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May 5, 2010

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

Dear Ms. Walli:

Re: Atikokan Hydro Inc. - Smart Meter Funding Adder Application

Atikokan Hydro Inc. ("Atikokan") is pleased to submit to the Ontario Energy Board (the "Board") an application for a utility specific smart meter funding adder of \$4.88 per metered customer per month to be effective July 1, 2010. The attached Manager's Summary provides the justification for the utility specific smart meter funding adder in accordance with Smart Meter Funding and Cost Recovery Guideline (G-2008-002).

In summary, during the preparation of Atikokan Hydro's 2010 IRM Application, Atikokan Hydro was planning on filing a 2011 rebased cost of service rate applications. Along with other issues, Atikokan Hydro planned to address the issue of smart meter cost recovery in the rebased rate application. However, on April 20, 2010, after Atikokan Hydro received approval for its 2010 rates, the Board issued a letter regarding Early Rebasing Applications. Atikokan Hydro would be classified as an early rebasing application. The letter indicated that regulatory costs incurred to prepare the application may not be recoverable if the Board decided there was not enough justification to warrant an early submission. The regulatory costs associated with the preparation of the application could be significant and Atikokan Hydro does not have the financial resources to bear the risk of not recovering these costs should the Board decide that an early rebasing application has not been justified.

In addition, based on very recent experience, the full deployment of the smart meters will not be completed in time to include the required information in a 2011 rebased rate application in order to include the smart meters in the 2011

proposed rate base and revenue requirement. As a result, Atikokan Hydro will not be filing a rebased rate application until 2012 but is seeking approval for a utility specific smart meter funding adder to assist with the funding of the smart meter program until the rates from the next rebasing rate application are implemented.

The application also includes a completed smart meter funding adder model in electronic (i.e. Excel) and PDF form.

The bill impact for a Residential customer in Atikokan, with a monthly electricity consumption of 800 kWh, will be \$3.88 per month or 3.2% after GST. The bill impact for a General Service Less Than 50 kW customer with a monthly electricity consumption of 2,000 kWh will also be \$3.88 per month or 1.3% after GST.

We would be pleased to provide any further information or details that you may require relative to this application.

Yours truly,

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

Wilf Thorburn
CEO/Secretary/Treasurer
Atikokan Hydro Inc.

Atikokan Hydro Inc.
Smart Meter Funding Adder Application
Manager's Summary
May 5, 2010

Introduction

Atikokan Hydro Inc ("Atikokan Hydro") is a licensed electricity distributor (ED-2003-0001) that owns and operates an electricity distribution system that provides service to the Town of Atikokan. Atikokan Hydro charges its customers distribution rates and other charges as authorized by the Ontario Energy Board ("Board"). In this application Atikokan Hydro is applying for a smart meter funding adder of \$4.88 to be effective July 1, 2010.

Background

On October 22, 2008 the Board issued "*Smart Meter Funding and Cost Recovery Guideline (G-2008-002)*" ("SM Guideline") which sets out the Board's filing requirements in relation to the funding of, and the recovery of costs associated with, smart meter activities. As set out in the SM Guideline, and as part of its 2010 IRM Application (Board File No. EB-2009-0212), Atikokan Hydro requested, and the Board approved, the standard smart meter funding adder of \$1.00 per metered customer per month.

During the preparation and the Board's review process of Atikokan Hydro's 2010 IRM Application, Atikokan Hydro was planning on filing a 2011 rebased cost of service rate applications to address increased costs in operations and smart meter cost recovery. However, on April 20, 2010, after Atikokan Hydro received approval for its

2010 rates, the Board issued a letter regarding Early Rebasing Applications. The letter stated:

A distributor, including the four distributors referred to above, that seeks to have its rates rebased in advance of its next regularly scheduled cost of service proceeding must justify, in its cost of service application, why an early rebasing is required notwithstanding that the “off ramp” conditions have not been met. Specifically, the distributor must clearly demonstrate why and how it cannot adequately manage its resources and financial needs during the remainder of its IRM plan period. Distributors are advised that the panel of the Board hearing the application may consider it appropriate to determine, as a preliminary issue, whether the application for rebasing is justified or whether the application as framed should be dismissed.

Distributors are also advised that the Board may, where an application for early rebasing does not appear to have been justified, disallow some or all of the regulatory costs associated with the preparation and hearing of that application, including the Board’s costs and intervener costs. In other words, the Board may order that some or all of those costs be borne by the shareholder.

Atikokan Hydro would be classified as an early rebasing application. Atikokan Hydro does not have the resources to complete a rebased rate application internally and will rely on outside consulting assistance to prepare the rebased rate application. As a result, the regulatory costs associated with the preparation of the application could be significant and Atikokan Hydro does not have the financial resources to bear the risk of these costs should the Board decide the rebasing application has not been justified.

In addition, based on very recent experience, the full deployment of the smart meters will not be completed in time to include the required information in a 2011 rebased

rate application in order to address smart meter cost recovery in the 2011 proposed rate base and revenue requirement. Consequently, Atikokan Hydro will not be filing a rebased rate application until 2012 which is the next time Atikokan Hydro is scheduled to file such an application.

