S.P. / P.O. Bag 5000
P0L 1N0

Tel. (705) 372-2815
Fax (705) 362-5902

Corporation de distribution électrique de Hearst
Hearst Power Distribution Company Limited
925 rue Alexandra Street
HEARST, ONTARIO

May 13, 2010

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON
M4P 1E4

Attention : Mr. John Pickernell
Assistant Board Secretary

Re: Hearst Power Distribution Company Limited
Rebasing Application for Rates for the 2010 Rate Year
EB-2009-0266

Further to Hearst Power Distribution Company Limited filing of April 27th, 2010, please find enclosed a complete application which, to the best of our knowledge, has consistent electronic and hard copy versions, as requested.

Respectfully submitted,

Nicole C. Leduc
General Manager

S.P. / P.O. Bag 5000
P0L 1N0

Tel. (705) 372-2815
Fax (705) 362-5902

Corporation de distribution électrique de Hearst
Hearst Power Distribution Company Limited

925 rue Alexandra Street
HEARST, ONTARIO

April 27, 2010

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: (416) 481-1967

ATTN: Mr. John Pickernell
Assistant Board Secretary

RE: Rebasing Application for Rates for the 2010 Rate Year – EB-2009-0266

Enclosed is the rebasing application for 2010 rates for Hearst Power Distribution Company Limited. We apologize for the late submission, but the process has been onerous and time consuming and resources have been very limited.

The application is included in three sets of two binders which are enclosed. Also enclosed is one CD which includes two electronic folders.

The first folder is called "Unlocked Submission" and includes word and excel files which are not locked. Files included are in the following folders:

- 1 (exhibit 1)
- 2
- 3
- 4
- 5
- 6
- Etc

The second folder is called "Acrobat Submission" and includes acrobat files in the following folders:

- 1 (exhibit 1)
- 2
- 3
- 4
- 5
- 6
- Etc

ECMI has worked with Hearst Power in the preparation of this application and if it would be helpful, we would be prepared to meet with Board staff to discuss the process used in the preparation of this application and how the submission's documents and excel files fit together. This application is respectfully submitted for the Board's consideration.

N C Leduc

Nicole C. Leduc
General Manager

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 1

Exhibit	Tab	Schedule	Contents of Schedule
1 - ADMINISTRATIVE DOCUMENTS			
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		1	Table of Contents
		2	Application/Schedule of Proposed Rates & Charges
		3	Contact Information
		4	List of Specific Approvals Requested
		5	Proposed Issues List
		6	Accounting Orders
		7	Compliance with Uniform System of Accounts
		8	Description of Service Area including Maps
		9	List of Neighbouring Utilities
		10	Explanation of Host and Embedded Utilities
		11	Utility Organization Chart
		12	Corporate Entities Relationships Chart
		13	Procedural Orders/Motions/Notices
		14	Preliminary List of Witnesses
	2		**Overview**
		1	Summary of the Application
		2	Budget Overview
		3	Revenue Deficiency
		4	Revenue Requirement Work Form
	3		**Finance**
		1	Financial Statements – 2007, 2008
		2	Pro Forma Financial Statements – 2009 and 2010
		3	Financial Statements Reconciliation with Results Filed
	4	1	**Materiality Thresholds**

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

TABLE OF CONTENTS

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		3	Financial Statements Reconciliation with Results Filed
	4	1	**Materiality Thresholds**

Exhibit	Tab	Schedule	Contents of Schedule
2 - RATE BASE			
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		2	Rate Base Summary Table
		3	Variance Analysis on Rate Base Table
	2		**Gross Assets – Property, Plant, Equipment**
		1	Continuity Statements
		2	Gross Assets Table
		3	Gross Assets Analysis
	3	1	**Accumulated Depreciation**
	4	1	**Allowance for Working Capital**
	5		**Capital Expenditures**
		1	Capital Budget by Project
		2	Capitalization Policy
		3	Proposed Accounting Treatment for Capital Projects
	6	1	**Asset Management Plan**
	7		**Service Quality and Reliability Performance**
		1	Service Quality Indicators
		2	SAIDI, SAIFI, CAIDI

Exhibit	Tab	Schedule	Contents of Schedule
3 - OPERATING REVENUE			
	1		**Overview**
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		2	Summary of Operating Revenue Table
		3	Variance Analysis on Operating Revenue
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		1	Weather Normalized Forecasting Methodology
		2	Customer Count Forecast Table
		3	Normalized Volume Forecast Table
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	3		**Other Revenue**
		1	Other Distribution Revenue Table
		2	Discussion of Other Revenue

Exhibit	Tab	Schedule	Contents of Schedule
4 - OPERATING COSTS			
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		5	LEAP / Green Energy Act/ Charitable Donations
		6	OM&A Cost /per Customer, /per Full Time Equivalent
	3		**Variance Analyses**
		1	Variance Analysis on OM&A Costs Table
		2	OM&A Variance Analysis
	4		**Employee Compensation Breakdown**
		1	Employee Compensation Table
		2	Employee Compensation Discussion
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		1	Shared Services / Corporate Cost Allocation
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		1	Tax Calculations Table
		2	Capital Cost Allowance (CCA) Table

Exhibit	Tab	Schedule	Contents of Schedule
5 – COST OF CAPITAL AND RATE OF RETURN			
	1	1	Overview
		2	Capital Structure / Cost of Debt
		3	Copy of Promissory Note

Exhibit	Tab	Schedule	Contents of Schedule
6 - CALCULATION OF REVENUE DEFICIENCY OR SURPLUS			
	1	1	Revenue Deficiency

Exhibit	Tab	Schedule	Contents of Schedule
7 – COST ALLOCATION			
	1	1	Cost Allocation Discussion

Exhibit	Tab	Schedule	Contents of Schedule
8 - Rate Design			
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		5	Rate Schedules and Bill Impacts
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Exhibit	Tab	Schedule	Contents of Schedule
9 - DEFERRAL AND VARIANCE ACCOUNTS			
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		2	Calculation of Balances by Account
		3	Clearance of Deferral and Variance Accounts
		4	Smart Meters

1.1.2 - APPLICATION:

HEARST POWER DISTRIBUTION COMPANY LIMITED

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, being Schedule B to the Energy Competition Act, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Hearst Power Distribution Company Limited ("Hearst Power") to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity commencing May 1, 2010.

Title of Proceeding:	An application by Hearst Power for an Order or Orders approving or fixing just and reasonable distribution rates and other charges, effective May 1, 2010.
Applicant's Name:	Hearst Power Distribution Company Limited
Applicant's Address for Service:	Postal Bag 5000 925 Alexandra Street Hearst, Ontario P0L 1N0 ATTN: Ms. Nicole C. Leduc, General Manager Telephone: 705-372-2815 Fax: 705-362-5902 E-mail: nleduc@ntl.sympatico.ca

APPLICATION

1. Introduction

a) The Applicant is Hearst Power Distribution Company Limited (referred to in this Application as the "Applicant" or "Hearst Power"). The Applicant is a corporation incorporated pursuant to the Ontario *Business Corporations Act* with its head office in the Municipality of Hearst. The Applicant carries on the business of distributing electricity within the Town of Hearst.

b) The Applicant hereby applies to the Ontario Energy Board (the "OEB") pursuant to section 78 of the *Ontario Energy Board Act, 1998* as amended (the "*OEB Act*") for approval of its proposed distribution rates and other charges, effective May 1, 2010. A list of requested approvals is set out in Exhibit 1, Tab 1, Schedule 4.

c) Except where specifically identified in the Application, the Applicant followed Chapter 2 of the Filing Requirements for Transmission and Distribution Applications dated May 27, 2009 (the "Filing Requirements") in order to prepare this application.

2. Proposed Distribution Rates and Other Charges

a) The Schedule of Rates and Charges proposed in this Application is identified as Appendix A of this Summary, and the material being filed in support of this Application sets out Hearst Power's approach to its 2010 distribution rates and charges.

3. Proposed Effective Date of Rate Order

b) The Applicant requests that the OEB make its Rate Order effective May 1, 2010 in accordance with the Filing Requirements.

c) In the event that the OEB is unable to provide a Decision and Order in this Application for implementation by the Applicant as of May 1, 2010, the Applicant requests that the OEB issue and interim Order approving the proposed distribution rates and other charges effective May 1, 2010, which may be subject to adjustment based on its final Decision and Order.

4. The Proposed Distribution Rates and Other Charges are Just and Reasonable

a) The Applicant submits the proposed distribution rates contained in this Application are just and reasonable on the following grounds:

i. the proposed rates for the distribution of electricity have been prepared in accordance with the Filing Requirements;

ii. the proposed adjusted rates are necessary to meet the Applicant's Market Based Rate of Return ("MBRR"), Debt Rate and Payments in Lieu of Taxes ("PILs") requirements;

iii. the deteriorating business climate in the Municipality of Hearst, and a strike with a resulting significantly more expensive union wage settlement, have significantly and adversely affected the net revenue of the applicant, such that a 21.3% rate increase is necessary;

iv. the applicant's request to clear the 1555 Capital Smart Meter Sub-Account at December 31, 2009 results in some depreciation of those assets and the interest cost being imposed on Hearst Power in 2009 and not recovered; further that the clearance of this sub-account effectively recognized this expense as a regular capital expenditure rather than a regulatory asset as all capital costs subject to the clearance were incurred in 2009;

v. Hearst Power does not propose to clear the 1556 OM&A Account for costs up to and including December 31, 2009 and further that the 1556 account will attract no further OM&A costs (except interest) associated with the smart meter program in 2010 or beyond;

vi. Hearst Power does not propose to clear the 1555 Recovery or Stranded Assets Sub-accounts resulting from the implementation of the smart metering program;

vii. the requested recovery of the cost of regulatory rebasing over a four year period parallels the disposition of the regulatory asset accounts (with the exception of the 1555 Capital Sub-Account) being returned to or recovered from the customers and is an equitable way of treating the customer and shareholder on the same basis and further, produces a reasonable cash flow; and

viii. such other grounds as may be set out in the material accompanying this Application Summary.

5. Relief Sought

a) The Applicant applies for an Order or Orders approving the proposed distribution rates and other charges set out in this Application as just and

reasonable rates and charges pursuant to section 78 of the OEB Act, to be effective May 1, 2010, or as soon as possible thereafter. If delays are expected in processing the application and issuing a rate order, Hearst Power asks for interim rates effective May 1, 2010.

b) In the event that the OEB is unable to provide a Decision and Order in this Application for implementation by the Applicant as of May 1, 2010, the Applicant requests that the OEB issue and interim Order approving the proposed distribution rates and other charges, effective May 1, 2010, which may be subject to adjustment based on its final Decision and Order.

6. Form of Hearing Requested

a) The Applicant requests that this Application be disposed of by way of a written hearing.

DATED at Hearst, Ontario, this 31st day of March 2010.

All of which is respectfully submitted,
HEARST POWER DISTRIBUTION COMPANY LIMITED

Jacques Lecours
Chair

APPENDIX A

Schedule of Proposed Rates and Charges

Effective May 1, 2010

Hearst Power Distribution Company Limited

1.1.2 - APPENDIX A:

MONTHLY RATES AND CHARGES

Customer Class	Unit	Tariff of Rates and Charges Effective May 1, 2009 (EB-2008-0231)	Tariff of Proposed Rates and Charges Effective May 1, 2010
Residential			
Service Charge	$	8.42	9.00
Distribution Volumetric Rate	$/kWh	0.0102	0.0162
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	0.0044	0.0042
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0050	0.0041
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
General Service Less Than 50 kW			
Service Charge	$	5.97	12.00
Distribution Volumetric Rate	$/kWh	0.0097	0.0098
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	0.0040	0.0038
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0045	0.0037
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
General Service		**50 to 2,999 kW**	**50 to 1499 kW**
Service Charge	$	30.41	60.00
Distribution Volumetric Rate	$/kWh	2.9926	1.2200
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	1.6512	1.5875
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	1.7837	1.4612
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25

Customer Class	Unit	Tariff of Rates and Charges Effective May 1, 2009 (EB-2008-0231)	Tariff of Proposed Rates and Charges Effective May 1, 2010
General Service		**3,000 to 4,999 kW**	**1500 to 4,999 kW**
Service Charge	$	57.34	320.00
Distribution Volumetric Rate	$/kW	0.8903	0.5400
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.8467	1.7755
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.1038	1.7234
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
Sentinel Lighting			
Service Charge	$	3.98	5.00
Distribution Volumetric Rate	$/kW	1.8938	1.4000
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.2516	1.2033
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.4077	1.1532
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
Street Lighting			
Service Charge	$	0.99	0.50
Distribution Volumetric Rate	$/kW	1.2912	21.1000
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.2452	1.1972
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.3790	1.1297
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25

Customer Class	Unit	Tariff of Rates and Charges Effective May 1, 2009 (EB-2008-0231)	Tariff of Proposed Rates and Charges Effective May 1, 2010
Specific Service Charges			
Customer Administration			
Arrears certificate	$	15.00	15.00
Easement Letter	$	15.00	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00	15.00
Returned cheque charge (plus bank charges)	$	15.00	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00	30.00
Special Meter Reads	$	30.00	30.00
Non-payment of Accout			
Late payment - per month	%	1.50	1.50
Late payment - per annum	%	19.56	19.56
Collection of Account Charge- no disconnection	$	30.00	30.00
Disconnect/Reconnect at Meter - during regular hours	$	40.00	40.00
Disconnect/Reconnect at Meter - after regular hours	$	time and materials	time and materials
Install/Remove load control devices- during regular hours	$	40.00	40.00
Temporary service install and remove - overhead-no transformer		time and materials	time and materials
Temporary service install and remove - underground-no transformer		time and materials	time and materials
Specific Charge for Acces to the Power Poles- per pole/year	$	22.35	22.35
Allowances			
Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	-0.60	-0.35
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	-1.00	-1.00

Customer Class	Unit	Tariff of Rates and Charges Effective May 1, 2009 (EB-2008-0231)	Tariff of Proposed Rates and Charges Effective May 1, 2010
Retail Service Charges			
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00	100.00
Monthly Fixed Charge, per retailer	$	20.00	20.00
Monthly Variable Charge, per customer, per retailer	$/cust	0.50	0.50
Distributor-consolidated billing charge, per customer, per retailer	$/cust	0.30	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust	-0.30	-0.30
Service Transaction Requests (STR)			
Request fee, per request, applied to the requesting party		0.25	0.25
Processing fee, per request, applied to the requesting party		0.50	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party			
Up to twice a year		no charge	no charge
More than twice a year, per request (plus incremental delivery costs)		2.00	2.00
Loss Factors			
Total Loss Factor - Secondary Metered Customer <5,000 kW		1.0509	1.0419
Total Loss Factor - Secondary Metered Customer >5,000 kW		n/a	n/a
Total Loss Factor - Primary Metered Customer <5,000 kW		1.0404	1.0315
Total Loss Factor - Primary Metered Customer >5,000 kW		n/a	n/a

1.1.3 - CONTACT INFORMATION:

Hearst Power Distribution Company Limited
Postal Bag 5000
925 Alexandra Street
Hearst, Ontario
P0L 1N0
Telephone : (705) 372-2815
Fax : (705) 362-5902

NAME OF CONTACT: **Nicole C. Leduc**

Email address: **nleduc@ntl.sympatico.ca**

1.1.4 - LIST OF SPECIFIC APPROVALS REQUESTED:

Hearst Power requests the following:

Rates

1. Approval to charge rates effective May 1, 2010 to recover a revenue requirement of $1,184,786 (after reduction for the LV rate component and the rate design under-recovery) identified in the revenue requirement model.

2. Re-approval of specific service charges as listed in Exhibit 1, Tab 1, Schedule 2, Appendix A.

Capital Structure

3. Approval of the full implementation of the Applicant's capital structure of a 40% common equity component and a deemed debt component of 60% as set out in Exhibit 5, Tab1, Schedule 1, consistent with the Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors dated December 20, 2006.

Loss Factor

4. Approval of the proposed loss factor as set out in Exhibit 8, Tab 1, Schedule 4.

Mitigation Strategy Deferral Account

5. The applicant does not propose a mitigation strategy as the bill impacts do not warrant mitigation.

Disposition of Deferral Accounts for Smart Meters

6. Approval to dispose of the 1555 Capital deferral sub-account (including associated interest) on December 31, 2009. Further, that the additional costs incurred in 2010 associated with the smart meter capital and operating accounts be charged to the regular accounts on an ongoing basis effective Jan 1, 2010.

7. The applicant does not request clearance of the 1556 OM&A account or the 1555 Recovery or Stranded Asset sub-accounts. Further, the 1556 OM&A account will not be utilized for OM&A costs incurred on or after Jan 1, 2010.

8. Approval to discontinue smart meter charge recovery of $1.00 per metered customer per month.

Disposition of Deferral and Variance Accounts

9. Approval to dispose of the following variance accounts as at December 31, 2009 over a four year period using the method of recovery described in Exhibit 9, Tab 1, Schedule 3.

1508 Other Regulatory Assets – Sub-account OEB Cost Assessments
1508 Other Regulatory Assets – Sub-account OEB Pension Contributions
1525 Misc. Deferred Debits - incl. Rebate Cheques
1550 Low Voltage Variance Account
1565 CDM Expenditures & Recovery
1580 Wholesale Market Service Charge – RSVA
1584 Retail Transmission Network Charge – RSVA
1586 Retail Transmission Connection Charge – RSVA
1588 Power – RSVA
1588 Power - Global Adjustment
1590 Recovery of Regulatory Asset

Transformer Ownership Allowance

10. Approval to adjust the transformer ownership allowance from $0.60 to $0.35 per kW (to be paid to qualifying customers). The increase in revenue resulting from the reduction in the allowance is considered as part of the incremental revenue obtained by this rate change.

Low Voltage Charges

11. Approval to reduce low voltage charges through distribution rates in the amount of $15,413.02 per year which is a reduction from the current level of 24.08%. This amount is the recovery of expenses charged to Hearst Power. The low voltage rate component is identified in the bill comparison model.

Other

12. To establish a deferral account to be used for reasonable costs not allowed by the OEB because of considerations not foreseen by the applicant.

1.1.5 – PROPOSED ISSUES LIST:

Hearst Power expects, based on previous regulatory experience and other Hearings, that the following matters pertaining to the 2010 Test Year may constitute issues in this Application:

- The amount of Hearst Power's proposed revenue requirement;
- The customer rate impacts of the proposed rate increase of total bills;
- The appropriateness of Hearst Power's revised treatment of the transformer ownership allowance;
- The reasonableness of the proposed total loss factors;
- The 2010 forecast customer use and demand;
- The proposed four year treatment of Deferral and Variance account disposition and the proposed rebasing cost recovery over the same four year period;
- The proposed treatment for the 1555 capital sub-account.

1.1.6 – ACCOUNTING ORDERS REQUESTED:

As part of this proceeding, Hearst Power is requesting the continuation of its existing deferral and variance accounts, specifically:

- 1508 OEB Cost Assessments
- 1508 Pension Contributions
- 1525 Miscellaneous Deferred Debits – including Rebate Cheques
- 1550 LV Variance Account
- 1555 Smart Meter Recovery Sub-Account
- 1555 Smart Meter Stranded Asset Sub-Account
- 1556 Smart Meters OM&A Variance Account
- 1562 Deferred Payments in Lieu of Taxes
- 1563 PILS Contra Account
- 1565 CDM Expenditure and Recoveries
- 1580 RSVA-Wholesale Market Service Charge
- 1584 RSVA-Retail Transmission Network Charge
- 1586 RSVA-Retail Transmission Connection Charge
- 1588 RSVA-Power
- 1590 Recovery of Regulatory Asset Balances

1.1.7 - COMPLIANCE WITH UNIFORM SYSTEM OF ACCOUNTS:

Hearst Power has followed the accounting principles and main categories of accounts as stated in the OEB's Accounting Procedures handbook (the "APH") and the Uniform System of Accounts (the "USoA") in the preparation of this Application.

Hearst Power is currently in compliance with all OEB accounting policies and procedures.

2009 Audit

Hearst Power was subject to an OEB Audit Review of Regulatory Accounts and Affiliate Transactions in 2009. The audit identified several issues that were responded to and corrected promptly. The required adjustments have been made as requested and Hearst Power has implemented these recommendations and process changes in its operations.

The last complete accounting audit was in 2009 for the year ending Dec 31, 2008 and a partial audit in March 2010 on the smart meter program and accounts. Refer to auditors letter in Appendix C of Exhibit 1, Tab 3, Schedule 1.

1.1.8 – DESCRIPTION OF SERVICE AREA INCLUDING MAPS:

Hearst Power Distribution Company Limited (Hearst Power) is an electricity distribution company incorporated under the laws of Ontario. Hearst Power owns and operates the electricity infrastructure, distributing electricity to homes and businesses within its service area in the Town of Hearst

Description of Distributor:

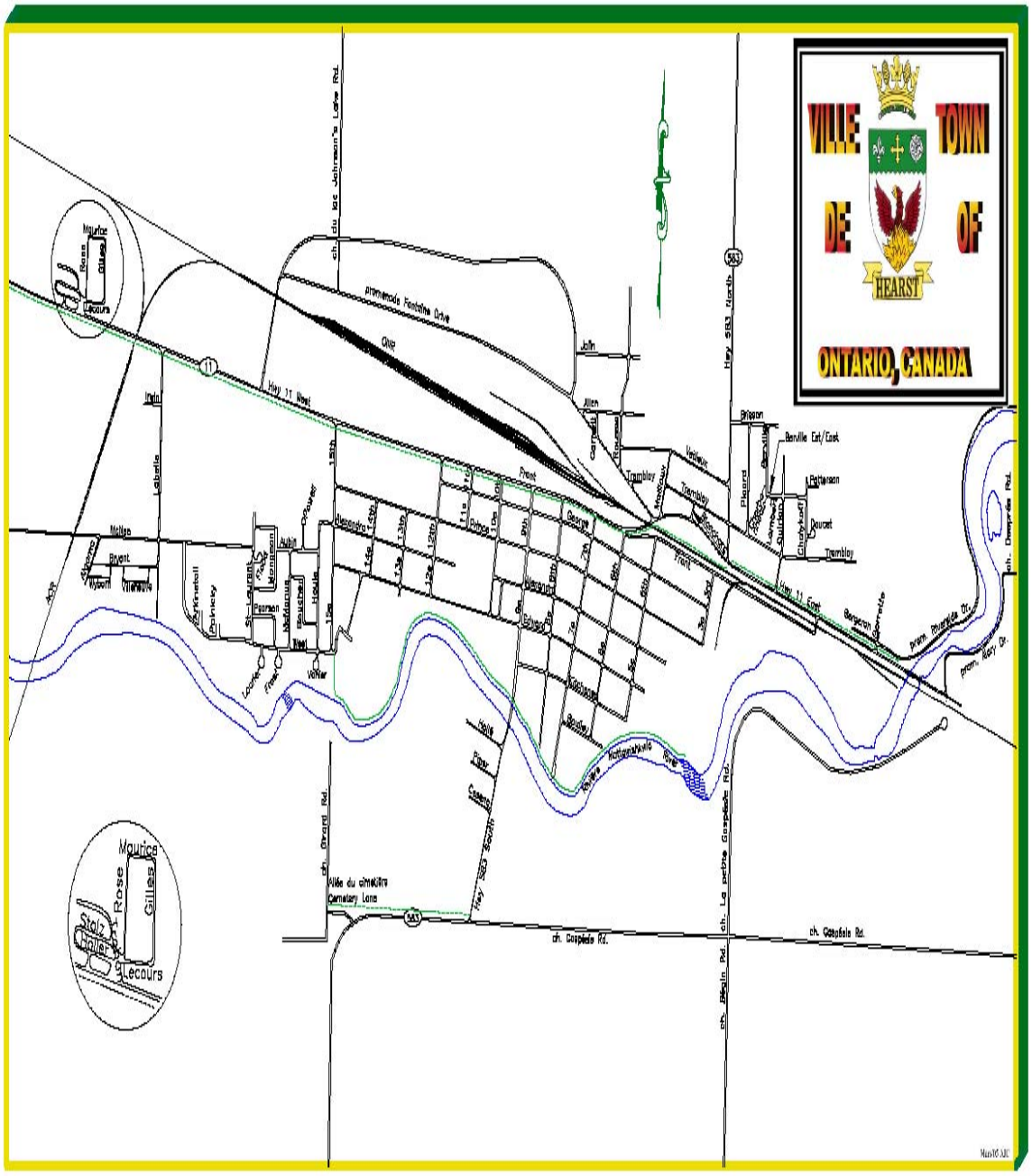
Community Served:	Town of Hearst
Distribution Type:	Electricity Distribution
Service Area Population:	5,620

Maps of Hearst Power's urban (Map A) and rural (Map B) service areas are presented below. The maps may also be viewed on our website at http://www.hearst-pdcl-cde.ca/bienvenue-e.htm

1.1.8 – DESCRIPTION OF SERVICE AREA INCLUDING MAPS cont'd:

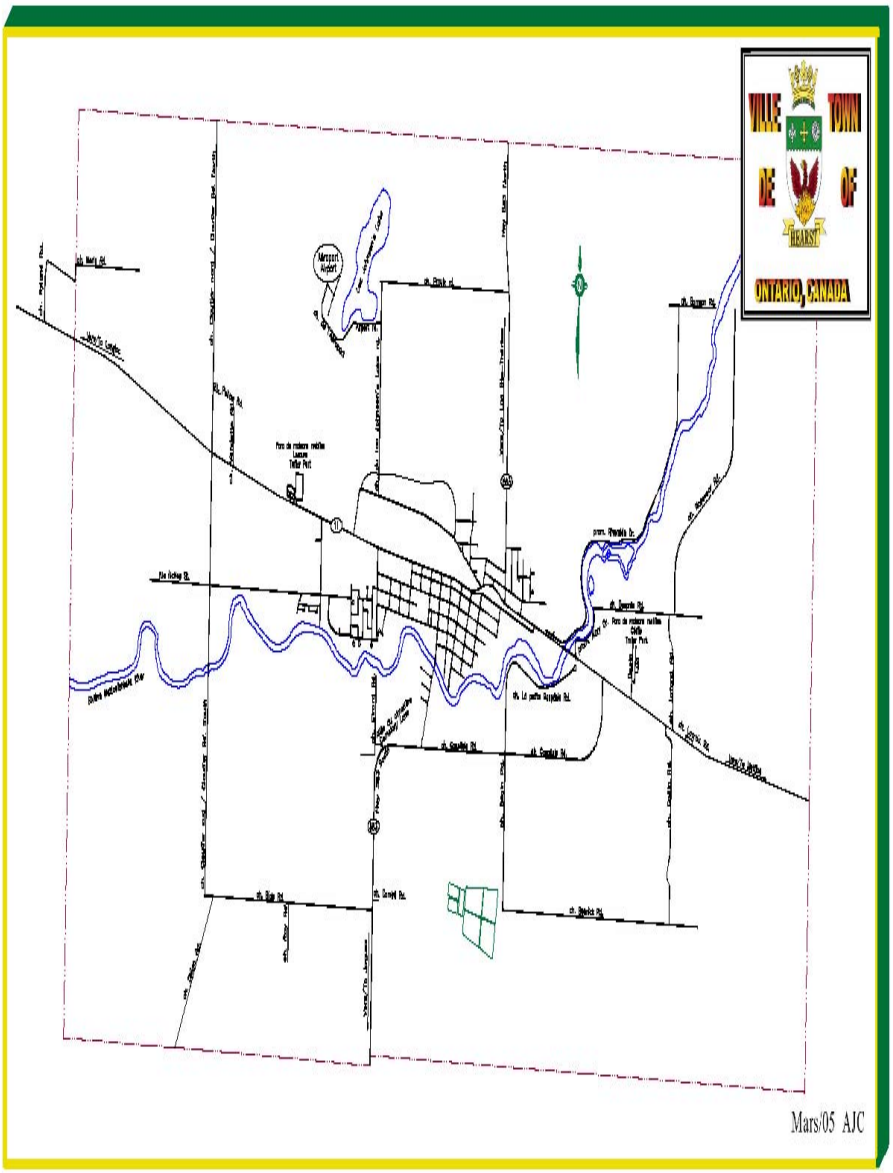
Map A: Hearst Power Urban service area

1.



1.1.8 – DESCRIPTION OF SERVICE AREA INCLUDING MAPS cont'd:

Map B: Hearst Power Rural service area



1.1.9 - LIST OF NEIGHBOURING UTILITIES:

The following distributor is located adjacent to Hearst Power's service areas:

Hydro One Networks
483 Bay Street
Toronto, ON M5G 2P5

Account Representative: Mr. Marty Longlade
Sudbury, Ontario
Direct line: 705-566-0800 x 3345
email: marty.longlade@hydroone.com

Regulatory: Mr. Glen MacDonald
email: glen.macdonald@HydroOne.com

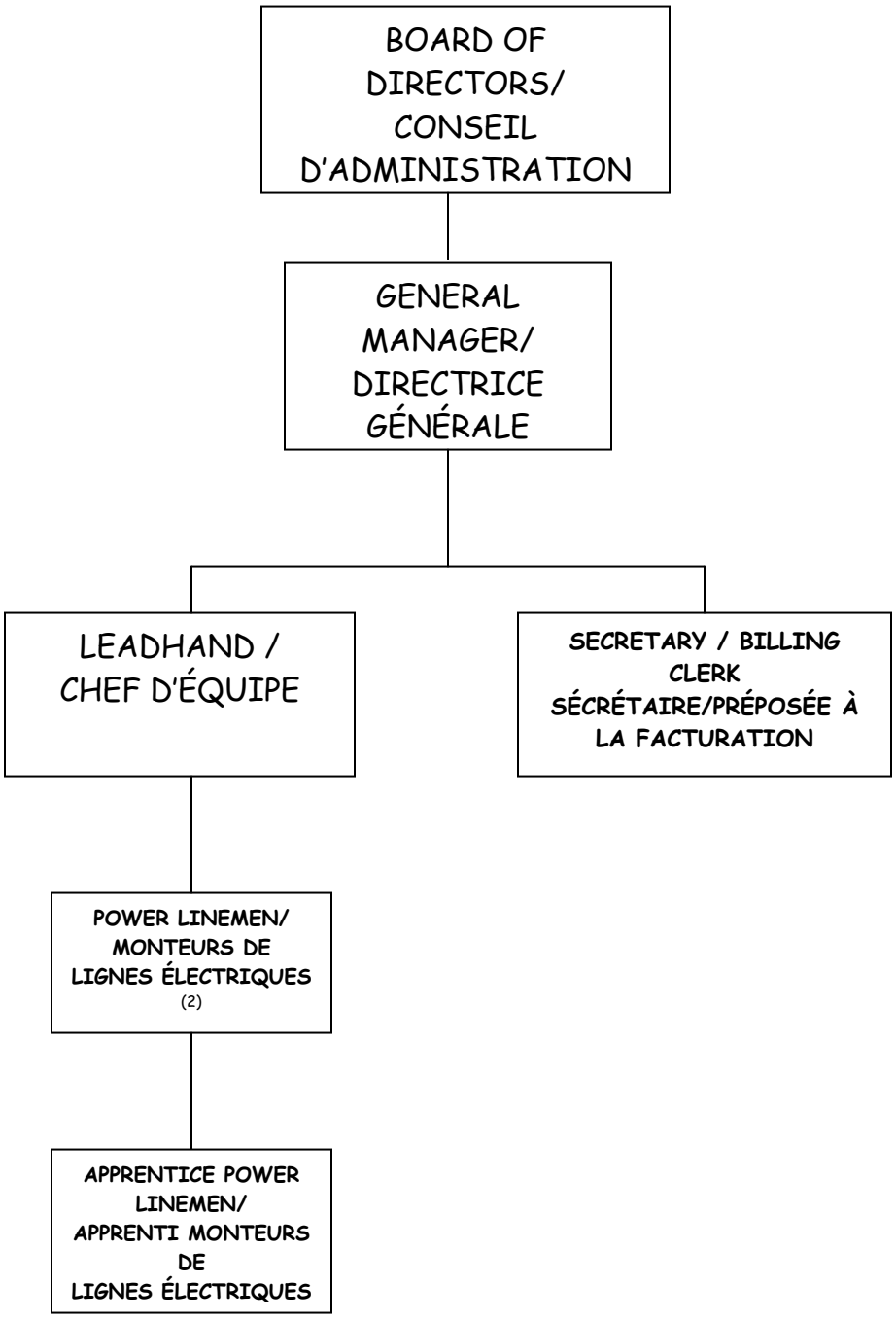
1.1.10 – EXPLANATION OF HOST / EMBEDDED UTILITY:

In its 2007 rate application, Hearst Power advised the Board that as of October 2006 Hydro One Networks Inc. had identified Hearst Power as an embedded distributor and as a result started to charge for the low voltage wheeling distribution services provided to Hearst Power.

There are no embedded utilities served by Hearst Power.

1.1.11 – UTILITY ORGANIZATIONAL STRUCTURE :

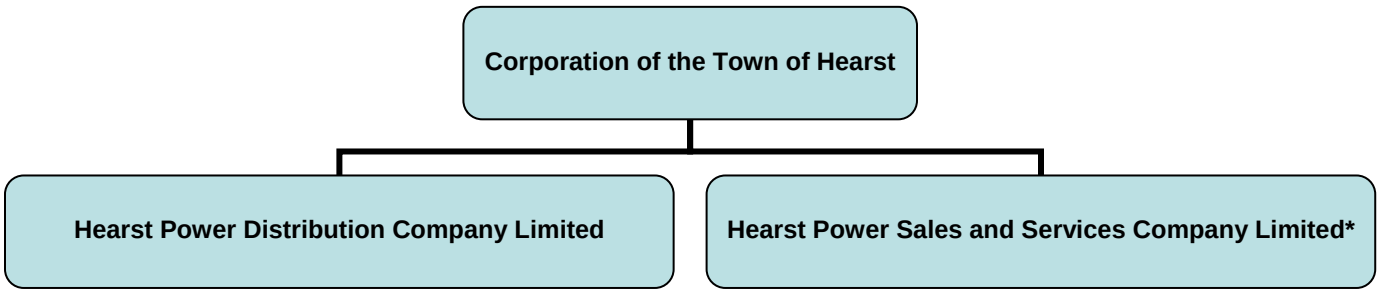
Hearst Power is wholly owned by the Town of Hearst. A chart illustrating Hearst Power's corporate family is provided below.



1.1.11 Hearst Organization Chart 008 **Revised : Mar 25, 2010**

1.1.12 – CORPORATE ENTITIES RELATIONSHIP CHARTS:

Hearst Power is wholly owned by the corporation of the Town of Hearst. There are no planned changes to the corporate structure of the Applicant as depicted below.



*inactive as of Dec 31, 2009; made active in early 2010 to comply with the requirements of the electrical inspection authority.

Three of the five Hearst Power Board members are also members of council in the Town of Hearst. The president of Hearst Power is currently a member of council and one of the three councilors in the Hearst Power Board.

The reporting relationship consists of periodic reports made by the CEO of Hearst Power to the shareholders.

The Town provides a service to Hearst Power in the form of leased office space in the Town Office at market value and at or below the cost of available office space in Hearst.

1.1.13 – PROCEDURAL ORDERS, MOTIONS, NOTICES, DIRECTIVES FROM PREVIOUS BOARD DECISIONS:

1. Excerpt from March 13, 2008 Board decision on 2008 Distribution Rates:

> *"Hearst Power Distribution Company Limited filed a proposal to adjust its RTS rates, which was subsequently withdrawn. As part of its amended application, Hearst Power Distribution Company Limited indicated that the RTS rates would be adjusted at the time of rebasing. Given the magnitude of the changes in wholesale transmission rates, the OEB rejects the argument that no adjustment is warranted at this time. The OEB directs Hearst Power Distribution Company Limited to reduce its RTS – Network Service Rates by 18% and its RTS – Line and Transformation connection Service Rates by 5%. Hearst Power Distribution Company Limited is required to include this change in its rate model (spreadsheet) to be filed with the OEB."*

Hearst Power complied with the OEB's directive.

2. On January 2, 2008 the OEB issued a document titled:

Re: Multi-year Electricity Distribution Rate Setting Plan
Selection of Electricity Distributors for Rebasing
Board File No. EB-2006-0330

Hearst Power was included in the list of distributors proposed for rebasing in 2009 in Appendix A of that document. Hearst Power was similarly named in a Board document issued on January 30, 2008.

On May 27, 2008 the OEB issued a document providing filing commentary for 2009 selected distributors with the following comments:

> *"Any of the distributors wishing to be removed from the list of distributors for rate rebasing in 2009 Schedule A attached) are asked to file a letter to that effect with the OEB Secretary by Friday, June 20, 2008. Given the interest in reducing the workload associated with electricity cost of service rate reviews, the OEB would welcome such requests."*

Subsequent to that document being issued, Hearst Power requested and received consideration for a 2010 rebasing.

An IRM filing for 2009 rates was submitted to the OEB.

No further Procedural Orders or directions have been issued to the Applicant by the OEB to the date of filing this Application.

Consistent with the Board audit of 2009, the global adjustments have been completed and those adjustments are included in this application.

1.1.14 - PRELIMINARY LIST OF WITNESSES:

Hearst Power requests that this Application be disposed of by way of a written hearing. Should a technical conference be desirable to contribute to the understanding of the intervenors, Hearst Power will utilize Nicole Leduc as a witness during that process. The *Curriculum Vitae* of the listed potential witness follows.

Hearst Power
Nicole Leduc, General Manager

Nicole C. Leduc

P.O. Box 1471
Hearst, Ontario
P0L 1N0
NLeduc@ntl.sympatico.ca

Experience

- **1974 to present**

  Hearst Power Distribution Company Limited

  1974 to 1989 – Billing Clerk
  1990 to present – General Manager

Education

- **Grade 12 diploma: Hearst High School, Hearst ON**

Courses taken by personal Interest and community implications:

- **evening course at Hearst University**
  - **English**
  - **Management & decision process**

- **November 1992 to November 1998**
  Director on the Board of Directors of la Caisse Populaire de Hearst Ltée

- **September 1996 to June 2001**
  Director on the Board of Directors of the Hearst Notre-Dame Hospital

1.2.1 – SUMMARY OF APPLICATION:

Preamble

Hearst Power serves the Town of Hearst Ontario, which is a small town in Northern Ontario. Specific geographic and demographic information regarding the service area of Hearst Power can be found at Exhibit 1, Tab 1, Schedule 8.

The current economic situation in Hearst Ontario is dire, primarily due to the decline of the forestry industry on which this small, remote community is dependent. This decline is compounded by the economic climate prevailing throughout the country. Although the present situation is acute and difficult, both Hearst Power's shareholder and its Board of Directors are committed to assisting this long-established distribution utility on the road to recovery. The severity of the situation that Heart Power faces is exemplified by the forgiveness by the Town of Hearst of the interest on its demand loan made to Hearst Power. Hearst Power has not been able to make any of the required payments of the 12.5% interest due to the Town for the past 2 years, and will not be able to make payments in upcoming years without approval the rates proposed in this application.

The community of Hearst relies on the ready responses to power outages and other emergency situations that Hearst Power can provide.

Hearst Power initially intended to apply for a rate increase at an earlier date. Hearst Power took the time to gain an understanding of the major cost drivers, like the deployment of smart meters and significant wage increases, faced by the Applicant. The Applicant has made significant one time (without prejudice to future applications) mitigation decisions to limit the level of the requested rate and bill increases.

Proposed Customer Impact Mitigation Strategy

Hearst Power accepts the concerns of the OEB over customer rates, and indeed shares those concerns. Implementation of the full requested rate increase is necessary to meet the revenue requirement set out in Exhibit 1, Tab 2, Schedule 4, and will not exceed accepted OEB bill impact criteria.

The bill mitigation and bill impact strategies include the acceptance of the 2010 cost of capital and a four year recovery of regulatory cost and return of most regulatory assets over the same period. The bill impact over the next four year period is acceptable.

Service Quality Indicators

Hearst Power has consistently exceeded the OEB's Service Quality Indicators as set out in Exhibit 2, Tab 7, Schedule 1, and has targeted to maintain its performance at levels equal to or above the OEB's standard in 2009; similar results are expected for 2010.

Hearst Power tracks service reliability statistics SAIDI (System Average Interruption Duration Index), SAIFI (System Average Interruption Frequency Index), and CAIDI (Customer Average Interruption Duration Index), including and excluding Hydro One

related incidents. The actual results for the past five years are reported at Exhibit 2, Tab 7, Schedule 2. Hearst Power is committed to the reliability of the distribution system.

Purpose and Need for 2010 New Distribution Rates

Having regard to the described context of the current rate application, the purpose and need for new distribution rates are well supported by the specific financial situation of Hearst Power. The key drivers behind the rate increase are included in Rebasing Worksheets file, tab "4.2.3 KEY DRIVERS". Some of the reasons for the increase are as follows:

1) Hearst Power's requested revenue requirement for 2010 includes the recovery of its costs to provide distribution services, its permitted Return on Equity ("ROE") and the funds necessary to service its deemed debt/equity ratio of 60%/40%. Through this rate application, Hearst Power seeks the recovery through rates of its proposed 2010 base revenue requirement of $1,184,786, as set out in the revenue requirement model.

2) When its forecasted energy and demand levels for 2010 are considered, Hearst Power estimates that its present rates will produce a deficiency in distribution revenue of $205,773 for the 2010 Test Year. Excluded from this estimate is the impact of energy costs.

3) With the rates presently in effect, Hearst Power estimates that its revenue for 2010 would not be sufficient to provide a reasonable return. Hearst Power also presents the historical actual information for fiscal 2007, 2008, OEB-Approved data for 2006 and information for the 2009 Bridge Year.

4) Smart meter capital and operating demands are material in 2009 and 2010. The meter reading impact is $85,079. These assets will have an annual depreciation of $18,689.

5) The union contract is up for renewal in 2010, but has had an impact to date in the amount of $60,750.

6) The addition of an apprentice has produced a cost of $90,600.

7) Depreciation of the new billing system is $12,195 and the depreciation on the smart meter communication system is $10,457.

8) The previous items together with other increased pressures on cost and reduced customer use produced the need for the proposed rate increase.

Timing of Proposed Rate Increases

The financial information supporting the Test Year for Hearst Power will be Hearst Power's fiscal year ending December 31, 2010 (the "2010 Test Year"). However, this

information is used to set rates for the period May 1, 2010 to April 30, 2011. The Test Year revenue requirement is that forecast by Hearst Power as needed to enable it to earn a lower than generally permitted, but reasonable, return for fiscal 2010.

For the required revenues to match and appropriately offset the expected costs of service for the Test Year, revised rates reflecting the Board's decision must be effective for volumes consumed on and after May 1, 2010. In the event that approval cannot be granted by the effective date, the Applicant requests conditional approval of these rates effective May 1, 2010 and the application of any adjustments as directed by the OEB retroactively to this date.

Customer Impact by Customer Class
The customer impact by customer class of the proposed rates is calculated in the Rate Design tab of the Rebasing Worksheets file. The percentage increases are as follows:

- Residential – 34.52%
- General Service <50 kW – 19.18%
- General Service >50 kW – (-48.21%)
- Intermediate – 10.46%
- Sentinel Lighting – 18.34%
- Street Lighting – 462.19%
- Overall - 21.30%

In preparing this application, Hearst Power has considered the impacts on its customers, with a goal of minimizing those impacts. In particular, Hearst power submits that the acceptance of the cost of capital set out in the 2010 OEB report reduces the rate and bill impacts to generally within acceptable limits.

With respect to cost allocation, Hearst Power notes that for the majority of its customers, the current revenue to cost ratio of each rate class does not fall within the applicable threshold defined by the OEB in the November 28, 2007 Report on Application of Cost Allocation for Electricity Distributors. As a result, adjustments have been made in this Application to bring the cost revenue ratios within the limits specified in the report.

Similarly, customer charges are brought within the suggested minimums and maximums in the cost allocation model. This latter step produces some low dollar, but relatively high percentage, impacts. These impacts are acceptable to and requested by the Applicant.

Customer impacts including the percentage average Total Bill Impact and Average Dollar Impact, which include revised distribution rates [monthly service charge and volumetric rates], revised loss factors, and regulatory asset rate riders to dispose of the balances in the Deferral and Variance Accounts requested in the Application over a four year period are set out in Exhibit 8, Tab 1, Schedule 5 and the Bill Comparison Model.

1.2.2 – BUDGET OVERVIEW:

Hearst Power compiles budget information for the three major components of the budgeting process: load and revenue forecasts, operating and maintenance expense forecasts and capital budgets. This budget information is compiled for both the 2009 Bridge and 2010 Test Years.

Revenue Forecast
The energy sales and revenue forecast model was updated to reflect the most recent information. This model was then used to prepare the revenues sales and throughput volume and revenue forecast at existing rates for fiscal 2007 and 2008. The forecast is weather normalized as outlined in Exhibit 3, Tab 2, Schedule 3 and considers such factors as new customer additions and load profiles for all classes of customers. The exceptions to this are the Intermediate class and the General Service > 50 kW class.

In the case of the intermediates class, one customer has eliminated one of its two processes. The load has been reduced by about ½ for this customer. The forecast revenue does not include the load and associated revenue reduction and therefore overstates the expected 2010 revenue and return to Hearst Power. It is hoped that the eliminated process will be replaced with an alternate process but failure to materialize by June 2011 will require the customer to be reclassified as a "General Service > 50 kW" customer rather than an "Intermediate" customer.

In the case of the general service >50 kW, a general decline in the demand associated with this customer class is reflected in the test year forecast. The Test Year forecast class billing demand is above those encountered in the most recent history. One of the larger >50 kW customers has permanently discontinued operations and the dormant facility is now classed as a <50 kW customer.

Operating and Maintenance Expense Forecast
The operating and maintenance expenses for the fiscal 2009 Bridge Year and the 2010 Test Year have been forecast using a zero based methodology and are strongly influenced by prior year experience. Each item is reviewed account by account for each of the forecast years.

Capital Budget
The capital budgeting process begins with a review of all the accounts. All other capital expenditures are budgeted on a project based on need and forecasted customer growth.

Changes in Methodology
As Hearst Power is using the methodology contemplated by the OEB in the Filing Requirements, no changes in methodology are being requested by Hearst Power in the current proceeding.

1.2.3 – SCHEDULE OF REVENUE DEFICIENCY:

The following table represents a summary of the revenue deficiency calculation for Hearst Power for the 2010 Test Year.

		Revenue Sufficiency/Deficiency			
		Per Application		Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		$205,773		$205,773
2	Distribution Revenue	$878,705	$860,083	$878,705	$860,083
3	Other Operating Revenue Offsets - net	$118,930	$118,930	$118,930	$118,930
4	**Total Revenue**	$997,635	$1,184,786	$997,635	$1,184,786
5	Operating Expenses	$1,013,537	$1,013,537	$1,013,537	$1,013,537
6	Deemed Interest Expense	$79,383	$79,383	$79,383	$79,383
	Total Cost and Expenses	$1,092,920	$1,092,920	$1,092,920	$1,092,920
7	**Utility Income Before Income Taxes**	($95,285)	$91,866	($95,285)	$91,866
8	Tax Adjustments to Accounting Income per 2009 PILs	$ -	$ -	$ -	$ -
9	**Taxable Income**	($95,285)	$91,866	($95,285)	$91,866
10	Income Tax Rate	16.00%	16.00%	16.00%	16.00%
11	**Income Tax on Taxable Income**	($15,246)	$14,699	($15,246)	$14,699
12	**Income Tax Credits**	$ -	$ -	$ -	$ -
13	**Utility Net Income**	($80,039)	$77,387	($80,039)	$77,387

14	**Utility Rate Base**	$2,355,582	$2,355,582		$2,355,582	$2,355,582
	Deemed Equity Portion of Rate Base	$942,233	$942,233		$942,233	$942,233
15	Income/Equity Rate Base (%)	-8.49%	8.21%		-8.49%	8.21%
16	Target Return - Equity on Rate Base	9.85%	9.85%		9.85%	9.85%
	Sufficiency/Deficiency in Return on Equity	-18.34%	-1.64%		-18.34%	-1.64%
17	Indicated Rate of Return	-0.03%	6.66%		-0.03%	6.66%
18	Requested Rate of Return on Rate Base	7.31%	7.31%		7.31%	7.31%
19	Sufficiency/Deficiency in Rate of Return	-7.34%	-0.65%		-7.34%	-0.65%
20	Target Return on Equity	$92,810	$92,810		$92,810	$92,810
21	Revenue Sufficiency/Deficiency	$172,849	($15,423)	#	$172,849	($15,423)
22	**Gross Revenue Sufficiency/Deficiency**	$205,773	**(1)**		$205,773	**(1)**

Notes:

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

(2) CELL H21 The Revenue Sufficientcy/Deficiency amount of $15413.02 is the reduction in LV revenue which is offset by the
expected reduction in charges from Hydro One and the rates underrecover the allowed revenue requirement by $10.01

1.2.4 – REVENUE REQUIREMENT WORK FORM:

A printed copy of the Revenue Requirement Model is part of this application.

1.3.1 – FINANCIAL STATEMENTS – 2007, 2008:

Financial Statements for 2007 and 2008 follow as Appendices A and B to this schedule.

Also included is a two page letter as Appendix C to this schedule which outlines the implications of transferring the smart meter capital from the 1555 account to operating assets as requested by this application effective Dec 31, 2009 and ongoing.

Appendix A

2007 Financial Statements

Appendix B

2008 Financial Statements

Appendix C

Auditor's 2-PAGE Letter regarding Smart Meters

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

AUDITORS' REPORT AND
FINANCIAL STATEMENTS

DECEMBER 31, 2007

Collins Barrow
Gagné Gagnon Bisson Hébe

Collins Barrow
Gagné Gagnon Bisson Hébert
Chartered Accountants / Comptables Agréés

Société Professionnelle Denis Hébert Inc.
Eric G. Gagnon Professional Corporation
Christiane S. Lapointe C.A.
Noël G. Cantin C.A.

1021 George, C.P. 637
Hearst, Ontario
P0L 1N0

T. 705-362-4261
F. 705-362-4641
hearst@collinsbarrow.com

AUDITORS' REPORT

To the Shareholder of Hearst Power Distribution Company Limited/
Corporation de distribution électrique de Hearst
Hearst, Ontario

We have audited the balance sheet of the Hearst Power Distribution Company Limited/ Corporation de distribution électrique de Hearst as at December 31, 2007 and the statements of loss, retained earnings and contributed capital and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at December 31, 2007 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in the note 2 to the financial statements.

Collins Barrow

Chartered Accountants
Licenced Public Accounts
March 20, 2008

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HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

FINANCIAL STATEMENTS

DECEMBER 31, 2007

Statement of Loss	1
Statement of Retained Earnings and Contributed Capital	2
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Statement of Cash Flows	4
Notes to Financial Statements	5 - 12

Collins Barrow
Gagné Gagnon Bisson Hébert

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF LOSS

YEAR ENDED DECEMBER 31, 2007

	Budget	2007 Actual	2006 Actual
SERVICE REVENUE			
Electricity	$ 6,289,645	$ 5,577,006	$ 6,538,760
Distribution	852,858	891,710	734,872
Wholesale market services, transmission and connection	1,862,628	1,675,690	1,705,694
	9,005,131	8,144,406	8,979,326
COST OF SALES			
Electricity	6,429,511	6,061,097	6,246,185
Wholesale market services	1,722,762	1,696,026	1,710,190
	8,152,273	7,757,123	7,956,375
GROSS MARGIN	852,858	387,283	1,022,951
INTEREST INCOME	168,176	177,207	158,654
OTHER REVENUE	56,790	113,160	91,041
	1,077,824	677,650	1,272,646
EXPENDITURES DISTRIBUTION, OPERATION AND MAINTENANCE			
Lines and feeders	191,015	218,833	209,166
Transformers	94,975	93,016	93,017
Meters	11,420	11,974	8,749
	297,410	323,823	310,932
ADMINISTRATION AND FINANCE			
Meter reading, billing and collecting	144,371	156,901	137,866
General administration	317,342	255,156	257,258
Interest on demand note	-	-	393,000
	461,713	412,057	788,124
AMORTIZATION	115,000	98,940	97,698
TOTAL EXPENDITURES	874,123	834,820	1,196,754
LOSS ON DISPOSAL OF INVESTMENT	-	(18,199)	-
INCOME (LOSS) BEFORE PAYMENTS IN LIEU OF TAXES	203,701	(175,369)	75,892
PAYMENTS IN LIEU OF TAXES (RECOVERY)			
Current	-	(26,956)	15,559
Future	-	(2,300)	(2,500)
	-	(29,256)	13,059
NET INCOME (LOSS)	$ 203,701	$ (146,113)	$ 62,833

Collins Barrow
Gagné Gagnon Bisson Hébert

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF RETAINED EARNINGS AND CONTRIBUTED CAPITAL

YEAR ENDED DECEMBER 31, 2007

	2007	2006
RETAINED EARNINGS		
BALANCE, BEGINNING OF YEAR	$ 2,658,428	$ 2,248,452
INCREASE OF NOTIONAL EQUITY IN ONTARIO HYDRO	-	347,143
NET INCOME (LOSS)	(146,113)	62,833
BALANCE, END OF YEAR	$ 2,512,315	$ 2,658,428
CONTRIBUTED CAPITAL		
BALANCE, BEGINNING OF YEAR	$ 206,640	$ 553,783
REDUCTION OF NOTIONAL EQUITY IN ONTARIO HYDRO	-	(347,143)
BALANCE, END OF YEAR	$ 206,640	$ 206,640

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

BALANCE SHEET

DECEMBER 31, 2007

	2007	2006
ASSETS		
CURRENT ASSETS		
Cash	$ 4,239,089	$ 4,456,866
Unbilled revenue	868,144	1,174,962
Accounts receivable (note 3)	439,755	241,494
Income taxes recoverable	28,959	-
Inventory	104,986	96,603
Prepaid expenses	15,935	17,102
Future income taxes	27,600	25,300
	5,724,468	6,012,327
PRE-MARKET OPENING ENERGY VARIANCE	396	396
INVESTMENT (note 4)	-	34,289
PROPERTY AND EQUIPMENT (note 5)	966,001	1,011,888
OTHER ASSETS (note 6)	15,549	16,822
	$ 6,706,414	$ 7,075,722
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 2,133,515	$ 1,966,884
Income taxes payable	-	10,559
Other regulatory liabilities	12,419	12,419
Due to Town of Hearst	81,227	468,811
Demand loan (note 8)	1,700,000	1,700,000
Customers deposits	50,298	41,981
	3,977,459	4,200,654
SHAREHOLDER'S EQUITY		
CAPITAL STOCK (note 9)	10,000	10,000
RETAINED EARNINGS	2,512,315	2,658,428
CONTRIBUTED CAPITAL	206,640	206,640
	2,728,955	2,875,068
	$ 6,706,414	$ 7,075,722

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2007

	2007	2006
OPERATING ACTIVITIES		
Net income (loss)	$ (146,113)	$ 62,833
Items not requiring cash:		
Amortization	98,940	97,698
Future income taxes	(2,300)	(2,500)
Loss on disposal of investment	18,199	-
	(31,274)	158,031
Changes in:		
Unbilled revenue	306,818	58,568
Accounts receivable	(198,261)	435,497
Income taxes recoverable/payable	(39,518)	18,183
Inventory	(8,383)	5,574
Prepaid expenses	1,167	(3,081)
Pre market opening energy variance	-	11,169
Accounts payable and accrued liabilities	166,631	(469,591)
Other regulatory liabilities	-	261
Due to Town of Hearst	(387,584)	372,757
Change in customers deposits	8,317	(1,709)
	(182,087)	585,659
INVESTING ACTIVITIES		
Purchase of property and equipment	(51,780)	(57,751)
Disposal (purchase) of investment	16,090	(1,704)
	(35,690)	(59,455)
INCREASE (DECREASE) IN CASH POSITION	(217,777)	526,204
CASH POSITION, BEGINNING OF YEAR	2,756,866	2,230,662
CASH POSITION, END OF YEAR (note 10)	$ 2,539,089	$ 2,756,866

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

1. NATURE OF BUSINESS

The corporation, incorporated under the Ontario Business Corporations Act, owns all the electrical distribution system in the territory of the Corporation of the Town of Hearst and is responsible for the distribution of the electrical power on this territory.

RATE REGULATED ENTITY

The Ontario Energy Board (OEB) has regulatory oversight of electricity matters in the Province of Ontario. Among other duties, the Board has the authority to issue distribution licences along with conditions pertaining to accounting records and filing requirements for rate setting purposes.

All energy has to be purchased through Independent Electricity System Operations (IESO) in a weighted average basis whereas the price paid for the electricity is based on the market price adjusted for the peak periods of demand.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles for municipal electrical utilities in Ontario as required by statutes. Except for the principle of disposal of property and equipment and the principles explained under the heading regulation, all principles employed are in accordance with Canadian generally accepted accounting principles.

REVENUE RECOGNITION

Revenue from the sale of electricity is recorded on a basis of cyclical billings and also includes unbilled revenue accrued in respect of electricity delivered but not yet billed.

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Most of the inventory is used for own purposes and is eventually added to the property and equipment. Cost is determined on the average cost basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FUTURE INCOME TAXES

Income taxes are provided, at current rates, for all items included in the statement of income regardless of the period in which such items are reported for income tax purposes. The principal item which results in timing differences between financial and tax reporting purposes is amortization. Future income taxes are adjusted for changes in income tax rates.

REGULATION

The entity has to follow regulatory accounting treatments that differ from Canadian generally accepted accounting policies for enterprises operating in non regulated environment.

Transition costs: certain costs to set up the company have been deferred in accordance with OEB guidelines. These costs have been increased for the prescribed OEB rate of return with an offsetting interest income credit.

Pre-market opening energy variance: this asset represents the utility's cost of power based on time-of-use rates and the amounts billed to non time-of-use customers. These costs have been increased for the prescribed OEB rate of return with an affecting interest income credit.

Other regulatory assets: OEB has allowed the deferral of their annual costs assessments. These costs will be subject to recovery starting in 2007 subject to OEB approval.

Retail services and settlement variances: the net difference between the amount paid in the year to IESO and Hydro One and the amount billed to customers and retailers, based on Board-approved rates is recorded by journal entry in the following variance accounts.

a) Power Charges
b) Wholesale Market Service Charges;
c) Retail Transmission Network Service Charges;
d) Retail Transmission Connection Service Charges;
e) Provincial Benefit / Global Adjustment;

A monthly carrying charge will be calculated and added to the balance of each account.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

PROPERTY AND EQUIPMENT

Amortization of property and equipment is provided on a straight-line basis over the following periods:

Building and fixtures	50 years
Overhead lines and feeders	25 years
Underground lines and feeders	25 years
Transformers	25 years
Meters	25 years
Office equipment	10 years
Automotive equipment	5 years
Computer equipment	5 years
Other equipment	10 years

When property and equipment are disposed, the proceeds of disposition are recorded as a reduction to the appropriate property and equipment accounts. Consequently, gains and losses on disposals are brought into income over the depreciable lives of the remaining property and equipment.

AMORTIZATION OF ORGANIZATION COSTS

The organization costs are amortized on a straight line basis over 20 years.

INCOME TAXES

A municipal electric utility is exempt from tax under subsection 149 (1) of the Income Tax Act. Under the Electricity Act of 1998, municipal electric utilities have to make payments in lieu of taxes (PILS) to the province. These payments are generally equivalent to the income taxes that would be otherwise due if the municipal electric utility would have been taxable as a small business corporation under the Income Tax Act.

CUSTOMERS DEPOSITS

Customers' advance deposits are cash collections from customers to mitigate the financial risk of non-payment of energy bills. Security deposits are refunded on customers account when a customer is deemed to have maintained a good payment history during the relevant time period set out in the customer security deposit policy.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

EMPLOYEE FUTURE BENEFITS

The company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS), a defined benefit plan established by the province. Both employers and employees are required to make contributions to the plan. The corporation's yearly contributions are expensed unless otherwise provided.

USE OF ESTIMATES

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reporting amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

3. ACCOUNTS RECEIVABLE

	2007	2006
Electrical energy	$ 351,816	$ 348,756
Qualifying transition costs	30,660	29,735
Other regulatory assets	(58,302)	(203,947)
Others	116,204	72,975
	440,378	247,519
Allowance for doubtful accounts	623	6,025
	$ 439,755	$ 241,494

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

4. INVESTMENT

	2007	2006
Investment in Enerconnect Limited Partnership, a buying group for Municipal Electric Commissions		
Original cost	$ -	$ 24,000
Share of limited partnership income	-	10,289
	$ -	$ 34,289

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2007 Net	2006 Net
Land	$ 7,600	$ -	$ 7,600	$ 7,600
Building and fixtures	201,570	71,344	130,226	133,988
Underground lines and feeders	2,003,433	1,469,565	533,868	582,131
Transformers	538,186	440,138	98,048	96,533
Meters	357,563	248,389	109,174	116,568
Office equipment	42,163	26,854	15,309	18,183
Automotive equipment	471,963	447,301	24,662	-
Computer equipment	134,504	132,322	2,182	11,917
Other equipment	128,536	85,170	43,366	42,978
Land rights	4,232	2,666	1,566	1,990
	$ 3,889,750	$ 2,923,749	$ 966,001	$ 1,011,888

6. OTHER ASSETS

	Cost	Accumulated Amortization	2007 Net	2006 Net
Organisation costs	$ 25,471	$ 9,922	$ 15,549	$ 16,822

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

7. BANK INDEBTEDNESS

The corporation has an approved line of credit of $ 300,000, at prime, secured by a general security agreement on all of the company's assets.

8. DEMAND LOAN

	2007	2006
The Corporation of the Town of Hearst, promissory note, interest at the lesser of 12 % or a part of the net income for the year, payable on a monthly basis, no fixed capital repayment	$ 1,700,000	$ 1,700,000

9. CAPITAL STOCK

	2007	2006
AUTHORIZED		
Unlimited number of preference shares, dividends at the discretion of the directors, non voting		
Unlimited number of common shares		
ISSUED		
10,000 common shares	$ 10,000	$ 10,000

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

10. STATEMENT OF CASH FLOW

CASH POSITION

Cash position consists of cash on hand, balances with banks and the demand loan with the Town of Hearst and is comprised of the following balance sheet amounts:

	2007	2006
Cash	$ 4,239,089	$ 4,456,866
Demand loan	(1,700,000)	(1,700,000)
	$ 2,539,089	$ 2,756,866

INTEREST AND INCOME TAXES

Cash payments were made for the following items:

	2007	2006
Interest	$ 393,000	$ 21,703
Income taxes	17,559	(2,624)
	$ 410,559	$ 19,079

11. RELATED PARTY TRANSACTIONS

During the year, the company incurred the following related party transactions with its sole shareholder, the Corporation of the Town of Hearst.

	2007	2006
Service revenue	$ 509,978	$ 498,975
Rent expense	8,427	8,335
Clerical and answering services expense	25,273	24,625
Interest on demand loan	-	393,000

These transactions are in the normal courses of operations and are measured at the exchange amount which is received and paid on similar terms as those of unrelated parties.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

12. FINANCIAL INSTRUMENTS

The company's financial instruments consists of cash, accounts receivable, demand loan, accounts payable and accrued liabilities and amounts due to related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximated their carrying values, unless otherwise noted.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

AUDITORS' REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2008

AUDITORS' REPORT

To the Shareholder of Hearst Power Distribution Company Limited/
Corporation de distribution électrique de Hearst
Hearst, Ontario

We have audited the balance sheet of the Hearst Power Distribution Company Limited/ Corporation de distribution électrique de Hearst as at December 31, 2008 and the statements of loss, retained earnings and contributed capital and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at December 31, 2008 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in the note 2 to the financial statements.

Chartered Accountants
Licenced Public Accounts
March 29, 2009

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

FINANCIAL STATEMENTS

DECEMBER 31, 2008

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HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF LOSS

YEAR ENDED DECEMBER 31, 2008

	Budget	2008 Actual	2007 Actual
SERVICE REVENUE			
Electricity	$ 5,281,413	$ 4,669,445	$ 5,577,006
Distribution	865,519	903,146	891,710
Wholesale market services, transmission and connection	1,340,485	1,280,912	1,675,690
	7,487,417	6,853,503	8,144,406
COST OF SALES			
Electricity	5,221,413	4,906,061	6,061,097
Wholesale market services	1,400,485	1,343,296	1,696,026
	6,621,898	6,249,357	7,757,123
GROSS MARGIN	865,519	604,146	387,283
INTEREST INCOME	164,480	151,642	177,207
OTHER REVENUE	71,380	80,769	113,160
	1,101,379	836,557	677,650
EXPENDITURES DISTRIBUTION, OPERATION AND MAINTENANCE			
Lines and feeders	286,975	284,245	218,833
Transformers	65,481	68,964	93,016
Meters	15,750	6,569	11,974
	368,206	359,778	323,823
ADMINISTRATION AND FINANCE			
Meter reading, billing and collecting	163,053	174,112	166,974
General administration	355,498	234,918	245,083
	518,551	409,030	412,057
AMORTIZATION	117,576	110,000	98,940
TOTAL EXPENDITURES	1,004,333	878,808	834,820
LOSS ON DISPOSAL OF INVESTMENT	-	-	(18,199)
INCOME (LOSS) BEFORE PAYMENTS IN LIEU OF TAXES	97,046	(42,251)	(175,369)
PAYMENTS IN LIEU OF TAXES (RECOVERY)			
Current	-	-	(26,956)
Future	-	1,800	(2,300)
	-	1,800	(29,256)
NET INCOME (LOSS)	$ 97,046	$ (44,051)	$ (146,113)

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF RETAINED EARNINGS AND CONTRIBUTED CAPITAL

YEAR ENDED DECEMBER 31, 2008

	2008	2007
RETAINED EARNINGS		
BALANCE, BEGINNING OF YEAR	$ 2,512,315	$ 2,658,428
NET INCOME (LOSS)	(44,051)	(146,113)
BALANCE, END OF YEAR	$ 2,468,264	$ 2,512,315
CONTRIBUTED CAPITAL		
BALANCE, BEGINNING OF YEAR	$ 206,640	$ 206,640
REDUCTION OF NOTIONAL EQUITY IN ONTARIO HYDRO	-	-
BALANCE, END OF YEAR	$ 206,640	$ 206,640

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

BALANCE SHEET

DECEMBER 31, 2008

	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	$ 4,583,782	$ 4,239,089
Unbilled revenue	872,969	868,144
Accounts receivable (note 3)	485,334	463,255
Income taxes recoverable	26,959	28,959
Inventory	119,256	104,986
Prepaid expenses	13,003	15,935
Future income taxes	25,800	27,600
	6,127,103	5,747,968
PROPERTY AND EQUIPMENT (note 4)	971,758	966,001
OTHER ASSETS (note 5)	14,276	15,549
	$ 7,113,137	$ 6,729,518
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 1,451,464	$ 1,332,105
Other regulatory assets and liabilities	1,071,820	836,933
Due to Town of Hearst	158,130	81,227
Demand loan (note 7)	1,700,000	1,700,000
Customers' deposits	46,819	50,298
	4,428,233	4,000,563
SHAREHOLDER'S EQUITY		
CAPITAL STOCK (note 8)	10,000	10,000
RETAINED EARNINGS	2,468,264	2,512,315
CONTRIBUTED CAPITAL	206,640	206,640
	2,684,904	2,728,955
	$ 7,113,137	$ 6,729,518

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2008

	2008	2007
OPERATING ACTIVITIES		
Net income (loss)	$ (44,051)	$ (146,113)
Items not requiring cash:		
Amortization	110,000	98,940
Future income taxes	1,800	(2,300)
Loss on disposal of investment	-	18,199
	67,749	(31,274)
Changes in:		
Unbilled revenue	(4,825)	306,818
Accounts receivable	(81,319)	(198,261)
Income taxes recoverable/payable	2,000	(39,518)
Inventory	(14,270)	(8,383)
Prepaid expenses	2,932	1,167
Accounts payable and accrued liabilities	413,486	166,631
Due to Town of Hearst	76,903	(387,584)
Change in customers deposits	(3,479)	8,317
	459,177	(182,087)
INVESTING ACTIVITIES		
Purchase of property and equipment	(114,484)	(51,780)
Disposal (purchase) of investment	-	16,090
	(114,484)	(35,690)
INCREASE (DECREASE) IN CASH POSITION	344,693	(217,777)
CASH POSITION, BEGINNING OF YEAR	2,539,089	2,756,866
CASH POSITION, END OF YEAR (note 9)	$ 2,883,782	$ 2,539,089

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

1. NATURE OF BUSINESS

The corporation, incorporated under the Ontario Business Corporations Act, owns all the electrical distribution system in the territory of the Corporation of the Town of Hearst and is responsible for the distribution of the electrical power on this territory.

RATE REGULATED ENTITY

The Ontario Energy Board (OEB) has regulatory oversight of electricity matters in the Province of Ontario. Among other duties, the Board has the authority to issue distribution licences along with conditions pertaining to accounting records and filing requirements for rate setting purposes.

All energy has to be purchased through Independent Electricity System Operations (IESO) in a weighted average basis whereas the price paid for the electricity is based on the market price adjusted for the peak periods of demand.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles for municipal electrical utilities in Ontario as required by statutes. Except for the principle of disposal of property and equipment and the principles explained under the heading regulation, all principles employed are in accordance with Canadian generally accepted accounting principles.

REVENUE RECOGNITION

Revenue from the sale of electricity is recorded on a basis of cyclical billings and also includes unbilled revenue accrued in respect of electricity delivered but not yet billed.

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Most of the inventory is used for own purposes and is eventually added to the property and equipment. Cost is determined on the average cost basis.

FUTURE INCOME TAXES

Income taxes are provided, at current rates, for all items included in the statement of income regardless of the period in which such items are reported for income tax purposes. The principal item which results in timing differences between financial and tax reporting purposes is amortization. Future income taxes are adjusted for changes in income tax rates.

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

REGULATION

The entity has to follow regulatory accounting treatments that differ from Canadian generally accepted accounting policies for enterprises operating in non regulated environment.

Transition costs: certain costs to set up the company have been deferred in accordance with OEB guidelines. These costs have been increased for the prescribed OEB rate of return with an offsetting interest income credit.

Pre-market opening energy variance: this asset represents the utility's cost of power based on time-of-use rates and the amounts billed to non time-of-use customers. These costs have been increased for the prescribed OEB rate of return with an affecting interest income credit.

Other regulatory assets: OEB has allowed the deferral of their annual costs assessments. These costs will be subject to recovery starting in 2008 subject to OEB approval.

Retail services and settlement variances: the net difference between the amount paid in the year to IESO and Hydro One and the amount billed to customers and retailers, based on Board-approved rates is recorded by journal entry in the following variance accounts.

a) Power Charges
b) Wholesale Market Service Charges;
c) Retail Transmission Network Service Charges;
d) Retail Transmission Connection Service Charges;
e) Provincial Benefit / Global Adjustment;

A monthly carrying charge will be calculated and added to the balance of each account.

PROPERTY AND EQUIPMENT

Amortization of property and equipment is provided on a straight-line basis over the following periods:

Building and fixtures	50 years
Underground lines and feeders	25 years
Transformers	25 years
Meters	25 years
Office equipment	10 years
Automotive equipment	5 years
Computer equipment	5 years
Other equipment	10 years
Land rights	10 years

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

When property and equipment are disposed, the proceeds of disposition are recorded as a reduction to the appropriate property and equipment accounts. Consequently, gains and losses on disposals are brought into income over the depreciable lives of the remaining property and equipment.

AMORTIZATION OF ORGANIZATION COSTS

The organization costs are amortized on a straight line basis over 20 years.

INCOME TAXES

A municipal electric utility is exempt from tax under subsection 149 (1) of the Income Tax Act. Under the Electricity Act of 1998, municipal electric utilities have to make payments in lieu of taxes (PILS) to the province. These payments are generally equivalent to the income taxes that would be otherwise due if the municipal electric utility would have been taxable as a small business corporation under the Income Tax Act.

CUSTOMERS DEPOSITS

Customers' advance deposits are cash collections from customers to mitigate the financial risk of non-payment of energy bills. Security deposits are refunded on customers account when a customer is deemed to have maintained a good payment history during the relevant time period set out in the customer security deposit policy.

EMPLOYEE FUTURE BENEFITS

The company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS), a defined benefit plan established by the province. Both employers and employees are required to make contributions to the plan. Since the corporation is only a contribution to the plan and all the actuarial costs/benefits are assumed by the province, only its yearly contributions/adjustments required by the province are recorded as expenses in the income statement.

USE OF ESTIMATES

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reporting amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

3. ACCOUNTS RECEIVABLE

	2008	2007
Electrical energy	$ 419,724	$ 351,816
Others	66,667	112,062
	486,391	463,878
Allowance for doubtful accounts	1,057	623
	$ 485,334	$ 463,255

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2008 Net	2007 Net
Land	$ 7,600	$ -	$ 7,600	$ 7,600
Building and fixtures	201,570	75,106	126,464	130,226
Underground lines and feeders	2,019,794	1,524,549	495,245	533,868
Transformers	542,572	449,931	92,641	98,048
Meters	358,622	257,325	101,297	109,174
Office equipment	42,163	29,727	12,436	15,309
Automotive equipment	486,435	456,361	30,074	24,662
Computer equipment	209,636	148,855	60,781	2,182
Other equipment	131,610	87,533	44,077	43,366
Land rights	4,232	3,089	1,143	1,566
	$ 4,004,234	$ 3,032,476	$ 971,758	$ 966,001

5. OTHER ASSETS

	Cost	Accumulated Amortization	2008 Net	2007 Net
Organisation costs	$ 25,471	$ 11,195	$ 14,276	$ 15,549

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

6. BANK INDEBTEDNESS

The corporation has an approved line of credit of $ 300,000, at prime, secured by a general security agreement on all of the company's assets.

7. DEMAND LOAN

	2008	2007
The Corporation of the Town of Hearst, promissory note, interest at the lesser of 12 % or a part of the net income for the year, payable on a monthly basis, no fixed capital repayment	$ 1,700,000	$ 1,700,000

8. CAPITAL STOCK

	2008	2007
AUTHORIZED		
Unlimited number of preference shares, dividends at the discretion of the directors, non voting		
Unlimited number of common shares		
ISSUED		
10,000 common shares	$ 10,000	$ 10,000

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

9. STATEMENT OF CASH FLOW

CASH POSITION

Cash position consists of cash on hand, balances with banks and the demand loan with the Town of Hearst and is comprised of the following balance sheet amounts:

	2008	2007
Cash	$ 4,583,782	$ 4,239,089
Demand loan	(1,700,000)	(1,700,000)
	$ 2,883,782	$ 2,539,089

INTEREST AND INCOME TAXES

Cash payments were made for the following items:

	2008	2007
Interest	$ 1,652	$ 393,000
Income taxes	(2,000)	17,559
	$ (348)	$ 410,559

10. EMPLOYEE FUTURE BENEFITS

The company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS), a defined benefit plan established by the province. Both employers and employees are required to make contributions to the plan. During the year, the company contributed $25,769 to the plan (2007 - $19,651). As this is a defined benefit plan, these contributions are the company's pension benefit expenses. No pension liability for this type of plan is included in the company's financial statements.

11. SUBSEQUENT EVENT

In February 2009, under the Smart Meters project, the company purchased property and equipment for a total consideration of $ 164,420. No long-term financing was required for this purchase.

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

12. TAX BENEFITS AVAILABLE

The financial statements do not reflect potential tax reductions available through the application of losses carried forward against future years' earnings otherwise subject to income taxes. These losses amount to $ 53,258 and are expiring in 2028.

13. RELATED PARTY TRANSACTIONS

During the year, the company incurred the following related party transactions with its sole shareholder, the Corporation of the Town of Hearst.

		2008		2007
Service revenue	$	513,065	$	509,978
Rent expense		8,604		8,427
Clerical and answering services expense		51,736		50,546
Year end balances were as follows:				
Due to Town of Hearst	$	158,130	$	81,227
Demand loan payable		1,700,000		1,700,000

These transactions are in the normal courses of operations and are measured at the exchange amount which is received and paid on similar terms as those of unrelated parties.

14. COMPARATIVE FIGURES

The presentation of certain accounts of the previous year has been modified to conform with the presentation adopted in the current year.

15. FINANCIAL INSTRUMENTS

The company's financial instruments consists of cash, accounts receivable, demand loan, accounts payable and accrued liabilities and amounts due to related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximated their carrying values, unless otherwise noted.

Collins Barrow
Gagné Gagnon Bisson Hébert
Chartered Accountants / Comptables Agréés

Société Professionnelle Denis Hébert Inc.
Eric G. Gagnon Professional Corporation
Christiane S. Lapointe C.A.
Noël G. Cantin C.A.

1021 George, C.P. 637
Hearst, Ontario
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hearst@collinsbarrow.com

February 25, 2010

Hearst Power Distribution Company Ltd.
P.O. Bag 5000
HEARST, Ontario POL 1NO

ATTENTION: Mrs. Nicole Leduc, Manager

Dear Mrs Leduc,

RE: Hearst Power Distribution Company Limited

We are the auditors of the Hearst Power Distribution Company Limited and in our capacity as auditors have reported as of February 19, 2010 on the Hearst Power Distribution Company Limited financial statements for the year ended December 31, 2009.

Purpose

In response to your request, we understand that you need a confirmation of our work regarding the Smart Meters Variance accounts. We also understand that you need a special report identifying the changes to the financial statements after the ensuing issuance of the Ontario Energy Board (OEB) order approving the smart meters deferral account transfer to operating assets for the purpose of the OEB regulation as part of the rate base.

The changes made following the Board approval only reflect the smart meters capital asset portion.

Generally Accepted Accounting Principles and Auditing Standards

The Hearst Power Distribution Company Limited financial statements for the year ended December 31, 2009 have been prepared in accordance with Canadian generally accepted accounting principles.

The audit of the Hearst Power Distribution Company Limited financial statements for the year ended December 31, 2009 has been conducted in accordance with Canadian generally accepted auditing standards.

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Ce cabinet est la propriété et est gêré de façon indépendante par Collins Barrow, Gagné Gagnon Bisson Hébert. Les marques déposées de Collins Barrow sont utilisées en vertu d'une licence.

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Audit Procedures for smart meters capital and expenses

The following other substantive procedures were performed, to allow us to conclude that the balances presented in the smart meters variance accounts were fairly stated.

- We vouched all expenses greater than 5 % of our materiality to an invoice and assured that it was related to the smart meters. A total of 94.8 % of all smart meters capital and OM&A expenses were verified;

- We recalculated the stranded cost calculated by Energy Cost Management Inc., as provided by Hearst Power Distribution Company Limited and concluded that it was properly recorded;

- We calculated the amortization expense for the current year and agreed to amount reported;

- We recalculated a sample of the carrying charges and concluded that they were properly calculated and reported.

Per our work performed, we concluded that the amounts presented as smart meters variance accounts were fairly stated, in all material respects as at December 31, 2009.

Accounting procedures for the special report

The following changes were made to reflect the capital portion approval of the smart meters investment.

- We transferred the smart meters capital expenses in the amount of $ 437,190 into the property and equipment account.
- We transferred the accumulated amortization in the amount of $ 14,427 into the accumulated amortization account from the smart meters capital and recovery account.
- We transferred the carrying charges on the smart meters capital and recovery account in the amount of $ 2,324 against the carrying charges interest revenue.

All of the reclassifications made to the smart meters capital and recovery account created changes to the audited financial statements which are presented in the attached special report. We also considered the effects of those reclassifications on the income tax return as of December 31, 2009.

Yours very truly,

COLLINS BARROW

Noël Cantin, CA
NC/ajc

1.3.2 – PRO-FORMA FINANCIAL STATEMENTS – 2009, 2010:

2009 & 2010 PRO FORMA FINANCIAL STATEMENTS

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
3000- Sales of Electricity						
4006	Residential Energy Sales	-1,350,000	-1,547,784	-1,349,864		
4010	Commercial Energy Sales	0	0	0		
4015	Industrial Energy Sales	0	0	0		
4020	Energy Sales to Large Users	0	0	0		
4025	Street Lighting Energy Sales	-44,000	-64,601	-65,983		
4030	Sentinel Lighting Energy Sales	-2,447	-2,462	-2,447		
4035	General Energy Sales	-3,050,099	-3,170,521	-3,047,098		
4040	Other Energy Sales to Public Authorities	0	0	0		
4045	Energy Sales to Railroads and Railways	0	0	0		
4050	Revenue Adjustment	0	0	-4,825		
4055	Energy Sales for Resale	-200,000	-231,293	-199,227		
4060	Interdepartmental Energy Sales	0	0	0		
4062	Billed WMS	-535,000	-550,568	-536,245		
4064	4064-Billed One-Time	0	0	0		
4066	Billed NW	-380,000	-368,349	-382,831		
4068	Billed CN	-361,836	-365,817	-361,836		
	3000- Sales of Electricity Total	-5,923,382	-6,301,395	-5,950,356	SERVICE REVENUE: Electricity & Wholesale market services, transmission	
3050- Revenues From Services - Distribution						
4080	Distribution Services Revenue	-870,950	-878,705	-898,548	(=total in stats & revenu sheet)	
4082	Retail Services Revenues	-3,600	-3,690	-4,538		
4084	Service Transaction Requests (STR) Revenues	-30	-30	-60		
4090	Electric Services Incidental to Energy Sales	0	0	0		
	3050- Revenues From Services - Distribution Total	-874,580	-882,425	-903,146	SERVICE REVENUE: Distribution	
					SERVICE REVENUE-TOTAL	**-6,853,502**
Revenues From Services- Transmission						
4105	Transmission Charges Revenue	0	0	0		
4110	Transmission Services Revenue	0	0	0		
	Revenues From Services- Transmission	0	0	0		
3100- Other Operating Revenues						
4205	Interdepartmental Rents	0	0	0		
4210	Rent from Electric Property	-18,000	-17,939	-17,744		
4215	Other Utility Operating Income	0	0	0		
4220	Other Electric Revenues	0	0	0		
4225	Late Payment Charges	-7,300	-8,742	-6,714		

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
4230	Sales of Water and Water Power	0	0	0		
4235	Miscellaneous Service Revenues	-15,000	-15,000	-19,990		
4240	Provision for Rate Refunds	0	0	0		
4245	Government Assistance Directly Credited to Income	0	0	0		
	3100- Other Operating Revenues Total	-40,300	-41,681	-44,447	OTHER REVENUE	
3150- Other Income & Deductions						
4305	Regulatory Debits	0	0	0		
4310	Regulatory Credits	0	0	0		
4315	Revenues from Electric Plant Leased to Others	0	0	0		
4320	Expenses of Electric Plant Leased to Others	0	0	0		
4325	Revenues from Merchandise, Jobbing, Etc.	-25,000	-25,000	-46,256		
4330	Costs and Expenses of Merchandising, Jobbing, Etc.	0	0	0		
4335	Profits and Losses from Financial Instrument Hedges	0	0	0		
4340	Profits and Losses from Financial Instrument Investments	0	0	9,933		
4345	Gains from Disposition of Future Use Utility Plant	0	0	0		
4350	Losses from Disposition of Future Use Utility Plant	0	0	0		
4355	Gain on Disposition of Utility and Other Property	0	0	0		
4360	Loss on Disposition of Utility and Other Property	0	0	0		
4365	Gains from Disposition of Allowances for Emission	0	0	0		
4370	Losses from Disposition of Allowances for Emission	0	0	0		
4375	Revenues from Non-Utility Operations	0	0	0		
4380	Expenses of Non-Utility Operations	0	0	0		
4385	Non-Utility Rental Income	0	0	0		
4390	Miscellaneous Non-Operating Income	0	0	0		
4395	Rate-Payer Benefit Including Interest	0	0	0		
4398	Foreign Exchange Gains and Losses, Including Amortization	0	0	0		
	3150- Other Income & Deductions Total	-25,000	-25,000	-36,323	OTHER REVENUE	
					OTHER REVENUE TOTAL	**-80,770**
3200 - Investment Income						
4405	Interest and Dividend Income	-50,000	-84,720	-151,642		
4415	Equity in Earnings of Subsidiary Companies	0	0	0		
	3200 - Investment Income Total	-50,000	-84,720	-151,642	INTEREST INCOME	**-151,642**
3350- Power Supply Expenses						

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
4705	Power Purchased	4,906,000	4,966,498	4,906,061	COST OF SALES - ELECTRICITY	
4708	Charges-WMS	516,172	511,061	505,501	WHOLESALE MARKET SERVICES	
4710	Cost of Power Adjustments	0	0	0		
4714	Charges-One-Time	0	0	0		
4714	Charges-NW	384,000	380,691	376,549	COST OF SALES- WHOLESALE MARKET SERVICES	
4715	System Control and Load Dispatching	0	0	0		
4716	Charges-CN	366,838	363,206	359,254	COST OF SALES- WHOLESALE MARKET SERVICES	
4720	Other Expenses	0	0	0		
4725	Competition Transition Expense	0	0	0		
4730	Rural Rate Assistance Expense	26,430	26,168	25,884	COST OF SALES- WHOLESALE MARKET SERVICES	
4750	Charges- LV	77,713	76,944	76,107	COST OF SALES- WHOLESALE MARKET SERVICES	
	3350- Power Supply Expenses Total	6,277,153	6,324,568	6,249,357	**COST OF SALES- TOTAL**	**6,249,357**
3500- Distribution Expenses- Operation						
5005	Operation Supervision and Engineering	0	0	0		
5010	Load Dispatching	0	0	0		
5012	Station Buildings and Fixtures Expense	0	0	0		
5014	Transformer Station Equipment - Operation Labour	0	0	0		
5015	Transformer Station Equipment - Operation Supplies and Expenses	0	0	0		
5016	Distribution Station Equipment - Operation Labour	0	0	0		
5017	Distribution Station Equipment - Operation Supplies and Expenses	0	0	0		
5020	Overhead Distribution Lines and Feeders - Operation Labour	5,000	3,821	5,036		
5025	Overhead Distribution Lines and Feeders - Operation Supplies and Expenses	48,480	61,252	43,305		
5030	Overhead Subtransmission Feeders - Operation	0	0	0		
5035	Overhead Distribution Transformers- Operation	210	210	174		
5040	Underground Distribution Lines and Feeders - Operation Labour	200	200	168		
5045	Underground Distribution Lines and Feeders - Operation Supplies and Expenses	1,000	1,000	472		
5050	Underground Subtransmission Feeders - Operation	0	0	0		
5055	Underground Distribution Transformers - Operation	100	100	41		
5060	Street Lighting and Signal System Expense	0	0	0		
5065	Meter Expense	5,000	4,500	432		
5070	Customer Premises - Operation Labour	0	0	0		

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
5075	Customer Premises - Materials and Expenses	0	0	0		
5085	Miscellaneous Distribution Expense	36,200	35,000	18,046		
5090	Underground Distribution Lines and Feeders- Rental Paid	0	0	0		
5095	Overhead Distribution Lines and Feeders - Rental Paid	0	0	6,623		
5096	Other Rent	10,750	9,950	3,150		
	3500- Distribution Expenses- Operation Total	106,940	116,033	77,447	EXPENDITURES DISTRIBUTION, O&M	
3550- Distribution Expenses - Maintenance						
5105	Maintenance Supervision and Engineering	30,000	30,000	75,836		
5110	Maintenance of Buildings and Fixtures - Distribution Stations	0	0	0		
5112	Maintenance of Transformer Station Equipment	0	0	0		
5114	Maintenance of Distribution Station Equipment	0	0	0		
5120	Maintenance of Poles, Towers and Fixtures	60,190	48,490	47,147		
5125	Maintenance of Overhead Conductors and Devices	89,475	71,175	65,650		
5130	Maintenance of Overhead Services	6,100	5,500	5,085		
5135	Overhead Distribution Lines and Feeders - Right of Way	50	300	41		
5145	Maintenance of Underground Conduit	2,000	1,200	1,019		
5150	Maintenance of Underground Conductors and Devices	2,000	2,800	1,793		
5155	Maintenance of Underground Services	11,000	11,000	10,875		
5160	Maintenance of Line Transformers	68,750	65,000	68,748		
5165	Maintenance of Street Lighting and Signal Systems	0	0	0		
5170	Sentinel Lights - Labour	0	0	0		
5172	Sentinel Lights - Materials and Expenses	0	0	0		
5175	Maintenance of Meters	15,000	4,830	6,136		
5195	Maintenance of Other Installations on Customer Premises	0	0	0		
	3550- Distribution Expenses - Maintenance Total	284,565	240,295	282,332	EXPENDITURES DISTRIBUTION, O&M	
					TOTAL EXPENDITURES DISTRIBUTION, O& M	**359,778**
3650 - Billing and Collecting Total						
5305	Supervision	0	0	0		
5310	Meter Reading Expense	85,079	33,000	38,157		
5315	Customer Billing	95,000	94,000	85,500		
5320	Collecting	20,000	17,400	17,886		
5325	Collecting- Cash Over and Short	0	0	0		
5330	Collection Charges	5,000	3,000	4,388		

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
5335	Bad Debt Expense	15,000	11,000	17,931		
5340	Miscellaneous Customer Accounts Expenses	10,000	10,410	10,250		
	3650 - Billing and Collecting Total	230,079	168,810	174,112	**METER READING, BILLING &COLLECTING**	**174,112**
3700- Community Relations						
5405	Supervision	0	0	0		
5410	Community Relations - Sundry	0	0	0		
5415	Energy Conservation	0	0	0		
5420	Community Safety Program	0	0	0		
5425	Miscellaneous Customer Service and Informational Expenses	0	0	0		
5505	Supervision	0	0	0		
5510	Demonstrating and Selling Expense	0	0	0		
5515	Advertising Expense	5,000	4,500	2,619		
5520	Miscellaneous Sales Expense	0	0	0		
	3700- Community Relations Total	5,000	4,500	2,619	GENERAL ADMINISTRATION	
3800- Administrative and General Expense						
5605	Executive Salaries and Expenses	12,000	11,800	9,762		
5610	Management Salaries and Expenses	0	0	0		
5615	General Administrative Salaries and Expenses	78,000	76,400	71,686		
5620	Office Supplies and Expenses	2,500	2,500	1,871		
5625	Administrative Expense Transferred?Credit	0	0	0		
5630	Outside Services Employed	8,995	141,269	33,205		
5635	Property Insurance	566	550	523		
5640	Injuries and Damages	9,000	13,490	8,281		
5645	Employee Pensions and Benefits	90,500	89,519	0		
5650	Franchise Requirements	0	0	0		
5655	Regulatory Expenses	7,095	5,989	9,706		
5660	General Advertising Expenses	0	0	0		
5665	Miscellaneous General Expenses	22,000	15,050	13,490		
5670	Rent	8,838	8,750	8,604		
5675	Maintenance of General Plant	0	0	0		
5680	Electrical Safety Authority Fees	1,800	1,892	2,161		
5685	Independent Market Operator Fees and Penalties	0	0	0		
	3800- Administrative and General Expense Total	241,294	367,209	159,289	GENERAL ADMINISTATION	
3850- Amortization Expense						
5705	Amortization Expense- Property, Plant, and Equipment	144,386	120,440	108,727		
5710	Amortization of Limited Term Electric Plant	0	0	0		
5715	Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273		
5720	Amortization of Electric Plant Acquisition Adjustments	0	0	0		
5725	Miscellaneous Amortization	0	0	0		

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
5730	Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0		
5735	Amortization of Deferred Development Costs	0	0	0		
5740	Amortization of Deferred Charges	0	0	0		
	3850- Amortization Expense Total	145,659	121,713	110,000	**AMORTIZATION**	**110,000**
3900- Interest Expense Total						
6005	Interest on Long Term Debt	0	0	0		
6010	Amortization of Debt Discount and Expense	0	0	0		
6015	Amortization of Premium on Debt?Credit	0	0	0		
6020	Amortization of Loss on Reacquired Debt	0	0	0		
6025	Amortization of Gain on Reacquired Debt--Credit	0	0	0		
6030	Interest on Debt to Associated Companies	0	0	0		
6035	Other Interest Expense	0	62,660	73,010		
6040	Allowance for Borrowed Funds Used During Construction--Credit	0	0	0		
6042	Allowance For Other Funds Used During Construction	0	0	0		
6045	Interest Expense on Capital Lease Obligations	0	0	0		
	3900- Interest Expense Total	0	62,660	73,010	GENERAL ADMINISTRATION	
					GENERAL ADMIN. TOTAL	**234,918**
3950- Taxes Other Than Income Taxes						
6105	Taxes Other than Income Taxes	0	0	0		
	3950- Taxes Other Than Income Taxes Total	0	0	0		
4000- Income Taxes						
6110	Income Taxes	0	0	0		
6115	Provision for Future Income Taxes	0	1,800	1,800		
	4000- Income Taxes Total	0	1,800	1,800	FUTURE PILS	**1,800**
4100- Extraordinary & Other Items						
6205	Donations	0	0	0		
6210	Life Insurance	0	0	0		
6215	Penalties	0	0	0		
6225	Other Deductions	0	0	0		
6305	Extraordinary Income	0	0	0		
6310	Extraordinary Deductions	0	0	0		
6315	Income Taxes, Extraordinary Items	0	0	0		
	4100- Extraordinary & Other Items	0	0	0		
	NET INCOME	-377,428	-72,367	-44,051		44,051
		2010	2009	2008		NET LOSS
	INCOME BEFORE TAXES	-377,428	-70,567	-42,251		

STATEMENT OF RETAINED EARNINGS	2010	2009	2008
RETAINED EARNINGS			
BALANCE, BEGINNING OF YEAR	2,628,732.68	2,556,365.92	2,512,315.00
NET INCOME (LOSS)	377,427.97	72,366.76	44,050.92
BALANCE, END OF YEAR	3,006,160.65	2,628,732.68	2,556,365.92

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
1050- Current Assets						
1005	Cash	2671586.13	3385736.13	4583608	CURRENT ASSETS- CASH	
1010	Cash Advances and Working Funds	200	200	200	CURRENT ASSETS- CASH	
1020	Interest Special Deposits	0	0	0		
1030	Dividend Special Deposits	0	0	0		
1040	Other Special Deposits	-26.08	-26.08	-26.08	CURRENT ASSETS- CASH **CURRENT ASSETS- CASH TOTAL**	**2,671,760**
1060	Term Deposits	0	0	0		
1070	Current Investments	0	0	0		
1100	Customer Accounts Receivable	844474.74	844474.74	419740.73	CURRENT ASSETS- Accounts receivable	
1102	Accounts Receivable - Services	0	0	0		
1104	Accounts Receivable - Recoverable Work	0	0	0		
1105	Accounts Receivable - Merchandise, Jobbing, etc.	67281.01	67281.01	62426.74	CURRENT ASSETS- Accounts receivable	
1110	Other Accounts Receivable	9879.77	9879.77	4223.31	CURRENT ASSETS - Accounts receivable	
1120	Accrued Utility Revenues	802968.75	802968.75	872969	CURRENT ASSETS- Unbilled Revenue	**802,969**
1130	Accumulated Provision for Uncollectible Accounts--Credit	-2114.3	-2114.3	-1057.15	CURRENT ASSETS - Accounts receivable **ACCOUNTS RECEIVABLE TOTAL:**	**919,521**
1140	Interest and Dividends Receivable	0	0	0		
1150	Rents Receivable	0	0	0		
1170	Notes Receivable	0	0	0		
1180	Prepayments	13002.76	13002.76	13003	CURRENT ASSETS- PREPAID EXPENSES	**13,003**
1190	Miscellaneous Current and Accrued Assets	0	0	0		
1200	Accounts Receivable from Associated Companies	0	0	0		
1210	Notes Receivable from Associated Companies	0	0	0		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	TOTAL	TOTAL	TOTAL	FINANCIAL STATEMENT GROUPINGS	TOTALS
	1050- Current Assets Total	4407252.78	5121402.78	5955087.55		
1100- Inventory						
1305	Fuel Stock	0	0	0		
1330	Plant Materials and Operating Supplies	114256.34	114256.34	119256	CURRENT ASSETS-INVENTORY	**114,256**
1340	Merchandise	0	0	0		
1350	Other Materials and Supplies	0	0	0		
	1100- Inventory Total	114256.34	114256.34	119256		
1150- Non-Current Assets						
1405	Long Term Investments in Non-Associated Companies	0	0	0		
1408	Long Term Receivable - Street Lighting Transfer	0	0	0		
1410	Other Special or Collateral Funds	0	0	0		
1415	Sinking Funds	0	0	0		
1425	Unamortized Debt Expense	0	0	0		
1445	Unamortized Discount on Long-Term Debt--Debit	0	0	0		
1455	Unamortized Deferred Foreign Currency Translation Gains and Losses	0	0	0		
1460	Other Non-Current Assets	0	0	0		
1465	O.M.E.R.S. Past Service Costs	0	0	0		
1470	Past Service Costs - Employee Future Benefits	0	0	0		
1475	Past Service Costs - Other Pension Plans	0	0	0		
1480	Portfolio Investments - Associated Companies	0	0	0		
1485	Investment in Associated Companies - Significant Influence	0	0	0		
1490	Investment in Subsidiary Companies	0	0	0		
	1150- Non-Current Assets Total	0	0	0		
1200- Other Assets and Deferred Charges						
1505	Unrecovered Plant and Regulatory Study Costs	30000	0	0		
1508	Other Regulatory Assets - Pension Contributions	0	20493.14	22968.97		
1510	Preliminary Survey and Investigation Charges	0	0	0		
1515	Emission Allowance Inventory	0	0	0		
1516	Emission Allowances Withheld	0	0	0		
1518	RCVARetail	0	0	0		
1520	Power Purchase Variance Account	0	0	0		
1525	Miscellaneous Deferred Debits	12584.88	4184.65	4174.14		
1530	Deferred Losses from Disposition of Utility Plant	0	0	0		
1540	Unamortized Loss on Reacquired Debt	0	0	0		
1545	Development Charge Deposits/ Receivables	0	0	0		
1548	RCVASTR	0	0	0		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
1550	LV Variance Account	124524.77	72398.42	55392.38		
1555	Smart Meter Capital and Recovery Offset Variance Account	-64602.09	513.11	-21787.51		
1555	Smart Meter Capital and Recovery Offset Variance Account, Sub-account Stranded Meter Costs	0	0	0		
1556	Smart Meter OM&A Variance Account	53039.97	55518	19325.77		
1560	Deferred Developmemt Costs	30000	30000	0		
1562	Deferred Payments in Lieu of Taxes	-6500	8273.03	6014.95		
1563	Account 1563 - Deffered PILs Contra Account	6500	-8273.03	-6014.95		
1565	Conservation and Demand Management Expenditures and Recoveries	-18866.24	-18866.24	-26808.23		
1566	CDM Contra Account	0	0	0		
1570	Qualifying Transition Costs	63236.3	31739.64	31471.04		
1571	Pre-market Opening Energy Variance	792.12	396.06	396.06		
1572	Extraordinary Event Costs	0	0	0		
1574	Deferred Rate Impact Amounts	0	0	0		
1580	RSVAWMS	0	-266337.2	-202556.94		
1582	RSVAONE-TIME	0	0	0		
1584	RSVANW	0	-96705.44	-81726.5		
1586	RSVACN	0	-343979.09	-249070.7		
1588	RSVAPOWER	0	-251987.78	-562183.34		
1588	RSVA Power - Sub-account Global Adjustments	0	181830.52	184793.3		
1590	Recovery of regulatory asset balances	-44293.98	-54822.57	-54184.98		
	1200- Other Assets and Deferred Charges Total	186415.73	-635624.78	-879796.54		
Electric Plant in Service						
1605	Electric Plant in Service - Control Account	0	0	0		
1606	Organization	26171	25471	25471.33	OTHER ASSETS -Cost, **2008 NET TOTAL**	**14,276**
1608	Franchises and Consents	0	0	0		
1610	Miscellaneous Intangible Plant	0	0	0		
1615	Land	0	0	0		
1616	Land Rights	0	0	0		
1620	Buildings and Fixtures	0	0	0		
1630	Leasehold Improvements	0	0	0		
1635	Boiler Plant Equipment	0	0	0		
1640	Engines and Engine-Driven Generators	0	0	0		
1645	Turbogenerator Units	0	0	0		
1650	Reservoirs, Dams and Waterways	0	0	0		
1655	Water Wheels, Turbines and Generators	0	0	0		
1660	Roads, Railroads and Bridges	0	0	0		
1665	Fuel Holders, Producers and Accessories	0	0	0		
1670	Prime Movers	0	0	0		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
1675	Generators	0	0	0		
1680	Accessory Electric Equipment	0	0	0		
1685	Miscellaneous Power Plant Equipment	0	0	0		
	Electric Plant in Service Total	26171	25471	25471.33		
1450- Distribution Plant						
1805	Land	0	0	0		
1806	Land Rights	0	0	0		
1808	Buildings and Fixtures	0	0	0		
1810	Leasehold Improvements	0	0	0		
1815	Transformer Station Equipment - Normally Primary above 50 kV	0	0	0		
1820	Distribution Station Equipment - Normally Primary below 50 kV	0	0	0		
1825	Storage Battery Equipment	0	0	0		
1830	Poles, Towers and Fixtures	42597.07	32597.07	30627.9	PROPERTY & EQUIPMENT- Other	
1835	Overhead Conductors and Devices	1600479.64	1581979.64	1579624.58	PROPERTY & EQUIPMENT- lines and feeders	
1840	Underground Conduit	5873.01	5873.01	5873.01	PROPERTY & EQUIPMENT- lines and feeders	
1845	Underground Conductors and Devices	436690.16	423390.16	423390.16	PROPERTY & EQUIPMENT- lines and feeders	
1850	Line Transformers	561449.62	544949.62	542571.93	PROPERY & EQUIPMENT- Transformers 542572	**92,641**
1855	Services	10765.96	9765.96	9765.96	PROPERTY & EQUIPMENT- Other	
1860	Meters	690459.751	575563.751	358622.02	PROPERTY & EQUIPMENT- Meters 358662	**101,297**
1865	Other Installations on Customer?s Premises	0	0	0		
1870	Leased Property on Customer Premises	0	0	0		
1875	Street Lighting and Signal Systems	0	0	0		
	1450- Distribution Plant Total	3348315.211	3174119.211	2950475.56		
1500- General Plant						
1905	Land	7600	7600	7600	PROPERTY AND EQUIPMENT- COST - 7600	**7,600**
1906	Land Rights	4232	4232	4232	PROPERTY AND EQUIPMENT - COST 4232	**1,143**
1908	Buildings and Fixtures	214579.03	214579.03	201569.97	PROPERTY AND EQUIPMENT - COST - 201570	**126,464**
1910	Leasehold Improvements	0	0	0		
1915	Office Furniture and Equipment	73128.45	48128.45	42162.53	PROPERTY AND EQUIPMENT - COST- 42163	**12,436**

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
1920	Computer Equipment - Hardware	103678.45	93678.45	93678.45	PROPERTY AND EQUIPMENT- COST- 209636	**60,781**
1925	Computer Software	140957.33	115957.33	115957.33	AS ABOVE	
1930	Transportation Equipment	498934.62	486434.62	486434.62	PROPERTY AND EQUIPMENT- COST -486435	**30,074**
1935	Stores Equipment	1854.52	1854.52	1854.52	PROPERTY & EQUIPMENT- Other	
1940	Tools, Shop and Garage Equipment	98771	96771	96771	PROPERTY & EQUIPMENT- Other	
1945	Measurement and Testing Equipment	0	0	0		
1950	Power Operated Equipment	0	0	0		
1955	Communication Equipment	3546.04	3546.04	3546.04	PROPERTY & EQUIPMENT- Lines and Feeders and Other TOTAL 2,151,453.00 (OFF BY $40)	**539,322**
1960	Miscellaneous Equipment	0	0	0		
1970	Load Management Controls - Customer Premises	0	0	0		
1975	Load Management Controls - Utility Premises	0	0	0		
1980	System Supervisory Equipment	0	0	0		
1985	Sentinel Lighting Rental Units	0	0	0		
1990	Other Tangible Property	0	0	0		
1995	Contributions and Grants - Credit	0	0	0		
	1500- General Plant Total	1147281.44	1072781.44	1053806.46		
1550- Other Capital Assets						
2005	Property Under Capital Leases	0	0	0		
2010	Electric Plant Purchased or Sold	0	0	0		
2020	Experimental Electric Plant Unclassified	0	0	0		
2030	Electric Plant and Equipment Leased to Others	0	0	0		
2040	Electric Plant Held for Future Use	0	0	0		
2050	Completed Construction Not Classified--Electric	0	0	0		
2055	Construction Work in Progress--Electric	0	0	0		
2060	Electric Plant Acquisition Adjustment	0	0	0		
2065	Other Electric Plant Adjustment	0	0	0		
2070	Other Utility Plant	0	0	0		
2075	Non-Utility Property Owned or Under Capital Leases	0	0	0		
	1550- Other Capital Assets Total	0	0	0		
1600- Accumulated Amortization						
2105	Accumulated Amortization of Electric Utility Plant - Property, Plant, and Equipment	-3115986.106	-2971599.9	-3032523.54		
2160	Accumulated Amortization of Other Utility Plant	-13741.41	-12468.41	-11195.41		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008 FINANCIAL STATEMENT GROUPINGS	2008 FINANCIAL STATEMENT TOTALS
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**		
2120	Accumulated Amortization of Electric Utility Plant - Intangibles	0	0	0		
2140	Accumulated Amortization of Electric Plant Acquisition Adjustment	0	0	0		
2180	Accumulated Amortization of Non-Utility Property	0	0	0		
	1600- Accumulated Amortization Total	-3129727.516	-2984068.31	-3043718.95		
TOTAL ASSETS		**5,966,308**	**6,576,721**	**7,113,137**		**7,113,137**
1650- Current Liabilities						
2205	Accounts Payable	-1200000	-1500000	-1601083.98		
2208	Customer Credit Balances	-30000	-30000	-30468.84		
2210	Current Portion of Customer Deposits	0	0	0		
2215	Dividends Declared	0	0	0		
2220	Miscellaneous Current and Accrued Liabilities	-3728	-3800	-3728.47		
2225	Notes and Loans Payable	0	0	0		
2240	Accounts Payable to Associated Companies	0	0	0		
2242	Notes Payable to Associated Companies	0	0	0		
2250	Debt Retirement Charges(DRC) Payable	0	0	0		
2252	Transmission Charges Payable	0	0	0		
2254	Electrical Safety Authority Fees Payable	0	0	0		
2256	Independent Market Operator Fees and Penalties Payable	0	0	0		
2260	Current Portion of Long Term Debt	0	0	0		
2262	Ontario Hydro Debt - Current Portion	0	0	0		
2264	Pensions and Employee Benefits - Current Portion	0	0	0		
2268	Accrued Interest on Long Term Debt	0	0	0		
2270	Matured Long Term Debt	0	0	0		
2272	Matured Interest on Long Term Debt	0	0	0		
2285	Obligations Under Capital Leases--Current	0	0	0		
2290	Commodity Taxes	25688	25000	25687.7		
2292	Payroll Deductions / Expenses Payable	0	0	0		
2294	Accrual for Taxes, Payments in Lieu of Taxes, Etc.	26959	26959	26959	CURRENT ASSETS-Income Taxes Recoverable	**26,959**
2296	Future Income Taxes - Current	0	0	0		
	1650- Current Liabilities Total	-1181081	-1481841	-1582634.59		
1700- Non-Current Liabilities						
2305	Accumulated Provision for Injuries and Damages	0	0	0		
2306	Employee Future Benefits	0	0	0		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
2308	Other Pensions - Past Service Liability	0	0	0		
2310	Vested Sick Leave Liability	0	0	0		
2315	Accumulated Provision for Rate Refunds	0	0	0		
2320	Other Miscellaneous Non-Current Liabilities	0	0	0		
2325	Obligations Under Capital Lease--Non-Current	0	0	0		
2330	Development Charge Fund	0	0	0		
2335	Long Term Customer Deposits	-40000	-45000	-46818.5	CURRENT LIABILITIES-Customers' Deposits	**-40,000**
2340	Collateral Funds Liability	0	0	0		
2345	Unamortized Premium on Long Term Debt	0	0	0		
2348	O.M.E.R.S. - Past Service Liability - Long Term Portion	0	0	0		
2350	Future Income Tax - Non-Current	25800	25800	25800	CURRENT ASSETS- Future Income Taxes	**25,800**
2405	Other Regulatory Liabilities	-12420	-12419	-12418.6	CURRENT LIABILITIES- Regulatory Liabilities	
2410	Deferred Gains from Disposition of Utility Plant	0	0	0		
2415	Unamortized Gain on Reacquired Debt	0	0	0		
2425	Other Deferred Credits	0	0	0		
2435	Accrued Rate-Payer Benefit	0	0	0		
	1700- Non-Current Liabilities	-26620	-31619	-33437.1		
1800- Long-Term Debt						
2505	Debentures Outstanding - Long Term Portion	0	0	0		
2510	Debenture Advances	0	0	0		
2515	Reacquired Bonds	0	0	0		
2520	Other Long Term Debt	-1,700,000.00	-1700000	-1700000	CURRENT LIABILITIES-Demand Loan	**-1,700,000**
2525	Term Bank Loans - Long Term Portion	0	0	0		
2530	Ontario Hydro Debt Outstanding - Long Term Portion	0	0	0		
2550	Advances from Associated Companies	0	0	0		
	1800- Long-Term Debt	-1700000	-1700000	-1700000		
TOTAL CURRENT LIABILITIES		**-2774044.27**	**-3901843.78**	**-4248627.23**	**SHOULD BE 4,428,233.00**	
1850- Shareholders' Equity						
3005	Common Shares Issued	-10000	-10000	-10000	SHAREHOLDER'S EQUITY-Capital stock	**-10,000**
3008	Preference Shares Issued	0	0	0		
3010	Contributed Surplus	0	0	0		

2009, 2010 BALANCE SHEET		2010	2009	2008 TRIAL BALANCE	2008	2008 FINANCIAL STATEMENT
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
3020	Donations Received	0	0	0		
3022	Development Charges Transferred to Equity	0	0	0		
3026	Capital Stock Held in Treasury	0	0	0		
3030	Miscellaneous Paid-In Capital	-206641	-206641	-206640.96	SHAREHOLDER'S EQUITY-Contributed Capital	**-206,641**
3035	Installments Received on Capital Stock	0	0	0		
3040	Appropriated Retained Earnings	0	0	0		
3045	Unappropriated Retained Earnings	0	0	0		
3046	Balance Transferred From Income	0	0	44050.92	SHAREHOLDER'S EQUITY-Retained Earnings	
3047	Appropriations of Retained Earnings - Current Period	0	0	0		
3048	Dividends Payable-Preference Shares	0	0	0		
3049	Dividends Payable-Common Shares	0	0	0		
3055	Adjustment to Retained Earnings	-2512315	-2512315	-2512314.64	SHAREHOLDER'S EQUITY - Retained Earnings **RETAINED EARNINGS TOTAL:**	**-2,512,315**
3065	Unappropriated Undistributed Subsidiary Earnings	0	0	0		
	1850- Shareholders' Equity	**-2728956**	**-2728956**	**-2684904.68**		
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY		**-5503000.27**	**-6630799.78**	**-6933531.91**		
	BALANCE SHEET TOTAL	**305,178**	**-212,208**	**21,475**		

1.3.3 – FINANCIAL STATEMENTS RECONCILIATION WITH RESULTS FILED:

The Trial Balance tab of the Rebasing Worksheets file sets out a reconciliation with the trial balance information filed and the audited statements to Dec 31, 2008.

The differences between the trial balances filed and the audited statements result in part from accruals and in part from differences resulting from small resource numbers and the large percentage changes that result from relatively small dollar changes within a thinly resourced utility.

No reports are released to the public by Hearst Power. It does not have Rating Agency Reports, nor does it release any prospectuses or circulars.

1.4.1 – MATERIALITY THRESHOLDS:

The Applicant accepts the default materiality threshold of $50,000.00.

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX - Exhibit 2

Exhibit	Tab	Schedule	Contents of Schedule
2 - RATE BASE			
	1		**Overview**
		1	Rate Base Overview
		2	Rate Base Summary Table
		3	Variance Analysis on Rate Base Table
	2		**Gross Assets – Property, Plant, Equipment**
		1	Continuity Statements
		2	Gross Assets Table
		3	Gross Assets Analysis
	3	1	**Accumulated Depreciation**
	4	1	**Allowance for Working Capital**
	5		**Capital Expenditures**
		1	Capital Budget by Project
		2	Capitalization Policy
		3	Proposed Accounting Treatment for Capital Projects
	6	1	**Asset Management Plan**
	7		**Service Quality and Reliability Performance**
		1	Service Quality Indicators
		2	SAIDI, SAIFI, CAIDI

2.1.1 - RATE BASE OVERVIEW:

A forecast of the Applicant's rate base is provided for the Test Year (2010). Historical data pertaining to rate base is also presented for Board approved 2006 EDR (2004), 2006-2008 Actual Years and a projected 2009 Bridge Year.

Hearst Power's forecasted rate base for the Test Year is $2,355,582, as set out in the Revenue Requirement Model (RRM). The rate base underlying the Test Year revenue requirement includes a forecast of net fixed assets, plus a working capital allowance. Net fixed assets are gross assets in service minus accumulated depreciation and contributed capital.

Complete historical and projected rate base calculations are located at Exhibit 2, Tab 1, Schedule 2.

Detailed information regarding fixed assets is located in Fixed Asset Continuity Schedule which can be found in Exhibit 2, Tab 2, Schedule 1.

Gross Assets – Property, Plant and Equipment and Accumulated Depreciation
The Bridge and Test Year Gross Assets balances reflect the capital expenditure program forecasts for each year. Gross Assets closing balances are $4,246,901 and $4,495,597 for the Bridge Year and Test Year respectively. Detailed Gross Assets account information is presented in Exhibit 2, Tab 2, Schedule 2.

Accumulated Depreciation closing balances are $2,971,600 and $3,115,986 for the Bridge and Test Years respectively. Information regarding Accumulated Depreciation is presented in Exhibit 2, Tab 3, Schedule 1.

Allowance for Working Capital
The allowance for working capital follows the board's current methodology of 15% of predetermined account balances. The allowance for the Test Year totals $1,060,098. These calculations are detailed in Exhibit 2, Tab 4, Schedule 1.

Capital Budget
The Test Year capital budget is $248,696. A breakdown of planned capital expenditures for the test year is included in the Fixed Asset Continuity Schedule.

2.1.2 - RATE BASE SUMMARY TABLE:

AVERAGE ASSET Rate Base

Description	EDR 2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Average (Except EDR 2006 Approved Year) Gross Fixed Assets	3,729,479	3,795,945	66,466	3,837,948	42,003	3,920,232	82,284	4,106,725	186,494	4,352,382	245,657
Average (Except EDR 2006 Approved Year) Accumulated Depreciation	2,574,209	2,785,291	211,082	2,884,883	99,592	2,989,353	104,470	3,014,529	25,176	3,056,898	42,369
Year End Fixed Assets Net Book Value	1,155,270	1,011,891	- 143,380	966,004	- 45,887	971,761	5,757	1,275,301	303,540	1,379,611	104,310
Average Net Book Value	1,155,270	1,010,654	- 144,616	953,065	- 57,589	930,879	- 22,186	1,092,196	161,318	1,295,484	203,288
Working Capital	8,148,897	8,560,710	411,812	8,382,105	- 178,605	6,869,049	- 1,513,056	7,144,471	275,422	7,067,318	- 77,153
Working Capital Allowance	1,222,335	1,284,106	61,772	1,257,316	- 26,791	1,030,357	- 226,958	1,071,671	41,313	1,060,098	- 11,573
Rate Base	2,377,605	2,294,761	- 82,844	2,210,381	- 84,380	1,961,236	- 249,145	2,163,867	202,631	2,355,582	191,715

Note: Source for 2006 OEB Approved column is 2006 EDR Model: Average Gross Assets (P515), Average Accumulated Depreciation (P518), Net Book Value (P519)

Working Capital

Description	EDR 2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Cost of Power	7,511,428	7,932,423	420,994	7,716,665	- 215,757	6,173,250	- 1,543,415	6,247,624	74,374	6,199,440	- 48,184
Operations	74,621	55,241	- 19,380	77,921	22,680	77,447	- 475	116,033	38,586	106,940	- 9,093
Maintenance	204,263	242,519	38,256	245,858	3,339	282,332	36,473	240,295	- 42,037	284,565	44,270
Billing & Collecting	123,001	147,733	24,731	166,974	19,241	174,112	7,138	168,810	- 5,302	230,079	61,269
Community Relations	30,540	4,029	- 26,511	3,685	- 344	2,619	- 1,065	4,500	1,881	5,000	500
Administration & General Expense	205,043	178,765	- 26,278	171,002	- 7,763	159,289	- 11,713	367,209	207,920	241,294	- 125,915
Working Capital	8,148,897	8,560,710	411,812	8,382,105	- 178,605	6,869,049	- 1,513,056	7,144,471	275,422	7,067,318	- 77,153

2.1.3 - VARIANCE ANALYSIS ON RATE BASE SUMMARY TABLE:

A summary of Hearst Power's rate base is presented in Exhibit 2, Tab 1, Schedule 2.

Materiality is defined as 1% of net fixed assets. For Hearst Power this amount is $10,119 for 2006 (Audited), $12,753 for 2009 (Projected) and $13,796 for 2010 (Projected).

Hearst Power used a value of $50,000 as its threshold for materiality analysis as prescribed by Board regulation for distributors with a distribution revenue requirement less than or equal to $10 million.

EDR 2006 Board Approved
As shown, the total rate base in the EDR 2006 Board Approved Year was $2,377,605. Net fixed assets account for $1,155, 270 of this total. The allowance for working capital totals $1,222,335.

2006 Actual
As shown, the total rate base in the 2006 Actual Year was $2,294,761. Average net fixed assets account for $1,010,654 of this total with the allowance for working capital amounting to $1,284,106.

The total rate base in the 2006 Actual Year is lower than in the EDR 2006 Board Approved Year. This change results, in part, from the following factors:

- The 2006 Actual net fixed assets are lower than the 2004 net fixed assets, which was the basis for the EDR 2006 application.
- Hearst Power is a non-growth utility and with the exception of lumpy asset additions, the capital expenditures are relatively small, even when compared with the annual depreciation.

2007 Actual Year
As shown, the total rate base in the 2007 Actual Year was $2,210,381. Average net book value accounts for $953,065 of this total, while the allowance for working capital totals $1,257,316.

The total rate base in the 2007 Actual is $84,380 lower than in the 2006 Actual Year. This change results, in part, from the following factors:

- The 2007 Actual net fixed assets are lower than the 2006 net fixed assets.
- Hearst Power is a non-growth utility and with the exception of lumpy asset additions, the capital expenditures are relatively small, even when compared with the annual depreciation.

2008 Actual Year
As shown, the total rate base in the 2008 Actual Year was $1,961,236. Average net book value accounts for $930,878 of this total, while the allowance for working capital totals $1,030,357.

The total rate base in the 2008 Actual Year is $249,145 lower than in the 2007 Actual Year. This change results, in part, from the following factors:

- Despite the acquisition of a new billing system at a cost in excess of $60,000 in 2008, the impact on the rate base and net fixed assets is insufficient to overcome the annual depreciation. This is in part because the rate base is an average rate base, reducing the impact of the $60,000 expenditure. The working capital allowance is lower by $226,958.
- The drop in fixed average net book value of the fixed assets combined with the drop in working capital allowance produced a reduction in the rate base of $249,145.

2009 Bridge Year
As shown, the total rate base in the 2009 Bridge Year is forecast to be $2,163,867. Average net book value accounts for $1,092,196 of this total, while the allowance for working capital totals $1,071,671.

The total rate base in the 2009 Bridge Year is $202,631 higher than in the 2008 Actual Year. This change results, in part, from the following factors:

- The remaining portion of the $60,000 billing system is included in the 2009 rate base.
- The expenditure of $280,332 on smart meters and $156,858 on the communications system for smart meters produced material increases in the net book fixed value of Hearst Power's distribution assets in 2009. Even with the average rate base dilution effect, the smart meters produce a real impact on the 2009 rate base.
- The working capital allowance is increased by $41,313 in 2009.

2010 Test Year
As shown, the total rate base in the 2010 Test Year is forecast to be $2,355,582. Average net fixed assets account for $1,295,485 of this total, while the allowance for working capital totals $1,060,098.

The total rate base in the 2010 Test Year is $191,715 higher than in the 2009 Bridge Year. This change results, in part, from the following factors:

- The remaining fixed asset implications associated with the 2009 smart meters and smart meter communication system enter the rate base in 2010.
- The final tranches of the smart meter program are expected to have a cost of $114,896 in 2010.

- The working capital allowance is expected to be reduced by $11,573.
- The addition of material fixed assets to the rate base in 2009 and 2010 produce the change in the rate base in excess of $190,000.

2.2.1 – FIXED ASSETS CONTINUITY SCHEDULE:

Fixed Asset Continuity Tables for years 2006 to 2010 are presented herein.

Hearst Power has added a new billing system in 2008 to replace the Advanced Utility Systems billing system which was acquired to permit market readiness on market opening.

Further, moving the smart meter OEB required program and associated assets to operating assets creates a material impact on both capital assets and the rate base.

2006

			Cost					Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land										
47	1808	Buildings										
13	1810	Leasehold Improvements										
47	1815	Transformer Station Equipment >50 kV										
47	1820	Substation Equipment										
47	1825	Storage Battery Equipment										
47	1830	Poles, Towers & Fixtures	25 YEARS	23,431.92	3,279.72		26,711.64	-			-	26,711.64
47	1835	OH Conductors & Devices	25 YEARS	1,556,076.65	11,153.01		1,567,229.66	1,067,164.72	38,932.17		1,106,096.89	461,132.77
47	1840	UG Conduit	25 YEARS	2,978.59	1,406.55		4,385.14	5,063.10			5,063.10	- 677.96
47	1845	UG Conductors & Devices	25 YEARS	416,746.41	3,470.67		420,217.08	291,413.33	14,167.41		305,580.74	114,636.34
47	1850	Line Transformers	25 YEARS	523,507.23	3,554.45		527,061.68	421,394.14	9,134.66		430,528.80	96,532.88
47	1855	Services (OH & UG)	25 YEARS	7,924.85	897.43		8,822.28	-			-	8,822.28
47	1860	Meters	25 YEARS	323,251.54	32,812.89		356,064.43	230,706.27	8,833.33		239,539.60	116,524.83
47	1861	Smart Meters	15 YEARS	-			-	-			-	-
47	1861	Smart Meters/Communication Systems	15 YEARS	-			-	-			-	-
N/A	1905	Land	INDEFINITE	7,600.00			7,600.00	-			-	7,600.00
CEC	1906	Land Rights	10 YEARS	4,232.00			4,232.00	1,819.20	423.20		2,242.40	1,989.60
47	1908	Buildings & Fixtures	50 YEARS	201,569.97			201,569.97	63,819.91	3,761.92		67,581.83	133,988.14
13	1910	Leasehold Improvements		-			-	-			-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42,162.53			42,162.53	21,106.00	2,873.82		23,979.82	18,182.71
8	1915	Office Furniture & Equipment 5yr		-			-	-			-	-
10	1920	Computer - Hardware	5 YEARS	78,345.57	1,176.12		79,521.69	72,639.24	4,225.09		76,864.33	2,657.36
45	1921	Computer - Hardware post Mar 22/04	5 YEARS	-			-	-			-	-
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS	-			-	-			-	-
12	1925	Computer Software	5 YEARS	54,982.23			54,982.23	34,726.46	10,996.09		45,722.55	9,259.68
10	1930	Transportation Equipment	5 YEARS	441,136.22			441,136.22	441,136.22			441,136.22	-
8	1935	Stores Equipment	10 YEARS	1,854.52			1,854.52	1,854.52			1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	90,920.23			90,920.23	76,504.14	2,722.68		79,226.82	11,693.41
8	1945	Measurement & Testing Equipment		-			-	-			-	-
8	1950	Power operated Equipment		-			-	-			-	-
8	1955	Communications Equipment	10 YEARS	3,546.04			3,546.04	354.61	354.61		709.22	2,836.82
8	1960	Graphics Equipment		-				-			-	-
47	1965	Water Heater Rental Units		-				-			-	-
47	1970	Load Management Controls						-			-	-
47	1975	Load Management Controls Utility Premises										
47	1980	System Supervisor Equipment										
47	1985	Miscellaneous Fixed Assets										
47	1996	Hydro One S/S Contribution										
47	1995	Contributions & Grants										
Ect.												
		Total		3,780,266.50	57,750.84	0	3,838,017.34	2,729,701.86	96,424.98	-	2,826,126.84	1,011,890.50

2007

			Cost					Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land										
47	1808	Buildings										
13	1810	Leasehold Improvements										
47	1815	Transformer Station Equipment >50 kV										
47	1820	Substation Equipment										
47	1825	Storage Battery Equipment										
47	1830	Poles, Towers & Fixtures	25 YEARS	26,711.64	1,291.19		28,002.83	-			-	28,002.83
47	1835	OH Conductors & Devices	25 YEARS	1,567,229.66	2,497.42		1,569,727.08	1,106,096.89	38,626.72		1,144,723.61	425,003.47
47	1840	UG Conduit	25 YEARS	4,385.14	773.04		5,158.18	5,063.10			5,063.10	95.08
47	1845	UG Conductors & Devices	25 YEARS	420,217.08	-		420,217.08	305,580.74	14,198.33		319,779.07	100,438.01
47	1850	Line Transformers	25 YEARS	527,061.68	11,124.33		538,186.01	430,528.80	9,609.22		440,138.02	98,047.99
47	1855	Services (OH & UG)	25 YEARS	8,822.28	739.65		9,561.93	-			-	9,561.93
47	1860	Meters	25 YEARS	356,064.43	1,499.19		357,563.62	239,539.60	8,893.30		248,432.90	109,130.72
47	1861	Smart Meters	15 YEARS	-			-	-			-	-
47	1861	Smart Meters/Communication Systems	15 YEARS	-			-	-			-	-
N/A	1905	Land	INDEFINITE	7,600.00			7,600.00	-			-	7,600.00
CEC	1906	Land Rights	10 YEARS	4,232.00			4,232.00	2,242.40	423.20		2,665.60	1,566.40
47	1908	Buildings & Fixtures	50 YEARS	201,569.97			201,569.97	67,581.83	3,761.92		71,343.75	130,226.22
13	1910	Leasehold Improvements		-			-	-			-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42,162.53			42,162.53	23,979.82	2,873.82		26,853.64	15,308.89
8	1915	Office Furniture & Equipment 5yr		-			-	-			-	-
10	1920	Computer - Hardware	5 YEARS	79,521.69			79,521.69	76,864.33	1,538.09		78,402.42	1,119.27
45	1921	Computer - Hardware post Mar 22/04	5 YEARS	-			-	-			-	-
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS	-			-	-			-	-
12	1925	Computer Software	5 YEARS	54,982.23			54,982.23	45,722.55	8,197.00		53,919.55	1,062.68
10	1930	Transportation Equipment	5 YEARS	441,136.22	30,826.40		471,962.62	441,136.22	6,165.28		447,301.50	24,661.12
8	1935	Stores Equipment	10 YEARS	1,854.52			1,854.52	1,854.52			1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	90,920.23	3,028.97		93,949.20	79,226.82	3,025.58		82,252.40	11,696.80
8	1945	Measurement & Testing Equipment		-			-	-			-	-
8	1950	Power operated Equipment		-			-	-			-	-
8	1955	Communications Equipment	10 YEARS	3,546.04			3,546.04	709.22	354.60		1,063.82	2,482.22
8	1960	Graphics Equipment		-			-	-			-	-
47	1965	Water Heater Rental Units		-			-				-	-
47	1970	Load Management Controls		-			-				-	-
47	1975	Load Management Controls Utility Premises		-			-					-
47	1980	System Supervisor Equipment		-			-					-
47	1985	Miscellaneous Fixed Assets		-			-					
47	1996	Hydro One S/S Contribution		-			-					
47	1995	Contributions & Grants		-								
Ect.												
		Total		3,838,017.34	51,780.19	0	3,889,797.53	2,826,126.84	97,667.06	-	2,923,793.90	966,003.63

2008

			Cost					Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land										
47	1808	Buildings										
13	1810	Leasehold Improvements										
47	1815	Transformer Station Equipment >50 kV										
47	1820	Substation Equipment										
47	1825	Storage Battery Equipment										
47	1830	Poles, Towers & Fixtures	25 YEARS	28,002.83	2,625.07		30,627.90	-			-	30,627.90
47	1835	OH Conductors & Devices	25 YEARS	1,569,727.08	9,897.50		1,579,624.58	1,144,723.61	40,630.68		1,185,354.29	394,270.29
47	1840	UG Conduit	25 YEARS	5,158.18	714.83		5,873.01	5,063.10			5,063.10	809.91
47	1845	UG Conductors & Devices	25 YEARS	420,217.08	3,173.08		423,390.16	319,779.07	14,353.85		334,132.92	89,257.24
47	1850	Line Transformers	25 YEARS	538,186.01	4,385.92		542,571.93	440,138.02	9,792.77		449,930.79	92,641.14
47	1855	Services (OH & UG)	25 YEARS	9,561.93	204.03		9,765.96	-			-	9,765.96
47	1860	Meters	25 YEARS	357,563.62	1,058.40		358,622.02	248,432.90	8,935.78		257,368.68	101,253.34
47	1861	Smart Meters	15 YEARS	-			-	-			-	-
47	1861	Smart Meters/Communication Systems	15 YEARS	-			-	-			-	-
N/A	1905	Land	INDEFINITE	7,600.00			7,600.00	-			-	7,600.00
CEC	1906	Land Rights	10 YEARS	4,232.00			4,232.00	2,665.60	423.20		3,088.80	1,143.20
47	1908	Buildings & Fixtures	50 YEARS	201,569.97			201,569.97	71,343.75	3,761.92		75,105.67	126,464.30
13	1910	Leasehold Improvements		-			-	-			-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42,162.53			42,162.53	26,853.64	2,873.82		29,727.46	12,435.07
8	1915	Office Furniture & Equipment 5yr		-			-	-			-	-
10	1920	Computer - Hardware	5 YEARS	79,521.69	14,156.76		93,678.45	78,402.42	3,275.45		81,677.87	12,000.58
45	1921	Computer - Hardware post Mar 22/04	5 YEARS	-			-	-			-	-
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS	-			-	-			-	-
12	1925	Computer Software	5 YEARS	54,982.23	60,975.07		115,957.30	53,919.55	13,257.65		67,177.20	48,780.10
10	1930	Transportation Equipment	5 YEARS	471,962.62	14,472.00		486,434.62	447,301.50	9,059.68		456,361.18	30,073.44
8	1935	Stores Equipment	10 YEARS	1,854.52			1,854.52	1,854.52			1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	93,949.20	2,821.80		96,771.00	82,252.40	2,007.76		84,260.16	12,510.84
8	1945	Measurement & Testing Equipment		-			-	-			-	-
8	1950	Power operated Equipment		-			-	-			-	-
8	1955	Communications Equipment	10 YEARS	3,546.04			3,546.04	1,063.82	354.60		1,418.42	2,127.62
8	1960	Graphics Equipment		-			-	-			-	-
47	1965	Water Heater Rental Units		-			-	-			-	-
47	1970	Load Management Controls		-			-	-			-	-
47	1975	Load Management Controls Utility Premises		-				-			-	-
47	1980	System Supervisor Equipment									-	-
47	1985	Miscellaneous Fixed Assets									-	
47	1996	Hydro One S/S Contribution									-	
47	1995	Contributions & Grants										
Ect.												
		Total		3,889,797.53	114,484.46	0	4,004,281.99	2,923,793.90	108,727.16	-	3,032,521.06	971,760.93

2009

			Cost					Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land		-	-		-	-	-			
47	1808	Buildings		-	-		-	-	-			
13	1810	Leasehold Improvements		-	-		-	-	-			
47	1815	Transformer Station Equipment >50 kV		-	-		-	-	-			
47	1820	Substation Equipment		-	-		-	-	-			
47	1825	Storage Battery Equipment		-	-		-	-	-			
47	1830	Poles, Towers & Fixtures	25 YEARS	30,627.90	1,969.17		32,597.07	-	39.38		39.38	32,557.69
47	1835	OH Conductors & Devices	25 YEARS	1,579,624.58	2,355.06		1,581,979.64	1,185,354.29	40,677.78		1,226,032.07	355,947.57
47	1840	UG Conduit	25 YEARS	5,873.01	-		5,873.01	5,063.10	-		5,063.10	809.91
47	1845	UG Conductors & Devices	25 YEARS	423,390.16	-		423,390.16	334,132.92	14,353.85		348,486.77	74,903.39
47	1850	Line Transformers	25 YEARS	542,571.93	2,377.69		544,949.62	449,930.79	9,840.32		459,771.11	85,178.51
47	1855	Services (OH & UG)	25 YEARS	9,765.96	-		9,765.96	-	-		-	9,765.96
47	1860	Meters	25 YEARS	358,622.02	6,194.22	226,442.46	138,373.78	257,368.68	5,658.84	181,361.07	81,666.45	56,707.33
47	1861	Smart Meters	15 YEARS	-	280,332.32		280,332.32	-	9,250.97		9,250.97	271,081.35
47	1861	Smart Meters/Communication Systems	15 YEARS	-	156,857.65		156,857.65	-	5,176.30		5,176.30	151,681.35
N/A	1905	Land	INDEFINITE	7,600.00	-		7,600.00	-	-		-	7,600.00
CEC	1906	Land Rights		4,232.00	-		4,232.00	3,088.80	423.20		3,512.00	720.00
47	1908	Buildings & Fixtures	50 YEARS	201,569.97	13,009.06		214,579.03	75,105.67	3,892.01		78,997.68	135,581.35
13	1910	Leasehold Improvements		-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42,162.53	5,965.92		48,128.45	29,727.46	3,172.12		32,899.58	15,228.87
8	1915	Office Furniture & Equipment 5yr		-	-		-	-	-		-	-
10	1920	Computer - Hardware	5 YEARS	93,678.45	-		93,678.45	81,677.87	3,275.45		84,953.32	8,725.13
45	1921	Computer - Hardware post Mar 22/04	5 YEARS	-	-		-	-	-		-	-
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS	-	-		-	-	-		-	-
12	1925	Computer Software	5 YEARS	115,957.33	-		115,957.33	67,177.20	13,257.65		80,434.85	35,522.48
10	1930	Transportation Equipment	5 YEARS	486,434.62	-		486,434.62	456,361.18	9,059.68		465,420.86	21,013.76
8	1935	Stores Equipment	10 YEARS	1,854.52	-		1,854.52	1,854.52	-		1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	96,771.00	-		96,771.00	84,260.16	2,007.76		86,267.92	10,503.08
8	1945	Measurement & Testing Equipment		-	-		-	-	-		-	-
8	1950	Power operated Equipment		-	-		-	-	-		-	-
8	1955	Communications Equipment	10 YEARS	3,546.04	-		3,546.04	1,418.42	354.60		1,773.02	1,773.02
8	1960	Graphics Equipment		-	-		-	-	-		-	-
47	1965	Water Heater Rental Units		-	-		-	-	-		-	-
47	1970	Load Management Controls		-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises		-	-		-	-	-		-	-
47	1980	System Supervisor Equipment		-	-		-	-	-		-	-
47	1985	Miscellaneous Fixed Assets		-	-		-	-	-		-	-
47	1996	Hydro One S/S Contribution		-	-		-	-	-		-	-
47	1995	Contributions & Grants		-	-		-	-	-		-	-
Ect.							-				-	-
		Total		4,004,282.02	469,061.09	226442.459	4,246,900.65	3,032,521.06	120,439.91	181,361.07	2,971,599.90	1,275,300.75

2010

			Cost					Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land		-	-		-	-	-			
47	1808	Buildings		-	-		-	-	-			
13	1810	Leasehold Improvements		-	-		-	-	-			
47	1815	Transformer Station Equipment >50 kV		-	-		-	-	-			
47	1820	Substation Equipment		-	-		-	-	-			
47	1825	Storage Battery Equipment		-	-		-	-	-			
47	1830	Poles, Towers & Fixtures	25 YEARS	32,597.07	10,000.00		42,597.07	39.38	278.77		318.15	42,278.92
47	1835	OH Conductors & Devices	25 YEARS	1,581,979.64	18,500.00		1,600,479.64	1,226,032.07	41,094.88		1,267,126.95	333,352.69
47	1840	UG Conduit	25 YEARS	5,873.01	-		5,873.01	5,063.10	-		5,063.10	809.91
47	1845	UG Conductors & Devices	25 YEARS	423,390.16	13,300.00		436,690.16	348,486.77	14,619.85		363,106.62	73,583.54
47	1850	Line Transformers	25 YEARS	544,949.62	16,500.00		561,449.62	459,771.11	10,217.88		469,988.99	91,460.63
47	1855	Services (OH & UG)	25 YEARS	9,765.96	1,000.00		10,765.96	-	20.00		20.00	10,745.96
47	1860	Meters	25 YEARS	138,373.78	-		138,373.78	81,666.45	5,787.87		87,454.32	50,919.47
47	1861	Smart Meters	15 YEARS	280,332.32	114,896.00		395,228.32	9,250.97	22,293.50		31,544.47	363,683.85
47	1861	Smart Meters/Communication Systems	15 YEARS	156,857.65	-		156,857.65	5,176.30	10,352.60		15,528.91	141,328.74
N/A	1905	Land	INDEFINITE	7,600.00	-		7,600.00	-	-		-	7,600.00
CEC	1906	Land Rights	10 YEARS	4,232.00	-		4,232.00	3,512.00	423.20		3,935.20	296.80
47	1908	Buildings & Fixtures	50 YEARS	214,579.03	-		214,579.03	78,997.68	4,022.10		83,019.78	131,559.25
13	1910	Leasehold Improvements		-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	48,128.45	-		48,128.45	32,899.58	3,470.41		36,369.99	11,758.46
8	1915	Office Furniture & Equipment 5yr		-	25,000.00		25,000.00	-	-		-	25,000.00
10	1920	Computer - Hardware	5 YEARS	93,678.45	-		93,678.45	84,953.32	3,275.45		88,228.77	5,449.68
45	1921	Computer - Hardware post Mar 22/04	5 YEARS	-	-		-	-	-		-	-
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS	-	10,000.00		10,000.00	-	-		-	10,000.00
12	1925	Computer Software	5 YEARS	115,957.33	25,000.00		140,957.33	80,434.85	15,757.65		96,192.50	44,764.83
10	1930	Transportation Equipment	5 YEARS	486,434.62	12,500.00		498,934.62	465,420.86	10,309.68		475,730.54	23,204.08
8	1935	Stores Equipment	10 YEARS	1,854.52	-		1,854.52	1,854.52	-		1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	96,771.00	2,000.00		98,771.00	86,267.92	2,107.76		88,375.68	10,395.32
8	1945	Measurement & Testing Equipment		-	-		-	-	-		-	-
8	1950	Power operated Equipment		-	-		-	-	-		-	-
8	1955	Communications Equipment	10 YEARS	3,546.04	-		3,546.04	1,773.02	354.60		2,127.62	1,418.42
8	1960	Graphics Equipment		-	-		-	-	-		-	-
47	1965	Water Heater Rental Units		-	-		-	-	-		-	-
47	1970	Load Management Controls		-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises		-	-		-	-	-		-	-
47	1980	System Supervisor Equipment		-	-		-	-	-		-	-
47	1985	Miscellaneous Fixed Assets		-	-		-	-	-		-	-
47	1996	Hydro One S/S Contribution		-	-		-	-	-		-	-
47	1995	Contributions & Grants		-	-		-	-	-		-	-
Ect.				-			-					-
		Total		4,246,900.65	248,696.00	0	4,495,596.65	2,971,599.90	144,386.21	-	3,115,986.11	1,379,610.55

2.2.2 – GROSS ASSETS TABLE:

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Transmission Plant											
1815 - Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-
Distribution Plant											
1805 - Land	-	-	-	-	-	-	-	-	-	-	-
1806 - Land Rights	-	-	-	-	-	-	-	-	-	-	-
1810 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1820 - Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-
1825 - Storage Battery Equipment	-	-	-	-	-	-	-	-	-	-	-
1830 - Poles, Towers and Fixtures	13,808	26,712	12,903	28,003	1,291	30,628	2,625	32,597	1,969	42,597	10,000
1835 - Overhead Conductors and Devices	1,522,127	1,567,230	45,103	1,569,727	2,497	1,579,625	9,898	1,581,980	2,355	1,600,480	18,500

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1840 - Underground Conduit	4,075	4,385	310	5,158	773	5,873	715	5,873	-	5,873	-
1845 - Underground Conductors and Devices	414,573	420,217	5,644	420,217	-	423,390	3,173	423,390	-	436,690	13,300
1850 - Line Transformers	511,427	527,062	15,635	538,186	11,124	542,572	4,386	544,950	2,378	561,450	16,500
1970 - Load Management Controls - Customer Premises	-	-	-	-	-	-	-	-	-	-	-
1975 - Load Management Controls - Utility Premises	-	-	-	-	-	-	-	-	-	-	-
1980 - System Supervisory Equipment	-	-	-	-	-	-	-	-	-	-	-
1995 - Contributions and Grants	-	-	-	-	-	-	-	-	-	-	-
1996 - Hydro One S/S Contribution	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**2,466,010**	**2,545,605**	**79,595**	**2,561,291**	**15,686**	**2,582,088**	**20,796**	**2,588,790**	**6,702**	**2,647,090**	**58,300**
General Plant											
1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	-	-	-	-	-
1808 - Buildings and Fixtures	-	-	-	-	-	-	-	-	-	-	-
1905 - Land	7,600	7,600	-	7,600	-	7,600	-	7,600	-	7,600	-

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1906 - Land Rights	3,332	4,232	900	4,232	-	4,232	-	4,232	-	4,232	-
1908 - Buildings and Fixtures	193,670	201,570	7,900	201,570	-	201,570	-	214,579	13,009	214,579	-
1910 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1915 - Office Furniture and Equipment	31,920	42,163	10,242	42,163	-	42,163	-	48,128	5,966	73,128	25,000
1920 - Computer Equipment - Hardware	77,301	79,522	2,220	79,522	-	93,678	14,157	93,678	-	103,678	10,000
1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	-	-	-	-		-
1925 - Computer Software	52,326	54,982	2,657	54,982	-	115,957	60,975	115,957	-	140,957	25,000
1930 - Transportation Equipment	441,136	441,136	-	471,963	30,826	486,435	14,472	486,435	-	498,935	12,500
1935 - Stores Equipment	1,855	1,855	-	1,855	-	1,855	-	1,855	-	1,855	-
1940 - Tools, Shop and Garage Equipment	87,364	90,920	3,556	93,949	3,029	96,771	2,822	96,771	-	98,771	2,000
1945 - Measurement and Testing Equipment	-	-	-	-	-	-	-	-	-	-	-

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1950 - Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-
1955 - Communication Equipment	-	3,546	3,546	3,546	-	3,546	-	3,546	-	3,546	-
1960 - Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**896,504**	**927,525**	**31,021**	**961,381**	**33,855**	**1,053,806**	**92,426**	**1,072,781**	**18,975**	**1,147,281**	**74,500**
Other Plant											
1855 - Services	5,461	8,822	3,361	9,562	740	9,766	204	9,766	-	10,766	1,000
1860 - Meters	341,629	356,064	14,436	357,564	1,499	358,622	1,058	575,564	216,942	690,460	114,896
1861 - Smart Meters	-	-	-	-	-	-	-	-	-	-	-
1990 - Other Tangible Property	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**347,090**	**364,887**	**17,797**	**367,126**	**2,239**	**368,388**	**1,262**	**585,330**	**216,942**	**701,226**	**115,896**
Gross Assets Total	**3,709,604**	**3,838,017**	**128,414**	**3,889,798**	**51,780**	**4,004,282**	**114,484**	**4,246,901**	**242,619**	**4,495,597**	**248,696**

2.2.3 - ANALYSIS OF GROSS ASSETS:

Distribution Plant
The change in distribution plant in 2010 is expected to be $58,300. This will be the result of expected required work on overhead lines, underground conductors and overhead line transformers.

General Plant
General plant is expected to increase in the amount of $74,500 and will result from the replacement of office equipment and computer equipment, including software, which is required to accommodate the heavier reliance on computer technology. There is an expected cost of $12,500 to repair a bucket truck. This is expected to significantly increase the life of the vehicle.

Other Plant
The final tranche of smart meter installations is expected to cost almost $115,000.

2.3.1 – ACCUMULATED DEPRECIATION TABLE:

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Transmission Plant											
1815 - Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-
Distribution Plant											
1805 - Land	-	-	-	-	-	-	-	-	-	-	-
1806 - Land Rights	-	-	-	-	-	-	-	-	-	-	-
1810 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1820 - Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-
1825 - Storage Battery Equipment	-	-	-	-	-	-	-	-	-	-	-
1830 - Poles, Towers and Fixtures	-	-	-	-	-	-	-	39	39	318	279
1835 - Overhead Conductors and Devices	1,027,689	1,106,097	78,408	1,144,724	38,627	1,185,354	40,631	1,226,032	40,678	1,267,127	41,095

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1840 - Underground Conduit	-	5,063	5,063	5,063	-	5,063	-	5,063	-	5,063	-
1845 - Underground Conductors and Devices	282,504	305,581	23,077	319,779	14,198	334,133	14,354	348,487	14,354	363,107	14,620
1850 - Line Transformers	412,438	430,529	18,091	440,138	9,609	449,931	9,793	459,771	9,840	469,989	10,218
1970 - Load Management Controls - Customer Premises	-	-	-	-	-	-	-	-	-	-	-
1975 - Load Management Controls - Utility Premises	-	-	-	-	-	-	-	-	-	-	-
1980 - System Supervisory Equipment	-	-	-	-	-	-	-	-	-	-	-
1995 - Contributions and Grants	-	-	-	-	-	-	-	-	-	-	-
1996 - Hydro One S/S Contribution	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**1,722,631**	**1,847,270**	**124,639**	**1,909,704**	**62,434**	**1,974,481**	**64,777**	**2,039,392**	**64,911**	**2,105,604**	**66,211**
General Plant											
1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	-	-	-	-	-
1808 - Buildings and Fixtures	-	-	-	-	-	-	-	-	-	-	-
1905 - Land	-	-	-	-	-	-	-	-	-	-	-

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1906 - Land Rights	1,396	2,242	846	2,666	423	3,089	423	3,512	423	3,935	423
1908 - Buildings and Fixtures	60,058	67,582	7,524	71,344	3,762	75,106	3,762	78,998	3,892	83,020	4,022
1910 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1915 - Office Furniture and Equipment	18,232	23,980	5,748	26,854	2,874	29,727	2,874	32,900	3,172	36,370	3,470
1920 - Computer Equipment - Hardware	66,330	76,864	10,534	78,402	1,538	81,678	3,275	84,953	3,275	88,229	3,275
1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	-	-	-	-	-	-
1925 - Computer Software	23,730	45,723	21,992	53,920	8,197	67,177	13,258	80,435	13,258	96,193	15,758
1930 - Transportation Equipment	435,250	441,136	5,886	447,302	6,165	456,361	9,060	465,421	9,060	475,731	10,310
1935 - Stores Equipment	1,855	1,855	-	1,855	-	1,855	-	1,855	-	1,855	-
1940 - Tools, Shop and Garage Equipment	72,898	79,227	6,328	82,252	3,026	84,260	2,008	86,268	2,008	88,376	2,108
1945 - Measurement and Testing Equipment	-	-	-	-	-	-	-	-	-	-	-

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
1950 - Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-
1955 - Communication Equipment	-	709	709	1,064	355	1,418	355	1,773	355	2,128	355
1960 - Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**679,750**	**739,318**	**59,568**	**765,657**	**26,339**	**800,671**	**35,014**	**836,114**	**35,442**	**875,835**	**39,721**
Other Plant											
1855 - Services	-	-	-	-	-	-	-	-	-	20	20
1860 - Meters	-	-	-	-	-	-	-	14,427	14,427	47,073	32,646
1861 - Smart Meters	219,643	239,540	19,896	248,433	8,893	257,369	8,936	81,666	- 175,702	87,454	5,788
1990 - Other Tangible Property	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	219,643	239,540	19,896	248,433	8,893	257,369	8,936	96,094	- 161,275	134,548	38,454
Gross Assets Total	**2,622,024**	**2,826,127**	**204,103**	**2,923,794**	**97,667**	**3,032,521**	**108,727**	**2,971,600**	**- 60,921**	**3,115,986**	**144,386**

2.4.1 – WORKING CAPITAL ALLOWANCE CALCULATIONS BY ACCOUNT:

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
Operations (Working Capital)												
5005-Operation Supervision and Engineering	-	-	-	-	-	-	-	-	-	-	-	-
5010-Load Dispatching	-	-	-	-	-	-	-	-	-	-	-	-
5012-Station Buildings and Fixtures Expense	-	-	18,299	**2,745**	-	-	-	-	-	-	-	-
5014-Transformer Station Equipment - Operation Labour	-	-	-	-	-	-	-	-	-	-	-	-
5015-Transformer Station Equipment - Operation Supplies and Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5016-Distribution Station Equipment - Operation Labour	-	-	-	-	-	-	-	-	-	-	-	-
5017-Distribution Station Equipment - Operation Supplies and Expenses	-	-	18	**3**	-	-	-	-	-	-	-	-
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,518	**378**	1,168	**175**	7,750	**1,162**	5,036	**755**	3,821	**573**	5,000	**750**
5025-Overhead Distribution Lines & Feeders - Operation Supplies and Expenses	38,576	**5,786**	34,757	**5,213**	37,815	**5,672**	43,305	**6,496**	61,252	**9,188**	48,480	**7,272**
5030-Overhead Sub transmission Feeders - Operation	-	-	-	-	-	-	-	-	-	-	-	-
5035-Overhead Distribution Transformers- Operation	-	-	97	**15**	-	-	174	**26**	210	**32**	210	**32**
5040-Underground Distribution Lines and Feeders - Operation Labour	-	-	-	-	-	-	168	**25**	200	**30**	200	**30**
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	953	**143**	3,888	**583**	753	**113**	472	**71**	1,000	**150**	1,000	**150**
5050-Underground Sub transmission Feeders - Operation	-	-	-	-	-	-	-	-	-	-	-	-
5055-Underground Distribution Transformers - Operation	329	**49**	-	-	-	-	41	**6**	100	**15**	100	**15**
5065-Meter Expense	5,279	**792**	4,943	**741**	5,625	**844**	432	**65**	4,500	**675**	5,000	**750**
5070-Customer Premises - Operation Labour	-	-	757	**114**	-	-	-	-	-	-	-	-
5075-Customer Premises - Materials and Expenses	-	-	-	-	-	-	-	-	-	-	-	-

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
5085-Miscellaneous Distribution Expense	-	-	6,400	960	21,416	3,212	18,046	2,707	35,000	5,250	36,200	5,430
5090-Underground Distribution Lines and Feeders - Rental Paid	-	-	-	-	-	-	-	-	-	-	-	-
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,888	733	4,295	644	4,113	617	6,623	993	-	-	-	-
5096-Other Rent	2,700	405	-	-	450	68	3,150	473	9,950	1,493	10,750	1,613
Sub Total	**55,241**	**8,286**	**74,621**	**11,193**	**77,921**	**11,688**	**77,447**	**11,617**	**116,033**	**17,405**	**106,940**	**16,041**
Maintenance (Working Capital)												
5105-Maintenance Supervision and Engineering	4,217	633	2,905	436	4,643	696	75,836	11,375	30,000	4,500	30,000	4,500
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4,009	601	2,870	430	-	-	-	-	-	-	-	-
5112-Maintenance of Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-
5114-Maintenance of Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-
5120-Maintenance of Poles, Towers and Fixtures	47,529	7,129	17,261	2,589	50,750	7,613	47,147	7,072	48,490	7,274	60,190	9,029
5125-Maintenance of Overhead Conductors and Devices	63,200	9,480	50,221	7,533	66,481	9,972	65,650	9,848	71,175	10,676	89,475	13,421
5130-Maintenance of Overhead Services	10,811	1,622	26,461	3,969	10,695	1,604	5,085	763	5,500	825	6,100	915
5135-Overhead Distribution Lines and Feeders - Right of Way	-	-	195	29	244	37	41	6	300	45	50	8
5145-Maintenance of Underground Conduit	2,100	315	53	8	713	107	1,019	153	1,200	180	2,000	300
5150-Maintenance of Underground Conductors and Devices	1,327	199	818	123	2,440	366	1,793	269	2,800	420	2,000	300
5155-Maintenance of Underground Services	13,168	1,975	8,387	1,258	10,526	1,579	10,875	1,631	11,000	1,650	11,000	1,650
5160-Maintenance of Line Transformers	92,689	13,903	90,647	13,597	93,016	13,952	68,748	10,312	65,000	9,750	68,750	10,313
5175-Maintenance of Meters	3,470	521	4,444	667	6,350	952	6,136	920	4,830	725	15,000	2,250
Sub Total	**242,519**	**36,378**	**204,263**	**30,640**	**245,858**	**36,879**	**282,332**	**42,350**	**240,295**	**36,044**	**284,565**	**42,685**
Billing and Collection												
5305-Supervision	-	-	-	-	-	-	-	-	-	-	-	-
5310-Meter Reading Expense	32,166	4,825	24,996	3,749	37,582	5,637	38,157	5,724	33,000	4,950	85,079	12,762

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
5315-Customer Billing	83,090	**12,464**	65,511	**9,827**	94,027	**14,104**	85,500	**12,825**	94,000	**14,100**	95,000	**14,250**
5320-Collecting	17,014	**2,552**	15,487	**2,323**	17,403	**2,610**	17,886	**2,683**	17,400	**2,610**	20,000	**3,000**
5325-Collecting- Cash Over and Short	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5330-Collection Charges	5,596	**839**	1,487	**223**	2,889	**433**	4,388	**658**	3,000	**450**	5,000	**750**
5335-Bad Debt Expense	-	**-**	6,170	**926**	5,000	**750**	17,931	**2,690**	11,000	**1,650**	15,000	**2,250**
5340-Miscellaneous Customer Accounts Expenses	9,867	**1,480**	9,352	**1,403**	10,072	**1,511**	10,250	**1,538**	10,410	**1,562**	10,000	**1,500**
Sub Total	**147,733**	**22,160**	**123,001**	**18,450**	**166,974**	**25,046**	**174,112**	**26,117**	**168,810**	**25,322**	**230,079**	**34,512**
Community Relations												
5405-Supervision	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5410-Community Relations - Sundry	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5415-Energy Conservation	-	**-**	30,250	**4,538**	-	**-**	-	**-**	-	**-**	-	**-**
5420-Community Safety Program	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5425-Miscellaneous Customer Service and Informational Expenses	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5505-Supervision	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5510-Demonstrating and Selling Expense	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5515-Advertising Expense	4,029	**604**	290	**44**	3,685	**553**	2,619	**393**	4,500	**675**	5,000	**750**
5520-Miscellaneous Sales Expense	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
Sub Total	**4,029**	**604**	**30,540**	**4,581**	**3,685**	**553**	**2,619**	**393**	**4,500**	**675**	**5,000**	**750**
Administrative and General Expenses												
5605-Executive Salaries and Expenses	8,557	**1,284**	8,314	**1,247**	15,352	**2,303**	9,762	**1,464**	11,800	**1,770**	12,000	**1,800**
5610-Management Salaries and Expenses	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**
5615-General Administrative Salaries and Expenses	58,593	**8,789**	60,021	**9,003**	66,926	**10,039**	71,686	**10,753**	76,400	**11,460**	78,000	**11,700**
5620-Office Supplies and Expenses	1,772	**266**	2,129	**319**	2,294	**344**	1,871	**281**	2,500	**375**	2,500	**375**

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
5625-Administrative Expense Transferred Credit	-	-	-	-	-	-	-	-	-	-	-	-
5630-Outside Services Employed	71,222	**10,683**	42,654	**6,398**	45,660	**6,849**	33,205	**4,981**	141,269	**21,190**	8,995	**1,349**
5635-Property Insurance	418	**63**	888	**133**	441	**66**	523	**78**	550	**83**	566	**85**
5640-Injuries and Damages	6,673	**1,001**	11,421	**1,713**	8,374	**1,256**	8,281	**1,242**	13,490	**2,024**	9,000	**1,350**
5645-Employee Pensions and Benefits	-	-	50,226	**7,534**	-	-	-	-	89,519	**13,428**	90,500	**13,575**
5650-Franchise Requirements	-	-	-	-	-	-	-	-	-	-	-	-
5655-Regulatory Expenses	4,270	**641**	6,878	**1,032**	5,305	**796**	9,706	**1,456**	5,989	**898**	7,095	**1,064**
5660-General Advertising Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5665-Miscellaneous General Expenses	16,553	**2,483**	14,499	**2,175**	15,545	**2,332**	13,490	**2,024**	15,050	**2,258**	22,000	**3,300**
5670-Rent	8,335	**1,250**	8,012	**1,202**	8,427	**1,264**	8,604	**1,291**	8,750	**1,313**	8,838	**1,326**
5675-Maintenance of General Plant	-	-	-	-	-	-	-	-	-	-	-	-
5680-Electrical Safety Authority Fees	2,371	**356**	-	-	2,680	**402**	2,161	**324**	1,892	**284**	1,800	**270**
5685-Independent Market Operator Fees and Penalties	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	**178,765**	**26,815**	**205,043**	**30,756**	**171,002**	**25,650**	**159,289**	**23,893**	**367,209**	**55,081**	**241,294**	**36,194**
Taxes Other Than Income Taxes												
6105-Taxes Other Than Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Power												
4705-Power Purchased	6,246,185	**936,928**	5,989,552	**898,433**	6,061,097	**909,165**	**4,906,061**	**735,909**	**4,966,498**	**744,975**	**4,906,000**	**735,900**
4708-Charges-WMS	518,051	**77,708**	616,452	**92,468**	578,549	**86,782**	**505,501**	**75,825**	**511,061**	**76,659**	**516,172**	**77,426**
4710-Cost of Power Adjustments	-	-	- 271,152	- **40,673**	-	-	-	-	-	-	-	-
4712-Charges-One-Time	-	-	-	-	-	-	-	-	-	-	-	-
4714-Charges-NW	568,631	**85,295**	552,674	**82,901**	550,696	**82,604**	**376,549**	**56,482**	**380,691**	**57,104**	**384,000**	**57,600**

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
4716-Charges-CN	501,237	**75,186**	506,268	**75,940**	481,052	**72,158**	**359,254**	**53,888**	**363,206**	**54,481**	**366,838**	**55,026**
4730-Rural Rate Assistance Expense	98,318	**14,748**	117,635	**17,645**	45,271	**6,791**	**25,884**	**3,883**	**26,168**	**3,925**	**26,430**	**3,965**
Sub-Total	**7,932,423**	**1,189,863**	**7,511,428**	**1,126,714**	**7,716,665**	**1,157,500**	**6,173,250**	**925,988**	**6,247,624**	**937,144**	**6,199,440**	**929,916**
WORKING CAPITAL ALLOWANCE TOTAL	**8,560,710**	**1,284,106**	**8,148,897**	**1,222,335**	**8,382,105**	**1,257,316**	**6,869,049**	**1,030,357**	**7,144,471**	**1,071,671**	**7,067,318**	**1,060,098**

2.5.1 – CAPITAL BUDGET BY PROJECT:

Hearst has been, and continues to be, focused on maintaining the adequacy, reliability, and quality of service to its distribution customers through the maintenance of a minimum operational staff and reduced capital expenditure because of the economic conditions in the community (service area). As a result, it has been determined that large capital projects are not warranted until economic conditions improve in the municipality. Hearst Power has been doing its financing by balance sheet deterioration and failing to meet even minimal debt obligations. The balance sheet deterioration is demonstrated by the declining rate base in 2007 and 2008. The failure to meet debt obligations is demonstrated by the fact that the town (shareholder) has forgiven any debt obligations for 2007 and 2008.

