318	\$0.0013	\$198,483			
Large Use		kWh	0	\$0.0013	\$0		kWh	0	\$0.0013	\$0			
Unmetered Scattered Load		kWh	3,930,124	\$0.0013	\$5,109		kWh	4,027,360	\$0.0013	\$5,236			
Sentinel Lighting		kWh	145,709	\$0.0013	\$189		kWh	140,620	\$0.0013	\$183			
Street Lighting		kWh	12,956,360	\$0.0013	\$16,843		kWh	12,172,546	\$0.0013	\$15,824			
TOTAL					\$1,957,599					\$2,007,653			
Summary													
			2010					2010					
4705-Power Purchased					\$93,588,274								\$94,634,246
4708-Charges-WMS					\$7,830,395								\$8,030,614
4714-Charges-NW					\$7,926,185								\$8,161,923
4716-Charges-CN					\$6,549,631								\$6,743,878
4730-Rural Rate Assistance					\$1,957,599								\$2,007,653
4750-Low Voltage					\$259,726								\$259,726
TOTAL					118,111,810								119,838,040

* Weighted Average Price for Non-RPP / RPP customers.

Table 5

Cost of Power Forecast	Commodity Charge					
	RPP @ 0.06215 kWh	Cost of Power	Non-RPP @ 0.06036 kWh	Cost of Power	Total kWh	Cost of Power
Residential	529,749,372	32,923,923	48,287,499	2,914,633	578,036,871	35,838,557
GS <50 Kw	150,930,355	9,380,322	28,967,814	1,748,497	179,898,170	11,128,819
Unmetered	3,996,455	248,380	30,249	1,826	4,026,705	250,206
GS 50 to 999 kW	103,440,887	6,428,851	513,729,320	31,008,702	617,170,207	37,437,553
GS 1000 to 4999 kW	-	-	152,654,485	9,214,225	152,654,485	9,214,225
Street Lightening	12,170,566	756,401	-	-	12,170,566	756,401
Sentinel Lighting	-	-	140,597	8,486	140,597	8,486
	800,287,636	49,737,877	743,809,964	44,896,369	1,544,097,600	94,634,246

APPENDIX C

UPDATED WORKING CAPITAL AND COST OF POWER CALCULATION

Table 1

Working Capital Calculation

Description	Application Updated 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Working Capital Allowance for 2010			
Distribution Expenses - Operations	\$ 4,387,217	\$ 4,387,217	\$ 4,387,217
Distribution Expenses - Maintenance	2,124,335	\$ 2,124,335	\$ 2,124,335
Billing & Collecting	1,605,147	\$ 1,605,147	\$ 1,605,147
Community Relations	119,686	\$ 119,686	\$ 119,686
Administrative and General Expenses	4,877,877	\$ 4,877,877	\$ 4,877,877
Property Taxes	210,600	\$ 210,600	\$ 210,600
Net Reduction in OM&A			\$ (1,485,458)
Total Eligible Distribution Expenses	13,324,861	13,324,861	11,839,403
Cost of Power	118,111,810	117,174,784	119,838,040
Total Working Capital Expenses	\$ 131,436,671	\$ 130,499,645	\$ 131,677,443
Working Capital Allowance (rate of 15%)	\$ 19,715,501	\$ 19,574,947	\$ 19,751,616

* As per Oakville Hydro's response to Board Staff Interrogatory #55

APPENDIX D
UPDATED OPERATING REVENUE

Table 1

Other Operating Revenues

Total Other Operating Revenues (per Updated Application February 18, 2010)	\$ 1,889,155
Changes per Settlement	
Increase in Short term interest rate from 0.5% to 0.55% (Account 4405)	11,518
Increase in interest rate on loans to affiliates from 5% to 5.87% (Account 4405)	13,210
Increase in chargeable work estimate (Account 4390)	125,000
Increase in Temporary transitional services revenues (Account 4390)	24,280
Total Changes	174,008
Total Other Operating Revenues per Settlement	\$ 2,063,163

Table 2

Load Forecast - Non Uplifted Billing Determinants

Customer Rate Class	Application Updated 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Forecasted kWh			
Residential	545,392,460	540,268,991	557,127,208
GS<50kW	179,011,079	177,329,432	173,390,609
GS 50kW to 999kW	595,468,621	591,008,044	594,844,951
GS 1000kW to 4999kW	112,278,338	112,068,339	147,132,426
Unmetered Scattered Load	3,780,548	3,780,548	3,881,044
Sentinel Lighting	140,163	140,163	135,511
Street Lighting	12,465,256	12,463,256	11,730,313
Total kWh	1,448,536,465	1,437,058,773	1,488,242,062
Forecasted kW			
GS 50kW to 999kW	1,655,087	1,642,741	1,670,520
GS 1000kW to 4999kW	265,326	264,849	353,675
Sentinel Lighting	389	389	389
Street Lighting	33,349	33,349	33,349
Total kW	1,954,151	1,941,328	2,057,934

* As per Oakville Hydro's response to Board Staff Interrogatory #55

APPENDIX E
UPDATED OPERATING COSTS

Table 1

Controllable O M & A

Total Controllable OM&A Expenses (per Updated Application February 18, 2010)	\$ 13,114,261
Changes per Settlement	
General Overall Reduction	(1,200,000)
Reduction in IFRS Costs	(150,000)
Increase in Affiliate Cost Allocation	(170,938)
Inclusion of Third Party SR &ED Consultants Costs	31,234
HST impact of settlement cost reductions	4,246
Total Changes	(1,485,458)
Revised OM&A Expenses per Settlement	\$ 11,628,803

Table 2

HST Adjustment Calculation

Description	As Filed (Feb 18 2010)	Change per Settlement Agreement
OM&A Expenses	\$ 13,114,261	\$ 1,350,000
Estimated Full Year HST Impact	\$ 82,500	\$ 8,493
HST Impact as a % of OM&A	0.63%	
HST Impact for 1/2 Year 2010	41,250	4,246

Table 3

Updated Depreciation Calculation

Depreciation Expense - as filed February 18,2010	\$ 10,265,490
Changes per Settlement	
Half year rule on 2010 Capital additions	(444,444)
Impact of reduction of Capital lease agreement	(17,011)
Impact of transfer of 2009 capital projects to 2010 Capital	39,218
Impact on deferral \$1,000,000 of 2010 capital projects to 2011 year	(20,000)
Impact of increased Contributed capital	(9,790)
Impact of reductions due to HST Savings	(5,780)
Total Changes	(457,808)
Depreciation Expense - as per Settlement	\$ 9,807,682

