



November 1, 2007

Ms. Kirstin Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

**Re: EB-2007-0553 Middlesex Power Distribution Corp. 2008 Incentive Rate Mechanism**

Dear Ms. Walli:

Please find attached the submission of Middlesex Power Distribution Corp. for the 2008 Incentive Rate Mechanism (IRM) Application and Transmission Rates. Enclosed are two hard copies of the filing.

An email version of the excel IRM model was sent to the Ontario Energy Board on November 1, 2007.

Should there be any questions, please contact me at the number below.

Yours truly,

A handwritten signature in black ink, appearing to read 'Cheryl Decaire', written in a cursive style.

Cheryl Decaire  
Co-ordinator of Regulatory and Rates  
(519) 352-6300 ext 405  
Email: cheryldecaire@ckenergy.com



**2008 IRM Distribution  
Rate Application**

**EB-2007-0553**

### **Manager's Summary**

Middlesex Power Distribution Corp. (MPDC) submits a complete application for the approval of distribution and transmission rates proposed to be effective May 1, 2008. The filing follows the IRM guidelines for the 2008 Incentive Rate Mechanism (IRM) rate change.

Listed below are the specific items addressed in the IRM Model:

1. Incentive Rate Mechanism
2. Smart Meter Rider for completion of Residential Meters
3. Smart Meter Rider for General Service less than 50 kW
4. Regulatory Asset Recovery Rates
5. Change in Transmission Rates

### **Incentive Rate Mechanism**

MPDC used the 1.90% as the Price Escalator (GDP-IPI) as prescribed in the 2008 IRM Model. MPDC understands that the Board will adjust the inflation index in our 2008 IRM rate application model, when Statistics Canada publishes its final 2008 data in late March 2008.

In addition to that there is a K factor that represents the percentage change in revenue requirement our current capital structure to the 2008 transitional capital structures setup by the OEB, MPDC had calculated a K factor of -0.3% leaving a Price Cap Adjustment of 0.6% for the May 1 2008 rates.

### **Smart Meter Adder**

MPDC has included its monthly smart meter service charge for metered customers, as shown in the 2007 EDR Smart Meter Rate Calculation Model for the November 1 2007 approved rates, in sheet 4 Smart Meter Rev & Adder. This monthly smart meter service charge was based on the Residential rate class capital and OM&A cost that have incurred from April 30 2007.

Based on the methodology set out in "Appendix E" in the Board Decision EB-2007-0063, MPDC is requesting approval for an additional Smart Meter Adder based on the Capital and OM&A cost associated with installing General Service Smart Meters in 2006 and 2007.

MPDC installation plan for the General Service Rates classes

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Service	158	76	120	230	188

MPDC is requesting for \$1.23 as a Smart Meter Adder for the Residential installations (provided in the Smart Meter Rate Calculation Model effective November 1 2007) in addition a Smart Meter Adder for the General Service cost that have incur giving a service charge of \$0.10 per month per meter customer and for the Residential capital cost from May 1 to December 2007 giving a service charge of \$0.60 per month per metered customer.

The calculation for the General Service Adder is provided in Appendix A

**Regulatory Asset Recovery Rate**

In the 2006 EDR application there was an approved regulatory asset recovery rate, which pertains to the cost incurred up to December 31, 2004. MPDC has not incurred significant increase in the regulatory asset or retail settlement variance accounts between January 1, 2005 and September 30, 2007. Due to the current balances of the variances, MPDC is not requesting recovery of these additional balances at this time, but reserves the right to request recovery at a future rate proceeding.

Therefore MPDC is proposing that the current regulatory asset rate recovery be removed from the tariff sheet.

**Transmission Rate**

OEB has approved new uniform Transmission Rates to be effective November 1 2007 to December 31 2008, in the Board file number EB-2007-0759. At the request of the OEB, MPDC has done a review of how the new Wholesale Transmission Rate will impact the transmission rates charged to our customers (Appendix B).

MPDC is requesting to change the Transmission Network rates as follows, which is calculated in Appendix B;

<b>MPDC Rate - Network</b>	<b>Current</b>	<b>Proposed</b>
Residential	0.0055	0.0055
GS < 50 kW	0.005	0.0050
GS > 50 kW	2.0299	2.0299
Large use	2.3871	2.3871

<b>MPDC Rate - Connection</b>	<b>Current</b>	<b>Proposed</b>
Residential	0.0049	0.0049
GS < 50 kW	0.0044	0.0044
GS > 50 kW	1.7412	1.7412
Large use	2.1828	2.1828

**Rate Impacts on Total Bill**

The following chart indicates a comparison between bills, based upon a customer's total bill after taxes, on an annualized basis, including the same commodity component and other constant charges.

<b>Rate Class</b>	<b>2007 Bill \$</b>	<b>2008 Bill \$</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
Residential	181.68	179.27	-2.42	-1.30%
General Service less than 50 kW	219.15	215.91	-3.24	-1.50%
General Service greater than 50 kW	1968.37	1947.71	0.66	-1.00%
Large Use	41314.78	41529.07	214.29	0.50%

The rate impact does not reflect the proposed change in the transmission rates, therefore the final impact to the customers will be significantly lower and for the majority of the customers will actually be a decrease in their electricity bill.