At the time the 2010 IRM Application was completed, Atikokan Hydro would have included a request for a utility-specific smart meter funding adder if Atikokan Hydro knew it was not feasible to file a 2011 rebased rate application. The purpose of this application is to request a utility-specific smart meter funding adder to be effective July 1, 2010 to assist in funding the smart meter program in Atikokan until rates based on the next rebased rate application are implemented.

Smart Meter Funding Adder

Atikokan Hydro's proposed Smart Meter Funding Adder is \$4.88 per metered customer. This adder was determined using the Board's Generic Smart Meter Rate Calculation Model and the calculation in Table 1 below. The annual detailed smart meter revenue requirement calculations are provided in Appendix A.

Atikokan Hydro has reviewed two scenarios in calculating the smart meter funding adder. In the first case, the smart meter revenue requirement has been determined for 2009 to 2011 and reduced by the amounts previously collected in funding adders including carrying charges, to the proposed implementation date of July 1, 2010. The net revenue requirement is then allocated to all metered customers over a recovery period of 22 months, which reflects the period from the requested implementation date of July 1, 2010 to the date that rates based on the next rebased rate application are expected to be implemented (i.e. May, 1, 2012). The smart meter funding adder resulting from this analysis is \$6.54 per month per metered customer.

The second scenario reviews the smart meter revenue requirement for a typical year and calculates a smart meter funding adder over a 12 month period. The resulting smart meter funding adder is \$4.88. Atikokan Hydro proposes a smart meter funding adder of \$4.88 as it will reduce the bill impacts compared to scenario 1. In addition, it is Atikokan Hydro's view that a smart meter funding adder of \$4.88 would be more reflective of the ongoing monthly cost to the customer once smart meters are fully deployed and smart meter costs are included in the approved rate base and distribution revenue requirement.

The following table provides the calculation of the smart meter funding adder for the two scenarios. Appendix A provides the information which supports the annual revenue requirement and smart meter funding adder amounts collected, shown in the table.

Table 1
Summary of Smart Meter Revenue Requirement
And Smart Meter Funding Adder Calculation

Scenario 1:	
Revenue Requirement for Smart Meters Installed	
2009 Rate Year Entitlement	\$77,546
2010 Rate Year Entitlement	\$98,337
2011 Rate Year Entitlement	\$97,666
Total Revenue Requirement	\$273,549
Smart Meter Funding Adder Collected in Rates	
2006 Rate Year Collected - May 1/06 to April 30/07	\$3,785
2007 Rate Year Collected - May 1/07 to July 1/08	\$4,636
2008 Rate Year Collected - July 1/08 to April 30/09	\$4,887
2009 Rate Year Forecasted - May 1/09 to April 30/10	\$18,454
Interest May 1/10 to June 30/10	\$28
Total Smart Meter Funding Collected	\$31,791
Revenue Requirement for Recovery	\$241,758
Number of Metered Customers	1,679
Number of Months (July 1/10 to April 30/12)	22
Funding Adder per Metered Customer per Month	\$6.54
Scenario 2:	
Typical Year - 2010 Rate Year Entitlement	\$98,337
Number of Metered Customers	1,679
Number of Months	12
Funding Adder per Metered Customer per Month	\$4.88

The figures included in the Smart Meter Rate Calculation Model are derived by a combination of actual costs incurred to 2009 and actual/budgeted costs in 2010. The budgeted costs were determined with the aid of Util-Assist, Atikokan Hydro's consultant on the Smart Metering Procurement and Implementation process.

In order to reduce the cost of installing smart meters in Atikokan, Atikokan Hydro participated as a working member of the Northwestern buying group of 5 distributors which together purchased the same type of smart meter technology and support services. As Thunder Bay Hydro was the biggest distributor in the group, one of the

critical requirements for the smart meter technology purchased by the group was it had to be compatible with the Thunder Bay Hydro billing system. Atikokan Hydro did not have the same billing system as Thunder Bay Hydro. As a result, with the installation of smart meters Atikokan Hydro moved to the same billing system as Thunder Bay Hydro by contracting CIS services from Thunder Bay Hydro. For Atikokan Hydro, this somewhat decreased the value of being part the Northwestern buying group but Atikokan Hydro believes other factors have contributed to increase the value of being in the group such as: accessing AMI services on a shared basis rather than on a stand alone basis; synergy in various future efforts such as moving to TOU rates. All of the CIS improvements and updates will be done on one system but shared with 5 LDCs.

A letter dated May 30, 2008 from PRP International, Inc. provides confirmation of the Fairness Commissioner for the negotiations and contracting phase. Atikokan Hydro's administration of the contract awarded to its #1 ranked proponent, Elster Metering. A copy of this letter is also included in Appendix B.

Atikokan Hydro's Baseline reporting to the Board, dated July 8, 2009 provided the following information to the Board regarding their smart meter deployment status:

- Atikokan Hydro has entered into a contract with Elster Metering as of February 1, 2009, and 100% of smart meters will be acquired from them.
- Installation began on May 25, 2009 with 63% of meters installed at July 1, 2009
- The installation of the AMI system, which meets the minimum functionality adopted in O. Reg. 425/06, is expected to be completed by Q3 of 2009. Acceptance tests will be scheduled Q3 of 2010 and be completed by Q4 2010.