Table 4

**Appendix 2-N
 2010 Depreciation Expense**

Account Number	Account Description	Opening Balance OEB Reporting (A)	Accum Depn on Assets Record @ NBV (B)	Opening Balance @ Cost (C) = (A) + (B)	Less Fully Depreciated (C)	Net for Depreciation (D) = (B) - (C)	Additions (E)	Total for Depreciation F = (D) + (E)	Years (G)	Depreciation Expense (H = F/G)
1805	Land	250,717	-	250,717	-	250,717	-	250,717		
1806	Land Rights	-	-	-	-	-	-	-		
1808	Buildings and Fixtures	837,700	792,905	1,630,605	-	1,630,605	-	1,630,605	50	32,612
1810	Leasehold Improvements	1,216,687	-	1,216,687	-	1,216,687	300,500	1,366,937	10	136,694
1815	Transformer Station Equipment - Normally Primary above 50 kV	-	-	-	-	-	-	-		
1820	Distribution Station Equipment - Normally Primary below 50 kV	6,271,038	3,817,587	10,088,625	1,723,641	8,364,984	771,500	8,750,734	30	291,691
1825	Storage Battery Equipment	-	-	-	-	-	-	-		
1830	Poles, Towers and Fixtures	26,775,600	10,771,524	37,547,124	8,943,518	28,603,606	2,574,144	29,890,678	25	1,195,635
1835	Overhead Conductors and Devices	9,731,649	1,384,331	11,115,980	-	11,115,980	2,111,973	12,171,967	25	486,879
1840	Underground Conduit	57,552,078	25,151,605	82,703,683	5,816,917	76,886,765	1,172,913	77,473,222	25	3,098,921
1845	Underground Conductors and Devices	27,420,159	(34,055)	27,386,104	-	27,386,104	3,062,592	28,917,400	25	1,156,696
1850	Line Transformers	40,742,714	7,990,472	48,733,186	1,518,514	47,214,672	3,369,955	48,899,649	25	1,955,986
1855	Services	6,602,401	-	6,602,401	-	6,602,401	1,100,000	7,152,401	25	286,096
1860	Meters	11,919,854	3,506,857	15,426,711	505,443	14,921,268	750,000	15,296,268	25	611,851
1865	Other Installations on Customer's Premises	-	-	-	-	-	-	-		
1905	Land	-	-	-	-	-	-	-		
1906	Land Rights	-	-	-	-	-	-	-		
1908	Buildings and Fixtures	-	-	-	-	-	-	-		
1910	Leasehold Improvements	-	-	-	-	-	-	-		
1915	Office Furniture and Equipment	780,849	730,731	1,511,580	1,309,360	202,221	-	202,221	10	20,222
1920	Computer Equipment - Hardware	5,107,816	83,413	5,191,229	3,735,817	1,455,412	165,200	1,538,012	5	307,602
1925	Computer Software	2,495,580	-	2,495,580	2,242,840	252,740	1,041,800	773,640	5	154,728
1930	Transportation Equipment	2,844,125	-	2,844,125	396,306	2,447,820	340,000	2,617,820	7	349,918
1935	Stores Equipment	153,067	-	153,067	145,005	8,063	-	8,063	10	806
1940	Tools, Shop and Garage Equipment	1,030,048	-	1,030,048	317,147	712,901	130,000	777,901	10	77,790
1945	Measurement and Testing Equipment	-	-	-	-	-	-	-		
1950	Power Operated Equipment	-	-	-	-	-	-	-		
1955	Communication Equipment	137,171	-	137,171	-	137,171	-	137,171	5	27,434
1960	Miscellaneous Equipment	3,666	-	3,666	-	3,666	-	3,666	10	367
1970	Load Management Controls - Customer Premises	171,648	37,147	208,796	208,796	-	-	-		
1975	Load Management Controls - Utility Premises	49,876	-	49,876	49,876	-	-	-		
1980	System Supervisory Equipment	4,651,301	159,652	4,810,953	906,810	3,904,143	911,000	4,359,643	15	290,643
1985	Sentinel Lighting Rentals	-	-	-	-	-	-	-		
1990	Other Tangible Property	-	-	-	-	-	-	-		
1995	Contributions and Grants	(29,946,793)	-	(29,946,793)	-	(29,946,793)	(3,104,503)	(31,499,044)	25	(1,259,962)
2005	Property Under Capital Leases	13,122,519	-	13,122,519	1,433,134	11,689,385	24,154	11,701,462	20	585,073
		189,921,471	54,392,171	244,313,642	29,253,123	215,060,519	14,721,227	222,421,132		9,807,682

APPENDIX F

UPDATED TAXABLE INCOME AND PILS/TAX PROVISION CALCULATIONS

Table 1

Tax Calculations

Determination of Taxable Income	Updated Application 18-Feb-10	Updated Application *OEB #55	Settlement Agreement
Utility Income Before Taxes	7,612,086	7,675,767	7,055,445
Additions to Accounting Income:			
Amortization of tangible assets	10,265,490	10,265,490	9,807,682
Non-deductible meals and entertainment expense	25,362	25,362	25,362
Tax reserves beginning of year	324,511	324,511	324,511
Reserves from financial statements- balance at end of year	7,949,000	7,949,000	7,949,000
Interest Expensed on Capital Leases	636,121	636,121	636,121
Other Additions	0	0	40,000
Total Additions	19,200,484	19,200,484	18,782,676
Deductions from Accounting Income:			
Capital cost allowance from Schedule 8	9,843,529	9,855,779	9,846,508
Tax reserves end of year	324,511	324,511	324,511
Reserves from financial statements - balance at beginning of year	7,693,000	7,693,000	7,693,000
Capital Lease Payments	1,152,221	1,152,221	1,152,221
Total Deductions	19,013,261	19,025,511	19,016,239
Regulatory Taxable Income	7,799,309	7,850,740	6,821,882
PILS/Tax Provision Calculations			
Taxable Income	7,799,309	7,850,740	6,821,882
Federal Tax Rate	18.0%	18.0%	18.0%
Provincial Tax Rate	13.0%	13.0%	13.0%
Combined Tax Rate	31.0%	31.0%	31.0%
Income Tax	2,417,786	2,433,729	2,114,783
Less Small Business Deduction			18,750
Total Income Taxes	2,417,786	2,433,729	2,096,033
Tax Credits			
Ontario Apprenticeship Tax Credit			40,000
Federal Investment Tax Credit from Apprenticeship Job Creation expenditures			2,000
Federal Investment Tax Credits			37,385
Co-operative Education Tax Credit			30,000
SR&ED Tax Credit			87,550
Total Tax Credits			196,935
Income Tax Provision	2,417,786	2,433,729	1,899,098
Effective Tax Rate	31.00%	31.00%	27.84%
Ontario Capital Tax (Not Grossed Up)	88,640	88,535	86,904
PILS/Tax Provision for Year	2,506,426	2,522,264	1,986,002

* As per Oakville Hydro's response to Board Staff Interrogatory #55

APPENDIX G
UPDATED COST OF CAPITAL CALCULATION

Table 1

Cost of Capital

Per Application filed February 18, 2010					
	<u>Capitalization Ratio</u>		<u>Cost Rate</u>		<u>Return</u>
<u>Debt</u>					
Long-term	56%	\$ 74,584,826	7.62%	\$	5,683,364
Short-term	4%	5,327,488	1.33%		70,856
Total Debt	60%	79,912,314	7.20%		5,754,219
<u>Equity</u>					
Common Equity	40%	\$ 53,274,876	9.75%	\$	5,194,300
Preferred Shares	0%	0	0%		-
	40%	53,274,876	9.75%		5,194,300
TOTAL	100%	\$ 133,187,190	8.22%	\$	10,948,520
Revised Per Settlement with updated Cost of Capital Parameters					
<u>Debt</u>					
Long-term	56%	\$73,288,176	5.87%	\$	4,302,016
Short-term	4%	\$5,234,870	2.07%		108,362
Total Debt	60%	78,523,046	5.62%		4,410,378
<u>Equity</u>					
Common Equity	40%	\$ 52,348,697	9.85%	\$	5,156,347
Preferred Shares	0%	0	0%		-
	40%	52,348,697	9.85%		5,156,347
TOTAL	100%	\$ 130,871,743	7.31%	\$	9,566,724

APPENDIX H

UPDATED RATE DESIGN AND TARIFF OF PROPOSED RATES AND CHARGES

Table1
Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	557,127,208		703,399		9,650,631	8,356,908	18,007,539		18,007,539	62.54%
GS < 50 kW	173,390,609		61,306		1,844,686	2,271,417	4,116,103		4,116,103	14.30%
GS 50 to 999 kW	594,844,951	1,670,520	9,997		1,986,453	3,234,963	5,221,416	113,555	5,107,861	17.74%
GS > 1000 kW	147,132,426	353,675	204		644,616	610,408	1,255,024	0	1,255,024	4.36%
Large Use	0	0	0		0	0	0	0	0	0.00%
Sentinel Lights	135,511	389		2,720	109	262	371		371	0.00%
Street Lighting	11,730,313	33,349		201,399	62,434	63,266	125,700		125,700	0.44%
USL	3,881,044			8,349	125,657	54,335	179,991		179,991	0.63%
	1,488,242,062	2,057,934	774,905	212,468	14,314,585	14,591,560	28,906,145	113,555	28,792,590	100%

Forecast Class Billing Determinants for 2010 Test Year Based on Existing Class Revenue Proportions
Revenue At Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	557,127,208	0	703,399	0	9,204,139	7,970,271	17,174,410		17,174,410	55.16%
GS < 50 kW	173,390,609	0	61,306	0	1,994,866	2,456,337	4,451,203		4,451,203	14.30%
GS 50 to 999 kW	594,844,951	1,670,520	9,997	0	1,166,020	6,208,580	7,374,600	113,555	7,261,045	23.32%
GS > 1000 kW	147,132,426	353,675	204	0	697,095	660,103	1,357,198		1,357,198	4.36%
Sentinel Lights	135,511	389	0	2,720	5,220	12,589	17,809		17,809	0.06%
Street Lighting	11,730,313	33,349	0	201,399	366,925	371,819	738,744		738,744	2.37%
USL	3,881,044	0	0	8,349	95,114	41,128	136,242		136,242	0.44%
	1,488,242,062	2,057,934	774,905	212,468	13,529,379	17,720,826	31,250,204	113,555	31,136,649	100.00%

Table 2

Cost Allocation

Revenue to Cost Ratio (%)