**Appendix A**

**Smart Meter Revenue Requirement & Proposed Rates- Summary**  
**Middlesex Power Distribution Corporation**

<b>Summary of Actual Costs claimed in this application</b>	<b>2006 Actual</b>	<b>2006 Plus</b>	<b>2007 Actual</b>	<b>Total Actual</b>	<b>Perm Adjust 2008</b>
<b>Capital Costs (must be installed, and used and useful)</b>					
Smart Meters	\$ 13,762		\$ 55,140	\$ 68,902	\$ 68,902
Computer Hardware	\$ -		\$ -	\$ -	\$ -
Computer Software	\$ -		\$ -	\$ -	\$ -
Tools & Equipment	\$ -		\$ -	\$ -	\$ -
Other Equipment (please specify)	\$ -		\$ -	\$ -	\$ -
<b>Total Capital Costs</b>	<b>\$ 13,762</b>		<b>\$ 55,140</b>	<b>\$ 68,902</b>	<b>\$ 68,902</b>
<b>O M &amp; A</b>					
2.1 Advanced metering communication device (AMCD)	\$ -		\$ -	\$ -	
2.2 Advanced metering regional collector (AMRC) (includes LAN)	\$ -		\$ -	\$ -	
2.3 Advanced metering control computer (AMCC)	\$ -		\$ -	\$ -	
2.4 Wide area network (WAN)	\$ -		\$ -	\$ -	
2.5 Other AMI OM&A costs related to minimum functionality	\$ -		\$ -	\$ -	
<b>Total O M &amp; A Costs</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	
<b>Summary of Revenue Requirement Calculation</b>	<b>2006 Actual</b>	<b>2006 Plus</b>	<b>2007 Actual</b>	<b>Total Actual</b>	<b>Perm Adjust 2008</b>
<b>Net Fixed Assets</b>					
Net Fixed Assets Beginning of Year	\$ -	\$ 13,303	\$ -		\$ 65,688
Net Fixed Assets End of Year	\$ 13,303	\$ 12,386	\$ 53,302		\$ 61,094
<b>Average Net Fixed Asset Values</b>	<b>\$ 6,652</b>	<b>\$ 12,844</b>	<b>\$ 26,651</b>		<b>\$ 63,391</b>
Working Capital Allowance					
Operation Expense	\$ -	\$ -	\$ -		\$ -
Working Capital Allowance 15% (from approved 2006 EDR application)	\$ -	\$ -	\$ -		\$ -
<b>Smart Meters Rate Base</b>	<b>\$ 6,652</b>	<b>\$ 12,844</b>	<b>\$ 26,651</b>		<b>\$ 63,391</b>
<b>Return on Rate Base</b>					
Deemed Debt 50% Times Weighted Debt Rate 7.25%	\$ 241	\$ 466	\$ 966	\$ 1,673	\$ 2,450
Deemed Equity 50% Times ROE 9%	\$ 299	\$ 578	\$ 1,199	\$ 2,077	\$ 2,664
<b>Return on Rate Base</b>	<b>\$ 540</b>	<b>\$ 1,044</b>	<b>\$ 2,165</b>	<b>\$ 3,749</b>	<b>\$ 5,114</b>
<b>Operating Expenses</b>					
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Expenses	\$ 459	\$ 917	\$ 1,838	\$ 3,214	\$ 4,593
<b>Total Operating Expenses</b>	<b>\$ 459</b>	<b>\$ 917</b>	<b>\$ 1,838</b>	<b>\$ 3,214</b>	<b>\$ 4,593</b>
	<b>2006 Actual</b>	<b>2006 Plus</b>	<b>2007 Actual</b>	<b>Total Actual</b>	<b>Perm Adjust 2008</b>
Revenue Requirement Before PILs	\$ 999	\$ 1,961	\$ 4,003	\$ 6,964	\$ 9,707
Grossed up PILs	\$ 121	\$ 209	\$ 486	\$ 816	\$ 1,046
<b>Revenue Requirement for Smart Meters</b>	<b>\$ 1,120</b>	<b>\$ 2,170</b>	<b>\$ 4,489</b>	<b>\$ 7,779</b>	<b>\$ 10,754</b>
<b>Rate Rider to Clear Actual Expenses to December 2007</b>					
Revenue Requirement for Smart Meters Installed					\$ 7,779
Carrying costs					\$ 304
Less Smart Meter Adder Recovery					
	Rate Adder	Metered Customers per 2006 EDR	No. of Mths	Amount Recovered	
May 2006 to April 2007	\$ -	6764	12	\$ -	
May 2007 to October 2007	\$ -	6764	6	\$ -	
May 2008 to April 2009	\$ 0.10	6764	12	\$ 8,083	-\$ 8,083
					\$ 0
<b>Rate Adder for Capital and Operating Exp April 2007 to December 2007</b>					
	Rate Adder	Metered Customers per 2006 EDR	No. of Mths	Amount Recovered	
May 2008 to April 2009	\$ 0.60	6764	12	\$ 48,634	
<b>Total Rate for Smart Meter Rider for Commerical and Residential</b>	<b>\$ 0.70</b>				

**Appendix B**

Middlesex Power Distribution Corporation  
2008 IRM  
Transmission and Connection Rate Proposal

Appendix B

Note:  
\* Assumption Revenue is the 2006 Actual  
\* IESO Cost is the 2006 Actual  
\* Hydro One is the 2006 Actual  
\* Rate Change is based on the percentage from the current rate to the uniform rate

	IESO Cost		Hydro One		Total		Rate Change		Revenue		Difference	
	Network	Connection	Network	Connection	Network	Connection	Network	Connection	Network	Connection	Network	Connection
January	65078.68	55,313.44	21,858.75	16,914.43	86,937.43	72,227.87	73,157.95	65,601.43	(81,540.35)	(71,447.180)	(8,382.403)	(5,845.753)
February	63626.89	54,030.48	22,365.09	17,093.48	85,991.98	71,123.96	72,437.06	64,524.02	(111,518.77)	(97,336.160)	(39,081.708)	(32,812.142)
March	65381.49	54,424.88	21,318.48	16,092.85	86,699.97	70,517.73	72,909.87	64,120.14	(98,064.36)	(85,418.270)	(25,154.490)	(21,298.127)
April	59780.92	52,933.12	19,204.39	18,746.04	78,985.31	71,679.16	66,400.46	64,768.09	(88,431.96)	(77,026.910)	(22,031.496)	(12,258.820)
May	80544.63	67,064.24	23,541.84	22,806.63	104,086.47	89,870.87	87,324.93	81,324.94	(87,374.44)	(77,453.840)	(49.510)	3,871.096
June	73113.05	67,078.16	22,024.80	21,594.70	95,137.85	88,672.86	79,868.25	80,396.00	(99,922.34)	(86,194.830)	(20,054.090)	(5,798.831)
July	81614.37	74,947.60	26,129.88	25,486.31	107,744.25	100,433.91	90,570.48	90,883.68	(93,829.66)	(82,140.350)	(3,259.180)	8,743.329
August	89679.87	76,063.52	22,160.88	21,704.94	111,840.75	97,768.46	93,515.73	89,002.30	(116,688.62)	(102,849.630)	(23,172.890)	(13,847.332)
September	67953.96	56,596.40	19,971.00	18,794.80	87,924.96	75,391.20	73,774.47	68,279.80	(91,314.33)	(80,573.310)	(17,539.860)	(12,293.511)
October	61549.67	54,199.84	20,830.32	19,992.47	82,379.99	74,192.31	69,334.65	66,938.25	(89,283.58)	(78,903.530)	(19,948.930)	(11,965.281)
November	66355.01	56,543.04	22,896.72	21,938.14	89,251.73	78,481.18	75,151.23	70,672.78	(92,699.50)	(81,765.050)	(17,548.270)	(11,092.266)
December	71927.28	58,965.12	22,939.56	21,978.85	94,866.84	80,943.97	79,738.89	73,001.23	(96,534.11)	(85,444.730)	(16,795.220)	(12,443.498)
	<u>846,605.82</u>	<u>728,159.84</u>	<u>265,241.71</u>	<u>243,143.64</u>	<u>1,111,847.53</u>	<u>971,303.48</u>	<u>934,183.97</u>	<u>879,512.65</u>	<u>- 1,147,202.02</u>	<u>- 1,006,553.79</u>	<u>(213,018.046)</u>	<u>(127,041.136)</u>