Atikokan Hydro submitted its status report for Smart Meter deployment on October 13, 2009. The report indicates that as of September 30, 2009, 96% of Smart Meters have been installed, and 100% will be installed by Q3 Of 2010. It is estimated that

1,679 meters (residential plus small general service with no demand customers) will be installed.

Total installed costs are estimated to be \$394,000, or \$235 per installed meter. To date, Atikokan Hydro has not incurred any additional cost associated with the functions for which the Smart Meter Entity ("SME") has the exclusive authority to carry out pursuant to O. Reg. 393/07. However, Atikokan Hydro expects there will be additional cost in the future associated with the SME but these costs are not known at this time.

Integration of meters and systems with the MDM/R has not begun and the planned start date is September 20, 2010 with the planned completion date of December 31, 2010. Changes to business processes and systems related to the MDM/R and TOU have not begun and the planned start date is Q3 2010 with the planned completion date of Q4, 2010.

Stranded meter costs were addressed by the Board in its Decision with Reasons, issued on August 8, 2007, in the combined proceeding in relation to smart meter costs for the thirteen distributors that were authorized by regulation at that time to conduct smart meter activities – Board file no. EB-2007-0063 ("Combined Proceeding"). The Board accepted that stranded cost associated with existing meters should stay in rate base and to continue to track the costs associated with stranded meters. Atikokan Hydro has therefore not included the costs of stranded meters in the calculation of its smart meter revenue requirement, and will continue to include stranded meters in rate base.

Atikokan Hydro is requesting a Smart Meter Funding Adder of \$4.88 per metered customer per month with a July 1, 2010 effective date. Since Atikokan Hydro is not applying for the recovery of smart meter costs, Atikokan Hydro will continue to track costs in the smart meter variance accounts 1555 and 1556 previously authorized by the Board, and as such is not proposing to dispose of these variance accounts at this time.



PRP International, Inc.

Fairness Advisory Services

May 30, 2008

Mr. Wilf Thorburn
CEO and Secretary Treasurer
Atikokan Hydro Inc.
P.O. Box 1480
Atikokan, ON P0T 1C0

Dear Mr. Thorburn:

Subject: Attestation of the Fairness Commissioner
Advanced Metering Infrastructure RFP, August 2007
London Hydro & Consortium of LDCs Smartmetering Project

PRP International, Inc. is pleased to submit its letter report of the Fairness Commissioner for the noted Request for Proposal (RFP) evaluation and selection phase. This judgment is being provided for the information and use of each Consortium LDC Sponsor, in their consideration of the report from the Evaluation Phase, for this competitive transaction.

"It is the judgment of PRP International, Inc., as the Fairness Commissioner, that the determinations of the two (2) highest ranked Proponents for the "Group of the Northern Five LDCs" (Atikokan Hydro Inc., Fort Francis Hydro Power Corporation, Kenora Hydro Electric Corporation Ltd, Sioux Lookout Hydro Inc., and Thunder Bay Hydro Electricity Distribution) requirements are:

- Elster Metering, as the recommended Preferred Proponent, based on its highest ranking, and*
- KTI/Sensus Limited being the second ranked Proponent.*

These determinations were made in a fair (objective and competent) manner and consistent with the evaluation and selection processes set out in the RFP, issued August 14, 2007."

A detailed report for your records will be submitted to you, by August 31, 2008. Should you have any questions or require clarification of any matter contained in this letter report, please contact the undersigned.

Yours truly,

A handwritten signature in dark ink, appearing to read 'Peter Sorensen'. The signature is fluid and cursive, with a prominent 'P' and 'S'.

Peter Sorensen
President

cc: Mr. Gary Rains, RFP Project Director

Sheet 1 Utility Information Sheet

Name of LDC: Atikokan Hydro Inc.

Licence Number: ED-2003-0001

Date of Submission: May 5, 2010

Contact Information

Name: Wilf Thorburn

Title: CEO/Secretary/Treasurer

Phone Number: 807-597-6600

E-Mail Address: wilf.thorburn@athydro.com

Sheet 2. Smart Meter Capital Cost and Operational Expense Data

Smart Meter Unit Installation Plan:

assume calendar year installation	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
Planned number of Residential smart meters to be installed	-			1,452				1,452
Planned number of General Service Less Than 50 kW smart meters				227				227
Planned Meter Installation (Residential and Less Than 50 kW only)	-	-	-	1,679	-	-	-	1,679
Percentage of Completion	0%	0%	0%	100%	100%	100%	100%	
Planned number of General Service Greater Than 50 kW smart meters				-				-
Planned / Actual Meter Installations	-	-	-	1,679	-	-	-	1,679

Other Unit Installation Plan:

assume calendar year installation	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
Planned number of Collectors to be installed								-
Planned number of Repeaters to be installed								-
Other : Please specify								-
								-
								-
								-
								-

Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meter	Asset Type	2006	2007	2008	2009	2010	2011	Later	Total
may include new meters and modules, etc.	Smart Meter	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
	Smart Meter				\$ 164,866				\$ 164,866
1.1.2 Installation Cost	Smart Meter				\$ 32,478				\$ 32,478
may include socket kits plus shipping, labour, benefits, vehicle, etc.	Smart Meter				\$ 7,193				\$ 7,193
1.1.3a Workforce Automation Hardware	Smart Meter								\$ -
may include fieldworker handhelds, barcode hardware, etc.									
1.1.3b Workforce Automation Software									
may include fieldworker handhelds, barcode hardware, etc.									
Total Advanced Metering Communication Device (AMCD)		\$ -	\$ -	\$ -	\$ 204,537	\$ -	\$ -	\$ -	\$ 204,537