A complete listing of capital projects for the historical years 2004 to 2008 can be found Table 2.5.1.1 included in this section. The majority of capital spending in these tables falls below Hearst's materiality threshold. Projects that exceed the threshold are detailed below by year.

In 2008, a new billing system was purchased. This replaced the advanced utility system which was purchased to permit market opening and which Harris, the new owner, no longer supports. The CIS Harris Northstar Software was purchased in 2008 at a cost of $60,975.

Details of 2009 and 2010 are shown in a table by account in the Rebasing Worksheets file, 'Assets with Depreciation' tab.

In the 2009 Additions/Adjustments column of the 'Assets with Depreciation' tab, the total capital spending was $462,867, before the adjustment associated with the stranded meters. This adjustment understates the total by $226,442 causing the sum for the column, including adjustments, to be $236,424. Of the total 2009 capital expenditure, $437,190 was directly related to the smart meter program. $13,009 was for a replacement roof on the work centre for outdoor staff, vehicles and equipment. The smart meter program is mandated by the OEB and the meters went into service during 2009. The building roof had failed and required replacement. It was also necessary to replace the office printers at a total cost of $5,966. One of the printers is a high speed printer for bill production, while the second printer is the first colour printer in the office. The remaining items fall below the materiality threshold and were the minimum required to maintain the system.

The 2010 proposed capital expenditure includes the final tranche of the smart meter installations at $114,896 and is the single largest item in the $248,696 capital expenditure for 2010. 2010, with the approval of this rate application, will permit some catch-up in terms of the capital project needs of the distribution system.

Part of this catch-up in 2010 will include $10,000 to replace four poles; switch and lightening arrestors are included at an estimated cost of $18,500. Transformer pads for underground distribution installations are estimated at $13,300. Six transformer replacements are necessary at a cost of $16,500.

Table 2.5.1.1: Capital Projects

CCA Class	OEB	Description	2004	2005	2006	2007	2008
N/A	1805	Land	-	-	-	-	-
47	1808	Buildings	-	-	-	-	-
13	1810	Leasehold Improvements	-	-	-	-	-
47	1815	Transformer Station Equipment >50 kV	-	-	-	-	-
47	1820	Substation Equipment	-	-	-	-	-
47	1825	Storage Battery Equipment	-	-	-	-	-
47	1830	Poles, Towers & Fixtures	1,602.19	8,822.67	3,279.72	1,291.19	2,625.07
47	1835	OH Conductors & Devices	2,885.08	32,507.11	11,153.01	2,497.42	9,897.50
47	1840	UG Conduit	1,976.29	-	1,406.55	773.04	714.83
47	1845	UG Conductors & Devices	-	-	3,470.67	-	3,173.08
47	1850	Line Transformers	5,443.55	9,358.59	3,554.45	11,124.33	4,385.92
47	1855	Services (OH & UG)	-	2,463.98	897.43	739.65	204.00
47	1860	Meters	1,458.00	702.00	33,004.55	1,499.19	1,058.40
47	1861	Smart Meters	-	-	-	-	-
47	1861	Smart Meters/Communication Systems	-	-	-	-	-
N/A	1905	Land	-	-	-	-	-
CEC	1906	Land Rights	1,800.00	-	-	-	-
47	1908	Buildings & Fixtures	15,799.77	-	-	-	-
13	1910	Leasehold Improvements	-	-	-	-	-
8	1915	Office Furniture & Equipment 10yr	2,896.81	-	-	-	-
8	1915	Office Furniture & Equipment 5yr	-	8,793.90	-	-	-
10	1920	Computer - Hardware	-	1,044.36	1,176.12	-	-
45	1921	Computer - Hardware post Mar 22/04	-	-	-	-	-
45.1	1921	Computer - Hardware post Mar 19/07	-	-	-	-	14,156.76
12	1925	Computer Software	5,313.06	-	-	-	60,975.07
10	1930	Transportation Equipment	-	-	-	30,826.40	14,472.00
8	1935	Stores Equipment	-	-	-	-	-
8	1940	Tools, Shop & Garage Equipment	7,111.80	-	-	3,546.04	2,821.80
8	1945	Measurement & Testing Equipment	-	-	-	-	-
8	1950	Power operated Equipment	-	-	-	-	-
8	1955	Communications Equipment	-	3,546.04	-	-	-
8	1960	Graphics Equipment	-	-	-	-	-
47	1965	Water Heater Rental Units	-	-	-	-	-
47	1970	Load Management Controls	-	-	-	-	-
47	1975	Load Management Controls Utility Premises	-	-	-	-	-
47	1980	System Supervisor Equipment	-	-	-	-	-
47	1985	Miscellaneous Fixed Assets	-	-	-	-	-
47	1996	Hydro One S/S Contribution	-	-	-	-	-
47	1995	Contributions & Grants	-	-	-	-	-
Ect.			-	-	-	-	-
			-	-	-	-	-
			-	-	-	-	-
			-	-	-	-	-
			46,286.55	67,238.65	57,942.50	52,297.26	114,484.43

2.5.2 – CAPITALIZATION POLICY:

Hearst Power records fixed assets at cost with depreciation taken at various rates in accordance with the Accounting Procedures Handbook and Uniform System of Accounts (USofA). Contributions in aid of construction are not included in the rate base, as they are recorded as an offset to the capital asset and amortized (as an offset to depreciation) at the same rate as the capital assets, thereby providing net depreciation amount for assets.

Hearst Power constructed assets are capitalized at actual labour rates plus a burden for payroll, engineering, vehicle usage (where applicable) and stores.

Hearst Power capitalizes expenditures that are of a capital nature, over $1,000 and that are expected to provide future benefits for a period in excess of one year.

Expenditures incurred to improve or replace an existing asset are capitalized if the asset's useful life is extended or the asset's productivity is increased or the associated operating costs are lowered.

Where a group of like assets are acquired that are individually valued below $1,000, but meet the capitalization criteria above and are in total cost in excess of $1,000, they are capitalized.

Approval of Capital Spending
The Board of Directors annually reviews and approves a capital budget. Individual capital purchases are then reviewed and approved according to financial authorizations policy.

Amortization/Depreciation
Amortization of property and equipment is provided on a straight line basis over the following periods:

• Buildings and fixtures	50 years
• Overhead lines and feeders	25 years
• Underground lines and feeders	25 years
• Transformers	25 years
• Meters	25 years
• Smart Meters	15 years
• Office equipment	10 years
• Automotive equipment	5 years
• Computer equipment	5 years
• Other equipment	10 years

End of Economic Life of an Asset
An asset will be considered to be at the end of its economic life when it is of no further use or potential use to Hearst Power.

Disposal of Capital Assets
Gains and losses on assets sold to non-affiliates are recorded in miscellaneous income. When property and equipment are disposed of, the proceeds of disposition are recorded as a reduction to the appropriate property and equipment accounts. Gains and losses on disposals are brought into income over the depreciable life of the remaining property and equipment.

2.5.3 - PROPOSED ACCOUNTING TREATMENT FOR CAPITAL PROJECTS:

Theoretically, any item that meets the definition and recognition criteria would be recorded as a capital asset. In practical terms departments shall treat as a capital asset any asset that, in addition to meeting the criteria of a capital asset, has a useful life in excess of one year and a per item cost greater than $5,000. This threshold may be changed at the discretion of the CFO and on an item-by-item basis if a department wishes to capitalize an amount lower than the amount prescribed above in order to ensure all material capital assets are included in the financial statements. Assets below the threshold are expensed in the period of purchase.

Land will always be capitalized, regardless of cost.

Characteristics to Consider

Repairs = Expense	Betterments = Capital Assets
All items – life less than 1 year	Life of more than 1 year
All items under $5,000	Items greater than $5,000
Replacement of individual components of a TCA due to age, “wear-and-tear” and damage in order to maintain the TCA in an operating condition without significantly enhancing functionality, capacity, usability and efficiency	Replacement of motor and parts that prolong the useful life
Renovations – carpeting, painting, etc.	The estimated life of the asset is extended by more than 25%
System and equipment repairs, in cases where the service potential of a building isn’t enhanced, repairs – boilers, elevators, control system, etc.	The cost results in an increase in the capacity of the asset
Building repairs that are required in the normal maintenance process	The efficiency of the asset is increased by more than 10%
Repairs to restore assets damaged by fire, flood or similar events, to a condition just prior to the event	Significantly changes the character of the asset
	Reduction in operating cost

2.6.1 – ASSET MANAGEMENT PLAN:

It is important to note that Hearst's Asset Management Process is in its early development stage and therefore has no specific asset condition studies. Hearst is a mature utility with a zero or near zero growth rate. Therefore, demands on the distribution system are fairly static and preventative capital/maintenance work is the basis for the Asset Management and Capital Planning Process.

The Utility operates in a community that is not currently growing, and whose dependence on the forestry industry is problematic in the current economic climate. In general, goods and services are more expensive in a Northern community like Hearst, which directly impacts on the costs of the Utility's operations. Hearst is an established utility with a mature system that is operating in unfavorable conditions, which has resulted in deteriorations to its balance sheets over several years. The Utility's distribution system assets range in age from a few assets which are relatively new to many assets over 40 years old. These assets are the key elements in the delivery of electricity to its existing and new customers.

Each year, Hearst surveys its distribution system. The review consists of a field survey of the Utility's distribution system by the lead hand, with the view to identifying the capital work required on those assets which, in his judgment, are in need of replacement. These usually are some of the oldest assets in the serviced area which are showing sign of material deterioration. Based on the lead hand's survey, the general manager prepares a capital budget/program for the approval of the Utility's Board of Directors.

2.7.1 – REPORTED SERVICE QUALITY INDICATORS (SQIs):

Table 2.7.1.1 below summarizes the performance of Hearst Power against Service Quality Indicators (SQI). Hearst Power performs well in meeting or exceeding all service quality indicators over the sample period of 2006-2008. In addition, aggressive targets have been set for 2009 and 2010 that far exceed SQI standards.

Table 2.7.1.1: Hearst Power's Service Quality Indicators (SQIs)
Average Performance 2006-2008

SERVICE QUALITY INDICATOR	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Appointments Met - at the appointed time SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Telephone Accessibility - answered in person within 30 seconds - SQI Standard: 65% of the time	89%	92%	94%	95%	95%
Underground Cable Locates- within 5 working days SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Connection of New Services- within 5 working days SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Emergency Response- Urban within 60 minutes and Rural within 120 minutes SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Written Responses to Inquiries - within 10 working days SQI Standard: 80% of the time	100%	100%	100%	100%	100%

2.7.2 – SAIDI, SAIFI, CAIDI:

Hearst Power tracks service reliability statistics SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) including and excluding Hydro One related incidents. The following table shows actual results for the period 2006 to 2008.

Table 2.7.2.1: SAIDI, SAIFI, CAIDI 2006-2008

	2006	2006	2007	2007	2008	2008
	Excluding Hydro one	**Total System**	**Excluding Hydro one**	**Total System**	**Excluding Hydro one**	**Total System**
SAIDI	1.6	10.73	0.65	11.73	1.2	1.2
SAIFI	0.98	5.79	0.92	5.91	0.95	0.95
CAIDI	1.64	1.9	0.71	1.98	1.26	1.26

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX - Exhibit 3

Exhibit	Tab	Schedule	Contents of Schedule
3 - OPERATING REVENUE			
	1		**Overview**
		1	Overview of Operating Revenue
		2	Summary of Operating Revenue Table
		3	Variance Analysis on Operating Revenue
	2		**Load and Revenue Forecasts**
		1	Weather Normalized Forecasting Methodology
		2	Customer Count Forecast Table
		3	Normalized Volume Forecast Table
		4	Load Forecast Variance Analysis Table
	3		**Other Revenue**
		1	Other Distribution Revenue Table
		2	Discussion of Other Revenue

3.1.1 - OVERVIEW OF OPERATING REVENUE:

This exhibit provides the details of Hearst Power's operating revenue for 2006 Board Approved, 2007 Actual, 2008 Actual, the 2009 Bridge Year and the 2010 Test Year. This exhibit also provides a detailed variance analysis by rate class of the operating revenue components.

A summary of operating revenues is presented in Exhibit 3, Tab 1, Schedule 2.

Existing distribution revenues are based on the most recent Board Rate Order EB-2008-0231 March 12, 2009.

Throughput Revenue
Information related to the utility's throughput revenue includes details such as weather normalized forecasting methodology, normalized volume and customer count forecast tables. Detailed variance analyses on the forecast information are also provided.

The NAC method is used, using the 2006 cost allocation information for all classes except the General Service >50kW and Intermediate classes. For the Intermediate class, one of the customers has terminated one of the two processes conducted at the facility. The hope is that a new process will be found some time during 2010, but as time moves on, that appears less and less likely. If a new process is not found, that customer will be reclassified to a GS >50kW customer. The demands for the intermediate class have been scaled to be consistent with the methodology utilized in the cost allocation process.

One of the larger GS >50kW customers has ceased operations and has been reclassified as a GS <50kW customer and the power utilization is caretaker only. The loss of this large GS >50kW customer has resulted in a reduced customer class demand and the reduced demand has been used to scale the cost allocation information in a way similar to the method used for the Intermediate class.

Other revenue
Other revenues include revenues such as Late Payment Charges, Miscellaneous Service Revenues and Retail Service Revenues. A summary of these operating revenues is presented in Exhibit 3, Tab 3, Schedule 1. This table does not include Standard Supply Service (SSS) revenue.

3.1.2 – SUMMARY OF OPERATING REVENUE:

Class	2006 Board Approved	2006 Actual	Variance 2006 Actuals to 2006 Board Approved	2007 Actual	Variance 2007 to 2006 Actuals	2008 Actual	Variance 2008 to 2007 Actuals	2009 Bridge Year	Variance 2009 to 2008 Actuals	2010 Test Year
Distribution Revenues										
Residential	459,644	437,146	-22,498	455,556	18,410	468,630	13,074	510,456	41,826	695,354
GS <50 kW	136,948	136,204	-744	136,846	642	138,635	1,790	153,113	14,478	183,824
GS 50 – 2,999 kW	177,265	156,916	-20,350	171,855	14,940	167,723	-4,132	187,481	19,758	88,496
GS 3,000 – 4,999 kW	64,319	67,983	3,664	67,128	-855	43,163	-23,964	65,009	21,846	24,962
Sentinel Lighting	2,548	2,467	-81	2,150	-318	2,077	-73	1,264	-813	1,538
Street Lighting	13,769	13,454	-315	13,092	-362	14,113	1,020	12,744	-1,368	71,681
Sub Total	**854,493**	**814,170**	**-40,323**	**846,627**	**32,456**	**834,341**	**-12,285**	**930,068**	**95,727**	**1,065,856**
Other Distribution Revenue										
Other Revenues*	9,116	23,916	14,800	30,664	6,748	22,342	-8,322	21,659	-683	21,630
Sub Total	**9,116**	**23,916**	**14,800**	**30,664**	**6,748**	**22,342**	**-8,322**	**21,659**	**-683**	**21,630**
Total Operating Revenue	**863,609**	**838,086**	**-25,523**	**877,291**	**39,204**	**856,683**	**-20,608**	**951,727**	**95,044**	**1,087,486**

3.1.3 – VARIANCE ANALYSIS ON OPERATING REVENUE:

Hearst Power's distribution revenue has been calculated using its most recently approved rates and its proposed distribution rates. A summary of operating revenues including the proposed rates is presented in Exhibit 3, Tab 1, Schedule 2.

2006 Board Approved
Hearst Power's 2006 Board Approved operating revenue was forecast to be $863,609. Distribution revenue forecast totaled $854,493.47 or 98.9% of total revenues. Other operating revenue (net) was projected at $9,115.86.

2006 Actual
Hearst Power's 2006 Actual operating revenue was $838,086. Distribution revenue totaled $814,170 or 97.2% of total revenues. Other operating revenue of $23,916 (net) accounts for the remaining revenue.

2006 Actual vs. 2006 Board Approved
The total operating revenue was $25,523 lower than the 2006 Board Approved level forecasted. This decrease resulted from slightly lower than forecast consumption levels, mainly in the residential and GS>50 classes.

2007 Actual
Hearst Power's 2007 Actual operating revenue was $877,291. Distribution revenue totaled $846,627 or 96.5% of total revenues. Other operating revenue of $30,663 (net) accounts for the remaining revenue.

2007 Actual vs. 2006 Actual
The total operating revenue was $39,204 higher than the 2006 actual operating revenue. This increase resulted from higher consumption levels, mainly in the residential and GS>50 classes as well as other distribution revenue.

2008 Actual
Hearst Power's 2008 Actual operating revenue was $856,683. Distribution revenue totaled $834,341 or 97.4% of total revenues. Other operating revenue of $22,342 (net) accounts for the remaining revenue.

2008 Actual vs. 2007 Actual
The 2008 total operating revenue was $20,608 lower than the 2007 actual operating revenue. This decrease resulted from lower consumption level GS>50 class as well as lower other distribution revenue.

2009 Bridge Year
Hearst Power's operating revenue is forecast to be $918,095 in fiscal 2009. Distribution revenue totals $896,436 or 97.6% of total revenues. Other operating revenue (net) of $21,659 accounts for the remaining revenue. If the transformer ownership allowance

were allowed to be included in the distribution revenue, the distribution revenue would total $826,494. This excludes SSS revenue of $7,755.

2009 Bridge Year vs. 2008 Actual
The 2009 total operating revenue is forecast to be $61,412 higher than the 2008 actual operating revenue. This increase results from optimistic forecast revenues for each customer class, and from the 2009 rate increase.

2010 Test Year
Hearst Power's operating revenue is forecast to be $1,087,486 in fiscal 2010. Distribution revenue totals $1,065,856 at proposed rates or 98.0% of total revenues. Other operating revenue of $21,630 (net) accounts for the remaining revenue.

2010 Test Year vs. 2009 Bridge Year
The total operating revenue is expected to be $169,392 higher than the Bridge Year in fiscal 2009. This increase is the result of an optimistic statistical forecast for 2010. If the transformer ownership allowance reduction ($24,632 increased revenue) and the SSS revenue are considered, the rate increase from 2009 to 2010 is 21.3%.

The total distribution revenue at 2010 statistics with 2009 rates would be $878,705 (this includes SSS revenue of $7,755 and a $0.60 transformer ownership allowance credit).

Total distribution revenue for 2009 rates and 2009 statistics would be $834,249 which includes the SSS revenue and transformer ownership allowance at $0.60. The 2010 forecast statistics are optimistic in that they include the reestablishment of a second process for the Intermediate user customer.

3.2.1 – WEATHER NORMALIZED FORECASTING METHODOLOGY:

This exhibit discusses the methodology used to determine Hearst Power's customer and load forecast. Actuals and projections for the number of customers in each customer class are provided for 2004 through 2010 in Exhibit 3, Tab 2, Schedule 2.

Hearst is a no-growth utility from a customer count perspective. It is also small enough that the change in commercial or industrial customer use or operation would be readily known by Hearst Power. Building permits provide ready tracking of any new Residential customers.

Weather normalized historical and forecast (Bridge Year and Test Year) throughput data are provided in Exhibit 3, Tab 2, Schedule 3. Weather normalization (where required) is based on normalized average use per customer ("NAC") calculated from the weather-normalized throughput of the utility from 2004.

This weather-normalized throughput was generated by Hydro One using their weather normalization model for the Cost Allocation process previously undertaken by the Board. The process to obtain this weather normal data was an intensive effort for all parties involved, and we are leveraging the value of this work by using it for this process. Hearst Power submits that additional years of actual data, from 2005 to 2008 would not have a significant impact on the existing normalized data from 2004, as the Hydro One forecast takes into consideration 30 years of historical data.

Customer and Load Forecast
As part of this application, the applicant is requesting a change (correction) in the class definition ranges as specified in the requested rates table. Customers will not change customer classes as a result of this correction. It is apparent that the 3000kW break point between the GS >50kW and the Intermediate class was done because it mirrored some of the standard customer class break points common for many larger LDCs and the board's model accommodated that range. Hearst's intermediate class is a legacy class and was originally established because customers in this class represent a significant and material portion of the LDC's load. This is true both individually and collectively for the three customers historically in this class. The break point established by convenience was 3000kW. The requested break point as part of this application is 1500kW and is above 10% of Hearst Power's average peak load. This 10% is consistent with the OEB's acceptance of the legacy Intermediate class break point.

As noted above, Hearst is a no-growth utility and as such customer counts change very little. Customer counts are included in Table 3.2.2. The NAC method was utilized with the following two exceptions:

1. A relatively large GS >50kW, <1500kW customer has ceased operation. This customer has been reclassified as a GS <50kW class customer. Power use at this facility is caretaker and very small, and not expected to change in the

foreseeable future. This added a customer to the GS <50kW customer group, and subtracted a customer from the GS >50kW group. The customer's specific billing demand and energy use have been removed for the Test Year. The resultant kW billing demand is therefore lower than what would normally be expected for a static utility.

2. One of the Intermediate customers has eliminated one of its two processes. The Test Year forecast includes the optimistic expectation that this customer will find an alternate process to replace the eliminated process. If the customer fails to find such a process, that customer will ultimately be reclassified to a GS >50kW customer classification. The forecast revenue associated with this customer class may be overstated, should the new process not be established.

Variance Analysis

The applicant must provide the following variance analyses:

- Historical Board Approved vs. Historical Actual;
- Historical Board Approved vs. Historical Actual – weather normalized;
- Historical Actual – weather normalized vs. Historical Actual – weather normalized (for the necessary number of years);
- Historical Actual - weather normalized vs. Bridge Year – weather normalized; and
- Bridge Year – weather normalized vs. Test Year.

All are presented in the table at Exhibit 3, Tab 2, Schedule 4.

Weather normalized average historical consumption per customer and forecasts for 2009 and 2010 are presented in Table 3.2.1.1 below.

Table 3.2.1.1: Weather Normalized Average Consumption (kWh or kW) per Customer (Connection)

	2004	2005	2006	2007	2008	2009 Bridge	2010 Test
Residential	11,647	11,647	11,647	11,647	11,647	11,647	11,647
GS < 50 kW	32,985	32,985	32,985	32,985	32,985	32,985	32,985
GS 50 – 2,999 kW	1,668	1,668	1,668	1,668	1,668	1,668	1,668
GS 3,000 – 4,999 kW	38,173	38,173	38,173	38,173	38,173	38,173	38,173
Sentinel Lighting	4	4	4	4	4	4	4
Street Lighting	3	3	3	3	3	3	3

The customer count trend for each class will be discussed below:

- Residential: Base 2004 customer count was 2340. In 2005, there was an increase of two residential customers in Hearst. In 2006, 24 residential customers were lost. In 2007, an additional two customers were lost and those customers were replaced in 2008. Two customers were added in 2009, with a further two customers projected for 2010.
- General Service <50kW: Base 2004 customer count was 395. One customer was added in 2005, and an additional three customers added in 2006. Eight customers were lost in 2007, with one customer being added and one customer lost in 2009.
- General Service 50kW-1499kW: Base 2004 customer count was 39. In 2006, two customers were added and in 2009, two customers were lost, with an additional customer lost in 2010.
- General Service 1500kW-4999kW: Base 2004 customer count was 3, and remained as three to the present. No change projected in 2010.
- Sentinel Lighting Connections: Base 2004 number of connections was 48. With a steady decline through 2008 and a steep reduction in 2009, with forecast stability for 2010. (2009 number: 23 connections)
- Street Lighting Connections: Base 2004 number of fixtures was 900, increasing to 916 in 2008, with the projected number of connections in 2010 being 726.

Revenues based on existing approved 2009 rates and revenues based on proposed 2010 rates are presented in Table 3.2.1.2 below.

Table 3.2.1.2: Revenues at Existing and Proposed Rates

	Residential	GS < 50 kW	GS 50 – 2,999 kW	GS 3,000 – 4,999 kW	Sentinel Lighting	Street Lighting	Totals
At 2009 approved							
Fixed*	234,615	28,011	13,867	2,064	1,098	8,625	288,281
Variable**	275,841	125,102	173,614	62,945	165	4,120	641,788
Total	**510,456**	**153,113**	**187,481**	**65,009**	**1,264**	**12,744**	**930,068**
At proposed			**GS 50 – 1,499 kW**	**GS 1,500 – 4,999 kW**			
Fixed*	250,776	56,304	27,360	11,520	1,380	4,356	351,696
Variable**	438,101	126,392	70,778	38,178	122	67,319	740,891
Total	**688,877**	**182,696**	**98,138**	**49,698**	**1,502**	**71,675**	**1,092,587**

* excludes SSS
** excludes transformer ownership allowance

3.2.2 – CUSTOMER COUNT FORECAST TABLE:

	2004	2005	% Change	Approved 2006	% Change	2006	% Change	2007	% Change	2008	% Change	2009	% Change	2010	% Change
Residential	2,340	2,342	-0.085%	2,340	0.085%	2,318	0.940%	2,316	0.086%	2,318	-0.086%	2,320	-0.086%	2,322	-0.086%
GS <50 kW	395	396	-0.253%	395	0.253%	399	-1.013%	391	2.005%	391	0.000%	391	0.000%	391	0.000%
GS 50 – 2,999 kW	39	39	0.000%	39	0.000%	41	-5.128%	41	0.000%	41	0.000%	39	4.878%	38	2.564%
GS 3,000 – 4,999 kW	3	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%
Sentinel Lighting	23	20	13.043%	23	-15.000%	20	13.043%	19	5.000%	14	26.316%	12	14.286%	12	0.000%
Street Lighting	2	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%

3.2.3 – NORMALISED VOLUME FORECAST TABLE:

Hearst Power Load Data: Historical Actuals, Forecast and Weather Normalization

Class		2004 Actual (from audited)	2004 Year End Customer Count Weather Normalized	2004 Difference	2004 % Difference	2005 Actual (from audited)	2005 Year End Customer Count Weather Normalized	2005 Difference	2005 % Difference
Residential	Customers	2,340	2,340	0	0.00%	2,342	2,342	0	0.00%
	Consumption - kWh	27,422,132	27,252,918	169,214	0.62%	26,899,810	27,276,211	-376,401	-1.40%
GS < 50 kW	Customers	395	395	0	0.00%	396	396	0	0.00%
	Consumption - kWh	13,015,614	13,029,066	-13,452	-0.10%	13,067,330	13,062,051	5,279	0.04%
GS 50 – 2,999 kW	Customers	39	39	0	0.00%	39	39	0	0.00%
	Demand -kW	61,751	65,041	-3,290	-5.33%	59,893	65,041	-5,147	-8.59%
	Consumption - kWh	22,041,572	23,215,770	-1,174,198	-5.33%	20,810,683	23,215,770	-2,405,087	-11.56%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.00%	3	3	0	0.00%
	Demand -kW	111,175	114,518	-3,343	-3.01%	112,529	114,518	-1,989	-1.77%
	Consumption - kWh	51,166,260	52,704,985	-1,538,725	-3.01%	50,416,143	52,704,985	-2,288,842	-4.54%
Sentinel Lighting	Connections	48	48	0	0.00%	46	46	0	0.00%
	Demand -kW	176	182	-6	-3.57%	169	175	-5	-3.08%
	Consumption - kWh	63,893	66,177	-2,284	-3.57%	60,548	63,419	-2,871	-4.74%
Street Lighting	Connections	900	900	0	0.00%	903	903	0	0.00%
	Demand -kW	3,078	3,138	-60	-1.96%	3,038	3,149	-111	-3.64%
	Consumption - kWh	1,103,749	1,125,333	-21,584	-1.96%	1,085,954	1,129,085	-43,131	-3.97%

Class		2006 Approved EDR	2006 Approved EDR - Weather Normalized	2006 EDR Approved Difference	2006 EDR Approved % Difference	2006 Actual (from audited)	2006 Year End Customer Count Weather Normalized	2006 Difference	2006 % Difference
Residential	Customers	2,340	2,340	0	0.0%	2,318	2,318	0	0.0%
	Consumption - kWh	27,473,386	27,252,918	220,468	0.8%	25,897,339	26,996,694	-1,099,355	-4.2%
GS < 50 kW	Customers	395	395	0	0.0%	399	399	0	0.0%
	Consumption - kWh	12,719,994	13,029,066	-309,073	-2.4%	12,993,046	13,161,006	-167,960	-1.3%
GS 50 – 2,999 kW	Customers	39	39	0	0.0%	41	41	0	0.0%
	Demand -kW	60,958	65,041	-4,083	-6.7%	55,083	68,376	-13,293	-24.1%
	Consumption - kWh	21,314,306	23,215,770	-1,901,464	-8.9%	19,484,942	24,406,322	-4,921,380	-25.3%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	108,040	114,518	-6,478	-6.0%	115,268	114,518	750	0.7%
	Consumption - kWh	47,635,245	52,704,985	-5,069,739	-10.6%	53,977,594	52,704,985	1,272,609	2.4%
Sentinel Lighting	Connections	48	48	0	0.0%	46	46	0	0.0%
	Demand -kW	182	182	-1	-0.4%	168	175	-7	-4.0%
	Consumption - kWh	64,848	66,177	-1,329	-2.0%	60,823	63,419	-2,596	-4.3%
Street Lighting	Connections	900	900	0	0.0%	907	907	0	0.0%
	Demand -kW	3,072	3,138	-66	-2.1%	3,036	3,163	-127	-4.2%
	Consumption - kWh	1,108,379	1,125,333	-16,954	-1.5%	1,091,309	1,134,086	-42,777	-3.9%

Class		2007 Actual (from audited)	2007 Year End Customer Count Weather Normalized	2007 Difference	2007 % Difference	2008 Actual (from audited)	2008 Year End Customer Count Weather Normalized	2008 Difference	2008 % Difference
Residential	Customers	2316	2316	0	0.0%	2318	2318	0	0.0%
	Consumption - kWh	27,069,577	26,973,401	96,176	0.4%	26,596,195	26,996,694	-400,499	-1.5%
GS < 50 kW	Customers	391	391	0	0.0%	391	391	0	0.0%
	Consumption - kWh	12,370,240	12,897,126	-526,886	-4.3%	12,592,670	12,897,126	-304,456	-2.4%
GS 50 – 2,999 kW	Customers	41	41	0	0.0%	41	41	0	0.0%
	Demand -kW	57,195	68,376	-11,181	-19.5%	56,061	68,376	-12,315	-22.0%
	Consumption - kWh	21,523,842	24,406,322	-2,882,480	-13.4%	20,680,870	24,406,322	-3,725,452	-18.0%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	109,115	114,518	-5,403	-5.0%	70,701	114,518	-43,818	-62.0%
	Consumption - kWh	44,939,095	52,704,985	-7,765,890	-17.3%	24,123,994	52,704,985	-28,580,991	-118.5%
Sentinel Lighting	Connections	39	39	0	0.0%	38	38	0	0.0%
	Demand -kW	151	148	3	2.1%	121	144	-24	-19.5%
	Consumption - kWh	54,603	53,769	834	1.5%	42,445	52,390	-9,945	-23.4%
Street Lighting	Connections	914	914	0	0.0%	916	916	0	0.0%
	Demand -kW	3,056	3,187	-131	-4.3%	3,069	3,194	-125	-4.1%
	Consumption - kWh	1,097,289	1,142,839	-45,550	-4.2%	1,159,799	1,145,339	14,460	1.2%

Class		2009 Bridge Year Forecast	2009 Bridge Year Weather Normalized	2009 Difference	2009 % Difference	2010 Test Year Forecast	2010 Test Year Weather Normalized	2010 Difference	2010 % Difference
Residential	Customers	2,320	2,320	0	0.0%	2,322	2,322	0	0.0%
	Consumption - kWh	26,719,866	27,019,987	-300,120	-1.1%	27,043,280	27,043,280	0	0.0%
GS < 50 kW	Customers	391	391	0	0.0%	391	391	0	0.0%
	Consumption - kWh	12,245,893	12,897,126	-651,233	-5.3%	12,897,126	12,897,126	0	0.0%
GS 50 – 2,999 kW	Customers	39	39	0	0.0%	38	38	0	0.0%
	Demand -kW	50,671	65,041	-14,370	-28.4%	58,015	63,373	-5,358	-9.2%
	Consumption - kWh	18,126,386	23,215,770	-5,089,384	-28.1%	20,927,356	22,620,494	-1,693,137	-8.1%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	65,898	114,518	-48,620	-73.8%	70,701	114,518	-43,818	-62.0%
	Consumption - kWh	20,110,397	52,704,985	-32,594,588	-162.1%	24,123,994	52,704,985	-28,580,991	-118.5%
Sentinel Lighting	Connections	23	23	0	0.0%	23	23	0	0.0%
	Demand -kW	77	87	-11	-14.1%	87	87	0	0.0%
	Consumption - kWh	26,687	31,710	-5,023	-18.8%	31,710	31,710	0	0.0%
Street Lighting	Connections	915	915	0	0.0%	726	726	0	0.0%
	Demand -kW	3,073	3,190	-117	-3.8%	3,190	2,531	659	20.7%
	Consumption - kWh	1,001,530	1,144,089	-142,559	-14.2%	1,144,089	907,769	236,320	20.7%

3.2.4 – LOAD FORECAST VARIANCE ANALYSIS TABLE:

Class		2004 Year End Customer Count Weather Normalized	2005 Year End Customer Count Weather Normalized	2005 vs. 2004 Year End Customer Count Weather Normalized	2006 Actual	2006 Board Approved	2006 Year End Customer Count Weather Normalized	2006 vs. 2005 Year End Customer Count Weather Normalized	2006 Board Approved vs. 2006 Actual	2006 Board Approved vs. 2006 Year End Customer Count Weather Normalized
Residential	Customers	2,340	2,342	2	2,318	2,340	2,318	-24	22	22
	Consumption - kWh	27,252,918	27,276,211	23,293	25,897,339	27,473,386	26,996,694	-279,517	1,576,047	476,692
GS < 50 kW	Customers	395	396	1	399	395	399	3	-4	-4
	Consumption - kWh	13,029,066	13,062,051	32,985	12,993,046	12,719,994	13,161,006	98,955	-273,052	-441,012
GS 50 – 2,999 kW	Customers	39	39	0	41	39	41	2	-2	-2
	Demand -kW	65,041	65,041	0	55,083	60,958	68,376	3,335	5,875	-7,418
	Consumption - kWh	23,215,770	23,215,770	0	19,484,942	21,314,306	24,406,322	1,190,552	1,829,364	-3,092,016
GS 3,000 – 4999 kW	Customers	3	3	0	3	3	3	0	0	0
	Demand -kW	114,518	114,518	0	115,268	108,040	114,518	0	-7,228	-6,478
	Consumption - kWh	52,704,985	52,704,985	0	53,977,594	47,635,245	52,704,985	0	-6,342,349	-5,069,739
Sentinel Lighting	Connections	48	46	-2	46	48	46	0	2	2
	Demand -kW	182	175	-8	168	182	175	0	14	7
	Consumption - kWh	66,177	63,419	-2,757	60,823	64,848	63,419	0	4,025	1,428
Street Lighting	Connections	900	903	3	907	900	907	4	-7	-7
	Demand -kW	3,138	3,149	10	3,036	3,072	3,163	14	36	-90
	Consumption - kWh	1,125,333	1,129,085	3,751	1,091,309	1,108,379	1,134,086	5,001	17,070	-25,707

Class		2007 Year End Customer Count Weather Normalized	2007 vs. 2006 Year End Customer Count Weather Normalized	2008 Year End Customer Count Weather Normalized	2008 vs. 2007 Year End Customer Count Weather Normalized	2009 Bridge Year Weather Normalized	2009 vs. 2008 Bridge Year Weather Normalized	2010 Test Year Forecast	2010 Bridge Year Weather Normalized vs. 2009 Test Year Forecast
Residential	Customers	2,316	-2	2,318	2	2,320	2	2,322	2
	Consumption - kWh	26,973,401	-23,293	26,996,694	23,293	27,019,987	23,293	27,043,280	23,293
GS < 50 kW	Customers	391	-8	391	0	391	0	391	0
	Consumption - kWh	12,897,126	-263,880	12,897,126	0	12,897,126	0	12,897,126	0
GS 50 – 2,999 kW	Customers	41	0	41	0	39	-2	38	-1
	Demand -kW	68,376	0	68,376	0	65,041	-3,335	58,015	-7,026
	Consumption - kWh	24,406,322	0	24,406,322	0	23,215,770	-1,190,552	20,927,356	-2,288,414
GS 3,000 – 4999 kW	Customers	3	0	3	0	3	0	3	0
	Demand -kW	114,518	0	114,518	0	114,518	0	70,701	-43,818
	Consumption - kWh	52,704,985	0	52,704,985	0	52,704,985	0	24,123,994	-28,580,991
Sentinel Lighting	Connections	39	-7	38	-1	23	-15	23	0
	Demand -kW	148	-27	144	-4	87	-57	87	0
	Consumption - kWh	53,769	-9,651	52,390	-1,379	31,710	-20,680	31,710	0
Street Lighting	Connections	914	7	916	2	915	-1	726	-189
	Demand -kW	3,187	24	3,194	7	3,190	-3	3,190	0
	Consumption - kWh	1,142,839	8,753	1,145,339	2,501	1,144,089	-1,250	1,144,089	0

3.3.1 – OTHER DISTRIBUTION REVENUE TABLE:

Description	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	2007 Actual	Variance from 2006 Actual	2008 Actual	Variance from 2007 Actual	2009 Bridge	Variance from 2008 Actual	2010 Test	Variance from 2009 Bridge
Specific Service Charges											
4235-Miscellaneous Service Revenues	-3,640	-15,152	-11,511	-22,710	-7,558	-19,990	2,720	-15,000	4,990	-15,000	0
Subtotal	**-3,640**	**-15,152**	**-11,511**	**-22,710**	**-7,558**	**-19,990**	**2,720**	**-15,000**	**4,990**	**-15,000**	**0**
Late Payment Charges											
4225-Late Payment Charges	-6,025	-5,734	291	-8,615	-2,881	-6,714	1,901	-8,742	-2,028	-7,300	1,442
Subtotal	**-6,025**	**-5,734**	**291**	**-8,615**	**-2,881**	**-6,714**	**1,901**	**-8,742**	**-2,028**	**-7,300**	**1,442**
Other Distribution Revenues											
4082-Retail Services Revenues	-704	-3,367	-2,663	-4,032	-665	-4,538	-506	-3,690	848	-3,600	90
4084-Service Transaction Requests (STR) Revenues	-1	-193	-192	-102	91	-60	42	-30	30	-30	0
4090-Electric Services Incidental to Energy Sales	-8,411	0	8,411	0	0	0	0	0	0	0	0
4205-Interdepartmental Rents	0	0	0	0	0	0	0	0	0	0	0
4210-Rent from Electric Property	-0	-20,356	-20,355	-26,530	-6,174	-17,744	8,786	-17,939	-195	-18,000	-61
4215-Other Utility Operating Income	0	0	0	0	0	0	0	0	0	0	0

Description	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	2007 Actual	Variance from 2006 Actual	2008 Actual	Variance from 2007 Actual	2009 Bridge	Variance from 2008 Actual	2010 Test	Variance from 2009 Bridge
4220-Other Electric Revenues	0	0	0	0	0	0	0	0	0	0	0
4240 - Provision for Rate Refunds	0	0	0	0	0	0	0	0	0	0	0
4245 - Government Assistance Directly Credited to Income	0	0	0	0	0	0	0	0	0	0	0
Subtotal	**-9,116**	**-23,916**	**-14,800**	**-30,664**	**-6,748**	**-22,342**	**8,322**	**-21,659**	**683**	**-21,630**	**29**
Other Income and Expenses											
4305 - Regulatory Debits	0	0	0	0	0	0	0	0	0	0	0
4310 - Regulatory Credits	0	0	0	0	0	0	0	0	0	0	0
4315 - Revenues from Electric Plant Leased to Others	0	0	0	0	0	0	0	0	0	0	0
4320 - Expenses of Electric Plant Leased to Others	0	0	0	0	0	0	0	0	0	0	0
4325-Revenues from Merchandise, Jobbing, Etc.	-20,992	-49,799	-28,807	-55,305	-5,506	-46,256	9,048	-25,000	21,256	-25,000	0
4330-Expenses from Merchandise, Jobbing, Etc.	0	0	0	0	0	0	0	0	0	0	0
4335 - Profits and Losses from Financial Instrument Hedges	0	0	0	0	0	0	0	0	0	0	0
4340 - Profits and Losses from Financial Instrument Investments	0	0	0	18,199	18,199	9,933	-8,266	0	-9,933	0	0

Description	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	2007 Actual	Variance from 2006 Actual	2008 Actual	Variance from 2007 Actual	2009 Bridge	Variance from 2008 Actual	2010 Test	Variance from 2009 Bridge
4345 - Gains from Disposition of Future Use Utility Plant	0	0	0	0	0	0	0	0	0	0	0
4350 - Losses from Disposition of Future Use Utility Plant	0	0	0	0	0	0	0	0	0	0	0
4355-Gain on Disposition of Utility and Other Property	0	0	0	0	0	0	0	0	0	0	0
4360-Loss on Disposition of Utility and Other Property	0	0	0	0	0	0	0	0	0	0	0
4365 - Gains from Disposition of Allowances for Emission	0	0	0	0	0	0	0	0	0	0	0
4370 Losses from Disposition of Allowances for Emission	0	0	0	0	0	0	0	0	0	0	0
4375-Revenues from Non-Utility Operations	0	0	0	0	0	0	0	0	0	0	0
4380-Expenses of Non-Utility Operations	-17,219	0	17,219	0	0	0	0	0	0	0	0
4385-Non-Utility Rental Income	0	0	0	0	0	0	0	0	0	0	0
4390-Miscellaneous Non-Operating Income	-26,780	0	26,780	0	0	0	0	0	0	0	0
4395 - Rate-Payer Benefit Including Interest	0	0	0	0	0	0	0	0	0	0	0
4398 - Foreign Exchange Gains and Losses, Including Amortization	0	0	0	0	0	0	0	0	0	0	0

Description	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	2007 Actual	Variance from 2006 Actual	2008 Actual	Variance from 2007 Actual	2009 Bridge	Variance from 2008 Actual	2010 Test	Variance from 2009 Bridge
4405-Interest and Dividend Income	-93,868	-158,654	-64,786	-177,207	-18,552	-151,642	25,565	-84,720	66,922	-50,000	34,720
4415 - Equity in Earnings of Subsidiary Companies	0	0	0	0	0	0	0	0	0	0	0
Subtotal	**-158,859**	**-208,453**	**-49,594**	**-214,312**	**-5,859**	**-187,965**	**26,347**	**-109,720**	**78,245**	**-75,000**	**34,720**
Total	**-177,641**	**-253,255**	**-75,615**	**-276,301**	**-23,046**	**-237,010**	**39,291**	**-155,121**	**81,889**	**-118,930**	**36,191**

NOTE: FIGURES ARE NEGATIVE BECAUSE THEY ARE SOURCED FROM THE TRIAL BALANCE

3.3.2 – DISCUSSION OF OTHER DISTRIBUTION REVENUE:

When work is done for third parties on a non-core activity, labor cost plus a 40% burden are used. The similar burden is applied to rental rates on equipment, utilized for such activities.

In this application, Hearst Power has applied for the same Specific Service Charges schedule previously approved in the 2009 Tariffs of Rates and Charges. The Specific Service Charges schedule follows the OEB recommended charges.

Miscellaneous Service Revenues have been on a steady decline since 2007 and are expected to be $15,000 in 2010. Late Payment Charges likewise peaked in 2007 and are forecast to have a steady downward trend through 2010. Retail Service Charges are relatively stable, as are Service Transaction Request Revenues. Rent from electric property consists of primarily pole rental charges and is relatively stable over the period of 2006 to 2010. Revenues for Merchandise, Jobbing, etc peaked in 2007, and since then have been on a steady decline, with expected revenues of $25,000 in the Test Year. Interest Income peaked in 2007 and is expected to be about $50,000 in 2010.

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INDEX – Exhibit 4

Exhibit	Tab	Schedule	Contents of Schedule
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		1	Summary of OM&A Expenses
		2	Detailed Account by Account OM&A Expenses
		3	OM&A Cost Drivers
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		1	Tax Calculations Table
		2	Capital Cost Allowance (CCA) Table

4.1.1 – OVERVIEW OF OPERATING COSTS:

The operating costs presented in this exhibit represent the annual expenditures required to sustain Hearst Power's Distribution Operations. The information presented in this exhibit is grouped into two different categories. The first category, OM&A, includes Operation and Maintenance costs as well as Other Costs which include items such as Depreciation, Amortization and Depletion, Shared Services and Loss Adjustment Factor.

A second Tax category includes Income, Large Corporation, and Ontario Capital Taxes.

Exhibit 4, Tab2, Schedule 1 provides a summary of Hearst Power's Operating Costs for the Historical, Bridge and Test Years.

OM&A Costs
The OM&A costs in this exhibit include Hearst Power's cost:

- to maintain its integrated set of assets
- to perform customer activities to meet public and employee safety objectives
- to comply with the Distribution System Code, environmental requirements and Government direction
- to maintain distribution business service quality and reliability at targeted performance levels

These costs also include providing services to customers connected to Hearst Power's Distribution system, and to meet the service levels stipulated in the Standard Supply Service Code and the Retail Settlement Code.

The proposed OM&A cost expenditures for the 2010 Test Year result from the recognition that Hearst is a small utility and has certain fundamental and unavoidable costs to maintain a viable work force. The OEB's Smart Meter program requires that OM&A costs increase significantly to cover the technological meter reading process required by the smart meter initiative. The base line maintenance crew consists of three people, and that is the level required to permit a viable workforce which allows after-hour coverage and vacation time for full-time staff. The line maintenance staff prior to the smart meter program did the meter reading. Their time and associated costs will now be split between maintenance and capital. The smart meter reading process will cost Hearst an estimated $85,079 in 2010. One of Hearst's employees is anticipated to retire in the foreseeable future. An apprentice line maintainer was added in 2009 and that employee will have a cost of $90,600 in 2010. In addition, Hearst Power suffered a legal strike in 2007. This strike resulted in an increase in wages of about 20% to permit unionized staff to achieve typical provincial line-maintainer rates. This contract is expected to have an incremental cost in 2010 over the pre-2007 annual rate of about $60,750. A new charge for support to the new billing system purchased in 2008 will be $25,000 per year in 2010. These changes, in the absence of all other factors, would require a rate increase of 29.75% when compared with 2006 EDR levels.

The IRMs for 2007, 2008 and 2009 produced a cumulative rate increase of 2.52%, insufficient to offset the previously identified price pressures. In the Rebasing Worksheets file, tab “4.2.3 KEY DRIVERS” summarizes the preceding increase and includes some of the current costs associated with the smart meter capital acquisitions and the smart meter capable billing system.

Income Tax, Large Corporation Tax and Ontario Capital Taxes
This information and supporting calculations are included in the Tax Model. The tax provision for the Test Year rate recovery is $14, 479 and includes the income tax provision gross-up of $2317.

4.2.1 – SUMMARY OF OM&A EXPENSES:

OM&A Expenses	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	% Change	2007 Actual	Variance from 2006 Actual	% Change	2008 Actual	Variance from 2007 Actual	% Change	2009 Bridge	Variance from 2008 Actual	% Change	2010 Test	Variance from 2009 Bridge	% Change
Operation (Working Capital)	75,221	55,241	-19,980	-27%	77,921	22,680	41%	77,447	-475	-1%	116,033	38,586	50%	106,940	-9,093	-8%
Maintenance (Working Capital)	204,263	242,519	38,256	19%	245,902	3,382	1%	282,332	36,430	15%	240,295	-42,037	-15%	284,565	44,270	18%
Billing and Collecting	123,001	147,733	24,731	20%	166,974	19,241	13%	174,112	7,138	4%	168,810	-5,302	-3%	230,079	61,269	36%
Community Relations	30,540	4,029	-26,511	-87%	3,685	-344	-9%	2,619	-1,065	-29%	4,500	1,881	72%	5,000	500	11%
Administrative and General	205,043	243,362	38,319	19%	241,399	-1,963	-1%	232,299	-9,101	-4%	429,869	197,570	85%	241,294	-188,575	-44%
Total OM&A Expenses	638,069	692,884	54,815	9%	735,880	42,996	6%	768,808	32,928	4%	959,507	190,699	25%	867,878	-91,629	-10%
Percent Change 2010 vs 2008 Actuals	13%															
Percent Change 2010 vs 2006 Approved	36%															
Average for 2007, 2008, 2009 (%)	12%															
Compound Annual Growth Rate for 2007,8,9 (%)	14.57%															

4.2.2 – DETAILED OM&A EXPENSES TABLE:

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Operation (Working Capital)					
5005-Operation Supervision and Engineering	0	0	0	0	0
5010-Load Dispatching	0	0	0	0	0
5012-Station Buildings and Fixtures Expense	0	0	0	0	0
5014-Transformer Station Equipment - Operation Labour	0	0	0	0	0
5015-Transformer Station Equipment - Operation Supplies and Expenses	0	0	0	0	0
5016-Distribution Station Equipment - Operation Labour	0	0	0	0	0
5017-Distribution Station Equipment - Operation Supplies and Expenses	0	0	0	0	0
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,518	7,750	5,036	3,821	5,000
5030-Overhead Subtransmission Feeders - Operation	0	0	0	0	0
5035-Overhead Distribution Transformers- Operation	0	0	174	210	210
5040-Underground Distribution Lines and Feeders - Operation Labour	0	0	168	200	200
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	953	753	472	1,000	1,000
5050-Underground Subtransmission Feeders - Operation	0	0	0	0	0
5055-Underground Distribution Transformers - Operation	329	0	41	100	100
5060-Street Lighting and Signal System Expense	0	0	0	0	0
5065-Meter Expense	5,279	5,625	432	4,500	5,000
5070-Customer Premises - Operation Labour	0	0	0	0	0
5075-Customer Premises - Materials and Expenses	0	0	0	0	0
5085-Miscellaneous Distribution Expense	0	21,416	18,046	35,000	15,104
5090-Underground Distribution Lines and Feeders - Rental Paid	0	0	0	0	0
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,888	4,113	6,623	0	0
5096-Other Rent	2,700	450	3,150	9,950	10,750
Sub-Total	16,665	40,106	34,142	54,781	37,364

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Maintenance (Working Capital)					
5105-Maintenance Supervision and Engineering	4216.91	4642.76	75836.39	30000	30000
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4009.13	0	0	0	0
5112-Maintenance of Transformer Station Equipment	0	0	0	0	0
5114-Maintenance of Distribution Station Equipment	0	0	0	0	0
5120-Maintenance of Poles, Towers and Fixtures	47529.13	50750.11	47147.17	48490	60000
5125-Maintenance of Overhead Conductors and Devices	63199.66	66481.35	65650.13	71175	83000
5130-Maintenance of Overhead Services	10811.04	10694.99	5085.41	5500	6100
5135-Overhead Distribution Lines and Feeders - Right of Way	0	244.22	41.13	300	50
5145-Maintenance of Underground Conduit	2099.75	713.42	1019.22	1200	2000
5150-Maintenance of Underground Conductors and Devices	1327.05	2439.97	1792.84	2800	1303
5155-Maintenance of Underground Services	13167.73	10526.17	10874.59	11000	11000
5160-Maintenance of Line Transformers	92688.74	93015.94	68748.44	65000	8685
5165-Maintenance of Street Lighting and Signal Systems	0	0	0	0	0
5170-Sentinel Lights - Labour	0	0	0	0	0
5172-Sentinel Lights - Materials and Expenses	0	43.18	0	0	0
5175-Maintenance of Meters	3470.09	6349.54	6136.28	4830	4264
5178-Customer Installations Expenses-Leased Property	0	0	0	0	0
5185-Water Heater Rentals - Labour	0	0	0	0	0
5186-Water Heater Rentals - Materials and Expenses	0	0	0	0	0
5190-Water Heater Controls - Labour	0	0	0	0	0
5192-Water Heater Controls - Materials and Expenses	0	0	0	0	0
5195-Maintenance of Other Installations on Customer Premises	0	0	0	0	0
Sub-Total	242,519	245,902	282,332	240,295	206,402

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Billing and Collecting					
5305-Supervision	0	0	0	0	0
5310-Meter Reading Expense	32,166	37,582	38,157	33,000	31,120
5315-Customer Billing	83,090	94,027	85,500	94,000	35,000
5320-Collecting	17,014	17,403	17,886	17,400	17,800
5325-Collecting- Cash Over and Short	0	0	0	0	0
5330-Collection Charges	5,596	2,889	4,388	3,000	5,000
5340-Miscellaneous Customer Accounts Expenses	9,867	10,072	10,250	10,410	10,000
Sub-Total	147,733	161,974	156,180	157,810	98,920

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Community Relations					
5405-Supervision	0	0	0	0	0
5410-Community Relations - Sundry	0	0	0	0	0
5415-Energy Conservation	0	0	0	0	0
5420-Community Safety Program	0	0	0	0	0
5425-Miscellaneous Customer Service and Informational Expenses	0	0	0	0	0
5505-Supervision	0	0	0	0	0
5510-Demonstrating and Selling Expense	0	0	0	0	0
5515-Advertising Expense	4,029	3,685	2,619	4,500	5,000
5520-Miscellaneous Sales Expense	0	0	0	0	0
Sub-Total	4,029	3,685	2,619	4,500	5,000
Bad Debt					
5335-Bad Debt Expense	0	5,000	17,931	11,000	15,000
Sub-Total	0	5,000	17,931	11,000	15,000
Property Insurance					
5635-Property Insurance	418	441	523	550	566
Sub-Total	418	441	523	550	566

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
General Advertising Expenses					
5660-General Advertising Expenses	0	0	0	0	0
Sub-Total	0	0	0	0	0
Taxes Other Than Income Taxes					
6105-Taxes Other Than Income Taxes	0	0	0	0	0
Sub-Total	0	0	0	0	0
Administrative and General Expenses					
5605-Executive Salaries and Expenses	8,557	15,352	9,762	11,800	12,000
5610-Management Salaries and Expenses	0	0	0	0	0
5615-General Administrative Salaries and Expenses	58,593	66,926	71,686	76,400	68,400
5620-Office Supplies and Expenses	1,772	2,294	1,871	2,500	2,500
5625-Administrative Expense Transferred Credit	0	0	0	0	0
5630-Outside Services Employed	71,222	45,660	33,205	141,269	8,995
5640-Injuries and Damages	6,673	8,374	8,281	13,490	9,000
5645-Employee Pensions and Benefits	0	0	0	89,519	90,500
5650-Franchise Requirements	0	0	0	0	0
5655-Regulatory Expenses	4,270	5,305	9,706	5,989	7,095
5665-Miscellaneous General Expenses	16,553	15,545	13,490	15,050	22,000
5666-Miscellaneous General Expenses	0	0	0	0	0
5670-Rent	8,335	8,427	8,604	8,750	8,838
5675-Maintenance of General Plant	0	0	0	0	0
5680-Electrical Safety Authority Fees	2,371	2,680	2,161	1,892	1,800
5685-Independent Market Operator Fees and Penalties	0	0	0	0	0
Sub-Total	178,347	170,561	158,766	366,659	231,128

OM&A Costs	2006 Actual (from 2006 Audited)	2007 ActABal (from 2007 AABdited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Amortization Expenses					
5705-Amortization Expense - Property, Plant, and Equipment	96,425	97,667	108,727	120,440	144,386
5710-Amortization of Limited Term Electric Plant	0	0	0	0	0
5715-Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273	1,273	1,273
5720-Amortization of Electric Plant Acquisition Adjustments	0	0	0	0	0
5725-Miscellaneous Amortization	0	0	0	0	0
5730-Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0	0	0
5735-Amortization of Deferred Development Costs	0	0	0	0	0
5740-Amortization of Deferred Charges	0	0	0	0	0
Sub-Total	97,698	98,940	110,000	121,713	145,659
4750-LV Charges	23,953	40,458	76,107	76,944	77,713
Sub-Total	23,953	40,458	76,107	76,944	77,713
Total	711,362	767,066	838,601	1,034,252	817,752

4.2.3 – OM&A COST DRIVERS:

Table 4.2.3 Key Drivers is more than an OM&A Cost Drivers Table. While it is not comprehensive, nor complete, it sets out some of the specific pressures which create the need for Hearst Power's rate increase. It also includes a table showing the impact of the interim rate mechanism between the 2006 EDR and this current application. The OM&A components produce a 26.15% increase requirement while the capital items up to the end of 2009 produce a rate impact of 8.51%. The offsetting IRM cumulative compound increase has been 2.52%.

Hearst maintains minimum staff levels to maintain a viable distributor. The addition of the apprentice will be replaced in subsequent years by the requirement for transition and overlap for management/office staff.

Table 4.2.3: Key Drivers Table Set

BASE INCOME service revenue at 2009 rates $ 878,705

	ANNUAL	ANNUAL	Total cost	ANNUAL IMPACT	ANNUAL %
ITEM	**OM&A**	**Revenue decline & OTHER**			
OM&A					
OTHER OM&A 2010 over EDR2006	- 31,620.44		229,808.56	- 31,620.44	-3.60%
Union contract	60,750.00			60,750.00	6.91%
Apprentice	90,600.00			90,600.00	10.31%
Meter reading smart meter processing	85,079.00		85,079.00	85,079.00	9.68%
Customer billing support Services	25,000.00		25,000.00	25,000.00	2.85%
					26.15%

Cost of capital 7.31%

	Capital amount	Annual Depreciation RATE.	Annual Dep-reciation	Annual Dep-reciation	RATE BASE Return	RATE BASE Return	ANNUAL IMPACT	ANNUAL %
CAPITAL	**$**	**%**	**1/2 rule**	**Full year**	**%**	**$**		
billing system 2008 purchase	60,975				7.31%	3,566	3,566	0.41%
billing system 2008 depreciation	60,975	20.00%		12,195			12,195	1.39%
Smart meter Purchase	280,332				7.31%	19,126	19,126	2.18%
Smart meter Purchase dep	280,332	6.67%		18,689			18,689	2.13%
Smart meter Communicatiion	156,858				7.31%	10,702	10,702	1.22%
Smart meter Com dep	156,858	6.67%		10,457			10,457	1.19%
								8.51%
							TOTAL	**34.66%**

INTERIM RATE MECHANISM			%	Factor	Cumula-tive Factor			
2007			0.90%	100.90%	100.90%			
2008			0.30%	100.30%	101.20%			
2009			1.30%	101.30%	102.52%			2.52%
							NET SUPPORTED CHANGE	**32.14%**

4.2.4 – REGULATORY COSTS:

Regulatory costs associated with the IRM processes have not been tracked, nor does Hearst seek recovery of the historical costs (pre-2009). The 2009 identified costs are the costs associated with this rebasing application.

The associated table (4.2.4.1 below) deals with the accounts for regulatory expenses and the cost of outside services employed. This table is the basis for the recovery – the rate rider.

The recover of the regulatory cost is requested over four years.

Table 4.2.4.1: Regulatory Costs

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost?	2006 Actuals	2008 Actuals	2009 Bridge Year	% Change in 2009 vs. 2008 Actuals	2010 Test Year	% Change in 2010 vs. 2009
1. OEB Annual Assessment	5655		ONGOING	4270	6834	5989	12.36%	7095	-18.47%
2. OEB Hearing Assessments (applicant initiated)	5655				2872	0	100.00%	10000	n/a
3. OEB Section 30 Costs (OEB initiated)							n/a		n/a
4. Expert Witness cost for regulatory matters*		0	0	0	0	0	n/a	0	n/a
5. Legal costs for regulatory matters*		0	0	0	0	0	n/a	0	n/a
6. Consultants and outside parties costs for regulatory matters	5630			71222	33205	141269	-325.45%	8995	93.63%
7. Operating expenses associated with staff resources allocated to regulatory matters	5615					23248	n/a	8718	62.50%
8. Operating expenses associated with other resources allocated to regulatory matters (please identify the…)							n/a		n/a
9. Other regulatory agency fees or assessments									
Electrical Safety Authority	5680			2371	2161	2622	-21.33%	2161	17.58%
10. Any other costs for regulatory matters							n/a		n/a
11. Intervenor Costs *	5630						n/a	30000	n/a

4.2.4 Hearst Regulatory Costs 004

4.2.5 – LEAP / GREEN ENERGY ACT/ CHARITABLE DONATIONS:

Low-Income Energy Assistance Programs (LEAP)
Hearst Power has made no provision for the Low-Income Energy Assistance Program.

Green Energy Act
Hearst Power is not seeking recovery of any costs associated with the Green Energy Act.

Charitable Donations
Hearst Power does not make any charitable donations.

4.2.6 – OM&A COST PER CUSTOMER AND FTEE:

	2006 Actual	2007 Actual	2008 Actual	2009 Bridge	2010 Test Year
Number of Customers	2783	2772	2769	2767	2768
Total OMA	692,884	735,880	768,808	959,507	867,878
OMA cost per Customer	248.97	265.47	277.65	346.77	313.54
Number of FTEEs	5	5	6	6	6
FTEEs/Customer	0.002	0.002	0.002	0.002	0.002
OMA cost per FTEE	138,576.78	147,176.06	128,134.68	153,521.08	144,646.28

4.3.1 - VARIANCE ANALYSIS OM&A COSTS:

	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Operation (Working Capital)							
5005-Operation Supervision and Engineering	0	0	0	0	0.00%	0	0.00%
5010-Load Dispatching	0	0	0	0	0.00%	0	0.00%
5012-Station Buildings and Fixtures Expense	0	0	0	0	0.00%	0	0.00%
5014-Transformer Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5015-Transformer Station Equipment - Operation Supplies and Expenses	0	0	0	0	0.00%	0	0.00%
5016-Distribution Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5017-Distribution Station Equipment - Operation Supplies and Expenses	0	0	0	0	0.00%	0	0.00%
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,518	5,036	5,000	2,482	98.60%	-36	-0.72%
5030-Overhead Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5035-Overhead Distribution Transformers- Operation	0	174	210	210	n/a	36	20.45%
5040-Underground Distribution Lines and Feeders - Operation Labour	0	168	200	200	n/a	32	19.39%
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	953	472	1,000	47	4.97%	528	111.90%
5050-Underground Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5055-Underground Distribution Transformers - Operation	329	41	100	-229	-69.57%	59	144.74%
5060-Street Lighting and Signal System Expense	0	0	0	0	0.00%	0	0.00%
5065-Meter Expense	5,279	432	5,000	-279	-5.28%	4,568	1056.26%
5070-Customer Premises - Operation Labour	0	0	0	0	0.00%	0	0.00%
5075-Customer Premises - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5085-Miscellaneous Distribution Expense	0	18,046	36,200	36,200	n/a	18,154	100.60%
5090-Underground Distribution Lines and Feeders - Rental Paid	0	0	0	0	0.00%	0	0.00%
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,888	6,623	0	-4,888	-100.00%	-6,623	-100.00%
5096-Other Rent	2,700	3,150	10,750	8,050	298.15%	7,600	241.27%
Sub-Total	16,665	34,142	58,460	41,795	250.79%	24,318	71.23%

4.3.1 Hearst OM&A Analysis Table 002Revised: Mar 31, 2010

OM&A Costs	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Maintenance (Working Capital)							
5105-Maintenance Supervision and Engineering	4216.91	75836.39	30000	25,783	611.42%	-45,836	-60.44%
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4009.13	0	0	-4,009	-100.00%	0	0.00%
5112-Maintenance of Transformer Station Equipment	0	0	0	0	0.00%	0	0.00%
5114-Maintenance of Distribution Station Equipment	0	0	0	0	0.00%	0	0.00%
5120-Maintenance of Poles, Towers and Fixtures	47529.13	47147.17	60190	12,661	26.64%	13,043	27.66%
5125-Maintenance of Overhead Conductors and Devices	63199.66	65650.13	89475	26,275	41.58%	23,825	36.29%
5130-Maintenance of Overhead Services	10811.04	5085.41	6100	-4,711	-43.58%	1,015	19.95%
5135-Overhead Distribution Lines and Feeders - Right of Way	0	41.13	50	50	n/a	9	21.57%
5145-Maintenance of Underground Conduit	2099.75	1019.22	2000	-100	-4.75%	981	96.23%
5150-Maintenance of Underground Conductors and Devices	1327.05	1792.84	2000	673	50.71%	207	11.55%
5155-Maintenance of Underground Services	13167.73	10874.59	11000	-2,168	-16.46%	125	1.15%
5160-Maintenance of Line Transformers	92688.74	68748.44	68750	-23,939	-25.83%	2	0.00%
5165-Maintenance of Street Lighting and Signal Systems	0	0	0	0	0.00%	0	0.00%
5170-Sentinel Lights - Labour	0	0	0	0	0.00%	0	0.00%
5172-Sentinel Lights - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5175-Maintenance of Meters	3470.09	6136.28	15000	11,530	332.27%	8,864	144.45%
5178-Customer Installations Expenses- Leased Property	0	0	0	0	0.00%	0	0.00%
5185-Water Heater Rentals - Labour	0	0	0	0	0.00%	0	0.00%
5186-Water Heater Rentals - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5190-Water Heater Controls - Labour	0	0	0	0	0.00%	0	0.00%
5192-Water Heater Controls - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5195-Maintenance of Other Installations on Customer Premises	0	0	0	0	0.00%	0	0.00%
Sub-Total	242519.2	282331.6	284565	42,046	17.34%	2,233	0.79%

4.3.1 Hearst OM&A Analysis Table 002Revised: Mar 31, 2010

OM&A Costs	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Billing and Collecting							
5305-Supervision	0	0	0	0	0.00%	0	0.00%
5310-Meter Reading Expense	32,166	38,157	85,079	52,913	164.50%	46,922	122.97%
5315-Customer Billing	83,090	85,500	95,000	11,910	14.33%	9,500	11.11%
5320-Collecting	17,014	17,886	20,000	2,986	17.55%	2,114	11.82%
5325-Collecting- Cash Over and Short	0	0	0	0	0.00%	0	0.00%
5330-Collection Charges	5,596	4,388	5,000	-596	-10.64%	612	13.95%
5340-Miscellaneous Customer Accounts Expenses	9,867	10,250	10,000	133	1.35%	-250	-2.44%
Sub-Total	147,733	156,180	215,079	67,346	45.59%	58,899	37.71%

OM&A Costs	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Community Relations							
5405-Supervision	0	0	0	0	0.00%	0	0.00%
5410-Community Relations - Sundry	0	0	0	0	0.00%	0	0.00%
5415-Energy Conservation	0	0	0	0	0.00%	0	0.00%
5420-Community Safety Program	0	0	0	0	0.00%	0	0.00%
5425-Miscellaneous Customer Service and Informational Expenses	0	0	0	0	0.00%	0	0.00%
5505-Supervision	0	0	0	0	0.00%	0	0.00%
5510-Demonstrating and Selling Expense	0	0	0	0	0.00%	0	0.00%
5515-Advertising Expense	4,029	2,619	5,000	971	24.10%	2,381	90.89%
5520-Miscellaneous Sales Expense	0	0	0	0	0.00%	0	0.00%
Sub-Total	4,029	2,619	5,000	971	24.10%	2,381	90.89%
Bad Debt				0	0.00%	0	0.00%
5335-Bad Debt Expense	0	17,931	15,000	15,000	n/a	-2,931	-16.35%
Sub-Total	0	17,931	15,000	15,000	n/a	-2,931	-16.35%
Property Insurance				0	0.00%	0	0.00%
5635-Property Insurance	418	523	566	148	35.35%	43	8.30%
Sub-Total	418	523	566	148	35.35%	43	8.30%

OM&A Costs	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
General Advertising Expenses							
5660-General Advertising Expenses	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Taxes Other Than Income Taxes				0	0.00%	0	0.00%
6105-Taxes Other Than Income Taxes	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Administrative and General Expenses				0	0.00%	0	0.00%
5605-Executive Salaries and Expenses	8,557	9,762	12,000	3,443	40.23%	2,238	22.92%
5610-Management Salaries and Expenses	0	0	0	0	0.00%	0	0.00%
5615-General Administrative Salaries and Expenses	58,593	71,686	78,000	19,407	33.12%	6,314	8.81%
5620-Office Supplies and Expenses	1,772	1,871	2,500	728	41.09%	629	33.60%
5625-Administrative Expense Transferred Credit	0	0	0	0	0.00%	0	0.00%
5630-Outside Services Employed	71,222	33,205	8,995	-62,227	-87.37%	-24,210	-72.91%
5640-Injuries and Damages	6,673	8,281	9,000	2,327	34.86%	719	8.68%
5645-Employee Pensions and Benefits	0	0	90,500	90,500	n/a	90,500	n/a
5650-Franchise Requirements	0	0	0	0	0.00%	0	0.00%
5655-Regulatory Expenses	4,270	9,706	7,095	2,825	66.16%	-2,611	-26.90%
5665-Miscellaneous General Expenses	16,553	13,490	22,000	5,447	32.91%	8,510	63.08%
5666-Miscellaneous General Expenses	0	0	0	0	0.00%	0	0.00%
5670-Rent	8,335	8,604	8,838	503	6.03%	234	2.72%
5675-Maintenance of General Plant	0	0	0	0	0.00%	0	0.00%
5680-Electrical Safety Authority Fees	2,371	2,161	1,800	-571	-24.09%	-361	-16.71%
5685-Independent Market Operator Fees and Penalties	0	0	0	0	0.00%	0	0.00%
Sub-Total	178,347	158,766	240,728	62,381	34.98%	81,961	51.62%

OM&A Costs	2006 Actuals	2008 Actuals	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Amortization Expenses							
5705-Amortization Expense - Property, Plant, and Equipment	96,425	108,727	144,386	47,961	49.74%	35,659	32.80%
5710-Amortization of Limited Term Electric Plant	0	0	0	0	0.00%	0	0.00%
5715-Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273	0	0.00%	0	0.00%
5720-Amortization of Electric Plant Acquisition Adjustments	0	0	0	0	0.00%	0	0.00%
5725-Miscellaneous Amortization	0	0	0	0	0.00%	0	0.00%
5730-Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0	0	0.00%	0	0.00%
5735-Amortization of Deferred Development Costs	0	0	0	0	0.00%	0	0.00%
5740-Amortization of Deferred Charges	0	0	0	0	0.00%	0	0.00%
Sub-Total	97,698	110,000	145,659	47,961	49.09%	35,659	32.42%
4750-LV Charges	23,953	76,107	77,713	53,760	224.44%	1,606	2.11%
Sub-Total	23,953	76,107	77,713	53,760	224.44%	1,606	2.11%
Subtotal Amortization & Low Voltage charges	121,651	186,107	223,372	101,721	83.62%	37,265	20.02%

OM&A Costs	2006 Actual	2008 Actual	2010 Test Year	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
TOTAL OM & A	706,915	817,528	1,022,204	315,289	44.60%	204,676	25.04%
OM& A net of amortization	609,217	707,528	876,545	267,328	43.88%	169,017	23.89%
O&M net of administration & amortization	430,870	548,762	635,817	204,947	47.57%	87,055	15.86%
Administration	178,347	158,766	240,728	62,381	34.98%	81,961	51.62%
Total Compensation Charged to OM&A	310,248	403,198	396,336	111,285	35.87%	128,884	31.97%
Administration % of net OM&A	29.27%	22.44%	27.46%				
Billing & collecting % of net OM&A	24.25%	22.07%	24.54%				
Compensation as % of net OM&A	50.93%	56.99%	45.22%				

4.3.1 Hearst OM&A Analysis Table 002Revised: Mar 31, 2010

4.3.2 – VARIANCE ANALYSIS ON OM&A COSTS TABLE:

The Operation & Maintenance forecast is shown in Exhibit 4, Tab 3, Schedule 1.

2006 Actual
The total cost (net of amortization) in the 2006 Actual Year was $609,217. Net wages and benefits in the amount of $310,248 made up 50.9% of the total net OM&A costs. Administration and General Expenses totaled a further 29.3% and Customer Billing & Collecting costs made up 24.3% of total net OM&A costs**.**

2008 Actual
The total cost (net of amortization) in the 2008 Actual Year was $707,528. Net wages and benefits in the amount of $403,198 made up 57.0% of the total net OM&A costs. Administration and General Expenses totaled a further 22.4% and Customer Billing & Collecting costs made up 22.1% of total net OM&A costs**.**

2010 Test Year
The total net cost in the 2010 Test Year is expected to be $876,545. Net wages and benefits in the amount of $396,336 make up 45.2% of the total net OM&A costs. Administration and General Expenses total a further 27.5% and Customer Billing & Collecting makes up 24.5% of total OM&A costs.

2006 Actual vs. 2010 Test Year
Refer to Exhibit 4, Tab 3, Schedule 1 for a comparison of the 2006 Actual Year Operation & Maintenance expenses to that of the 2010 Test Year. Total net OM&A costs are expected to increase by $267,328 or 43.9%. Of this, $261,429 are specifically identified in the '4.2.3 KEY DRIVERS' tab of the Rebasing Worksheets file, in the OM&A section.

2008 Actual vs. 2010 Test Year
Refer to Exhibit 4, Tab 3, Schedule 1 for a comparison of the 2006 Actual Year Operation & Maintenance expenses to that of the 2010 Test Year. Total net OM&A costs are expected to increase by $167,017 or 23.9%.

4.4.1 – EMPLOYEE COMPENSATION:

Note: The 2006 Rate Handbook states the following:
"Where there are three, or fewer, full-time equivalents (FTEs) in any category, the applicant may aggregate this category with the category to which it is most closely related. This higher level of aggregation may be continued, if required, to ensure that no category contains three, or fewer, FTEs"

In compliance with the above, Hearst Power has aggregated information relating to full-time staff.

Table 4.4.1.1: Employee Compensation

	2006	2007	2008	2009 Bridge Year	2010 Test Year
Number of Employees (FTEs including Part-Time)					
Management			1.00	0.42	
Non-Union	1.00	1.00	1.00	1.00	1.00
Union	3.00	3.00	3.00	3.83	4.00
Sub-Total	4.00	4.00	5.00	5.25	5.00
Executive	1.00	1.00	1.00	1.00	1.00
Total	5.00	5.00	6.00	6.25	6.00
Number of Part-Time Employees					
Management					
Non-Union	0.46	0.46			
Union					
Sub-Total	0.46	0.46	-	-	-
Executive					
Total	0.46	0.46	-	-	-
Total Salary and Wages					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	300,714	318,514	388,981	380,531	376,107
Total Benefits					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	46,758	53,878	64,516	90,500	90,500
Total Compensation (Salary, Wages, & Benefits)					
Management					
Non-Union					
Union					
Sub-Total	-	-	-	-	-
Executive	-	-	-	-	-
Total	347,472	372,392	453,497	471,031	466,607

	2006	2007	2008	2009 Bridge Year	2010 Test Year
Compensation - Average Yearly Base Wages					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	63,659	68,224	75,583	75,365	77,768
Compensation - Average Yearly Overtime					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	8,852	8,352	8,437	8,500	8,500
Compensation - Average Yearly Incentive Pay					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	-	-	-	-	-
Compensation - Average Yearly Benefits					
Management					
Non-Union					
Union					
Sub-Total	-	-	-	-	-
Executive	-	-	-	-	-
Total	8,566	9,871	10,753	14,480	15,083
Total Compensation	347,472	372,392	453,497	471,031	466,607
Total Compensation Charged to OM&A	310,248	331,456	403,198	355,187	396,336
Total Compensation Capitalized	1,806	965	6,937	35,202	44,457

4.4.2 – EMPLOYEE COMPENSATION DISCUSSION:

In 2007, the Canadian Union of Public Employees Local 1536-02 representing the Applicant's Journeymen Linemaintainers and Leadhand went on strike. The Applicant acceded to the Union's demands for parity with the average wages for these positions on the Provincial level after its customers experienced interruptions. The Applicant did not have the resources to restore supply to its customers during a strike. The Applicant and the Union entered into a Collective Agreement effective April 1, 2007 until March 31, 2010 (the "Collective Agreement"). The Collective Agreement stipulated the Employee Benefit Programs to be provided by the Applicant, and also established regular wage increases for Journeymen Linemaintainers and the Leadhand which, over the term of the contract, would bring the represented employees' wage to the Provincial average wage rate as identified in the bargaining process.

Employee Benefit Programs
The employee benefit programs provided by the Applicant operate subject to the Collective Agreement. The Benefit Programs provided by the Applicant pursuant to the terms of the Collective Agreement are summarized below.

- Health Insurance: The Applicant pays 100% of the premiums for Health Insurance Plans for all regular employees which include: Great West semi-private hospital care, Great West Dental Care Plan, Great West Drug Plan, and a Vision Care Plan.

- Early Retirement Benefit: The Applicant pays the premium for Drug Plan and Vision Plan coverage to employees who retire at age 55 whose normal retirement age is 65 and who have completed 25 years of service with the Corporation.

- Disputed WSIB Claims Benefit: At the request of an employee, the Applicant pays sick leave payments while the employee awaits the results of his or her disputed WSIB claim.

- Life Insurance: The Applicant pays 100% of the premiums for employee Life Insurance Benefits under a Group Life Insurance Plan providing each permanent employee with life insurance in the amount of $50,000.00 as well as Dependent Group Life Insurance and Accidental Death and Dismemberment Benefits.

- Short Term Sickness Benefit: The Applicants pays 75% of the regular basic wage or salary of permanent employees who are enable to work due to disability resulting from illness or accident during any such period of disability, up to a maximum period of seventeen weeks. This policy does not apply to newly hired employees undergoing probation.

- Long Term Disability: The Applicant covers permanent employees with a Long Term Disability group insurance plan. Under the plan, eligible employees receive a month indemnity equivalent to 75% of their regular wages less primary CPP offsets, to a maximum taxable benefit of $4,000.00 per month, commencing 1 month after the completion of an "Elimination Period" of seventeen weeks, until the Terminal Age of sixty-five, death, or return to work.

- Pension Plan: Every employee of the Applicant is required to join the Ontario Municipal Employees Retirement System. The Applicant and the employee make contributions in accordance with the provisions of the Plan.

Year Over Year Variances
There are three prime drivers for the increased compensation costs. They are as follows.

- Wage Increases: Pursuant to the Collective Agreement, wages for Journeymen Linemaintainers and the Leadhand have increased by $0.50 per hour every three months from July 1, 2007, and will continue to increase at this rate until January 1, 2010. The total increases amount to a 17.36% raise on the hourly wages of Journeymen Linemaintainers, and a 20.18% raise on the hourly wage of the Leadhand. This contract brings Hearst Power Line maintainer rates in line with the provincial average hourly rates at the time the contract was settled. The wage increases have resulted in corresponding increases in expenses throughout the effective period of the Collective Agreement, including projected expense increases up to January of the Test Year, 2010.

- Superintendent Position: After entering into the Collective Agreement, the Applicant hired a superintendent in an effort to increase management flexibility and oversight. The superintendent was hired on Jan 1, 2008 and left the employ of Hearst Power on May 31, 2009.

- Learner Line maintainer Position: The Applicant explored alternative operational structures in response to stress in terms of succession planning for the outdoor line staff. The Applicant hired a learner Line maintainer (on Mar 1, 2009) to help with the transition, and will be paying for this individual's training.

Basis for Performance Pay, Goals, Measures, and Review Processes
The Applicant does not offer Performance Pay to its employees.

4.5.1 – SHARED SERVICES / CORPORATE COST ALLOCATION:

Hearst Power provides a number of services to the Town of Hearst and, most recently, to Hearst Power Sales and Service. In addition, Hearst Power purchases space in the town offices. Including utilities, this cost for the Test Year is expected to be $9,291. The price is on a dollars-per-square-foot basis for dedicated space only. The relationship with the town is set out in the Services Agreement and Hearst Power benefits from not having to provide its own resources for many of these activities. In addition, Hearst Power charges for water meter reading, water billing, and a share of Hearst Power's Manager's salary, which is largely associated with the these activities.

Street light maintenance has been performed by Hearst Power. Starting Jan 1, 2010, this service will be provided by Hearst Power Sales and Service, which is a separate company. Hearst Power Sales and Service may utilize Hearst Power resources on a contract basis to provide these services. If this option were precluded, the nearest potential resource to perform this activity is hours away. Further, if this activity were performed by other than Hearst Power staff, then the result would be an increase in the OM&A cost of Hearst Power due to the fact that there would be no offsetting revenue associated with the staff involved in this activity.

The arrangement with Hearst Power Sales and Service for Street Lighting maintenance is yet to be finalized.

Table 4.5.1.1: Shared Services/ Corporate Cost Allocation

	2004	2005	2006	2007	2008	2009	2010
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Office lease	Office lease	Office lease	Office lease	Office lease	Office lease	Office lease
Pricing Methodology	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot
Price for the Service ($/square foot)	$18.00	$18.45	$18.91	$19.38	$19.87	$20.37	$20.87
Cost for the Service ($/year)	$8,011.80	$8,212.10	$8,417.40	$8,627.83	$8,843.53	$9,064.62	$9,291.23
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent
Price for the Service ($)							
Cost for the Service ($)	$17,495.00	$19,207.00	$16,765.00	$18,476.00	$22,571.00	$22,402.00	$22,450.00
% Allocation	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%

	2004	2005	2006	2007	2008	2009	2010
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Water billing	Water billing	Water billing	Water billing	Water billing	Water billing	Water billing
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent
Price for the Service ($)							
Cost for the Service ($)	$7,890.00	$7,722.00	$7,657.00	$8,083.00	$8,803.00	$8,977.00	$9,000.00
% Allocation	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Managers time	Managers time	Managers time	Managers time	Managers time	Managers time	Managers time
Pricing Methodology							
Price for the Service ($)							
Cost for the Service ($)	$12,721.00	$13,292.00	$13,627.00	$15,070.00	$16,577.00	$16,431.00	$16,500.00
% Allocation	21.65%	21.65%	21.65%	21.65%	21.65%	21.65%	21.65%
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Hearst Power Sales & Serv.
Service Offered	Street light maintenance	Street light maintenance	Street light maintenance	Street light maintenance	Street light maintenance	Street light maintenance	Street light maintenanc e
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent
Price for the Service ($)							
Cost for the Service ($)	$5,839.00	$7,943.00	$6,507.00	$10,734.00	$10,153.00	$13,115.00	$14,000.00
% Allocation							

CORPORATE SERVICE ARRANGEMENTS

BETWEEN

HEARST POWER DISTRIBUTION COMPANY LIMITED
a corporation incorporated pursuant to the provisions of the laws of Ontario
(*hereinafter called " the Wires Company"*»)

AND

HEARST POWER SALES & SERVICES COMPANY LIMITED
a corporation incorporated pursuant to the provisions of the laws of Ontario
(hereinafter called "the Service Company")

I. Work to be performed:

The Wires Company shall perform the services identified and described in the Schedule (hereinafter simply referred to as "Services"), for the benefit of the Service Company in accordance with the descriptions set forth in the Schedule.

2. Remuneration:

The Service Company shall pay remuneration to the Wires Company in accordance with the costs experienced by the Wires Company in performing the services set forth in the schedules.

Date: March 11, 2010

SCHEDULE A

Services to be performed by the Wires Company:

1. Accounting and administrative services.
2. Street lights installs and maintenance by line and engineering personnel.

SCHEDULE B

Pricing:

Actual time spent on work performed plus 40% overheads.

CORPORATE SERVICE ARRANGEMENT

Meetings Town and PUC — October 17 & 18, 2000 - **REVISED January 1, 2010**

Present: Claude Laflamme, Nicole Leduc

A- Hearst Power Distribution Co. (HPDC) services to Town

1. Meter reading

- Per PUC field employees, it takes only 1 or 2 seconds more to read the electrical meter due to multiple clock metering system versus the single numerical system for water, however, it should be noted that an ITRON hand held meter reading mechanism is used.

- The 1 or 2 seconds differential is considered immaterial considering that significant time is spent on moving from one client to another.

- Therefore, the 50:/50: split on allocating the cost of salary only for the actual time spent on meter reading is deemed reasonable.

- However, consideration should be given to the customer count:

	Number	**%**
Hydro customers	2727	61%
Water customers	1758	39%
TOTAL	**4485**	**100%**

2. Manager's Salary

- Currently, a straight charge of 1/3 of the total cost of salary and benefits is charged to the PUC Water Dept.

- Manager figures the actual time spent on work related to water activities is:

	Number of hours
Billing	4
Customer inquiries	22
Collection	6
Reports	2
Monthly total	34
Annual total	408
Total hours worked in year for both water and power	1885
Percentage for water	**21.65%**

3. Billing Clerk

- Currently, a straight split of 50% of the total cost of salary and benefits in lieu is charged to the PUC Water Dept.

- A thorough review of duties performed as set out in Schedule 2 reveals that 58.5 hours every month are spent on work related to the joint monthly water and hydro billing function.

- However, consideration should be given to the number of respective customers:

	Number	**%**
Hydro customers	2727	61%
Water customers	1758	39%
TOTAL	**4485**	**100%**

- The cost allocation for the Billing Clerk salary would therefore be:

a) Hours on joint billing function:

58.5 hours/month X 12 702

b) Hours allocation to water function:

39% X 702 = 274.....274

c) Charge for Billing Clerk:

Hours allocation to water function
Total hours worked

= 274
96.25 X 12

= 274……..**24%**
1155

4. Telephone

- Fixed charge monthly charge ……. $250.12

less: allocation to Water Dept. per customer count formula (39%)..... $97.55

- Revised charge to HPDC……..……$152.57

- Long distance charges at cost respectively

5. Computer

- Yearly software support agreement with Advanced Utility System amounts to $20,000 and repairs to computer hardware are incurred on an on-going basis as needed from time to time.

- Customer count formula currently at 39% deemed to be most relevant.

- Effective November 2008, considering Advanced Utility Systems will no longer support updates for the deregulated market, HPDC has signed an agreement with Ecaliber and has switched its CIS to Harris, North Star. Yearly software support agreement amounts to $32,400. Considering changes of CIS was made due to ongoing changes to the electricity deregulation market in Ontario, and does not affect the water billing, annual fee to the Town remains to $7,800. ($20,000. X 39%)

- It is understood that anticipated supplementary costs arising from electricity market opening will be the responsibility of HPDC.

- If non-routine program changes required for water service over and above support agreement, charges will be based on actual costs.

6. Hand held meter reading device

- Software support and hardware maintenance agreement with ITRON currently stands at $2,701. inc. taxes.
- Customer count formula at 39% cost apportionment for Water Service deemed fair and equitable.

7. Billing supplies and postage

- Customer count formula currently at 39% deemed to be most realistic as it is a direct link to volume.

8. Water repairs

- Charges will be calculated based on the actual time spent by workers on repairs and maintenance duties and at the actual salary rate.

- Parts, materials, supplies and the other third party expenses will be paid directly by Town.

9. Collection of arrears

- Incentive-based method favoured to minimize losses for the Town and to reward HPDC for effort and success in collection of difficult accounts:

    * HPDC pays Town for all billing on a monthly basis
    * HPDC absorbs uncollectible water accounts as own losses
    * HPDC retains all penalties charged on water accounts

10. Postage machine (in exchange for photocopying service)

- HPDC pays entirely for acquisition of equipment.
- Postage meter rental paid 100% by HPDC.
- Annual maintenance support agreement paid by HPDC.
- Cost of postage apportioned according to recorded utilization.

A **— Town services to HPDC**

1. Cashier and reception

- Collect all sums paid by HPDC customers and deposit in HPDC bank account.
- Provide daytime telephone answering service.
- Provide customer reception service.

2. Payroll

- Perform bi-weekly payroll service for all HPDC staff and directors on computerized system.
- Provide monthly summary, reports on salaries, statutory benefits and fringe benefits.
- Register and administer fringe benefits including medical, insurance and pension for employees and directors as applicable and per instructions.
- Remit monthly payroll deductions at source to Revenue Canada and other agencies as required.
- Prepare annual T4 employee slip and employer reports.
- Cost apportionment formula is 10 Y2 % of salary and benefits for Payroll Clerk which is determined on the two following methods:

a) Full time equivalent employees as at December 31st, 1999 excluding PUC Foreman:

	FULL-TIME	**PART-TIME (FTE)**	**TOTAL FTE**	**%**
Town	35	10.75	45.75	90%
HPDC	4	1	5	10%
TOTAL	**38**	**11.75**	**50.75**	**100%**

b) Gross salary expense:

Town	$1,889,897	89%
HPDC	230,674	11%
TOTAL	**$2,120,571**	**100%**

Average $\frac{(10\% + 11\%)}{2} = 10\ ½\%$

*Cashier, reception and payroll services will charge charged as follows:

60% of Cashier salary plus 35% Overheads

3. Office space

- Two offices respectively for Manager and Billing Clerk adjoining to the reception area are specifically rented to HPDC.

- HPDC also has open and free access to all common space including reception, office equipment room, vaults, coffee room, meeting rooms, washrooms, hallways and reserved parking spaces.

- Rental rate is established as follows:

  (Effective February 21, 2004) Rental is per square feet occupied by HPDC

Billing	144.6
Manager's Office	192.0
Storage Room	108.5
	445.1 sqft @ $18./sqft = $8,011.80 /year $667.65/month

  Office rental charge shall consist of the charge in effect on the immediately preceding December 31st, plus an adjustment for inflation calculated as described below:

  Statistics Canada Consumer Price Index, All Item (Ontario) ("CPI") shall be used to calculate the inflation adjustment. The percentage difference between the CPI on the first day as compared to the last day of a year shall be the inflation adjustment for the next year. The inflation adjustment will be limited to a maximum of 2.5%.

4. Computer network (THIS SECTION DOES NOT APPLY) (SINCE 2001 HPDCL HAS A SEPARATE SYSTEM FROM THE TOWN FOR ITS COMPUTERS, PRINTERS, EMAIL & INTERNET PROVIDER.)

- Unlimited access to e-mail and Internet service is set at the rate of % of the actual Town cost.

- HPDC may also use spare computer terminal and printer as necessary.

5. Photocopying (in exchange for postage equipment)

- Town pays 100% for acquisition of photocopying equipment.

- Town also pays 100% for all maintenance support and supplies.

February 21, 2004

Mrs. Nicole Leduc, Manager
Hearst Power Distribution Corporation
925 Alexandra Street
Hearst Ontario P0L 1N0

Dear Mrs. Leduc:

Re: HPDC office space rental

Further to the reconstruction and expansion of the Hearst Town Hall, it has been deemed appropriate to adjust the rent charged to Hearst Power Distribution Corporation to better reflect the cost of the space utilized. Thus, the number of square feet occupied by HPDC has been calculated as follows and an amount of $18 a year per square foot has been set to determine the office rental charge.

Square feet occupied by HPDC

Jocelyne Bolduc	144.6			
Nicole Leduc	192.0			
Storage room	108.5			
	445.1 sqft	@ $18 / sqft =	$8,011.80/year	$667.65/month

The 2004 office rental charge for your Corporation will thus be $8,011.80 for the year or $667.65 a month. For subsequent years, your office rental charge shall consist of the charge in effect on the immediately preceeding December 31st, plus an adjustment for inflation calculated as described below:

Statistics Canada Consumer Price Index, All Items (Ontario) ("CPI") shall be used to calculate the inflation adjustment. The percentage difference between the CPI on the first day as compared to the last day of a year shall be the inflation adjustment for the next year. The adjustment will be calculated as soon as necessary information is available from Statistics Canada and the annual rental charge will be adjusted retroactively to January 1.

The inflation adjustment will be limited to a maximum of 2.50%. In the event the inflation index for any given year exceeds 5%, the annual rental charge may be further adjusted, subject to negotiations between the Town and HPDC.

I trust this will meet with your approval. However, should you wish to discuss this further, please do not hesitate to contact me.

Yours truly,

Monique Lafrance
Treasurer

4.5.2 – PURCHASE OF SERVICES:

Hearst Power attempts to minimize travel costs to obtain purchased services. ECMI has served a number of distributors and the annual expenses are generally shared with other distributors. This is not true for specific work on Hearst's individual rate applications or this rebasing application. Most of the activities are either mandated by regulation or are shared services with other parties. The phone cost assessment is activity based.

Table 4.5.2.1: Purchase of Services

Name of Company transacting with the Applicant	Account	Summary of the nature of the activity transacted	Summary of tendering cost process/summary of approach	2006 Annual Expense	2007 Annual Expense	2008 Annual Expense	2009 Bridge Year Annual Expense	2010 Test Annual Expense
ECMI	5630	REGULATORY SUPPORT		61,563	49,475	26,938	1,625	-
ECMI*	5630	REGULATORY SUPPORT REBASING 2010					121,625	33,005
COLLINS BARROW	5630	AUDITORS	SOLE LOCAL ACCOUNTANT FIRM	6,160	5,972	6,267	8,995	8,995
COLLINS BARROW	5630	AUDITORS	SUPPORT REBASING 2010				9,024	8,000
AESI (ACCUMEN EGINEERED SOLUTIONS INTERNATIONAL INC.	5025	ESA AUDITS (REG.COMPLIANCE)	TENDERING PROCESS WITH NORTHEAST LDCS	1,691	1,702	1,733	1,800	1,850
COMMUNICATION	5340	ANSWERING SERVICE (AFTER BUSINESS HOURS & WEEKENDS)	27% OF THE TOWN'S TOTAL INVOICE	9,867	10,072	10,250	10,410	10,600

Name of Company transacting with the Applicant	Account	Summary of the nature of the activity transacted	Summary of tendering cost process/summary of approach	2006 Annual Expense	2007 Annual Expense	2008 Annual Expense	2009 Bridge Year Annual Expense	2010 Test Annual Expense
UTIL-ASSIST	1556	SMART METER PROJECT (OM&A)	TOTAL COST SHARED WITH THE D9 GROUP**		9,788	9,538	16,000	11,000
ADVANCES UTILITY SYSTEMS	5315	BILLING SYSTEM SUPPORT		15,256	33,778	24,407		
ECALIBER	5315	HARRIS BILLING SYSTEM SUPPORT					32,200	
PETERBOROUGH UTILITIES	5310	INTERVAL & WHOLESALE METERS INTERROGATION	QUOTES REQUESTED	5,352	6,828	6,588	1,800	1,800
THE SPI GROUP	5315	EBT - REG.COMPLIANCE		1,800	1,800	1,800	1,800	
BERCELL INTEGRATED	5315	IT SUPPORT		1,200	1,490	1,600	1,600	1,600
ITRON	5310	MVRS - SOFTWARE SUPPORT		2,085	2,555	1,993	1,648	1,700
SENSUS	5310	SMART METER NETWORK					62,608	85,079
OLAMETER	1860	SMART METERS INSTALLATIONS					62,320	
UTILISMART	5315	SETTLEMENT SERVICES					15,600	15,600
			TOTAL:	**104,974**	**123,460**	**91,114**	**349,055**	**179,229**

*To be revised on completion of decision.
*D9 Group is the northeastern Ontario LDC group.

4.6.1 – DEPRECIATION/ AMORTIZATION/ DEPLETION:

Hearst Power to the best of its knowledge adheres to the OEB's guidelines included in the Accounting Procedures Handbook for Electric Distribution Utilities.

		2004	2004	2004	2004	2004	2004	2004
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-		n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	13,007	-	13,007	1,602	13,808	25	552
1835	1835 - Overhead Conductors and Devices	1,520,684	987,663	533,021	2,885	534,464	25	21,379
1840	1840 - Underground Conduit	3,087	-	3,087	1,976	4,075	25	163
1845	1845 - Underground Conductors and Devices	414,573	268,532	146,041	-	146,041	25	5,842
1850	1850 - Line Transformers	508,705	403,954	104,751	5,444	107,473	25	4,299
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,460,056	1,660,149	799,907	11,907	805,861	125	32,234
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	2,432	973	1,459	1,800	2,359	10	236
1908	1908 - Buildings and Fixtures	185,770	56,296	129,474	15,800	137,374	50	2,747
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	30,472	16,238	14,234	2,897	15,682	10	1,568
1920	1920 - Computer Equipment - Hardware	77,301	60,230	17,071	-	17,071	5	3,414
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	49,669	12,734	36,935	5,313	39,591	5	7,918
1930	1930 - Transportation Equipment	441,136	406,717	34,420	-	34,420	5	6,884
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	83,808	68,439	15,370	7,112	18,926	10	1,893
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	-	-	-	-	-	10	-
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	880,044	623,481	256,563	32,921	273,023	120	24,661
	Other Plant							
1855	1855 - Services	5,461	-	5,461	-	5,461	25	218
1861	1861 - Smart Meters	-	-	-	-	-		n/a
1860	1860 - Meters	320,900	208,608	112,292	1,458	113,021	25	4,521
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	326,361	208,608	117,753	1,458	118,482	50	4,739
	TOTAL	3,666,461	2,492,238	1,174,223	46,287	1,197,366	295	61,634

		2005	2005	2005	2005	2005	2005	2005
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	14,609	-	14,609	8,823	19,021	25	761
1835	1835 - Overhead Conductors and Devices	1,523,570	1,027,689	495,881	32,507	512,134	25	20,485
1840	1840 - Underground Conduit	5,063	-	5,063	- 2,085	4,021	25	161
1845	1845 - Underground Conductors and Devices	414,573	282,504	132,069	2,174	133,156	25	5,326
1850	1850 - Line Transformers	514,149	412,438	101,711	9,359	106,390	25	4,256
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,471,963	1,722,631	749,333	50,777	774,721	125	30,989
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	1,396	2,836	-	2,836	10	284
1908	1908 - Buildings and Fixtures	201,570	60,058	141,512	-	141,512	50	2,830
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	33,369	18,232	15,136	8,794	19,533	10	1,953
1920	1920 - Computer Equipment - Hardware	77,301	66,330	10,971	1,044	11,493	5	2,299
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	54,982	23,730	31,252	-	31,252	5	6,250
1930	1930 - Transportation Equipment	441,136	435,250	5,886	-	5,886	5	1,177
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	90,920	72,898	18,022	-	18,022	10	1,802
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	-	-	-	3,546	1,773	10	177
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	912,965	679,750	233,215	13,384	239,907	120	16,773
	Other Plant							
1855	1855 - Services	5,461	-	5,461	2,464	6,693	25	268
1861	1861 - Smart Meters	-	-	-	-	-		n/a
1860	1860 - Meters	322,358	219,643	102,715	894	103,162	25	4,126
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	327,819	219,643	108,176	3,358	109,854	50	4,394
	TOTAL	3,712,747	2,622,024	1,090,723	67,519	1,124,483	295	52,156

		2006	2006	2006	2006	2006	2006	2006
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	23,432	-	23,432	3,280	25,072	25	1,003
1835	1835 - Overhead Conductors and Devices	1,556,077	1,067,165	488,912	11,153	494,488	25	19,780
1840	1840 - Underground Conduit	2,979	5,063	- 2,085	1,407	- 1,381	25	- 55
1845	1845 - Underground Conductors and Devices	416,746	291,413	125,333	3,471	127,068	25	5,083
1850	1850 - Line Transformers	523,507	421,394	102,113	3,554	103,890	25	4,156
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,522,741	1,785,035	737,706	22,864	749,138	125	29,966
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	1,819	2,413	-	2,413	10	241
1908	1908 - Buildings and Fixtures	201,570	63,820	137,750	-	137,750	50	2,755
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	42,163	21,106	21,057	-	21,057	10	2,106
1920	1920 - Computer Equipment - Hardware	78,346	72,639	5,706	1,176	6,294	5	1,259
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	54,982	34,726	20,256	-	20,256	5	4,051
1930	1930 - Transportation Equipment	441,136	441,136	-	-	-	5	-
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	90,920	76,504	14,416	-	14,416	10	1,442
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	3,546	355	3,191	-	3,191	10	319
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	926,349	713,960	212,389	1,176	212,977	120	12,173
	Other Plant							
1855	1855 - Services	7,925	-	7,925	897	8,374	25	335
1861	1861 - Smart Meters	-	-	-	-	-		n/a
1860	1860 - Meters	323,252	230,706	92,545	32,813	108,952	25	4,358
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	331,176	230,706	100,470	33,710	117,325	50	4,693
	TOTAL	3,780,267	2,729,702	1,050,565	57,751	1,079,440	295	46,831

		2007	2007	2007	2007	2007	2007	2007
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	26,712	-	26,712	1,291	27,357	25	1,094
1835	1835 - Overhead Conductors and Devices	1,567,230	1,106,097	461,133	2,497	462,381	25	18,495
1840	1840 - Underground Conduit	4,385	5,063	- 678	773	- 291	25	- 12
1845	1845 - Underground Conductors and Devices	420,217	305,581	114,636	-	114,636	25	4,585
1850	1850 - Line Transformers	527,062	430,529	96,533	11,124	102,095	25	4,084
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,545,605	1,847,270	698,336	15,686	706,179	125	28,247
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	2,242	1,990	-	1,990	10	199
1908	1908 - Buildings and Fixtures	201,570	67,582	133,988	-	133,988	50	2,680
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	42,163	23,980	18,183	-	18,183	10	1,818
1920	1920 - Computer Equipment - Hardware	79,522	76,864	2,657	-	2,657	5	531
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	54,982	45,723	9,260	-	9,260	5	1,852
1930	1930 - Transportation Equipment	441,136	441,136	-	30,826	15,413	5	3,083
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	90,920	79,227	11,693	3,029	13,208	10	1,321
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	3,546	709	2,837	-	2,837	10	284
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	927,525	739,318	188,208	33,855	205,135	120	11,768
	Other Plant							
1855	1855 - Services	8,822	-	8,822	740	9,192	25	368
1861	1861 - Smart Meters	-	-	-	-	-		n/a
1860	1860 - Meters	356,064	239,540	116,525	1,499	117,274	25	4,691
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	364,887	239,540	125,347	2,239	126,467	50	5,059
	TOTAL	3,838,017	2,826,127	1,011,891	51,780	1,037,781	295	45,073

		2008	2008	2008	2008	2008	2008	2008
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	28,003	-	28,003	2,625	29,315	25	1,173
1835	1835 - Overhead Conductors and Devices	1,569,727	1,144,724	425,003	9,898	429,952	25	17,198
1840	1840 - Underground Conduit	5,158	5,063	95	715	452	25	18
1845	1845 - Underground Conductors and Devices	420,217	319,779	100,438	3,173	102,025	25	4,081
1850	1850 - Line Transformers	538,186	440,138	98,048	4,386	100,241	25	4,010
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,561,291	1,909,704	651,587	20,796	661,986	125	26,479
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	2,666	1,566	-	1,566	10	157
1908	1908 - Buildings and Fixtures	201,570	71,344	130,226	-	130,226	50	2,605
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	42,163	26,854	15,309	-	15,309	10	1,531
1920	1920 - Computer Equipment - Hardware	79,522	78,402	1,119	14,157	8,198	5	1,640
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	54,982	53,920	1,063	60,975	31,550	5	6,310
1930	1930 - Transportation Equipment	471,963	447,302	24,661	14,472	31,897	5	6,379
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	93,949	82,252	11,697	2,822	13,108	10	1,311
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	3,546	1,064	2,482	-	2,482	10	248
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	961,381	765,657	195,724	92,426	241,936	120	20,180
	Other Plant							
1855	1855 - Services	9,562	-	9,562	204	9,664	25	387
1861	1861 - Smart Meters	-	-	-	-	-	25	-
1860	1860 - Meters	357,564	248,433	109,131	1,058	109,660	25	4,386
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	367,126	248,433	118,693	1,262	119,324	75	4,773
	TOTAL	3,889,798	2,923,794	966,004	114,484	1,023,246	320	51,432

		2009	2009	2009	2009	2009	2009	2009
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	30,628	-	30,628	1,969	31,612	25	1,264
1835	1835 - Overhead Conductors and Devices	1,579,625	1,185,354	394,270	2,355	395,448	25	15,818
1840	1840 - Underground Conduit	5,873	5,063	810	-	810	25	32
1845	1845 - Underground Conductors and Devices	423,390	334,133	89,257	-	89,257	25	3,570
1850	1850 - Line Transformers	542,572	449,931	92,641	2,378	93,830	25	3,753
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,582,088	1,974,481	607,606	6,702	610,957	125	24,438
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	3,089	1,143	-	1,143	-	n/a
1908	1908 - Buildings and Fixtures	201,570	75,106	126,464	13,009	132,969	50	2,659
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	42,163	29,727	12,435	5,966	15,418	10	1,542
1920	1920 - Computer Equipment - Hardware	93,678	81,678	12,001	-	12,001	5	2,400
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	5	-
1925	1925 - Computer Software	115,957	67,177	48,780	-	48,780	5	9,756
1930	1930 - Transportation Equipment	486,435	456,361	30,073	-	30,073	5	6,015
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	96,771	84,260	12,511	-	12,511	10	1,251
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	3,546	1,418	2,128	-	2,128	10	213
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	1,053,806	800,671	253,135	18,975	262,623	110	23,836
	Other Plant							
1855	1855 - Services	9,766	-	9,766	-	9,766	25	391
1861	1861 - Smart Meters	-	-	-	437,190	218,595	15	14,573
1860	1860 - Meters	358,622	257,369	101,253	6,194	104,350	25	4,174
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	368,388	257,369	111,019	443,384	332,711	65	19,138
	TOTAL	4,004,282	3,032,521	971,761	469,061	1,206,292	300	67,412

		2010	2010	2010	2010	2010	2010	2010
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant							
1815	1815 - Transformer Station Equipment	-	-	-	-	-		n/a
	Sub-Total	-	-	-	-	-	-	-
	Distribution Plant							
1805	1805 - Land	-	-	-	-	-		n/a
1806	1806 - Land Rights	-	-	-	-	-	-	n/a
1810	1810 - Leasehold Improvements	-	-	-	-	-		n/a
1820	1820 - Distribution Station Equipment	-	-	-	-	-		n/a
1825	1825 - Storage Battery Equipment	-	-	-	-	-		n/a
1830	1830 - Poles, Towers and Fixtures	32,597	39	32,558	10,000	37,558	25	1,502
1835	1835 - Overhead Conductors and Devices	1,581,980	1,226,032	355,948	18,500	365,198	25	14,608
1840	1840 - Underground Conduit	5,873	5,063	810	-	810	25	32
1845	1845 - Underground Conductors and Devices	423,390	348,487	74,903	13,300	81,553	25	3,262
1850	1850 - Line Transformers	544,950	459,771	85,179	16,500	93,429	25	3,737
1970	1970 - Load Management Controls - Customer Premises	-	-	-	-	-		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	-	-	-		n/a
1980	1980 - System Supervisory Equipment	-	-	-	-	-		n/a
1995	1995 - Contributions and Grants	-	-	-	-	-		n/a
1996	1996 - Hydro One S/S Contribution	-	-	-	-	-		n/a
	Sub-Total	2,588,790	2,039,392	549,397	58,300	578,547	125	23,142
	General Plant							
1610	1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	n/a
1808	1808 - Buildings and Fixtures	-	-	-	-	-		n/a
1905	1905 - Land	7,600	-	7,600	-	7,600		n/a
1906	1906 - Land Rights	4,232	3,512	720	-	720	10	72
1908	1908 - Buildings and Fixtures	214,579	78,998	135,581	-	135,581	50	2,712
1910	1910 - Leasehold Improvements	-	-	-	-	-		n/a
1915	1915 - Office Furniture and Equipment	48,128	32,900	15,229	25,000	27,729	10	2,773
1920	1920 - Computer Equipment - Hardware	93,678	84,953	8,725	-	8,725	5	1,745
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	10,000	5,000	5	1,000
1925	1925 - Computer Software	115,957	80,435	35,522	25,000	48,022	5	9,604
1930	1930 - Transportation Equipment	486,435	465,421	21,014	12,500	27,264	5	5,453
1935	1935 - Stores Equipment	1,855	1,855	-	-	-	10	-
1940	1940 - Tools, Shop and Garage Equipment	96,771	86,268	10,503	2,000	11,503	10	1,150
1945	1945 - Measurement and Testing Equipment	-	-	-	-	-		n/a
1950	1950 - Power Operated Equipment	-	-	-	-	-		n/a
1955	1955 - Communication Equipment	3,546	1,773	1,773	-	1,773	10	177
1960	1960 - Miscellaneous Equipment	-	-	-	-	-		n/a
	Sub-Total	1,072,781	836,114	236,668	74,500	273,918	120	24,686
	Other Plant							
1855	1855 - Services	9,766	-	9,766	1,000	10,266	25	411
1861	1861 - Smart Meters	437,190	14,427	422,763	114,896	480,211	15	32,014
1860	1860 - Meters	138,374	81,666	56,707	-	56,707	25	2,268
1990	1990 - Other Tangible Property	-	-	-	-	-	-	n/a
	Sub-Total	585,330	96,094	489,236	115,896	547,184	65	34,693
	TOTAL	4,246,901	2,971,600	1,275,301	248,696	1,399,649	310	82,521

4.7.1 – TAX CALCULATIONS:

Income Tax, Large Corporation Tax and Ontario Taxes

Hearst Power was created under the Electricity Act, and as such pays PILS (Payments in Lieu of Taxes). Table 4.7.1.1 following sets out the taxes payable by Hearst Power. Hearst Power does not pay the large corporation tax.

The OEB's Tax Model has been completed and is filed as part of this application. Hearst Power's 2008 T2 is included as Appendix A to this schedule.

Table 4.7.1.1: Summary of Income Tax Calculation

INCOME TAX, LARGE CORPORATON TAX AND ONTARIO CAPITAL TAX	EDR 2006	2006 Actual	2007 Actual	2008 Actual	2009 Bridge	2010 Test
Determination of Taxable Income						
Regulatory Net Income (before tax)	106,992			45,851	74,167	377,428
Additions to Accounting Income:						
- Interest and penalties on taxes						
- Amortization of tangible assets	139,051			108,727	120,440	144,386
Amortization of intangible assets				1,273	8,750	8,838
- Loss on disposal of assets				9,933	0	0
- Non-deductible meals and entertainment expense						
- Other Additions						
Total Additions	139,051	0	0	119,933	129,190	153,224
Deductions from Accounting Income:						
- Gain on disposal of assets per financial statements						
- Capital cost allowance from Schedule 8	95,150			118,282	131,667	142,421
- Cumulative eligible capital deduction from Schedule 10	0			925	800	744
- Interest capitalized for accounting deducted for tax						
- Capital Lease Payments						
- Other Deductions						
Total Deductions	95,150	0	0	119,207	132,467	143,165
Regulatory Taxable Income	150,893	0	0	46,577	70,889	387,487
Corporate Income Tax Rate	18.62%	18.62%	18.62%	16.50%	16.50%	16.00%
Calculation of Utility Income Taxes						
- Income Taxes (Line 23)						
- Large Corporation Tax (Line 14, page 2)	0	0	0	0	0	0
Corporate PILs/Income Tax Provision	28,096	0	0	7,685	11,697	61,998
Ontario Capital Tax		6,884	4,973	4,413	4,869	0
LCT						

INCLUSION IN RATES	EDR 2006	2006 Actual	2007 Actual	2008 Actual	2009 Bridge	2010 Test
Income Tax (Grossed Up)	34,525	0	0	9,204	14,008	73,807
Ontario Capital Tax (not Grossed UP)	0	6,884	4,973	4,413	4,869	0
LCT (Grossed Up)						0
Tax Provision For Rate Recovery	34,525	6,884	4,973	13,617	18,877	73,807

Appendix A

2008 Federal and Ontario Tax Return

Canada Revenue Agency | Agence du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

Schedule 200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Ontario (for tax years ending before 2009), Quebec, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **www.cra.gc.ca** or the T2 Corporation – Income Tax Guide (T4012).

055 Do not use this area

Identification

Business number (BN) **001** 89053 4811 RC 0001

Corporation's name

002 HEARST POWER DISTRIBUTION COMPANY LIMITED/CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

Address of head office

Has this address changed since the last time you filed your T2 return? **010** ☐ Yes ☒ No

(If **yes**, complete lines 011 to 018)

011 P.O. BAG 5000

012

City: **015** HEARST | Province, territory, or state: **016** ON

Country (other than Canada): **017** | Postal code/Zip code: **018** P0L 1N0

Mailing address (if different from head office address)

Has this address changed since the last time you filed your T2 return? **020** ☐ Yes ☐ No ☒

(If **yes**, complete lines 021 to 028)

021 c/o

022 P.O. BAG 5000

023

City: **025** HEARST | Province, territory, or state: **026** ON

Country (other than Canada): **027** | Postal code/Zip code: **028** P0L 1N0

Location of books and records

Has the location of books and records changed since the last time you filed your T2 return? **030** ☐ Yes ☒ No

(If **yes**, complete lines 031 to 038)

031 P.O. BAG 5000

032

City: **035** HEARST | Province, territory, or state: **036** ON

Country (other than Canada): **037** | Postal code/Zip code: **038** P0L 1N0

040 Type of corporation at the end of the tax year

1 ☒ Canadian-controlled private corporation (CCPC)
2 ☐ Other private corporation
3 ☐ Public corporation
4 ☐ Corporation controlled by a public corporation
5 ☐ Other corporation (specify, below)

If the type of corporation changed during the tax year, provide the effective date of the change **043**

To which tax year does this return apply?

From **060** 2008/01/01 to **061** 2008/12/31

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? **063** ☐ Yes ☒ No

If **yes**, provide the date control was acquired **065**

Is the date on line 061 a deemed tax year-end in accordance with subsection 249(3.1) ? **066** ☐ Yes ☒ No

Is the corporation a professional corporation that is a member of a partnership? **067** ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? **070** ☐ Yes ☒ No

Amalgamation? **071** ☐ Yes ☒ No

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? **072** ☐ Yes ☒ No

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? **076** ☐ Yes ☒ No

Is this the final return up to dissolution? **078** ☐ Yes ☒ No

Is the corporation a resident of Canada? **080** ☒ Yes ☐ No

If **no**, give the country of residence on line 081 and complete and attach Schedule 97. **081**

Is the non-resident corporation claiming an exemption under an income tax treaty? **082** ☐ Yes ☒ No

If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 ☐ Exempt under paragraph 149(1)(e) or (l)
2 ☐ Exempt under paragraph 149(1)(j)
3 ☐ Exempt under paragraph 149(1)(t)
4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
100					

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

Schedules - Answer the following questions. For each *Yes* response, **attach** to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders?	151		19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
If you answered **Yes** to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		-----
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204	X	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210	X	10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Is the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233		-----
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234		-----
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177
Is the corporation subject to Part XIII.1 tax?	255		92 *

*** We do not print this schedule.**

Attachments - Continued from page 2

		Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
Did the corporation have any controlled foreign affiliates?	258		T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265		55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268		53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269		54

Additional information

Is the corporation inactive? **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter **yes** for first-time filers) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? **282**

(Only complete if **yes** was entered at line 281.)

If the major business activity involves the resale of goods, show whether it is wholesale or retail **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	ELECTRICAL UTILITY	**285**	100.000 %
286		**287**	%
288		**289**	%

Did the corporation immigrate to Canada during the tax year? **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the tax year? **292** 1 Yes ☐ 2 No ☒

Do you want to be considered as a quarterly instalment remitter if you are eligible? **293** 1 Yes ☐ 2 No ☐

If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible **294**

If the corporation's major business activity is construction, did you have any sub-contractors during the tax year? **295** 1 Yes ☐ 2 No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	(41,525) A
Deduct: Charitable donations from Schedule 2	311			
Gifts to Canada, a province, or a territory from Schedule 2	312			
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine from Schedule 2	315			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320			
Part VI.1 tax deduction *	325			
Non-capital losses of previous tax years from Schedule 4	331			
Net capital losses of previous tax years from Schedule 4	332			
Restricted farm losses of previous tax years from Schedule 4	333			
Farm losses of previous tax years from Schedule 4	334			
Limited partnership losses of previous tax years from Schedule 4	335			
Taxable capital gains or taxable dividends allocated from a central credit union	340			
Prospector's and grubstaker's shares	350			
Subtotal			▶	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355	D
Taxable income (amount C **plus** amount D)			360	0
Income exempt under paragraph 149(1)(t)			370	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)				Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7			400	A
Taxable income from line 360 on page 3, **minus** 10/3 of the amount on line 632 on page 7, **minus** 3 times the amount on line 636 on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax			405	B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

$300,000 x	Number of days in the tax year in 2006 / Number of days in the tax year	/ 366 =		1
$400,000 x	Number of days in the tax year after 2006 and before January 1, 2009 / Number of days in the tax year	366 / 366 =	400,000	2
$500,000 x	Number of days in the tax year after 2008 / Number of days in the tax year	/ 366 =		3
	Add amounts at lines 1, 2 and 3		400,000	4
Business limit (see notes 1 and 2 below)			410	400,000 C

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate the amount from line 4 by the number of days in the tax year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C 400,000 X 415 D / 11,250 = E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0")	425	400,000	F

Small business deduction

Amount A, B, C, or F whichever is the least x	Number of days in the tax year before January 1, 2008 / Number of days in the tax year	/ 366	x 16% =	5
Amount A, B, C, or F whichever is the least x	Number of days in the tax year after Dec.31, 2007 / Number of days in the tax year	366 / 366	x 17% =	6
Total of amounts 5 and 6 - enter on line 9 of page 7		430	0	G

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] **435** H

Amount H _____ x (Number of days in the tax year in 2006 / Number of days in the tax year) _____ / 366 x 5% = _____ I

Amount H _____ x (Number of days in the tax year in 2007 / Number of days in the tax year) _____ / 366 x 7% = _____ J

Note: Resource deduction is no longer available for tax years starting after December 31, 2006.

Resource deduction – total of amounts I and J **438** K

Enter amount K on line 10 of page 7.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3		A
Lesser of amounts V and Y from Part 9 of Schedule 27	B	
Amount QQ from Part 13 of Schedule 27	C	
Taxable resource income from line 435 on page 4	D	
Amount used to calculate the credit union deduction (from Schedule 17)	E	
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least	F	
Aggregate investment income from line 440 of page 6	G	
Total of amounts B, C, D, E, F, and G	▶	H
Amount A **minus** amount H (if negative, enter "0")		I

Amount I _____ x (Number of days in the tax year before January 1, 2008 / Number of days in the tax year) _____ / 366 x 7% = _____ J

Amount I _____ x (Number of days in the tax year after Dec. 31, 2007 and before Jan. 1, 2009 / Number of days in the tax year) 366 / 366 x 8.5% = _____ K

Amount I _____ x (Number of days in the tax year after Dec. 31, 2008 and before January 1, 2010 / Number of days in the tax year) _____ / 366 x 9% = _____ L

General tax reduction for Canadian-controlled private corporations - total of amounts J, K, and L M

Enter amount M on line 638 of page 7.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation, and for tax years starting after May 1, 2006, any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3 (for tax years starting after May 1, 2006, Amount Z on page 3)		N
Lesser of amounts V and Y from Part 9 of Schedule 27	O	
Amount QQ from Part 13 of Schedule 27	P	
Taxable resource income from line 435 on page 4	Q	
Amount used to calculate the credit union deduction (from Schedule 17)	R	
Total of amounts O, P, Q, and R	▶	S
Amount N **minus** amount S (if negative, enter "0")		T

Amount T _____ x (Number of days in the tax year before January 1, 2008 / Number of days in the tax year) _____ / 366 x 7% = _____ U

Amount T _____ x (Number of days in the tax year after Dec. 31, 2007 and before Jan. 1, 2009 / Number of days in the tax year) _____ / 366 x 8.5% = _____ V

Amount T _____ x (Number of days in the tax year after Dec. 31, 2008 and before Jan. 1, 2010 / Number of days in the tax year) _____ / 366 x 9% = _____ W

General tax reduction - total of amounts U, V and W X

Enter amount X on line 639 of page 7.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income (from Schedule 7) **440** _____ X 26 2/3 % = _____ A

Foreign non-business income tax credit from line 632 on page 7 _____

Deduct:

Foreign investment income (from Schedule 7) **445** _____ X 9 1/3 % = _____

(if negative, enter "0") _____ ▶ _____ B

Amount A **minus** amount B (if negative, enter "0") _____ C

Taxable income from line 360 on page 3 _____

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is the least _____

Foreign non-business income tax credit from line 632 of page 7 _____ x 25/9 = _____

Foreign business income tax credit from line 636 of page 7 _____ x 3 = _____

_____ ▶ _____

_____ X 26 2/3% = _____ D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 8) _____

Deduct: Corporate surtax from line 600 of page 7 _____

Net amount _____ ▶ _____ E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least **450** 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year **460** _____

Deduct: Dividend refund for the previous tax year **465** _____

_____ ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above _____

Total Part IV tax payable from Schedule 3 _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation **480** _____

_____ ▶ _____ H

Refundable dividend tax on hand at the end of the tax year - Amount G **plus** amount H **485** 0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 _____ X 1/3 _____ I

Refundable dividend tax on hand at the end of the tax year from line 485 above _____ J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8) 0

Part I tax

Base amount of Part I tax

taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38% — 550 — 0 — A

Corporate surtax calculation

Base amount from line A above — 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 — 2

Investment corporation deduction from line 620 below — 3

Federal logging tax credit from line 640 below — 4

Federal qualifying environmental trust tax credit from line 648 below — 5

For a mutual fund corporation or an investment corporation throughout the tax year, enter amount a, b, or c below on line 6, whichever is the least:

28% of taxable income from line 360 on page 3 — a

28% of taxed capital gains — b — 6

Part I tax otherwise payable (line A **plus** lines C and D **minus** line F) — c

Total of lines 2 to 6 — 7

Net amount (line 1 **minus** line 7) — 8

Corporate surtax*

Line 8 _____ x (Number of days in the tax year before January 1, 2008 / Number of days in the tax year) _____ / 366 x 4% = 600 _____ B

*The corporate surtax is zero effective January 1, 2008.

Recapture of investment tax credit from Schedule 31 — 602 — C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 — i

Taxable income from line 360 on page 3 _____

Deduct:

Amount on line 400, 405, 410, or 425 of page 4, whichever is the least _____

Net amount — ii

Refundable tax on CCPC's investment income – 6 2/3% of whichever is less: amount i or ii — 604 — D

Subtotal (**add** lines A, B, C, and D) — E

Deduct:

Small business deduction from line 430 on page 4 — 9

Federal tax abatement — 608

Manufacturing and processing profits deduction from Schedule 27 — 616

Investment corporation deduction — 620

(taxed capital gains 624 _____)

Additional deduction – credit unions from Schedule 17 — 628

Federal foreign non-business income tax credit from Schedule 21 — 632

Federal foreign business income tax credit from Schedule 21 — 636

Resource deduction from line 438 on page 4 — 10

General tax reduction for CCPCs from amount M on page 5 — 638

General tax reduction from amount X on page 5 — 639

Federal logging tax credit from Schedule 21 — 640

Federal political contribution tax credit — 644

Federal political contributions 646 _____

Federal qualifying environmental trust tax credit — 648

Investment tax credit from Schedule 31 — 652

Subtotal — F

Part I tax payable – Line E **minus** line F — 0 — G

Enter amount G on line 700 of page 8.

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		0

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Ontario [for tax years ending before 2009], Quebec, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	0 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from page 6	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	
Total credits	890	B

Refund Code 894 Overpayment

Balance (line A minus line B) 0 I

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid

Enclosed payment 898

Direct Deposit Request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒ NA ☐

Certification

I, 950 LEDUC (Last name) 951 NICOLE (First name) 954 Manager (Position, office or rank),
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2010/04/23 (Date) Signature of the authorized signing officer of the corporation 956 (705) 372-2815 (Telephone number)

Is the contact person the same as the authorized signing officer? If *no*, complete the information below. 957 1 Yes ☒ 2 No ☐

958 Name 959 ( ) - Telephone number

Language of correspondence - Langue de correspondance

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the *T2 Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box.

  You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements			**A**	(44,051)
Add:				
Provision for income taxes - current	**101**	1,800		
Amortization of tangible assets	**104**	108,727		
Amortization of intangible assets	**106**	1,273		
Loss on disposal of assets	**111**	9,933		
Total of fields 101 to 199	**500**	121,733	▶	121,733
Deduct:				
Capital cost allowance from Schedule 8	**403**	118,282		
Cumulative eligible capital deduction from Schedule 10	**405**	925		
Total of fields 401 to 499	**510**	119,207	▶	119,207
Net income (loss) for income tax purposes - enter on line 300 on page 3 of the T2 return				(41,525)

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Schedule 4

CORPORATION LOSS CONTINUITY AND APPLICATION

- This form is used to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a tax year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time and no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation - Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		(41,525)
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)		
Subtotal (if positive, enter "0")		(41,525)
Deduct: (increase a loss)		
Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions		
Subtotal		(41,525)
Add: (decrease a loss)		
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		(41,525)

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year			
Deduct: Non-capital loss expired *	100		
Non-capital losses at the beginning of the tax year	102		
Add: Non-capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110	41,525	41,525
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	150		
Section 80 - Adjustments for forgiven amounts	140		
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Subtotal			41,525
Deduct - Request to carry back non-capital loss to:			
First previous tax year to reduce taxable income	901		
Second previous tax year to reduce taxable income	902		
Third previous tax year to reduce taxable income	903		
First previous tax year to reduce taxable dividends subject to Part IV tax	911		
Second previous tax year to reduce taxable dividends subject to Part IV tax	912		
Third previous tax year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses - Closing balance		180	41,525

* A non-capital loss expires as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004.

Corporation loss continuity and application

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator **190** ☐ Yes

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately previous tax year.

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	**200**	18,199		
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation	**205**			18,199
Deduct:				
Other adjustments (includes adjustments for an acquisition of control)	**250**			
Section 80 - Adjustments for forgiven amounts	**240**			
			Subtotal	18,199
Add:				
Current-year capital loss (from the calculation on Schedule 6)			**210**	
Unused non-capital losses that expired in the tax year*			**A**	
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**			**B**	
Enter amount from line A or B, whichever is less	**215**			
ABILs expired as non-capital loss: line 215 divided by the inclusion rate***			**220**	
			Subtotal	18,199

Note: If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total at line 220 above.

Deduct: Amount applied against the current-year capital gain (see Note 1)			**225**	
			Subtotal	18,199
Deduct - Request to carry back capital loss to (see Note 2):				
First previous tax year	**951**			
Second previous tax year	**952**			
Third previous tax year	**953**			
Capital losses - Closing balance			**280**	18,199

Note 1

Enter the amount from line 225 **multiplied** by 50% on line 332 of the T2 return.

Note 2

On lines 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, multiply this amount by the 50% inclusion rate.

* Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004, and before 2006. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line A.

** Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004. Enter the full amount on line B.

*** This inclusion rate is the rate used to calculate your ABIL referred to at line B. Therefore, use one of the following inclusion rates, whichever applies:

- For ABILs incurred in the 1999 and previous tax years, use 0.75.
- For ABILs incurred in the 2000 and 2001 tax years, the inclusion rate is equal to amount M on Schedule 6 - version T2SCH6(01).
- For ABILs incurred in the 2002 and later tax years, use 0.50.

Corporation loss continuity and application

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year			
Deduct: Farm loss expired*	300		
Farm losses at the beginning of the tax year	302		
Add: Farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	350		
Section 80 - Adjustments for forgiven amounts	340		
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
		Subtotal	
Deduct - Request to carry back farm loss to:			
First previous tax year to reduce taxable income	921		
Second previous tax year to reduce taxable income	922		
Third previous tax year to reduce taxable income	923		
First previous tax year to reduce taxable dividends subject to Part IV tax	931		
Second previous tax year to reduce taxable dividends subject to Part IV tax	932		
Third previous tax year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - Closing balance		380	

* A farm loss expires as follows:
- After **10** tax years if it arose in a tax year ending before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business			485	C
Minus the deductible farm loss:				
$2,500 plus D or E, whichever is less				
(Amount C above – $2,500) divided by 2		D		
	6,250	E		F
Current-year restricted farm loss (amount C minus amount F) (enter this amount on line 410)				

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year			
Deduct: Restricted farm loss expired*	400		
Restricted farm losses at the beginning of the tax year	402		
Add: Restricted farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	405		
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 – Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct – Request to carry back restricted farm loss to:			
First previous tax year to reduce farming income	941		
Second previous tax year to reduce farming income	942		
Third previous tax year to reduce farming income	943		
Restricted farm losses - Closing balance		480	

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

* A restricted farm loss expires as follows:
- After **10** tax years if it arose in a tax year ending before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

Corporation loss continuity and application

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at the end of the previous tax year			
Deduct: Listed personal property loss expired after seven tax years		**500**	
Listed personal property losses at the beginning of the tax year		**502**	
Add: Current-year listed personal property loss (from Schedule 6)		**510**	
		Subtotal	
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	**530**		
Other adjustments	**550**		
		Subtotal	
Deduct – Request to carry back listed personal property loss to:			
First previous tax year to reduce listed personal property gains	**961**		
Second previous tax year to reduce listed personal property gains	**962**		
Third previous tax year to reduce listed personal property gains	**963**		
Listed personal property losses - Closing balance		**580**	

Part 6 – Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
2000/12/31				
2001/12/31				
2002/12/31				
2003/12/31				
2004/12/31				
2005/12/31				
2006/12/31				
2007/12/31				
2008/12/31	41,525			
Total	41,525			

* A non-capital loss expires as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004.

Corporation loss continuity and application

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership identifier 600	Fiscal period ending 602	Corporation's share of limited partnership loss 604	Corporation's at-risk amount 606	Corp's share of partnership ITC, farming losses and resource expenses 608	Column 4 - 5 (If negative, enter "0")	Current-year limited partnership losses (Column 3 - 6) 620
					Total (enter this amount on line 222 of Schedule 1)	

Limited partnership losses from prior tax years that may be applied in the current year

1	2	3	4	5	6	7
Partnership identifier 630	Fiscal period ending 632	Limited partnership losses at the end of the previous tax year 634	Corporation's at-risk amount 636	Corp's share of partnership ITC, business or property losses, and resource expenses 638	Column 4 - 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6) 650

Continuity of limited partnership losses that can be carried forward to future tax years

Partnership identifier 660	Limited partnership losses at the end of the previous tax year 662	Limited partnership losses transferred on an amalgamation or the wind-up of a subsidiary 664	Current-year limited partnership losses (from column 620) 670	Limited partnership losses applied (cannot exceed column 650) 675	Limited partnership losses closing balance (662+664+670-675) 680
				Total (enter this amount on line 335 of the T2 return)	

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CAPITAL COST ALLOWANCE

Schedule 8

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

1 Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 Recapture of CCA **213**	11 Terminal loss **215**	12 CCA for the year (col 8 x 9 or a lower amount) **217**	13 UCC at the end of the year **220**
1	121,765					121,765	4			4,871	116,894
2	888,486	22,059			11,030	899,515	6			53,971	856,574
8	4,393					4,393	20			879	3,514
10	6,199					6,199	30			1,860	4,339
8	29,495	2,822			1,411	30,906	20			6,181	26,136
10	44,417	14,472			7,236	51,653	30			15,496	43,393
36	7,600					7,600					7,600
45	1,431					1,431	45			644	787
50		14,157			7,079	7,078	55			3,893	10,264
12		60,975			30,488	30,487	100			30,487	30,488
Totals	1,103,786	114,485			57,244	1,161,027				118,282	1,099,989

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CUMULATIVE ELIGIBLE CAPITAL DEDUCTION — Schedule 10

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")				200 13,220	A
Add: Cost of eligible capital property acquired during the taxation year	222				
Other adjustments	226				
Subtotal (line 222 plus line 226)		x 3/4 =			B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228	x 1/2 =			C
amount B minus amount C (if negative, enter "0")					D
Amount transferred on amalgamation or wind-up of subsidiary				224	E
Subtotal (add amounts A, D, and E)				230 13,220	F
Deduct: Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242				G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244				H
Other adjustments	246				I
(add amounts G, H, and I)		x 3/4 =		248	J
Cumulative eligible capital balance (amount F minus amount J) (if amount K is negative, enter "0" at line M and proceed to Part 2)					13,220 K
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249				
amount K 13,220					
less amount from line 249					
Current year deduction 13,220	x 7% =	250	925 *		
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)			925	925	L
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")				300 12,295	M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 – Amount to be included in income arising from disposition

Amount from line K (show as positive amount)					N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400			1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80 (7)	401			2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402			3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408			4	
Line 3 minus line 4 (if negative, enter "0")				5	
Total of lines 1, 2, and 5				6	
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400				7	
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000				8	
Subtotal (line 7 plus line 8)	409			9	
Line 6 minus line 9 (if negative, enter "0")					O
Line N minus line O (if negative, enter "0")					P
Line 5		x 1/2 =			Q
Line P minus line Q (if negative, enter "0")					R
Amount R		x 66.6667			S
Amount N or amount O, whichever is less					T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)				410	

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust) 100	Business Number (If a corporation is not registered, enter "NR") * 200	Social Insurance Number * 300	Trust Number (If a trust number is not available, enter "NA") * 350	Percentage common shares 400	Percentage preferred shares 500
The Corporation of the Town of Hearst	10812 7051 RC 0001			100.000	
	RC				

* For a taxation year commencing before January 1, 2004, if the shareholder is a trust, enter NR at field 200 or NA at field 300. Do not enter a trust number in field 350.

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BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Current year	Prior year
Cash and deposits	**1000**	4,583,782	4,239,089
Accounts Receivable	1060	1,358,303	1,307,899
Inventories	1120	119,256	104,986
Short term investments	1180		396
Taxes recoverable / refundable	1483	52,759	56,559
Prepaid expenses	1484	13,003	15,935
Land	1600	11,832	11,832
Buildings	1680	201,570	201,570
Accumulated amortization of buildings	1681	(75,106)	(71,344)
Machinery, equipment, furniture and fixtures	1740	3,546	3,546
Motor vehicles	1742	486,435	471,963
Accumulated amortization of motor vehicles	1743	(456,361)	(447,301)
Small tools	1770	96,771	93,949
Accumulated amortization of small tools	1771	(86,115)	(84,107)
Computer equipment / software	1774	209,636	134,504
Accumulated amortization of computer equipment / software	1775	(148,855)	(132,322)
Other machinery and equipment	1785	2,952,330	2,930,271
Accumulated amortization of other machinery and equipment	1786	(2,236,360)	(2,161,869)
Furniture and fixtures	1787	42,163	42,163
Accumulated amortization of furniture and fixtures	1788	(29,727)	(26,854)
Goodwill	2012	14,276	15,549
Total assets	**2599**	7,113,138	6,706,414

Liabilities	Code	Current year	Prior year
Bank overdraft	**2600**		
Amounts payable and accrued liabilities	2620	2,523,284	2,133,515
Due to related parties	2860	158,130	81,227
Other current liabilities	2960	46,820	62,717
Long term debt	3140	1,700,000	1,700,000
Total liabilities	**3499**	4,428,234	3,977,459

Equity	Code	Current year	Prior year
Common shares	**3500**	10,000	10,000
Retained earnings / deficit	**3600**	2,674,904	2,718,955
Total equity	**3620**	2,684,904	2,728,955
Total liabilities and equity	**3640**	7,113,138	6,706,414

Retained earnings	Code	Current year	Prior year
Retained earnings/deficit-start	**3660**	2,718,955	2,865,068
Net income / loss	**3680**	(44,051)	(146,113)
Total retained earnings	**3849**	2,674,904	2,718,955

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

1. NATURE OF BUSINESS

The corporation, incorporated under the Ontario Business Corporations Act, owns all the electrical distribution system in the territory of the Corporation of the Town of Hearst and is responsible for the distribution of the electrical power on this territory.

RATE REGULATED ENTITY

The Ontario Energy Board (OEB) has regulatory oversight of electricity matters in the Province of Ontario. Among other duties, the Board has the authority to issue distribution licences along with conditions pertaining to accounting records and filing requirements for rate setting purposes.

All energy has to be purchased through Independent Electricity System Operations (IESO) in a weighted average basis whereas the price paid for the electricity is based on the market price adjusted for the peak periods of demand.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles for municipal electrical utilities in Ontario as required by statutes. Except for the principle of disposal of property and equipment and the principles explained under the heading regulation, all principles employed are in accordance with Canadian generally accepted accounting principles.

REVENUE RECOGNITION

Revenue from the sale of electricity is recorded on a basis of cyclical billings and also includes unbilled revenue accrued in respect of electricity delivered but not yet billed.

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Most of the inventory is used for own purposes and is eventually added to the property and equipment. Cost is determined on the average cost basis.

FUTURE INCOME TAXES

Income taxes are provided, at current rates, for all items included in the statement of income regardless of the period in which such items are reported for income tax purposes. The principal item which results in timing differences between financial and tax reporting purposes is amortization. Future income taxes are adjusted for changes in income tax rates.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

REGULATION

The entity has to follow regulatory accounting treatments that differ from Canadian generally accepted accounting policies for enterprises operating in non regulated environment.

Transition costs: certain costs to set up the company have been deferred in accordance with OEB guidelines. These costs have been increased for the prescribed OEB rate of return with an offsetting interest income credit.

Pre-market opening energy variance: this asset represents the utility's cost of power based on time-of-use rates and the amounts billed to non time-of-use customers. These costs have been increased for the prescribed OEB rate of return with an affecting interest income credit.

Other regulatory assets: OEB has allowed the deferral of their annual costs assessments. These costs will be subject to recovery starting in 2008 subject to OEB approval.

Retail services and settlement variances: the net difference between the amount paid in the year to IESO and Hydro One and the amount billed to customers and retailers, based on Board-approved rates is recorded by journal entry in the following variance accounts.

a) Power Charges
b) Wholesale Market Service Charges;
c) Retail Transmission Network Service Charges;
d) Retail Transmission Connection Service Charges;
e) Provincial Benefit / Global Adjustment;

A monthly carrying charge will be calculated and added to the balance of each account.

PROPERTY AND EQUIPMENT

Amortization of property and equipment is provided on a straightline basis over the following periods:

Building and fixtures	50 years
Underground lines and feeders	25 years
Transformers	25 years
Meters	25 years
Office equipment	10 years
Automotive equipment	5 years
Computer equipment	5 years
Other equipment	10 years
Land rights	10 years

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

When property and equipment are disposed, the proceeds of disposition are recorded as a reduction to the appropriate property and equipment accounts. Consequently, gains and losses on disposals are brought into income over the depreciable lives of the remaining property and equipment.

AMORTIZATION OF ORGANIZATION COSTS

The organization costs are amortized on a straight line basis over 20 years.

INCOME TAXES

A municipal electric utility is exempt from tax under subsection 149 (1) of the Income Tax Act. Under the Electricity Act of 1998, municipal electric utilities have to make payments in lieu of taxes (PILS) to the province. These payments are generally equivalent to the income taxes that would be otherwise due if the municipal electric utility would have been taxable as a small business corporation under the Income Tax Act.

CUSTOMERS DEPOSITS

Customers' advance deposits are cash collections from customers to mitigate the financial risk of non-payment of energy bills. Security deposits are refunded on customers account when a customer is deemed to have maintained a good payment history during the relevant time period set out in the customer security deposit policy.

EMPLOYEE FUTURE BENEFITS

The company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS), a defined benefit plan established by the province. Both employers and employees are required to make contributions to the plan. Since the corporation is only a contribution to the plan and all the actuarial costs/benefits are assumed by the province, only its yearly contributions/adjustments required by the province are recorded as expenses in the income statement.

USE OF ESTIMATES

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reporting amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

3. ACCOUNTS RECEIVABLE

	2008	2007
Electrical energy	$ 419,724	$ 351,816
Others	66,667	112,062
	486,391	463,878
Allowance for doubtful accounts	1,057	623
	$ 485,334	$ 463,255

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2008 Net	2007 Net
Land	$ 7,600	$ -	$ 7,600	$ 7,600
Building and fixtures	201,570	75,106	126,464	130,226
Underground lines and feeders	2,019,794	1,524,549	495,245	533,868
Transformers	542,572	449,931	92,641	98,048
Meters	358,622	257,325	101,297	109,174
Office equipment	42,163	29,727	12,436	15,309
Automotive equipment	486,435	456,361	30,074	24,662
Computer equipment	209,636	148,855	60,781	2,182
Other equipment	131,610	87,533	44,077	43,366
Land rights	4,232	3,089	1,143	1,566
	$ 4,004,234	$ 3,032,476	$ 971,758	$ 966,001

5. OTHER ASSETS

	Cost	Accumulated Amortization	2008 Net	2007 Net
Organisation costs	$ 25,471	$ 11,195	$ 14,276	$ 15,549

HEARST POWER DISTRIBUTION COMPANY LIMITED/
CORPORATION DE DISTRIBUTION
ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

6. BANK INDEBTEDNESS

The corporation has an approved line of credit of $ 300,000, at prime, secured by a general security agreement on all of the company's assets.

7. DEMAND LOAN

		2008		2007
The Corporation of the Town of Hearst, promissory note, interest at the lesser of 12 % or a part of the net income for the year, payable on a monthly basis, no fixed capital repayment	$	1,700,000	$	1,700,000

8. CAPITAL STOCK

		2008		2007
AUTHORIZED				
Unlimited number of preference shares, dividends at the discretion of the directors, non voting				
Unlimited number of common shares				
ISSUED				
10,000 common shares	$	10,000	$	10,000

HEARST POWER DISTRIBUTION COMPANY LIMITED/ CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

9. STATEMENT OF CASH FLOW

CASH POSITION

Cash position consists of cash on hand, balances with banks and the demand loan with the Town of Hearst and is comprised of the following balance sheet amounts:

	2008	2007

Cash	$	4,583,782	$	4,239,089
Demand loan		(1,700,000)		(1,700,000)
	$	2,883,782	$	2,539,089

INTEREST AND INCOME TAXES

Cash payments were made for the following items:

		2008		2007
Interest	$	1,652	$	393,000
Income taxes		(2,000)		17,559
	$	(348)	$	410,559

10. EMPLOYEE FUTURE BENEFITS

The company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS), a defined benefit plan established by the province. Both employers and employees are required to make contributions to the plan. During the year, the company contributed $25,769 to the plan (2007 - $19,651). As this is a defined benefit plan, these contributions are the company's pension benefit expenses. No pension liability for this type of plan is included in the company's financial statements.

11. SUBSEQUENT EVENT

In February 2009, under the Smart Meters project, the company purchased property and equipment for a total consideration of $ 164,420. No long-term financing was required for this purchase.

12. TAX BENEFITS AVAILABLE

The financial statements do not reflect potential tax reductions available through the application of losses carried forward against future years' earnings otherwise subject to income taxes. These losses amount to $ 53,258 and are expiring in 2028.

13. RELATED PARTY TRANSACTIONS

During the year, the company incurred the following related party transactions with its sole shareholder, the Corporation of the Town of Hearst.

		2008		2007
Service revenue	$	513,065	$	509,978
Rent expense		8,604		8,427
Clerical and answering services expense		51,736		50,546
Year end balances were as follows:				
Due to Town of Hearst	$	158,130	$	81,227
Demand loan payable		1,700,000		1,700,000

These transactions are in the normal courses of operations and are measured at the exchange amount which is received and paid on similar terms as those of unrelated parties.

14. COMPARATIVE FIGURES

The presentation of certain accounts of the previous year has been modified to conform with the presentation adopted in the current year.

15. FINANCIAL INSTRUMENTS

The company's financial instruments consists of cash, accounts receivable, demand loan, accounts payable and accrued liabilities and amounts due to related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximated their carrying values, unless otherwise noted.

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INCOME STATEMENT INFORMATION

Schedule 125

Details

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Current year	Prior year
Trade sales of goods and services	**8000**	5,567,993	8,144,406
Sales of goods and services to related parties	8020	1,280,912	
Total sales of goods and services	**8089**	6,848,905	8,144,406
Investment revenue	8090	151,642	177,207
Realized gains / losses on sale of investments	8211	(9,933)	(18,199)
Other revenue	8230	95,302	113,160
Total revenue	**8299**	7,085,916	8,416,574

Cost of sales	Code	Current year	Prior year
Opening inventory	**8300**		
Purchases / cost of materials	8320	6,249,357	7,757,123
Cost of sales	**8518**	6,249,357	7,757,123
Gross profit / loss (item 8089 - item 8518)	**8519**	599,548	387,283

Operating expenses	Code	Current year	Prior year
Advertising and promotion	8520	2,619	3,685
Amortization of intangible assets	8570	1,273	
Bad debt expense	8590	17,931	5,000
Amortization of tangible assets	8670	108,727	98,940
Interest and bank charges	8710	75,695	73,518
Office expenses	8810	12,121	12,366
Rental	8910	8,604	8,470
Repairs and maintenance	8960	288,138	244,334
Salaries and wages	9060	227,378	234,180
Sub-contracts	9110	33,205	45,660
Supplies	9130	68,882	71,709
Other expenses	9270	34,237	36,958
Total operating expenses	**9367**	878,810	834,820
Total expenses	**9368**	7,128,167	8,591,943
Net non-farming income	**9369**	(42,251)	(175,369)

Farming revenue	Code	Current year	Prior year
Grains and oilseeds	**9370**		
Total farm revenue	**9659**		

Farming expenses	Code	Current year	Prior year
Crop expenses	**9660**		
Total farm expenses	**9898**		
Net farm income	**9899**		
Net income / loss before taxes and extraordinary items	**9970**	(42,251)	(175,369)

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	**9975**	-		-	
Legal settlements	**9976**	-		-	
Unrealized gains / losses	**9980**	+		+	
Unusual items	**9985**	-		-	
Current income taxes	**9990**	-	1,800	-	(26,956)
Future income tax provision	**9995**	-		-	(2,300)
Net income / loss after taxes and extraordinary items	**9999**	=	(44,051)	=	(146,113)

Summary

Tax Summary

Corporation name HEARST POWER DISTRIBUTION COMPANY LIMITED/CORPORATION DE DISTRIBUTION ELECTRIQUE DE HEARS

Tax year ending 2008/12/31

Taxable income

Net income for tax purposes		(41,525)
Charitable donations and gifts	-	
Taxable dividends	-	
Losses of prior years	-	
Other adjustments	±	
Taxable income	=	

Part I tax

38% of taxable income		
Surtax	+	
Refundable tax on CCPC investment income	+	
Active business income		
Small business deduction	-	
Federal tax abatement	-	
Manufacturing and processing deduction	-	
Additional deduction - credit unions	-	
Foreign tax credits	-	
Resource deduction	-	
Political contribution tax credit	-	
Investment tax credit	-	
Other deductions and credits	-	
Part I tax	=	

Tax payable

Part I tax		
Part I.3 tax (large corporations tax)	+	
Taxable dividends received		
Part IV tax	+	
Other federal tax payable	+	
Subtotal	=	
Provincial and territorial tax (except QC,ON,AB)	+	
Provincial tax on large corporations (NB,NS)	+	
Tax payable	+	
Tax instalments paid	-	
Investment tax credit refund	-	
Taxable dividends paid		
Dividend refund	-	
Other refundable credits	-	
Balance owing (refund) on federal return	=	
Provincial income tax (ON,AB,QC)		
Capital and other provincial taxes	+	
Tax instalments and credits	-	
Other provincial taxes	=	
Total balance owing (refund)		

Provincial tax

	% Provincial allocation	Taxable income	Income tax	Capital and other provincial taxes	Tax instalments and credits	Net provincial tax
Newfoundland						
Prince Edward Island						
Nova Scotia						
New Brunswick						
Manitoba						
Saskatchewan						
British Columbia						
Yukon Territory						
Northwest Territories						
Nunavut						
Schedule 5 provincial tax payable						
Ontario	100.0000	(41,525)				
Alberta						
Québec						
Totals						

Loss continuity

	Current year carry back	Carryforward end of year
Capital		18,199
Non-capital		41,525
Farm		
Restricted farm		
Limited partnership		
Listed personal property		

Other carryforwards

Capital dividend account	
Refundable dividend tax on hand (net of dividend refund)	
Unused Part 1.3 tax credit	
Unused surtax credits	623
Foreign business tax credits	
Donations and gifts	
Investment tax credits	
Ontario CMT losses	217,620
Ontario CMT credit	

4.7.2 – CAPITAL COST ALLOWANCE (CCA) TABLE:

2006 Board Approved

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - post 1987	137,629	79,750	217,379	39875	177,504	4	7,100	210,279
2	Distribution System - pre 1988	933,351		933,351	0	933,351	6	56,001	877,350
8	General Office/Stores Equip	44,208		44,208	0	44,208	20	8,842	35,366
10	Computer Hardware/ Vehicles	71,179		71,179	0	71,179	30	21,354	49,825
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	4118		4,118	0	4,118	45	1,853	2,265
					0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,198,085	79,750	1,277,835	39,875	1,237,960		95,150	1,182,685

2006 Actual

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - post 1987	132,124		132,124	0	132,124	4	5,285	126,839
2	Distribution System - pre 1988	927,471	56,574.72	984,046	28287.36	955,758	6	57,346	926,700
8	General Office/Stores Equip	48,690		48,690	0	48,690	20	9,738	38,952
10	Computer Hardware/ Vehicles	49,825		49,825	0	49,825	30	14,948	34,878
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	3,074	1,176.12	4,250	588.06	3,662	45	1,648	2,602
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,168,784	57,751	1,226,535	28,875	1,197,659		88,964	1,137,571

2007 Actual

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	buildings	126,839		126,839	0	126,839	4	5,074	121,765
2	Distribution System - pre 1988	926,700	17,924.82	944,625	8962.41	935,663	6	56,140	888,485
8	General Office/Stores Equip	38,952	3,028.97	41,981	1514.485	40,466	20	8,093	33,888
10	Computer Hardware/ Vehicles	34,878	30,826.40	65,704	15413.2	50,291	30	15,087	50,617
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	2,602		2,602	0	2,602	45	1,171	1,431
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,137,571	51,780	1,189,351	25,890	1,163,461		85,565	1,103,786

2008 Actual

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	buildings	121,765		121,765	0	121,765	4	4,871	116,895
2	Distribution System - pre 1988	888,485	22,058.83	910,544	11029.415	899,515	6	53,971	856,573
8	General Office/Stores Equip	33,888	2,821.80	36,709	1410.9	35,299	20	7,060	29,650
10	Computer Hardware/ Vehicles	50,617	14,472.00	65,089	7236	57,853	30	17,356	47,733
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	1,431		1,431	0	1,431	45	644	787
50	computers post 07	-	14,156.76	14,157	7078.38	7,078	55	3,893	10,264
12	computer software	-	60,975.07	60,975	30487.535	30,488	100	30,488	30,488
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,103,786	114,484	1,218,271	57,242	1,161,029		118,282	1,099,989

2009 Bridge

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	buildings	116,895	13,009.06	129,904	6504.53	123,399	4	4,936	124,968
2	Distribution System - pre 1988	856,573		856,573	0	856,573	6	51,394	805,179
8	General Office/Stores Equip	29,650	5,966	35,616	2982.96	32,633	20	6,527	29,089
10	Computer Hardware/ Vehicles	47,733		47,733	0	47,733	30	14,320	33,413
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	787		787	0	787	45	354	433
50	computers post 07	10,264		10,264	0	10,264	55	5,645	4,619
12	computer software	30,488		30,488	0	30,488	100	30,488	-
47	Distribution System		450,086.11	450,086	225043.055	225,043	8	18,003	432,083
52	Computer and system software after January 27 2009		-	-	0	-	100	-	-
				-	0	-		-	-
Totals		1,099,989	469,061	1,569,050	234,531	1,334,520		131,667	1,437,383

2010 Test

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	buildings	124,968		124,968	0	124,968	4	4,999	119,969
2	Distribution System - pre 1988	805,179		805,179	0	805,179	6	48,311	756,868
8	General Office/Stores Equip	29,089	25,000.00	54,089	12500	41,589	20	8,318	45,771
10	Computer Hardware/ Vehicles	33,413	10,000.00	43,413	5000	38,413	30	11,524	31,889
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	433		433	0	433	45	195	238
50	computers post 07	4,619		4,619	0	4,619	55	2,540	2,078
12	computer software	-		-	0	-	100	-	-
47	Distribution System	432,083	174,196.00	606,279	87098	519,181	8	41,534	564,744
52	Computer and system software after January 27 2009	-	25,000.00	25,000	0	25,000	100	25,000	-
				-	0	-		-	-
Totals		1,437,383	234,196	1,671,579	104,598	1,566,981	368	142,421	1,529,158

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 5

Exhibit	Tab	Schedule	Contents of Schedule
5 – COST OF CAPITAL AND RATE OF RETURN			
	1	1	Overview
		2	Capital Structure / Cost of Debt
		3	Copy of Promissory Note

5.1.1 – OVERVIEW:

The purpose of this evidence is to summarize the method and cost of financing Hearst Power's capital requirements for the 2010 Test Year.