RSVA balance at Sept 30, 2007 OEB Quarterly report (65,647.07) (51,278.50)

(278,665.12) (178,319.64)

	Network	Connection
<b>Hydro One</b>		
New	2.31	2.2
Previous	2.52	2.83
	<u>-0.21</u>	<u>-0.63</u>
	<u>-8.33%</u>	<u>-22.26%</u>
<b>IESO Rates</b>		
New	2.31	2.2
Previous	2.83	2.32
	<u>-0.52</u>	<u>-0.12</u>
	<u>-18.37%</u>	<u>-5.17%</u>

<b>MPDC Rate Change</b>		
Estimated Revenue	(1,147,202)	(1,006,554)
Estimated Variance	(213,018)	(127,041)
Difference %	18.6%	12.6%

MPDC Rate - Network	Current	Proposed
Residential	0.0055	0.0045
GS < 50 kW	0.005	0.0041
GS > 50 kW	2.0299	1.6530
Large use	2.3871	1.9439

MPDC Rate - Connection	Current	Proposed
Residential	0.0049	0.0043
GS < 50 kW	0.0044	0.0038
GS > 50 kW	1.7412	1.5214
Large use	2.1828	1.9073



# Ontario Energy Board

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### Sheet 1 Utility Information Sheet

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

Name of LDC:	Middlesex Power Distribution Corporation		
Licence Number:	ED-2003-0059		
IRM 2008 EB Number: ( if known )	EB-2007-XXXX		
IRM 2007 EB Number:	EB-2007-0553		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0351
Date of Submission:	11/01/07	Last Saved Date:	10/16/07 2:27 PM
Model Version:	2.0		
<b>Contact Information</b>			
Name:	Cheryl Decaire		
Title:	Coordinatory of Regulatory and Rates		
Phone Number:	519-352-6300 ext 405		
E-Mail Address:	cheryldecaire@ckenergy.com		

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

#### Comments

#### Copyright

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





# 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

## Sheet 2 - 2007 Rate Classes

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

YES  NO

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

**Instructions:**

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

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

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

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

**Upon completion, press the update button.**

**LEGEND**

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Large Use	Yes
5	Unmetered Scattered Load	Yes
6	Sentinel Lighting	Yes
7	Street Lighting	Yes
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

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

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

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

**MONTHLY RATES AND CHARGES**

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

**Residential**

Service Charge	\$	16.56	
Distribution Volumetric Rate		0.0149	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.0022	<b>No</b>
Retail Transmission Rate – Network Service Rate	0	0.0550	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0049	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

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

#### General Service Less Than 50 kW

Service Charge	\$	21.21	
Distribution Volumetric Rate		0.0052	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.0015	No
Retail Transmission Rate – Network Service Rate	0	0.0050	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0044	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### General Service 50 to 4,999 kW

Service Charge	\$	47.75	
Distribution Volumetric Rate		1.6185	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.3362	No
Retail Transmission Rate – Network Service Rate	0	2.0299	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.7412	
Retail Transmission Rate – Network Service Rate (if applicable)	0	2.2535	
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	1.9603	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### Large Use

Service Charge	\$	3,856.78	
Distribution Volumetric Rate		0.1922	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	(0.1780)	No
Retail Transmission Rate – Network Service Rate	0	2.3871	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	2.1828	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### Unmetered Scattered Load

Service Charge	\$	9.56	
Distribution Volumetric Rate		0.0057	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.0062	No
Retail Transmission Rate – Network Service Rate	0	0.0050	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0044	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

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

#### Sentinel Lighting

Service Charge	\$	0.19	
Distribution Volumetric Rate		1.1233	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.0062	<b>No</b>
Retail Transmission Rate – Network Service Rate	0	1.5386	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.3742	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### Street Lighting

Service Charge	\$	0.15	
Distribution Volumetric Rate		0.6906	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	0	0.1187	<b>No</b>
Retail Transmission Rate – Network Service Rate	0	1.5306	
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.3461	
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Retail Transmission Rate – Network Service Rate (if applicable)	0		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

Ontario

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

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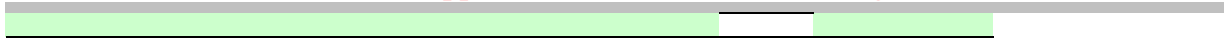
## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

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







## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 4 - Smart Meter Information

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

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

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

#### Smart Meter Rate Adder

	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential	\$ 2.10	\$ 1.93
General Service Less Than 50 kW	\$ 2.10	\$ 1.93
General Service 50 to 4,999 kW	\$ 2.10	\$ 1.93
Large Use	\$ 2.10	\$ 1.93



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 5 - Removal of Smart Meter and CDM

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

YES  NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge	Less: 2007 CDM Rate Adder from Monthly Service Charge	Less: 2007 CDM Rate Adder from Volumetric Charge	Adjusted Monthly Service Charge	Adjusted Volumetric Charge
	\$	kW / kWh	\$	\$	kW / kWh	\$	kW / kWh
<i>Residential</i>	\$ 16.56	\$ 0.0149	\$ 2.10		\$ 0.0001	\$ 14.46	\$ 0.0148
<i>General Service Less Than 50 kW</i>	\$ 21.21	\$ 0.0052	\$ 2.10			\$ 19.11	\$ 0.0052
<i>General Service 50 to 4,999 kW</i>	\$ 47.75	\$ 1.6185	\$ 2.10			\$ 45.65	\$ 1.6185
<i>Large Use</i>	\$ 3,856.78	\$ 0.1922	\$ 2.10			\$ 3,854.68	\$ 0.1922
<i>Unmetered Scattered Load</i>	\$ 9.56	\$ 0.0057	-			\$ 9.56	\$ 0.0057
<i>Sentinel Lighting</i>	\$ 0.19	\$ 1.1233	-			\$ 0.19	\$ 1.1233
<i>Street Lighting</i>	\$ 0.15	\$ 0.6906	-			\$ 0.15	\$ 0.6906



# 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

## Sheet 6 - K-Factor Derivation

### Capital Structure Transition

#### Size of Utility (Rate Base)

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

### Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	7.25%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 9,430,862	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