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
	Smart Meter			\$ 80,381				\$ 80,381
1.2.2 Repeaters	Smart Meter							\$ -
may include radio licence, etc.								
1.2.3 Installation	Comp. Hard.							\$ -
may include meter seals and rings, collector computer hardware, etc.								
Total Advanced Metering Regional Collector (AMRC) (includes LAN)		\$ -	\$ -	\$ -	\$ 80,381	\$ -	\$ -	\$ 80,381

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
	Comp. Hard.			\$ 12,860				\$ 12,860
1.3.2 Computer Software	Comp. Soft.			\$ 23,148				\$ 23,148
	Comp. Hard.							\$ -
1.3.3 Computer Software Licence & Installation (includes hardware & software)								
may include AS/400 disc space, backup & recovery computer, UPS, etc.								
Total Advanced Metering Control Computer (AMCC)		\$ -	\$ -	\$ 36,008	\$ -	\$ -	\$ -	\$ 36,008

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
	Tools & Equip							\$ -
Total Wide Area Network (WAN)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Sheet 2. Smart Meter Capital Cost and Operational Expense Data

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY		2006	2007	2008	2009	2010	2011	Later	Total
		Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
1.5.1 Customer equipment (including repair of damaged equipment)	Other Equip.				\$ 1,007				\$ 1,007
1.5.2 AMI Interface to CIS	Smart Meter				\$ 33,841				\$ 33,841
1.5.3 Professional Fees	Smart Meter				\$ 30,389				\$ 30,389
1.5.4 Integration	Smart Meter				\$ 3,446				\$ 3,446
1.5.5 Program Management	Smart Meter				\$ 4,453				\$ 4,453
1.5.6 Other AMI Capital	Comp. Soft.								\$ -
Total Other AMI Capital Costs Related To Minimum Functionality		\$ -	\$ -	\$ -	\$ 73,135	\$ -	\$ -	\$ -	\$ 73,135
Total Capital Costs		\$ -	\$ -	\$ -	\$ 394,061	\$ -	\$ -	\$ -	\$ 394,061

OM & A

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

	2006	2007	2008	2009	2010	2011	Later	Total
	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	
2.1.1 Maintenance								\$ -
<i>may include meter reverification costs, etc.</i>								
Total Incremental AMI Operation Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

2.2.1 Maintenance							\$ -
Total Advanced Metering Regional Collector (AMRC) (includes LAN)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Advanced Metering Regional Collector (AMRC) (includes LAN)

2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

2.3.1 Hardware Maintenance																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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2.4 WIDE AREA NETWORK (WAN)

2.4.1 WIDE AREA NETWORK (WAN)

may include serial to Ethernet hardware, etc.

				\$	44,536	\$	42,559	\$	42,559		\$	129,654
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Total Incremental Other Operation Expenses

\$	-	\$	-	\$	-	\$	44,536	\$	42,559	\$	42,559	\$	-	\$	129,654
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2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.5.1 Business Process Redesign								\$	-
2.5.2 Customer Communication <i>may include project communication, etc.</i>								\$	-
2.5.3 Program Management								\$	-
2.5.4 Change Management <i>may include training, etc.</i>								\$	-
2.5.5 Administration Cost								\$	-
2.5.6 Other AMI Expenses				\$ 4,406				\$	4,406
Total 2.5 Other AMI OM&A Costs Related To Minimum Functionality	\$ -	\$ -	\$ -	\$ 4,406	\$ -	\$ -	\$ -	\$	4,406
Total O M & A Costs	\$ -	\$ -	\$ -	\$ 48,942	\$ 42,559	\$ 42,559	\$ -	\$	134,059

Working Capital Allowance %	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
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(from 2006 PILs Sheet "Test Year PILs, Tax Provision" Cell D 14)

Total O M & A Costs	\$	-	\$	-	\$	-	\$	48,942	\$	42,559	\$	42,559	\$	-	\$	134,059
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Total Smart Meter Capital Costs per meter	\$ 314.54	\$ 528,121	100%
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Other Equipment (years)	10	10	10	10	10	10	10
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Sheet 4. Smart Meter Rev Req Calc

Smart Meter Revenue Requirement Calculation

Average Asset Values

Net Fixed Assets Smart Meters
Net Fixed Assets Computer Hardware
Net Fixed Assets Computer Software
Net Fixed Assets Tools & Equipment
Net Fixed Assets Other Equipment
Total Net Fixed Assets

Working Capital

Operation Expense
Working Capital %

Smart Meters Included in Rate Base

Return on Rate Base

Desired Debt (3. LDC Assumptions and Data)
Desired Equity (3. LDC Assumptions and Data)

Weighted Debt Ratio (3. LDC Assumptions and Data)
Proposed ROE (3. LDC Assumptions and Data)

Return on Rate Base

Operating Expenses

Incremental Operating Expenses (3. LDC Assumptions and Data)