Customer Class	1 From Cost Allocation Model	2 Revised (Transformer Ownership Allowance)	3 Updated Cost Allocation Model	4 Proposed for Test Year	5 Board Target Range
Residential	112.94%	110.72%	121.40%	109.09%	85 – 115
GS < 50 kW	121.51%	118.14%	114.28%	114.28%	80 – 120
GS > 50 kW	79.14%	73.93%	67.26%	85.00%	80 – 180
GS > 999 kW	75.86%	135.77%	131.83%	131.83%	80 – 180
Large User	230.49%	201.33%	0.00%	0.00%	85 – 115
Street Lights	12.00%	12.19%	11.15%	40.58%	70 – 120
Sentinel Lights	8.87%	9.04%	3.55%	36.78%	70 – 120
USL	143.71%	133.66%	163.56%	120.00%	80 – 120

Oakville Hydro Electricity Distribution 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**

RESIDENTIAL SERVICE CLASSIFICATION

This class refers to the supply of electrical energy to detached and semi-detached residential buildings as well as farms as defined in the local zoning by-laws. Where the residential dwelling comprises the entire electrical load of a farm, it is defined as a residential service. Where electricity is provided to a combined residential and business (including agricultural usage) and the service does not provide for separate metering, the classification shall be at the discretion of Oakville Hydro and shall be based on such considerations as the estimated predominant 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	\$/month	13.25
Smart Meter Funding Adder	\$/month	1.69
Distribution Volumetric Rate	\$/kWh	0.0145
Low Voltage Rate Rider	\$/kWh	0.0002
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kWh	(0.0015)
Rate Rider for Lost Revenue Adjustment Mechanism/Shared Savings Mechanism Recovery-effective until April 30, 2014	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0055
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This class refers to customers who do not qualify as residential customers and whose monthly average peak demand in the preceding twelve months is less than 50kW. For new customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformation. **Note:** Apartment buildings or multi-unit complexes and subdivisions are treated as General Service (Above 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	\$/month	32.54
Smart Meter Funding Adder	\$/month	1.69
Distribution Volumetric Rate	\$/kWh	0.0143
Low Voltage Rate Rider	\$/kWh	0.0002
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kWh	(0.0015)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042

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

GENERAL SERVICE 50 to 999 kW SERVICE CLASSIFICATION

This class refers to customers whose monthly average peak demand in the preceding twelve months is in the range of 50 to 999 kW. There are two sub categories within this class, those being non-interval and interval metered accounts. For new customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformation. 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	\$/month	116.64
Smart Meter Funding Adder	\$/month	1.69
Distribution Volumetric Rate	\$/kW	3.6216
Low Voltage Rate Rider	\$/kW	0.0638
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kW	(0.5997)
Rate Rider for Lost Revenue Adjustment Mechanism/Shared Savings Mechanism Recovery-effective until April 30, 2014	\$/kW	0.0033
Retail Transmission Rate – Network Service Rate	\$/kW	1.9161
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	1.9781
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5762
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.6273

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

GENERAL SERVICE GREATER THAN 1,000 kW SERVICE CLASSIFICATION

This class refers to customers whose monthly average peak demand in the preceding twelve months is greater than 1,000 kW. These accounts will all be interval metered accounts. For new customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformation. 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	\$/month	3,417.13
Smart Meter Funding Adder	\$/month	1.69
Distribution Volumetric Rate	\$/kW	1.8664
Low Voltage Rate Rider	\$/kW	0.0638
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kW	(0.9410)
Rate Rider for Lost Revenue Adjustment Mechanism/Shared Savings Mechanism Recovery-effective until April 30, 2014	\$/kW	(0.0014)
Retail Transmission Rate – Network Service Rate -Interval Metered	\$/kW	1.9781
Retail Transmission Rate – Line and Transformation Connection Service Rate -Interval Metered	\$/kW	1.6273

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

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, pedestrian X-Walk signals/beacons, 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)	\$/month	11.40
Distribution Volumetric Rate	\$/kWh	0.0106
Low Voltage Rate Rider	\$/kWh	0.0002
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kWh	(0.0015)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042

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

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. 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)	\$/month	1.48
Distribution Volumetric Rate	\$/kW	25.0161
Low Voltage Rate Rider	\$/kW	0.0124
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013	\$/kW	
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kW	(0.7549)
Retail Transmission Rate – Network Service Rate	\$/kW	0.3841
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.3159

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

STREET LIGHTING SERVICE CLASSIFICATION

All services supplied to street lighting equipment owned by or operated for the Municipality, the Region or the Province of Ontario shall be classified as Street Lighting Service. Street Lighting plant, facilities, or equipment owned by the customer are subject to the Electrical Safety Authority (ESA) requirements and Oakville Hydro specifications. 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.

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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)	\$/month	1.70
Distribution Volumetric Rate	\$/kW	10.3987
Low Voltage Rate Rider	\$/kW	0.0516
Rate Rider for Global Adjustment Sub-Account Disposition-effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition-effective until April 30, 2013	\$/kW	(0.7041)
Retail Transmission Rate – Network Service Rate	\$/kW	1.5986
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3150

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

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
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ALLOWANCES

Transformer Allowance for Ownership – per kW of billing demand/month	\$	(0.50)
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.

The application of these charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

This schedule does not contain any non Board approved rates and charges that are included on a bill by nature of statute or regulation, such as the Debt Retirement Charge, the Energy Conservation/Renewable Energy Program Special Purpose Charge and the applicable Sales Tax.

Customer Administration

Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Easement letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00

Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Specific Charge for Access to the Power Poles (\$/pole/year)	\$	22.35

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.

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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	1.0377
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0273
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0047

APPENDIX I
BILL IMPACTS

RESIDENTIAL											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill	
Consumption											
100 kWh											
Loss Factor											
2009	1.0525										
2010	1.0377										
		Monthly Service Charge		13.72			13.25	(0.47)	(3.43%)	65.32%	
		Distribution (kWh)	100.00	0.0150	1.50	100.00	0.0147	1.47	(0.03)	(2.33%)	7.22%
		Smart Meter Adder (per month)		1.00			1.69	0.69	69.00%	8.33%	
		LRAM & SSM (kWh)	100.00			100.00	0.0003	0.03	-	0.15%	
		Regulatory Assets (kWh)	100.00	0.0000	0.00	100.00	(0.0015)	(0.15)	(0.15)	(0.55%)	
		Sub-Total A - Distribution			16.22		16.29	0.07	0.40%	80.28%	
		RTSR- Network (kWh)	105.25	0.0053	0.56	103.77	0.0055	0.57	0.01	2.05%	2.81%
		RTSR-Connection (kWh)	105.25	0.0051	0.54	103.77	0.0046	0.47	(0.06)	(11.93%)	2.33%
		Sub- Total B (including Sub-Total A) - Delivery			17.31		17.33	0.01	0.07%	85.42%	
		Wholesale Market Rate	105.25	0.0052	0.55	103.77	0.0052	0.54	(0.01)	(1.41%)	2.66%
		RRRP (kWh)	105.25	0.0013	0.14	103.77	0.0013	0.13	(0.00)	(1.41%)	0.67%
		DRC (kWh)	105.25	0.0070	0.74	103.77	0.0070	0.73	(0.01)	(1.41%)	3.58%
		Cost of Power Commodity (kWh)	105.25	0.0057	0.60	103.77	0.0057	0.59	(0.01)	(1.41%)	2.92%
		Total Bill Before Taxes			19.34		19.32	(0.02)	(0.08%)	95.24%	
		GST		5.00%	0.97		5.00%	0.97	(0.00)	(0.08%)	4.76%
		Total Bill			20.30		20.29	(0.02)	(0.08%)	100.00%	