### Deemed Capital Structure

		<b>Debt</b>	<b>Equity</b>	
Current	E1	50.0%	50.0%	E2
2008	F1	53.3%	46.7%	F2

Based on C, copies the deemed D/E from row "2007" of the table  
Based on C, copies the deemed D/E from row "2008" of the table

### Cost of Capital

Current	G	8.125%	= (E1 X B) + (E2 X A)	<b>Weighted Average Cost of capital</b>
2008	H	8.07%	= (F1 X B) + (F2 X A)	

### Return on Rate Base

Current	I	\$ 766,257.54	= C X G / 100
2008	J	\$ 760,811.21	= C X H / 100

### Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 2,001,966	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 2,630,235	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 118,057	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

### Revenue Requirement (before PILs)

Current	N	\$ 2,768,223.54	= I + K
2008	O	\$ 2,762,777.21	= J + K

### Target Net Income (EBIT)

Current	\$ 424,388.79	P1 = I - P2
2008	\$ 396,379.13	Q1 = J - Q2

### Interest Expense

Current	\$ 341,868.75	P2 = C X (B X E1 / 100)
2008	\$ 364,432.08	Q2 = C X (B X F1 / 100)

### PILs

Tax Rate R 28.14% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ -	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 176,269	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 450,137	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 442,255	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 176,271	V	= AC * (R / 100) / (1 - R / 100) 176,271
	2008 \$ 173,185	W	= AD * (R / 100) / (1 - R / 100)

### Base Revenue Requirement Adjustment (including PILs)

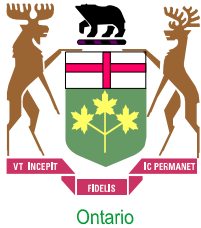
#### Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR,

Current	\$ 2,944,494.83	X	= N + V + T
2008	\$ 2,935,961.99	Y	= O + W + T

### Base Revenue Requirement (plus transformer allowance credit)

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

Current	\$ 2,748,292.00	Z	= L + M
2008	\$ 2,739,759.16	AA1	= Z + (Y - X)
Difference	\$ - 8,532.84	AA2	= AA1 - Z
K-factor	-0.3%	AB	= AA2 / Z



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment
1.9%	1.0%	0.9%	-0.3%	0.6%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
<i>Residential</i>	\$ 14.46	\$ 14.55	\$ 0.0148	\$ 0.0149
<i>General Service Less Than 50 kW</i>	\$ 19.11	\$ 19.22	\$ 0.0052	\$ 0.0052
<i>General Service 50 to 4,999 kW</i>	\$ 45.65	\$ 45.92	\$ 1.6185	\$ 1.6282
<i>Large Use</i>	\$ 3,854.68	\$ 3,877.81	\$ 0.1922	\$ 0.1934
<i>Unmetered Scattered Load</i>	\$ 9.56	\$ 9.62	\$ 0.0057	\$ 0.0057
<i>Sentinel Lighting</i>	\$ 0.19	\$ 0.19	\$ 1.1233	\$ 1.1300
<i>Street Lighting</i>	\$ 0.15	\$ 0.15	\$ 0.6906	\$ 0.6947



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 14.55	\$ 1.93	\$ 16.48	0.0149
<i>General Service Less Than 50 kW</i>	\$ 19.22	\$ 1.93	\$ 21.15	0.0052
<i>General Service 50 to 4,999 kW</i>	\$ 45.92	\$ 1.93	\$ 47.85	1.6282
<i>Large Use</i>	\$ 3,877.81	\$ 1.93	\$ 3,879.74	0.1934
<i>Unmetered Scattered Load</i>	\$ 9.62	\$ -	\$ 9.62	0.0057
<i>Sentinel Lighting</i>	\$ 0.19	\$ -	\$ 0.19	1.1300
<i>Street Lighting</i>	\$ 0.15	\$ -	\$ 0.15	0.6947



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

### Sheet 9. - Z-Factor Rate Rider Adjustment

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

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](#), issued December 20, 2006 (link [http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report\\_of\\_the\\_board\\_201206.pdf](http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf) ). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

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

Class	<i>Monthly Service Charge Rate Rider</i>	<i>Volumetric Charge Rate Rider</i>
	\$	kW / kWh
<i>Residential</i>		
<i>General Service Less Than 50 kW</i>		
<i>General Service 50 to 4,999 kW</i>		
<i>Large Use</i>		
<i>Unmetered Scattered Load</i>		
<i>Sentinel Lighting</i>		
<i>Street Lighting</i>		

# Middlesex Power Distribution Corporation

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

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

EB-2007-0553

FOR OEB STAFF USE ONLY

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	16.48
Distribution Volumetric Rate	0	0.0149
Retail Transmission Rate – Network Service Rate	0	0.0550
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0049
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### General Service Less Than 50 kW

Service Charge	\$	21.15
Distribution Volumetric Rate	0	0.0052
Retail Transmission Rate – Network Service Rate	0	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0044
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service 50 to 4,999 kW

Service Charge	\$	47.85
Distribution Volumetric Rate	0	1.6282
Retail Transmission Rate – Network Service Rate	0	2.0299
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.7412
Retail Transmission Rate – Network Service Rate (if applicable)	0	2.2535
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	0	1.9603
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Large Use

Service Charge	\$	3,879.74
Distribution Volumetric Rate	0	0.1934
Retail Transmission Rate – Network Service Rate	0	2.3871
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	2.1828
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Unmetered Scattered Load

Service Charge	\$	9.62
Distribution Volumetric Rate	0	0.0057
Retail Transmission Rate – Network Service Rate	0	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	0.0044
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Sentinel Lighting



Service Charge	\$	0.19
Distribution Volumetric Rate	0	1.1300
Retail Transmission Rate – Network Service Rate	0	1.5386
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.3742
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Street Lighting

Service Charge	\$	0.15
Distribution Volumetric Rate	0	0.6947
Retail Transmission Rate – Network Service Rate	0	1.5306
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	1.3461
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25



## Specific Service Charges

### Customer Administration

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

### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35



# 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

## Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

### Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 16.56	\$ 0.0149
Less: Smart meters	-\$ 2.10	\$ -
Less: CDM	\$ -	-\$ 0.0001
Add: GDP-IPI - X	\$ 0.13	\$ 0.0001
Add: K-Factor	\$ (0.04)	-\$ 0.0000
Add: Smart Meters	\$ 1.93	\$ -
<b>Final 2008 Rates</b>	<b>\$ 16.48</b>	<b>\$ 0.0149</b>