Amortization Expenses

Amortization Expenses - Smart Meters
Amortization Expenses - Computer Hardware
Amortization Expenses - Computer Software
Amortization Expenses - Tools & Equipment
Amortization Expenses - Other Equipment
Total Amortization Expenses

Revenue Requirement Before PILs

Calculation of Taxable Income

Incremental Operating Expenses
Depreciation Expenses
Interest Expense

Taxable Income For PILs

Grossed up PILs (2. PILs)

Revenue Requirement Before PILs
Grossed up PILs (2. PILs)

Revenue Requirement for Smart Meters

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted	Later Forecasted
Net Fixed Assets Smart Meters	\$ -	\$ -	\$ -	\$ 172,272.50	\$ 333,243.40	\$ 309,440.34	\$ -
Net Fixed Assets Computer Hardware	\$ -	\$ -	\$ -	\$ 5,795.86	\$ 10,287.74	\$ 7,715.81	\$ -
Net Fixed Assets Computer Software	\$ -	\$ -	\$ -	\$ 10,416.81	\$ 18,516.78	\$ 13,889.08	\$ -
Net Fixed Assets Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Fixed Assets Other Equipment	\$ -	\$ -	\$ -	\$ 478.16	\$ 905.90	\$ 895.32	\$ -
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 189,254.33	\$ 362,955.95	\$ 331,850.55	\$ -
Working Capital	\$ -	\$ -	\$ -	\$ 48,942.01	\$ 42,558.72	\$ 42,558.72	\$ -
Operation Expense	\$ -	\$ -	\$ -	\$ 7,341.30	\$ 6,383.81	\$ 6,383.81	\$ -
Working Capital %	\$ -	\$ -	\$ -	\$ 7,341.30	\$ 6,383.81	\$ 6,383.81	\$ -
Smart Meters Included in Rate Base	\$ -	\$ -	\$ -	\$ 196,595.63	\$ 369,339.76	\$ 338,234.36	\$ -
Return on Rate Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Desired Debt (3. LDC Assumptions and Data)	50.0%	50.0%	53.3%	56.7%	60.0%	60.0%	60.0%
Desired Equity (3. LDC Assumptions and Data)	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Weighted Debt Ratio (3. LDC Assumptions and Data)	5.0%	5.0%	5.1%	5.1%	5.1%	5.1%	5.0%
Proposed ROE (3. LDC Assumptions and Data)	9.0%	9.0%	8.6%	8.6%	8.6%	8.6%	8.6%
Return on Rate Base	\$ -	\$ -	\$ -	\$ 12,979.10	\$ 23,960.48	\$ 21,942.55	\$ -
Operating Expenses	\$ -	\$ -	\$ -	\$ 48,942.01	\$ 42,558.72	\$ 42,558.72	\$ -
Incremental Operating Expenses (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Expenses	\$ -	\$ -	\$ -	\$ 11,901.55	\$ 23,803.10	\$ 23,803.10	\$ -
Amortization Expenses - Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Expenses - Computer Hardware	\$ -	\$ -	\$ -	\$ 1,285.97	\$ 2,571.94	\$ 2,571.94	\$ -
Amortization Expenses - Computer Software	\$ -	\$ -	\$ -	\$ 2,314.85	\$ 4,629.69	\$ 4,629.69	\$ -
Amortization Expenses - Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Expenses - Other Equipment	\$ -	\$ -	\$ -	\$ 50.33	\$ 100.67	\$ 100.67	\$ -
Total Amortization Expenses	\$ -	\$ -	\$ -	\$ 15,552.70	\$ 31,105.40	\$ 31,105.40	\$ -
Revenue Requirement Before PILs	\$ -	\$ -	\$ -	\$ 77,473.80	\$ 97,624.60	\$ 95,606.67	\$ -
Calculation of Taxable Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ 48,942.01	\$ 42,558.72	\$ 42,558.72	\$ -
Depreciation Expenses	\$ -	\$ -	\$ -	\$ 10,552.70	\$ 31,105.40	\$ 31,105.40	\$ -
Interest Expense	\$ -	\$ -	\$ -	\$ 6,683.81	\$ 11,299.51	\$ 10,347.88	\$ -
Taxable Income For PILs	\$ -	\$ -	\$ -	\$ 7,256.38	\$ 12,660.39	\$ 11,554.67	\$ -
Grossed up PILs (2. PILs)	\$ -	\$ -	\$ -	\$ 71.85	\$ 712.59	\$ 2,099.20	\$ -
Revenue Requirement Before PILs	\$ -	\$ -	\$ -	\$ 77,473.80	\$ 97,624.60	\$ 95,606.67	\$ -
Grossed up PILs (2. PILs)	\$ -	\$ -	\$ -	\$ 71.85	\$ 712.59	\$ 2,099.20	\$ -
Revenue Requirement for Smart Meters	\$ -	\$ -	\$ -	\$ 77,545.66	\$ 98,337.19	\$ 97,665.87	\$ -

2009	\$	77,545.66
2010	\$	98,337.19
2011	\$	97,665.87
Total	\$	273,548.72
Rev collected	\$	31,790.93
Rev to be collected	\$	241,757.79
Number of Meters	1679	1679
Months of Recovery	22	12
Smart Meter Funding Adder	\$	6.54
	\$	4.85