Capital Structure
Hearst Power is requesting Board approval of a capital structure of 60% debt, 40% equity. Hearst Power is requesting this change in capital structure and associated return on equity primarily to comply with the "*Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario Electricity Distributors"* dated December 20, 2006.

The cost of capital utilized in this application is consistent with the PBR 2 report for the IRM for 2010 rates. This report was issued in 2010 and includes a long-term debt cost of 5.7%, a short term debt cost 2.07% and a cost of common equity of 9.85%. These cost of capital numbers are included without any future prejudice to the fact that Hearst Power has a demand promissory note with the shareholder requiring a debt cost of up to 12% per annum (included as 5.1.3). The Town of Hearst has forgiven all debt cost for 2007 and 2008. The capital structure is set out in Table 5.1.2 following.

5.1.2 – CAPITAL STRUCTURE:

Line No.	2006 Board Approved Particulars	Capitalization Ratio (%)		Capitalization/Cost of Capital ($)	Cost Rate (%)	Return ($)
	Application					
	Debt					
1	Long-term Debt	50.00%		$1,126,780		$ -
2	Short-term Debt	0.00%	(1)	$ -		$ -
3	**Total Debt**	50.0%		$1,126,780	0.00%	$ -
	Equity					
4	Common Equity	50.00%		$1,126,780	0.00%	$ -
5	Preferred Shares					$ -
6	**Total Equity**	50.0%		$1,126,780	0.00%	$ -
7	**Total**	100.0%		$2,253,560	0.00%	$ -

Line No.	Year 2007 Actual Particulars	Capitalization Ratio (%)		Capitalization/Cost of Capital ($)	Cost Rate (%)	Return ($)
	Application					
	Debt					
1	Long-term Debt	50.00%		$1,123,132		$ -
2	Short-term Debt	0.00%	(1)	$ -		$ -
3	**Total Debt**	50.0%		$ -	0.00%	$ -
				$1,123,132		
	Equity					
4	Common Equity	50.00%		$1,123,132	0.00%	$ -
5	Preferred Shares			$ -		$ -
6	**Total Equity**	50.0%		$ -	0.00%	$ -
				$1,123,132		
7	**Total**	100.0%		$2,246,263	0.00%	$ -

2008 Actual **Capitalization/Cost of Capital**

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	49.30%	$985,625		$ -
2	Short-term Debt	4.00% (1)	$79,970		$ -
3	**Total Debt**	53.3%	$1,065,595	0.00%	$ -
	Equity				
4	Common Equity	46.70%	$933,645	0.00%	$ -
5	Preferred Shares		$ -		$ -
6	**Total Equity**	46.7%	$933,645	0.00%	$ -
7	**Total**	100.0%	$1,999,240	0.00%	$ -

2009 Bridge Year **Capitalization/Cost of Capital**

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	52.70%	$1,186,116	7.62%	$96,042
2	Short-term Debt	4.00% (1)	$90,028	1.33%	$1,197
3	**Total Debt**	56.7%	$1,276,144	7.20%	$97,239
	Equity				
4	Common Equity	43.30%	$974,551	8.01%	$72,112
5	Preferred Shares		$ -	8.01%	$ -
6	**Total Equity**	43.3%	$974,551	8.01%	$72,112
7	**Total**	100.0%	$2,250,695	7.52%	$169,351

Line No.	2010 Test Year Particulars	Capitalization/Cost of Capital Capitalization Ratio			Cost Rate	Return
		Application				
		(%)		($)	(%)	($)
	Debt					
1	Long-term Debt	56.00%		$1,374,167	5.87%	$80,664
2	Short-term Debt	4.00%	(1)	$98,155	2.07%	$2,032
3	**Total Debt**	60.0%		$1,472,322	5.62%	$82,696
	Equity					
4	Common Equity	40.00%		$981,548	9.85%	$96,682
5	Preferred Shares			$ -	9.85%	$ -
6	**Total Equity**	40.0%		$981,548	9.85%	$96,682
7	**Total**	100.0%		$2,453,870	7.31%	$179,378

Notes

(1) 4.0% unless an applicant utility has proposed or been approved for a different amount. (Applies to years 2007 to 2010)

Bld meet
Jan 28/02
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PROMISSORY NOTE

Principal: $1,800,000.00 **June 1 , 2001**

FOR VALUE RECEIVED, the undersigned hereby acknowledges itself indebted and promises to pay to or to the order of The Corporation of the Town of Hearst (the "Holder") the principal sum of One Million Eight Hundred Thousand Dollars ($1,800,000.00) in lawful money of Canada at the head office of the undersigned, which sum shall be payable on demand.

For each calendar year, or part thereof, in which this promissory note is outstanding, the undersigned will pay to the Holder in arrears interest in like money on the unpaid portion from time to time of the principal, in an amount equal to the lesser of (i) 12% per annum, calculated monthly, on the unpaid portion from time to time of the principal; and (ii) the undersigned's Net Income for such calendar year or part thereof. For the purposes of this promissory note, "Net Income" means, for any particular period, the amount which would, in accordance with generally accepted accounting principles, be classified on the consolidated income statement of the undersigned for such period as the net income of the undersigned.

Interest as aforesaid for any particular calendar year or part thereof shall become due and be paid on the 1st day of the third month of the following calendar year.

The undersigned may prepay the said principal sum in whole or in part at any time or from time to time without notice, penalty or bonus. All payments received shall be applied first in satisfaction of any accrued but unpaid interest and then against any outstanding principal amount.

The obligations of the undersigned hereunder shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of the undersigned against the Holder. This promissory note shall enure to the benefit of the Holder and his heirs, executors, administrators, personal legal representatives and assigns and shall be binding upon the undersigned and his heirs, executors, administrators and personal legal representatives.

The undersigned hereby waives the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this promissory note.

This promissory note shall be governed by the laws of the Province of Ontario and shall not be changed, modified, discharged or cancelled orally or in any manner other than by agreement in writing signed by the Holder or its successors or assigns.

IN WITNESS WHEREOF the undersigned has executed this promissory note as of the day and year first above written.

HEARST POWER DISTRIBUTION COMPANY LIMITED

Per: _____ c/s
Name:
Title:

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 6

Exhibit	Tab	Schedule	Contents of Schedule
6 - CALCULATION OF REVENUE DEFICIENCY OR SURPLUS			
	1	1	Revenue Deficiency

6.1.1 – REVENUE DEFICIENCY:

Hearst Power has provided detailed calculations supporting its 2010 revenue deficiency. Hearst Power's net revenue deficiency is $172,849. When grossed up for PILs Hearst Power's revenue deficiency is $205,773.

Table 6.1.1.1 below provides the revenue deficiency calculations for the 2010 Test Year at existing 2009 OEB-approved rates and the 2010 Test Year Revenue Requirement. This table is an extraction from the Revenue Requirement Model.

Revenue Deficiency Drivers
Much of the net revenue deficiency drivers are set out in Table 4.2.3. In brief and incomplete summary, these items include the union contract, the requirement to bring on a line maintainer apprentice and the return on capital and depreciation associated with the smart meter program.

Table 6.1.1.1: Revenue Deficiency Calculation

Line No.	Particulars	Per Application: At Current Approved Rates	Per Application: At Proposed Rates	
1	Revenue Deficiency from Below		$205,773	
2	Distribution Revenue	$878,705	$860,083	
3	Other Operating Revenue Offsets - net	$118,930	$118,930	
4	**Total Revenue**	$997,635	$1,184,786	
5	Operating Expenses	$1,013,537	$1,013,537	
6	Deemed Interest Expense	$79,383	$79,383	
	Total Cost and Expenses	$1,092,920	$1,092,920	
7	**Utility Income Before Income Taxes**	($95,285)	$91,866	
8	Tax Adjustments to Accounting Income per 2009 PILs	$ -	$ -	
9	**Taxable Income**	($95,285)	$91,866	
10	Income Tax Rate	16.00%	16.00%	
11	**Income Tax on Taxable Income**	($15,246)	$14,699	
12	**Income Tax Credits**	$ -	$ -	
13	**Utility Net Income**	($80,039)	$77,387	
14	**Utility Rate Base**	$2,355,582	$2,355,582	
	Deemed Equity Portion of Rate Base	$942,233	$942,233	
15	Income/Equity Rate Base (%)	-8.49%	8.21%	
16	Target Return - Equity on Rate Base	9.85%	9.85%	
	Sufficiency/Deficiency in Return on Equity	-18.34%	-1.64%	
17	Indicated Rate of Return	-0.03%	6.66%	
18	Requested Rate of Return on Rate Base	7.31%	7.31%	
19	Sufficiency/Deficiency in Rate of Return	-7.34%	-0.65%	
20	Target Return on Equity	$92,810	$92,810	
21	Revenue Sufficiency/Deficiency	$172,849	($15,423)	
22	**Gross Revenue Sufficiency/Deficiency**	$205,773	**(1)**	

Notes:

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

(2) CELL H21 The Revenue Sufficientcy/Deficiency amount of $15413.02 is the reduction in LV revenue which is offset by the expected reduction in charges from Hydro One and the rates underrecover the allowed revenue requirement by $10.01

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 7

Exhibit	Tab	Schedule	Contents of Schedule
7 – COST ALLOCATION			
	1	1	Cost Allocation Discussion

7.1.1 – COST ALLOCATION DISCUSSION:

On September 29, 2006 the OEB issued its Directions on Cost Allocation Methodology for Electricity Distributors (the "Directions"). On November 15, 2006 the OEB issued the Cost Allocation Information Filing Guidelines for Electricity Distributors (the "Guidelines"), the Cost Allocation Model (the "Model") and User Instructions (the "Instructions") for the Model. Hearst Power prepared its information filing consistent with its understanding of the Directions, the Guidelines, the Model and the Instructions.

Hearst Power has also followed the November 28, 2007 Report of the OEB in EB-2007-0667 - "Application of Cost Allocation for Electricity Distributors" (the "OEB Cost Allocation Report") - in determining its Revenue-to-Cost Ratio Ranges by Class and Monthly Service Charges.

Hearst Power has updated the cost allocation study previously filed in 2007 to reflect 2010 Test Year costs, customer numbers and demand values. The 2010 demand values are based on the weather normalized load forecast used to design rates.

Data used in the updated cost allocation study is consistent with Hearst Power's cost data that supports the proposed 2010 revenue requirement outlined in this application. Consistent with the Guidelines, the Hearst Power assets were broken out into primary and secondary distribution functions. The breakout of assets, capital contributions, depreciation, accumulated depreciation, customer data and load data by primary, line transformer and secondary categories was developed from the best data available from Hearst Power's customer and financial information systems.

Adjustments for Transformer Allowance
In recognition of the limitations in the Board's cost allocation model with respect to the treatment of transformer ownership allowance, Hearst Power has made the following adjustments in keeping with the Board's May 27, 2009 *Chapter 2 of the Filing Requirements for Transmission and Distribution Applications* Section 2.8.2:

Cost allocation was revised by:

- removing the "cost" associated with transformer ownership allowance from the revenue requirement (Worksheet I3)
- adjusting the approved low voltage cell to include the reduction in the low voltage wheeling charge (in the amount of $15,413.02) and the ultimate shortfall in the revenue realized from the proposed rates (in the amount of $10.01)
- including the transformer ownership allowance reduction (in the amount of $24,632.67), which is reflected in the revenue at the proposed rates in the cost allocation model

Copies of Sheet O1 from the original cost allocation filing before and after removal of transformer allowance have been attached as directed. Also attached is Sheet O1 of the

updated cost allocation model (including the adjustment for the transformer allowance) proposed for the Test Year. (Refer to Appendix A).

Revenue to Cost Ratios

As requested in Board filing instructions, revenue to cost ratios by rate classification are presented below. A percentage of less than 100% means the rate classification is under-contributing and is being subsidized by other classes. A percentage of greater than 100% indicates the rate classification is over-contributing and is subsidizing other classes of customers.

Table 7.1.1.1 outlines revenue to cost ratios for:

- the initial cost allocation model
- the initial cost allocation model revised with the adjusted transformer ownership allowance

Table 7.1.1.1: Cost to Revenue Ratios
Summary of Results 2006 CA filing

Rate Classification	Revenue to Cost Ratio %	$ (Being Subsidized)/Over Contributing	Revenue to Cost Ratio % TA OUT
Residential	88.45%	-75,589	96.84%
General Service <50 kW	97.28%	-4,940	105.83%
General Service 50 kW to 2,999 kW	205.89%	105,563	222.02%
General Service 3,000 kW to 4,999 kW	79..75%	-22,976	78.60%
Street Lights	25.28%	-76,512	28.50%
Sentinel Lights	84.53%	-547	95.30%
Total	93.51%	-75,001	101.21%

Table 7.1.1.2 following includes the allocated costs against the classes.

Table 7.1.1.2: 2006 EDR Base Revenue Calculations & Transformer Allowance
Base Revenue Requirement Allocated (adjusted for Transformer Credit)

	Overall Allocation to Classes $
Residential	654,564
General Service <50 kW	181,652
General Service 50 kW to 2,999 kW	99,695
General Service 3,000 kW to 4,999 kW	113,445
Sentinel Lighting	3,537
Street Lighting	102,405
TOTALS	**1,155,297**
Less Transformer Credit	-87,959
Base Revenue Requirement	**1,067,338**

Table 7.1.1.3 following includes the revenue to cost ratios for the proposed rates. Transformer ownership allowance has not been included in Tab I3 of the Cost Allocation Model, but the transformer ownership allowance adjustment for each class is included in the class revenues. This is important because the proposed rates include a reduction in excess of $24,000 in the transformer ownership allowance. Further, the rates have been adjusted to bring all customer class increases within the Board's acceptable range and to be effective with the implementation of this rate schedule.

Table 7.1.1.3: Revenue to Cost Ratios PROPOSED
Summary of Results After Removal of Transformer Allowance All Classes

Rate Classification	Revenue to Cost Ratio %	$ (Being Subsidized)/Over Contributing
Residential	93.54%	-53,580
General Service <50 kW	115.24%	26,924
General Service 50 kW to 1,499 kW	179.18%	42,644
General Service 1,500 kW to 4,999 kW	179.45%	12,171
Street Lights	74.03%	-27,873
Sentinel Lights	85.47%	-287
Total	**100.00%**	**0**

Table 7.1.1.4 illustrates the revenue to cost ratios with the transformer ownership allowance excluded from the revenue in column 1. Column 2 includes the transformer ownership allowance recognized in the revenue and reflects the adjustment in rates to accommodate the Board's target range.

Table 7.1.1.4: Revenue to Cost Ratio (%)

Customer Class	{1} From Cost Allocation Model Excludes Transformer Allowance recognition in Revenue	(2) Column 1 Includes Transformer Ownership Allowance	{3} Proposed for Test Year	(4) Board Target Range
Residential	90.84%	93.54%	93.54%	85 – 115
GS < 50 kW	112.13%	115.24%	115.24%	80 – 120
General Service 50 kW to 1,499 kW	192.38%	179.18%	179.18%	80 – 180
General Service 1,500 kW to 4,999 kW	333.67%	179.45%	179.45%	80– 180
Street Lights	71.94%	74.03%	74.03%	70 – 120
Sentinel Lights	82.43%	85.47%	85.47%	70 – 120

Hearst Power's class revenues have been adjusted using the rate design as a prime driver. This rate design accommodates acceptable bill impacts on customers, with larger bill impacts being generated to accommodate the minimum customer charge in the cost allocation model. The sole exception to this is the impact to the Street Lighting class (the shareholder).

The residential class experiences the maximum adverse impact but these increases are offset by the combination of the regulatory asset adjustments and the adjustments in the retail transmission rates and loss factors. While the distribution rate revenue increase is substantial at almost 35%, a maximum bill impact for a customer using no energy would be $0.58 per month or 6.89%. For typical bills between 100 kWh per month up to 3000 kWh per month, increases would range from -0.63% to 2.6%.

The proposed service charges are within the cost allocation model ranges with the exception of the Street Lighting, which is left at a nominal rate of $0.50 per connection.

Table 7.1.1.5: Test Year Revenue Impacts

Customer Class	Current Revenue 2009 Rates ($)	Test Year Revenue Assuming Current Revenue to Cost Ratios ($)	Test Year Revenue Assuming Proposed Revenue to Cost Ratios ($)
Residential	516,933	609,186	695,354
GS < 50 kW	154,241	182,245	183,824
General Service 50 kW to 1,499 kW	170,882	210,228	88,496
General Service 1,500 kW to 4,999 kW	22,598	47,627	24,962
Street Lights	12,750	15,042	71,681
Sentinel Lights	1,300	1,538	1,538

APPENDIX A

Sheet O1 of Cost Allocation Models:

2006 Information Filing and Proposed Rates
With and Without Transformer Ownership Allowance

7.1.1 – APPENDIX A:

Cost Allocation Model – 2006 Information Filing with Subsequent $75,000 LV Adjustment

	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Distribution Revenue (sale)	**$884,743**	$465,519	$142,823	$189,890	$70,194	$13,769	$2,548
Miscellaneous Revenue (mi)	**$195,553**	$113,456	$33,889	$15,367	$20,276	$12,124	$442
Total Revenue	**$1,080,297**	**$578,975**	**$176,712**	**$205,257**	**$90,469**	**$25,893**	**$2,990**
Expenses							
Distribution Costs (di)	**$356,700**	$216,502	$50,568	$20,958	$16,441	$50,535	$1,697
Customer Related Costs (cu)	**$133,145**	$90,637	$29,279	$11,102	$1,853	$207	$66
General and Administration (ad)	**$205,333**	$128,671	$33,463	$13,447	$7,761	$21,254	$739
Depreciation and Amortization (dep)	**$139,051**	$75,622	$21,892	$10,297	$19,188	$11,658	$394
PILs (INPUT)	**$34,525**	$18,705	$5,332	$2,569	$4,871	$2,948	$100
Interest	**$74,300**	$40,254	$11,475	$5,529	$10,482	$6,345	$214
Total Expenses	**$943,055**	**$570,391**	**$152,009**	**$63,902**	**$60,596**	**$92,947**	**$3,210**
Direct Allocation	**$105,250**	**$26,206**	**$13,119**	**$27,831**	**$37,754**	**$320**	**$19**
Allocated Net Income (NI)	**$106,992**	$57,966	$16,523	$7,962	$15,095	$9,137	$309
Revenue Requirement (includes NI)	**$1,155,297**	$654,564	$181,652	$99,695	$113,445	$102,405	$3,537
	Revenue Requirement Input equals Output						
Rate Base Calculation							
Net Assets							
Distribution Plant - Gross	**$2,832,975**	$1,562,988	$411,738	$208,759	$372,420	$267,992	$9,078
General Plant - Gross	**$896,504**	$485,708	$138,452	$66,716	$126,480	$76,562	$2,586
Accumulated Depreciation	**($2,574,209)**	($1,422,794)	($371,775)	($189,502)	($335,913)	($245,893)	($8,332)
Capital Contribution	**$0**	$0	$0	$0	$0	$0	$0
Total Net Plant	**$1,155,270**	**$625,902**	**$178,415**	**$85,973**	**$162,987**	**$98,661**	**$3,332**
Directly Allocated Net Fixed Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Cost of Power (COP)	**$7,511,428**	$1,870,663	$866,104	$1,451,291	$3,243,484	$75,470	$4,415
OM&A Expenses	**$695,179**	$435,810	$113,310	$45,507	$26,054	$71,995	$2,502
Directly Allocated Expenses	**$105,250**	$26,206	$13,119	$27,831	$37,754	$320	$19
Subtotal	***$8,311,857***	***$2,332,679***	***$992,534***	***$1,524,629***	***$3,307,293***	***$147,785***	***$6,936***
Working Capital	**$1,246,779**	**$349,902**	**$148,880**	**$228,694**	**$496,094**	**$22,168**	**$1,040**
Total Rate Base	**$2,402,048**	**$975,804**	**$327,295**	**$314,667**	**$659,081**	**$120,828**	**$4,372**
	Rate Base Input Does Not Equal Output						
Equity Component of Rate Base	**$1,201,024**	**$487,902**	**$163,647**	**$157,334**	**$329,541**	**$60,414**	**$2,186**
Net Income on Allocated Assets	**$31,992**	**($17,623)**	**$11,584**	**$113,525**	**($7,881)**	**($67,374)**	**($239)**
Net Income on Direct Allocation Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Income	**$31,992**	**($17,623)**	**$11,584**	**$113,525**	**($7,881)**	**($67,374)**	**($239)**
RATIOS ANALYSIS							
REVENUE TO EXPENSES %	**93.51%**	88.45%	97.28%	205.89%	79.75%	25.28%	84.53%
EXISTING REVENUE MINUS ALLOCATED COSTS	**($75,000)**	($75,589)	($4,940)	$105,563	($22,976)	($76,512)	($547)
RETURN ON EQUITY COMPONENT OF RATE BASE	2.66%	-3.61%	7.08%	72.16%	-2.39%	-111.52%	-10.91%

Cost Allocation Model – 2006 Information Filing with Subsequent $75,000 LV Adjustment with Transformer Ownership Allowance in Cell F15, Tab I3 Removed

	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Distribution Revenue (sale)	$884,743	$465,519	$142,823	$189,890	$70,194	$13,769	$2,548
Miscellaneous Revenue (mi)	$195,553	$113,455	$33,889	$15,367	$20,277	$12,123	$442
Total Revenue	**$1,080,297**	**$578,974**	**$176,712**	**$205,257**	**$90,471**	**$25,892**	**$2,990**
Expenses							
Distribution Costs (di)	$268,741	$160,323	$36,641	$14,218	$16,426	$39,808	$1,325
Customer Related Costs (cu)	$133,145	$90,637	$29,279	$11,102	$1,853	$207	$66
General and Administration (ad)	$205,333	$128,148	$33,672	$12,947	$9,424	$20,432	$711
Depreciation and Amortization (dep)	$139,051	$75,619	$21,893	$10,293	$19,200	$11,652	$394
PILs (INPUT)	$34,525	$18,705	$5,332	$2,569	$4,871	$2,948	$100
Interest	$74,300	$40,254	$11,475	$5,529	$10,483	$6,345	$214
Total Expenses	**$855,095**	**$513,687**	**$138,292**	**$56,658**	**$62,257**	**$81,392**	**$2,810**
Direct Allocation	$105,250	**$26,206**	**$13,119**	**$27,831**	**$37,754**	**$320**	**$19**
Allocated Net Income (NI)	$106,992	$57,966	$16,524	$7,962	$15,096	$9,136	$309
Revenue Requirement (includes NI)	$1,067,338	$597,859	$167,935	$92,450	$115,107	$90,849	$3,138
	Revenue Requirement Input equals Output						
Rate Base Calculation							
Net Assets							
Distribution Plant - Gross	$2,832,975	$1,562,937	$411,758	$208,710	$372,582	$267,912	$9,076
General Plant - Gross	$896,504	$485,705	$138,454	$66,712	$126,492	$76,556	$2,585
Accumulated Depreciation	($2,574,209)	($1,422,744)	($371,795)	($189,454)	($336,071)	($245,815)	($8,330)
Capital Contribution	$0	$0	$0	$0	$0	$0	$0
Total Net Plant	**$1,155,270**	**$625,897**	**$178,417**	**$85,968**	**$163,003**	**$98,653**	**$3,332**
Directly Allocated Net Fixed Assets	$0	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Cost of Power (COP)	$7,511,428	$1,870,663	$866,104	$1,451,291	$3,243,484	$75,470	$4,415
OM&A Expenses	$607,219	$379,109	$99,592	$38,267	$27,703	$60,446	$2,102
Directly Allocated Expenses	$105,250	$26,206	$13,119	$27,831	$37,754	$320	$19

Subtotal	***$8,223,897***	***$2,275,979***	***$978,816***	***$1,517,389***	***$3,308,941***	***$136,236***	***$6,537***
Working Capital	**$1,233,585**	**$341,397**	**$146,822**	**$227,608**	**$496,341**	**$20,435**	**$981**
Total Rate Base	**$2,388,854**	**$967,294**	**$325,239**	**$313,577**	**$659,344**	**$119,089**	**$4,312**
	Rate Base Input Does Not Equal Output						
Equity Component of Rate Base	**$1,194,427**	**$483,647**	**$162,620**	**$156,788**	**$329,672**	**$59,544**	**$2,156**
Net Income on Allocated Assets	**$119,951**	**$39,081**	**$25,301**	**$120,768**	**($9,540)**	**($55,820)**	**$161**
Net Income on Direct Allocation Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Income	**$119,951**	**$39,081**	**$25,301**	**$120,768**	**($9,540)**	**($55,820)**	**$161**
RATIOS ANALYSIS							
REVENUE TO EXPENSES %	**101.21%**	96.84%	105.23%	222.02%	78.60%	28.50%	95.30%
EXISTING REVENUE MINUS ALLOCATED COSTS	**$12,959**	($18,884)	$8,777	$112,807	($24,636)	($64,957)	($148)
RETURN ON EQUITY COMPONENT OF RATE BASE	10.04%	8.08%	15.56%	77.03%	-2.89%	-93.75%	7.47%

Cost Allocation Model – Proposed Rates

	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Distribution Revenue (sale)	$1,065,856	$695,354	$183,824	$88,496	$24,962	$71,681	$1,538
Miscellaneous Revenue (mi)	$118,930	$80,687	$19,776	$8,006	$2,529	$7,783	$148
Total Revenue	**$1,184,786**	**$776,041**	**$203,600**	**$96,503**	**$27,492**	**$79,465**	**$1,687**
Expenses							
Distribution Costs (di)	$371,505	$253,912	$51,964	$8,607	$119	$56,356	$547
Customer Related Costs (cu)	$250,079	$191,107	$36,241	$16,041	$5,923	$4	$762
General and Administration (ad)	$230,871	$165,257	$32,779	$9,169	$2,251	$20,930	$485
Depreciation and Amortization (dep)	$145,659	$96,851	$23,406	$8,164	$2,730	$14,426	$83
PILs (INPUT)	$14,479	$9,501	$2,504	$921	$333	$1,212	$7
Interest	$79,383	$52,091	$13,730	$5,051	$1,827	$6,643	$41
Total Expenses	**$1,091,976**	**$768,719**	**$160,624**	**$47,953**	**$13,184**	**$99,571**	**$1,926**
Direct Allocation	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Allocated Net Income (NI)	$92,810	$60,902	$16,052	$5,905	$2,136	$7,767	$48
Revenue Requirement (includes NI)	$1,184,786	$829,621	$176,676	$53,858	$15,320	$107,338	$1,974
	Revenue Requirement Input equals Output						
Rate Base Calculation							
Net Assets							
Distribution Plant - Gross	$3,242,351	$2,193,252	$460,417	$131,798	$29,586	$424,619	$2,679
General Plant - Gross	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
Accumulated Depreciation	($3,056,898)	($2,071,558)	($428,342)	($119,999)	($25,317)	($409,099)	($2,583)
Capital Contribution	$0	$0	$0	$0	$0	$0	$0
Total Net Plant	**$1,295,484**	**$850,093**	**$224,057**	**$82,428**	**$29,821**	**$108,416**	**$668**
Directly Allocated Net Fixed Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Cost of Power (COP)	$6,199,440	$1,945,665	$927,901	$1,505,647	$1,735,633	$82,313	$2,281
OM&A Expenses	$852,455	$610,276	$120,985	$33,817	$8,293	$77,290	$1,794
Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0

Subtotal	***$7,051,895***	***$2,555,941***	***$1,048,886***	***$1,539,464***	***$1,743,926***	***$159,603***	***$4,076***
Working Capital	**$1,057,784**	**$383,391**	**$157,333**	**$230,920**	**$261,589**	**$23,940**	**$611**
Total Rate Base	**$2,353,269**	**$1,233,485**	**$381,390**	**$313,348**	**$291,410**	**$132,356**	**$1,280**
	Rate Base Input equals Output						
Equity Component of Rate Base	**$941,307**	**$493,394**	**$152,556**	**$125,339**	**$116,564**	**$52,943**	**$512**
Net Income on Allocated Assets	**$92,810**	**$7,322**	**$42,975**	**$48,550**	**$14,308**	**($20,106)**	**($239)**
Net Income on Direct Allocation Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Income	**$92,810**	**$7,322**	**$42,975**	**$48,550**	**$14,308**	**($20,106)**	**($239)**
RATIOS ANALYSIS							
REVENUE TO EXPENSES %	**100.00%**	93.54%	115.24%	179.18%	179.45%	74.03%	85.47%
EXISTING REVENUE MINUS ALLOCATED COSTS	**$0**	($53,580)	$26,924	$42,644	$12,171	($27,873)	($287)
RETURN ON EQUITY COMPONENT OF RATE BASE	9.86%	1.48%	28.17%	38.73%	12.27%	-37.98%	-46.69%

Cost Allocation Model – Proposed Rates, Transformer Ownership Allowance Removed

	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Distribution Revenue (sale)	$1,100,342	$695,354	$183,824	$98,237	$49,707	$71,681	$1,538
Miscellaneous Revenue (mi)	$118,930	$80,687	$19,776	$8,006	$2,529	$7,783	$148
Total Revenue	**$1,219,272**	**$776,041**	**$203,600**	**$106,243**	**$52,237**	**$79,465**	**$1,687**
Expenses							
Distribution Costs (di)	$371,505	$253,912	$51,964	$8,607	$119	$56,356	$547
Customer Related Costs (cu)	$250,079	$191,107	$36,241	$16,041	$5,923	$4	$762
General and Administration (ad)	$265,356	$189,947	$37,673	$10,536	$2,587	$24,056	$558
Depreciation and Amortization (dep)	$145,659	$96,851	$23,406	$8,164	$2,730	$14,426	$83
PILs (INPUT)	$14,479	$9,501	$2,504	$921	$333	$1,212	$7
Interest	$79,383	$52,091	$13,730	$5,051	$1,827	$6,643	$41
Total Expenses	**$1,126,462**	**$793,409**	**$165,518**	**$49,320**	**$13,519**	**$102,698**	**$1,998**
Direct Allocation	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Allocated Net Income (NI)	$92,810	$60,902	$16,052	$5,905	$2,136	$7,767	$48
Revenue Requirement (includes NI)	$1,219,272	$854,310	$181,569	$55,226	$15,655	$110,465	$2,046
	Revenue Requirement Input equals Output						
Rate Base Calculation							
Net Assets							
Distribution Plant - Gross	$3,242,351	$2,193,252	$460,417	$131,798	$29,586	$424,619	$2,679
General Plant - Gross	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
Accumulated Depreciation	($3,056,898)	($2,071,558)	($428,342)	($119,999)	($25,317)	($409,099)	($2,583)
Capital Contribution	$0	$0	$0	$0	$0	$0	$0
Total Net Plant	**$1,295,484**	**$850,093**	**$224,057**	**$82,428**	**$29,821**	**$108,416**	**$668**
Directly Allocated Net Fixed Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Cost of Power (COP)	$6,199,440	$1,945,665	$927,901	$1,505,647	$1,735,633	$82,313	$2,281
OM&A Expenses	$886,940	$634,966	$125,878	$35,185	$8,628	$80,417	$1,867
Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0

Subtotal	***$7,086,380***	***$2,580,631***	***$1,053,779***	***$1,540,831***	***$1,744,261***	***$162,730***	***$4,148***
Working Capital	**$1,062,957**	**$387,095**	**$158,067**	**$231,125**	**$261,639**	**$24,409**	**$622**
Total Rate Base	**$2,358,441**	**$1,237,188**	**$382,124**	**$313,553**	**$291,460**	**$132,825**	**$1,291**
	Rate Base Input equals Output						
Equity Component of Rate Base	**$943,377**	**$494,875**	**$152,850**	**$125,421**	**$116,584**	**$53,130**	**$516**
Net Income on Allocated Assets	**$92,810**	**($17,368)**	**$38,082**	**$56,923**	**$38,718**	**($23,233)**	**($312)**
Net Income on Direct Allocation Assets	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Income	**$92,810**	**($17,368)**	**$38,082**	**$56,923**	**$38,718**	**($23,233)**	**($312)**
RATIOS ANALYSIS							
REVENUE TO EXPENSES %	**100.00%**	90.84%	112.13%	192.38%	333.67%	71.94%	82.43%
EXISTING REVENUE MINUS ALLOCATED COSTS	**($0)**	($78,270)	$22,030	$51,017	$36,581	($31,000)	($359)
RETURN ON EQUITY COMPONENT OF RATE BASE	9.84%	-3.51%	24.91%	45.39%	33.21%	-43.73%	-60.36%

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 8

Exhibit	Tab	Schedule	Contents of Schedule
8 - Rate Design			
	1	1	Rate Design Overview
		2	Retail Transmission Service Rates
		3	Low Voltage Charges
		4	Loss Adjustment Factors
		5	Rate Schedules and Bill Impacts
		6	Proposed Changes to Terms/Conditions of Service
		7	Specific Service Charges

8.1.1 – RATE DESIGN OVERVIEW:

This Exhibit documents the calculation of Hearst Power's proposed distribution rates by rate class for the 2010 Test Year, based on the allocation of the base revenue requirement across customer classes as proposed in Exhibit 7 and Rate Design as proposed in this Exhibit. Hearst Power has determined its total 2010 service revenue requirement to be $1,184,796. The total revenue offset, as set out in Exhibit 3, in the amount of $118,930 (excluding SSS) reduces Hearst Power's total service revenue requirements to a base revenue requirement of $1,065,866, which is used to determine the proposed distribution rates. The base revenue requirement is derived from Hearst Power's 2010 capital and operating forecasts and regulated return on rate base. The revenue requirement has been prepared utilizing the revenue requirement file and the tax model.

The cost of capital utilized in the revenue requirement is based on the OEB's 2010 IRM cost of capital percentages and returns. The amortization expense is determined using the figures developed in the 'Assets with Depreciation' tab of the Rebasing Worksheets file.

Rate Design Process
The rate design for Hearst Power is primarily dealt with in the 'Rate Design' tab of the Rebasing Worksheets file. The 2010 forecast customer counts/connections for each class are summed for the twelve months of 2010. The annual volumes for energy use and demands are also utilized. Similarly, the demands associated with transformer allowance are utilized to determine their contribution to service revenue.

The SSS volumes at year-end 2009 are used to determine the SSS revenue for the Test Year. The fixed and variable distribution revenues, transformer ownership allowance, and SSS revenues are then summed to determine the revenue on a class-by-class basis for the existing 2009 rates.

This application includes a reduction of 24.08% in the LV rates for 2010. This reduction is calculated on a class-by-class basis and totals $15,413.02. This loss in revenue is offset by a reduction in cost and is included in the adjustment field of the '5. Rev_Suff_Def' tab of the revenue requirement model. This amount when added to the $10.01 rate design under recovery produces the $15,423 deficiency in Row 48, Line 21 in that tab. This $10 deficiency is acceptable to Hearst Power.

The fixed rates were then established utilizing the guidance provided in the cost allocation model for maximums and minimums for fixed charges.

Utilizing the Board's guidance on revenue-to-cost ratios, the variable cost components were established to close on the revenue requirement. In the case of Hearst Power, the proposed rates fall short of the revenue requirement by the $10.01 identified above.

These rates were established using bill impacts as the most significant criteria. The bill comparison model considers the regulatory asset return to the customers and the recovery of the regulatory costs associated with this rebasing application.

Class Allocation

Hearst Power proposes a re-alignment of the base revenue requirement in order to partially reduce the cross subsidization between customer classes. Proposed class revenue adjustments bring the cost/revenue ratios within the Board's specified acceptable limits. These adjustments were made giving due consideration to bill impacts, with the sole exception of Street Lighting, which is the shareholder.

The cost/revenue ratios for the proposed rates are included in Table 7.1.1.4 and the bill impacts for all classes over reasonable and expected energy use ranges are included in the Bill Compare Rate Design file.

Table 8.1.1.1 sets out the base allocation and the percent achieved by the proposed rates.

Table 8.1.1.1: Allocated Revenue

	{1}	(2)
Customer Class	**PROPOSED From Cost Allocation Model % of cost**	**REVENUE Allocation at 100% ($)**
Residential	93.54%	829,621
GS < 50 kW	115.24%	176,676
General Service 50 kW to 1,499 kW	179.18%	53,858
General Service 1,500 kW to 4,999 kW	179.45%	2,136
Street Lights	74.03%	107,338
Sentinel Lights	85.47%	1,974

Determination of Fixed Monthly Charges

Hearst Power's current OEB-approved monthly fixed charges based on its 2009 IRM application (before the smart meter adder) by customer class are included in Table 8.1.1.2 following. Also included are the fixed and variable revenues for each class with the percent of revenue recovered from the fixed component and the percent of revenue recovered from the variable component for both existing (2009) rates and proposed rates (2010).

Table 8.1.1.2: Fixed Variable Split & Fixed charges (Part 1)

CLASS	APPROVED 2009 rates ($)	Forecast 2010 STATS	Revenue at APPROVED 2009 rates before SSS and LV adjustment	Revenue at PROPOSED 2010 rates Cost Allocation Adjusted & Net of LV ADJUSTMENT	EXISTING Fixed & variable splits excluding Transformer Ownership Allowance	PROPOSED Fixed & variable splits excluding Transformer Ownership Allowance
RESIDENTIAL	8.4200	27,864	234,614.88	250,776.00	45.96%	36.40%
kW			-	-		
kW.h	0.0102	27,043,280	275,841.46	438,101.14	54.04%	63.60%
			-	-		
GS <50 kW	5.9700	4,692	28,011.24	56,304.00	18.29%	30.82%
kW			-	-		
kW.h	0.0097	12,897,126	125,102.12	126,391.84	81.71%	69.18%
			-	-		
GS >50 kW	30.4100	456	13,866.96	27,360.00	7.40%	27.88%
kW	2.9926	58,015	173,614.27	70,777.72	92.60%	72.12%
			-	-		
Intermediate Users	57.3400	36	2,064.24	11,520.00	3.18%	23.18%
kW	0.8903	70,701	62,944.82	38,178.37	96.82%	76.82%
			-	-		
Sent Lights	3.9800	276	1,098.48	1,380.00	86.91%	91.86%
kW	1.8938	87	165.42	122.29	13.09%	8.14%
kW.h			-	-		
			-	-		
Street lights	0.9900	8,712	8,624.88	4,356.00	67.68%	6.08%
kW	1.2912	3,190	4,119.57	67,319.45	32.32%	93.92%
kW.h				-		

Part 2 of this table following includes the avoided cost determined in the cost allocation model (minimum) and the directly related cost determined in the cost allocation model (maximum). This table also includes the proposed fixed charge and the percent increase from the approved 2009 rates.

Table 8.1.1.2: Fixed Variable Split & Fixed charges (Part 2)

CLASS	FIXED Charge ($)	PROPOSED FIXED Charge	% Increase
RESIDENTIAL			
Minimum	8.5154	9.00	6.89%
Maximum	11.7320		
GS <50 kW			
Minimum	11.6138	12.00	101.01%
Maximum	15.9203		
GS >50 kW			
Minimum	52.1639	60.00	97.30%
Maximum	71.8386		
Intermediate Users			
Minimum	303.8043	320.00	458.07%
Maximum	413.4050		
Sent Lights			
Minimum	4.7820	5.00	25.63%
Maximum	6.6374		
Street lights			
Minimum	0.0004	0.50	-49.49%
Maximum	0.0006		

Proposed Adjustment to Transformer Ownership Allowance

Currently, Hearst Power provides a transformer ownership allowance to those customers that own their transformation facilities. Hearst Power's current approved transformer ownership allowance is $0.60 per kW. The transformer ownership allowance is intended to reflect the costs to Hearst Power of providing step down transformation facilities to the customer's utilization voltage. Since Hearst Power provides electricity at utilization voltage, the cost of Hearst Power's transformers are captured in and recovered through the distribution rates. The cost allocation model, tab 'O3.1 Line Tran Unit Cost', indicates that the GS >50kW unit cost is in excess of $0.32 per kW. Hearst Power proposes to apply a unit cost of $0.35 per kW.

Proposed Distribution Rates

Table 8.1.1.3 sets out Hearst Power's proposed 2010 electricity distribution. This includes the impact of the reduction in the LV component of the variable distribution rates.

Table 8.1.1.3: Proposed 2010 Monthly Rates and Charges

Customer Class	Unit	Tariff of Proposed Rates and Charges Effective May 1, 2010
Residential		
Service Charge	$	9.00
Distribution Volumetric Rate	$/kWh	0.0162
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service Less Than 50 kW		
Service Charge	$	12.00
Distribution Volumetric Rate	$/kWh	0.0098
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service		**50 to 1499 kW**
Service Charge	$	60.00
Distribution Volumetric Rate	$/kWh	1.2200
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service		**1500 to 4,999 kW**
Service Charge	$	320.00
Distribution Volumetric Rate	$/kW	0.5400
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
Sentinel Lighting		
Service Charge/connection	$	5.00
Distribution Volumetric Rate	$/kW	1.4000
Standard Supply Service/customer - Administrative Charge (if applicable)	$	0.25
Street Lighting		
Service Charge/connection	$	0.50
Distribution Volumetric Rate	$/kW	21.1000
Standard Supply Service/customer - Administrative Charge (if applicable)	$	0.25

8.1.2 – RETAIL TRANSMISSION ADJUSTMENT CALCULATIONS:

The following table (8.1.2.1) is included as part of the filing requirements.

Table 8.1.2.1: Two years of Wholesale Network and Connection Costs and Retail Billings (Part 1)

Month	IESO Network Service Charge	IESO Line Connection Service Charge	IESO Transform-ation Connection Service Charge	Network Billings	Connection Billings			Network	Connection
June 2007	21,386	11,775	6,437	39,417	41,047		**Old**		
July 2007	20,506	11,646	6,366	38,824	40,060		**IESO Costs**	291,971.57	88,444.50
Aug 2007	19,810	11,448	6,258	39,364	40,856		**Billing Revenues**	833,953.25	918,662.34
Sept 2007	20,401	11,582	6,331	38,408	39,404		**Ratio**	0.35	0.10
Oct 2007	19,020	11,861	6,484	41,691	42,641				
Nov 2007	15,179	12,445	4,561	45,182	46,353		**Estimated new**		
Dec 2007	10,316	8,459	3,100	40,192	40,971		**IESO Costs**	29,197,157.00	88,444.50
Jan 2008	10,889	8,596	3,150	47,445	48,487		**Billing Revenues**	83,395,325.00	918,662.34
Feb 2008	10,102	8,283	3,036	42,849	43,958		**Ratio**	0.35	0.10
Mar 2008	10,427	7,900	2,895	40,649	41,980				
Apr 2008	9,222	7,556	2,769	36,126	37,228				
May 2008	8,988	7,342	2,690	29,274	34,573				
June 2008	8,672	6,912	2,533	25,649	30,949				
July 2008	8,277	6,593	2,416	26,229	31,594				
Aug 2008	9,145	6,978	2,557	25,161	30,208				
Sept 2008	8,769	7,177	2,630	26,366	31,370				
Oct 2008	8,739	7,166	2,626	28,244	33,549				
Nov 2008	10,365	7,414	2,717	31,134	35,801				
Dec 2008	10,021	8,217	3,011	34,915	41,525				
Jan 2009	10,889	8,076	3,490	37,856	45,182				
Feb 2009	11,385	8,139	3,517	35,664	42,417				
Mar 2009	9,730	6,810	2,943	29,239	35,079				
Apr 2009	8,905	6,605	2,854	25,327	30,686				
May 2009	10,827	7,113	3,074	28,748	32,744				
Total	291,972	206,093	88,445	833,953	918,662				

Table 8.1.2.1: Two years of Wholesale Network and Connection Costs and Retail Billings (Part 2)

Month	Hydro One Transmission Network Service Charge	Hydro One Transmission Connection Service Charge
Jun-07	22853.88	18954.21
Jul-07	22012.2	18256.15
Aug-07	21460.32	17798.44
Sep-07	21853.44	18124.48
Oct-07	22785.84	19545.68
Nov-07	30691.08	25454.11
Dec-07	31595.76	26204.42
Jan-08	30927.96	25650.57
Feb-08	29438.64	24825.02
Mar-08	26608.68	23117.49
Apr-08	24043.19	20011.15
May-08	18136.23	16963.24
Jun-08	16735.26	15652.88
Jul-08	15690.06	14675.28
Aug-08	17557.35	16421.8
Sep-08	16578.48	15506.24
Oct-08	18767.37	17948.36
Nov-08	22841.64	21364.32
Dec-08	25,609.41	23,953.08
Jan-09	26,276.73	24,577.24
Feb-09	23390.37	21967.8
Mar-09	18124.17	17429.48
Apr-09	15400.62	14404.56
May-09	16796.24	15655.4
Total	536174.92	474461.4

Hearst Power is in a somewhat unique situation in that it takes a material component of its power as an embedded distributor with Hydro One as the host distributor. To utilize two years' data would not recognize either the material changes in Hydro One's distribution rates applicable to host distributors or the lost benefit to customers by failing to reduce Hearst Power's own distribution rates, which should fully reflect the benefits of an embedded distributor. The 'Rate Design' tab in the Rebasing Worksheets file, which compares one year's data (cost and revenue) for the retail transmission network service rates and the retail transmission line connection rates. In each case, Hearst Power is over-recovering. For the RTR networks charge, the over-recovery is 3.86%. For the RTR line connection charge, the over-recovery is 18.08%. Using these as a basis for the reduction, proposed rates for 2010 are calculated and then rounded.

The proposed retail transmission rates are included in Table 8.1.2.2 following.

Table 8.1.2.2: Proposed RTRs and LV rates

	RTR Network service 2010 proposed rates rounded	RTR Line Connection 2010 proposed rates rounded	LV EMBEDDED 2010 proposed rates rounded
RESIDENTIAL	$ 0.0042	$ 0.0041	$ 0.0005
GS <50 kW	$ 0.0038	$ 0.0037	$ 0.0005
GS >50 kW	$ 1.5875	$ 1.4612	$ 0.1892
Intermediate Users	$ 1.7755	$ 1.7234	$ 0.2267
Sent Lights	$ 1.2033	$ 1.1532	$ 0.1429
Street lights	$ 1.1972	$ 1.1297	$ 0.1447

8.1.3 – LOW VOLTAGE CHARGES:

Hearst Power is in a unique situation in that Hydro One was late in discovering that Hearst was an embedded utility. Also, there was a fundamental change in the structure of Hydro One's LV rates and that change has been in place for eight months. The over-recovery, based on the new Hydro One rate structure is 24.08%. Using this as the basis for the reduction, proposed rates for 2010 are calculated and then rounded. The proposed retail transmission rates are included in Table 8.1.2.2 in the preceding schedule.

8.1.4 – LOSS ADJUSTMENT FACTORS:

Hearst Power is a partially embedded distributor. The following table (8.1.4.1) includes a five year loss factor calculation indicating a secondary loss factor of 4.19%. This will be a reduction from the current secondary loss factor of 5.09% and is acceptable to Hearst Power. The loss factors developed from these base loss factors are included in the Bill Compare Rate Design file and are displayed in Table 8.1.4.2.

Table 8.1.4.1: Loss Factor Calculations (Part 1)

		2004	2005	2006	2007	2008	5 Year Average
	Losses in Distributor's System						
A_1	"Wholesale" kWh delivered to distributor (higher value)	117,625,717	116,962,701	118,273,801	111,111,959	88,846,118	110,564,059
A_2	"Wholesale" kWh delivered to distributor (lower value)						
B	Portion of "Wholesale" kWh delivered to distributor for Large Use Customer(s)						
C	Net "Wholesale" kWh delivered to distributor (A_2)-(B)	117,625,717	116,962,701	118,273,801	111,111,959	88,846,118	110,564,059
D	"Retail" kWh delivered by distributor	114,477,154	112,917,026	113,505,053	107,054,646	85,198,798	106,630,535
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)						
F	Net "Retail" kWh delivered by distributor (D)-(E)	114,477,154	112,917,026	113,505,053	107,054,646	85,198,798	
G	Loss Factor in distributor's system [(C)/(F)]	1.0275	1.0358	1.0420	1.0379	1.0428	1.0372
	Losses Upstream of Distributor's System						
H	Supply Facility Loss Factor	1.0045	1.0045	1.0045	1.0045	1.0045	
	Total Losses						
I	Total Loss Factor [(G)x(H)]	1.0321	1.0405	1.0467	1.0426	1.0475	1.0419

A_1

- If directly connected to IESO controlled grid, kWh pertain to metering installation on the primary or high voltage side of the transformer at the interface with the transmission grid. This corresponds to the "Without Losses" kWh value provided by the IESO's MV-WEB. This corresponds to the higher of the two kWh values provided by MV-WEB.
- If fully embedded within a host distributor, kWh pertains to virtual metering at the interface between the embedded distributor and the host distributor. For example, if the host distributor is Hydro One, kWhs from the Hydro One invoice corresponding to "Total kWh Losses" should be reported. This corresponds to the higher of the two kWh values provided by the Hydro One invoice.
- If partially embedded, kWh pertains to the sum of above.

A_2

- If directly connected to the IESO controlled grid, kWhs pertain to metering installation on the secondary or low voltage side of the transformer at the interface with the transmission grid. This corresponds to the "With Losses" kWh value provided by the IESO's MV-WEB. This corresponds to the lower of the two kWh values provided by MV-WEB.
- If fully embedded within a host distributor, kWh pertains to virtual metering at the interface between the embedded

distributor and the host distributor. For example, if the host distributor is Hydro One, kWh from the Hydro One invoice corresponding to "Total kWh" should be reported. This corresponds to the lower of the two kWh values provided by the Hydro One invoice.

- If partially embedded, kWh pertains to sum of above.
- Additionally, kWh pertaining to distributed generation should be included in A_2.

B

- If a Large Customer is metered on the secondary or low voltage side of the transformer, the default loss is 1%, i.e. B = 1.01 x E.

D

- kWhs corresponding to D should equal the total of "total billed energy sales in kWhs for each rate class" in item 1 of Section 2.1.3 in Electricity Reporting and Record Keeping Requirements dated April 4, 2008.

G & I

- This loss factor pertains to secondary metered customers less than 5,000 kW.

H

- If directly connected to IESO controlled grid, SFLF = 1.0045.
- If fully embedded within a host distributor, SFLF = loss factor re losses in transformer at grid interface x loss factor re losses in host distributor's system. If host distributor is Hydro One, SFLF = 1.0060 x 1.0278 = 1.0340.
- If partially embedded, SFLF is weighted average of above.

Table 8.1.4.1: Loss Factor Calculations (Part 2)

	Deliveries to Hearst Power	Sales
Sep-07	8441906	7929570
Oct-07	8702807	7655898
Nov-07	8254635	8420020
Dec-07	9574588	7957369
Jan-08	9079341	7548005
Feb-08	8837021	9747345
Mar-08	9024592	8637308
Apr-08	7191861	8299830
May-08	6991462	7182043
Jun-08	6168427	6860093
Jul-08	5381918	6101453
Aug-08	6313812	5596579
Sep-08	6081323	5827191
Oct-08	6749178	5801623
Nov-08	7771702	6674486
Dec-08	9255481	6917660
Jan-09	9648923	8227627
Feb-09	8177291	9227378
Mar-09	7285105	7839449
Apr-09	6246753	7253897
May-09	6312381	6118255
Jun-09	6145195	5809695
Jul-09	4811813	5960371
Aug-09	5553989	4781235
Sep-09	6091246	5018456
Oct-09	6948814	5877557
Total	**191041564**	**183270393**
Loss Factor		**1.0424**

Table 8.1.4.2: Loss Factors

		2009	2010
	Supply Facilities Loss Factor	1.0045	1.0045
Distribution Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0357	1.0269
Distribution Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0357	1.0269
Total Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0404	1.0315
Total Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0404	1.0315

8.1.5 – RATE SCHEDULES AND BILL IMPACTS:

Table 8.1.5.1 below provides a summary of the components that make up proposed 2010 distribution rates for Hearst Power. The regulatory asset rate riders are based on a regulatory asset return to the customers over four years and recovery of this rebasing application's costs over the same period.

Table 8.1.5.1: Proposed Distribution Rate Components for 2010 excluding SSS charges

Customer Class	Unit of measure	Fixed Charge		Variable Charge	
		Distribution ($)	Smart meter rider	Distribution ($)	Reg asset rider ($)
Residential	kWh	9.00	n/a	0.0162	-0.0009
GS < 50kW	kWh	12.00	n/a	0.0098	-0.0016
GS 50 – 2,999kW	kW	60.00	n/a	1.2200	-0.7168
GS 3,000 – 4,999kW	kW	320.00	n/a	0.5400	-0.7289
Street Lighting	kW	0.50	n/a	21.1000	0.1770
Sentinel Lighting	kW	5.00	n/a	1.4000	0.5144

Hearst Power has provided the reconciliation between its proposed distribution rates and 2010 Test Year volumes and the expected distribution revenue derived from Hearst Power's rate model in Table 8.1.5.2 below. Hearst Power submits that its under-recovery of $10.01 is acceptable to Hearst Power and is immaterial to this 2010 rate application.

Table 8.1.5.2: 2010 Test Year Distribution Revenue Reconciliation excluding SSS charges

Customer Class	Fixed Distribution Revenue	Variable Distribution Revenue	Transformer Allowance Credit	Total Distribution Revenue	Expected
Residential	250,776	438,101		688,877	
GS <50 kW	56,304	126,392		182,696	
GS 50 to 2,999 kW	27,360	70,778	-9,741	88,397	
GS 3,000 to 4,999 KW	11,520	38,178	-24,745	24,953	
Street Lighting	4,356	67,319		71,675	
Sentinel Lighting	1,380	122		1,502	
Total	351,696	740,891	-34,486	1,058,101	1,058,101
Difference Due to Rate Rounding					

Table 8.1.5.3 identifies bill impacts.

Table 8.1.5.3: Bill impacts 800 kWh Residential average winter and summer excluding SSS charges. For other bill comparisons see bill comparison tables

	2009 Current			2010 Proposed			Impact	
	Volume	Rate ($)	Charge ($)	Volume	Rate ($)	Charge ($)	Change ($)	Change (%)
Monthly Service Charge	1	8.4200	8.4200	1	9.0000	9.0000	0.5800	6.89%
Distribution	800	0.0102	8.1600	800	0.0162	12.9600	4.8000	58.82%
Smart Meter Rider (per month)	1	1.0000	1.0000	1	0.0000	0.0000	-1.0000	-100.00%
LRAM & SSM Rider	800	0.0000	0.0000	800	0.0000	0.0000	0.0000	0.00%
Regulatory Assets	800	0.0000	0.0000	800	-0.0009	-0.7200	-0.7200	100.00%
Sub-Total A – Distribution		9.4302	17.5800			21.2400	3.6600	20.82%
RTSR – Network	800	0.0044	3.5200	800	0.0042	3.3600	0.0141	-4.55%
RTSR – Connection	800	0.0050	4.0000	800	0.0041	3.2800	0.0134	-18.00%
Sub-Total B (including Sub-Total A) – Delivery		9.4396	25.1000			27.8800	3.6876	11.08%
Wholesale Market Rate	800	0.0052	4.1600	800	0.0052	4.1600	3.7151	0.00%
RRRP	800	0.0013	1.0400	800	0.0013	1.0400	7.4161	0.00%
DRC	800	0.0070	5.6000	800	0.0070	5.6000	14.8188	0.00%
Cost of Power Commodity	600	0.0575	34.5000	600	0.0575	34.5000	25.9501	0.00%
Cost of Power Commodity	241	0.0620	14.9246	234	0.0620	14.4782	48.1850	-2.99%
Total Bill (including Sub-Total B)			85.3246			87.6582	103.7727	2.73%

Hearst Power has provided a Bill Comparison and Rate Design file which includes bill impacts for each rate class over the full expected range of use. The exceptions to this are the Street Lighting and Sentinel Lighting classes where an illustrative bill comparison is included.

8.1.6 – PROPOSED CHANGES TO TERMS/CONDITIONS OF SERVICE:

Hearst Power proposes no changes to the terms/conditions of service which are listed in Exhibit 1, Tab 1, Schedule 2.

8.1.7 – SPECIFIC SERVICE CHARGES:

Hearst Power proposes no changes to its specific service charges which are listed in Exhibit 1, Tab 1, Schedule 2.

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)
APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES
EFFECTIVE MAY 1, 2010

INDEX – Exhibit 9

Exhibit	Tab	Schedule	Contents of Schedule
9 - DEFERRAL AND VARIANCE ACCOUNTS			
	1	1	Status of Deferral and Variance Accounts
		2	Deferral and Variance Accounts Continuity Schedule
		3	Clearance of Deferral and Variance Accounts
		4	Smart Meters

9.1.1 - STATUS OF DEFERRAL AND VARIANCE ACCOUNTS:

Hearst Power is currently using the following Deferral and Variance Accounts ("DVAs") as described in the Accounting Procedures Handbook.

Commodity Accounts

1588 Retail Settlement Variance Account - Power
1588 Retail Settlement Variance Account - Power, Sub-account Global Adjustments

Non-commodity Accounts

Wholesale and Retail Market Variance Accounts:

1580 Retail Settlement Variance Account - Wholesale Market Service Charges
1584 Retail Settlement Variance Account - Retail Transmission Network Charges
1586 Retail Settlement Variance Account - Retail Transmission Connection Charges

Utility Deferral Accounts:

1508 Other Regulatory Assets - Sub-account OEB Cost Assessments
1508 Other Regulatory Assets - Sub-account Pension Contributions
1525 Miscellaneous Deferred Debits
1550 LV Variance Account
1555 Smart Meter Capital and Recovery Offset Variance
1556 Smart Meter OM&A Variance
1562 Deferred Payments in Lieu of Taxes
1563 Deferred Payments in Lieu of Taxes Contra
1565 Conservation and Demand Management Expenditures and Recoveries
1570 Qualifying Transition Costs
1571 Pre-Market Opening Energy Variances Total
1590 Recovery of Regulatory Asset Balances

Accounts shown in the Deferral and Variance Accounts Continuity Schedule are consistent with current trial balances reported through the Electricity Reporting and Record Keeping Requirements (RRR). Account 1588 data was refilled in 2009 with adjustments for Global Adjustment noted by the OEB audit of September 2009.

Hearst Power will continue to use the listed Deferral and Variance Accounts with the following exceptions:

1570 Qualifying Transition Costs
1571 Pre-Market Opening Energy Variances Total

Variance Account 1588 Power - Sub-Account Global Adjustment is based on the timing differences in establishment, payment and recovery of the rates associated with the

Global Adjustment and Provincial Benefit. These rates are all set by the Independent Electricity System Operator.

Carrying Charges on Deferral and Variance Accounts

Where permitted by the OEB, carrying charges are calculated on Deferral and Variance Accounts using the methodologies and rates approved by the OEB. Interest rates used to calculate the carrying charges for each quarter from January 1, 2005 to present are shown below.

Table 9.1.1.1: Interest Rates Applied to Calculate Carrying Charges for DVAs

Period	2005	2006	2007	2008	2009
Q1	7.25%	7.25%	4.59%	5.14%	2.45%
Q2	7.25%	4.14%	4.59%	4.08%	1.00%
Q3	7.25%	4.59%	4.59%	3.35%	0.55%
Q4	7.25%	4.59%	5.14%	3.35%	0.55%

Account Balances

A continuity schedule for the period January 1, 2005 to present showing opening balances, annual adjustments, accruals, interest and closing balances is presented at Exhibit 9, Tab1, Schedule 2.

9.1.2 – DEFERRAL AND VARIANCE ACCOUNT CONTINUITY SCHEDULE:

			2005									
Account Description	Note	**Account Number**	**Opening Principal Amounts as of Jan-1-05** [1]	**Transactions (additions) during 2005, excluding interest and adjustments** [6]	**Transactions (reductions) during 2005, excluding interest and adjustments** [6]	**Adjustments during 2005 - instructed by Board** [2]	**Adjustments during 2005 - other** [3]	**Closing Principal Balance as of Dec-31-05**	**Opening Interest Amounts as of Jan-1-05**	**Interest Jan-1 to Dec31-05**	**Closing Interest Amounts as of Dec-31-05**
RSVA - Wholesale Market Service Charge		1580	42,601.48	31,727.00				74,328.48	-124.87	-116.72	-241.59
RSVA - One-time Wholesale Market Service		1582						0.00			0.00
RSVA - Retail Transmission Network Charge		1584	-200,313.34	-75,089.23				-275,402.57	-368.22	-552.32	-920.54
RSVA - Retail Transmission Connection Charge		1586	-131,278.63	-50,745.42				-182,024.05	-215.47	-375.66	-591.13
	Sub-Totals		-288,990.49	-94,107.65		0.00	0.00	-383,098.14	-708.56	-1,044.70	-1,753.26
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	OEB COST ASSES.	1508	1,980.00	3,468.76				5,448.76	9.30	143.55	152.85
Other Regulatory Assets - Sub-Account - Pension Contributions	PENSION	1508		14,898.38				14,898.38			0.00
Other Regulatory Assets - Sub-Account - Other [7]		1508						0.00			0.00
Other Regulatory Assets - Sub-Account - Other [7]		1508						0.00			0.00
Other Regulatory Assets - Sub-Account - Other [7]		1508						0.00			0.00
Retail Cost Variance Account - Retail		1518						0.00			0.00
Retail Cost Variance Account - STR		1548						0.00			0.00
Misc. Deferred Debits		1525	3,287.73	4,007.00				7,294.73		238.36	238.36
LV Variance Account		1550						0.00			0.00

[1] As per general ledger, if does not agree to Dec-31-04 balance filed in 2006 EDR then provide supplementary analysis
[2] Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, and etc.
[3] Provide supporting statement indicating nature of this adjustments and periods they relate to
[4] Not included in sub-total
[5] Closed April 30, 2002
[6] For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.
[7] Please describe "other" components of 1508 and add more component lines if necessary.
[8] 1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the obligation to the ratepayer.
[9] Interest projected on December 31, 2008 closing principal balance.

		2006											
Account Description	**Account Number**	**Opening Principal Amounts as of Jan-1-06**	**Transactions (additions) during 2006, excluding interest and adjustments [6]**	**Transactions (reductions) during 2006, excluding interest and adjustments [6]**	**Adjustments during 2006 - instructed by Board [2]**	**Adjustments during 2006 - other [3]**	**Transfer of Board-approved amounts to 1590 as per 2006 EDR**	**Closing Principal Balance as of Dec-31-06**	**Opening Interest Amounts as of Jan-1-06**	**Interest Jan-1 to Dec31-06**	**Transfer of Board-approved amounts to 1590 as per 2006 EDR**	**Closing Interest Amounts as of Dec-31-06**
RSVA - Wholesale Market Service Charge	1580	74,328.48	-129,441.59				-42,602.00	-97,715.11	-241.59	1,768.51	281.00	1,807.92
RSVA - One-time Wholesale Market Service	1582	0.00						0.00	0.00			0.00
RSVA - Retail Transmission Network Charge	1584	-275,402.57	-13,425.02				200,314.00	-88,513.59	-920.54	-7,516.43	1,104.00	-7,332.97
RSVA - Retail Transmission Connection Charge	1586	-182,024.05	-48,736.46				131,279.00	-99,481.51	-591.13	-5,136.33	841.00	-4,886.46
Sub-Totals		-383,098.14	-191,603.07		0.00	0.00	288,991.00	-285,710.21	-1,753.26	-10,884.25	2,226.00	-10,411.51
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	5,448.76	1,035.00				-1,980.00	4,503.76	152.85	238.04	-200.00	190.89
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	14,898.38	0.00					14,898.38	0.00	671.74		671.74
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00						0.00	0.00			0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00						0.00	0.00			0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00						0.00	0.00			0.00
Retail Cost Variance Account - Retail	1518	0.00						0.00	0.00			0.00
Retail Cost Variance Account - STR	1548	0.00						0.00	0.00			0.00
Misc. Deferred Debits	1525	7,294.73					-3,288.00	4,006.73	238.36	122.09	-317.00	43.45
LV Variance Account	1550	0.00						0.00	0.00			0.00

		2007								
Account Description	**Account Number**	**Opening Principal Amounts as of Jan-1-07**	**Transactions (additions) during 2007, excluding interest and adjustments [6]**	**Transactions (reductions) during 2007, excluding interest and adjustments [6]**	**Adjustments during 2007 - instructed by Board [2]**	**Adjustments during 2007 - other [3]**	**Closing Principal Balance as of Dec-31-07**	**Opening Interest Amounts as of Jan-1-07**	**Interest Jan-1 to Dec31-07**	**Closing Interest Amounts as of Dec-31-07**
RSVA - Wholesale Market Service Charge	1580	-97,715.11	-78,883.92				-176,599.03	1,807.92	-4,901.43	-3,093.51
RSVA - One-time Wholesale Market Service	1582	0.00					0.00	0.00		0.00
RSVA - Retail Transmission Network Charge	1584	-88,513.59	36,193.04				-52,320.55	-7,332.97	-4,078.72	-11,411.69
RSVA - Retail Transmission Connection Charge	1586	-99,481.51	-54,174.58				-153,656.09	-4,886.46	-4,918.53	-9,804.99
Sub-Totals		-285,710.21	-96,865.46		0.00	0.00	-382,575.67	-10,411.51	-13,898.68	-24,310.19
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	4,503.76					4,503.76	190.89	212.83	403.72
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	14,898.38	0.00				14,898.38	671.74	968.29	1,640.03
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Retail Cost Variance Account - Retail	1518	0.00					0.00	0.00		0.00
Retail Cost Variance Account - STR	1548	0.00					0.00	0.00		0.00
Misc. Deferred Debits	1525	4,006.73					4,006.73	43.45	36.25	79.70
LV Variance Account	1550	0.00	38,450.67				38,450.67	0.00	1,353.87	1,353.87

		2008								
Account Description	**Account Number**	**Opening Principal Amounts as of Jan-1-08**	**Transactions (additions) during 2008, excluding interest and adjustments [6]**	**Transactions (reductions) during 2008, excluding interest and adjustments [6]**	**Adjustments during 2008 - instructed by Board [2]**	**Adjustments during 2008 - other [3]**	**Closing Principal Balance as of Dec-31-08**	**Opening Interest Amounts as of Jan-1-08**	**Interest Jan-1 to Dec31-08**	**Closing Interest Amounts as of Dec-31-08**
RSVA - Wholesale Market Service Charge	1580	-176,599.03	-15,931.74				-192,530.77	-3,093.51	-7,292.21	-10,385.72
RSVA - One-time Wholesale Market Service	1582	0.00					0.00	0.00		0.00
RSVA - Retail Transmission Network Charge	1584	-52,320.55	-15,600.25				-67,920.80	-11,411.69	-2,496.47	-13,908.16
RSVA - Retail Transmission Connection Charge	1586	-153,656.09	-79,056.48				-232,712.57	-9,804.99	-6,626.06	-16,431.05
Sub-Totals		-382,575.67	-110,588.47		0.00	0.00	-493,164.14	-24,310.19	-16,414.74	-40,724.93
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	4,503.76					4,503.76	403.72	185.78	589.50
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	14,898.38					14,898.38	1,640.03	845.06	2,485.09
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00					0.00	0.00		0.00
Retail Cost Variance Account - Retail	1518	0.00					0.00	0.00		0.00
Retail Cost Variance Account - STR	1548	0.00					0.00	0.00		0.00
Misc. Deferred Debits	1525	4,006.73					4,006.73	79.70	31.64	111.34
LV Variance Account	1550	38,450.67	13,902.60				52,353.27	1,353.87	1,685.25	3,039.12

		Forecast							
Account Description	**Account Number**	**Projected Interest on Dec 31 -08 balance from Jan 1, 2009 to Dec 31, 2009** [9]	**Projected Interest on Dec 31 -08 balance from Jan 1, 2010 to April 30, 2010** [9]	**Claim before Forecasted Transactions**	**Forecasted Transactions, Excluding Interest from Jan 1, 2009 to Dec 31, 2009**	**Forecasted Transactions, Excluding Interest from Jan 1, 2010 to April 30, 2010**	**Projected Interest from Jan 1, 2009 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2009 to December 31, 2009**	**Projected Interest from Jan 1, 2010 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2010 to April 30, 2010**	**Total Claim**
RSVA - Wholesale Market Service Charge	1580	-2,190.04	-352.97	-205,459.50	-60,965.84	-18,120.00	-2,926.19	-33.22	-287,504.75
RSVA - One-time Wholesale Market Service	1582			0.00				0.00	0.00
RSVA - Retail Transmission Network Charge	1584	-772.60	-124.52	-82,726.08	-13,995.36	-2,300.00	-1,009.24	-4.22	-100,034.90
RSVA - Retail Transmission Connection Charge	1586	-2,647.11	-426.64	-252,217.37	-91,356.82	-32,400.00	-3,719.06	-59.40	-379,752.64
Sub-Totals		-5,609.74	-904.13	-540,402.95	-166,318.02	-52,820.00	-7,654.49	-96.84	-767,292.29
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	51.23	8.26	5,152.75	0.00	0.00		0.00	5,152.75
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	169.47	27.31	17,580.25				0.00	17,580.25
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00	0.00	0.00				0.00	0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00	0.00	0.00				0.00	0.00
Other Regulatory Assets - Sub-Account - Other [7]	1508	0.00	0.00	0.00				0.00	0.00
Retail Cost Variance Account - Retail	1518	0.00	0.00	0.00				0.00	0.00
Retail Cost Variance Account - STR	1548	0.00	0.00	0.00				0.00	0.00
Misc. Deferred Debits	1525	45.58	7.35	4,170.99				0.00	4,170.99
LV Variance Account	1550	595.52	95.98	56,083.89	15,995.54	3,000.00	1,039.83	5.50	76,124.75

			2005									
Account Description	Note	**Account Number**	**Opening Principal Amounts as of Jan-1-05** [1]	**Transactions (additions) during 2005, excluding interest and adjustments** [6]	**Transactions (reductions) during 2005, excluding interest and adjustments** [6]	**Adjustments during 2005 - instructed by Board** [2]	**Adjustments during 2005 - other** [3]	**Closing Principal Balance as of Dec-31-05**	**Opening Interest Amounts as of Jan-1-05**	**Interest Jan-1 to Dec31-05**	**Closing Interest Amounts as of Dec-31-05**
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital		1555						0.00			0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries		1555						0.00			0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs		1555						0.00			0.00
Smart Meter OM&A Variance		1556						0.00			0.00
Conservation and Demand Management Expenditures and Recoveries		1565						0.00			0.00
CDM Contra		1566						0.00			0.00
Qualifying Transition Costs [5]		1570	76,185.89	n/a	n/a		18,625.91	94,811.80		5,523.48	5,523.48
Pre-Market Opening Energy Variances Total [5]		1571	6,940.27	n/a	n/a		3,288.69	10,228.96	3,818.42	503.17	4,321.59
Extra-Ordinary Event Costs		1572						0.00			0.00
Deferred Rate Impact Amounts		1574						0.00			0.00
Other Deferred Credits		2425						0.00			0.00
	Sub-Totals		88,393.89	22,374.14	0.00	0.00	21,914.60	132,682.63	3,827.72	6,408.56	10,236.28
Deferred Payments in Lieu of Taxes		1562	**see PILs reconciliation requested**								
2006 PILs & Taxes Variance		1592	**see PILs reconciliation requested**								
	Sub-Totals		**see PILs reconciliation requested**								
	Total		-200,596.60	-71,733.51	0.00	0.00	21,914.60	-250,415.51	3,119.16	5,363.86	8,483.02
The following is not included in the total claim but is included on a memo basis:											
Deferred PILs Contra Account [8]		1563	**see PILs reconciliation requested**								
RSVA - Power (including Global Adjustment)		1588	-400,185.46	-287,031.53				-687,216.99	-2,464.16	-40,889.45	-43,353.61
RSVA - Power - Sub-Account - Global Adjustment [4]		1588		5,695.80				5,695.80	0.00	-1,418.95	-1,418.95
Recovery of Regulatory Asset Balances		1590		181,059.67				181,059.67		6,111.43	6,111.43

		2006											
Account Description	**Account Number**	**Opening Principal Amounts as of Jan-1-06**	**Transactions (additions) during 2006, excluding interest and adjustments [6]**	**Transactions (reductions) during 2006, excluding interest and adjustments [6]**	**Adjustments during 2006 - instructed by Board [2]**	**Adjustments during 2006 - other [3]**	**Transfer of Board-approved amounts to 1590 as per 2006 EDR**	**Closing Principal Balance as of Dec-31-06**	**Opening Interest Amounts as of Jan-1-06**	**Interest Jan-1 to Dec31-06**	**Transfer of Board-approved amounts to 1590 as per 2006 EDR**	**Closing Interest Amounts as of Dec-31-06**
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	0.00						0.00	0.00			0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	0.00	-4,160.00					-4,160.00	0.00	-39.96		-39.96
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	0.00						0.00	0.00			0.00
Smart Meter OM&A Variance	1556	0.00						0.00	0.00			0.00
Conservation and Demand Management Expenditures and Recoveries	1565	0.00		-13,196.75				-13,196.75	0.00			0.00
CDM Contra	1566	0.00						0.00	0.00			0.00
Qualifying Transition Costs [5]	1570	94,811.80	n/a	n/a			-75,184.00	19,627.80	5,523.48	3,230.02		8,753.50
Pre-Market Opening Energy Variances Total [5]	1571	10,228.96	n/a	n/a			-10,759.00	-530.04	4,321.59	260.92	-671.00	3,911.51
Extra-Ordinary Event Costs	1572	0.00						0.00	0.00			0.00
Deferred Rate Impact Amounts	1574	0.00						0.00	0.00			0.00
Other Deferred Credits	2425	0.00						0.00	0.00			0.00
Sub-Totals		132,682.63	-3,125.00	-13,196.75	0.00	0.00	-91,211.00	25,149.88	10,236.28	4,482.85	-1,188.00	13,531.13
Deferred Payments in Lieu of Taxes	1562		**see PILs reconciliation requested**									
2006 PILs & Taxes Variance	1592		**see PILs reconciliation requested**									
Sub-Totals			**see PILs reconciliation requested**									
Total		-250,415.51	-194,728.07	-13,196.75	0.00	0.00	197,780.00	-260,560.33	8,483.02	-6,401.40	1,038.00	3,119.62
The following is not included in the total claim but is included on a memo basis:												
Deferred PILs Contra Account [8]	1563		**see PILs reconciliation requested**									
RSVA - Power (including Global Adjustment)	1588	-687,216.99	78,859.24				399,054.00	-209,303.75	-43,353.61	-21,068.27		-64,421.88
RSVA - Power - Sub-Account - Global Adjustment [4]	1588	5,695.80	50,038.02					55,733.82	-1,418.95	1,704.77		285.82
Recovery of Regulatory Asset Balances	1590	181,059.67	205,261.93				-601,620.00	-215,298.40	6,111.43	-3,397.88		2,713.55

Account Description	Account Number	2007								
		Opening Principal Amounts as of Jan-1-07	Transactions (additions) during 2007, excluding interest and adjustments [6]	Transactions (reductions) during 2007, excluding interest and adjustments [6]	Adjustments during 2007 - instructed by Board [2]	Adjustments during 2007 - other [3]	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec31-07	Closing Interest Amounts as of Dec-31-07
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	0.00					0.00	0.00		0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	-4,160.00	-8,295.50				-12,455.50	-39.96	-380.71	-420.67
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	0.00					0.00	0.00		0.00
Smart Meter OM&A Variance	1556	0.00	0.00				0.00	0.00		0.00
Conservation and Demand Management Expenditures and Recoveries	1565	-13,196.75	-11,931.23				-25,127.98	0.00	-831.66	-831.66
CDM Contra	1566	0.00					0.00	0.00		0.00
Qualifying Transition Costs [5]	1570	19,627.80	n/a	n/a			19,627.80	8,753.50	927.85	9,681.35
Pre-Market Opening Energy Variances Total [5]	1571	-530.04	n/a	n/a			-530.04	3,911.51	0.00	3,911.51
Extra-Ordinary Event Costs	1572	0.00					0.00	0.00		0.00
Deferred Rate Impact Amounts	1574	0.00					0.00	0.00		0.00
Other Deferred Credits	2425	0.00					0.00	0.00		0.00
Sub-Totals		25,149.88	18,223.94	0.00	0.00	0.00	43,373.82	13,531.13	2,286.72	15,817.85
Deferred Payments in Lieu of Taxes	1562		see PILs reconciliation requested							
2006 PILs & Taxes Variance	1592		see PILs reconciliation requested							
Sub-Totals			see PILs reconciliation requested							
Total		-260,560.33	-78,641.52	0.00	0.00	0.00	-339,201.85	3,119.62	-11,611.96	-8,492.34
The following is not included in the total claim but is included on a memo basis:										
Deferred PILs Contra Account [8]	1563		see PILs reconciliation requested							
RSVA - Power (including Global Adjustment)	1588	-209,303.75	-2,959.02				-212,262.77	-64,421.88	-10,284.26	-74,706.14
RSVA - Power - Sub-Account - Global Adjustment [4]	1588	55,733.82	13,219.30				68,953.12	285.82	2,681.73	2,967.56
Recovery of Regulatory Asset Balances	1590	-215,298.40	123,957.72				-91,340.68	2,713.55	-7,842.36	-5,128.81

		2008								
Account Description	**Account Number**	**Opening Principal Amounts as of Jan-1-08**	**Transactions (additions) during 2008, excluding interest and adjustments [6]**	**Transactions (reductions) during 2008, excluding interest and adjustments [6]**	**Adjustments during 2008 - instructed by Board [2]**	**Adjustments during 2008 - other [3]**	**Closing Principal Balance as of Dec-31-08**	**Opening Interest Amounts as of Jan-1-08**	**Interest Jan-1 to Dec31-08**	**Closing Interest Amounts as of Dec-31-08**
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	0.00					0.00	0.00		0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	-12,455.50	-8,258.21				-20,713.71	-420.67	-653.13	-1,073.80
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	0.00					0.00	0.00		0.00
Smart Meter OM&A Variance	1556	0.00	9,537.66				9,537.66	0.00		0.00
Conservation and Demand Management Expenditures and Recoveries	1565	-25,127.98	225.00				-24,902.98	-831.66	-1,073.59	-1,905.25
CDM Contra	1566	0.00					0.00	0.00		0.00
Qualifying Transition Costs [5]	1570	19,627.80	n/a	n/a			19,627.80	9,681.35	811.51	10,492.86
Pre-Market Opening Energy Variances Total [5]	1571	-530.04	n/a	n/a			-530.04	3,911.51		3,911.51
Extra-Ordinary Event Costs	1572	0.00					0.00	0.00		0.00
Deferred Rate Impact Amounts	1574	0.00					0.00	0.00		0.00
Other Deferred Credits	2425	0.00					0.00	0.00		0.00
Sub-Totals		43,373.82	15,407.05	0.00	0.00	0.00	58,780.87	15,817.85	1,832.52	17,650.37
Deferred Payments in Lieu of Taxes	1562		**see PILs reconciliation requested**							
2006 PILs & Taxes Variance	1592		**see PILs reconciliation requested**							
Sub-Totals			**see PILs reconciliation requested**							
Total		-339,201.85	-95,181.42	0.00	0.00	0.00	-434,383.27	-8,492.34	-14,582.22	-23,074.56
The following is not included in the total claim but is included on a memo basis:										
Deferred PILs Contra Account [8]	1563		**see PILs reconciliation requested**							
RSVA - Power (including Global Adjustment)	1588	-212,262.77	71,724.21				-140,538.56	-74,706.14	-7,274.52	-81,980.66
RSVA - Power - Sub-Account - Global Adjustment [4]	1588	68,953.12	-1,480.90				67,472.22	2,967.56	2,705.18	5,672.74
Recovery of Regulatory Asset Balances	1590	-91,340.68	44,735.47				-46,605.21	-5,128.81	-2,450.96	-7,579.77

		Forecast							
Account Description	**Account Number**	**Projected Interest on Dec 31 -08 balance from Jan 1, 2009 to Dec 31, 2009** [9]	**Projected Interest on Dec 31 -08 balance from Jan 1, 2010 to April 30, 2010** [9]	**Claim before Forecasted Transactions**	**Forecasted Transactions, Excluding Interest from Jan 1, 2009 to Dec 31, 2009**	**Forecasted Transactions, Excluding Interest from Jan 1, 2010 to April 30, 2010**	**Projected Interest from Jan 1, 2009 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2009 to December 31, 2009**	**Projected Interest from Jan 1, 2010 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2010 to April 30, 2010**	**Total Claim**
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	-235.62	-37.98	-22,061.10	-22,445.56	-5,469.31	-375.97	-10.03	-50,361.97
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	0.00	0.00	0.00	45,081.00	0.00	82.65	0.00	45,163.65
Smart Meter OM&A Variance	1556	108.49	17.49	9,663.64	35,890.12	0.00	367.91	0.00	45,921.67
Conservation and Demand Management Expenditures and Recoveries	1565	-283.27	-45.66	-27,137.16	8,282.50		-325.33	0.00	-19,179.98
CDM Contra	1566	0.00	0.00	0.00				0.00	0.00
Qualifying Transition Costs [5]	1570	223.27	35.98	30,379.91	0.00	0.00		0.00	30,379.91
Pre-Market Opening Energy Variances Total [5]	1571	-6.03	-0.97	3,374.47				0.00	3,374.47
Extra-Ordinary Event Costs	1572	0.00	0.00	0.00				0.00	0.00
Deferred Rate Impact Amounts	1574	0.00	0.00	0.00				0.00	0.00
Other Deferred Credits	2425	0.00	0.00	0.00				0.00	0.00
Sub-Totals		668.63	107.76	77,207.63	82,803.60	-2,469.31	789.09	-4.53	158,326.48
Deferred Payments in Lieu of Taxes	1562								
2006 PILs & Taxes Variance	1592								
Sub-Totals				0.00					0.00
Total		-4,941.11	-796.37	-463,195.31	-83,514.42	-55,289.31	-6,865.40	-101.36	-608,965.81
The following is not included in the total claim but is included on a memo basis:									
Deferred PILs Contra Account [8]	1563								
RSVA - Power (including Global Adjustment)	1588	-1,598.63	-257.65	-224,375.50	-33,563.67	-41,700.00	-7,336.06	-76.45	-307,051.68
RSVA - Power - Sub-Account - Global Adjustment [4]	1588	767.50	123.70	74,036.16	107,293.08	64,214.00	2,901.89	117.73	248,562.85
Recovery of Regulatory Asset Balances	1590	-530.13	-85.44	-54,800.56	0.00			0.00	-54,800.56

9.1.3 – CLEARANCE OF DEFERRAL AND VARIANCE ACCOUNTS:

Hearst Power proposes to settle outstanding deferral account balances based on audited amounts as of December 31, 2008 with interest on the principal amounts up to April 30, 2010. The balances and method for recovery are similar to those employed in the 2006 EDR.

The deferral accounts proposed to be settled over a period of four years are:

1508 Other Regulatory Assets - Sub-account OEB Cost Assessments
1508 Other Regulatory Assets - Sub-account OEB Pension Contributions
1525 Misc. Deferred Debits - incl. Rebate Cheques
1550 Low Voltage Variance Account
1565 CDM Expenditures & Recovery
1580 Wholesale Market Service Charge - RSVA
1584 Retail Transmission Network Charge - RSVA
1586 Retail Transmission Connection Charge - RSVA
1588 Power - RSVA
1588 Power - Global Adjustment
1590 Recovery of Regulatory Asset

Deferral and variance account rate rider calculations for one-year rate riders are presented in the "2. Defrl & Var Rate Riders Calc" tab of the Rebasing Worksheets file. The conversion to four-year rate riders is included in the Bill Compare Rate Design file. The table below (9.1.3.1) summarizes the results of those calculations.

Table 9.1.3.1: 2010 Deferral and Variance Account Rate Riders

# OF YEARS	Customer Class	Combined Reg. Asset Rebasing Rate Riders ($) per kW.h	Combined Reg. Asset Rebasing Rate Riders ($) per kW
4	**Residential**	(0.0009)	
	GS < 50 kW	(0.0016)	
	GS > 50 kW		(0.7168)
	Intermediate		(0.7289)
	Sentinel Lights		0.1770
	Street Lighting		0.5144

Hearst Power proposes to wait for further direction from the Board related to the method of disposition of the following accounts:

1562 PILs
1563 PILs contra

The handling of the smart meter 1555 accounts (listed below) will be dealt with in schedule 9.1.4.

1555 Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital
1555 Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries
1555 Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs
1556 Smart Meter OM&A Variance

9.1.4 – SMART METERS:

Status of Smart Meter Implementation

Hearst Power began installing smart meters in March, 2009. The implementation schedule is included in Table 9.1.4.1 following.

Table 9.1.4.1: Smart Meter Historical and Forecasted Installation Schedule

						Projected	Projected
Installations at:		**31-Dec-09**	**31-Dec-09**	**31-Jan-10**	**31-Jan-10**	**31-Dec-10**	**31-Dec-10**
	2010 customer count	**Number of Installations**	**Percent of total customer**	**Number of Installations**	**Percent of total customer**	**Number of Installations**	**Percent of total customer**
Residential	2,322	2,243	96.60%	2,249	96.86%	2,322	100.00%
General Service < 50kW	391	128	32.74%	249	63.68%	391	100.00%
General Service 50kW to 1499kW	38	-	0.00%	-	0.00%	38	100.00%
TOTAL	2,751	2,371	86.19%	2,498	90.80%	2,751	100.00%

Summary of Approvals Requested

1. Hearst Power requests to discontinue smart meter charge recovery of its current approved smart meter funding adder of $1.00 per metered customer per month.

2. Hearst Power requests that the 1555/1556 accounts be dealt with as follows:
   - 1555 - Smart Meter Capital and Recovery Offset Variance Sub-Account - Capital: Let this account be cleared as at December 31, 2009 in accordance with the Collins Barrow audit letter of February 25, 2010 (attached as Appendix C to Exhibit 1, Tab 3, Schedule 1). Further, that capital expenditures for smart meters incurred in 2010 be treated as regular capital expenditures and charged against the appropriate operating asset account.
   - 1555 - Smart Meter Capital and Recovery Offset Variance Sub-Account - Recoveries: Let this account continue and not be cleared at this time.
   - 1555 - Smart Meter Capital and Recovery Offset Variance Sub-Account - Stranded Meter Costs: Let this account continue because all stranded meters have not yet been identified.
   - 1556 Smart Meter OM&A Variance: Let this account continue but with OM&A cost in 2010 and beyond charged to operations.

The rational for the treatment of the above four accounts is that, as at December 31, 2009 and certainly by January 31, 2009, the smart meters are effectively installed and operational for the Residential class with the majority in service for the General Service <50 kW class. The intention of Hearst is to complete the conversion of smaller General Service customer meters and remaining Residential meters to smart meters by the end of 2010. If the remaining three accounts (after clearing the 1555 Capital Sub-Account)

are summed, they produce a relatively small net balance which will be payable to or by Hearst Power customers.

Procurement Agreement
Hearst Power entered into a Procurement Agreement with Sensus Metering Systems Inc associated with the smart meter program. A copy is attached as Appendix A to this schedule.

Smart Meter Impact
The smart meter program has the most significant impact in each of the following areas:

- Procurement and installation of the components of the AMI system: In 2009, the meter cost was $280,332 with a communication system cost of $156,858. The residual cost expected for 2010 for the remaining meters and communication system is $114,896.
- Incremental operating and maintenance activities: The estimated meter reading expense for 2010 is $85,079.
- Stranded meters: An initial estimate of the stranded meter cost for the Residential and General Service <50 kW customers is $45,081. This amount will be higher once demand meters for the >50 kW customers are converted.

Appendix A

Smart Meter Procurement Agreement

ADVANCED METERING INFRASTRUCTURE
SALE AND SERVICES AGREEMENT

BETWEEN

HEARST POWER DISTRIBUTION CO. LTD.
(LDC)

AND

SENSUS METERING SYSTEMS INC.
(Sensus)

ADVANCED METERING INFRASTRUCTURE
SALE AND SERVICES AGREEMENT

THIS ADVANCED METERING INFRASTRUCTURE SALE AND SERVICES AGREEMENT (this "Agreement") is effective as of the 31st day of July, 2009 (the "Effective Date") between Hearst Power Distribution Co. Ltd. (the "LDC"), a corporation with offices at 925 Alexandra Street, P.O. Bag 5000, Hearst, ON P0L 1N0, Canada and Sensus Metering Systems Inc. ("Sensus"), a Delaware corporation with offices at 8537 Six Forks Road, Suite 400, Raleigh, North Carolina, U.S.A. 27615.

WHEREAS Sensus is a premier provider of automatic approved meter reading ("AMR") system solutions and has agreed to provide the Services (as defined herein) to the LDC and the LDC has agreed to accept the Services on its behalf on the terms and conditions set out herein;

AND WHEREAS Sensus intends to provide sustainable value to the LDC through a long-term relationship and by finding innovative ways to improve service levels to the LDC, and streamline processes and reduce costs for the LDC;

AND WHEREAS Sensus acknowledges and understands the importance of success in the delivery of the Services to the LDC and the parties are committed to the success of this Agreement;

AND WHEREAS Sensus, in recognition of the importance of the Services to the LDC and the impact that the failure to deliver the Services in accordance with this Agreement will have on the LDC, will allocate, commit and utilize all necessary resources and devote sufficient time and effort to perform their obligations in accordance with the provisions of this Agreement.

NOW THEREFORE in consideration of the respective covenants, agreements, representations and warranties of the parties hereto and other good and valuable consideration (the receipt and sufficiency of which are hereby confirmed by each of the parties), the parties hereto hereby agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions. In this Agreement, including the Appendices, the following terms shall have the meanings indicated in addition to those defined terms found elsewhere in this Agreement. Where a defined term is followed by an acronym in brackets, this acronym is the equivalent used by the Ontario Ministry of Energy and the local distribution companies in Ontario

"Account Manager" has the meaning set out in Section 2.8.

"Act of Insolvency" means the applicable party (i) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors; (ii) files an answer or other pleading admitting, or fails to deny or contest, the material allegations of an involuntary petition filed against it pursuant to any applicable statute

relating to bankruptcy, arrangement or reorganization; (iii) shall be adjudicated bankrupt or shall make an assignment for the benefit of its creditors generally; or (iv) shall apply for, consent to, or acquiesce in the appointment of any receiver or trustee for all or a substantial part of its property, and any such receiver or trustee shall be appointed and shall not be discharged within thirty (30) days after the date of such appointment .

"Affiliate" of an entity means any other entity directly or indirectly; (i) controlled by the first mentioned entity; (ii) controlling the first mentioned entity; or (iii) under common control with the first mentioned entity, where "control" means the ability to direct the actions of the relevant entity. In the case of Sensus, it also specifically includes any entity in which 50% or more of the equity is, directly or indirectly, held by Sensus Metering Systems (Bermuda 1) Ltd.

"Agreement" means this Advanced Metering Infrastructure Sale and Services Agreement and all Appendices hereto.

"AMCD" (AMCD) means an advanced Approved Metering Communication Device, which has been fully approved by Measurement Canada and any other applicable Governmental Entity, that is housed either under the Approved Meter's glass or outside the Approved Meter. The AMCD transmits Meter Reads from the Approved Meter directly or indirectly to the RNI.

"AMI" means an advanced Approved Metering Infrastructure, which has been fully approved by Measurement Canada and any other applicable Governmental Entity. It includes the Approved Meters, the LAN, the TGB and the RNI and related hardware, software and connectivity required for a fully functioning system that complies with the Functional Specification.

"Applicable Privacy Laws" means PIPEDA and MFIPPA and any similar Canadian federal or provincial legislation now in force or that may in the future come into force governing the protection of Personal Information and that is applicable to either party or to the Services.

"Approved Meter" means a meter approved by Measurement Canada for use in Canada and any other applicable Governmental Entity.

"Available Meter" means an installed Sensus FlexNet meter or a Sensus SmartPoint™ which has been installed on a third party meter, and which in either case is not an Unavailable Meter (or on an Unavailable Meter in the case of Smartpoints™ on third party meters) and which satisfies all of the following criteria:

(1) it functions properly, is powered and is not a damaged or failed meter or an Unavailable Meter during the Daily Read Period;

(2) it is in a deployment area of meters for the LDC such that a sufficient number of two-way meters are in range of each other;

(3) it is serviced by a tower TGB or FNP or FRP that has not been subjected to a power failure greater than eight (8) total hours;

(4) neither it nor the TGB, buddy box or any other network equipment that serves that meter has been affected by a Force Majeure or vandalism;

(5) illegal jamming of the radio spectrum or other illegal RF interference is not preventing or interfering with radio communication to or from the meter, provided that Sensus is diligently working to effect a cure and provides a weekly status report;

(6) it is installed in the Territory;

(7) it has not been reported to the LDC under Sensus' or the LDC's preventative maintenance;

(8) its functioning or performance has not been adversely affected by a failure of the LDC to perform its obligations or tasks for which it is responsible under this Agreement,

(9) its functioning or performance has not been adversely affected by a failure or insufficiency of the back haul telecommunications network of the LDC for communications among the components of the AMI;

(10) it has been installed in compliance with the procedures and specifications approved by the LDC and Sensus; and

(11) the LDC's paperwork properly reflects the status of the meter.

"Business Day" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Canada.

"Cause of Action" has the meaning set out in Section 17.1.

"CMEP file" means a file in accordance with the California Meter Exchange Protocol which is the Ontario Independent Electricity System Operator's current and future specification for the exchange of data from the AMI to the Centralized MDM/R.

"Competitor" means Elster, GE, Trilliant, Silver Springs, Cellnet, Current, Itron, Landis & Gyr, and any other entity that competes with Sensus in the field of automatic meter infrastructure or reading.

"Confidential Information" means all non-public information and materials, whether furnished or to be furnished orally, electronically or in written form, relating to the business, operations, assets, liabilities, plans, prospects, processes and other affairs of the Disclosing Party, which shall include but not be limited to the terms of this Agreement, pricing, performance or design of the FlexNet System, Personal Information, Customer Data, all data, software, business and financial information, trade secrets, forecasts and records containing or otherwise reflecting or embodying

information, all copies and any analyses, compilations, studies, extracts, paraphrased text, references or other documents concerning the Disclosing Party which the Receiving Party or any of its Representatives may receive from the Disclosing Party or any of its Representatives.

"Consumer" or "Customer" means a person who uses, for the person's own consumption, electricity that the person did not generate.

"Contract Year" means the twelve month period commencing on the Effective Date or on any anniversary of the Effective Date.

"Core CPI" shall mean the Consumer Price Index, as published by the Bank of Canada published at http://www.bankofcanada.ca/en/cpi.html, excluding eight of the most volatile components (fruit, vegetables, gasoline, fuel oil, natural gas, mortgage interest, inter-city transportation and tobacco products) as well as the effect of changes in indirect taxes on the remaining components, or if no longer available a substantially similar succeeding index.

"Customer Data" means any Personal Information or any data about an individual Consumer or Customer that is collected, received, gathered or stored by Sensus in conducting the Services, including but not limited to analyses or compilations prepared with such information or data (and including data back-up procedures) and meter reading and voltage information.

"Daily Read Period" means the 24-hour period for collecting Meter Reads, subject to the two periods annually during which changes to and from daylight savings time take place. The Daily Read Period ends at 11:59 p.m. (and 59 seconds) of each day and commences at 12:00 a.m. of each day.

"Disclosing Party" means the party disclosing the Confidential Information or on behalf of whom Confidential Information is disclosed to the Receiving Party.

"Distributor" has the meaning provided for in Part V of the *Ontario Energy Board Act, 1998.*

"Effective Date means the date first written above.

"Equipment" means the Approved Meters, Smartpoints™, Network Equipment, and such other equipment as may be agreed upon between the parties from time to time.

"Escrow Agreement" means the Iron Mountain agreement for the escrow of the source code of the Sensus proprietary software as contained in Appendix J.

"Event of Force Majeure" or "Force Majeure" means an act of terrorism, war (declared or undeclared), revolutions, insurrections, fires, floods, slides, epidemics, quarantine restrictions required by a Governmental Entity, freight embargoes, widespread power

failures, mass labour unrest or strikes, walkouts (excluding illegal lockouts) or any similar events which are beyond the reasonable control of a party, and which do not arise in any way from the neglect, misconduct or default of a party, and which will or is likely to result in a material delay, material interruption or material failure by a party in carrying out its duties, covenants, services and obligations under this Agreement, but which in any event does not mean or include any delay whatsoever caused, directly or indirectly, by a party's financial condition or a party's lack of resources due to its own fault (whether human, technological, financial or otherwise).

"FlexNet System" means the system comprised of: (i) the Approved Meters and Smartpoints™ in service in the Territory of the LDC; (ii) the Network Equipment; and (iii) the FlexWare™ Software.

"FlexNet Network Portal" or "FNP" means a pole mountable intelligent fringe network extender which receives messages from meters within its RF range that are in hard-to-reach or fringe locations when there are no other electric meters in RF range to relay those messages, and stores and forwards those messages to a TGB. An FNP requires 110 or 240 VAC of operating voltage.

"FlexNet Remote Portal" and "FRP" mean the Sensus standalone, mounted relay device that takes the radio frequency readings from the SmartPoints™ and relays them directly to the RNI by TCP/IP backhaul communication.

"FlexWare™ Software" or "Software" means the Sensus software listed in Appendix I under the heading "FlexWare™ Software List", any Updates and purchased Upgrades to such software.

"Functional Specification" means the functional specifications for the AMI attached hereto as Appendix B.

"GAAP" means, at any time, accounting principles generally accepted in the United States including those recommended or approved by the Financial Accounting Standards Board in the United States at the relevant time.

"Governmental Entity" means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, and Measurement Canada, including without limitation, any individual, board, commission or other body with power to enforce, interpret or administer any Applicable Privacy Laws; (ii) any subdivision or authority of any of the foregoing, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and (iv) any stock exchange or marketplace.

"Guarantee and Indemnity" means the Guarantee and Indemnity of Sensus Metering Systems Inc. to the LDC dated as of the same date hereof and attached as Appendix R.

"Initial Term" has the meaning set out in Section 22.1.

"Intellectual Property" means anything that is or may be protected by any Intellectual Property Right such as, but not limited to, works of authorship (including computer programs), performances, inventions, industrial designs, mask work and integrated circuit topographies.

"Intellectual Property Right" means any right that is or may be granted or recognized under any legislation regarding domestic and foreign patents, trademarks, service marks, industrial designs, integrated circuit topographies, integrated circuit topography products, software and copyright, whether registered or unregistered, and all applications for registration thereof.

"LAN" means a local area network operable to transmit Meter Reads from the Approved Meter to the TGB.

"Laws" means any and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, principles of common law, principles of civil law, principles of equity, orders, decrees, rules, regulations and by-laws, including Applicable Privacy Laws; and (ii) judicial, arbitral, administrative, ministerial, departmental and regulatory judgments, orders, writs, injunctions, decisions, rulings, decrees, directions and awards of any Governmental Entity, any health and safety and similar requirements (whether required by a Governmental Entity or the LDC), and any requirements (to the extent they have the force of law) of any applicable regulatory authority, agency, board, or department including Industry Canada, the Canadian Standards Association, the Ontario Energy Board and the Electrical Safety Authority.

"LDC Administrator" has the meaning set out in Section 4.6.

"LDC Indemnified Parties" means the LDC and its Affiliates and each of their respective Representatives, successors and permitted assigns.

"Losses" means all losses, liabilities, fines, damages (including indirect, special, incidental and consequential damages), claims (including third party claims and taxes), demands, suits, proceedings, compromises, settlements, awards, costs and all related and/or resulting losses, costs and expenses, including but not limited to any and all reasonable lawyers' and other professionals' fees and reasonable costs of investigation, litigation, settlement, judgment, interest and penalties.

"Measurement Canada" means Measurement Canada, an agency of Industry Canada, or any successor thereto.

"Meter Multiplier" is the factor by which the register reading must be multiplied to obtain the registration in the stated units.

"Meter Read" is a number generated by an Approved Meter that reflects cumulative electricity consumption at a specific point in time.

"MDM/R" means the Approved Meter data management and Approved Meter data repository functions within which Meter Reads are processed to produce rate-ready data and are stored for future use.

"MFIPPA" means the Municipal Freedom of Information and Protection of Privacy Act (Ontario), R.S.O. 1990, Chapter M.56.

"Network Equipment" means the Flexnet Network Portals (FNPs), Flexnet Remote Portals (FRPs), Regional Network Interfaces (RNIs) and Tower Gateway Basestations (TGBs) set forth in Appendix F.

"Network Services" means the services as described in Appendix "A".

"Normal Hours of Business" means 8AM until 5PM (Toronto time) on a Business Day.

"Non Sensus Employee or Agent" refers to people interacting with the Network Equipment that are not employees or subcontractors of Sensus or a Sensus distributor.

"Option B" means the FlexNet System ownership model in which the LDC owns the FlexNet System hardware and Sensus operates the FlexNet System with the responsibilities of each party defined in Appendix K.

"Option B2" means the FlexNet ownership model in which LDC owns the meters, TGBs, FNPs, and FRPs, and Sensus owns the RNI, and Sensus operates the FlexNet System. The responsibilities of each party under Option B2 are defined in Appendix K.

"Option C" means the FlexNet ownership model in which LDC owns the hardware of the FlexNet System and operates the FlexNet System, including the RNI, with the responsibilities of each party defined in Appendix K.

"Performance Remedies" means the remedies available to the LDC for failure of Sensus to achieve the Performance Requirements as set out in Appendix D which for avoidance of doubt shall, subject to the terms hereof, in no way limit any other obligations of Sensus or rights of the LDC hereunder.

"Performance Requirements" means the service levels and standards identified in Appendix D.

"Personal Information" means information that is protected by any Applicable Privacy Laws.

"PIPEDA" means the Personal Information Protection and Electronic Documents Act (Canada), S.C. 2000, c. 5.

"Project Committee" has the meaning set out in Section 7.1.

"Purchase Order" means the Purchase Order issued by the LDC in respect of the purchase by the LDC of the Equipment (excluding RNIs) and attached as Appendix S.

"Receiving Party" means the party receiving Confidential Information and such of its Representatives as may receive Confidential Information on its behalf.

"Receipt Date" means 3 business days from the date of mailing.

"Records" has the meaning set out in Section 10.1(a).

"Renewal Term" has the meaning set out in Section 22.2.

"Representatives" means directors, officers, employees, subsidiaries, Affiliates, agents, representatives, distributors, independent contractors and/or subcontractors of a party.

"Responsibility/Service Chart" means the chart of responsibilities of the LDC and Sensus in connection with implementation of the AMI for the LDC attached hereto as Appendix K.

"RMA" means Return Merchandise Authorization.

"RNI" (AMCC) means a Regional Network Interface computer consisting of equipment and software used to gather, store and report Meter Reads collected from Approved Meters and TGBs that are part of the FlexNet System. The FlexWare™ Software operates on the RNI that is used to retrieve or receive and temporarily store Meter Reads before or as they are being transmitted to the MDM/R. The information stored in the RNI is available to log maintenance and transmission faults and issue reports on the overall health of the AMI to the Distributor and the MDM/R.

"Scope Change" has the meaning set out in Section 11.1.

"Sensus Indemnified Parties" means Sensus and its Affiliates and each of their respective Representatives, successors and permitted assigns.

"Sensus' Distributor" means KTI Limited, 33 Isaacson Crescent, Aurora, Ontario or such other permitted qualified distributor as Sensus may appoint from time to time with prior written notice to the LDC.

"Services" means the services identified as being the responsibility of Sensus as defined in Section 2.1(a) and as described through-out this Agreement and Appendices.

"SmartPoints™" means the Sensus transmission devices installed on devices such as meters, distribution automation equipment and demand/response devices located at the Customer's premises that take the readings of the meters and transmit those readings to the relevant TGB, FRP or FNP.

"Term" means the Initial Term and any Renewal Terms of this Agreement.

"Territory" means the geographic areas for the LDC illustrated in Appendix H describing the coverage of the AMI.

"TGB" (AMRC) means the Tower Gateway Basestation consisting of certain hardware, firmware and software installed at the tower site that collects Meter Reads from the Approved Meters and transmits these Meter Reads to the RNI.

"Transformer-Type Meter" means an Approved Meter designed to be used with instrument transformers.

"Unavailable Meters" means, unless due to any breach by Sensus, the following meters:

(1) Cut At Pole -- a meter for which power has been turned off to the socket by the LDC

(2) Booted on Line Side – a meter for which power has been turned off by placing boots in the socket from which the power to the meter has effectively been turned off.

(3) Failed or flawed power delivery to the meter socket – (a) the LDC power generation, distribution or delivery system failure that has effectively turned off power to the socket and/or meter; and (b) any system or meter maintenance issue which precludes the meter from transmitting its message to the network.

(4) Tampered or stolen meters – sockets, meters or distribution assets that have been modified or stolen by unauthorized personnel rendering the meter incapable of providing accurate usage readings from that meter.

(5) Force Majeure – meters affected by an Event of Force Majeure.

"Updates" means minor or new maintenance releases, enhancements, modifications, revisions, additions and/or alterations of the Software that provide improvements to functionality or performance in the Software, or correct processing errors and other faults and defects found in previous releases of the Software as per the scope of the Software as defined in Appendix 'M'.

"Upgrades" means those modifications, revisions, additions and/or alterations of the Software which affect functionality or architecture outside the scope of the Software as defined in Appendix 'M' such as without limiting the generality of the foregoing: demand-response, the addition of an integrated load management package, the addition of messaging to Customer-owned devices for optimal cycling during load conditions, and the addition of peak load pricing to support communications with customers regarding energy pricing for the next interval of time.

"WAN" means a wide area network, the communication network that transmits Meter Reads from the TGB and FRPs to the RNI.

1.2 Accounting Principles, etc.

Wherever, in this Agreement, reference is made to financial information, financial calculations and/or associated books and records, such financial information, financial calculations and/or books and records shall be made and maintained in accordance with GAAP.

1.3 Gender and Number

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.

1.4 Certain Phrases, etc.

In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation" and (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". The expressions "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement.

1.5 Appendices

The following appendices form part of, and are hereby incorporated by reference into, this Agreement and form an integral part of this Agreement:

Appendix A - Services
Appendix B - Ministry of Energy Functional Specification
Appendix C - Service Fees and Equipment Pricing
Appendix D - Performance Requirements and Performance Remedies
Appendix E - Intentionally Omitted
Appendix F – Hardware
Appendix G - Third Party Providers NDAs
Appendix H - Network Coverage
Appendix I - List and Description of Back-End Software and Third Party Software
Appendix J - Escrow Agreement

Appendix K - Responsibility/Service Chart
Appendix L - Training and Documentation
Appendix M - AMI (AMCD, AMRC, AMCC) Functionality Spreadsheet
Appendix N - Intentionally Omitted
Appendix O - Sensus Disaster Recovery Plan
Appendix P - Acceptance Test
Appendix Q - Extended Warranty and Ontario Catastrophic Warranties
Appendix R - Guarantee and Indemnity
Appendix S - Purchase Order

2. SENSUS RESPONSIBILITIES, ETC.

2.1 Certain Sensus Responsibilities

(a) Sensus shall provide the Services to the LDC and at all times comply with all Laws, subject to Section 2.4 and, as applicable, Section 11.4. The Services are comprised of: (i) the sale of the Equipment (excluding RNIs) to Sensus' Distributor for Sensus' Distributor to resell to the LDC pursuant to the terms of the Purchase Order; (ii) all of the Services listed in Appendix A; and (iii) those obligations identified as being the responsibility of Sensus in the Responsibility/Service Chart, attached hereto as Appendix K. Sensus hereby covenants to cause Sensus' Distributor to sell the Equipment to the LDC

(b) Sensus will act as the first level response to all technical inquiries, training requests, network planning and performance inquiries and all other general queries related to the Services.

(c) For avoidance of doubt, and in addition to the Guarantee and Indemnity, all obligations, undertakings, representations, warranties and covenants whatsoever contained herein are a direct obligation between Sensus and the LDC regardless that the service or other undertaking may be provided through Sensus' Distributor or any other person or entity. Sensus hereby acknowledges and agrees that the LDC shall have full and direct recourse against Sensus for all contractual liability of Sensus' Distributor to the LDC under the contract between Sensus' Distributor and the LDC for the purchase of the Equipment and for all matters relating to Sensus' Distributor pursuant to this Agreement. Without limiting the foregoing, although the Equipment is sold by Sensus to Sensus' Distributor and then by Sensus' Distributor to the LDC, all representations, warranties and covenants related thereto in this Agreement (including any breaches thereof) shall be enforced directly against Sensus and Sensus agrees to be fully liable therefor whether made by Sensus or another party as set forth in this Agreement.

2.2 Performance Requirements

(a) So long as the LDC elects to use Option B or Option B2 according to Section 12, Sensus represents, warrants and covenants that the FlexNet System will meet or exceed the requirements set out in the Functional Specification.

Sensus also represents, warrants and covenants that it will meet or exceed the Performance Requirements, including in terms of delivery of the Services to the LDC. Failure by Sensus to meet these Performance Requirements will result in the Performance Remedies set out in Appendix D and any other rights of the LDC hereunder.

(b) Sensus shall promptly provide to the LDC no later than the 15th day of each month, monthly reports on the achievement of all Performance Requirements and including details on any failure to achieve same and a detailed calculation of credits due to the LDC on account of all such failures.

(c) The Performance Requirements will be reviewed and re-established by the LDC and Sensus on an annual basis (or more frequently, at the LDC's request) with a view to achieving continuous improvement to the Performance Requirements, provided, however, that any such agreement must ultimately be mutually agreed between the LDC and Sensus, but in no event shall the Performance Requirements ever be lower than as initially agreed herein.

2.3 Change Management

Any material change to Sensus' practices or procedures in the delivery of Sensus Services is subject to the Scope Change process described in Section 11. Any efficiency gains or cost of service improvements resulting from changes in relation to the Services shall be to the benefit of Sensus and the LDC according to the negotiated terms of the Scope Change.

2.4 Compliance with Laws, etc.

Sensus shall perform the Services in compliance with all Laws, including Applicable Privacy Laws, and shall be required to accept a Scope Change pursuant to Section 11.4 (provided the LDC pays for it, subject to Section 11.4). If a subsequent change in Law necessitates a change to the FlexNet System, such change shall be effected pursuant to Section 11.4. Throughout the Term, Sensus shall at all times possess all necessary and desirable qualifications and skills to perform all of is obligations hereunder, and to carry on business in the Province of Ontario and Canada. Sensus shall be solely responsible for the procurement of all necessary permits and licenses required to perform the Services (and Sensus shall be fully liable for any and all failures regarding same and shall indemnify the LDC and LDC Indemnified Parties according to Section 16.1).

2.5 Backup Procedures and Disaster Recovery Plans

Appendix O contains the backup procedures and disaster recovery plan as provided by Sensus which is to be updated annually as part of the annual report to the Project Committee. In addition, Sensus covenants to fully test the disaster recovery plan once per year during the Initial Term and each Renewal Term to satisfy the LDC, in its

reasonable discretion, that the disaster recovery plan will enable the FlexNet System to continue to meet all the requirements of this Agreement in the event of a disaster. Sensus covenants to have in place and maintain a privacy breach response plan.

2.6 Access Management

Upon a request from the LDC and subject to the confidentiality terms hereof, Sensus will promptly provide the LDC (and each of the employees, agents, subcontractors and suppliers designated by the LDC) with access to its hardware, software, network, and other assets, resources and records as are required in the use of the Services 24 hours a day, seven days a week. Sensus shall develop and administer appropriate security procedures regarding such access with respect to the maintenance of the LDC information and Customer Data and promptly notify the LDC of such procedures and any changes made from time to time which are necessary or desirable to protect and preserve the same and provided such changes do not result in a reduction in Sensus' capacity or ability to perform any of the Services according to the Performance Requirements.

2.7 Subcontractors, etc.

Sensus shall ensure that any subcontractors (which are to be approved in advance by the LDC acting reasonably), Sensus' Distributors (which are approved upon the LDC's signature of this Agreement) and suppliers used to assist in the delivery of the Services shall be fully qualified, skilled and experienced and that they will comply with all of the terms of this Agreement that may apply to their activities, all Laws and including but not limited to the LDC's health and safety guidelines and site security policies (and similar).

Sensus shall cause all subcontractors (and Sensus' Distributors) to execute a written agreement delivered to both Sensus and the LDC, in a form of agreement that receives the prior written approval of both Sensus and the LDC, that includes provisions: (a) necessary to secure compliance by the subcontractors and distributors with the obligations and restrictions applicable to the engaging party under this Agreement including, without limitation, obligations concerning Confidential Information and/or Customer Data; (b) in which such subcontractors and distributors acknowledge their obligation to assign all work product (and any and all Intellectual Property Rights therein) in connection with performance under this Agreement to Sensus or the LDC, as applicable, under this Agreement; and (c) where appropriate, giving effect to all such assignments.

2.8 Account Manager

Sensus shall appoint an account manager ("Account Manager") whose responsibility will be management of the LDC account and shall have the sole authority to negotiate on behalf of Sensus. If the LDC is not satisfied with the Account Manager, the LDC shall provide notice to Sensus and Sensus shall use commercially reasonable efforts to replace the Account Manager with a candidate satisfactory to the LDC, acting reasonably, within four (4) weeks of the date of notice.

2.9 Network Guarantee

If more than one (1) TGBs, zero (0) FNPs and zero (0) FRPs are required for the FlexNet System to meet the Functional Specifications, Sensus shall promptly deliver to the LDC the additional FNPs and/or TGBs without any charge to the LDC, provided that the LDC shall locate and install all Network Equipment as directed by Sensus acting reasonably. The LDC shall have ownership of all additional FNPs and TGBs delivered under this section. The TGB per month fee set forth in Appendix C shall apply to each deployed TGB, including the TGBs provided pursuant to this section. This guarantee shall only apply for the initial deployment based on the field population of meters and Performance Requirements as at the Effective Date. Further, it shall cease if the LDC elects Option C.

2.10 Joint and Several Liability

Notwithstanding anything herein to the contrary, Sensus acknowledges and agrees that at all times it shall be jointly and severally liable, as principal obligor and not as a surety, with its assignee and with respect to all actions and omissions of its Representatives or any other person or entity acting on Sensus' behalf, whether directly or indirectly, and whether or not acting under the express authority of Sensus.

2.11 Purchase Order

The LDC shall issue a Purchase Order for the Equipment (excluding RNIs) which Purchase Order shall contain all terms, conditions, representations, warranties, covenants and other matters acceptable to the LDCs for purchase of the Equipment.

2.12 Statement of Work

The parties agree that after signing this Agreement they will cause a statement of work to be issued in respect of the TGBs as promptly as possible, acting reasonably. Upon such statement of work being agreed between the parties, such statement of work will automatically be incorporated by reference into this Agreement.

3. OPERATIONAL PROCEDURES MANUAL

3.1 Delivery

Upon execution of this Agreement, Sensus will deliver a detailed and comprehensive operational procedures manual ("OPM"). Sensus will (a) make such changes or enhancements to the OPM as may be required by the LDC upon the LDC's reasonable request; and (b) periodically, but not less than annually, unless otherwise agreed by the LDC, update the OPM to reflect changes in the operations or procedures described therein. Updates thereof will be provided to the LDC for review and comment and prior reasonable approval.

3.2 OPM Content

(a) The OPM will include:

(i) A description of how Sensus shall provide the Services, including but not limited to: (A) the products being used; (B) the operations manuals, user guides, specifications, and other documentation that provides further details of the Services; and (C) the activities that Sensus proposes to undertake in order to provide the Services, including, where appropriate, those direction, supervision, monitoring, staffing, reporting, planning and oversight activities normally undertaken by facilities that provide services of the type Sensus shall provide under this Agreement;

(ii) The procedures for Sensus and the LDC personnel interaction and communication with each other, including but not limited to: (A) call lists; (Bi) procedures for and limits on direct communication by Sensus and Sensus personnel with the LDC personnel; (C) problem management and escalation procedures; (D) priority and project procedures; and (E) acceptance testing; and

(iii) Quality assurance procedures to ensure that the Services are performed in accordance with the Performance Requirements and best practices of the advanced Approved Meter reading industry.

(b) Sensus will at all times maintain as part of the OPM current documentation with respect to the AMI, processes in support of the operations topics and procedures set forth in this Section 3.2 used to deliver the Services (which documentation will be sufficient to enable the LDC, or another service provider that is reasonably skilled in the provision of services similar to the Services, to fully assume the provision of the Services) and the OPM will detail how such documentation will be maintained. The OPM is intended to describe to the LDC how the Services will be performed (and related matters) and will in no event be interpreted so as to relieve Sensus of any of its obligations and undertakings under this Agreement.

4. LDC RESPONSIBILITIES

4.1 General

The LDC shall perform those obligations identified as being the responsibility of the LDC in the Responsibility/Service Chart under Option B2, attached hereto as Appendix K.

4.2 Change of Responsibilities

Should the LDC choose to purchase the RNI and operate and maintain the FlexNet System as detailed in Section 12, the responsibilities of the LDC shall be automatically altered to those listed under Option B or Option C in Appendix K, depending on which option the LDC chooses.

4.3 Installation, etc.

The LDC will be responsible for the installation of the Approved Meters using a Sensus approved Installation and Diagnostics Handheld Field Tool ("Handheld") at its Customer locations in the Territory.

If the performance of the Handheld becomes less than optimal in the reasonable opinion of the LDC, or impedes the installation process in the reasonable opinion of the LDC, Sensus shall promptly ensure proper registration of the Approved Meters. Sensus shall also provide training on the use and operation of the Handheld to personnel of the LDC.

4.4 Notification

The LDC will provide Sensus with a daily report of, to its knowledge, all meter change activities and all customer disconnections via email to the attention of the Sensus project manager or such other person as Sensus may designate in writing. Sensus shall advise the LDC in writing of such person's delivery coordinates (including email address). This report must be received by Sensus no later than 6:00 p.m. (Toronto time) each day. Meters that fall into this category will not be included in the calculation of the Performance Requirements of Appendix D. Failure to provide Sensus with this report, but subject to cure by the LDC, will temporarily release Sensus of its Performance Requirements for those meters in question in Appendix D.

4.5 Use of "Buddy" Mode

The FlexNet System has been designed to overcome traditional problems with radio frequency systems. Approved Meters that are installed in radio frequency "challenging" locations, such as underground or behind steel walls cannot be typically communicated with. The FlexNet System employs the "buddy" mode to successfully read Approved Meters from such installation sites by allowing the Approved Meter that cannot be read directly by a TGB, to send its information through another Approved Meter in close proximity that can be read directly by the TGB. Accordingly, Approved Meters installed in such environments may occasionally need to have other Approved Meters within close proximity.

If an Approved Meter is installed and unable to establish communication to a TGB or another Approved Meter after all reasonable efforts are undertaken by Sensus, the LDC will, where possible and commercially reasonable, install, at LDC's expense, an Approved Meter or FNP to facilitate the buddy mode of communication based on

parameters to be provided by Sensus. The Approved Meter or FNP will typically be installed in a nearby location that has propagation characteristics allowing for direct communication to the TGB and the Approved Meter in question. The buddy Approved Meter or FNP may be placed outside a building or in the case of sub-basements on a higher floor. The LDC may be required to provide field support for the installation of strategically located buddy Approved Meters and FNPs.

4.6 LDC Administrator

The LDC shall appoint an administrator (the "LDC Administrator") who shall have the authority to negotiate on behalf of the LDC. The Account Manager and LDC Administrator shall: (1) serve as the primary point of contact between the parties; (2) coordinate the parties' undertakings and activities in connection with the Services; (3) address any technical and resource allocation issues arising in connection with the Services; and (4) have first tier responsibility for resolving disputes or escalating any such disputes to the internal dispute resolution process described in Section 20.

5. SOFTWARE LICENSE

5.1 Sensus hereby grants to the LDC for the fee outlined in Appendix C, a nonexclusive, non-transferable, royalty-bearing license (the "Software License") to use, copy and modify the FlexWare™ Software solely for the purposes of reading its own meters in the Service Territory (the "Permitted Use"). The Software License is personal to the LDC and is nonsublicenseable. The LDC shall have no rights to the FlexWare™ Software other than those granted in this section. The LDC shall not use the FlexWare™ Software other than for the Permitted Use. The Escrow Agreement in respect of the source code of the Sensus proprietary software is contained in Appendix J.

5.2 The Software License shall commence on the Effective Date and, subject to Section 22.8, Termination Assistance Services, shall terminate when this Agreement expires or is earlier terminated for any reason or if the LDC uses the FlexWare™ Software other than for the Permitted Use and does not cease within ten days of becoming aware of the same.

5.3 The LDC shall not modify, decompile, reverse engineer or otherwise alter or copy or attempt to copy the FlexWare™ Software other than to the extent permitted herein or, in consultation with Sensus, as is necessary to use the FlexWare™ Software.

5.4 The LDC shall permit only those of its employees and agents who have a reasonable need to access to the FlexWare™ Software ("Authorized Users") for the purpose of this Agreement to have access to it, on a confidential basis and solely for the purposes of the Permitted Use. The LDC is responsible for any breach of the terms of this Agreement by any Authorized User(s).

5.5 In addition to the FlexWare™ Software, Sensus shall provide the LDC with the open source software listed in Appendix I under the heading "Bundled Third Party Software" (the "Bundled Third Party Software"). The LDC acknowledges that the Bundled Third Party Software is subject to various rights and restrictions in favor of or imposed by the licensors thereof and that its use of the Bundled Third Party software is subject to all such rights and restrictions. Sensus provides no warranty, indemnity nor support of or in relation to such third party software.

5.6 Appendix I contains, under the heading "Non-Bundled Third Party Software", certain third party software that the LDC must license directly from third party licensors in order to operate the FlexNet System ("Non-Bundled Third Party Software"). Sensus provides no warranty, indemnity nor support of or in relation to such third party software. All such rights and obligations are a matter strictly between the LDC and the relevant third party licensors.

5.7 Upon the termination of the Software License, subject to Section 21.8, Termination Assistance Services, all rights of the LDC to use the FlexWare™ Software shall cease and the LDC shall promptly remove and return to Sensus all copies of the Software and any related documentation and shall instruct all its employees that further use of the FlexWare™ Software is prohibited.

5.8 For so long as the LDC pays the Monthly Meter Fee, Sensus shall provide the LDC with ongoing software Updates, ongoing software maintenance, remote monitoring and troubleshooting, and Normal Hours of Business remote telephone support of the FlexWare™ Software. Upgrades are not included hereunder and shall be priced separately.

5.9 Notwithstanding anything to the contrary in this Agreement, it is understood and agreed that, within the Initial Term or Renewal Term of this Agreement, if an opportunity arises for the LDC to read water, gas and other meters within the Territory, Sensus and the LDC shall negotiate in good faith for the expansion of the FlexNet System to cover such meters and that, upon such agreement being reached, the LDC may use the FlexWare™ Software and the Equipment for purposes of reading the said meters.

6. ACCEPTANCE TESTING

Acceptance testing is a series of acceptance tests to determine that the FlexNet System complies with and conforms to the Functional Specification in all material respects in a production environment. The "Acceptance Test" is set forth in Appendix P. In the event that the FlexNet System fails the Acceptance Test, Sensus shall correct the deficiencies on a timely basis and shall promptly work with the LDC to re-perform the Acceptance Test. Notwithstanding the above, if the FlexNet System fails the Acceptance Test, the LDC shall, in addition to and without prejudice to any of its other rights in this Agreement, be entitled to terminate this Agreement for cause.

The inspection of the AMI or any component thereof by the LDC shall not constitute acceptance of same, nor shall such inspection relieve Sensus of any of its obligations

to fulfill or comply with the terms and conditions of this Agreement. No breach of this Agreement will be waived or deemed to be waived by any inspection of the AMI by the LDC. Failure by the LDC to inspect the AMI or any component thereof shall not constitute a waiver of any of the rights or remedies of the LDC under this Agreement. Inspection not followed by notice of breach shall not constitute a waiver of any breach, nor shall it constitute an acknowledgement that there has been or will be compliance with this Agreement.

7. PROJECT COMMITTEE

7.1 Purpose

Sensus and the LDC will establish a committee of representatives from each firm in addition to the LDC Administrator and the Account Manager (the "Project Committee") for the purposes of:

(a) monitoring the ongoing performance of Sensus hereunder;

(b) anticipating and predicting future service requirements of the LDC;

(c) sharing non-confidential information and knowledge with respect to industry and marketplace developments including in the areas of technology change, work place practices, and competitive pressures;

(d) developing an approach to continuous improvement in accordance with the provisions hereof which includes:

(i) documenting, on an annual basis, clearly defined goals and objectives;

(ii) setting and identifying targets, benchmarks and historical trending against which performance will be compared for improvement in each Service area; and

(iii) setting improvement targets in each Service area;

(e) investigating and resolving billing/invoicing issues/problems;

(f) reviewing proposed changes to Services resulting from Scope Changes or Sensus' rectification of deficiencies/problems in performance;

(g) escalating unresolved issues to the internal dispute resolution process of Sections 20 and 21; and

(h) considering and, with the agreement of the parties, modifying the reporting obligations of Sensus as currently described in the Appendices.

Neither the Account Manager, the LDC Administrator, nor the Project Committee may effect any change in, or waive, the terms and conditions of this Agreement. Such changes may only be effected in a written document signed by duly authorized representative(s) of each party as provided in this Agreement.

7.2 Meetings

The Project Committee shall meet not less than monthly during the first year following the Effective Date (which meeting may take place by teleconference call) and thereafter quarterly or at longer intervals as agreed by the Project Committee, and shall develop its own rules of procedure and protocol. Each of the LDC and Sensus shall be entitled to change its appointed representatives to the Project Committee at any time by providing notice of the change to the other parties. Matters covered in the annual reports will include, among other things, service and operational trends in the industry and updates to the disaster recovery plan.

8. PROPERTY AND PROPRIETARY RIGHTS

8.1 Customer Data

(a) The LDC shall retain control over and the use of all Customer Data (including without limitation, Personal Information) which at all times shall remain the property of the LDC or of its Customers as between the LDC and Sensus. Sensus agrees that the Customer Data may and will only be collected, used, handled, copied, retained, disclosed, disposed of or destroyed by Sensus for the sole purpose of providing the Services under this Agreement. Sensus shall not collect, create, handle, use, copy, disclose, retain, dispose of or destroy any Customer Data except as the LDC may, in its sole discretion direct. Both parties shall take all commercially reasonable steps to protect Customer Data from loss, theft or unauthorized or unintended use, access, disclosure, transfer, copying, alteration or destruction. Sensus shall at all times collect, use, handle, copy, disclose, retain, dispose of and destroy Customer Data in compliance with all Laws, including without limitation, Applicable Privacy Laws.

(b) "Reasonable steps" to be taken include, without limitation, the use of all necessary physical, organizational and technological measures to safeguard and segregate the Customer Data in accordance with all Laws. For greater certainty, such measures shall, at a minimum, be equivalent to the measures in place at the LDC. Specific methods include, when appropriate, access controls, encryption or other suitable means as agreed upon by the LDC.

(c) Sensus shall return to the LDC all Customer Data in whatever form (or at the LDC's request in writing, destroy such Customer Data), which have been made or obtained in relation to this Agreement, upon the expiration or termination of this Agreement or otherwise at the request of LDC.

(d) Sensus shall treat all Customer Data in accordance with the provisions of Section 13.

8.2 Sensus acknowledges that it will have access to the LDC's Customer Data, including without limitation Personal Information of the LDC's Customers, and that such access and any related collection, use, disclosure, retention, disposal or destruction thereof may be subject to the Applicable Privacy Laws of several jurisdictions, including without limitation, PIPEDA or MFIPPA.

8.3 Subject to Section 11.4, if applicable, without limiting the generality of its obligations under this Agreement but for greater certainty, if a Governmental Entity states in writing that the delivery of Services by Sensus does not appropriately protect the privacy of the LDC's Customers in accordance with Applicable Privacy Laws, Sensus shall promptly modify its processes and systems to ensure that such processes and systems and the provision of the Services duly comply with Applicable Privacy Laws. Sensus shall also have such obligation (subject to Section 11.4, if applicable) if the LDC receives a legal opinion to that effect from its reputable Canadian legal counsel, which opinion is also substantially in accord with Sensus' external reputable Canadian legal counsel.

8.4 Subject to any restrictions under applicable Laws, Sensus shall promptly, and in any event within three (3) days, notify the LDC Administrator of the relevant LDC or LDCs, as applicable, by telephone and in writing, of any unauthorized or unintended access, alteration, collection, disclosure or use of the LDC's Customer Data (each, a "Security Breach") and of any complaints received (whether from a Governmental Entity, Customer or otherwise) in connection with an actual or alleged Security Breach. Such notification shall include reasonable details, if known, of: (i) the date of the Security Breach; (ii) the description of the Security Breach and how the Security Breach occurred; (iii) the unauthorized access, alteration, collection, disclosure or use of the Customer Data; and (iv) a summary of the steps, if any, taken by Sensus to control or reduce harm resulting from the Security Breach as of that time. Sensus shall take reasonable steps to investigate, limit, stop or remediate the cause of any Security Breach; provided that the LDC's shall have the ability to direct all responses to the Security Breach (including those of Sensus), and in particular, any and all Security Breach remediation steps requiring direct contact with Customers shall be performed only by the LDC or by its designate.

8.5 Each party shall at all times maintain privacy policies and procedures, including procedures for the collection, use and disclosure of Personal Information and for the investigation and response to any Security Breach, consistent with the terms of this Agreement, compliant with all Applicable Privacy Laws and shall be at least as strict as those policies and procedures of the LDCs. For greater certainty, in all cases and without limiting the foregoing, each party shall comply at all times with Applicable Privacy Laws in the performance of its obligations under this Agreement.

8.6 Each party agrees to appoint one or more individuals to be responsible for all privacy aspects of this Agreement and for ensuring compliance with their respective obligations under the Agreement in relation to Personal Information. For greater certainty the individual so appointed may be the individual currently responsible for that party's compliance with Applicable Privacy Laws. The LDC shall, upon request to Sensus, have the right to review Sensus' compliance policies and procedures and the right to verify Sensus' practices.

8.7 (a) No Sensus Intellectual Property or Intellectual Property Right is assigned to the LDC hereunder. Sensus shall own all Intellectual Property and trade secrets (i) it owned as at the Effective Date; and (ii) all Intellectual Property or trade secret created in the course of performing this Agreement, irrespective of which party created it. Sensus shall grant the LDC a non-exclusive, perpetual, non-transferable, non-sublicenseable, irrevocable and royalty free license within the Territory to use any Intellectual Property created by the LDC in the course of performing this Agreement, provided that the LDC shall not use it to compete with Sensus.

(b) The LDC shall continue to own all the LDC Intellectual Property it owned as at the Effective Date.

(c) Any Intellectual Property or trade secret strictly related to the Services developed by the LDC or developed jointly by the LDC and Sensus shall become the sole property of Sensus. Sensus will grant the LDC a non-exclusive, perpetual, non-transferable, non-sublicenseable, irrevocable and royalty free license to use such Intellectual Property in the Territory, provided that the LDC shall not use it to compete with Sensus, notwithstanding anything in this Agreement to the contrary, the LDC shall have exclusive rights with respect to any and all Customer Data.

8.8 Neighbouring Service Territories

It is the sole responsibility of Sensus to ensure that all installations in neighbouring service territories do not degrade the performance of the Equipment in any way and this shall be measured according to the established service level agreements as herein agreed upon.

9. FEES, PRICES AND INVOICING

9.1 Fees and Prices

In consideration of the performance of the Services in accordance with this Agreement, the LDC shall pay Sensus the fees, prices and other charges specified or calculated in accordance with Appendix C hereto for the Services.

9.2 Invoicing

(a) The form of invoice shall be as approved in advance by the LDC. In each invoice, Sensus shall include all calculations utilized to establish charges invoiced under this Agreement. To the extent a credit may be due to the LDC pursuant to this Agreement, Sensus shall provide the LDC with the appropriate credit against amounts then due and owing to Sensus. If no further fees or other charges are due to Sensus, Sensus shall pay such amounts to the LDC within thirty (30) calendar days from the date the credit becomes due.

(b) Sensus shall render a single consolidated invoice for each month's charges showing such details as reasonably agreed to by the parties, including as necessary to satisfy the LDC's internal accounting and charge-back requirements (such as allocating charges among Sensus Service components, locations and departments). Each invoice shall include the calculations utilized to establish the fees, prices and other charges payable and will separately state the amounts of any taxes Sensus will collect from the LDC, as well as indicate that portion of the fees, prices and other charges payable in respect of Services rendered either directly or indirectly in Canada from that portion of the fees, prices and other charges payable in respect of Services rendered outside of Canada.

(c) the LDC shall pay invoices into a Sensus bank account using an electronic fund transfer as directed by Sensus to the LDC in writing.

9.3 Payment Due; Interest

(a) Subject to Section 9.6, invoices provided for under Section 9.2 and properly submitted to the LDC pursuant to this Agreement shall be due and payable by the LDC within thirty (30) calendar days after receipt of a proper invoice for such amount.

(b) Any amounts not paid on or before their due date shall incur interest until paid at the Prime Rate per annum. Prime Rate means the interest rate set from time to time by the Bank of Canada as the prime business rate for Canadian dollar loans. The Prime Rate in effect can be viewed on the Bank of Canada's website.

9.4 Pro-ration

Except as may be otherwise provided in this Agreement, periodic charges that are charged pursuant to this Agreement are to be computed on a calendar month basis, and shall be prorated for any partial month.

9.5 Deductions

With respect to any amount to be paid by the LDC hereunder, the LDC may first deduct from such amount any previously undisputed amount that Sensus is obligated to pay the LDC hereunder.

9.6 Disputed Charges

(a) Subject to Section 9.5, the LDC shall pay undisputed charges when such payments are due pursuant to Section 9.

(b) The LDC may withhold payment of charges that the LDC disputes in good faith and in respect of which it has provided written notification to Sensus within fifteen (15) Business Days of the Receipt Date. In such circumstances, the parties shall promptly meet and will attempt in good faith to resolve any such dispute promptly. If the dispute cannot be resolved by the parties within fifteen (15) Business Days of the relevant payment due date, such dispute shall be escalated for resolution pursuant to the dispute resolution procedures set out in Sections 20 and 21 and that process shall determine whether the disputed charges shall be paid by the LDC. The LDC shall be responsible for the payment of interest at the Prime Rate set forth in Section 9.3(b) on amounts withheld which are later determined to be valid. Such interest, if any, is to be calculated from the invoice due date of the first invoice submitted to the LDC for such withheld amounts subsequent to such resolution pursuant to the dispute resolution procedures set out in Sections 20 and 21 to the date such amount is actually paid by the LDC.

(c) If the LDC wishes to dispute a charge for which payment has been previously made, and for which a dispute was not previously initiated pursuant to Section 9.2(a), the LDC must give Sensus prompt written notice of such dispute upon becoming aware of such dispute. Such notice shall describe in reasonable detail the specific charge or charges being disputed, and the basis for such dispute. The parties shall promptly meet and will attempt in good faith to resolve any such dispute promptly. If the dispute cannot be resolved by the parties within thirty (30) days of the date upon which the LDC notified Sensus of the dispute, then such dispute shall be escalated for resolution pursuant to the dispute resolution procedures set out in Sections 20 and 21 and that process shall determine whether the disputed charges shall be reimbursed by Sensus.

9.7 Taxes

(a) The LDC shall pay all applicable Ontario retail sales tax and/or provincial goods and services tax and/or federal goods and services tax payable in respect of goods and services provided by Sensus pursuant to this Agreement (including all goods acquired from Sensus' Distributor and on the monthly Service Fee) as well as for any replacement or analogous taxes on such goods or services. The applicable tax will be billed as a separate line item on the Sensus invoices. If the LDC is required by the Law of any jurisdiction to deduct or withhold any taxes, duties, fees, levies, or charges ("Withholding Taxes") from any fees or other charges (including reimbursement of expenses) paid pursuant to this Agreement, LDC shall provide Sensus with adequate documentation of such, and the LDC shall deduct or withhold such Withholding Taxes from the applicable payment due hereunder and shall remit on a timely basis such Withholding Taxes to the appropriate taxing authority. LDC shall provide Sensus with copies of official tax receipts or other adequate documentation evidencing the payment of such Withholding Taxes. If Sensus is either exempt from withholding or entitled to a reduced rate of withholding pursuant to a tax treaty or other applicable Laws, and Sensus provides the LDC with adequate documentation

of such exemption from or reduced rate of withholding, the LDC will be entitled to withhold only such Withholding Taxes from which Sensus is not exempt; provided, that if the LDC withholds any Withholding Taxes pursuant to this Section 9.7(a) from which Sensus is exempt, the LDC will use its reasonable efforts to cooperate with Sensus in obtaining a refund of such Withholding Taxes as provided in Section 9.7(b) below.

(b) Each party shall reasonably cooperate with the other party to minimize any such taxes for which such other party is responsible.

(c) Sensus will be responsible for any property taxes and land transfer taxes relating to property Sensus owns or leases for its own use. The LDC will be responsible for any property taxes relating to property the LDC owns or leases from any person other than Sensus. Each party will be responsible for municipal and local, capital taxes on its business and for taxes based on its net income or gross receipts.

9.8 Additional Fees, Charges and Services, etc.

(a) Except for the fees, prices and other charges expressly provided for in this Agreement, the LDC shall not be responsible to Sensus for any other fees, charges or expenses whatsoever incurred in connection with this Agreement, except as may be expressly agreed in writing in advance by the LDC.

(b) Except for the Services specifically set forth in this Agreement, Sensus shall not be obliged to perform any services hereunder, except for those additional services as may be expressly agreed in writing in advance by Sensus.

(c) Financial responsibility relating to a particular function, and any and all related ancillary functions, lies with the party that has the responsibility of performing that function unless otherwise indicated in this Agreement.

(d) Except as otherwise expressly provided in this Agreement, each party will be responsible at its cost for providing all facilities, personnel, training, supplies and other resources, as are necessary to perform their respective obligations under this Agreement.

10. RECORDS AND RIGHTS TO AUDIT

10.1 Records

(a) Sensus shall maintain accurate and complete records of: (i) its time, activities, finances and operations relating to the fees, prices and other charges and this Agreement in accordance with GAAP together with all supporting vouchers, invoices and other documentation showing all expenditures, charges and related calculations of whatsoever nature made

by it in the performance of the Services; (ii) its adherence to all security (and similar) requirements in relation to the LDC's Confidential Information and Customer Data; (iii) its compliance with applicable privacy legislation; (iv) the calculation of Sensus' success in achieving the Performance Requirements; and (v) any other matters in respect of this Agreement (collectively, the "Records").

(b) Sensus agrees that the LDC, or an audit representative designated by the LDC, shall upon reasonable notice and at its expense, have access to and the right to audit the Records. This right to audit the Records shall include the right to examine, copy or transcribe all documents, reports, records, worksheets and databases of Sensus relating to the provision of the Services and all matters described in Section 10.1(a) above. Such audits may take place at the offices of Sensus or at any other location where the Records are kept. The LDC shall be entitled to perform such audit only during Sensus' regular business hours during the Term of the Agreement and, in connection with the Services only, for a period of seven (7) years following the termination of this Agreement. Selection of the designated audit representative shall be subject to (i) such party signing a confidentiality agreement with Sensus, and (ii) the consent of Sensus, which consent shall not be unreasonably delayed, conditioned or withheld.

11. SCOPE CHANGE PROCESS

11.1 Triggers

(a) The parties agree that scope changes to the Services (a "Scope Change") may be required from time to time for a variety of reasons including, but not limited to:

(i) a need for increased functionality;

(ii) an increase/decrease in the Customer base;

(iii) a change in the LDC's needs or the LDC's territory;

(iv) the use of the AMI network infrastructure by the LDC to include the addition of other commodities within the LDC's service territory;

(v) the use of the AMI network infrastructure by the LDC to include utilization of third party tools, such as thermostats or home area network automation;

(vi) a change in the Laws mandated by the Ontario Energy Board, the Ontario Ministry of Energy, Ontario Independent Electricity System Operator or any other Governmental Entity;

(vii) proposed changes in Laws initiated by any Governmental Entity;

(viii) Sensus' or the LDC's desire to change some aspect of the Services to reflect improvements in prevailing industry standards or practices; or

(ix) other circumstances which reasonably require the parties to request a change in the scope of the Services or the Performance Requirements.

(b) The parties agree that in no event shall the provision of the Services or Performance Requirements hereunder be altered to the extent that the LDC would be provided with any services or performance requirements that are or may be considered by the LDC to be inferior to the Services or Performance Requirements agreed to hereunder. The parties agree that all Scope Changes shall result in an improvement to the Services and Performance Requirements hereunder, unless the parties otherwise agree in writing.

11.2 Initiating Notice

Sensus or the LDC may initiate a Scope Change by providing the other with written notice setting out: (i) the basis for the proposed Scope Change; (ii) the expected impact of the change to fees, prices and other charges, methods of providing the services and Performance Requirements, if available; and (iii) a reasonable time for response which shall not be less than five (5) days or any more than twenty (20) days unless the parties mutually agree to a different period of time.

11.3 Response

The receiving party may either accept, reject or counter the proposed Scope Change in writing setting out: (i) a specific response to the proposed Scope Change; (ii) the expected impact in terms of costs and any other impacts; and (iii) in the case of rejection or counter-offer, the specific details of same. If the Account Manager and LDC Administrator cannot agree on the resolution of a Scope Change, Sensus and the LDC will attempt to settle any claim or controversy arising out of this Agreement with respect to a Scope Change through consultation and negotiation in good faith and in the spirit of mutual cooperation. Should a mutually acceptable resolution not be reached, Sensus or the LDC may submit the matter to the internal dispute resolution process described in Sections 20 and 21.

11.4 LDC Compelled Changes

Notwithstanding the foregoing or anything to the contrary herein, Sensus shall be required to accept a Scope Change of the LDC when the Scope Change is required by the LDC in order to bring itself into compliance with applicable Laws, provided, in such a case, that the LDC agrees to pay a reasonable cost (but not the total cost as such will be shared among other affected LDCs) for any such required Scope Changes. When a Scope Change is required by the LDC in order to bring itself into compliance with applicable Laws, Sensus will be required to deliver the revised Services (i) if the

parties mutually agree to reasonable new pricing; or (ii) if the parties cannot mutually agree to reasonable new pricing, and the pricing is determined by immediate arbitration, pursuant to Section 21 (the parties shall not be obligated to first comply with the Internal Dispute Resolution provisions in Section 20 in such disputes). Any pricing adjustments under this Section must be fair, reasonable and consistent with the pricing given by Sensus to similarly situated third parties. In determining reasonable price, the arbitrator shall take into account whether the services in question are being provided to multiple utilities. Sensus is not obliged to perform any additional work due to a change in Law after the Effective Date, which work would not have been required but for the change in Law. Accordingly, and for avoidance of doubt, additional work not required to be performed by Sensus either as at the Effective Date under this Agreement or following the Effective Date under this Agreement by way of covenant or other obligation hereunder, but later required to be performed by Sensus due to a change in Law contemplated by this paragraph, shall be at the reasonable expense of the LDC.

11.5 Right to Reject

Subject only to those changes required by Law, as set forth in Section 11.4 or Section 11.1(a)(vi), neither party is obligated to accept a Scope Change unless and until the effect on pricing is reasonably agreed between the parties. Sensus agrees that any effect on pricing of a Scope Change shall be reasonable relative to the base-line for pricing defined by the fees, prices and charges identified in Appendix C.

11.6 Minimize Disruption

The parties shall use reasonable commercial efforts to minimize disruption to the delivery of the Sensus Services and Performance Requirements and to the business operations of the LDC and Sensus generally where a Scope Change has been requested.

11.7 Consequential Changes

In the event that the parties proceed with the Scope Change (either through agreement or dispute resolution) they shall complete an amendment to this Agreement and/or the relevant Appendix and Appendices (as applicable) which shall be attached hereto and become a part hereof.

12. SYSTEM OPERATION OPTION

12.1 Hardware Operation Option

The LDC shall have the option at any time during the Term to modify its responsibilities from Option B2 to Option B or Option C as detailed in Appendix K by giving Sensus one-hundred and twenty (120) days' prior written notice. Upon delivery of the notice, the LDC shall purchase the necessary RNIs from Sensus' Distributor, subject to the terms of this Agreement and Purchase Order from the LDC. Such notice, once

delivered to Sensus, is irrevocable. Should the LDC elect to change options it acknowledges that it shall purchase the RNI and that its responsibilities as detailed in Appendix K and the Service charges payable in Appendix C will thereupon also change.

Once the LDC has elected in writing to change to Option B or Option C, the LDC may not elect to change back to Option B2.

Should the LDC elect to change options from Option C to Option B, it may do so at any time, provided, however, (a) Sensus shall not be responsible for any degradation to the FlexNet System, and following such event there shall be an agreed period of time (to be settled between the parties acting reasonably) before Sensus is required to meet the Performance Requirements set forth in this Agreement; (b) reasonable ramp-up charges are paid by the LDC, and (c) the LDC shall retain ownership of the RNI. If the parties cannot mutually agree to reasonable ramp-up charges, the pricing shall be determined by immediate arbitration, pursuant to Section 21 (the parties shall not be obligated to first comply with the Internal Dispute Resolution provisions in Section 20 in such disputes).Subject only to Section 5.9, under no circumstances, whether or not the LDC operates the FlexNet System, may the LDC use the FlexNet System, including any Equipment, Software, third party Software, any other goods, services, or rights granted hereunder to directly or indirectly provide any services, meter reading or otherwise, to any third party. This Agreement is strictly meant to allow the LDC to receive the Services hereunder itself.

13. CONFIDENTIALITY

13.1 Obligations of Confidentiality

Confidential Information shall remain the sole and exclusive property of the Disclosing Party and the Disclosing Party shall retain all right, title and interest in and to all of its Confidential Information. The Receiving Party shall at all times maintain the other's Confidential Information in strict confidence and shall only use and copy the other's Confidential Information to carry out the activities contemplated by this Agreement and shall not otherwise use or copy the other's Confidential Information for any purpose whatsoever including achieving any other commercial or financial benefit. In addition, the Receiving Party shall not publish, disseminate or disclose the other's Confidential Information to others without the Disclosing Party's prior written consent. The Receiving Party shall ensure at all times that (i) the other's Confidential Information in tangible form is kept physically separate from other information in the Receiving Party's possession or control, (ii) suitable safeguards are in place to prevent any of the Disclosing Party's Confidential Information from being co-mingled with the data of any other third party including through operator error, and (iii) such Confidential Information is only accessible by personnel authorized by the Receiving Party.

13.2 Exclusion from Confidentiality Obligations

(a) The Receiving Party's obligations under Section 13 shall not apply to information which:

(i) is known to the Receiving Party on a non-confidential basis prior to disclosure by the Disclosing Party;

(ii) is or becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party, unless the Receiving Party knows after due inquiry that such source is prohibited from disclosing the information to the Receiving Party by a contractual, fiduciary or other legal obligation to the Disclosing Party;

(iii) is or becomes generally available to the public other than as a result of disclosure directly or indirectly by the Receiving Party;

(iv) is or was independently acquired or developed by the Receiving Party without violating such party's obligations under this Agreement or any other obligation of confidentiality it may have to the Disclosing Party; or

(v) subject to Section 13.4 below, is required to be disclosed pursuant to a final judicial or other order by a Governmental Entity.

(b) The exclusions in Section 13.2(a) shall not apply to Confidential Information that is Customer Data, which at all times and for all purposes shall remain strictly confidential, except as expressly required to be disclosed by Law by a Government Entity.

13.3 Disclosure to Representatives

The Receiving Party is permitted to disclose the other's Confidential Information only to such of its Representatives who need to know the other's Confidential Information to carry out the activities contemplated by this Agreement. Additionally, Sensus shall be permitted to disclose the LDC's Confidential Information (excluding Customer Data) to its insurer but only to the extent necessary for Sensus to comply with its obligations hereunder. Furthermore, the LDC shall be permitted to disclose information about the operation of the FlexNet System to third party customers of Sensus. In those circumstances permitted under this Section 13.3, the Receiving Party shall ensure that its Representatives and insurers, by written agreement with such parties, comply with and are bound by confidentiality terms and conditions at least as onerous as those confidentiality obligations contained in this Section 13.

13.4 Compelled Disclosure

In the event that a Receiving Party, or anyone to whom a Receiving Party discloses Confidential Information pursuant to this Agreement or otherwise, becomes legally compelled by a Governmental Entity to disclose any Confidential Information of the Disclosing Party, the Receiving Party will provide the Disclosing Party with prompt written notice so that the Disclosing Party may seek injunctive relief or other appropriate remedies and/or waive compliance with the provisions of this Agreement. In the event that the Disclosing Party is unable to obtain injunctive relief or other remedies, the Receiving Party will, at the request of the Disclosing Party, exercise all reasonable efforts to prevent the further disclosure of the Confidential Information.

The LDC shall be permitted to disclose the terms of this Agreement to the extent required by a Governmental Entity or to the extent required for shareholder (and similar) audits.

13.5 Return of Confidential Information

Upon termination of this Agreement in accordance with its terms and the written request from the disclosing party, the receiving party shall promptly deliver to the other copies of any material in any form containing or representing the Confidential Information of the other party in its possession or shall destroy the same at the request of the other party who owns such Confidential Information.

13.6 Non-Authorized Disclosure; Injunctive Relief

The parties acknowledge that the unauthorized disclosure of the other party's Confidential Information will immediately give rise to continuing irreparable injury to such party in which damages at Law will be difficult to measure and that such party shall be entitled to obtain immediate injunctive relief against the breach or threatened breach of any of the foregoing undertakings, in addition to any other legal remedies which may be available.

13.7 Mutual Non-Disclosure

Sensus shall cause all third party vendors, who handle or may receive, directly or indirectly, Confidential Information, including PageNet, to sign either; (i) an agreement in the form attached as Appendix G; or (ii) a similar contract, acceptable to the parties, but which provides substantially the same protections for the relevant Confidential Information as herein and therein contained.

14. INSURANCE

14.1 Obligation to Obtain and Maintain Insurance

Sensus shall maintain in full force and effect, during the Term at its sole cost and expense, with nationally recognized highly reputable insurers, comprehensive general liability insurance with full coverage in an amount not less than five million dollars (CDN$5,000,000) per occurrence and a twenty million dollar (CDN$20,000,000) annual aggregate. All such insurance shall include, but not be limited to:

(a) blanket written contractual liability, subject to policy terms and conditions;

(b) personal/bodily injury liability and death;

(c) employees as additional insureds; and

(d) broad form property damage.

14.2 Additional Insurance

Sensus shall also carry contingent employer's liability insurance and non-owned automobile liability insurance with full coverage in an amount not less than five million dollars (CDN$5,000,000) per occurrence and a twenty million dollar (CDN$20,000,000) annual aggregate.

14.3 Proof of Insurance and Additional Insured

(a) Promptly upon the signing of this Agreement, Sensus shall provide the LDC with proof of all insurance required by this Agreement in the form of copies of valid certificates of insurance that reference this Agreement and confirm the required coverage and that the LDC is named as an additional insured with respect to any and all liability arising in the course of performance of Sensus' obligations under this Agreement, whether directly or indirectly.

(b) Sensus shall also require and ensure that any of its subcontractors and any Sensus' Distributors obtain all the necessary and appropriate insurance (with a nationally recognized highly reputable insurer) that a prudent person in the business of such subcontractors or agent would maintain, and that the LDC is also named as additional insured with respect to any liability arising in the course of performance of such subcontractor's and agent's obligations.

14.4 Health and Safety

(a) Sensus must be registered as an employer or independent contractor with the Ontario Workplace Safety & Insurance Board (the "WSIB") and provide evidence of such coverage to LDC. Thirty (30) days after the signing of this Agreement and prior to commencement of Services, Sensus shall furnish to LDC the following: (1) evidence of coverage of its employees, and (2) a clearance certificate issued by the WSIB. Sensus shall provide a continuously updated clearance certificate from the WSIB during the term of

the Agreement. In the event the LDC is held liable by the WSIB for premiums owed by Sensus, Sensus agrees that LDC may deduct such premiums from any payments owed to Sensus by LDC.

(b) Sensus is solely responsible for the provision of any private health care benefits, disability and life insurance for all employees of Sensus, to the extent required by applicable Law.