### General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 21.21	\$ 0.0052
Less: Smart meters	-\$ 2.10	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.17	\$ 0.0000
Add: K-Factor	\$ (0.06)	-\$ 0.0000
Add: Smart Meters	\$ 1.93	\$ -
<b>Final 2008 Rates</b>	<b>\$ 21.15</b>	<b>\$ 0.0052</b>

### General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 47.75	\$ 1.6185
Less: Smart meters	-\$ 2.10	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.41	\$ 0.0146
Add: K-Factor	\$ (0.14)	-\$ 0.0049
Add: Smart Meters	\$ 1.93	\$ -
<b>Final 2008 Rates</b>	<b>\$ 47.85</b>	<b>\$ 1.6282</b>

### Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 3,856.78	\$ 0.1922
Less: Smart meters	-\$ 2.10	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 34.69	\$ 0.0017
Add: K-Factor	\$ (11.56)	-\$ 0.0006
Add: Smart Meters	\$ 1.93	\$ -
<b>Final 2008 Rates</b>	<b>\$ 3,879.74</b>	<b>\$ 0.1934</b>



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 11 - Distribution Rate Change Summary

#### Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 9.56	\$ 0.0057
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IP1 - X	\$ 0.09	\$ 0.0001
Add: K-Factor	\$ (0.03)	\$ 0.0000
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 9.62</b>	<b>\$ 0.0057</b>

#### Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.19	\$ 1.1233
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IP1 - X	\$ 0.00	\$ 0.0101
Add: K-Factor	\$ (0.00)	\$ 0.0034
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 0.19</b>	<b>\$ 1.1300</b>

#### Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.15	\$ 0.6906
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IP1 - X	\$ 0.00	\$ 0.0062
Add: K-Factor	\$ (0.00)	\$ 0.0021
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 0.15</b>	<b>\$ 0.6947</b>



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 11 - Distribution Rate Change Summary





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

### Sheet 11 - Distribution Rate Change Summary





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

**Sheet 12 - Annualized Bill Impact**

**Instructions**

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

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

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

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

**Residential**

<b>Consumption</b>	<b>1,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0608</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	17.74%
Energy Second Tier (kWh)	461	\$ 0.0620	\$ 28.57	461	\$ 0.0620	\$ 28.57	\$0.00	0.0%	15.94%
<b>Sub-Total: Energy</b>			<b>\$ 60.37</b>			<b>\$ 60.37</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>33.68%</b>
Monthly Service Charge	1	\$ 16.56	\$ 16.56	1	\$ 16.48	\$ 16.48	(\$0.08)	(0.5)%	9.19%
Distribution (kWh)	1,000	\$ 0.0149	\$ 14.90	1,000	\$ 0.0149	\$ 14.90	\$0.00	0.0%	8.31%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0022	\$ 2.20	1,000	\$ -	\$ -	(\$2.20)	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,061	\$ 0.0550	\$ 58.34	1,061	\$ 0.0550	\$ 58.34	\$0.00	0.0%	32.55%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,061	\$ 0.0049	\$ 5.20	1,061	\$ 0.0049	\$ 5.20	\$0.00	0.0%	2.90%
<b>Sub-Total: Delivery</b>			<b>\$ 97.20</b>			<b>\$ 94.92</b>	<b>(\$2.28)</b>	<b>(2.3)%</b>	<b>52.95%</b>
Wholesale Market Service Rate	1061	\$ 0.0052	\$ 5.52	1061	\$ 0.0052	\$ 5.52	\$0.00	0.0%	3.08%
Rural Rate Protection Charge	1061	\$ 0.0010	\$ 1.06	1061	\$ 0.0010	\$ 1.06	\$0.00	0.0%	0.59%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.14%
<b>Sub-Total: Regulatory</b>			<b>\$ 6.83</b>			<b>\$ 6.83</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>3.81%</b>
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	3.90%
<b>Total Bill before Taxes</b>			<b>\$ 171.40</b>			<b>\$ 169.12</b>	<b>(\$2.28)</b>	<b>(1.3)%</b>	<b>94.34%</b>
GST	\$ 171.40	6.00%	\$ 10.28	\$ 169.12	6.00%	\$ 10.15	(\$0.14)	(1.3)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 181.68</b>			<b>\$ 179.27</b>	<b>(\$2.42)</b>	<b>(1.3)%</b>	<b>100.00%</b>

**General Service Less Than 50 kW**

<b>Consumption</b>	<b>2,000 kWh</b>	<b>0 kW</b>	<b>Loss Factor 1.0608</b>
--------------------	------------------	-------------	---------------------------

	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	18.41%
Energy Second Tier (kWh)	1,372	\$ 0.0620	\$ 85.04	1,372	\$ 0.0620	\$ 85.04	\$0.00	0.0%	39.39%
<b>Sub-Total: Energy</b>			<b>\$ 124.79</b>			<b>\$ 124.79</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>57.80%</b>
Monthly Service Charge	1	\$ 21.21	\$ 21.21	1	\$ 21.15	\$ 21.15	(\$0.06)	(0.3)%	9.80%
Distribution (kWh)	2,000	\$ 0.0052	\$ 10.40	2,000	\$ 0.0052	\$ 10.40	\$0.00	0.0%	4.82%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ 0.0015	\$ 3.00	2,000	\$ -	\$ -	(\$3.00)	(100.0)%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,122	\$ 0.0050	\$ 10.61	2,122	\$ 0.0050	\$ 10.61	\$0.00	0.0%	4.91%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,122	\$ 0.0044	\$ 9.34	2,122	\$ 0.0044	\$ 9.34	\$0.00	0.0%	4.32%
<b>Sub-Total: Delivery</b>			<b>\$ 54.55</b>			<b>\$ 51.49</b>	<b>(\$3.06)</b>	<b>(5.6)%</b>	<b>23.85%</b>
Wholesale Market Service Rate	2122	\$ 0.0052	\$ 11.03	2122	\$ 0.0052	\$ 11.03	\$0.00	0.0%	5.11%
Rural Rate Protection Charge	2122	\$ 0.0010	\$ 2.12	2122	\$ 0.0010	\$ 2.12	\$0.00	0.0%	0.98%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.12%
<b>Sub-Total: Regulatory</b>			<b>\$ 13.40</b>			<b>\$ 13.40</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.21%</b>
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	6.48%
<b>Total Bill before Taxes</b>			<b>\$ 206.75</b>			<b>\$ 203.69</b>	<b>(\$3.06)</b>	<b>(1.5)%</b>	<b>94.34%</b>
GST	\$ 206.75	6.00%	\$ 12.40	\$ 203.69	6.00%	\$ 12.22	(\$0.18)	(1.5)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 219.15</b>			<b>\$ 215.91</b>	<b>(\$3.24)</b>	<b>(1.5)%</b>	<b>100.00%</b>