PILs Calculation

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted	Later Forecasted
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 7,295.29	\$ 12,660.97	\$ 11,594.67	\$ -
Amortization	\$ -	\$ -	\$ -	\$ 15,552.70	\$ 31,105.40	\$ 31,105.40	\$ -
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 14,281.86	\$ 27,421.18	\$ 25,227.48	\$ -
CCA - Computers	\$ -	\$ -	\$ -	\$ 8,101.83	\$ 12,557.84	\$ 6,906.81	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ 100.67	\$ 181.20	\$ 144.96	\$ -
Change in taxable income	\$ -	\$ -	\$ -	\$ 363.63	\$ 3,606.15	\$ 10,420.82	\$ -
Tax Rate (3. LDC Assumptions and Data)	16.50%	16.50%	16.50%	16.50%	16.50%	16.50%	16.50%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 60.00	\$ 595.01	\$ 1,719.44	\$ -
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 345,145.00	\$ 321,341.90	\$ 297,538.79	\$ -
Computer Hardware	\$ -	\$ -	\$ -	\$ 11,573.71	\$ 9,001.78	\$ 6,429.84	\$ -
Computer Software	\$ -	\$ -	\$ -	\$ 20,833.62	\$ 16,203.93	\$ 11,574.24	\$ -
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ 956.32	\$ 855.65	\$ 754.99	\$ -
Rate Base	\$ -	\$ -	\$ -	\$ 377,552.33	\$ 346,547.60	\$ 315,542.87	\$ -
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 377,552.33	\$ 346,547.60	\$ 315,542.87	\$ -
Ontario Capital Tax Rate							
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Gross Up

	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 60.00	\$ 595.01	\$ 1,719.44	\$ -
Change in OCT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PIL's	\$ -	\$ -	\$ -	\$ 60.00	\$ 595.01	\$ 1,719.44	\$ -
	Gross Up 16.50%	Gross Up 16.50%	Gross Up 16.50%	Gross Up 16.50%	Gross Up 16.50%	Gross Up 16.50%	Gross Up 16.50%
	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 71.85	\$ 712.59	\$ 2,059.20	\$ -
Change in OCT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PIL's	\$ -	\$ -	\$ -	\$ 71.85	\$ 712.59	\$ 2,059.20	\$ -

Smart Meter Average Net Fixed Assets

Net Fixed Assets - Smart Meters

Opening Capital Investment
Capital Investment (3. LDC Assumptions and Data)
Closing Capital Investment

Opening Accumulated Amortization
Amortization (15 Years Straight Line)
Closing Accumulated Amortization

Opening Net Fixed Assets
Closing Net Fixed Assets
Average Net Fixed Assets

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 357,046.55	\$ 357,046.55
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ 357,046.55	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 357,046.55	\$ 357,046.55	\$ 357,046.55
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 11,901.55	\$ 35,704.66
Amortization (15 Years Straight Line)	\$ -	\$ -	\$ -	\$ 11,901.55	\$ 23,803.10	\$ 23,803.10
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 11,901.55	\$ 35,704.66	\$ 59,507.76
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 345,145.00	\$ 321,341.90
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 345,145.00	\$ 321,341.90	\$ 297,538.79
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 172,572.50	\$ 333,243.45	\$ 309,440.34

Net Fixed Assets - Computer Hardware

Opening Capital Investment
Capital Investment (3. LDC Assumptions and Data)
Closing Capital Investment

Opening Accumulated Amortization
Amortization (5 Years Straight Line)
Closing Accumulated Amortization

Opening Net Fixed Assets
Closing Net Fixed Assets
Average Net Fixed Assets

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 12,859.68	\$ 12,859.68
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ 12,859.68	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 12,859.68	\$ 12,859.68	\$ 12,859.68
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 1,285.97	\$ 3,857.90
Amortization (5 Years Straight Line)	\$ -	\$ -	\$ -	\$ 1,285.97	\$ 2,571.94	\$ 2,571.94
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 1,285.97	\$ 3,857.90	\$ 6,429.84
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 11,573.71	\$ 9,001.78
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 11,573.71	\$ 9,001.78	\$ 6,429.84
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 5,786.86	\$ 10,287.74	\$ 7,715.81

Net Fixed Assets - Computer Software

Opening Capital Investment
Capital Investment (3. LDC Assumptions and Data)
Closing Capital Investment

Opening Accumulated Amortization
Amortization Year 1 (5 Years Straight Line)
Closing Accumulated Amortization

Opening Net Fixed Assets
Closing Net Fixed Assets
Average Net Fixed Assets

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 23,148.47	\$ 23,148.47
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ 23,148.47	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 23,148.47	\$ 23,148.47	\$ 23,148.47
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 2,314.85	\$ 6,944.54
Amortization Year 1 (5 Years Straight Line)	\$ -	\$ -	\$ -	\$ 2,314.85	\$ 4,629.69	\$ 4,629.69
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 2,314.85	\$ 6,944.54	\$ 11,574.24
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 20,833.62	\$ 16,203.93
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 20,833.62	\$ 16,203.93	\$ 11,574.24
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 10,416.81	\$ 18,518.78	\$ 13,889.08

Net Fixed Assets - Tools & Equipment

Opening Capital Investment
Capital Investment (3. LDC Assumptions and Data)
Closing Capital Investment