(c) Sensus is responsible for ensuring that its principals, agents or employees are properly covered for the purposes of the *Workplace Safety and Insurance Act, 1997* and is responsible for the management of any claims thereunder.

(d) Sensus is and remains responsible for all Losses caused by Sensus that are associated with workplace accidents involving Sensus or LDC employees, agents or principles. LDC is and remains responsible for all Losses caused by LDC that are associated with workplace accidents involving Sensus or LDC employees, agents or principles.

(e) In the event of any lawsuits or charges associated with any workplace accident(s) determined to be caused by Sensus, Sensus shall reimburse the LDC for all reasonable time required to prepare for and attend any hearings and for all reasonable legal fees and reasonable fees of expert witnesses defending these lawsuits or charges. Likewise, in the event of any lawsuits or charges associated with any workplace accident(s) determined to be caused by the LDC, the LDC shall reimburse Sensus for all reasonable time required to prepare for and attend any hearings and for all reasonable legal fees and reasonable fees of expert witnesses defending these lawsuits or charges.

15. REPRESENTATIONS, WARRANTIES AND COVENANTS

15.1 Representations, Warranties and Covenants of LDC

The LDC hereby represents, warrants and covenants as follows and agrees that Sensus is relying upon all of the LDC's representations, warranties and covenants in connection with entering into this Agreement:

(a) it is a corporation or other entity validly organized and existing under the laws of its jurisdiction of incorporation;

(b) it has full power and authority to execute and deliver this Agreement, carry on its business, own and operate its property and to perform all of its obligations hereunder and is qualified, licensed and registered to carry on business in Ontario;

(c) the execution and delivery of and performance by it of this Agreement and the consummation of the transactions contemplated by it have been duly authorized by all necessary corporate action; and

(d) this Agreement has been duly executed and delivered and constitutes a legal, valid and binding agreement of it, enforceable against it in accordance with its terms, subject only to certain limitations which may apply under the *Currency Act* (Canada) or limitations under applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, or (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(e) In the event only that Option C is exercised by the LDC, the use by the LDC of the Software purchased by the LDC from Sensus will not constitute or result in a material violation, material default or breach of, or material conflict with any Laws.

15.2 Representations, Warranties and Covenants of Sensus

In addition to all other representations, warranties and covenants of Sensus contained elsewhere in this Agreement, Sensus hereby represents, warrants and covenants as follows and agrees that the LDC is relying upon all of Sensus' representations, warranties and covenants in connection with entering into this Agreement:

Corporate, etc.

(a) Sensus is a corporation validly organized and existing under the laws of its jurisdiction of incorporation;

(b) Sensus has full power and authority to execute and deliver this Agreement, carry on its business, own and operate its property and to perform all of its obligations hereunder and is qualified, licensed and registered to carry on business in Ontario;

(c) the execution and delivery of and performance by Sensus of this Agreement and the consummation of the transactions contemplated by it have been duly authorized by all necessary corporate action;

(d) the execution, delivery and performance of this Agreement does not and will not:

(i) constitute or result in a violation, default or breach of, or conflict with any Laws;

(ii) constitute or result in a violation, default or breach of, or conflict with, or allow any person or entity to exercise any rights under, Sensus' constating documents, by-laws or under the terms or conditions of any documents, agreements, licenses, instruments or other arrangements to which it is a party or pursuant to which any of its assets or property may be affected; or

(iii) result in a breach of, or cause the termination or revocation of, any authorization held by Sensus or necessary to the operation of its business;

(e) Sensus is not required to make any filing with, give any notice to, or obtain any authorization of, any Governmental Entity as a condition to the lawful completion of the transactions contemplated by this Agreement;

(f) there is no requirement to obtain any consent, approval or waiver of a party under any agreement to which Sensus is a party as a condition to the lawful completion of the transactions contemplated by this Agreement;

(g) this Agreement has been duly executed and delivered and constitutes a legal, valid and binding agreement of it, enforceable against it in accordance with its terms, subject only to certain limitations which may apply under the *Currency Act* (Canada) or limitations under applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, or (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(h) Sensus is a non-resident of Canada within the meaning of the Income Tax Act (Canada). Should this Agreement be assigned under the terms hereof to Sensus' Canadian subsidiary, then this Section 15.2(h) shall no longer apply;

(i) As at the Effective Date, there are (i) no actions, claims, investigations, arbitrations, and other proceedings pending, or threatened against, with respect to, or affecting in any manner, Sensus in connection with the Equipment, Software or Services that prevent or hinder Sensus from being able to fully perform its obligations under this Agreement; and (ii) no outstanding judgments, orders decrees, writs, injunctions, decisions, rulings or awards against, with respect to, or in any manner affecting the Equipment, Software or Services;

Services

(j) the performance of the Services by Sensus, and receipt thereof by the LDC, and all Intellectual Property and other technology supplied by Sensus to the LDC, do not infringe any Intellectual Property Rights of any third party; provided, however, that the sole remedy for breach of this representation is the Intellectual Property Indemnification by Sensus, provided in Section 16.2;

(k) the Services will be rendered with promptness and diligence and will be executed in a professional and workmanlike manner, in accordance with applicable professional and industry standards currently recognized in relation to the performance of services similar to the Services;

(l) all of the Services and all other obligations required to be performed by it pursuant to this Agreement shall be performed using fully qualified and experienced staff and personnel in accordance with the industry practice, care and skill and at all times in full compliance with all applicable Laws in effect both on the Effective Date and after the Effective Date (after the Effective Date, subject only to Section 11.4 if applicable);

(m) Sensus shall make available to the LDC all ongoing technical assistance in order to ensure that the Services meet the requirements of this Agreement;

(n) Sensus shall exercise the degree of care, skill and diligence that an expert, fully experienced, careful and prudent provider of AMR system solutions employing the leading industry practices would exercise in comparable circumstances;

(o) the Services shall at all times meet industry standards for efficacy, reliability, security, and protection of Personal Information and Intellectual Property;

(p) Sensus shall promptly substitute any of its personnel providing Services who leave the employ of Sensus or any subcontractor with personnel who have appropriate qualifications, training and experience. Sensus shall not charge the LDC an additional or higher rate even if the replacement personnel have higher seniority or qualifications and experience than the personnel being replaced;

(q) during the entire Term of this Agreement, and during the entire time that any Termination Assistance Services, if any, are provided, Sensus shall devote such time, resources, and attention to the performance of its obligations under this Agreement as is necessary for the proper and effective exercise of all its obligations hereunder;

(r) the performance of the Services by Sensus and receipt thereof by the LDC does not (i) breach any confidential obligations of Sensus, or (ii) infringe any Intellectual Property Rights of any third party; provided, however, that the sole remedy for breach of this representation is the Intellectual Property Indemnification by Sensus, provided in Section 16.2;

FlexNet System

(s) The FlexNet System shall conform with the:

(i) Functional Specification (Appendix B);

(ii) Training and Documentation (Appendix L); and

(iii) AMI Functionality Spreadsheet (Appendix M) utilizing the Network Equipment.

(t) the FlexNet System, and the use thereof in the intended manner, does not (i) breach any confidential obligations of Sensus, or (ii) infringe any Intellectual Property Rights of any third party; provided, however, that the sole remedy for breach of this representation is the Intellectual Property Indemnification by Sensus, provided in Section 16.2;

(u) the FlexWare System does not and shall not knowingly, after reasonable due diligence by Sensus, contain any time locks, disabling devices, back doors or similar devices which may destroy or corrupt data or disable software or hardware or allow unauthorized or undetected access (collectively "Disabling Devices") and it shall be the sole expense of Sensus to repair and remedy the said items in the event the FlexWare Software knowingly contains any Disabling Devices;

(v) a full security audit in respect of the FlexNet System shall be completed by Sensus annually in accordance with Appendix A. As long as the LDC elects Option B or B2, the FlexNet System does not and shall not knowingly, after reasonable due diligence by Sensus, contain any viruses or any other malware or security-related issues at the time of any installation. Following installation, Sensus covenants that, in addition to security audit obligations under this Agreement, the FlexNet System shall be regularly scanned by Sensus for viruses and malwares in accordance with industry standards. If any issue is detected, whether at the time of any installation or afterwards, Sensus covenants that it shall promptly and fully remedy the issue at Sensus' sole cost and expense, unless it can be demonstrated that it was introduced by the LDC, in which case the LDC shall pay;

(w) Sensus warrants, from the date of completing the Acceptance Test for the standard and unmodified FlexWare Software, and after loading the FlexWare Software onto the LDC's computer, that the unmodified standard FlexWare Software will perform in 'substantial compliance' with the functionality spreadsheet per Appendix 'M';

(x) the LDC agrees to provide a written notice of the module(s) and functions of the standard FlexWare Software which does not comply with the warranty of

this Agreement. Sensus will make the standard FlexWare Software operate in compliance with the warranty of this Agreement;

(y) the FlexWare Software is owned by M&FC Holding, LLC, a wholly owned subsidiary of Sensus, and Sensus has the full right and ability to provide the Software License set forth in this Agreement;

Equipment and Parts

(z) Equipment and Parts (other than Approved Meters and Smartpoints)

(i) Sensus represents and warrants to the LDC that the Equipment transferred and sold to the LDC from the Sensus Distributor shall be free and clear of all liens and encumbrances and that Sensus is authorized to undertake all transactions with the Sensus Distributor.

(ii) Sensus warrants the Equipment (except for (i) the TGB which shall be promptly replaced by Sensus because of failure, obsolescence or normal wear and tear, at no additional cost to the LDC, for the term of this Agreement and any renewal periods thereof; and (ii) Approved Meters and Smartpoints, which are dealt with below) and component parts to be in compliance with their respective specifications under normal use and service, and to be free from defects in materials and workmanship for a warranty period of twelve (12) months from the date of installation or eighteen (18) months from the date of shipment, whichever occurs first.

(iii) This warranty does not apply to Equipment modified or repaired with component parts or assemblies, including, without limitation, communication system component parts and assemblies not certified by Sensus, or damaged, altered, improperly installed or otherwise subjected to misuse or improper storage, as determined by Sensus acting reasonably.

(iv) The warranty period for new spare parts and components sold by Sensus is 12 months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period

(v) The TGB warranty above shall be extended as long as the LDC continues to pay the Monthly Meter Fees as described in Appendix C.

(aa) Approved Meters and Smartpoint Warranties

(i) Section 15.2(aa)(ii) through Section 15.2(aa)(iii) list the warranty options available to the LDC for Approved Meters and Smartpoints.

(ii) Standard Sensus 12 Month Warranty

(A) Sensus warrants the Approved Meters and Smartpoints and their component parts to be in compliance with their respective specifications under normal use and service, and to be free from defects in materials and workmanship for a warranty period of twelve (12) months from the date of installation or eighteen (18) months from the date of shipment, whichever occurs first. This warranty does not apply to Approved Meters or Smartpoints modified or repaired with component parts or assemblies, including, without limitation, communication system component parts and assemblies, not certified by Sensus, or damaged, altered, improperly installed or otherwise subjected to misuse or improper storage, as determined by Sensus acting reasonably. The warranty period for new spare parts and components sold by Sensus is twelve (12) months from the date of shipment. The warranty period for repaired or refurbished parts repaired by Sensus is ninety (90) days from the date of shipment, unless repaired pursuant to a warranty, in which case the repair is warranted for the time remaining of the original warranty period.

(iii) Extended Warranty and Ontario Catastrophic Warranty

(A) The LDC shall have the option to purchase either an Extended Warranty or Ontario Catastrophic Warranty in accordance with the terms set forth in Appendix Q.

(iv) ALL WARRANTIES SET FORTH IN WRITING IN THIS AGREEMENT (AND APPENDIX Q) ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY EQUIPMENT WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. THE LDC ASSUMES SOLE RESPONSIBILITY FOR DETERMINING THAT THE EQUIPMENT PURCHASED IS SUITABLE FOR THEIR INTENDED APPLICATION AND USE.

Certain Sensus Remedies

(A) If any Equipment fails within the applicable warranty period, Sensus shall, at its option, either repair or fully replace the item of Equipment, or fully refund the purchase price thereof to the LDC, provided, the Equipment item is returned to Sensus'

designated receiving facility or agent, with transportation charges prepaid by Sensus, and the Equipment item, upon examination, is found by Sensus acting reasonably not to conform to the warranty.

Any Equipment returned to Sensus pursuant to this Section, after repair or replacement, shall be shipped to the LDC no later than sixty (60) days after receipt by Sensus. If the Equipment is not returned to the LDC in such time, Sensus shall provide a full credit to the LDC for the total purchase price amount paid by the LDC. SENSUS IS NOT LIABLE FOR ANY REVENUE LOST BY THE LDC OR ANY MUNICIPALTY OR OTHER USER OF ELECTRICITY, GAS, OR WATER, AS APPLICABLE.

(B) Except as otherwise pursuant to this Agreement, the LDC's remedy under Sensus' warranties and covenants for Services shall be, at Sensus' sole and full cost and expense, to promptly and fully correct and/or re-perform any defective or non-conforming Services in order to assure full compliance with this Agreement.

(C) SENSUS ASSUMES NO LIABILITY FOR COSTS OR EXPENSES ASSOCIATED WITH LOST REVENUE OR WITH THE REMOVAL OR INSTALLATION OF EQUIPMENT. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN THIS AGREEMENT, THE FOREGOING REMEDIES ARE THE LDC'S SOLE AND EXCLUSIVE REMEDIES FOR THE FAILURE OF EQUIPMENT OR SERVICES TO CONFORM TO THEIR RESPECTIVE PERFORMANCE WARRANTIES; PROVIDED HOWEVER THAT SHOULD THE LDC ELECT THE EXTENDED WARRANTY OR CATASTROPHIC WARRANTY SET FORTH IN APPENDIX Q, THE REMEDIES SET FORTH THEREIN SHALL ALSO APPLY.

Guarantee and Indemnity

(bb) Sensus Metering Systems Inc. shall duly sign the Guarantee and Indemnity (attached as Appendix R) in favour of the LDC at the same time as signing this Agreement. Sensus acknowledges and agrees that execution of the Guarantee and Indemnity by Sensus Metering Systems Inc. is a condition to the LDC entering into this Agreement.

16. INDEMNITIES

16.1 General Indemnity

In this Section 16, the term "party" means Sensus on the one hand and the LDC on the other. Each party (the "Indemnitor") will fully indemnify, defend and hold harmless the LDC Indemnified Parties or the Sensus Indemnified Parties, as applicable (the "Indemnitee") from any and all Losses, arising out of, under, in connection with or resulting from third party:

(a) claims made against the Indemnitee by reason of physical injury to or death of any person or damage to or loss of property caused by or resulting from the acts or omissions of the Indemnitor or otherwise due to the Indemnitor's fault;

(b) claims made against the Indemnitee relative to taxes, interest or penalties assessed against the Indemnitee for which the Indemnitor is responsible;

(c) claims made against the Indemnitee by reason of any failure on the part of the Indemnitor to comply with applicable Laws;

(d) claims made against the Indemnitee by reason of any misuse or unauthorized disclosure of Confidential Information, including, without limitation and for greater certainty, any unauthorized disclosure of Customer Data or Personal Information, on the part of the Indemnitor in violation of this Agreement; and

(e) claims made against the Indemnitee by reason of any failure on the part of the Indemnitor to comply with Section 13 (Confidentiality); and

(f) any breach of privacy or Applicable Privacy Laws by the Indemnitor or its Representatives.

For avoidance of doubt, this Section 16.1 does not apply to disputes between the parties. It is meant to cover only third party claims by persons or entities other than the parties to this Agreement. The Indemnitor shall not settle any claim which may affect the Indemnitee without the Indemnitor's prior written approval, not to be unreasonably delayed or withheld.

16.2 Intellectual Property Indemnification by Sensus

(a) Sensus irrevocably and unconditionally covenants and agrees at all times to indemnify, defend and hold harmless the LDC Indemnified Parties from and against all third party claims against, and any Losses or other amounts of whatever nature or kind incurred by, the LDC Indemnified Parties as a result of:

(i) any claim by a third party that the LDC's use of the FlexNet System (except for third party meters) and/or the documentation and/or the provision of any Services in connection herewith infringes or violates the rights of such third party, including any Intellectual Property Rights of

said third party, provided that (a) the LDC's use of the FlexNet System is in accordance with the terms of this Agreement and applicable documentation, (b) Sensus is promptly notified in writing of any such claim by the LDC, (c) Sensus is given the sole authority to control the defense and settle the claim if appropriate; provided further however that non-compliant use or delay or failure in giving such notice shall not relieve Sensus of its indemnity obligations pursuant to this section except to the extent that any non-compliant use is the basis of the claim or Sensus was actually prejudiced by such delay or failure. Subject to the foregoing conditions, nothing in this Agreement shall prohibit the LDC from hiring separate counsel, at its own expense to participate in the defense of such Intellectual Property Rights infringement claim. Sensus will keep the LDC (and its counsel) reasonably and regularly informed at all times as to the status of any Intellectual Property Rights infringement claims. No admission of any LDC liability shall be made without the LDC's prior written consent;

(ii) The LDC shall inform Sensus as soon as possible if the LDC becomes aware of any unauthorized use of the FlexNet System or any allegation of an Intellectual Property Rights infringement claim that is the subject of the indemnification set forth above.

(iii) Sensus has no obligation to indemnify the LDC for any Intellectual Property Rights infringement claim based on (a) the use of a modified version of the FlexNet System where the modification giving rise to the claim was not approved by Sensus and if and to the extent such modifications caused or are the basis of the Intellectual Property Rights infringement claim, (b) the combination, operation, or use of the FlexWare™ System with any product, data, or apparatus not provided by or approved by Sensus if and to the extent such combination, operation or use solely caused the Intellectual Property Rights infringement claim, or (c) the LDC's use of a version of the FlexWare™ System that is older than two years from the date of its general release if the LDC failed to install or have installed Updates as instructed by Sensus that would have prevented or averted the Intellectual Property Rights infringement claim.

(b) In the event that the FlexNet System infringes any third party Intellectual Property Right, Sensus shall, at its cost, without limiting (a) above:

(i) obtain the right to use such items or materials; or

(ii) modify or replace such items or materials, without materially diminishing or degrading the functionality or performance thereof to become non-infringing.

(c) Notwithstanding the foregoing, Sensus will not have any liability for any third party claim of infringement to the extent based upon: (i) modifications of the

items, technologies or materials that were not made or authorized by Sensus or its Representatives; (ii) the use of an item, technologies or materials in connection with another product or service (the combination of which causes the infringement) not contemplated by this Agreement or approved by Sensus; or (iii) Sensus' compliance with the LDC, or the LDC's Representatives, express, written specifications.

16.3 Indemnification Procedures

The Indemnitee shall give the Indemnitor prompt written notice of the claim or of the commencement of the related action, as the case may be, in respect of which it requires indemnification pursuant to this Section 16 and information and all reasonable assistance, at the Indemnitor's sole cost and expense, for the full defense or settlement thereof. The Indemnitor will have sole control of the defense and settlement of such claim or related action, provided that the Indemnitor will not settle such claim or related action in a manner which imposes any obligation on the Indemnitee, or involves a remedy other than the payment of money, without the prior written consent of the Indemnitee (which consent will not be unreasonably withheld). The Indemnitee will be entitled to engage counsel at its sole cost and expense to consult with the Indemnitor with respect to the defense of the claim and related action.

17. LIMITATION OF LIABILITY

17.1 Except only as provided in Section 17.5, each party's aggregate liability in any and all matters arising under, out of or in relation to this Agreement, its negotiation, performance, breach or termination (collectively, "Causes of Action") shall not exceed the full amount of all payments in the aggregate (including payment for all Equipment, Services and Software License) and all binding commitments made to or with Sensus and to or with Sensus' Distributors hereunder or in connection herewith.

17.2 Except only as provided in Section 17.5, each party's liability shall be limited to direct damages. Neither party shall be liable for any indirect, incidental, special or consequential damages. Additionally, Sensus shall not be liable for any revenue lost by the LDC from any end user(s) of electricity irrespective whether such lost revenue is categorized as direct damages or otherwise.

17.3 The limitations on liability set forth in this Agreement are fundamental inducements to each party entering into this Agreement. They are to be interpreted broadly to the maximum extent permitted under law. They apply unconditionally and in all respects subject to this Agreement.

17.4 Subject to Section 17.5, Sections 17.1 and 17.2 shall apply irrespective of the nature of the action, demand or claim, including but not limited to, breach of contract, negligence, tort or any other legal theory, and will survive a fundamental breach or breaches and/or failure of essential purpose of this Agreement or of any remedy contained herein.

17.5 The limitations of liability set forth in Sections 17.1 and 17.2 shall not apply to: (i) either party's indemnification obligations set forth in Section 16 of this Agreement; (ii) LDC's obligations under Section 22.5, such section being the sole remedy for matters therein contemplated; (iii) Sensus' obligations under Section 14.4; (iv) damages payable by Sensus to the LDC which are applicable under the Performance Requirements set forth in Exhibit 1 to Appendix D; and (v) any act (or omission as applicable) of gross negligence, willful misconduct or fraud by any party.

18. SYSTEMIC FAILURE

Notwithstanding anything contained in this Agreement, in the event of a material failure of Sensus to deliver the Services as anticipated by this Agreement that reasonably requires the LDC to implement a manual workaround to read a material number of meters, Sensus agrees to pay and reimburse the LDC for all costs, and penalties incurred by or levied against the LDC, as a result of the material breakdown, to a maximum amount of one (1) million dollars per incident of systemic failure. This payment is in addition to any remedies set forth in Appendix D, Exhibit 1. This section shall not apply to anything else other than material breakdowns of the system requiring a material number of manual reads and the LDC shall take commercially reasonable steps that are within its control to mitigate its damages.

19. FORCE MAJEURE

(a) On the occurrence of an Event of Force Majeure, the party claiming Force Majeure will promptly notify the other of the particulars of the relevant event or circumstances and, if reasonably possible, supply supporting evidence to the other party. Each party shall use all reasonable best efforts to remove, curtail or contain the cause of the delay, interruption or failure, and resume, with the least possible delay, compliance with its respective duties, covenants and obligations under this Agreement. No party shall be liable to the other for any delay, interruption or failure in the performance of its duties, covenants or obligations hereunder if caused by an Event of Force Majeure.

(b) If the Event of Force Majeure is of such a nature that the Services or any of Sensus' other obligations under this Agreement would be different than required under a normal state of operation, Sensus shall use its reasonable best efforts to promptly return the Services (and all of its other obligations hereunder) to the normal state of operations after occurrence of the Event of Force Majeure and in any event not later than a reasonable time (which shall not be delayed in any circumstances) after the Force Majeure notice described in Section 19(a) above is given. If the Services or any of Sensus' other obligations hereunder cannot be returned to at least the pre-Event of Force Majeure level within such reasonable time period, Sensus and the LDC shall, during the following ten (10) calendar days, conduct all necessary negotiations to promptly modify the Services or any of Sensus' other obligations hereunder (and, as only may be strictly necessary, the terms and conditions of this Agreement) to ensure that the Services and any of Sensus' other obligations hereunder are to standards fully satisfactory to the LDC,

acting reasonably, and on terms and conditions fully acceptable to the parties, acting reasonably. If the LDC is not fully satisfied acting reasonably, with such negotiations or actions at the end of a ten (10) calendar day period starting from when the necessary negotiations were required to commence hereunder, the LDC may terminate this Agreement in accordance with Section 22.5.

20. INTERNAL DISPUTE RESOLUTION

20.1 General Objective

In the event of any dispute between the parties, the parties hereto shall use reasonable best efforts to first settle such dispute between themselves including fully resolving such matter. To this effect, the parties shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a solution satisfactory to both parties.

20.2 Escalation Process

If any dispute arises between the parties, the parties will, unless otherwise required in this Agreement, follow the step-by-step correction and resolution procedure set out below to the extent necessary to fully resolve the matter.

Step 1

The disputing party's representative (the LDC Administrator/Account Manager) will advise the other party's representative in writing of the dispute.

Step 2

The LDC Administrator and Account Manager shall promptly meet to resolve the dispute and will, within two (2) Business Days, or such additional time as they mutually agree (but no later than four (4) Business Days), fully resolve the dispute or elect to escalate it to the next reporting level.

Step 3

If unresolved at Step 2, the dispute shall be escalated by either of the LDC Administrator or Account Manager to the Project Committee which shall, upon receipt of notification by the LDC Administrator or Account Manager within two (2) Business Days, or such additional time as they mutually agree (but no later than four (4) Business Days), fully resolve the dispute or elect to escalate it to the next reporting level.

Step 4

If unresolved at Step 3, the dispute shall be escalated by the Project Committee to a Vice-President of Sensus designated by the Project Committee and the designee of the LDC who shall, upon receipt of notification by the Project Committee, within two (2) Business Days, or such additional time as they mutually agree (but no later than four (4) Business Days), fully resolve the dispute or elect to escalate it to the next reporting level.

Step 5

If unresolved at Step 4, the dispute shall be escalated by the Vice-President of Sensus and the designee of the LDC referred to in Step 4 above to the President of Sensus and the President (or similar) of the LDC who shall, upon receipt of notification by the Sensus Vice President and the LDC designee, within two (2) Business Days, or such additional time as they mutually agree (but no later than four (4) Business Days) to: (i) fully resolve the dispute, or (ii) abandon the dispute. If the parties fail to fully resolve or abandon the dispute, either of the President (or similar) of Sensus or the President (or similar) of the LDC may submit the dispute to the arbitration process outlined below in Section 21.

21. ARBITRATION

21.1 Arbitration

(a) Sensus and the LDC shall attempt, within ten (10) Business Days of the date a notice of arbitration was delivered to the other party, to agree on a single arbitrator who is a member of the Bar of the Province of Ontario. If Sensus and the LDC are unable to agree upon an arbitrator within ten (10) Business Days, then each shall nominate an arbitrator within a further ten (10) Business Days. If two arbitrators have been nominated, the two arbitrators shall select a third person as Chairperson. Sensus, the LDC and the two arbitrators, when respectively selecting an arbitrator, shall select an arbitrator who has expertise in commercial law, including the law of contract interpretation, and in the energy industry.

(b) If the nominated arbitrators are unable to agree on the selection of a Chairperson within ten (10) Business Days after the second arbitrator is nominated, either or both of Sensus and the LDC may apply to a Judge of the Ontario Superior Court of Justice to have the Chairperson appointed.

(c) Procedure

(i) Any arbitration conducted pursuant to this Agreement shall take place at a the location agreed upon by the parties with the concurrence of the

arbitrator or arbitration panel or, failing agreement between the parties, at a location selected by the arbitrator or arbitral tribunal.

(ii) A meeting shall be held between the parties within seven (7) Business Days after selection of the arbitrator or final member of the arbitral tribunal to agree upon the procedures for the arbitration. Failing agreement between the parties, submissions in writing on the appropriate procedures shall be presented by both parties to the arbitrator or arbitral tribunal within ten (10) Business Days thereafter. The decision of the arbitrator or arbitral tribunal as to the applicable procedures shall be issued, in writing, within thirty (30) Business Days thereafter, or as soon as commercially reasonably practicable.

(iii) The arbitration shall be completed within twelve (12) months of appointment of the arbitrator or final member of the arbitral tribunal.

(iv) Any decision of the arbitrator or arbitral tribunal on the merits of the dispute shall be in writing.

(v) The arbitrator(s) shall sign an acknowledgement that (s)he has not awarded any damages which are excluded by Section 17.

(vi) Any decision arising out of the arbitration process shall be final and binding on the parties, and no appeal or judicial review shall be taken from any determination unless an appeal is expressly provided for in the International Commercial Arbitration Act (Ontario).

(vii) The arbitrator or arbitral tribunal may determine any matters of procedure for the arbitration not specified herein.

(d) Sensus and the LDC agree that the arbitrator or arbitral tribunal shall not have the right to amend, change, or vary any of the terms or conditions of this Agreement. The parties shall, subject to any agreement between them or an order of the court to the contrary, abide by the determination and any interim order arising out of an arbitration conducted pursuant to this Section 21 including during any period in which an appeal from the determination is pending.

(e) The costs of the arbitration shall be borne by Sensus and the LDC as may be specified in the arbitrator's or arbitral tribunal's decision. In the event the arbitrator or arbitral tribunal makes no such decision, Sensus and the LDC shall bear its own costs and 50% of the cost of arbitration.

(f) Except as modified herein, the provisions of the International Commercial Arbitration Act (Ontario) as amended from time to time, shall govern any arbitration conducted under this section.

21.2 Performance During Dispute

Except where clearly prevented by the issue in dispute and no other alternative is available, the parties shall continue to fully perform their respective obligations under this Agreement while the dispute is being resolved, unless and until such obligations are terminated or expire in accordance with this Agreement.

22. TERM AND TERMINATION

22.1 Term

The term of this Agreement will commence on the Effective Date and, unless sooner terminated as provided for herein, shall terminate at the end of the fifteenth (15th) year following the Effective Date (the "Initial Term").

22.2 Renewals

At the end of the Initial Term, the LDC shall have the option in its sole discretion to renew this Agreement on the terms and conditions (including but not limited to pricing) contained herein and then in effect for three (3) additional five (5) year terms (each a "Renewal Term") by providing notice to Sensus of such renewal at least 180 calendar days prior to the end of the Initial Term and at least 180 calendar days prior to the end of each of the first two (2) Renewal Terms.

22.3 Termination by the LDC for Cause

(a) The LDC may terminate this Agreement as it relates to Sensus for cause by providing written notice to Sensus of such termination if Sensus commits:

(i) a material breach of its obligations under this Agreement and, provided such breach is capable of being cured, fails to cure such breach within forty-five (45) days of receipt of notice of such breach by Sensus;

(ii) an act of fraud under this Agreement; or

(iii) an Act of Insolvency under this Agreement.

22.4 Failure to Achieve Performance Requirements

Notwithstanding anything to the contrary in this Agreement, as long as the LDC uses Option B2 or Option B, the LDC may terminate this Agreement by providing written notice to Sensus and without affording Sensus any further opportunity to cure, if Sensus has failed to achieve the prescribed Performance Requirements as identified in Appendix D that permit such termination. Such termination shall be in lieu of any right

to receive Performance Remedies but further subject to Sensus obligations under Section 22.8 and any other rights of the LCD under this Agreement.

22.5 Termination by the LDC for Convenience

(a) The LDC may terminate this Agreement for convenience at any time, after the first anniversary of the Effective Date, in its discretion (including if the LDC receives an unfavourable ruling, decision or directive from the Ontario Energy Board with respect to cost recovery associated with the procurement and/or installation of Equipment hereunder and/or the procurement and/or implementation of the automatic meter reading system) upon ninety (90) days notice to Sensus. In such circumstances, the LDC shall pay Sensus for (and there shall be no double counting):

(i) actual Services rendered prior to the effective date of such termination;

(ii) all Equipment actually delivered by Sensus prior to the effective date of such termination;

(iii) all reasonable liabilities to manufacturers and other third parties as a result of written commitments made by the LDC to Sensus prior to termination directly based on deployment activities under this Agreement subject to prior mitigation by Sensus;

(iv) a termination fee based on the following schedule until the end of the Term, either in monthly installments until the end of the Term (or Renewal Term) or in a single lump sum payment equal to the present value of the total amount that would be payable for the remainder of the then-current Term (Initial Term or Renewal Term), using an annual discount rate of 9% plus an adder for Core CPI of 2%.

"Payments" referred to below shall mean all Monthly Meter Fees and payments for other Services being provided at the time of the termination notice. In each case "remainder of Payments" means until the end of the initial 15 year term or the then current renewal term (if applicable).

(1) Termination notice served during the second year of this Agreement – 80.0% of present value ("PV") of remainder of Payments

(2) Termination notice served during the third year of this Agreement – 75.0% of PV of remainder of Payments

(3) Termination notice served during the fourth year of this Agreement – 70.0% of PV of remainder of Payments

(4) Termination notice served during the fifth year of this Agreement – 65.0% of PV of remainder of Payments

(5) Termination notice served during the sixth year of this Agreement – 55.0% of PV of remainder of Payments

(6) Termination notice served during the seventh year of this Agreement – 45.0% of PV of remainder of Payments

(7) Termination notice served during the eighth year of this Agreement – 35.0% of PV of remainder of Payments

(8) Termination notice served during the ninth year of this Agreement – 20.0% of PV of remainder of Payments

(9) Termination notice served during the tenth year of this Agreement or thereafter – 5.0% of PV of remainder of Payments

(b) Any lump sum payment will be based on the number of Approved Meters then in service pursuant to this Agreement. If the LDC decides to extend the Term of this Agreement for a subsequent Renewal Term, then the LDC shall pay to Sensus a further amount equal to the amounts the LDC would be required to pay under Appendix C for such Renewal Term either in monthly payments during such Renewal Term or in a single lump sum payment equal to the present value of the total amount payable for the full Renewal Term, using an annual discount rate of 9% plus an adder for Core CPI of 2%.

(c) If Approved Meters are added to the FlexNet System after the amount of one of the above lump-sum payments is determined, the LDC will pay an amount equal to the amounts that the LDC would be required to pay under Appendix C until the end of the Term with respect to such added Approved Meters, net of any Approved Meters removed from service. This additional amount would be paid by January 31 of any year with respect to Approved Meters added during the preceding calendar year net of Approved Meters removed from service during that calendar year.

22.6 Termination by Sensus for Cause

(a) Sensus may terminate this Agreement as it relates to the LDC for cause by providing written notice to the LDC of such termination if the LDC commits:

(i) a material breach of its obligations under this Agreement and, provided such breach is capable of being cured, fails to cure such breach within forty-five (45) days of receipt of notice of such breach by the LDC;

(ii) an act of fraud under this Agreement; or

(iii) an Act of Insolvency under this Agreement.

(b) For the purposes of Section 22.6(a)(i), failure on the part of the LDC to pay undisputed fees or other charges invoiced by Sensus in accordance with this Agreement in excess of two (2) consecutive months of agreed upon Sensus invoices for the Services and failure to cure such non-payment within thirty (30) days of notice of such failure by Sensus shall constitute a "material breach" by the LDC.

22.7 Effect of Termination

(a) Subject to Section 22.8, upon termination of this Agreement for any reason, the Software License shall cease.

22.8 Termination Assistance Services

Sensus represents and warrants to the LDC that the Equipment transferred to the LDC from the Sensus Distributor shall be free and clear of all liens and encumbrances.

(a) Sensus acknowledges that it must cooperate with the LDC to ensure the orderly transfer of the Services on termination or expiration of this Agreement regardless of the reason for termination and provide assistance in the transition of the Sensus Services (the "Termination Assistance Services") for a reasonable period of time. The limitation of liability provisions set forth in Section 17 (and exclusions thereto) shall apply during and to the end of the Termination Assistance Services, subject to the survival provisions of this Agreement in Section 24.14. The LDC agrees to pay for the Termination Assistance Services at the time and material rates as outlined in Appendix C. The LDC may therefore, by notice in writing, direct Sensus to perform, and, if so directed, Sensus shall perform the Termination Assistance Services in connection with migrating the Sensus Services to the LDC or another service provider (the "Next Service Provider") and this Agreement shall continue in full force and effect until the completion of the Termination Assistance Services. Such Next Service Provider shall be determined by the LDC provided it shall not be a Competitor of Sensus and the Next Service Provider shall be subject to reasonable confidentiality obligations. Sensus and the LDC agree that they shall negotiate in good-faith and implement a plan that will govern the delivery by Sensus of the Termination Assistance Services and the obligations of Sensus and the LDC during the duration of the Termination Assistance Services (the "Termination Assistance Period"). The LDC shall be allowed to continue to use the FlexNet System in the operation of its business until the Next Service Provider is able to complete the transfer and migration of services from Sensus to the satisfaction of the LDC as determined by in its sole discretion acting reasonably; provided that the LDC continues to pay applicable fees as required hereunder.

(b) If in the reasonable opinion of the LDC, Sensus does not provide the Termination Assistance Services, Sensus shall provide access to such

information and facilities and allow the LDC continued use of the FlexNet System so as to allow the Next Service Provider to attempt to provide the required Termination Assistance Services.

(c) The Termination Assistance Services shall be provided at Sensus' time and materials rates set out in Appendix C.

(d) The LDC and the Next Service Provider shall treat all information provided during the Termination Assistance Period as Confidential Information, as set forth in Section 13, and shall not disclose such information to any third party, even after the expiration of the Termination Assistance Period.

(e) Subject to Section 22.8(h), the Termination Assistance Services shall also include providing the LDC and its agents, contractors, and consultants, as necessary, with reasonable access to service personnel and use of all systems comprising the AMI being used by Sensus to provide the Sensus Services.

(f) Termination Assistance Services shall include, but are not limited to, the following:

(i) Pre-migration Services:

(A) Reviewing all software libraries (tests and production) with the LDC or the Next Service Provider.

(B) Analysing space required for the databases and software libraries.

(C) Delivering an operating procedures manual and other documentation relating to the Sensus Services.

(D) Reviewing the operating procedures manual for the AMI with new operations staff.

(E) Providing procedural orientation to new operations staff.

(F) Participating in the preparation of a transition plan setting forth the respective tasks to be accomplished by Sensus and the LDC during the Termination Assistance Period to ensure the orderly transition to the LDC's Next Service Provider and a schedule pursuant to which the assigned tasks are to be completed.

(ii) Migration Services:

(A) Providing accurate and complete answers to all of the LDC's or the Next Service Provider's questions regarding the Services.

(B) Providing to the LDC or the Next Service Provider a current copy of a complete set of technical specifications and documentation used by Sensus in providing the Services on the understanding that the LDC and the Next Service Provider shall execute a confidentiality agreement and agree to use such information solely for the purpose of delivering services to the LDC and for no other purpose.

(C) Providing a complete list and a detailed description of the equipment and software that comprise the AMI.

(D) Identifying to the LDC any changes to the Services or their scope during the Termination Assistance Period.

(E) Delivering to the LDC all data and information backups, including but not limited to the Customer Data, on their present media.

(F) Undertaking reasonable efforts to assign or otherwise transfer the license(s) for the Bundled Third Party Software. The LDC shall be liable for any license fees or other costs required by the licensor(s) for such assignment or transfer of license(s).

(G) Assisting the LDC in acquiring any necessary rights to access and use any third party systems and documentation then being used by Sensus for provision of the Services.

(H) Subject to Section 21.8(h), upon the LDC's request and cost, assisting the LDC in engaging any third party services then being utilized by Sensus to perform the Services on reasonable terms and conditions, and using its reasonable efforts to remove any non-competition requirements that Sensus may have contracted with the third party source which would adversely impact on the third party source's ability to perform the Services for the LDC.

(I) Unloading the databases.

(J) Delivering tapes/media of production databases (with general content descriptions) to new operations staff.

(K) Assisting with the loading of the databases.

(L) Assisting with the data communications migration.

(M) Assisting in the execution of a parallel operation, if necessary, until the effective date of termination of this Agreement.

(g) If any Termination Assistance Services provided by Sensus require the utilization of additional resources that Sensus would not otherwise use in the performance of the Services, the LDC shall pay Sensus for such usage at its then-current rates which shall not be unreasonable. If the Termination Assistance Services require Sensus to incur expenses in addition to the expenses that Sensus would otherwise incur in the performance of this Agreement, then the LDC shall reimburse Sensus for such reasonable and any agreed upon additional expenses.

(h) In performing its obligations under Section 22.8 Sensus shall reasonably cooperate with all systems integrators, but in performing its obligations under Section 22.8 Sensus has no obligation to cooperate with or provide any information to any Competitor of Sensus, and the LDC shall not use any Competitor of Sensus to operate the FlexNet System nor in any manner related to Termination Assistance Services.

23. NOTICES

Notwithstanding anything to the contrary herein, any notice, information, direction or any other communication whatsoever (collectively, each a "Notice") given or required to be given regarding any matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile and addressed as follows:

(i) to the LDC:

Hearst Power Distribution Co. Ltd.
925 Alexandra Street, P.O. Bag 5000
Hearst, ON P0L 1N0 Canada
Facsimile: 705-362-5902
Attention: Jacques Lecours - Chair

(ii) to Sensus:

Sensus Metering Systems Inc.
8601 Six Forks Road, Suite 300
Raleigh, North Carolina
U.S.A. 27615
Facsimile: 919-424-8976
Attention: Bill Yeates – Vice President

With a copy to:

Sensus Metering Systems Inc.
8537 Six Forks Road, Suite 400
Raleigh, North Carolina
U.S.A. 27615
Facsimile: 919-845-4036
Attention: VP & General Counsel

A Notice is deemed to be delivered and received (i) if sent by personal delivery, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day, (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (iii) if sent by overnight courier, on the next Business Day, or (iv) if transmitted by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. Any party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a Notice will be assumed not to be changed. The failure to send a copy of a Notice to legal counsel in accordance with the foregoing shall not invalidate any Notice given to a party in accordance with this Section.

24. GENERAL

24.1 Currency

Unless otherwise specified, all references to monetary amounts in this Agreement (including all Appendices) are to the lawful currency of United States of America.

24.2 Headings, etc.

The provision of a table of contents, the division of this Agreement into articles, sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.

24.3 Severability

To the extent that any provision of this Agreement is determined to be invalid or unenforceable under applicable Laws, such provision, to the extent that it is invalid or unenforceable, shall be deemed void *ab initio*, and the remaining obligations imposed by the provisions of this Agreement shall be fully enforceable as if such invalid or unenforceable provision had not been included herein.

24.4 Time Periods

In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to and including" and by extending the period to the next Business Day if the last day of the period is not a Business Day. Time is of the essence in this Agreement.

24.5 Precedence of Interpretation

If there is any conflict between the terms of the body of this Agreement and those specified in the Appendices, the terms as stated in the body of this Agreement shall govern and take precedence. If an item is not contained within this Agreement but is specified within the Appendices, the terms as stated in the Appendices shall prevail.

24.6 No Waiver

Any waiver by either party of any right or obligation under this Agreement will not be effective unless made in writing and will not be considered to be a waiver of any other breach of the same obligation.

24.7 Rights Cumulative

Unless otherwise expressly provided, any express statement of any right or obligation of the LDC or Sensus under this Agreement is without prejudice to any other right or obligation of the LDC or Sensus expressly stated in this Agreement or arising at Law, provided that nothing herein shall be interpreted to adversely affect the limitations on liability expressly stated in this Agreement.

24.8 Assigns and Successors

(a) Subject to Section 24.8(b) and Section 24.8(c) neither party may assign this Agreement to any other person or entity without the prior written consent of the other party received at least 20 days in advance of the proposed assignment, which consent shall not be unreasonably refused or delayed.

(b) Subject to this Section 24.8(b) and Section 24.8(c), either party may assign this entire Agreement upon prior written notice to the other party (received at least 20 days in advance of the proposed assignment) but without requiring the other party's prior consent:

(i) to an Affiliate of the assignor; and (ii) specifically, in the case of Sensus, the LDC acknowledges that this Agreement may be assigned to Sensus Metering Systems Canada, Inc. pursuant to the terms and conditions hereof;

(ii) as part of a merger, amalgamation, arrangement, consolidation, reorganization or share sale of the assignor; or

(iii) pursuant to a sale of all or substantially all of the assets of the assignor.

In any assignment under Section 24.8(b)(i) or Section 24.8(b)(ii), the assignor shall be jointly and severally liable with the assignee (as principal obligor and not as a surety) for all pre-assignment and post-assignment obligations and liabilities under this Agreement following the assignment, including but not limited to all obligations and liabilities under Section 15 and the Guarantee and Indemnity by Sensus Metering Systems Inc. shall continue in full force and effect. The assignor shall do all things necessary to cause the assignee to fully assume its joint and several obligations and liabilities with the assignor under this Agreement.

In any assignment under Section 24.8(b)(iii), the assignor shall continue to assume all pre-assignment (but not post-assignment) obligations and liabilities under this Agreement and the Guarantee and Indemnity by Sensus Metering Systems Inc. shall continue in full force and effect in respect of all pre-assignment (but not post-assignment) obligations and liabilities. In addition, in any assignment under Section 24.8(b)(iii) (A) the assignor shall cause the assignee to fully assume all pre-assignment and post-assignment obligations and liabilities under this Agreement, including but not limited to all obligations and liabilities under Section 15; and (B) the assignor shall cause the assignee, who shall be required to possess sufficient resources (or a suitable guarantor) to be fully liable as guarantor and indemnifier for all of its assignees, Representatives, Affiliates and distributors as provided under this Agreement and in the Guarantee and Indemnity.

The LDC may, without the approval of the other party, assign this Agreement to a new entity in combination with other local distribution entities or utilities, and this shall be deemed to fall within the meaning of, and permitted by, Section 24.8(b)(ii).

(c) Upon any assignment by Sensus under this Agreement, the assignee shall automatically be deemed to make to the LDC all representations, warranties and covenants of Sensus under this Agreement, and shall have the ability, skill and resources to perform all obligations and liabilities under this Agreement. Likewise, upon any assignment by the LDC under this Agreement, the assignee shall automatically be deemed to make to Sensus all representations, warranties and covenants of the LDC under this Agreement, and shall have the ability, skill and resources to perform all obligations and liabilities under this Agreement.

24.9 Amendments

Subject to Section 24.6, no amendment, modification, supplement, or other purported alteration of this Agreement will be binding upon the parties hereto unless it is in writing and it (i) is signed on behalf of both the LDC by its duly authorized representative(s) and on behalf of Sensus, by a vice president of Sensus and (ii) expressly references this Agreement.

24.10 Governing Law

This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario without regard to the conflict of laws principles applicable in such jurisdiction.

24.11 Announcements

No press release, public statement, announcement or other public disclosure (a "Public Statement") with respect to this Agreement or the transactions contemplated in this Agreement may be made by either party, except with the express prior written consent and approval of the other party not to be unreasonably withheld or delayed. Where the Public Statement is required by Law or by a Governmental Entity, the party required to make the Public Statement will use its best efforts to obtain the prior approval of the other parties as to the form, nature and extent of the disclosure.

24.12 Entire Agreement And Effect of Purchase Orders

(a) This Agreement, together with any annexes, Appendices, addenda and writings expressly referred to, constitutes the entire agreement between the LDC and Sensus with respect to the subject matter hereof, and supersedes all prior agreements, proposals, or other communications between them, relative to the subject matter of this Agreement. There are no terms, conditions or warranties express or implied governing the LDC and Sensus hereunder other than those contained in this Agreement.

(b) Without limiting 24.12(a), the parties acknowledge that in the course of the performance of this Agreement various purchase orders, invoices and other documents will be exchanged between Sensus, the LDC and/or Sensus' Distributor.

(c) Despite the fact that a Purchase Order is or will later be attached as Appendix S to this Agreement, nothing in such Purchase Order shall, whether directly or indirectly, modify, amend, or otherwise alter the terms and conditions of this Agreement. Nothing in such Purchase Order shall limit or expand any recourse the LDC might directly have against Sensus in respect of Sensus' Distributor pursuant to this Agreement, and nothing in this Agreement shall limit any recourse the LDC might directly have against Sensus' Distributor under the Purchase Order.

24.13 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together will be deemed to constitute one and the same instrument. The party sending the facsimile transmission

will also deliver the original signed counterpart to the other party, however, failure to deliver the original signed counterpart shall not invalidate this Agreement.

24.14 Survival

In the event of expiration or termination of this Agreement for any reason whatsoever, the following sections shall survive and continue in effect for such period as is required to fulfill their purpose: Section 1, Section 2.1(c), Section 2.10, Section 8, Section 13, Section 14, Section 15.2(bb) and Appendix R, Section 16, Section 17, Section 20, Section 21, Section 22.8, Section 23, Section 24.11, all warranties (to the extent that, pursuant to their terms, they extend past the termination hereof) provided by Sensus in this Agreement and Appendix Q, as well as Appendix D (performance remedies, to extent any money is owing to the LDC) and Appendix G. The Guarantee and Indemnity shall also survive to the extent applicable to other provisions surviving herein. Any representation, warranty or covenant involving fraud or misrepresentation by the party giving such representation, warranty or covenant will survive and continue in full force and effect without limitation of time.

24.15 Costs and Expenses

Except as otherwise expressly provided in this Agreement, all fees, costs and expenses whatsoever incurred in connection with this Agreement, and the transactions contemplated herein shall be paid by the party incurring such expenses.

24.16 Further Assurances

Each party upon the request of the other, whether at or after the signature of this Agreement, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to carry out its obligations hereunder.

IN WITNESS WHEREOF the parties have executed this Agreement as of the Effective Date.

SENSUS METERING SYSTEMS INC.

Per: _____
Authorized Signatory
Name: Colin Flannery
Title: VP + General Counsel

HEARST POWER DISTRIBUTION CO. LTD.

Per: _____
Authorized Signatory
Name: Jacques Lecours
Title: Chair

Per: _____
Authorized Signatory
Name: Ni Loic C. Leduc
Title: General Manager

Appendix A

Services
provided by Sensus

1. METERING EQUIPMENT

1.1 Where the utility is purchasing FlexNet equipped electricity Approved Meters, Sensus is responsible for and will, directly or through the Sensus Distributor, ship the LDC Flexnet equipped electricity Approved Meters, each equipped with integrated FlexNet radio.

1.2 All Approved Meters will be provided with a valid Measurement Canada seal applied at the accredited facility of Sensus' choice.

1.3 Sensus, directly or through its distributor, will provide an agreed to number of handheld installation devices to the LDC ensuring an adequate supply to fulfill the time frame of the installation requirements.

2. NETWORK EQUIPMENT

2.1 Sensus will identify appropriate tower site(s), and/or utilize the LDC owned assets.

2.2 Sensus will install the necessary TGBs, antennas and associated equipment required to meet the Performance Requirements set forth in Appendix B.

2.3 So long as the LDC uses Option B2 or Option B, Sensus or a subcontractor of its choice, will host a RNI at a location of its choice in Canada. The LDC will have access to the hosted database and network operations interface via a web interface that will be provided by Sensus. The LDC will provide its own Internet access to access the web interface. Sensus will provide real-time information such as delineated in the AMI Functionality Spreadsheet (Appendix M) in a JMS format with delivery method, formats, etc. to be determined and mutually agreed upon by Sensus and the LDC.

2.4 Sensus shall provide the LDC with at least sixty (60) days' notice in writing should Sensus decide to change the location of the RNI.

3. NETWORK SERVICES

3.1 Sensus will perform the following network services for the duration of this Agreement:

- Site selection survey and propagation analysis for TGB sites

- So long as the LDC uses Option B2 or Option B, project planning and management of TGB site, coax & antenna construction, verification and drive testing

- So long as the LDC uses Option B2 or Option B, preventative maintenance monitoring using FlexNet diagnostic software tools on all TGBs and RNI on each Business Day

- So long as the LDC uses Option B2 or Option B, central station monitoring and trouble call ticket generation

- 24x7x365 servicing for TGB and RNI and radio tower equipment (antenna, etc.)

- So long as the LDC uses Option B2 or Option B, technician labour dispatched to repair TGB or RNI and radio tower equipment (antenna, etc.).

- So long as the LDC uses Option B2 or B, stock spare TGB hardware and radio tower equipment (antenna, etc.)

- Provide sufficient unshared radio spectrum to properly operate the Network Services

- Obtain and maintain the necessary licenses from Industry Canada and agree to facilitate the acquisition of such similar licenses for the LDC upon the expiry or termination of this Agreement

- Provide an IT/billing interface (CMEP file) in compliance with the requirements of the Province of Ontario MDM/R system

- Provide up to 100 non billable hours of IT interface work that will enable the RNI to interface the FlexNet System data with the LDC's MDM/R and the latter to Ontario's MDM/R or the LDC's Customer Information System. Hourly rate is $150/hour US beyond 100 hours, and the hourly rate shall increase according to the price escalation clause in Appendix C.

- Provide required training for Approved Meter installation and Utility Web Package (a minimum of one (1) week per year at no additional cost to the LDC to be sited at a mutually agreed upon locale).

4. MONITORING SERVICES

4.1 So long as the LDC uses Option B2 or Option B, Sensus will provide the following monitoring services. If, pursuant to Section 12 of the Agreement, the LDC chooses to adjust this Agreement to Option C, then Sensus shall not be required to provide the following services:

(a) Residential Meters (single phase) – Hourly register reads defined as total hourly kWh for all residential energy Approved Meter types as required by the AMI Functionality Spreadsheet (Appendix M).

4.1.2 Polyphase Meters (three phase) – For Commercial and Industrial customers, based upon the functionality of the meter purchased as per the AMI Functionality Spreadsheet (Appendix M), the information will be transferred in the CMEP format to the Centralized MDM/R as per the Independent Electricity System Operator's required format.

4.1.3 Real-time information as specified in the AMI Functionality Spreadsheet (Appendix M), such as tamper events, high/low voltage values and events, outage and restoration information, etc. in a JMS format with delivery method, formats, etc. to be determined and mutually agreed upon by the parties for all Approved Meters (in the defined area).

4.1.4 Access to the FlexNet Utility Web Package (open source, mirrored database), limited to twenty-five (25) concurrent connections, and three (3) users of the production database (for direct linking from utility systems).

4.2 Sensus or a subcontractor of its choice, will, in compliance with the requirements of the Province of Ontario MDM/R database, interface with the MDM/R Operator on all issues required by the MDM/R on behalf of the LDC as defined as "AMI Operator Tasks". This includes the daily export of residential and commercial customer data in the CMEP format utilizing the AS2 Client as per the Province of Ontario's MDM/R requirement.

5. CORPORATE SECURITY AUDIT

5.1 Sensus will contract and pay for a third party firm of Sensus' choice to conduct an annual industry recognized security audit to ensure that the FlexNet System has end-to-end protection against cyber attack and unauthorized intrusions.

Appendix B

FUNCTIONAL SPECIFICATION

FOR AN

ADVANCED METERING INFRASTRUCTURE

Version 2

JULY 5, 2007

FUNCTIONAL SPECIFICATION

FOR AN ADVANCED METERING INFRASTRUCTURE

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FUNCTIONAL SPECIFICATION

FOR AN ADVANCED METERING INFRASTRUCTURE

1. APPLICATION OF SPECIFICATION

This Specification sets the required minimum level of functionality for AMI in the Province of Ontario for residential and small general service consumers where the metering of demand is not required. This Specification is not intended to apply to net metering applications.

2. FUNCTIONAL SPECIFICATION

2.1 Deployment

This Specification shall be met regardless of the size or scope of the AMI deployment by a distributor.

2.2 Minimum Functionality

2.2.1 As a minimum:

2.2.1.1 AMI shall collect Meter Reads on an hourly basis from all AMCDs deployed by a distributor and transmit these same Meter Reads to the AMCC and MDM/R, as required, in accordance with these Specifications; and

2.2.1.2 A Meter Read shall be collected, dated and time stamped at the end of each hour (i.e. midnight as represented by 24:00).

2.2.2 The date and time stamping of Meter Reads shall be recorded as year, month, day, hour, minute (i.e. YYYY-MM-DD hh:mm).

2.2.3 All meters shall have a meter multiplier of one (1).

2.2.4 Distributors shall provide the MDM/R with the service multiplier for transformer-type meters.

2.3 Performance Requirements

2.3.1 Collection and Transmission of Meter Reads:

2.3.1.1 AMI shall successfully collect and transmit to the AMCC and MDM/R at least 98.0% of the Meter Reads from all AMCDs deployed by a distributor in any Daily Read Period.

2.3.1.2 Meter Reads unsuccessfully collected or transmitted shall not be due to the same AMI component (including, without limitation, any AMCD) during any three (3) month consecutive time period.

2.3.1.3 AMI shall be able to collect and transmit Meter Reads during its operating life without requiring a field visit.

2.3.2 Transmission Accuracy: Over the Daily Read Period, 99.9% of the Meter Reads received by the AMCC shall contain the same information as that collected by all AMCDs deployed by the distributor.

2.3.3 AMI shall be capable of providing Meter Reads with a precision of at least 10 Watt-hours (0.01 kWh).

2.4 Technical Requirements

2.4.1 When an AMI includes AMRCs, the AMRCs shall have the ability to store meter data to accommodate the performance requirements in section 2.3.1.

2.4.2 Time Synchronization:

2.4.2.1 AMI shall be operated and synchronized to Official Time, as set by the National Research Council of Canada.

2.4.2.2 AMI shall have the capability of adjusting for changes due to local daylight savings time.

2.4.2.3 AMI installed within a distributor's service area shall have the capability of accommodating more than one (1) time zone.

2.4.2.4 Time synchronization shall be maintained in the AMI to the specified accuracy parameters set out in section 2.4.3.1 following a loss of power.

2.4.2.5 All Meter Reads shall adhere to accurate time synchronization processes to ensure an accurate accounting of electricity consumption at each meter.

2.4.3 Time Accuracy:

2.4.3.1 At all times, time accuracy in the AMI shall not exceed a ±1.5 minute variance from the time established in section 2.4.2.1.

2.4.3.2 AMI shall be able to prove that time accuracy does not exceed the permitted time variance identified in section 2.4.3.1.

2.4.4 Loss and Restoration of Power:

2.4.4.1 AMI shall detect and identify the interval in which a loss of power occurred during a Daily Read Period.

2.4.4.2 AMI shall detect and identify the interval in which power was restored following a loss of power.

2.4.5 Environmental Tolerances: All AMI components (except the AMCC) shall operate and meet the requirements in these Specifications within a temperature range of minus thirty degrees Celsius (–30° C) to positive sixty-five degrees Celsius (+65°)

C), and within a humidity range of zero percent (0%) to ninety-five percent (95%) non-condensing.

2.5 Advanced Metering Communication Device (AMCD)

2.5.1 Installation Within the Meter:

2.5.1.1 The AMCD shall not impair the ability of the meter to be visually read.

2.5.1.2 Meters in which an AMCD is installed shall be able to be installed in existing meter sockets or enclosures.

2.5.1.3 AMCD shall meet or exceed ANSI standards to withstand electrical surges and transients.

2.5.2 Labelling:

2.5.2.1 The AMCD shall be permanently labelled with:

(1) Legally required labelling;

(2) Manufacturer's name;

(3) Model number;

(4) AMCD identification number;

(5) Input/output connections;

(6) Date of manufacture; and

(7) Bar code for tracking and inventory management.

2.5.3 When installed at a consumer's location, the meter shall visibly display, as a minimum, the AMCD identification number, meter serial number and LDC badge number for the meter.

2.5.4 The AMCD shall be able to be initialized or programmed during, or prior to, field installation.

2.6 Transmission of Meter Reads

2.6.1 All Meter Reads collected during the Daily Read Period shall be received by the AMCC and transferred to the MDM/R no later than 5:00 a.m. local time following the Daily Read Period.

2.6.2 Meter Reads are not required to be transmitted in a single transmission and may be transmitted as frequently as necessary in order to meet the requirements in section 2.6.1.

2.6.3 AMCC shall transfer the information identified in section 2.6.1 using an approved protocol and file structure.

2.7 Advanced Metering Regional Collectors (AMRC)

2.7.1 LAN Communication Infrastructure:

2.7.1.1 The spectrum allocation and wattage of the radio signal used by an AMI shall not impede neighbouring frequencies.

2.7.2 When an AMI includes AMRCs:

2.7.2.1The AMI shall provide for the continuous powering of AMRCs regardless of their location and placement.

2.7.2.2 All AMCDs shall be able to collect and transmit Meter Reads when one or more AMRC has a loss of power.

2.7.2.3 Memory and software parameters shall be maintained at all AMRC during a loss of power, whether by the provision of backup/alternate power or other solution.

2.8 Advanced Metering Control Computer (AMCC)

2.8.1 Each AMCC shall have the ability to store a rolling sixty (60) days of Meter Reads.

2.8.2 A distributor shall not aggregate Meter Reads into rate periods or calculate consumption data from the Meter Reads collected through its AMI either in its AMCC or any other component.

2.8.3 The AMCC shall be able to perform basic operational verification of Meter Reads received before transmitting these Meter Reads to the MDM/R.

2.9 Customer Account Information

2.9.1 Distributors shall provide initial information associated with customer accounts to the MDM/R on a date to be determined.

2.9.2 On an ongoing basis, distributors shall provide information associated with any change to the initial information identified in section 2.9.1 to the MDM/R at a frequency to be determined.

2.9.3 Information to be provided to the MDM//R pursuant to sections 2.9.1 and 2.9.2 is to be determined.

2.10 Monitoring & Reporting Capability

2.10.1 The AMI shall have non-critical reporting functionality and critical reporting functionality as required in this section 2.10. Information generated from this reporting functionality shall be available to the MDM/R.

2.10.2 Non-critical reporting:

2.10.2.1 At the completion of every Daily Read Period and following a transmission of Meter Reads, the AMCC shall generate a status report that includes information regarding anomalies and issues affecting the integrity of the AMI or any component of the AMI including information

related to any foreseeable impact that such anomalies or issues might have on the AMI's ability to collect and transmit Meter Reads.

2.10.2.2 In addition to section 2.10.2.1, the AMCC shall generate reports:

(1) Confirming successful initialization of the AMCD's installed in the field;

(2) Confirming data linkages among an AMCD identification number, LDC badge number, serial number and customer account;

(3) Confirming that the MDM/R has successfully received notification of any changes to customer account information;

(4) Confirming that the AMCC has successfully made changes to customer account information following receipt of same from the MDM/R;

(5) Confirming the successful collection and transmission of Meter Reads or logging all unsuccessful attempts to collect and transmit Meter Reads, identifying the cause, and indicating the status of the unsuccessful attempt(s) pursuant to section 2.3.1;

(6) Confirming the accuracy of the Meter Reads received by the AMCC pursuant to section 2.3.2;

(7) Confirming that all Meter Reads have a precision of at least 10 Watt-hours (0.01 kWh) pursuant to section 2.3.3;

(8) Confirming whether the Meter Reads acquired within the Daily Read Period are in compliance with the time accuracy levels identified in section 2.4.3;

(9) Confirming whether time synchronization within the AMI or any components of the AMI has been reset within the Daily Read Period;

(10) Identifying the intervals in which a loss of power occurred and at which power was restored, following a loss of power;

(11) Addressing the functionality of the AMCD communication link, including status indicators related to the AMCD and AMRC;

(12) Identifying suspected instances of tampering, interference and theft;

(13) Flagging potential network, meter and AMCD issues; and

(14) Identifying any other instances that impact or could potentially impact the AMI's ability to collect and transmit Meter Reads to the AMCC and/or MDM/R on a daily basis.

2.10.2.3 Following a transmission of Meter Reads or at the completion of every Daily Read Period, the information in section 2.10.2.2 (5) shall be stored and used by the AMCC to assess compliance with the requirement specified in section 2.3.1.2.

2.10.2.4 The reports generated in sections 2.10.2.1 and 2.10.2.2 shall be made available to the MDM/R with a frequency to be determined.

2.10.3 Critical reporting:

Critical events are defined to include any AMI operational issue that could adversely impact the collection and transmission of Meter Reads during any Daily Read Period.

2.10.3.1 The AMI shall identify and report the following to the distributor:

(1) AMCD failures;

(2) AMRC failures;

(3) Issues related to the storage capacity of any component of the AMI;

(4) Communication links failures;

(5) Network failures; and

(6) Loss of power and restoration of power.

2.10.3.2 The reports generated in section 2.10.3.1 shall be made available to the MDM/R.

2.11 Security and Authentication:

2.11.1 The AMI shall have security features to prevent unauthorized access to the AMI and meter data and to ensure authentication to all AMI elements.

2.12 Proven Technology

2.12.1 The AMI shall be a technology that has been proven to reliably comply with these Specifications.

2.13 Regulatory Requirements

2.13.1 The AMI shall meet all applicable federal, provincial and municipal laws, codes, rules, directions, guidelines, regulations and statutes (including any requirements of any applicable regulatory authority, agency, board, or department including Industry Canada, the Canadian Standards Association, the Ontario Energy Board and the Electrical Safety Authority) (collectively, "Laws"). For greater certainty, the AMI shall meet all applicable Laws that are necessary for the measurement of data and/or the transmission of data to and from the consumers within the Province of Ontario, including Laws applicable to metering, safety and telecommunications.

2.14 Water or Natural Gas Meter Reads

2.14.1 The AMI should be capable of supporting an increased number of Meter Reads associated with the reading and transmission of water and/or natural gas meters through additional ports on the AMCD, through optionally available multi-port AMCDs, or through additional AMCD/AMRC devices that are compatible with operating on the AMI. When procuring AMI, distributors shall obtain an indication of the capabilities of the proposed AMI to read water and natural gas meters, indicating the makes and models of such meters that can be read, and any requirements for retrofitting them.

3. DEFINITIONS

Within this Specification the following words and phrases have the following meanings:

"**AMCC**" is an advanced metering control computer that is used to retrieve or receive and temporarily store Meter Reads before or as they are being transmitted to the MDM/R. The

information stored in the AMCC is available to log maintenance and transmission faults and issue reports on the overall health of the AMI to the distributor.

"**AMCD**" is an advanced metering communication device that is housed either under the meter's glass or outside the meter. It transmits Meter Reads from the meter directly or indirectly to the AMCC.

"**AMI**" means an advanced metering infrastructure. It includes the meter, AMCD, LAN, AMRC, AMCC, WAN and related hardware, software and connectivity required for a fully functioning system that complies with this Specification. With some technologies, an AMI does not include AMRCs. An AMI does not include the MDM/R.

"**AMRC**" is an advanced metering regional collector that collects Meter Reads over the LAN from the AMCD and transmits these Meter Reads to the AMCC.

"**consumer**" or "**customer**" means a person who uses, for the person's own consumption, electricity that the person did not generate.

"**distributor**" has the meaning provided in the Ontario Energy Board Act, 1998.

"**Daily Read Period**" means the 24-hour period for collecting Meter Reads, subject to the two periods annually during which changes to and from daylight savings time take place. The Daily Read Period ends at 12:00 midnight of each day.

"**LAN**" means a local area network, the communication network that transmits Meter Reads from the AMCD to the AMRC.

"**meter multiplier**" is the factor by which the register reading must be multiplied to obtain the registration in the stated units.

"**Meter Read**" is a number generated by a meter that reflects cumulative electricity consumption at a specific point in time.

"**MDM/R**" means the meter data management and meter data repository functions within which Meter Reads are processed to produce rate-ready data and are stored for future use.

"**Specification**" means these functional specifications.

"**transformer-type meter**" means a meter designed to be used with instrument transformers.

"**WAN**" means a wide area network, the communication network that transmits Meter Reads from the AMRC to the AMCC or, in some systems from the AMCD directly to the AMCC, and from the AMCC to the MDM/R.

Appendix C

Fees and Pricing

A. Network Equipment:

The LDC shall purchase the Equipment (excluding the RNIs) directly from Sensus' Distributor, in accordance with the Purchase Order unless alternative arrangements are made in advance. Sensus acknowledges that the LDC's payment to such party for the Equipment (excluding the RNIs) is satisfaction of such payment obligation.

B. Service:

Service Fee Description	Initial Service Fee in US Dollars		
	Option B2	**Option B**	**Option C**
Monthly Meter Fee	$ 0.122 (twelve point two US cents) per meter per month Plus $ 2,500 (two thousand five hundred US dollars) per TGB per month	$0.08 (eight US cents) per meter per month Plus $2,500 (two thousand five hundred US dollars) per TGB per month	$0.03 (three US cents) per meter per month Plus $750 (seven hundred fifty US dollars) per TGB per month

- **For Option B2:**

o LDC owns the meters, TGBs, FNPs and FRPs. Sensus owns the RNI and operates and maintains the network, and Sensus provides full FlexNet functionality data services including hourly reads for all meters, monthly demand read and reset for demand meters; voltage information, tamper information, outage/restoral information, meter status information, remote connect/disconnect; leak detection (water & gas if added) and battery low warning (water & gas).

o Sensus and the LDC responsibilities are detailed in Appendix K.

o The Monthly Meter Fee shall increase on an annual basis according to the Price Escalation clause below.

o The per TGB per month fee will be reduced by the following for each TGB where the LDC provides the listed item ("TGB Reduction"):

Item Provided by the LDC	Amount reduction in the TGB per month fee for the applicable TGB
Tower location	$500 reduction in TGB per month fee
WAN	$125 reduction in TGB per month fee
Power	$25 reduction in TGB per month fee

- o All prices are USD.
- o The TGB Reduction amounts shall increase on an annual basis according to the Price Escalation clause below.

- **For Option B:**

o The LDC owns and Sensus operates and maintains the network.

o Sensus and the LDC responsibilities are detailed in Appendix K.

o The Monthly Meter Fee shall increase on an annual basis according to the Price Escalation clause below.

o The per TGB per month fee will be reduced by the following for each TGB where the LDC provides the listed item ("TGB Reduction"):

Item Provided by the LDC	Amount reduction in the TGB per month fee for the applicable TGB
Tower location	$500 reduction in TGB per month fee
WAN	$125 reduction in TGB per month fee
Power	$25 reduction in TGB per month fee

- o All prices are USD.
- o The TGB Reduction amounts shall increase on an annual basis according to the Price Escalation clause below.

- **For Option C:**

o The LDC owns the hardware in the FlexNet System and operates and maintains the FlexNet System. Sensus and the LDC responsibilities are detailed in Appendix K.

o LDC purchases the necessary RNIs. The Monthly Meter Fee shall increase on an annual basis according to the Price Escalation clause below.

- The TGB Reduction described in Option B above will not apply if the LDC elects Option C.

- All prices are USD.

All fees above are listed in US Funds.

For each meter, the Monthly Meter Fee per meter per month shall commence 30 days after that particular meter registers on the FlexNet System.

The Monthly Meter Fee per TGB per month will be billed in the month following the installation of each TGB provided that the installation of the RNI has been completed and data can support the successful transmission of data to the RNI. .

C. Exchange Rate:

Although the monthly Service Fees are expressed in United States dollars, Sensus shall be paid in Canadian dollars, using the following exchange rates and processes.

At the time the first invoice for monthly Service Fees is prepared, the exchange rate used shall be the average daily noon rate of exchange of United States dollars to Canadian dollars for the past 30 days, as calculated and published by the Bank of Canada. This can currently be found at http://www.bankofcanada.ca/en/rates/exchange.html. This rate shall be used for billing purposes for the remainder of the calendar year in which the first invoice was prepared.

On October 1 of that year, and on October 1 of each subsequent year, the parties shall locate the noon rate of exchange of the United States dollars to Canadian dollars as calculated and published by the Bank of Canada for the average of October of the year before through September of that year and use those twelve figures to calculate an average exchange rate. These rates can currently be found at http://www.bankofcanada.ca/en/rates/exchange.html. For example, on October 1, 2011, the parties shall use the noon rate for the first business day of October 2010 through September 2011. These twelve figures are added up and divided by twelve to get the average rate (the "Exchange Rate").

To avoid confusion, the application of the Exchange Rate is only forward looking, starting on January 1. It will not affect invoices in the year in which it is calculated.

D. Time and Materials Rates:

Sensus' standard time and materials rates are $150 US per hour plus reasonable and approved travel expenses if required. The standard time and materials rate shall increase according to the Price Escalation clause below.

E. Price Escalation:

The pricing in this appendix shall remain firm until October 1, 2010. Beginning on October 1, 2010, and on each anniversary thereafter, the amount charged for each pricing component in this appendix shall increase automatically to equal the Sum. "Sum" means the summation of: (i) the amount charged for such pricing component during the immediately preceding year ("Base Amount"); plus (ii) the product of the Base Amount multiplied by the percentage rate of increase in the Core CPI during the immediately preceding 12 month period (which product shall not be less than zero, such that the pricing in this appendix cannot decrease under this section). For example, if the above calculation had to be made to the 8 US cent per meter per month plus US$2,500 per TGB per month Option B payment above on October 1, 2009, the parties would use the most recently published monthly Core CPI compared to the one published 12 months earlier. Assuming in this example that the August 2009 Core CPI was available, the calculation would be: Core CPI for August 2009 (which is 112) divided by Core CPI for August 2008 (which is 110) equals 1.018 (1.8%). 8 multiplied by 1.018= 8.14 cents. Likewise 2,500 multiplied by 1.018 equals 2,545. These new figures would apply until the following October, when the Core CPI is again applied.

Appendix D

Performance Requirements and Performance Remedies

1. PERFORMANCE REQUIREMENTS

The following are the Performance Requirements of Section 2.3 of the Functional Specification that Sensus commits to achieve for all Approved Meters pursuant to this Agreement.

1.3.1 The Performance Requirements and Performance Remedies for Collection and Transmission of Meter Reads are set out in Exhibit 1 to this Appendix D.

1.3.2 Transmission Accuracy: Over the Daily Read Period, 99.9% of the Meter Reads received by the RNI shall contain the same information as that collected by all AMCDs deployed by the LDC.

1.3.3 The AMI shall be capable of providing Meter Reads with a precision of at least 1 Watt-hour (0.001 kWh).

2. FUNCTIONAL SPECIFICATIONS.

The Functional Specifications in Appendix B, and the Performance Requirements set forth in Section 1 in this Appendix D, shall only apply to Available Meters and shall not apply to Unavailable Meters.

3. EXCEPTIONS

Sensus shall only be subject to Performance Remedies and termination provisions if the Approved Meters or AMCDs in the Functional Specifications are Available Meters. Sensus will be relieved of paying the Performance Remedies, nor be subject to termination provisions or any other adverse consequences, should the FlexNet system fail to meet the Performance Requirements of Section 2.3 of the Functional Specification for any of the following reasons:

(i) daily Meter Reads unsuccessfully collected or transmitted during TGB or FNP power failures of greater than: (i) eight (8) hours; or (ii) an Event of Force Majeure.

(ii) an Event of Force Majeure;

(iii) Approved Meters removed from service;

(iv) damaged, improperly installed, tampered or failed Approved Meters;

(v) Approved Meters reported to the LDC by Sensus indicating that radio contact has been lost or degraded; or

(vi) Approved Meters installed out of the Territory; or

(vii) Approved Meters or AMCDs are Unavailable Meters.

4. DISPUTES OVER IMPROPER INSTALLATION

Should Sensus argue that the failure of any Performance Requirement was due to an improperly installed Approved Meter, they shall so advise the LDC and provide evidence of same. If the LDC disputes the evidence and rejects the position, the matter shall be referred to Section 20 and 21 of the Agreement for resolution.

5. PERFORMANCE REMEDIES

The Performance Remedies are set out in Exhibit 1 of this Appendix D. The Performance Remedies in this Exhibit are the LDC's sole remedies for failure of Sensus to achieve the Performance Requirements set out in this Exhibit.

6. PERFORMANCE REQUIREMENTS - DELIVERY

Sensus has agreed to the following manufacturing schedule for the delivery of meters to the LDC and understands that the LDC will make installation staffing commitments based on the agreed schedule. For each Sensus meter that Sensus fails to deliver to the LDC by the desired delivery date shown on the applicable purchase order ("Late Unit"), Sensus shall pay the LDC ten dollars ($10.00) per Late Unit per day, up to a maximum of one-thousand dollars ($1,000) per day; provided, however, that such penalty shall only apply if (i) the LDC has not deviated from the Meter Delivery Schedule as attached hereto; (ii) the LDC provides a firm purchase order three (3) months prior to the requested delivery date; (iii) the LDC has maintained a buffer stock equal to the volume of meters installed during thirty (30) days; and (iv) all the LDC's inventory is exhausted due to the lateness of the deliveries. The penalty shall only apply to production released Sensus meters, and it shall not apply to test, sample or beta meters not in full production at the time of the purchase order. Furthermore, the $10.00 penalty shall not apply to delays caused, in whole or in part, by Force Majeure, the LDC, or the LDC's installation staffing. The $10.00 penalty shall only apply to delays that are solely the fault of Sensus or their Representatives or Distributor.

The agreed to delivery schedule is as follows:

Meter Delivery Schedule

2009, 2010

All meters received.

Exhibit 1
to Appendix D

These will no longer apply should Option C be elected

Parameters	Collection and Transmission of Meter Reads
Performance Requirement Definition (Section 2.3.1.1):	The purpose of this Performance Requirement is to measure the successful collection and transmission of Meter Reads by the FlexNet System to the RNI and MDM/R.
Performance Requirements of Available Meters	98% of all Meter Reads from Available Meters (hourly interval and daily register reads) are successfully gathered within the Daily Read Period.
Performance Remedies	Performance Remedies for failures to achieve the above Performance Requirement is as follows: 1st Failure results in non-payment of 25% of Monthly Meter and TGB Fee for the applicable month 2nd Failure results in non-payment of 50% of Monthly Meter and TGB Fee for the applicable month 3rd Failure results in non-payment of 75% of Monthly Meter and TGB Fee for the applicable month 4th Failure results in non-payment of 100 % of Monthly Meter and TGB Fee for the applicable month After 4 consecutive months with 4 or more Failures the LDC has the option to terminate the Agreement for cause in accordance with Section 22.3. These remedies only apply if the Failure results solely from the fault of Sensus, their Representatives or Distributor, and if the Failure does not arise from the fault of any third party or from the fault of the LDC (such as a failure in power delivery; timely maintenance of the TGBs, FNPs, FRPs, meters, RNI, communications back haul or network equipment; or timely installation of any Software Updates).

Parameters	Collection and Transmission of Meter Reads
Performance Requirement	The purpose of this Performance Requirement is to measure the successful

Definition:	collection and transmission of Meter Reads by the FlexNet System to the RNI and are included in the CMEP file for export to the IESO centralized MDMR with log files available to demonstrate the file transport via the AS2 client.
Performance Requirements of Available Meters	99% of all Meter Reads from Available Meters (99% of register and 99% of interval) are successfully collected within 72 hours measured from Midnight to Midnight in each 3 day rolling period. 99.5% of all Meter Reads from Available Meters (99.5% of register and 99.5% of interval) are successfully collected within 30 days measured from Midnight to Midnight in each monthly period. 99.99% of all Available Meters successfully transmit at least 1 Meter Read in each 24 hour period and it is captured by the RNI within thirty (30) days.
Performance Remedies	Performance Remedies for failures to achieve the above Performance Requirement is as follows: 1st Failure results in non-payment of 12.5% of Monthly Meter and TGB Fee for the applicable month 2nd Failure results in non-payment of 25% of Monthly Meter and TGB Fee for the applicable month 3rd Failure results in non-payment of 37.5% of Monthly Meter and TGB Fee for the applicable month 4th Failure results in non-payment of 50% of Monthly Meter and TGB Fee for the applicable month After 6 consecutive months with 4 or more failures the LDC has the option to terminate the Services Agreement for cause in accordance with Section 22.3. These remedies only apply if the Failure results solely from the fault of Sensus, a Sensus Distributor or Representative, and if the Failure does not arise from the fault of the LDC (such as a failure in power delivery; timely maintenance of the TGBs, FNPs, FRPs, meters, RNI, communications back haul or network equipment, or timely installation of any Software Updates).

Notes:

1. A "Failure" means the inability of the FlexNet System to meet the Performance Requirements of Available Meters set forth in the chart above.

2. The Performance Remedies of Exhibit 1 to Appendix D shall never result in non-payment of over 100% of the Monthly Meter and TGB Fees, and Sensus shall not owe the LDC any payments as a result of the Performance Remedies.

3. The Performance Remedies shall not apply to Failures caused by Force Majeure or the LDC.

Appendix E

Intentionally Omitted

Appendix F

HARDWARE

Equipment purchased by the LDC

Tower Gateway Base-station

Qty one (1) Sensus TGBs

Flexnet Network Portal

Qty zero (0) Sensus FNPs

Flexnet Remote Portal

Qty zero (0) Sensus FRPs

Regional Network Interfaces

Qty zero (0) Sensus RNIs

Appendix G

Third Party Provider NDAs

In order to protect certain confidential information which may be disclosed between them, Sensus and _____ agree that:

1. Each party is a DISCLOSER and a RECIPIENT of confidential information.

2. The confidential information disclosed under these Terms may be transmitted orally, in writing or electronically, and may consist of technical, business or financial information that is not published or otherwise readily available to persons or entities other than DISCLOSER.

3. RECIPIENT shall use the confidential information exclusively for the purpose of performing its obligations under the Master Services Agreement. RECIPIENT may not disclose or otherwise use the confidential information for any other project or purpose, or in any other way, without first obtaining written permission from the DISCLOSER.

4. All tangible documentation and materials provided to RECIPIENT under these Terms shall remain the property of the DISCLOSER and shall be returned to DISCLOSER at the conclusion of the project or following a written request from the DISCLOSER. RECIPIENT shall make no copies of any tangible documentation or materials provided hereunder, except to the extent necessary for the permitted use, RECIPIENT shall retain no copies, and shall return all copies when originals are returned.

5. These Terms shall be coterminous with the master Services Agreement, provided that the RECIPIENT's duty to protect confidential information disclosed under these Terms shall extend for five (5) years from the date of termination. Trade secret information shall be maintained in confidence beyond the term of this Agreement in perpetuity.

6. RECIPIENT shall prevent the unauthorized use, dissemination or publication of the confidential information by using the same degree of care as RECIPIENT uses to protect its own confidential information of a like nature, but no less than a reasonable degree of care,

7. RECIPIENT may disclose the confidential information provided hereunder to its employees, agents and contractors who may be directly involved in the project and whom RECIPIENT has informed to comply with the obligations of this Agreement or who, by the nature of their services, are subject to non-disclosure obligations regarding information about the Recipient, but to no others. Upon request, RECIPIENT shall provide to DISCLOSER a list of all persons given access to such confidential information.

8. These Terms impose no obligation upon a RECIPIENT with respect to specific confidential information which (a) was in RECIPIENT's possession before receipt from DISCLOSER as evidenced by written records; (b) is or becomes matter of public knowledge through no fault of RECIPIENT; (c) is rightfully obtained by RECIPIENT from a third party who is

legally free to pass on such information without a duty of confidentiality; (d) is disclosed by DISCLOSER to a third party without a duty of confidentiality on the third party; (e) is independently developed by RECIPIENT as evidenced by written records; or (f) is disclosed under operation of law.

9. If RECIPIENT is requested or required by law to disclose any of the Confidential or Proprietary Information, the RECIPIENT will promptly notify the DISCLOSER of such request or demand prior to disclosure, and will cooperate with the DISCLOSER (at DISCLOSER's cost) in seeking an appropriate protective order or the filing of a motion to quash the demand.

10. Each DISCLOSER warrants that it has the right to make disclosures under these Terms.

11. Neither party acquires any intellectual properly rights under these Terms except the limited right to use set out in paragraph 3 above.

12. These Terms are made in, and shall he governed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario, Canada.

Appendix H

Territory

See Attached.

Signaldämpfung

Appendix I

Software

THIRD PARTY SOFTWARE		
	Software	*Version*
BUNDLED THIRD PARTY SOFTWARE	Apache Tomcat	Version 5.5.23
	Geos	Version 2.2.3-1
	Java	Version 1.5.0_12
	JMS/Active MQ	Version 5.2.0
	Ntpd	Version 3.9
	Open LDAP	Version 2.3.27
	Open SSH	Version 4.4
	Perl	Version 5.8.8
	PostgreSQL	Version 8.1.11-1
	Spring Framework	Version 2.5.4
	Apache HTTP Server	Version 2.2.3
	copSSH	Version 1.3.10
	cURL	Version 7.15.5-2
	PostGIS	Version 1.2.1-1
	Sarissa	Version 0.9.7.1
	VNC	Version 3.3.3 R1
NON-BUNDLED THIRD PARTY SOFTWARE	Oracle database	(10g or 11g)
	MS Windows Server 2003 R2	Enterprise Edition (64 bit installation)
	RedHat Linux	RedHat Enterprise Linux AS 5.2 Premium Edition

	Big Brother or HP Open View	Version 3.1 Version 7.51 or newer
	Red Gate SQL Backup or Veritas Netbackup	Standard Edition Version 6.0 or newer
	Google Earth	Version 4.1 or newer

FlexWare Software List		
	Software	***Version***
Sensus Supplied	Sensus FlexWare	Version 1.7.1
	"tiny TGB" Software	Version 061015r6

As part of the Monthly Meter Fee set forth in Appendix 'C', the LDC is entitled to the upcoming 'Oracle' based FlexWare Software release, at no additional Monthly Maintenance Fee, pursuant to the terms set forth herein. The LDC is responsible for purchasing any additional hardware and the Oracle data base license as well as incurring a reasonable service fee to Sensus for conversion from the MS SQL FlexWare Software version to the Oracle FlexWare Software version.

Appendix J

Escrow Agreement
(Source Code)

See Attached.

Iron Mountain Intellectual Property Management

S4051121

Iron Mountain offers records management for both physical and digital media, disaster recovery support, consulting services, and is the leader in intellectual property protection, specializing in technology escrow and domain name records management. Comac, a subsidiary of Iron Mountain, provides marketing collateral fulfillment services. Iron Mountain is committed to delivering responsive and reliable service to meet our customers' needs. Our proven systems and processes ensure that we provide quality and consistent service to our customers. Be sure to visit our website, www.ironmountain.com for more information.

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Master Deposit Account Number: 36236

Effective Date: JUNE 30, 2009

THREE-PARTY MASTER DEPOSITOR

ESCROW SERVICE AGREEMENT

1. **Introduction.**

This Escrow Service Agreement (the "Agreement") is entered into by and between Sensus Metering Systems, Inc. ("Depositor"), and by any additional party enrolling as a "Beneficiary" upon execution of the Acceptance Form attached as Exhibit E to this Agreement and by Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain"). Beneficiary, Depositor, and Iron Mountain may be referred to individually as a "Party" or collectively as the "Parties" throughout this Agreement.

(a) The use of the term services in this Agreement shall refer to Iron Mountain services that facilitate the creation, management, and enforcement of software or other technology escrow accounts as described in Exhibit A attached hereto ("Services"). A Party shall request Services under this Agreement by submitting a work request for certain Iron Mountain Services ("Work Request") via written instruction or the online portal maintained at the website located at www.ironmountainconnect.com or other websites owned or controlled by Iron Mountain that are linked to that website (collectively the "Iron Mountain Website").

(b) In the event bankruptcy proceedings are commenced in Canada by a party to this Agreement, the parties hereto will comply with the Bankruptcy and Insolvency Act of Canada ("Act") and the remedies provided therein, and unless otherwise ordered by the court, Licensor/Depositor shall not interfere with the rights of the Licensee/Preferred Beneficiary to elect to continue this Agreement as supplementary to the Advanced Metering Infrastructure Services Agreement ("Service Agreement").

2. **Depositor Responsibilities and Representations.**

(a) Depositor shall make an initial deposit that is complete and functional of the source code for Depositor's proprietary software licensed to Beneficiary under the Service Agreement ("Deposit Material") to Iron Mountain within thirty (30) days of the Effective Date. Depositor may also update Deposit Material from time to time during the Term of this Agreement provided a minimum of one (1) complete and functional copy of Deposit Material is deposited with Iron Mountain at all times. At the time of each deposit or update, Depositor will provide an accurate and complete description of all Deposit Material sent to Iron Mountain via the Iron Mountain Website or using the form attached hereto as Exhibit B.

(b) Depositor represents that it lawfully possesses all Deposit Material provided to Iron Mountain under this Agreement free of any liens or encumbrances as of the date of their deposit. Any Deposit Material liens or encumbrances made after their deposit will not prohibit, limit, or alter the rights and obligations of Iron Mountain under this Agreement. Depositor warrants that with respect to the Deposit Material, Iron Mountain's proper administration of this Agreement will not violate the rights of any third parties.

(c) Depositor represents that all Deposit Material is readable and useable in its then current form; if any portion of such Deposit Material is encrypted the necessary decryption tools and keys to read such material are deposited contemporaneously.

(d) Depositor agrees, upon request by Iron Mountain, in support of Beneficiary's request for verification Services, to promptly complete and return the Escrow Deposit Questionnaire attached hereto as Exhibit Q. Depositor consents to Iron Mountain's performance of any level(s) of verification Services described in Exhibit A attached hereto and Depositor further consents to Iron Mountain's use of a subcontractor to perform verification Services. Any such subcontractor shall be bound by the same confidentiality obligations as Iron Mountain and shall not be a direct competitor to either Depositor or Beneficiary. Iron Mountain shall be responsible for the delivery of Services of any such subcontractor as if Iron Mountain had performed the Services. Depositor represents that all Deposit Material is provided with all rights necessary for Iron Mountain to verify such proprietary technology and materials upon receipt of a Work Request for such Services or agrees to use commercially reasonable efforts to provide Iron Mountain with any necessary use rights or permissions to use materials necessary to perform verification of the Deposit Material.

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Depositor agrees to reasonably cooperate with Iron Mountain by providing reasonable access to its technical personnel for verification Services whenever reasonably necessary.

3. **Beneficiary Responsibilities and Representations.**

(a) Beneficiary acknowledges that, in the absence of a Work Request for verification Services, as between Iron Mountain and Beneficiary, Beneficiary assumes all responsibility for the completeness and functionality of all Deposit Material.

(b) Beneficiary may submit a verification Work Request to Iron Mountain for one of more of the Services defined in Exhibit A attached hereto and further consents to Iron Mountain's use of a subcontractor if needed to provide such Services. Beneficiary warrants that Iron Mountain's use of any materials supplied by Beneficiary to perform the verification Services described in Exhibit A is lawful and does not violate the rights of any third parties.

4. **Iron Mountain Responsibilities and Representations.**

(a) Iron Mountain agrees to use commercially reasonable efforts to provide the Services requested by Authorized Person(s) (as identified in the "Authorized Person(s)/Notices Table" below) representing the Depositor and Beneficiary in a Work Request. Iron Mountain may reject a Work Request (in whole or in part) that does not contain all Required Information at any time upon notification to the Party originating the Work Request.

(b) Iron Mountain will conduct a visual inspection upon receipt of any Deposit Material and associated Exhibit B. If Iron Mountain determines that the Deposit Material does not match the description provided by Depositor represented in Exhibit B attached hereto, Iron Mountain will notify Depositor of such discrepancies and notate such discrepancy on the Exhibit B.

(c) Iron Mountain will provide notice to the Beneficiary of all Deposit Material that is accepted and deposited into the escrow account under this Agreement.

(d) Iron Mountain will work with a Party who submits any verification Work Request for Deposit Material covered under this Agreement to either fulfill any standard verification Services Work Request or develop a custom Statement of Work ("SOW"). Iron Mountain and the requesting Party will mutually agree in writing to a SOW on the following terms and conditions that include but are not limited to: description of Deposit Material to be tested; description of verification testing; requesting Party responsibilities; Iron Mountain responsibilities; Service Fees; invoice payment instructions; designation of the paying Party; designation of authorized SOW representatives for both the requesting Party and Iron Mountain with name and contact information; and description of any final deliverables prior to the start of any fulfillment activity. After the start of fulfillment activity, each SOW may only be amended or modified in writing with the mutual agreement of both Parties, in accordance with the change control procedures set forth therein.

(e) Iron Mountain will hold and protect all Deposit Material in physical or electronic vaults that are either owned or under the control of Iron Mountain, unless otherwise agreed to by the Parties.

(f) Upon receipt of written instructions by both Depositor and Beneficiary, Iron Mountain will permit the replacement or removal of previously submitted Deposit Material. The Party making such request shall be responsible for getting the other party to approve the joint instructions.

5. **Payment.**

The Party responsible for payment designated in Exhibit A ("Paying Party") shall pay to Iron Mountain all fees as set forth in the Work Request ("Service Fees"). Except as set forth below, all Service Fees are due to Iron Mountain within thirty (30) calendar days from the date of invoice in Canadian currency and are non-refundable. Iron Mountain may update Service Fees with a ninety (90) calendar day written notice to the Paying Party during the Term of this Agreement. The Paying Party is liable for any taxes related to Services purchased under this Agreement or shall present to Iron Mountain an exemption certificate acceptable to the taxing authorities. Applicable taxes shall be billed as a separate item on the invoice, to the extent possible. Any Service Fees not collected by Iron Mountain when due shall bear interest until paid at a rate of one percent (1%) per month (12% per annum) or the maximum rate permitted by law, whichever is less. Notwithstanding, the non-performance of any obligations of Depositor to deliver Deposit Material under the Service Agreement or this Agreement, Iron Mountain is entitled to be paid all Service Fees that accrue during the Term of this Agreement.

6. **Term and Termination.**

(a) The initial "Term" of this Agreement is for a period of one (1) year from the Effective Date("Initial Term") and will automatically renew for additional one (1) year terms ("Renewal Term") and continue in full force and effect until one of the following events occur: (i) Depositor and Beneficiary provide Iron Mountain with sixty (60) days' prior written

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joint notice of their intent to cancel this Agreement ; (ii) Beneficiary provides Iron Mountain and Depositor with sixty (60) days' prior written notice of their intent to terminate this Agreement; (iii) the Agreement terminates under another provision of this Agreement; or (iv) any time after the Initial Term, Iron Mountain provides sixty (60) days' prior written notice to the Depositor and Beneficiary of Iron Mountain's intent to terminate this Agreement. Between the Depositor and the Beneficiary, the Beneficiary shall terminate this Agreement upon the termination of the Service Agreement. If the Effective Date is not specified above, then the last date noted on the signature blocks of this Agreement shall be the Effective Date.

(b) Unless the express terms of this Agreement provide otherwise, upon termination of this Agreement, Iron Mountain shall return the Deposit Material to the Depositor. If reasonable attempts to return the Deposit Material to Depositor are unsuccessful, Iron Mountain shall destroy the Deposit Material.

(c) In the event of the nonpayment of undisputed Service Fees owed to Iron Mountain, Iron Mountain shall provide all Parties to this Agreement with written notice of Iron Mountain's intent to terminate this Agreement. Any Party to this Agreement shall have the right to make the payment to Iron Mountain to cure the default. If the past due payment is not received in full by Iron Mountain within thirty (30) calendar days of the date of such notice, then Iron Mountain shall have the right to terminate this Agreement at any time thereafter by sending written notice to all Parties. Iron Mountain shall have no obligation to take any action under this Agreement (except to those obligations that survive termination of this Agreement)so long as any undisputed Service Fees due Iron Mountain under this Agreement remain unpaid.

7. General Indemnity.

Subject to Section 10 and 11, each Party shall defend, indemnify and hold harmless the others, their corporate affiliates and their respective officers, directors, employees, and agents and their respective successors and assigns from and against any and all claims, losses, liabilities, damages, and expenses (including, without limitation, reasonable attorneys' fees), arising under this Agreement from the negligent or intentional acts or omissions of the indemnifying Party or its subcontractors, or the officers, directors, employees, agents, successors and assigns of any of them.

8. Warranties.

(a) IRON MOUNTAIN WARRANTS ANY AND ALL SERVICES PROVIDED HEREUNDER SHALL BE PERFORMED IN A GOOD, PROFESSIONAL WORKMANLIKE MANNER. EXCEPT AS SPECIFIED IN THIS SECTION, ALL EXPRESS OR IMPLIED CONDITIONS, REPRESENTATIONS, AND WARRANTIES INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, AGAINST INFRINGEMENT OR ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE, ARE HEREBY EXCLUDED TO THE EXTENT ALLOWED BY APPLICABLE LAW. AN AGGRIEVED PARTY MUST NOTIFY IRON MOUNTAIN PROMPTLY OF ANY CLAIMED BREACH OF ANY WARRANTIES AND SUCH PARTY'S SOLE AND EXCLUSIVE REMEDY FOR BREACH OF WARRANTY SHALL BE RETURN OF THE PORTION OF THE FEES PAID TO IRON MOUNTAIN BY PAYING PARTY FOR SUCH NON-CONFORMING SERVICES. THIS DISCLAIMER AND EXCLUSION SHALL APPLY EVEN IF THE EXPRESS WARRANTY AND LIMITED REMEDY SET FORTH ABOVE FAILS OF ITS ESSENTIAL PURPOSE. THE WARRANTY PROVIDED IS SUBJECT TO THE LIMITATION OF LIABILITY SET FORTH IN THIS AGREEMENT.

(b) Depositor warrants that all Depositor Information provided hereunder is accurate and reliable and undertakes to promptly correct and update such Depositor Information during the Term of this Agreement.

(c) Beneficiary warrants that all Beneficiary Information provided hereunder is accurate and reliable and undertakes to promptly correct and update such Beneficiary Information during the Term of this Agreement.

(d) Ownership Warranty. Depositor warrants that it is the owner or legal custodian of the Deposit Material and has full authority to store the Deposit Material and direct their disposition in accordance with the terms of this Agreement. Depositor shall reimburse Iron Mountain for any expenses reasonably incurred by Iron Mountain (including reasonable legal fees) by reason of Iron Mountain's compliance with the instructions of Depositor in the event of a dispute concerning the ownership, custody or disposition of Deposit Material stored by Depositor with Iron Mountain.

9. Confidential Information.

Iron Mountain shall have the obligation to reasonably protect the confidentiality of the Deposit Material. Except as provided in this Agreement Iron Mountain shall not use or disclose the Deposit Material. Iron Mountain shall not disclose the terms of this Agreement to any third Party. If Iron Mountain receives a subpoena or any other order from a court or other judicial tribunal pertaining to the disclosure or release of the Deposit Material, Iron Mountain will immediately

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notify the Parties to this Agreement unless prohibited by law. After notifying the Parties, Iron Mountain may comply in good faith with such order. It shall be the responsibility of Depositor or Beneficiary to challenge any such order; provided, however, that Iron Mountain does not waive its rights to present its position with respect to any such order. Iron Mountain will cooperate with the Depositor or Beneficiary, as applicable, to support efforts to quash or limit any subpoena, at such party's expense. Any party requesting additional assistance shall pay Iron Mountain's standard charges or as quoted upon submission of a detailed request.

10. Limitation of Liability.

NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, ALL LIABILITY, IF ANY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, OF ANY PARTY TO THIS AGREEMENT SHALL BE LIMITED TO THE AMOUNT EQUAL TO ONE YEAR OF FEES PAID OR OWED TO IRON MOUNTAIN UNDER THIS AGREEMENT. IF CLAIM OR LOSS IS MADE IN RELATION TO A SPECIFIC DEPOSIT OR DEPOSITS, SUCH LIABILITY SHALL BE LIMITED TO THE FEES RELATED SPECIFICALLY TO SUCH DEPOSITS. THIS LIMIT SHALL NOT APPLY TO ANY PARTY FOR: (I) ANY CLAIMS OF INFRINGEMENT OF ANY PATENT, COPYRIGHT OR TRADEMARK; (II) LIABILITY FOR DEATH OR BODILY INJURY; (III) PROVEN THEFT; OR (IV) PROVEN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

11. Consequential Damages Waiver.

IN NO EVENT SHALL ANY PARTY TO THIS AGREEMENT BE LIABLE TO ANOTHER PARTY FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS OR LOST DATA OR INFORMATION, ANY COSTS OR EXPENSES FOR THE PROCUREMENT OF SUBSTITUTE SERVICES, OR ANY OTHER INDIRECT DAMAGES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE EVEN IF THE POSSIBILITY THEREOF MAY BE KNOWN IN ADVANCE TO ONE OR MORE PARTIES.

12. General.

(a) Incorporation of Work Requests. All valid Depositor and Beneficiary Work Requests are incorporated into this Agreement.

(b) Purchase Orders. In the event that the Paying Party issues a purchase order or other instrument used to pay Service Fees to Iron Mountain, any terms and conditions set forth in the purchase order which constitute terms and conditions which are in addition to those set forth in this Agreement or which establish conflicting terms and conditions to those set forth in this Agreement are expressly rejected by Iron Mountain.

(c) Right to Make Copies. Iron Mountain shall have the right to make copies of all Deposit Material as reasonably necessary to perform the Services. Iron Mountain shall copy all copyright, nondisclosure, and other proprietary notices and titles contained on Deposit Material onto any copies made by Iron Mountain. Any copying expenses incurred by Iron Mountain as a result of a Work Request to copy will be borne by the Party requesting the copies. Iron Mountain may request Depositor's reasonable cooperation in promptly copying Deposit Material in order for Iron Mountain to perform this Agreement.

(d) Choice of Law. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws the province of Ontario, Canada, as if performed wholly within the province and without giving effect to the principles of conflicts of laws.

(e) Authorized Person(s). Depositor and Beneficiary must each authorize and designate one person whose actions will legally bind such party ("Authorized Person(s)" who shall be identified in the Authorized Person(s) Notices Table of this Agreement) and who may manage the Iron Mountain escrow account through the Iron Mountain website or written instruction. The Authorized Person(s) for each the Depositor and Beneficiary will maintain the accuracy of their name and contact information provided to Iron Mountain during the term of this Agreement.

(f) Right to Rely on Instructions. Iron Mountain may act in reliance upon any instruction, instrument, or signature reasonably believed by Iron Mountain to be genuine and from an Authorized Person(s), officer, or other employee of a Party. Iron Mountain may assume that such representative of a Party to this Agreement who gives any written notice, request, or instruction has the authority to do so. Iron Mountain will not be required to inquire into the truth or evaluate the merit of any statement or representation contained in any notice or document reasonably believed to be from such representative. With respect to Release and Destruction of Deposit Materials, Iron Mountain shall rely on an Authorized Person(s).

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(g) Force Majeure. No Party shall be liable for any delay or failure in performance due to events outside the defaulting Party's reasonable control, including without limitation acts of God, earthquake, labor disputes, shortages of supplies, riots, war, acts of terrorism, fire, epidemics, or delays of common carriers or other circumstances beyond its reasonable control. The obligations and rights of the excused Party shall be extended on a day-to-day basis for the time period equal to the period of the excusable delay.

(h) Notices. All notices regarding Exhibit C (release) shall be sent by commercial express mail or other commercially appropriate means that provide prompt delivery and require proof of delivery. All other correspondence, including invoices, payments, and other documents and communications, may be sent electronically or via regular mail. The Parties shall have the right to rely on the last known address of the other Parties. Any correctly addressed notice to last known address of the other Parties that is relied on herein that is refused, unclaimed, or undeliverable because of an act or omission of the Party to be notified as provided herein shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by electronic mail, the postal authorities by mail, through messenger or commercial express delivery services.

(i) No Waiver. No waiver of rights under this Agreement by any Party shall constitute a subsequent waiver of this or any other right under this Agreement.

(j) Assignment. No assignment of this Agreement by Depositor or Beneficiary or any rights or obligations of Depositor or Beneficiary under this Agreement is permitted without the written consent of the Depositor or Beneficiary, as applicable, and the written consent of Iron Mountain, which shall not be unreasonably withheld or delayed. Iron Mountain shall have no obligation in performing this Agreement to recognize any successor or assign of Depositor or Beneficiary unless Iron Mountain receives clear, authoritative and conclusive written evidence of the change of parties.

(k) Severability. In the event any of the terms of this Agreement become or are declared to be illegal or otherwise unenforceable by any court of competent jurisdiction, such term(s) shall be null and void and shall be deemed deleted from this Agreement. All remaining terms of this Agreement shall remain in full force and effect. If this paragraph becomes applicable and, as a result, the value of this Agreement is materially impaired for any Party, as determined by such Party in its sole discretion, then the affected Party may terminate this Agreement by written notice to the others.

(l) Independent Contractor Relationship. Depositor and Beneficiary understand, acknowledge, and agree that Iron Mountain's relationship with Depositor and Beneficiary will be that of an independent contractor and that nothing in this Agreement is intended to or should be construed to create a partnership, joint venture, or employment relationship.

(m) Attorneys' Fees. In any suit or proceeding between the Parties relating to this Agreement, the prevailing Party will have the right to recover from the other(s) it's costs and reasonable fees and expenses of attorneys, accountants, and other professionals incurred in connection with the suit or proceeding, including costs, fees and expenses upon appeal, separately from and in addition to any other amount included in such judgment. This provision is intended to be severable from the other provisions of this Agreement, and shall survive and not be merged into any such judgment.

(n) No Agency. No Party has the right or authority to, and shall not, assume or create any obligation of any nature whatsoever on behalf of the other Parties or bind the other Parties in any respect whatsoever.

(o) Disputes. Any dispute, difference or question relating to or arising among any of the Parties concerning the construction, meaning, effect or implementation of this Agreement or the rights or obligations of any Party hereof will be submitted to, and settled by arbitration. Three arbitrators shall be selected. The Depositor and Beneficiary shall each select one arbitrator and the two chosen arbitrators shall select the third arbitrator, or failing agreement on the selection of the third arbitrator, the third arbitrator shall be appointed pursuant to the Arbitration Act (Ontario) or similar legislation. If Iron Mountain is a party to the arbitration, Iron Mountain shall select the third arbitrator. The decision of such arbitrators appointed pursuant to this agreement or such Act will be final and binding on the parties and no appeal will lie therefrom.

(p) Regulations. All Parties are responsible for and warrant, to the extent of their individual actions or omissions, compliance with all applicable laws, rules and regulations, including but not limited to: customs laws; import; export and re-export laws; and government regulations of any country from or to which the Deposit Material may be delivered in accordance with the provisions of this Agreement.

(q) No Third Party Rights. This Agreement is made solely for the benefits of the Parties to this Agreement and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement unless otherwise agreed to by all the parties hereto.

(r) Entire Agreement. The Parties agree that this Agreement, which includes all the Exhibits attached hereto and all valid Work Requests submitted by the Parties, is the complete agreement between the Parties hereto concerning the subject

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matter of this Agreement and replaces any prior or contemporaneous oral or written communications between the Parties. There are no conditions, understandings, agreements, representations, or warranties, expressed or implied, which are not specified herein. Each of the parties herein represents and warrants that the execution, delivery, and performance of this Agreement has been duly authorized and signed by a person who meets statutory or other binding approval to sign on behalf of its business organization as named in this Agreement. This Agreement may only be modified by mutual written agreement of the Parties.

(s) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

(t) Survival. Sections 6 (Term and Termination), 7 (General Indemnity), 8 (Warranties), 9 (Confidential Information), 10 (Limitation of Liability), 11 (Consequential Damages Waiver), and 12 (General) of this Agreement shall survive termination of this Agreement or any Exhibit attached hereto.

Note: If contracting electronically via the online portal, clicking the "I Accept" button displayed as part of the ordering process, evidences agreement to the preceding terms and conditions (the "Agreement"). If you are entering into this Agreement via the online portal on behalf of a company or other legal entity, you represent that you have the authority to bind such entity to these terms and conditions, in which case the terms "you" or "your" shall refer to such entity. If you do not have such authority, or if you do not agree with these terms and conditions, you must select the "I Decline" button.

DEPOSITOR

SIGNATURE:	Jeffrey J Kyle
PRINT NAME:	Jeffrey Kyle
TITLE:	CFO
DATE:	May 20, 2009
EMAIL ADDRESS	Jeff.Kyle@sensus.com

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

SIGNATURE:	
PRINT NAME:	Mary K. English
TITLE:	Director of Operations
DATE:	6/30/09
EMAIL ADDRESS:	ipmclientservices@ironmountain.com

Approved as to Operational Content:
Iron Mountain Operations

Name: Susannah E. Scott
Date: May 19, 2009

Approved as to Form and Legal Content:
Iron Mountain Legal Department

Brian R. Riley, Contracts Specialist
Date: May 18, 2009

NOTE: AUTHORIZED PERSONS/NOTICES TABLE, BILLING CONTACT INFORMATION TABLE AND EXHIBITS FOLLOW

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DEPOSITOR AUTHORIZED PERSON(S)/NOTICES TABLE

Please provide the name(s) and contact information of the Authorized Person(s) under this Agreement. All Notices will be sent electronically and/or through regular mail to the appropriate address set forth below.

PRINT NAME:	Gregg Larson
TITLE:	Director, AMR Operations
EMAIL ADDRESS	gregg.larson@sensus.com
STREET ADDRESS	8601 Six Forks Rd, Suite 300
PROVINCE/CITY/STATE	Raleigh NC USA
POSTAL/ZIP CODE	27615
PHONE NUMBER	919-845-4032
FAX NUMBER	919-845-3995

BILLING CONTACT INFORMATION TABLE

Please provide the name and contact information of the Billing Contact under this Agreement. All Invoices will be sent electronically and/or through regular mail to the appropriate address set forth below..

PRINT NAME:	
TITLE:	
EMAIL ADDRESS	
STREET ADDRESS	
PROVINCE/CITY/STATE	
POSTAL/ZIP CODE	
PHONE NUMBER	
FAX NUMBER	

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

All notices should be sent to ipmclientservices@ironmountain.com OR Iron Mountain Intellectual Property Management, Inc., Attn: Client Services, 2100 Norcross Parkway, Suite 150, Norcross, Georgia, 30071, USA.

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SERVICE Check box(es) to order service	EXHIBIT A Escrow Service Work Request - Deposit Account Number: 362 36 SERVICE DESCRIPTION-MASTER THREE PARTY ESCROW AGREEMENT - DEPOSITOR All services are listed below. Services in shaded tables are required for every new escrow account set up. Some services may not be available under the Agreement.	ONE-TIME FEES	ANNUAL FEES	PAYING PARTY Check box to identify the Pay
☒ Setup Fee	Iron Mountain will setup a new escrow deposit account using a standard escrow agreement. Custom contracts are subject to the Custom Contract Fee noted below.	$2,250		☐ Depositor - OR ☒ Beneficiary
☒ Deposit Account Fee-Including Escrow Management Center Access	Iron Mountain will set up one deposit account to manage and administrate access to Deposit Material that will be securely stored in controlled media vaults. Furthermore, Iron Mountain will provide account services that include unlimited deposits, electronic vaulting, access to Iron Mountain Connect™ Escrow Management Center for secure online account management, submission of electronic Work Requests, and communication of status. A Client Manager will be assigned to each deposit account and provide training upon request to facilitate secure Internet access to the account and ensure fulfillment of Work Requests. An oversize fee may apply.		$1,000	☐ Depositor - OR ☒ Beneficiary
☒ Beneficiary Fee including Escrow Management Center Access	Iron Mountain will fulfill a Work Request to add a Beneficiary to an escrow deposit account and manage access rights associated with the account. ,where possible, Beneficiary will have access to Iron Mountain Connect™ Escrow Management Center for secure online account management, submission of electronic Work Requests, and communication of status. A Client Manager will be assigned to each deposit account and provide training upon request to facilitate secure Internet access to the account and ensure fulfillment of Work Requests.		$700	☐ Depositor - OR ☒ Beneficiary
☐ Add Additional Deposit Account	Iron Mountain will set up one additional deposit account to manage and administrate access to new Deposit Material that will be securely stored in controlled media vaults in accordance with the service description above and the Agreement that governs the Initial Deposit Account.		$1,000	☐ Depositor - OR ☐ Beneficiary
☒ Add Additional Beneficiary	Iron Mountain will fulfill a Work Request to add a new Beneficiary to an escrow deposit account in accordance with the service description above and the Agreement		$700	☐ Depositor - OR ☒ Beneficiary
☐ Add Deposit Tracking Notification	At least semi-annually, Iron Mountain will send an update reminder to Depositor. Thereafter, Beneficiary will be notified of last deposit.	N/A	$375	☐ Depositor - OR ☐ Beneficiary
☐ Add File List Test	Iron Mountain will fulfill a Work Request to perform a File Comparison and Analysis Test, which includes analyzing deposit media readability, file listing, creation of file classification table, virus scan, assurance of completed deposit questionnaire, and analysis of completed deposit questionnaire. A final report will be sent to the Paying Party regarding the Deposit Material to ensure consistency between Depositor's representations (i.e., Exhibit B and Supplementary Questionnaire) and stored Deposit Material. Deposit must be provided on CD, DVD-R or deposited by FTP.	$2,500	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Level 1 - Inventory and Analysis Test	Iron Mountain will perform an Inventory Test on the initial deposit, which includes Analyzing deposit media readability, virus scanning, developing file classification tables, identifying the presence/absence of build instructions, and identifying materials required to recreate the Depositor's software development environment. Output includes a report which will include build instructions, file classification tables and listings. In addition, the report will list required software development materials, including, without limitation, required source code languages and compilers, third-party software, libraries, operating systems, and hardware, as well as Iron Mountain's analysis of the deposit.	$5,000 or based on SOW if custom work required	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Level 2 - Compile Test	Iron Mountain will fulfill a Work Request to perform a Deposit Compile Test, which includes the File Comparison and Analysis Test as described above plus recreating the Depositor's software development environment, compiling source files and modules, linking libraries and recreating executable code, pass/fail determination, creation of comprehensive build instructions with a final report sent to the Paying Party regarding the Deposit Material. The Paying Party and Iron Mountain will agree on a custom Statement of Work ("SOW") prior to the start of fulfillment.	Based on SOW	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Level 3 - Binary Comparison	Iron Mountain will fulfill a Work Request to perform one Deposit Compile Test Binary Comparison which includes a comparison of the files built from the Deposit Compile Test to the actual licensed technology on the Beneficiary's site to ensure a full match in file size, with a final report sent to the Requesting Party regarding the Deposit Material. The Paying Party and Iron Mountain will agree on a custom Statement of Work ("SOW") prior to the start of fulfillment.	Based on SOW	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Level 4 — Full Usability	Iron Mountain will fulfill a Work Request to perform one Deposit Compile Test Full Usability which includes a confirmation that the built applications work properly when installed. A final report will be sent to the Paying Party regarding the Deposit Material. The Paying Party and Iron Mountain will agree on a custom Statement of Work ("SOW") prior to the start of fulfillment.	Based on SOW	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Dual/Remote Vaulting	Iron Mountain will fulfill a Work Request to store deposit materials in one additional location as defined within the Service Agreement. Duplicate storage request may be in the form of either physical media or electronic storage.	N/A	$500	☐ Depositor - OR ☐ Beneficiary
☐ Release Deposit Material	Iron Mountain will process a Work Request to release Deposit Material by following the specific procedures defined in Exhibit C "Release of Deposit Materials" the Escrow Service Agreement.	$500	N/A	☐ Depositor - OR ☐ Beneficiary
☐ Add Custom Services	Iron Mountain will provide its Escrow Expert consulting based on a custom SOW mutually agreed to by all Parties.	$175/hr	N/A	☐ Depositor - OR ☐ Beneficiary
☒ Custom Contract Fee	Custom contracts are subject to the Custom Contract Fee, which covers the review and processing of custom or modified contracts.	$500	N/A	☐ Depositor - OR ☒ Beneficiary

Note: Parties may submit Work Requests via written instruction or electronically through the online portal.

EXHIBIT B
DEPOSIT MATERIAL DESCRIPTION

COMPANY NAME: _____ DEPOSIT ACCOUNT NUMBER: 36236
DEPOSIT NAME _____ AND DEPOSIT VERSION _____
(Deposit Name will appear in account history reports)

DEPOSIT MEDIA (PLEASE LABEL ALL MEDIA WITH THE DEPOSIT NAME PROVIDED ABOVE)

MEDIA TYPE	QUANTITY		MEDIA TYPE	QUANTITY
☐ CD-ROM / DVD			☐ 3.5" Floppy Disk	
☐ DLT Tape			☐ Documentation	
☐ DAT Tape			☐ Hard Drive / CPU	
			☐ Circuit Board	

	TOTAL SIZE OF TRANSMISSION (SPECIFY IN BYTES)	# OF FILES	# OF FOLDERS
☐ Internet File Transfer			
☐ Other (please describe below):			

DEPOSIT ENCRYPTION (Please check either "Yes" or "No" below and complete as appropriate)

Is the media or are any of the files encrypted? ☐Yes or ☐ No

If yes, please include any passwords and decryption tools description below. Please also deposit all necessary encryption software with this deposit.

Encryption tool name_____ Version_____

Hardware required_____

Software required _____

Other required information_____

DEPOSIT CERTIFICATION (Please check the box below to Certify and Provide your Contact Information)

☐ I certify for Depositor that the above described Deposit Material has been transmitted electronically or sent via commercial express mail carrier to Iron Mountain at the address below.	☐ Iron Mountain has inspected and accepted the above described Deposit Material either electronically or physically. Iron Mountain will notify Depositor of any discrepancies.
NAME:	NAME:
DATE:	DATE:
EMAIL ADDRESS:	
TELEPHONE NUMBER:	
FAX NUMBER:	

Note: If Depositor is physically sending Deposit Material to Iron Mountain, please label all media and mail all Deposit Material with the appropriate Exhibit B via commercial express carrier to the following address:

Iron Mountain Intellectual Property Management, Inc.
Attn: Vault Administration
2100 Norcross Parkway, Suite 150
Norcross, GA 30071
Telephone: 800-875-5669
Facsimile: 770-239-9201

FOR IRON MOUNTAIN USE ONLY: (NOTED DISCREPANCIES ON VISUAL INSPECTION)	

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EXHIBIT C

RELEASE OF DEPOSIT MATERIAL

Deposit Account Number: 36236

Iron Mountain will use the following procedures to process any Beneficiary Work Request to release Deposit Material. All notices under this Exhibit C shall be sent pursuant to the terms of Section 12(h) Notices.

1. Release Conditions. Depositor and Beneficiary agree that a Work Request for the release of the Deposit Material shall be based solely on one or more of the following conditions (defined as "Release Conditions"):
   (i) Depositor's material breach of the Service Agreement between the Depositor and Beneficiary regulating the use of the Deposit Material covered under this Agreement; or
   (ii) Failure of the Depositor to function as a going concern or operate in the in the ordinary course; or
   (iii) Depositor is subject to voluntary or involuntary bankruptcy or an Act of Insolvency as defined in the Service Agreement.
2. Release Work Request. A Beneficiary may submit a Work Request to Iron Mountain to release the Deposit Material covered under this Agreement. Iron Mountain will send a written notice of this Beneficiary Work Request within five (5) business days to the Depositor's Authorized Person.
3. Contrary Instructions. From the date Iron Mountain mails written notice of the Beneficiary Work Request to release Deposit Material covered under this Agreement, Depositor representative(s) shall have ten (10) business days to deliver to Iron Mountain contrary instructions. Contrary Instructions shall mean the written representation by Depositor that a Release Condition has not occurred or has been cured ("Contrary Instructions"). Contrary Instructions shall be on company letterhead and signed by a Depositor's Authorized Person(s). Upon receipt of Contrary Instructions, Iron Mountain shall promptly send a copy to Beneficiary's Authorized Person(s). Additionally, Iron Mountain shall notify both Depositor and Beneficiary Authorized Person(s) that there is a dispute to be resolved pursuant to the Disputes provisions of this Agreement. Iron Mountain will continue to store Deposit Material without release pending (i) joint instructions from Depositor and Beneficiary with instructions to release the Deposit Material; or (ii) dispute resolution pursuant to the Disputes provisions of this Agreement; or (iii) receipt of an order from a court of competent jurisdiction.
4. Release of Deposit Material. If Iron Mountain does not receive Contrary Instructions from an authorized Depositor representative, Iron Mountain is authorized to release Deposit Material to the Beneficiary or, if more than one Beneficiary is registered to the deposit, to release a copy of Deposit Material to the Beneficiary. Iron Mountain is entitled to receive any undisputed, unpaid Service Fees due Iron Mountain from the Parties before fulfilling the Work Request to release Deposit Material covered under this Agreement. Any Party may cure a default of payment of Service Fees.
5. Termination of Agreement. This Agreement will terminate upon the release of Deposit Material held by Iron Mountain.
6. Right to Use Following Release. Beneficiary has the right under this Agreement to use the Deposit Material for the sole purpose of continuing the benefits afforded to Beneficiary by the Service Agreement. Notwithstanding, the Beneficiary shall not have access to the Deposit Material unless there is a release of the Deposit Material in accordance with this Agreement. Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Material.

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EXHIBIT D

AUXILIARY DEPOSIT ACCOUNT TO ESCROW AGREEMENT

Deposit Account Number: 36236

Auxiliary Account Number _____

_____("Depositor"), and Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain") have entered into the above referenced Escrow Agreement ("Agreement"). Pursuant to that Agreement Beneficiary or Depositor may create additional deposit accounts ("Auxiliary Deposit Account") for the purpose of holding additional Deposit Material in a separate account which Iron Mountain will maintain separately from other deposit accounts under this Agreement. The new account will be referenced by the following name: _____ ("Deposit Account Name").

Pursuant to the Agreement, Depositor may submit material to be held in this Auxiliary Deposit Account by submitting a properly filled out Exhibit B with the Deposit Material to Iron Mountain. For avoidance of doubt, Beneficiary's rights and obligations relative to the Deposit Material held in any deposit account under this Agreement are governed by the express terms of the Agreement; this form does not provide any additional rights in the Deposit Material.

The undersigned hereby agrees that all terms and conditions of the above referenced Escrow Agreement will govern this Auxiliary Deposit Account. The termination or expiration of any other deposit account will not affect this account.

DEPOSITOR

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS	

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS:	ipmclientservices@ironmountain.com

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

All notices should be sent to ipmclientservices@ironmountain.com OR Iron Mountain Intellectual Property Management, Inc., Attn: Client Services, 2100 Norcross Parkway, Suite 150, Norcross, Georgia, 30071, USA.

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EXHIBIT E
ENROLLMENT FORM

Depositor and Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain"), hereby acknowledge that

BENEFICIARY COMPANY NAME: _____ is the Beneficiary referred to in the Escrow Agreement that supports Deposit Account Number: _____ with Iron Mountain as the escrow agent. Beneficiary hereby agrees to be bound by all provisions of such Agreement.

BENEFICIARY AUTHORIZED PERSON(S)/NOTICES TABLE

Please provide the name(s) and contact information of the Authorized Person(s) under this Agreement. All Notices will be sent electronically or through regular mail to the appropriate address set forth below. Please complete all information as applicable. Incomplete information may result in a delay of processing.

PRINT NAME:	
TITLE:	
EMAIL ADDRESS	
STREET ADDRESS	
PROVINCE/CITY/STATE	
POSTAL/ZIP CODE	
PHONE NUMBER	
FAX NUMBER	

PAYING PARTY COMPANY NAME: _____

BILLING CONTACT INFORMATION TABLE

Please provide the name and contact information of the Billing Contact under this Agreement. All Invoices will be sent to this individual at the address set forth below.

PRINT NAME:	
TITLE:	
EMAIL ADDRESS	
STREET ADDRESS	
PROVINCE/CITY/STATE	
POSTAL/ZIP CODE	
PHONE NUMBER	
FAX NUMBER	
PURCHASE ORDER #	

DEPOSITOR

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS	

BENEFICIARY

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS:	

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS:	ipmclientservices@ironmountain.com

All notices to Iron Mountain Intellectual Property Management, Inc. should be sent to ipmclientservices@ironmountain.com OR Iron Mountain Intellectual Property Management, Inc., Attn: Client Services, 2100 Norcross Parkway, Suite 150, Norcross, Georgia, 30071, USA.

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EXHIBIT Q
ESCROW DEPOSIT QUESTIONNAIRE

Introduction

From time to time, technology escrow beneficiaries may exercise their right to perform verification services. This is a service that Iron Mountain provides for the purpose of validating relevance, completeness, currency, accuracy and functionality of deposit materials.

Purpose of Questionnaire

In order for Iron Mountain to determine the deposit material requirements and to quote fees associated with verification services, a completed deposit questionnaire is requested. It is the responsibility of the escrow depositor to complete the questionnaire.

Instructions

Please complete the questionnaire in its entirety by answering every question with accurate data. Upon completion, please return the completed questionnaire to the beneficiary asking for its completion, or e-mail it to Iron Mountain to the attention of verification@ironmountain.com

Escrow Deposit Questionnaire

General Description

1. What is the general function of the software to be placed into escrow?
2. On what media will the source code be delivered?
3. What is the size of the deposit in megabytes?

Requirements for the Execution of the Software Protected by the Deposit

1. What are the system hardware requirements to successfully execute the software? (memory, disk space, etc.)
2. How many machines are required to completely set up the software?
3. What are the software and system software requirements, to execute the software and verify correct operation?

Requirements for the Assembly of the Deposit

1. Describe the nature of the source code in the deposit. (Does the deposit include interpreted code, compiled source, or a mixture? How do the different parts of the deposit relate to each other?)
2. How many build processes are there?
3. How many unique build environments are required to assemble the material in the escrow deposit into the deliverables?
4. What hardware is required for each build environment to compile the software? (including memory, disk space, etc.)
5. What operating systems (including versions) are used during compilation? Is the software executed on any other operating systems/version?
6. How many separate deliverable components (executables, share libraries, etc.) are built?
7. What compilers/linkers/other tools (brand and version) are necessary to build the application?
8. What, if any, third-party libraries are used to build the software?
9. How long does a complete build of the software take? How much of that time requires some form of human interaction and how much is automated?
10. Do you have a formal build document describing the necessary steps for system configuration and compilation?
11. Do you have an internal QA process? If so, please give a brief description of the testing process.
12. Please list the appropriate technical person(s) Iron Mountain may contact regarding this set of escrow deposit materials.

Please provide your technical verification contact information below:

COMPANY:	
SIGNATURE:	
PRINT NAME:	
ADDRESS 1:	
ADDRESS 2:	
CITY, STATE, ZIP	
TELEPHONE:	
EMAIL ADDRESS:	

For additional information about Iron Mountain Technical Verification Services, please contact Manager of Verification Services at 978-667-3601 ext. 100 or by e-mail at mailto: verification@ironmountain.com

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Iron Mountain Intellectual Property Management

S4051125

Iron Mountain offers records management for both physical and digital media, disaster recovery support, consulting services, and is the leader in intellectual property protection, specializing in technology escrow and domain name records management. Comac, a subsidiary of Iron Mountain, provides marketing collateral fulfillment services. Iron Mountain is committed to delivering responsive and reliable service to meet our customers' needs. Our proven systems and processes ensure that we provide quality and consistent service to our customers. Be sure to visit our website, www.ironmountain.com for more information.

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EXHIBIT E
ENROLLMENT FORM

Depositor and Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain"), hereby acknowledge that

BENEFICIARY COMPANY NAME: HEARST POWER DISTRIBUTION CO. LTD. is the Beneficiary referred to in the Escrow Agreement that supports Deposit Account Number: 36236 with Iron Mountain as the escrow agent. Beneficiary hereby agrees to be bound by all provisions of such Agreement

BENEFICIARY AUTHORIZED PERSON(S)/NOTICES TABLE

Please provide the name(s) and contact information of the Authorized Person(s) under this Agreement. All Notices will be sent electronically or through regular mail to the appropriate address set forth below. Please complete all information as applicable. Incomplete information may result in a delay of processing.

PRINT NAME:	Nicole Leduc
TITLE:	General Manager
EMAIL ADDRESS	nleduc@ntlsympatico.ca
STREET ADDRESS	925 Alexandra Street, P.O. Bag 5000
PROVINCE/CITY/STATE	Hearst, ON
POSTAL/ZIP CODE	P0L 1N0
PHONE NUMBER	705-372-2815
FAX NUMBER	

PAYING PARTY COMPANY NAME: HEARST POWER DISTRIBUTION CO. LTD.

BILLING CONTACT INFORMATION TABLE

Please provide the name and contact information of the Billing Contact under this Agreement. All Invoices will be sent to this individual at the address set forth below.

PRINT NAME:	Nicole C. Leduc
TITLE:	General Manager
EMAIL ADDRESS	NLeduc@ntl.sympatico.ca
STREET ADDRESS	925 Alexandra Street
PROVINCE/CITY/STATE	Hearst Ontario
POSTAL/ZIP CODE	P0L 1N0
PHONE NUMBER	(705) 372-2815
FAX NUMBER	(705) 362-5902
PURCHASE ORDER #	

DEPOSITOR

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS	

BENEFICIARY

SIGNATURE:	Nicole C. Leduc
PRINT NAME:	Nicole C. Leduc
TITLE:	General Manager
DATE:	June 25, 2009
EMAIL ADDRESS:	NLeduc@ntlSympatico.ca

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

SIGNATURE:	
PRINT NAME:	Mary K. English
TITLE:	Director of Operations
DATE:	6/30/09
EMAIL ADDRESS:	ipmclientservices@ironmountain.com

All notices to Iron Mountain Intellectual Property Management, Inc. should be sent to ipmclientservices@ironmountain.com OR Iron Mountain Intellectual Property Management, Inc., Attn: Client Services, 2100 Norcross Parkway, Suite 150, Norcross, Georgia, 30071, USA.

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EXHIBIT E
ENROLLMENT FORM

Depositor and Iron Mountain Intellectual Property Management, Inc. ("Iron Mountain"), hereby acknowledge that

BENEFICIARY COMPANY NAME: HEARST POWER DISTRIBUTION CO. LTD. is the Beneficiary referred to in the Escrow Agreement that supports Deposit Account Number: _____ with Iron Mountain as the escrow agent. Beneficiary hereby agrees to be bound by all provisions of such Agreement.

BENEFICIARY AUTHORIZED PERSON(S)/NOTICES TABLE

Please provide the name(s) and contact information of the Authorized Person(s) under this Agreement. All Notices will be sent electronically or through regular mail to the appropriate address set forth below. Please complete all information as applicable. Incomplete information may result in a delay of processing.

PRINT NAME:	Nicole Leduc
TITLE:	General Manager
EMAIL ADDRESS	nleduc@ntl.sympatico.ca
STREET ADDRESS	925 Alexandra Street, P.O. Bag 5000
PROVINCE/CITY/STATE	Hearst, ON
POSTAL/ZIP CODE	P0L 1N0
PHONE NUMBER	705-372-2815
FAX NUMBER	

PAYING PARTY COMPANY NAME: HEARST POWER DISTRIBUTION CO. LTD.

BILLING CONTACT INFORMATION TABLE

Please provide the name and contact information of the Billing Contact under this Agreement. All Invoices will be sent to this individual at the address set forth below.

PRINT NAME:	NICOLE LEDUC
TITLE:	GENERAL MANAGER
EMAIL ADDRESS	NLEDUC@NTL.SYMPATICO.CA
STREET ADDRESS	925 ALEXANDRA STREET, P.O. BAG 5000
PROVINCE/CITY/STATE	HEARST, ON
POSTAL/ZIP CODE	P0L 1N0
PHONE NUMBER	705-372-2815
FAX NUMBER	705-362-5902
PURCHASE ORDER #	

DEPOSITOR

SIGNATURE:	
PRINT NAME:	Peter Mainz
TITLE:	CEO
DATE:	June 24, 2009
EMAIL ADDRESS	Peter.Mainz@Sensus.com

BENEFICIARY

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS:	

IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.

SIGNATURE:	
PRINT NAME:	
TITLE:	
DATE:	
EMAIL ADDRESS:	ipmclientservices@ironmountain.com

All notices to Iron Mountain Intellectual Property Management, Inc. should be sent to ipmclientservices@ironmountain.com OR Iron Mountain Intellectual Property Management, Inc., Attn: Client Services, 2100 Norcross Parkway, Suite 150, Norcross, Georgia, 30071, USA.

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Appendix K

Responsibility/Service Chart

Note that Option B2 refers to the model in which the LDC owns the meters, TGBs, FNPs, FRPs, and Sensus owns the RNI and operates the network; Option B refers to the model in which the LDC owns the network assets and Sensus operates the network; and Option C refers to the model in which the LDC owns the TGBs, RNIs, FNPs and FRPs and operates the network, all as defined in the Agreement.

Item Number	Item	Option B2 Party responsible to perform the relevant item	Option B Party responsible to perform the relevant item	Option C Party responsible to perform the relevant item
1	Purchase the Sensus FlexNet electric endpoints (as defined by new electronic Approved Meter with an integrated two-way comm module)	**LDC**	**LDC**	**LDC**
2	Purchase the Sensus Installation & Diagnostics Handheld Field Tool	**LDC**	**LDC**	**LDC**
3	Installation of the FlexNet endpoints using Handheld Field Tool	**LDC**	**LDC**	**LDC**
4	Perform site selection survey and propagation analysis to determine the tower and TGB sites (Sensus would do this collaboratively with the LDC to use the LDC tower sites if the LDC has sites they would like to make available for this use.)	**Sensus**	**Sensus**	**Sensus**
5	Perform project planning and management of TGB siting to insure proper installation and drive testing to verify coverage	**Sensus**	**Sensus**	**Sensus**
6	Purchase the Sensus TGB (TGB hardware pricing included installation)	**LDC**	**LDC**	**LDC**
7	Provide the tower/pole attachment location for the TGB antenna and FNPs to be sited (this would likely be a combination of 3rd party and the LDC	**Sensus**	**LDC**	**LDC**

Item Number	Item	Option B2 Party responsible to perform the relevant item	Option B Party responsible to perform the relevant item	Option C Party responsible to perform the relevant item
	sites).			
8	Field installation of the TGB which includes the TGB hardware, antenna, mounts, connectors, coax and any needed external ice bridges and filters.	**Sensus**	**Sensus**	**Sensus**
9A	Purchase the RNI System hardware	**Sensus**	**LDC**	**LDC**
9B	Provide the FlexWare™ Software license	**Sensus**	**Sensus**	**Sensus**
10	Provide a location for the RNI hardware to be sited	**Sensus**	**LDC**	**LDC**
11	Install the RNI hardware and all related software and provide ongoing services to maintain the hardware, operating systems and all related software in good standing. All materials and labour costs to be covered by Warranty/Maintenance as provided for by Sensus Services.	**Sensus**	**Sensus**	**Sensus**
12	Establishment of WAN Communications from the TGB to the RNI	**Sensus**	**Sensus**	**LDC**
13	Payment for WAN Communications from the TGB to the RNI (set up costs and ongoing monthly costs) (the LDC may have communications that can be used for WAN communications)	**Sensus**	**Sensus**	**LDC**
14	Provide FlexNet proprietary software licenses (TGB software and firmware, Sensus System Operations Software, Sensus Utility Information Web Package, Sensus Diagnostic Software, Sensus Map Server Software)	**Sensus**	**Sensus**	**Sensus**

Item Number	Item	Option B2 Party responsible to perform the relevant item	Option B Party responsible to perform the relevant item	Option C Party responsible to perform the relevant item
15	Provide FlexNet proprietary software updates and software maintenance and any other necessary yearly ongoing support tasks for this software and all Sensus network software	**Sensus**	**Sensus**	**Sensus**
16	Provide the tower TGB power (estimated to be about 150 watts)	**Sensus**	**Sensus**	**LDC**
17	**Provide the use of licensed IC spectrum, 8 blocks of 12.5 kHz**	**Sensus**	**Sensus**	**Sensus**
18	Provide 24x7x365 TGB and RNI monitoring and trouble ticket generation	**Sensus**	**Sensus**	**LDC**
19	Operate the network delivering the data and communications required	**Sensus**	**Sensus**	**LDC**
20	Provide preventative maintenance monitoring using Sensus FlexNet diagnostic software tools for all Approved Meters, TGBs and the RNI	**Sensus**	**Sensus**	**LDC**
21	Managing ongoing data capacity to set the appropriate modes of operation in each Approved Meter and TGB in order to maximize reliability, the number of Approved Meters and Approved Meter types served and overall Approved Meter message throughput	**Sensus**	**Sensus**	**LDC**
22	Provide reasonable phone support assistance during Canadian business hours to assist with network operations and to manage ongoing data capacity to set the appropriate modes of operation in each Approved Meter and TGB in order to maximize reliability, the number of Approved Meters and Approved Meter types served and overall Approved Meter message throughout (A "reasonable" amount for this item and the support highlighted in Item 24 is up	**N/A - Sensus is operating the network**	**N/A - Sensus is operating the network**	**Sensus**

Item Number	Item	Option B2 Party responsible to perform the relevant item	Option B Party responsible to perform the relevant item	Option C Party responsible to perform the relevant item
	to 400 hours annually during business hours)			
23	Provide all Technician labour to repair TGBs	**Sensus**	**Sensus**	**LDC**
24	Provide all Technician labour and Hardware Maintenance Agreements to repair the RNI	**Sensus**	**Sensus**	**Sensus**
25	Provide the field services labour to visit a problem endpoint and perform diagnostics and repair or replacement	**LDC**	**LDC**	**LDC**
26	Provide reasonable phone support to the LDC for the repair of TGBs and the RNI during business hours. Sensus will provide non-business hours phone support for an hourly rate of $160.	**N/A - Sensus is maintaining the network**	**N/A - Sensus is maintaining the network**	**Sensus**
27	Provide access to the communications performance database in the RNI so Sensus can assist with network operations and monitoring system performance and health.	**N/A – Sensus will own the RNI**	**LDC**	**LDC**
28	Provide TGB hardware that needs to be replaced because of failure, obsolescence or normal wear and tear at no additional cost for the life of the contract and any renewal periods.	**Sensus**	**Sensus**	**Sensus**
29	Purchase and provide TGB hardware that needs to be replaced because of disaster destruction or vandalism.	**LDC**	**LDC**	**LDC**
30	Provide RNI hardware that needs to be replaced because of obsolescence.	**Sensus**	**LDC**	**LDC**
31	**Secure Microsoft Windows and Sequel Licenses and pay the annual license fees**	**Sensus**	**Sensus**	**LDC**

Item Number	Item	Option B2 Party responsible to perform the relevant item	Option B Party responsible to perform the relevant item	Option C Party responsible to perform the relevant item
32	Provide 1 week per year of on site training. This training would be scheduled in advance and be subject to the reasonable availability of the right Sensus employees.	**Sensus**	**Sensus**	**Sensus**
33	Payment of the taxes on the network hardware	**LDC**	**LDC**	**LDC**
34	Sensus warrants the performance of the TGB, FNP and RNI hardware	**Yes**	**Yes**	**Yes**
35	Sensus provides a service level agreement	**Yes**	**Yes**	**No**
36	Handling of IC compliance and regulatory matters	**Sensus**	**Sensus**	**Sensus**
37	Periodically monitor, primarily if a problem is suspected, in band and adjacent channels for radio frequency obstruction and notifying the LDC and IC if such is found	**Sensus**	**Sensus**	**Sensus**

Appendix L

Training and Documentation

Documentation Requirements for AMI

The documentation shall be sufficient for operation and maintenance (including upgrades) of the AMI system, as well as any special provisioning / diagnostic tools associated with the AMI.

The LDC's expectations for supporting documentation are outlined in the subsections that follow.

1. QUICK REFERENCE GUIDES

Sensus will make available "quick reference cards" as a step-by-step aid to endpoint installation in addition to technical manuals on the TGB and iCon meter.

2. OPERATING AND SERVICE MANUALS

Operating and service manuals for the regional collectors, Smart-meters, and any other tools for provisioning or otherwise maintaining the AMI shall contain, as a minimum:

information needed to perform scheduled preventive maintenance, fault isolation, and removal and replacement procedures for units down to the assembly or chassis-mounted component level. Parts lists, component location diagrams, and schematic diagrams to aid in component level repair when this approach is cost effective.

The deliverables shall include three (3) printed and bound sets of the operating and service manuals, and one electronic copy (preferably in PDF format) on a CD-ROM. These Operating and Service Manuals are Sensus' Confidential Information.

3. SOFTWARE USER MANUALS

Software user manuals for the AMI master control computer, revenue meter configuration programs, and any other software tools for provisioning or otherwise maintaining the AMI shall contain, as a minimum:

Operating system requirements (platforms, hard drive space minimum, hard drive space recommended, RAM minimum, RAM recommended);

Installation instructions: step-by-step instructions with screen captures for reference;

Description of software features and functions; and

Solved example problems, or a tutorial that demonstrates the main features of the software. These need to include step-by-step user instructions, inputs, and expected outputs.

The deliverables shall include one (1) printed and bound set of the software user manuals, and one electronic copy (preferably in PDF format) on a CD-ROM. These Software User Manuals are Sensus' Confidential Information.

STAFF TRAINING REQUIREMENTS FOR AMI

The Vendor shall provide on-site training to designated staff of the LDC. Three (3) different training sessions are envisioned as outlined following:

Installation training, for electric metering technicians that will be carrying out the field installations of revenue meters and regional collectors using the provisioning tools available. These staff will also re-calibrate and re-seal Smart-meters as required. Vendors may assume a class size of fifteen (15) students.

General user training, for a variety of users of the AMI Master Control Computer, to extract and interpret trouble reports, carry out final meter reads (associated with tenancy changes), to oversee meter exchanges, etc. The training shall include the functional operation and minor technical support of the installed system. Vendors may assume a class size of ten (10) students.

System administrator training, primarily for technical staff within the LDC's Information Systems Department. This training is expected to be comprehensive in nature and cover all aspects of the software, database management system, security, and corporate LAN interfaces used within the AMI Master Control Computer. Vendors may assume a class size of four (4) students.

The training required for a utility to operate FlexNet would occur over a one week period.

The following modules would constitute the training outline:

- Overall FlexNet System Design and Operation
- Tower Gateway Basestation (TGB) Operation, Maintenance and Repair
- Regional Network Interface (RNI) Operation, Maintenance and Repair
- Data Links and System Installation
- Database Structure, Maintenance and Modification
- User Group Data Access Training

Appendix M

AMI (AMCD, AMRC, AMCC) Functionality Spreadsheet

See Attached.

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.

Meter Functionality	Meter Manufacturer: Sensus Meter Model: iCon A Meter Forms: 1S / 2S /3S/4S/ 12S		Meter Manufacturer: Elster Meter Model: A3 Alpha Meter Forms: 15/16S, all TR forms	
Measurement Canada Approval Number	AE 1611		AE 1168	
Measurement Canada initial seal term	10 Years	currently in progress	6 Years	
Number of Registers	2		10	
Number of Load Profile Channels	2		10	
Number of Registers or Load Profile Channel Available Over the Air	2		4	
Register Readings				
To the Clock Hour	S		S	
Provided Once a Day (Midnight)	S		S	
Provided Twice a Day (Noon & Midnight)	S		S	
Provided with Every Scheduled Event	S		S	
Provided with Every Interval	S		S	
Interval Data				
1 minute intervals	NA	affects network requirements	S	affects network requirements
5 minute intervals	S	affects network requirements	S	affects network requirements
15 minute intervals	S	affects network requirements	S	affects network requirements
30 minute intervals	na		na	
60 minute intervals	S		S	
Interval configuration can be changed over the air	S		S	
Pulse Count Intervals	NA- direct register read		NA- direct register read	Load profile data stored as pulse counts
Intervals are calculated from Δ of register values	S		S	
Optional TOU functionality	O		O	
Metrology				
Kwh	S		S	
kVa	O		O	
kVah	O		O	
kVaR	O		O	
kW	O		S	
kW Peak with demand reset	O		S	
Voltage Data				
Voltage (MAX/MIN/AVG)	S		S	
Voltage (Sag/Swell)	S		S	
Voltage (Instantaneous)	S		S	
1 minute intervals	NA		NA	
5 minute intervals	NA		S	
15 minute intervals	S		S	
30 minute intervals	NA		S	
60 minute intervals	NA		S	
Voltage Configuration can be changed over the air	S		S	

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.

Meter Functionality	Meter Manufacturer: Sensus Meter Model: iCon A Meter Forms: 1S / 2S /3S/4S/ 12S		Meter Manufacturer: Elster Meter Model: A3 Alpha Meter Forms: 15/16S, all TR forms	
Load Profile Meter Memory				
# of Days 1 Channel (60 Minute Intervals)	35	of 15 min data	30+	
# of Days 2 Channel (60 Minute Intervals)	35	of 15 min data	30+	
Meter Memory Accessible over the air	S		S	
AMCC Reviews Gaps in Data and Auto-Retreives from the Meter	S	Will not guarantee 100% RIS on all meters	NA	Future functionality
Outage Management				
Outage Detection Signal (Last Gasp)	S		S	
Outage Detection (w/Register Read)	S		S	
Outage Detection (w/Reg Read & Op Data)	S		S	
Intermitent (Click Count) Outage Monitoring	S		S	
Restoration Notification	S		S	
Restoration Notification (w/Register Read)	S		S	
Restoration Notification (w/Reg Read & Ops Data)	S		S	
Length of Super Capacitor in Minutes	6		6	
Protocols				
ANSI C12.18	NA		S	
ANSI C12.19	O	Future functionality	S	
ANSI C12.22	O	Future functionality	O	Future functionality
IP Addressability to AMCD	O	Future functionality	O	Future functionality
IP Addressability to AMRC	S		S	
IP Addressability to HAN	S		S	
Operational Tools				
Remote Firmware Upgradeability	S		S	
Tamper Detection Signal	S		S	
Reverse Energy Detection	S		S	
Meter Internal/External Errors	S		S	
Remote Disconnect/Reconnect with backfeed voltage sensing	O		NA	
Remote Load Limitation	O		NA	
Remote Load Interruption (Timer)	O		NA	
KWH Received and Delivered (Net-Metering)	S	affects network requirements	S	affects network requirements
Storing of GPS coordinates at Endpoint	S		S	
Instantaneous Current and Line Frequency	S		S	
Impedance based tamper detection	S		S	
Alarms on Priority Channel	S		NA	Future Functionality
Hot Socket Detection	S		S	

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.

Meter Functionality	Meter Manufacturer: Sensus Meter Model: iCon A Meter Forms: 1S / 2S /3S/4S/ 12S		Meter Manufacturer: Elster Meter Model: A3 Alpha Meter Forms: 15/16S, all TR forms	
Additional Metering/SmartPoint Items				
Software definable radios enabling modulation upgrades (eg 13 FSK)	S		S	13 FSK is Future Functionality
256 bit data encrytpion	S		S	
Viterbi, CRC-32 error detection and correction	S		S	
Meter Temperature Spec of -40 to +80C, 0-95% RH non-condensing	S		S	
Up to 1 Wh reading resolution	S	affects network requirements	S	affects network requirements
C&I Tier Reads (Elster A3 ST-23 Table Info)	NA		S	
C&I meters will detect and report outages based on individual phase occurances	NA		S	
HAN interface to Tstats, load shed, IHD's	O		O	
SmartGrid appliances and interface	O		O	
600 V Delta C&I Meter to be available in 2010. Note that this won't necessarily be an iConA, APX or Elster A3 meter.	O			
Water and Gas SmartPoints can communicate on same network	NA		NA	
Water endpoints compatible with encoded registers from Sensus Netpune, ABB and Elster)				
Water and Gas SmartPoints offer 20 year warranty	NA		NA	
Water SmartPoints provide Broken Pipe, Leak Detection, Backflow, Tamper, Cut-Wire and Low Battery alarms	NA		NA	

Network Equipment Functionality	Device: TGB	Device: FRP
Standard Features		
Network Equipment Capacity	approximately 30,000 electric endpoints	
Data Backup Based on Full Capacity	30 Day data backup	
Backup Power Supply Duration	approximately 8 hours	
WAN Connectivity Options :	TCP/IP based connections like POTS, DSL, Frame, Cable, Satellite, GPRS,Wi-Max, etc through on-board RJ-45 connection	
Outage Management Performance		
% of Last Gasp messages to be received under a single Network Equipment device at capacity with a 300 second latency after a programmable delay of 120 seconds to filter out momentary outages		
1 power failure under single Network Equipment device	95.00%	95.00%
10 power failure under single Network Equipment device	95.00%	95.00%
100 power failure under single Network Equipment device	95.00%	95.00%
250 power failure under single Network Equipment device	90.00%	90.00%
500 power failure under single network equipment device	80.00%	80.00%
Restoration Management Performance		
% of Restoration messages to be received under a single Network Equipment device at capacity success rate based on a 5 minute latency after a programmable delay "X" to filter out momentary		

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.

Meter Functionality	Meter Manufacturer: Sensus Meter Model: iCon A Meter Forms: 1S / 2S /3S/4S/ 12S	Meter Manufacturer: Elster Meter Model: A3 Alpha Meter Forms: 15/16S, all TR forms
1 restoration under single Network Equipment device	95.00%	95.00%
10 restoration under single Network Equipment device	95.00%	95.00%
100 restoration under single Network Equipment device	95.00%	95.00%
500 restoration under single Network Equipment device	90.00%	90.00%
1,000 restoration under single Network Equipment device	80.00%	80.00%

RNI Functionality	Device: RNI
RNI Standard Features	
RNI stores 60 days of data (reads and operational data)	S
LDAP security on RNI	S
RNI Servers - Network Controller, Database Server, Stats Server, Web Server	S
Java Messaging System available for real time message processing by utility owned systems (e.g. OMS)	S
LDC permitted to use JMS stream for inbound and outbound messaging so long as it does not impact normal system operation	S
Alarm messages available on Google Earth mapping application	S
Meter Grouping - for addressing, firmware upgrades and reconfiguration	S
On-demand read requests time varies between approximately 2 seconds to 2 minutes	S
RNI sized for 500,000 SmartPoints	S
SmartPoint operation is verified in the field by a Sensus handheld device (HHD-900 or equivalent) with approximate 45 second install time.	S
Data output formats available : CMEP, .hhf, IEE5.0	S
Redundancy for the Fiber Switch on the SAN and dual power supplies for all servers & SAN hardware	S
RNI Operations training provided at utility office by mutually agreed upon training staff.	S

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.)

Meter Functionality	Meter Manufacturer: FlexNet Water/Gas Module Meter Model: Meter Forms:
Measurement Canada Approval Number	TBD
Measurement Canada initial seal term	
Number of Registers	
Number of Load Profile Channels	
Number of Registers or Load Profile Channel Available Over the Air	
Register Readings	
To the Clock Hour	
Provided Once a Day (Midnight)	
Provided Twice a Day (Noon & Midnight)	
Provided with Every Scheduled Event	
Provided with Every Interval	
Interval Data	
1 minute intervals	
5 minute intervals	
15 minute intervals	
30 minute intervals	
60 minute intervals	
Interval configuration can be changed over the air	
Pulse Count Intervals	
Intervals are calculated from Δ of register values	
Optional TOU functionality	
Metrology	
Kwh	
kVa	
kVah	
kVaR	
kW	
kW Peak with demand reset	

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.)

Meter Functionality	Meter Manufacturer: FlexNet Water/Gas Module Meter Model: Meter Forms:
Voltage Data	
Voltage (MAX/MIN/AVG)	
Voltage (Sag/Swell)	
Voltage (Instantaneous)	
1 minute intervals	
5 minute intervals	
15 minute intervals	
30 minute intervals	
60 minute intervals	
Voltage Configuration can be changed over the air	
Load Profile Meter Memory	
# of Days 1 Channel (60 Minute Intervals)	
# of Days 2 Channel (60 Minute Intervals)	
Meter Memory Accessible over the air	
AMCC Reviews Gaps in Data and Auto-Retreives from the Meter	
Outage Management	
Outage Detection Signal (Last Gasp)	
Outage Detection (w/Register Read)	
Outage Detection (w/Reg Read & Op Data)	
Intermitent (Click Count) Outage Monitoring	
Restoration Notification	
Restoration Notification (w/Register Read)	
Restoration Notification (w/Reg Read & Ops Data)	
Length of Super Capacitor in Minutes	
Protocols	
ANSI C12.18	
ANSI C12.19	
ANSI C12.22	
IP Addressability to AMCD	
IP Addressability to AMRC	
IP Addressability to HAN	

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.)

Meter Functionality	Meter Manufacturer: FlexNet Water/Gas Module Meter Model: Meter Forms:
Operational Tools	
Remote Firmware Upgradeability	
Tamper Detection Signal	
Reverse Energy Detection	
Meter Internal/External Errors	
Remote Disconnect/Reconnect with backfeed voltage sensing	
Remote Load Limitation	
Remote Load Interruption (Timer)	
KWH Received and Delivered (Net-Metering)	
Storing of GPS coordinates at Endpoint	
Instantaneous Current and Line Frequency	
Impedance based tamper detection	
Alarms on Priority Channel	
Hot Socket Detection	
Additional Metering/SmartPoint Items	
Software definable radios enabling modulation upgrades (eg 13 FSK)	
256 bit data encrytpion	
Viterbi, CRC-32 error detection and correction	
Meter Temperature Spec of -40 to +80C, 0-95% RH non-condensing	
Up to 1 Wh reading resolution	
C&I Tier Reads (Elster A3 ST-23 Table Info)	
C&I meters will detect and report outages based on individual phase occurances	
HAN interface to Tstats, load shed, IHD's	
SmartGrid appliances and interface	
600 V Delta C&I Meter to be available in 2010. Note that this won't necessarily be an iConA, APX or Elster A3 meter.	
Water and Gas SmartPoints can communicate on same network	S
Water endpoints compatible with encoded registers from Sensus Netpune, ABB and Elster)	S
Water and Gas SmartPoints offer 20 year warranty	S
Water SmartPoints provide Broken Pipe, Leak Detection, Backflow, Tamper, Cut-Wire and Low Battery alarms	S

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.)

Meter Functionality	Meter Manufacturer: FlexNet Water/Gas Module Meter Model: Meter Forms:
Network Equipment Functionality	**Device: FNP**
Standard Features	
Network Equipment Capacity	
Data Backup Based on Full Capacity	
Backup Power Supply Duration	
WAN Connectivity Options :	
Outage Management Performance	
% of Last Gasp messages to be received under a single Network Equipment device at capacity with a 300 second latency after a programmable delay of 120 seconds to filter out momentary outages	
1 power failure under single Network Equipment device	
10 power failure under single Network Equipment device	
100 power failure under single Network Equipment device	
250 power failure under single Network Equipment device	
500 power failure under single network equipment device	
Restoration Management Performance	
% of Restoration messages to be received under a single Network Equipment device at capacity success rate based on a 5 minute latency after a programmable delay "X" to filter out momentary restorations	
1 restoration under single Network Equipment device	
10 restoration under single Network Equipment device	
100 restoration under single Network Equipment device	
500 restoration under single Network Equipment device	
1,000 restoration under single Network Equipment device	

Meter Functionality Available by Meter Manufacturer and Model (An S represents standard functionality, O represents optional functionality NA represents not available.)

Meter Functionality	Meter Manufacturer: FlexNet Water/Gas Module Meter Model: Meter Forms:
RNI Functionality	
RNI Standard Features	
RNI stores 60 days of data (reads and operational data)	
LDAP security on RNI	
RNI Servers - Network Controller, Database Server, Stats Server, Web Server	
Java Messaging System available for real time message processing by utility owned systems (e.g. OMS)	
LDC permitted to use JMS stream for inbound and outbound messaging so long as it does not impact normal system operation	
Alarm messages available on Google Earth mapping application	
Meter Grouping - for addressing, firmware upgrades and reconfiguration	
On-demand read requests time varies between approximately 2 seconds to 2 minutes	
RNI sized for 500,000 SmartPoints	
SmartPoint operation is verified in the field by a Sensus handheld device (HHD-900 or equivalent) with approximate 45 second install time.	
Data output formats available : CMEP, .hhf, IEE5.0	
Redundancy for the Fiber Switch on the SAN and dual power supplies for all servers & SAN hardware	
RNI Operations training provided at utility office by mutually agreed upon training staff.	

Appendix N

Intentionally Omitted

Appendix O

Sensus Backup Procedures and Disaster Recovery Plan

Sensus Disaster Recovery RNI Information

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7.0 Guidelines for Determining Risk Levels

8.0 References

9.0 Review of Document

1.0 Disaster Recovery Scope

Disaster recovery planning includes the resumption of applications, data, hardware, communications (such as networking) and other IT infrastructure. A business continuity plan (BCP) includes planning for non-IT related aspects such as key personnel, facilities, crisis communication and reputation protection, and should refer to the disaster recovery plan (DRP) for IT related infrastructure recovery / continuity.