RESIDENTIAL											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill	
Consumption											
250 kWh											
Loss Factor											
2009	1.0525										
2010	1.0377										
		Monthly Service Charge		13.72			13.25	(0.47)	(3.43%)	48.74%	
		Distribution (kWh)	250.00	0.0150	3.75	250.00	0.0147	3.66	(0.09)	(2.33%)	13.47%
		Smart Meter Adder (per month)		1.00			1.69	0.69	69.00%	6.22%	
		LRAM & SSM Rider (kWh)	250.00			250.00	0.0003	0.08	0.08	-	0.28%
		Regulatory Assets (kWh)	250.00	0.0000	0.00	250.00	(0.0015)	(0.37)	(0.37)	(1.38%)	
		Sub-Total A- Distribution			18.47		18.30	(0.17)	(0.90%)	67.33%	
		RTSR- Network (kWh)	263.13	0.0053	1.39	259.43	0.0055	1.42	0.03	2.05%	5.24%
		RTSR-Connection (kWh)	263.13	0.0051	1.34	259.43	0.0046	1.18	(0.16)	(11.93%)	4.35%
		Sub- Total B (including Sub-Total A) - Delivery			21.21		20.91	(0.30)	(1.41%)	76.91%	
		Wholesale Market Rate	263.13	0.0052	1.37	259.43	0.0052	1.35	(0.02)	(1.41%)	4.96%
		RRRP (kWh)	263.13	0.0013	0.34	259.43	0.0013	0.34	(0.00)	(1.41%)	1.24%
		DRC (kWh)	263.13	0.0070	1.84	259.43	0.0070	1.82	(0.03)	(1.41%)	6.68%
		Cost of Power Commodity (kWh)	263.13	0.0057	1.50	259.43	0.0057	1.48	(0.02)	(1.41%)	5.44%
		Total Bill Before Taxes			26.26		25.89	(0.37)	(1.41%)	95.24%	
		GST		5.00%	1.31		5.00%	1.29	(0.02)	(1.41%)	4.76%
		Total Bill			27.57		27.18	(0.67)	(2.42%)	100.00%	

RESIDENTIAL											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill	
Consumption				13.72			13.25	(0.47)	(3.43%)	34.26%	
500 kWh		500.00	0.0150	7.50	500.00	0.0147	7.33	(0.17)	(2.33%)	18.94%	
Loss Factor				1.00			1.69	0.69	69.00%	4.37%	
2009	1.0525						0.15	0.15	-	0.39%	
2010	1.0377			0.00	500.00	(0.0015)	(0.75)	(0.75)	-	(1.93%)	
		Sub-Total A- Distribution					21.67	(0.55)	(2.49%)	56.01%	
		RTSR- Network (kWh)	526.25	0.0053	2.79	518.85	0.0055	2.85	0.06	2.05%	7.36%
		RTSR-Connection (kWh)	526.25	0.0051	2.68	518.85	0.0046	2.36	(0.32)	(11.93%)	6.11%
		Sub- Total B (including Sub-Total A) - Delivery					26.88	(0.82)	(2.95%)	69.48%	
		Wholesale Market Rate	526.25	0.0052	2.74	518.85	0.0052	2.70	(0.04)	(1.41%)	6.98%
		RRRP (kWh)	526.25	0.0013	0.68	518.85	0.0013	0.67	(0.01)	(1.41%)	1.74%
		DRC (kWh)	526.25	0.0070	3.68	518.85	0.0070	3.63	(0.05)	(1.41%)	9.39%
		Cost of Power Commodity (kWh)	526.25	0.0057	3.00	518.85	0.0057	2.96	(0.04)	(1.41%)	7.65%
		Total Bill Before Taxes					36.84	(0.96)	(8.57%)	95.24%	
		GST		5.00%	1.89		5.00%	1.84	(0.05)	(2.54%)	4.76%
		Total Bill					38.68	(1.01)	(2.54%)	100.00%	

RESIDENTIAL											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill	
Consumption				13.72			13.25	(0.47)	(3.43%)	30.62%	
600 kWh		600.00	0.0150	9.00	600.00	0.0147	8.79	(0.21)	(2.33%)	20.31%	
Loss Factor				1.00			1.69	0.69	69.00%	3.90%	
2009	1.0525						0.18	0.18	-	0.42%	
2010	1.0377			0.00	600.00	(0.0015)	(0.90)	(0.90)	-	(2.07%)	
		Sub-Total A- Distribution					23.01	(0.71)	(2.98%)	53.17%	
		RTSR- Network (kWh)	631.50	0.0053	3.35	622.62	0.0055	3.42	0.07	2.05%	7.89%
		RTSR-Connection (kWh)	631.50	0.0051	3.22	622.62	0.0046	2.84	(0.38)	(11.93%)	6.55%
		Sub- Total B (including Sub-Total A) - Delivery					29.26	(1.02)	(3.38%)	67.62%	
		Wholesale Market Rate	631.50	0.0052	3.28	622.62	0.0052	3.24	(0.05)	(1.41%)	7.48%
		RRRP (kWh)	631.50	0.0013	0.82	622.62	0.0013	0.81	(0.01)	(1.41%)	1.87%
		DRC (kWh)	631.50	0.0070	4.42	622.62	0.0070	4.36	(0.06)	(1.41%)	10.07%
		Cost of Power Commodity (kWh)	631.50	0.0057	3.60	622.62	0.0057	3.55	(0.05)	(1.41%)	8.20%
		Total Bill Before Taxes					41.22	(1.19)	(2.82%)	95.24%	
		GST		5.00%	2.12		5.00%	2.06	(0.06)	(2.82%)	4.76%
		Total Bill					43.28	(1.25)	(2.82%)	100.00%	

RESIDENTIAL										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge								
800 kWh		Distribution (kWh)								
Loss Factor		Smart Meter Adder (per month)								
2009	1.0525	LRAM & SSM (kWh)								
2010	1.0377	Regulatory Assets (kWh)								
		Sub-Total A- Distribution						(1.02)	(3.81%)	38.33%
		RTSR- Network (kWh)								
		RTSR-Connection (kWh)								
		Sub- Total B (including Sub-Total A) - Delivery						(1.44)	(4.05%)	50.77%
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes						(2.38)	(3.59%)	95.24%
		GST								
		Total Bill						(2.50)	(3.59%)	100.00%

RESIDENTIAL										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge								
1,000 kWh		Distribution (kWh)								
Loss Factor		Smart Meter Adder (per month)								
2009	1.0525	LRAM & SSM (kWh)								
2010	1.0377	Regulatory Assets (kWh)								
		Sub-Total A- Distribution						(1.33)	(4.46%)	31.76%
		RTSR- Network (kWh)								
		RTSR-Connection (kWh)								
		Sub- Total B (including Sub-Total A) - Delivery						(1.85)	(4.56%)	43.42%
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes						(3.03)	(3.44%)	95.24%
		GST								
		Total Bill						(3.18)	(3.44%)	100.00%

RESIDENTIAL											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill	
Consumption											
1,500 kWh											
Loss Factor											
2009	1.0525										
		Monthly Service Charge		13.72			13.25	(0.47)	(3.43%)	9.12%	
		Distribution (kWh)	1,500.00	0.0150	22.50	1,500.00	0.0147	21.98	(0.52)	(2.33%)	15.13%
		Smart Meter Rider (per month)		1.00			1.69	0.69	69.00%	1.16%	
		LRAM & SSM Rider (kWh)	1,500.00			1,500.00	0.0003	0.45	0.45	-	0.31%
		Regulatory Assets (kWh)	1,500.00	0.0000	0.00	1,500.00	(0.0015)	(2.24)	(2.24)	-	
		Sub-Total A - Distribution									
				37.22			35.12	(2.10)	(5.64%)	24.18%	
		RTSR- Network (kWh)	1,578.75	0.0053	8.37	1,556.55	0.0055	8.54	0.17	2.05%	5.88%
		RTSR-Connection (kWh)	1,578.75	0.0051	8.05	1,556.55	0.0046	7.09	(0.96)	(11.93%)	4.88%
		Sub- Total B (including Sub- Total A) - Delivery									
				53.64			50.75	(2.89)	(5.39%)	34.94%	
		Wholesale Market Rate	1,578.75	0.0052	8.21	1,556.55	0.0052	8.09	(0.12)	(1.41%)	5.57%
		RRRP (kWh)	1,578.75	0.0013	2.05	1,556.55	0.0013	2.02	(0.03)	(1.41%)	1.39%
		DRC (kWh)	1,578.75	0.0070	11.05	1,556.55	0.0070	10.90	(0.16)	(1.41%)	7.50%
		Cost of Power Commodity (kWh)	600.00	0.0057	3.42	600.00	0.0057	3.42	0.00	0.00%	2.35%
		Cost of Power Commodity (kWh)	978.75	0.0660	64.60	956.55	0.0660	63.13	(1.47)	(2.27%)	43.47%
		Total Bill Before Taxes			142.97			138.32	(4.65)	(3.26%)	95.24%
		GST		5.00%	7.15		5.00%	6.92	(0.23)	(3.26%)	4.76%
		Total Bill			150.12			145.23	(4.89)	(3.26%)	100.00%