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

Middlesex Power Distribution Corporation

EB-2007-XXXX, EB-2007-0553, EB-2005-0351

November 1, 2007

**Sheet 12 - Annualized Bill Impact**

**Instructions**

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

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

**General Service 50 to 4,999 kW**

<b>Consumption</b>	<b>15,000 kWh</b>	<b>60 kW</b>	<b>Loss Factor 1.0608</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	2.04%
Energy Second Tier (kWh)	15,162	\$ 0.0620	\$ 940.04	15,162	\$ 0.0620	\$ 940.04	\$0.00	0.0%	48.26%
<b>Sub-Total: Energy</b>			<b>\$ 979.79</b>			<b>\$ 979.79</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>50.30%</b>
Monthly Service Charge	1	\$ 47.75	\$ 47.75	1	\$ 47.85	\$ 47.85	\$0.10	0.2%	2.46%
Distribution (kWh)	15,000	\$ -	\$ -	15,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	60	\$ 1.6185	\$ 97.11	60	\$ 1.6282	\$ 97.69	\$0.58	0.6%	5.02%
Regulatory Assets (kWh)	60	\$ 0.3362	\$ 20.17	60	\$ -	\$ -	(\$20.17)	(100.0)%	0.00%
Rate Riders	60	\$ -	\$ -	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	64	\$ 4.2834	\$ 272.63	64	\$ 4.2834	\$ 272.63	\$0.00	0.0%	14.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	64	\$ 3.7015	\$ 235.59	64	\$ 3.7015	\$ 235.59	\$0.00	0.0%	12.10%
<b>Sub-Total: Delivery</b>			<b>\$ 673.25</b>			<b>\$ 653.76</b>	<b>(\$19.49)</b>	<b>(2.9)%</b>	<b>33.57%</b>
Wholesale Market Service Rate	15912	\$ 0.0052	\$ 82.74	15912	\$ 0.0052	\$ 82.74	\$0.00	0.0%	4.25%
Rural Rate Protection Charge	15912	\$ 0.0010	\$ 15.91	15912	\$ 0.0010	\$ 15.91	\$0.00	0.0%	0.82%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.01%
<b>Sub-Total: Regulatory</b>			<b>\$ 98.90</b>			<b>\$ 98.90</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.08%</b>
Debt Retirement Charge (DRC)	15,000	\$ 0.0070	\$ 105.00	15,000	\$ 0.0070	\$ 105.00	\$0.00	0.0%	5.39%
<b>Total Bill before Taxes</b>			<b>\$ 1,856.95</b>			<b>\$ 1,837.46</b>	<b>(\$19.49)</b>	<b>(1.0)%</b>	<b>94.34%</b>
GST	\$ 1,856.95	6.00%	\$ 111.42	\$ 1,837.46	6.00%	\$ 110.25	(\$1.17)	(1.0)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 1,968.37</b>			<b>\$ 1,947.71</b>	<b>(\$20.66)</b>	<b>(1.0)%</b>	<b>100.00%</b>



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

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

**Large Use**

<b>Consumption</b>	<b>400,000 kWh</b>	<b>1,000 kW</b>	<b>Loss Factor 1.0145</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.10%
Energy Second Tier (kWh)	405,050	\$ 0.0620	\$ 25,113.10	405,050	\$ 0.0620	\$ 25,113.10	\$0.00	0.0%	60.47%
<b>Sub-Total: Energy</b>			<b>\$ 25,152.85</b>			<b>\$ 25,152.85</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>60.57%</b>
Monthly Service Charge	1	\$ 3,856.78	\$ 3,856.78	1	\$ 3,879.74	\$ 3,879.74	\$22.96	0.6%	9.34%
Distribution (kWh)	400,000	\$ -	\$ -	400,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	1,000	\$ 0.1922	\$ 192.20	1,000	\$ 0.1934	\$ 193.40	\$1.20	0.6%	0.47%
Regulatory Assets (kWh)	1,000	\$ 0.1780	\$ 178.00	1,000	\$ -	\$ -	\$178.00	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,015	\$ 2.3871	\$ 2,421.71	1,015	\$ 2.3871	\$ 2,421.71	\$0.00	0.0%	5.83%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,015	\$ 2.1828	\$ 2,214.45	1,015	\$ 2.1828	\$ 2,214.45	\$0.00	0.0%	5.33%
<b>Sub-Total: Delivery</b>			<b>\$ 8,507.14</b>			<b>\$ 8,709.30</b>	<b>\$202.16</b>	<b>2.4%</b>	<b>20.97%</b>
Wholesale Market Service Rate	405800	\$ 0.0052	\$ 2,110.16	405800	\$ 0.0052	\$ 2,110.16	\$0.00	0.0%	5.08%
Rural Rate Protection Charge	405800	\$ 0.0010	\$ 405.80	405800	\$ 0.0010	\$ 405.80	\$0.00	0.0%	0.98%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 2,516.21</b>			<b>\$ 2,516.21</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.06%</b>
Debt Retirement Charge (DRC)	400,000	\$ 0.0070	\$ 2,800.00	400,000	\$ 0.0070	\$ 2,800.00	\$0.00	0.0%	6.74%
<b>Total Bill before Taxes</b>			<b>\$ 38,976.20</b>			<b>\$ 39,178.36</b>	<b>\$202.16</b>	<b>0.5%</b>	<b>94.34%</b>
GST	\$ 38,976.20	6.00%	\$ 2,338.57	\$ 39,178.36	6.00%	\$ 2,350.70	\$12.13	0.5%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 41,314.78</b>			<b>\$ 41,529.07</b>	<b>\$214.29</b>	<b>0.5%</b>	<b>100.00%</b>