A BCP is not included in this document.

Disaster can be classified in two broad categories. 1) Natural disasters- Preventing a natural disaster is very difficult, but it is possible to take precautions to avoid losses. These disasters include flood, fire, earthquake, hurricane, smog, etc 2) Man made disasters- These disasters are major reasons for failure. Human error and intervention may be intentional or unintentional which can cause massive failures such as loss of communication and utility. These disasters include walkout, sabotage, burglary, virus, and intrusion.

Essential planning and choosing the appropriate co-location datacenter to limit natural disaster impact has been completed. Steps in security for access to servers, redundancy in firewalls and critical networking equipment, spare servers and redundancy in power have been taken to reduce the possibility of man-made disasters.

2.0 Introduction

The Disaster Recovery planning will be used in the event of a declared disaster of hardware for the operation of the Sensus AMI production systems located in Plano, TX and Toronto, Canada data centers. Sensus continues to work with its vendors and co-location centers to provide quick response time in the event of a declared disaster and subsequent recovery from an unplanned business interruption. Information on co-location datacenter, vendor maintenance support contracts and warm in house recover is included in this document.

3.0 Acronyms

PM	Program Manager
DRP	Disaster Recovery Plan
BIA	Business Impact Analysis
RT	Request Tracking System
Ops	Operation support staff

BCP	Business Continuity Plan
SA	System Administration
DB	Database
Flexnet	Sensus Flexnet software

4.0 Co-location Datacenter

Both the co-location datacenter sites in Plano, Texas and Toronto, Canada have been selected for their highly secure physical infrastructure including door key security, video surveillance and round the clock security officers. Twenty four hour access to the co-location is limited to a short access list and appropriate id must be provided. Any unscheduled visits or deliveries will be declined. Both co-location sites are engineered to eliminate any single point of failure and have multiple layers of redundancy in power systems, HVAC and fire detection and suppression. All systems are monitored 24 x 7 through an operations center.

5.0 Hardware Vendor Maintenance

Xiotech SAN Maintenance Contracts

Xiotech SAN Maintenance Contracts

Xiotech SAN equipment is covered under Magnitude 3D System Hardware and Software

Warranty 4 Hour Response.

Cisco Hardware Maintenance Contracts

Cisco equipment is covered under Cisco Smartnet maintenance contracts.

Dell Hardware Maintenance Contracts

All servers are under the Dell Pro-Support Contract which includes the following:

Direct telephone access 24 hours/day, 7 days/week (including holidays) for Customer's trained IT staff to Dell's global Expert Centers staffed by senior-level analysts for troubleshooting assistance of Dell OEM hardware and software issues.

4 Hour On-site dispatch of technician and/or warranty parts to Customer's business location (as necessary and according to level of service purchased) for repairs and resolution necessary due to a defect in materials or workmanship on a Supported Product.

Fast-Track dispatch for Dell-certified Customer technicians who request a dispatch of warranty parts or parts and labor via Dell online website, electronic interface or phone to Customer's business location (as necessary and according to level of service purchased) for repairs and resolution necessary due to a defect in materials or workmanship on a Supported Product

Access to Global Command Centers which help manage critical situations in Customer environments, monitor all on-site mission critical dispatches, and provide proactive crisis management coordination and communication during events such as natural disasters.

Escalation management to provide a single point of contact for incident management, escalation and status of incidents within the scope of this Service.

Severity Levels and Dell Response for Products with Mission Critical: Customers calling in may designate the severity level of the incident and associated condition using the below chart. **Severity**	**Condition**	**Dell Response**	**Customer Role**
1	Complete loss of critical business function, requiring immediate response	Emergency dispatch in parallel with immediate phone troubleshooting; quick Escalation Manager intervention.	Provide 24x7 allocations of appropriate staff/resources in support. Site senior management informed and engaged.
2	High impact, but imminent workaround or resolution available; 24x7 resource allocation not available to support Dell response	Immediate phone troubleshooting; Escalation Manager intervention if remote diagnosis has not been determined within 90 minutes of contact. Parts/labor dispatch *after* phone troubleshooting.	Provide appropriate staff and resources to sustain continuous communication and work efforts. Site senior management informed and engaged.
3	Minimal business impact	Troubleshooting by phone, parts/labor dispatched *after* phone troubleshooting, and case status as mutually agreed.	Provide point-of-contact information for case and respond to Dell requests within 24 hours.

6.0 External and Internal Notification

External Notification

External Notification and communication is handled through the Project Management Team that works closely with our Utility customers. They are represented on the Change Advisory Board at the weekly meetings and are on all internal email communications and conference calls. These individuals will work with the Utility customers to ensure that they are notified of all work on their production servers or in the event of a declared disaster.

Internal Notification

Internal Notification is up to the Change Advisory Board and/or Change Manager. A work ticket will be opened up in RT and will include a ticket number, detailed information on the change request, scripts or patches to be run, a back-out plan and any other necessary documents. A scheduled date, time and duration will be included. After completion of successful testing the change will be communicated and scheduled. Reminders and start/completion notification will be set out to all internal parties involved in the scheduled change or release.

7.0 Guidelines for Determining Risk Levels

Risk Levels

Low Risk – None or Little Impact

Low risk requests are changes that are justified and necessary, that have a low percentage of failure and a high success rate. These requests have little risk in impacting the production servers.

Medium Risk – Minor Impact

Medium risk requests are changes that will have no potential for severe impact to the production system. These changes are medium risk and have an average success rate.

High Risk – Significant or Major Impact

High risk requests have substantial risk and can have severe impact to the production systems. These changes are substantial risk, can have limited testing or no roll back plans and possibility of high cost/impact.

8.0 References

TBD

9.0 Review of Document

This document must be reviewed twice each year.

Appendix P

Acceptance Test

All the tests in this Appendix P shall be performed only on Available Meters, unless otherwise indicated below.

Test Script: 1.1 Communication: Time Required for CMEP Export File Creation

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the amount of time required to obtain readings from the system. The time required to obtain readings will be important as it can affect the ability to meet standards required for providing midnight data to the end IESO MDM/R by the required time (5:00 am) each day.
Function:	Export file must be generated by 5 am each morning containing interval data from previous 24 hour period.
Goal in Context:	CMEP file generated by 5 am EST
Preconditions:	Acceptance Test meter population of available meters has been implemented within service territory.
Post Condition Success:	CMEP file created and available for dispatch to IESO MDM/R by 5 am EST.
Post Condition Failure:	CMEP file not created and available for dispatch to IESO MDM/R by 5 am EST.
Post Condition Result:	

Test Script: 1.2 Communication: Success Rate for Obtained Readings

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the success rate for readings obtained daily from the AMI system.
Function:	At a minimum, 98% of daily interval reads and end cut register reads will be obtained.

Goal in Context:	Determine success rate of readings captured in reading file to ensure 98% of daily reads are captured
Preconditions:	Acceptance Test meter population of available meters has been implemented within service territory.
Post Condition Success:	98% of daily reads are acquired for 30 consecutive days.
Post Condition Failure:	Less than 98% of daily reads are acquired in the 30 day test window.
Post Condition Result:	

Test Script: 1.3 Communication: Success Rate for Obtained Readings

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the success rate for readings obtained from the Smart Meter Network.
Function:	The system must allow for 99% of cumulative intervals and readings to be captured over a 72 hour period.
Goal in Context:	This test will determine the success rate for readings obtained daily from the AMI system.
Preconditions:	Acceptance Test meter population of available meters has been implemented within service territory.
Post Condition Success:	99% of intervals and readings are acquired within 72 hours for 30 consecutive days.
Post Condition Failure:	Less than 99% of daily reads are acquired within 72 hours in the 30 day test window.
Post Condition Result:	

Test Script: 1.4 Communication: Success Rate for Obtained Readings

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the success rate for readings obtained from the Smart Meter Network.
Function:	The system must allow for 99.5% of cumulative intervals and readings to be captured over a 30 day period.
Goal in Context:	This test will determine the success rate for readings obtained daily from the AMI system.
Preconditions:	Acceptance Test meter population of available meters has been implemented within service territory.
Post Condition Success:	99.5% of intervals readings are acquired over a 30 day period.
Post Condition Failure:	Less than 99.5% of daily reads are acquired over 30 day period.
Post Condition Result:	

Test Script: 1.5 Communication: Time Required for Reading (On-Demand)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the amount of time required to obtain on-demand readings from the system for customer call issues. The time required to obtain readings will be important as it can affect the ability to provide customer service.
Function:	The system should be capable of two-way communication to the home.
Goal in Context:	Determine time required to obtain on-demand readings, for customer service calls.
Preconditions:	Acceptance Test meter population of available meters have been implemented within service territory.
Post Condition Success:	Single On-Demand Reading acquired from 95% of the available meters will return a response within 60 seconds.
Post Condition Failure:	Time required to obtain readings is in excess of 60 seconds from 95% of the available meters.
Post Condition Result:	

Test Script: 1.6 Last Gasp Performance

Test Performed On (AMI System): _____

Date Performed: _____

Overview: This test will determine the communication success rate of last gasp messages within the network and the latency of these messages being sent to the head end system. This test will be performed by looking at historic outages throughout the utility service territory (Planned and Unplanned) of different severities.

Function: The system should be capable of two-way communication to the home.

Goal in Context: This test will determine the success rate for Power Fail Messages obtained under a single TGB with a maximum of 500 meters based on different outage levels.

Success Rate Based on a 300 second Latency After a Programmable Delay of 120 seconds to Filter out Momentary Outages	Number of Power Failures Under a Single TGB				
	1	10	100	250	500
Expected Success Rate	95%	95%	95%	90%	80%

Preconditions: Acceptance Test meter population of available meters has been implemented within service territory.

Post Condition Success: The Expected Success Rates listed above are acquired.

Post Condition Failure: The Expected Success Rates listed above are NOT acquired.

Post Condition Result:

Test Script: 1.7 Restoration Performance

Test Performed On (AMI System): _____

Date Performed: _____

Overview: This test will determine the communication success rate of last gasp messages within the network and the latency of these messages being sent to the head end system. This test will be performed by looking at historic outages throughout the

utility service territory (Planned and Unplanned) of different severities.

Function: The system should be capable of two-way communication to the home.

Goal in Context: This test will determine the success rate for Power Restoration Messages obtained under a single TGB with a maximum of 500 meters based on different outage levels.

Success Rate Based on a 5 Minute Latency After a Programmable Delay of 120 seconds to Filter out Momentary Restorations	# of Power Restorations Under a Single TGB				
	1	10	100	250	500
Expected Success Rate	95%	95%	95%	90%	80%

Preconditions: Acceptance Test meter population of available meters has been implemented within service territory.

Post Condition Success: The Expected Success Rates listed above are acquired.

Post Condition Failure: The Expected Success Rates listed above are NOT acquired.

Post Condition Result:

Test Script: 1.8 Communication: "Ping" Endpoint

Test Performed On (AMI System): _____

Date Performed: _____

Overview: This test will determine how the AMI system communicates with the endpoint to ensure there is power at the home to aid in restoration activities.

Function: The system should be capable of two-way communication to the home (ie. Meter or TGB).

Goal in Context: "Ping" endpoints to verify power at home.

Preconditions: Acceptance Test meter population of available meters has been implemented within service territory.

Post Condition Success: Affirmation of an endpoints power status from 95% of the available meters will return a response within 60 seconds.

Post Condition Time required to obtain verification of endpoint power status is in excess of

Failure:	60 seconds from 95% of the available meters.
Post Condition Result:	

Test Script: 2.1 Measurement (Data Fields)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the reliability, the format, and the precision of the various data fields that are obtained from the AMI systems.
Function:	The system should accommodate load profiling, interval data, as well as various meter status flags.
Goal in Context:	Test the acquisition of interval data to determine the reliability of data, the format of the data, the precision of the readings, the flags sent by the meter, and the timing of the register reading that will be used for validation purposes.
Preconditions:	Acceptance Test meter population of available meters installed in the service territory.
Post Condition Success:	The consistent acquisition/format of data. The readings acquired from the AMI data collection matched the configuration of the meter form.
Post Condition Failure:	The inconsistent acquisition of required data (Number of dials).
Post Condition Result:	

Test Script: 2.2 Measurement (Time Synchronization)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the process by which the meter is synchronized to the time standard.
Function:	The meter is synchronized to the national time standard, to a tolerance of 60 seconds (or better).
Goal in Context:	Test the methodology that the AMI system is synchronized to the national time standard.

Preconditions:	The installation of a Smart Meter at a residence or lab setting.
Post Condition Success:	The meter successfully synchronizes its clock to a tolerance of 60 seconds as compared to the National Time Standard.
Post Condition Failure:	The meter does not synchronize to the Time Standard.
Post Condition Result:	

Test Script: 2.3 Measurement (Time Synchronization)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will determine the process by which the meter is synchronized to the time standard, and will show how time gaps are filled if there has been an interruption in power that extends for one or more intervals. The meter should be disconnected for a period of more than one hour before reconnection.
Function:	The meter is synchronized to the national time standard, to a tolerance of 60 seconds (or better).
Goal in Context:	Test the methodology that the AMI system is synchronized to the national time standard, and how missing intervals are treated.
Preconditions:	The installation of a Smart Meter at a residence or a lab setting.
Post Condition Success:	The interval data in the AMI system properly reflects the duration of the outage.
Post Condition Failure:	The interval data in the AMI system does not properly reflect the duration of the outage.
Post Condition Result:	

Test Script: 2.4 Measurement (Meter Memory)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will confirm the memory of the meter and over the air access to

	the meter to download a requested range of meter memory.
Function:	The meter should be capable of storing a minimum of 30 days of hourly data.
Goal in Context:	Test the memory functions of the meter.
Preconditions:	The installation of a Smart Meter at a residence or lab setting.
Post Condition Success:	A selection of interval data extracted from the meter through an on-air request matches historical interval data already collected through normal supervisory messages and stored in the database.
Post Condition Failure:	The on-air interval data does not match previously collected data.
Post Condition Result:	

Test Script: 2.5 Meter Memory – Auto-Backfill Process

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will confirm the ability of the AMI system to auto-backfill missing intervals on-air from an available meters memory.
Function:	The AMI system should have the capability to fill in missing data in the database with data found in meter memory.
Goal in Context:	Test the auto-backfill process
Preconditions:	The installation of a Smart Meter at a residence or lab setting.
Post Condition Success:	The AMI system successfully auto backfills missing data.
Post Condition Failure:	The AMI system does not successfully auto backfill missing data. Note that the auto-backfill engine makes a single attempt to communicate with the meter for backfill requests and that failure to communicate with the meter does not constitute a failure of this script.
Post Condition Result:	

Test Script: 2.6 Measurement (Meter Data Access)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test will compare the time stamp at the meter, with that determined through the head end software to confirm accuracy of time stamps being used during validation, and therefore for billing purposes.
Function:	The meter can be read as well as programmed on-air.
Goal in Context:	Manually read meter, compare to readings received via automated communication.
Preconditions:	The installation of a Smart Meter at a residence or lab setting.
Post Condition Success:	The data acquired through both methods of reading is equivalent.
Post Condition Failure:	Meter data acquired through manual read differs from that obtained through head end software.
Post Condition Result:	

Test Script: 3.1 Firmware Upgradability

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test serves to document the ability of the network to perform firmware upgrade to the meters and TGBs in the field.
Function:	The AMI network should provide adequate firmware upgradability functions such that the network is not at risk of being modified/altered in any way that negatively impacts the performance of the meter or other network regularly scheduled functions.
Goal in Context:	Test the firmware upgradeability process used by the AMI system.
Preconditions:	The installation of a Smart Meter at residence or in lab setting and the installation of a TGB.
Post Condition Success:	A firmware update is uploaded to both a meter and TGB and each is able to accept the program and operate properly after the firmware is updated.
Post Condition Failure:	The firmware upgrade process does not function.
Post Condition Result:	

Test Script: 3.3 Meter Configuration

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test serves to document the ability of the network to configure individual meter parameters on-air.
Function:	The AMI network should provide adequate configuration functions such that items such as Meter Grouping, Static Configuration (frequency, tx mode, read interval, tx rate) and Power Quality (Outage holdoff time, restoral hold off time, momentary time, low voltage threshold, voltage averaging window) settings can be changed on-air.
Goal in Context:	Modify meter configuration settings on-air
Preconditions:	The installation of a Smart Meter at residence or in lab setting.
Post Condition Success:	Confirmation that configuration settings can be changed and that the change was confirmed by the system.
Post Condition Failure:	Confirmation that configuration settings cannot be changed or that the change was not confirmed by the system.
Post Condition Result:	

Test Script: 3.4 Operational Data Collection Accuracy

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test serves to document the ability of the network to collect accurate operational data from deployed Smart Meters.
Function:	The AMI network should collect operational data from available Smart Meters on a daily basis. This information should be accurate and collected daily to assist the utility in managing various aspects of their distribution network.
Goal in Context:	Test the ability of the AMI network to collect accurate min/max/avg/inst voltage information, voltage alarms, tamper alarms, theft alarms and hot socket alarms from the installed base of Smart Meters
Preconditions:	The installation of a Smart Meter at residence or in lab setting.
Post Condition Success:	Min/Max/Avg/Inst voltage readings are +-5% of actual field measurement (using calibrated equipment)

	Voltage Alarm received by AMI system during induced excursion
	Tamper Alarm received by AMI system during induced tamper event
	Theft Alarm received by AMI system during induced theft event
	Hot Socket Alarm received by AMI system during induced overheat event (if possible).
Post Condition Failure:	Measurements not received or not meeting accuracy requirements.
Post Condition Result:	

Test Script: 4.1 User Set-Up (Read Only, Billing, Admin Roles)

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test serves to document the ability of the head end system to assign users different levels of access.
Function:	The AMI network should provide adequate functions such that the access rights of certain users are limited while others are given full access to all features.
Goal in Context:	Set up users with different levels of access and verify user configuration.
Preconditions:	Customer RNI is configured.
Post Condition Success:	Users are only allowed to access system features specified under each role.
Post Condition Failure:	User access is not controlled.
Post Condition Result:	

Test Script: 4.2 Reporting Requirements

Test Performed On (AMI System): _____

Date Performed: _____

Overview:	This test serves to document the ability of the AMI system to provide standard reports required to operate and manage the Smart Meter

	population and AMI network.
Function:	The AMI network should provide adequate reporting capabilities to allow both the system operator and the utility to manage all aspects of the system.
Goal in Context:	Standard reports are run to verify key operational objectives.
Preconditions:	Acceptance Test meter population installed in the service territory.
Post Condition Success:	The following reports are run and executed successfully: Daily 48 Hour Stale Report Daily CMEP Verification Report Daily RIS Report Daily Meters with Alarms Report Installed Meters Report Overall System Graphs Overall System Stats TGB Status Reports
Post Condition Failure:	Reports are not available.
Post Condition Result:	

Appendix Q

Extended Warranty

Sensus provides the following Extended Warranty on Sensus Meters and Sensus Communication Modules inserted in third party Meters. This Extended Warranty applies only to Sensus products and does not apply to the third party Meters.

The LDC may select either the Extended Warranty or the Catastrophic Warranty, but cannot select both.

As used this Appendix Q, "Failure" and "Fail" means a malfunction that would be covered by the Sensus base warranty had it occurred within the base warranty period. The base warranty is set forth in Section 15.2 of the Agreement ("Base Warranty"). That is to say, all limitations on and exceptions to the Base Warranty apply to this Extended Warranty.

The Extended Warranty replaces the Sensus Base Warranty completely; meaning customer must contractually choose either the Base Warranty or the Extended Warranty but may not choose both. If the LDC elects the Extended Warranty, then it must purchase such warranty on all of its meters or Smartpoints™.

In all Failures under Extended Warranty:

1. The LDC bears the cost of field labor for diagnostics, removal and installation of replacement Extended Warranty Product.

2. The LDC pays RMA freight to return the Extended Warranty Product to Sensus. Sensus pays RMA freight back out to the LDC.

3. Product is returned via the Sensus on-line RMA process.

The cost of the Extended Warranty is an initial, upfront price adder of each Sensus Meter and Smartpoints™ as shown in the price set forth in the table below and paid at the time of meter or Smartpoints™ purchase.

Sensus Extended Warranty Pricing		
Type of Meter	**Premium Per Unit (USD)**	
	3 Years	**5 Years**
Electric < $100	$1.51	$2.51
Electric >= $100 and < $150	$2.83	$4.77
Electric >= $150	$4.69	$7.83

Neither the Base Warranty nor the Extended Warranty covers Meters or Communication Modules damaged by Force Majeure.

Ontario Catastrophic Warranty

Sensus provides the following Catastrophic Warranty on Sensus meters and on Smartpoints™ inserted in third party meters. The Catastrophic Warranty applies only to Sensus products and does not apply to the third party meters themselves.

The LDC may select either the Extended Warranty or the Catastrophic Warranty, but cannot select both.

As used in this Appendix Q, "Failure" and "Fail" means a malfunction that would be covered by the Sensus Base Warranty had it occurred within the Base Warranty Period. That is to say, all limitations on and exceptions to the Base Warranty apply to this Extended Warranty.

Starting on the date the Base Warranty expires ("Expiration Date"), and continuing for a period of five years thereafter, in the event that more than one-half of a percent (0.50%) of the entire population of Sensus meters or Smartpoints™ fail within one Contract Year, then Sensus shall repair or replace all meters or Smartpoints™ that Fail in excess of the 0.50% failure rate at its own cost. The number of meters and Smartpoints™ for the 0.50% baseline in each year is the cumulative number of meters and Smartpoints™ installed by the first date of the Contract Year. A "Contract Year" means the time period from one anniversary of the Effective Date to the next anniversary of the Effective Date.

For all Failures under this Catastrophic Warranty:

1. The LDC bears the total cost of repair and replacement for the first one-half percent (0.50%) of units that fail during a Contract Year.

2. For units that fail beyond the first one-half percent (the "Catastrophic Warranty Product"), the LDC pays the RMA freight to return the Catastrophic Warranty Product to Sensus. Sensus pays RMA freight back out to the LDC.

3. The Catastrophic Warranty Product is returned via the Sensus on-line RMA process.

4. Sensus shall bear a pro-rata share of (i) the material cost to repair or replace the Catastrophic Warranty Product; plus (ii) the LDC's actual, verifiable, and reasonable labour costs to remove and reinstall such Catastrophic Warranty Product (collectively, the "Costs") in accordance with the following schedule:

Date of Failure	**Sensus' pro-rata share of the Costs**
The Failure occurs on or before 12 months after the Expiration Date	100% of the Costs
The Failure occurs >12 months to 24 months after the Expiration Date	80% of the Costs
The Failure occurs > 24 months to 36 months after the Expiration	60% of the Costs

Date	
The Failure occurs > 36 months to 48 months after the Expiration Date	40% of the Costs
The Failure occurs > 48 months to 60 months after the Expiration Date	20% of the Costs
The Failure occurs more than 60 months after the Expiration Date	0% of the Costs

The cost of the Catastrophic Warranty is an initial, upfront adder to each Sensus meter or Smartpoints™ as shown in the price set forth in the table below, and paid at the time of meter or Smartpoints™ purchase. If the LDC elects the Catastrophic Warranty, the LDC must make this election on all Sensus meters and Smartpoints™ purchased.

Sensus Catastrophic Warranty Pricing	
	Premium Per Unit (USD)
Electric < $100	$1.14
Electric >= $100 and < $150	$2.08
Electric >= $150	$4.52

Neither the Base Warranty nor the Catastrophic Warranty covers Meters or Communication Modules damaged by Force Majeure.

The term of the Catastrophic Warranty runs from the Expiration Date.

Appendix R

GUARANTEE AND INDEMNITY

GUARANTEE AND INDEMNITY dated as of this 14th day of July, 2009 made by Sensus Metering Systems Inc., a Delaware corporation (the "Guarantor") to and in favour of Hearst Power Distribution Co. Ltd. (the "LDC").

(a) The LDC and Guarantor have agreed to enter into the Advanced Metering Infrastructure Sale and Services Agreement and all appendices thereto (the "Agreement");

(b) It is a condition precedent to the LDC entering into the Agreement that the Guarantor execute and deliver this Guarantee and Indemnity; and

(c) The Guarantor considers it in its best interest to provide this Guarantee and Indemnity.

In consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Guarantor agrees as follows.

Section 1. Guarantee.

(1) The Guarantor irrevocably and unconditionally guarantees the timely and complete performance of, and compliance with, all of the terms, representations, warranties, covenants, conditions and provisions of the Agreement that are to be performed and complied with (such obligations, collectively, the "Guaranteed Obligations") by any of its assignees, Representatives, Affiliates and Sensus' Distributor (as such terms are defined in the Agreement) (hereunder, each, an "Assignee", and collectively, the "Assignees").

(2) The Guarantor is jointly and severally liable with the Assignees for the performance of, and compliance with, the Guaranteed Obligations. The LDC is not bound to proceed against the Assignees or pursue any rights or remedies against the Assignees before being entitled to pursue its rights against the Guarantor and is entitled to directly proceed against the Guarantor.

Section 2. Indemnity.

Subject to Section 5 below, if any or all of the Guaranteed Obligations are not performed by the Guarantor or any Assignee for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, fully indemnify and save harmless the LDC from and against all losses, costs and expenses suffered or incurred by the LDC arising from, or in connection with, or as a result of, the failure of the Guarantor or any Assignee to fully and promptly perform any of the Guaranteed Obligations.

Section 3. Primary Obligation.

If any or all of the Guaranteed Obligations are not performed by the Guarantor or the Assignees or the LDC is not indemnified hereunder, in each case, for any reason whatsoever, such Guaranteed Obligations will, as a separate and distinct obligation, be performed by the

Guarantor as primary obligor immediately upon written demand to the Guarantor by the LDC for such performance.

Section 4. Absolute Liability.

The liability of the Guarantor is absolute, irrevocable and unconditional, irrespective of:

(a) Any lack of validity or enforceability of any term, covenant, condition or provision of the Agreement against the Assignees;

(b) Any change in the time or times for, or place or manner of performance or any other indulgences which the LDC may grant to the Assignees;

(c) Any amendment, restatement, replacement, supplement, modification or renewal of the Agreement;

(d) Subject to the paragraph after clause (e) below, any assignment of all or any part of the Agreement whereby the Guarantor continues to be liable under the terms of the Agreement for providing this Guarantee and Indemnity; or

(e) Any limitation of status or power, disability, incapacity or other circumstance relating to the Assignees, including any bankruptcy, insolvency, winding-up, dissolution, liquidation, restructuring or other creditors' proceedings involving or affecting the Assignees.

For avoidance of doubt and as provided in Section 24.8 of the Agreement, in a sale of all or substantially all the assets of the Guarantor, this Guarantee and Indemnity shall terminate in respect of post-assignment (but not pre-assignment) obligations and liabilities of the Guarantor and the Assignees, provided the Guarantor shall cause the purchaser or a suitable guarantor (who shall possess sufficient resources to guarantee and indemnify as required under the Agreement) to be fully liable as guarantor and indemnifier for all of its assignees, Representatives, Affiliates and distributors under the Agreement including as herein provided.

Section 5. Rights Under Agreement.

The liabilities and obligations of the Guarantor under this Guarantee and Indemnity are subject to the terms of the Agreement and will not exceed any liability or obligation of any Assignee to the LDC under the Agreement, subject to all exceptions therefrom. The Guarantor is entitled to all rights, privileges and defenses available to the Assignees with respect to any obligation or liability, including without limitation all provisions of the Agreement relating to limitation of liability and the resolution of disputes.

Section 6. Enforcement.

The Guarantor will fully pay and perform its liabilities and obligations under this Guarantee and Indemnity immediately after demand for such payment and performance is made in writing to it by the LDC or any representative thereof.

Section 7. Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Guarantee and Indemnity must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed in accordance with Section 23 (Notices) of the Agreement and governed by the delivery, receipt and other provisions of such Section 23.

Section 8. General.

(1) This Guarantee and Indemnity may only be amended, supplemented or otherwise modified by written agreement executed by the Guarantor and the LDC.

(2) This Guarantee and Indemnity becomes effective when executed by the Guarantor. After that time, it is binding upon the Guarantor and its successors and assigns and enures to the benefit of the LDC and its successors and assigns.

(3) Neither this Guarantee and Indemnity nor any of the rights or obligations under this Guarantee and Indemnity are assignable or transferable by the Guarantor without the prior written consent of the LDC.

(4) If any provision of this Guarantee and Indemnity is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Guarantee and Indemnity and the remaining provisions will remain in full force and effect.

(5) This Guarantee and Indemnity is governed by and will be interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

(6) No consent or waiver by the LDC in respect of this Guarantee and Indemnity is binding unless made in writing and any consent or waiver given under this Guarantee and Indemnity is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Guarantee and Indemnity constitutes a waiver of any other provision. A failure or delay on the part of the LDC in exercising a right under this Guarantee and Indemnity does not operate as a waiver of, or impair, any right of the LDC however arising. A single or partial exercise of a right on the part of the LDC does not preclude any other or further exercise of that right or the exercise of any other right by the LDC.

SENSUS METERING SYSTEMS INC.

Authorized Signing Officer
I have sole authority to bind the corporation

Appendix S

Purchase Order

See Attached.

Purchase Order

1287

Hearst Power Distribution Company Limited
P.O. Bag 5000, 925 Alexandra St.
HEARST, Ontario P0L 1N0
705-372-2815
Fax: 705-362-5902

To:	Ship to (If different address):
KTI Limited 33 Isaacson Crescent Aurora, ONT. L4G 3H5	

P.O. DATE	PLACED BY	DATE EXPECTED	SHIP VIA	F.O.B.	TERMS
JAN. 20/09	Nicole				net 30 days

ACCOUNT NO.	QTY	DESCRIPTION	AMOUNT
	3625	Sensus iCon A, Solid State	69.94ea
		Electronic Meter with Flexnet	
		AMI module installed ø meter.	
		all as per attached Quote	

Send correspondence to:

Nicole C. Leduc
Hearst Power Distribution Company Limited
P.O. Bag 5000
Hearst, Ontario P0L 1N0

Authorized Signature

HEARST POWER DISTRIBUTION COMPANY LIMITED (Hearst Power)

APPLICATION FOR APPROVAL OF ELECTRICITY DISTRIBUTION RATES EFFECTIVE MAY 1, 2010

EB-2009-0266

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PILS OR INCOME TAXES WORK FORM

Ontario

Name of LDC: Hearst Power Distribution Company Limited

File Number: EB-2009-0266

Rate Year: 2010

Version: 1.0

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F	F. Adjusted Taxable Income Hist
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K	K. Adjusted Taxable Income Brid
L	L. Schedule 8 CCA Test Year
M	M. Schedule 10 CEC Test Year
N	N. Sch 7-1 Loss Cfwd
O	O. Taxable Income Test Year
P	P. OCT
Q	Q. PILs,Tax Provision

Notes:

(1) Pale green cells represent inputs

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

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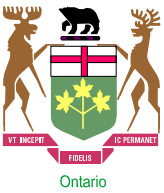


Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Data Input Sheet

Applicants Rate Base	Rate Re-Basing Amount			
Average Net Fixed Assets				
Gross Fixed Assets - Re-Basing Opening	$ 4,228,034	A		
Add: CWIP Re-Basing Opening	$ -	B		
Re-Basing Capital Additions	$ 248,696	C		
Re-Basing Capital Disposals	$ -	D		
Re-Basing Capital Retirements	$ -	E		
Deduct: CWIP Re-Basing Closing	$ -	F		
Gross Fixed Assets - Re-Basing Closing	$ 4,476,730	G		
Average Gross Fixed Assets			$ 4,352,382	H = (A + G) / 2
Accumulated Depreciation - Re-Basing Opening	$ 2,984,705	I		
Re-Basing Depreciation Expense	$ 144,386	J		
Re-Basing Disposals	$ -	K		
Re-Basing Retirements	$ -	L		
Accumulated Depreciation - Re-Basing Closing	$ 3,129,091	M		
Average Accumulated Depreciation			$ 3,056,898	N = (I + M) / 2
Average Net Fixed Assets			**$ 1,295,484**	O = H - N
Working Capital Allowance				
Working Capital Allowance Base	$ 7,067,318	P		
Working Capital Allowance Rate	15.0%	Q		
Working Capital Allowance			**$ 1,060,098**	R = P * Q
Rate Base			**$ 2,355,582**	S = O + R

Return on Rate Base				
Deemed ShortTerm Debt %	4.00%	T	$ 94,223	W = S * T
Deemed Long Term Debt %	56.00%	U	$ 1,319,126	X = S * U
Deemed Equity %	40.00%	V	$ 942,233	Y = S * V
Short Term Interest	4.00%	Z	$ 3,769	AC = W * Z
Long Term Interest	12.50%	AA	$ 164,891	AD = X * AA
Return on Equity (Regulatory Income)	7.00%	AB	**$ 65,956**	AE = Y * AB
Return on Rate Base			**$ 234,616**	AF = AC + AD + AE

Questions that must be answered	**Historic** Yes or No
1. Does the applicant have any Investment Tax Credits (ITC)?	No
2. Does the applicant have any Scientific Research and Experimental	No
3. Does the applicant have any Capital Gains or Losses for tax purposes?	No

4. Does the applicant have any Capital Leases?	No
5. Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?	Yes
6. Since 1999, has the applicant acquired another regulated applicant's assets?	No
7. Did the applicant pay dividends? *If Yes, please describe what was the tax treatment in the manager's summary.*	No
8. Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?	No

234615.9824

9.9600000% is the Cost of Capital

Bridge Yes or No	**Test Year** Yes or No
No	No
No	No
No	No

No	No
Yes	Yes
No	No
No	No
No	No

Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Tax Rates & Exemptions

Tax Rates Federal & Provincial As of March 26, 2009		Effective January 1, 2006	Effective January 1, 2007	Effective January 1, 2008	Effective January 1, 2009	Effective January 1, 2010	Effective January 1, 2011	Effective January 1, 2012	Effective January 1, 2013	Effective January 1, 2014
Federal income tax										
General corporate rate	1	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%		
Federal tax abatement	2	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%		
Adjusted federal rate	3	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%		
Surtax (4% of line 3)	4	1.12%	1.12%	0.00%	0.00%	0.00%	0.00%	0.00%		
		29.12%	29.12%	28.00%	28.00%	28.00%	28.00%	28.00%		
Rate reduction		-7.00%	-7.00%	-8.50%	-9.00%	-10.00%	-11.50%	-13.00%		
		22.12%	22.12%	19.50%	19.00%	18.00%	16.50%	15.00%	**15.00%**	**15.00%**
Ontario income tax		14.00%	14.00%	14.00%	14.00%	13.00%	11.75%	11.25%	**10.50%**	10.00%
Combined federal and Ontario		36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.25%	**25.50%**	**25.00%**
Federal & Ontario Small Business										
Federal small business threshold		400,000	400,000	400,000	500,000	500,000	500,000	500,000		
Ontario Small Business Threshold		400,000	500,000	500,000	500,000	500,000	500,000	500,000		
Federal small business rate		13.12%	13.12%	11.00%	11.00%	11.00%	11.00%	11.00%		
Ontario small business rate		5.50%	5.50%	5.50%	5.50%	5.00%	4.50%	4.50%		

Ontario surtax claw-back of 4.25% starts at $500,000 and eliminates the SBC at $1,500,000.

Ontario Capital Tax						
Capital deduction	10,000,000	12,500,000	15,000,000	15,000,000	15,000,000	
Capital tax rate	0.300%	0.225%	0.225%	0.225%	0.075%	

OCT will be eliminated on July 1, 2010 but tax will be prorated for the first 6 months in 2010.

NOTES:

1. Based on the federal government's October 30, 2007 Economic Statement.
Bill C-28 received Royal Assent on December 14, 2007.
2. Ontario Economic Statement of December 13, 2007 became Bill 44 and received Royal Assent on May 14, 2008.
Capital tax rate changes and small business deduction income thresholds made retroactive to January 1, 2007.
3. Federal Budget of January 27, 2009 The federal small business limit was increased from $400,000 to $500,000 on January 1, 2009
3. Federal Budget of March 26, 2009 The provincial corporate tax rate was reduced

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited

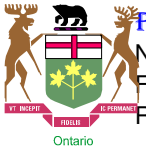
File Number: EB-2009-0266

Rate Year: 2010

Schedule 8 and 10 UCC and CEC

Historic				
Class	Class Description	UCC End of Year 2008 Historic tax returns	Less: Non-Distribution Portion	UCC 2009 Bridge Year Opening Balance
1	Distribution System - post 1987	116,895	0	116,895
2	Distribution System - pre 1988	856,573	0	856,573
8	General Office/Stores Equip	29,650	0	29,650
10	Computer Hardware/ Vehicles	47,733	0	47,733
10.1	Certain Automobiles	0	0	0
12	Computer Software	30,488	0	30,488
13 $_1$	Lease # 1	0	0	0
13 $_2$	Lease #2	0	0	0
13 $_3$	Lease # 3	0	0	0
13 $_4$	Lease # 4	0	0	0
14	Franchise	0	0	0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	0	0	0
43.1	Certain Energy-Efficient Electrical Generating Equipment	0	0	0
45	Computers & Systems Software acq'd post Mar 22/04	787	0	787
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	0	0	0
47	Distribution System - post February 2005	0	0	0
50	Data Network Infrastructure Equipment - post Mar 2007	10,264	0	10,264
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
	SUB-TOTAL - UCC	1,092,389	0	1,092,389

CEC	**Goodwill**	0	0	0
CEC	**Land Rights**	0	0	0
CEC	**FMV Bump-up**	0	0	0
		0	0	0
		0	0	0
	SUB-TOTAL - CEC	**0**	**0**	**0**



PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited

File Number: EB-2009-0266

Rate Year: 2010

Schedule 13 Tax Reserves Historical

CONTINUITY OF RESERVES

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital Gains Reserves ss.40(1)			0
Tax Reserves Not Deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for goods and services not delivered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & Share Issue Expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
Total	**0**	**0**	**0**
Financial Statement Reserves (not deductible for Tax Purposes)			
General Reserve for Inventory Obsolescence (non-specific)			0
General reserve for bad debts			0
Accrued Employee Future Benefits:			0
- Medical and Life Insurance			0
-Short & Long-term Disability			0
-Accmulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
Total	**0**	**0**	**0**

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PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Sch 7-1 Loss Carry Forward Historic 2008

Corporation Loss Continuity and Application

Non-Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance
Actual Historic 2008	38,593	0	38,593

Net Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance
Actual Historic 2008	18,199	0	18,199

Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

2008 Historic Year Adjusted Taxable Income

Historic				
	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	A	42,251	0	42,251
Additions:				
Interest and penalties on taxes	103	0	0	0
Amortization of tangible assets	104	108,727	0	108,727
Amortization of intangible assets	106	1,273	0	1,273
Recapture of capital cost allowance from Schedule 8	107	0	0	0
Gain on sale of eligible capital property from Schedule 10	108	0	0	0
Income or loss for tax purposes- joint ventures or partnerships	109	0	0	0
Loss in equity of subsidiaries and affiliates	110	0	0	0
Loss on disposal of assets	111	9,933	0	9,933
Charitable donations	112	0	0	0
Taxable Capital Gains	113	0	0	0
Political Donations	114	0	0	0
Deferred and prepaid expenses	116	0	0	0
Scientific research expenditures deducted on financial statements	118	0	0	0
Capitalized interest	119	0	0	0
Non-deductible club dues and fees	120	0	0	0
Non-deductible meals and entertainment expense	121	0	0	0
Non-deductible automobile expenses	122	0	0	0
Non-deductible life insurance premiums	123	0	0	0
Non-deductible company pension plans	124	0	0	0
Tax reserves deducted in prior year	125	0	0	0
Reserves from financial statements- balance at end of year	126	0	0	0
Soft costs on construction and renovation of buildings	127	0	0	0
Book loss on joint ventures or partnerships	205	0	0	0
Capital items expensed	206	0	0	0
Debt issue expense	208	0	0	0
Development expenses claimed in current year	212	0	0	0
Financing fees deducted in books	216	0	0	0
Gain on settlement of debt	220	0	0	0
Non-deductible advertising	226	0	0	0
Non-deductible interest	227	0	0	0
Non-deductible legal and accounting fees	228	0	0	0
Recapture of SR&ED expenditures	231	0	0	0
Share issue expense	235	0	0	0
Write down of capital property	236	0	0	0

Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	0	0	0
Other Additions				
Interest Expensed on Capital Leases	290	0	0	0
Realized Income from Deferred Credit Accounts	291	0	0	0
Pensions	292	0	0	0
Non-deductible penalties	293	0	0	0
	294	0	0	0
	295	0	0	0
Total Additions		**119,933**	**0**	**119,933**
Deductions:				
Gain on disposal of assets per financial statements	401	0	0	0
Dividends not taxable under section 83	402	0	0	0
Capital cost allowance from Schedule 8	403	118,282	0	118,282
Terminal loss from Schedule 8	404	0	0	0
Cumulative eligible capital deduction from Schedule 10	405	925	0	925
Allowable business investment loss	406	0	0	0
Deferred and prepaid expenses	409	0	0	0
Scientific research expenses claimed in year	411	0	0	0
Tax reserves claimed in current year	413	0	0	0
Reserves from financial statements - balance at beginning of year	414	0	0	0
Contributions to deferred income plans	416	0	0	0
Book income of joint venture or partnership	305	0	0	0
Equity in income from subsidiary or affiliates	306	0	0	0
Other deductions: (Please explain in detail the nature of the item)				
Interest capitalized for accounting deducted for tax	390	0	0	0
Capital Lease Payments	391	0	0	0
Non-taxable imputed interest income on deferral and variance accounts	392	0	0	0
	393	0	0	0
	394	0	0	0
Total Deductions		**119,207**	**0**	**119,207**
Net Income for Tax Purposes		**42,977**	**0**	**42,977**
Charitable donations from Schedule 2	311	0	0	0
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320	0	0	0
Non-capital losses of preceding taxation years from Schedule 4	331	0	0	0
Net-capital losses of preceding taxation years from Schedule 4 *(Please include explanation and calculation in Manager's summary)*	332	0	0	0
Limited partnership losses of preceding taxation years from Schedule 4	335	0	0	0
TAXABLE INCOME		**42,977**	**0**	**42,977**

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Schedule 8 CCA Bridge Year

Class	Class Description	UCC 2009 Bridge Year Opening Balance	Additions	Disposals	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	Bridge Year CCA	UCC End of 2009 Bridge Year
1	Distribution System - post 1987	$ 116,895	$ 13,009	$ -	$ 129,904	$ 6,505	$ 123,399	4%	$ 4,936	$ 124,968
2	Distribution System - pre 1988	$ 856,573	$ -	$ -	$ 856,573	$ -	$ 856,573	6%	$ 51,394	$ 805,179
8	General Office/Stores Equip	$ 29,650	$ 5,966	$ -	$ 35,616	$ 2,983	$ 32,633	20%	$ 6,527	$ 29,089
10	Computer Hardware/ Vehicles	$ 47,733	$ -	$ -	$ 47,733	$ -	$ 47,733	30%	$ 14,320	$ 33,413
10.1	Certain Automobiles	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
12	Computer Software	$ 30,488	$ -	$ -	$ 30,488	$ -	$ 30,488	100%	$ 30,488	$ -
13 1	Lease # 1	$ -	$ -	$ -	$ -	$ -	$ -	5	$ -	$ -
13 2	Lease #2	$ -	$ -	$ -	$ -	$ -	$ -	4	$ -	$ -
13 3	Lease # 3	$ -	$ -	$ -	$ -	$ -	$ -	3	$ -	$ -
13 4	Lease # 4	$ -	$ -	$ -	$ -	$ -	$ -	4	$ -	$ -
14	Franchise	$ -	$ -	$ -	$ -	$ -	$ -	7	$ -	$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	$ -	$ -	$ -	$ -	$ -	$ -	8%	$ -	$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
45	Computers & Systems Software acq'd post Mar 22/04	$ 787	$ -	$ -	$ 787	$ -	$ 787	45%	$ 354	$ 433
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
47	Distribution System - post February 2005	$ -	$ 450,086	$ -	$ 450,086	$ 225,043	$ 225,043	8%	$ 18,003	$ 432,083
50	Data Network Infrastructure Equipment - post Mar 2007	$ 10,264	$ -	$ -	$ 10,264	$ -	$ 10,264	55%	$ 5,645	$ 4,619
52	Computers & Systems Software acq'd post Jan 27/09	$ -	$ -	$ -	$ -	$ -	$ -	100%	$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
	SUBTOTAL	$ 1,092,389	$ -	$ -	$ 1,092,389	$ -	$ 1,092,389		$ -	$ 1,092,389
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
	TOTAL	$ 1,092,389	$ 469,061	$ -	$ 1,561,450	$ 234,531	$ 1,326,920		$ 131,667	$ 1,429,783

Ontario

PILS OR INCOME TAXES WORK

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Schedule 10 CEC Bridge Year

Cumulative Eligible Capital				**11,434**
Additions				
Cost of Eligible Capital Property Acquired during Bridge Year				
Other Adjustments	0			
Subtotal	0	**x 3/4 =**	0	
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002	0	**x 1/2 =**	0	
			0	**0**
Amount transferred on amalgamation or wind-up of subsidiary	0			**0**
Subtotal				**11,434**
Deductions				
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year	0			
Other Adjustments	0			
Subtotal	0	x 3/4 =	0	**0**
Cumulative Eligible Capital Balance				**11,434**
Current Year Deduction		**11,434**	**x 7% =**	**800**
Cumulative Eligible Capital - Closing Balance				**10,634**

Ontario

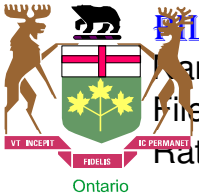
PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Schedule 13 Tax Reserves Bridge

CONTINUITY OF RESERVES

Description	Historic Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Bridge Year Adjustments: Additions	Bridge Year Adjustments: Disposals	Balance for Bridge Year	Change During the Year	Disallowed Expenses
Capital Gains Reserves ss.40(1)	0		0			0	0	
Tax Reserves Not Deducted for accounting purposes								
Reserve for doubtful accounts ss. 20(1)(l)	0		0			0	0	
Reserve for goods and services not delivered ss. 20(1)(m)	0		0			0	0	
Reserve for unpaid amounts ss. 20(1)(n)	0		0			0	0	
Debt & Share Issue Expenses ss. 20(1)(e)	0		0			0	0	
Other tax reserves	0		0			0	0	
	0		0			0	0	
	0		0			0	0	
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Financial Statement Reserves (not deductible for Tax Purposes)								
General Reserve for Inventory Obsolescence (non-specific)	0		0			0	0	
General reserve for bad debts	0		0			0	0	
Accrued Employee Future Benefits:	0		0			0	0	
- Medical and Life Insurance	0		0			0	0	
-Short & Long-term Disability	0		0			0	0	
-Accmulated Sick Leave	0		0			0	0	
- Termination Cost	0		0			0	0	
- Other Post-Employment Benefits	0		0			0	0	
Provision for Environmental Costs	0		0			0	0	
Restructuring Costs	0		0			0	0	
Accrued Contingent Litigation Costs	0		0			0	0	
Accrued Self-Insurance Costs	0		0			0	0	
Other Contingent Liabilities	0		0			0	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	0		0			0	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	0		0			0	0	
Other	0		0			0	0	
	0		0			0	0	
	0		0			0	0	
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**



PILS OR INCOME TAXES WORK FORM

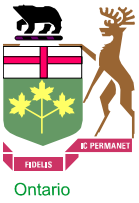
Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Sch 7-1 Loss Carry Forward 2009 Bridge Year

Corporation Loss Continuity and Application

Non-Capital Loss Carry Forward Deduction	Total
Actual Historic	38,593
Application of Loss Carry Forward to reduce taxable income in 2009 Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in 2010 Test Year	38,593

Net Capital Loss Carry Forward Deduction	Total
Actual Historic	18,199
Application of Loss Carry Forward to reduce taxable income in 2009 Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in 2010 Test Year	18,199



PILS OR INCOME TAXES WORK

Name of LDC: Hearst Power Distribution Company Limited

File Number: EB-2009-0266

Rate Year: 2010

Bridge Year Adjusted Taxable Income

Bridge		
	T2S1 line #	Total for Legal Entity
Income before PILs/Taxes	A	70,567
Additions:		
Interest and penalties on taxes	103	0
Amortization of tangible assets	104	0
Amortization of intangible assets	106	8,750
Recapture of capital cost allowance from Schedule 8	107	0
Gain on sale of eligible capital property from Schedule 10	108	0
Income or loss for tax purposes- joint ventures or partnerships	109	0
Loss in equity of subsidiaries and affiliates	110	0
Loss on disposal of assets	111	0
Charitable donations	112	0
Taxable Capital Gains	113	0
Political Donations	114	0
Deferred and prepaid expenses	116	0
Scientific research expenditures deducted on financial statements	118	0
Capitalized interest	119	0
Non-deductible club dues and fees	120	0
Non-deductible meals and entertainment expense	121	0
Non-deductible automobile expenses	122	0
Non-deductible life insurance premiums	123	0
Non-deductible company pension plans	124	0
Tax reserves deducted in prior year	125	0
Reserves from financial statements- balance at end of year	126	0
Soft costs on construction and renovation of buildings	127	0
Book loss on joint ventures or partnerships	205	0
Capital items expensed	206	0
Debt issue expense	208	0
Development expenses claimed in current year	212	0
Financing fees deducted in books	216	0
Gain on settlement of debt	220	0
Non-deductible advertising	226	0
Non-deductible interest	227	0

Non-deductible legal and accounting fees	228	0
Recapture of SR&ED expenditures	231	0
Share issue expense	235	0
Write down of capital property	236	0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	0
Other Additions		
Interest Expensed on Capital Leases	290	0
Realized Income from Deferred Credit Accounts	291	0
Pensions	292	0
Non-deductible penalties	293	0
	294	0
	295	0
Total Additions		**8,750**

Deductions:

Gain on disposal of assets per financial statements	401	0
Dividends not taxable under section 83	402	0
Capital cost allowance from Schedule 8	403	131,667
Terminal loss from Schedule 8	404	0
Cumulative eligible capital deduction from Schedule 10	405	800
Allowable business investment loss	406	0
Deferred and prepaid expenses	409	0
Scientific research expenses claimed in year	411	0
Tax reserves claimed in current year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	0
Book income of joint venture or partnership	305	0
Equity in income from subsidiary or affiliates	306	0
Other deductions: (Please explain in detail the nature of the item)		
Interest capitalized for accounting deducted for tax	390	0
Capital Lease Payments	391	0
Non-taxable imputed interest income on deferral and variance accounts	392	0
	393	0
	394	0
Total Deductions		**132,467**
Net Income for Tax Purposes		**-53,151**

Charitable donations from Schedule 2	311	0
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320	0
Non-capital losses of preceding taxation years from Schedule 4	331	0

Net-capital losses of preceding taxation years from Schedule 4 *(Please include explanation and calculation in Manager's summary)*	332	0
Limited partnership losses of preceding taxation years from Schedule 4	335	0
TAXABLE INCOME		**-53,151**

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited

File Number: EB-2009-0266

Rate Year: 2010

Schedule 8 CCA Test Year

Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	$ 124,968	$ -	$ -	$ 124,968	$ -	$ 124,968	4%	$ 4,999	$ 119,969
2	Distribution System - pre 1988	$ 805,179	$ -	$ -	$ 805,179	$ -	$ 805,179	6%	$ 48,311	$ 756,868
8	General Office/Stores Equip	$ 29,089	$ 25,000	$ -	$ 54,089	$ 12,500	$ 41,589	20%	$ 8,318	$ 45,771
10	Computer Hardware/ Vehicles	$ 33,413	$ 10,000	$ -	$ 43,413	$ 5,000	$ 38,413	30%	$ 11,524	$ 31,889
10.1	Certain Automobiles	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
12	Computer Software	$ -	$ -	$ -	$ -	$ -	$ -	100%	$ -	$ -
13 1	Lease # 1	$ -	$ -	$ -	$ -	$ -	$ -	0	$ -	$ -
13 2	Lease #2	$ -	$ -	$ -	$ -	$ -	$ -	0	$ -	$ -
13 3	Lease # 3	$ -	$ -	$ -	$ -	$ -	$ -	0	$ -	$ -
13 4	Lease # 4	$ -	$ -	$ -	$ -	$ -	$ -	0	$ -	$ -
14	Franchise	$ -	$ -	$ -	$ -	$ -	$ -	0	$ -	$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	$ -	$ -	$ -	$ -	$ -	$ -	8%	$ -	$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
45	Computers & Systems Software acq'd post Mar 22/04	$ 433	$ -	$ -	$ 433	$ -	$ 433	45%	$ 195	$ 238
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	$ -	$ -	$ -	$ -	$ -	$ -	30%	$ -	$ -
47	Distribution System - post February 2005	$ 432,083	$ 174,196	$ -	$ 606,279	$ 87,098	$ 519,181	8%	$ 41,534	$ 564,744
50	Data Network Infrastructure Equipment - post Mar 2007	$ 4,619	$ -	$ -	$ 4,619	$ -	$ 4,619	55%	$ 2,540	$ 2,078
52	Computers & Systems Software acq'd post Jan 27/09	$ -	$ 25,000	$ -	$ 25,000	$ -	$ 25,000	100%	$ 25,000	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ 1,092,389	$ -	$ -	$ 1,092,389	$ -	$ 1,092,389		$ -	$ 1,092,389
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
		$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -
	TOTAL	$ 1,429,783	$ 234,196	$ -	$ 1,663,979	$ 104,598	$ 1,559,381		$ 142,421	$ 1,521,558

PILS OR INCOME TAXES WORK

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Schedule 10 CEC Test Year

Cumulative Eligible Capital					**10,634**
Additions					
Cost of Eligible Capital Property Acquired during Test Year		0			
Other Adjustments		0			
	Subtotal	0	**x 3/4 =**	0	
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002		0	**x 1/2 =**	0	
				0	**0**
Amount transferred on amalgamation or wind-up of subsidiary		0			**0**
	Subtotal				**10,634**
Deductions					
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year		0			
Other Adjustments		0			
	Subtotal	0	x 3/4 =	0	**0**
Cumulative Eligible Capital Balance					**10,634**
Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income")			**10,634**	**x 7% =**	**744**
Cumulative Eligible Capital - Closing Balance					**9,890**

Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Sch 7-1 Loss Carry Forward 2010 Test Year

Corporation Loss Continuity and Application

Non-Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance
Actual/Estimated 2009 Bridge Year	38,593		38,593
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in 2010 Test Year	38,593	0	38,593
Amount to be used in Test Year			0
Balance available for use post Test Year	38,593	0	38,593

Net Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance
Actual/Estimated 2009 Bridge Year	0		0
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in 2010 Test Year	0	0	0
Amount to be used in Test Year			0
Balance available for use post Test Year	0	0	0

Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Taxable Income Test Year

	T2 S1 line #	Test Year Taxable Income
Net Income Before Taxes		65,956
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets *2-4 ADJUSTED ACCOUNTING DATA P489*	104	144,386
Amortization of intangible assets *2-4 ADJUSTED ACCOUNTING DATA P490*	106	8,838
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125	
Reserves from financial statements- balance at end of year	126	
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Other Additions: (please explain in detail the nature of the item)		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
	296	
	297	
Total Additions		**153,224**
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	142,421
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10 CEC	405	744
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	

Tax reserves end of year	413	
Reserves from financial statements - balance at beginning of year	414	
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
Other deductions: (Please explain in detail the nature of the item)		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	
Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
	395	
	396	
	397	
Total Deductions		**143,165**
NET INCOME FOR TAX PURPOSES		**76,015**
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of preceding taxation years from Schedule 7-1	331	
Net-capital losses of preceding taxation years (Please show calculation)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
REGULATORY TAXABLE INCOME		**76,015**

PILS OR

Name of LDC: Hearst Power Distribution Company L

File Number: EB-2009-0266

Rate Year: 2010

Ontario Capital Tax

Applicant	Rate Base	OCT Exemption
		15,000,000
Hearst Power Distributio	$ 2,355,582	$ 2,355,582
Affiliates (if applicable		
1		$ -
2		$ -
3		$ -
4		$ -
5		$ -
Total	$ 2,355,582	$ 2,355,582

Section A

Wires Only

ONTARIO CAPITAL TAX

Rate Base	$ 2,355,582
Less: Exemption	$ 2,355,582
Deemed Taxable Capital	$ -
Rate in Test Year	0.075%
Net Amount (Taxable Capital x Rate)	$ -

Ontario

PILS OR INCOME TAXES WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

PILs,Tax Provision

						Wires Only	
Regulatory Taxable Income						$ 76,015	**A**
Ontario Income Taxes							
Income tax payable	**Ontario income tax**	5.00%	**B**	$ 3,801	**C = A * B**		
Small business credit	Ontario Small Business Threshold	$ -	**D**				
	Rate reduction	-8.50%	**E**	$ -	**F = D * E**		
Surtax		$ -	**G = A - D**				
	Ontario surtax claw-back	4.25%	**H**	$ -	**I = G * H**		
Ontario Income tax						$ 3,801	**J = C + F + I**
Combined Tax Rate and PILs	Effective Ontario Tax Rate			5.00%	**K = J / A**		
	Federal tax rate			11.00%	**L**		
	Combined tax rate					16.00%	**M = L + L**
Total Income Taxes						**$ 12,162**	**N = A * M**
Investment Tax Credits							**O**
Miscellaneous Tax Credits							**P**
Total Tax Credits						**$ -**	**Q = O + P**
Corporate PILs/Income Tax Provision for Test Year						**$ 12,162**	**R = N - Q**
Corporate PILs/Income Tax Provision Gross Up				84.00%	**S = 1 - M**	**$ 2,317**	**T = R / S - N**
Income Tax (grossed-up)						**$ 14,479**	**U = R + T**
Ontario Capital Tax (not grossed-up)						**$ -**	**V**
Tax Provision for Test Year Rate Recovery						**$ 14,479**	**W = U + V**

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited (1)

File Number: EB-2009-0266

Rate Year: 2010 *Version:* *1.0*

Table of Content

Sheet	Name
A	Data Input Sheet
1	Rate Base
2	Utility Income
3	Taxes/PILS
4	Capitalization/Cost of Capital
5	Revenue Sufficiency/Deficiency
6	Revenue Requirement
7	Bill Impacts

Notes:

(1) Pale green cells represent inputs

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

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REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Ontario

		Data Input					(1)
		Application		Adjustments		Per Board Decision	
1	**Rate Base**						
	Gross Fixed Assets (average)	$4,352,382	(4)			$4,352,382	
	Accumulated Depreciation (average)	($3,056,898)	(5)			($3,056,898)	
	Allowance for Working Capital:						
	Controllable Expenses	$867,878	(6)			$867,878	
	Cost of Power	$6,199,440				$6,199,440	
	Working Capital Rate (%)	15.00%				15.00%	
2	**Utility Income**						
	Operating Revenues:						
	Distribution Revenue at Current Rates	$878,705					
	Distribution Revenue at Proposed Rates	$1,065,856					
	Other Revenue:						
	Specific Service Charges	$15,000					
	Late Payment Charges	$7,300					
	Other Distribution Revenue	$21,630					
	Other Income and Deductions	$75,000					
	Operating Expenses:						
	OM+A Expenses	$867,878				$867,878	
	Depreciation/Amortization	$145,659				$145,659	
	Property taxes						
	Capital taxes	$0					
	Other expenses						
3	**Taxes/PILs**						
	Taxable Income:						
	Adjustments required to arrive at taxable income		(3)				
	Utility Income Taxes and Rates:						
	Income taxes (not grossed up)	$12,162					
	Income taxes (grossed up)	$14,479					
	Capital Taxes	$ -					
	Federal tax (%)	11.00%					
	Provincial tax (%)	5.00%					
	Income Tax Credits						
4	**Capitalization/Cost of Capital**						
	Capital Structure:						
	Long-term debt Capitalization Ratio (%)	56.0%					
	Short-term debt Capitalization Ratio (%)	4.0%	(2)				(2)
	Common Equity Capitalization Ratio (%)	40.0%					
	Prefered Shares Capitalization Ratio (%)						
						Capital Structure must total 100%	
	Cost of Capital						
	Long-term debt Cost Rate (%)	5.87%					
	Short-term debt Cost Rate (%)	2.07%					
	Common Equity Cost Rate (%)	9.85%					
	Prefered Shares Cost Rate (%)						

Notes:

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

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

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Ontario

Rate Base

Line No.	Particulars		Application	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(3)	$4,352,382	$ -	$4,352,382
2	Accumulated Depreciation (average)	(3)	($3,056,898)	$ -	($3,056,898)
3	Net Fixed Assets (average)	(3)	$1,295,484	$ -	$1,295,484
4	Allowance for Working Capital	(1)	$1,060,098	$ -	$1,060,098
5	**Total Rate Base**		$2,355,582	$ -	$2,355,582

	(1) Allowance for Working Capital - Derivation				
6	Controllable Expenses		$867,878	$ -	$867,878
7	Cost of Power		$6,199,440	$ -	$6,199,440
8	Working Capital Base		$7,067,318	$ -	$7,067,318
9	Working Capital Rate %	(2)	15.00%		15.00%
10	Working Capital Allowance		$1,060,098	$ -	$1,060,098

Notes

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

#####

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

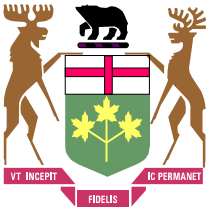
Ontario

			Utility income		
Line No.	Particulars		Application	Adjustments	Per Board Decision
	Operating Revenues:				
1	Distribution Revenue (at Proposed Rates)		$1,065,856	$ -	$1,065,856
2	Other Revenue	(1)	$118,930	$ -	$118,930
3	Total Operating Revenues		$1,184,786	$ -	$1,184,786
	Operating Expenses:				
4	OM+A Expenses		$867,878	$ -	$867,878
5	Depreciation/Amortization		$145,659	$ -	$145,659
6	Property taxes		$ -	$ -	$ -
7	Capital taxes		$ -	$ -	$ -
8	Other expense		$ -	$ -	$ -
9	Subtotal		$1,013,537	$ -	$1,013,537
10	Deemed Interest Expense		$79,383	$ -	$79,383
11	Total Expenses (lines 4 to 10)		$1,092,920	$ -	$1,092,920
12	**Utility income before income taxes**		$91,866	$ -	$91,866
13	Income taxes (grossed-up)		$14,479	$ -	$14,479
14	**Utility net income**		$77,387	$ -	$77,387

Notes

(1) **Other Revenues / Revenue Offsets**

Specific Service Charges	$15,000		$15,000
Late Payment Charges	$7,300		$7,300
Other Distribution Revenue	$21,630		$21,630
Other Income and Deductions	$75,000		$75,000
Total Revenue Offsets	$118,930		$118,930



Ontario

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Taxes/PILs

Line No.	Particulars	Application	Per Board Decision
	Determination of Taxable Income		
1	Utility net income	$92,810	$92,810
2	Adjustments required to arrive at taxable utility income	$ -	$ -
3	Taxable income	$92,810	$92,810
	Calculation of Utility income Taxes		
4	Income taxes	$12,162	$12,162
5	Capital taxes	$ -	$ -
6	Total taxes	$12,162	$12,162
7	Gross-up of Income Taxes	$2,317	$2,317
8	Grossed-up Income Taxes	$14,479	$14,479
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$14,479	$14,479
10	Other tax Credits	$ -	$ -
	Tax Rates		
11	Federal tax (%)	11.00%	11.00%
12	Provincial tax (%)	5.00%	5.00%
13	Total tax rate (%)	16.00%	16.00%

Notes

Ontario

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Application				
	Debt				
1	Long-term Debt	56.00%	$1,319,126	5.87%	$77,433
2	Short-term Debt	4.00%	$94,223	2.07%	$1,950
3	**Total Debt**	60.00%	$1,413,349	5.62%	$79,383
	Equity				
4	Common Equity	40.00%	$942,233	9.85%	$92,810
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$942,233	9.85%	$92,810
7	**Total**	100%	$2,355,582	7.31%	$172,193
	Per Board Decision				
	Debt				
8	Long-term Debt	56.00%	$1,319,126	5.87%	$77,433
9	Short-term Debt	4.00%	$94,223	2.07%	$1,950
10	**Total Debt**	60.00%	$1,413,349	5.62%	$79,383
	Equity				
11	Common Equity	40.0%	$942,233	9.85%	$92,810
12	Preferred Shares	0.0%	$ -	0.00%	$ -
13	**Total Equity**	40.0%	$942,233	9.85%	$92,810
14	**Total**	100%	$2,355,582	7.31%	$172,193

Notes

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

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Ontario

Revenue Sufficiency/Deficiency

Line No.	Particulars	Per Application		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		$205,773		$205,773
2	Distribution Revenue	$878,705	$860,083	$878,705	$860,083
3	Other Operating Revenue Offsets - net	$118,930	$118,930	$118,930	$118,930
4	**Total Revenue**	$997,635	$1,184,786	$997,635	$1,184,786
5	Operating Expenses	$1,013,537	$1,013,537	$1,013,537	$1,013,537
6	Deemed Interest Expense	$79,383	$79,383	$79,383	$79,383
	Total Cost and Expenses	$1,092,920	$1,092,920	$1,092,920	$1,092,920
7	**Utility Income Before Income Taxes**	($95,285)	$91,866	($95,285)	$91,866
8	Tax Adjustments to Accounting Income per 2009 PILs	$ -	$ -	$ -	$ -
9	**Taxable Income**	($95,285)	$91,866	($95,285)	$91,866
10	Income Tax Rate	16.00%	16.00%	16.00%	16.00%
11	**Income Tax on Taxable Income**	($15,246)	$14,699	($15,246)	$14,699
12	**Income Tax Credits**	$ -	$ -	$ -	$ -
13	**Utility Net Income**	($80,039)	$77,387	($80,039)	$77,387
14	**Utility Rate Base**	$2,355,582	$2,355,582	$2,355,582	$2,355,582
	Deemed Equity Portion of Rate Base	$942,233	$942,233	$942,233	$942,233
15	Income/Equity Rate Base (%)	-8.49%	8.21%	-8.49%	8.21%
16	Target Return - Equity on Rate Base	9.85%	9.85%	9.85%	9.85%
	Sufficiency/Deficiency in Return on Equity	-18.34%	-1.64%	-18.34%	-1.64%
17	Indicated Rate of Return	-0.03%	6.66%	-0.03%	6.66%
18	Requested Rate of Return on Rate Base	7.31%	7.31%	7.31%	7.31%
19	Sufficiency/Deficiency in Rate of Return	-7.34%	-0.65%	-7.34%	-0.65%
20	Target Return on Equity	$92,810	$92,810	$92,810	$92,810
21	Revenue Sufficiency/Deficiency	$172,849	($15,423) #	$172,849	($15,423)
22	**Gross Revenue Sufficiency/Deficiency**	$205,773 **(1)**		$205,773 **(1)**	

Notes:

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

(2) CELL H21 The Revenue Sufficientcy/Deficiency amount of $15413.02 is the reduction in LV revenue which is offset by the expected reduction in charges from Hydro One and the rates underrecover the allowed revenue requirement by $10.01

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Ontario

Line No.	Particulars	Revenue Requirement	
		Application	Per Board Decision
1	OM&A Expenses	$867,878	$867,878
2	Amortization/Depreciation	$145,659	$145,659
3	Property Taxes	$ -	$ -
4	Capital Taxes	$ -	$ -
5	Income Taxes (Grossed up)	$14,479	$14,479
6	Other Expenses	$ -	$ -
7	Return		
	Deemed Interest Expense	$79,383	$79,383
	Return on Deemed Equity	$92,810	$92,810
8	Distribution Revenue Requirement before Revenues	$1,200,209	$1,200,209
9	Distribution revenue	$1,065,856	$1,065,856
10	Other revenue	$118,930	$118,930
11	**Total revenue**	$1,184,786	$1,184,786
12	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	($15,423) (1)	($15,423) (1)

Notes

(1) Line 11 - Line 8

DISTRIBUTIION Revenue requirement

REVENUE REQUIREMENT WORK FORM

Name of LDC: Hearst Power Distribution Company Limited
File Number: EB-2009-0266
Rate Year: 2010

Ontario

		Selected Delivery Charge and Bill Impacts Per Draft Rate Order									
		Monthly Delivery Charge					Total Bill				
		Current	Per Draft Rate Order	Change $	Change %		Current	Per Draft Rate Order	Change $	Change %	
Residential	**800 kWh/month**	$ 25.10	$ 27.88	$ 2.78	11.1%		$ 89.59	$ 92.04	$ 2.44	2.7%	(1)
GS < 50kW	**2000** kWh/month	$ 43.37	$ 43.40	$ 0.03	0.1%		$ 211.98	$ 224.50	$ 12.52	5.9%	(2)

Notes:

(1) The "Total Bill" values are the average of winter and summer bills including tax
(2) The "Total Bill" values are the average of winter and summer bills including tax

2006 COST ALLOCATION INFORMATION FILING

Hearst Power Distribution

EB-2009-0266

March 31 2010

Sheet O1 Revenue to Cost Summary Worksheet - Optional Third Run

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
crev	Distribution Revenue (sale)	$1,065,856	$695,354	$183,824	$88,496	$24,962	$71,681	$1,538
mi	Miscellaneous Revenue (mi)	$118,930	$80,687	$19,776	$8,006	$2,529	$7,783	$148
	Total Revenue	$1,184,786	$776,041	$203,600	$96,503	$27,492	$79,465	$1,687
	Expenses							
di	Distribution Costs (di)	$371,505	$253,912	$51,964	$8,607	$119	$56,356	$547
cu	Customer Related Costs (cu)	$250,079	$191,107	$36,241	$16,041	$5,923	$4	$762
ad	General and Administration (ad)	$230,871	$165,257	$32,779	$9,169	$2,251	$20,930	$485
dep	Depreciation and Amortization (dep)	$145,659	$96,851	$23,406	$8,164	$2,730	$14,426	$83
INPUT	PILs (INPUT)	$14,479	$9,501	$2,504	$921	$333	$1,212	$7
INT	Interest	$79,383	$52,091	$13,730	$5,051	$1,827	$6,643	$41
	Total Expenses	$1,091,976	$768,719	$160,624	$47,953	$13,184	$99,571	$1,926
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$92,810	$60,902	$16,052	$5,905	$2,136	$7,767	$48
	Revenue Requirement (includes NI)	$1,184,786	$829,621	$176,676	$53,858	$15,320	$107,338	$1,974
		Revenue Requirement Input equals Output						
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$3,242,351	$2,193,252	$460,417	$131,798	$29,586	$424,619	$2,679
gp	General Plant - Gross	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
accum dep	Accumulated Depreciation	($3,056,898)	($2,071,558)	($428,342)	($119,999)	($25,317)	($409,099)	($2,583)
co	Capital Contribution	$0	$0	$0	$0	$0	$0	$0
	Total Net Plant	$1,295,484	$850,093	$224,057	$82,428	$29,821	$108,416	$668
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$6,199,440	$1,945,665	$927,901	$1,505,647	$1,735,633	$82,313	$2,281
	OM&A Expenses	$852,455	$610,276	$120,985	$33,817	$8,293	$77,290	$1,794
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	*$7,051,895*	*$2,555,941*	*$1,048,886*	*$1,539,464*	*$1,743,926*	*$159,603*	*$4,076*
	Working Capital	$1,057,784	$383,391	$157,333	$230,920	$261,589	$23,940	$611
	Total Rate Base	$2,353,269	$1,233,485	$381,390	$313,348	$291,410	$132,356	$1,280
		Rate Base Input equals Output						
	Equity Component of Rate Base	$941,307	$493,394	$152,556	$125,339	$116,564	$52,943	$512
	Net Income on Allocated Assets	$92,810	$7,322	$42,975	$48,550	$14,308	($20,106)	($239)
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$92,810	$7,322	$42,975	$48,550	$14,308	($20,106)	($239)
	RATIOS ANALYSIS							
	REVENUE TO EXPENSES %	100.00%	93.54%	115.24%	179.18%	179.45%	74.03%	85.47%
	EXISTING REVENUE MINUS ALLOCATED COSTS	$0	($53,580)	$26,924	$42,644	$12,171	($27,873)	($287)
	RETURN ON EQUITY COMPONENT OF RATE BASE	9.86%	1.48%	28.17%	38.73%	12.27%	-37.98%	-46.69%

2006 COST ALLOCATION INFORMATION FILING

Hearst Power Distribution

EB-2009-0266

March 31 2010

Sheet O3.1 Line Transformers Unit Cost Worksheet - Optional Third Run

ALLOCATION BY RATE CLASSIFICATION

Description	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Depreciation on Acct 1850 Line Transformers	$10,218	$6,563	$1,630	$721	$2	$1,279	$22
Depreciation on General Plant Assigned to Line Transformers	$3,369	$2,164	$537	$238	$1	$422	$7
Acct 5035 - Overhead Distribution Transformers- Operation	$210	$135	$34	$15	$0	$26	$0
Acct 5055 - Underground Distribution Transformers - Operation	$100	$64	$16	$7	$0	$13	$0
Acct 5160 - Maintenance of Line Transformers	$68,750	$44,159	$10,969	$4,854	$12	$8,606	$150
Allocation of General Expenses	$13,938	$8,952	$2,226	$987	$2	$1,740	$30
Admin and General Assigned to Line Transformers	$26,103	$16,762	$4,167	$1,846	$5	$3,267	$57
PILs on Line Transformers	$1,228	$789	$196	$87	$0	$154	$3
Debt Return on Line Transformers	$6,732	$4,324	$1,074	$475	$1	$843	$15
Equity Return on Line Transformers	$7,871	$5,056	$1,256	$556	$1	$985	$17
Less: Transformer Ownership Allowance Credit	$0	$0	$0	$0	$0	$0	$0
Total	**$138,518**	**$88,968**	**$22,105**	**$9,786**	**$24**	**$17,333**	**$303**
Billed kW without Line Transformer Allowance		0	0	30,185	0	3,190	87
Billed kWh without Line Transformer Allowance		27,043,280	12,897,126	20,927,356	24,123,994	1,144,089	31,710
Line Transformation Unit Cost ($/kW)		**$0.0000**	**$0.0000**	**$0.3242**	**$0.0000**	**$5.4327**	**$3.4689**
Line Transformation Unit Cost ($/kWh)		**$0.0033**	**$0.0017**	**$0.0005**	**$0.0000**	**$0.0151**	**$0.0096**
General Plant - Gross Assets	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
General Plant - Accumulated Depreciation	($855,974)	($561,688)	($148,043)	($54,463)	($19,704)	($71,634)	($442)
General Plant - Net Fixed Assets	$254,057	$166,712	$43,940	$16,165	$5,848	$21,261	$131
General Plant - Depreciation	$39,721	$26,065	$6,870	$2,527	$914	$3,324	$20
Total Net Fixed Assets Excluding General Plant	$1,041,427	$683,382	$180,118	$66,263	$23,973	$87,154	$537
Total Administration and General Expense	$230,871	$165,257	$32,779	$9,169	$2,251	$20,930	$485
Total O&M	$610,834	$437,323	$86,680	$24,222	$5,937	$55,385	$1,286
Line Transformer Rate Base							
Acct 1850 - Line Transformers - Gross Assets	$553,200	$355,328	$88,263	$39,058	$95	$69,245	$1,211
Line Transformers - Accumulated Depreciation	($464,880)	($298,599)	($74,172)	($32,822)	($80)	($58,190)	($1,017)
Line Transformers - Net Fixed Assets	$88,320	$56,729	$14,091	$6,236	$15	$11,055	$193
General Plant Assigned to Line Transformers - NFA	$21,546	$13,839	$3,438	$1,521	$4	$2,697	$47
Line Transformer Net Fixed Assets Including General Plant	$109,865	$70,568	$17,529	$7,757	$19	$13,752	$240
General Expenses							
Acct 5005 - Operation Supervision and Engineering	$0	$0	$0	$0	$0	$0	$0
Acct 5010 - Load Dispatching	$0	$0	$0	$0	$0	$0	$0
Acct 5085 - Miscellaneous Distribution Expense	$36,200	$24,971	$4,452	$882	$1	$5,857	$37
Acct 5105 - Maintenance Supervision and Engineering	$30,000	$20,694	$3,689	$731	$1	$4,854	$31
Total	**$66,200**	**$45,665**	**$8,141**	**$1,612**	**$2**	**$10,711**	**$68**
Acct 1850 - Line Transformers - Gross Assets	$553,200	$355,328	$88,263	$39,058	$95	$69,245	$1,211
Acct 1815 - 1855	$2,628,205	$1,812,545	$322,729	$63,789	$95	$426,329	$2,719

2006 COST ALLOCATION INFORMATION FILING

Hearst Power Distribution

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Sheet O1 Revenue to Cost Summary Worksheet - Optional Third Run

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base Assets		Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
crev	Distribution Revenue (sale)	$1,100,342	$695,354	$183,824	$98,237	$49,707	$71,681	$1,538
mi	Miscellaneous Revenue (mi)	$118,930	$80,687	$19,776	$8,006	$2,529	$7,783	$148
	Total Revenue	$1,219,272	$776,041	$203,600	$106,243	$52,237	$79,465	$1,687
	Expenses							
di	Distribution Costs (di)	$371,505	$253,912	$51,964	$8,607	$119	$56,356	$547
cu	Customer Related Costs (cu)	$250,079	$191,107	$36,241	$16,041	$5,923	$4	$762
ad	General and Administration (ad)	$265,356	$189,947	$37,673	$10,536	$2,587	$24,056	$558
dep	Depreciation and Amortization (dep)	$145,659	$96,851	$23,406	$8,164	$2,730	$14,426	$83
INPUT	PILs (INPUT)	$14,479	$9,501	$2,504	$921	$333	$1,212	$7
INT	Interest	$79,383	$52,091	$13,730	$5,051	$1,827	$6,643	$41
	Total Expenses	$1,126,462	$793,409	$165,518	$49,320	$13,519	$102,698	$1,998
	Direct Allocation	$0	$0	$0	$0	$0	$0	$0
NI	Allocated Net Income (NI)	$92,810	$60,902	$16,052	$5,905	$2,136	$7,767	$48
	Revenue Requirement (includes NI)	$1,219,272	$854,310	$181,569	$55,226	$15,655	$110,465	$2,046
		Revenue Requirement Input equals Output						
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$3,242,351	$2,193,252	$460,417	$131,798	$29,586	$424,619	$2,679
gp	General Plant - Gross	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
accum dep	Accumulated Depreciation	($3,056,898)	($2,071,558)	($428,342)	($119,999)	($25,317)	($409,099)	($2,583)
co	Capital Contribution	$0	$0	$0	$0	$0	$0	$0
	Total Net Plant	$1,295,484	$850,093	$224,057	$82,428	$29,821	$108,416	$668
	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$6,199,440	$1,945,665	$927,901	$1,505,647	$1,735,633	$82,313	$2,281
	OM&A Expenses	$886,940	$634,966	$125,878	$35,185	$8,628	$80,417	$1,867
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0
	Subtotal	***$7,086,380***	***$2,580,631***	***$1,053,779***	***$1,540,831***	***$1,744,261***	***$162,730***	***$4,148***
	Working Capital	$1,062,957	$387,095	$158,067	$231,125	$261,639	$24,409	$622
	Total Rate Base	$2,358,441	$1,237,188	$382,124	$313,553	$291,460	$132,825	$1,291
		Rate Base Input equals Output						
	Equity Component of Rate Base	$943,377	$494,875	$152,850	$125,421	$116,584	$53,130	$516
	Net Income on Allocated Assets	$92,810	($17,368)	$38,082	$56,923	$38,718	($23,233)	($312)
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$92,810	($17,368)	$38,082	$56,923	$38,718	($23,233)	($312)
	RATIOS ANALYSIS							
	REVENUE TO EXPENSES %	100.00%	90.84%	112.13%	192.38%	333.67%	71.94%	82.43%
	EXISTING REVENUE MINUS ALLOCATED COSTS	($0)	($78,270)	$22,030	$51,017	$36,581	($31,000)	($359)
	RETURN ON EQUITY COMPONENT OF RATE BASE	9.84%	-3.51%	24.91%	45.39%	33.21%	-43.73%	-60.36%

2006 COST ALLOCATION INFORMATION FILING
Hearst Power Distribution
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Sheet O3.1 Line Transformers Unit Cost Worksheet - Optional Third Run

ALLOCATION BY RATE CLASSIFICATION

Description	Total	1 Residential	2 GS <50	3 GS>50-Regular	5 GS >50-Intermediate	7 Street Light	8 Sentinel
Depreciation on Acct 1850 Line Transformers	$10,218	$6,563	$1,630	$721	$2	$1,279	$22
Depreciation on General Plant Assigned to Line Transformers	$3,369	$2,164	$537	$238	$1	$422	$7
Acct 5035 - Overhead Distribution Transformers- Operation	$210	$135	$34	$15	$0	$26	$0
Acct 5055 - Underground Distribution Transformers - Operation	$100	$64	$16	$7	$0	$13	$0
Acct 5160 - Maintenance of Line Transformers	$68,750	$44,159	$10,969	$4,854	$12	$8,606	$150
Allocation of General Expenses	$13,938	$8,952	$2,226	$987	$2	$1,740	$30
Admin and General Assigned to Line Transformers	$30,002	$19,267	$4,789	$2,121	$5	$3,755	$66
PILs on Line Transformers	$1,228	$789	$196	$87	$0	$154	$3
Debt Return on Line Transformers	$6,732	$4,324	$1,074	$475	$1	$843	$15
Equity Return on Line Transformers	$7,871	$5,056	$1,256	$556	$1	$985	$17
Less: Transformer Ownership Allowance Credit	$0	$0	$0	$0	$0	$0	$0
Total	**$142,417**	**$91,472**	**$22,727**	**$10,061**	**$25**	**$17,821**	**$312**
Billed kW without Line Transformer Allowance		0	0	30,185	0	3,190	87
Billed kWh without Line Transformer Allowance		27,043,280	12,897,126	20,927,356	24,123,994	1,144,089	31,710
Line Transformation Unit Cost ($/kW)		**$0.0000**	**$0.0000**	**$0.3333**	**$0.0000**	**$5.5856**	**$3.5666**
Line Transformation Unit Cost ($/kWh)		**$0.0034**	**$0.0018**	**$0.0005**	**$0.0000**	**$0.0156**	**$0.0098**
General Plant - Gross Assets	$1,110,031	$728,400	$191,983	$70,628	$25,552	$92,896	$573
General Plant - Accumulated Depreciation	($855,974)	($561,688)	($148,043)	($54,463)	($19,704)	($71,634)	($442)
General Plant - Net Fixed Assets	$254,057	$166,712	$43,940	$16,165	$5,848	$21,261	$131
General Plant - Depreciation	$39,721	$26,065	$6,870	$2,527	$914	$3,324	$20
Total Net Fixed Assets Excluding General Plant	$1,041,427	$683,382	$180,118	$66,263	$23,973	$87,154	$537
Total Administration and General Expense	$265,356	$189,947	$37,673	$10,536	$2,587	$24,056	$558
Total O&M	$610,834	$437,323	$86,680	$24,222	$5,937	$55,385	$1,286
Line Transformer Rate Base							
Acct 1850 - Line Transformers - Gross Assets	$553,200	$355,328	$88,263	$39,058	$95	$69,245	$1,211
Line Transformers - Accumulated Depreciation	($464,880)	($298,599)	($74,172)	($32,822)	($80)	($58,190)	($1,017)
Line Transformers - Net Fixed Assets	$88,320	$56,729	$14,091	$6,236	$15	$11,055	$193
General Plant Assigned to Line Transformers - NFA	$21,546	$13,839	$3,438	$1,521	$4	$2,697	$47
Line Transformer Net Fixed Assets Including General Plant	$109,865	$70,568	$17,529	$7,757	$19	$13,752	$240
General Expenses							
Acct 5005 - Operation Supervision and Engineering	$0	$0	$0	$0	$0	$0	$0
Acct 5010 - Load Dispatching	$0	$0	$0	$0	$0	$0	$0
Acct 5085 - Miscellaneous Distribution Expense	$36,200	$24,971	$4,452	$882	$1	$5,857	$37
Acct 5105 - Maintenance Supervision and Engineering	$30,000	$20,694	$3,689	$731	$1	$4,854	$31
Total	**$66,200**	**$45,665**	**$8,141**	**$1,612**	**$2**	**$10,711**	**$68**
Acct 1850 - Line Transformers - Gross Assets	$553,200	$355,328	$88,263	$39,058	$95	$69,245	$1,211
Acct 1815 - 1855	$2,628,205	$1,812,545	$322,729	$63,789	$95	$426,329	$2,719

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

1.1.2. APPENDIX A

MONTHLY RATES AND CHARGES

Customer Class	Unit	Tariff of Rates and Charges Effective May 1, 2009 (EB-2008-0231)	Tariff of Proposed Rates and Charges Effective May 1, 2010
Residential			
Service Charge	$	8.42	9.00
Distribution Volumetric Rate	$/kWh	0.0102	0.0162
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	0.0044	0.0042
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0050	0.0041
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
General Service Less Than 50 kW			
Service Charge	$	5.97	12.00
Distribution Volumetric Rate	$/kWh	0.0097	0.0098
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	0.0040	0.0038
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0045	0.0037
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
General Service		**50 to 2,999 kW**	**50 to 1499 kW**
Service Charge	$	30.41	60.00
Distribution Volumetric Rate	$/kWh	2.9926	1.2200
Regulatory Asset Recovery	$/kWh		0.0000
Retail Transmission Rate - Network Service Rate	$/kWh	1.6512	1.5875
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	1.7837	1.4612
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
General Service		**3,000 to 4,999 kW**	**1500 to 4,999 kW**
Service Charge	$	57.34	320.00
Distribution Volumetric Rate	$/kW	0.8903	0.5400
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.8467	1.7755
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.1038	1.7234
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
Sentinel Lighting			
Service Charge	$	3.98	5.00
Distribution Volumetric Rate	$/kW	1.8938	1.4000
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.2516	1.2033

Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.4077	1.1532
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
Street Lighting			
Service Charge	$	0.99	0.50
Distribution Volumetric Rate	$/kW	1.2912	21.1000
Regulatory Asset Recovery	$/kW		0.0000
Retail Transmission Rate - Network Service Rate	$/kW	1.2452	1.1972
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.3790	1.1297
Wholesale Market Service Rate	$/kWh	0.0052	0.0052
Rural Rate Protection Charge	$/kWh	0.0013	0.0013
Standard Supply Service - Administrative Charge (if applicable)	$	0.25	0.25
Specific Service Charges			
Customer Administration			
Arrears certificate	$	15.00	15.00
Easement Letter	$	15.00	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00	15.00
Returned cheque charge (plus bank charges)	$	15.00	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00	30.00
Special Meter Reads	$	30.00	30.00
Non-payment of Accout			
Late payment - per month	%	1.50	1.50
Late payment - per annum	%	19.56	19.56
Collection of Account Charge- no disconnection	$	30.00	30.00
Disconnect/Reconnect at Meter - during regular hours	$	40.00	40.00
Disconnect/Reconnect at Meter - after regular hours	$	time and materials	time and materials
Install/Remove load control devices- during regular hours	$	40.00	40.00
Temporary service install and remove -overhead-no transformer		time and materials	time and materials
Temporary service install and remove - underground-no transformer		time and materials	time and materials
Specific Charge for Acces to the Power Poles- per pole/year	$	22.35	22.35
Allowances			
Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	-0.60	-0.35
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	-1.00	-1.00
Retail Service Charges			
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00	100.00
Monthly Fixed Charge, per retailer	$	20.00	20.00
Monthly Variable Charge, per customer, per retailer	$/cust	0.50	0.50
Distributor-consolidated billing charge, per customer, per retailer	$/cust	0.30	0.30

Retailer-consolidated billing credit, per customer, per retailer	$/cust	-0.30	-0.30
Service Transaction Requests (STR)			
Request fee, per request, applied to the requesting party		0.25	0.25
Processing fee, per request, applied to the requesting party		0.50	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party			
Up to twice a year		no charge	no charge
More than twice a year, per request (plus incremental delivery costs)		2.00	2.00
Loss Factors			
Total Loss Factor - Secondary Metered Customer <5,000 kW		1.0509	1.0419
Total Loss Factor - Secondary Metered Customer >5,000 kW		n/a	n/a
Total Loss Factor - Primary Metered Customer <5,000 kW		1.0404	1.0315
Total Loss Factor - Primary Metered Customer >5,000 kW		n/a	n/a

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

1.3.2 2009 & 2010 PRO FORMA FINANCIAL STATEMENTS

Trial Balance Column		
BA	AS	AJ
BA	AS	AJ

2009 STATEMENT OF INCOME		2010	2009	2008 TRIAL BALANCE	2008 FINANCIAL STATEMENT GROUPINGS	2008 FINANCIAL STATEMENT TOTALS	
	Account Description	TOTAL	TOTAL	TOTAL			
3000- Sales of Electricity							
4006	Residential Energy Sales	-1,350,000	-1,547,784	-1,349,864			
4010	Commercial Energy Sales	0	0	0			
4015	Industrial Energy Sales	0	0	0			
4020	Energy Sales to Large Users	0	0	0			
4025	Street Lighting Energy Sales	-44,000	-64,601	-65,983			
4030	Sentinel Lighting Energy Sales	-2,447	-2,462	-2,447			
4035	General Energy Sales	-3,050,099	-3,170,521	-3,047,098			
4040	Other Energy Sales to Public Authorities	0	0	0			
4045	Energy Sales to Railroads and Railways	0	0	0			
4050	Revenue Adjustment	0	0	-4,825			
4055	Energy Sales for Resale	-200,000	-231,293	-199,227			
4060	Interdepartmental Energy Sales	0	0	0			
4062	Billed WMS	-535,000	-550,568	-536,245			
4064	4064-Billed One-Time	0	0	0			
4066	Billed NW	-380,000	-368,349	-382,831			
4068	Billed CN	-361,836	-365,817	-361,836			
	3000- Sales of Electricity Total	-5,923,382	-6,301,395	-5,950,356	SERVICE REVENUE: Electricity & Wholesale market services, transmission		
3050- Revenues From Services -Distribution							
4080	Distribution Services Revenue	-870,950	-878,705	-898,548	(=total in stats & revenu sheet)		
4082	Retail Services Revenues	-3,600	-3,690	-4,538			
4084	Service Transaction Requests (STR) Revenues	-30	-30	-60			
4090	Electric Services Incidental to Energy Sales	0	0	0			
	3050- Revenues From Services -Distribution Total	-874,580	-882,425	-903,146	SERVICE REVENUE: Distribution		28,566
					SERVICE REVENUE- TOTAL	**-6,853,502**	
Revenues From Services- Transmission							
4105	Transmission Charges Revenue	0	0	0			
4110	Transmission Services Revenue	0	0	0			
	Revenues From Services- Transmission	0	0	0			
3100- Other Operating Revenues							
4205	Interdepartmental Rents	0	0	0			
4210	Rent from Electric Property	-18,000	-17,939	-17,744			
4215	Other Utility Operating Income	0	0	0			
4220	Other Electric Revenues	0	0	0			
4225	Late Payment Charges	-7,300	-8,742	-6,714			
4230	Sales of Water and Water Power	0	0	0			
4235	Miscellaneous Service Revenues	-15,000	-15,000	-19,990			
4240	Provision for Rate Refunds	0	0	0			
4245	Government Assistance Directly Credited to Income	0	0	0			
	3100- Other Operating Revenues Total	-40,300	-41,681	-44,447	OTHER REVENUE		4,147
3150- Other Income & Deductions							
4305	Regulatory Debits	0	0	0			
4310	Regulatory Credits	0	0	0			
4315	Revenues from Electric Plant Leased to Others	0	0	0			
4320	Expenses of Electric Plant Leased to Others	0	0	0			
4325	Revenues from Merchandise, Jobbing, Etc.	-25,000	-25,000	-46,256			
4330	Costs and Expenses of Merchandising, Jobbing, Etc.	0	0	0			
4335	Profits and Losses from Financial Instrument Hedges	0	0	0			
4340	Profits and Losses from Financial Instrument Investments	0	0	9,933			
4345	Gains from Disposition of Future Use Utility Plant	0	0	0			
4350	Losses from Disposition of Future Use Utility Plant	0	0	0			
4355	Gain on Disposition of Utility and Other Property	0	0	0			
4360	Loss on Disposition of Utility and Other Property	0	0	0			
4365	Gains from Disposition of Allowances for Emission	0	0	0			
4370	Losses from Disposition of Allowances for Emission	0	0	0			
4375	Revenues from Non-Utility Operations	0	0	0			
4380	Expenses of Non-Utility Operations	0	0	0			
4385	Non-Utility Rental Income	0	0	0			
4390	Miscellaneous Non-Operating Income	0	0	0			
4395	Rate-Payer Benefit Including Interest	0	0	0			
4398	Foreign Exchange Gains and Losses, Including Amortization	0	0	0			
	3150- Other Income & Deductions Total	-25,000	-25,000	-36,323	OTHER REVENUE		11,323
					OTHER REVENUE TOTAL	**-80,770**	
3200 - Investment Income							
4405	Interest and Dividend Income	-50,000	-84,720	-151,642			
4415	Equity in Earnings of Subsidiary Companies	0	0	0			
	3200 - Investment Income Total	-50,000	-84,720	-151,642	INTEREST INCOME	**-151,642**	101,642
3350- Power Supply Expenses							
4705	Power Purchased	4,906,000	4,966,498	4,906,061	COST OF SALES - ELECTRICITY		
4708	Charges-WMS	516,172	511,061	505,501	WHOLESALE MARKET SERVICES		
4710	Cost of Power Adjustments	0	0	0			
4714	Charges-One-Time	0	0	0			

4714	Charges-NW	384,000	380,691	376,549	COST OF SALES- WHOLESALE MARKET SERVICES		
4715	System Control and Load Dispatching	0	0	0			
4716	Charges-CN	366,838	363,206	359,254	COST OF SALES- WHOLESALE MARKET SERVICES		
4720	Other Expenses	0	0	0			
4725	Competition Transition Expense	0	0	0			
4730	Rural Rate Assistance Expense	26,430	26,168	25,884	COST OF SALES- WHOLESALE MARKET SERVICES		
4750	Charges- LV	77,713	76,944	76,107	COST OF SALES- WHOLESALE MARKET SERVICES		
	3350- Power Supply Expenses Total	6,277,153	6,324,568	6,249,357	**COST OF SALES- TOTAL**	**6,249,357**	27,796
3500- Distribution Expenses- Operation							
5005	Operation Supervision and Engineering	0	0	0			
5010	Load Dispatching	0	0	0			
5012	Station Buildings and Fixtures Expense	0	0	0			
5014	Transformer Station Equipment - Operation Labour	0	0	0			
5015	Transformer Station Equipment - Operation Supplies and Expenses	0	0	0			
5016	Distribution Station Equipment - Operation Labour	0	0	0			
5017	Distribution Station Equipment - Operation Supplies and Expenses	0	0	0			
5020	Overhead Distribution Lines and Feeders - Operation Labour	5,000	3,821	5,036			
5025	Overhead Distribution Lines and Feeders - Operation Supplies and Expenses	48,480	61,252	43,305			
5030	Overhead Subtransmission Feeders - Operation	0	0	0			
5035	Overhead Distribution Transformers- Operation	210	210	174			
5040	Underground Distribution Lines and Feeders - Operation Labour	200	200	168			
5045	Underground Distribution Lines and Feeders - Operation Supplies and Expenses	1,000	1,000	472			
5050	Underground Subtransmission Feeders - Operation	0	0	0			
5055	Underground Distribution Transformers - Operation	100	100	41			
5060	Street Lighting and Signal System Expense	0	0	0			
5065	Meter Expense	5,000	4,500	432			
5070	Customer Premises - Operation Labour	0	0	0			
5075	Customer Premises - Materials and Expenses	0	0	0			
5085	Miscellaneous Distribution Expense	36,200	35,000	18,046			
5090	Underground Distribution Lines and Feeders- Rental Paid	0	0	0			
5095	Overhead Distribution Lines and Feeders - Rental Paid	0	0	6,623			
5096	Other Rent	10,750	9,950	3,150			
	3500- Distribution Expenses- Operation Total	106,940	116,033	77,447	EXPENDITURES DISTRIBUTION, O&M		29,493
3550- Distribution Expenses - Maintenance							
5105	Maintenance Supervision and Engineering	30,000	30,000	75,836			
5110	Maintenance of Buildings and Fixtures - Distribution Stations	0	0	0			
5112	Maintenance of Transformer Station Equipment	0	0	0			
5114	Maintenance of Distribution Station Equipment	0	0	0			
5120	Maintenance of Poles, Towers and Fixtures	60,190	48,490	47,147			
5125	Maintenance of Overhead Conductors and Devices	89,475	71,175	65,650			
5130	Maintenance of Overhead Services	6,100	5,500	5,085			
5135	Overhead Distribution Lines and Feeders - Right of Way	50	300	41			
5145	Maintenance of Underground Conduit	2,000	1,200	1,019			
5150	Maintenance of Underground Conductors and Devices	2,000	2,800	1,793			
5155	Maintenance of Underground Services	11,000	11,000	10,875			
5160	Maintenance of Line Transformers	68,750	65,000	68,748			
5165	Maintenance of Street Lighting and Signal Systems	0	0	0			
5170	Sentinel Lights - Labour	0	0	0			
5172	Sentinel Lights - Materials and Expenses	0	0	0			
5175	Maintenance of Meters	15,000	4,830	6,136			
5195	Maintenance of Other Installations on Customer Premises	0	0	0			
	3550- Distribution Expenses - Maintenance Total	284,565	240,295	282,332	EXPENDITURES DISTRIBUTION, O&M		2,233
					TOTAL EXPENDITURES DISTRIBUTION, O& M	**359,778**	
3650 - Billing and Collecting Total							
5305	Supervision	0	0	0			
5310	Meter Reading Expense	85,079	33,000	38,157			
5315	Customer Billing	95,000	94,000	85,500			
5320	Collecting	20,000	17,400	17,886			
5325	Collecting- Cash Over and Short	0	0	0			
5330	Collection Charges	5,000	3,000	4,388			
5335	Bad Debt Expense	15,000	11,000	17,931			
5340	Miscellaneous Customer Accounts Expenses	10,000	10,410	10,250			
	3650 - Billing and Collecting Total	230,079	168,810	174,112	**METER READING, BILLING &COLLECTING**	**174,112**	55,967
3700- Community Relations							
5405	Supervision	0	0	0			
5410	Community Relations - Sundry	0	0	0			
5415	Energy Conservation	0	0	0			
5420	Community Safety Program	0	0	0			
5425	Miscellaneous Customer Service and Informational Expenses	0	0	0			
5505	Supervision	0	0	0			
5510	Demonstrating and Selling Expense	0	0	0			
5515	Advertising Expense	5,000	4,500	2,619			

5520	Miscellaneous Sales Expense	0	0	0			
	3700- Community Relations Total	5,000	4,500	2,619	GENERAL ADMINISTRATION		2,381
3800- Administrative and General Expense							
5605	Executive Salaries and Expenses	12,000	11,800	9,762			
5610	Management Salaries and Expenses	0	0	0			
5615	General Administrative Salaries and Expenses	78,000	76,400	71,686			
5620	Office Supplies and Expenses	2,500	2,500	1,871			
5625	Administrative Expense Transferred?Credit	0	0	0			
5630	Outside Services Employed	8,995	141,269	33,205			
5635	Property Insurance	566	550	523			
5640	Injuries and Damages	9,000	13,490	8,281			
5645	Employee Pensions and Benefits	90,500	89,519	0			
5650	Franchise Requirements	0	0	0			
5655	Regulatory Expenses	7,095	5,989	9,706			
5660	General Advertising Expenses	0	0	0			
5665	Miscellaneous General Expenses	22,000	15,050	13,490			
5670	Rent	8,838	8,750	8,604			
5675	Maintenance of General Plant	0	0	0			
5680	Electrical Safety Authority Fees	1,800	1,892	2,161			
5685	Independent Market Operator Fees and Penalties	0	0	0			
	3800- Administrative and General Expense Total	241,294	367,209	159,289	GENERAL ADMINISTATION		82,005
3850- Amortization Expense							
5705	Amortization Expense- Property, Plant, and Equipment	144,386	120,440	108,727			
5710	Amortization of Limited Term Electric Plant	0	0	0			
5715	Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273			
5720	Amortization of Electric Plant Acquisition Adjustments	0	0	0			
5725	Miscellaneous Amortization	0	0	0			
5730	Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0			
5735	Amortization of Deferred Development Costs	0	0	0			
5740	Amortization of Deferred Charges	0	0	0			
	3850- Amortization Expense Total	145,659	121,713	110,000	**AMORTIZATION**	**110,000**	35,659
3900- Interest Expense Total							
6005	Interest on Long Term Debt	0	0	0			
6010	Amortization of Debt Discount and Expense	0	0	0			
6015	Amortization of Premium on Debt?Credit	0	0	0			
6020	Amortization of Loss on Reacquired Debt	0	0	0			
6025	Amortization of Gain on Reacquired Debt--Credit	0	0	0			
6030	Interest on Debt to Associated Companies	0	0	0			
6035	Other Interest Expense	0	62,660	73,010			
6040	Allowance for Borrowed Funds Used During Construction--Credit	0	0	0			
6042	Allowance For Other Funds Used During Construction	0	0	0			
6045	Interest Expense on Capital Lease Obligations	0	0	0			
	3900- Interest Expense Total	0	62,660	73,010	GENERAL ADMINISTRATION		-73,010
					GENERAL ADMIN. TOTAL	**234,918**	
3950- Taxes Other Than Income Taxes							
6105	Taxes Other than Income Taxes	0	0	0			
	3950- Taxes Other Than Income Taxes Total	0	0	0			
4000- Income Taxes							
6110	Income Taxes	0	0	0			
6115	Provision for Future Income Taxes	0	1,800	1,800			
	4000- Income Taxes Total	0	1,800	1,800	FUTURE PILS	**1,800**	
4100- Extraordinary & Other Items							
6205	Donations	0	0	0			
6210	Life Insurance	0	0	0			
6215	Penalties	0	0	0			
6225	Other Deductions	0	0	0			
6305	Extraordinary Income	0	0	0			
6310	Extraordinary Deductions	0	0	0			
6315	Income Taxes, Extraordinary Items	0	0	0			
	4100- Extraordinary & Other Items	0	0	0			
	NET INCOME	-377,428	-72,367	-44,051		44,051	-308,203
		2010	2009	2008		NET LOSS	
	INCOME BEFORE TAXES	-377,428	-70,567	-42,251			

STATEMENT OF RETAINED EARNINGS	**2010**	**2009**	**2008**
RETAINED EARNINGS			
BALANCE, BEGINNING OF YEAR	2,628,732.68	2,556,365.92	2,512,315.00
NET INCOME (LOSS)	377,427.97	72,366.76	44,050.92
BALANCE, END OF YEAR	3,006,160.65	2,628,732.68	2,556,365.92

2009, 2010 BALANCE SHEET		**2010**	**2009**	**2008 TRIAL BALANCE**	**2008**	**2008 FINANCIAL STATEMENT**
	Account Description	**TOTAL**	**TOTAL**	**TOTAL**	**FINANCIAL STATEMENT GROUPINGS**	**TOTALS**
1050- Current Assets						
1005	Cash	2671586.13	3385736.13	4583608	CUURENT ASSETS- CASH	
1010	Cash Advances and Working Funds	200	200	200	CUURENT ASSETS- CASH	
1020	Interest Special Deposits	0	0	0		
1030	Dividend Special Deposits	0	0	0		
1040	Other Special Deposits	-26.08	-26.08	-26.08	CUURENT ASSETS- CASH **CURRENT ASSETS- CASH TOTAL**	**2,671,760**
1060	Term Deposits	0	0	0		

1070	Current Investments	0	0	0		
1100	Customer Accounts Receivable	844474.74	844474.74	419740.73	CUURENT ASSETS- Accounts receivable	
1102	Accounts Receivable - Services	0	0	0		
1104	Accounts Receivable - Recoverable Work	0	0	0		
1105	Accounts Receivable - Merchandise, Jobbing, etc.	67281.01	67281.01	62426.74	CUURENT ASSETS- Accounts receivable	
1110	Other Accounts Receivable	9879.77	9879.77	4223.31	CURRENT ASSETS - Accounts receivable	
1120	Accrued Utility Revenues	802968.75	802968.75	872969	CURRENT ASSETS- Unbilled Revenue	**802,969**
1130	Accumulated Provision for Uncollectible Accounts--Credit	-2114.3	-2114.3	-1057.15	CURRENT ASSETS -Accounts receivable **ACCOUNTS**	**919,521**
1140	Interest and Dividends Receivable	0	0	0		
1150	Rents Receivable	0	0	0		
1170	Notes Receivable	0	0	0		
1180	Prepayments	13002.76	13002.76	13003	CURRENT ASSETS- PREPAID EXPENSES	**13,003**
1190	Miscellaneous Current and Accrued Assets	0	0	0		
1200	Accounts Receivable from Associated Companies	0	0	0		
1210	Notes Receivable from Associated Companies	0	0	0		
	1050- Current Assets Total	4407252.78	5121402.78	5955087.55		
1100- Inventory						
1305	Fuel Stock	0	0	0		
1330	Plant Materials and Operating Supplies	114256.34	114256.34	119256	CURRENT ASSETS- INVENTORY	**114,256**
1340	Merchandise	0	0	0		
1350	Other Materials and Supplies	0	0	0		
	1100- Inventory Total	114256.34	114256.34	119256		
1150- Non-Current Assets						
1405	Long Term Investments in Non-Associated Companies	0	0	0		
1408	Long Term Receivable - Street Lighting Transfer	0	0	0		
1410	Other Special or Collateral Funds	0	0	0		
1415	Sinking Funds	0	0	0		
1425	Unamortized Debt Expense	0	0	0		
1445	Unamortized Discount on Long-Term Debt--Debit	0	0	0		
1455	Unamortized Deferred Foreign Currency Translation Gains and	0	0	0		
1460	Other Non-Current Assets	0	0	0		
1465	O.M.E.R.S. Past Service Costs	0	0	0		
1470	Past Service Costs - Employee Future Benefits	0	0	0		
1475	Past Service Costs - Other Pension Plans	0	0	0		
1480	Portfolio Investments - Associated Companies	0	0	0		
1485	Investment in Associated Companies - Significant Influence	0	0	0		
1490	Investment in Subsidiary Companies	0	0	0		
	1150- Non-Current Assets Total	0	0	0		
1200- Other Assets and Deferred Charges						
1505	Unrecovered Plant and Regulatory Study Costs	30000	0	0		
1508	Other Regulatory Assets - Pension Contributions	0	20493.14	22968.97		
1510	Preliminary Survey and Investigation Charges	0	0	0		
1515	Emission Allowance Inventory	0	0	0		
1516	Emission Allowances Withheld	0	0	0		
1518	RCVARetail	0	0	0		
1520	Power Purchase Variance Account	0	0	0		
1525	Miscellaneous Deferred Debits	12584.88	4184.65	4174.14		
1530	Deferred Losses from Disposition of Utility Plant	0	0	0		
1540	Unamortized Loss on Reacquired Debt	0	0	0		
1545	Development Charge Deposits/ Receivables	0	0	0		
1548	RCVASTR	0	0	0		
1550	LV Variance Account	124524.77	72398.42	55392.38		
1555	Smart Meter Capital and Recovery Offset Variance Account	-64602.09	513.11	-21787.51		
1555	Smart Meter Capital and Recovery Offset Variance Account, Sub-	0	0	0		
1556	Smart Meter OM&A Variance Account	53039.97	55518	19325.77		
1560	Deferred Developmemt Costs	30000	30000	0		
1562	Deferred Payments in Lieu of Taxes	-6500	8273.03	6014.95		
1563	Account 1563 - Deffered PILs Contra Account	6500	-8273.03	-6014.95		
1565	Conservation and Demand Management Expenditures and	-18866.24	-18866.24	-26808.23		
1566	CDM Contra Account	0	0	0		
1570	Qualifying Transition Costs	63236.3	31739.64	31471.04		
1571	Pre-market Opening Energy Variance	792.12	396.06	396.06		
1572	Extraordinary Event Costs	0	0	0		
1574	Deferred Rate Impact Amounts	0	0	0		
1580	RSVAWMS	0	-266337.2	-202556.94		
1582	RSVAONE-TIME	0	0	0		
1584	RSVANW	0	-96705.44	-81726.5		
1586	RSVACN	0	-343979.09	-249070.7		
1588	RSVAPOWER	0	-251987.78	-562183.34		
1588	RSVA Power - Sub-account Global Adjustments	0	181830.52	184793.3		
1590	Recovery of regulatory asset balances	-44293.98	-54822.57	-54184.98		
	1200- Other Assets and Deferred Charges Total	186415.73	-635624.78	-879796.54		
Electric Plant in Service						
1605	Electric Plant in Service - Control Account	0	0	0		
1606	Organization	26171	25471	25471.33	OTHER ASSETS -Cost, **2008 NET TOTAL**	**14,276** AMORTIZED
1608	Franchises and Consents	0	0	0		
1610	Miscellaneous Intangible Plant	0	0	0		
1615	Land	0	0	0		
1616	Land Rights	0	0	0		
1620	Buildings and Fixtures	0	0	0		

1630	Leasehold Improvements	0	0	0			
1635	Boiler Plant Equipment	0	0	0			
1640	Engines and Engine-Driven Generators	0	0	0			
1645	Turbogenerator Units	0	0	0			
1650	Reservoirs, Dams and Waterways	0	0	0			
1655	Water Wheels, Turbines and Generators	0	0	0			
1660	Roads, Railroads and Bridges	0	0	0			
1665	Fuel Holders, Producers and Accessories	0	0	0			
1670	Prime Movers	0	0	0			
1675	Generators	0	0	0			
1680	Accessory Electric Equipment	0	0	0			
1685	Miscellaneous Power Plant Equipment	0	0	0			
	Electric Plant in Service Total	26171	25471	25471.33			
1450- Distribution Plant							
1805	Land	0	0	0			
1806	Land Rights	0	0	0			
1808	Buildings and Fixtures	0	0	0			
1810	Leasehold Improvements	0	0	0			
1815	Transformer Station Equipment - Normally Primary above 50 kV	0	0	0			
1820	Distribution Station Equipment - Normally Primary below 50 kV	0	0	0			
1825	Storage Battery Equipment	0	0	0			
1830	Poles, Towers and Fixtures	42597.07	32597.07	30627.9	PROPERTY & EQUIPMENT- Other		
1835	Overhead Conductors and Devices	1600479.64	1581979.64	1579624.58	PROPERTY & EQUIPMENT- lines and feeders		
1840	Underground Conduit	5873.01	5873.01	5873.01	PROPERTY & EQUIPMENT- lines and feeders		
1845	Underground Conductors and Devices	436690.16	423390.16	423390.16	PROPERTY & EQUIPMENT- lines and feeders		
1850	Line Transformers	561449.62	544949.62	542571.93	PROPERY & EQUIPMENT- Transformers 542572	**92,641**	AMORTIZED
1855	Services	10765.96	9765.96	9765.96	PROPERTY & EQUIPMENT- Other		
1860	Meters	690459.751	575563.751	358622.02	PROPERTY & EQUIPMENT- Meters 358662	**101,297**	AMORTIZED
1865	Other Installations on Customer?s Premises	0	0	0			
1870	Leased Property on Customer Premises	0	0	0			
1875	Street Lighting and Signal Systems	0	0	0			
	1450- Distribution Plant Total	3348315.211	3174119.211	2950475.56			
1500- General Plant							
1905	Land	7600	7600	7600	PROPERTY AND EQUIPMENT- COST - 7600	**7,600**	AMORTIZED
1906	Land Rights	4232	4232	4232	PROPERTY AND EQUIPMENT - COST 4232	**1,143**	AMORTIZED
1908	Buildings and Fixtures	214579.03	214579.03	201569.97	PROPERTY AND EQUIPMENT - COST - 201570	**126,464**	AMORTIZED
1910	Leasehold Improvements	0	0	0			
1915	Office Furniture and Equipment	73128.45	48128.45	42162.53	PROPERTY AND EQUIPMENT - COST- 42163	**12,436**	AMORTIZED
1920	Computer Equipment - Hardware	103678.45	93678.45	93678.45	PROPERTY AND EQUIPMENT- COST- 209636	**60,781**	AMORTIZED
1925	Computer Software	140957.33	115957.33	115957.33	AS ABOVE		
1930	Transportation Equipment	498934.62	486434.62	486434.62	PROPERTY AND EQUIPMENT- COST -486435	**30,074**	AMORTIZED
1935	Stores Equipment	1854.52	1854.52	1854.52	PROPERTY & EQUIPMENT- Other		
1940	Tools, Shop and Garage Equipment	98771	96771	96771	PROPERTY & EQUIPMENT- Other		
1945	Measurement and Testing Equipment	0	0	0			
1950	Power Operated Equipment	0	0	0			
1955	Communication Equipment	3546.04	3546.04	3546.04	PROPERTY & EQUIPMENT- Lines and Feeders and Other TOTAL 2,151,453.00 (OFF BY $40)	**539,322**	AMORTIZED
1960	Miscellaneous Equipment	0	0	0			
1970	Load Management Controls - Customer Premises	0	0	0			
1975	Load Management Controls - Utility Premises	0	0	0			
1980	System Supervisory Equipment	0	0	0			
1985	Sentinel Lighting Rental Units	0	0	0			
1990	Other Tangible Property	0	0	0			
1995	Contributions and Grants - Credit	0	0	0			
	1500- General Plant Total	1147281.44	1072781.44	1053806.46			
1550- Other Capital Assets							
2005	Property Under Capital Leases	0	0	0			
2010	Electric Plant Purchased or Sold	0	0	0			
2020	Experimental Electric Plant Unclassified	0	0	0			
2030	Electric Plant and Equipment Leased to Others	0	0	0			
2040	Electric Plant Held for Future Use	0	0	0			
2050	Completed Construction Not Classified--Electric	0	0	0			
2055	Construction Work in Progress--Electric	0	0	0			
2060	Electric Plant Acquisition Adjustment	0	0	0			
2065	Other Electric Plant Adjustment	0	0	0			
2070	Other Utility Plant	0	0	0			
2075	Non-Utility Property Owned or Under Capital Leases	0	0	0			
	1550- Other Capital Assets Total	0	0	0			
1600- Accumulated Amortization							
2105	Accumulated Amortization of Electric Utility Plant - Property,	-3115986.106	-2971599.9	-3032523.54			
2160	Accumulated Amortization of Other Utility Plant	-13741.41	-12468.41	-11195.41			

2120	Accumulated Amortization of Electric Utility Plant - Intangibles	0	0	0		
2140	Accumulated Amortization of Electric Plant Acquisition	0	0	0		
2180	Accumulated Amortization of Non-Utility Property	0	0	0		
	1600- Accumulated Amortization Total	-3129727.516	-2984068.31	-3043718.95		
TOTAL ASSETS		**5,966,308**	**6,576,721**	**7,113,137**		**7,113,137**
1650- Current Liabilities						
2205	Accounts Payable	-1200000	-1500000	-1601083.98		
2208	Customer Credit Balances	-30000	-30000	-30468.84		
2210	Current Portion of Customer Deposits	0	0	0		
2215	Dividends Declared	0	0	0		
2220	Miscellaneous Current and Accrued Liabilities	-3728	-3800	-3728.47		
2225	Notes and Loans Payable	0	0	0		
2240	Accounts Payable to Associated Companies	0	0	0		
2242	Notes Payable to Associated Companies	0	0	0		
2250	Debt Retirement Charges(DRC) Payable	0	0	0		
2252	Transmission Charges Payable	0	0	0		
2254	Electrical Safety Authority Fees Payable	0	0	0		
2256	Independent Market Operator Fees and Penalties Payable	0	0	0		
2260	Current Portion of Long Term Debt	0	0	0		
2262	Ontario Hydro Debt - Current Portion	0	0	0		
2264	Pensions and Employee Benefits - Current Portion	0	0	0		
2268	Accrued Interest on Long Term Debt	0	0	0		
2270	Matured Long Term Debt	0	0	0		
2272	Matured Interest on Long Term Debt	0	0	0		
2285	Obligations Under Capital Leases--Current	0	0	0		
2290	Commodity Taxes	25688	25000	25687.7		
2292	Payroll Deductions / Expenses Payable	0	0	0		
2294	Accrual for Taxes, Payments in Lieu of Taxes, Etc.	26959	26959	26959	CURRENT ASSETS- Income Taxes Recoverable	**26,959**
2296	Future Income Taxes - Current	0	0	0		
	1650- Current Liabilities Total	-1181081	-1481841	-1582634.59		
1700- Non-Current Liabilities						
2305	Accumulated Provision for Injuries and Damages	0	0	0		
2306	Employee Future Benefits	0	0	0		
2308	Other Pensions - Past Service Liability	0	0	0		
2310	Vested Sick Leave Liability	0	0	0		
2315	Accumulated Provision for Rate Refunds	0	0	0		
2320	Other Miscellaneous Non-Current Liabilities	0	0	0		
2325	Obligations Under Capital Lease--Non-Current	0	0	0		
2330	Development Charge Fund	0	0	0		
2335	Long Term Customer Deposits	-40000	-45000	-46818.5	CURRENT LIABILITIES- Customers' Deposits	**-40,000**
2340	Collateral Funds Liability	0	0	0		
2345	Unamortized Premium on Long Term Debt	0	0	0		
2348	O.M.E.R.S. - Past Service Liability - Long Term Portion	0	0	0		
2350	Future Income Tax - Non-Current	25800	25800	25800	CURRENT ASSETS- Future Income Taxes	**25,800**
2405	Other Regulatory Liabilities	-12420	-12419	-12418.6	CURRENT LIABILITIES- Regulatory Liabilities	
2410	Deferred Gains from Disposition of Utility Plant	0	0	0		
2415	Unamortized Gain on Reacquired Debt	0	0	0		
2425	Other Deferred Credits	0	0	0		
2435	Accrued Rate-Payer Benefit	0	0	0		
	1700- Non-Current Liabilities	-26620	-31619	-33437.1		
1800- Long-Term Debt						
2505	Debentures Outstanding - Long Term Portion	0	0	0		
2510	Debenture Advances	0	0	0		
2515	Reacquired Bonds	0	0	0		
2520	Other Long Term Debt	- 1,700,000.00	-1700000	-1700000	CURRENT LIABILITIES- Demand Loan	**-1,700,000**
2525	Term Bank Loans - Long Term Portion	0	0	0		
2530	Ontario Hydro Debt Outstanding - Long Term Portion	0	0	0		
2550	Advances from Associated Companies	0	0	0		
	1800- Long-Term Debt	-1700000	-1700000	-1700000		
TOTAL CURRENT LIABILITIES		**-2774044.27**	**-3901843.78**	**-4248627.23**	**SHOULD BE 4,428,233.00**	
1850- Shareholders' Equity						
3005	Common Shares Issued	-10000	-10000	-10000	SHAREHOLDER'S EQUITY- Capital stock	**-10,000**
3008	Preference Shares Issued	0	0	0		
3010	Contributed Surplus	0	0	0		
3020	Donations Received	0	0	0		
3022	Development Charges Transferred to Equity	0	0	0		
3026	Capital Stock Held in Treasury	0	0	0		
3030	Miscellaneous Paid-In Capital	-206641	-206641	-206640.96	SHAREHOLDER'S EQUITY- Contributed Capital	**-206,641**
3035	Installments Received on Capital Stock	0	0	0		
3040	Appropriated Retained Earnings	0	0	0		
3045	Unappropriated Retained Earnings	0	0	0		
3046	Balance Transferred From Income	0	0	44050.92	SHAREHOLDER'S EQUITY- Retained Earnings	
3047	Appropriations of Retained Earnings - Current Period	0	0	0		
3048	Dividends Payable-Preference Shares	0	0	0		
3049	Dividends Payable-Common Shares	0	0	0		

3055	Adjustment to Retained Earnings	-2512315	-2512315	-2512314.64	SHAREHOLDER'S EQUITY - Retained Earnings **RETAINED EARNINGS TOTAL:**	**-2,512,315**
3065	Unappropriated Undistributed Subsidiary Earnings	0	0	0		
	1850- Shareholders' Equity	**-2728956**	**-2728956**	**-2684904.68**		
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY		**-5503000.27**	**-6630799.78**	**-6933531.91**		
	BALANCE SHEET TOTAL	**305,178**	**-212,208**	**21,475**		

NOTE: 158, 130 subtracted from total because interest is not being paid to Town of Hearst

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

AVERAGE ASSET Rate Base

Description	EDR 2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Average (Except EDR 2006 Approved Year) Gross Fixed Assets	3,729,479.00	3,795,945.17	66,466.17	3,837,947.80	42,002.63	3,920,231.53	82,283.74	4,106,725.10	186,493.57	4,352,382.41	245,657.32
Average (Except EDR 2006 Approved Year) Accumulated Depreciation	2,574,209.00	2,785,290.76	211,081.76	2,884,882.78	99,592.02	2,989,352.89	104,470.11	3,014,528.89	25,176.00	3,056,897.91	42,369.02
Year End Fixed Assets Net Book Value	1,155,270.00	1,011,890.50	- 143,379.50	966,003.63	- 45,886.87	971,760.93	5,757.30	1,275,300.75	303,539.82	1,379,610.55	104,309.79
Average Net Book Value	1,155,270.00	1,010,654.41	- 144,615.59	953,065.02	- 57,589.39	930,878.64	- 22,186.38	1,092,196.21	161,317.57	1,295,484.50	203,288.29
Working Capital	8,148,897.27	8,560,709.55	411,812.28	8,382,104.90	- 178,604.65	6,869,048.58	- 1,513,056.32	7,144,470.78	275,422.20	7,067,317.70	- 77,153.08
Working Capital Allowance	1,222,334.59	1,284,106.43	61,771.84	1,257,315.74	- 26,790.70	1,030,357.29	- 226,958.45	1,071,670.62	41,313.33	1,060,097.66	- 11,572.96
Rate Base	2,377,604.59	2,294,760.84	- 82,843.75	2,210,380.75	- 84,380.09	1,961,235.93	- 249,144.82	2,163,866.82	202,630.90	2,355,582.15	191,715.33

Note: Source for 2006 OEB Approved column is 2006 EDR Model: Average Gross Assets (P515), Average Accumulated Depreciation (P518), Net Book Value (P519)

Working Capital

Description	EDR 2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Cost of Power	7,511,428.13	7,932,422.62	420,994.49	7,716,665.15	- 215,757.47	6,173,250.01	- 1,543,415.14	6,247,624.00	74,373.99	6,199,440.00	- 48,184.00
Operations	74,621.06	55,241.23	- 19,379.83	77,921.40	22,680.17	77,446.89	- 474.51	116,033.00	38,586.11	106,940.00	- 9,093.00
Maintenance	204,263.39	242,519.23	38,255.84	245,858.47	3,339.24	282,331.60	36,473.13	240,295.00	- 42,036.60	284,565.00	44,270.00
Billing & Collecting	123,001.41	147,732.63	24,731.22	166,973.50	19,240.87	174,111.75	7,138.25	168,810.00	- 5,301.75	230,079.00	61,269.00
Community Relations	30,540.16	4,028.86	- 26,511.30	3,684.60	- 344.26	2,619.28	- 1,065.32	4,500.00	1,880.72	5,000.00	500.00
Administration & General Expense	205,043.12	178,764.98	- 26,278.14	171,001.78	- 7,763.20	159,289.05	- 11,712.73	367,208.78	207,919.73	241,293.70	- 125,915.08
Working Capital	8,148,897.27	8,560,709.55	411,812.28	8,382,104.90	- 178,604.65	6,869,048.58	- 1,513,056.32	7,144,470.78	275,422.20	7,067,317.70	- 77,153.08
										867,877.70	

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266

OEB	Description	HISTORY Year 2008 TOTAL Depreciation 2008 DEPRECIATION 2008	Bridge Year 2009 OPENING TOTAL Original Cost	Bridge Year 2009 Year to Date Cost of Additions /Adjustments	Bridge Year 2009 Balance of Year Cost of Additions /Adjustments	Bridge Year 2009 TOTAL ADDITIONS /ADJUSTMENTS Cost of Additions /Adjustments	Bridge Year 2009 CLOSING TOTAL Original Cost Closing Total	Test Year 2010 Cost of Additions /Adjustments	Test Year 2010 Original Cost Closing Total
	D. Distribution Plant					223,643.65		174,196.00	
1805	Land	-				-	-		-
1806	Land Rights					-	-		-
1808	Buildings and Fixtures	-				-	-		-
1810	Leasehold Improvements	-				-	-		-
1815	Transformer Station Equipment - Norm	-				-	-		-
1820	Distribution Station Equipment - Norma	-				-	-		-
1825	Storage Battery Equipment	-				-	-		-
1830	Poles, Towers and Fixtures	-	30,627.90		1,969.17	1,969.17	32,597.07	10,000.00	42,597.07
1835	Overhead Conductors and Devices	40,630.68	1,579,624.58		2,355.06	2,355.06	1,581,979.64	18,500.00	1,600,479.64
1840	Underground Conduit	-	5,873.01		-	-	5,873.01		5,873.01
1845	Underground Conductors and Devices	14,353.85	423,390.16		-	-	423,390.16	13,300.00	436,690.16
1850	Line Transformers	9,792.77	542,571.93		2,377.69	2,377.69	544,949.62	16,500.00	561,449.62
1855	Services	-	9,765.96		-	-	9,765.96	1,000.00	10,765.96
1860	Meters	8,935.78	358,622.02	6,194.22	- 226,442.46	- 220,248.24	138,373.78	-	138,373.78
1861	Smart Meters	-			280,332.32	280,332.32	280,332.32	114,896.00	395,228.32
1861	Smart Meters/Communication Systems	-			156,857.65	156,857.65	156,857.65		156,857.65
1865	Other Installations on Customer's Premises					-	-		-
1870	Leased Property on Customer Premises					-	-		-
1875	Street Lighting and Signal Systems					-	-		-
	E. General Plant								
1905	Land	-	7,600.00			-	7,600.00		7,600.00
1906	Land Rights	423.20	4,232.00		-	-	4,232.00		4,232.00
1908	Buildings and Fixtures	3,761.92	201,569.97		13,009.06	13,009.06	214,579.03		214,579.03
1910	Leasehold Improvements	-			-	-	-		-
1915	Office Furniture and Equipment (10yr)	2,873.82	42,162.53		5,965.92	5,965.92	48,128.45		48,128.45
1915	Office Furniture and Equipment (5yr)	-				-	-	25,000.00	25,000.00
1920	Computer Equipment - Hardware	3,275.45	93,678.45		-	-	93,678.45		93,678.45
1921	Computer - Hardware post Mar 22/04	-				-	-		-
1921	Computer - Hardware post Mar 19/07	-				-	-	10,000.00	10,000.00
1925	Computer Software	13,257.65	115,957.33		-	-	115,957.33	25,000.00	140,957.33
1930	Transportation Equipment	9,059.68	486,434.62	-	-	-	486,434.62	12,500.00	498,934.62
1935	Stores Equipment	-	1,854.52		-	-	1,854.52		1,854.52
1940	Tools, Shop and Garage Equipment	2,007.76	96,771.00		-	-	96,771.00	2,000.00	98,771.00
1945	Measurement and Testing Equipment	-				-	-		-
1950	Power Operated Equipment	-				-	-		-
1955	Communication Equipment	354.60	3,546.04		-	-	3,546.04		3,546.04
1960	Miscellaneous Equipment	-				-	-		-
1970	Load Management Controls - customer	-				-	-		-
1975	Load Management Controls - Utility Pr	-				-	-		-
1980	System Supervisory Equipment	-				-	-		-
1985	Sentinel Lighting Rental Units	-				-	-		-
1990	Other Tangible Property					-	-		-
1995	Contributions and Grants - Credit	-				-	-		-
1996	Hydro One S/S Contribution	-				-	-		-
	Other Capital Assets								
2005	Property Under Capital Leases					-	-		-
2010	Electric Plant Purchased or Sold					-	-		-
2020	Experimental Electric Plant Unclassified					-	-		-
2030	Electric Plant and Equipment Leased to Others					-	-		-
2040	Electric Plant Held for Future Use					-	-		-
2050	Completed Construction Not Classified - Electric					-	-		-
2055	Construction Work In Progress - Electric					-	-		-
2060	Electric Plant Acquisition Adjustment					-	-		-
2065	Other Electric Plant Adjustment					-	-		-
2070	Other Utility Plant					-	-		-
2075	Non-Utility Property Owned or Under Capital Leases					-	-		-
		108,727.16	4,004,282.02	6,194.22	236,424.41	242,618.63	4,246,900.65	248,696.00	4,495,596.65

2009 adjustment to accumulated depreciation on assets removed **462,866.87**

Depreciation before adjustment for removals BUT DOES NOT INCLUDE ANY DEPRECIATION on the 2009net book value for the assets removed

			Bridge Year 2009	Bridge Year 2009	Bridge Year 2009	Bridge Year 2009	Bridge Year 2009	TEST Year 2010	TEST Year 2010	TEST Year 2010	TEST Year 2010
	EMBEDDED ASSETS	ASSET CLASS	OPENING TOTAL	OPENING ASSETS	Additions /Adjustments	TOTAL Depreciation	CLOSING TOTAL	OPENING ASSETS	Additions /Adjustments	TOTAL Depreciation	CLOSING TOTAL
	Annual Depreciation rate	Annual Depreciation rate	ACCUMULATED DEPRECIATION	DEPRECIATION	DEPRECIATION on Additions /Adjustments	DEPRECIATION	ACCUMULATED DEPRECIATION	DEPRECIATION	DEPRECIATION on Additions /Adjustments	DEPRECIATION	ACCUMULATED DEPRECIATION
	0.00%	0.00%		-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%	4.00%		-	39.38	39.38	39.38	78.77	200.00	278.77	318.15
	2.57%	4.00%	1,185,354.29	40,630.68	47.10	40,677.78	1,226,032.07	40,724.88	370.00	41,094.88	1,267,126.95
	0.00%	4.00%	5,063.10	-	-	-	5,063.10	-	-	-	5,063.10
	3.39%	4.00%	334,132.92	14,353.85	-	14,353.85	348,486.77	14,353.85	266.00	14,619.85	363,106.62
	1.80%	4.00%	449,930.79	9,792.77	47.55	9,840.32	459,771.11	9,887.88	330.00	10,217.88	469,988.99
	0.00%	4.00%		-	-	-	-	-	20.00	20.00	20.00
	2.49%	4.00%	257,368.68	6,114.65	- 181,816.89	- 175,702.24	81,666.44	5,787.87	-	5,787.87	87,454.31
	0.00%	6.60%		-	9,250.97	9,250.97	9,250.97	18,501.93	3,791.57	22,293.50	31,544.47
	0.00%	6.60%		-	5,176.30	5,176.30	5,176.30	10,352.60	-	10,352.60	15,528.91
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	10.00%	10.00%	3,088.80	423.20	-	423.20	3,512.00	423.20	-	423.20	3,935.20
	1.87%	2.00%	75,105.67	3,761.92	130.09	3,892.01	78,997.68	4,022.10	-	4,022.10	83,019.78
	0.00%			-	-	-	-	-	-	-	-
	6.82%	10.00%	29,727.46	2,873.82	298.30	3,172.12	32,899.58	3,470.41	-	3,470.41	36,369.99
	0.00%			-	-	-	-	-	-	-	-
	3.50%	20.00%	81,677.87	3,275.45	-	3,275.45	84,953.32	3,275.45	-	3,275.45	88,228.77
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	11.43%	20.00%	67,177.20	13,257.65	-	13,257.65	80,434.85	13,257.65	2,500.00	15,757.65	96,192.50
	1.86%	20.00%	456,361.18	9,059.68	-	9,059.68	465,420.86	9,059.68	1,250.00	10,309.68	475,730.54
	0.00%	10.00%	1,854.52	-	-	-	1,854.52	-	-	-	1,854.52
	2.07%	10.00%	84,260.16	2,007.76	-	2,007.76	86,267.92	2,007.76	100.00	2,107.76	88,375.68
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	10.00%	10.00%	1,418.42	354.60	-	354.60	1,773.02	354.60	-	354.60	2,127.62
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
	0.00%			-	-	-	-	-	-	-	-
-	0.58	1.53	3,032,521.06	105,906.03	- 166,827.19	- 60,921.16	2,971,599.90	135,558.64	8,827.57	144,386.21	3,115,986.10
						181,361.07					
						120,439.91					

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

2.2.1 Fixed Asset Continuity Schedule

2004

CCA Class	OEB	Description	Depreciation Rate	Cost 2004 Opening Balance	Cost 2004 Additions	Cost 2004 Disposals	Cost 2004 Closing Balance	Accumulated Depreciation 2004 Opening Balance	Accumulated Depreciation 2004 Additions	Accumulated Depreciation 2004 Disposals	Accumulated Depreciation 2004 Closing Balance	2004 Net Book Value		2004 Average Cost	Average Depreciation	Average Netbook Value
N/A	1805	Land												0	0	0
47	1808	Buildings												0	0	0
13	1810	Leasehold Improvements												0	0	0
47	1815	Transformer Station Equipment >50 kV												0	0	0
47	1820	Substation Equipment												0	0	0
47	1825	Storage Battery Equipment									0			0	0	0
47	1830	Poles, Towers & Fixtures	25 YEARS	13,007.06	1,602.19		14,609.25				-	14,609.25	*	13808.155	0	13808.155
47	1835	OH Conductors & Devices	25 YEARS	1,520,684.46	2,885.08		1,523,569.54	987,663.28	40,025.67		1,027,688.95	495,880.59		1522127	1007676.115	514450.885
47	1840	UG Conduit	25 YEARS	3,086.81	1,976.29		5,063.10				-	5,063.10	*	4074.955	0	4074.955
47	1845	UG Conductors & Devices	25 YEARS	414,572.82			414,572.82	268,531.79	13,972.32		282,504.11	132,068.71		414572.82	275517.95	139054.87
47	1850	Line Transformers	25 YEARS	508,705.09	5,443.55		514,148.64	403,953.88	8,483.68		412,437.56	101,711.08		511426.865	408195.72	103231.145
47	1855	Services (OH & UG)	25 YEARS	5,460.87			5,460.87				-	5,460.87	*	5460.87	0	5460.87
47	1860	Meters	25 YEARS	320,899.88	1,458.00		322,357.88	208,607.72	11,035.40		219,643.12	102,714.76		321628.88	214125.42	107503.46
47	1861	Smart Meters	15 YEARS				-				-	-		0	0	0
47	1861	Smart Meters/Communication Systems	15 YEARS				-				-	-		0	0	0
N/A	1905	Land	INDEFINITE	7,600.00			7,600.00				-	7,600.00		7600	0	7600
CEC	1906	Land Rights	10 YEARS	2,432.00	1,800.00		4,232.00	972.80	423.20		1,396.00	2,836.00		3332	1184.4	2147.6
47	1908	Buildings & Fixtures	50 YEARS	185,770.20	15,799.77		201,569.97	56,296.07	3,761.92		60,057.99	141,511.98		193670.085	58177.03	135493.055
13	1910	Leasehold Improvements					-				-	-		0	0	0
8	1915	Office Furniture & Equipment 10yr	10 YEARS	30,471.82	2,896.81		33,368.63	16,237.75	1,994.43		18,232.18	15,136.45		31920.225	17234.965	14685.26
8	1915	Office Furniture & Equipment 5yr					-				-	-		0	0	0
10	1920	Computer - Hardware	5 YEARS	77,301.21			77,301.21	60,230.37	6,100.00		66,330.37	10,970.84		77301.21	63280.37	14020.84
45	1921	Computer - Hardware post Mar 22/04	5 YEARS				-				-	-		0	0	0
45.1	1921	Computer - Hardware post Mar 19/07	5 YEARS				-				-	-		0	0	0
12	1925	Computer Software	5 YEARS	49,669.20	5,313.03		54,982.23	12,734.28	10,996.09		23,730.37	31,251.86		52325.715	18232.325	34093.39
10	1930	Transportation Equipment	5 YEARS	441,136.22			441,136.22	406,716.51	28,533.60		435,250.11	5,886.11		441136.22	420983.31	20152.91
8	1935	Stores Equipment	10 YEARS	1,854.52			1,854.52	1,854.52	-		1,854.52	-		1854.52	1854.52	0
8	1940	Tools, Shop & Garage Equipment	10 YEARS	83,808.43	7,111.80		90,920.23	68,438.78	4,459.68		72,898.46	18,021.77	*	87364.33	70668.62	16695.71
8	1945	Measurement & Testing Equipment									-	-		0	0	0
8	1950	Power operated Equipment									-	-		0	0	0
8	1955	Communications Equipment	10 YEARS								-			0	0	0
8	1960	Graphics Equipment									-			0	0	0
47	1965	Water Heater Rental Units									-			0	0	0
47	1970	Load Management Controls									-			0	0	0
47	1975	Load Management Controls Utility Premises									-			0	0	0
47	1980	System Supervisor Equipment												0	0	0
47	1985	Miscellaneous Fixed Assets												0	0	0
47	1996	Hydro One S/S Contribution												0	0	0
47	1995	Contributions & Grants												0	0	0
Ect.														0	0	0
		Total		3,666,460.59	46,286.52	0	3,712,747.11	2,492,237.75	129,785.99	-	2,622,023.74	1,090,723.37		3689603.85	2557130.745	1132473.105

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

2005 2005

				2005	2005	2005	2005	2005		2005	2005	2005	2005	2005		2005		
				Cost						**Accumulated Depreciation**								
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance		Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value
N/A	1805	Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1808	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	1810	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1815	Transformer Station Equipment >50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1820	Substation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1825	Storage Battery Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1830	Poles, Towers & Fixtures	25 YEARS	14609.25	8822.67	0	23431.92	0	0	0	0	0	23431.92	*	19020.585	0	19020.585
47	1835	OH Conductors & Devices	25 YEARS	1523569.54	32507.11	0	1556076.65	0	1027688.95	39475.77	0	1067164.72	488911.93	0	1539823.095	1047426.835	492396.26
47	1840	UG Conduit	25 YEARS	5063.1	-2084.51	0	2978.59	0	0	13974.86	0	13974.86	-10996.27	*	4020.845	6987.43	-2966.585
47	1845	UG Conductors & Devices	25 YEARS	414572.82	2173.59	0	416746.41	0	282504.11	0	0	282504.11	134242.3	0	415659.615	282504.11	133155.505
47	1850	Line Transformers	25 YEARS	514148.64	9358.59	0	523507.23	0	412437.56	8956.58	0	421394.14	102113.09	0	518827.935	416915.85	101912.085
47	1855	Services (OH & UG)	25 YEARS	5460.87	2463.98	0	7924.85	0	0	0	0	0	7924.85	*	6692.86	0	6692.86
47	1860	Meters	25 YEARS	322357.88	893.66	0	323251.54	0	219643.12	11063.15	0	230706.27	92545.27	0	322804.71	225174.695	97630.015
47	1861	Smart Meters	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1861	Smart Meters/Communication Syste	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	1905	Land	INDEFINITE	7600	0	0	7600	0	0	0	0	0	7600	0	7600	0	7600
CEC	1906	Land Rights	10 YEARS	4232	0	0	4232	0	1396	423.2	0	1819.2	2412.8	0	4232	1607.6	2624.4
47	1908	Buildings & Fixtures	50 YEARS	201569.97	0	0	201569.97	0	60057.99	3761.92	0	63819.91	137750.06	0	201569.97	61938.95	139631.02
13	1910	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1915	Office Furniture & Equipment 10yr	10 YEARS	33368.63	8793.9	0	42162.53	0	18232.18	2873.82	0	21106	21056.53	0	37765.58	19669.09	18096.49
8	1915	Office Furniture & Equipment 5yr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	1920	Computer - Hardware	5 YEARS	77301.21	1044.36	0	78345.57	0	66330.37	6308.87	0	72639.24	5706.33	0	77823.39	69484.805	8338.585
45	1921	Computer - Hardware post Mar 22/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45.1	1921	Computer - Hardware post Mar 19/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	1925	Computer Software	5 YEARS	54982.23	0	0	54982.23	0	23730.37	10996.09	0	34726.46	20255.77	0	54982.23	29228.415	25753.815
10	1930	Transportation Equipment	5 YEARS	441136.22	0	0	441136.22	0	435250.11	5886.11	0	441136.22	0	0	441136.22	438193.165	2943.055
8	1935	Stores Equipment	10 YEARS	1854.52	0	0	1854.52	0	1854.52	0	0	1854.52	0	0	1854.52	1854.52	0
8	1940	Tools, Shop & Garage Equipment	10 YEARS	90920.23	0	0	90920.23	0	72898.46	3605.68	0	76504.14	14416.09	*	90920.23	74701.3	16218.93
8	1945	Measurement & Testing Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1950	Power operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1955	Communications Equipment	10 YEARS	0	3546.04	0	3546.04	0	0	354.61	0	354.61	3191.43	*	1773.02	177.305	1595.715
8	1960	Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1965	Water Heater Rental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1970	Load Management Controls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1975	Load Management Controls Utility P	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1980	System Supervisor Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1985	Miscellaneous Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1996	Hydro One S/S Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1995	Contributions & Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ect.			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	3712747.11	67519.39	0	3780266.5	0	2622023.74	107680.66	0	2729704.4	1050562.1	0	3746506.805	2675864.07	1070642.735

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

2006

2006

			2006	2006	2006	2006	2006		2006	2006	2006	2006	2006		2006		
				Cost					**Accumulated Depreciation**								
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance		Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value	CCA Class
N/A	1805	Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
47	1808	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
13	1810	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13
47	1815	Transformer Station Equipment >50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1820	Substation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1825	Storage Battery Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1830	Poles, Towers & Fixtures	25 YEARS	23431.92	3279.72	0	26711.64	0	0	0	0	0	26711.64	*	25071.78	0	25071.78	47
47	1835	OH Conductors & Devices	25 YEARS	1556076.65	11153.01	0	1567229.66	0	1067164.72	38932.17	0	1106096.89	461132.77	*	1561653.155	1086630.805	475022.35	47
47	1840	UG Conduit	25 YEARS	2978.59	1406.55	0	4385.14	0	5063.1	0	0	5063.1	-677.96	*	3681.865	5063.1	-1381.235	47
47	1845	UG Conductors & Devices	25 YEARS	416746.41	3470.67	0	420217.08	0	291413.33	14167.41	0	305580.74	114636.34	0	418481.745	298497.035	119984.71	47
47	1850	Line Transformers	25 YEARS	523507.23	3554.45	0	527061.68	0	421394.14	9134.66	0	430528.8	96532.88	0	525284.455	425961.47	99322.985	47
47	1855	Services (OH & UG)	25 YEARS	7924.85	897.43	0	8822.28	0	0	0	0	0	8822.28	*	8373.565	0	8373.565	47
47	1860	Meters	25 YEARS	323251.54	32812.89	0	356064.43	0	230706.27	8833.33	0	239539.6	116524.83	0	339657.985	235122.935	104535.05	47
47	1861	Smart Meters	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1861	Smart Meters/Communication Syste	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
N/A	1905	Land	INDEFINITE	7600	0	0	7600	0	0	0	0	0	7600	0	7600	0	7600	N/A
CEC	1906	Land Rights	10 YEARS	4232	0	0	4232	0	1819.2	423.2	0	2242.4	1989.6	0	4232	2030.8	2201.2	CEC
47	1908	Buildings & Fixtures	50 YEARS	201569.97	0	0	201569.97	0	63819.91	3761.92	0	67581.83	133988.14	0	201569.97	65700.87	135869.1	47
13	1910	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42162.53	0	0	42162.53	0	21106	2873.82	0	23979.82	18182.71	0	42162.53	22542.91	19619.62	8
8	1915	Office Furniture & Equipment 5yr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
10	1920	Computer - Hardware	5 YEARS	78345.57	1176.12	0	79521.69	0	72639.24	4225.09	0	76864.33	2657.36	0	78933.63	74751.785	4181.845	10
45	1921	Computer - Hardware post Mar 22/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45
45.1	1921	Computer - Hardware post Mar 19/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45.1
12	1925	Computer Software	5 YEARS	54982.23	0	0	54982.23	0	34726.46	10996.09	0	45722.55	9259.68	0	54982.23	40224.505	14757.725	12
10	1930	Transportation Equipment	5 YEARS	441136.22	0	0	441136.22	0	441136.22	0	0	441136.22	0	0	441136.22	441136.22	0	10
8	1935	Stores Equipment	10 YEARS	1854.52	0	0	1854.52	0	1854.52	0	0	1854.52	0	*	1854.52	1854.52	0	8
8	1940	Tools, Shop & Garage Equipment	10 YEARS	90920.23	0	0	90920.23	0	76504.14	2722.68	0	79226.82	11693.41	*	90920.23	77865.48	13054.75	8
8	1945	Measurement & Testing Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
8	1950	Power operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
8	1955	Communications Equipment	10 YEARS	3546.04	0	0	3546.04	0	354.61	354.61	0	709.22	2836.82	*	3546.04	531.915	3014.125	8
8	1960	Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
47	1965	Water Heater Rental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1970	Load Management Controls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1975	Load Management Controls Utility P	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1980	System Supervisor Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1985	Miscellaneous Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1996	Hydro One S/S Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
47	1995	Contributions & Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47
Ect.			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Ect.
		Total	0	3780266.5	57750.84	0	3838017.34	0	2729701.86	96424.98	0	2826126.84	1011890.5	0	3809141.92	2777914.35	1031227.57	

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

2007

			2007	2007	2007	2007	2007		2007	2007	2007	2007	2007		2007			
			Cost						**Accumulated Depreciation**									
OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance		Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value	CCA Class	OEB	Description
1805	Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	1805	Land
1808	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1808	Buildings
1810	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13	1810	Leasehold Improvements
1815	Transformer Station Equipment >50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1815	Transformer Station Equipment >50
1820	Substation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1820	Substation Equipment
1825	Storage Battery Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1825	Storage Battery Equipment
1830	Poles, Towers & Fixtures	25 YEARS	26711.64	1291.19	0	28002.83	0	0	0	0	0	28002.83	*	27357.235	0	27357.235	47	1830	Poles, Towers & Fixtures
1835	OH Conductors & Devices	25 YEARS	1567229.66	2497.42	0	1569727.08	0	1106096.89	38626.72	0	1144723.61	425003.47	0	1568478.37	1125410.25	443068.12	47	1835	OH Conductors & Devices
1840	UG Conduit	25 YEARS	4385.14	773.04	0	5158.18	0	5063.1	0	0	5063.1	95.08	*	4771.66	5063.1	-291.44	47	1840	UG Conduit
1845	UG Conductors & Devices	25 YEARS	420217.08	0	0	420217.08	0	305580.74	14198.33	0	319779.07	100438.01	0	420217.08	312679.905	107537.175	47	1845	UG Conductors & Devices
1850	Line Transformers	25 YEARS	527061.68	11124.33	0	538186.01	0	430528.8	9609.22	0	440138.02	98047.99	0	532623.845	435333.41	97290.435	47	1850	Line Transformers
1855	Services (OH & UG)	25 YEARS	8822.28	739.65	0	9561.93	0	0	0	0	0	9561.93	*	9192.105	0	9192.105	47	1855	Services (OH & UG)
1860	Meters	25 YEARS	356064.43	1499.19	0	357563.62	0	239539.6	8893.3	0	248432.9	109130.72	0	356814.025	243986.25	112827.775	47	1860	Meters
1861	Smart Meters	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1861	Smart Meters
1861	Smart Meters/Communication Syste	15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1861	Smart Meters/Communication Syste
1905	Land	INDEFINITE	7600	0	0	7600	0	0	0	0	0	7600	0	7600	0	7600	N/A	1905	Land
1906	Land Rights	10 YEARS	4232	0	0	4232	0	2242.4	423.2	0	2665.6	1566.4	0	4232	2454	1778	CEC	1906	Land Rights
1908	Buildings & Fixtures	50 YEARS	201569.97	0	0	201569.97	0	67581.83	3761.92	0	71343.75	130226.22	0	201569.97	69462.79	132107.18	47	1908	Buildings & Fixtures
1910	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13	1910	Leasehold Improvements
1915	Office Furniture & Equipment 10yr	10 YEARS	42162.53	0	0	42162.53	0	23979.82	2873.82	0	26853.64	15308.89	0	42162.53	25416.73	16745.8	8	1915	Office Furniture & Equipment 10yr
1915	Office Furniture & Equipment 5yr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	1915	Office Furniture & Equipment 5yr
1920	Computer - Hardware	5 YEARS	79521.69	0	0	79521.69	0	76864.33	1538.09	0	78402.42	1119.27	0	79521.69	77633.375	1888.315	10	1920	Computer - Hardware
1921	Computer - Hardware post Mar 22/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45	1921	Computer - Hardware post Mar 22/0
1921	Computer - Hardware post Mar 19/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45.1	1921	Computer - Hardware post Mar 19/0
1925	Computer Software	5 YEARS	54982.23	0	0	54982.23	0	45722.55	8197	0	53919.55	1062.68	0	54982.23	49821.05	5161.18	12	1925	Computer Software
1930	Transportation Equipment	5 YEARS	441136.22	30826.4	0	471962.62	0	441136.22	6165.28	0	447301.5	24661.12	0	456549.42	444218.86	12330.56	10	1930	Transportation Equipment
1935	Stores Equipment	10 YEARS	1854.52	0	0	1854.52	0	1854.52	0	0	1854.52	0	*	1854.52	1854.52	0	8	1935	Stores Equipment
1940	Tools, Shop & Garage Equipment	10 YEARS	90920.23	3028.97	0	93949.2	0	79226.82	3025.58	0	82252.4	11696.8	*	92434.715	80739.61	11695.105	8	1940	Tools, Shop & Garage Equipment
1945	Measurement & Testing Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	1945	Measurement & Testing Equipment
1950	Power operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	1950	Power operated Equipment
1955	Communications Equipment	10 YEARS	3546.04	0	0	3546.04	0	709.22	354.6	0	1063.82	2482.22	*	3546.04	886.52	2659.52	8	1955	Communications Equipment
1960	Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	1960	Graphics Equipment
1965	Water Heater Rental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1965	Water Heater Rental Units
1970	Load Management Controls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1970	Load Management Controls
1975	Load Management Controls Utility P	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1975	Load Management Controls Utility P
1980	System Supervisor Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1980	System Supervisor Equipment
1985	Miscellaneous Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1985	Miscellaneous Fixed Assets
1996	Hydro One S/S Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1996	Hydro One S/S Contribution
1995	Contributions & Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	1995	Contributions & Grants
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Ect.		
	Total	0	3838017.34	51780.19	0	3889797.53	0	2826126.84	97667.06	0	2923793.9	966003.63	0	3863907.435	2874960.37	988947.065			Total

	Transportation			10	Transportation
	Stores Equipment			8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

2008 2008 **200**

2008	2008	2008	2008	2008	2008	2008	2008	2008	2008		2008	2008	2008
Cost					**Accumulated Depreciation**								
Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 YEARS	28002.83	2625.07	0	30627.9	0	0	0	0	30627.9	*	29315.365	0	29315.365
25 YEARS	1569727.08	9897.5	0	1579624.58	0	1144723.61	40630.68	0	1185354.29	394270.29	0	1574675.83	1165038.95	409636.88
25 YEARS	5158.18	714.83	0	5873.01	0	5063.1	0	0	5063.1	809.91	*	5515.595	5063.1	452.495
25 YEARS	420217.08	3173.08	0	423390.16	0	319779.07	14353.85	0	334132.92	89257.24	0	421803.62	326955.995	94847.625
25 YEARS	538186.01	4385.92	0	542571.93	0	440138.02	9792.77	0	449930.79	92641.14	0	540378.97	445034.405	95344.565
25 YEARS	9561.93	204.03	0	9765.96	0	0	0	0	0	9765.96	*	9663.945	0	9663.945
25 YEARS	357563.62	1058.4	0	358622.02	0	248432.9	8935.78	0	257368.68	101253.34	0	358092.82	252900.79	105192.03
15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INDEFINITE	7600	0	0	7600	0	0	0	0	0	7600	0	7600	0	7600
10 YEARS	4232	0	0	4232	0	2665.6	423.2	0	3088.8	1143.2	0	4232	2877.2	1354.8
50 YEARS	201569.97	0	0	201569.97	0	71343.75	3761.92	0	75105.67	126464.3	0	201569.97	73224.71	128345.26
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 YEARS	42162.53	0	0	42162.53	0	26853.64	2873.82	0	29727.46	12435.07	0	42162.53	28290.55	13871.98
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 YEARS	79521.69	14156.76	0	93678.45	0	78402.42	3275.45	0	81677.87	12000.58	0	86600.07	80040.145	6559.925
5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 YEARS	54982.23	60975.07	0	115957.3	0	53919.55	13257.65	0	67177.2	48780.1	0	85469.765	60548.375	24921.39
5 YEARS	471962.62	14472	0	486434.62	0	447301.5	9059.68	0	456361.18	30073.44	0	479198.62	451831.34	27367.28
10 YEARS	1854.52	0	0	1854.52	0	1854.52	0	0	1854.52	0	0	1854.52	1854.52	0
10 YEARS	93949.2	2821.8	0	96771	0	82252.4	2007.76	0	84260.16	12510.84	*	95360.1	83256.28	12103.82
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	*	0	0	0
10 YEARS	3546.04	0	0	3546.04	0	1063.82	354.6	0	1418.42	2127.62	*	3546.04	1241.12	2304.92
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	3889797.53	114484.46	0	4004281.99	0	2923793.9	108727.16	0	3032521.06	971760.93	0	3947039.76	2978157.48	968882.28