GENERAL SERVICE < 50 KW											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill	
Consumption											
2,000 kWh											
Loss Factor											
2009	1.0525										
2010	1.0377										
		Monthly Service Charge		30.09			32.54	2.45	8.14%	15.56%	
		Distribution (kWh)	2,000.00	0.0131	26.20	2,000.00	0.0145	29.00	2.80	10.69%	13.87%
		Smart Meter Rider (per month)		1.00			1.69	0.69	69.00%	0.81%	
		LRAM & SSM Rider (kWh)	2,000.00			2,000.00	0.00000	0.00	0.00	-	0.00%
		Regulatory Assets (kWh)	2,000.00	0.0000	0.00	2,000.00	(0.0015)	(3.06)	(3.06)	-	(1.46%)
		Sub-Total A - Distribution									
				57.29			60.17	2.88	5.02%	28.77%	
		RTSR- Network (kWh)	2,105.00	0.0049	10.31	2,075.40	0.0051	10.53	0.21	2.05%	5.03%
		RTSR-Connection (kWh)	2,105.00	0.0047	9.89	2,075.40	0.0042	8.71	(1.18)	(11.93%)	4.17%
		Sub- Total B (including Sub- Total A) - Delivery									
				77.50			79.41	1.91	2.46%	37.97%	
		Wholesale Market Rate	2,105.00	0.0052	10.95	2,075.40	0.0052	10.79	(0.15)	(1.41%)	5.16%
		RRRP (kWh)	2,105.00	0.0013	2.74	2,075.40	0.0013	2.70	(0.04)	(1.41%)	1.29%
		DRC (kWh)	2,105.00	0.0070	14.74	2,075.40	0.0070	14.53	(0.21)	(1.41%)	6.95%
		Cost of Power Commodity (kWh)	750.00	0.0057	4.28	750.00	0.0057	4.28	0.00	0.00%	2.04%
		Cost of Power Commodity (kWh)	1,355.00	0.0660	89.43	1,325.40	0.0660	87.48	(1.95)	(2.18%)	41.83%
		Total Bill Before Taxes			199.62			199.17	(0.45)	(0.22%)	95.24%
		GST		5.00%	9.98		5.00%	9.96	(0.02)	(0.22%)	4.76%
		Total Bill			209.60			209.13	(0.47)	(0.22%)	100.00%

GENERAL SERVICE < 50 KW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption										
4,000 kWh										
Loss Factor										
2009	1.0525									
2010	1.0377									
		Monthly Service Charge		30.09			32.54	2.45	8.14%	7.57%
		Distribution (kWh)	4,000.00	0.0131	52.40	4,000.00	0.0145	58.00	5.60	10.69%
		Smart Meter Rider (per month)		1.00			1.69	0.69	69.00%	0.39%
		LRAM & SSM Rider (kWh)	4,000.00			4,000.00	0.00000	0.00	-	0.00%
		Regulatory Assets (kWh)	4,000.00	0.0000	0.00	4,000.00	(0.0015)	(6.13)	(6.13)	(1.43%)
		Sub-Total A- Distribution		83.49			86.10	2.61	3.13%	20.03%
		RTSR- Network (kWh)	4,210.00	0.0049	20.63	4,150.80	0.0051	21.05	0.42	2.05%
		RTSR-Connection (kWh)	4,210.00	0.0047	19.79	4,150.80	0.0042	17.43	(2.36)	(11.93%)
		Sub- Total B (including Sub-Total A) - Delivery		123.91			124.58	0.67	0.54%	28.98%
		Wholesale Market Rate	4,210.00	0.0052	21.89	4,150.80	0.0052	21.58	(0.31)	(1.41%)
		RRRP (kWh)	4,210.00	0.0013	5.47	4,150.80	0.0013	5.40	(0.08)	(1.41%)
		DRC (kWh)	4,210.00	0.0070	29.47	4,150.80	0.0070	29.06	(0.41)	(1.41%)
		Cost of Power Commodity (kWh)	750.00	0.0057	4.28	750.00	0.0057	4.28	0.00	0.00%
		Cost of Power Commodity (kWh)	3,460.00	0.0660	228.36	3,400.80	0.0660	224.45	(3.91)	(1.71%)
		Total Bill Before Taxes		413.38			409.34	(4.03)	(0.98%)	95.24%
		GST		5.00%	20.67		5.00%	20.47	(0.20)	(0.98%)
		Total Bill		434.04			429.81	(4.23)	(0.98%)	100.00%

GENERAL SERVICE < 50 KW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption										
10,000 kWh										
Loss Factor										
2009	1.0525									
2010	1.0377									
		Monthly Service Charge		30.09			32.54	2.45	8.14%	2.98%
		Distribution (kWh)	10,000.00	0.0131	131.00	10,000.00	0.0145	145.00	14.00	10.69%
		Smart Meter Rider (per month)		1.00			1.69	0.69	69.00%	0.15%
		LRAM & SSM Rider (kWh)	10,000.00			10,000.00	0.00000	0.00	-	0.00%
		Regulatory Assets (kWh)	10,000.00	0.0000	0.00	10,000.00	(0.0015)	(15.32)	(15.32)	(1.40%)
		Sub-Total A- Distribution		162.09			163.91	1.82	1.13%	15.01%
		RTSR- Network (kWh)	10,525.00	0.0049	51.57	10,377.00	0.0051	52.63	1.06	2.05%
		RTSR-Connection (kWh)	10,525.00	0.0047	49.47	10,377.00	0.0042	43.56	(5.90)	(11.93%)
		Sub- Total B (including Sub-Total A) - Delivery		263.13			260.11	(3.02)	(1.15%)	23.82%
		Wholesale Market Rate	10,525.00	0.0052	54.73	10,377.00	0.0052	53.96	(0.77)	(1.41%)
		RRRP (kWh)	10,525.00	0.0013	13.68	10,377.00	0.0013	13.49	(0.19)	(1.41%)
		DRC (kWh)	10,525.00	0.0070	73.68	10,377.00	0.0070	72.64	(1.04)	(1.41%)
		Cost of Power Commodity (kWh)	750.00	0.0057	4.28	750.00	0.0057	4.28	0.00	0.00%
		Cost of Power Commodity (kWh)	9,775.00	0.0660	645.15	9,627.00	0.0660	635.38	(9.77)	(1.51%)
		Total Bill Before Taxes		1,054.64			1,039.85	(14.79)	(1.40%)	95.24%
		GST		5.00%	52.73		5.00%	51.99	(0.74)	(1.40%)
		Total Bill		1,107.37			1,091.85	(15.53)	(1.40%)	100.00%

GENERAL SERVICE < 50 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption				30.09			32.54	2.45	8.14%	2.38%
12,500 kWh										
Loss Factor				1.00			1.69	0.69	69.00%	0.12%
2009	1.0525						0.00	0.00	-	0.00%
2010	1.0377			0.00		(0.0015)	(19.14)	(19.14)	-	(1.40%)
		Sub-Total A- Distribution						1.50	0.77%	14.36%
				64.47			65.78	1.32	2.05%	4.81%
				61.83			54.46	(7.38)	(11.93%)	3.98%
		Sub- Total B (including Sub-Total A) - Delivery						(4.56)	(1.42%)	23.15%
				68.41			67.45	(0.96)	(1.41%)	4.93%
				17.10			16.86	(0.24)	(1.41%)	1.23%
				92.09			90.80	(1.30)	(1.41%)	6.64%
				4.28			4.28	0.00	0.00%	0.31%
				818.81			806.60	(12.21)	(1.49%)	58.98%
		Total Bill Before Taxes						(19.27)	(1.46%)	95.24%
				66.09			65.13	(0.96)	(1.46%)	4.76%
		Total Bill						(20.23)	(1.46%)	100.00%

GENERAL SERVICE < 50 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption				30.09			32.54	2.45	8.14%	1.98%
15,000 kWh										
Loss Factor				1.00			1.69	0.69	69.00%	0.10%
2009	1.0525						0.00	0.00	-	0.00%
2010	1.0377			0.00		(0.0015)	(22.97)	(22.97)	-	(1.40%)
		Sub-Total A- Distribution						1.17	0.51%	13.92%
				77.36			78.94	1.58	2.05%	4.80%
				74.20			65.35	(8.85)	(11.93%)	3.98%
		Sub- Total B (including Sub-Total A) - Delivery						(6.10)	(1.61%)	22.70%
				82.10			80.94	(1.15)	(1.41%)	4.92%
				20.52			20.24	(0.29)	(1.41%)	1.23%
				110.51			108.96	(1.55)	(1.41%)	6.63%
				4.28			4.28	0.00	0.00%	0.26%
				992.48			977.82	(14.65)	(1.48%)	59.49%
		Total Bill Before Taxes						(23.75)	(1.49%)	95.24%
				79.45			78.26	(1.19)	(1.49%)	4.76%
		Total Bill						(24.94)	(1.49%)	100.00%