**Unmetered Scattered Load**

<b>Consumption</b>	<b>15,000 kWh</b>	<b>60 kW</b>	<b>Loss Factor 1.0608</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	3.14%
Energy Second Tier (kWh)	15,162	\$ 0.0620	\$ 940.04	15,162	\$ 0.0620	\$ 940.04	\$0.00	0.0%	74.26%
<b>Sub-Total: Energy</b>			<b>\$ 979.79</b>			<b>\$ 979.79</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>77.40%</b>
Monthly Service Charge	1	\$ 9.56	\$ 9.56	1	\$ 9.62	\$ 9.62	\$0.06	0.6%	0.76%
Distribution (kWh)	15,000	\$ -	\$ -	15,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	60	\$ 0.0057	\$ 0.34	60	\$ 0.0057	\$ 0.34	\$0.00	0.0%	0.03%
Regulatory Assets (kWh)	60	\$ 0.0062	\$ 0.37	60	\$ -	\$ -	(\$0.37)	(100.0)%	0.00%
Rate Riders	60	\$ -	\$ -	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	64	\$ 0.0050	\$ 0.32	64	\$ 0.0050	\$ 0.32	\$0.00	0.0%	0.03%
Retail Transmission Rate – Line and Transformation Connection Service Rate	64	\$ 0.0044	\$ 0.28	64	\$ 0.0044	\$ 0.28	\$0.00	0.0%	0.02%
<b>Sub-Total: Delivery</b>			<b>\$ 10.87</b>			<b>\$ 10.56</b>	<b>(\$0.31)</b>	<b>(2.9)%</b>	<b>0.83%</b>
Wholesale Market Service Rate	15912	\$ 0.0052	\$ 82.74	15912	\$ 0.0052	\$ 82.74	\$0.00	0.0%	6.54%
Rural Rate Protection Charge	15912	\$ 0.0010	\$ 15.91	15912	\$ 0.0010	\$ 15.91	\$0.00	0.0%	1.26%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.02%
<b>Sub-Total: Regulatory</b>			<b>\$ 98.90</b>			<b>\$ 98.90</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.81%</b>
Debt Retirement Charge (DRC)	15,000	\$ 0.0070	\$ 105.00	15,000	\$ 0.0070	\$ 105.00	\$0.00	0.0%	8.29%
<b>Total Bill before Taxes</b>			<b>\$ 1,194.57</b>			<b>\$ 1,194.26</b>	<b>(\$0.31)</b>	<b>(0.0)%</b>	<b>94.34%</b>
GST	\$ 1,194.57	6.00%	\$ 71.67	\$ 1,194.26	6.00%	\$ 71.66	(\$0.02)	(0.0)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 1,266.24</b>			<b>\$ 1,265.91</b>	<b>(\$0.33)</b>	<b>(0.0)%</b>	<b>100.00%</b>

**Sentinel Lighting**

<b>Consumption</b>	<b>400,000 kWh</b>	<b>1,000 kW</b>	<b>Loss Factor 1.0608</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

### Sheet 12 - Annualized Bill Impact

#### Instructions

(Remember, green cells are input cells)

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

Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.10%
Energy Second Tier (kWh)	423,570	\$ 0.0620	\$ 26,261.34	423,570	\$ 0.0620	\$ 26,261.34	\$0.00	0.0%	68.91%
<b>Sub-Total: Energy</b>			<b>\$ 26,301.09</b>			<b>\$ 26,301.09</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>69.01%</b>
Monthly Service Charge	1	\$ 0.19	\$ 0.19	1	\$ 0.19	\$ 0.19	\$0.00	0.0%	0.00%
Distribution (kWh)	400,000	\$ -	\$ -	400,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	1,000	\$ 1.1233	\$ 1,123.30	1,000	\$ 1.1300	\$ 1,130.00	\$6.70	0.6%	2.97%
Regulatory Assets (kWh)	1,000	\$ 0.0062	\$ 6.20	1,000	\$ -	\$ -	(\$6.20)	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,061	\$ 1.5386	\$ 1,632.15	1,061	\$ 1.5386	\$ 1,632.15	\$0.00	0.0%	4.28%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,061	\$ 1.3742	\$ 1,457.75	1,061	\$ 1.3742	\$ 1,457.75	\$0.00	0.0%	3.83%
<b>Sub-Total: Delivery</b>			<b>\$ 4,219.59</b>			<b>\$ 4,220.09</b>	<b>\$0.50</b>	<b>0.0%</b>	<b>11.07%</b>
Wholesale Market Service Rate	424320	\$ 0.0052	\$ 2,206.46	424320	\$ 0.0052	\$ 2,206.46	\$0.00	0.0%	5.79%
Rural Rate Protection Charge	424320	\$ 0.0010	\$ 424.32	424320	\$ 0.0010	\$ 424.32	\$0.00	0.0%	1.11%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 2,631.03</b>			<b>\$ 2,631.03</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.90%</b>
<b>Debt Retirement Charge (DRC)</b>	400,000	\$ 0.0070	<b>\$ 2,800.00</b>	400,000	\$ 0.0070	<b>\$ 2,800.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.35%</b>
<b>Total Bill before Taxes</b>			<b>\$ 35,951.71</b>			<b>\$ 35,952.21</b>	<b>\$0.50</b>	<b>0.0%</b>	<b>94.34%</b>
GST	\$ 35,951.71	6.00%	\$ 2,157.10	\$ 35,952.21	6.00%	\$ 2,157.13	\$0.03	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 38,108.81</b>			<b>\$ 38,109.34</b>	<b>\$0.53</b>	<b>0.0%</b>	<b>100.00%</b>

#### Street Lighting

<b>Consumption</b>	<b>400,000 kWh</b>	<b>1,000 kW</b>	<b>Loss Factor 1.0608</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.11%
Energy Second Tier (kWh)	423,570	\$ 0.0620	\$ 26,261.34	423,570	\$ 0.0620	\$ 26,261.34	\$0.00	0.0%	69.83%
<b>Sub-Total: Energy</b>			<b>\$ 26,301.09</b>			<b>\$ 26,301.09</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>69.94%</b>
Monthly Service Charge	1	\$ 0.15	\$ 0.15	1	\$ 0.15	\$ 0.15	\$0.00	0.0%	0.00%
Distribution (kWh)	400,000	\$ -	\$ -	400,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	1,000	\$ 0.6906	\$ 690.60	1,000	\$ 0.6947	\$ 694.70	\$4.10	0.6%	1.85%
Regulatory Assets (kWh)	1,000	\$ 0.1187	\$ 118.70	1,000	\$ -	\$ -	(\$118.70)	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,061	\$ 1.5306	\$ 1,623.66	1,061	\$ 1.5306	\$ 1,623.66	\$0.00	0.0%	4.32%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,061	\$ 1.3461	\$ 1,427.94	1,061	\$ 1.3461	\$ 1,427.94	\$0.00	0.0%	3.80%
<b>Sub-Total: Delivery</b>			<b>\$ 3,861.05</b>			<b>\$ 3,746.45</b>	<b>(\$114.60)</b>	<b>(3.0)%</b>	<b>9.96%</b>
Wholesale Market Service Rate	424320	\$ 0.0052	\$ 2,206.46	424320	\$ 0.0052	\$ 2,206.46	\$0.00	0.0%	5.87%
Rural Rate Protection Charge	424320	\$ 0.0010	\$ 424.32	424320	\$ 0.0010	\$ 424.32	\$0.00	0.0%	1.13%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 2,631.03</b>			<b>\$ 2,631.03</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.00%</b>
<b>Debt Retirement Charge (DRC)</b>	400,000	\$ 0.0070	<b>\$ 2,800.00</b>	400,000	\$ 0.0070	<b>\$ 2,800.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.45%</b>
<b>Total Bill before Taxes</b>			<b>\$ 35,593.18</b>			<b>\$ 35,478.58</b>	<b>(\$114.60)</b>	<b>(0.3)%</b>	<b>94.34%</b>
GST	\$ 35,593.18	6.00%	\$ 2,135.59	\$ 35,478.58	6.00%	\$ 2,128.71	(\$6.88)	(0.3)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 37,728.77</b>			<b>\$ 37,607.29</b>	<b>(\$121.48)</b>	<b>(0.3)%</b>	<b>100.00%</b>