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

	2009	2009	2009
			Cost
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions
N/A	1805	Land	0	0	0
47	1808	Buildings	0	0	0
13	1810	Leasehold Improvements	0	0	0
47	1815	Transformer Station Equipment >50	0	0	0
47	1820	Substation Equipment	0	0	0
47	1825	Storage Battery Equipment	0	0	0
47	1830	Poles, Towers & Fixtures	25 YEARS	30627.9	1969.17
47	1835	OH Conductors & Devices	25 YEARS	1579624.58	2355.06
47	1840	UG Conduit	25 YEARS	5873.01	0
47	1845	UG Conductors & Devices	25 YEARS	423390.16	0
47	1850	Line Transformers	25 YEARS	542571.93	2377.69
47	1855	Services (OH & UG)	25 YEARS	9765.96	0
47	1860	Meters	25 YEARS	358622.02	6194.22
47	1861	Smart Meters	15 YEARS	0	280332.32
47	1861	Smart Meters/Communication Syste	15 YEARS	0	156857.65
N/A	1905	Land	INDEFINITE	7600	0
CEC	1906	Land Rights	0	4232	0
47	1908	Buildings & Fixtures	50 YEARS	201569.97	13009.06
13	1910	Leasehold Improvements	0	0	0
8	1915	Office Furniture & Equipment 10yr	10 YEARS	42162.53	5965.92
8	1915	Office Furniture & Equipment 5yr	0	0	0
10	1920	Computer - Hardware	5 YEARS	93678.45	0
45	1921	Computer - Hardware post Mar 22/0	5 YEARS	0	0
45.1	1921	Computer - Hardware post Mar 19/0	5 YEARS	0	0
12	1925	Computer Software	5 YEARS	115957.33	0
10	1930	Transportation Equipment	5 YEARS	486434.62	0
8	1935	Stores Equipment	10 YEARS	1854.52	0
8	1940	Tools, Shop & Garage Equipment	10 YEARS	96771	0
8	1945	Measurement & Testing Equipment	0	0	0
8	1950	Power operated Equipment	0	0	0
8	1955	Communications Equipment	10 YEARS	3546.04	0
8	1960	Graphics Equipment	0	0	0
47	1965	Water Heater Rental Units	0	0	0
47	1970	Load Management Controls	0	0	0
47	1975	Load Management Controls Utility P	0	0	0
47	1980	System Supervisor Equipment	0	0	0
47	1985	Miscellaneous Fixed Assets	0	0	0
47	1996	Hydro One S/S Contribution	0	0	0
47	1995	Contributions & Grants	0	0	0
Ect.			0	0	0
		Total	-	4,004,282.02	469,061.09

10		Transportation
8		Stores Equipment

N9

2009	2009		2009	2009	2009	2009	2009		2009		
			Accumulated Depreciation								
Disposals	Closing Balance		Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value
0	0	0	0	0	0	0	0	123.88	0	0	0
0	0	0	0	0	0	0	0	3484.23	0	0	0
0	0	0	0	0	0	0	0	3608.11	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	32597.07	0	0	39.3834	0	39.3834	32557.6866	0	31612.485	19.6917	31592.7933
0	1581979.64	0	1185354.29	40677.7812	0	1226032.071	355947.5688	0	1580802.11	1205693.181	375108.9294
0	5873.01	0	5063.1	0	0	5063.1	809.91	0	5873.01	5063.1	809.91
0	423390.16	0	334132.92	14353.85	0	348486.77	74903.39	0	423390.16	341309.845	82080.315
0	544949.62	0	449930.79	9840.3238	0	459771.1138	85178.5062	0	543760.775	454850.9519	88909.8231
0	9765.96	0	0	0	0	0	9765.96	0	9765.96	0	9765.96
226442.459	138373.781	0	257368.68	5658.835639	181361.0696	81666.44603	56707.33495	0	248497.9005	169517.563	78980.33748
0	280332.32	0	0	9250.96656	0	9250.96656	271081.3534	0	140166.16	4625.48328	135540.6767
0	156857.65	0	0	5176.30245	0	5176.30245	151681.3476	0	78428.825	2588.151225	75840.67378
0	7600	0	0	0	0	0	7600	0	7600	0	7600
0	4232	0	3088.8	423.2	0	3512	720	0	4232	3300.4	931.6
0	214579.03	0	75105.67	3892.0106	0	78997.6806	135581.3494	0	208074.5	77051.6753	131022.8247
0	0	0	0	0	0	0	0	0	0	0	0
0	48128.45	0	29727.46	3172.116	0	32899.576	15228.874	0	45145.49	31313.518	13831.972
0	0	0	0	0	0	0	0	0	0	0	0
0	93678.45	0	81677.87	3275.45	0	84953.32	8725.13	0	93678.45	83315.595	10362.855
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	115957.33	0	67177.2	13257.65	0	80434.85	35522.48	0	115957.33	73806.025	42151.305
0	486434.62	0	456361.18	9059.68	0	465420.86	21013.76	0	486434.62	460891.02	25543.6
0	1854.52	0	1854.52	0	0	1854.52	0	0	1854.52	1854.52	0
0	96771	0	84260.16	2007.76	0	86267.92	10503.08	0	96771	85264.04	11506.96
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	3546.04	0	1418.42	354.6	0	1773.02	1773.02	0	3546.04	1595.72	1950.32
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
226,442.46	4,246,900.65		3,032,521.06	120,439.91	181,361.07	2,971,599.90	1,275,300.75	-	4,125,591.34	3,002,060.48	1,123,530.86

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

690459.751

2010

			2010	2010	2010	2010	2010	2010	2010	2010	2010	2010		2010		
				Cost				**Accumulated Depreciation**								
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value
N/A	1805	Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1808	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	1810	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1815	Transformer Station Equipment >50	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1820	Substation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1825	Storage Battery Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1830	Poles, Towers & Fixtures	25 YEARS	32597.07	10000	0	42597.07	39.3834	278.7668	0	318.1502	42278.9198	0	37597.07	178.7668	37418.3032
47	1835	OH Conductors & Devices	25 YEARS	1581979.64	18500	0	1600479.64	1226032.071	41094.8824	0	1267126.954	333352.6864	0	1591229.64	1246579.512	344650.1276
47	1840	UG Conduit	25 YEARS	5873.01	0	0	5873.01	5063.1	0	0	5063.1	809.91	0	5873.01	5063.1	809.91
47	1845	UG Conductors & Devices	25 YEARS	423390.16	13300	0	436690.16	348486.77	14619.85	0	363106.62	73583.54	0	430040.16	355796.695	74243.465
47	1850	Line Transformers	25 YEARS	544949.62	16500	0	561449.62	459771.1138	10217.8776	0	469988.9914	91460.6286	0	553199.62	464880.0526	88319.5674
47	1855	Services (OH & UG)	25 YEARS	9765.96	1000	0	10765.96	0	20	0	20	10745.96	0	10265.96	10	10255.96
47	1860	Meters	25 YEARS	138373.781	0	0	138373.781	81666.44603	5787.86986	0	87454.31589	50919.46509	0	138373.781	84560.38096	53813.40002
47	1861	Smart Meters	15 YEARS	280332.32	114896	0	395228.32	9250.96656	22293.50112	0	31544.46768	363683.8523	0	337780.32	20397.71712	317382.6029
47	1861	Smart Meters/Communication Syste	15 YEARS	156857.65	0	0	156857.65	5176.30245	10352.6049	0	15528.90735	141328.7427	0	156857.65	10352.6049	146505.0451
N/A	1905	Land	INDEFINITE	7600	0	0	7600	0	0	0	0	7600	0	7600	0	7600
CEC	1906	Land Rights	10 YEARS	4232	0	0	4232	3512	423.2	0	3935.2	296.8	0	4232	3723.6	508.4
47	1908	Buildings & Fixtures	50 YEARS	214579.03	0	0	214579.03	78997.6806	4022.1012	0	83019.7818	131559.2482	0	214579.03	81008.7312	133570.2988
13	1910	Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1915	Office Furniture & Equipment 10yr	10 YEARS	48128.45	0	0	48128.45	32899.576	3470.412	0	36369.988	11758.462	0	48128.45	34634.782	13493.668
8	1915	Office Furniture & Equipment 5yr	0	0	25000	0	25000	0	0	0	0	25000	0	12500	0	12500
10	1920	Computer - Hardware	5 YEARS	93678.45	0	0	93678.45	84953.32	3275.45	0	88228.77	5449.68	0	93678.45	86591.045	7087.405
45	1921	Computer - Hardware post Mar 22/0	5 YEARS	0	0	0	0	0	0	0	0	0	0	0	0	0
45.1	1921	Computer - Hardware post Mar 19/0	5 YEARS	0	10000	0	10000	0	0	0	0	10000	0	5000	0	5000
12	1925	Computer Software	5 YEARS	115957.33	25000	0	140957.33	80434.85	15757.65	0	96192.5	44764.83	0	128457.33	88313.675	40143.655
10	1930	Transportation Equipment	5 YEARS	486434.62	12500	0	498934.62	465420.86	10309.68	0	475730.54	23204.08	0	492684.62	470575.7	22108.92
8	1935	Stores Equipment	10 YEARS	1854.52	0	0	1854.52	1854.52	0	0	1854.52	0	0	1854.52	1854.52	0
8	1940	Tools, Shop & Garage Equipment	10 YEARS	96771	2000	0	98771	86267.92	2107.76	0	88375.68	10395.32	0	97771	87321.8	10449.2
8	1945	Measurement & Testing Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1950	Power operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1955	Communications Equipment	10 YEARS	3546.04	0	0	3546.04	1773.02	354.6	0	2127.62	1418.42	0	3546.04	1950.32	1595.72
8	1960	Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1965	Water Heater Rental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1970	Load Management Controls	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1975	Load Management Controls Utility P	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1980	System Supervisor Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1985	Miscellaneous Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1996	Hydro One S/S Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	1995	Contributions & Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ect.			0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	4246900.651	248696	0	4495596.651	2971599.9	144386.2059	0	3115986.106	1379610.545	0	4371248.651	3,043,793.003	1327455.648

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

2006 EDR

			Cost				Accumulated Depreciation							
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value		Average Cost	Average Depreciation	Average Netbook Value
N/A	1805	Land	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1808	Buildings	0	-	-	-	-	-	-	-	-	-		-	-	-
13	1810	Leasehold Improvements	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1815	Transformer Station Equipment >50	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1820	Substation Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1825	Storage Battery Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1830	Poles, Towers & Fixtures	25 YEARS	13,007.06	-	-	13,007.06	-	-	-	-	13,007.06	*	13,007.06	-	13,007.06
47	1835	OH Conductors & Devices	25 YEARS	1,520,684.46	-	-	1,520,684.46	987,663.28	40,025.67	-	1,027,688.95	492,995.51		1,520,684.46	1,007,676.12	513,008.35
47	1840	UG Conduit	25 YEARS	3,086.81	-	-	3,086.81	-	-	-	-	3,086.81	*	3,086.81	-	3,086.81
47	1845	UG Conductors & Devices	25 YEARS	414,572.82	-	-	414,572.82	268,531.79	13,972.32	-	282,504.11	132,068.71		414,572.82	275,517.95	139,054.87
47	1850	Line Transformers	25 YEARS	508,705.09	-	-	508,705.09	403,953.88	8,483.68	-	412,437.56	96,267.53		508,705.09	408,195.72	100,509.37
47	1855	Services (OH & UG)	25 YEARS	5,460.87	-	-	5,460.87	-	-	-	-	5,460.87	*	5,460.87	-	5,460.87
47	1860	Meters	25 YEARS	320,899.88	40,000.00	-	360,899.88	208,607.72	11,035.40	-	219,643.12	141,256.76		340,899.88	214,125.42	126,774.46
47	1861	Smart Meters	15 YEARS	-	-	-	-	-	-	-	-	-		-	-	-
47	1861	Smart Meters/Communication Syste	15 YEARS	-	-	-	-	-	-	-	-	-		-	-	-
N/A	1905	Land	INDEFINITE	7,600.00	-	-	7,600.00	-	-	-	-	7,600.00		7,600.00	-	7,600.00
CEC	1906	Land Rights	10 YEARS	2,432.00	-	-	2,432.00	972.80	423.20	-	1,396.00	1,036.00		2,432.00	1,184.40	1,247.60
47	1908	Buildings & Fixtures	50 YEARS	185,770.20	-	-	185,770.20	56,296.07	3,761.92	-	60,057.99	125,712.21		185,770.20	58,177.03	127,593.17
13	1910	Leasehold Improvements	0	-	-	-	-	-	-	-	-	-		-	-	-
8	1915	Office Furniture & Equipment 10yr	10 YEARS	30,471.82	-	-	30,471.82	16,237.75	1,994.43	-	18,232.18	12,239.64		30,471.82	17,234.97	13,236.86
8	1915	Office Furniture & Equipment 5yr	0	-	-	-	-	-	-	-	-	-		-	-	-
10	1920	Computer - Hardware	5 YEARS	77,301.21	-	-	77,301.21	60,230.37	6,100.00	-	66,330.37	10,970.84		77,301.21	63,280.37	14,020.84
45	1921	Computer - Hardware post Mar 22/0	5 YEARS	-	-	-	-	-	-	-	-	-		-	-	-
45.1	1921	Computer - Hardware post Mar 19/0	5 YEARS	-	-	-	-	-	-	-	-	-		-	-	-
12	1925	Computer Software	5 YEARS	49,669.20	-	-	49,669.20	12,734.28	10,996.09	-	23,730.37	25,938.83		49,669.20	18,232.33	31,436.88
10	1930	Transportation Equipment	5 YEARS	441,136.22	-	-	441,136.22	406,716.51	28,533.60	-	435,250.11	5,886.11		441,136.22	420,983.31	20,152.91
8	1935	Stores Equipment	10 YEARS	1,854.52	-	-	1,854.52	1,854.52	-	-	1,854.52	-		1,854.52	1,854.52	-
8	1940	Tools, Shop & Garage Equipment	10 YEARS	83,808.43	-	-	83,808.43	68,438.78	4,459.68	-	72,898.46	10,909.97		83,808.43	70,668.62	13,139.81
8	1945	Measurement & Testing Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
8	1950	Power operated Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
8	1955	Communications Equipment	10 YEARS	-	-	-	-	-	-	-	-	-		-	-	-
8	1960	Graphics Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1965	Water Heater Rental Units	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1970	Load Management Controls	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1975	Load Management Controls Utility P	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1980	System Supervisor Equipment	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1985	Miscellaneous Fixed Assets	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1996	Hydro One S/S Contribution	0	-	-	-	-	-	-	-	-	-		-	-	-
47	1995	Contributions & Grants	0	-	-	-	-	-	-	-	-	-		-	-	-
Ect.																
		Total		3,666,460.59	40,000.00	-	3,706,460.59	2,492,237.75	129,785.99	-	2,622,023.74	1,084,436.85		3,686,460.59	2,557,130.75	1,129,329.85

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

* on Financial Statements grouped under other equipment

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

2.2.2 Gross Assets Table

ASSETS	2006 OEB Approved	2006 Actual (from 2006 audited)	Variance from 2006 OEB Approved	2007 Actual (from 2007 audited)	Variance from 2006	2008 Actual (from 2008 audited)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Transmission Plant											
1815 - Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-
Distribution Plant											
1805 - Land	-	-	-	-	-	-	-	-	-	-	-
1806 - Land Rights	-	-	-	-	-	-	-	-	-	-	-
1810 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1820 - Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-
1825 - Storage Battery Equipment	-	-	-	-	-	-	-	-	-	-	-
1830 - Poles, Towers and Fixtures	13,808.16	26,711.64	12,903.49	28,002.83	1,291.19	30,627.90	2,625.07	32,597.07	1,969.17	42,597.07	10,000.00
1835 - Overhead Conductors and Devices	1,522,127.00	1,567,229.66	45,102.66	1,569,727.08	2,497.42	1,579,624.58	9,897.50	1,581,979.64	2,355.06	1,600,479.64	18,500.00
1840 - Underground Conduit	4,074.96	4,385.14	310.19	5,158.18	773.04	5,873.01	714.83	5,873.01	-	5,873.01	-
1845 - Underground Conductors and Devices	414,572.82	420,217.08	5,644.26	420,217.08	-	423,390.16	3,173.08	423,390.16	-	436,690.16	13,300.00
1850 - Line Transformers	511,426.87	527,061.68	15,634.82	538,186.01	11,124.33	542,571.93	4,385.92	544,949.62	2,377.69	561,449.62	16,500.00
1970 - Load Management Controls - Customer Premises	-	-	-	-	-	-	-	-	-	-	-
1975 - Load Management Controls - Utility Premises	-	-	-	-	-	-	-	-	-	-	-
1980 - System Supervisory Equipment	-	-	-	-	-	-	-	-	-	-	-
1995 - Contributions and Grants	-	-	-	-	-	-	-	-	-	-	-
1996 - Hydro One S/S Contribution	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**2,466,009.80**	**2,545,605.20**	**79,595.41**	**2,561,291.18**	**15,685.98**	**2,582,087.58**	**20,796.40**	**2,588,789.50**	**6,701.92**	**2,647,089.50**	**58,300.00**
General Plant											
1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	-	-	-	-	-
1808 - Buildings and Fixtures	-	-	-	-	-	-	-	-	-	-	-
1905 - Land	7,600.00	7,600.00	-	7,600.00	-	7,600.00	-	7,600.00	-	7,600.00	-
1906 - Land Rights	3,332.00	4,232.00	900.00	4,232.00	-	4,232.00	-	4,232.00	-	4,232.00	-
1908 - Buildings and Fixtures	193,670.09	201,569.97	7,899.88	201,569.97	-	201,569.97	-	214,579.03	13,009.06	214,579.03	-
1910 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1915 - Office Furniture and Equipment	31,920.23	42,162.53	10,242.31	42,162.53	-	42,162.53	-	48,128.45	5,965.92	73,128.45	25,000.00
1920 - Computer Equipment - Hardware	77,301.21	79,521.69	2,220.48	79,521.69	-	93,678.45	14,156.76	93,678.45	-	103,678.45	10,000.00
1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	-	-	-	-		-
1925 - Computer Software	52,325.73	54,982.26	2,656.53	54,982.26	-	115,957.33	60,975.07	115,957.33	-	140,957.33	25,000.00
1930 - Transportation Equipment	441,136.22	441,136.22	-	471,962.62	30,826.40	486,434.62	14,472.00	486,434.62	-	498,934.62	12,500.00
1935 - Stores Equipment	1,854.52	1,854.52	-	1,854.52	-	1,854.52	-	1,854.52	-	1,854.52	-
1940 - Tools, Shop and Garage Equipment	87,364.33	90,920.23	3,555.90	93,949.20	3,028.97	96,771.00	2,821.80	96,771.00	-	98,771.00	2,000.00
1945 - Measurement and Testing Equipment	-	-	-	-	-	-	-	-	-	-	-
1950 - Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-
1955 - Communication Equipment	-	3,546.04	3,546.04	3,546.04	-	3,546.04	-	3,546.04	-	3,546.04	-
1960 - Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**896,504.32**	**927,525.46**	**31,021.14**	**961,380.83**	**33,855.37**	**1,053,806.46**	**92,425.63**	**1,072,781.44**	**18,974.98**	**1,147,281.44**	**74,500.00**
Other Plant											

1855 - Services	5,460.87	8,822.28	3,361.41	9,561.93	739.65	9,765.96	204.03	9,765.96	-	10,765.96	1,000.00
1860 - Meters	341,628.88	356,064.43	14,435.55	357,563.62	1,499.19	358,622.02	1,058.40	575,563.75	216,941.73	690,459.75	114,896.00
1861 smart meters in 1860 on this sheet	-	-	-	-	-	-	-	-	-	-	-
1990 - Other Tangible Property	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**347,089.75**	**364,886.71**	**17,796.96**	**367,125.55**	**2,238.84**	**368,387.98**	**1,262.43**	**585,329.71**	**216,941.73**	**701,225.71**	**115,896.00**
Gross Assets Total	**3,709,603.87**	**3,838,017.37**	**128,413.51**	**3,889,797.56**	**51,780.19**	**4,004,282.02**	**114,484.46**	**4,246,900.65**	**242,618.63**	**4,495,596.65**	**248,696.00**

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

2.3.1 ACCUMULATED DEPRECIATION TABLE:

ASSETS	2006 OEB Approved	2006 Actual (from 2006 fixed asset continuity schedule)	Variance from 2006 OEB Approved	2007 Actual (from 2007 fixed asset continuity schedule)	Variance from 2006	2008 Actual (from 2008 fixed asset continuity schedule)	Variance from 2007	2009 Bridge Year (Projected)	Variance from 2008	2010 Test Year (Rate Year)	Variance from 2009 Bridge Year
Transmission Plant											
1815 - Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-
Distribution Plant											
1805 - Land	-	-	-	-	-	-	-	-	-	-	-
1806 - Land Rights	-	-	-	-	-	-	-	-	-	-	-
1810 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1820 - Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-
1825 - Storage Battery Equipment	-	-	-	-	-	-	-	-	-	-	-
1830 - Poles, Towers and Fixtures	-	-	-	-	-	-	-	39.38	39.38	318.15	278.77
1835 - Overhead Conductors and Devices	1,027,688.95	1,106,096.89	78,407.94	1,144,723.61	38,626.72	1,185,354.29	40,630.68	1,226,032.07	40,677.78	1,267,126.95	41,094.88
1840 - Underground Conduit	-	5,063.10	5,063.10	5,063.10	-	5,063.10	-	5,063.10	-	5,063.10	-
1845 - Underground Conductors and Devices	282,504.11	305,580.74	23,076.63	319,779.07	14,198.33	334,132.92	14,353.85	348,486.77	14,353.85	363,106.62	14,619.85
1850 - Line Transformers	412,437.56	430,528.80	18,091.24	440,138.02	9,609.22	449,930.79	9,792.77	459,771.11	9,840.32	469,988.99	10,217.88
1970 - Load Management Controls - Customer Premises	-	-	-	-	-	-	-	-	-	-	-
1975 - Load Management Controls - Utility Premises	-	-	-	-	-	-	-	-	-	-	-
1980 - System Supervisory Equipment	-	-	-	-	-	-	-	-	-	-	-
1995 - Contributions and Grants	-	-	-	-	-	-	-	-	-	-	-
1996 - Hydro One S/S Contribution	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**1,722,630.62**	**1,847,269.53**	**124,638.91**	**1,909,703.80**	**62,434.27**	**1,974,481.10**	**64,777.30**	**2,039,392.44**	**64,911.34**	**2,105,603.82**	**66,211.38**
General Plant											
1610 - Miscellaneous Intangible Plant	-	-	-	-	-	-	-	-	-	-	-
1808 - Buildings and Fixtures	-	-	-	-	-	-	-	-	-	-	-
1905 - Land	-	-	-	-	-	-	-	-	-	-	-
1906 - Land Rights	1,396.00	2,242.40	846.40	2,665.60	423.20	3,088.80	423.20	3,512.00	423.20	3,935.20	423.20
1908 - Buildings and Fixtures	60,057.99	67,581.83	7,523.84	71,343.75	3,761.92	75,105.67	3,761.92	78,997.68	3,892.01	83,019.78	4,022.10
1910 - Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
1915 - Office Furniture and Equipment	18,232.18	23,979.82	5,747.64	26,853.64	2,873.82	29,727.46	2,873.82	32,899.58	3,172.12	36,369.99	3,470.41
1920 - Computer Equipment - Hardware	66,330.37	76,864.33	10,533.96	78,402.42	1,538.09	81,677.87	3,275.45	84,953.32	3,275.45	88,228.77	3,275.45
1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	-	-	-	-	-	-	-	-	-
1925 - Computer Software	23,730.37	45,722.55	21,992.18	53,919.55	8,197.00	67,177.20	13,257.65	80,434.85	13,257.65	96,192.50	15,757.65
1930 - Transportation Equipment	435,250.11	441,136.22	5,886.11	447,301.50	6,165.28	456,361.18	9,059.68	465,420.86	9,059.68	475,730.54	10,309.68
1935 - Stores Equipment	1,854.52	1,854.52	-	1,854.52	-	1,854.52	-	1,854.52	-	1,854.52	-
1940 - Tools, Shop and Garage Equipment	72,898.46	79,226.82	6,328.36	82,252.40	3,025.58	84,260.16	2,007.76	86,267.92	2,007.76	88,375.68	2,107.76
1945 - Measurement and Testing Equipment	-	-	-	-	-	-	-	-	-	-	-

1950 - Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-
1955 - Communication Equipment	-	709.22	709.22	1,063.82	354.60	1,418.42	354.60	1,773.02	354.60	2,127.62	354.60
1960 - Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**679,750.00**	**739,317.71**	**59,567.71**	**765,657.20**	**26,339.49**	**800,671.28**	**35,014.08**	**836,113.75**	**35,442.47**	**875,834.60**	**39,720.85**
Other Plant											
1855 - Services	-	-	-	-	-	-	-	-	-	20.00	20.00
1861 - Smart Meters	-	-	-	-	-	-	-	14,427.27	14,427.27	47,073.38	32,646.11
1860 - Meters	219,643.12	239,539.60	19,896.48	248,432.90	8,893.30	257,368.68	8,935.78	81,666.45	- 175,702.23	87,454.32	5,787.87
1990 - Other Tangible Property	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	219,643.12	239,539.60	19,896.48	248,432.90	8,893.30	257,368.68	8,935.78	96,093.72	- 161,274.96	134,547.69	38,453.98
Accumulated Depreciation Total	**2,622,023.74**	**2,826,126.84**	**204,103.10**	**2,923,793.90**	**97,667.06**	**3,032,521.06**	**108,727.16**	**2,971,599.90**	**- 60,921.16**	**3,115,986.11**	**144,386.21**

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

2.4.1 WORKING CAPITAL ALLOWANCE CALCULATIONS BY ACCOUNT:

	2006 Actual (from 2006 audited)	15% Working Capital Allowance	2006 EDR as approved	15% Working Capital Allowance	2007 Actual (from 2007 audited)	15% Working Capital Allowance	2008 Actual (from 2008 audited)	15% Working Capital Allowance	2009 Bridge Year (projected)	15% Working Capital Allowance	2010 Test Year (rate year)	15% Working Capital Allowance
Operations (Working Capital)												
5005-Operation Supervision and Engineering	-	-	-	-	-	-	-	-	-	-	-	-
5010-Load Dispatching	-	-	-	-	-	-	-	-	-	-	-	-
5012-Station Buildings and Fixtures Expense	-	-	18,299.49	2,744.92	-	-	-	-	-	-	-	-
5014-Transformer Station Equipment - Operation Labour	-	-	-	-	-	-	-	-	-	-	-	-
5015-Transformer Station Equipment - Operation Supplies and Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5016-Distribution Station Equipment - Operation Labour	-	-	-	-	-	-	-	-	-	-	-	-
5017-Distribution Station Equipment - Operation Supplies and Expenses	-	-	18.36	2.75	-	-	-	-	-	-	-	-
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,517.60	377.64	1,167.64	175.15	7,749.87	1,162.48	5,036.06	755.41	3,821.00	573.15	5,000.00	750.00
5025-Overhead Distribution Lines & Feeders - Operation Supplies and Expenses	38,575.96	5,786.39	34,756.65	5,213.50	37,815.30	5,672.30	43,304.73	6,495.71	61,252.00	9,187.80	48,480.00	7,272.00
5030-Overhead Sub transmission Feeders - Operation	-	-	-	-	-	-	-	-	-	-	-	-
5035-Overhead Distribution Transformers- Operation	-	-	96.88	14.53	-	-	174.34	26.15	210.00	31.50	210.00	31.50
5040-Underground Distribution Lines and Feeders - Operation Labour	-	-	-	-	-	-	167.52	25.13	200.00	30.00	200.00	30.00
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	952.62	142.89	3,887.66	583.15	752.96	112.94	471.93	70.79	1,000.00	150.00	1,000.00	150.00
5050-Underground Sub transmission Feeders - Operation	-	-	-	-	-	-	-	-	-	-	-	-
5055-Underground Distribution Transformers - Operation	328.63	49.29	-	-	-	-	40.86	6.13	100.00	15.00	100.00	15.00
5065-Meter Expense	5,278.80	791.82	4,943.02	741.45	5,624.88	843.73	432.43	64.86	4,500.00	675.00	5,000.00	750.00
5070-Customer Premises - Operation Labour	-	-	756.79	113.52	-	-	-	-	-	-	-	-
5075-Customer Premises - Materials and Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5085-Miscellaneous Distribution Expense	-	-	6,400.00	960.00	21,415.77	3,212.37	18,046.16	2,706.92	35,000.00	5,250.00	36,200.00	5,430.00
5090-Underground Distribution Lines and Feeders - Rental Paid	-	-	-	-	-	-	-	-	-	-	-	-
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,887.62	733.14	4,294.57	644.19	4,112.62	616.89	6,622.86	993.43	-	-	-	-
5096-Other Rent	2,700.00	405.00	-	-	450.00	67.50	3,150.00	472.50	9,950.00	1,492.50	10,750.00	1,612.50
Sub Total	**55,241.23**	**8,286.18**	**74,621.06**	**11,193.16**	**77,921.40**	**11,688.21**	**77,446.89**	**11,617.03**	**116,033.00**	**17,404.95**	**106,940.00**	**16,041.00**
Maintenance (Working Capital)												
5105-Maintenance Supervision and Engineering	4,216.91	632.54	2,905.33	435.80	4,642.76	696.41	75,836.39	11,375.46	30,000.00	4,500.00	30,000.00	4,500.00
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4,009.13	601.37	2,869.85	430.48	-	-	-	-	-	-	-	-
5112-Maintenance of Transformer Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-
5114-Maintenance of Distribution Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-

5120-Maintenance of Poles, Towers and Fixtures	47,529.13	7,129.37	17,260.97	2,589.15	50,750.11	7,612.52	47,147.17	7,072.08	48,490.00	7,273.50	60,190.00	9,028.50
5125-Maintenance of Overhead Conductors and Devices	63,199.66	9,479.95	50,220.51	7,533.08	66,481.35	9,972.20	65,650.13	9,847.52	71,175.00	10,676.25	89,475.00	13,421.25
5130-Maintenance of Overhead Services	10,811.04	1,621.66	26,461.41	3,969.21	10,694.99	1,604.25	5,085.41	762.81	5,500.00	825.00	6,100.00	915.00
5135-Overhead Distribution Lines and Feeders - Right of Way	-	-	195.31	29.30	244.22	36.63	41.13	6.17	300.00	45.00	50.00	7.50
5145-Maintenance of Underground Conduit	2,099.75	314.96	53.48	8.02	713.42	107.01	1,019.22	152.88	1,200.00	180.00	2,000.00	300.00
5150-Maintenance of Underground Conductors and Devices	1,327.05	199.06	818.42	122.76	2,439.97	366.00	1,792.84	268.93	2,800.00	420.00	2,000.00	300.00
5155-Maintenance of Underground Services	13,167.73	1,975.16	8,386.94	1,258.04	10,526.17	1,578.93	10,874.59	1,631.19	11,000.00	1,650.00	11,000.00	1,650.00
5160-Maintenance of Line Transformers	92,688.74	13,903.31	90,647.42	13,597.11	93,015.94	13,952.39	68,748.44	10,312.27	65,000.00	9,750.00	68,750.00	10,312.50
5175-Maintenance of Meters	3,470.09	520.51	4,443.75	666.56	6,349.54	952.43	6,136.28	920.44	4,830.00	724.50	15,000.00	2,250.00
Sub Total	**242,519.23**	**36,377.88**	**204,263.39**	**30,639.51**	**245,858.47**	**36,878.77**	**282,331.60**	**42,349.74**	**240,295.00**	**36,044.25**	**284,565.00**	**42,684.75**
Billing and Collection												
5305-Supervision	-	-	-	-	-	-	-	-	-	-	-	-
5310-Meter Reading Expense	32,165.71	4,824.86	24,995.85	3,749.38	37,582.48	5,637.37	38,156.76	5,723.51	33,000.00	4,950.00	85,079.00	12,761.85
5315-Customer Billing	83,090.48	12,463.57	65,510.73	9,826.61	94,027.06	14,104.06	85,499.82	12,824.97	94,000.00	14,100.00	95,000.00	14,250.00
5320-Collecting	17,013.80	2,552.07	15,486.53	2,322.98	17,402.62	2,610.39	17,885.65	2,682.85	17,400.00	2,610.00	20,000.00	3,000.00
5325-Collecting- Cash Over and Short	-	-	-	-	-	-	-	-	-	-	-	-
5330-Collection Charges	5,595.58	839.34	1,486.60	222.99	2,889.17	433.38	4,388.02	658.20	3,000.00	450.00	5,000.00	750.00
5335-Bad Debt Expense	-	-	6,170.00	925.50	5,000.00	750.00	17,931.46	2,689.72	11,000.00	1,650.00	15,000.00	2,250.00
5340-Miscellaneous Customer Accounts Expenses	9,867.06	1,480.06	9,351.70	1,402.76	10,072.17	1,510.83	10,250.04	1,537.51	10,410.00	1,561.50	10,000.00	1,500.00
Sub Total	**147,732.63**	**22,159.89**	**123,001.41**	**18,450.21**	**166,973.50**	**25,046.03**	**174,111.75**	**26,116.76**	**168,810.00**	**25,321.50**	**230,079.00**	**34,511.85**
Community Relations												
5405-Supervision	-	-	-	-	-	-	-	-	-	-	-	-
5410-Community Relations - Sundry	-	-	-	-	-	-	-	-	-	-	-	-
5415-Energy Conservation	-	-	30,250.00	4,537.50	-	-	-	-	-	-	-	-
5420-Community Safety Program	-	-	-	-	-	-	-	-	-	-	-	-
5425-Miscellaneous Customer Service and Informational Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5505-Supervision	-	-	-	-	-	-	-	-	-	-	-	-
5510-Demonstrating and Selling Expense	-	-	-	-	-	-	-	-	-	-	-	-
5515-Advertising Expense	4,028.86	604.33	290.16	43.52	3,684.60	552.69	2,619.28	392.89	4,500.00	675.00	5,000.00	750.00
5520-Miscellaneous Sales Expense	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	**4,028.86**	**604.33**	**30,540.16**	**4,581.02**	**3,684.60**	**552.69**	**2,619.28**	**392.89**	**4,500.00**	**675.00**	**5,000.00**	**750.00**
Administrative and General Expenses												
5605-Executive Salaries and Expenses	8,557.14	1,283.57	8,314.30	1,247.15	15,351.86	2,302.78	9,762.17	1,464.33	11,800.00	1,770.00	12,000.00	1,800.00
5610-Management Salaries and Expenses	-	-	-	-	-	-	-	-	-	-	-	-
5615-General Administrative Salaries and Expenses	58,592.54	8,788.88	60,021.33	9,003.20	66,926.31	10,038.95	71,685.92	10,752.89	76,400.00	11,460.00	78,000.00	11,700.00
5620-Office Supplies and Expenses	1,771.89	265.78	2,129.20	319.38	2,293.74	344.06	1,871.29	280.69	2,500.00	375.00	2,500.00	375.00
5625-Administrative Expense Transferred Credit	-	-	-	-	-	-	-	-	-	-	-	-
5630-Outside Services Employed	71,222.00	10,683.30	42,654.00	6,398.10	45,659.50	6,848.93	33,204.50	4,980.68	141,268.86	21,190.33	8,994.70	1,349.21
5635-Property Insurance	418.18	62.73	888.00	133.20	440.56	66.08	522.62	78.39	550.00	82.50	566.00	84.90
5640-Injuries and Damages	6,673.45	1,001.02	11,421.49	1,713.22	8,373.53	1,256.03	8,281.44	1,242.22	13,490.00	2,023.50	9,000.00	1,350.00
5645-Employee Pensions and Benefits	-	-	50,226.39	7,533.96	-	-	-	-	89,519.00	13,427.85	90,500.00	13,575.00
5650-Franchise Requirements	-	-	-	-	-	-	-	-	-	-	-	-
5655-Regulatory Expenses	4,270.01	640.50	6,878.00	1,031.70	5,304.77	795.72	9,705.64	1,455.85	5,988.92	898.34	7,095.00	1,064.25
5660-General Advertising Expenses	-	-	-	-	-	-	-	-	-	-	-	-

5665-Miscellaneous General Expenses	16,553.07	2,482.96	14,498.61	2,174.79	15,544.57	2,331.69	13,490.35	2,023.55	15,050.00	2,257.50	22,000.00	3,300.00
5670-Rent	8,335.46	1,250.32	8,011.80	1,201.77	8,427.15	1,264.07	8,604.12	1,290.62	8,750.00	1,312.50	8,838.00	1,325.70
5675-Maintenance of General Plant	-	-	-	-	-	-	-	-	-	-	-	-
5680-Electrical Safety Authority Fees	2,371.24	355.69	-	-	2,679.79	401.97	2,161.00	324.15	1,892.00	283.80	1,800.00	270.00
5685-Independent Market Operator Fees and Penalties	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	**178,764.98**	**26,814.75**	**205,043.12**	**30,756.47**	**171,001.78**	**25,650.27**	**159,289.05**	**23,893.36**	**367,208.78**	**55,081.32**	**241,293.70**	**36,194.06**
Taxes Other Than Income Taxes												
6105-Taxes Other Than Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cost of Power												
4705-Power Purchased	6,246,185.37	936,927.81	5,989,552.15	898,432.82	6,061,096.93	909,164.54	4,906,061.02	735,909.15	4,966,498.00	744,974.70	4,906,000.00	735,900.00
4708-Charges-WMS	518,050.77	77,707.62	616,452.28	92,467.84	578,548.92	86,782.34	505,501.16	75,825.17	511,061.00	76,659.15	516,172.00	77,425.80
4710-Cost of Power Adjustments	-	-	- 271,152.48	- 40,672.87	-	-	-	-	-	-	-	-
4712-Charges-One-Time	-	-	-	-	-	-	-	-	-	-	-	-
4714-Charges-NW	568,631.26	85,294.69	552,673.53	82,901.03	550,696.11	82,604.42	376,549.31	56,482.40	380,691.00	57,103.65	384,000.00	57,600.00
4716-Charges-CN	501,237.38	75,185.61	506,268.08	75,940.21	481,052.33	72,157.85	359,254.23	53,888.13	363,206.00	54,480.90	366,838.00	55,025.70
4730-Rural Rate Assistance Expense	98,317.84	14,747.68	117,634.57	17,645.19	45,270.86	6,790.63	25,884.29	3,882.64	26,168.00	3,925.20	26,430.00	3,964.50
Sub-Total	**7,932,422.62**	**1,189,863.39**	**7,511,428.13**	**1,126,714.22**	**7,716,665.15**	**1,157,499.77**	**6,173,250.01**	**925,987.50**	**6,247,624.00**	**937,143.60**	**6,199,440.00**	**929,916.00**
WORKING CAPITAL ALLOWANCE TOTAL	**8,560,709.55**	**1,284,106.43**	**8,148,897.27**	**1,222,334.59**	**8,382,104.90**	**1,257,315.74**	**6,869,048.58**	**1,030,357.29**	**7,144,470.78**	**1,071,670.62**	**7,067,317.70**	**1,060,097.66**

Note: Changed account number for Taxes other than income taxes (from 3950 to 6105) to concur with US of A
Note: Removed all account related to water heater rental: 5185, 5186, 5190, 5192
Note: Removed all remaining accounts not included in 2006 EDR model working capital: 5060, 5165, 5170, 5172, 5178, 5195

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266 **Rate Year: 2010**

Hearst Power Distribution Compamy Limited
File Numbe EB-xxxx-xxxx
Exhibit: 2
Tab: 5
Schedule: 1
Page: xx

Date:

2.5.1 Capital Projects Table

2004

CCA Class	OEB	Description	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Project 12	Project 13	Project 14	Project 15	Total
N/A	1805	Land																
47	1808	Buildings																
13	1810	Leasehold Improvements																
47	1815	Transformer Station Equipment >50 kV																
47	1820	Substation Equipment																
47	1825	Storage Battery Equipment																
47	1830	Poles, Towers & Fixtures	1602.19															
47	1835	OH Conductors & Devices	2885.08															
47	1840	UG Conduit	1976.29															
47	1845	UG Conductors & Devices																
47	1850	Line Transformers	5443.55															
47	1855	Services (OH & UG)																
47	1860	Meters	1458															
47	1861	Smart Meters																
47	1861	Smart Meters/Communication Systems																
N/A	1905	Land																
CEC	1906	Land Rights	1800															
47	1908	Buildings & Fixtures	15799.77															
13	1910	Leasehold Improvements																
8	1915	Office Furniture & Equipment 10yr	2896.81															
8	1915	Office Furniture & Equipment 5yr																
10	1920	Computer - Hardware																
45	1921	Computer - Hardware post Mar 22/04																
45.1	1921	Computer - Hardware post Mar 19/07																
12	1925	Computer Software	5313.06															
10	1930	Transportation Equipment																
8	1935	Stores Equipment																
8	1940	Tools, Shop & Garage Equipment	7111.8															
8	1945	Measurement & Testing Equipment																
8	1950	Power operated Equipment																
8	1955	Communications Equipment																
8	1960	Graphics Equipment																
47	1965	Water Heater Rental Units																
47	1970	Load Management Controls																
47	1975	Load Management Controls Utility Premises																
47	1980	System Supervisor Equipment																
47	1985	Miscellaneous Fixed Assets																
47	1996	Hydro One S/S Contribution																
47	1995	Contributions & Grants																
Ect.																		

2005

CCA Class	OEB	Description	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Project 12	Project 13	Project 14	Project 15	Total
N/A	1805	Land																
47	1808	Buildings																
13	1810	Leasehold Improvements																
47	1815	Transformer Station Equipment >50 kV																
47	1820	Substation Equipment																
47	1825	Storage Battery Equipment																
47	1830	Poles, Towers & Fixtures	8822.67															
47	1835	OH Conductors & Devices	32507.11															
47	1840	UG Conduit																
47	1845	UG Conductors & Devices																
47	1850	Line Transformers	9358.59															
47	1855	Services (OH & UG)	2463.98															
47	1860	Meters	702															
47	1861	Smart Meters																
47	1861	Smart Meters/Communication Systems																
N/A	1905	Land																
CEC	1906	Land Rights																
47	1908	Buildings & Fixtures																
13	1910	Leasehold Improvements																
8	1915	Office Furniture & Equipment 10yr																
8	1915	Office Furniture & Equipment 5yr	8793.9															
10	1920	Computer - Hardware	1044.36															
45	1921	Computer - Hardware post Mar 22/04																
45.1	1921	Computer - Hardware post Mar 19/07																
12	1925	Computer Software																
10	1930	Transportation Equipment																
8	1935	Stores Equipment																
8	1940	Tools, Shop & Garage Equipment																
8	1945	Measurement & Testing Equipment																
8	1950	Power operated Equipment																
8	1955	Communications Equipment	3546.04															
8	1960	Graphics Equipment																
47	1965	Water Heater Rental Units																
47	1970	Load Management Controls																
47	1975	Load Management Controls Utility Premises																
47	1980	System Supervisor Equipment																
47	1985	Miscellaneous Fixed Assets																
47	1996	Hydro One S/S Contribution																
47	1995	Contributions & Grants																
Ect.																		

2006

CCA Class	OEB	Description	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Project 12	Project 13	Project 14	Project 15	Total
N/A	1805	Land																
47	1808	Buildings																
13	1810	Leasehold Improvements																
47	1815	Transformer Station Equipment >50 kV																
47	1820	Substation Equipment																
47	1825	Storage Battery Equipment																
47	1830	Poles, Towers & Fixtures	3279.72															
47	1835	OH Conductors & Devices	11153.01															
47	1840	UG Conduit	1406.55															
47	1845	UG Conductors & Devices	3470.67															
47	1850	Line Transformers	3554.45															
47	1855	Services (OH & UG)	897.43															
47	1860	Meters	33004.55	WHOLESALE METER														
47	1861	Smart Meters																
47	1861	Smart Meters/Communication Systems																
N/A	1905	Land																
CEC	1906	Land Rights																
47	1908	Buildings & Fixtures																
13	1910	Leasehold Improvements																
8	1915	Office Furniture & Equipment 10yr																
8	1915	Office Furniture & Equipment 5yr																
10	1920	Computer - Hardware	1176.12															
45	1921	Computer - Hardware post Mar 22/04																
45.1	1921	Computer - Hardware post Mar 19/07																
12	1925	Computer Software																
10	1930	Transportation Equipment																
8	1935	Stores Equipment																
8	1940	Tools, Shop & Garage Equipment																
8	1945	Measurement & Testing Equipment																
8	1950	Power operated Equipment																
8	1955	Communications Equipment																
8	1960	Graphics Equipment																
47	1965	Water Heater Rental Units																
47	1970	Load Management Controls																
47	1975	Load Management Controls Utility Premises																
47	1980	System Supervisor Equipment																
47	1985	Miscellaneous Fixed Assets																
47	1996	Hydro One S/S Contribution																
47	1995	Contributions & Grants																
Ect.																		

2007

CCA Class	OEB	Description	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Project 12	Project 13	Project 14	Project 15	Total
N/A	1805	Land																
47	1808	Buildings																
13	1810	Leasehold Improvements																
47	1815	Transformer Station Equipment >50 kV																
47	1820	Substation Equipment																
47	1825	Storage Battery Equipment																
47	1830	Poles, Towers & Fixtures	1291.19															
47	1835	OH Conductors & Devices	2497.42															
47	1840	UG Conduit	773.04															
47	1845	UG Conductors & Devices																
47	1850	Line Transformers	11124.33															
47	1855	Services (OH & UG)	739.65															
47	1860	Meters	1499.19															
47	1861	Smart Meters																
47	1861	Smart Meters/Communication Systems																
N/A	1905	Land																
CEC	1906	Land Rights																
47	1908	Buildings & Fixtures																
13	1910	Leasehold Improvements																
8	1915	Office Furniture & Equipment 10yr																
8	1915	Office Furniture & Equipment 5yr																
10	1920	Computer - Hardware																
45	1921	Computer - Hardware post Mar 22/04																
45.1	1921	Computer - Hardware post Mar 19/07																
12	1925	Computer Software																
10	1930	Transportation Equipment	30826.4	PURCHASED PICK UP TRUCK - THE OLD ONE WAS 16 YEARS OLD AND NEEDED LOTS OF REPAIRS														
8	1935	Stores Equipment																
8	1940	Tools, Shop & Garage Equipment	3546.04															
8	1945	Measurement & Testing Equipment																
8	1950	Power operated Equipment																
8	1955	Communications Equipment																
8	1960	Graphics Equipment																
47	1965	Water Heater Rental Units																
47	1970	Load Management Controls																
47	1975	Load Management Controls Utility Premises																
47	1980	System Supervisor Equipment																
47	1985	Miscellaneous Fixed Assets																
47	1996	Hydro One S/S Contribution																
47	1995	Contributions & Grants																
Ect.																		

2008

CCA Class	OEB	Description	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	Project 11	Project 12	Project 13	Project 14	Project 15	Total
N/A	1805	Land																
47	1808	Buildings																
13	1810	Leasehold Improvements																
47	1815	Transformer Station Equipment >50 kV																
47	1820	Substation Equipment																
47	1825	Storage Battery Equipment																
47	1830	Poles, Towers & Fixtures	2625.07															
47	1835	OH Conductors & Devices	9897.5															
47	1840	UG Conduit	714.83															
47	1845	UG Conductors & Devices	3173.08															
47	1850	Line Transformers	4385.92															
47	1855	Services (OH & UG)	204															
47	1860	Meters	1058.4															
47	1861	Smart Meters																
47	1861	Smart Meters/Communication Systems																
N/A	1905	Land																
CEC	1906	Land Rights																
47	1908	Buildings & Fixtures																
13	1910	Leasehold Improvements																
8	1915	Office Furniture & Equipment 10yr																
8	1915	Office Furniture & Equipment 5yr																
10	1920	Computer - Hardware																
45	1921	Computer - Hardware post Mar 22/04																
45.1	1921	Computer - Hardware post Mar 19/07	14156.76	SERVER BECAUSE OF NEW CIS SOFTWARE														
12	1925	Computer Software	60975.07	CIS - HARRIS NORTH STAR SOFTWARE														
10	1930	Transportation Equipment	14472	POLE TRAILER - THE OLD ONE WAS OVER 35 YEARS AND NOT COMPLIANT ANYMORE														
8	1935	Stores Equipment																
8	1940	Tools, Shop & Garage Equipment	2821.8															
8	1945	Measurement & Testing Equipment																
8	1950	Power operated Equipment																
8	1955	Communications Equipment																
8	1960	Graphics Equipment																
47	1965	Water Heater Rental Units																
47	1970	Load Management Controls																
47	1975	Load Management Controls Utility Premises																
47	1980	System Supervisor Equipment																
47	1985	Miscellaneous Fixed Assets																
47	1996	Hydro One S/S Contribution																
47	1995	Contributions & Grants																
Ect.																		

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

2.7.1 Hearst Power's Service Quality Indicators- Average performance for 2008

SERIVCE QUALITY INDICATOR	2006 Actual	2007 Actual	2008 Actual	2009 Target	2010 Target
Appointments Met - at the appointed time SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Telephone Accessibility - answered in person within 30 seconds - SQI Standard: 65% of the time	89%	92%	94%	95%	95%
Underground Cable Locates- within 5 working days SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Connection of New Services- within 5 working days SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Emergency Response- Urban within 60 minutes and Rural within 120 minutes SQI Standard: 90% of the time	100%	100%	100%	100%	100%
Written Responses to Inquiries - within 10 working days SQI Standard: 80% of the time	100%	100%	100%	100%	100%

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266 Rate Year: 2010

2.7.2 SAIDI, SAIFI

Hearst tracks service reliability statistics SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) including and excluing Hydro One related incidents. The following table shows actual results for the past five years.

	2006	2006	2007	2007	2008	2008
	Excluding Hydro one	Total System	Excluding Hydro one	Total System	Excluding Hydro one	Total System
SAIDI	1.6	10.73	0.65	11.73	1.2	1.2
SAIFI	0.98	5.79	0.92	5.91	0.95	0.95
CAIDI	1.64	1.9	0.71	1.98	1.26	1.26

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266 **Rate Year: 2010**

3.1.2 - SUMMARY OF OPERATING REVENUE TABLE:

Class	2006 Board Approved	2006 Actual	Variance 2006 Actuals to 2006 Board Approved	2007 Actual	Variance 2007 to 2006 Actuals	2008 Actual	Variance 2008 to 2007 Actuals	2009 Bridge Year	Variance 2009 to 2008 Actuals	2010 Test Year	
Distribution Revenues											
Residential	$ 459,644.23	$ 437,146.41	-$ 22,497.82	$ 455,555.93	$ 18,409.52	$ 468,629.99	$ 13,074.06	506,955.44	$ 38,325.44	$ 695,354.14	$ 188,398.70
GS <50 kW	$ 136,948.00	$ 136,203.67	-$ 744.32	$ 136,845.61	$ 641.94	$ 138,635.30	$ 1,789.69	146,796.41	$ 8,161.11	$ 183,823.84	$ 37,027.43
GS 50 – 2,999 kW	$ 177,265.34	$ 156,915.71	-$ 20,349.63	$ 171,855.45	$ 14,939.73	$ 167,723.36	-$ 4,132.09	165,868.42	-$ 1,854.94	$ 88,496.22	-$ 77,372.19
GS 3,000 – 4,999 kW	$ 64,318.70	$ 67,982.93	$ 3,664.23	$ 67,127.52	-$ 855.41	$ 43,163.33	-$ 23,964.19	60,733.41	$ 17,570.07	$ 24,962.13	-$ 35,771.28
Sentinel Lighting	$ 2,548.34	$ 2,467.33	-$ 81.01	$ 2,149.75	-$ 317.57	$ 2,076.52	-$ 73.24	1,243.45	-$ 833.07	$ 1,538.29	$ 294.84
Street Lighting	$ 13,768.86	$ 13,454.36	-$ 314.50	$ 13,092.45	-$ 361.91	$ 14,112.81	$ 1,020.35	14,838.44	$ 725.64	$ 71,681.45	$ 56,843.00
Sub Total	**$ 854,493.47**	**$ 814,170.41**	**-$ 40,323.06**	**$ 846,626.73**	**$ 32,456.31**	**$ 834,341.32**	**-$ 12,285.41**	**$ 896,435.56**	**$ 62,094.25**	**$ 1,065,856.06**	$ 169,420.50
Other Distribution Revenue											
Other Revenues*	$9,115.86	$23,916.08	$ 14,800.22	$30,663.87	$ 6,747.79	$22,341.54	-$ 8,322.33	$21,659.00	-$ 682.54	$21,630.00	-$ 29.00
Sub Total	**$9,115.86**	**$23,916.08**	**$14,800.22**	**$30,663.87**	**$6,747.79**	**$22,341.54**	**-$8,322.33**	**$21,659.00**	**-$682.54**	**$21,630.00**	-$ 29.00
Total Operating Revenue	**$ 863,609.33**	**$ 838,086.49**	**-$ 25,522.84**	**$ 877,290.60**	**$ 39,204.10**	**$ 856,682.86**	**-$ 20,607.74**	**$ 918,094.56**	**$ 61,411.71**	**$ 1,087,486.06**	$ 169,391.50
	98.94%	97.15%		96.50%		97.39%		97.64%		98.01%	
	1.06%	**2.85%**		**3.50%**		**2.61%**		**2.36%**		**1.99%**	

* **Includes only specific servce charge revenue**

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

3.2.2 - CUSTOMER COUNT FORECAST TABLE:

	2004	2005	% Change	Approved 2006	% Change	2006	% Change	2007	% Change	2008	% Change	2009	% Change	2010	% Change
Residential	2,340	2,342	-0.085%	2,340	0.085%	2,318	0.940%	2,316	0.086%	2,318	-0.086%	2,320	-0.086%	2,322	-0.086%
GS <50 kW	395	396	-0.253%	395	0.253%	399	-1.013%	391	2.005%	391	0.000%	391	0.000%	391	0.000%
GS 50 – 2,999 kW	39	39	0.000%	39	0.000%	41	-5.128%	41	0.000%	41	0.000%	39	4.878%	38	2.564%
GS 3,000 – 4,999 kW	3	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%	3	0.000%
Sentinel Lighting	23	20	13.043%	23	-15.000%	20	13.043%	19	5.000%	14	26.316%	12	14.286%	12	0.000%
Street Lighting	2	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%	2	0.000%

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Table 3.2.3 - Hearst Power Load Data: Historical Actuals, Forecast and Weather Normalization

Class		2004 Actual (from audited)	2004 Year End Customer Count Weather Normalized	2004 Difference	2004 % Difference	2005 Actual (from audited)	2005 Year End Customer Count Weather Normalized	2005 Difference	2005 % Difference
Residential	Customers	2,340	2,340	0	0.00%	2,342	2,342	0	0.00%
	Consumption - kWh	27,422,132	27,252,918	169,214	0.62%	26,899,810	27,276,211	-376,401	-1.40%
GS < 50 kW	Customers	395	395	0	0.00%	396	396	0	0.00%
	Consumption - kWh	13,015,614	13,029,066	-13,452	-0.10%	13,067,330	13,062,051	5,279	0.04%
GS 50 – 2,999 kW	Customers	39	39	0	0.00%	39	39	0	0.00%
	Demand -kW	61,751	65,041	-3,290	-5.33%	59,893	65,041	-5,147	-8.59%
	Consumption - kWh	22,041,572	23,215,770	-1,174,198	-5.33%	20,810,683	23,215,770	-2,405,087	-11.56%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.00%	3	3	0	0.00%
	Demand -kW	111,175	114,518	-3,343	-3.01%	112,529	114,518	-1,989	-1.77%
	Consumption - kWh	51,166,260	52,704,985	-1,538,725	-3.01%	50,416,143	52,704,985	-2,288,842	-4.54%
Sentinel Lighting	Connections	48	48	0	0.00%	46	46	0	0.00%
	Demand -kW	176	182	-6	-3.57%	169	175	-5	-3.08%
	Consumption - kWh	63,893	66,177	-2,284	-3.57%	60,548	63,419	-2,871	-4.74%
Street Lighting	Connections	900	900	0	0.00%	903	903	0	0.00%
	Demand -kW	3,078	3,138	-60	-1.96%	3,038	3,149	-111	-3.64%
	Consumption - kWh	1,103,749	1,125,333	-21,584	-1.96%	1,085,954	1,129,085	-43,131	-3.97%

Class		2006 Approved EDR	2006 Approved EDR - Weather Normalized	2006 EDR Approved Difference	2006 EDR Approved % Difference	2006 Actual (from audited)	2006 Year End Customer Count Weather Normalized	2006 Difference	2006 % Difference
Residential	Customers	2,340	2,340	0	0.0%	2,318	2,318	0	0.0%
	Consumption - kWh	27,473,386	27,252,918	220,468	0.8%	25,897,339	26,996,694	-1,099,355	-4.2%
GS < 50 kW	Customers	395	395	0	0.0%	399	399	0	0.0%
	Consumption -	12,719,994	13,029,066	-309,073	-2.4%	12,993,046	13,161,006	-167,960	-1.3%
GS 50 – 2,999 kW	Customers	39	39	0	0.0%	41	41	0	0.0%
	Demand -kW	60,958	65,041	-4,083	-6.7%	55,083	68,376	-13,293	-24.1%
	Consumption - kWh	21,314,306	23,215,770	-1,901,464	-8.9%	19,484,942	24,406,322	-4,921,380	-25.3%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	108,040	114,518	-6,478	-6.0%	115,268	114,518	750	0.7%
	Consumption - kWh	47,635,245	52,704,985	-5,069,739	-10.6%	53,977,594	52,704,985	1,272,609	2.4%
Sentinel Lighting	Connections	48	48	0	0.0%	46	46	0	0.0%
	Demand -kW	182	182	-1	-0.4%	168	175	-7	-4.0%
	Consumption - kWh	64,848	66,177	-1,329	-2.0%	60,823	63,419	-2,596	-4.3%
Street Lighting	Connections	900	900	0	0.0%	907	907	0	0.0%
	Demand -kW	3,072	3,138	-66	-2.1%	3,036	3,163	-127	-4.2%
	Consumption -	1,108,379	1,125,333	-16,954	-1.5%	1,091,309	1,134,086	-42,777	-3.9%

Class		2007 Actual (from audited)	2007 Year End Customer Count Weather Normalized	2007 Difference	2007 % Difference	2008 Actual (from audited)	2008 Year End Customer Count Weather Normalized	2008 Difference	2008 % Difference
Residential	Customers	2316	2316	0	0.0%	2318	2318	0	0.0%
	Consumption - kWh	27,069,577	26,973,401	96,176	0.4%	26,596,195	26,996,694	-400,499	-1.5%
GS < 50 kW	Customers	391	391	0	0.0%	391	391	0	0.0%
	Consumption - kWh	12,370,240	12,897,126	-526,886	-4.3%	12,592,670	12,897,126	-304,456	-2.4%
GS 50 – 2,999 kW	Customers	41	41	0	0.0%	41	41	0	0.0%
	Demand -kW	57,195	68,376	-11,181	-19.5%	56,061	68,376	-12,315	-22.0%
	Consumption - kWh	21,523,842	24,406,322	-2,882,480	-13.4%	20,680,870	24,406,322	-3,725,452	-18.0%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	109,115	114,518	-5,403	-5.0%	70,701	114,518	-43,818	-62.0%
	Consumption - kWh	44,939,095	52,704,985	-7,765,890	-17.3%	24,123,994	52,704,985	-28,580,991	-118.5%
Sentinel Lighting	Connections	39	39	0	0.0%	38	38	0	0.0%
	Demand -kW	151	148	3	2.1%	121	144	-24	-19.5%
	Consumption - kWh	54,603	53,769	834	1.5%	42,445	52,390	-9,945	-23.4%
Street Lighting	Connections	914	914	0	0.0%	916	916	0	0.0%
	Demand -kW	3,056	3,187	-131	-4.3%	3,069	3,194	-125	-4.1%
	Consumption - kWh	1,097,289	1,142,839	-45,550	-4.2%	1,159,799	1,145,339	14,460	1.2%

Class		2009 Bridge Year Forecast	2009 Bridge Year Weather Normalized	2009 Difference	2009 % Difference	2010 Test Year Forecast	2010 Test Year Weather Normalized	2010 Difference	2010 % Difference
Residential	Customers	2,320	2,320	0	0.0%	2,322	2,322	0	0.0%
	Consumption -	26,719,866	27,019,987	-300,120	-1.1%	27,043,280	27,043,280	0	0.0%
GS < 50 kW	Customers	391	391	0	0.0%	391	391	0	0.0%
	Consumption - kWh	12,245,893	12,897,126	-651,233	-5.3%	12,897,126	12,897,126	0	0.0%
GS 50 – 2,999 kW	Customers	39	39	0	0.0%	38	38	0	0.0%
	Demand -kW	50,671	65,041	-14,370	-28.4%	58,015	63,373	-5,358	-9.2%
	Consumption - kWh	18,126,386	23,215,770	-5,089,384	-28.1%	20,927,356	22,620,494	-1,693,137	-8.1%
GS 3,000 – 4,999 kW	Customers	3	3	0	0.0%	3	3	0	0.0%
	Demand -kW	65,898	114,518	-48,620	-73.8%	70,701	114,518	-43,818	-62.0%
	Consumption - kWh	20,110,397	52,704,985	-32,594,588	-162.1%	24,123,994	52,704,985	-28,580,991	-118.5%
Sentinel Lighting	Connections	23	23	0	0.0%	23	23	0	0.0%
	Demand -kW	77	87	-11	-14.1%	87	87	0	0.0%
	Consumption - kWh	26,687	31,710	-5,023	-18.8%	31,710	31,710	0	0.0%
Street Lighting	Connections	915	915	0	0.0%	726	726	0	0.0%
	Demand -kW	3,073	3,190	-117	-3.8%	3,190	2,531	659	20.7%
	Consumption - kWh	1,001,530	1,144,089	-142,559	-14.2%	1,144,089	907,769	236,320	20.7%

Table 3.2.1.1 Weather Normalized Average Consumption (kWh or kW) per Customer (Connection)

	2004	2005	2006	2007	2008	2009 Bridge	2010 Test
Residential	11,647	11,647	11,647	11,647	11,647	11,647	11,647
GS < 50 kW	32,985	32,985	32,985	32,985	32,985	32,985	32,985
GS 50 – 2,999 kW	1,668	1,668	1,668	1,668	1,668	1,668	1,668
GS 3,000 – 4,999 kW	38,173	38,173	38,173	38,173	38,173	38,173	38,173
Sentinel Lighting	4	4	4	4	4	4	4
Street Lighting	3	3	3	3	3	3	3

Table 3.2.1.2 Revenues at Existing and Proposed Rates

	Residential	GS < 50 kW	GS 50 – 2,999 kW	GS 3,000 – 4,999 kW	Sentinel Lighting	Street Lighting	Totals
At 2009 approved							
Fixed*	234,614.88	28,011.24	13,866.96	2,064.24	1,098.48	8,624.88	288,280.68
Variable**	275,841.46	125,102.12	173,614.27	62,944.82	165.42	4,119.57	641,787.67
Total	**510,456.34**	**153,113.36**	**187,481.23**	**65,009.06**	**1,263.90**	**12,744.45**	**930,068.35**
At proposed			**GS 50 – 1,499 kW**	**GS 1,500 – 4,999 kW**			
Fixed*	250,776.00	56,304.00	27,360.00	11,520.00	1,380.00	4,356.00	351,696.00
Variable**	438,101.14	126,391.84	70,777.72	38,178.37	122.29	67,319.45	740,890.80
Total	**688,877.14**	**182,695.84**	**98,137.72**	**49,698.37**	**1,502.29**	**71,675.45**	**1,092,586.80**

* excludes SSS

** excludes transformer ownership allowance

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3.3.1 – OTHER DISTRIBUTION REVENUE:

US of A	Description	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	2007 Actual	Variance from 2006 Actual	2008 Actual	Variance from 2007 Actual	2009 Bridge	Variance from 2008 Actual	2010 Test	Variance from 2009 Bridge
	Specific Service Charges											
4235	4235-Miscellaneous Service Revenues	-3640.41	-15151.75	-11511.34	-22710	-7558.25	-19990	2720	-15000	4990	-15000	0
	Subtotal	**-3640.41**	**-15151.75**	**-11511.34**	**-22710**	**-7558.25**	**-19990**	**2720**	**-15000**	**4990**	**-15000**	**0**
	Late Payment Charges											
4225	4225-Late Payment Charges	-6025.46	-5734.42	291.04	-8614.99	-2880.57	-6713.81	1901.18	-8742	-2028.19	-7300	1442
	Subtotal	**-6025.46**	**-5734.42**	**291.04**	**-8614.99**	**-2880.57**	**-6713.81**	**1901.18**	**-8742**	**-2028.19**	**-7300**	**1442**
	Other Distribution Revenues											
4082	4082-Retail Services Revenues	-704.2	-3367.2	-2663	-4032	-664.8	-4537.7	-505.7	-3690	847.7	-3600	90
4084	4084-Service Transaction Requests (STR) Revenues	-1	-193.25	-192.25	-102	91.25	-60.25	41.75	-30	30.25	-30	0
4090	4090-Electric Services Incidental to Energy Sales	-8410.51	0	8410.51	0	0	0	0	0	0	0	0
4205	4205-Interdepartmental Rents	0	0	0	0	0	0	0	0	0	0	0
4210	4210-Rent from Electric Property	-0.15	-20355.63	-20355.48	-26529.87	-6174.24	-17743.59	8786.28	-17,939	-195.41	- 18,000.00	-61
4215	4215-Other Utility Operating Income	0	0	0	0	0	0	0	0	0	0	0
4220	4220-Other Electric Revenues	0	0	0	0	0	0	0	0	0	0	0
4240	4240 - Provision for Rate Refunds	0	0	0	0	0	0	0	0	0	0	0
4245	4245 - Government Assistance Directly Credited to Income	0	0	0	0	0	0	0	0	0	0	0
	Subtotal	**-9115.86**	**-23916.08**	**-14800.22**	**-30663.87**	**-6747.79**	**-22341.54**	**8322.33**	**-21659**	**682.54**	**-21630**	**29**
	Other Income and Expenses											
4305	4305 - Regulatory Debits	0	0	0	0	0	0	0	0	0	0	0
4310	4310 - Regulatory Credits	0	0	0	0	0	0	0	0	0	0	0
4315	4315 - Revenues from Electric Plant Leased to Others	0	0	0	0	0	0	0	0	0	0	0
4320	4320 - Expenses of Electric Plant Leased to Others	0	0	0	0	0	0	0	0	0	0	0
4325	4325-Revenues from Merchandise, Jobbing, Etc.	-20992.26	-49798.95	-28806.69	-55304.71	-5505.76	-46256.41	9048.3	-25000	21256.41	-25000	0
4330	4330-Expenses from Merchandise, Jobbing, Etc.	0	0	0	0	0	0	0	0	0	0	0
4335	4335 - Profits and Losses from Financial Instrument Hedges	0	0	0	0	0	0	0	0	0	0	0
4340	4340 - Profits and Losses from Financial Instrument Investments	0	0	0	18199	18199	9933.47	-8265.53	0	-9933.47	0	0
4345	4345 - Gains from Disposition of Future Use Utility Plant	0	0	0	0	0	0	0	0	0	0	0
4350	4350 - Losses from Disposition of Future Use Utility Plant	0	0	0	0	0	0	0	0	0	0	0

4355	4355-Gain on Disposition of Utility and Other Property	0	0	0	0	0	0	0	0	0	0	0
4360	4360-Loss on Disposition of Utility and Other Property	0	0	0	0	0	0	0	0	0	0	0
4365	4365 - Gains from Disposition of Allowances for Emission	0	0	0	0	0	0	0	0	0	0	0
4370	4370 Losses from Disposition of Allowances for Emission	0	0	0	0	0	0	0	0	0	0	0
4375	4375-Revenues from Non-Utility Operations	0	0	0	0	0	0	0	0	0	0	0
4380	4380-Expenses of Non-Utility Operations	-17219	0	17219	0	0	0	0	0	0	0	0
4385	4385-Non-Utility Rental Income	0	0	0	0	0	0	0	0	0	0	0
4390	4390-Miscellaneous Non-Operating Income	-26779.6	0	26779.6	0	0	0	0	0	0	0	0
4395	4395 - Rate-Payer Benefit Including Interest	0	0	0	0	0	0	0	0	0	0	0
4398	4398 - Foreign Exchange Gains and Losses, Including Amortization	0	0	0	0	0	0	0	0	0	0	0
4405	4405-Interest and Dividend Income	-93867.96	-158654.16	-64786.2	-177206.54	-18552.38	-151641.84	25564.7	-84720	66921.84	-50000	34720
4415	4415 - Equity in Earnings of Subsidiary Companies	0	0	0	0	0	0	0	0	0	0	0
	Subtotal	**-158858.82**	**-208453.11**	**-49594.29**	**-214312.25**	**-5859.14**	**-187964.78**	**26347.47**	**-109720**	**78244.78**	**-75000**	**34720**
	Total	**-177640.55**	**-253255.36**	**-75614.81**	**-276301.11**	**-23045.75**	**-237010.13**	**39290.98**	**-155121**	**81889.13**	**-118930**	**36191**

NOTE: FIGURES ARE NEGATIVE BECAUSE THEY ARE SOURCED FROM THE TRIAL BALANCE

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3.2.4 Load Forecast Variance Analyses

Class		2004 Year End Customer Count Weather Normalized	2005 Year End Customer Count Weather Normalized	2005 vs. 2004 Year End Customer Count Weather Normalized	2006 Actual	2006 Board Approved	2006 Year End Customer Count Weather Normalized	2006 vs. 2005 Year End Customer Count Weather Normalized	2006 Board Approved vs. 2006 Actual	2006 Board Approved vs. 2006 Year End Customer Count Weather Normalized	2007 Year End Customer Count Weather Normalized	2007 vs. 2006 Year End Customer Count Weather Normalized	2008 Year End Customer Count Weather Normalized	2008 vs. 2007 Year End Customer Count Weather Normalized	2009 Bridge Year Weather Normalized	2009 vs. 2008 Bridge Year Weather Normalized	2010 Test Year Forecast	2010 Bridge Year Weather Normalized vs. 2009 Test Year Forecast
Residential	Customers	2,340	2,342	2	2,318	2,340	2,318	-24	22	22	2,316	-2	2,318	2	2,320	2	2,322	2
	Consumption - kWh	27,252,918	27,276,211	23,293	25,897,339	27,473,386	26,996,694	-279,517	1,576,047	476,692	26,973,401	-23,293	26,996,694	23,293	27,019,987	23,293	27,043,280	23,293
GS < 50 kW	Customers	395	396	1	399	395	399	3	-4	-4	391	-8	391	0	391	0	391	0
	Consumption - kWh	13,029,066	13,062,051	32,985	12,993,046	12,719,994	13,161,006	98,955	-273,052	-441,012	12,897,126	-263,880	12,897,126	0	12,897,126	0	12,897,126	0
GS 50 – 2,999 kW	Customers	39	39	0	41	39	41	2	-2	-2	41	0	41	0	39	-2	38	-1
	Demand -kW	65,041	65,041	0	55,083	60,958	68,376	3,335	5,875	-7,418	68,376	0	68,376	0	65,041	-3,335	58,015	-7,026
	Consumption - kWh	23,215,770	23,215,770	0	19,484,942	21,314,306	24,406,322	1,190,552	1,829,364	-3,092,016	24,406,322	0	24,406,322	0	23,215,770	-1,190,552	20,927,356	-2,288,414
GS 3,000 – 4999 kW	Customers	3	3	0	3	3	3	0	0	0	3	0	3	0	3	0	3	0
	Demand -kW	114,518	114,518	0	115,268	108,040	114,518	0	-7,228	-6,478	114,518	0	114,518	0	114,518	0	70,701	-43,816
	Consumption - kWh	52,704,985	52,704,985	0	53,977,594	47,635,245	52,704,985	0	-6,342,349	-5,069,739	52,704,985	0	52,704,985	0	52,704,985	0	24,123,994	-28,580,991
Sentinel Lighting	Connections	48	46	-2	46	48	46	0	2	2	39	-7	38	-1	23	-15	23	0
	Demand -kW	182	175	-8	168	182	175	0	14	7	148	-27	144	-4	87	-57	87	0
	Consumption - kWh	66,177	63,419	-2,757	60,823	64,848	63,419	0	4,025	1,428	53,769	-9,651	52,390	-1,379	31,710	-20,680	31,710	0
Street Lighting	Connections	900	903	3	907	900	907	4	-7	-7	914	7	916	2	915	-1	726	-189
	Demand -kW	3,138	3,149	10	3,036	3,072	3,163	14	36	-90	3,187	24	3,194	7	3,190	-3	3,190	0
	Consumption - kWh	1,125,333	1,129,085	3,751	1,091,309	1,108,379	1,134,086	5,001	17,070	-25,707	1,142,839	8,753	1,145,339	2,501	1,144,089	-1,250	1,144,089	0

NOTE: Terminology in top row is directly from filing requirements, page 11

Class		2007 Year End Customer Count Weather Normalized	2007 vs. 2006 Year End Customer Count Weather Normalized	2008 Year End Customer Count Weather Normalized	2008 vs. 2007 Year End Customer Count Weather Normalized	2009 Bridge Year Weather Normalized	2009 vs. 2008 Bridge Year Weather Normalized	2010 Test Year Forecast	2010 Bridge Year Weather Normalized vs. 2009 Test Year Forecast
Residential	Customers	2,316	-2	2,318	2	2,320	2	2,322	2
	Consumption - kWh	26,973,401	-23,293	26,996,694	23,293	27,019,987	23,293	27,043,280	23,293
GS < 50 kW	Customers	391	-8	391	0	391	0	391	0
	Consumption - kWh	12,897,126	-263,880	12,897,126	0	12,897,126	0	12,897,126	0
GS 50 – 2,999 kW	Customers	41	0	41	0	39	-2	38	-1
	Demand -kW	68,376	0	68,376	0	65,041	-3,335	58,015	-7,026
	Consumption - kWh	24,406,322	0	24,406,322	0	23,215,770	-1,190,552	20,927,356	-2,288,414
GS 3,000 – 4999 kW	Customers	3	0	3	0	3	0	3	0
	Demand -kW	114,518	0	114,518	0	114,518	0	70,701	-43,818
	Consumption - kWh	52,704,985	0	52,704,985	0	52,704,985	0	24,123,994	-28,580,991
Sentinel Lighting	Connections	39	-7	38	-1	23	-15	23	0
	Demand -kW	148	-27	144	-4	87	-57	87	0
	Consumption - kWh	53,769	-9,651	52,390	-1,379	31,710	-20,680	31,710	0
Street Lighting	Connections	914	7	916	2	915	-1	726	-189
	Demand -kW	3,187	24	3,194	7	3,190	-3	3,190	0
	Consumption - kWh	1,142,839	8,753	1,145,339	2,501	1,144,089	-1,250	1,144,089	0

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0 Rate Year: 2010

4.2.1 – SUMMARY OF OM&A EXPENSES:

OM&A Expenses	2006 Board Approved	2006 Actual	Variance from 2006 Board Approved	% Change	2007 Actual	Variance from 2006 Actual	% Change	2008 Actual	Variance from 2007 Actual	% Change	2009 Bridge	Variance from 2008 Actual	% Change	2010 Test	Variance from 2009 Bridge	% Change
Operation (Working Capital)	75,221	55,241	-19,980	-27%	77,921	22,680	41%	77,447	-475	-1%	116,033	38,586	50%	106,940	-9,093	-8%
Maintenance (Working Capital)	204,263	242,519	38,256	19%	245,902	3,382	1%	282,332	36,430	15%	240,295	-42,037	-15%	284,565	44,270	18%
Billing and Collecting	123,001	147,733	24,731	20%	166,974	19,241	13%	174,112	7,138	4%	168,810	-5,302	-3%	230,079	61,269	36%
Community Relations	30,540	4,029	-26,511	-87%	3,685	-344	-9%	2,619	-1,065	-29%	4,500	1,881	72%	5,000	500	11%
Administrative and General	205,043	243,362	38,319	19%	241,399	-1,963	-1%	232,299	-9,101	-4%	429,869	197,570	85%	241,294	-188,575	-44%
Total OM&A Expenses	638,069	692,884	54,815	9%	735,880	42,996	6%	768,808	32,928	4%	959,507	190,699	25%	867,878	-91,629	-10%
Percent Change 2010 vs 2008 Actuals	13%															
Percent Change 2010 vs 2006 Approved	36%															
Average for 2007, 2008, 2009 (%)	12%															
Compound Annual Growth Rate for 2007,8,9 (%)	14.57%															

	2006	2007	%	2008	%	2009	
Operation (Working Capital)	75,221	77,921	3.59%	77,447	1.47%	116,033	15.54%
Maintenance (Working Capital)	204,263	245,902	20.38%	282,332	17.57%	240,295	5.56%
Billing and Collecting	123,001	166,974	35.75%	174,112	18.98%	168,810	11.13%
Community Relations	30,540	3,685	-87.94%	2,619	-70.71%	4,500	-47.18%
Administrative and General	205,043	241,399	17.73%	232,299	6.44%	429,869	27.99%
Total OM&A Expenses	638,069	735,880	15.33%	768,808	9.77%	959,507	14.57%

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.2.2 – DETAILED OM&A EXPENSES TABLE:

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Operation (Working Capital)					
5005-Operation Supervision and Engineering	0	0	0	0	0
5010-Load Dispatching	0	0	0	0	0
5012-Station Buildings and Fixtures Expense	0	0	0	0	0
5014-Transformer Station Equipment - Operation Labour	0	0	0	0	0
5015-Transformer Station Equipment - Operation Supplies and Expenses	0	0	0	0	0
5016-Distribution Station Equipment - Operation Labour	0	0	0	0	0
5017-Distribution Station Equipment - Operation Supplies and Expenses	0	0	0	0	0
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,518	7,750	5,036	3,821	5,000
5030-Overhead Subtransmission Feeders - Operation	0	0	0	0	0
5035-Overhead Distribution Transformers-	0	0	174	210	210
5040-Underground Distribution Lines and Feeders - Operation Labour	0	0	168	200	200
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	953	753	472	1,000	1,000
5050-Underground Subtransmission Feeders - Operation	0	0	0	0	0

5055-Underground Distribution Transformers - Operation	329	0	41	100	100
5060-Street Lighting and Signal System Expense	0	0	0	0	0
5065-Meter Expense	5,279	5,625	432	4,500	5,000
5070-Customer Premises - Operation Labour	0	0	0	0	0
5075-Customer Premises - Materials and Expenses	0	0	0	0	0
5085-Miscellaneous Distribution Expense	0	21,416	18,046	35,000	15,104
5090-Underground Distribution Lines and Feeders - Rental Paid	0	0	0	0	0
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,888	4,113	6,623	0	0
5096-Other Rent	2,700	450	3,150	9,950	10,750
Sub-Total	16,665	40,106	34,142	54,781	37,364

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Maintenance (Working Capital)					
5105-Maintenance Supervision and Engineering	4216.91	4642.76	75836.39	30000	30000
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4009.13	0	0	0	0
5112-Maintenance of Transformer Station Equipment	0	0	0	0	0
5114-Maintenance of Distribution Station Equipment	0	0	0	0	0
5120-Maintenance of Poles, Towers and Fixtures	47529.13	50750.11	47147.17	48490	60000
5125-Maintenance of Overhead Conductors and Devices	63199.66	66481.35	65650.13	71175	83000
5130-Maintenance of Overhead Services	10811.04	10694.99	5085.41	5500	6100
5135-Overhead Distribution Lines and Feeders - Right of Way	0	244.22	41.13	300	50
5145-Maintenance of Underground Conduit	2099.75	713.42	1019.22	1200	2000
5150-Maintenance of Underground Conductors and Devices	1327.05	2439.97	1792.84	2800	1303
5155-Maintenance of Underground Services	13167.73	10526.17	10874.59	11000	11000
5160-Maintenance of Line Transformers	92688.74	93015.94	68748.44	65000	8685
5165-Maintenance of Street Lighting and Signal Systems	0	0	0	0	0
5170-Sentinel Lights - Labour	0	0	0	0	0
5172-Sentinel Lights - Materials and Expenses	0	43.18	0	0	0
5175-Maintenance of Meters	3470.09	6349.54	6136.28	4830	4264
5178-Customer Installations Expenses-Leased Property	0	0	0	0	0
5185-Water Heater Rentals - Labour	0	0	0	0	0

5186-Water Heater Rentals - Materials and Expenses	0	0	0	0	0
5190-Water Heater Controls - Labour	0	0	0	0	0
5192-Water Heater Controls - Materials and Expenses	0	0	0	0	0
5195-Maintenance of Other Installations on Customer Premises	0	0	0	0	0
Sub-Total	242,519	245,902	282,332	240,295	206,402

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Billing and Collecting					
5305-Supervision	0	0	0	0	0
5310-Meter Reading Expense	32,166	37,582	38,157	33,000	31,120
5315-Customer Billing	83,090	94,027	85,500	94,000	35,000
5320-Collecting	17,014	17,403	17,886	17,400	17,800
5325-Collecting- Cash Over and Short	0	0	0	0	0
5330-Collection Charges	5,596	2,889	4,388	3,000	5,000
5340-Miscellaneous Customer Accounts Expenses	9,867	10,072	10,250	10,410	10,000
Sub-Total	147,733	161,974	156,180	157,810	98,920

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Community Relations					
5405-Supervision	0	0	0	0	0
5410-Community Relations - Sundry	0	0	0	0	0
5415-Energy Conservation	0	0	0	0	0
5420-Community Safety Program	0	0	0	0	0
5425-Miscellaneous Customer Service and Informational Expenses	0	0	0	0	0
5505-Supervision	0	0	0	0	0
5510-Demonstrating and Selling Expense	0	0	0	0	0
5515-Advertising Expense	4,029	3,685	2,619	4,500	5,000
5520-Miscellaneous Sales Expense	0	0	0	0	0
Sub-Total	4,029	3,685	2,619	4,500	5,000
Bad Debt					
5335-Bad Debt Expense	0	5,000	17,931	11,000	15,000
Sub-Total	0	5,000	17,931	11,000	15,000
Property Insurance					
5635-Property Insurance	418	441	523	550	566
Sub-Total	418	441	523	550	566

OM&A Costs	2006 Actual (from 2006 Audited)	2007 Actual (from 2007 Audited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
General Advertising Expenses					
5660-General Advertising Expenses	0	0	0	0	0
Sub-Total	0	0	0	0	0
Taxes Other Than Income Taxes					
6105-Taxes Other Than Income Taxes	0	0	0	0	0
Sub-Total	0	0	0	0	0
Administrative and General Expenses					
5605-Executive Salaries and Expenses	8,557	15,352	9,762	11,800	12,000
5610-Management Salaries and Expenses	0	0	0	0	0
5615-General Administrative Salaries and Expenses	58,593	66,926	71,686	76,400	68,400
5620-Office Supplies and Expenses	1,772	2,294	1,871	2,500	2,500
5625-Administrative Expense Transferred Credit	0	0	0	0	0
5630-Outside Services Employed	71,222	45,660	33,205	141,269	8,995
5640-Injuries and Damages	6,673	8,374	8,281	13,490	9,000
5645-Employee Pensions and Benefits	0	0	0	89,519	90,500
5650-Franchise Requirements	0	0	0	0	0
5655-Regulatory Expenses	4,270	5,305	9,706	5,989	7,095
5665-Miscellaneous General Expenses	16,553	15,545	13,490	15,050	22,000
5666-Miscellaneous General Expenses	0	0	0	0	0
5670-Rent	8,335	8,427	8,604	8,750	8,838
5675-Maintenance of General Plant	0	0	0	0	0
5680-Electrical Safety Authority Fees	2,371	2,680	2,161	1,892	1,800
5685-Independent Market Operator Fees and Penalties	0	0	0	0	0
Sub-Total	178,347	170,561	158,766	366,659	231,128

OM&A Costs	2006 Actual (from 2006 Audited)	2007 ActABal (from 2007 AABdited)	2008 Actual (from 2008 Audited)	2009 Bridge Year (Projected)	2010 Test Year (Rate Year)
Amortization Expenses					
5705-Amortization Expense - Property, Plant, and Equipment	96,425	97,667	108,727	120,440	144,386
5710-Amortization of Limited Term Electric Plant	0	0	0	0	0
5715-Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273	1,273	1,273
5720-Amortization of Electric Plant Acquisition Adjustments	0	0	0	0	0
5725-Miscellaneous Amortization	0	0	0	0	0
5730-Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0	0	0
5735-Amortization of Deferred Development Costs	0	0	0	0	0
5740-Amortization of Deferred Charges	0	0	0	0	0
Sub-Total	97,698	98,940	110,000	121,713	145,659
4750-LV Charges	23,953	40,458	76,107	76,944	77,713
Sub-Total	23,953	40,458	76,107	76,944	77,713
Total	711,362	767,066	838,601	1,034,252	817,752

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266 **Rate Year: 2010**

BASE INCOME service revenue at 2009 rates $ 878,705

ITEM				ANNUAL OM&A	ANNUAL Revenue decline & OTHER	Total cost	ANNUAL IMPACT	ANNUAL %
OM&A								
OTHER OM&A 2010 over EDR2006				**- 31,620.44**		229,808.56	- 31,620.44	-3.60%
Union contract				**60,750.00**			60,750.00	6.91%
Apprentice				**90,600.00**			90,600.00	10.31%
Meter reading smart meter processing				85,079.00		85,079.00	85,079.00	9.68%
Customer billing support Services				25,000.00		25,000.00	25,000.00	2.85%
				-		-	-	0.00%
								0.00%
								26.15%

Cost of capital **7.31%**

CAPITAL	Capital amount	Annual Depreciation RATE.	Annual Dep-reciation	Annual Dep-reciation	RATE BASE Return	RATE BASE Return	ANNUAL IMPACT	ANNUAL %
	$	%	1/2 rule	Full year	%	$		
billing system 2008 purchase	60,975.07				7.31%	3,565.82	3,565.82	0.41%
billing system 2008 depreciation	60,975.07	20.00%		12,195.01			12,195.01	1.39%
Smart meter Purchase	280,332.32				7.31%	19,126.14	19,126.14	2.18%
Smart meter Purchase dep	280,332.32	6.67%		18,688.82			18,688.82	2.13%
Smart meter Communicatiion	156,857.65				7.31%	10,701.87	10,701.87	1.22%
Smart meter Com dep	156,857.65	6.67%		10,457.18			10,457.18	1.19%
								8.51%
							TOTAL	**34.66%**

INTERIM RATE MECHANISM			%	Factor	Cumulative Factor			
2007			**0.90%**	**100.90%**	**100.90%**			
2008			**0.30%**	**100.30%**	**101.20%**			
2009			**1.30%**	**101.30%**	**102.52%**			2.52%
					NET SUPPORTED CHANGE CHANGE			**32.14%**

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Table 4.2.4.1 – Regulatory Cost Schedule:

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost?	2006 Actuals	2008 Actuals	2009 Bridge Year	% Change in 2009 vs. 2008 Actuals	2010 Forecast	% Change in 2010 vs. 2009
1. OEB Annual Assessment	5655		ONGOING	4,270	6,834	5,989	0.123612	7,095	-0.184687723
2. OEB Hearing Assessments (applicant initiated)	5655				2,872	-	1	10,000	n/a
3. OEB Section 30 Costs (OEB initiated)							n/a		n/a
4. Expert Witness cost for regulatory matters*		0	0	-	-	-	n/a	-	n/a
5. Legal costs for regulatory matters*		0	0	-	-	-	n/a	-	n/a
6. Consultants and outside parties costs for regulatory matters	5630			71,222	33,205	141,269	-3.2545095	8,995	0.936329209
7. Operating expenses associated with staff resources allocated to regulatory matters	5615					23,248	n/a	8,718	0.625
8. Operating expenses associated with other resources allocated to regulatory matters (please identify the…)							n/a		n/a
9. Other regulatory agency fees or assessments									
Electrical Safety Athority	5680			2,371	2,161	2,622	-0.2133272	2,161	0.175819985
							n/a		n/a
							n/a		n/a
							n/a		n/a
							n/a		n/a
							n/a		n/a
10. Any other costs for regulatory matters							n/a		n/a
11. Intervenor Costs *	5630						n/a	30,000	n/a

* TO BE REVISED ON COMPLETION OF DECISION

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.2.6 - OM&A Cost per Customer and FTEE

	2006 Actual	2007 Actual	2008 Actual	2009 Bridge	2010 TestYear
Number of Customers	2783	2772	2769	2767	2768
Total OMA	692,884	735,880	768,808	959,507	867,878
OMA cost per Customer	248.97	265.47	277.65	346.77	313.54
Number of FTEEs	5	5	6	6	6
FTEEs/Customer	0.002	0.002	0.002	0.002	0.002
OMA cost per FTEE	138,576.78	147,176.06	128,134.68	153,521.08	144,646.28

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.3.1 - VARIANCE ANALYSIS on OM&A COSTS

	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Operation (Working Capital)							
5005-Operation Supervision and Engineering	0	0	0	0	0.00%	0	0.00%
5010-Load Dispatching	0	0	0	0	0.00%	0	0.00%
5012-Station Buildings and Fixtures Expense	0	0	0	0	0.00%	0	0.00%
5014-Transformer Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5015-Transformer Station Equipment - Operation Supplies and Expenses	0	0	0	0	0.00%	0	0.00%
5016-Distribution Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5017-Distribution Station Equipment - Operation Supplies and Expenses	0	0	0	0	0.00%	0	0.00%
5020-Overhead Distribution Lines and Feeders - Operation Labour	2,518	5,036	5,000	2,482	98.60%	-36	-0.72%
5030-Overhead Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5035-Overhead Distribution Transformers- Operation	0	174	210	210	n/a	36	20.45%
5040-Underground Distribution Lines and Feeders - Operation Labour	0	168	200	200	n/a	32	19.39%
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	953	472	1,000	47	4.97%	528	111.90%
5050-Underground Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5055-Underground Distribution Transformers - Operation	329	41	100	-229	-69.57%	59	144.74%
5060-Street Lighting and Signal System Expense	0	0	0	0	0.00%	0	0.00%
5065-Meter Expense	5,279	432	5,000	-279	-5.28%	4,568	1056.26%
5070-Customer Premises - Operation Labour	0	0	0	0	0.00%	0	0.00%
5075-Customer Premises - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5085-Miscellaneous Distribution Expense	0	18,046	36,200	36,200	n/a	18,154	100.60%
5090-Underground Distribution Lines and Feeders - Rental Paid	0	0	0	0	0.00%	0	0.00%
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,888	6,623	0	-4,888	-100.00%	-6,623	-100.00%
5096-Other Rent	2,700	3,150	10,750	8,050	298.15%	7,600	241.27%
Sub-Total	16,665	34,142	58,460	41,795	250.79%	24,318	71.23%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Maintenance (Working Capital)							
5105-Maintenance Supervision and Engineering	4216.91	75836.39	30000	25,783	611.42%	-45,836	-60.44%
5110-Maintenance of Buildings and Fixtures - Distribution Stations	4009.13	0	0	-4,009	-100.00%	0	0.00%
5112-Maintenance of Transformer Station Equipment	0	0	0	0	0.00%	0	0.00%
5114-Maintenance of Distribution Station Equipment	0	0	0	0	0.00%	0	0.00%
5120-Maintenance of Poles, Towers and Fixtures	47529.13	47147.17	60190	12,661	26.64%	13,043	27.66%
5125-Maintenance of Overhead Conductors and Devices	63199.66	65650.13	89475	26,275	41.58%	23,825	36.29%
5130-Maintenance of Overhead Services	10811.04	5085.41	6100	-4,711	-43.58%	1,015	19.95%
5135-Overhead Distribution Lines and Feeders - Right of Way	0	41.13	50	50	n/a	9	21.57%
5145-Maintenance of Underground Conduit	2099.75	1019.22	2000	-100	-4.75%	981	96.23%
5150-Maintenance of Underground Conductors and Devices	1327.05	1792.84	2000	673	50.71%	207	11.55%
5155-Maintenance of Underground Services	13167.73	10874.59	11000	-2,168	-16.46%	125	1.15%
5160-Maintenance of Line Transformers	92688.74	68748.44	68750	-23,939	-25.83%	2	0.00%
5165-Maintenance of Street Lighting and Signal Systems	0	0	0	0	0.00%	0	0.00%
5170-Sentinel Lights - Labour	0	0	0	0	0.00%	0	0.00%
5172-Sentinel Lights - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5175-Maintenance of Meters	3470.09	6136.28	15000	11,530	332.27%	8,864	144.45%
5178-Customer Installations Expenses- Leased Property	0	0	0	0	0.00%	0	0.00%
5185-Water Heater Rentals - Labour	0	0	0	0	0.00%	0	0.00%
5186-Water Heater Rentals - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5190-Water Heater Controls - Labour	0	0	0	0	0.00%	0	0.00%
5192-Water Heater Controls - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5195-Maintenance of Other Installations on Customer Premises	0	0	0	0	0.00%	0	0.00%
Sub-Total	242519.23	282331.6	284565	42,046	17.34%	2,233	0.79%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Billing and Collecting							
5305-Supervision	0	0	0	0	0.00%	0	0.00%
5310-Meter Reading Expense	32,166	38,157	85,079	52,913	164.50%	46,922	122.97%
5315-Customer Billing	83,090	85,500	95,000	11,910	14.33%	9,500	11.11%
5320-Collecting	17,014	17,886	20,000	2,986	17.55%	2,114	11.82%
5325-Collecting- Cash Over and Short	0	0	0	0	0.00%	0	0.00%
5330-Collection Charges	5,596	4,388	5,000	-596	-10.64%	612	13.95%
5340-Miscellaneous Customer Accounts Expenses	9,867	10,250	10,000	133	1.35%	-250	-2.44%
Sub-Total	147,733	156,180	215,079	67,346	45.59%	58,899	37.71%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Community Relations							
5405-Supervision	0	0	0	0	0.00%	0	0.00%
5410-Community Relations - Sundry	0	0	0	0	0.00%	0	0.00%
5415-Energy Conservation	0	0	0	0	0.00%	0	0.00%
5420-Community Safety Program	0	0	0	0	0.00%	0	0.00%
5425-Miscellaneous Customer Service and Informational Expenses	0	0	0	0	0.00%	0	0.00%
5505-Supervision	0	0	0	0	0.00%	0	0.00%
5510-Demonstrating and Selling Expense	0	0	0	0	0.00%	0	0.00%
5515-Advertising Expense	4,029	2,619	5,000	971	24.10%	2,381	90.89%
5520-Miscellaneous Sales Expense	0	0	0	0	0.00%	0	0.00%
Sub-Total	4,029	2,619	5,000	971	24.10%	2,381	90.89%
Bad Debt				0	0.00%	0	0.00%
5335-Bad Debt Expense	0	17,931	15,000	15,000	n/a	-2,931	-16.35%
Sub-Total	0	17,931	15,000	15,000	n/a	-2,931	-16.35%
Property Insurance				0	0.00%	0	0.00%
5635-Property Insurance	418	523	566	148	35.35%	43	8.30%
Sub-Total	418	523	566	148	35.35%	43	8.30%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
General Advertising Expenses							
5660-General Advertising Expenses	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Taxes Other Than Income Taxes				0	0.00%	0	0.00%
6105-Taxes Other Than Income Taxes	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Administrative and General Expenses				0	0.00%	0	0.00%
5605-Executive Salaries and Expenses	8,557	9,762	12,000	3,443	40.23%	2,238	22.92%
5610-Management Salaries and Expenses	0	0	0	0	0.00%	0	0.00%
5615-General Administrative Salaries and Expenses	58,593	71,686	78,000	19,407	33.12%	6,314	8.81%
5620-Office Supplies and Expenses	1,772	1,871	2,500	728	41.09%	629	33.60%
5625-Administrative Expense Transferred Credit	0	0	0	0	0.00%	0	0.00%
5630-Outside Services Employed	71,222	33,205	8,995	-62,227	-87.37%	-24,210	-72.91%
5640-Injuries and Damages	6,673	8,281	9,000	2,327	34.86%	719	8.68%
5645-Employee Pensions and Benefits	0	0	90,500	90,500	n/a	90,500	n/a
5650-Franchise Requirements	0	0	0	0	0.00%	0	0.00%
5655-Regulatory Expenses	4,270	9,706	7,095	2,825	66.16%	-2,611	-26.90%
5665-Miscellaneous General Expenses	16,553	13,490	22,000	5,447	32.91%	8,510	63.08%
5666-Miscellaneous General Expenses	0	0	0	0	0.00%	0	0.00%
5670-Rent	8,335	8,604	8,838	503	6.03%	234	2.72%
5675-Maintenance of General Plant	0	0	0	0	0.00%	0	0.00%
5680-Electrical Safety Authority Fees	2,371	2,161	1,800	-571	-24.09%	-361	-16.71%
5685-Independent Market Operator Fees and Penalties	0	0	0	0	0.00%	0	0.00%
Sub-Total	178,347	158,766	240,728	62,381	34.98%	81,961	51.62%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Amortization Expenses							
5705-Amortization Expense - Property, Plant, and Equipment	96,425	108,727	144,386	47,961	49.74%	35,659	32.80%
5710-Amortization of Limited Term Electric Plant	0	0	0	0	0.00%	0	0.00%
5715-Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273	0	0.00%	0	0.00%
5720-Amortization of Electric Plant Acquisition Adjustments	0	0	0	0	0.00%	0	0.00%
5725-Miscellaneous Amortization	0	0	0	0	0.00%	0	0.00%
5730-Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0	0	0.00%	0	0.00%
5735-Amortization of Deferred Development Costs	0	0	0	0	0.00%	0	0.00%
5740-Amortization of Deferred Charges	0	0	0	0	0.00%	0	0.00%
Sub-Total	97,698	110,000	145,659	47,961	49.09%	35,659	32.42%
4750-LV Charges	23,953	76,107	77,713	53,760	224.44%	1,606	2.11%
Sub-Total	23,953	76,107	77,713	53,760	224.44%	1,606	2.11%
Subtotal Amortization & Low Voltage charges	121,651	186,107	223,372	101,721	83.62%	37,265	20.02%

OM&A Costs	2006 Actual (from 2006 Audited)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
TOTAL OM & A	706,915	817,528	1,022,204	315,289	44.60%	204,676	25.04%
OM& A net of amortization	609,217	707,528	876,545	267,328	43.88%	169,017	23.89%
O&M net of administration & amortization	430,870	548,762	635,817	204,947	47.57%	87,055	15.86%
Administration	178,347	158,766	240,728	62,381	34.98%	81,961	51.62%
Total Compensation Charged to OM&A	310,248	403,198	396,336	111,285	35.87%	128,884	31.97%
Administration % of net OM&A	29.27%	22.44%	27.46%				
Billing & collecting % of net OM&A	24.25%	22.07%	24.54%				
Compensation as % of net OM&A	50.93%	56.99%	45.22%				

Name of LDC:Hearst Power Distribution Company File Number: EB-2009-0266 Rate Year: 2010

4.3.1 - VARIANCE ANALYSIS on OM&A COSTS

	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Operation (Working Capital)							
5005-Operation Supervision and Engineering	0	0	0	0	0.00%	0	0.00%
5010-Load Dispatching	0	0	0	0	0.00%	0	0.00%
5012-Station Buildings and Fixtures Expense	18,299	0	0	-18,299	-100.00%	0	0.00%
5014-Transformer Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5015-Transformer Station Equipment - Operation Supplies and Expenses	0	0	0	0	0.00%	0	0.00%
5016-Distribution Station Equipment - Operation Labour	0	0	0	0	0.00%	0	0.00%
5017-Distribution Station Equipment - Operation Supplies and Expenses	18	0	0	-18	-100.00%	0	0.00%
5020-Overhead Distribution Lines and Feeders - Operation Labour	1,168	5,036	5,000	3,832	328.21%	-36	-0.72%
5030-Overhead Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5035-Overhead Distribution Transformers- Operation	97	174	210	113	116.76%	36	20.45%
5040-Underground Distribution Lines and Feeders - Operation Labour	0	168	200	200	n/a	32	19.39%
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses	3,888	472	1,000	-2,888	-74.28%	528	111.90%
5050-Underground Subtransmission Feeders - Operation	0	0	0	0	0.00%	0	0.00%
5055-Underground Distribution Transformers - Operation	0	41	100	100	n/a	59	144.74%
5060-Street Lighting and Signal System Expense	600	0	0	-600	-100.00%	0	0.00%
5065-Meter Expense	4,943	432	5,000	57	1.15%	4,568	1056.26%
5070-Customer Premises - Operation Labour	757	0	0	-757	-100.00%	0	0.00%
5075-Customer Premises - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5085-Miscellaneous Distribution Expense	6,400	18,046	36,200	29,800	465.63%	18,154	100.60%
5090-Underground Distribution Lines and Feeders - Rental Paid	0	0	0	0	0.00%	0	0.00%
5095-Overhead Distribution Lines and Feeders - Rental Paid	4,295	6,623	0	-4,295	-100.00%	-6,623	-100.00%
5096-Other Rent	0	3,150	10,750	10,750	n/a	7,600	241.27%
Sub-Total	40,464	34,142	58,460	17,996	44.47%	24,318	71.23%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Maintenance (Working Capital)							
5105-Maintenance Supervision and Engineering	2905.33	75836.39	30000	27,095	932.58%	-45,836	-60.44%
5110-Maintenance of Buildings and Fixtures - Distribution Stations	2869.85	0	0	-2,870	-100.00%	0	0.00%
5112-Maintenance of Transformer Station Equipment	0	0	0	0	0.00%	0	0.00%
5114-Maintenance of Distribution Station Equipment	0	0	0	0	0.00%	0	0.00%
5120-Maintenance of Poles, Towers and Fixtures	17260.97	47147.17	60190	42,929	248.71%	13,043	27.66%
5125-Maintenance of Overhead Conductors and Devices	50220.51	65650.13	89475	39,254	78.16%	23,825	36.29%
5130-Maintenance of Overhead Services	26461.41	5085.41	6100	-20,361	-76.95%	1,015	19.95%
5135-Overhead Distribution Lines and Feeders - Right of Way	195.31	41.13	50	-145	-74.40%	9	21.57%
5145-Maintenance of Underground Conduit	53.48	1019.22	2000	1,947	3639.72%	981	96.23%
5150-Maintenance of Underground Conductors and Devices	818.42	1792.84	2000	1,182	144.37%	207	11.55%
5155-Maintenance of Underground Services	8386.94	10874.59	11000	2,613	31.16%	125	1.15%
5160-Maintenance of Line Transformers	90647.42	68748.44	68750	-21,897	-24.16%	2	0.00%
5165-Maintenance of Street Lighting and Signal Systems	0	0	0	0	0.00%	0	0.00%
5170-Sentinel Lights - Labour	0	0	0	0	0.00%	0	0.00%
5172-Sentinel Lights - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5175-Maintenance of Meters	4443.75	6136.28	15000	10,556	237.55%	8,864	144.45%
5178-Customer Installations Expenses- Leased Property	0	0	0	0	0.00%	0	0.00%
5185-Water Heater Rentals - Labour	0	0	0	0	0.00%	0	0.00%
5186-Water Heater Rentals - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5190-Water Heater Controls - Labour	0	0	0	0	0.00%	0	0.00%
5192-Water Heater Controls - Materials and Expenses	0	0	0	0	0.00%	0	0.00%
5195-Maintenance of Other Installations on Customer Premises	0	0	0	0	0.00%	0	0.00%
Sub-Total	204263.39	282331.6	284565	80,302	39.31%	2,233	0.79%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Billing and Collecting							
5305-Supervision	0	0	0	0	0.00%	0	0.00%
5310-Meter Reading Expense	24,996	38,157	85,079	60,083	240.37%	46,922	122.97%
5315-Customer Billing	65,511	85,500	95,000	29,489	45.01%	9,500	11.11%
5320-Collecting	15,487	17,886	20,000	4,513	29.14%	2,114	11.82%
5325-Collecting- Cash Over and Short	0	0	0	0	0.00%	0	0.00%
5330-Collection Charges	1,487	4,388	5,000	3,513	236.34%	612	13.95%
5340-Miscellaneous Customer Accounts Expenses	9,352	10,250	10,000	648	6.93%	-250	-2.44%
Sub-Total	116,831	156,180	215,079	98,248	84.09%	58,899	37.71%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Community Relations							
5405-Supervision	0	0	0	0	0.00%	0	0.00%
5410-Community Relations - Sundry	0	0	0	0	0.00%	0	0.00%
5415-Energy Conservation	30,250	0	0	-30,250	-100.00%	0	0.00%
5420-Community Safety Program	0	0	0	0	0.00%	0	0.00%
5425-Miscellaneous Customer Service and Informational Expenses	0	0	0	0	0.00%	0	0.00%
5505-Supervision	0	0	0	0	0.00%	0	0.00%
5510-Demonstrating and Selling Expense	0	0	0	0	0.00%	0	0.00%
5515-Advertising Expense	290	2,619	5,000	4,710	1623.19%	2,381	90.89%
5520-Miscellaneous Sales Expense	0	0	0	0	0.00%	0	0.00%
Sub-Total	30,540	2,619	5,000	-25,540	-83.63%	2,381	90.89%
Bad Debt				0	0.00%	0	0.00%
5335-Bad Debt Expense	6,170	17,931	15,000	8,830	143.11%	-2,931	-16.35%
Sub-Total	6,170	17,931	15,000	8,830	143.11%	-2,931	-16.35%
Property Insurance				0	0.00%	0	0.00%
5635-Property Insurance	888	523	566	-322	-36.26%	43	8.30%
Sub-Total	888	523	566	-322	-36.26%	43	8.30%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
General Advertising Expenses							
5660-General Advertising Expenses	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Taxes Other Than Income Taxes				0	0.00%	0	0.00%
6105-Taxes Other Than Income Taxes	0	0	0	0	0.00%	0	0.00%
Sub-Total	0	0	0	0	0.00%	0	0.00%
						0	
Administrative and General Expenses				0	0.00%	0	0.00%
5605-Executive Salaries and Expenses	8,314	9,762	12,000	3,686	44.33%	2,238	22.92%
5610-Management Salaries and Expenses	0	0	0	0	0.00%	0	0.00%
5615-General Administrative Salaries and Expenses	60,021	71,686	78,000	17,979	29.95%	6,314	8.81%
5620-Office Supplies and Expenses	2,129	1,871	2,500	371	17.41%	629	33.60%
5625-Administrative Expense Transferred Credit	0	0	0	0	0.00%	0	0.00%
5630-Outside Services Employed	42,654	33,205	8,995	-33,659	-78.91%	-24,210	-72.91%
5640-Injuries and Damages	11,421	8,281	9,000	-2,421	-21.20%	719	8.68%
5645-Employee Pensions and Benefits	50,226	0	90,500	40,274	80.18%	90,500	n/a
5650-Franchise Requirements	0	0	0	0	0.00%	0	0.00%
5655-Regulatory Expenses	6,878	9,706	7,095	217	3.15%	-2,611	-26.90%
5665-Miscellaneous General Expenses	14,499	13,490	22,000	7,501	51.74%	8,510	63.08%
5666-Miscellaneous General Expenses	-2	0	0	2	-100.00%	0	0.00%
5670-Rent	8,012	8,604	8,838	826	10.31%	234	2.72%
5675-Maintenance of General Plant	0	0	0	0	0.00%	0	0.00%
5680-Electrical Safety Authority Fees	0	2,161	1,800	1,800	n/a	-361	-16.71%
5685-Independent Market Operator Fees and Penalties	0	0	0	0	0.00%	0	0.00%
Sub-Total	204,153	158,766	240,728	36,575	17.92%	81,961	51.62%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
Amortization Expenses							
5705-Amortization Expense - Property, Plant, and Equipment	137,778	108,727	144,386	6,608	4.80%	35,659	32.80%
5710-Amortization of Limited Term Electric Plant	0	0	0	0	0.00%	0	0.00%
5715-Amortization of Intangibles and Other Electric Plant	1,273	1,273	1,273	0	0.00%	0	0.00%
5720-Amortization of Electric Plant Acquisition Adjustments	0	0	0	0	0.00%	0	0.00%
5725-Miscellaneous Amortization	0	0	0	0	0.00%	0	0.00%
5730-Amortization of Unrecovered Plant and Regulatory Study Costs	0	0	0	0	0.00%	0	0.00%
5735-Amortization of Deferred Development Costs	0	0	0	0	0.00%	0	0.00%
5740-Amortization of Deferred Charges	0	0	0	0	0.00%	0	0.00%
Sub-Total	139,051	110,000	145,659	6,608	4.75%	35,659	32.42%
4750-LV Charges	0	76,107	77,713	77,713	n/a	1,606	2.11%
Sub-Total	0	76,107	77,713	77,713	n/a	1,606	2.11%
Subtotal Amortization & Low Voltage charges	139,051	186,107	223,372	84,321	60.64%	37,265	20.02%

OM&A Costs	2006 (from EDR 2006)	2008 Actual (from 2008 Audited)	2010 Test Year (Rate Year)	Variance ($) 2006 to 2010	Percent Change (%)	Variance ($) 2008 to 2010	Percent Change (%)
TOTAL OM & A	704,763	817,528	1,022,204	317,441	45.04%	204,676	25.04%
OM& A net of amortization	565,712	707,528	876,545	310,832	54.95%	169,017	23.89%
O&M net of administration & amortization	361,559	548,762	635,817	274,258	75.85%	87,055	15.86%
Administration	204,153	158,766	240,728	36,575	17.92%	81,961	51.62%
Total Compensation Charged to OM&A	310,248	403,198	396,336	93,788	30.23%	128,884	31.97%
Administration % of net OM&A	36.09%	22.44%	27.46%				
Billing & collecting % of net OM&A	20.65%	22.07%	24.54%				
Compensation as % of net OM&A	54.84%	56.99%	45.22%				

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.4.1 – EMPLOYEE COMPENSATION:

	2006	2007	2008	2009 Bridge Year	2010 Test Year
Number of Employees (FTEs including Part-Time)					
Management			1.00	0.42	
Non-Union	1.00	1.00	1.00	1.00	1.00
Union	3.00	3.00	3.00	3.83	4.00
Sub-Total	4.00	4.00	5.00	5.25	5.00
Executive	1.00	1.00	1.00	1.00	1.00
Total	5.00	5.00	6.00	6.25	6.00
Number of Part-Time Employees					
Management					
Non-Union	0.46	0.46			
Union					
Sub-Total	0.46	0.46	-	-	-
Executive					
Total	0.46	0.46	-	-	-
Total Salary and Wages					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	300,714	318,514	388,981	380,531	376,107
Total Benefits					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	46,758	53,878	64,516	90,500	90,500
Total Compensation (Salary, Wages, & Benefits)					
Management					
Non-Union					
Union					
Sub-Total	-	-	-	-	-
Executive	-	-	-	-	-
Total	347,472	372,392	453,497	471,031	466,607
Compensation - Average Yearly Base Wages					
Management					
Non-Union					
Union					
Sub-Total					

Executive					
Total	63,659	68,224	75,583	75,365	77,768
Compensation - Average Yearly Overtime					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	8,852	8,352	8,437	8,500	8,500
Compensation - Average Yearly Incentive Pay					
Management					
Non-Union					
Union					
Sub-Total					
Executive					
Total	-	-	-	-	-
Compensation - Average Yearly Benefits					
Management					
Non-Union					
Union					
Sub-Total	-	-	-	-	-
Executive	-	-	-	-	-
Total	8,566	9,871	10,753	14,480	15,083
Total Compensation	347,472	372,392	453,497	471,031	466,607
Total Compensation Charged to OM&A	310,248	331,456	403,198	355,187	396,336
Total Compensation Capitalized	1,806	965	6,937	35,202	44,457

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.5.1 – SHARED SERVICES / CORPORATE COST ALLOCATION:

	2004	2005	2006	2007	2008	2009	2010
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Office lease	Office lease	Office lease	Office lease	Office lease	Office lease	Office lease
Pricing Methodology	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot	Yearly per square foot
Price for the Service ($/square foot)	$ 18.00	$ 18.45	$ 18.91	$ 19.38	$ 19.87	$ 20.37	$ 20.87
Cost for the Service ($/year)	$ 8,011.80	$ 8,212.10	$ 8,417.40	$ 8,627.83	$ 8,843.53	$ 9,064.62	$ 9,291.23
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading	Water meter reading
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent
Price for the Service ($)							
Cost for the Service ($)	$ 17,495.00	$ 19,207.00	$ 16,765.00	$ 18,476.00	$ 22,571.00	$ 22,402.00	$ 22,450.00
% Allocation	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Water billing	Water billing	Water billing	Water billing	Water billing	Water billing	Water billing
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent

Price for the Service ($)							
Cost for the Service ($)	$ 7,890.00	$ 7,722.00	$ 7,657.00	$ 8,083.00	$ 8,803.00	$ 8,977.00	$ 9,000.00
% Allocation	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst
Service Offered	Managers time	Managers time	Managers time	Managers time	Managers time	Managers time	Managers time
Pricing Methodology							
Price for the Service ($)							
Cost for the Service ($)	$ 12,721.00	$ 13,292.00	$ 13,627.00	$ 15,070.00	$ 16,577.00	$ 16,431.00	$ 16,500.00
% Allocation	21.65%	21.65%	21.65%	21.65%	21.65%	21.65%	21.65%
Name of Company	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Town of Hearst	Hearst Power Sales & Serv.
Service Offered	Street light maintence	Street light maintence	Street light maintence	Street light maintence	Street light maintence	Street light maintence	Street light maintence
Pricing Methodology	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent	actual time & overheads percent
Price for the Service ($)							
Cost for the Service ($)	$ 5,839.00	$ 7,943.00	$ 6,507.00	$ 10,734.00	$ 10,153.00	$ 13,115.00	$ 14,000.00
% Allocation							

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.5.2 – PURCHASE OF SERVICES:

Name of Company transacting with the Applicant	Account	Summary of the nature of the activity transacted	Summary of tendering cost process/summary of approach	2006 Annual Expense	2007 Annual Expense	2008 Annual Expense	2009 Bridge Year Annual Expense	2010 Test Annual Expense
ECMI	5630	REGULATORY SUPPORT		61,563	49,475	26,938	1,625	-
ECMI*	5630	REGULATORY SUPPORT REBASING 2010					121,625	33,005
COLLINS BARROW	5630	AUDITORS	SOLE LOCAL ACCOUNTANT FIRM	6,160	5,972	6,267	8,995	8,995
COLLINS BARROW	5630	AUDITORS	SUPPORT REBASING 2010				9,024	8,000
AESI (ACCUMEN EGINEERED SOLUTIONS INTERNATIONAL INC.	5025	ESA AUDITS (REG.COMPLIANCE)	TENDERING PROCESS WITH NORTHEAST LDCS	1,691	1,702	1,733	1,800	1,850
COMMUNICATION	5340	ANSWERING SERVICE (AFTER BUSINESS HOURS & WEEKENDS)	27% OF THE TOWN'S TOTAL INVOICE	9,867	10,072	10,250	10,410	10,600
UTIL-ASSIST	1556	SMART METER PROJECT (OM&A)	TOTAL COST SHARED WITH THE D9 GROUP**		9,788	9,538	16,000	11,000
ADVANCES UTILITY SYSTEMS	5315	BILLING SYSTEM SUPPORT		15,256	33,778	24,407		
ECALIBER	5315	HARRIS BILLING SYSTEM SUPPORT					32,200	
PETERBOROUGH UTILITIES	5310	INTERVAL & WHOLESALE METERS INTERROGATION	QUOTES REQUESTED	5,352	6,828	6,588	1,800	1,800

THE SPI GROUP	5315	EBT - REG.COMPLIANCE		1,800	1,800	1,800	1,800	
BERCELL INTEGRATED	5315	IT SUPPORT		1,200	1,490	1,600	1,600	1,600
ITRON	5310	MVRS - SOFTWARE SUPPORT		2,085	2,555	1,993	1,648	1,700
SENSUS	5310	SMART METER NETWORK					62,608	85,079
OLAMETER	1860	SMART METERS INSTALLATIONS					62,320	
UTILISMART	5315	SETTLEMENT SERVICES					15,600	15,600
			TOTAL:	**104,974**	**123,460**	**91,114**	**349,055**	**179,229**

*** TO BE REVISED ON COMPLETION OF DECISION**

**** D9 GROUP IS THE NORTHEASTERN ONTARIO LDC GROUP**

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.6.1.1 - Depreciation Expense Applicants must provide a breakdown of depreciation expense in the following format for all relevant accounts:

		2004	2004	2004	2004	2004	2004	2004	2005	2005	2005	2005	2005	2005	2005
Account	**Description**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
	Transmission Plant														
1815	1815 - Transformer Station Equipment	0	0	0	0	0		n/a	0	0	0	0	0		n/a
	Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Distribution Plant														
1805	1805 - Land	0	0	0	0	0		n/a	0	0	0	0	0		n/a
1806	1806 - Land Rights	0	0	0	0	0		n/a	0	0	0	0	0	0	n/a
1810	1810 - Leasehold Improvements	0	0	0	0	0		n/a	0	0	0	0	0		n/a
1820	1820 - Distribution Station Equipment	0	0	0	0	0		n/a	0	0	0	0	0		n/a
1825	1825 - Storage Battery Equipment	0	0	0	0	0		n/a	0	0	0	0	0		n/a
1830	1830 - Poles, Towers and Fixtures	13007.06	-	13007.06	1,602.19	13808.155	25	552.3262	14,609.25	-	14609.25	8,822.67	19020.585	25	760.8234
1835	1835 - Overhead Conductors and Devices	1520684.46	987,663.28	533021.18	2,885.08	534463.72	25	21378.5488	1,523,569.54	1,027,688.95	495880.59	32,507.11	512134.145	25	20485.3658
1840	1840 - Underground Conduit	3086.81	-	3086.81	1,976.29	4074.955	25	162.9982	5,063.10	-	5063.1	- 2,084.51	4020.845	25	160.8338
1845	1845 - Underground Conductors and Devices	414572.82	268,531.79	146041.03	-	146041.03	25	5841.6412	414,572.82	282,504.11	132068.71	2,173.59	133155.505	25	5326.2202
1850	1850 - Line Transformers	508705.09	403,953.88	104751.21	5,443.55	107472.985	25	4298.9194	514,148.64	412,437.56	101711.08	9,358.59	106390.375	25	4255.615
1970	1970 - Load Management Controls - Customer Premises	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1975	1975 - Load Management Controls - Utility Premises	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1980	1980 - System Supervisory Equipment	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1995	1995 - Contributions and Grants	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1996	1996 - Hydro One S/S Contribution	-	-	0	-	0		n/a	-	-	0	-	0		n/a
	Sub-Total	2460056.24	1660148.95	799907.29	11907.11	805860.845	125	32234.4338	2471963.35	1722630.62	749332.73	50777.45	774721.455	125	30988.8582
	General Plant														
1610	1610 - Miscellaneous Intangible Plant	0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
1808	1808 - Buildings and Fixtures	0	0	0	0	0		n/a	0	0	0	0	0		n/a
1905	1905 - Land	7,600.00	-	7600	-	7600		n/a	7,600.00	-	7600	-	7600		n/a
1906	1906 - Land Rights	2,432.00	972.80	1459.2	1,800.00	2359.2	10	235.92	4,232.00	1,396.00	2836	-	2836	10	283.6
1908	1908 - Buildings and Fixtures	185,770.20	56,296.07	129474.13	15,799.77	137374.015	50	2747.4803	201,569.97	60,057.99	141511.98	-	141511.98	50	2830.2396
1910	1910 - Leasehold Improvements	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1915	1915 - Office Furniture and Equipment	30,471.82	16,237.75	14234.07	2,896.81	15682.475	10	1568.2475	33,368.63	18,232.18	15136.45	8,793.90	19533.4	10	1953.34
1920	1920 - Computer Equipment - Hardware	77,301.21	60,230.37	17070.84	-	17070.84	5	3414.168	77,301.21	66,330.37	10970.84	1,044.36	11493.02	5	2298.604
1921	1921 - Hardware post Mar 22/04 + Hardware post Mar 19/07	-	-	0	-	0	5	0	-	-	0	-	0	5	0
1925	1925 - Computer Software	49,669.20	12,734.28	36934.92	5,313.03	39591.435	5	7918.287	54,982.23	23,730.37	31251.86	-	31251.86	5	6250.372
1930	1930 - Transportation Equipment	441,136.22	406,716.51	34419.71	-	34419.71	5	6883.942	441,136.22	435,250.11	5886.11	-	5886.11	5	1177.222
1935	1935 - Stores Equipment	1,854.52	1,854.52	0	-	0	10	0	1,854.52	1,854.52	0	-	0	10	0
1940	1940 - Tools, Shop and Garage Equipment	83,808.43	68,438.78	15369.65	7,111.80	18925.55	10	1892.555	90,920.23	72,898.46	18021.77	-	18021.77	10	1802.177
1945	1945 - Measurement and Testing Equipment	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1950	1950 - Power Operated Equipment	-	-	0	-	0		n/a	-	-	0	-	0		n/a
1955	1955 - Communication Equipment	-	-	0	-	0	10	0	-	-	0	3,546.04	1773.02	10	177.302
1960	1960 - Miscellaneous Equipment	-	-	0	-	0		n/a	-	-	0	-	0		n/a
	Sub-Total	880043.6	623481.08	256562.52	32921.41	273023.225	120	24660.5998	912965.01	679750	233215.01	13384.3	239907.16	120	16772.8566
	Other Plant														
1855	1855 - Services	5,460.87	-	5,460.87	-	5460.87	25	218.4348	5,460.87	-	5,460.87	2,463.98	6692.86	25	267.7144
1861	1861 - Smart Meters	-	-	-	-	0		n/a	-	-	-	-	0		n/a
1860	1860 - Meters	320,899.88	208,607.72	112,292.16	1,458.00	113021.16	25	4520.8464	322,357.88	219,643.12	102,714.76	893.66	103161.59	25	4126.4636
1990	1990 - Other Tangible Property	0	0	-	0	0	0	n/a	0	0	-	0	0	0	n/a
	Sub-Total	326360.75	208607.72	117753.03	1458	118482.03	50	4739.2812	327818.75	219643.12	108175.63	3357.64	109854.45	50	4394.178
	TOTAL	3666460.59	2492237.75	1174222.84	46286.52	1197366.1	295	61634.3148	3712747.11	2622023.74	1090723.37	67519.39	1124483.065	295	52155.8928

NOTE: Accounts 1806, 1610 and 1990 are not included in Fixed asset continuity schedule and therefore we do not have closing balance depreciation for them. However, since their closing balance costs in the trial balance are zero for all years, it is inferred that they have zero depreciation.

2006	2006	2006	2006	2006	2006	2006	2007	2007	2007	2007	2007	2007	2007
Opening Balance (a)	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
23,431.92	-	23431.92	3,279.72	25071.78	25	1002.8712	26,711.64	-	26711.64	1,291.19	27357.235	25	1094.2894
1,556,076.65	1,067,164.72	488911.93	11,153.01	494488.435	25	19779.5374	1,567,229.66	1,106,096.89	461132.77	2,497.42	462381.48	25	18495.2592
2,978.59	5,063.10	-2084.51	1,406.55	-1381.235	25	-55.2494	4,385.14	5,063.10	-677.96	773.04	-291.44	25	-11.6576
416,746.41	291,413.33	125333.08	3,470.67	127068.415	25	5082.7366	420,217.08	305,580.74	114636.34	-	114636.34	25	4585.4536
523,507.23	421,394.14	102113.09	3,554.45	103890.315	25	4155.6126	527,061.68	430,528.80	96532.88	11,124.33	102095.045	25	4083.8018
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
2522740.8	1785035.29	737705.51	22864.4	749137.71	125	29965.5084	2545605.2	1847269.53	698335.67	15685.98	706178.66	125	28247.1464
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
7,600.00	-	7600	-	7600		n/a	7,600.00	-	7600	-	7600		n/a
4,232.00	1,819.20	2412.8	-	2412.8	10	241.28	4,232.00	2,242.40	1989.6	-	1989.6	10	198.96
201,569.97	63,819.91	137750.06	-	137750.06	50	2755.0012	201,569.97	67,581.83	133988.14	-	133988.14	50	2679.7628
-	-	0	-	0		n/a	-	-	0	-	0		n/a
42,162.53	21,106.00	21056.53	-	21056.53	10	2105.653	42,162.53	23,979.82	18182.71	-	18182.71	10	1818.271
78,345.57	72,639.24	5706.33	1,176.12	6294.39	5	1258.878	79,521.69	76,864.33	2657.36	-	2657.36	5	531.472
-	-	0	-	0	5	0	-	-	0	-	0	5	0
54,982.23	34,726.46	20255.77	-	20255.77	5	4051.154	54,982.23	45,722.55	9259.68	-	9259.68	5	1851.936
441,136.22	441,136.22	0	-	0	5	0	441,136.22	441,136.22	0	30,826.40	15413.2	5	3082.64
1,854.52	1,854.52	0	-	0	10	0	1,854.52	1,854.52	0	-	0	10	0
90,920.23	76,504.14	14416.09	-	14416.09	10	1441.609	90,920.23	79,226.82	11693.41	3,028.97	13207.895	10	1320.7895
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
3,546.04	354.61	3191.43	-	3191.43	10	319.143	3,546.04	709.22	2836.82	-	2836.82	10	283.682
-	-	0	-	0		n/a	-	-	0	-	0		n/a
926349.31	713960.3	212389.01	1176.12	212977.07	120	12172.7182	927525.43	739317.71	188207.72	33855.37	205135.405	120	11767.5133
7,924.85	-	7924.85	897.43	8373.565	25	334.9426	8,822.28	-	8822.28	739.65	9192.105	25	367.6842
-	-	0	-	0		n/a	-	-	0	-	0		n/a
323,251.54	230,706.27	92545.27	32,812.89	108951.715	25	4358.0686	356,064.43	239,539.60	116524.83	1,499.19	117274.425	25	4690.977
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
331176.39	230706.27	100470.12	33710.32	117325.28	50	4693.0112	364886.71	239539.6	125347.11	2238.84	126466.53	50	5058.6612
3780266.5	2729701.86	1050564.64	57750.84	1079440.06	295	46831.2378	3838017.34	2826126.84	1011890.5	51780.19	1037780.595	295	45073.3209

2008	2008	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009	2009	2009
Opening Balance (a)	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**	**Opening Balance (a)**	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
28,002.83	-	28002.83	2,625.07	29315.365	25	1172.6146	30,627.90	-	30627.9	1,969.17	31612.485	25	1264.4994
1,569,727.08	1,144,723.61	425003.47	9,897.50	429952.22	25	17198.0888	1,579,624.58	1,185,354.29	394270.29	2,355.06	395447.82	25	15817.9128
5,158.18	5,063.10	95.08	714.83	452.495	25	18.0998	5,873.01	5,063.10	809.91	-	809.91	25	32.3964
420,217.08	319,779.07	100438.01	3,173.08	102024.55	25	4080.982	423,390.16	334,132.92	89257.24	-	89257.24	25	3570.2896
538,186.01	440,138.02	98047.99	4,385.92	100240.95	25	4009.638	542,571.93	449,930.79	92641.14	2,377.69	93829.985	25	3753.1994
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
2561291.18	1909703.8	651587.38	20796.4	661985.58	125	26479.4232	2582087.58	1974481.1	607606.48	6701.92	610957.44	125	24438.2976
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
0	0	0	0	0		n/a	0	0	0	0	0		n/a
7,600.00	-	7600	-	7600		n/a	7,600.00	-	7600	-	7600		n/a
4,232.00	2,665.60	1566.4	-	1566.4	10	156.64	4,232.00	3,088.80	1143.2	-	1143.2	0	n/a
201,569.97	71,343.75	130226.22	-	130226.22	50	2604.5244	201,569.97	75,105.67	126464.3	13,009.06	132968.83	50	2659.3766
-	-	0	-	0		n/a	-	-	0	-	0		n/a
42,162.53	26,853.64	15308.89	-	15308.89	10	1530.889	42,162.53	29,727.46	12435.07	5,965.92	15418.03	10	1541.803
79,521.69	78,402.42	1119.27	14,156.76	8197.65	5	1639.53	93,678.45	81,677.87	12000.58	-	12000.58	5	2400.116
-	-	0	-	0	5	0	-	-	0	-	0	5	0
54,982.23	53,919.55	1062.68	60,975.07	31550.215	5	6310.043	115,957.33	67,177.20	48780.13	-	48780.13	5	9756.026
471,962.62	447,301.50	24661.12	14,472.00	31897.12	5	6379.424	486,434.62	456,361.18	30073.44	-	30073.44	5	6014.688
1,854.52	1,854.52	0	-	0	10	0	1,854.52	1,854.52	0	-	0	10	0
93,949.20	82,252.40	11696.8	2,821.80	13107.7	10	1310.77	96,771.00	84,260.16	12510.84	-	12510.84	10	1251.084
-	-	0	-	0		n/a	-	-	0	-	0		n/a
-	-	0	-	0		n/a	-	-	0	-	0		n/a
3,546.04	1,063.82	2482.22	-	2482.22	10	248.222	3,546.04	1,418.42	2127.62	-	2127.62	10	212.762
-	-	0	-	0		n/a	-	-	0	-	0		n/a
961380.8	765657.2	195723.6	92425.63	241936.415	120	20180.0424	1053806.46	800671.28	253135.18	18974.98	262622.67	110	23835.8556
9,561.93	-	9561.93	204.03	9663.945	25	386.5578	9,765.96	-	9765.96	-	9765.96	25	390.6384
-	-	0	-	0	25	0	-	-	0	437,189.97	218594.985	15	14572.999
357,563.62	248,432.90	109130.72	1,058.40	109659.92	25	4386.3968	358,622.02	257,368.68	101253.34	6,194.22	104350.45	25	4174.018
0	0	0	0	0	0	n/a	0	0	0	0	0	0	n/a
367125.55	248432.9	118692.65	1262.43	119323.865	75	4772.9546	368387.98	257368.68	111019.3	443384.19	332711.395	65	19137.6554
3889797.53	2923793.9	966003.63	114484.46	1023245.86	320	51432.4202	4004282.02	3032521.06	971760.96	469061.09	1206291.505	300	67411.8086

2010	2010	2010	2010	2010	2010	2010
Opening Balance (a)	**Less Fully Depreciated (b)**	**Net for Depreciation (c) = (a) - (b)**	**Additions (d)**	**Total for Depreciation (e) = (c) + 0.5 x (d)**	**Years (f)**	**Depreciation Expense (g) = (e) / (f)**
0	0	0	0	0		n/a
0	0	0	0	0	0	0
0	0	0	0	0		n/a
0	0	0	0	0	0	n/a
0	0	0	0	0		n/a
0	0	0	0	0		n/a
0	0	0	0	0		n/a
32,597.07	39.38	32557.6866	10,000.00	37557.6866	25	1502.307464
1,581,979.64	1,226,032.07	355947.5688	18,500.00	365197.5688	25	14607.90275
5,873.01	5,063.10	809.91	-	809.91	25	32.3964
423,390.16	348,486.77	74903.39	13,300.00	81553.39	25	3262.1356
544,949.62	459,771.11	85178.5062	16,500.00	93428.5062	25	3737.140248
-	-	0	-	0		n/a
-	-	0	-	0		n/a
-	-	0	-	0		n/a
-	-	0	-	0		n/a
-	-	0	-	0		n/a
2588789.5	2039392.438	549397.0616	58300	578547.0616	125	23141.88246
0	0	0	0	0	0	n/a
0	0	0	0	0		n/a
7,600.00	-	7600	-	7600		n/a
4,232.00	3,512.00	720	-	720	10	72
214,579.03	78,997.68	135581.3494	-	135581.3494	50	2711.626988
-	-	0	-	0		n/a
48,128.45	32,899.58	15228.874	25,000.00	27728.874	10	2772.8874
93,678.45	84,953.32	8725.13	-	8725.13	5	1745.026
-	-	0	10,000.00	5000	5	1000
115,957.33	80,434.85	35522.48	25,000.00	48022.48	5	9604.496
486,434.62	465,420.86	21013.76	12,500.00	27263.76	5	5452.752
1,854.52	1,854.52	0	-	0	10	0
96,771.00	86,267.92	10503.08	2,000.00	11503.08	10	1150.308
-	-	0	-	0		n/a
-	-	0	-	0		n/a
3,546.04	1,773.02	1773.02	-	1773.02	10	177.302
-	-	0	-	0		n/a
1072781.44	836113.7466	236667.6934	74500	273917.6934	120	24686.39839
9,765.96	-	9765.96	1,000.00	10265.96	25	410.6384
437,189.97	14,427.27	422762.701	114,896.00	480210.701	15	32014.04673
138,373.78	81,666.45	56707.33495	-	56707.33495	25	2268.293398
0	0	0	0	0	0	n/a
585329.711	96093.71504	489235.9959	115896	547183.9959	65	34692.97853
4246900.651	2971599.9	1275300.751	248696	1399648.751	310	82521.25938

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.7.1 – TAX CALCULATIONS:

Summary of Income Tax Calculation

INCOME TAX, LARGE CORPORATON TAX AND ONTARIO CAPITAL TAX TABLE	**EDR 2006**	**2006 Actual**	**2007 Actual**	**2008 Actual**	**2009 Bridge**	**2010 Test**
Determination of Taxable Income						
Regulatory Net Income (before tax)	106,992			45,851	74,167	377,428
Additions to Accounting Income:						
- Interest and penalties on taxes						
- Amortization of tangible assets	139,051			108,727	120,440	144,386
Amortization of intangible assets				1,273	8,750	8,838
- Loss on disposal of assets				9,933	0	0
- Non-deductible meals and entertainment expense						
- Other Additions						
Total Additions	139,051	0	0	119,933	129,190	153,224
Deductions from Accounting Income:						
- Gain on disposal of assets per financial statements						
- Capital cost allowance from Schedule 8	95,150			118,282	131,667	142,421
- Cumulative eligible capital deduction from Schedule 10	0			925	800	744
- Interest capitalized for accounting deducted for tax						
- Capital Lease Payments						
- Other Deductions						
Total Deductions	95,150	0	0	119,207	132,467	143,165
Regulatory Taxable Income	150,893	0	0	46,577	70,889	387,487
Corporate Income Tax Rate	18.62%	18.62%	18.62%	16.50%	16.50%	16.00%
Calculation of Utility Income Taxes						
- Income Taxes (Line 23)						
- Large Corporation Tax (Line 14, page 2)	0	0	0	0	0	0
Corporate PILs/Income Tax Provision	28,096	0	0	7,685	11,697	61,998
Ontario Capital Tax		6,884	4,973	4,413	4,869	0
LCT						

INCLUSION IN RATES	**EDR 2006**	**2006 Actual**	**2007 Actual**	**2008 Actual**	**2009 Bridge**	**2010 Test**
Income Tax (Grossed Up)	34,525	0	0	9,204	14,008	73,807
Ontario Capital Tax (not Grossed UP)	0	6,884	4,973	4,413	4,869	0
LCT (Grossed Up)						0
Tax Provision For Rate Recovery	34,525	6,884	4,973	13,617	18,877	73,807

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

4.7.2 – Capital Cost Allowance (CCA):

2006 Board Approved **From 2006 Approved Tax Model**

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	Distribution System - post 1987	137,629	79,750	217,379	39875	177,504	4	7,100	210,279
2	Distribution System - pre 1988	933,351		933,351	0	933,351	6	56,001	877,350
8	General Office/Stores Equip	44,208		44,208	0	44,208	20	8,842	35,366
10	Computer Hardware/ Vehicles	71,179		71,179	0	71,179	30	21,354	49,825
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	4118		4,118	0	4,118	45	1,853	2,265
				-	0	-		-	-
				-	0	-		-	-
									-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,198,085	79,750	1,277,835	39,875	1,237,960		95,150	1,182,685

2006 Actual ***from Sch 8 2005***

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	Distribution System - post 1987	132,124		132,124	0	132,124	4	5,285	126,839
2	Distribution System - pre 1988	927,471	56,574.72	984,046	28287.36	955,758	6	57,346	926,700
8	General Office/Stores Equip	48,690		48,690	0	48,690	20	9,738	38,952
10	Computer Hardware/ Vehicles	49,825		49,825	0	49,825	30	14,948	34,878
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	3,074	1,176.12	4,250	588.06	3,662	45	1,648	2,602
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,168,784	57,751	1,226,535	28,875	1,197,659		88,964	1,137,571

2007 Actual

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	buildings	126,839		126,839	0	126,839	4	5,074	121,765
2	Distribution System - pre 1988	926,700	17,924.82	944,625	8962.41	935,663	6	56,140	888,485
8	General Office/Stores Equip	38,952	3,028.97	41,981	1514.485	40,466	20	8,093	33,888
10	Computer Hardware/ Vehicles	34,878	30,826.40	65,704	15413.2	50,291	30	15,087	50,617
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	2,602		2,602	0	2,602	45	1,171	1,431
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,137,571	51,780	1,189,351	25,890	1,163,461		85,565	1,103,786

2008 Actual

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	buildings	121,765		121,765	0	121,765	4	4,871	116,895
2	Distribution System - pre 1988	888,485	22,058.83	910,544	11029.415	899,515	6	53,971	856,573
8	General Office/Stores Equip	33,888	2,821.80	36,709	1410.9	35,299	20	7,060	29,650
10	Computer Hardware/ Vehicles	50,617	14,472.00	65,089	7236	57,853	30	17,356	47,733
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	1,431		1,431	0	1,431	45	644	787
50	computers post 07	-	14,156.76	14,157	7078.38	7,078	55	3,893	10,264
12	computer software	-	60,975.07	60,975	30487.535	30,488	100	30,488	30,488
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,103,786	114,484	1,218,271	57,242	1,161,029		118,282	1,099,989

2009 Bridge

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	buildings	116,895	13,009.06	129,904	6504.53	123,399	4	4,936	124,968
2	Distribution System - pre 1988	856,573		856,573	0	856,573	6	51,394	805,179
8	General Office/Stores Equip	29,650	5,966	35,616	2982.96	32,633	20	6,527	29,089
10	Computer Hardware/ Vehicles	47,733		47,733	0	47,733	30	14,320	33,413
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	787		787	0	787	45	354	433
50	computers post 07	10,264		10,264	0	10,264	55	5,645	4,619
12	computer software	30,488		30,488	0	30,488	100	30,488	-
47	Distribution System		450,086.11	450,086	225043.055	225,043	8	18,003	432,083
52	Computer and system software after January 27 2009		-	-	0	-	100	-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,099,989	469,061	1,569,050	234,531	1,334,520		131,667	1,437,383

2010 Test

Class	Class Description	UCC Opening Balance	Additions Dispositions	UCC Before 1/2 yr Adjustment	1/2 Year Rule (1/2 Additions less Disposals)	Reduced UCC	Rate %	CCA	UCC ending Balance
1	buildings	124,968		124,968	0	124,968	4	4,999	119,969
2	Distribution System - pre 1988	805,179		805,179	0	805,179	6	48,311	756,868
8	General Office/Stores Equip	29,089	25,000.00	54,089	12500	41,589	20	8,318	45,771
10	Computer Hardware/ Vehicles	33,413	10,000.00	43,413	5000	38,413	30	11,524	31,889
36	Land	7,600		7,600	0	7,600	0	-	7,600
45	Computers & Systems Software acq'd post Mar 22/04	433		433	0	433	45	195	238
50	computers post 07	4,619		4,619	0	4,619	55	2,540	2,078
12	computer software	-		-	0	-	100	-	-
47	Distribution System	432,083	174,196.00	606,279	87098	519,181	8	41,534	564,744
52	Computer and system software after January 27 2009	-	25,000.00	25,000	0	25,000	100	25,000	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
				-	0	-		-	-
Totals		1,437,383	234,196	1,671,579	104,598	1,566,981	368	142,421	1,529,158

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266 Rate Year: 2010

5.1.2 - CAPITAL STRUCTURE

2006 Board Approved Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	50.00%	$1,126,780		$ -
2	Short-term Debt	0.00% (1)	$ -		$ -
3	**Total Debt**	50.0%	$1,126,780	0.00%	$ -
	Equity				
4	Common Equity	50.00%	$1,126,780	0.00%	$ -
5	Preferred Shares				$ -
6	**Total Equity**	50.0%	$1,126,780	0.00%	$ -
7	**Total**	100.0%	$2,253,560	0.00%	$ -

Notes
(1) 4.0% unless an applicant utility has proposed or been approved for a different amount.

Year 2007 Actual Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	50.00%	$1,123,132		$ -
2	Short-term Debt	0.00% (1)	$ -		$ -
3	**Total Debt**	50.0%	$ -	0.00%	$ -
			$1,123,132		
	Equity				
4	Common Equity	50.00%	$1,123,132	0.00%	$ -
5	Preferred Shares		$ -		$ -
6	**Total Equity**	50.0%	$ -	0.00%	$ -
			$1,123,132		
7	**Total**	100.0%	$2,246,263	0.00%	$ -

Notes
(1) 4.0% unless an applicant utility has proposed or been approved for a different amount.

2008 Actual **Capitalization/Cost of Capital**

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	49.30%	$985,625		$ -
2	Short-term Debt	4.00% (1)	$79,970		$ -
3	**Total Debt**	53.3%	$1,065,595	0.00%	$ -
	Equity				
4	Common Equity	46.70%	$933,645	0.00%	$ -
5	Preferred Shares		$ -		$ -
6	**Total Equity**	46.7%	$933,645	0.00%	$ -
7	**Total**	100.0%	$1,999,240	0.00%	$ -

Notes

(1) 4.0% unless an applicant utility has proposed or been approved for a different amount.

2009 Bridge Year **Capitalization/Cost of Capital**

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	52.70%	$1,186,116	7.62%	$96,042
2	Short-term Debt	4.00% (1)	$90,028	1.33%	$1,197
3	**Total Debt**	56.7%	$1,276,144	7.20%	$97,239
	Equity				
4	Common Equity	43.30%	$974,551	8.01%	$72,112
5	Preferred Shares		$ -	8.01%	$ -
6	**Total Equity**	43.3%	$974,551	8.01%	$72,112
7	**Total**	100.0%	$2,250,695	7.52%	$169,351

Notes

(1) 4.0% unless an applicant utility has proposed or been approved for a different amount.

Line No.	2010 Test Year Particulars	Capitalization/Cost of Capital Capitalization Ratio		Cost Rate	Return
		Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$1,374,167	5.87%	$80,664
2	Short-term Debt	4.00% (1)	$98,155	2.07%	$2,032
3	**Total Debt**	60.0%	$1,472,322	5.62%	$82,696
	Equity				
4	Common Equity	40.00%	$981,548	9.85%	$96,682
5	Preferred Shares		$ -	9.85%	$ -
6	**Total Equity**	40.0%	$981,548	9.85%	$96,682
7	**Total**	100.0%	$2,453,870	7.31%	$179,378

Notes

(1) 4.0% unless an applicant utility has proposed or been approved for a different amount.

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Table 7.1.1.1
Revenue to Cost Ratios
Summary of Results 2006 CA filing

Rate Classification	Revenue to Cost Ratio %	$ (Being Subsidized)/Over Contributing	Revenue to Cost Ratio % TA OUT
Residential	88.45%	($75,589)	96.84%
General Service <50 kW	97.28%	($4,940)	105.83%
General Service 50 kW to 2,999 kW	205.89%	$105,563	222.02%
General Service 3,000 kW to 4,999 kW	79..75%	($22,976)	78.60%
Street Lights	25.28%	($76,512)	28.50%
Sentinel Lights	84.53%	($547)	95.30%
Total	93.51%	($75,001)	101.21%

Table 7.1.1.2
2006 EDR Base Revenue Calculations & Transformer Allowance
Base Revenue Requirement Allocated (adjusted for Transformer Credit)

	Overall Allocation to Classes $
Residential	$ 654,563.79
General Service <50 kW	$ 181,651.70
General Service 50 kW to 2,999 kW	$ 99,694.80
General Service 3,000 kW to 4,999 kW	$ 113,444.89
Sentinel Lighting	$ 3,537.18
Street Lighting	$ 102,404.54
TOTALS	**$ 1,155,296.90**
Less Transformer Credit	($87,959)
Base Revenue Requirement	**$ 1,067,337.90**

Table 7.1.1.3
Revenue to Cost Ratios PROPOSED
Summary of Results After Removal of Transformer Allowance All Classes

Rate Classification	Revenue to Cost Ratio %	$ (Being Subsidized)/Over Contributing
Residential	93.54%	($53,580)
General Service <50 kW	115.24%	$26,924
General Service 50 kW to 1,499 kW	179.18%	$42,644
General Service 1,500 kW to 4,999 kW	179.45%	$12,171
Street Lights	74.03%	($27,873)
Sentinel Lights	85.47%	($287)
Total	**100.00%**	**$0**

Table 7.1.1.4
Revenue to Cost Ratio (%)

Customer Class	{1} From Cost Allocation Model Excludes Transformer Allowance recognition in Revenue	(2) Column 1 Includes Transformer Ownership Allowance)	{3} Proposed for Test Year	(4) Board Target Range
Residential	90.84%	93.54%	93.54%	85 – 115
GS < 50 kW	112.13%	115.24%	115.24%	80 – 120
General Service 50 kW to 1,499 kW	192.38%	179.18%	179.18%	80 – 180
General Service 1,500 kW to 4,999 kW	333.67%	179.45%	179.45%	80– 180
Street Lights	71.94%	74.03%	74.03%	70 – 120
Sentinel Lights	82.43%	85.47%	85.47%	70 – 120

Table 7.1.1.5
Test Year Revenue Impacts

Customer Class	Current Revenue 2009 Rates	Test Year Revenue Assuming Current Revenue to Cost Ratios	Test Year Revenue Assuming Proposed Revenue to Cost Ratios
Residential	$ 516,933.34	$ 609,185.63	$ 695,354.14
GS < 50 kW	$ 154,241.36	$ 182,245.43	$ 183,823.84
General Service 50 kW to 1,499 kW	$ 170,882.23	$ 210,227.94	$ 88,496.22
General Service 1,500 kW to 4,999 kW	$ 22,597.65	$ 47,627.03	$ 24,962.13
Street Lights	$ 12,750.45	$ 15,042.28	$ 71,681.45
Sentinel Lights	$ 1,299.90	$ 1,537.75	$ 1,538.29

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Table 8.1.1.1 ALLOCATED REVENUE

Customer Class	{1} PROPOSED From Cost Allocation Model % of cost	(2) REVENUE Allocation at 100%
Residential	93.54%	$ 829,620.60
GS < 50 kW	115.24%	$ 176,675.77
General Service 50 kW to 1,499 kW	179.18%	$ 53,858.22
General Service 1,500 kW to 4,999 kW	179.45%	$ 2,136.42
Street Lights	74.03%	$ 107,337.75
Sentinel Lights	85.47%	$ 1,973.62

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

TABLE 8.1.1.2 Fixed Variabler Spit & Fixed charges

CLASS	APPROVED 2009 rates	Forecast 2010 STATS	Revenue at APPROVED 2009 rates before SSS and LV adjustment	Revenue at PROPOSED 2010 rates Cost Allocation Adjusted & Net of LV ADJUSTMENT	EXISTING Fixed & variable splits excludin Transformer Ownership Allowance	PROPOSED Fixed & variable splits excludin Transformer Ownership Allowance			CLASS	FIXED Charge	PROPOSED FIXED Charge	% Increase
0												
RESIDENTIAL	$ 8.4200	27,864	234,614.88	250,776.00	45.96%	36.40%			RESIDENTIAL			
kW			-	-					Minimum	$ 8.5154	9.00	6.89%
kW.h	$ 0.0102	27,043,280	275,841.46	438,101.14	54.04%	63.60%			Maximum	$ 11.7320		
0			-	-								
GS <50 kW	$ 5.9700	4,692	28,011.24	56,304.00	18.29%	30.82%			GS <50 kW			
kW			-	-					Minimum	$ 11.6138	12.00	101.01%
kW.h	$ 0.0097	12,897,126	125,102.12	126,391.84	81.71%	69.18%			Maximum	$ 15.9203		
0			-	-								
GS >50 kW	$ 30.4100	456	13,866.96	27,360.00	7.40%	27.88%			GS >50 kW			
kW	$ 2.9926	58,015	173,614.27	70,777.72	92.60%	72.12%			Minimum	$ 52.1639	60.00	97.30%
									Maximum	$ 71.8386		
0			-	-								
Intermediate Users	$ 57.3400	36	2,064.24	11,520.00	3.18%	23.18%			Intermediate Users			
kW	$ 0.8903	70,701	62,944.82	38,178.37	96.82%	76.82%			Minimum	$ 303.8043	320.00	458.07%
									Maximum	$ 413.4050		
0			-	-								
Sent Lights	$ 3.9800	276	1,098.48	1,380.00	86.91%	91.86%			Sent Lights			
kW	$ 1.8938	87	165.42	122.29	13.09%	8.14%			Minimum	$ 4.7820	5.00	25.63%
kW.h			-	-					Maximum	$ 6.6374		
0			-	-								
Street lights	$ 0.9900	8,712	8,624.88	4,356.00	67.68%	6.08%			Street lights			
kW	$ 1.2912	3,190	4,119.57	67,319.45	32.32%	93.92%			Minimum	$ 0.0004	0.50	-49.49%
kW.h				-					Maximum	$ 0.0006		

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

1.1.2. APPENDIX A

TABLE 8.1.1.3
MONTHLY RATES AND CHARGES

Customer Class	Unit	Tariff of Proposed Rates and Charges Effective May 1, 2010
Residential		
Service Charge	$	9.00
Distribution Volumetric Rate	$/kWh	0.0162
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service Less Than 50 kW		
Service Charge	$	12.00
Distribution Volumetric Rate	$/kWh	0.0098
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service		**50 to 1499 kW**
Service Charge	$	60.00
Distribution Volumetric Rate	$/kWh	1.2200
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
General Service		**1500 to 4,999 kW**
Service Charge	$	320.00
Distribution Volumetric Rate	$/kW	0.5400
Standard Supply Service - Administrative Charge (if applicable)	$	0.25
Sentinel Lighting		
Service Charge/connection	$	5.00
Distribution Volumetric Rate	$/kW	1.4000
Standard Supply Service/customer - Administrative Charge (if applicable)	$	0.25
Street Lighting		
Service Charge/connection	$	0.50
Distribution Volumetric Rate	$/kW	21.1000
Standard Supply Service/customer - Administrative Charge (if applicable)	$	0.25

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Table 8.1.2.1 - **Two years of Wholesale Network and Connection Costs and Retail Billings**

NOTE: **Proposed rates are based on Adjusted Hydro One Transmission and Distribution rates**

Month	IESO Network Service Charge	IESO Transformation Connection Service Charge	IESO Line Connection Service Charge	Network Billings RTSR	Connection Billings RTSR			Network	Connection
Jun-07	21386.31	11775	6437	39417.34	41046.53		**Old**		
Jul-07	20506.18	11646	6366.48	38824.24	40059.66		**IESO Costs**	291971.57	88444.5
Aug-07	19810	11448	6258.24	39364.45	40856.38		**Billing Revenues**	833953.25	918662.34
Sep-07	20401.47	11581.5	6331.22	38407.88	39404.27		**Ratio**	0.35010544	0.096275308
Oct-07	19020.43	11860.5	6483.74	41691	42640.92				
Nov-07	15179.01	12445.3	4560.7	45181.51	46353.16		**Estimated new**		
Dec-07	10316.46	8458.94	3099.86	40192.42	40971.41		**IESO Costs**	29197157	88444.5
Jan-08	10889.34	8595.79	3150.01	47445.1	48486.75		**Billing Revenues**	83395325	918662.34
Feb-08	10101.63	8283.45	3035.55	42849.09	43958.4		**Ratio**	0.35010544	0.096275308
Mar-08	10427.34	7900.27	2895.13	40648.89	41980.1				
Apr-08	9221.52	7555.73	2768.87	36125.68	37227.69				
May-08	8988.21	7341.6	2690.4	29273.83	34572.83				
Jun-08	8671.74	6911.73	2532.87	25649.13	30948.5				
Jul-08	8276.73	6592.95	2416.05	26228.73	31594.31				
Aug-08	9145.29	6977.74	2557.06	25161.08	30208.49				
Sep-08	8768.76	7177.38	2630.22	26365.69	31369.97				
Oct-08	8738.73	7166.11	2626.09	28244.05	33549.11				
Nov-08	10364.97	7414.05	2716.95	31133.91	35801.27				
Dec-08	10020.78	8217.44	3011.36	34914.76	41524.95				
Jan-09	10889.09	8075.7	3489.5	37856.25	45182.37				
Feb-09	11385.1	8138.88	3516.8	35664.38	42416.91				
Mar-09	9730.02	6810.48	2942.8	29238.97	35078.73				
Apr-09	8905.05	6604.74	2853.9	25327.2	30685.89				
May-09	10827.41	7113.42	3073.7	28747.67	32743.74				
Total	291971.57	206092.7	88444.5	833953.25	918662.34				
	a	b	c	d	e				

Month	Hydro One Transmission Network Service Charge	Hydro One Transmission Connection Service Charge
Jun-07	22853.88	18954.21
Jul-07	22012.2	18256.15
Aug-07	21460.32	17798.44
Sep-07	21853.44	18124.48
Oct-07	22785.84	19545.68
Nov-07	30691.08	25454.11
Dec-07	31595.76	26204.42
Jan-08	30927.96	25650.57
Feb-08	29438.64	24825.02
Mar-08	26608.68	23117.49
Apr-08	24043.19	20011.15
May-08	18136.23	16963.24
Jun-08	16735.26	15652.88
Jul-08	15690.06	14675.28
Aug-08	17557.35	16421.8
Sep-08	16578.48	15506.24
Oct-08	18767.37	17948.36
Nov-08	22841.64	21364.32
Dec-08	25,609.41	23,953.08
Jan-09	26,276.73	24,577.24
Feb-09	23390.37	21967.8
Mar-09	18124.17	17429.48
Apr-09	15400.62	14404.56
May-09	16796.24	15655.4
Total	536174.92	474461.4

Name of LDC:Hearst Power Distribution Company
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TABLE 8.1.2.2

	RTR Network service 2010 proposed rates rounded	RTR Line Connection 2010 proposed rates rounded	LV EMBEDDED 2010 proposed rates rounded
RESIDENTIAL	$ 0.0042	$ 0.0041	$ 0.0005
GS <50 kW	$ 0.0038	$ 0.0037	$ 0.0005
GS >50 kW	$ 1.5875	$ 1.4612	$ 0.1892
Intermediate Users	$ 1.7755	$ 1.7234	$ 0.2267
Sent Lights	$ 1.2033	$ 1.1532	$ 0.1429
Street lights	$ 1.1972	$ 1.1297	$ 0.1447

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

8.1.4.1 – LOSS ADJUSTMENT FACTOR CALCULATION:

		2004	2005	2006	2007	2008	5 Year Average
	Losses in Distributor's System						
A_1	"Wholesale" kWh delivered to distributor (higher value)	117,625,717	116,962,701	118,273,801	111,111,959	88,846,118	110,564,059
A_2	"Wholesale" kWh delivered to distributor (lower value)						
B	Portion of "Wholesale" kWh delivered to distributor for Large Use Customer(s)						
C	Net "Wholesale" kWh delivered to distributor (A_2)-(B)	117,625,717	116,962,701	118,273,801	111,111,959	88,846,118	110564059.2
D	"Retail" kWh delivered by distributor	114,477,154	112,917,026	113,505,053	107,054,646	85,198,798	106,630,535
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)						
F	Net "Retail" kWh delivered by distributor (D)-(E)	114,477,154	112,917,026	113,505,053	107,054,646	85,198,798	
G	Loss Factor in distributor's system [(C)/(F)]	1.0275	1.0358	1.0420	1.0379	1.0428	1.0372
	Losses Upstream of Distributor's System						
H	Supply Facility Loss Factor	1.0045	1.0045	1.0045	1.0045	1.0045	
	Total Losses						
I	Total Loss Factor [(G)x(H)]	1.0321	1.0405	1.0467	1.0426	1.0475	1.0419

A_1

- If directly connected to IESO controlled grid, kWh pertain to metering installation on the primary or high voltage side of the transformer at the interface with the transmission grid. This corresponds to the "Without Losses" kWh value provided by the IESO's MV-WEB. This corresponds to the higher of the two kWh values provided by MV-WEB.
- If fully embedded within a host distributor, kWh pertains to virtual metering at the interface between the embedded distributor and the host distributor. For example, if the host distributor is Hydro One, kWhs from the Hydro One invoice corresponding to "Total kWh Losses" should be reported. This corresponds to the higher of the two kWh values provided by the Hydro One invoice.
- If partially embedded, kWh pertains to the sum of above.