GENERAL SERVICE 50 kW to 999 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Consumption										
30,000 kWh										
100 kW										
Loss Factor										
2009	1.0525									
2010	1.0377									
		Monthly Service Charge		198.71			116.64	(82.07)	(41.30%)	9.59%
		Distribution (kWh)	30,000.00	0.0000	0.00	30,000.00	0.0000	0.00	0.00%	0.00%
		Distribution (kW)	100.00	1.9365	193.65	100.00	3.6854	368.54	174.89	90.31%
		Smart Meter Adder (per month)			1.00			1.69	0.69	69.00%
		Transformer Credit	100.00	(0.50)	(50.00)	100.00	(0.50)	(50.00)	0.00	0.00%
		LRAM & SSM (kW)	100.00			100.00	0.0033	0.33	0.33	-
		Regulatory Assets (kW)	100.00	0.0000	0.00	100.00	(0.5997)	(59.97)	(59.97)	-
		Sub-Total A- Distribution			343.36			377.23	33.87	9.86%
		RTSR- Network (kW)	100.00	1.9112	191.12	100.00	1.9781	197.81	6.69	3.50%
		RTSR-Connection (kW)	100.00	1.8218	182.18	100.00	1.6273	162.73	(19.45)	(10.68%)
		Sub- Total B (including Sub-Total A) - Delivery			716.66			737.77	21.11	2.95%
		Wholesale Market Rate	31,575.00	0.0052	164.19	31,131.00	0.0052	161.88	(2.31)	(1.41%)
		RRRP (kWh)	31,575.00	0.0013	41.05	31,131.00	0.0013	40.47	(0.58)	(1.41%)
		DRC (kWh)	31,575.00	0.0070	221.03	31,131.00	0.0070	217.92	(3.11)	(1.41%)
		Cost of Power Commodity (kWh)	31,575.00	0.0000	0.00	31,131.00	0.0000	0.00	#DIV/0!	0.00%
		Total Bill Before Taxes			1,142.92			1,158.04	15.12	1.32%
		GST		5.00%	57.15		5.00%	57.90	0.76	1.32%
		Total Bill			1,200.07			1,215.94	15.87	1.32%

GENERAL SERVICE 50 kW to 999 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption										
64,000 kWh										
160 kW										
Loss Factor										
2009	1.0525									
2010	1.0377									
		Monthly Service Charge			198.71			116.64	(82.07)	(41.30%)
		Distribution (kWh)	64,000.00	0.0000	0.00	64,000.00	0.0000	0.00	0.00%	0.00%
		Distribution (kW)	160.00	1.9365	309.84	160.00	3.6854	589.66	279.82	90.31%
		Smart Meter Adder (per month)			1.00			1.69	0.69	69.00%
		Transformer Credit	160.00	(0.50)	(80.00)	160.00	(0.50)	(80.00)	0.00	0.00%
		LRAM & SSM (kW)	160.00			160.00	0.0033	0.53	0.53	-
		Regulatory Assets (kW)	160.00	0.0000	0.00	160.00	(0.5997)	(95.95)	(95.95)	-
		Sub-Total A- Distribution			429.55			532.57	103.02	23.98%
		RTSR- Network (kW)	160.00	1.9112	305.79	160.00	1.9781	316.50	10.71	3.50%
		RTSR-Connection (kW)	160.00	1.8218	291.49	160.00	1.6273	260.37	(31.12)	(10.68%)
		Sub- Total B (including Sub-Total A) - Delivery			1,026.83			1,109.44	82.61	8.04%
		Wholesale Market Rate	67,360.00	0.0052	350.27	66,412.80	0.0052	345.35	(4.93)	(1.41%)
		RRRP (kWh)	67,360.00	0.0013	87.57	66,412.80	0.0013	86.34	(1.23)	(1.41%)
		DRC (kWh)	67,360.00	0.0070	471.52	66,412.80	0.0070	464.89	(6.63)	(1.41%)
		Cost of Power Commodity (kWh)	67,360.00	0.0000	0.00	66,412.80	0.0000	0.00	#DIV/0!	0.00%
		Total Bill Before Taxes			1,936.19			2,006.01	69.82	3.61%
		GST		5.00%	96.81		5.00%	100.30	3.49	3.61%
		Total Bill			2,033.00			2,106.31	73.31	3.61%

GENERAL SERVICE 50 kW to 999 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge								
200,000 kWh		Distribution (kWh)								
500 kW		Distribution (kW)								
Loss Factor		Smart Meter Adder (per month)								
2009	1.0525	Transformer Credit								
2010	1.0377	LRAM & SSM (kW)								
		Regulatory Assets (kW)								
		Sub-Total A- Distribution								
		RTSR- Network (kW)								
		RTSR-Connection (kW)								
		Sub- Total B (including Sub-Total A) - Delivery								
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes								
		GST								
		Total Bill								

GENERAL SERVICE > 1000 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge								
1,000,000 kWh		Distribution (kWh)								
2,200 kW		Distribution (kW)								
Loss Factor		Smart Meter Adder (per month)								
2009	1.0525	Transformer Credit								
2010	1.0377	LRAM & SSM (kW)								
		Regulatory Assets (kW)								
		Sub-Total A- Distribution								
		RTSR- Network (kW)								
		RTSR-Connection (kW)								
		Sub- Total B (including Sub-Total A) - Delivery								
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes								
		GST								
		Total Bill								

GENERAL SERVICE > 1000 kW										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge								
1,600,000 kWh		Distribution (kWh)								
4,000 kW		Distribution (kW)								
Loss Factor		Smart Meter Adder (per month)								
2009	1.0525	Transformer Credit								
2010	1.0377	LRAM & SSM (kW)								
		Regulatory Assets (kW)								
		Sub-Total A- Distribution								
		RTSR- Network (kW)								
		RTSR-Connection (kW)								
		Sub- Total B (including Sub-Total A) - Delivery								
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes								
		GST								
		Total Bill								

Street Lighting										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Billing Determinants		Monthly Service Charge								
14,545 Connections		Distribution (kWh)								
620,000 kWh		Distribution (kW)								
2,100 kW		Regulatory Assets (kW)								
2009	1.0525	Sub-Total A- Distribution								
2010	1.0377	RTSR- Network (kW)								
		RTSR-Connection (kW)								
		Sub- Total B (including Sub-Total A) - Delivery								
		Wholesale Market Rate								
		RRRP (kWh)								
		DRC (kWh)								
		Cost of Power Commodity (kWh)								
		Cost of Power Commodity (kWh)								
		Total Bill Before Taxes								
		GST								
		Total Bill								

Street Lighting												
		2009 BILL			2010 BILL			IMPACT				
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill		
Billing Determinants	Monthly Service Charge	1.00	0.3100	0.31	1.00	1.70	1.70	1.39	448.13%	39.24%		
1 Connections	Distribution (kWh)	42.63	0.0000	0.00	42.63	0.0000	0.00	0.00	0.00%	0.00%		
42.63 kWh	Distribution (kW)	0.14	1.8971	0.27	0.14	10.4503	1.51	1.23	450.86%	34.84%		
0.14 kW	Regulatory Assets (kW)	0.14	0.0000	0.00	0.14	(0.7041)	(0.10)	(0.10)	100.00%	(2.35%)		
2009	1.0525	Sub-Total A- Distribution		0.58			3.11	2.52	432.00%	71.73%		
2010	1.0377	RTSR- Network (kW)		0.14	1.5445	0.22	0.14	1.5986	0.23	3.50%	5.33%	
		RTSR-Connection (kW)		0.14	1.4722	0.21	0.14	1.3150	0.19	(0.02)	(10.68%)	4.38%
		Sub- Total B (including Sub-Total A) - Delivery		1.02			3.53	2.51	245.97%	81.45%		
		Wholesale Market Rate		44.86	0.0052	0.23	44.23	0.0052	0.23	(0.00)	(1.41%)	5.31%
		RRRP (kWh)		44.86	0.0013	0.06	44.23	0.0013	0.06	(0.00)	(1.41%)	1.33%
		DRC (kWh)		44.86	0.0070	0.31	44.23	0.0070	0.31	(0.00)	(1.41%)	7.15%
		Cost of Power Commodity (kWh)		44.86	0.0000	0.00	44.23	0.0000	0.00	-	0.00%	
		Total Bill Before Taxes				1.63			4.12	2.50	153.78%	95.24%
		GST			5.00%	0.08		5.00%	0.21	0.12	153.78%	4.76%
		Total Bill				1.71			4.33	2.62	153.78%	100.00%