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

### Sheet 13 - Bill Impacts by Consumption

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 33.77	\$ 33.45	-\$ 0.32	-0.9%	-0.9%	-1.3%
	250		\$ 57.69	\$ 57.02	-\$ 0.67	-1.2%		
	500		\$ 97.55	\$ 96.30	-\$ 1.25	-1.3%		
	600		\$ 113.85	\$ 112.36	-\$ 1.48	-1.3%		
	750		\$ 139.29	\$ 137.45	-\$ 1.83	-1.3%		
	1,000		\$ 181.68	\$ 179.27	-\$ 2.42	-1.3%		
	1,500		\$ 266.48	\$ 262.89	-\$ 3.58	-1.3%		
General Service Less Than 50 kW	2,000		\$ 219.15	\$ 215.91	-\$ 3.24	-1.5%	-1.5%	-1.6%
	2,500		\$ 270.04	\$ 266.00	-\$ 4.04	-1.5%		
	4,000		\$ 422.71	\$ 416.29	-\$ 6.42	-1.5%		
	5,000		\$ 524.49	\$ 516.47	-\$ 8.01	-1.5%		
	10,000		\$ 1,033.38	\$ 1,017.42	-\$ 15.96	-1.5%		
	12,500		\$ 1,287.83	\$ 1,267.89	-\$ 19.94	-1.5%		
	15,000		\$ 1,542.28	\$ 1,518.37	-\$ 23.91	-1.6%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,418.93	\$ 1,415.48	-\$ 3.45	-0.2%	-0.2%	-0.3%
	40,000	27	\$ 3,710.94	\$ 3,701.56	-\$ 9.38	-0.3%		
	100,000	69	\$ 9,211.76	\$ 9,188.15	-\$ 23.61	-0.3%		
	400,000	274	\$ 36,715.88	\$ 36,621.12	-\$ 94.77	-0.3%		
	1,000,000	685	\$ 91,724.12	\$ 91,487.05	-\$ 237.07	-0.3%		
	1,500,000	1,028	\$ 137,564.32	\$ 137,208.66	-\$ 355.66	-0.3%		
	2,000,000	1,371	\$ 183,404.52	\$ 182,930.27	-\$ 474.25	-0.3%		
Large Use	15,000	10	\$ 5,343.37	\$ 5,369.66	\$ 26.29	0.5%	0.5%	0.2%
	40,000	27	\$ 7,446.83	\$ 7,476.38	\$ 29.54	0.4%		
	100,000	69	\$ 12,495.13	\$ 12,532.49	\$ 37.36	0.3%		
	400,000	274	\$ 37,736.65	\$ 37,813.06	\$ 76.41	0.2%		
	1,000,000	685	\$ 88,219.67	\$ 88,374.19	\$ 154.51	0.2%		
	1,500,000	1,028	\$ 130,288.86	\$ 130,508.46	\$ 219.60	0.2%		
	2,000,000	1,371	\$ 172,358.05	\$ 172,642.74	\$ 284.69	0.2%		
Unmetered Scattered Load	15,000	10	\$ 1,265.09	\$ 1,265.09	\$ -	0.0%	0.0%	0.0%
	40,000	27	\$ 3,368.17	\$ 3,368.06	-\$ 0.12	0.0%		
	100,000	69	\$ 8,415.57	\$ 8,415.18	-\$ 0.39	0.0%		
	400,000	274	\$ 33,652.54	\$ 33,650.80	-\$ 1.74	0.0%		
	1,000,000	685	\$ 84,126.49	\$ 84,122.05	-\$ 4.44	0.0%		
	1,500,000	1,028	\$ 126,188.11	\$ 126,181.41	-\$ 6.69	0.0%		
	2,000,000	1,371	\$ 168,249.73	\$ 168,240.78	-\$ 8.94	0.0%		



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Middlesex Power Distribution Corporation  
 EB-2007-XXXX, EB-2007-0553, EB-2005-0351  
 November 1, 2007

### Sheet 13 - Bill Impacts by Consumption

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Sentinel Lighting	15,000	10	\$ 1,300.90	\$ 1,300.90	\$ 0.01	0.0%	0.0%	0.0%
	40,000	27	\$ 3,480.21	\$ 3,480.22	\$ 0.01	0.0%		
	100,000	69	\$ 8,710.55	\$ 8,710.59	\$ 0.04	0.0%		
	400,000	274	\$ 34,862.28	\$ 34,862.43	\$ 0.15	0.0%		
	1,000,000	685	\$ 87,165.74	\$ 87,166.11	\$ 0.36	0.0%		
	1,500,000	1,028	\$ 130,751.96	\$ 130,752.50	\$ 0.54	0.0%		
	2,000,000	1,371	\$ 174,338.18	\$ 174,338.90	\$ 0.73	0.0%		
Street Lighting	15,000	10	\$ 1,296.95	\$ 1,295.70	-\$ 1.25	-0.1%	-0.1%	-0.1%
	40,000	27	\$ 3,469.75	\$ 3,466.42	-\$ 3.33	-0.1%		
	100,000	69	\$ 8,684.47	\$ 8,676.15	-\$ 8.32	-0.1%		
	400,000	274	\$ 34,758.07	\$ 34,724.77	-\$ 33.30	-0.1%		
	1,000,000	685	\$ 86,905.28	\$ 86,822.03	-\$ 83.25	-0.1%		
	1,500,000	1,028	\$ 130,361.29	\$ 130,236.41	-\$ 124.87	-0.1%		
	2,000,000	1,371	\$ 173,817.29	\$ 173,650.80	-\$ 166.50	-0.1%		