A_2

- If directly connected to the IESO controlled grid, kWhs pertain to metering installation on the secondary or low voltage side of the transformer at the interface with the transmission grid. This corresponds to the "With Losses" kWh value provided by the IESO's MV-WEB. This corresponds to the lower of the two kWh values provided by MV-WEB.
- If fully embedded within a host distributor, kWh pertains to virtual metering at the interface between the embedded distributor and the host distributor. For example, if the host distributor is Hydro One, kWh from the Hydro One invoice corresponding to "Total kWh" should be reported. This corresponds to the lower of the two kWh values provided by the Hydro One invoice.
- If partially embedded, kWh pertains to sum of above.
- Additionally, kWh pertaining to distributed generation should be included in A_2.

B

- If a Large Customer is metered on the secondary or low voltage side of the transformer, the default loss is 1%, i.e. B = 1.01 x E.

D

- kWhs corresponding to D should equal the total of "total billed energy sales in kWhs for each rate class" in item 1 of Section 2.1.3 in Electricity Reporting and Record Keeping Requirements dated April 4, 2008.

G & I

- This loss factor pertains to secondary metered customers less than 5,000 kW.

H

- If directly connected to IESO controlled grid, SFLF = 1.0045.
- If fully embedded within a host distributor, SFLF = loss factor re losses in transformer at grid interface x loss factor re losses in host distributor's system. If host distributor is Hydro One, SFLF = 1.0060 x 1.0278 = 1.0340.
- If partially embedded, SFLF is weighted average of above.

TEST AGAINST 2 year with Hydro One distribution delivery point

8.1.4.1 – LOSS ADJUSTMENT FACTOR CALCULATION:

		Deliveries to Hearst Power	Sales
1	Sep-07	8441906	7929570
2	Oct-07	8702807	7655898
3	Nov-07	8254635	8420020
4	Dec-07	9574588	7957369
5	Jan-08	9079341	7548005
6	Feb-08	8837021	9747345
7	Mar-08	9024592	8637308
8	Apr-08	7191861	8299830
9	May-08	6991462	7182043
10	Jun-08	6168427	6860093
11	Jul-08	5381918	6101453
12	Aug-08	6313812	5596579
13	Sep-08	6081323	5827191
14	Oct-08	6749178	5801623
15	Nov-08	7771702	6674486
16	Dec-08	9255481	6917660
17	Jan-09	9648923	8227627
18	Feb-09	8177291	9227378
19	Mar-09	7285105	7839449
20	Apr-09	6246753	7253897
21	May-09	6312381	6118255
22	Jun-09	6145195	5809695
23	Jul-09	4811813	5960371
24	Aug-09	5553989	4781235
25	Sep-09	6091246	5018456
26	Oct-09	6948814	5877557
Total		**191041564**	**183270393**
Loss Factor			**1.0424**

TABLE 8.1.4.2 Loss Factors

		2009	2010
	Supply Facilities Loss Factor	1.0045	1.0045
Distribution Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0357	1.0269
Distribution Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0357	1.0269
Total Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0404	1.0315
Total Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0404	1.0315

Name of LDC:Hearst Power Distribution Company

File Number: EB-2009-0266

Rate Year: 2010

Table 8.1.5.1 - Proposed Distribution Rate Components for 2010 excluding SSS charges

Customer Class	Unit of measure	Fixed Charge		Variable Charge	
		Distribution	Smart meter rider	Distribution	Reg asset rider
Residential	kwh	$ 9.0000	n/a	$ 0.0162	-$ 0.0009
GS < 50kW	kwh	$ 12.0000	n/a	$ 0.0098	-$ 0.0016
GS 50 – 1,499kW	kW	$ 60.0000	n/a	$ 1.2200	-$ 0.7168
GS 1,500 – 4,999kW	kW	$ 320.0000	n/a	$ 0.5400	-$ 0.7289
Street Lighting	kW	$ 0.5000	n/a	$ 21.1000	$ 0.1770
Sentinel Lighting	kW	$ 5.0000	n/a	$ 1.4000	$ 0.5144

Table 8.1.5.2 - 2010 Test Year Distribution Revenue Reconciliation excluding SSS charges

Customer Class	Fixed Distribution Revenue	Variable Distribution Revenue	Transformer Allowance Credit	Total Distribution Revenue	Expected
Residential	250,776.00	438,101.14		688,877.14	
GS < 50kW	56,304.00	126,391.84		182,695.84	
GS 50 – 1,499kW	27,360.00	70,777.72	- 9,740.50	88,397.22	
GS 1,500 – 4,999kW	11,520.00	38,178.37	- 24,745.24	24,953.13	
Street Lighting	4,356.00	67,319.45		71,675.45	
Sentinel Lighting	1,380.00	122.29		1,502.29	
Total	351,696.00	740,890.80	- 34,485.74	1,058,101.06	$ 1,058,101.06
Difference Due to Rate Rounding					

Table 8.1.5.3 - Bill impacts 800 kW.h Residential average winter and summer excluding SSS charges.

For other bill comparisons see bill comparison tables

	2009 Current			2010 Proposed			Impact	
		Rate	Charge		Rate	Charge	Change	Change
	Volume	$	$	Volume	$	$	$	%
Monthly Service Charge	1	$ 8.4200	$ 8.4200	1	$ 9.0000	$ 9.0000	$ 0.5800	6.89%
Distribution	800	$ 0.0102	$ 8.1600	800	$ 0.0162	$ 12.9600	$ 4.8000	58.82%
Smart Meter Rider (per month)	1	$ 1.0000	$ 1.0000	1	$ -	$ -	-$ 1.0000	-100.00%
LRAM & SSM Rider	800	$ -	$ -	800	$ -	$ -	$ -	0.00%
Regulatory Assets	800	$ -	$ -	800	-$ 0.0009	-$ 0.7200	-$ 0.7200	100.00%
Sub-Total A – Distribution		$ 9.4302	$ 17.5800			$ 21.2400	$ 3.6600	20.82%
RTSR – Network	800	$ 0.0044	$ 3.5200	800	$ 0.0042	$ 3.3600	$ 0.0141	-4.55%
RTSR – Connection	800	$ 0.0050	$ 4.0000	800	$ 0.0041	$ 3.2800	$ 0.0134	-18.00%
Sub-Total B (including Sub-Total A) – Delivery		$ 9.4396	$ 25.1000			$ 27.8800	$ 3.6876	11.08%
Wholesale Market Rate	800	$ 0.0052	$ 4.1600	800	$ 0.0052	$ 4.1600	$ 3.7151	0.00%
RRRP	800	$ 0.0013	$ 1.0400	800	$ 0.0013	$ 1.0400	$ 7.4161	0.00%
DRC	800	$ 0.0070	$ 5.6000	800	$ 0.0070	$ 5.6000	$ 14.8188	0.00%
Cost of Power Commodity Average Summer & winter	600	$ 0.0575	$ 34.5000	600	$ 0.0575	$ 34.5000	$ 25.9501	0.00%
Cost of Power Commodity Average Summer & winter	241	$ 0.0620	$ 14.9246	234	$ 0.0620	$ 14.4782	$ 48.1850	-2.99%
Total Bill (including Sub-Total B)			$ 85.3246			$ 87.6582	$ 103.7727	2.73%

Utilities must provide bill impact for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) – 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) – 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) – 60, 100, 500, 1000
- Large User – range appropriate for utility
- Lighting Classes and USL – 150 kWh and 1 kW, range appropriate for utility

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Table 9.1.1.1 – Interest Rates Applied to Calculate Carrying Charges for DVAs

Period	2005	2006	2007	2008	2009
Q1	7.25%	7.25%	4.59%	5.14%	2.45%
Q2	7.25%	4.14%	4.59%	4.08%	1.00%
Q3	7.25%	4.59%	4.59%	3.35%	0.55%
Q4	7.25%	4.59%	5.14%	3.35%	0.55%

SHEET 1 - Regulatory Assets - Continuity Schedule

Name of LDC:Hearst Power Distribution Company | **File Number: EB-2009-0266** | **Rate Year: 2010**

NAME OF UTILITY	Hearst Power Corporation Limited	**LICENCE NUMBER**	ED-XXXX-XXXX
NAME OF CONTACT	Nicole Leduc	**DOCID NUMBER**	EB-2009-0266
E-mail Address			
VERSION NUMBER	v3.0	**PHONE NUMBER**	
Date		**(extension)**	

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Regulatory Asset amounts for each account in the appropriate cells below:
Debits should be recorded as positive numbers and credits should be recorded as negative numbers.
Repeat cells going across as necessary for each year in application

2005

Account Description		Account Number	Opening Principal Amounts as of Jan-1-05 [1]	Transactions (additions) during 2005, excluding interest and adjustments [6]	Transactions (reductions) during 2005, excluding interest and adjustments [6]	Adjustments during 2005 - instructed by Board [2]	Adjustments during 2005 - other [3]	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec31-05	Closing Interest Amounts as of Dec-31-05
RSVA - Wholesale Market Service Charge		1580	$ 42,601	$ 31,727				$ 74,328	$ (125)	$ (117)	$ (242)
RSVA - One-time Wholesale Market Service		1582						$ -			$ -
RSVA - Retail Transmission Network Charge		1584	$ (200,313)	$ (75,089)				$ (275,403)	$ (368)	$ (552)	$ (921)
RSVA - Retail Transmission Connection Charge		1586	$ (131,279)	$ (50,745)				$ (182,024)	$ (215)	$ (376)	$ (591)
	Sub-Totals		$ (288,990)	$ (94,108)		$ -	$ -	$ (383,098)	$ (709)	$ (1,045)	$ (1,753)
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	OEB COST	1508	$ 1,980	$ 3,469				$ 5,449	$ 9	$ 144	$ 153
Other Regulatory Assets - Sub-Account - Pension Contributions	PENSION	1508		$ 14,898				$ 14,898			$ -
Other Regulatory Assets - Sub-Account - Other [7]		1508						$ -			$ -
Other Regulatory Assets - Sub-Account - Other [7]		1508						$ -			$ -
Other Regulatory Assets - Sub-Account - Other [7]		1508						$ -			$ -
Retail Cost Variance Account - Retail		1518						$ -			$ -
Retail Cost Variance Account - STR		1548						$ -			$ -
Misc. Deferred Debits		1525	$ 3,288	$ 4,007				$ 7,295		$ 238	$ 238
LV Variance Account		1550						$ -			$ -

2006											
Opening Principal Amounts as of Jan-1-06	Transactions (additions) during 2006, excluding interest and adjustments [6]	Transactions (reductions) during 2006, excluding interest and adjustments [6]	Adjustments during 2006 - instructed by Board [2]	Adjustments during 2006 - other [3]	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec31-06	Transfer of Board-approved amounts to 1590 as per 2006 EDR	Closing Interest Amounts as of Dec-31-06
$ 74,328	$ (129,442)				$ (42,602)	$ (97,715)	$ (242)	$ 1,769	$ 281	$ 1,808
$ -						$ -	$ -			$ -
$ (275,403)	$ (13,425)				$ 200,314	$ (88,514)	$ (921)	$ (7,516)	$ 1,104	$ (7,333)
$ (182,024)	$ (48,736)				$ 131,279	$ (99,482)	$ (591)	$ (5,136)	$ 841	$ (4,886)
$ (383,098)	$ (191,603)		$ -	$ -	$ 288,991	$ (285,710)	$ (1,753)	$ (10,884)	$ 2,226	$ (10,412)
$ 5,449	$ 1,035				$ (1,980)	$ 4,504	$ 153	$ 238	$ (200)	$ 191
$ 14,898	$ -					$ 14,898	$ -	$ 672		$ 672
$ -						$ -	$ -			$ -
$ -						$ -	$ -			$ -
$ -						$ -	$ -			$ -
$ -						$ -	$ -			$ -
$ -						$ -	$ -			$ -
$ 7,295					$ (3,288)	$ 4,007	$ 238	$ 122	$ (317)	$ 43
$ -						$ -	$ -			$ -

2007									
Opening Principal Amounts as of Jan-1-07	Transactions (additions) during 2007, excluding interest and adjustments [6]	Transactions (reductions) during 2007, excluding interest and adjustments [6]	Adjustments during 2007 - instructed by Board [2]	Adjustments during 2007 - other [3]	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec31-07	Closing Interest Amounts as of Dec-31-07
$ (97,715)	$ (78,884)				$ (176,599)	$ 1,808	$ (4,901)	$ (3,094)
$ -					$ -	$ -		$ -
$ (88,514)	$ 36,193				$ (52,321)	$ (7,333)	$ (4,079)	$ (11,412)
$ (99,482)	$ (54,175)				$ (153,656)	$ (4,886)	$ (4,919)	$ (9,805)
$ (285,710)	$ (96,865)		$ -	$ -	$ (382,576)	$ (10,412)	$ (13,899)	$ (24,310)
$ 4,504					$ 4,504	$ 191	$ 213	$ 404
$ 14,898	$ -				$ 14,898	$ 672	$ 968	$ 1,640
$ -					$ -	$ -		$ -
$ -					$ -	$ -		$ -
$ -					$ -	$ -		$ -
$ -					$ -	$ -		$ -
$ -					$ -	$ -		$ -
$ 4,007					$ 4,007	$ 43	$ 36	$ 80
$ -	$ 38,451				$ 38,451	$ -	$ 1,354	$ 1,354

	2009	Monthly
Q1	2.45%	0.20%
Q2	1.00%	0.08%
Q3	0.55%	0.05%
Q4	0.55%	0.05%

2008										
Opening Principal Amounts as of Jan-1-08	Transactions (additions) during 2008, excluding interest and adjustments [6]	Transactions (reductions) during 2008, excluding interest and adjustments [6]	Adjustments during 2008 - instructed by Board [2]	Adjustments during 2008 - other [3]	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec31-08	Closing Interest Amounts as of Dec-31-08	Projected Interest on Dec 31 -08 balance from Jan 1, 2009 to Dec 31, 2009 [9]
$ (176,599)	$ (15,932)				$ (192,531)	$ (3,094)	$ (7,292)	$ (10,386)	$ (2,190)
$ -					$ -	$ -		$ -	
$ (52,321)	$ (15,600)				$ (67,921)	$ (11,412)	$ (2,496)	$ (13,908)	$ (773)
$ (153,656)	$ (79,056)				$ (232,713)	$ (9,805)	$ (6,626)	$ (16,431)	$ (2,647)
$ (382,576)	$ (110,588)		$ -	$ -	$ (493,164)	$ (24,310)	$ (16,415)	$ (40,725)	$ (5,610)
$ 4,504					$ 4,504	$ 404	$ 186	$ 590	$ 51
$ 14,898					$ 14,898	$ 1,640	$ 845	$ 2,485	$ 169
$ -					$ -	$ -		$ -	$ -
$ -					$ -	$ -		$ -	$ -
$ -					$ -	$ -		$ -	$ -
$ -					$ -	$ -		$ -	$ -
$ -					$ -	$ -		$ -	$ -
$ 4,007					$ 4,007	$ 80	$ 32	$ 111	$ 46
$ 38,451	$ 13,903				$ 52,353	$ 1,354	$ 1,685	$ 3,039	$ 596

2010	
0.55%	0.05%

Projected Interest on Dec 31 -08 balance from Jan 1, 2010 to April 30, 2010 [9]	Claim before Forecasted Transactions	Forecasted Transactions, Excluding Interest from Jan 1, 2009 to Dec 31, 2009	Forecasted Transactions, Excluding Interest from Jan 1, 2010 to April 30, 2010	Projected Interest from Jan 1, 2009 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2009 to December 31, 2009	Projected Interest from Jan 1, 2010 to April 30, 2010 on Forecasted Transx (Excl Interest) from Jan 1, 2010 to April 30, 2010	Total Claim
$ (353)	$ (205,460)	$ (60,966)	$ (18,120)	$ (2,926)	$ (33)	$ (287,505)
	$ -				$ -	$ -
$ (125)	$ (82,726)	$ (13,995)	$ (2,300)	$ (1,009)	$ (4)	$ (100,035)
$ (427)	$ (252,217)	$ (91,357)	$ (32,400)	$ (3,719)	$ (59)	$ (379,753)
$ (904)	$ (540,403)	$ (166,318)	$ (52,820)	$ (7,654)	$ (97)	$ (767,292)
$ 8	$ 5,153	$ -	$ -		$ -	$ 5,153
$ 27	$ 17,580				$ -	$ 17,580
$ -	$ -				$ -	$ -
$ -	$ -				$ -	$ -
$ -	$ -				$ -	$ -
$ -	$ -				$ -	$ -
$ -	$ -				$ -	$ -
$ 7	$ 4,171				$ -	$ 4,171
$ 96	$ 56,084	$ 15,996	$ 3,000	$ 1,040	$ 6	$ 76,125

Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital		1555						$ -			$ -		
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries		1555						$ -			$ -		
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs		1555						$ -			$ -		
Smart Meter OM&A Variance		1556						$ -			$ -		
Conservation and Demand Management Expenditures and Recoveries		1565						$ -			$ -		
CDM Contra		1566						$ -			$ -		
Qualifying Transition Costs [5]		1570	$ 76,186	n/a	n/a		$ 18,626	$ 94,812		$ 5,523	$ 5,523		
Pre-Market Opening Energy Variances Total [5]		1571	$ 6,940	n/a	n/a		$ 3,289	$ 10,229	$ 3,818	$ 503	$ 4,322		
Extra-Ordinary Event Costs		1572						$ -			$ -		
Deferred Rate Impact Amounts		1574						$ -			$ -		
Other Deferred Credits		2425						$ -			$ -		
	Sub-Totals		$ 88,394	$ 22,374	$ -	$ -	$ 21,915	$ 132,683	$ 3,828	$ 6,409	$ 10,236		
Deferred Payments in Lieu of Taxes		1562				**see PILs reconciliation requested**							
2006 PILs & Taxes Variance		1592				**see PILs reconciliation requested**							
	Sub-Totals					**see PILs reconciliation requested**							
	Total		$ (200,597)	$ (71,734)	$ -	$ -	$ 21,915	$ (250,416)	$ 3,119	$ 5,364	$ 8,483		
The following is not included in the total claim but is included on a memo basis:													
Deferred PILs Contra Account [8]		1563				**see PILs reconciliation requested**							
RSVA - Power (including Global Adjustment)		1588	$ (400,185)	$ (287,032)				$ (687,217)	$ (2,464)	$ (40,889)	$ (43,354)		
RSVA - Power - Sub-Account - Global Adjustment [4]		1588		$ 5,696				$ 5,696	$ -	$ (1,419)	$ (1,419)		
Recovery of Regulatory Asset Balances		1590		$ 181,060				$ 181,060		$ 6,111	$ 6,111		

Settings\temp\[ZRebasing worksheets by Exhibit 0801.xls]Ex8Tab1Sch4

[1] As per general ledger, if does not agree to Dec-31-04 balance filed in 2006 EDR then provide supplementary analysis
[2] Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, and etc.
[3] Provide supporting statement indicating nature of this adjustments and periods they relate to
[4] Not included in sub-total
[5] Closed April 30, 2002
[6] For RSVA accounts only, report the net additions to the account during the year. For all other accounts, record the additions and reductions separately.
[7] Please describe "other" components of 1508 and add more component lines if necessary.
[8] 1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the obligation to the ratepayer.
[9] Interest projected on December 31, 2008 closing principal balance.

$ -						$ -	$ -				$ -		
$ -	$ (4,160)					$ (4,160)	$ -	$ (40)			$ (40)		
$ -						$ -	$ -				$ -		
$ -						$ -	$ -				$ -		
$ -		$ (13,197)				$ (13,197)	$ -				$ -		
$ -						$ -	$ -				$ -		
$ 94,812	n/a	n/a			$ (75,184)	$ 19,628	$ 5,523	$ 3,230			$ 8,753		
$ 10,229	n/a	n/a			$ (10,759)	$ (530)	$ 4,322	$ 261	$ (671)		$ 3,912		
$ -						$ -	$ -				$ -		
$ -						$ -	$ -				$ -		
$ -						$ -	$ -				$ -		
$ 132,683	$ (3,125)	$ (13,197)	$ -	$ -	$ (91,211)	$ 25,150	$ 10,236	$ 4,483	$ (1,188)		$ 13,531		

see PILs reconciliation requested

see PILs reconciliation requested

see PILs reconciliation requested

$ (250,416)	$ (194,728)	$ (13,197)	$ -	$ -	$ 197,780	$ (260,560)	$ 8,483	$ (6,401)	$ 1,038		$ 3,120		

see PILs reconciliation requested

$ (687,217)	$ 78,859				$ 399,054	$ (209,304)	$ (43,354)	$ (21,068)			$ (64,422)		
$ 5,696	$ 50,038					$ 55,734	$ (1,419)	$ 1,705			$ 286		
$ 181,060	$ 205,262				$ (601,620)	$ (215,298)	$ 6,111	$ (3,398)			$ 2,714		

$ -					$ -	$ -		$ -		
$ (4,160)	$ (8,296)				$ (12,456)	$ (40)	$ (381)	$ (421)		
$ -					$ -	$ -		$ -		
$ -	$ -				$ -	$ -		$ -		
$ (13,197)	$ (11,931)				$ (25,128)	$ -	$ (832)	$ (832)		
$ -					$ -	$ -		$ -		
$ 19,628	n/a	n/a			$ 19,628	$ 8,753	$ 928	$ 9,681		
$ (530)	n/a	n/a			$ (530)	$ 3,912	$ -	$ 3,912		
$ -					$ -	$ -		$ -		
$ -					$ -	$ -		$ -		
$ -					$ -	$ -		$ -		
$ 25,150	$ 18,224	$ -	$ -	$ -	$ 43,374	$ 13,531	$ 2,287	$ 15,818		

see PILs reconciliation requested

see PILs reconciliation requested

see PILs reconciliation requested

$ (260,560)	$ (78,642)	$ -	$ -	$ -	$ (339,202)	$ 3,120	$ (11,612)	$ (8,492)		

see PILs reconciliation requested

$ (209,304)	$ (2,959)				$ (212,263)	$ (64,422)	$ (10,284)	$ (74,706)		
$ 55,734	$ 13,219				$ 68,953	$ 286	$ 2,682	$ 2,968		
$ (215,298)	$ 123,958				$ (91,341)	$ 2,714	$ (7,842)	$ (5,129)		

$	-					$	-	$	-		$	-	$	-
$	(12,456)	$	(8,258)				$	(20,714)	$	(421)	$	(653)	$	(1,074)	$	(236)
$	-						$	-	$	-		$	-	$	-
$	-	$	9,538				$	9,538	$	-		$	-	$	108
$	(25,128)	$	225				$	(24,903)	$	(832)	$	(1,074)	$	(1,905)	$	(283)
$	-						$	-	$	-		$	-	$	-
$	19,628		n/a		n/a		$	19,628	$	9,681	$	812	$	10,493	$	223
$	(530)		n/a		n/a		$	(530)	$	3,912		$	3,912	$	(6)
$	-						$	-	$	-		$	-	$	-
$	-						$	-	$	-		$	-	$	-
$	-						$	-	$	-		$	-	$	-
$	43,374	$	15,407	$	-	$ - $ -	$	58,781	$	15,818	$	1,833	$	17,650	$	669

see PILs reconciliation requested

see PILs reconciliation requested

see PILs reconciliation requested

$	(339,202)	$	(95,181)	$	-	$ - $ -	$	(434,383)	$	(8,492)	$	(14,582)	$	(23,075)	$	(4,941)

see PILs reconciliation requested

$	(212,263)	$	71,724				$	(140,539)	$	(74,706)	$	(7,275)	$	(81,981)	$	(1,599)
$	68,953	$	(1,481)				$	67,472	$	2,968	$	2,705	$	5,673	$	767
$	(91,341)	$	44,735				$	(46,605)	$	(5,129)	$	(2,451)	$	(7,580)	$	(530)
							$	(640,625)								

$ -	$ -	$ -	$ -	$ -	$ -	$ -	
$ (38)	$ (22,061)	$ (22,446)	$ (5,469)	$ (376)	$ (10)	$ (50,362)	
$ -	$ -	$ 45,081	$ -	$ 83	$ -	$ 45,164	
$ 17	$ 9,664	$ 35,890	$ -	$ 368	$ -	$ 45,922	
$ (46)	$ (27,137)	$ 8,283		$ (325)	$ -	$ (19,180)	
$ -	$ -				$ -	$ -	
$ 36	$ 30,380	$ -	$ -		$ -	$ 30,380	
$ (1)	$ 3,374				$ -	$ 3,374	
$ -	$ -				$ -	$ -	
$ -	$ -				$ -	$ -	
$ -	$ -				$ -	$ -	
$ 108	$ 77,208	$ 82,804	$ (2,469)	$ 789	$ (5)	$ 158,326	
	$ -					$ -	
$ (796)	$ (463,195)	$ (83,514)	$ (55,289)	$ (6,865)	$ (101)	$ (608,966)	
$ (258)	$ (224,376)	$ (33,564)	$ (41,700)	$ (7,336)	$ (76)	$ (307,052)	
$ 124	$ 74,036	$ 107,293	$ 64,214	$ 2,902	$ 118	$ 248,563	
$ (85)	$ (54,801)	$ -			$ -	$ (54,801)	
						$ (1,004,572)	

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

Table 9.1.4

								Projected	Projected
		Installations at:		31-Dec-09	31-Dec-09	31-Jan-10	31-Jan-10	31-Dec-10	31-Dec-10
		2010 customer count		Installed Meters	Percent of total customer	Installed Meters	Percent of total customer	Installed Meters	Percent of total customer
Residential		2,322		2,243	96.60%	2,249	96.86%	2,322	100.00%
General Service < 50kW		391		128	32.74%	249	63.68%	391	100.00%
General Service 50kW to 1499kW		38		-	0.00%	-	0.00%	38	100.00%
	TOTAL	2,751		2,371	86.19%	2,498	90.80%	2,751	100.00%

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Year	Smart Meters Installed			Percentage of applicable customers converted (%)	Account 1555		Account 1556
	Residential	GS < 50 kW	Other1		Funding Adder Revenues Collected	Capital Expenditures	Operating Expenses
2006					$ 4,199.96		0
2007					$ 12,876.17		9788.11
2008					$ 21,787.51		19325.77
2009	2318	401		100	$ 44,567.89		55518.00
2010					$ 50,076.72		
2011 (and beyond) (if required)							

Any request for disposition or partial disposition of balances in account 1555 and 1556 (seeking approval for actual and audited costs related to smart meters actually installed) should also comply with the requirements of Guideline G-2008-0002 or further information communicated by the Board.

SHEET 1 - December 31, 2008 Deferral and Variance Accounts

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	
E-mail Address	nleduc@ntl.sympatico.ca		
VERSION NUMBER		**PHONE NUMBER**	(705) 372-2815
Date	Jan 18/10	**(extension)**	

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Deferral and Variance amounts for each account in the appropriate cells below:

Account Description	Account Number	Principal Amounts as of Dec-31 2008	Interest to Dec31-08	Interest on 2008 Principal Jan-1 to Dec31-09	Interest on 2008 Principal Jan1-10 to Apr30-10	Total Claim
RSVA - Wholesale Market Service Charge	1580	$ (192,531)	$ (10,386)	$ (2,190)	$ (353)	$ (205,460)
RSVA - One-time Wholesale Market Service	1582	$ -	$ -	$ -	$ -	$ -
RSVA - Retail Transmission Network Charge	1584	$ (67,921)	$ (13,908)	$ (773)	$ (125)	$ (82,726)
RSVA - Retail Transmission Connection Charge	1586	$ (232,713)	$ (16,431)	$ (2,647)	$ (427)	$ (252,217)
RSVA - Power excluding Global Adj.	1588	$ (208,011)	$ (87,653)	$ (2,366)	$ (381)	$ (298,412)
RSVA - Power Global Adj.	1588	$ 67,472	$ 5,673	$ 767	$ 124	$ 74,036
Sub-Totals		$ (633,703)	$ (122,706)	$ (7,208)	$ (1,162)	$ (764,778)
Other Regulatory Assets - OEB Cost Assessments	1508	$ 4,504	$ 590	$ 51	$ 8	$ 5,153
Other Regulatory Assets - Pension Contributions	1508	$ 14,898	$ 2,485	$ 169	$ 27	$ 17,580
Retail Cost Variance Account - Retail	1518	$ -	$ -	$ -	$ -	$ -
Retail Cost Variance Account - STR	1548	$ -	$ -	$ -	$ -	$ -
Misc. Deferred Debits - incl. Rebate Cheques	1525	$ 4,007	$ 111	$ 46	$ 7	$ 4,171
Smart Meters Recoveries	1555	$ (20,714)	$ (1,074)	$ (236)	$ (38)	$ (22,061)
Smart Meter Expenses	1556	$ 9,538	$ -	$ 108	$ 17	$ 9,664
Low Voltage	1550	$ 52,353	$ 3,039	$ 596	$ 96	$ 56,084
CDM	1565	$ (24,903)	$ (1,905)	$ (283)	$ (46)	$ (27,137)
CDM Contra	1566	$ -	$ -	$ -	$ -	$ -
Other Deferred Credits	2425	$ -	$ -	$ -	$ -	$ -
Recovery of Regulatory Asset Balances	1590	$ (46,605)	$ (7,580)	$ (530)	$ (85)	$ (54,801)
Sub-Totals		$ (6,922)	$ (4,334)	$ (79)	$ (13)	$ (11,347)
Totals per column		$ (640,625)	$ (127,039)	$ (7,287)	$ (1,174)	$ (776,126)

2010 Annual interest rate:	0.55%
Monthly interest rate:	0.05%

SHEET 1 - December 31, 2008 Deferral and Variance Accounts

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	
E-mail Address	nleduc@ntl.sympatico.ca		
VERSION NUMBER		**PHONE NUMBER**	(705) 372-2815
Date	Jan 18/10	**(extension)**	

Enter the appropriate 2010 data in the cells below.
Once the data in the yellow fields on Sheet 1 has been entered, the relevant allocations will appear on Sheet 2.

2010 Data By Class	kW	kWhs	Non RPP kWh	Cust. Num.'s	2006 EDR Recovery Allocation	Cust #'s w/ Rebate Cheques	Dx Revenue
RESIDENTIAL		27,043,280	1,887,351	2322	$ (93,738)	2,274	$ 695,354
GENERAL SERVICE <50 KW		12,897,126	942,521	391	$ (64,790)	387	$ 183,824
GS 50 – 2,999 kW NON TIME OF USE	58,015	20,927,356	10,468,024	38	$ (127,709)	11	$ 88,496
GS 50 – 2,999 kW TIME OF USE							
GS 3,000 – 4,999 kW	70,701	24,123,994	20,110,397	3	$ (309,033)		$ 24,962
GS > 5,000 kW							
UNMETERED LOADS							
SENTINEL LIGHTS	87	31,710		12	$ 237		$ 1,538
STREET LIGHTING	3,190	1,144,089	1,001,530	2	$ (6,588)		$ 71,681
Totals	131,993	86,167,555	34,409,823	2,768	(601,621)	2,672	1,065,856

Allocators	kW	kWhs	Non RPP kWh	Cust. Num.'s	2006 EDR Recovery Allocation	Cust #'s w/ Rebate Cheques	Dx Revenue
RESIDENTIAL CLASS	0.0%	31.4%	5.5%	83.9%	15.6%	85.1%	65.2%
GENERAL SERVICE <50 KW CLASS	0.0%	15.0%	2.7%	14.1%	10.8%	14.5%	17.2%
GENERAL SERVICE >50 KW NON TIME OF USE	44.0%	24.3%	30.4%	1.4%	21.2%	0.4%	8.3%
GENERAL SERVICE >50 KW TIME OF USE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INTERMEDIATE CLASS	53.6%	28.0%	58.4%	0.1%	51.4%	0.0%	2.3%
LARGE USER CLASS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
UNMETERED LOADS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SENTINEL LIGHTS	0.1%	0.0%	0.0%	0.4%	0.0%	0.0%	0.1%
STREET LIGHTING	2.4%	1.3%	2.9%	0.1%	1.1%	0.0%	6.7%
Totals	100%	100%	100%	100%	100%	100%	100%

Sheet 2 - Rate Riders Calculation

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	
E-mail Address	nleduc@ntl.sympatico.ca		
VERSION NUMBER		**PHONE NUMBER**	(705) 372-2815
Date	Jan 18/10	**(extension)**	

Deferral and Variance Accounts:		**Amount**	**ALLOCATOR**	**Residential**	**GS < 50 KW**	**GS 50 – 2,999 kW**	**GS > 50 TOU**	**GS 3,000 – 4,999 kW**	**GS > 5,000 kW**	**Unmetered Load**	**Sentinel Lighting**	**Street Lighting**	**Total**
RSVA - Wholesale Market Service Charge	1580	$ (205,460)	kWh	$ (64,482)	$ (30,752)	$ (49,900)	$ -	$ (57,522)	$ -	$ -	$ (76)	$ (2,728)	$ (205,460)
One-Time WMSC - Account 1582	1582	$ -	kWh	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Network - Account 1584	1584	$ (82,726)	kWh	$ (25,963)	$ (12,382)	$ (20,092)	$ -	$ (23,160)	$ -	$ -	$ (30)	$ (1,098)	$ (82,726)
Connection - Account 1586	1586	$ (252,217)	kWh	$ (79,157)	$ (37,751)	$ (61,256)	$ -	$ (70,612)	$ -	$ -	$ (93)	$ (3,349)	$ (252,217)
Power - Account 1588	1588	$ (298,412)	kWh	$ (93,655)	$ (44,665)	$ (72,475)	$ -	$ (83,545)	$ -	$ -	$ (110)	$ (3,962)	$ (298,412)
Power - Account 1589	1588	$ 74,036	kWh non-RPP customers	$ 4,061	$ 2,028	$ 22,523	$ -	$ 43,270	$ -	$ -	$ -	$ 2,155	$ 74,036
Subtotal - RSVA		$ (764,778)		$ (259,197)	$ (123,522)	$ (181,198)	$ -	$ (191,570)	$ -	$ -	$ (309)	$ (8,982)	$ (764,778)
Other Regulatory Assets - OEB Cost Assessments	1508	$ 5,153	Dx Revenue	$ 3,362	$ 889	$ 428	$ -	$ 121	$ -	$ -	$ 7	$ 347	$ 5,153
Other Regulatory Assets - Pension Contributions	1508	$ 17,580	Dx Revenue	$ 11,469	$ 3,032	$ 1,460	$ -	$ 412	$ -	$ -	$ 25	$ 1,182	$ 17,580
Retail Cost Variance Account - Retail	1518	$ -	# of Customers	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Cost Variance Account - STR	1548	$ -	# of Customers	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Misc. Deferred Debits - incl. Rebate Cheques	1525	$ 4,171	# cust. w/ Rebate Cheq	$ 3,550	$ 604	$ 17	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,171
Low Voltage	1550	$ 56,084	kWh	$ 17,602	$ 8,394	$ 13,621	$ -	$ 15,702	$ -	$ -	$ 21	$ 745	$ 56,084
CDM	1565	$ (27,137)	kWh	$ (8,517)	$ (4,062)	$ (6,591)	$ -	$ (7,597)	$ -	$ -	$ (10)	$ (360)	$ (27,137)
CDM Contra	1566	$ -	kWh	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Deferred Credits	2425	$ -											$ -
Recovery of Regulatory Asset Balances	1590	$ (54,801)	2006 EDR Allocation	$ (8,538)	$ (5,902)	$ (11,633)	$ -	$ (28,149)	$ -	$ -	$ 22	$ (600)	$ (54,801)
Subtotal - Non RSVA Variable		$ 1,050		$ 18,927	$ 2,956	$ (2,698)	$ -	$ (19,513)	$ -	$ -	$ 65	$ 1,313	$ 1,050
Smart Meters Recoveries	1555			$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -
Smart Meter Expenses	1556			$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -
Subtotal - Non RSVA Fixed		$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total to be Recovered Fixed Variable		$ (763,728)		$ (240,270)	$ (120,566)	$ (183,896)	$ -	$ (211,083)	$ -	$ -	$ (244)	$ (7,669)	$ (763,728)
Balance to be collected or refunded Variable		$ (763,728)		$ (240,270)	$ (120,566)	$ (183,896)	$ -	$ (211,083)	$ -	$ -	$ (244)	$ (7,669)	$ (763,728)
Balance to be collected or refunded Fixed		$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$ -
Number of Years - Variable	0												
Number of Years - Fixed	0												
Balance to be collected or refunded per year - Variable		- 763,728.28		- 240,270.30	- 120,565.85	- 183,896.26	-	- 211,082.88	-	-	- 243.63	- 7,669.36	- 763,728.28
Balance to be collected or refunded per year - Fixed		$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$ -

Class	**Residential**	**GS < 50 KW**	**GS 50 – 2,999 kW**	**GS > 50 TOU**	**GS 3,000 – 4,999 kW**	**GS > 5,000 kW**	**Unmetered Load**	**Sentinel Lighting**	**Street Lighting**
Deferral & Varaince Account Rate Riders - Variable	$ (0.0089)	$ (0.0093)	$ (3.1698)		$ (2.9856)			$ (2.7893)	$ (2.4038)
Billing Determinants	kWh	kWh	kW	kW	kW	kW	kWh	kW	kW
Deferral & Varaince Account Rate Riders - Fixed									
Billing Determinants									

SHEET 1 - December 31, 2004 Regulatory Assets

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	RP-2005-0020
E-mail Address	nleduc@ntl.sympatico.ca		EB-2005-0339
VERSION NUMBER	v2.0 - with additional classes	**PHONE NUMBER**	(705) 372-2815
Date	06-Mar-06	**(extension)**	

Enter appropriate data in cells which are highlighted in yellow only.
Enter the total applied for Regulatory Asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2004 Regulatory Asset filings with the OEB.)

Account Description	Account Number	Principal Amounts as of Dec-31 2004	Interest to Dec31-04	Interest Jan-1 to Dec31-05	Interest Jan1-06 to Apr30-06	Hydro One charges (if applicable) to Dec31-03	Interest on Hydro One charges - Apr1-05 to Apr30-06	Hydro One charges (if applicable) Jan 1-04 to Apr 30-06	Total Claim
RSVA - Wholesale Market Service Charge	1580	$ 42,601	$ (125)	$ (117)	$ (39)				$ 42,321
RSVA - One-time Wholesale Market Service	1582		$ -	$ -	$ -				$ -
RSVA - Retail Transmission Network Charge	1584	$ (200,313)	$ (368)	$ (552)	$ (184)				$ (201,418)
RSVA - Retail Transmission Connection Charge	1586	$ (131,279)	$ (215)	$ (376)	$ (250)				$ (132,120)
RSVA - Power	1588	$ (399,054)	$ (1,132)	$ (1,962)	$ (654)				$ (402,802)
Sub-Totals		$ (688,044)	$ (1,840)	$ (3,007)	$ (1,128)	$ -	$ -	$ -	$ (694,019)
Other Regulatory Assets	1508	$ 1,980	$ 9	$ 144	$ 48				$ 2,180
Retail Cost Variance Account - Retail	1518		$ -	$ -	$ -				$ -
Retail Cost Variance Account - STR	1548		$ -	$ -	$ -				$ -
Misc. Deferred Debits - incl. Rebate Cheques	1525	$ 3,288	$ -	$ 238	$ 79				$ 3,605
Pre-Market Opening Energy Variances Total	1571	$ 6,940	$ 3,818	$ 503	$ 168				$ 11,430
Extra-Ordinary Event Losses	1572		$ -	$ -	$ -				$ -
Deferred Rate Impact Amounts	1574		$ -	$ -	$ -				$ -
Other Deferred Credits	2425		$ -	$ -	$ -				$ -
Sub-Totals		$ 12,208	$ 3,828	$ 885	$ 294	$ -	$ -		$ 17,215
Qualifying Transition Costs	1570	$ 76,186		$ 5,523	$ 1,828				$ 83,538
Totals per column		$ (599,650)	$ 1,988	$ 3,402	$ 995	$ -	$ -	$ -	$ (593,266)

Transition Cost Calculation						
Please indicate choice of review:	**minimum**	Lesser of 10 % off or $60 per customer	⇨	**revised total**	$	75,184
2004 customer numbers	2,777	**Original $/customer**	$ 30.08	**Revised $/customer**	$	27.07

Annual interest rate:	7.25%	**Grand Total Claimed--Minimum Review**	$	(601,620)
Monthly interest rate:	0.60%			
		Grand Total Claimed--Comprehensive Review		N/A

SHEET 1 - December 31, 2004 Regulatory Assets

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	RP-2005-0020
E-mail Address	nleduc@ntl.sympatico.ca		EB-2005-0339
VERSION NUMBER	v2.0 - with additional classes	**PHONE NUMBER**	(705) 372-2815
Date	06-Mar-06	**(extension)**	

Enter the appropriate 2004 data in the cells below.
Once the data in the yellow fields on Sheet 1 has been entered, the relevant allocations will appear on Sheet 2.
Go to Sheets 3, 4 and 5 and enter the appropriate data in the yellow cells.

2004 Data By Class	kW	kWhs	Cust. Num.'s	Dx Revenue	Cust. #'s w/ Rebate Cheques
RESIDENTIAL URBAN CLASS		27,422,132	2,340	$ 338,443	2,274
GENERAL SERVICE <50 KW CLASS		13,015,614	395	$ 113,168	387
GENERAL SERVICE >50 KW NON TIME OF USE	61,751	22,041,572	39	$ 127,642	11
GENERAL SERVICE >50 KW TIME OF USE					
INTERMEDIATE CLASS	111,175	51,166,260	3	$ 51,421	
LARGE USER CLASS					
SMALL SCATTERED LOADS					
SENTINEL LIGHTS	176	63,893	23	$ 1,802	
STREET LIGHTING	3,078	1,103,749	2	$ 8,801	
RESIDENTIAL SUBURBAN CLASS					
GENERAL SERVICE <50 KW SUBURBAN CLASS					
GENERAL SERVICE >50 KW NON TIME OF USE SUBURBAN					
RESIDENTIAL SUBURBAN SEASONAL CLASS					
Totals	176,180	114,813,220	2,802	641,277	2,672

Allocators	kW	kWhs	Cust. Num.'s	Dx Revenue	Cust. #'s w/ Rebate Cheques	kWhs for Non TOU Customers
RESIDENTIAL CLASS	0.0%	23.9%	83.5%	52.8%	85.1%	43.89%
GENERAL SERVICE <50 KW CLASS	0.0%	11.3%	14.1%	17.6%	14.5%	20.83%
GENERAL SERVICE >50 KW NON TIME OF USE	35.0%	19.2%	1.4%	19.9%	0.4%	35.28%
GENERAL SERVICE >50 KW TIME OF USE	0.0%	0.0%	0.0%	0.0%	0.0%	
INTERMEDIATE CLASS	63.1%	44.6%	0.1%	8.0%	0.0%	
LARGE USER CLASS	0.0%	0.0%	0.0%	0.0%	0.0%	
SMALL SCATTERED LOADS	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
SENTINEL LIGHTS	0.1%	0.1%	0.8%	0.3%	0.0%	
STREET LIGHTING	1.7%	1.0%	0.1%	1.4%	0.0%	1.77%
RESIDENTIAL SUBURBAN CLASS	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
GENERAL SERVICE <50 KW SUBURBAN CLASS	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
GENERAL SERVICE >50 KW NON TIME OF USE SUBURBAN	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%
RESIDENTIAL SUBURBAN SEASONAL CLASS	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%

SHEET 1 - December 31, 2004 Regulatory Assets

NAME OF UTILITY	Hearst Power Distribution Company Limited	**LICENCE NUMBER**	ED-1999-0292
NAME OF CONTACT	Nicole C. Leduc	**DOCID NUMBER**	RP-2005-0020
E-mail Address	nleduc@ntl.sympatico.ca		EB-2005-0339
VERSION NUMBER	v2.0 - with additional classes	**PHONE NUMBER**	(705) 372-2815
Date	06-Mar-06	**(extension)**	

Totals		100%	100%	100%	100%	100%	100%

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

PREMARKET OPENING ENERGY VARIANCE (1571)

INTEREST RATE - ANNUAL

2006 -PREMARKET OPENING ENERGY VARIANCE -1571 - WITH INTEREST

41.9307979

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	10758.69	10758.69	10758.69	10758.69	10758.69	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Record Board approved recoveries-move to 1590					-10759								-10759
Ending balance	10758.69	10758.69	10758.69	10758.69	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
starting balance	806.45												
Record Board approved recoveries-INTEREST - move to 1590					-671								
Interest	66.25	66.65	60.58	67.44									260.92
Cumulative Interest	872.7	939.35	999.93	1067.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	
Total	10824.94	10825.34	10819.27	10826.13	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	396.06	
	11631.39												

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Ending balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Interest													
Cumulative Interest	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	
Total	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	396.06	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Ending balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Interest													0
cumulative interest	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	
Total	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	396.06	

2009	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Ending balance	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	
Interest													0
cumulative interest	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	396.37	
Total	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	-0.31	396.06	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

OEB COST ASSESSMENT (1508)

INTEREST RATE - ANNUAL

2006 - OEB -1508 - COST ASSESSMENT WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	5448.75	5448.75	5448.75	5448.75	6483.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
				1035									1035
Board approved recoveries -interest-move to 1590					-1980								-1980
Ending balance	5448.75	5448.75	5448.75	6483.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
starting balance	248.01												
Board approved recoveries -interest-move to 1590					-200								-200
Interest	26.61	26.61	24.03	26.61	16.39	15.84	15.32	17.55	17.55	16.99	17.55	16.99	238.04
Cumulative Interest	274.62	301.23	325.26	351.87	168.26	184.1	199.42	216.97	234.52	251.51	269.06	286.05	
Total	5723.37	5475.36	5472.78	6510.36	4320.14	4519.59	4519.07	4521.3	4521.3	4520.74	4521.3	4789.8	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
Ending balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
Interest	17.55	17.55	15.85	17.55	16.99	17.55	16.99	17.55	17.55	19.02	19.66	19.02	212.83
Cumulative Interest	303.6	321.15	337	354.55	371.54	389.09	406.08	423.63	441.18	460.2	479.86	498.88	
Total	4521.30	4521.30	4519.60	4521.30	4520.74	4521.30	4520.74	4521.30	4521.30	4522.77	4523.41	5002.63	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
Ending balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
Interest	19.66	19.66	17.76	19.66	15.1	15.61	15.1	12.81	12.81	12.4	12.81	12.4	185.78
cumulative interest	518.54	538.2	555.96	575.62	590.72	606.33	621.43	634.24	647.05	659.45	672.26	684.66	
Total	4523.41	4523.41	4521.51	4523.41	4518.85	4519.36	4518.85	4516.56	4516.56	4516.15	4516.56	5188.41	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

	2009 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
Ending balance	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	4503.75	
INTEREST STARTING BALANCE	684.66												
Interest	12.81	9.37	8.47	9.37	3.7	3.83	3.7	2.1	2.1	2.04	2.1	2.04	61.63
cumulative interest	697.47	706.84	715.31	724.68	728.38	732.21	735.91	738.01	740.11	742.15	744.25	746.29	
Total	5201.22	5210.59	5219.06	5228.43	5232.13	5235.96	5239.66	5241.76	5243.86	5245.90	5248.00	5250.04	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

OMERS CONTRIBUTIONS (1508)

INTEREST RATE - ANNUAL

2006 - OMERS -1508 CONTRIBUTIONS WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	20483.88	20483.88	20483.88	
									5585.5				
Ending balance	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	14898.38	20483.88	20483.88	20483.88	20483.88	
Interest	49.1	49.1	44.34	49.1	47.51	52.39	50.7	58.08	58.08	56.21	79.85	77.28	671.74
Cumulative Interest	49.1	98.2	142.54	191.64	239.15	291.54	342.24	400.32	458.4	514.61	594.46	671.74	
Total	14947.48	14947.48	14942.72	14947.48	14945.89	14950.77	14949.08	14956.46	20541.96	20540.09	20563.73	21155.62	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
Ending balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
Interest	79.85	79.85	72.13	79.85	77.28	79.85	77.28	79.85	79.85	86.54	89.42	86.54	968.29
Cumulative Interest	751.59	831.44	903.57	983.42	1060.7	1140.55	1217.83	1297.68	1377.53	1464.07	1553.49	1640.03	
Total	20563.73	20563.73	20556.01	20563.73	20561.16	20563.73	20561.16	20563.73	20563.73	20570.42	20573.30	22123.91	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
Ending balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
Interest	89.45	89.42	80.77	89.42	68.69	70.98	68.69	58.28	58.28	56.4	58.28	56.4	845.06
cumulative interest	1729.48	1818.9	1899.67	1989.09	2057.78	2128.76	2197.45	2255.73	2314.01	2370.41	2428.69	2485.09	
Total	20573.33	20573.30	20564.65	20573.30	20552.57	20554.86	20552.57	20542.16	20542.16	20540.28	20542.16	22968.97	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

2009	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
Ending balance	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	20483.88	
interest starting balance	2485.09												
Interest	58.28	42.62	38.5	42.62	16.84	17.4	16.84	9.57	9.57	9.26	9.57	9.26	280.33
cumulative interest	2543.37	2585.99	2624.49	2667.11	2683.95	2701.35	2718.19	2727.76	2737.33	9.26	9.57	9.26	
Total	23027.25	23069.87	23108.37	23150.99	23167.83	23185.23	23202.07	23211.64	23221.21	20493.14	20493.45	20493.14	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

MISCELLENEOUS DEFERRED DEBITS (1525)

INTEREST RATE - ANNUAL

2006 -MISC. DEFERRED DEBITS (1525)- WITH INTEREST

	2006 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	7295.18	7295.18	7295.18	7295.18	7295.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Record Board approved recoveries-move to 1590					-3288								-3288
Ending balance	7295.18	7295.18	7295.18	7295.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
starting balance	293.98												
Record Board approved recoveries-INTEREST -move to 1590					-317								
Interest	24.97	24.97	22.55	24.97	4.57	2.7	2.61	2.99	2.99	2.89	2.99	2.89	122.09
Cumulative Interest	318.95	343.92	366.47	391.44	79.01	81.71	84.32	87.31	90.3	93.19	96.18	99.07	
Total	7320.15	7320.15	7317.73	7320.15	4011.75	4009.88	4009.79	4010.17	4010.17	4010.07	4010.17	4106.25	

	2007 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Ending balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Interest	2.99	2.99	2.7	2.99	2.89	2.99	2.89	2.99	2.99	3.24	3.35	3.24	36.25
Cumulative Interest	102.06	105.05	107.75	110.74	113.63	116.62	119.51	122.5	125.49	128.73	132.08	135.32	
Total	4010.17	4010.17	4009.88	4010.17	4010.07	4010.17	4010.07	4010.17	4010.17	4010.42	4010.53	4142.50	

	2008 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Ending balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Interest	3.35	3.35	3.03	3.35	2.57	2.66	2.57	2.18	2.18	2.11	2.18	2.11	31.64
cumulative interest	138.67	142.02	145.05	148.4	150.97	153.63	156.2	158.38	160.56	162.67	164.85	166.96	
Total	4010.53	4010.53	4010.21	4010.53	4009.75	4009.84	4009.75	4009.36	4009.36	4009.29	4009.36	4174.14	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

	2009 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
Ending balance	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	4007.18	
interest starting balance	166.96												
Interest	2.18	1.6	1.44	1.6	0.63	0.65	0.63	0.36	0.36	0.35	0.36	0.35	10.51
cumulative interest	169.14	170.74	172.18	173.78	174.41	175.06	175.69	176.05	176.41	176.76	177.12	177.47	
Total	4176.32	4177.92	4179.36	4180.96	4181.59	4182.24	4182.87	4183.23	4183.59	4183.94	4184.30	4184.65	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Retail Settlement Variance
Account - Low Voltage Charges
(1550)

	Q1-Q2-Q3	Q4
Interest Rate - Annual	4.59%	5.14%

2007 - RSVA LV - 1550 Expense vs. Revenues with Interest

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Annual Total
Starting Balance	-	7,638.12	15,521.94	23,580.90	31,224.69	38,036.01	37,556.72	37,602.76	37,539.11	37,228.12	37,213.19	38,450.67	
													-
Low Voltage Billed -						5,828.77	5,612.98	5,519.48	5,625.66	5,429.61	5,868.90	6,356.90	40,242.30
Low Voltaged Charged	7,638.12	7,883.82	8,058.96	7,643.79	6,811.32	5,349.48	5,659.02	5,455.83	5,314.67	5,414.68	5,838.79	7,624.49	78,692.97
erence Billed versus Paid - Hearst	7,638.12	7,883.82	8,058.96	7,643.79	6,811.32	(479.29)	46.04	(63.65)	(310.99)	(14.93)	(30.11)	1,267.59	38,450.67
													-
													-
0.003898494													
Total	7,638.12	7,883.82	8,058.96	7,643.79	6,811.32	(479.29)	46.04	(63.65)	(310.99)	(14.93)	(30.11)	1,267.59	38,450.67
Ending Balance	7,638.12	15,521.94	23,580.90	31,224.69	38,036.01	37,556.72	37,602.76	37,539.11	37,228.12	37,213.19	37,183.08	38,450.67	
Interest	-	29.78	54.65	91.93	117.80	148.28	141.69	146.59	146.34	157.28	162.45	157.08	1,353.87
Cumulative Interest	-	29.78	84.43	176.36	294.16	442.44	584.13	730.72	877.06	1,034.34	1,196.79	1,353.87	
													39,804.54

2008 - RSVA LV - 1550 Expense vs. Revenues with Interest

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Annual Total
Starting Balance	38,450.67	40,711.98	41,780.96	43,319.79	44,598.27	45,587.29	46,273.38	47,017.03	47,353.37	48,454.78	49,142.07	50,313.05	52,353.27
													-
Low Voltage Billed -	5,592.32	6,696.66	5,980.58	5,717.44	5,088.41	4,959.64	4,465.94	4,552.95	4,363.91	4,528.63	4,878.60	5,157.62	61,982.70
Low Voltage Charged	7,853.63	7,765.64	7,519.41	6,995.92	6,077.43	5,645.73	5,209.59	4,889.29	5,465.32	5,215.92	6,049.58	7,197.84	75,885.30
													-
erence Billed versus Paid - Hearst	2,261.31	1,068.98	1,538.83	1,278.48	989.02	686.09	743.65	336.34	1,101.41	687.29	1,170.98	2,040.22	13,902.60
													-
													-
Total	2,261.31	1,068.98	1,538.83	1,278.48	989.02	686.09	743.65	336.34	1,101.41	687.29	1,170.98	2,040.22	13,902.60
Ending Balance	40,711.98	41,780.96	43,319.79	44,598.27	45,587.29	46,273.38	47,017.03	47,353.37	48,454.78	49,142.07	50,313.05	52,353.27	
Interest	167.86	177.73	172.52	174.57	173.44	136.67	131.24	107.92	106.8	109.83	111.72	114.95	1,685.25
Cumulative Interest	1,353.87	1,699.46	1,871.98	2,046.55	2,219.99	2,356.66	2,487.90	2,595.82	2,702.62	2,812.45	2,924.17	3,039.12	26,924.58
													55,392.39

	INTEREST Q 1 -2.45%		Q 2 - 1.00 %		Q3 & Q 4 - .55%								
	2009												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	52353.26	78643.04	77023.14	74966.29	73348.95	72629.99	72066.11	70616.44	70080.01	69680.69	69150.37	68658.25	
adjustment	23953.02												23953.02
LV	2336.76	-1619.9	-2056.85	-1617.34	-718.96	-563.88	-1449.67	-536.43	-399.32	-530.32	-492.12	-309.45	-7957.48
TOTAL	78643.04	77023.14	74966.29	73348.95	72629.99	72066.11	70616.44	70080.01	69680.69	69150.37	68658.25	68348.80	865212.08
INTEREST STARTING BALANCE	3039.12												
Interest	217.11	163.64	144.76	155.99	60.29	61.69	59.23	32.99	32.74	31.5	25.81	24.75	1010.5
cumulative interest	3256.23	3419.87	3564.63	3720.62	3780.91	3842.6	3901.83	3934.82	3967.56	3999.06	4024.87	4049.62	
Total	81899.27	80443.01	78530.92	77069.57	76410.90	75908.71	74518.27	74014.83	73648.25	73149.43	72683.12	72398.42	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

DEFERRED PIL'S (1562)

INTEREST RATE - ANNUAL

2006 -DEFERRED PIL'S -1562 - WITH INTEREST

	2006 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	2558.5	5427.56	4061.32	3232.64	2404.43	2453.35	2561.09	2843.22	3160.62	3434.85	3777.81	3900.03	
Record Board approved recoveries	2869.06	2869.06	2869.06	2869.06	2869.06	2869.06	2760.08	2760.08	2760.08	2760.08	2760.08	2760.08	33774.84
COLLECTED FROM CUSTOMERS		-4235.3	-3697.74	-3697.27	-2820.14	-2761.32	-2477.95	-2442.68	-2485.85	-2417.12	-2637.86	-2844.98	-32518.21
Ending balance	5427.56	4061.32	3232.64	2404.43	2453.35	2561.09	2843.22	3160.62	3434.85	3777.81	3900.03	3815.13	1256.63
starting balance	383.15												
Interest	22.48	14.23	9.22	4.22	2.57	3.55	5.15	6.19	7.51	7.97	7.65	7.65	98.39
Cumulative Interest	405.63	419.86	429.08	433.3	435.87	439.42	444.57	450.76	458.27	466.24	473.89	481.54	
Total	5450.04	4075.55	3241.86	2408.65	2455.92	2564.64	2848.37	3166.81	3442.36	3785.78	3907.68	4296.67	

	2007 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	3815.13	3695.63	3167.49	2501.67	2096.31	2017.91	2275.60	2665.07	3070.41	3419.83	3891.16	4143.89	
Record Board approved recoveries	2760.08	2760.08	2760.08	2760.08	2760.08	2886.75	2886.75	2886.75	2886.75	2886.75	2886.75	2886.75	34007.65
COLLECTED FROM CUSTOMERS	-2879.58	-3288.22	-3425.9	-3165.44	-2838.48	-2629.06	-2497.28	-2481.41	-2537.33	-2415.42	-2634.02	-2924.56	-33716.7
Ending balance	3695.63	3167.49	2501.67	2096.31	2017.91	2275.60	2665.07	3070.41	3419.83	3891.16	4143.89	4106.08	290.95
Interest	9.98	24.12	21.14	19.55	17.68	17.7	18.36	20.17	21.72	23.9	27.85	28.57	250.74
Cumulative Interest	491.52	515.64	536.78	556.33	574.01	591.71	610.07	630.24	651.96	675.86	703.71	732.28	
Total	3705.61	3191.61	2522.81	2115.86	2035.59	2293.30	2683.43	3090.58	3441.55	3915.06	4171.74	4838.36	

	2008 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	4106.08	3954.53	3175.46	2782.73	2535.15	2618.30	2854.91	3279.52	3680.79	4183.38	4612.68	4865.87	
Record Board approved recoveries	2760.08	2760.08	2760.08	2760.08	2760.08	2484.76	2484.76	2484.76	2484.76	2484.76	2484.76	2484.76	31193.72
COLLECTED FROM CUSTOMERS	-2911.63	-3539.15	-3152.81	-3007.66	-2676.93	-2248.15	-2060.15	-2083.49	-1982.17	-2055.46	-2231.57	-2311.85	-30261.02
Ending balance	3954.53	3175.46	2782.73	2535.15	2618.30	2854.91	3279.52	3680.79	4183.38	4612.68	4865.87	5038.78	932.7
Interest	26.79	26.21	23.59	21.73	18.19	17.69	16.49	16.38	17.5	18.66	20.1	20.56	243.89
cumulative interest	759.07	785.28	808.87	830.6	848.79	866.48	882.97	899.35	916.85	935.51	955.61	976.17	
Total	3981.32	3201.67	2806.32	2556.88	2636.49	2872.60	3296.01	3697.17	4200.88	4631.34	4885.97	6014.95	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

	2009												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	5038.78	4842.10	4422.28	4153.34	4115.46	4397.18	4797.22	5208.34	5676.83	6182.48	6626.60	6921.69	
Record Board approved recoveries	2484.76	2484.76	2484.76	2484.76	2484.76	2484.76	2395.16	2395.16	2395.16	2395.16	2395.16	2395.16	29279.52
COLLECTED FROM CUSTOMERS	-2681.44	-2904.58	-2753.7	-2522.64	-2203.04	-2084.72	-1984.04	-1926.67	-1889.51	-1951.04	-2100.07	-2086.57	-27088.02
Ending balance	4842.10	4422.28	4153.34	4115.46	4397.18	4797.22	5208.34	5676.83	6182.48	6626.60	6921.69	7230.28	
interest starting balance	976.17												
Interest	14.53	9.62	8.68	8.54	3.39	3.74	3.95	2.44	2.66	2.8	3.1	3.13	66.58
cumulative interest	990.70	1000.32	1009.00	1017.54	1020.93	1024.67	1028.62	1031.06	1033.72	1036.52	1039.62	1042.75	
Total	5832.80	5422.60	5162.34	5133.00	5418.11	5821.89	6236.96	6707.89	7216.20	7663.12	7961.31	8273.03	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

DEFERRED PIL'S- CONTRA ACCOUNT (1563)

INTEREST RATE - ANNUAL

2006 -DEFERRED PIL'S CONTRA ACCOUNT -1563 - WITH INTEREST

	2006 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-2558.5	-5427.56	-4061.32	-3232.64	-2404.43	-2453.35	-2561.09	-2843.22	-3160.62	-3434.85	-3777.81	-3900.03	
Record Board approved recoveries	-2869.06	-2869.06	-2869.06	-2869.06	-2869.06	-2869.06	-2760.08	-2760.08	-2760.08	-2760.08	-2760.08	-2760.08	-33774.84
COLLECTED FROM CUSTOMERS		4235.3	3697.74	3697.27	2820.14	2761.32	2477.95	2442.68	2485.85	2417.12	2637.86	2844.98	32518.21
Ending balance	-5427.56	-4061.32	-3232.64	-2404.43	-2453.35	-2561.09	-2843.22	-3160.62	-3434.85	-3777.81	-3900.03	-3815.13	-1256.63
starting balance	-383.15												
Interest	-22.48	-14.23	-9.22	-4.22	-2.57	-3.55	-5.15	-6.19	-7.51	-7.97	-7.65	-7.65	-98.39
Cumulative Interest	-405.63	-419.86	-429.08	-433.3	-435.87	-439.42	-444.57	-450.76	-458.27	-466.24	-473.89	-481.54	
Total	-5450.04	-4075.55	-3241.86	-2408.65	-2455.92	-2564.64	-2848.37	-3166.81	-3442.36	-3785.78	-3907.68	-4296.67	

	2007 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-3815.13	-3695.63	-3167.49	-2501.67	-2096.31	-2017.91	-2275.60	-2665.07	-3070.41	-3419.83	-3891.16	-4143.89	
Record Board approved recoveries	-2760.08	-2760.08	-2760.08	-2760.08	-2760.08	-2886.75	-2886.75	-2886.75	-2886.75	-2886.75	-2886.75	-2886.75	-34007.65
COLLECTED FROM CUSTOMERS	2879.58	3288.22	3425.9	3165.44	2838.48	2629.06	2497.28	2481.41	2537.33	2415.42	2634.02	2924.56	33716.7
Ending balance	-3695.63	-3167.49	-2501.67	-2096.31	-2017.91	-2275.60	-2665.07	-3070.41	-3419.83	-3891.16	-4143.89	-4106.08	-290.95
Interest	-9.98	-24.12	-21.14	-19.55	-17.68	-17.7	-18.36	-20.17	-21.72	-23.9	-27.85	-28.57	-250.74
Cumulative Interest	-491.52	-515.64	-536.78	-556.33	-574.01	-591.71	-610.07	-630.24	-651.96	-675.86	-703.71	-732.28	
Total	-3705.61	-3191.61	-2522.81	-2115.86	-2035.59	-2293.30	-2683.43	-3090.58	-3441.55	-3915.06	-4171.74	-4838.36	

	2008 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-4106.08	-3954.53	-3175.46	-2782.73	-2535.15	-2618.30	-2854.91	-3279.52	-3680.79	-4183.38	-4612.68	-4865.87	
Record Board approved recoveries	-2760.08	-2760.08	-2760.08	-2760.08	-2760.08	-2484.76	-2484.76	-2484.76	-2484.76	-2484.76	-2484.76	-2484.76	-31193.72
COLLECTED FROM CUSTOMERS	2911.63	3539.15	3152.81	3007.66	2676.93	2248.15	2060.15	2083.49	1982.17	2055.46	2231.57	2311.85	30261.02
Ending balance	-3954.53	-3175.46	-2782.73	-2535.15	-2618.30	-2854.91	-3279.52	-3680.79	-4183.38	-4612.68	-4865.87	-5038.78	-932.7
Interest	-26.79	-26.21	-23.59	-21.73	-18.19	-17.69	-16.49	-16.38	-17.5	-18.66	-20.1	-20.56	-243.89
cumulative interest	-759.07	-785.28	-808.87	-830.6	-848.79	-866.48	-882.97	-899.35	-916.85	-935.51	-955.61	-976.17	
Total	-3981.32	-3201.67	-2806.32	-2556.88	-2636.49	-2872.60	-3296.01	-3697.17	-4200.88	-4631.34	-4885.97	-6014.95	

	2009 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-5038.78	-4842.10	-4422.28	-4153.34	-4115.46	-4397.18	-4797.22	-5208.34	-5676.83	-6182.48	-6626.60	-6921.69	
Record Board approved recoveries	-2484.76	-2484.76	-2484.76	-2484.76	-2484.76	-2484.76	-2395.16	-2395.16	-2395.16	-2395.16	-2395.16	-2395.16	-29279.52
COLLECTED FROM CUSTOMERS	2681.44	2904.58	2753.7	2522.64	2203.04	2084.72	1984.04	1926.67	1889.51	1951.04	2100.07	2086.57	27088.02
Ending balance	-4842.10	-4422.28	-4153.34	-4115.46	-4397.18	-4797.22	-5208.34	-5676.83	-6182.48	-6626.60	-6921.69	-7230.28	
interest starting balance	-976.17												
Interest	-14.53	-9.62	-8.68	-8.54	-3.39	-3.74	-3.95	-2.44	-2.66	-2.8	-3.1	-3.13	-66.58
cumulative interest	-990.70	-1000.32	-1009.00	-1017.54	-1020.93	-1024.67	-1028.62	-1031.06	-1033.72	-1036.52	-1039.62	-1042.75	
Total	-5832.80	-5422.60	-5162.34	-5133.00	-5418.11	-5821.89	-6236.96	-6707.89	-7216.20	-7663.12	-7961.31	-8273.03	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

SMART METERS (1555)

INTEREST RATE - ANNUAL

2006 - SMART METERS -1555 - REVENUES WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balanc	0	0	0	0	0	0	-697	-701.5	-688.75	-690.5	-693	-689.25	
													0
Ending balanc	0	0	0	0	0	0	-697	-1398.5	-2087.25	-2777.75	-3470.75	-4160	
Interest								-2.72	-5.45	-7.87	-10.83	-13.09	-39.96
Cumulative Inter	0	0	0	0	0	0	0	-2.72	-8.17	-16.04	-26.87	-39.96	
Total	0	0	0	0	0	0	-697	-1401.22	-2092.7	-2785.62	-3481.58	-4199.96	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balanc	-4160.00	-4852.25	-5544.25	-6232.25	-6913.00	-7606.50	-8300.00	-8995.00	-9689.50	-10376.75	-11072.25	-11761.00	
	-692.25	-692	-688	-680.75	-693.5	-693.5	-695	-694.5	-687.25	-695.5	-688.75	-694.5	-8295.5
Ending balanc	-4852.25	-5544.25	-6232.25	-6913.00	-7606.50	-8300.00	-8995.00	-9689.50	-10376.75	-11072.25	-11761.00	-12455.50	
Interest	-16.22	-18.92	-19.52	-24.3	-26.08	-29.65	-31.31	-35.07	-37.77	-43.84	-48.34	-49.69	-380.71
Cumulative Inter	-56.18	-75.1	-94.62	-118.92	-145	-174.65	-205.96	-241.03	-278.8	-322.64	-370.98	-420.67	
Total	-4868.47	-5563.17	-6251.77	-6937.30	-7632.58	-8329.65	-9026.31	-9724.57	-10414.52	-11116.09	-11809.34	-12876.17	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balanc	-12455.50	-13141.75	-13833.00	-14523.75	-15215.25	-15901.50	-16577.75	-17269.75	-17957.50	-18645.75	-19336.25	-20030.00	
	-686.25	-691.25	-690.75	-691.5	-686.25	-676.25	-692	-687.75	-688.25	-690.5	-693.75	-683.71	-8258.21
Ending balanc	-13141.75	-13833.00	-14523.75	-15215.25	-15901.50	-16577.75	-17269.75	-17957.50	-18645.75	-19336.25	-20030.00	-20713.71	
Interest	-54.37	-57.37	-54.54	-63.4	-51.02	-55.1	-55.59	-49.14	-51.09	-51.34	-55.02	-55.15	-653.13
cumulative inter	-475.04	-532.41	-586.95	-650.35	-701.37	-756.47	-812.06	-861.2	-912.29	-963.63	-1018.65	-1073.8	
Total	-13196.12	-13890.37	-14578.29	-15278.65	-15952.52	-16632.85	-17325.34	-18006.64	-18696.84	-19387.59	-20085.02	-21787.51	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

2009	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-20713.71	-21407.68	134983.55	134294.24	133606.88	360076.13	357601.88	361220.96	365533.04	363168.83	372808.85	382227.71	
Smart Meters CAPITAL		157067.81			227163.91		6378.11	7066	391.41	12395.73	12173.13	- 422,636.10	0
Interest on Smart Meter Capital			295.03	326.83	129.1	326.31	315.81	182.46	185.76	179.95	191.74	-2132.99	0
RECOVERIES	-693.97	-676.58	-689.31	-687.36	-694.66	-2474.25	-2759.03	-2753.92	-2755.62	-2755.71	-2754.27	-2750.88	-22445.56
Interest on Recoveries	-58.94	-44.55	-41.51	-47.39	-19.28	-20.52	-22.25	-13.73	-15.01	-15.78	-17.59	-18.27	-334.82
STRANDED METER COST												45081	45081
Interest on Stranded Meters													0
Ending balance before Interest	-21407.68	134983.55	134294.24	133606.88	360076.13	357601.88	361220.96	365533.04	363168.83	372808.85	382227.71	1921.73	
Interest starting balance	-1073.80	-1132.74	-1177.29	-923.77	-644.33	-534.51	-228.72	64.84	233.57	404.32	568.49	742.64	
Interest Total	-58.94	-44.55	253.52	279.44	109.82	305.79	293.56	168.73	170.75	164.17	174.15	-2151.26	-334.82
Cumulative Interest	-1132.74	-1177.29	-923.77	-644.33	-534.51	-228.72	64.84	233.57	404.32	568.49	742.64	-1408.62	
Ending Balance Total	-22540.42	133806.26	133370.47	132962.55	359541.62	357373.16	361285.80	365766.61	363573.15	373377.34	382970.35	513.11	

INTEREST Q 1 -2.45% Q 2 - 1.00 % Q3 & Q 4 - .55%

2010	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	1921.73	-817.16	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	
Smart Meters CAPITAL													0
Interest on Smart Meter Capital													0
RECOVERIES	-2738.89	-2730.42											-5469.31
Interest on Recoveries	-20.16	-19.36											-39.52
STRANDED METER COST													0
Interest on Stranded Meters	21.06	19.02											40.08
Ending balance before Interest	-817.16	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	-3547.58	
Interest starting balance	-1408.62	-1407.72	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	
Interest Total	0.9	-0.34	0	0	0	0	0	0	0	0	0	0	0.56
Cumulative Interest	-1407.72	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	-1408.06	
Ending Balance Total	-2224.88	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	-4955.64	

-20713.71	-21407.68	134983.55	134294.24	133606.88	360076.13	357601.88	361220.96	365533.04	363168.83	372808.85	382227.71	
	157067.81			227163.91		6378.11	7066	391.41	12395.73	12173.13	14553.87	437189.97
-693.97	-676.58	-689.31	-687.36	-694.66	-2474.25	-2759.03	-2753.92	-2755.62	-2755.71	-2754.27	-2750.88	-22445.56
-21407.68	134983.55	134294.24	133606.88	360076.13	357601.88	361220.96	365533.04	363168.83	372808.85	382227.71	394030.70	
0.00												
-58.94	-44.55	253.52	279.44	109.82	305.79	293.56	168.73	170.75	164.17	174.15	172.78	1989.22
-58.94	-103.49	150.03	429.47	539.29	845.08	1138.64	1307.37	1478.12	1642.29	1816.44	1989.22	11173.52
-21466.62	134880.06	134444.27	134036.35	360615.42	358446.96	362359.60	366840.41	364646.95	374451.14	384044.15	396019.92	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

SMART METERS - OM & A (1556)

INTEREST RATE - ANNUAL

2006 - SMART METERS -1556 - OM & A WITH INTEREST

	2006												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	0	0	0	0	0	0	0	0	0	0	0	0	
													0
Ending balance	0	0	0	0	0	0	0	0	0	0	0	0	
Interest													0
Cumulative Interest	0	0	0	0	0	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	0	0	0	0	0	

	2007												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
												9788.11	
Ending balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9788.11	
Interest													0
Cumulative Interest	0	0	0	0	0	0	0	0	0	0	0	0	
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9788.11	

	2008												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	9788.11	9788.11	9788.11	9788.11	12153.53	12153.53	12153.53	12153.53	14486.93	14486.93	16935.30	16935.30	
				2365.42				2333.4		2448.37		2390.47	9537.66
Ending balance	9788.11	9788.11	9788.11	12153.53	12153.53	12153.53	12153.53	14486.93	14486.93	16935.30	16935.30	19325.77	
Interest													0
cumulative interest	0	0	0	0	0	0	0	0	0	0	0	0	
Total	9788.11	9788.11	9788.11	12153.53	12153.53	12153.53	12153.53	14486.93	14486.93	16935.30	16935.30	19325.77	

INTEREST Q 1 -2.45% **Q 2 - 1.00 %** **Q3 & Q 4 - .55%**

	2009												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	19,325.77	19,325.77	19,325.77	19,896.95	19,896.95	22,669.75	25,988.20	28,939.01	31,083.25	31,458.25	31,458.25	34,073.53	
			571.18		2,772.80	3,318.45	2,950.81	2,144.24	375.00		2,615.28	21,142.36	35,890.12
Ending balance	19,325.77	19,325.77	19,896.95	19,896.95	22,669.75	25,988.20	28,939.01	31,083.25	31,458.25	31,458.25	34,073.53	55,215.89	
interest starting balance													
Interest	54.99	40.21	36.32	41.40	16.35	19.25	21.34	13.52	14.52	14.18	14.66	15.37	302.11
cumulative interest	54.99	95.20	131.52	172.92	189.27	208.52	229.86	243.38	257.90	272.08	286.74	302.11	2,444.49
Total	19,380.76	19,420.97	20,028.47	20,069.87	22,859.02	26,196.72	29,168.87	31,326.63	31,716.15	31,730.33	34,360.27	55,518.00	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

CONSERVATION & DSM EXPENSES & RECOVERIES(REVENUES) (1565)

INTEREST RATE - ANNUAL

2006 - DSM- 1565 EXPENSE vs RECOVERIES WITH INTEREST

	2006 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance		0	0	0	0	0	0	0	0	0	0	-13196.75	
Ending balance	0	0	0	0	0	0	0	0	0	0	0	-13196.75	
Interest		0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Interest		0	0	0	0	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	0	0	0	0	-13196.75	

	2007 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-13196.75	-15688.16	-18516.42	-21469.23	-24245.17	-26727.98	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	
RECOVERED	-2491.41	-2828.26	-2952.81	-2775.94	-2482.81								-13531.23
EXPENSES						1600							1600
	-2491.41	-2828.26	-2952.81	-2775.94	-2482.81	1600	0	0	0	0	0	0	-11931.23
Ending balance	-15688.16	-18516.42	-21469.23	-24245.17	-26727.98	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	
Interest	-51.45	-61.16	-65.2	-83.69	-91.47	-104.2	-21.67	-21.08	-21.08	-106.16	-109.7	-94.8	-831.66
Cumulative Interest	-51.45	-112.61	-177.81	-261.5	-352.97	-457.17	-478.84	-499.92	-521	-627.16	-736.86	-831.66	
Total	-15739.61	-18577.58	-21534.43	-24328.86	-26819.45	-25232.18	-25149.65	-25149.06	-25149.06	-25234.14	-25237.68	-25959.64	

	2008 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-25127.98	-25127.98	-25127.98	-25127.98	-25127.98	-25037.98	-25037.98	-25037.98	-25037.98	-25037.98	-25037.98	-24902.98	
RECOVERED													0
EXPENSES					90						135		225
	0	0	0	0	90	0	0	0	0	0	135	0	225
Ending balance	-25127.98	-25127.98	-25127.98	-25127.98	-25037.98	-25037.98	-25037.98	-25037.98	-25037.98	-25037.98	-24902.98	-24902.98	
Interest	-109.7	-109.7	-99.08	-109.7	-84.26	-87.07	-84.26	-71.49	-71.49	-106.16	-71.49	-69.19	-1073.59
cumulative interest	-941.36	-1051.06	-1150.14	-1259.84	-1344.1	-1431.17	-1515.43	-1586.92	-1658.41	-1764.57	-1836.06	-1905.25	

Total	-25237.68	-25237.68	-25227.06	-25237.68	-25122.24	-25125.05	-25122.24	-25109.47	-25109.47	-25144.14	-24974.47	-26808.23

	2009												
	JAN.	**FEB.**	**MARCH**	**APRIL**	**MAY**	**JUNE**	**JULY**	**AUGUST**	**SEPT.**	**OCT.**	**NOV.**	**DEC.**	**Annual Total**
starting balance	-24902.98	-24902.98	-24902.98	-24902.98	-24902.98	-24902.98	-24745.48	-24745.48	-24745.48	-24745.48	-24745.48	-24745.48	
RECOVERED													0
EXPENSES						157.5						8125	8282.5
	0	0	0	0	0	157.5	0	0	0	0	0	8125	8282.5
Ending balance	-24902.98	-24902.98	-24902.98	-24902.98	-24902.98	-24745.48	-24745.48	-24745.48	-24745.48	-24745.48	-24745.48	-16620.48	
Interest starting balance	-1905.25												
Interest	-70.85	-51.82	-46.8	-51.82	-20.47	-21.15	-20.47	-11.56	-11.63	-11.19	-11.56	-11.19	-340.51
cumulative interest	-1976.10	-2027.92	-2074.72	-2126.54	-2147.01	-2168.16	-2188.63	-2200.19	-2211.82	-2223.01	-2234.57	-2245.76	
Total	-26879.08	-26930.90	-26977.70	-27029.52	-27049.99	-26913.64	-26934.11	-26945.67	-26957.30	-26968.49	-26980.05	-18866.24	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

QUALIFYING TRANSITION COSTS (1570)

INTEREST RATE - ANNUAL

2006 -QUALIFYING TRANSITION COST -1570 - WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total	
starting balance	94811.8	94811.8	94811.8	94811.8	94811.8	19627.8	19627.8	19627.8	19627.8	19627.8	19627.8	19627.8		
Record Board approved recoveries-move to 1590					-75184								-75184	
Ending balance	94811.8	94811.8	94811.8	94811.8	19627.8	19627.8	19627.8	19627.8	19627.8	19627.8	19627.8	19627.8		
starting balance	6873.86													
Interest	583.81	583.81	527.31	583.81	116.96	120.86	116.96	120.86	120.86	116.96	120.86	116.96	3230.02	eckwith Nicole
Cumulative Interest	7457.67	8041.48	8568.79	9152.6	9269.56	9390.42	9507.38	9628.24	9749.1	9866.06	9986.92	10103.88		
Total	95395.61	95395.61	95339.11	95395.61	19744.76	19748.66	19744.76	19748.66	19748.66	19744.76	19748.66	29731.68		
Total	102269.47	102853.28	103380.59	103964.4	28897.36	29018.22	29135.18	29256.04	29376.9	29493.86	29614.72	29731.68	RMG-Audit	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Ending balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Interest	76.52	76.52	69.11	76.52	74.05	76.52	74.05	76.52	76.52	82.92	85.68	82.92	927.85
Cumulative Interest	10180.4	10256.92	10326.03	10402.55	10476.6	10553.12	10627.17	10703.69	10780.21	10863.13	10948.81	11031.73	
Total	19704.32	19704.32	19696.91	19704.32	19701.85	19704.32	19701.85	19704.32	19704.32	19710.72	19713.48	30659.53	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Ending balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Interest	86.58	86.58	77.39	85.68	65.82	68.01	65.82	55.85	55.85	54.04	55.85	54.04	811.51
cumulative interest	11118.31	11204.89	11282.28	11367.96	11433.78	11501.79	11567.61	11623.46	11679.31	11733.35	11789.2	11843.24	
Total	19714.38	19714.38	19705.19	19713.48	19693.62	19695.81	19693.62	19683.65	19683.65	19681.84	19683.65	31471.04	

	2009												
	JAN.	**FEB.**	**MARCH**	**APRIL**	**MAY**	**JUNE**	**JULY**	**AUGUST**	**SEPT.**	**OCT.**	**NOV.**	**DEC.**	**Annual Total**
starting balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Ending balance	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	19627.80	
Interest starting balance	11843.24												
Interest	55.85	40.84	36.89	40.84	16.13	16.67	16.13	9.17	9.17	8.87	9.17	8.87	268.6
cumulative interest	11899.09	11939.93	11976.82	12017.66	12033.79	12050.46	12066.59	12075.76	12084.93	12093.80	12102.97	12111.84	
Total	31526.89	31567.73	31604.62	31645.46	31661.59	31678.26	31694.39	31703.56	31712.73	31721.60	31730.77	31739.64	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

RETAIL SETTLEMENT VARIANCE ACCOUNT - WHOLESALE MARKET SERVICES (1580)

INTEREST RATE - ANNUAL

2006 - RSVA WMS- 1580 EXPENSE vs REVENUES WITH INTEREST

	2006 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	74446.44	76811.49	55308.23	20955.88	18438.2	-32110.78	-34123.56	-47995.93	-56410.44	-67004.21	-80364.59	-90929.66	
WMS-billed	-70944.54	-77183.5	-71231.5	-74633.92	-60791.96	-63163.05	-56153	-48991.54	-57384.83	-54241.26	-59808.12	-64965.92	-759493.14
WMS -charged	73309.59	55680.24	36879.15	72116.24	52844.98	61150.27	42280.63	40577.03	46791.06	40880.88	49243.05	58298.41	630051.53
Diff billed versus paid - Hearst	2365.05	-21503.26	-34352.35	-2517.68	-7946.98	-2012.78	-13872.37	-8414.51	-10593.77	-13360.38	-10565.07	-6667.49	-129441.59
Record Board approved recoveries-move to 1590					-42602								
Ending balance	76811.49	55308.23	20955.88	18438.2	-32110.78	-34123.56	-47995.93	-56410.44	-67004.21	-80364.59	-90929.66	-97597.15	
Board approved recoveries -interest-moe to 1590					281								
Interest		472.97	294.45	246.88	174.76	84.03	101.51	70.06	91.34	80.17	72.06	80.28	1768.51
Cumulative Interest		472.97	767.42	1014.3	1470.06	1554.09	1655.6	1725.66	1817	1897.17	1969.23	2049.51	
Total	76811.49	55781.2	21250.33	18685.08	-31655.02	-34039.53	-47894.42	-56340.38	-66912.87	-80284.42	-90857.6	-95547.64	

	2007 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-97597.15	-98435.15	-100777.04	-105779.70	-123318.21	-133279.42	-141905.76	-144643.12	-149547.69	-154123.62	-155112.02	-171526.73	
WMS - billed	-60464.65	-71230.47	-72934.49	-71354.32	-59980.87	-56401.84	-52478.72	-49942.24	-51488.72	-49696.54	-54681.28	-51750.18	-702404.32
WMS -charged	59626.65	68888.58	67931.83	53815.81	50019.66	47775.5	49741.36	45037.67	46912.79	48708.14	38266.57	46795.84	623520.4
Diff billed versus paid - Hearst	-838	-2341.89	-5002.66	-17538.51	-9961.21	-8626.34	-2737.36	-4904.57	-4575.93	-988.4	-16414.71	-4954.34	-78883.92
Ending balance	-98435.15	-100777.04	-105779.70	-123318.21	-133279.42	-141905.76	-144643.12	-149547.69	-154123.62	-155112.02	-171526.73	-176481.07	
Interest	-380.47	-383.74	-389.6	-399.97	-448.84	-419.3	-400.74	-378.52	-386.7	-385.46	-430.37	-497.72	-4901.43
Cumulative Interest	1669.04	1285.3	895.7	495.73	46.89	-372.41	-773.15	-1151.67	-1538.37	-1923.83	-2354.2	-2851.92	
Total	-98815.62	-101160.78	-106169.30	-123718.18	-133728.26	-142325.06	-145043.86	-149926.21	-154510.32	-155497.48	-171957.10	-179332.99	

	2008 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-176481.07	-166672.94	-179258.25	-182179.02	-181738.52	-185232.88	-188744.24	-186629.69	-189575.83	-187374.46	-189515.05	-194138.50	
WMS -billed	-50117.9	-63514.53	-56188.76	-54122.67	-46819.89	-44619.6	-37847.51	-36409.24	-36450.08	-37729.51	-43416.13	-44940.69	-552176.51
WMS -charged	59926.03	50929.22	53267.99	54563.17	43325.53	41108.24	39962.06	33463.1	38651.45	35588.92	38792.68	46666.38	536244.77
Diff billed versus paid - Hearst	9808.13	-12585.31	-2920.77	440.5	-3494.36	-3511.36	2114.55	-2946.14	2201.37	-2140.59	-4623.45	1725.69	-15931.74
Ending balance	-166672.94	-179258.25	-182179.02	-181738.52	-185232.88	-188744.24	-186629.69	-189575.83	-187374.46	-189515.05	-194138.50	-192412.81	
Interest	-497.72	-727.61	-825.37	-783.18	-768.5	-623.65	-603.59	-480.11	-494.04	-487.97	-493.87	-506.6	-7292.21
cumulative interest	-3349.64	-4077.25	-4902.62	-5685.8	-6454.3	-7077.95	-7681.54	-8161.65	-8655.69	-9143.66	-9637.53	-10144.13	

Total	-167170.66	-179985.86	-183004.39	-182521.70	-186001.38	-189367.89	-187233.28	-190055.94	-187868.50	-190003.02	-194632.37	-202556.94	

	2009												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-192412.81	-190879.48	-193690.64	-200212.57	-210529.32	-221059.38	-222527.62	-227296.25	-232574.75	-235277.97	-240778.56	-247309.55	
WMS -billed	-53533.38	-60034.49	-51028.84	-47309.48	-39866.03	-39443.37	-41003.62	-32634.49	-34228.09	-40069.67	-44542.68	-38110.52	-521804.66
WMS -charged	55066.71	57223.33	44506.91	36992.73	29335.97	37975.13	36234.99	27355.99	31524.87	34569.08	38011.69	32041.42	460838.82
Diff billed versus paid - Hearst	1533.33	-2811.16	-6521.93	-10316.75	-10530.06	-1468.24	-4768.63	-5278.5	-2703.22	-5500.59	-6530.99	-6069.1	-60965.84
Ending balance	-190879.48	-193690.64	-200212.57	-210529.32	-221059.38	-222527.62	-227296.25	-232574.75	-235277.97	-240778.56	-247309.55	-253378.65	
Interest starting balance	-10144.13												
Interest	-547.45	-397.19	-364.03	-416.61	-173.04	-187.75	-182.9	-106.18	-108.64	-106.36	-112.47	-111.8	-2814.42
cumulative interest	-10691.58	-11088.77	-11452.8	-11869.41	-12042.45	-12230.2	-12413.1	-12519.28	-12627.92	-12734.28	-12846.75	-12958.55	
Total	-201571.06	-204779.41	-211665.37	-222398.73	-233101.83	-234757.82	-239709.35	-245094.03	-247905.89	-253512.84	-260156.30	-266337.20	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

RETAIL SETTLEMENT VARIANCE ACCOUNT - NETWORK (1584)

INTEREST RATE - ANNUAL

2006 - RSVA NW - 1584 EXPENSE vs REVENUES WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-276220.65	-279473.17	-286950.4	-295804.1	-304011.39	-105405.27	-114845.51	-114954.67	-115173.76	-110616.84	-96828.74	-93688.47	
NETWORK-billed	-60684.54	-64261.18	-59213.55	-59328.41	-49716	-50285.63	-38800.92	-38288.25	-39107.15	-38660.68	-41657.14	-44774.83	-584778.28
NETWORK -charged	57432.02	56783.95	50359.85	51121.12	48008.12	40845.39	38691.76	38069.16	43664.07	52448.78	44797.41	49131.63	571353.26
Diff billed versus paid - Hearst	-3252.52	-7477.23	-8853.7	-8207.29	-1707.88	-9440.24	-109.16	-219.09	4556.92	13788.1	3140.27	4356.8	-13425.02
Record Board approved recoveries-move to 1590					200314								
Ending balance	-279473.17	-286950.4	-295804.1	-304011.39	-105405.27	-114845.51	-114954.67	-115173.76	-110616.84	-96828.74	-93688.47	-89331.67	
Board approved recoveries -interest- move to 1590					1104								
Interest		-1720.87	-1577.83	-1755.36	-501.23	-272.91	-290.41	-296.34	-296.77	-269.17	-242.16	-293.38	-7516.43
Cumulative Interest		-1720.87	-3298.7	-5054.06	-4451.29	-4724.2	-5014.61	-5310.95	-5607.72	-5876.89	-6119.05	-6412.43	
Total	-279473.17	-288671.27	-297381.93	-305766.75	-104802.5	-115118.42	-115245.08	-115470.1	-110913.61	-97097.91	-93930.63	-95744.1	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-89331.67	-80023.70	-77588.19	-75895.70	-72834.39	-69760.02	-68223.11	-63398.36	-59702.32	-57795.21	-53946.28	-53829.11	
NETWORK - billed	-45402.05	-51056.19	-53069.84	-49830.88	-44029.05	-41037.18	-39415.44	-38822.34	-39363.21	-38405.98	-41689.1	-45179.61	-527300.87
NETWORK -charged	54710.02	53491.7	54762.33	52892.19	47103.42	42574.09	44240.19	42518.38	41270.32	42254.91	41806.27	45870.09	563493.91
Diff billed versus paid - Hearst	9307.97	2435.51	1692.49	3061.31	3074.37	1536.91	4824.75	3696.04	1907.11	3848.93	117.17	690.48	36193.04
Ending balance	-80023.70	-77588.19	-75895.70	-72834.39	-69760.02	-68223.11	-63398.36	-59702.32	-57795.21	-53946.28	-53829.11	-53138.63	
Interest	-348.25	-311.96	-338.75	-341.65	-336.31	-336.26	-331.21	-318.81	-323.07	-329.82	-373.17	-389.46	-4078.72
Cumulative Interest	-6760.68	-7072.64	-7411.39	-7753.04	-8089.35	-8425.61	-8756.82	-9075.63	-9398.7	-9728.52	-10101.69	-10491.15	
Total	-80371.95	-77900.15	-76234.45	-73176.04	-70096.33	-68559.37	-63729.57	-60021.13	-58118.28	-54276.10	-54202.28	-63629.78	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-53138.63	-51416.93	-57042.83	-60349.75	-64052.66	-66911.73	-69059.55	-69300.12	-71560.50	-70018.16	-71035.05	-71771.44	
NETWORK -billed	-40190.52	-47443.2	-42847.19	-40738.93	-36123.78	-29272.26	-25647.57	-26227.17	-25160.3	-26364.13	-28242.49	-30174.04	-398431.58
NETWORK -charged	41912.22	41817.3	39540.27	37036.02	33264.71	27124.44	25407	23966.79	26702.64	25347.24	27506.1	33206.61	382831.34
Diff billed versus paid - Hearst	1721.7	-5625.9	-3306.92	-3702.91	-2859.07	-2147.82	-240.57	-2260.38	1542.34	-1016.89	-736.39	3032.56	-15600.25
Ending balance	-51416.93	-57042.83	-60349.75	-64052.66	-66911.73	-69059.55	-69300.12	-71560.50	-70018.16	-71035.05	-71771.44	-68738.88	
Interest	-389.46	-224.46	-256.54	-246.41	-248.14	-194.04	-185.4	-146.98	-152.54	-148.29	-151.09	-153.12	-2496.47
cumulative interest	-10880.61	-11105.07	-11361.61	-11608.02	-11856.16	-12050.2	-12235.6	-12382.58	-12535.12	-12683.41	-12834.5	-12987.62	
Total	-51806.39	-57267.29	-60606.29	-64299.07	-67159.87	-69253.59	-69485.52	-71707.48	-70170.70	-71183.34	-71922.53	-81726.50	

	2009 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-68738.88	-68023.45	-68713.88	-69602.79	-71014.69	-75536.85	-76660.87	-76576.47	-81973.94	-82026.37	-82213.93	-82777.33	
NETWORK -billed	-34914.76	-37856.25	-35664.38	-29266.09	-25327.2	-28747.67	-28204.08	-27043.43	-27513.15	-28142.2	-30084.78	-30091.77	-362855.76
NETWORK -charged	35630.19	37165.82	34775.47	27854.19	20805.04	27623.65	28288.48	21645.96	27460.72	27954.64	29521.38	30134.86	348860.4
Diff billed versus paid - Hearst	715.43	-690.43	-888.91	-1411.9	-4522.16	-1124.02	84.4	-5397.47	-52.43	-187.56	-563.4	43.09	-13995.36
Ending balance	-68023.45	-68713.88	-69602.79	-71014.69	-75536.85	-76660.87	-76576.47	-81973.94	-82026.37	-82213.93	-82777.33	-82734.24	
INTEREST STARTING BALANCE	-12987.62												
Interest	-195.58	-141.54	-129.14	-144.83	-58.37	-64.15	-63.01	-35.77	-38.29	-37.08	-38.4	-37.42	-983.58
cumulative interest	-13183.20	-13324.74	-13453.88	-13598.71	-13657.08	-13721.23	-13784.24	-13820.01	-13858.30	-13895.38	-13933.78	-13971.20	
Total	-68219.03	-68855.42	-69731.93	-71159.52	-75595.22	-76725.02	-76639.48	-82009.71	-82064.66	-82251.01	-82815.73	-96705.44	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

RETAIL SETTLEMENT VARIANCE ACCOUNT - CONNECTION (1586)

INTEREST RATE - ANNUAL

2006 - RSVA CN - 1586 EXPENSE vs REVENUES WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-182542.26	-187365.57	-197842.16	-203413.85	-213162.48	-84745.32	-91123.48	-94242.34	-97467.11	-102512.39	-97039.46	-100937.29	
Connection-billed	-53262.59	-56319.12	-51848.84	-52523.76	-43832.46	-45579.74	-40240.57	-39729.85	-40879.53	-39931.02	-42913.15	-45965.5	-553026.13
Connection -charged	48439.28	46996.24	47344.24	43926.88	40486.32	39393.6	37317.2	36716.32	36045.84	45615.58	39193	42815.17	504289.67
Diff billed versus paid - Hearst	-4823.31	-9322.88	-4504.6	-8596.88	-3346.14	-6186.14	-2923.37	-3013.53	-4833.69	5684.56	-3720.15	-3150.33	-48736.46
Record Board approved recoveries-move to 1590					131279								131279
Ending balance	-187365.57	-196688.45	-202346.76	-212010.73	-85229.62	-90931.46	-94046.85	-97255.87	-102300.8	-96827.83	-100759.61	-104087.62	
Board approved recoveries -interest- move to 1590					841								841
Interest		-1153.71	-1067.09	-1151.75	-356.7	-192.02	-195.49	-211.24	-211.59	-211.63	-177.68	-207.43	-5136.33
Cumulative Interest		-1153.71	-2220.8	-3372.55	-2888.25	-3080.27	-3275.76	-3487	-3698.59	-3910.22	-4087.9	-4295.33	
Total	-187365.57	-197842.16	-203413.85	-213162.48	-84745.32	-91123.48	-94242.34	-97467.11	-102512.39	-97039.46	-100937.29	-104295.05	

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-104295.05	-105782.10	-111862.80	-118814.74	-125297.13	-129393.90	-135852.33	-140134.64	-144319.48	-150065.33	-153831.76	-159035.91	
Connection-billed	-46484.21	-52339.22	-54407.87	-51473.99	-45431.27	-42341.12	-41048.43	-40061.56	-40858.96	-39406.17	-42642.82	-46355.06	-542850.68
Connection -charged	45386.99	46652.63	47867.93	45406.93	41747.99	36286.88	37166.21	36268.63	35504.68	36037.2	37889.92	42460.11	488676.1
Diff billed versus paid - Hearst	-1097.22	-5686.59	-6539.94	-6067.06	-3683.28	-6054.24	-3882.22	-3792.93	-5354.28	-3368.97	-4752.9	-3894.95	-54174.58
Ending balance	-105392.27	-111468.69	-118402.74	-124881.80	-128980.41	-135448.14	-139734.55	-143927.57	-149673.76	-153434.30	-158584.66	-162930.86	
Interest	-389.83	-394.11	-412	-415.33	-413.49	-404.19	-400.09	-391.91	-391.57	-397.46	-451.25	-457.3	-4918.53
Cumulative Interest	-4685.16	-5079.27	-5491.27	-5906.6	-6320.09	-6724.28	-7124.37	-7516.28	-7907.85	-8305.31	-8756.56	-9213.86	
Total	-105782.10	-111862.80	-118814.74	-125297.13	-129393.90	-135852.33	-140134.64	-144319.48	-150065.33	-153831.76	-159035.91	-163388.16	

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-163388.16	-167055.55	-178834.89	-187372.64	-196303.51	-203906.30	-212043.59	-218438.60	-226790.81	-231491.48	-238007.17	-244258.60	
Connection-billed	-40973.31	-48488.65	-43960.3	-42136.59	-37229.59	-34574.4	-30950.06	-31595.87	-30210.98	-31371.53	-33550.67	-35850.1	-440892.05
Connection -charged	37763.22	37396.37	36144.02	33912.89	30335.75	26995.24	25097.48	23684.28	25956.6	25313.84	27740.56	31495.32	361835.57
Diff billed versus paid - Hearst	-3210.09	-11092.28	-7816.28	-8223.7	-6893.84	-7579.16	-5852.58	-7911.59	-4254.38	-6057.69	-5810.11	-4354.78	-79056.48
Ending balance	-166598.25	-178147.83	-186651.17	-195596.34	-203197.35	-211485.46	-217896.17	-226350.19	-231045.19	-237549.17	-243817.28	-248613.38	
Interest	-457.3	-687.06	-721.47	-707.17	-708.95	-558.13	-542.43	-440.62	-446.29	-458	-441.32	-457.32	-6626.06
cumulative interest	-9671.16	-10358.22	-11079.69	-11786.86	-12495.81	-13053.94	-13596.37	-14036.99	-14483.28	-14941.28	-15382.6	-15839.92	
Total	-167055.55	-178834.89	-187372.64	-196303.51	-203906.30	-212043.59	-218438.60	-226790.81	-231491.48	-238007.17	-244258.60	-249070.70	

2009	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-233230.78	-239573.85	-248613.78	-257524.24	-265629.17	-275524.31	-282497.66	-288106.76	-298754.30	-305405.16	-311808.53	-318471.09	
Connection-billed	-41524.95	-45182.37	-42416.91	-35194.69	-30685.89	-32743.74	-32292.11	-30814.28	-31252.97	-32233.36	-33967.07	-33830.26	-422138.6
Connection -charged	35181.88	36142.44	33506.45	27089.76	20790.75	25770.39	26683.01	20166.74	24602.11	25829.99	27304.51	27713.75	330781.78
Diff billed versus paid - Hearst	-6343.07	-9039.93	-8910.46	-8104.93	-9895.14	-6973.35	-5609.1	-10647.54	-6650.86	-6403.37	-6662.56	-6116.51	-91356.82
Ending balance	-239573.85	-248613.78	-257524.24	-265629.17	-275524.31	-282497.66	-288106.76	-298754.30	-305405.16	-311808.53	-318471.09	-324587.60	
interest starting balance	-15839.92												
Interest	-663.59	-498.51	-467.26	-535.86	-218.33	-234.01	-232.19	-134.58	-139.56	-138.06	-145.65	-143.97	-3551.57
cumulative interest	-16503.51	-17002.02	-17469.28	-18005.14	-18223.47	-18457.48	-18689.67	-18824.25	-18963.81	-19101.87	-19247.52	-19391.49	
Total	-256077.36	-265615.80	-274993.52	-283634.31	-293747.78	-300955.14	-306796.43	-317578.55	-324368.97	-330910.40	-337718.61	-343979.09	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

RETAIL SETTLEMENT VARIANCE ACCOUNT - POWER (1588)

INTEREST RATE - ANNUAL 7.25%

2005 - RSVA POWER- 1588 EXPENSE vs REVENUES WITH INTEREST

	2005 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance Power	-400185.46	-364415.74	-393062.51	-443672.09	-481071.67	-572780.43	-593789.01	-621811.08	-627185.20	-656116.58	-684402.84	-681986.63	
POWER-billed	-564993.33	-710586.96	-574865.88	-641762.06	-577186.94	-525452.59	-549205.41	-549872.59	-705214.7	-736023.79	-677066.88	-631285.00	-7443516.13
POWER -charged	600763.05	681940.19	524256.3	604362.48	485478.18	504444.01	521183.34	544498.47	676283.32	707737.53	679483.09	620358.84	7150788.8
Diff billed versus paid - Power	35769.72	-28646.77	-50609.58	-37399.58	-91708.76	-21008.58	-28022.07	-5374.12	-28931.38	-28286.26	2416.21	-10926.16	-292727.33
Ending balance Power	-364415.74	-393062.51	-443672.09	-481071.67	-572780.43	-593789.01	-621811.08	-627185.20	-656116.58	-684402.84	-681986.63	-692912.79	
Interest	-2464.16	-2026.75	-2420.30	-2643.80	-2962.22	-3413.14	-3656.28	-3828.82	-3737.34	-4040.06	-4078.29	-4199.36	-39470.50
Cumulative Interest	-2464.16	-4490.91	-6911.20	-9555.00	-12517.22	-15930.36	-19586.64	-23415.46	-27152.80	-31192.86	-35271.15	-39470.50	
Total	-366879.90	-397553.42	-450583.29	-490626.67	-585297.65	-609719.37	-641397.72	-650600.66	-683269.38	-715595.70	-717257.78	-732383.29	
starting balance Global Adj	0.00	0.00	9130.99	24924.62	37449.88	8314.38	-1.13	-37064.85	-66384.45	-96308.14	-121176.68	-70402.83	
Global Adjustment Billed(Cust)	0.00	592.94	548.4	593.62	549.72	573.48	532.52	27517.55	69012.41	95934.48	121932.61	98840.40	416628.13
Global Adjustment Charged (IESO)	0	8538.05	15245.23	11931.64	-29685.22	-8888.99	-37596.24	-56837.15	-98936.1	-120803.02	-71158.76	-22741.77	-410932.33
Diff billed versus paid - Global Adj	0.00	9130.99	15793.63	12525.26	-29135.50	-8315.51	-37063.72	-29319.60	-29923.69	-24868.54	50773.85	76098.63	5695.8
Ending balance Global Adj	0.00	9130.99	24924.62	37449.88	8314.38	-1.13	-37064.85	-66384.45	-96308.14	-121176.68	-70402.83	5695.80	
Interest	0	0.00	56.22	148.52	230.60	49.54	-0.01	-228.23	-395.58	-593.02	-722.08	35.07	-1418.95
Cumulative Interest	0	0.00	56.22	204.75	435.35	484.89	484.88	256.66	-138.92	-731.94	-1454.02	-1418.95	
Total	0	9130.99	24980.84	37654.63	8749.73	483.76	-36579.97	-66127.79	-96447.06	-121908.62	-71856.85	4276.85	

RETAIL SETTLEMENT VARIANCE ACCOUNT - POWER (1588)

INTEREST RATE - ANNUAL Jan to March **7.25%** Apr to June **4.14%** Juy to Sept **4.59%** Oct to Dec **4.59%**

2006 - RSVA POWER- 1588 EXPENSE vs REVENUES WITH INTEREST

2006	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance Power	-692912.79	-541373.07	-616914.05	-627157.84	-667392.42	-284982.33	-315975.39	-274256.75	-251943.73	-263281.78	-254675.43	-258520.75	
POWER-billed (CUST)	-816715.64	-694978.02	-590612.16	-627601.24	-475477.48	-536588.35	-476070	-439454.57	-529152.06	-400163.16	-478880.17	-572273.00	-6637965.85
POWER -charged IESO	968255.36	619437.04	580368.37	587366.66	458833.57	505595.29	517788.64	461767.59	517814.01	408769.51	475034.85	565756.18	6666787.07
Diff billed versus paid - Power	151539.72	-75540.98	-10243.79	-40234.58	-16643.91	-30993.06	41718.64	22313.02	-11338.05	8606.35	-3845.32	-6516.82	28821.22
Record Board approved recoveries-move to 1590					399054								399054
Ending balance Power	-541373.07	-616914.05	-627157.84	-667392.42	-284982.33	-315975.39	-274256.75	-251943.73	-263281.78	-254675.43	-258520.75	-265037.57	
Board approved recoveries -interest-move to 1590					3748								3748.00
starting balance interest	-39470.50												
Interest	-4266.63	-3010.92	-3798.67	-2134.05	-2346.66	-969.72	-1231.78	-1069.15	-950.48	-1026.37	-960.79	-1007.81	-22773.04
Cumulative Interest	-43737.14	-46748.06	-50546.73	-52680.79	-51279.45	-52249.17	-53480.95	-54550.10	-55500.59	-56526.95	-57487.74	-58495.55	
Total	-585110.21	-663662.11	-677704.57	-720073.21	-336261.78	-368224.56	-327737.70	-306493.83	-318782.37	-311202.38	-316008.49	-323533.12	
starting balance Global Adj	5695.80	-68481.30	4763.68	54359.46	57157.90	69922.93	48680.79	47680.02	42924.78	24340.92	106487.00	93154.90	
Global Adjustment Billed(Cust)	15623.94	87976.15	22657.98	-12932.45	-23534.9	-40777.35	-18035.58	-9740.44	-14605.53	5569.28	-76645.24	-60879.31	-125323.45
Global Adjustment Charged (IESO)	-89801.04	-14731.17	26937.8	15730.89	36299.93	19535.21	17034.81	4985.2	-3978.33	76576.8	63313.14	23458.23	175361.47
Diff billed versus paid - Global Adj	-74177.10	73244.98	49595.78	2798.44	12765.03	-21242.14	-1000.77	-4755.24	-18583.86	82146.08	-13332.10	-37421.08	50038.02
Ending balance Global Adj	-68481.30	4763.68	54359.46	57157.90	69922.93	48680.79	47680.02	42924.78	24340.92	106487.00	93154.90	55733.82	
starting balance Global Adj-interest	-1418.95												
Interest	35.07	-380.87	29.33	184.97	200.98	237.93	189.78	185.87	161.94	94.89	401.73	363.15	1704.77
Cumulative Interest	-1383.88	-1764.75	-1735.42	-1550.44	-1349.47	-1111.54	-921.76	-735.89	-573.95	-479.06	-77.33	285.82	
Total	-69865.18	2998.93	52624.04	55607.46	68573.46	47569.25	46758.26	42188.89	23766.97	106007.94	93077.57	56019.64	

RETAIL SETTLEMENT VARIANCE ACCOUNT - POWER (1588)

INTEREST RATE - ANNUAL	Jan to March	**4.59%**	Apr to June	**4.59%**	Juy to Sept	**4.59%**	Oct to Dec	**5.14%**

2007 - RSVA POWER- 1588 EXPENSE vs REVENUES WITH INTEREST

2007	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance Power	-265037.57	-206337.84	-206283.22	-227094.29	-287032.05	-283151.28	-331827.14	-303933.79	-308204.84	-316699.08	-266120.79	-277221.73	
POWER-billed (CUST)	-489691.15	-603883.28	-719271.65	-680620.05	-514558.53	-441596.57	-431346.51	-410702.01	-480245.21	-410466.01	-480477.1	-437850.10	-6100708.17
POWER -charged IESO	548390.88	603937.9	698460.58	620682.29	518439.3	392920.71	459239.86	406430.96	471750.97	461044.3	469376.16	433855.94	6084529.85
Diff billed versus paid - Power	58699.73	54.62	-20811.07	-59937.76	3880.77	-48675.86	27893.35	-4271.05	-8494.24	50578.29	-11100.94	-3994.16	-16178.32
Ending balance Power	-206337.84	-206283.22	-227094.29	-287032.05	-283151.28	-331827.14	-303933.79	-308204.84	-316699.08	-266120.79	-277221.73	-281215.89	
starting balance interest	-58495.55												
Interest	-1033.21	-726.54	-804.17	-856.74	-1118.95	-1068.22	-1293.58	-1184.84	-1162.73	-1382.54	-1124.27	-1210.21	-12965.99
Cumulative Interest	-59528.76	-60255.29	-61059.46	-61916.20	-63035.15	-64103.37	-65396.95	-66581.79	-67744.52	-69127.07	-70251.34	-71461.54	
Total	-265866.60	-266538.51	-288153.75	-348948.25	-346186.43	-395930.51	-369330.74	-374786.63	-384443.60	-335247.86	-347473.07	-352677.43	
starting balance Global Adj	55733.82	90266.90	70372.15	-5573.61	25927.09	55556.43	88556.15	70011.08	71137.88	41169.06	63897.73	56455.71	
Global Adjustment Billed(Cust)	-21707.24	-62463.72	-42575.45	33816.22	3204.75	-25642.63	-51773.97	-31360.28	-31492.9	-1574.98	-25993.28	-13144.06	-270707.54
Global Adjustment Charged (IESO)	56240.32	42568.97	-33370.31	-2315.52	26424.59	58642.35	33228.9	32487.08	1524.08	24303.65	18551.26	25641.47	283926.84
Diff billed versus paid - Global Adj	34533.08	-19894.75	-75945.76	31500.70	29629.34	32999.72	-18545.07	1126.80	-29968.82	22728.67	-7442.02	12497.41	13219.3
Ending balance Global Adj	90266.90	70372.15	-5573.61	25927.09	55556.43	88556.15	70011.08	71137.88	41169.06	63897.73	56455.71	68953.12	
starting balance Global Adj-interest	285.82												
Interest	217.27	317.84	274.34	-21.03	101.07	209.59	345.22	272.93	268.37	179.72	269.95	246.46	2681.73
Cumulative Interest	503.09	820.93	1095.27	1074.24	1175.31	1384.91	1730.13	2003.06	2271.43	2451.15	2721.10	2967.56	
Total	90769.99	71193.08	-4478.34	27001.33	56731.74	89941.06	71741.21	73140.94	43440.49	66348.88	59176.81	71920.68	

RETAIL SETTLEMENT VARIANCE ACCOUNT - POWER (1588)

INTEREST RATE - ANNUAL	Jan to March	**5.14%** Apr to June	**4.08%** Juy to Sept	**3.35%** Oct to Dec	**3.35%**

2008 - RSVA POWER- 1588 EXPENSE vs REVENUES WITH INTEREST

2008	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance Power	-281215.89	-200352.52	-255956.91	-252034.39	-235393.28	-261868.16	-267675.93	-257223.96	-272465.88	-239094.33	-239301.44	-253750.25	
POWER-billed (CUST)	-443594.35	-517355.14	-503617.36	-499979.99	-408807.1	-338195.85	-360880.37	-347496.9	-311410.81	-325861.8	-371502.28	-418019.34	-4846721.29
POWER -charged IESO	524457.72	461750.75	507539.88	516621.1	382332.22	332388.08	371332.34	332254.98	344782.36	325654.69	357053.47	463758.81	4919926.4
Diff billed versus paid - Power	80863.37	-55604.39	3922.52	16641.11	-26474.88	-5807.77	10451.97	-15241.92	33371.55	-207.11	-14448.81	45739.47	73205.11
Ending balance Power	-200352.52	-255956.91	-252034.39	-235393.28	-261868.16	-267675.93	-257223.96	-272465.88	-239094.33	-239301.44	-253750.25	-208010.78	
starting balance Power-interest	-71461.54												
Interest	-1224.29	-815.97	-1114.32	-842.87	-813.46	-875.76	-759.51	-729.86	-748.16	-678.41	-657.10	-720.00	-9979.71
Cumulative Interest	-72685.83	-73501.80	-74616.12	-75458.99	-76272.45	-77148.21	-77907.72	-78637.57	-79385.74	-80064.15	-80721.25	-81441.25	
Total	-273038.35	-329458.71	-326650.51	-310852.27	-338140.61	-344824.14	-335131.68	-351103.45	-318480.07	-319365.59	-334471.50	-289452.03	
starting balance Global Adj	68953.12	62720.27	81515.79	59542.59	48848.59	64806.18	99882.56	54726.95	63436.85	75001.07	60661.03	76739.10	
Global Adjustment Billed(Cust)	-22933.73	-16948.44	-35555.05	-14746.61	-5357.59	-18871.05	-44841.27	-28.13	-10307.49	-23436.52	-9441.29	-25769.91	-228237.08
Global Adjustment Charged (IESO)	16700.88	35743.96	13581.85	4052.61	21315.18	53947.43	-314.34	8738.03	21871.71	9096.48	25519.36	16503.03	226756.18
Diff billed versus paid - Global Adj	-6232.85	18795.52	-21973.20	-10694.00	15957.59	35076.38	-45155.61	8709.90	11564.22	-14340.04	16078.07	-9266.88	-1480.9
Ending balance Global Adj	62720.27	81515.79	59542.59	48848.59	64806.18	99882.56	54726.95	63436.85	75001.07	60661.03	76739.10	67472.22	
starting balance Global Adj-interest	2967.56												
Interest	300.19	255.44	354.88	199.13	168.81	216.73	283.41	155.28	174.19	212.81	166.57	217.74	2705.18
Cumulative Interest	3267.75	3523.19	3878.07	4077.20	4246.01	4462.74	4746.15	4901.43	5075.62	5288.43	5455.00	5672.74	
Total	65988.02	85038.98	63420.66	52925.79	69052.19	104345.30	59473.10	68338.28	80076.69	65949.46	82194.10	73144.96	

RETAIL SETTLEMENT VARIANCE ACCOUNT - POWER (1588)

INTEREST RATE - ANNUAL Jan to March **2.45%** Apr to June **1.00%** Juy to Sept **0.55%** Oct to Dec **0.55%**

2008 - RSVA POWER- 1588 EXPENSE vs REVENUES WITH INTEREST

2009	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance Power	-208010.78	-188205.67	-210737.25	-219997.56	-294253.98	-348891.11	-337389.24	-378414.47	-392077.12	-360113.67	-368228.26	-360298.74	
POWER-billed (CUST)	-490965.88	-573721.12	-473915.02	-386571.08	-286537.21	-280718.68	-268425.60	-224907.33	-240792.31	-255282.08	-323304.55	-271202.7	-4076343.56
POWER -charged IESO	510770.99	551189.54	464654.71	312314.66	231900.08	292220.55	227400.37	211244.68	272755.76	247167.49	331234.07	282633.91	3935486.81
Diff billed versus paid - Power	19805.11	-22531.58	-9260.31	-74256.42	-54637.13	11501.87	-41025.23	-13662.65	31963.45	-8114.59	7929.52	11431.21	-140856.75
Ending balance Power	-188205.67	-210737.25	-219997.56	-294253.98	-348891.11	-337389.24	-378414.47	-392077.12	-360113.67	-368228.26	-360298.74	-348867.53	
starting balance Power-interest	-81441.25												
Interest	-591.83	-391.62	-395.22	-457.78	-241.85	-296.32	-277.31	-176.77	-183.15	-162.79	-172.01	-162.87	-3509.52
Cumulative Interest	-82033.08	-82424.70	-82819.92	-83277.70	-83519.55	-83815.87	-84093.18	-84269.95	-84453.10	-84615.89	-84787.90	-84950.77	
Total	-270238.75	-293161.95	-302817.48	-377531.68	-432410.66	-421205.11	-462507.65	-476347.07	-444566.77	-452844.15	-445086.64	-433818.30	
starting balance Global Adj	67472.22	100279.28	58764.22	79939.69	130076.72	150379.43	126430.83	157445.51	171282.95	156853.13	176429.38	154048.74	
Global Adjustment Billed(Cust)	-14665.92	-46229.15	-15847.66	-25458.59	-73806.24	-116556.03	-91201.1	-70116.34	-109720.81	-108869.18	-137620.52	-90306.84	-900398.38
Global Adjustment Charged (IESO)	47472.98	4714.09	37023.13	75595.62	94108.95	92607.43	122215.78	83953.78	95290.99	128445.43	115239.88	111023.4	1007691.46
Diff billed versus paid - Global Adj	32807.06	-41515.06	21175.47	50137.03	20302.71	-23948.60	31014.68	13837.44	-14429.82	19576.25	-22380.64	20716.56	107293.08
Ending balance Global Adj	100279.28	58764.22	79939.69	130076.72	150379.43	126430.83	157445.51	171282.95	156853.13	176429.38	154048.74	174765.30	
starting balance Global Adj-interest	5672.74												
Interest	191.97	208.66	110.44	166.34	106.91	127.72	103.92	73.55	80.01	70.91	82.41	69.64	1392.48
Cumulative Interest	5864.71	6073.37	6183.81	6350.15	6457.06	6584.78	6688.70	6762.25	6842.26	6913.17	6995.58	7065.22	
Total	106143.99	64837.59	86123.50	136426.87	156836.49	133015.61	164134.21	178045.20	163695.39	183342.55	161044.32	181830.52	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

RECOVERY OF REGULATORY ASSETS (1590)

INTEREST RATE - ANNUAL

2006 - RECOVERY OF REG. ASSETS - 1590 WITH INTEREST

	2006												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	181059.67	206089.09	233187.04	258407.07	285022.43	-294738.23	-274245.07	-264444.76	-255025.3	-245312.43	-235715.86	-225707.3	
	25029.42	27097.95	25220.03	26615.36	21859.34	20493.16	9800.31	9419.46	9712.87	9596.57	10008.56	10408.9	205261.93
Transfer from Dec. 31/04 balances-BOARD APPROVED					-601620								
Ending balance	206089.09	233187.04	258407.07	285022.43	-294738.23	-274245.07	-264444.76	-255025.3	-245312.43	-235715.86	-225707.3	-215298.4	
starting balance	6111.43												
Interest	1119.29	1269.01	1296.92	1591.14	-1904.45	-1046.87	-943.51	-1042.75	-1006.02	-936.92	-930.75	-862.97	-3397.88
Cumulative Interest	7230.72	8499.73	9796.65	11387.79	9483.34	8436.47	7492.96	6450.21	5444.19	4507.27	3576.52	2713.55	
Total	213319.81	234456.05	259703.99	286613.57	-296642.68	-275291.94	-265388.27	-256068.05	-246318.45	-236652.78	-226638.05	-212584.85	

	2007												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-215298.40	-204768.89	-193420.08	-181746.95	-170486.80	-160119.73	-150180.82	-140388.05	-130839.16	-121203.65	-111705.20	-101754.15	
	10529.51	11348.81	11673.13	11260.15	10367.07	9938.91	9792.77	9548.89	9635.51	9498.45	9951.05	10413.47	123957.72
Ending balance	-204768.89	-193420.08	-181746.95	-170486.80	-160119.73	-150180.82	-140388.05	-130839.16	-121203.65	-111705.20	-101754.15	-91340.68	
Interest	-700.72	-798.28	-681.05	-708.53	-643.19	-624.22	-566.71	-547.44	-510.21	-524.86	-830.54	-706.61	-7842.36
Cumulative Interest	2012.83	1214.55	533.5	-175.03	-818.22	-1442.44	-2009.15	-2556.59	-3066.8	-3591.66	-4422.2	-5128.81	
Total	-203456.78	-193003.81	-181894.50	-171370.36	-161581.14	-152247.48	-142963.91	-133943.19	-124780.66	-115821.72	-107006.89	-96469.49	

	2008												
	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-91340.68	-82628.51	-73041.51	-63989.77	-55218.92	-47117.37	-46634.59	-46634.45	-46605.21	-46605.21	-46605.21	-46605.21	
	8712.17	9587	9051.74	8770.85	8101.55	482.78	0.14	29.24					44735.47
Ending balance	-82628.51	-73041.51	-63989.77	-55218.92	-47117.37	-46634.59	-46634.45	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	
Interest	-397.18	-359.07	-286.41	-277.56	-140.45	-162.46	-155.74	-132.75	-132.76	-136.78	-141.28	-128.52	-2450.96
cumulative interest	-5525.99	-5885.06	-6171.47	-6449.03	-6589.48	-6751.94	-6907.68	-7040.43	-7173.19	-7309.97	-7451.25	-7579.77	
Total	-83025.69	-73400.58	-64276.18	-55496.48	-47257.82	-46797.05	-46790.19	-46737.96	-46737.97	-46741.99	-46746.49	-54184.98	

	2009 JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	Annual Total
starting balance	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	
Ending balance	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	-46605.21	
interest starting balance	-7579.77												
Interest	-131.82	-96.44	-87.11	-96.44	-38.1	-39.36	-38.13	-21.76	-21.76	-22.43	-23.17	-21.07	-637.59
cumulative interest	-7711.59	-7808.03	-7895.14	-7991.58	-8029.68	-8069.04	-8107.17	-8128.93	-8150.69	-8173.12	-8196.29	-8217.36	
Total	-54316.80	-54413.24	-54500.35	-54596.79	-54634.89	-54674.25	-54712.38	-54734.14	-54755.90	-54778.33	-54801.50	-54822.57	

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

v

				Residential	GS <50	GS>50-Regular	GS >50-Intermediate	Street Light	Sentinel
			Customer Unit Cost per month - Avoided Cost	$ 8.5154	$ 11.6138	$ 52.1639	$ 303.8043	$ 0.0004	$ 4.7820
			Customer Unit Cost per month - Directly Related	$ 11.7320	$ 15.9203	$ 71.8386	$ 413.4050	$ 0.0006	$ 6.6374
			Customer Unit Cost per month - Minimum System with PLCC Adjustment	$ 20.7102	$ 24.2591	$ 81.2262	$ 411.8614	$ 12.2087	$ 11.6354
			100.00%	93.54%	115.24%	179.18%	179.45%	74.03%	85.47%
			$ 0	-$ 53,580	$ 26,924	$ 42,644	$ 12,171	-$ 27,873	-$ 287
RATE DESIGN	ALLOCATED COST BY CLASS		TOTAL REV/%	$ 829,620.60	$ 176,675.77	$ 53,858.22	$ 15,320.11	$ 107,337.75	$ 1,973.62
			misc rev	$ 80,686.72	$ 19,775.67	$ 8,006.29	$ 2,529.40	$ 7,783.44	$ 148.48

		% HONI above HEARST		% HONI above HEARST	% HONI above HEARST
		No adjustment	Adjusted for min/max fixed charge	Adjusted for cost revenue ratios	Adjusted for mitigation
	2010 honi R1				
fixed charge	21.03	109.65%	133.67%	133.67%	10892.01%
variable charge	0.0317	160.87%	143.59%	95.68%	-83.43%

##########
$ 118,930.00

% HONI above HEARST

TABLE 8.1.2.2

CLASS		APPROVED 2009 rates	Revenue at APPROVED 2009 rates before SSS and LV adjustment	Forecast 2010 STATS	SSS VOLUME 2010	SSS rate	SSS revenue	Revenue at APPROVED 2009 rates INCLUDING SSS revenue before LV adjustment	PROPOSED 2010 rates BEFORE SSS revenue No Adjustment	Revenue at PROPOSED 2010 rates No Adjustment Net of SSS revenue	PROPOSED 2010 Fixed Variable and Transformer ownership allowance % Change No Adjustment	CHANGE in LV EMBEDDED 2010 proposed rates	CHANGE in LV EMBEDDED 2010 revenue	PROPOSED 2010 rates Adjusted for LV component BUT Net of SSS revenue	REVENUE at PROPOSED 2010 rates Adjusted for LV component BUT Net of SSS revenue
	0														
RESIDENTIAL		$ 8.4200	234,614.88	27,864	2,159	$ 0.25	$ 6,477.00	516,933.34	$ 10.0309	279,501.60	19.13%			$ 10.0309	$ 279,501.60
kW															
kW.h		$ 0.0102	275,841.46	27,043,280					$ 0.0122	328,615.68	19.13%	-$ 0.0002	-$ 5,408.66	$ 0.0120	$ 323,207.03
	0														
GS <50 kW		$ 5.9700	28,011.24	4,692	376	$ 0.25	$ 1,128.00	154,241.36	$ 7.1122	33,370.37	19.13%			$ 7.1122	$ 33,370.37
kW															
kW.h		$ 0.0097	125,102.12	12,897,126					$ 0.0116	149,036.77	19.13%	-$ 0.0001	-$ 1,289.71	$ 0.0115	$ 147,747.06
	0														
GS >50 kW		$ 30.4100	13,866.96	456	33	$ 0.25	$ 99.00	170,882.23	$ 36.2281	16,520.00	19.13%			$ 36.2281	$ 16,520.00
kW		$ 2.9926	173,614.27	58,015					$ 3.5651	206,830.31	19.13%	-$ 0.0600	-$ 3,480.87	$ 3.5051	$ 203,349.44
TRANSFORMER ALLOWANCE		-$ 0.6000	- 16,698.00	27,830.00					-$ 0.3500	- 9,740.50	-41.67%			-$ 0.3500	-$ 9,740.50
	0														
Intermediate Users		$ 57.3400	2,064.24	36	3	$ 0.25	$ 9.00	22,597.65	$ 68.3103	2,459.17	19.13%			$ 68.3103	$ 2,459.17
kW		$ 0.8903	62,944.82	70,701					$ 1.0606	74,987.48	19.13%	-$ 0.0719	-$ 5,083.38	$ 0.9887	$ 69,904.10
TRANSFORMER ALLOWANCE		-$ 0.6000	- 42,420.41	70,700.69					-$ 0.3500	- 24,745.24	-41.67%			-$ 0.3500	-$ 24,745.24
	0														
Sent Lights		$ 3.9800	1,098.48	276	12	$ 0.25	$ 36.00	1,299.90	$ 4.7415	1,308.64	19.13%			$ 4.7415	$ 1,308.64
kW		$ 1.8938	165.42	87					$ 2.2561	197.07	19.13%	-$ 0.0453	-$ 3.96	$ 2.2108	$ 193.11
kW.h															
	0														
Street lights		$ 0.9900	8,624.88	8,712	2	$ 0.25	$ 6.00	12,750.45	$ 1.1794	10,275.00	19.13%			$ 1.1794	$ 10,275.00
kW		$ 1.2912	4,119.57	3,190					$ 1.5382	4,907.73	19.13%	-$ 0.0459	-$ 146.44	$ 1.4923	$ 4,761.28
kW.h															
											-				
			870,949.93				**$ 7,755.00**	**$ 878,704.93**		**$ 1,073,524.09**			-$ 15,413.02		$ 1,058,111.07
								2010 stas at existing 2009 rates							

TRANSFORMER OWNERSHIP ALLOWANCE

	COST $	RATE 2009	VOLUME 2010	RATE 2010	2010 Cost $			
GS >50 kW	$ 16,698.00	-$ 0.60	27,830	-$ 0.35	-$ 9,740.50	GS >50 kW	**$ 1,081,279.09** 2010 stas at proposed 2010 rates	**19.13% FIXED VARIABLE % CHANGE(net of SSS &TOA)**
Intermediate Users	$ 42,420.41	-$ 0.60	70,701	-$ 0.35	-$ 24,745.24	Intermediate Users		
	-$ 59,118.41				-$ 34,485.74	$ 24,632.67		
	Difference in Transformer ownership Allowance				$ 24,632.67			

$ 7,755.00	**SSS revenue**				
$ 1,081,279.09					
$ 118,930.00					
$ 1,200,209.09					
-$ 15,413.02					
$ 1,184,796.07	-$ 118,930.00	$1,065,866.07	-$ 15,413.02		

PROPOSED 2010 rates Fixed Variable Split Adjustment	Revenue at PROPOSED 2010 rates Fixed Variable Split Adjustment	PROPOSED 2010 rates Fixed Variable Split Adjustment Change	PROPOSED 2010 rates Fixed Variable Split Adjustment % Change	% BUMP IN VARIABLE RATE to establish TARGET % c/a	OVERALL Cost Allocation % before adjustment	PROPOSED 2010 variable rates to reach minimum% in the Cost Allocation Adjustment decision	PROPOSED 2010 variable rates to reach MIN% in the Cost Allocation Adjustment	PROPOSED 2010 variable rates to reach maximum% in the Cost Allocation Adjustment decision	PROPOSED 2010 variable rates to reach MAX% in the Cost Allocation Adjustment	PROPOSED 2010 variable rates to reach unadjusted revenue requirement	PROPOSED 2010 rates Cost Allocation Adjusted	Revenue at PROPOSED 2010 rates Cost Allocation Adjusted & Net of LV ADJUSTMENT	PROPOSED 2010 rates Cost Allocation Adjustment Change	PROPOSED 2010 rates Cost Allocation Adjustment % Change from 2009 rates	Class Dist REV. AT TARGET% of cost per c/a model-------% of cost after C of A adj-----class rate increase after C of A adj
				100.00%									100.00%	100.00%	100.00%
$ 9.0000	250,776.00	-$ 1.0309	6.89%		93.54%					9.0000	9.0000	250,776.00	- 28,725.60	6.89%	$ 748,933.87
$ -	-				-					-	-	-			**93.54%**
0.013013681	351,932.63	$ 0.0009	27.59%	80.60%		85.00%	0.0138	115.00%	0.0230	0.0130	0.0162	438,101.14	114,894.11	58.82%	**34.52%**
	-									-	-	-			
$ 12.0000	56,304.00	$ 4.8878	101.01%		115.24%					12.0000	12.0000	56,304.00	22,933.63	101.01%	$ 156,900.10
$ -	-				-					-	-	-			**115.24%**
0.009677616	124,813.43	-$ 0.0019	-0.23%	-19.59%		80.00%	0.0051	120.00%	0.0105	0.0097	0.0098	126,391.84	- 21,355.22	1.03%	**19.18%**
	-									-	-	-			
$ 60.0000	27,360.00	$ 23.7719	97.30%		179.18%					60.0000	60.0000	27,360.00	10,840.00	97.30%	$ 45,851.93
$ 3.3183	192,509.44	-$ 0.2468	10.88%	-48.21%		80.00%	- 0.0086	180.00%	1.1246	3.3183	1.2200	70,777.72	- 132,571.71	-59.23%	**179.18%**
-$ 0.3500	- 9,740.50	$ 0.2500	-41.67%		-				-	0.3500	- 0.3500	- 9,740.50	6,957.50	-41.67%	**-48.21%**
	-									-	-	-			
$ 320.0000	11,520.00	$ 251.6897	458.07%		179.45%					320.0000	320.0000	11,520.00	9,060.83	458.07%	$ 12,790.70
$ 0.8606	60,843.28	-$ 0.2001	-3.34%	-76.14%		80.00%	- 0.3754	180.00%	0.5413	0.8606	0.5400	38,178.37	- 31,725.73	-39.35%	**179.45%**
-$ 0.3500	- 24,745.24	$ 0.2500	-41.67%		-				-	0.3500	- 0.3500	- 24,745.24	17,675.17	-41.67%	**10.46%**
	-									-	-	-			
$ 5.0000	1,380.00	$ 0.2585	25.63%		85.47%					5.0000	5.0000	1,380.00	71.36	25.63%	$ 1,825.14
$ 1.3939	121.75	-$ 0.8622	-26.40%	127.99%		70.00%	- 1.6823	120.00%	9.6152	1.3939	1.4000	122.29	- 70.82	-26.07%	**85.47%**
$ -	-				-					-	-	-			**18.34%**
	-									-	-	-			
$ 0.5000	4,356.00	-$ 0.6794	-49.49%		74.03%					0.5000	0.5000	4,356.00	- 5,919.00	-49.49%	$ 99,554.31
$ 3.3475	10,680.28	$ 1.8093	159.26%	287.28%		70.00%	19.7452	120.00%	36.5667	3.3475	21.1000	67,319.45	62,558.17	1534.14%	**74.03%**
	-				-					-	-	-			**462.19%**
	$ 1,058,111.07														

C/A adjusted Proposed Revenue	1,058,101.06	24,622.67
Target revenue	$ 1,058,111.07	
C/A adjusted Proposed Revenue BELOW TARGET REVENUE	$ 10.01	

2010 stats at 2009 rates including sss revenue (note LV revenue is included in column B rates and column C revenue)	DISTRIBUTION REVENUE 2010 stats at 2010 rates including both SSS & LV revenue	DISTRIBUTION STATISTICS	RTR Network service rates 2009 rates	RTR Line Connection rates 2009 rates	LV EMBEDDED rates 2009 rates	Wholesale Market Service Rate & rural rate protection charge	Debt retirement charge	Standard Supply Service RATE	RTR Network service 2010 proposed rates calculated	RTR Line Connection 2010 proposed rates calculated	LV EMBEDDED 2010 proposed rates calculated		RTR Network service 2010 proposed rates rounded	RTR Line Connection 2010 proposed rates rounded	LV EMBEDDED 2010 proposed rates rounded	CHANGE in LV EMBEDDED 2010 proposed rates	CHANGE in LV EMBEDDED 2010 proposed revenue
						$ 0.0065	$ 0.0070										
$ 516,933.34	$ 695,354.14	27,864						$ 0.2500									
		27,043,280	$ 0.0044	$ 0.0050	$ 0.0007	$ 0.0065	$ 0.0070		$ 0.004230	$ 0.004096	$ 0.000531	RESIDENTIAL	$ 0.0042	$ 0.0041	$ 0.0005	-$ 0.0002	-$ 5,408.66
$ 154,241.36	$ 183,823.84	4,692						$ 0.2500									
		12,897,126	$ 0.0040	$ 0.0045	$ 0.0006	$ 0.0065	$ 0.0070		$ 0.003846	$ 0.003686	$ 0.000456	GS <50 kW	$ 0.0038	$ 0.0037	$ 0.0005	-$ 0.0001	-$ 1,289.71
$ 170,882.23	$ 88,496.22	456						$ 0.2500									
		58,015	$ 1.6512	$ 1.7837	$ 0.2492				$ 1.587513	$ 1.461207	$ 0.189187	GS >50 kW	$ 1.5875	$ 1.4612	$ 0.1892	-$ 0.0600	-$ 3,480.87
		27,830				$ 0.0065	$ 0.0070										
$ 22,597.65	$ 24,962.13	36						$ 0.2500									
		70,701	$ 1.8467	$ 2.1038	$ 0.2986				$ 1.775473	$ 1.723433	$ 0.226691	Intermediate Users	$ 1.7755	$ 1.7234	$ 0.2267	-$ 0.0719	-$ 5,083.38
	$ -	70,701				$ 0.0065	$ 0.0070										
$ 1,299.90	$ 1,538.29	276						$ 0.2500									
		87	$ 1.2516	$ 1.4077	$ 0.1882				$ 1.203326	$ 1.153188	$ 0.142877	Sent Lights	$ 1.2033	$ 1.1532	$ 0.1429	-$ 0.0453	-$ 3.96
		31,710				$ 0.0065	$ 0.0070										
$ 12,750.45	$ 71,681.45	8,712						$ 0.2500									
		3,190	$ 1.2452	$ 1.3790	$ 0.1906				$ 1.197173	$ 1.129677	$ 0.144699	Street lights	$ 1.1972	$ 1.1297	$ 0.1447	-$ 0.0459	-$ 146.44
		1,144,089				$ 0.0065	$ 0.0070										
$ 878,704.93	$ 1,065,856.06	Last Year cost	$ 348,860.40	$ 27,713.75	$ 31,694.22												-$ 15,413.02
		Last Year revenue	-$ 362,855.76	-$ 33,830.26	-$ 41,748.03												
		Underrecovery	-$ 13,995.36	-$ 6,116.51	-$ 10,053.81												
		Overrerrecovery %	3.86%	18.08%	24.08%												
					8												
					months												

	2010 stats at 2009 rates including SSS & LV revenue	Proposed DISTRIBUTION REVENUE including both SSS & LV revenue	CLASS SERVICE REVENUE CHANGE %	2010 PROPOSED RATES		
RESIDENTIAL	$ 516,933.3355	$ 695,354.1353	**34.52%**	9.0000	-	-
kW				-	-	-
kW.h				0.0162	0.0162	-
				-	-	-
GS <50 kW	$ 154,241.3647	$ 183,823.8373	**19.18%**	12.0000	-	-
kW				-	-	-
kW.h				0.0098	0.0098	-
				-	-	-
GS >50 kW	$ 170,882.2346	$ 88,496.2234	**-48.21%**	60.0000	-	-
kW				1.2200	1.2200	-
TRANSFORMER ALLOWANCE			-	0.3500	-	-
				-	-	-
Intermediate Users	$ 22,597.6503	$ 24,962.1311	**10.46%**	320.0000	-	-
kW				0.5400	0.5400	-
TRANSFORMER ALLOWANCE			-	0.3500	-	-
0				-	-	-
Sent Lights	$ 1,299.8990	$ 1,538.2867	**18.34%**	5.0000	-	-
kW				1.4000	1.4000	-
kW.h				-	-	-
				-	-	-
Street lights	$ 12,750.4474	$ 71,681.4484	**462.19%**	0.5000	-	-
kW				21.1000	21.1000	-
kW.h				-	-	-
	$ 878,704.93	$ 1,065,856.06	**21.30%**			

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

CUSTOMER COUNT - HEARST POWER DISTRIBUTION COMPANY LIMITED

CLASS		2002	2003	2004	ACTUAL 2005	EDR 2006 for 2006	Change from 2005	%Change from 2005	ACTUAL 2006	Change from EDR2006	%Change from EDR2006	ACTUAL 2006	Change from Actual 2005	%Change from Actual 2005	Actual 2007	Change	%Change	Actual 2008	Change	%Change	BRIDGE YEAR ACTUAL TO JUNE 30 2009	BRIDGE YEAR BALANCE 2009
RESIDENTIAL		2,303	2,326	2,340	2,342	2,340	(2)	-0.09%	2,318	(22)	-0.94%	2,318	(24)	-1.02%	2,316	(2)	-0.09%	2,318	2	0.09%		
	kW																					
	kW.h	27,598,086	26,795,270	27,422,132	26,899,810	27,473,386	573,576	2.13%	25,897,339	(1,576,047)	-5.74%	25,897,339	(1,002,471)	-3.73%	27,069,577	1,172,238	4.53%	26,596,195	(473,382)	-1.75%	16,356,011	10,363,855
	-																					
GS <50 kW		392	394	395	396	395	(1)	-0.25%	399	4	1.01%	399	3	0.76%	391	(8)	-2.01%	391	-	0.00%		
	kW																					
	kW.h	12,005,267	13,014,192	13,015,614	13,067,330	12,719,994	(347,336)	-2.66%	12,993,046	273,052	2.15%	12,993,046	(74,284)	-0.57%	12,370,240	(622,806)	-4.79%	12,592,670	222,430	1.80%	7,173,007	5,072,886
	-						5,400															
GS >50 kW		38	40	39	39	39	-	0.00%	41	2	5.13%	41	2	5.13%	41	-	0.00%	41	-	0.00%		
	kW	59,974	61,098	61,751	59,893	60,958	1,065	1.78%	55,083	(5,875)	-9.64%	55,083	(4,810)	-8.03%	57,195	2,112	3.83%	56,061	(1,134)	-1.98%	26,277	24,394
	kW.h	21,776,077	20,053,554	22,041,572	20,810,683	21,314,306	503,623	2.42%	19,484,942	(1,829,364)	-8.58%	19,484,942	(1,325,741)	-6.37%	21,523,842	2,038,900	10.46%	20,680,870	(842,972)	-3.92%	9,700,283	8,426,103
	-																	34.56%				
Intermediate Users		3	3	3	3	3	-	0.00%	3	-	0.00%	3	-	0.00%	3	-	0.00%	3	-	0.00%		
	kW	113,258	99,687	111,175	112,529	108,040	(4,489)	-3.99%	115,268	7,228	6.69%	115,268	2,739	2.43%	109,115	(6,153)	-5.34%	70,701	(38,415)	-35.21%	32,502	33,396
	kW.h	46,713,225	45,026,251	51,166,260	50,416,143	47,635,245	(2,780,898)	-5.52%	53,977,594	6,342,349	13.31%	53,977,594	3,561,451	7.06%	44,939,095	(9,038,499)	-16.74%	24,123,994	(20,815,101)	-46.32%	10,687,416	9,422,981
	-																	49.36%				
Sent Lights		47	48	48	46	48	2	4.35%	46	(2)	-4.17%	46	-	0.00%	39	(7)	-15.22%	38	(1)	-2.56%		
	kW	184	181	176	169	182	12	7.15%	168	(14)	-7.46%	168	(1)	-0.84%	151	(17)	-9.93%	121	(31)	-20.19%	56	21
	kW.h	63,674	65,621	63,893	60,548	64,848	4,300	7.10%	60,823	(4,025)	-6.21%	60,823	275	0.45%	54,603	(6,220)	-10.23%	42,445	(12,158)	-22.27%	14,159	12,528
	-																					
Street lights		889	889	900	903	900	(3)	-0.33%	907	7	0.78%	907	4	0.44%	914	7	0.77%	916	2	0.22%		
	kW		3,076	3,078	3,038	3,072	34	1.13%	3,036	(36)	-1.18%	3,036	(2)	-0.07%	3,056	20	0.66%	3,069	13	0.43%	1,536	1,537
	kW.h	1,088,697	1,105,542	1,103,749	1,085,954	1,108,379	22,425	2.07%	1,091,309	(17,070)	-1.54%	1,091,309	5,355	0.49%	1,097,289	5,980	0.55%	1,159,799	62,510	5.70%	539,423	462,107
	-																					
TOTAL BILLS & FIXTURES	2,988	**3,672**	**3,700**	**3,725**	**3,729**	**3,725**			**3,714**	-11	-0.30%	**3,714**	1,162,495	31174.45%	**3,704**	-10	-0.27%	**3,707**	3	0.08%		
ST.LIGHTS		889	889	900	903	900			907			907			914			916				
TOTAL BILLS		**4,561**	**4,589**	**4,625**	**4,632**	**4,625**			**4,621**			**4,621**			**4,618**			**4,623**				
TOTAL kW		**176,404**	**164,042**	**176,180**	**175,630**	**172,252**			**173,555**			**173,555**			**169,518**			**129,952**				
TOTAL kW.h		**109,245,026**	**106,060,430**	**114,813,220**	**112,340,468**	**110,316,158**			**113,505,053**			**113,505,053**			**107,054,646**			**85,195,973**				

CUSTOMER COUNT

	2006 Actual	2007 Actual	2008 Actual	2009 Bridge	2010 TestYear
Number of **Customers**	**2,783**	**2,772**	**2,769**	**2767**	**2768**

CUSTOMER COUNT at year end # of bills NOT FIXTURES

	2002	2003	2004	2005	EDR 2006	2006	2007	2008	2009 projected	2010 FORECAST
Street lights	889	889	900	903	900	907	914	916	915	915
Sent Lights	47	48	48	46	48	46	39	38	23	23
TOTAL BILLS & FIXTURES	3,672	3,700	3,725	3,729	3,725	3,714	3,704	3,707	3,691	3,692
TOTAL kW	176,404	164,042	176,180	175,630	172,252	173,555	169,518	129,952	119,719	131,993
Street lights Customers	2	2	2	2	2	2	2	2	2	2
Street lights Connections			711	714	711	718	718	725	727	726
Street lights BILLS	24	24	24	24	24	24	24	24	24	24
Street lights Fixtures	-	-	900	903	900	907	907	914	916	915
Sentinel Lights Customers	24	24	23	20	23	20	19	14	12	12
Sentinel Lights Connections			23							
Sentinel Lights BILLS	288	288	276	240	276	240	228	168	144	144
Sentinel Lights Fixtures	-	-	-	-	-	0	-	-	-	-

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Weather Normalized Data from Hydro One

				1	2	3
			Total	**Residential**	**GS <50**	**GS>50-Regular**
	2342		-	27,252,918	13,029,066	23,215,770
	2006 EDR Distribution Loss Factor			1.0462	1.0462	1.0462

Weather Normalized Data from Hydro One

			1	2	3
		Total	Residential	GS <50	GS>50-Regular
		-	27,043,280	12,897,126	20,927,356

BRIDGE YEAR	BRIDGE YEAR		TEST YEAR	TEST YEAR	TEST YEAR		
2009 TOTAL	Change	%Change	TEST 2010 FORECAST	Change	%Change	2004 WEATHER NORMALIZED	2004 WEATHER NORMALIZED per customer
2320	2	0.09%	2322	2	0.09%	2,340	
26,719,866	123,671	0.46%	27,043,280	323,414	1.21%	27,252,918	11,647
391	-	0.00%	391	0	0.00%	395	
12,245,893	(346,777)	-2.75%	12,897,126	651,233	5.32%	13,029,066	32,985
39	(2)	-4.88%	38	-1	-2.56%	39	
50,671	(5,391)	-9.62%	58,015	7,344	14.49%	65,041	1,668
18,126,386	(2,554,484)	-12.35%	20,927,356	2,800,970	15.45%	23,215,770	595,276
3	-	0.00%	3	0	0.00%	3	
65,898	(4,802)	-6.79%	70,701	4,802	7.29%	114,518	38,173
20,110,397	(4,013,597)	-16.64%	24,123,994	4,013,597	19.96%	52,704,985	17,568,328
23	(15)	-39.47%	23	0	0.00%	48	
77	(44)	-36.63%	87	11	14.11%	182	4
26,687	(15,758)	-37.13%	31,710	5,023	18.82%	66,177	1,379
915	(1)	-0.11%	915	0	0.00%	900	
3,073	4	0.14%	3,190	117	3.81%	3,138	3
1,001,530	(158,269)	-13.65%	1,144,089	142,559	14.23%	1,125,333	1,250
3,691	-16	-0.43%	**3,692**	1	0.03%	**3,725**	**TOTA**
915	-1	-0.11%	915	0	0.00%	900	
4,606	-17	-0.37%	**4,607**	1	0.02%	**4,625**	
119,719			**131,993**				
78,230,760			**86,167,555**				

4	5	6	7	8
GS> 50-TOU	GS >50-Intermediate	Large Use >5MW	Street Light	Sentinel
	52,704,985		1,125,333	66,177
1.0462	1.0462	1.0462	1.0462	1.0462

4	5	6	7	8
GS> 50-TOU	GS >50-Intermediate	Large Use >5MW	Street Light	Sentinel
	24,123,994		1,144,089	31,710

CLASS	Weather NORMALIZED 2004	FORECAST TEST YEAR 2010	Change from 2004	% Change from 2004		ACTUAL 2002	Weather Normalized 2002	Weather normalized greater than actual for 2002	% Change from actual 2002	ACTUAL 2003	Weather Normalized 2003	Weather normalized greater than actual for 2003	% Change from actual 2003	ACTUAL 2004	Weather Normalized 2004	Weather normalized greater than actual for 2004	% Change from actual 2004
RESIDENTIAL	2,340	2,322	(18)	-0.77%		2303	2303	-	0.00%	2326	2326	-	0.00%	2,340	2,340	-	0.00%
kW																	
kW.h	27,252,918	27,043,280	(209,638)	-0.77%		27598086	26821996	(776,090)	-2.81%	26795270	27089866	294,596	1.10%	27,422,132	27,252,918	(169,214)	-0.62%
GS <50 kW	395	391	(4)	-1.01%		392	392	-	0.00%	394	394	-	0.00%	395	395	-	0.00%
kW																	
kW.h	13,029,066	12,897,126	(131,940)	-1.01%		12005267	12930111	924,844	7.70%	13014192	12996081	(18,111)	-0.14%	13,015,614	13,029,066	13,452	0.10%
GS >50 kW	39	38	(1)	-2.56%		38	38	-	0.00%	40	40	-	0.00%	39	39	-	0.00%
kW	65,041	58,015	(7,026)	-10.80%	-10.80%	59974	63373	3,399	5.67%	61098	66708	5,610	9.18%	61,751	65,041	3,290	5.33%
kW.h	23,215,770	20,927,356	(2,288,414)	-9.86%	-9.86%	21776077	22620494	844,417	3.88%	20053554	23811046	3,757,492	18.74%	22,041,572	23,215,770	1,174,198	5.33%
Intermediate Users	3	3	-	0.00%		3	3	-	0.00%	3	3	-	0.00%	3	3	-	0.00%
kW	114,518	70,701	(43,818)	-38.26%	-38.26%	113,258	114,518	1,260	1.11%	99,687	114,518	14,831	14.88%	111,175	114,518	3,343	3.01%
kW.h	52,704,985	24,123,994	(28,580,991)	-54.23%	-54.23%	46,713,225	52,704,985	5,991,760	12.83%	45,026,251	52,704,985	7,678,734	17.05%	51,166,260	52,704,985	1,538,725	3.01%
Sent Lights	48	23	(25)	-52.08%		47	47	-	0.00%	48	48	-	0.00%	48	48	-	0.00%
kW	182	87	(95)	-52.08%		184	178	(6)	-2.99%	181	182	1	0.71%	176	182	6	3.57%
kW.h	66,177	31,710	(34,467)	-52.08%		63674	64798	1,124	1.77%	65621	66177	556	0.85%	63,893	66,177	2,284	3.57%
Street lights	900	915	15	1.67%		889	889	-	0.00%	889	889	-	0.00%	900	900	-	0.00%
kW	3,138	3,190	52	1.67%		2988	3100	112	3.74%	3076	3100	24	0.77%	3,078	3,138	60	1.96%
kW.h	1,125,333	1,144,089	18,756	1.67%		1088697	1111579	22,882	2.10%	1105542	1111579	6,037	0.55%	1,103,749	1,125,333	21,584	1.96%
AL BILLS & FIXTURES	**3,725**	**3,692**	(33)	-0.89%		**3,672**	**3,672**	-	0.00%	**3,700**	**3,700**	-	0.00%	**3,725**	**3,725**	-	0.00%
ST.LIGHTS	900	915	15	1.67%		889	889	-	0.00%	889	889	-	0.00%	900	900	-	0.00%
TOTAL BILLS	**4,625**	**4,607**	(18)	-0.39%		**4,561**	**4,561**	-	0.00%	**4,589**	**4,589**	-	0.00%	**4,625**	**4,625**	-	0.00%
	182,879	**131,993**	(50,886)	-27.83%		**176,404**	**181,170**	4,766	2.70%	**164,042**	**184,509**	20,467	12.48%	**176,180**	**182,879**	6,699	3.80%
	117,394,249	**86,167,555**	(31,226,693)	-26.60%		**109,245,026**	**116,253,963**	7,008,937	6.42%	**106,060,430**	**117,779,734**	11,719,304	11.05%	**114,813,220**	**117,394,249**	2,581,029	2.25%

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Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	4 GS> 50-TOU	5 GS >50-Intermediate	6 Large Use >5MW	7 Street Light	8 Sentinel
CO-INCIDENT PEAK										
1 CP										
Transform	TCP1	20,666	5,602	1,996	4,190		8,784		88	5
Bulk Deliv	BCP1	20,666	5,602	1,996	4,190	-	8,784	-	88	5
Total Syte	DCP1	20,666	5,602	1,996	4,190		8,784		88	5
4 CP										
Transform	TCP4	77,906	20,278	7,884	14,950		34,357		414	24
Bulk Deliv	BCP4	77,906	20,278	7,884	14,950	-	34,357	-	414	24
Total Syte	DCP4	77,906	20,278	7,884	14,950		34,357		414	24
12 CP										
Transform	TCP12	207,861	45,435	19,540	39,616		102,551		679	40
Bulk Deliv	BCP12	207,861	45,435	19,540	39,616		102,551		679	40
Total Syte	DCP12	207,861	45,435	19,540	39,616		102,551		679	40
NON CO_INCIDENT PEAK										
1 NCP										
Classification NCP from Load Data Provider	DNCP1	23,822	7,714	2,461	4,243		9,120		269	16
Primary N	PNCP1	6,119	4,968	804	188		-		153	7
Line Tran	LTNCP1	11,972	7,714	2,461	1,779	-	266		269	16
Secondary	SNCP1	10,219	7,529	2,405	-				269	16
4 NCP										
Classification NCP from Load Data Provider	DNCP4	88,383	25,897	9,088	16,101		36,170		1,065	63
Primary N	PNCP4	20,992	16,678	2,968	713		-		604	28
Line Tran	LTNCP4	41,806	25,897	9,088	6,750	-	1,056		1,065	63
Secondary	SNCP4	35,286	25,277	8,881	-				1,065	63
12 NCP										
Classification NCP from Load Data Provider	DNCP12	230,746	57,815	22,441	42,285		104,869		3,151	185
Primary N	PNCP12	48,307	37,234	7,329	1,873		-		1,788	83
Line Tran	LTNCP12	98,256	57,815	22,441	17,726	-	3,062		3,151	185
Secondary	SNCP12	81,698	56,431	21,930	-		-		3,151	185