Sentinel Lighting												
		2009 BILL			2010 BILL			IMPACT				
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill		
Billing Determinants	Monthly Service Charge	721.00	0.04	28.84	721.00	1.48	1,069.60	1,040.76	3,608.75%	13.02%		
721 Connections	Distribution (kWh)	97,008.00	0.0000	0.00	97,008.00	0.0000	0.00	0.00	0.00%	0.00%		
97,008 kWh	Distribution (kW)	216.00	0.6745	145.69	216.00	25.0285	5,406.16	5,260.46	3,610.67%	65.82%		
216 kW	Regulatory Assets (kW)	216.00	0.0000	0.00	216.00	(0.7549)	(163.06)	(163.06)	100.00%	(1.99%)		
2009	1.0525	Sub-Total A- Distribution		174.53			6,312.70	6,138.17	3,516.93%	76.85%		
2010	1.0377	RTSR- Network (kW)		216.00	0.3711	80.16	216.00	0.3841	82.96	2.81	3.50%	1.01%
		RTSR-Connection (kW)		216.00	0.3537	76.40	216.00	0.3159	68.24	(8.16)	(10.68%)	0.83%
		Sub- Total B (including Sub-Total A) - Delivery		331.09			6,463.91	6,132.82	1,852.32%	78.69%		
		Wholesale Market Rate		102,100.92	0.0052	530.92	100,665.20	0.0052	523.46	(7.47)	(1.41%)	6.37%
		RRRP (kWh)		102,100.92	0.0013	132.73	100,665.20	0.0013	130.86	(1.87)	(1.41%)	1.59%
		DRC (kWh)		102,100.92	0.0070	714.71	100,665.20	0.0070	704.66	(10.05)	(1.41%)	8.58%
		Cost of Power Commodity (kWh)		102,100.92	0.0000	0.00	100,665.20	0.0000	0.00	-	0.00%	
		Total Bill Before Taxes				1,709.45			7,822.89	6,113.44	357.63%	95.24%
		GST			5.00%	85.47		5.00%	391.14	305.67	357.63%	4.76%
		Total Bill				1,794.92			8,214.03	6,419.11	357.63%	100.00%

Sentinel Lighting										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Billing Determinants		Monthly Service Charge	1.00	0.0400	0.04	1.00	1.48	1.44	3,608.75%	13.01%
1 Connections		Distribution (kWh)	134.55	0.0000	0.00	134.55	0.0000	0.00	0.00%	0.00%
134.55 kWh		Distribution (kW)	0.30	0.6745	0.20	0.30	25.0285	7.31	3,610.67%	65.84%
0.30 kW		Regulatory Assets (kW)	0.30	0.0000	0.00	0.30	(0.7549)	(0.23)	100.00%	(1.99%)
2009	1.0525	Sub-Total A- Distribution			0.24			8.52	3,516.91%	76.87%
2010	1.0377	RTSR- Network (kW)	0.30	0.3711	0.11	0.30	0.3841	0.12	3.50%	1.01%
		RTSR-Connection (kW)	0.30	0.3537	0.11	0.30	0.3159	0.09	(0.01)	(10.68%)
		Sub- Total B (including Sub-Total A) - Delivery			0.46			8.52	1,852.11%	78.71%
		Wholesale Market Rate	141.61	0.0052	0.74	139.62	0.0052	0.73	(0.01)	(1.41%)
		RRRP (kWh)	141.61	0.0013	0.18	139.62	0.0013	0.18	(0.00)	(1.41%)
		DRC (kWh)	141.61	0.0070	0.99	139.62	0.0070	0.98	(0.01)	(1.41%)
		Cost of Power Commodity (kWh)	141.61	0.0000	0.00	139.62	0.0000	0.00	-	0.00%
		Total Bill Before Taxes			2.37			10.86	8.49	357.94%
		GST		5.00%	0.12		5.00%	0.54	0.42	357.94%
		Total Bill			2.49			11.40	8.91	357.94%

Unmetered Scattered										
		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Consumption		Monthly Service Charge		15.05			11.40	(3.65)	(24.24%)	55.29%
250 kWh		Distribution (kWh)	250.00	0.0140	3.50	250.00	0.0108	2.70	(0.80)	(22.86%)
Loss Factor		Regulatory Assets (kW)	250.00	0.0000	0.00	250.00	(0.0015)	(0.37)	(0.37)	100.00%
2010	1.0377	Sub-Total A- Distribution			18.55			13.73	(4.82)	(25.97%)
		RTSR- Network (kWh)	263.13	0.0049	1.29	259.43	0.0051	1.32	0.03	2.05%
		RTSR-Connection (kWh)	263.13	0.0047	1.24	259.43	0.0042	1.09	(0.15)	(11.93%)
		Sub- Total B (including Sub-Total A) - Delivery			21.08			16.14	(4.94)	(23.43%)
		Wholesale Market Rate	263.13	0.0052	1.37	259.43	0.0052	1.35	(0.02)	(1.41%)
		RRRP (kWh)	263.13	0.0013	0.34	259.43	0.0013	0.34	(0.00)	(1.41%)
		DRC (kWh)	263.13	0.0070	1.84	259.43	0.0070	1.82	(0.03)	(1.41%)
		Cost of Power Commodity (kWh)	263.13	0.0000	0.00	259.43	0.0000	0.00	-	0.00%
		Total Bill Before Taxes			24.63			19.64	(4.99)	(20.25%)
		GST		5.00%	1.23		5.00%	0.98	(0.25)	(20.25%)
		Total Bill			25.86			20.62	(5.24)	(20.25%)

Unmetered Scattered											
		2009 BILL			2010 BILL			IMPACT			
		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill	
Consumption		Monthly Service Charge									
550 kWh		Distribution (kWh)									
Loss Factor		Regulatory Assets (kW)									
2010	1.0377	Sub-Total A- Distribution			16.53			(6.22)	(27.34%)	53.32%	
		RTSR- Network (kWh)	578.88	0.0049	2.84	570.74	0.0051	2.89	0.06	2.05%	9.34%
		RTSR-Connection (kWh)	578.88	0.0047	2.72	570.74	0.0042	2.40	(0.32)	(11.93%)	7.73%
		Sub- Total B (including Sub-Total A) - Delivery		28.31		21.82		(6.49)	(22.92%)	70.38%	
		Wholesale Market Rate	578.88	0.0052	3.01	570.74	0.0052	2.97	(0.04)	(1.41%)	9.57%
		RRRP (kWh)	578.88	0.0013	0.75	570.74	0.0013	0.74	(0.01)	(1.41%)	2.39%
		DRC (kWh)	578.88	0.0070	4.05	570.74	0.0070	4.00	(0.06)	(1.41%)	12.89%
		Cost of Power Commodity (kWh)	578.88	0.0000	0.00	570.74	0.0000	0.00	0.00	-	0.00%
		Total Bill Before Taxes		36.12		29.53		(6.60)	(18.26%)	95.24%	
		GST		5.00%	1.81		5.00%	1.48	(0.33)	(18.26%)	4.76%
		Total Bill		37.93		31.00		(6.93)	(18.26%)	100.00%	

APPENDIX J
DEFERRAL AND VARIANCE ACCOUNTS

Table 1

Sheet 2 - Rate Riders Calculation

NAME OF UTILITY Oakville Hydro Electricity Distribution Inc
 NAME OF CONTACT Mary Caputi
 E-mail Address mcaputi@oakvillehydro.com
 VERSION NUMBER
 Date 26-Apr-10

LICENCE NUMBER
 DOCID NUMBER
 PHONE NUMBER
 (extension)