Opening Accumulated Amortization
Amortization Year 1 (10 Years Straight Line)
Closing Accumulated Amortization

Opening Net Fixed Assets
Closing Net Fixed Assets
Average Net Fixed Assets

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Year 1 (10 Years Straight Line)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Sheet 6. Avg Net Fixed Assets & UCC

Net Fixed Assets - Other Equipment

	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Forecasted	Forecasted
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 1,006.65	\$ 1,006.65
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ 1,006.65	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 1,006.65	\$ 1,006.65	\$ 1,006.65
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 50.33	\$ 151.00
Amortization Year 1 (10 Years Straight Line)	\$ -	\$ -	\$ -	\$ 50.33	\$ 100.67	\$ 100.67
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 50.33	\$ 151.00	\$ 251.66
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 956.32	\$ 855.65
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 956.32	\$ 855.65	\$ 754.99
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 478.16	\$ 905.99	\$ 805.32

For PILs Calculation

UCC - Smart Meters

Opening UCC
Capital Additions
UCC Before Half Year Rule
Half Year Rule (1/2 Additions - Disposals)
Reduced UCC
CCA Rate Class
CCA Rate
CCA
Closing UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 342,764.69	\$ 315,343.51
Capital Additions	\$ -	\$ -	\$ -	\$ 357,046.55	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 357,046.55	\$ 342,764.69	\$ 315,343.51
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 178,523.28	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ 178,523.28	\$ 342,764.69	\$ 315,343.51
CCA Rate Class	47	47	47	47	47	47
CCA Rate	8%	8%	8%	8%	8%	8%
CCA	\$ -	\$ -	\$ -	\$ 14,281.86	\$ 27,421.18	\$ 25,227.48
Closing UCC	\$ -	\$ -	\$ -	\$ 342,764.69	\$ 315,343.51	\$ 290,116.03

UCC - Computer Equipment

Opening UCC
Capital Additions Computer Hardware
Capital Additions Computer Software
UCC Before Half Year Rule
Half Year Rule (1/2 Additions - Disposals)
Reduced UCC
CCA Rate Class
CCA Rate
CCA
Closing UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 27,906.32	\$ 15,348.47
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ 12,859.68	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ 23,148.47	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 36,008.15	\$ 27,906.32	\$ 15,348.47
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 18,004.08	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ 18,004.08	\$ 27,906.32	\$ 15,348.47
CCA Rate Class	45	45	45	45	45	45
CCA Rate	45%	45%	45%	45%	45%	45%
CCA	\$ -	\$ -	\$ -	\$ 8,101.83	\$ 12,557.84	\$ 6,906.81
Closing UCC	\$ -	\$ -	\$ -	\$ 27,906.32	\$ 15,348.47	\$ 8,441.66

UCC - General Equipment

Opening UCC
Capital Additions Tools & Equipment
Capital Additions Other Equipment
UCC Before Half Year Rule
Half Year Rule (1/2 Additions - Disposals)
Reduced UCC
CCA Rate Class
CCA Rate
CCA
Closing UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 905.99	\$ 724.79
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ 1,006.65	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 1,006.65	\$ 905.99	\$ 724.79
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 503.33	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ 503.33	\$ 905.99	\$ 724.79
CCA Rate Class	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 100.67	\$ 181.20	\$ 144.96
Closing UCC	\$ -	\$ -	\$ -	\$ 905.99	\$ 724.79	\$ 579.83