Deferral and Variance Accounts:	Amount	ALLOCATOR	GS 50 to 999				Large Users	Unmetered	Sentinel	Street	Total
			Residential	GS < 50 kW	kW	GS>1000 kW		Scattered Load	Lighting	Lighting	
WMSC - Account 1580	\$ (3,660,354)	kWh	\$ (1,370,263)	\$ (426,457)	\$ (1,463,030)	\$ (361,874)	\$ -	\$ (9,545)	\$ (333)	\$ (28,851)	\$ (3,660,354)
One-Time WMSC - Account 1582	\$ -	kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Network - Account 1584	\$ 1,777,685	kWh	\$ 665,481	\$ 207,113	\$ 710,534	\$ 175,748	\$ -	\$ 4,636	\$ 162	\$ 14,012	\$ 1,777,685
Connection - Account 1586	\$ (3,445,685)	kWh	\$ (1,289,901)	\$ (401,446)	\$ (1,377,228)	\$ (340,652)	\$ -	\$ (8,986)	\$ (314)	\$ (27,159)	\$ (3,445,685)
Power - Account 1588-excluding 1588 GA subacc.	\$ (3,917,047)	kWh	\$ (1,466,357)	\$ (456,363)	\$ (1,565,630)	\$ (387,252)	\$ -	\$ (10,215)	\$ (357)	\$ (30,874)	\$ (3,917,047)
Global Adjustment - 1588 subaccount	\$ (278,162)	non-RPP kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recovery of Regulatory Assets - 1590	\$ (224,702)	recovery share established in 2006EDR	\$ (135,747)	\$ (21,065)	\$ (45,310)	\$ (18,999)	\$ -	\$ (2,274)	\$ (71)	\$ (1,238)	\$ (224,702)
Subtotal - RSVA	\$ (9,748,265)		\$ (3,596,786)	\$ (1,098,219)	\$ (3,740,663)	\$ (933,029)	\$ -	\$ (26,384)	\$ (913)	\$ (74,110)	\$ (9,470,103)
Other Regulatory Assets - Account 1508- OEB Cost Asse	\$ 143,726	Dx Revenue	\$ 90,462	\$ 20,678	\$ 25,510	\$ 5,539	\$ -	\$ 904	\$ 2	\$ 631	\$ 143,726
Other Regulatory Assets - Account 1508- Pensions subacc	\$ 751,725	Dx Revenue	\$ 473,143	\$ 108,149	\$ 133,422	\$ 28,969	\$ -	\$ 4,729	\$ 10	\$ 3,303	\$ 751,725
Retail Cost Variance Account - Acct 1518	\$ (58,836)	# of Customers	\$ (41,914)	\$ (3,653)	\$ (596)	\$ (12)	\$ -	\$ (498)	\$ (162)	\$ (12,001)	\$ (58,836)
Miscellaneous Deferred Debits - 1525	\$ 13,360	# of Customers with rebate cheques	\$ 12,114	\$ 1,056	\$ -	\$ -	\$ -	\$ 144	\$ 47	\$ -	\$ 13,360
Retail Cost Variance Account (STR) Acct 1548	\$ (908)	# of Customers	\$ (647)	\$ (56)	\$ (9)	\$ (0)	\$ -	\$ (8)	\$ (3)	\$ (185)	\$ (908)
Low Voltage - Account 1550	\$ 1,512,356	kWh	\$ 566,154	\$ 176,200	\$ 604,483	\$ 149,516	\$ -	\$ 3,944	\$ 138	\$ 11,920	\$ 1,512,356
Other Deferred Credits - Acct 2425	\$ -	Dx Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal - Non RSVA, Variable	\$ 2,361,423		\$ 1,099,312	\$ 302,373	\$ 762,810	\$ 184,012	\$ -	\$ 9,216	\$ 32	\$ 3,668	\$ 2,361,424
Smart Meters Revenue and Capital, 1555 (Fixed)	\$ -	# of Metered Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meter Expenses, 1556 (Fixed)	\$ -	# of Metered Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal - Non RSVA Fixed	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total to be Recovered	\$ (7,386,841)		\$ (2,497,473)	\$ (795,845)	\$ (2,977,852)	\$ (749,017)	\$ -	\$ (17,168)	\$ (881)	\$ (70,442)	\$ (7,108,679)

Balance to be collected or refunded, Variable	\$ (7,386,841)	\$ (2,497,473)	\$ (795,845)	\$ (2,977,852)	\$ (749,017)	\$ -	\$ (17,168)	\$ (881)	\$ (70,442)	\$ (7,108,679)
Balance to be collected or refunded, Fixed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Number of years for Variable	3									
Number of years for Fixed	3									
Balance to be collected or refunded per year, Variable	\$ (2,462,280)	\$ (832,491)	\$ (265,282)	\$ (992,617)	\$ (249,672)	\$ -	\$ (5,723)	\$ (294)	\$ (23,481)	\$ (2,369,560)
Balance to be collected or refunded per year, Fixed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Class
Deferral and Variance Account Rate Riders, Variable
Billing Determinants
Deferral and Variance Account Rate Riders, Fixed (per month)
Billing Determinants

Components of 2010 Riders:
 Variable RSVA
 Variable Non RSVA
 Fixed, per month

Residential	GS < 50 kW	GS 50 to 999		GS 1000 to 4999 kW	Large Users	Small Scattered	Sentinel Lighting	Street Lighting
		kWh	kW					
\$ (0.0015)	\$ (0.0015)	\$ (0.5997)	\$ (0.9410)	\$ (0.0015)	\$ (0.7549)	\$ (0.7041)		
kWh	kWh	kW	kW	kW	kWh	kW	kW	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
# metered cust.	# metered cust.	# metered cust.	# metered cust.	# metered cust.				
\$ (0.0022)	\$ (0.0021)	\$ (0.7534)		\$ (0.0023)	\$ (0.7820)	\$ (0.7408)		
\$ 0.0007	\$ 0.0006	\$ 0.1536		\$ 0.0008	\$ 0.0271	\$ 0.0367		
\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		

Deferral and Variance Account Rate Riders

Rate Class	Original Proposed	Per Settlement Agreement		Rate Rider 1 Billing Determinant	Rate Rider 2 Billing Determinant
	Rate Rider (over 4 years)	Revised Rate Rider 1 (over 3 years)	*Rate Rider 2 Global Adjustment (over 3 years)		
Residential	\$ (0.0012)	\$ (0.0015)	\$ (0.0001)	kWh	kWh
General Service <50	\$ (0.0012)	\$ (0.0015)	\$ (0.0001)	kWh	kWh
General Service >50	\$ (0.4978)	\$ (0.5997)	\$ (0.0001)	kW	kWh
General Service >1000	\$ (0.5909)	\$ (0.9410)	\$ (0.0001)	kW	kWh
Unmetered	\$ (0.0011)	\$ (0.0015)	\$ (0.0001)	kWh	kWh
Sentinel Lights	\$ (0.5945)	\$ (0.7549)	\$ (0.0001)	kW	kWh
Streetlighting	\$ (0.6059)	\$ (0.7041)	\$ (0.0001)	kW	kWh

*Applicable to Non-RPP customers only

APPENDIX K

LRAM / SSM

Table 1

Revised LRAM/SSM Claim

Rate Class	Original Filed Amount		Revised Amount Per Settlement		Change	
	LRAM	SSM	LRAM	SSM	LRAM	SSM
Residential	\$ 672,702	\$ 123,907	\$ 672,702	\$ 10,493	\$ -	\$ 113,414
General Service >50 kW	20,863	1,159	20,863	1,159	-	-
General Service >1000 kW	-	(2,015)	-	(2,015)	-	-
	\$ 693,565	\$ 123,051	\$ 693,565	\$ 9,637	\$ -	\$ 113,414

Table 2

2010 Test Year - LRAM and SSM Rate Rider											
Rate Class	Amounts (2005 to 2008)		Billing Units (2010)	Metrics	Rate Riders			Three Year Rate Rider	Four Year Rate Rider	Number of Years to Use (3 or 4)	Rate Rider to Use
	LRAM	SSM			LRAM	SSM	Total	Total	Total		Total
	\$	\$			\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)	\$/unit (kWh or kW)	4	\$/unit (kWh or kW)
Residential	\$672,702	\$10,493	557,127,208	kWh	0.0012	0.0000	0.0012	0.0004	0.00031		0.0003
GS 50 to 999 kW	\$20,863	\$1,159	1,670,520	kW	0.0125	0.0007	0.0132	0.0044	0.00330		0.0033
GS >1000 kW		-\$2,015	353,675	kW	0.0000	-0.0057	-0.0057	-0.0019	-0.00142		-0.0014
Total	\$693,565	\$9,637									

Table 3

Summary of Changes in LRAM / SSM Rate Rider				
Rate Class	Original Proposed Rate Rider	Revised Rate Rider	Change	Billing Determinant
Residential	\$ 0.0004	\$ 0.0003	\$ (0.0001)	kWh
General Service >50 kW	\$ 0.0033	\$ 0.0033	\$ -	kW
General Service >1000 kW	\$ (0.0019)	\$ (0.0014)	\$ 0.0005	kW