Smart Meter Funding Adder

	Opening	Fund Adder	Int. Rate	Interest	Closing	
Jan-06	\$ -		5.00%	\$ -	\$ -	
Feb-06	\$ -		5.00%	\$ -	\$ -	
Mar-06	\$ -		5.00%	\$ -	\$ -	
Apr-06	\$ -		4.14%	\$ -	\$ -	
May-06	\$ -	\$ 1	4.14%	\$ -	\$ 1	
Jun-06	\$ 1	\$ 125	4.14%	\$ 0	\$ 126	
Jul-06	\$ 126	\$ 351	4.59%	\$ 0	\$ 478	
Aug-06	\$ 477	\$ 340	4.59%	\$ 2	\$ 820	
Sep-06	\$ 817	\$ 388	4.59%	\$ 3	\$ 1,211	
Oct-06	\$ 1,205	\$ 340	4.59%	\$ 5	\$ 1,556	
Nov-06	\$ 1,546	\$ 388	4.59%	\$ 6	\$ 1,949	
Dec-06	\$ 1,933	\$ 338	4.59%	\$ 7	\$ 2,294	
Jan-07	\$ 2,271	\$ 389	4.59%	\$ 9	\$ 2,692	
Feb-07	\$ 2,660	\$ 333	4.59%	\$ 10	\$ 3,035	
Mar-07	\$ 2,992	\$ 387	4.59%	\$ 11	\$ 3,433	
Apr-07	\$ 3,380	\$ 339	4.59%	\$ 13	\$ 3,785	\$ 3,785
May-07	\$ 3,719	\$ 388	4.59%	\$ 14	\$ 4,188	
Jun-07	\$ 4,107	\$ 341	4.59%	\$ 16	\$ 4,544	
Jul-07	\$ 4,448	\$ 389	4.59%	\$ 17	\$ 4,950	
Aug-07	\$ 4,836	\$ 338	4.59%	\$ 18	\$ 5,306	
Sep-07	\$ 5,174	\$ 386	4.59%	\$ 20	\$ 5,712	
Oct-07	\$ 5,560	\$ 339	5.14%	\$ 24	\$ 6,075	
Nov-07	\$ 5,899	\$ 388	5.14%	\$ 25	\$ 6,488	
Dec-07	\$ 6,287	\$ 340	5.14%	\$ 27	\$ 6,854	
Jan-08	\$ 6,627	\$ 385	5.14%	\$ 28	\$ 7,268	
Feb-08	\$ 7,011	\$ 340	5.14%	\$ 30	\$ 7,638	
Mar-08	\$ 7,352	\$ 388	5.14%	\$ 31	\$ 8,057	
Apr-08	\$ 7,739	\$ 338	4.08%	\$ 26	\$ 8,421	\$ 4,636
May-08	\$ 8,077	\$ 386	4.08%	\$ 27	\$ 8,835	
Jun-08	\$ 8,464	\$ 340	4.08%	\$ 29	\$ 9,204	
Jul-08	\$ 8,804	\$ 385	3.35%	\$ 25	\$ 9,614	
Aug-08	\$ 9,189	\$ 340	3.35%	\$ 26	\$ 9,980	
Sep-08	\$ 9,529	\$ 388	3.35%	\$ 27	\$ 10,394	
Oct-08	\$ 9,917	\$ 335	3.35%	\$ 28	\$ 10,756	
Nov-08	\$ 10,252	\$ 384	3.35%	\$ 29	\$ 11,169	
Dec-08	\$ 10,635	\$ 335	3.35%	\$ 30	\$ 11,534	
Jan-09	\$ 10,971	\$ 601	2.45%	\$ 22	\$ 12,157	
Feb-09	\$ 11,572	\$ 248	2.45%	\$ 24	\$ 12,429	
Mar-09	\$ 11,820	\$ 445	2.45%	\$ 24	\$ 12,898	
Apr-09	\$ 12,264	\$ 401	1.00%	\$ 10	\$ 13,309	\$ 4,887
May-09	\$ 12,665	\$ 454	1.00%	\$ 11	\$ 13,773	
Jun-09	\$ 13,119	\$ 1,146	1.00%	\$ 11	\$ 14,930	
Jul-09	\$ 14,265	\$ 1,783	0.55%	\$ 7	\$ 16,719	
Aug-09	\$ 16,048	\$ 1,570	0.55%	\$ 7	\$ 18,297	
Sep-09	\$ 17,618	\$ 1,801	0.55%	\$ 8	\$ 20,106	
Oct-09	\$ 19,419	\$ 1,559	0.55%	\$ 9	\$ 21,673	
Nov-09	\$ 20,977	\$ 1,783	0.55%	\$ 10	\$ 23,466	
Dec-09	\$ 22,760	\$ 1,564	0.55%	\$ 10	\$ 25,040	
Jan-10	\$ 24,324	\$ 1,785	0.55%	\$ 11	\$ 26,835	\$ 18,454
Feb-10	\$ 26,108	\$ 1,560	0.55%	\$ 12	\$ 28,407	
Mar-10	\$ 27,668	\$ 1,781	0.55%	\$ 13	\$ 30,201	
Apr-10	\$ 29,450	\$ 1,548	0.55%	\$ 13	\$ 31,763	
May-10	\$ 30,997	-	0.55%	\$ 14	\$ 31,777	
Jun-10	\$ 30,997	-	0.55%	\$ 14	\$ 31,791	
Jul-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Aug-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Sep-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Oct-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Nov-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Dec-10	\$ -	\$ -	0.55%	\$ -	\$ 794	
Jan-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Feb-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Mar-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Apr-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
May-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Jun-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Jul-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Aug-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Sep-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Oct-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Nov-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Dec-11	\$ -	\$ -	0.55%	\$ -	\$ 794	
Jan-12	\$ -	\$ -	0.55%	\$ -	\$ 794	
Feb-12	\$ -	\$ -	0.55%	\$ -	\$ 794	
Mar-12	\$ -	\$ -	0.55%	\$ -	\$ 794	
Apr-12	\$ -	\$ -	0.55%	\$ -	\$ 794	
May-12	\$ -	\$ -	0.55%	\$ -	\$ 794	

	Approved Deferral and Variance Accounts	CWIP Account
	Prescribed Interest Rate (per the Bankers' Acceptances-3 months Plus 0.25 Spread)	Prescribed Interest Rate (per the DEX Mid Term Corporate Bond Index Yield 2)
Q2 2006	4.14	4.68
Q3 2006	4.59	5.05
Q4 2006	4.59	4.72
Q1 2007	4.59	4.72
Q2 2007	4.59	4.72
Q3 2007	4.59	5.18
Q4 2007	5.14	5.18
Q1 2008	5.14	5.18
Q2 2008	4.08	5.18
Q3 2008	3.35	5.43
Q4 2008	3.35	5.43
Q1 2009	2.45	6.61
Q2 2009	1.00	6.61
Q3 2009	0.55	5.67
Q4 2009	0.55	4.66

model is calculating interest on principal + interest -
s/b on principal only