2010 SCALED

			Residential	GS <50	GS>50-Re	GS> 50-TOU	GS >50-Interme	Large Use >5	Street Light	Sentinel
CO-INCIDENT PEAK										
1 CP										
Transform	TCP1	16,787	5,559	1,976	3,737		5,423		90	2
Bulk Deliv	BCP1	16,787	5,559	1,976	3,737	-	5,423		90	2
Total Syste	DCP1	16,787	5,559	1,976	3,737		5,423		90	2
4 CP										
Transform	TCP4	62,904	20,122	7,804	13,335		21,211		421	12
Bulk Deliv	BCP4	62,904	20,122	7,804	13,335	-	21,211		421	12
Total Syste	DCP4	62,904	20,122	7,804	13,335		21,211		421	12
12 CP										
Transform	TCP12	163,786	45,085	19,343	35,337		63,312		690	19
Bulk Deliv	BCP12	163,786	45,085	19,343	35,337		63,312		690	19
Total Syste	DCP12	163,786	45,085	19,343	35,337		63,312		690	19
NON CO_INCIDENT PEAK										
1 NCP										
Classification NCP from Load Data Provider	DNCP1	19,786	7,654	2,436	3,784		5,630		274	8
Primary N	PNCP1	6,051	4,929	795	168		-		155	3
Line Tran	LTNCP1	11,793	7,654	2,436	1,586	-	164		274	8
Secondary	SNCP1	10,133	7,471	2,380	-		-		274	8
4 NCP										
Classification NCP from Load Data Provider	DNCP4	72,498	25,698	8,996	14,362		22,330		1,082	30
Primary N	PNCP4	20,752	16,550	2,938	636		-		614	13
Line Tran	LTNCP4	41,175	25,698	8,996	6,020	-	652		1,082	30
Secondary	SNCP4	34,987	25,083	8,791	-		-		1,082	30
12 NCP										
Classification NCP from Load Data Provider	DNCP12	185,337	57,370	22,214	37,717		64,743		3,204	89
Primary N	PNCP12	47,730	36,947	7,255	1,671		-		1,618	40
Line Tran	LTNCP12	96,797	57,370	22,214	15,811	-	1,891		3,204	89
Secondary	SNCP12	80,997	55,997	21,708	-		-		3,204	89

ACTUAL 2005	Weather Normalized 2005	Weather normalized greater than actual for 2005	% Change from actual 2005
2,342	2,342	-	0.00%
26,899,810	27,276,211	376,401	1.40%
396	396	-	0.00%
13,067,330	13,062,051	(5,279)	-0.04%
39	39	-	0.00%
59,893	65,041	5,147	8.59%
20,810,683	23,215,770	2,405,087	11.56%
3	3	-	0.00%
112,529	114,518	1,989	1.77%
50,416,143	52,704,985	2,288,842	4.54%
46	46	-	0.00%
169	175	5	3.08%
60,548	63,419	2,871	4.74%
903	903	-	0.00%
3,038	3,149	111	3.64%
1,085,954	1,129,085	43,131	3.97%
3,729	**3,729**	-	0.00%
903	903	-	0.00%
4,632	**4,632**	-	0.00%
175,630	**182,882**	7,253	4.13%
112,340,468	**117,451,520**	5,111,052	4.55%

ACTUAL 2006	WEATHER Normalized ACTUAL 2006	Weather normalized greater than actual for 2006	% Change from actual 2006
2,318	2,318	-	0.00%
25,897,339	26,996,694	1,099,355	4.25%
399	399	-	0.00%
12,993,046	13,161,006	167,960	1.29%
41	41	-	0.00%
55,083	68,376	13,293	24.13%
19,484,942	24,406,322	4,921,380	25.26%
3	3	-	0.00%
115,268	114,518	(750)	-0.65%
53,977,594	52,704,985	(1,272,609)	-2.36%
46	46	-	0.00%
168	175	7	3.96%
60,823	63,419	2,596	4.27%
907	907	-	0.00%
3,036	3,163	127	4.17%
1,091,309	1,134,086	42,777	3.92%
3,714	**3,714**	-	0.00%
907	907	-	0.00%
4,621	**4,621**	-	0.00%
173,555	**186,232**	12,677	7.30%
113,505,053	**118,466,512**	4,961,459	4.37%

EDR2006 2006	Weather Normalized EDR2006	Weather normalized EDR2006 greater than EDR2006	% Change from EDR2006
2,340	2,340	-	0.00%
27,473,386	27,252,918	(220,468)	-0.80%
395	395	-	0.00%
12,719,994	13,029,066	309,073	2.43%
39	39	-	0.00%
60,958	65,041	4,083	6.70%
21,314,306	23,215,770	1,901,464	8.92%
3	3	-	0.00%
108,040	114,518	6,478	6.00%
47,635,245	52,704,985	5,069,739	10.64%
48	48	-	0.00%
182	182	1	0.38%
64,848	66,177	1,329	2.05%
900	900	-	0.00%
3,072	3,138	66	2.14%
1,108,379	1,125,333	16,954	1.53%
3,725	**3,725**	-	0.00%
900	900	-	0.00%
4,625	**4,625**	-	0.00%
172,252	**182,879**	10,628	6.17%
110,316,158	**117,394,249**	7,078,090	6.42%

ACTUAL 2007	Weather Normalized 2007	Weather normalized greater than actual for 2007	% Change from actual 2007
2,316	2,316	-	0.00%
27,069,577	26,973,401	(96,176)	-0.36%
391	391	-	0.00%
12,370,240	12,897,126	526,886	4.26%
41	41	-	0.00%
57,195	68,376	11,181	19.55%
21,523,842	24,406,322	2,882,480	13.39%
3	3	-	0.00%
109,115	114,518	5,403	4.95%
44,939,095	52,704,985	7,765,890	17.28%
39	39	-	0.00%
151	148	(3)	-2.14%
54,603	53,769	(834)	-1.53%
914	914	-	0.00%
3,056	3,187	131	4.29%
1,097,289	1,142,839	45,550	4.15%
3,704	**3,704**	-	0.00%
914	914	-	0.00%
4,618	**4,618**	-	0.00%
169,518	**186,230**	16,712	9.86%
107,054,646	**118,178,441**	11,123,795	10.39%

ACTUAL 2008	Weather Normalized 2008	Weather normalized greater than actual for 2008	% Change from actual 2008
2,318	2,318	-	0.00%
26,596,195	26,996,694	400,499	1.51%
391	391	-	0.00%
12,592,670	12,897,126	304,456	2.42%
41	41	-	0.00%
56,061	68,376	12,315	21.97%
20,680,870	24,406,322	3,725,452	18.01%
3	3	-	0.00%
70,701	114,518	43,818	61.98%
24,123,994	52,704,985	28,580,991	118.48%
38	38	-	0.00%
121	144	24	19.46%
42,445	52,390	9,945	23.43%
916	916	-	0.00%
3,069	3,194	125	4.07%
1,159,799	1,145,339	(14,460)	-1.25%
3,707	**3,707**	-	0.00%
916	916	-	0.00%
4,623	**4,623**	-	0.00%
129,952	**186,233**	56,281	43.31%
85,195,973	**118,202,856**	33,006,883	38.74%

Bridge year 2009	Weather Normalized 2009	Weather normalized greater than actual for 2009	% Change from actual 2009		Forecast 2010 STATS	Weather Normalized 2010 based on 2004 Weather normalization	Weather normalized greater than actual for 2010	% Change from Forecast 2010
2,320	2,320	-	0.00%	234,412.80	2322	2322	-	0.00%
26,719,866	27,019,987	300,120	1.12%	- 272,542.64	27043280	27043280	-	0.00%
391	391	-	0.00%	28,011.24	391	391	-	0.00%
12,245,893	12,897,126	651,233	5.32%	- 118,785.17	12897126	12897126	-	0.00%
39	39	-	0.00%	14,231.88	38	38	-	0.00%
50,671	65,041	14,370	28.36%	151,636.54	58015	63373	5,358	9.24%
18,126,386	23,215,770	5,089,384	28.08%	- 30,402.30	20927356	22620494	1,693,137	8.09%
3	3	-	0.00%	2,064.24	3	3	-	0.00%
65,898	114,518	48,620	73.78%	58,669.17	70,701	114,518	43,818	61.98%
20,110,397	52,704,985	32,594,588	162.08%	- 39,538.92	24,123,994	52,704,985	28,580,991	118.48%
23	23	-	0.00%	1,098.48	23	23	-	0.00%
77	87	11	14.11%	144.97	87	87	-	0.00%
26,687	31,710	5,023	18.82%	-	31710	31710	-	0.00%
915	915	-	0.00%	10,870.20	726	726	-	0.00%
3,073	3,190	117	3.81%	3,968.24	3190	2531	(659)	-20.66%
1,001,530	1,144,089	142,559	14.23%	-	1144089	907769	(236,320)	-20.66%
				826,494.34				
3,691	**3,691**	-	0.00%	7,755.00	**3,503**	**3,503**	-	0.00%
915	915	-	0.00%	834,249.34	726	726	-	0.00%
4,606	**4,606**	-	0.00%		**4,229**	**4,229**	-	0.00%
119,719	**182,837**	63,118	52.72%		**131,993**	**180,510**	48,517	36.76%
78,230,760	**117,013,666**	38,782,906	49.58%		**86,167,555**	**116,205,363**	30,037,808	34.86%

	2010 Existing rates	2010 Proposed rates
TOTAL Revenue	989,880	1,200,209
OTHER Revenue	118,930	118,930
2010 stats at 2009 rates including SSS revenue	870,950	1,081,279
STRANDED METER RECOVERY		45,081
Proposed Service Revenue % Increase		24.15%

2010 proposed serevice revenue

$	172,193	Return
$	867,878	OM &A
$	145,659	Depreciation
$	118,930	OTHER Revenue

$ 2,355,582	TEST YEAR RATE BASE				
7.3100000%	Weighted return DEBT & EQUITY				
		2009	2010		
		16.07	**-**	-	16.07
750kW.h		**60.68**	**60.68**		**-20.94%**
		76.75	**60.68**		

$172,193	Return on Rate Base before Taxes/PILS (Revenue Requirem
$14,479	PILS (Revenue Requirement Model)
$145,659	Depreciation (Revenue Requirement Model)
$867,878	OM&A (Revenue Requirement Model)
$118,930	Other Revenue
$1,081,279	Service Revenue Requirement

EDR2006 STATISTICS					**TEST YEAR STATISTICS**	**APPROVED 2009 rates**	**Revenue at APPROVED 2009 rates**
				RESIDENTIAL			
2,340	8.42	$236,433.60	66,037.68	Service Charge	2,322	8.42	234,614.88
-	-	$ -	0.0024419	Volumetric kW	n/a	-	-
27,473,386	0.0102	$280,228.54		Volumetric kW.h	27,043,280	0.0102	275,841.46
		$ -		**GS <50 kW**			
395	5.97	$ 28,297.80		Service Charge	391	5.97	28,011.24
-	-	$ -		Volumetric kW	n/a	-	-
12,719,994	0.0097	$123,383.94		Volumetric kW.h	12,897,126	0.0097	125,102.12
		$ -		**GS >50 kW**			
39	30.41	$ 14,231.88		Service Charge	38	30.41	13,866.96
60,958	2.9926	$182,422.72		Volumetric kW	58,015	2.9926	173,614.27
21,314,306	-	$ -		Transformer Ownership Allowance	27,830 -	0.60 -	16,698.00
		$ -		**Intermediate Users**			
3	57.34	$ 2,064.24		Service Charge	3	57.34	2,064.24
108,040	0.8903	$ 96,188.01		Volumetric kW	70,701	0.8903	62,944.82
47,635,245	-	$ -		Transformer Ownership Allowance	70,701 -	0.60 -	42,420.41
		$ -		**Sent Lights**			
48	3.98	$ 2,292.48		Service Charge	23	3.98	1,098.48
182	1.8938	$ 343.90		Volumetric kW	87	1.8938	165.42
64,848		$ -		Volumetric kW.h	31,710	-	-
				Street lights			
900	0.99	$ 10,692.00		Service Charge	726	0.99	8,624.88
3,072	1.2912	$ 3,967.04		Volumetric kW	3,190	1.2912	4,119.57
1,108,379	-	$ -		Volumetric kW.h	1,144,089	-	-
		$ -				$	870,950
		$980,546.15					

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Customers and Statistics by Class

Note: values represent consumption BEFORE loss factor

			Opening Accrual	2004 Jan	2004 Feb	2004 Mar	2004 Apr	2004 May	2004 Jun	2004 Jul	2004 Aug	2004 Sep	2004 Oct	2004 Nov	2004 Dec	2004 Billing Total	2004 Closing Accrual	2004 Total including accruals
Classes																		
Residential																		
General Service Less Than 50 kW																		
General Service 50 to 2,999 kW																		
General Service 3,000 to4999 kW																		
Sentinel Lighting																		
Street Lighting																		
LOSS FACTOR				1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727			
STATS PANEL																		
Residential	No.Customers			2539	2334	2331	2341	2349	2322	2343	2349	2352	2337	2328	2340	28065		28065
	Energy kW.h (Delivered - distribution)																	
			3574363	2860920	3848684	3595391	2814487	2308002	1874025	1698463	1651011	1598844	1681501	1813479	2295707	28,043,514	4149782	28618933
	Energy kW.h (Purchased - Wholesale commodity)																	
General Service Less Than 50 kW	No.Customers			393	393	393	394	394	395	392	394	394	393	391	395	4721		4721
	Energy kW.h (Delivered - distribution)																	
			1538622	1215701	1447841	1501998	1299593	1015794	920308	892237	890863	884052	909630	928923	1108672	13,015,612	1746915	13223905
	Energy kW.h (Purchased - Wholesale commodity)																	
General Service 50 to 2,999 kW	No. Customers			41	41	41	41	41	41	41	41	40	40	40	40	488		488
	Demand kW		5657	5313	5768	5639	5627	5260	4970	4618	4610	4634	4892	5241	5177	61749	6276.72	62368.72
	Energy kW.h (Delivered - distribution)																	
			2230255	2101188	2258577	2192753	2174932	1886143	1698840	1662880	1492215	1541265	1644907	1866886	1720983	22041569	2125662	21936976
	Energy kW.h (Purchased - Wholesale commodity)																	
General Service 3,000 to4999 kW	No. Customers			3	3	3	3	3	3	3	3	3	3	3	3	36		36
	Demand kW		9457.61	9457.61	9523.76	9478.34	9224.74	9042.65	9180.18	8978.02	9027.36	9322.12	9464.38	9226.09	9250.13	111175.28	9219	110936.67
	Energy kW.h (Delivered - distribution)																	
			4594460	4291149	4537333	4442470	4619286	4398797	4342358	3514233	3085760	4394446.8	4321015	4087254	4201354	50235455.8	3873005	49514000.8
	Energy kW.h (Purchased - Wholesale commodity)																	
Sentinel Lighting	No. Connections			48	48	48	48	48	48	48	48	48	48	48	48	576		576
	Demand kW		14.72	14.72	14.72	14.72	14.72	14.72	14.72	14.72	14.72	14.72	14.72	14.72	13.92	175.84	14.14	175.26
	Energy kW.h (Delivered - distribution)																	
			5325	5324	5324	5324	5324	5147	5325	5325	5325	5325	5325	5325	5036	63429	5118	63222
	Energy kW.h (Purchased - Wholesale commodity)																	
Street Lighting	No. Connections			895	895	895	895	895	895	895	895	899	899	899	899	10756		10756
	Demand kW		256.56	257	257	257	257	257	257	257	257	257	257	257	257		255	-1.56
	Energy kW.h (Delivered - distribution)																	
			124479	124479	120487	102597	95917	76468	71875	63570	68919	80184	91120	107513	116148	1119277	125319	1120117
	Energy kW.h (Purchased - Wholesale commodity)																	
	SALES BEFORE LOSSES			12,067,504	10,598,761	12,218,246	11,843,533	11,009,539	9,690,351	8,912,731	7,836,708	7,194,093	8,504,117	8,653,498	8,609,380	9,447,900	114,518,857	12,025,801	114,477,154
RATES PANEL																		
Residential																		
Service Charge	$			5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75		5.75	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kWh			0.0065	0.0065	0.0065	0.0065	0.0065	0.0062	0.0062	0.0062	0.0062	0.0062	0.0062	0.0062		0.0062	
Rate Rider 1 (if applicable)	$/kWh																	
Rate Rider 2 (if applicable)	$/kWh																	
Regulatory Asset Recovery	$/kWh																	
Retail Transmission Rate – Network Service Rate	$/kWh			0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057		0.0057	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh			0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005		0.005	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$			0	0	0	0	0	0	0	0	0	0	0	0		0	
General Service Less Than 50 kW																		
Service Charge	$			3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79		3.79	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kWh			0.0066	0.0066	0.0066	0.0066	0.0066	0.0062	0.0062	0.0062	0.0062	0.0062	0.0062	0.0062		0.0062	
Rate Rider 1 (if applicable)	$/kWh																	
Rate Rider 2 (if applicable)	$/kWh																	
Regulatory Asset Recovery	$/kWh																	
Retail Transmission Rate – Network Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh			0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045		0.0045	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$																	
General Service 50 to 2,999 kW																		
Service Charge	$			24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15		24.15	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kW			1.9777	1.9777	1.9777	1.9777	1.9777	1.8218	1.8218	1.8218	1.8218	1.8218	1.8218	1.8218		1.8218	
Rate Rider 1 (if applicable)	$/kW																	
Rate Rider 2 (if applicable)	$/kW																	
Regulatory Asset Recovery	$/kW																	
Retail Transmission Rate – Network Service Rate	$/kW			2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218		2.1218	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW			1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882		1.7882	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$																	
General Service 3,000 to4999 kW																		
Service Charge	$			43.52	43.52	43.52	43.52	43.52	43.52	43.52	43.52	43.52	43.52	43.52	43.52		43.52	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kW			0.4237	0.4237	0.4237	0.4237	0.4237	0.2074	0.2074	0.2074	0.2074	0.2074	0.2074	0.2074		0.2074	
Rate Rider 1 (if applicable)	$/kW																	
Rate Rider 2 (if applicable)	$/kW																	
Regulatory Asset Recovery	$/kW																	
Retail Transmission Rate – Network Service Rate	$/kW			2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373		2.373	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW			2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109		2.109	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$																	
Sentinel Lighting																		
Service Charge	$			3.12	3.12	3.12	3.12	3.12	3.12	3.12	3.12	3.12	3.12	3.12	3.12		3.12	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kW			0.5654	0.5654	0.5654	0.5654	0.5654	0.8196	0.8196	0.8196	0.8196	0.8196	0.8196	0.8196		0.8196	
Rate Rider 1 (if applicable)	$/kW																	
Rate Rider 2 (if applicable)	$/kW																	
Regulatory Asset Recovery	$/kW																	
Retail Transmission Rate – Network Service Rate	$/kW			1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083		1.6083	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW			1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113		1.4113	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$																	
Street Lighting																		
Service Charge	$			0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76		0.76	
Distribution Volumetric Rate less LV (see cell formula for approved rate)	$/kW			0.6439	0.6439	0.6439	0.6439	0.6439	0.8642	0.8642	0.8642	0.8642	0.8642	0.8642	0.8642		0.8642	
Rate Rider 1 (if applicable)	$/kW																	
Rate Rider 2 (if applicable)	$/kW																	
Regulatory Asset Recovery	$/kW																	
Retail Transmission Rate – Network Service Rate	$/kW			1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002		1.6002	
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW			1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824		1.3824	
Wholesale Market Service Rate	$/kWh			0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
Rural Rate Protection Charge	$/kWh			0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
Regulated Price Plan – Administration Charge	$			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
Low voltage rider	$																	

REVENUE PANEL

Distribution - Fixed & Variable Charges including $0.25 Admin

Residential	$ -	$ 32,045.23	$ 38,436.95	$ 36,792.79	$ 31,754.92	$ 29,508.76	$ 24,970.46	$ 24,002.72	$ 23,743.02	$ 23,436.83	$ 23,863.06	$ 24,629.57	$ 27,688.38	$ 346,903.68	$ 25,728.65	$	$ 372,632.33
General Service Less Than 50 kW	$ -	$ 9,513.10	$ 11,045.22	$ 11,402.66	$ 10,070.57	$ 8,197.50	$ 7,202.96	$ 7,017.55	$ 7,016.61	$ 6,974.38	$ 7,129.18	$ 7,241.21	$ 8,370.82	$ 102,431.76	$ 10,830.87	$	$ 113,262.63
General Service 50 to 2,999 kW	$ -	$ 11,497.67	$ 12,397.52	$ 12,142.40	$ 12,118.67	$ 11,392.85	$ 10,044.50	$ 9,403.22	$ 9,388.65	$ 9,408.22	$ 9,878.25	$ 10,514.05	$ 10,397.46	$ 128,700.46	$ 11,434.93	$	$ 140,135.39
General Service 3,000 to4999 kW	$ -	$ 4,137.75	$ 4,165.78	$ 4,146.49	$ 4,039.08	$ 3,961.93	$ 2,034.53	$ 1,992.60	$ 2,002.83	$ 2,063.97	$ 2,093.47	$ 2,044.05	$ 2,049.04	$ 34,740.52	$ 1,912.02	$	$ 36,652.54
Sentinel Lighting	$ -	$ 158.08	$ 158.08	$ 158.08	$ 158.08	$ 158.08	$ 161.82	$ 161.82	$ 161.82	$ 161.82	$ 161.82	$ 161.82	$ 161.17	$ 1,922.53	$ 11.59	$	$ 1,934.12
Street Lighting	$ -	$ 845.68	$ 845.68	$ 845.68	$ 845.68	$ 845.68	$ 850.90	$ 850.90	$ 850.90	$ 850.90	$ 853.94	$ 853.94	$ 853.94	$ 10,199.87	$ 169.37	$	$ 10,369.24
Total	$ -	**$ 58,197.51**	**$ 67,049.23**	**$ 65,488.10**	**$ 58,987.00**	**$ 53,064.81**	**$ 45,265.16**	**$ 43,428.82**	**$ 43,163.84**	**$ 42,899.17**	**$ 43,979.71**	**$ 45,444.65**	**$ 49,520.80**	**$ 624,898.82**	**$ 50,087.43**	**$**	**$ 674,986.25**
Reg Asset Recovery																		
Residential	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
General Service Less Than 50 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
General Service 50 to 2,999 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
General Service 3,000 to4999 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
Sentinel Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
Street Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$	$ -	
Total	$ -	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$**	**$ -**	
RTSC Network																		
Residential	$ -	$ 17,492.78	$ 23,532.35	$ 22,001.97	$ 17,208.87	$ 14,112.02	$ 11,458.52	$ 10,385.07	$ 10,094.93	$ 9,775.96	$ 10,281.35	$ 11,088.32	$ 14,036.85	$ 171,468.98	$ -	$	$ 171,468.98	
General Service Less Than 50 kW	$ -	$ 6,781.23	$ 8,076.12	$ 8,378.20	$ 7,249.18	$ 5,666.14	$ 5,133.51	$ 4,976.93	$ 4,969.27	$ 4,931.28	$ 5,073.95	$ 5,181.57	$ 6,184.22	$ 72,601.60	$ -	$	$ 72,601.60	
General Service 50 to 2,999 kW	$ -	$ 12,007.36	$ 13,128.28	$ 12,834.67	$ 12,807.36	$ 11,992.05	$ 11,311.99	$ 10,510.82	$ 10,492.61	$ 10,547.24	$ 11,108.80	$ 11,785.14	$ 11,546.11	$ 140,544.11	$ -	$	$ 140,544.11	
General Service 3,000 to4999 kW	$ -	$ 24,074.51	$ 24,242.89	$ 24,127.62	$ 23,481.70	$ 23,018.22	$ 23,368.31	$ 22,853.70	$ 22,979.30	$ 23,729.62	$ 24,091.74	$ 23,485.17	$ 23,546.36	$ 282,998.58	$ -	$	$ 282,998.58	
Sentinel Lighting	$ -	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 24.02	$ 303.36	$ -	$	$ 303.36	
Street Lighting	$ -	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 5,293.79	$ -	$	$ 5,293.79	
Total	$ -	**$ 60,907.74**	**$ 69,446.19**	**$ 67,808.41**	**$ 61,213.69**	**$ 55,254.98**	**$ 51,738.88**	**$ 49,193.07**	**$ 49,002.65**	**$ 49,450.63**	**$ 51,048.05**	**$ 52,150.41**	**$ 56,015.73**	**$ 673,210.43**	**$ -**	**$**	**$ 673,210.43**	
RTSC Connection																		
Residential	$ -	$ 15,344.54	$ 20,642.42	$ 19,299.97	$ 15,095.50	$ 12,378.97	$ 10,051.33	$ 9,109.71	$ 8,855.20	$ 8,575.40	$ 9,018.73	$ 9,726.59	$ 12,313.02	$ 150,411.39	$ -	$	$ 150,411.39	
General Service Less Than 50 kW	$ -	$ 5,868.37	$ 6,988.95	$ 7,250.37	$ 6,273.33	$ 4,903.39	$ 4,442.46	$ 4,306.96	$ 4,300.33	$ 4,267.45	$ 4,390.92	$ 4,484.05	$ 5,351.73	$ 62,828.31	$ -	$	$ 62,828.31	
General Service 50 to 2,999 kW	$ -	$ 10,130.41	$ 11,084.19	$ 10,816.74	$ 10,793.72	$ 10,089.74	$ 9,533.46	$ 8,858.26	$ 8,842.91	$ 8,889.95	$ 9,383.64	$ 10,053.30	$ 9,930.53	$ 118,447.06	$ -	$	$ 118,447.06	
General Service 3,000 to4999 kW	$ -	$ 21,396.18	$ 21,545.83	$ 21,442.85	$ 20,869.35	$ 20,457.41	$ 20,768.54	$ 20,311.19	$ 20,422.82	$ 21,089.66	$ 21,411.50	$ 20,872.41	$ 20,926.79	$ 251,514.54	$ -	$	$ 251,514.54	
Sentinel Lighting	$ -	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 21.07	$ 266.20	$ -	$	$ 266.20	
Street Lighting	$ -	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 4,573.27	$ -	$	$ 4,573.27	
Total	$ -	**$ 53,203.89**	**$ 60,644.78**	**$ 59,213.32**	**$ 53,435.30**	**$ 48,232.90**	**$ 45,199.20**	**$ 42,989.51**	**$ 42,824.64**	**$ 43,224.85**	**$ 44,608.38**	**$ 45,539.74**	**$ 49,924.26**	**$ 588,040.77**	**$ -**	**$**	**$ 588,040.77**	
WMS																		
Residential	$ -	$ 15,958.33	$ 21,468.11	$ 20,071.97	$ 15,699.32	$ 12,874.13	$ 10,453.39	$ 9,474.09	$ 9,209.41	$ 8,918.42	$ 9,379.48	$ 10,115.66	$ 12,805.55	$ 156,427.84	$ -	$	$ 156,427.84	
General Service Less Than 50 kW	$ -	$ 6,781.23	$ 8,076.12	$ 8,378.20	$ 7,249.18	$ 5,666.14	$ 5,133.51	$ 4,976.93	$ 4,969.27	$ 4,931.28	$ 5,073.95	$ 5,181.57	$ 6,184.22	$ 72,601.60	$ -	$	$ 72,601.60	
General Service 50 to 2,999 kW	$ -	$ 11,700.51	$ 12,598.43	$ 12,231.28	$ 12,131.86	$ 10,520.98	$ 9,476.20	$ 9,275.61	$ 8,323.63	$ 8,597.24	$ 9,175.36	$ 9,297.96	$ 9,599.71	$ 122,948.75	$ -	$	$ 122,948.75	
General Service 3,000 to4999 kW	$ -	$ 23,936.20	$ 25,309.42	$ 24,780.28	$ 25,766.56	$ 24,536.67	$ 24,221.85	$ 19,602.53	$ 17,212.49	$ 24,512.40	$ 24,102.79	$ 22,798.87	$ 23,435.32	$ 280,215.38	$ -	$	$ 280,215.38	
Sentinel Lighting	$ -	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 28.71	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 28.09	$ 353.81	$ -	$	$ 353.81	
Street Lighting	$ -	$ 694.35	$ 672.08	$ 572.29	$ 535.03	$ 426.54	$ 400.92	$ 354.60	$ 384.43	$ 447.27	$ 508.27	$ 599.71	$ 647.88	$ 6,243.37	$ -	$	$ 6,243.37	
Total	$ -	**$ 59,120.31**	**$ 68,153.86**	**$ 66,063.70**	**$ 61,411.65**	**$ 54,053.17**	**$ 49,715.57**	**$ 43,713.47**	**$ 40,128.94**	**$ 47,436.30**	**$ 48,269.56**	**$ 48,023.47**	**$ 53,100.78**	**$ 638,790.76**	**$ -**	**$**	**$ 638,790.76**	
RRP																		
Residential	$ -	$ 3,068.91	$ 4,128.48	$ 3,859.99	$ 3,019.10	$ 2,475.79	$ 2,010.27	$ 1,821.94	$ 1,771.04	$ 1,715.08	$ 1,803.75	$ 1,945.32	$ 2,462.60	$ 30,082.28	$ -	$	$ 30,082.28	

General Service Less Than 50 kW	$ -	$ 1,304.08	$ 1,553.10	$ 1,611.19	$ 1,394.07	$ 1,089.64	$ 987.21	$ 957.10	$ 955.63	$ 948.32	$ 975.76	$ 996.46	$ 1,189.27	$ 13,961.85	$ -	$ 13,961.85
General Service 50 to 2,999 kW	$ -	$ 2,253.94	$ 2,422.78	$ 2,352.17	$ 2,333.05	$ 2,023.27	$ 1,822.35	$ 1,783.77	$ 1,600.70	$ 1,653.31	$ 1,764.49	$ 1,788.07	$ 1,846.10	$ 23,643.99	$ -	$ 23,643.99
General Service 3,000 to4999 kW	$ -	$ 4,603.12	$ 4,867.20	$ 4,765.44	$ 4,955.11	$ 4,718.59	$ 4,658.05	$ 3,769.72	$ 3,310.09	$ 4,713.92	$ 4,635.15	$ 4,384.40	$ 4,506.79	$ 53,887.57	$ -	$ 53,887.57
Sentinel Lighting	$ -	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.52	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.40	$ 68.04	$ -	$ 68.04
Street Lighting	$ -	$ 133.53	$ 129.25	$ 110.06	$ 102.89	$ 82.03	$ 77.10	$ 68.19	$ 73.93	$ 86.01	$ 97.74	$ 115.33	$ 124.59	$ 1,200.65	$ -	$ 1,200.65
Total	**$ -**	**$ 11,369.29**	**$ 13,106.51**	**$ 12,704.56**	**$ 11,809.93**	**$ 10,394.84**	**$ 9,560.69**	**$ 8,406.44**	**$ 7,717.10**	**$ 9,122.37**	**$ 9,282.61**	**$ 9,235.28**	**$ 10,134.76**	**$ 122,844.38**	**$ -**	**$ 122,844.38**

LV

Residential	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
General Service Less Than 50 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
General Service 50 to 2,999 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
General Service 3,000 to4999 kW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sentinel Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Street Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

REVENUE PANEL -- DISTRBUTION

Residential

Service Charge	$ -	$ 13,449.25	$ 13,420.50	$ 13,403.25	$ 13,460.75	$ 13,506.75	$ 13,351.50	$ 13,472.25	$ 13,506.75	$ 13,524.00	$ 13,437.75	$ 13,386.00	$ 13,455.00	$ 161,373.75	$ -	$ 161,373.75
Distribution Volumetric Rate	$ -	$ 18,595.98	$ 25,016.45	$ 23,389.54	$ 18,294.17	$ 15,002.01	$ 11,618.96	$ 10,530.47	$ 10,236.27	$ 9,912.83	$ 10,425.31	$ 11,243.57	$ 14,233.38	$ 178,498.93	$ 25,728.65	$ 204,227.58
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 17,492.78	$ 23,532.35	$ 22,001.97	$ 17,208.87	$ 14,112.02	$ 11,458.52	$ 10,385.07	$ 10,094.93	$ 9,775.96	$ 10,281.35	$ 11,088.32	$ 14,036.85	$ 171,468.98	$ -	$ 171,468.98
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 15,344.54	$ 20,642.42	$ 19,299.97	$ 15,095.50	$ 12,378.97	$ 10,051.33	$ 9,109.71	$ 8,855.20	$ 8,575.40	$ 9,018.73	$ 9,726.59	$ 12,313.02	$ 150,411.39	$ -	$ 150,411.39
Wholesale Market Service Rate	$ -	$ 15,958.33	$ 21,468.11	$ 20,071.97	$ 15,699.32	$ 12,874.13	$ 10,453.39	$ 9,474.09	$ 9,209.41	$ 8,916.42	$ 9,379.48	$ 10,115.66	$ 12,805.55	$ 156,427.84	$ -	$ 156,427.84
Rural Rate Protection Charge	$ -	$ 3,068.91	$ 4,128.48	$ 3,859.99	$ 3,019.10	$ 2,475.79	$ 2,010.27	$ 1,821.94	$ 1,771.04	$ 1,715.08	$ 1,803.75	$ 1,945.32	$ 2,462.60	$ 30,082.28	$ -	$ 30,082.28
Regulated Price Plan – Administration Charge														$ 7,031.00	$ -	$ 7,031.00
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

General Service Less Than 50 kW

Service Charge	$ -	$ 1,489.47	$ 1,489.47	$ 1,489.47	$ 1,493.26	$ 1,493.26	$ 1,497.05	$ 1,485.68	$ 1,493.26	$ 1,493.26	$ 1,489.47	$ 1,481.89	$ 1,497.05	$ 17,892.59	$ -	$ 17,892.59
Distribution Volumetric Rate	$ -	$ 8,023.63	$ 9,555.75	$ 9,913.19	$ 8,577.31	$ 6,704.24	$ 5,705.91	$ 5,531.87	$ 5,523.35	$ 5,481.12	$ 5,639.71	$ 5,759.32	$ 6,873.77	$ 83,289.17	$ 10,830.87	$ 94,120.04
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 6,781.23	$ 8,076.12	$ 8,378.20	$ 7,249.18	$ 5,666.14	$ 5,133.51	$ 4,976.93	$ 4,969.27	$ 4,931.28	$ 5,073.95	$ 5,181.57	$ 6,184.22	$ 72,601.60	$ -	$ 72,601.60
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 5,868.37	$ 6,988.95	$ 7,250.37	$ 6,273.33	$ 4,903.39	$ 4,442.46	$ 4,306.96	$ 4,300.33	$ 4,267.45	$ 4,390.92	$ 4,484.05	$ 5,351.73	$ 62,828.31	$ -	$ 62,828.31
Wholesale Market Service Rate	$ -	$ 6,781.23	$ 8,076.12	$ 8,378.20	$ 7,249.18	$ 5,666.14	$ 5,133.51	$ 4,976.93	$ 4,969.27	$ 4,931.28	$ 5,073.95	$ 5,181.57	$ 6,184.22	$ 72,601.60	$ -	$ 72,601.60
Rural Rate Protection Charge	$ -	$ 1,304.08	$ 1,553.10	$ 1,611.19	$ 1,394.07	$ 1,089.64	$ 987.21	$ 957.10	$ 955.63	$ 948.32	$ 975.76	$ 996.46	$ 1,189.27	$ 13,961.85	$ -	$ 13,961.85
Regulated Price Plan – Administration Charge														$ 1,250.00	$ -	$ 1,250.00
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

General Service 50 to 2,999 kW

Service Charge	$ -	$ 990.15	$ 990.15	$ 990.15	$ 990.15	$ 990.15	$ 990.15	$ 990.15	$ 990.15	$ 966.00	$ 966.00	$ 966.00	$ 966.00	$ 11,785.20	$ -	$ 11,785.20
Distribution Volumetric Rate	$ -	$ 10,507.52	$ 11,407.37	$ 11,152.25	$ 11,128.52	$ 10,402.70	$ 9,054.35	$ 8,413.07	$ 8,398.50	$ 8,442.22	$ 8,912.25	$ 9,548.05	$ 9,431.46	$ 116,798.26	$ 11,434.93	$ 128,233.19
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 12,092.68	$ 13,126.28	$ 12,834.67	$ 12,807.36	$ 11,972.05	$ 11,311.99	$ 10,510.82	$ 10,492.61	$ 10,547.24	$ 11,134.46	$ 11,928.80	$ 11,783.14	$ 140,544.11	$ -	$ 140,544.11
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 10,191.41	$ 11,064.19	$ 10,816.74	$ 10,793.72	$ 10,089.74	$ 9,533.46	$ 8,858.26	$ 8,842.91	$ 8,888.95	$ 9,383.84	$ 10,053.30	$ 9,930.53	$ 118,447.06	$ -	$ 118,447.06
Wholesale Market Service Rate	$ -	$ 11,720.51	$ 12,598.43	$ 12,231.26	$ 12,131.86	$ 10,520.98	$ 9,476.20	$ 9,275.61	$ 8,323.63	$ 8,597.24	$ 9,175.36	$ 9,297.96	$ 9,599.71	$ 122,948.75	$ -	$ 122,948.75
Rural Rate Protection Charge	$ -	$ 2,253.94	$ 2,422.78	$ 2,352.17	$ 2,333.05	$ 2,023.27	$ 1,822.35	$ 1,783.77	$ 1,600.70	$ 1,653.31	$ 1,764.49	$ 1,788.07	$ 1,846.10	$ 23,643.99	$ -	$ 23,643.99
Regulated Price Plan – Administration Charge														$ 117.00	$ -	$ 117.00
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

General Service 3,000 to4999 kW

Service Charge	$ -	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 130.56	$ 1,566.72	$ -	$ 1,566.72
Distribution Volumetric Rate	$ -	$ 4,007.19	$ 4,035.22	$ 4,015.93	$ 3,908.52	$ 3,831.37	$ 1,903.97	$ 1,862.04	$ 1,872.27	$ 1,833.41	$ 1,962.81	$ 1,913.49	$ 1,918.48	$ 33,164.80	$ 1,912.02	$ 35,076.82
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 24,074.51	$ 24,242.89	$ 24,127.02	$ 23,481.73	$ 23,016.22	$ 23,368.31	$ 22,853.70	$ 22,979.30	$ 23,729.62	$ 24,091.74	$ 23,485.17	$ 23,546.36	$ 282,998.58	$ -	$ 282,998.58
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 21,396.18	$ 21,545.83	$ 21,442.85	$ 20,869.35	$ 20,457.41	$ 20,768.54	$ 20,311.19	$ 20,422.82	$ 21,089.66	$ 21,411.50	$ 20,872.41	$ 20,926.79	$ 251,514.54	$ -	$ 251,514.54
Wholesale Market Service Rate	$ -	$ 23,936.20	$ 25,309.42	$ 24,780.28	$ 25,766.56	$ 24,536.67	$ 24,221.85	$ 19,602.53	$ 17,212.49	$ 24,512.40	$ 24,102.79	$ 22,794.87	$ 23,435.32	$ 280,215.38	$ -	$ 280,215.38
Rural Rate Protection Charge	$ -	$ 4,603.12	$ 4,867.20	$ 4,765.44	$ 4,955.11	$ 4,718.59	$ 4,658.05	$ 3,769.72	$ 3,310.09	$ 4,713.92	$ 4,635.15	$ 4,384.40	$ 4,506.79	$ 53,887.57	$ -	$ 53,887.57
Regulated Price Plan – Administration Charge														$ 9.00	$ -	$ 9.00
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Sentinel Lighting

Service Charge	$ -	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 149.76	$ 1,797.12	$ -	$ 1,797.12
Distribution Volumetric Rate	$ -	$ 8.32	$ 8.32	$ 8.32	$ 8.32	$ 8.32	$ 12.06	$ 12.06	$ 12.06	$ 12.06	$ 12.06	$ 12.06	$ 11.41	$ 125.41	$ 11.59	$ 137.00
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 25.40	$ 24.02	$ 303.36	$ -	$ 303.36
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 22.28	$ 21.07	$ 266.20	$ -	$ 266.20
Wholesale Market Service Rate	$ -	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 28.71	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 29.70	$ 28.09	$ 353.81	$ -	$ 353.81
Rural Rate Protection Charge	$ -	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.52	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.71	$ 5.40	$ 68.04	$ -	$ 68.04
Regulated Price Plan – Administration Charge														$ -	$ -	$ -
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Street Lighting

Service Charge	$ -	$ 680.20	$ 680.20	$ 680.20	$ 680.20	$ 680.20	$ 680.20	$ 680.20	$ 680.20	$ 683.24	$ 683.24	$ 683.24	$ 683.24	$ 8,174.56	$ -	$ 8,174.56
Distribution Volumetric Rate	$ -	$ 165.48	$ 165.48	$ 165.48	$ 165.48	$ 165.48	$ 170.70	$ 170.70	$ 170.70	$ 170.70	$ 170.70	$ 170.70	$ 170.70	$ 2,022.31	$ 169.37	$ 2,191.68
Rate Rider 1 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Rider 2 (if applicable)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Regulatory Asset Recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retail Transmission Rate – Network Service Rate	$ -	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 441.15	$ 5,293.79	$ -	$ 5,293.79
Retail Transmission Rate – Line and Transformation Connection Service Rate	$ -	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 381.11	$ 4,573.27	$ -	$ 4,573.27
Wholesale Market Service Rate	$ -	$ 694.35	$ 672.08	$ 572.29	$ 535.03	$ 426.54	$ 400.92	$ 354.60	$ 384.43	$ 447.27	$ 508.27	$ 599.71	$ 647.88	$ 6,243.37	$ -	$ 6,243.37
Rural Rate Protection Charge	$ -	$ 133.53	$ 129.25	$ 110.06	$ 102.89	$ 82.03	$ 77.10	$ 68.19	$ 73.93	$ 86.01	$ 97.74	$ 115.33	$ 124.59	$ 1,200.65	$ -	$ 1,200.65
Regulated Price Plan – Administration Charge														$ 3.00	$ -	$ 3.00
Low voltage rider	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

HEARST POWER - SSS

	2004	2005	2006	2007	2008	2009
RESIDENTIAL	7031	7041	6836	6400	6433	6428
GS <50 KW	1250	1190	1154	1144	1130	1134
GS >50 KW	110	107	103	100	104	99
INTERVAL	7	6.75	9.25	9	9.75	12
INTERMEDIATE	9	9	9	9	9	9
STREET LIGHTING	3	3	6	6	6	6
SENTINEL LIGHTS		62.5	59.75	55	43.5	36.5
TOTAL	**8418**	**8419.25**	**8177**	**7723**	**7725.25**	**7724.5**

2009 Data By Class	**Consumption Billed from Hydro One**	**kWhs**	**Non RPP kWh**
RESIDENTIAL	7.06%	26,719,866	1,887,351
GENERAL SERVICE <50 KW	7.70%	12,245,893	942,521
GS 50 – 2,999 kW NON TIME OF	57.75%	18,126,386	10,468,624
GS 3,000 – 4,999 kW	100.00%	20,110,397	20,110,397
SENTINEL LIGHTS	0.00%	26,667	-
STREET LIGHTING	100.00%	1,001,530	1,001,530
Totals	43.99%	78,230,760	34,409,823

Commodity Variance ACCOUNT

		OPENING BALANCE by class	GLOBAL Adjustment	2004 Jan	2004 Feb	2004 Mar	2004 Apr	2004 May	2004 Jun	2004 Jul	2004 Aug	2004 Sep	2004 Oct	2004 Nov	2004 Dec	2004 Billing Total Total	2004 Closing Accrual	2004 Total including accruals
Classes																		
	From prior year $		0															
Residential	**From prior year $**																	
Volume (loss adjusted)	**kW.h**																	
Factor	**$/kW.h**																	
Revenue	**$**																	
Cost before Global Adjustment	**$**																	
Global Adjustment (charge to LDC)	**$**																	
Global Adjustment (credit to LDC)	**$**																	
NET COST		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
ADJUSTMENT TO VARIANCE ACCOUNT (OWED BY LDC)	**$**																	
/DJUSTMENT TO VARIANCE ACCOUNT (OWED BY CUSTOMERS TO LDC)	**$**														Stats & revenue only			
OPENING VARIANCE ACCOUNT (OWED BY LDC)	**$**																	
OPENING VARIANCE ACCOUNT (OWED BY CUSTOMERS TO LDC)	**$**																	

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2005 Opening Accrual	2005 Jan	2005 Feb	2005 Mar	2005 Apr	2005 May	2005 Jun	2005 Jul	2005 Aug	2005 Sep	2005 Oct	2005 Nov	2005 Dec	2005 Billing Total Total	2005 Closing Accrual	2005 Total including accruals
	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727	1.0727			
0	2340	2341	2341	2331	2543	2331	2351	2378	2356	2362	2356	2354	28184		28184
4149782	3130685	3691168	2920280	2757842	2085408	1886401	1661323	1639349	1747752	1661185	1875249	2461208	27517850	3922886	2729054
0	396	394	400	399	399	397	401	397	390	388	387	388	4736		4736
1746915	1337936	1526299	1342576	1313267	1074060	949101	976344	903869	940618	811689	839371	1061076	13076206	1738039	13067330
0	39	39	39	39	39	39	40	39	37	37	38	38	463		463
6276.72	5357	5654	5532	5379	5111	4958	4871	4742	4595	4710	4257	5283	60449	5763	59935.28
2125662	1876325	2157270	1999336	2051664	1632802	1756701	1664127	1260685	1454253	1457120	1610440	1833091	20953814	1982530	20810682
0	3	3	3	3	3	3	3	3	3	3	3	3	36		36
9219	9219	9837	9450	9460	9233	9361	9245	8582	8821	9120	9306	10029	111663	10085	112529
3873005	3637312	4395029	3962969	4357028	4089273	4283764	3830152	3523116	4208403	4319033	4667253	4801990	50073322	4399478	50599795
0	46	46	46	46	46	46	46	46	46	46	46	46	552		552
14.14	14.14	14.14	14.14	14.14	14.14	14.14	14.14	14.14	14.14	14.14	14.07	14.07	169.54	14.07	169.47
5118	5118	5117	5115	5115	5115	5115	5115	5115	5115	5115	5093	5093	61341	5421	61644
0	900	901	902	902	902	902	902	902	902	902	902	902	10821		10821
250	255	253	253	253	253	253	253	253	253	253	253	253	3039	253	3036
125319	125283	120175	98531	95073	78004	68714	59546	64909	76113	87196	104445	109651	1087640	124300	1086621
12,025,801	10,112,659	11,895,058	10,328,807	10,579,989	9,164,662	8,949,796	8,196,607	7,397,043	8,430,254	8,341,338	9,101,851	10,272,109	112,770,173	12,172,654	112,917,026
5.75	5.75	5.75	5.75	5.75	5.75	5.4	5.4	5.4	5.4	5.4	5.4	5.4		5.4	
0.0062	0.0062	0.0062	0.0062	0.0062	0.0062	0.0076	0.0076	0.0076	0.0076	0.0076	0.0076	0.0076		0.0076	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057	0.0057		0.0057	
0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005		0.005	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.79	3.79	3.79	3.79	3.79	3.79	3.6	3.6	3.6	3.6	3.6	3.6	3.6		3.6	
0.0062	0.0062	0.0062	0.0062	0.0062	0.0062	0.0071	0.0071	0.0071	0.0071	0.0071	0.0071	0.0071		0.0071	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045		0.0045	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
24.15	24.15	24.15	24.15	24.15	24.15	21.49	21.49	21.49	21.49	21.49	21.49	21.49		21.49	
1.8218	1.8218	1.8218	1.8218	1.8218	1.8218	2.1336	2.1336	2.1336	2.1336	2.1336	2.1336	2.1336		2.1336	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218	2.1218		2.1218	
1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882	1.7882		1.7882	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
43.52	43.52	43.52	43.52	43.52	43.52	41.08	41.08	41.08	41.08	41.08	41.08	41.08		41.08	
0.2074	0.2074	0.2074	0.2074	0.2074	0.2074	0.4548	0.4548	0.4548	0.4548	0.4548	0.4548	0.4548		0.4548	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373	2.373		2.373	
2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109	2.109		2.109	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
3.12	3.12	3.12	3.12	3.12	3.12	2.94	2.94	2.94	2.94	2.94	2.94	2.94		2.94	
0.8196	0.8196	0.8196	0.8196	0.8196	0.8196	2.0154	2.0154	2.0154	2.0154	2.0154	2.0154	2.0154		2.0154	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083	1.6083		1.6083	
1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113	1.4113		1.4113	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
0															
0.76	0.76	0.76	0.76	0.76	0.76	0.72	0.72	0.72	0.72	0.72	0.72	0.72		0.72	
0.6642	0.6642	0.6642	0.6642	0.6642	0.6642	0.9929	0.9929	0.9929	0.9929	0.9929	0.9929	0.9929		0.9929	
0						-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027	-0.0027		-0.0027	
0															
1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002	1.6002		1.6002	
1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824	1.3824		1.3824	
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052		0.0052	
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001		0.001	
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		0.25	
0															
$ 25,728.65	$ 32,865.25	$ 38,345.99	$ 31,566.40	$ 30,501.87	$ 26,401.78	$ 26,924.05	$ 25,321.45	$ 25,300.25	$ 26,005.32	$ 25,379.81	$ 28,974.29	$ 31,416.78	$ 352,044.32	$ 29,813.93	$ 356,129.81
$ 10,830.87	$ 9,796.04	$ 10,956.31	$ 9,839.97	$ 9,654.47	$ 8,171.38	$ 8,167.82	$ 8,375.64	$ 7,846.67	$ 8,082.39	$ 7,159.79	$ 7,352.73	$ 8,930.44	$ 105,523.66	$ 12,340.08	$ 107,032.86
$ 11,434.93	$ 10,701.23	$ 11,242.31	$ 11,020.05	$ 10,741.31	$ 10,253.07	$ 11,416.50	$ 11,252.37	$ 10,955.64	$ 10,599.02	$ 10,844.39	$ 9,899.36	$ 12,088.43	$ 131,127.42	$ 12,295.94	$ 131,988.43
$ 1,912.02	$ 2,042.58	$ 2,170.75	$ 2,090.49	$ 2,082.56	$ 2,045.46	$ 4,380.62	$ 4,327.87	$ 4,026.33	$ 4,135.03	$ 4,271.06	$ 4,355.61	$ 4,684.43	$ 40,631.76	$ 4,586.66	$ 43,306.42
$ 11.59	$ 155.11	$ 155.11	$ 155.11	$ 155.11	$ 155.11	$ 163.74	$ 163.74	$ 163.74	$ 163.74	$ 163.74	$ 163.60	$ 163.60	$ 1,983.93	$ 28.36	$ 2,000.70
$ 169.37	$ 853.37	$ 852.80	$ 853.56	$ 853.56	$ 853.56	$ 900.64	$ 900.64	$ 900.64	$ 900.64	$ 900.64	$ 900.64	$ 900.64	$ 10,574.37	$ 251.20	$ 10,656.20
$ 50,087.43	**$ 56,413.58**	**$ 61,723.28**	**$ 55,525.67**	**$ 53,990.88**	**$ 47,880.39**	**$ 51,953.37**	**$ 50,341.71**	**$ 49,193.28**	**$ 49,886.14**	**$ 48,719.38**	**$ 49,646.23**	**$ 58,184.32**	**$ 641,885.47**	**$ 59,316.17**	**$ 651,114.21**
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

| | | |

GLOBAL Adjustment

GLOBAL Adjustment

Stats & revenue only

| | | |

GLOBAL Adjustment

GLOBAL Adjustment

2009 Jan	2009 Feb	2009 Mar	2009 Apr	2009 May	2009 Jun	2009 Jul	2009 Aug	2009 Sep	2009 Oct	2009 Nov	2009 Dec	2009 Total	2009 Closing Accrual	2009 Total including accruals
1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509	1.0509			
2356	2340	2343	2319	2329	2314	2328	2318	2331	2334	2336	2331	27,979		27979
2955928	3508444	3124284	2756238	2242191	1770927	1699389	1665344	1495018	1541126	2011911.69	1951065.75	26,719,866		23135032.44
393	392	393	393	391	388	394	395	395	392	391	391	4,708		4708
1247877	1371859	1368347	1308018	1022931	859976	855971	843558	748043	819066	891921.21	908326.2	12,245,893		10682122.41
40	41	41	41	40	41	40	40	38	38	38	38	476		476
4866	4987	4692	4066	3470	4196	4096	3665	4032	4324	4170.6	4105.9	50,671		45455.21
1905908	1960451	1586002	1513692	1328343	1425977	1475806	1153558	1315651	1541674	1608533	1330881	18,126,386		16109511
3	3	3	3	3	3	3	3	3	3	3	3	36		36
6168.4	6230	6070	4250	4249	5535	5536	5308	5847	5791	5404.4	5509.4	65,898		59729.8
1997220	2273374	1686642	1586865	1452519	1690796	1875236	1059383	1388956	1893443	1920514	1285449	20,110,397		18113177
14	12	12	12	12	12	12	12	12	12	12	12	146		146
10.55	6	0	6	6	6	6	6	6	6	6	6	77		65.55
3719	2088	2088	2088	2088	2088	2088	2088	2088	2088	2088	2088	26,687		22593
913	915	915	915	915	915	915	915	915	919	919	922	10,993		10993
256.1	256	256	256	256	256	256	256	256	256	256	257.2	3,073		2817.3
116975	113162	92086	87086	70183	59931	51881	57304	68700	80160	97360	106702	1,001,530		885555
8,227,627	9,227,378	7,839,449	7,253,897	6,118,255	5,809,695	5,960,371	4,781,235	5,018,456	5,877,557	6,532,328	5,584,512	78,230,760	-	68,947,991
7.61	7.61	7.61	7.61	7.61	8.42	8.42	8.42	8.42	8.42	8.42	8.42			7.61
0.0094	0.0094	0.0094	0.0094	0.0094	0.0095	0.0095	0.0095	0.0095	0.0095	0.0095	0.0095			0.0094
0.004	0.004	0.004	0.004	0.004	0.0044	0.0044	0.0044	0.0044	0.0044	0.0044	0.0044			0.004
0.0048	0.0048	0.0048	0.0048	0.0048	0.005	0.005	0.005	0.005	0.005	0.005	0.005			0.0048
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007			0.0007
5.18	5.18	5.18	5.18	5.18	5.97	5.97	5.97	5.97	5.97	5.97	5.97			5.18
0.009	0.009	0.009	0.009	0.009	0.0091	0.0091	0.0091	0.0091	0.0091	0.0091	0.0091			0.009
0.0036	0.0036	0.0036	0.0036	0.0036	0.004	0.004	0.004	0.004	0.004	0.004	0.004			0.0036
0.0043	0.0043	0.0043	0.0043	0.0043	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045			0.0043
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006			0.0006
29.43	29.43	29.43	29.43	29.43	30.41	30.41	30.41	30.41	30.41	30.41	30.41			29.43
2.969	2.969	2.969	2.969	2.969	2.9926	2.9926	2.9926	2.9926	2.9926	2.9926	2.9926			2.969
1.4876	1.4876	1.4876	1.4876	1.4876	1.6512	1.6512	1.6512	1.6512	1.6512	1.6512	1.6512			1.4876
1.6988	1.6988	1.6988	1.6988	1.6988	1.7837	1.7837	1.7837	1.7837	1.7837	1.7837	1.7837			1.6988
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
56.15	56.15	56.15	56.15	56.15	57.34	57.34	57.34	57.34	57.34	57.34	57.34			56.15
0.5827	0.5827	0.5827	0.5827	0.5827	0.8903	0.8903	0.8903	0.8903	0.8903	0.8903	0.8903			0.5827
1.6637	1.6637	1.6637	1.6637	1.6637	1.8467	1.8467	1.8467	1.8467	1.8467	1.8467	1.8467			1.6637
2.0036	2.0036	2.0036	2.0036	2.0036	2.1038	2.1038	2.1038	2.1038	2.1038	2.1038	2.1038			2.0036
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
0.3006	0.3006	0.3006	0.3006	0.3006										0.3006
3.95	3.95	3.95	3.95	3.95	3.98	3.98	3.98	3.98	3.98	3.98	3.98			3.95
1.6894	1.6894	1.6894	1.6894	1.6894	1.7056	1.7056	1.7056	1.7056	1.7056	1.7056	1.7056			1.6894
1.1276	1.1276	1.1276	1.1276	1.1276	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516	1.2516			1.1276
1.3407	1.3407	1.3407	1.3407	1.3407	1.4077	1.4077	1.4077	1.4077	1.4077	1.4077	1.4077			1.3407
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
0.1895	0.1895	0.1895	0.1895	0.1895	0.1882	0.1882	0.1882	0.1882	0.1882	0.1882	0.1882			0.1895
0.98	0.98	0.98	0.98	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99			0.98
1.0891	1.0891	1.0891	1.0891	1.0891	1.1006	1.1006	1.1006	1.1006	1.1006	1.1006	1.1006			1.0891
1.1218	1.1218	1.1218	1.1218	1.1218	1.2452	1.2452	1.2452	1.2452	1.2452	1.2452	1.2452			1.1218
1.3133	1.3133	1.3133	1.3133	1.3133	1.379	1.379	1.379	1.379	1.379	1.379	1.379			1.3133
0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052	0.0052			0.0052
0.001	0.001	0.001	0.001	0.001	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013			0.001
0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25			0.25
0.1919	0.1919	0.1919	0.1919	0.1919	0.1906	0.1906	0.1906	0.1906	0.1906	0.1906	0.1906			0.1919
$ 45,714.88	$ 50,767.97	$ 47,198.50	$ 43,556.23	$ 38,800.29	$ 36,307.69	$ 35,745.96	$ 35,338.33	$ 33,829.69	$ 34,292.98	$ 38,782.28	$ 38,162.14	$ 484,924.93	$ -	$ 451,227.49
$ 13,266.63	$ 14,377.29	$ 14,350.86	$ 13,807.90	$ 11,231.76	$ 10,142.14	$ 10,141.52	$ 10,034.53	$ 9,165.34	$ 9,793.74	$ 10,450.75	$ 10,600.04	$ 138,496.51	$ -	$ 124,422.57
$ 15,624.35	$ 16,013.03	$ 15,137.18	$ 13,278.58	$ 11,479.63	$ 13,803.76	$ 13,474.09	$ 12,184.28	$ 13,221.74	$ 14,095.58	$ 13,636.52	$ 13,442.90	$ 165,502.65	$ -	$ 150,018.45
$ 3,762.78	$ 3,798.67	$ 3,705.44	$ 2,644.93	$ 2,644.34	$ 5,099.83	$ 5,180.72	$ 4,897.73	$ 5,377.66	$ 5,327.75	$ 4,983.56	$ 5,077.04	$ 52,429.39	$ -	$ 48,835.06
$ 73.12	$ 57.54	$ 57.54	$ 57.54	$ 57.54	$ 57.99	$ 57.99	$ 57.99	$ 57.99	$ 57.99	$ 57.99	$ 57.99	$ 745.72	$ -	$ 727.14
$ 1,173.66	$ 1,175.51	$ 1,175.51	$ 1,175.51	$ 1,175.51	$ 1,187.60	$ 1,187.60	$ 1,187.60	$ 1,187.60	$ 1,187.60	$ 1,191.56	$ 1,195.85	$ 14,211.09	$ -	$ 13,932.28
$ 79,615.43	**$ 86,190.01**	**$ 81,625.03**	**$ 74,520.68**	**$ 65,389.06**	**$ 66,599.02**	**$ 65,707.86**	**$ 63,700.46**	**$ 62,839.98**	**$ 64,759.60**	**$ 69,102.67**	**$ 68,535.97**	**$ 856,310.29**	**$ -**	**$ 789,162.99**
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 12,425.54	$ 14,739.69	$ 13,133.24	$ 11,586.12	$ 9,425.27	$ 8,188.70	$ 7,857.91	$ 7,700.48	$ 6,912.90	$ 7,126.10	$ 9,303.00	$ 9,021.65	$ 117,420.61	$ -	$ 117,420.61
$ 4,721.02	$ 5,190.07	$ 5,176.79	$ 4,948.55	$ 3,869.99	$ 3,615.00	$ 3,598.16	$ 3,545.98	$ 3,144.47	$ 3,443.03	$ 3,749.28	$ 3,818.24	$ 48,820.57	$ -	$ 48,820.57
$ 7,657.11	$ 7,796.27	$ 7,335.09	$ 6,356.45	$ 5,434.72	$ 7,281.00	$ 7,107.57	$ 6,598.53	$ 6,598.68	$ 7,553.22	$ 7,724.75	$ 8,129.46	$ 84,129.46	$ -	$ 84,129.46
$ 10,784.72	$ 10,892.42	$ 10,612.68	$ 7,430.62	$ 7,428.88	$ 10,741.78	$ 10,743.70	$ 10,301.22	$ 11,347.26	$ 11,258.58	$ 10,488.30	$ 10,692.08	$ 122,702.21	$ -	$ 122,702.21
$ 12.50	$ 7.11	$ 7.11	$ 7.11	$ 7.11	$ 7.89	$ 7.89	$ 7.89	$ 7.89	$ 7.89	$ 7.89	$ 7.89	$ 96.18	$ -	$ 96.18
$ 301.92	$ 301.80	$ 301.80	$ 301.80	$ 301.80	$ 335.00	$ 335.00	$ 335.00	$ 335.00	$ 335.00	$ 335.00	$ 336.57	$ 3,855.66	$ -	$ 3,855.66
$ 35,852.81	**$ 38,927.36**	**$ 36,566.71**	**$ 30,630.66**	**$ 26,457.77**	**$ 30,169.43**	**$ 29,650.22**	**$ 28,250.25**	**$ 28,744.03**	**$ 29,653.80**	**$ 31,120.49**	**$ 31,001.17**	**$ 377,024.69**	**$ -**	**$ 377,024.69**
$ 14,910.65	$ 17,687.63	$ 15,759.89	$ 13,903.35	$ 11,310.33	$ 9,305.34	$ 8,929.44	$ 8,750.55	$ 7,855.57	$ 8,097.85	$ 10,571.59	$ 10,251.87	$ 137,334.05	$ -	$ 137,334.05
$ 5,638.99	$ 6,199.25	$ 6,183.38	$ 5,910.76	$ 4,622.49	$ 4,066.87	$ 4,047.93	$ 3,989.23	$ 3,537.53	$ 3,873.40	$ 4,217.94	$ 4,295.52	$ 56,583.31	$ -	$ 56,583.31
$ 9,657.12	$ 9,803.14	$ 8,376.48	$ 7,258.90	$ 6,194.89	$ 7,865.36	$ 7,677.91	$ 6,870.01	$ 7,557.95	$ 8,135.30	$ 7,817.75	$ 7,895.47	$ 93,011.26	$ -	$ 93,011.26
$ 12,988.08	$ 13,117.78	$ 12,780.89	$ 8,948.73	$ 8,946.62	$ 12,237.24	$ 12,239.45	$ 11,735.37	$ 12,927.04	$ 12,803.23	$ 11,948.50	$ 12,180.64	$ 142,853.57	$ -	$ 142,853.57
$ 14.86	$ 8.45	$ 8.45	$ 8.45	$ 8.45	$ 8.88	$ 8.88	$ 8.88	$ 8.88	$ 8.88	$ 8.88	$ 8.88	$ 110.81	$ -	$ 110.81
$ 353.46	$ 353.32	$ 353.32	$ 353.32	$ 353.32	$ 370.99	$ 370.99	$ 370.99	$ 370.99	$ 370.99	$ 370.98	$ 372.73	$ 4,365.42	$ -	$ 4,365.42
$ 42,593.16	**$ 46,269.57**	**$ 43,462.41**	**$ 36,383.51**	**$ 31,436.10**	**$ 33,854.68**	**$ 33,274.60**	**$ 31,725.02**	**$ 32,257.95**	**$ 33,259.64**	**$ 34,935.65**	**$ 34,806.11**	**$ 434,258.41**	**$ -**	**$ 434,258.41**
$ 16,153.20	$ 19,161.59	$ 17,073.21	$ 15,061.96	$ 12,252.86	$ 9,677.55	$ 9,286.62	$ 9,100.57	$ 8,169.79	$ 8,421.76	$ 10,994.45	$ 10,661.95	$ 146,015.52	$ -	$ 146,015.52
$ 6,819.25	$ 7,496.77	$ 7,477.58	$ 7,147.90	$ 5,589.99	$ 4,699.49	$ 4,677.61	$ 4,609.77	$ 4,087.82	$ 4,475.93	$ 4,874.06	$ 4,963.71	$ 66,919.89	$ -	$ 66,919.89
$ 10,415.18	$ 10,713.24	$ 8,557.76	$ 8,271.35	$ 7,258.97	$ 7,792.51	$ 8,064.81	$ 6,303.83	$ 7,189.61	$ 8,424.76	$ 8,790.12	$ 7,272.64	$ 99,054.90	$ -	$ 99,054.90
$ 10,914.17	$ 12,423.26	$ 9,216.96	$ 8,671.71	$ 7,937.55	$ 9,239.66	$ 10,247.56	$ 5,789.19	$ 7,590.20	$ 10,347.06	$ 10,494.99	$ 7,024.57	$ 109,896.88	$ -	$ 109,896.88
$ 20.32	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 11.41	$ 145.84	$ -	$ 145.84
$ 639.23	$ 618.39	$ 503.22	$ 475.90	$ 383.53	$ 327.50	$ 283.51	$ 313.15	$ 375.42	$ 438.05	$ 532.04	$ 583.09	$ 5,473.04	$ -	$ 5,473.04
$ 44,961.35	**$ 50,424.67**	**$ 42,840.08**	**$ 39,640.23**	**$ 33,434.31**	**$ 31,748.12**	**$ 32,571.52**	**$ 26,127.92**	**$ 27,424.26**	**$ 32,118.97**	**$ 35,697.08**	**$ 30,517.57**	**$ 427,506.07**	**$ -**	**$ 427,506.07**
$ 3,106.38	$ 3,684.92	$ 3,283.31	$ 2,896.53	$ 2,356.32	$ 2,419.39	$ 2,321.65	$ 2,275.14	$ 2,042.45	$ 2,105.44	$ 2,748.61	$ 2,865.49	$ 31,905.64	$ -	$ 31,905.64

Stats & revenue only

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Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

Hearst Power Trial Balance

		2002	2003	2004	2004	2004	2004	2004	2005	2005	2005	2005	2005	2005	2005	2005
		trial balance	trial balance	trial balance	audited	difference between trial balance and audited	% Change	reasons for audit difference	trial balance	audited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change
Name	Name	ompany Limited	ompany Limited	ompany Limited												
Form Subm ID	Form Subm ID	24439	47414	49349												
DocID	DocID	12RM9	1361S	13HP8												
Revision	Revision	0	2	0												
eport From Da	Report From Date	01-JAN-02	01-JAN-03	01-JAN-04												
Report To Date	Report To Date	31-DEC-02	31-DEC-03	31-DEC-04												
ubmission Dat	Submission Date	05-MAY-03	07-APR-05	25-APR-05												
Comments	Comments															
1005	Cash	2,341,179.10	3,085,021.50	3,555,535.21	3,555,535.00	- 0.21	0.00%		3,930,461.51	3,930,461.51	-	0.00%		374,926.51	10.54%	
1010	Cash Advances and Working Funds	200.00	200.00	200.00	200.00	-	0.00%		200.00	200.00	-	0.00%		-	0.00%	
1020	Interest Special Deposits	-	-	-		-	n/a				-	n/a		-	n/a	
1030	Dividend Special Deposits	-	-	-		-	n/a				-	n/a		-	n/a	
1040	Other Special Deposits	-	-	-		-	n/a				-	n/a		-	n/a	
1060	Term Deposits	-	-	-		-	n/a				-	n/a		-	n/a	
1070	Current Investments	-	-	-		-	n/a				-	n/a		-	n/a	
1100	Customer Accounts Receivable	733,432.68	499,544.42	377,257.16	377,257.16	-	0.00%		247,105.60	247,105.60	-	0.00%		- 130,151.56	-34.50%	
1102	Accounts Receivable - Services	611.41	-	-		-	n/a				-	n/a		-	n/a	
1104	Accounts Receivable - Recoverable Work	-	294.65	- 23.24	- 23.24	-	0.00%				-	n/a		23.24	-100.00%	
1105	Accounts Receivable - Merchandise, Jobbing, etc.	34,215.96	34,798.43	40,430.15	40,430.15	-	0.00%		113,988.33	113,988.33	-	0.00%		73,558.18	181.94%	
1110	Other Accounts Receivable	40,918.26	32,680.71	4,761.32	4,761.32	-	0.00%		1,549.26	1,549.26	-	0.00%		- 3,212.06	-67.46%	
1120	Accrued Utility Revenues	932,111.64	910,182.81	1,016,825.17	1,016,825.17	-	0.00%		1,233,530.18	1,233,530.00	- 0.18	0.00%		216,704.83	21.31%	
1130	Accumulated Provision for Uncollectible Accounts--Credit	- 12,214.28	- 8,349.22	- 2,854.22	- 2,854.22	-	0.00%		- 2,693.13	- 2,693.13	-	0.00%		161.09	-5.64%	
1140	Interest and Dividends Receivable	-	-	-		-	n/a				-	n/a		-	n/a	
1150	Rents Receivable	-	-	-		-	n/a				-	n/a		-	n/a	
1170	Notes Receivable	-	-	-		-	n/a				-	n/a		-	n/a	
1180	Prepayments	12,369.92	13,170.60	14,927.55	14,927.55	-	0.00%		14,020.96	14,021.00	0.04	0.00%		- 906.55	-6.07%	
1190	Miscellaneous Current and Accrued Assets	-	-	-		-	n/a				-	n/a		-	n/a	
1200	Accounts Receivable from Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
1210	Notes Receivable from Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
1305	Fuel Stock	-	-	-		-	n/a				-	n/a		-	n/a	
1330	Plant Materials and Operating Supplies	110,610.14	118,955.74	112,924.73	112,924.73	-	0.00%		102,176.75	102,177.00	0.25	0.00%		- 10,747.73	-9.52%	
1340	Merchandise	-	-	-		-	n/a				-	n/a		-	n/a	
1350	Other Materials and Supplies	-	-	-		-	n/a				-	n/a		-	n/a	
1405	Long Term Investments in Non-Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
1408	Long Term Receivable - Street Lighting Transfer	-	-	-		-	n/a				-	n/a		-	n/a	
1410	Other Special or Collateral Funds	-	-	-		-	n/a				-	n/a		-	n/a	
1415	Sinking Funds	-	-	-		-	n/a				-	n/a		-	n/a	
1425	Unamortized Debt Expense	-	-	-		-	n/a				-	n/a		-	n/a	
1445	Unamortized Discount on Long-Term Debt -Debit	-	-	-		-	n/a				-	n/a		-	n/a	
1455	Unamortized Deferred Foreign Currency Translation Gains and Losses	-	-	-		-	n/a				-	n/a		-	n/a	
1460	Other Non-Current Assets	24,000.00	24,000.00	33,255.73	33,256.00	0.27	0.00%		32,584.85	32,585.00	0.15	0.00%		- 671.00	-2.02%	

1465	O.M.E.R.S. Past Service Costs	-	-	-		-	n/a				-	n/a		-	n/a		
1470	Past Service Costs - Employee Future Benefits	-	-	-		-	n/a				-	n/a		-	n/a		
1475	Past Service Costs - Other Pension Plans	-	-	-		-	n/a				-	n/a		-	n/a		
1480	Portfolio Investments - Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a		
1485	Investment in Associated Companies - Significant Influence	-	-	-		-	n/a				-	n/a		-	n/a		
1490	Investment in Subsidiary Companies	-	-	-		-	n/a				-	n/a		-	n/a		
1505	Unrecovered Plant and Regulatory Study Costs	-	-	-		-	n/a				-	n/a		-	n/a		
1508	Other Regulatory Assets - OEB Cost Assessments	-	-	1,989.30	1,989.30	-	0.00%		20,595.04	20,595.14	0.10	0.00%		18,605.84	935.30%		
1510	Preliminary Survey and Investigation Charges	-	-	-		-	n/a				-	n/a		-	n/a		
1515	Emission Allowance Inventory	-	-	-		-	n/a				-	n/a		-	n/a		
1516	Emission Allowances Withheld	-	-	-		-	n/a				-	n/a		-	n/a		
1518	RCVARetail	-	-	-		-	n/a				-	n/a		-	n/a		
1520	Power Purchase Variance Account	-	-	-		-	n/a				-	n/a		-	n/a		
1525	Miscellaneous Deferred Debits	3,751.96	4,055.18	3,287.73	3,287.73	-	0.00%		7,589.16	7,589.16	-	0.00%		4,301.43	130.83%		
1530	Deferred Losses from Disposition of Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a		
1540	Unamortized Loss on Reacquired Debt	-	-	-		-	n/a				-	n/a		-	n/a		
1545	Development Charge Deposits/ Receivables	-	-	-		-	n/a				-	n/a		-	n/a		
1548	RCVASTR	-	-	-		-	n/a				-	n/a		-	n/a		
1560	Deferred Development Costs	-	-	-		-	n/a				-	n/a		-	n/a		
1562	Deferred Payments in Lieu of Taxes	-	-	884.60	884.60	-	0.00%		2,941.65	2,941.65	-	0.00%		2,057.05	232.54%		
1563	Account 1563 - Deffered PILs Contra Account	-	-	- 884.60	- 884.60	-	0.00%		- 2,941.65	- 2,941.65	-	0.00%		- 2,057.05	232.54%		
1565	Conservation and Demand Management Expenditures and Recoveries	-	-	-		-	n/a				-	n/a		-	n/a		
1570	Qualifying Transition Costs	94,811.80	94,811.80	76,185.89	75,418.44	- 767.45	-1.02%		101,685.66	101,685.66	-	0.00%		26,267.22	34.83%		
1571	Pre-market Opening Energy Variance	47,375.00	6,940.27	10,758.69	1,068.35	- 9,690.34	-907.04%		11,565.14	11,565.14	-	0.00%		10,496.79	982.52%		
1572	Extraordinary Event Costs	-	-	-		-	n/a				-	n/a		-	n/a		
1574	Deferred Rate Impact Amounts	-	-	-		-	n/a				-	n/a		-	n/a		
1580	RSVAWMS	80,205.71	65,655.81	42,476.61	- 23,146.24	- 65,622.85	283.51%		74,446.44	74,446.44	-	0.00%		97,592.68	-421.64%		
1582	RSVAONE-TIME	-	-	-		-	n/a				-	n/a		-	n/a		
1584	RSVANW	- 44,921.76	- 121,232.12	- 200,681.56	- 163,927.39	36,754.17	-22.42%		- 276,220.65	- 276,220.65	-	0.00%		- 112,293.26	68.50%		
1586	RSVACN	- 27,838.30	- 80,222.55	- 131,494.10	- 108,717.31	22,776.79	-20.95%		- 182,542.26	- 182,542.26	-	0.00%		- 73,824.95	67.91%		
1588	RSVAPOWER	- 61,716.68	- 204,658.78	- 400,185.46	- 349,690.00	50,495.46	-14.44%		- 683,510.15	- 683,510.15	-	0.00%		- 333,820.15	95.46%		
1590	Recovery of regulatory asset balances	-	-	33,945.78		- 33,945.78	#DIV/0!		187,171.10	187,171.10	-	0.00%		187,171.10	100.00%		
1605	Electric Plant in Service - Control Account	3,632,627.64	3,688,374.59	3,738,218.47	3,712,747.00	- 25,471.47	-0.69%				-	n/a		- 3,712,747.00	-100.00%		
1606	Organization	21,914.00	21,914.00	25,471.33	25,471.00	- 0.33	0.00%		- 25,471.33	25,471.33	-	0.00%		0.33	0.00%		
1608	Franchises and Consents	-	-	-		-	n/a				-	n/a		-	n/a		
1610	Miscellaneous Intangible Plant	-	-	-		-	n/a				-	n/a		-	n/a		
1615	Land	-	-	-		-	n/a				-	n/a		-	n/a		
1616	Land Rights	-	-	-		-	n/a				-	n/a		-	n/a		
1620	Buildings and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
1630	Leasehold Improvements	-	-	-		-	n/a				-	n/a		-	n/a		
1635	Boiler Plant Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1640	Engines and Engine-Driven Generators	-	-	-		-	n/a				-	n/a		-	n/a		
1645	Turbogenerator Units	-	-	-		-	n/a				-	n/a		-	n/a		
1650	Reservoirs, Dams and Waterways	-	-	-		-	n/a				-	n/a		-	n/a		
1655	Water Wheels, Turbines and Generators	-	-	-		-	n/a				-	n/a		-	n/a		
1660	Roads, Railroads and Bridges	-	-	-		-	n/a				-	n/a		-	n/a		
1665	Fuel Holders, Producers and Accessories	-	-	-		-	n/a				-	n/a		-	n/a		
1670	Prime Movers	-	-	-		-	n/a				-	n/a		-	n/a		
1675	Generators	-	-	-		-	n/a				-	n/a		-	n/a		
1680	Accessory Electric Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1685	Miscellaneous Power Plant Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1705	Land	-	-	-		-	n/a				-	n/a		-	n/a		

1706	Land Rights	-	-	-		-	n/a				-	n/a		-	n/a		
1708	Buildings and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
1710	Leasehold Improvements	-	-	-		-	n/a				-	n/a		-	n/a		
1715	Station Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1720	Towers and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
1725	Poles and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
1730	Overhead Conductors and Devices	-	-	-		-	n/a				-	n/a		-	n/a		
1735	Underground Conduit	-	-	-		-	n/a				-	n/a		-	n/a		
1740	Underground Conductors and Devices	-	-	-		-	n/a				-	n/a		-	n/a		
1745	Roads and Trails	-	-	-		-	n/a				-	n/a		-	n/a		
1805	Land	-	-	-		-	n/a				-	n/a		-	n/a		
1806	Land Rights	-	-	-		-	n/a				-	n/a		-	n/a		
1808	Buildings and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
1810	Leasehold Improvements	-	-	-		-	n/a				-	n/a		-	n/a		
1815	Transformer Station Equipment - Normally Primary above 50 kV	-	-	-		-	n/a				-	n/a		-	n/a		
1820	Distribution Station Equipment - Normally Primary below 50 kV	-	-	-		-	n/a				-	n/a		-	n/a		
1825	Storage Battery Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1830	Poles, Towers and Fixtures	10,888.24	13,007.06	14,609.25	14,609.25	-	0.00%		23,431.92	23,431.92	-	0.00%		8,822.67	60.39%		
1835	Overhead Conductors and Devices	1,520,138.34	1,520,684.46	1,523,569.54	1,523,569.54	-	0.00%		1,556,076.65	1,556,076.65	-	0.00%		32,507.11	2.13%		
1840	Underground Conduit	3,086.81	3,086.81	5,063.10	5,063.10	-	0.00%		2,978.59	2,978.59	-	0.00%		- 2,084.51	-41.17%		
1845	Underground Conductors and Devices	413,410.40	414,572.82	414,572.82	414,572.82	-	0.00%		416,746.41	416,746.41	-	0.00%		2,173.59	0.52%		
1850	Line Transformers	505,799.56	508,705.09	514,148.64	514,148.64	-	0.00%		523,507.23	523,507.23	-	0.00%		9,358.59	1.82%		
1855	Services	4,060.70	5,460.87	5,460.87	5,460.87	-	0.00%		7,924.85	7,924.85	-	0.00%		2,463.98	45.12%		
1860	Meters	318,525.03	320,899.88	322,357.88	322,357.88	-	0.00%		323,251.54	323,251.54	-	0.00%		893.66	0.28%		
1865	Other Installations on Customer?s Premises	-	-	-		-	n/a				-	n/a		-	n/a		
1870	Leased Property on Customer Premises	-	-	-		-	n/a				-	n/a		-	n/a		
1875	Street Lighting and Signal Systems	-	-	-		-	n/a				-	n/a		-	n/a		
1905	Land	7,600.00	7,600.00	7,600.00	7,600.00	-	0.00%		7,600.00	7,600.00	-	0.00%		-	0.00%		
1906	Land Rights	2,432.00	2,432.00	4,232.00	4,232.00	-	0.00%		4,232.00	4,232.00	-	0.00%		-	0.00%		
1908	Buildings and Fixtures	185,770.20	185,770.20	201,569.97	201,569.97	-	0.00%		201,569.97	201,569.97	-	0.00%		-	0.00%		
1910	Leasehold Improvements	-	-	-		-	n/a				-	n/a		-	n/a		
1915	Office Furniture and Equipment	26,374.30	30,471.82	33,368.63	33,368.63	-	0.00%		42,162.53	42,162.53	-	0.00%		8,793.90	26.35%		
1920	Computer Equipment - Hardware	71,832.09	77,301.21	77,301.21	77,301.21	-	0.00%		78,345.57	78,345.57	-	0.00%		1,044.36	1.35%		
1925	Computer Software	13,996.80	49,669.20	54,982.26	54,982.26	-	0.00%		54,982.26	54,982.26	-	0.00%		-	0.00%		
1930	Transportation Equipment	441,136.22	441,136.22	441,136.22	441,136.22	-	0.00%		441,136.22	441,136.22	-	0.00%		-	0.00%		
1935	Stores Equipment	1,854.52	1,854.52	1,854.52	1,854.52	-	0.00%		1,854.52	1,854.52	-	0.00%		-	0.00%		
1940	Tools, Shop and Garage Equipment	83,808.43	83,808.43	90,920.23	90,920.23	-	0.00%		90,920.23	90,920.23	-	0.00%		-	0.00%		
1945	Measurement and Testing Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1950	Power Operated Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1955	Communication Equipment	-	-	-		-	n/a		3,546.04	3,546.04	-	0.00%		3,546.04	100.00%		
1960	Miscellaneous Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1965	Water Heater Rental Units	-	-	-		-	n/a				-	n/a		-	n/a		
1970	Load Management Controls - Customer Premises	-	-	-		-	n/a				-	n/a		-	n/a		
1975	Load Management Controls - Utility Premises	-	-	-		-	n/a				-	n/a		-	n/a		
1980	System Supervisory Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
1985	Sentinel Lighting Rental Units	-	-	-		-	n/a				-	n/a		-	n/a		
1990	Other Tangible Property	-	-	-		-	n/a				-	n/a		-	n/a		
1995	Contributions and Grants - Credit	-	-	-		-	n/a				-	n/a		-	n/a		
2005	Property Under Capital Leases	-	-	-		-	n/a				-	n/a		-	n/a		
2010	Electric Plant Purchased or Sold	-	-	-		-	n/a				-	n/a		-	n/a		
2020	Experimental Electric Plant Unclassified	-	-	-		-	n/a				-	n/a		-	n/a		
2030	Electric Plant and Equipment Leased to Others	-	-	-		-	n/a				-	n/a		-	n/a		
2040	Electric Plant Held for Future Use	-	-	-		-	n/a				-	n/a		-	n/a		
2050	Completed Construction Not Classified--Electric	-	-	-		-	n/a				-	n/a		-	n/a		
2055	Construction Work in Progress--Electric	-	-	-		-	n/a				-	n/a		-	n/a		
2060	Electric Plant Acquisition Adjustment	-	-	-		-	n/a				-	n/a		-	n/a		
2065	Other Electric Plant Adjustment	-	-	-		-	n/a				-	n/a		-	n/a		

2070	Other Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a	
2075	Non-Utility Property Owned or Under Capital Leases	-	-	-		-	n/a				-	n/a		-	n/a	
2105	Accumulated Amortization of Electric Utility Plant - Property, Plant, and Equipment	- 2,349,737.20	- 2,489,680.42	- 2,622,023.66	- 2,622,023.66	-	0.00%		- 2,729,704.43	- 2,729,704.43	-	0.00%		- 107,680.77	4.11%	
2120	Accumulated Amortization of Electric Utility Plant - Intangibles	- 2,557.33	- 30,609.93	- 6,103.41	- 6,103.41	-	0.00%		- 7,376.41	- 7,376.41	-	0.00%		- 1,273.00	20.86%	
2140	Accumulated Amortization of Electric Plant Acquisition Adjustment	-	-	-		-	n/a				-	n/a		-	n/a	
2160	Accumulated Amortization of Other Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a	
2180	Accumulated Amortization of Non-Utility Property	-	-	-		-	n/a				-	n/a		-	n/a	
2205	Accounts Payable	- 1,002,327.00	- 1,088,330.18	- 1,119,849.92	- 1,119,849.92	-	0.00%		- 1,398,744.14	- 1,398,744.14	-	0.00%		- 278,894.22	24.90%	
2208	Customer Credit Balances	- 12,902.69	- 27,177.43	- 31,902.43	- 31,902.43	-	0.00%		- 59,397.35	- 59,397.35	-	0.00%		- 27,494.92	86.18%	
2210	Current Portion of Customer Deposits	-	-	-		-	n/a				-	n/a		-	n/a	
2215	Dividends Declared	-	-	-		-	n/a				-	n/a		-	n/a	
2220	Miscellaneous Current and Accrued Liabilities	-	-	-		-	n/a				-	n/a		-	n/a	
2225	Notes and Loans Payable	-	-	-		-	n/a				-	n/a		-	n/a	
2240	Accounts Payable to Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
2242	Notes Payable to Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
2250	Debt Retirement Charges(DRC) Payable	-	-	4,930.83	4,930.83	-	0.00%				-	n/a		- 4,930.83	-100.00%	
2252	Transmission Charges Payable	-	-	-		-	n/a				-	n/a		-	n/a	
2254	Electrical Safety Authority Fees Payable	-	-	-		-	n/a				-	n/a		-	n/a	
2256	Independent Market Operator Fees and Penalties Payable	-	-	-		-	n/a				-	n/a		-	n/a	
2260	Current Portion of Long Term Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2262	Ontario Hydro Debt - Current Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2264	Pensions and Employee Benefits - Current Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2268	Accrued Interest on Long Term Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2270	Matured Long Term Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2272	Matured Interest on Long Term Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2285	Obligations Under Capital Leases--Current	-	-	-		-	n/a				-	n/a		-	n/a	
2290	Commodity Taxes	- 2,204.37	-	- 312.39	- 312.39	-	0.00%		1,062.85	1,062.85	-	0.00%		1,375.24	-440.23%	
2292	Payroll Deductions / Expenses Payable	-	-	-		-	n/a				-	n/a		-	n/a	
2294	Accrual for Taxes, Payments in Lieu of Taxes, Etc.	- 615.00	-	-		-	n/a				-	n/a		-	n/a	
2296	Future Income Taxes - Current	-	-	-		-	n/a				-	n/a		-	n/a	
2305	Accumulated Provision for Injuries and Damages	-	- 24,828.86	-		-	n/a				-	n/a		-	n/a	
2306	Employee Future Benefits	-	-	-		-	n/a				-	n/a		-	n/a	
2308	Other Pensions - Past Service Liability	-	-	-		-	n/a				-	n/a		-	n/a	
2310	Vested Sick Leave Liability	-	-	-		-	n/a				-	n/a		-	n/a	
2315	Accumulated Provision for Rate Refunds	-	-	-		-	n/a				-	n/a		-	n/a	
2320	Other Miscellaneous Non-Current Liabilities	-	-	-		-	n/a				-	n/a		-	n/a	
2325	Obligations Under Capital Lease--Non-Current	-	-	-		-	n/a				-	n/a		-	n/a	
2330	Development Charge Fund	-	-	-		-	n/a				-	n/a		-	n/a	
2335	Long Term Customer Deposits	- 59,903.06	- 57,377.06	- 46,328.06	- 46,328.06	-	0.00%		- 43,690.06	- 43,690.00	0.06	0.00%		2,638.06	-5.69%	
2340	Collateral Funds Liability	-	-	-		-	n/a				-	n/a		-	n/a	
2345	Unamortized Premium on Long Term Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2348	O.M.E.R.S. - Past Service Liability - Long Term Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2350	Future Income Tax - Non-Current	-	-	-		-	n/a		- 22,800.00	- 22,800.00	-	0.00%		22,800.00	100.00%	
2405	Other Regulatory Liabilities	- 67,493.59	-	- 18,956.94	- 18,957.00	- 0.06	0.00%		- 12,157.58	- 12,158.00	- 0.42	0.00%		6,799.00	-35.87%	

2410	Deferred Gains from Disposition of Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a	
2415	Unamortized Gain on Reacquired Debt	-	-	-		-	n/a				-	n/a		-	n/a	
2425	Other Deferred Credits	-	-	-		-	n/a				-	n/a		-	n/a	
2435	Accrued Rate-Payer Benefit	-	-	-		-	n/a				-	n/a		-	n/a	
2505	Debentures Outstanding - Long Term Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2510	Debenture Advances	-	-	-		-	n/a				-	n/a		-	n/a	
2515	Reacquired Bonds	-	-	-		-	n/a				-	n/a		-	n/a	
2520	Other Long Term Debt	- 1,700,000.00	- 1,700,000.00	- 1,700,000.00	- 1,700,000.00	-	0.00%		- 1,700,000.00	- 1,700,000.00	-	0.00%		-	0.00%	
2525	Term Bank Loans - Long Term Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2530	Ontario Hydro Debt Outstanding - Long Term Portion	-	-	-		-	n/a				-	n/a		-	n/a	
2550	Advances from Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a	
3005	Common Shares Issued	- 10,000.00	- 10,000.00	- 10,000.00	- 10,000.00	-	0.00%		- 10,000.00	- 10,000.00	-	0.00%		-	0.00%	
3008	Preference Shares Issued	-	-	-		-	n/a				-	n/a		-	n/a	
3010	Contributed Surplus	-	-	-		-	n/a				-	n/a		-	n/a	
3020	Donations Received	-	-	-		-	n/a				-	n/a		-	n/a	
3022	Development Charges Transferred to Equity	-	-	-		-	n/a				-	n/a		-	n/a	
3026	Capital Stock Held in Treasury	-	-	-		-	n/a				-	n/a		-	n/a	
3030	Miscellaneous Paid-In Capital	- 553,783.96	- 553,783.96	- 553,783.96	- 553,783.96	-	0.00%		- 553,783.96	- 553,783.00	0.96	0.00%		0.96	0.00%	
3035	Installments Received on Capital Stock	-	-	-		-	n/a				-	n/a		-	n/a	
3040	Appropriated Retained Earnings	-	-	-		-	n/a				-	n/a		-	n/a	
3045	Unappropriated Retained Earnings	-	-	-		-	n/a				-	n/a		-	n/a	
3046	Balance Transferred From Income	- 82,036.09	- 2,230.00	- 40,974.97	40,975.00	81,949.97	200.00%		- 25,039.60	- 25,040.00	- 0.40	0.00%		- 66,015.00	-161.11%	
3047	Appropriations of Retained Earnings - Current Period	-	-	-		-	n/a				-	n/a		-	n/a	
3048	Dividends Payable-Preference Shares	-	-	-		-	n/a				-	n/a		-	n/a	
3049	Dividends Payable-Common Shares	-	-	-		-	n/a				-	n/a		-	n/a	
3055	Adjustment to Retained Earnings	- 2,098,169.91	- 2,182,436.00	- 2,182,436.00	- 2,182,437.00	- 1.00	0.00%		- 2,223,410.97	- 2,223,412.00	- 1.03	0.00%		- 40,975.00	1.88%	
3065	Unappropriated Undistributed Subsidiary Earnings	-	-	-		-	n/a				-	n/a		-	n/a	
4006	Residential Energy Sales	- 2,114,869.16	- 1,253,267.99	- 1,317,231.58	- 1,317,231.58	-	0.00%		- 1,496,041.51	- 1,496,041.51	-	0.00%		- 178,809.93	13.57%	
4010	Commercial Energy Sales	- 5,820,810.64	- 4,215,502.27	-		-	n/a				-	n/a		-	n/a	
4015	Industrial Energy Sales	-	-	-		-	n/a				-	n/a		-	n/a	
4020	Energy Sales to Large Users	-	-	-		-	n/a				-	n/a		-	n/a	
4025	Street Lighting Energy Sales	- 58,297.87	- 38,672.74	- 55,924.98	- 55,924.98	-	0.00%		- 65,476.88	- 65,476.88	-	0.00%		- 9,551.90	17.08%	
4030	Sentinel Lighting Energy Sales	- 3,291.33	- 2,522.40	- 3,103.07	- 3,103.07	-	0.00%		- 3,306.80	- 3,306.80	-	0.00%		- 203.73	6.57%	
4035	General Energy Sales	-	-	- 4,446,257.99	- 4,446,257.99	-	0.00%		- 5,077,332.50	- 5,077,332.50	-	0.00%		- 631,074.51	14.19%	
4040	Other Energy Sales to Public Authorities	-	-	-		-	n/a				-	n/a		-	n/a	
4045	Energy Sales to Railroads and Railways	-	-	-		-	n/a				-	n/a		-	n/a	
4050	Revenue Adjustment	- 51,094.08	21,928.83	- 106,642.36	- 106,642.36	-	0.00%		- 216,705.01	- 216,705.01	-	0.00%		- 110,062.65	103.21%	
4055	Energy Sales for Resale	- 29,963.49	- 74,946.37	- 80,523.56	- 80,523.56	-	0.00%		- 103,406.47	- 103,406.47	-	0.00%		- 22,882.91	28.42%	
4060	Interdepartmental Energy Sales	-	-	-		-	n/a				-	n/a		-	n/a	
4062	Billed WMS	- 426,188.68	- 704,793.00	- 740,466.42	- 740,466.42	-	0.00%		- 780,025.76	- 780,025.76	-	0.00%		- 39,559.34	5.34%	
4064	4064-Billed One-Time	-	-	-		-	n/a				-	n/a		-	n/a	
4066	Billed NW	- 307,524.78	- 533,423.87	- 553,495.64	- 553,495.64	-	0.00%		- 562,244.59	- 562,244.59	-	0.00%		- 8,748.95	1.58%	
4068	Billed CN	- 281,003.04	- 483,830.48	- 505,054.72	- 505,054.72	-	0.00%		- 509,379.20	- 509,379.20	-	0.00%		- 4,324.48	0.86%	
4080	Distribution Services Revenue	- 7,198.75	- 558,141.66	- 641,277.03	- 641,277.03	-	0.00%		- 639,440.34	- 639,440.34	-	0.00%		1,836.69	-0.29%	
4082	Retail Services Revenues	- 121.50	- 542.50	- 704.20	- 704.20	-	0.00%		- 1,273.80	- 1,273.80	-	0.00%		- 569.60	80.89%	
4084	Service Transaction Requests (STR) Revenues	- 0.75	- 2.25	- 1.00	- 1.00	-	0.00%		- 37.50	- 37.50	-	0.00%		- 36.50	3650.00%	
4090	Electric Services Incidental to Energy Sales	-	-	-		-	n/a				-	n/a		-	n/a	
4105	Transmission Charges Revenue	-	-	-		-	n/a				-	n/a		-	n/a	
4110	Transmission Services Revenue	-	-	-		-	n/a				-	n/a		-	n/a	
4205	Interdepartmental Rents	-	-	-		-	n/a				-	n/a		-	n/a	
4210	Rent from Electric Property	- 14,684.34	- 17,352.99	- 17,219.15	- 17,219.15	-	0.00%		- 14,224.65	- 14,224.65	-	0.00%		2,994.50	-17.39%	
4215	Other Utility Operating Income	-	-	-		-	n/a				-	n/a		-	n/a	
4220	Other Electric Revenues	-	-	-		-	n/a				-	n/a		-	n/a	
4225	Late Payment Charges	- 15,043.37	- 6,744.76	- 6,025.46	- 6,025.46	-	0.00%		- 5,672.81	- 5,672.81	-	0.00%		352.65	-5.85%	
4230	Sales of Water and Water Power	-	-	-		-	n/a				-	n/a		-	n/a	
4235	Miscellaneous Service Revenues	- 14,430.37	- 4,207.49	- 3,640.41	- 3,640.41	-	0.00%		- 4,111.05	- 4,111.05	-	0.00%		- 470.64	12.93%	
4240	Provision for Rate Refunds	-	-	-		-	n/a				-	n/a		-	n/a	

4245	Government Assistance Directly Credited to Income	-	-	-		-	n/a				-	n/a		-	n/a		
4305	Regulatory Debits	-	-	-		-	n/a				-	n/a		-	n/a		
4310	Regulatory Credits	-	-	-		-	n/a				-	n/a		-	n/a		
4315	Revenues from Electric Plant Leased to Others	-	-	-		-	n/a				-	n/a		-	n/a		
4320	Expenses of Electric Plant Leased to Others	-	-	-		-	n/a				-	n/a		-	n/a		
4325	Revenues from Merchandise, Jobbing, Etc.	- 16,674.71	- 29,534.65	- 20,992.26	- 20,992.26	-	0.00%		- 31,315.53	- 31,315.53	-	0.00%		- 10,323.27	49.18%		
4330	Costs and Expenses of Merchandising, Jobbing, Etc.	-	-	-		-	n/a				-	n/a		-	n/a		
4335	Profits and Losses from Financial Instrument Hedges	-	-	-		-	n/a				-	n/a		-	n/a		
4340	Profits and Losses from Financial Instrument Investments	-	-	-		-	n/a				-	n/a		-	n/a		
4345	Gains from Disposition of Future Use Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4350	Losses from Disposition of Future Use Utility Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4355	Gain on Disposition of Utility and Other Property	-	-	-		-	n/a				-	n/a		-	n/a		
4360	Loss on Disposition of Utility and Other Property	-	-	-		-	n/a				-	n/a		-	n/a		
4365	Gains from Disposition of Allowances for Emission	-	-	-		-	n/a				-	n/a		-	n/a		
4370	Losses from Disposition of Allowances for Emission	-	-	-		-	n/a				-	n/a		-	n/a		
4375	Revenues from Non-Utility Operations	-	-	-		-	n/a				-	n/a		-	n/a		
4380	Expenses of Non-Utility Operations	-	-	-		-	n/a				-	n/a		-	n/a		
4385	Non-Utility Rental Income	-	-	-		-	n/a				-	n/a		-	n/a		
4390	Miscellaneous Non-Operating Income			- 26,779.60	- 26,779.60	-	0.00%				-	n/a		26,779.60	-100.00%		
4395	Rate-Payer Benefit Including Interest	-	-	-		-	n/a				-	n/a		-	n/a		
4398	Foreign Exchange Gains and Losses, Including Amortization	-	-	-		-	n/a				-	n/a		-	n/a		
4405	Interest and Dividend Income	- 76,920.87	- 97,991.09	- 93,867.96	- 93,867.96	-	0.00%		- 102,392.52	- 102,392.52	-	0.00%		- 8,524.56	9.08%		
4415	Equity in Earnings of Subsidiary Companies	-	-	-		-	n/a				-	n/a		-	n/a		
4505	Operation Supervision and Engineering	-	-	-		-	n/a				-	n/a		-	n/a		
4510	Fuel	-	-	-		-	n/a				-	n/a		-	n/a		
4515	Steam Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4520	Steam From Other Sources	-	-	-		-	n/a				-	n/a		-	n/a		
4525	Steam Transferred--Credit	-	-	-		-	n/a				-	n/a		-	n/a		
4530	Electric Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4535	Water For Power	-	-	-		-	n/a				-	n/a		-	n/a		
4540	Water Power Taxes	-	-	-		-	n/a				-	n/a		-	n/a		
4545	Hydraulic Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4550	Generation Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4555	Miscellaneous Power Generation Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4560	Rents	-	-	-		-	n/a				-	n/a		-	n/a		
4565	Allowances for Emissions	-	-	-		-	n/a				-	n/a		-	n/a		
4605	Maintenance Supervision and Engineering	-	-	-		-	n/a				-	n/a		-	n/a		
4610	Maintenance of Structures	-	-	-		-	n/a				-	n/a		-	n/a		
4615	Maintenance of Boiler Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4620	Maintenance of Electric Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4625	Maintenance of Reservoirs, Dams and Waterways	-	-	-		-	n/a				-	n/a		-	n/a		
4630	Maintenance of Water Wheels, Turbines and Generators	-	-	-		-	n/a				-	n/a		-	n/a		
4635	Maintenance of Generating and Electric Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4640	Maintenance of Miscellaneous Power Generation Plant	-	-	-		-	n/a				-	n/a		-	n/a		
4705	Power Purchased	7,376,424.45	5,591,256.54	5,989,552.15	5,989,552.09	- 0.06	0.00%		7,017,547.74	7,017,547.74	-	0.00%		1,027,995.65	17.16%		
4708	Charges-WMS	382,760.29	593,830.33	616,452.28	616,452.28	-	0.00%		667,120.54	667,120.54	-	0.00%		50,668.26	8.22%		

4710	Cost of Power Adjustments	-	-	-		-	n/a				-	n/a		-	n/a		
4712	Charges-One-Time	-	-	-		-	n/a				-	n/a		-	n/a		
4714	Charges-NW	318,343.87	529,883.54	552,673.53	552,673.53	-	0.00%		570,058.22	570,058.22	-	0.00%		17,384.69	3.15%		
4715	System Control and Load Dispatching	-	-	-		-	n/a				-	n/a		-	n/a		
4716	Charges-CN	371,828.71	482,328.00	506,268.08	506,268.08	-	0.00%		510,054.32	510,054.32	-	0.00%		3,786.24	0.75%		
4720	Other Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4725	Competition Transition Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4730	Rural Rate Assistance Expense	9,677.15	113,544.53	117,634.57	117,634.57	-	0.00%		116,962.71	116,962.71	-	0.00%		- 671.86	-0.57%		
4805	Operation Supervision and Engineering	-	-	-		-	n/a				-	n/a		-	n/a		
4810	Load Dispatching	-	-	-		-	n/a				-	n/a		-	n/a		
4815	Station Buildings and Fixtures Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4820	Transformer Station Equipment - Operating Labour	-	-	-		-	n/a				-	n/a		-	n/a		
4825	Transformer Station Equipment - Operating Supplies and Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4830	Overhead Line Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4835	Underground Line Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
4840	Transmission of Electricity by Others	-	-	-		-	n/a				-	n/a		-	n/a		
4845	Miscellaneous Transmission Expense	-	-	-		-	n/a				-	n/a		-	n/a		
4850	Rents	-	-	-		-	n/a				-	n/a		-	n/a		
4905	Maintenance Supervision and Engineering	-	-	-		-	n/a				-	n/a		-	n/a		
4910	Maintenance of Transformer Station Buildings and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
4916	Maintenance of Transformer Station Equipment	-	-	-		-	n/a				-	n/a		-	n/a		
4930	Maintenance of Towers, Poles and Fixtures	-	-	-		-	n/a				-	n/a		-	n/a		
4935	Maintenance of Overhead Conductors and Devices	-	-	-		-	n/a				-	n/a		-	n/a		
4940	Maintenance of Overhead Lines - Right of Way	-	-	-		-	n/a				-	n/a		-	n/a		
4945	Maintenance of Overhead Lines - Roads and Trails Repairs	-	-	-		-	n/a				-	n/a		-	n/a		
4950	Maintenance of Overhead Lines - Snow Removal from Roads and Trails	-	-	-		-	n/a				-	n/a		-	n/a		
4960	Maintenance of Underground Lines	-	-	-		-	n/a				-	n/a		-	n/a		
4965	Maintenance of Miscellaneous Transmission Plant	-	-	-		-	n/a				-	n/a		-	n/a		
5005	Operation Supervision and Engineering	-	-	-		-	n/a				-	n/a		-	n/a		
5010	Load Dispatching	-	-	-		-	n/a				-	n/a		-	n/a		
5012	Station Buildings and Fixtures Expense	5,032.97	13,475.20	18,734.49	18,734.49	-	0.00%		21,428.58	21,428.58	-	0.00%		2,694.09	14.38%		
5014	Transformer Station Equipment - Operation Labour	-	-	-		-	n/a				-	n/a		-	n/a		
5015	Transformer Station Equipment - Operation Supplies and Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
5016	Distribution Station Equipment - Operation Labour	-	-	-		-	n/a				-	n/a		-	n/a		
5017	Distribution Station Equipment - Operation Supplies and Expenses	-	-	18.36	18.36	-	0.00%				-	n/a		- 18.36	-100.00%		
5020	Overhead Distribution Lines and Feeders - Operation Labour	4,854.77	3,617.32	1,555.58	1,555.58	-	0.00%		1,811.19	1,811.19	-	0.00%		255.61	16.43%		
5025	Overhead Distribution Lines and Feeders - Operation Supplies and Expenses	29,081.04	24,438.45	35,867.14	35,867.14	-	0.00%		34,740.22	34,740.22	-	0.00%		- 1,126.92	-3.14%		
5030	Overhead Subtransmission Feeders - Operation	-	-	-		-	n/a				-	n/a		-	n/a		
5035	Overhead Distribution Transformers- Operation	40.00	-	96.88	96.88	-	0.00%		29.13	29.13	-	0.00%		- 67.75	-69.93%		
5040	Underground Distribution Lines and Feeders - Operation Labour	47.28	3,173.58	-		-	n/a		152.96	152.96	-	0.00%		152.96	100.00%		
5045	Underground Distribution Lines and Feeders - Operation Supplies and Expenses	2,364.30	-	3,887.66	3,887.66	-	0.00%		86.26	86.26	-	0.00%		- 3,801.40	-97.78%		

5050	Underground Subtransmission Feeders - Operation	-	-	-		-	n/a				-	n/a		-	n/a	
5055	Underground Distribution Transformers - Operation	159.72	-	-		-	n/a				-	n/a		-	n/a	
5060	Street Lighting and Signal System Expense	-	-	-		-	n/a				-	n/a		-	n/a	
5065	Meter Expense	4,192.57	5,747.13	5,165.29	5,165.29	-	0.00%		2,764.71	2,764.71	-	0.00%		- 2,400.58	-46.48%	
5070	Customer Premises - Operation Labour	-	-	1,008.23	1,008.23	-	0.00%				-	n/a		- 1,008.23	-100.00%	
5075	Customer Premises - Materials and Expenses	-	-	-		-	n/a				-	n/a		-	n/a	
5085	Miscellaneous Distribution Expense	7,891.92	-	7,000.00	7,000.00	-	0.00%		58.27	58.27	-	0.00%		- 6,941.73	-99.17%	
5090	Underground Distribution Lines and Feeders - Rental Paid	-	-	-		-	n/a				-	n/a		-	n/a	
5095	Overhead Distribution Lines and Feeders - Rental Paid	3,973.07	3,969.57	4,294.57	4,294.57	-	0.00%		4,019.57	4,019.57	-	0.00%		- 275.00	-6.40%	
5096	Other Rent	375.00	375.00	-		-	n/a		3,300.00	3,300.00	-	0.00%		3,300.00	100.00%	
5105	Maintenance Supervision and Engineering	-	-	3,870.61	3,870.61	-	0.00%		3,720.72	3,720.72	-	0.00%		- 149.89	-3.87%	
5110	Maintenance of Buildings and Fixtures - Distribution Stations	3,414.50	2,716.23	3,823.34	3,823.34	-	0.00%		4,413.01	4,413.01	-	0.00%		589.67	15.42%	
5112	Maintenance of Transformer Station Equipment	-	-	-		-	n/a				-	n/a		-	n/a	
5114	Maintenance of Distribution Station Equipment	-	-	-		-	n/a				-	n/a		-	n/a	
5120	Maintenance of Poles, Towers and Fixtures	22,770.82	21,541.82	22,995.81	22,995.81	-	0.00%		49,479.53	49,479.53	-	0.00%		26,483.72	115.17%	
5125	Maintenance of Overhead Conductors and Devices	56,655.24	46,657.15	58,268.72	58,268.72	-	0.00%		64,782.65	64,782.65	-	0.00%		6,513.93	11.18%	
5130	Maintenance of Overhead Services	28,901.86	23,575.20	35,253.05	35,253.05	-	0.00%		4,359.34	4,359.34	-	0.00%		- 30,893.71	-87.63%	
5135	Overhead Distribution Lines and Feeders - Right of Way	-	1,060.51	260.20	260.20	-	0.00%				-	n/a		- 260.20	-100.00%	
5145	Maintenance of Underground Conduit	89.92	-	61.20	61.26	0.06	0.10%		768.65	768.65	-	0.00%		707.39	1154.73%	
5150	Maintenance of Underground Conductors and Devices	1,138.91	364.42	1,090.33	1,090.33	-	0.00%		2,943.93	2,943.93	-	0.00%		1,853.60	170.00%	
5155	Maintenance of Underground Services	9,383.05	9,065.91	11,173.45	11,173.45	-	0.00%		9,900.40	9,900.40	-	0.00%		- 1,273.05	-11.39%	
5160	Maintenance of Line Transformers	4,083.94	3,695.98	91,636.66	91,636.70	0.04	0.00%		92,592.28	92,592.28	-	0.00%		955.58	1.04%	
5165	Maintenance of Street Lighting and Signal Systems	-	-	-		-	n/a				-	n/a		-	n/a	
5170	Sentinel Lights - Labour	-	-	-		-	n/a				-	n/a		-	n/a	
5172	Sentinel Lights - Materials and Expenses	19.43	-	-		-	n/a				-	n/a		-	n/a	
5175	Maintenance of Meters	5,176.02	4,133.46	5,909.58	5,909.58	-	0.00%		5,431.88	5,431.88	-	0.00%		- 477.70	-8.08%	
5178	Customer Installations Expenses- Leased Property	-	-	-		-	n/a				-	n/a		-	n/a	
5185	Water Heater Rentals - Labour	-	-	-		-	n/a				-	n/a		-	n/a	
5186	Water Heater Rentals - Materials and Expenses	-	-	-		-	n/a				-	n/a		-	n/a	
5190	Water Heater Controls - Labour	-	-	-		-	n/a				-	n/a		-	n/a	
5192	Water Heater Controls - Materials and Expenses	-	-	-		-	n/a				-	n/a		-	n/a	
5195	Maintenance of Other Installations on Customer Premises	-	-	-		-	n/a				-	n/a		-	n/a	
5205	Purchase of Transmission and System Services	-	-	-		-	n/a				-	n/a		-	n/a	
5210	Transmission Charges	-	-	-		-	n/a				-	n/a		-	n/a	
5215	Transmission Charges Recovered	-	-	-		-	n/a				-	n/a		-	n/a	
5305	Supervision	-	-	-		-	n/a				-	n/a		-	n/a	
5310	Meter Reading Expense	25,936.54	24,255.65	30,898.29	30,898.29	-	0.00%		30,173.52	30,173.52	-	0.00%		- 724.77	-2.35%	
5315	Customer Billing	119,192.01	90,181.89	73,820.28	73,820.28	-	0.00%		73,379.93	73,379.93	-	0.00%		- 440.35	-0.60%	
5320	Collecting	15,656.27	18,500.53	15,486.53	15,486.53	-	0.00%		16,676.93	16,676.93	-	0.00%		1,190.40	7.69%	
5325	Collecting- Cash Over and Short	-	-	-		-	n/a				-	n/a		-	n/a	
5330	Collection Charges	2,401.74	-	1,486.60	1,486.60	-	0.00%		2,586.58	2,586.58	-	0.00%		1,099.98	73.99%	
5335	Bad Debt Expense	-	-	-		-	n/a				-	n/a		-	n/a	
5340	Miscellaneous Customer Accounts Expenses	8,899.30	9,114.45	9,351.70	9,351.70	-	0.00%				-	n/a		- 9,351.70	-100.00%	
5405	Supervision	-	-	-		-	n/a				-	n/a		-	n/a	
5410	Community Relations - Sundry	-	-	-		-	n/a				-	n/a		-	n/a	

5415	Energy Conservation	-	-	-		-	n/a				-	n/a		-	n/a		
5420	Community Safety Program	-	-	-		-	n/a				-	n/a		-	n/a		
5425	Miscellaneous Customer Service and Informational Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
5505	Supervision	-	-	-		-	n/a				-	n/a		-	n/a		
5510	Demonstrating and Selling Expense	-	-	-		-	n/a				-	n/a		-	n/a		
5515	Advertising Expense	1,093.20	439.96	290.16	290.16	-	0.00%		1,944.16	1,944.16	-	0.00%		1,654.00	570.03%		
5520	Miscellaneous Sales Expense	-	-	-		-	n/a				-	n/a		-	n/a		
5605	Executive Salaries and Expenses	8,557.16	8,501.03	8,314.30	8,314.30	-	0.00%		8,800.00	8,800.00	-	0.00%		485.70	5.84%		
5610	Management Salaries and Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
5615	General Administrative Salaries and Expenses	59,971.32	57,625.01	60,021.33	60,021.33	-	0.00%		59,484.42	59,484.42	-	0.00%		- 536.91	-0.89%		
5620	Office Supplies and Expenses	1,710.74	1,853.18	2,129.20	2,129.20	-	0.00%		25.00	25.00	-	0.00%		- 2,104.20	-98.83%		
5625	Administrative Expense Transferred?Credit	-	-	-		-	n/a				-	n/a		-	n/a		
5630	Outside Services Employed	34,063.12	30,037.00	42,654.00	42,654.00	-	0.00%		46,966.70	46,966.70	-	0.00%		4,312.70	10.11%		
5635	Property Insurance	-	-	-		-	n/a		402.52	402.52	-	0.00%		402.52	100.00%		
5640	Injuries and Damages	24.42	10,773.20	7,770.60	7,770.60	-	0.00%		8,056.80	8,056.80	-	0.00%		286.20	3.68%		
5645	Employee Pensions and Benefits	3,520.94	31,488.71	8,278.59	8,278.59	-	0.00%				-	n/a		- 8,278.59	-100.00%		
5650	Franchise Requirements	-	-	-		-	n/a				-	n/a		-	n/a		
5655	Regulatory Expenses	4,756.62	3,832.00	1,599.59	1,599.59	-	0.00%		2,303.00	2,303.00	-	0.00%		703.41	43.97%		
5660	General Advertising Expenses	-	-	-		-	n/a				-	n/a		-	n/a		
5665	Miscellaneous General Expenses	16,537.14	17,238.51	14,498.61	14,498.61	-	0.00%		26,628.06	26,628.06	-	0.00%		12,129.45	83.66%		
5670	Rent	3,869.91	3,966.66	8,011.80	8,011.80	-	0.00%		8,164.02	8,164.02	-	0.00%		152.22	1.90%		
5675	Maintenance of General Plant	-	-	-		-	n/a				-	n/a		-	n/a		
5680	Electrical Safety Authority Fees	-	-	-		-	n/a		2,000.77	2,000.77	-	0.00%		2,000.77	100.00%		
5685	Independent Market Operator Fees and Penalties	-	-	-		-	n/a				-	n/a		-	n/a		
5705	Amortization Expense ? Property, Plant, and Equipment	142,071.92	130,009.74	129,785.99	129,786.00	0.01	0.00%		107,677.21	107,677.21	-	0.00%		- 22,108.79	-17.03%		
5710	Amortization of Limited Term Electric Plant	-	-	-		-	n/a				-	n/a		-	n/a		
5715	Amortization of Intangibles and Other Electric Plant	1,273.00	28,052.60	1,273.00	1,273.00	-	0.00%		1,273.00	1,273.00	-	0.00%		-	0.00%		
5720	Amortization of Electric Plant Acquisition Adjustments	-	-	-		-	n/a				-	n/a		-	n/a		
5725	Miscellaneous Amortization	-	-	-		-	n/a				-	n/a		-	n/a		
5730	Amortization of Unrecovered Plant and Regulatory Study Costs	-	-	-		-	n/a				-	n/a		-	n/a		
5735	Amortization of Deferred Development Costs	-	-	-		-	n/a				-	n/a		-	n/a		
5740	Amortization of Deferred Charges	29,581.63	9,933.48	-		-	n/a				-	n/a		-	n/a		
6005	Interest on Long Term Debt	-	37,495.51	50,000.00	50,000.00	-	0.00%		15,000.00	15,000.00	-	0.00%		- 35,000.00	-70.00%		
6010	Amortization of Debt Discount and Expense	-	-	-		-	n/a				-	n/a		-	n/a		
6015	Amortization of Premium on Debt?Credit	-	-	-		-	n/a				-	n/a		-	n/a		
6020	Amortization of Loss on Reacquired Debt	-	-	-		-	n/a				-	n/a		-	n/a		
6025	Amortization of Gain on Reacquired Debt--Credit	-	-	-		-	n/a				-	n/a		-	n/a		
6030	Interest on Debt to Associated Companies	-	-	-		-	n/a				-	n/a		-	n/a		
6035	Other Interest Expense	22,106.81	5,568.70	7,985.09	7,985.09	-	0.00%		10,530.89	10,530.89	-	0.00%		2,545.80	31.88%		
6040	Allowance for Borrowed Funds Used During Construction--Credit	-	-	-		-	n/a				-	n/a		-	n/a		
6042	Allowance For Other Funds Used During Construction	-	-	-		-	n/a				-	n/a		-	n/a		
6045	Interest Expense on Capital Lease Obligations	-	-	-		-	n/a				-	n/a		-	n/a		
6105	Taxes Other Than Income Taxes	-	-	-		-	n/a				-	n/a		-	n/a		
6110	Income Taxes	6,177.05	-	10,025.00	10,025.00	-	0.00%		- 453.00	- 453.00	-	0.00%		- 10,478.00	-104.52%		
6115	Provision for Future Income Taxes	-	-	-		-	n/a		- 22,800.00	- 22,800.00	-	0.00%		- 22,800.00	100.00%		
6205	Donations	-	-	-		-	n/a				-	n/a		-	n/a		
6210	Life Insurance	-	-	-		-	n/a				-	n/a		-	n/a		
6215	Penalties	-	-	-		-	n/a				-	n/a		-	n/a		
6225	Other Deductions	-	-	-		-	n/a				-	n/a		-	n/a		

6305	Extraordinary Income	-	-	-		-	n/a				-	n/a		-	n/a		
6310	Extraordinary Deductions	-	-	-		-	n/a				-	n/a		-	n/a		
6315	Income Taxes, Extraordinary Items	-	-	-		-	n/a				-	n/a		-	n/a		
6405	Discontinues Operations - Income/ Gains	-	-	-		-	n/a				-	n/a		-	n/a		
6410	Discontinued Operations - Deductions/ Losses	-	-	-		-	n/a				-	n/a		-	n/a		
6415	Income Taxes, Discontinued Operations	-	-	-		-	n/a				-	n/a		-	n/a		
1508	Other Regulatory Assets - Pension Contributions	-	-	-		-	n/a				-	n/a		-	n/a		
1525	Miscellaneous Deferred Debits Sub-account Payments to Customers	-	-	-		-	n/a				-	n/a		-	n/a		
1550	LV Variance Account	-	-	-		-	n/a				-	n/a		-	n/a		
1555	Smart Meter Capital and Recovery Offset Variance Account	-	-	-		-	n/a				-	n/a		-	n/a		
1555	Smart Meter Capital and Recovery Offset Variance Account, Sub-account Stranded Meter Costs	-	-	-		-	n/a				-	n/a		-	n/a		
1556	Smart Meter OM&A Variance Account	-	-	-		-	n/a				-	n/a		-	n/a		
1566	CDM Contra Account	-	-	-		-	n/a				-	n/a		-	n/a		
1588	RSVA Power - Sub-account Global Adjustments	-	-	-		-	n/a				-	n/a		-	n/a		
1592	PILs and Taxes Variances for 2006 and Subsequent Years	-	-	-		-	n/a				-	n/a		-	n/a		
4075	Billed - LV	-	-	-		-	n/a				-	n/a		-	n/a		
4750	Charges - LV	-	-	-		-	n/a				-	n/a		-	n/a		
5695	OM&A Contra Account	-	-	-		-	n/a				-	n/a		-	n/a		
						56,477.22											
									-	25,039.60							

	2006	2006	2006	2006	2006	2006	2006	2006	2007	2007	2007	2007	2007	2007	2007	2007	2008
2004 adjusted and used for 2006 as approved	trial balance	audited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change	trial balance	audited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change	trial balance
$0	4456666.01	4456666.01	-	0.00%		526,204.50	13.39%		4238889.43	4238889.43	-	0.00%		- 217,776.58	-4.89%		4583608
$0	200	200	-	0.00%		-	0.00%		200	200	-	0.00%		-	0.00%		200
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		-26.08
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	348756.13	348756.13	-	0.00%		101,650.53	41.14%		351815.8	367905.4	16,089.60	4.37%		19,149.27	5.49%		419740.73
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a		132	132	-	0.00%		132.00	100.00%		
$0	59160.76	59160.76	-	0.00%		- 54,827.57	-48.10%		99343.99	83254.39	- 16,089.60	-19.33%		24,093.63	40.73%		62426.74
$0	9711.06	9711.06	-	0.00%		8,161.80	526.82%		12586.64	12586.64	-	0.00%		2,875.58	29.61%		4223.31
$0	1174962.03	1174962	- 0.03	0.00%		- 58,568.00	-4.75%		868143.67	868144	0.33	0.00%		- 306,818.00	-26.11%		872968.75
($6,170)	-6024.73	-6024.73	-	0.00%		- 3,331.60	123.71%		-623.31	-623.31	-	0.00%		5,401.42	-89.65%		-1057.15
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	17102.1	17102	- 0.10	0.00%		3,081.00	21.97%		15935.44	15935	- 0.44	0.00%		- 1,167.00	-6.82%		13002.76
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	96602.67	96603	0.33	0.00%		- 5,574.00	-5.46%		104986.35	104986.35	-	0.00%		8,383.35	8.68%		119256.34
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	34289.01	34289	- 0.01	0.00%		1,704.00	5.23%				-	n/a		- 34,289.00	-100.00%		

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	25945.42	25945.42	-	0.00%		5,350.28	25.98%		27126.54	27126.54	-	0.00%		1,181.12	4.55%		28157.38
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	4106.25	4106.25	-	0.00%		- 3,482.91	-45.89%		4142.5	4142.5	-	0.00%		36.25	0.88%		4174.14
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	4296.67	4296.67	-	0.00%		1,355.02	46.06%		4838.36	4838.36	-	0.00%		541.69	12.61%		6014.95
$0	-4296.67	-4296.67	-	0.00%		- 1,355.02	46.06%		-4838.36	-4838.36	-	0.00%		- 541.69	12.61%		-6014.95
$19,875	-13196.75	-13196.75	-	0.00%		- 13,196.75	100.00%		-25959.64	-25959.64	-	0.00%		- 12,762.89	96.71%		-26808.23
$0	29731.68	29731.68	-	0.00%		- 71,953.98	-70.76%		30659.53	30659.53	-	0.00%		927.85	3.12%		31471.04
$0	396.06	396.06	-	0.00%		- 11,169.08	-96.58%		396.06	396.06	-	0.00%		-	0.00%		396.06
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-95547.64	-95547.64	-	0.00%		- 169,994.08	-228.34%		-179332.99	-179332.99	-	0.00%		- 83,785.35	87.69%		-202556.94
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-95744.1	-95744.1	-	0.00%		180,476.55	-65.34%		-63629.79	-63629.79	-	0.00%		32,114.31	-33.54%		-81726.5
$0	-104295.05	-104295.05	-	0.00%		78,247.21	-42.87%		-163388.16	-163388.16	-	0.00%		- 59,093.11	56.66%		-249070.7
$0	-145299.49	-145388.77	- 89.28	0.06%		538,121.38	-78.73%		-395059.54	-395059.54	-	0.00%		- 249,670.77	171.73%		-562183.34
$0	-212584.85	-212495.57	89.28	-0.04%		- 399,666.67	-213.53%		-96469.49	-96469.49	-	0.00%		116,026.08	-54.60%		-54184.98
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	25471.33	25471.33	-	0.00%		-	0.00%		25471.33	25471.33	-	0.00%		-	0.00%		25471.33
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		

$0			-	n/a		-	n/a				-	n/a		-	n/a		

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($2,555,852)	-2826129.4	-2826129.4	-	0.00%		- 96,424.97	3.53%		-2923796.55	-2923796.55	-	0.00%		- 97,667.15	3.46%		-3032523.54
($18,357)	-8649.41	-8649.41	-	0.00%		- 1,273.00	17.26%		-9922.41	-9922.41	-	0.00%		- 1,273.00	14.72%		-11195.41
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-1996014.78	-1996014.98	- 0.20	0.00%		- 597,270.84	42.70%		-1406935.82	-1406935.82	-	0.00%		589,079.16	-29.51%		-1601083.98
$0	-23414.57	-23414.57	-	0.00%		35,982.78	-60.58%		-23969.03	-23969.03	-	0.00%		- 554.46	2.37%		-30468.84
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-3695.98	-3695.98	-	0.00%		- 3,695.98	100.00%		-3728.47	-3728.47	-	0.00%		- 32.49	0.88%		-3728.47
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	17846.14	17846.14	-	0.00%		16,783.29	1579.08%		21301.53	21301.53	-	0.00%		3,455.39	19.36%		25687.7
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a		28959	28959	-	0.00%		28,959.00	100.00%		26959
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-41981.31	-41981	0.31	0.00%		1,709.00	-3.91%		-50298.31	-50298.31	-	0.00%		- 8,317.31	19.81%		-46818.5
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	25300	25300	-	0.00%		2,500.00	10.96%		56559	56559	-	0.00%		31,259.00	123.55%		25800
$0	-12418.6	-12418.6	-	0.00%		- 260.60	2.14%		-12418.6	-12418.6	-	0.00%		-	0.00%		-12418.6

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-1700000	-1700000	-	0.00%		-	0.00%		-1700000	-1700000	-	0.00%		-	0.00%		-1700000
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-10000	-10000	-	0.00%		-	0.00%		-10000	-10000	-	0.00%		-	0.00%		-10000
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-206640.96	-206640	0.96	0.00%		347,143.00	-62.69%		-206640.96	-206640.96	-	0.00%		- 0.96	0.00%		-206640.96
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		25,040.00	-100.00%				-	n/a		-	n/a		44050.92
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	-2595593.57	-2595593.57	-	0.00%		- 372,181.57	16.74%		-2658426.44	-2658426.44	-	0.00%		- 62,832.87	2.42%		-2512314.64
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($1,317,232)	-1561439.04	-1561439.04	-	0.00%		- 65,397.53	4.37%		-1437361.65	-1437361.65	-	0.00%		124,077.39	-7.95%		-1349863.57
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($55,925)	-71730.08	-71730.08	-	0.00%		- 6,253.20	9.55%		-69443.96	-69443.96	-	0.00%		2,286.12	-3.19%		-65983.13
($3,103)	-3613.04	-3613.04	-	0.00%		- 306.24	9.26%		-3143.53	-3143.53	-	0.00%		469.51	-12.99%		-2447.01
($4,446,258)	-4848547.93	-4848547.93	-	0.00%		228,784.57	-4.51%		-4170308.24	-4170308.24	-	0.00%		678,239.69	-13.99%		-3047098.36
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($106,642)	58568.15	58568.15	-	0.00%		275,273.16	-127.03%		306818.36	306818.36	-	0.00%		248,250.21	423.87%		-4825.08
($80,524)	-111998.3	-111998.3	-	0.00%		- 8,591.83	8.31%		-203566.99	-203566.99	-	0.00%		- 91,568.69	81.76%		-199227.48
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($740,466)	-630051.55	-630051.55	-	0.00%		149,974.21	-19.23%		-623520.4	-623520.4	-	0.00%		6,531.15	-1.04%		-536244.77
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($553,496)	-571353.26	-571353.26	-	0.00%		- 9,108.67	1.62%		-563493.9	-563493.9	-	0.00%		7,859.36	-1.38%		-382831.34
($505,055)	-504289.67	-504289.67	-	0.00%		5,089.53	-1.00%		-488676.1	-488676.1	-	0.00%		15,613.57	-3.10%		-361835.57
($632,867)	-731311.47	-731311.47	-	0.00%		- 91,871.13	14.37%		-887575.51	-887575.51	-	0.00%		- 156,264.04	21.37%		-898548.21
($704)	-3367.2	-3367.2	-	0.00%		- 2,093.40	164.34%		-4032	-4032	-	0.00%		- 664.80	19.74%		-4537.7
($1)	-193.25	-193.25	-	0.00%		- 155.75	415.33%		-102	-102	-	0.00%		91.25	-47.22%		-60.25
($8,411)			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($0)	-20355.63	-20355.63	-	0.00%		- 6,130.98	43.10%		-26529.87	-26529.87	-	0.00%		- 6,174.24	30.33%		-17743.59
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($6,025)	-5734.42	-5734.42	-	0.00%		- 61.61	1.09%		-8614.99	-8614.99	-	0.00%		- 2,880.57	50.23%		-6713.81
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($3,640)	-15151.75	-15151.75	-	0.00%		- 11,040.70	268.56%		-22710	-22710	-	0.00%		- 7,558.25	49.88%		-19990
$0			-	n/a		-	n/a				-	n/a		-	n/a		

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($20,992)	-49798.95	-49798.95	-	0.00%		- 18,483.42	59.02%		-55304.71	-55304.71	-	0.00%		- 5,505.76	11.06%		-46256.41
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a		18199.41	18199	- 0.41	0.00%		18,199.00	100.00%		9933.47
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($17,219)			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($26,780)			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
($93,868)	-158654.16	-158654.16	-	0.00%		- 56,261.64	54.95%		-177206.54	-177206.54	-	0.00%		- 18,552.38	11.69%		-151641.84
$0			-	n/a		-	n/a				-	n/a		-	n/a	

($271,152)			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$552,674	568631.26	568631.26	-	0.00%		- 1,426.96	-0.25%		550696.11	550696.11	-	0.00%		- 17,935.15	-3.15%		376549.31
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$506,268	501237.38	501237.38	-	0.00%		- 8,816.94	-1.73%		481052.33	481052.33	-	0.00%		- 20,185.05	-4.03%		359254.23
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$117,635	98317.84	98317.84	-	0.00%		- 18,644.87	-15.94%		45270.86	45270.86	-	0.00%		- 53,046.98	-53.95%		25884.29
$0			-	n/a		-	n/a				-	n/a		-	n/a	

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	328.63	328.63	-	0.00%		328.63	100.00%				-	n/a		- 328.63	-100.00%		40.86
$600			-	n/a		-	n/a				-	n/a		-	n/a		
$4,943	5278.8	5278.8	-	0.00%		2,514.09	90.94%		5624.88	5624.88	-	0.00%		346.08	6.56%		432.43
$757			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$6,400	13172.15	0	- 13,172.15	#DIV/0!		- 58.27	-100.00%		21415.77	21415.77	-	0.00%		21,415.77	100.00%		18046.16
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$4,295	4887.62	4887.62	-	0.00%		868.05	21.60%		4112.62	4112.62	-	0.00%		- 775.00	-15.86%		6622.86
$0	2700	2700	-	0.00%		- 600.00	-18.18%		450	450	-	0.00%		- 2,250.00	-83.33%		3150
$2,905	4216.91	4216.91	-	0.00%		496.19	13.34%		4642.76	4642.76	-	0.00%		425.85	10.10%		75836.39
$2,870	4009.13	4009.13	-	0.00%		- 403.88	-9.15%				-	n/a		- 4,009.13	-100.00%		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$17,261	47529.13	47529.13	-	0.00%		- 1,950.40	-3.94%		50750.11	50750.11	-	0.00%		3,220.98	6.78%		47147.17
$50,221	63199.66	63199.66	-	0.00%		- 1,582.99	-2.44%		66481.35	66481.35	-	0.00%		3,281.69	5.19%		65650.13
$26,461	10811.04	10811.04	-	0.00%		6,451.70	148.00%		10694.99	10694.99	-	0.00%		- 116.05	-1.07%		5085.41
$195			-	n/a		-	n/a		244.22	244.22	-	0.00%		244.22	100.00%		41.13
$53	2099.75	2099.75	-	0.00%		1,331.10	173.17%		713.42	713.42	-	0.00%		- 1,386.33	-66.02%		1019.22
$818	1327.05	1327.05	-	0.00%		- 1,616.88	-54.92%		2439.97	2439.97	-	0.00%		1,112.92	83.86%		1792.84
$8,387	13167.73	13167.73	-	0.00%		3,267.33	33.00%		10526.17	10526.17	-	0.00%		- 2,641.56	-20.06%		10874.59
$90,647	92688.74	92688.74	-	0.00%		96.46	0.10%		93015.94	93015.94	-	0.00%		327.20	0.35%		68748.44
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a		43.18	43.18	-	0.00%		43.18	100.00%		
$4,444	3470.09	3470.09	-	0.00%		- 1,961.79	-36.12%		6349.54	6349.54	-	0.00%		2,879.45	82.98%		6136.28
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$24,996	32165.71	32165.71	-	0.00%		1,992.19	6.60%		37582.48	37582.48	-	0.00%		5,416.77	16.84%		38156.76
$65,511	83090.48	83090.48	-	0.00%		9,710.55	13.23%		94027.06	94027.06	-	0.00%		10,936.58	13.16%		85499.82
$15,487	17013.8	17013.8	-	0.00%		336.87	2.02%		17402.62	17402.62	-	0.00%		388.82	2.29%		17885.65
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$1,487	5595.58	5595.58	-	0.00%		3,009.00	116.33%		2889.17	2889.17	-	0.00%		- 2,706.41	-48.37%		4388.02
$6,170			-	n/a		-	n/a		5000	5000	-	0.00%		5,000.00	100.00%		17931.46
$9,352	9867.06	9867.06	-	0.00%		9,867.06	100.00%		10072.17	10072.17	-	0.00%		205.11	2.08%		10250.04
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		

$30,250			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$290	4028.86	4028.86	-	0.00%		2,084.70	107.23%		3684.6	3684.6	-	0.00%		- 344.26	-8.54%		2619.28
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$8,314	8557.14	8557.14	-	0.00%		- 242.86	-2.76%		15351.86	15351.86	-	0.00%		6,794.72	79.40%		9762.17
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$60,021	58592.54	58592.54	-	0.00%		- 891.88	-1.50%		66926.31	66926.31	-	0.00%		8,333.77	14.22%		71685.92
$2,129	1771.89	1771.89	-	0.00%		1,746.89	6987.56%		2293.74	2293.74	-	0.00%		521.85	29.45%		1871.29
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$42,654	71222	71222	-	0.00%		24,255.30	51.64%		45659.5	45659.5	-	0.00%		- 25,562.50	-35.89%		33204.5
$888	418.18	418.18	-	0.00%		15.66	3.89%		440.56	440.56	-	0.00%		22.38	5.35%		522.62
$11,421	6673.45	6673.45	-	0.00%		- 1,383.35	-17.17%		8373.53	8373.53	-	0.00%		1,700.08	25.48%		8281.44
$50,226			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$6,878	4270.01	4270.01	-	0.00%		1,967.01	85.41%		5304.77	5304.77	-	0.00%		1,034.76	24.23%		9705.64
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$14,499	16553.07	16553.07	-	0.00%		- 10,074.99	-37.84%		15544.57	15544.57	-	0.00%		- 1,008.50	-6.09%		13490.35
$8,012	8335.46	8335.46	-	0.00%		171.44	2.10%		8427.15	8427.15	-	0.00%		91.69	1.10%		8604.12
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	2371.24	2371.24	-	0.00%		370.47	18.52%		2679.79	2679.79	-	0.00%		308.55	13.01%		2161
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$137,778	96424.97	96424.97	-	0.00%		- 11,252.24	-10.45%		97667.15	97667.15	-	0.00%		1,242.18	1.29%		108726.99
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$1,273	1273	1273	-	0.00%		-	0.00%		1273	1273	-	0.00%		-	0.00%		1273
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	393000	393000	-	0.00%		378,000.00	2520.00%				-	n/a		- 393,000.00	-100.00%		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	64596.99	64596.99	-	0.00%		54,066.10	513.40%		70397.38	70397.38	-	0.00%		5,800.39	8.98%		73009.52
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0	15559	15559	-	0.00%		16,012.00	-3534.66%		-26959	-26959	-	0.00%		- 42,518.00	-273.27%		
$0	-2500	-2500	-	0.00%		20,300.00	-89.04%		-2300	-2300	-	0.00%		200.00	-8.00%		1800
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		

$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
$0			-	n/a		-	n/a				-	n/a		-	n/a		
		25945.42	25,945.42	100.00%		25,945.42	100.00%				-	n/a		- 25,945.42	-100.00%		22968.97
		4106.25	4,106.25	100.00%		4,106.25	100.00%				-	n/a		- 4,106.25	-100.00%		
		0	-	n/a		-	n/a		39804.54	39804.54	-	0.00%		39,804.54	100.00%		55392.38
		-4199.96	- 4,199.96	100.00%		- 4,199.96	100.00%		-12876.17	-12876.17	-	0.00%		- 8,676.21	206.58%		-21787.51
	-4199.96		4,199.96	#DIV/0!		-	n/a				-	n/a		-	n/a		
		0	-	n/a		-	n/a		9788.11	9788.11	-	0.00%		9,788.11	100.00%		19325.77
			-	n/a		-	n/a				-	n/a		-	n/a		
			-	n/a		-	n/a				-	n/a		-	n/a		184793.3
		0	-	n/a		-	n/a		283.86	283.86	-	0.00%		283.86	100.00%		
			-	n/a		-	n/a				-	n/a		-	n/a		
	23953.02	23953.02	-	0.00%		23,953.02	100.00%		40457.81	40457.81	-	0.00%		16,504.79	68.90%		76107.48
			-	n/a		-	n/a				-	n/a		-	n/a		
	-86785.89	-99958.04	-13172.15	#DIV/0!		0.00	-74918.44		87.95	146111.80	105653.58						251813.19

2008	2008	2008	2008	2008	2008	2008	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2010
audited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change	trial balance at July 01 2009	expected trial balance changes July to December 2009	BRIDGE YEAR expected trial balance 2009	unaudited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change	trial balance
4583608	-	0.00%		344,718.57	8.13%		3757736.13	-372000	3,385,736.13	3,385,736.13	-	#DIV/0!		- 1,197,871.87	-26.13%		2,671,586.13
200	-	0.00%		-	0.00%		200	0	200.00	200.00	-	#DIV/0!		-	0.00%		200.00
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
-26.08	-	0.00%		- 26.08	100.00%		-26.08	0	- 26.08	- 26.08	-	#DIV/0!		-	0.00%		- 26.08
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
419740.73	-	0.00%		51,835.33	14.09%		1234474.74	-390000	844,474.74	844,474.74	-	#DIV/0!		424,734.01	101.19%		844,474.74
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		- 132.00	-100.00%		0	0	-	-	-	n/a		-	n/a		-
62426.74	-	0.00%		- 20,827.65	-25.02%		67281.01	0	67,281.01	67,281.01	-	#DIV/0!		4,854.27	7.78%		67,281.01
4223.31	-	0.00%		- 8,363.33	-66.45%		5879.77	4000	9,879.77	9,879.77	-	#DIV/0!		5,656.46	133.93%		9,879.77
872969	0.25	0.00%		4,825.00	0.56%		872968.75	-70000	802,968.75	802,968.75	-	#DIV/0!		- 70,000.25	-8.02%		802,968.75
-1057.15	-	0.00%		- 433.84	69.60%		-2114.3	0	- 2,114.30	- 2,114.30	-	#DIV/0!		- 1,057.15	100.00%		- 2,114.30
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
13003	0.24	0.00%		- 2,932.00	-18.40%		13002.76	0	13,002.76	13,002.76	-	#DIV/0!		- 0.24	0.00%		13,002.76
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
119256	- 0.34	0.00%		14,269.65	13.59%		119256.34	-5000	114,256.34	114,256.34	-	#DIV/0!		- 4,999.66	-4.19%		114,256.34
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		30,000.00
28157.38	-	0.00%		1,030.84	3.80%				25,743.18	25,743.18	-	#DIV/0!		- 2,414.20	-8.57%		63,558.73
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-			-	n/a		
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
4174.14	-	0.00%		31.64	0.76%				4,184.65	4,184.65	-	#DIV/0!		10.51	0.25%		12,584.88
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				30,000.00	30,000.00	-	#DIV/0!		30,000.00	100.00%		30,000.00
6014.95	-	0.00%		1,176.59	24.32%				8,273.03	8,273.03	-	#DIV/0!		2,258.08	37.54%		- 6,500.00
-6014.95	-	0.00%		- 1,176.59	24.32%				- 8,273.03	- 8,273.03	-	#DIV/0!		- 2,258.08	37.54%		6,500.00
-26808.23	-	0.00%		- 848.59	3.27%				- 18,866.24	- 18,866.24	-	#DIV/0!		7,941.99	-29.63%		18,866.24
31471.04	-	0.00%		811.51	2.65%				31,739.64	31,739.64	-	#DIV/0!		268.60	0.85%		63,236.30
396.06	-	0.00%		-	0.00%				396.06	396.06	-	#DIV/0!		0.00	0.00%		792.12
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
-202556.94	-	0.00%		- 23,223.95	12.95%				- 266,337.20	- 266,337.20	-	n/a		- 63,780.26	31.49%		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-81726.5	-	0.00%		- 18,096.71	28.44%				- 96,705.44	- 96,705.44	-	n/a		- 14,978.94	18.33%		-
-249070.7	-	0.00%		- 85,682.54	52.44%				- 343,979.09	- 343,979.09	-	n/a		- 94,908.39	38.10%		-
-562183.34	-	0.00%		- 167,123.80	42.30%				- 251,987.78	- 251,987.78	-	n/a		310,195.56	-55.18%		-
-54184.98	-	0.00%		42,284.51	-43.83%				- 54,822.57	- 54,822.57	-	#DIV/0!		- 637.59	1.18%		- 44,293.98
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
25471.33	-	0.00%		-	0.00%		25471	0	25,471.00	25,471.00	-	#DIV/0!		- 0.33	0.00%		26,171.00
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a		-	-	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		-	-	-	-	-	n/a		-	n/a		-
-3032523.54	-	0.00%		- 108,726.99	3.72%				- 2,971,599.90	- 2,971,599.90	-	#DIV/0!		60,923.64	-2.01%		- 3,115,986.11
-11195.41	-	0.00%		- 1,273.00	12.83%		-11195.41	-1273	- 12,468.41	- 12,468.41	-	#DIV/0!		- 1,273.00	11.37%		- 13,741.41
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-1601083.98	-	0.00%		- 194,148.16	13.80%				- 1,500,000.00	- 1,500,000.00	-	#DIV/0!		101,083.98	-6.31%		- 1,200,000.00
-30468.84	-	0.00%		- 6,499.81	27.12%				- 30,000.00	- 30,000.00	-	#DIV/0!		468.84	-1.54%		- 30,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-3728.47	-	0.00%		-	0.00%				- 3,800.00	- 3,800.00	-	#DIV/0!		- 71.53	1.92%		- 3,728.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
25687.7	-	0.00%		4,386.17	20.59%				25,000.00	25,000.00	-	#DIV/0!		- 687.70	-2.68%		25,688.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
26959	-	0.00%		- 2,000.00	-6.91%				26,959.00	26,959.00	-	#DIV/0!		-	0.00%		26,959.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-46818.5	-	0.00%		3,479.81	-6.92%				- 45,000.00	- 45,000.00	-	#DIV/0!		1,818.50	-3.88%		- 40,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
25800	-	0.00%		- 30,759.00	-54.38%				25,800.00	25,800.00	-	#DIV/0!		-	0.00%		25,800.00
-12418.6	-	0.00%		-	0.00%				- 12,419.00	- 12,419.00	-	#DIV/0!		- 0.40	0.00%		12,420.00

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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-1700000	-	0.00%		-	0.00%				- 1,700,000.00	- 1,700,000.00	-	#DIV/0!		-	0.00%		- 1,700,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-10000	-	0.00%		-	0.00%				- 10,000.00	- 10,000.00	-	#DIV/0!		-	0.00%		- 10,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-206640.96	-	0.00%		-	0.00%				- 206,641.00	- 206,641.00	-	#DIV/0!		- 0.04	0.00%		- 206,641.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
44050.92	-	0.00%		44,050.92	100.00%				-	-	-	n/a		- 44,050.92	-100.00%		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-2512314.64	-	0.00%		146,111.80	-5.50%				- 2,512,315.00	- 2,512,315.00	-	#DIV/0!		- 0.36	0.00%		- 2,512,315.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-1349863.57	-	0.00%		87,498.08	-6.09%				- 1,547,784.00	- 1,547,784.00	-	#DIV/0!		- 197,920.43	14.66%		- 1,350,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-65983.13	-	0.00%		3,460.83	-4.98%				- 64,601.00	- 64,601.00	-	#DIV/0!		1,382.13	-2.09%		- 44,000.00
-2447.01	-	0.00%		696.52	-22.16%				- 2,462.00	- 2,462.00	-	#DIV/0!		- 14.99	0.61%		- 2,447.00
-3047098.36	-	0.00%		1,123,209.88	-26.93%				- 3,170,521.00	- 3,170,521.00	-	#DIV/0!		- 123,422.64	4.05%		- 3,050,099.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-4825.08	-	0.00%		- 311,643.44	-101.57%				-	-	-	n/a		4,825.08	-100.00%		-
-199227.48	-	0.00%		4,339.51	-2.13%				- 231,293.00	- 231,293.00	-	#DIV/0!		- 32,065.52	16.09%		- 200,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-536244.77	-	0.00%		87,275.63	-14.00%				- 550,568.00	- 550,568.00	-	#DIV/0!		- 14,323.23	2.67%		- 535,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-382831.34	-	0.00%		180,662.56	-32.06%				- 368,349.00	- 368,349.00	-	#DIV/0!		14,482.34	-3.78%		- 380,000.00
-361835.57	-	0.00%		126,840.53	-25.96%				- 365,817.00	- 365,817.00	-	#DIV/0!		- 3,981.43	1.10%		- 361,836.00
-898548.21	-	0.00%		- 10,972.70	1.24%				- 878,704.93	- 878,704.93	-	#DIV/0!		19,843.28	-2.21%		- 1,065,856.06
-4537.7	-	0.00%		- 505.70	12.54%				- 3,690.00	- 3,690.00	-	#DIV/0!		847.70	-18.68%		- 3,600.00
-60.25	-	0.00%		41.75	-40.93%				- 30.00	- 30.00	-	#DIV/0!		30.25	-50.21%		- 30.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-17743.59	-	0.00%		8,786.28	-33.12%				-17,939	- 17,939.00	-	n/a		- 195.41	1.10%		- 18,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-6713.81	-	0.00%		1,901.18	-22.07%				- 8,742.00	- 8,742.00	-	#DIV/0!		- 2,028.19	30.21%		- 7,300.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-19990	-	0.00%		2,720.00	-11.98%				- 15,000.00	- 15,000.00	-	#DIV/0!		4,990.00	-24.96%		- 15,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
-46256.41	-	0.00%		9,048.30	-16.36%				- 25,000.00	25,000.00	-	#DIV/0!		21,256.41	-45.95%		- 25,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
9933.47	-	0.00%		- 8,265.53	-45.42%				-	-	-	n/a		- 9,933.47	-100.00%		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a

	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
376549.31	-	0.00%		- 174,146.80	-31.62%		176512.65	204178.35	380,691.00	380,691.00	-	#DIV/0!		4,141.69	1.10%		384,000.00
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
359254.23	-	0.00%		- 121,798.10	-25.32%		169982.8	193223.2	363,206.00	363,206.00	-	#DIV/0!		3,951.77	1.10%		366,838.00
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
25884.29	-	0.00%		- 19,386.57	-42.82%		13668.08	12499.92	26,168.00	26,168.00	-	#DIV/0!		283.71	1.10%		26,430.00
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a			0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a		0	0	-	-	-	n/a		-	n/a		-
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	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
5036.06	-	0.00%		- 2,713.81	-35.02%		2661.45	1159.55	3,821.00	3,821.00	-	#DIV/0!		- 1,215.06	-24.13%		5,000.00
43304.73	-	0.00%		5,489.43	14.52%		31485.59	29766.41	61,252.00	61,252.00	-	#DIV/0!		17,947.27	41.44%		48,480.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
174.34	-	0.00%		174.34	100.00%			210	210.00	210.00	-	#DIV/0!		35.66	20.45%		210.00
167.52	-	0.00%		167.52	100.00%			200	200.00	200.00	-	#DIV/0!		32.48	19.39%		200.00
471.93	-	0.00%		- 281.03	-37.32%		426.21	573.79	1,000.00	1,000.00	-	#DIV/0!		528.07	111.90%		1,000.00

	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
40.86	-	0.00%		40.86	100.00%			100	100.00	100.00	-	#DIV/0!		59.14	144.74%		100.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
432.43	-	0.00%		- 5,192.45	-92.31%		986.44	3513.56	4,500.00	4,500.00	-	#DIV/0!		4,067.57	940.63%		5,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
18046.16	-	0.00%		- 3,369.61	-15.73%		28902.35	6097.65	35,000.00	35,000.00	-	#DIV/0!		16,953.84	93.95%		36,200.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
6622.86	-	0.00%		2,510.24	61.04%				-	-	-	n/a		- 6,622.86	-100.00%		-
3150	-	0.00%		2,700.00	600.00%		3075	6875	9,950.00	9,950.00	-	#DIV/0!		6,800.00	215.87%		10,750.00
75836.39	-	0.00%		71,193.63	1533.43%		19797.94	10202.06	30,000.00	30,000.00	-	#DIV/0!		- 45,836.39	-60.44%		30,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
47147.17	-	0.00%		- 3,602.94	-7.10%		20319.92	28170.08	48,490.00	48,490.00	-	#DIV/0!		1,342.83	2.85%		60,190.00
65650.13	-	0.00%		- 831.22	-1.25%		30824.32	40350.68	71,175.00	71,175.00	-	#DIV/0!		5,524.87	8.42%		89,475.00
5085.41	-	0.00%		- 5,609.58	-52.45%		5250.41	249.59	5,500.00	5,500.00	-	#DIV/0!		414.59	8.15%		6,100.00
41.13	-	0.00%		- 203.09	-83.16%			300	300.00	300.00	-	#DIV/0!		258.87	629.39%		50.00
1019.22	-	0.00%		305.80	42.86%		207.67	992.33	1,200.00	1,200.00	-	#DIV/0!		180.78	17.74%		2,000.00
1792.84	-	0.00%		- 647.13	-26.52%		93.99	2706.01	2,800.00	2,800.00	-	#DIV/0!		1,007.16	56.18%		2,000.00
10874.59	-	0.00%		348.42	3.31%		2534.34	8465.66	11,000.00	11,000.00	-	#DIV/0!		125.41	1.15%		11,000.00
68748.44	-	0.00%		- 24,267.50	-26.09%		29429.86	35570.14	65,000.00	65,000.00	-	#DIV/0!		- 3,748.44	-5.45%		68,750.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		- 43.18	-100.00%				-	-	-	n/a		-	n/a		-
6136.28	-	0.00%		- 213.26	-3.36%		1815.24	3014.76	4,830.00	4,830.00	-	#DIV/0!		- 1,306.28	-21.29%		15,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
38156.76	-	0.00%		574.28	1.53%		19986.79	13013.21	33,000.00	33,000.00	-	#DIV/0!		- 5,156.76	-13.51%		85,079.00
85499.82	-	0.00%		- 8,527.24	-9.07%		61436.42	32563.58	94,000.00	94,000.00	-	#DIV/0!		8,500.18	9.94%		95,000.00
17885.65	-	0.00%		483.03	2.78%		8779.99	8620.01	17,400.00	17,400.00	-	#DIV/0!		- 485.65	-2.72%		20,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
4388.02	-	0.00%		1,498.85	51.88%		1,670.72	1,329.28	3,000.00	3,000.00	-	#DIV/0!		- 1,388.02	-31.63%		5,000.00
17931.46	-	0.00%		12,931.46	258.63%			11,000.00	11,000.00	11,000.00	-	#DIV/0!		- 6,931.46	-38.66%		15,000.00
10250.04	-	0.00%		177.87	1.77%		5191.76	5218.24	10,410.00	10,410.00	-	#DIV/0!		159.96	1.56%		10,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
2619.28	-	0.00%		- 1,065.32	-28.91%		2600.72	1899.28	4,500.00	4,500.00	-	#DIV/0!		1,880.72	71.80%		5,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
9762.17	-	0.00%		- 5,589.69	-36.41%			11800	11,800.00	11,800.00	-	#DIV/0!		2,037.83	20.87%		12,000.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
71685.92	-	0.00%		4,759.61	7.11%		34186.88	42213.12	76,400.00	76,400.00	-	#DIV/0!		4,714.08	6.58%		78,000.00
1871.29	-	0.00%		- 422.45	-18.42%		1036.91	1463.09	2,500.00	2,500.00	-	#DIV/0!		628.71	33.60%		2,500.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
33204.5	-	0.00%		- 12,455.00	-27.28%			141,268.86	141,268.86	141,268.86	-	#DIV/0!		108,064.36	325.45%		8,994.70
522.62	-	0.00%		82.06	18.63%		532.54	17.46	550.00	550.00	-	#DIV/0!		27.38	5.24%		566.00
8281.44	-	0.00%		- 92.09	-1.10%		2057.01	11432.99	13,490.00	13,490.00	-	#DIV/0!		5,208.56	62.89%		9,000.00
	-	n/a		-	n/a		38711.74	50807.26	89,519.00	89,519.00	-	#DIV/0!		89,519.00	100.00%		90,500.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
9705.64	-	0.00%		4,400.87	82.96%			5988.92	5,988.92	5,988.92	-	#DIV/0!		- 3,716.72	-38.29%		7,095.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
13490.35	-	0.00%		- 2,054.22	-13.22%		13565.94	1484.06	15,050.00	15,050.00	-	#DIV/0!		1,559.65	11.56%		22,000.00
8604.12	-	0.00%		176.97	2.10%			8750	8,750.00	8,750.00	-	#DIV/0!		145.88	1.70%		8,838.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
2161	-	0.00%		- 518.79	-19.36%		1891.84	0.16	1,892.00	1,892.00	-	#DIV/0!		- 269.00	-12.45%		1,800.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
108726.99	-	0.00%		11,059.84	11.32%				120,439.91	120,439.91	-	n/a		11,712.92	10.77%		144,386.21
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
1273	-	0.00%		-	0.00%			1273	1,273.00	1,273.00	-	n/a		-	0.00%		1,273.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
73009.52	-	0.00%		2,612.14	3.71%				62,660.00	62,660.00	-	#DIV/0!		- 10,349.52	-14.18%		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		26,959.00	-100.00%				-	-	-	n/a		-	n/a		-
1800	-	0.00%		4,100.00	-178.26%				1,800.00	1,800.00	-	n/a		-	0.00%		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
22968.97	-	0.00%		22,968.97	100.00%				20,493.14	20,493.14	-	n/a		- 2,475.83	-10.78%		-
	-	n/a		-	n/a				4,184.65	4,184.65	-	n/a		4,184.65	100.00%		-
55392.38	-	0.00%		15,587.84	39.16%				72,398.42	72,398.42	-	#DIV/0!		17,006.04	30.70%		124,524.77
-21787.51	-	0.00%		- 8,911.34	69.21%				513.11	513.11	-	#DIV/0!		22,300.62	-102.36%		- 64,602.09
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
19325.77	-	0.00%		9,537.66	97.44%				55,518.00	55,518.00	-	#DIV/0!		36,192.23	187.27%		53,039.97
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-
184793.3	-	0.00%		184,793.30	100.00%				181,830.52	181,830.52	-	n/a		- 2,962.78	-1.60%		-
	-	n/a		- 283.86	-100.00%				-	-	-	n/a		-	n/a		-
	-	n/a		-	n/a				65,000.00	65,000.00	-	#DIV/0!		65,000.00	100.00%		75,000.00
76107.48	-	0.00%		35,649.67	88.12%				76,944.00	76,944.00	-	#DIV/0!		836.52	1.10%		77,713.00
	-	n/a		-	n/a				-	-	-	n/a		-	n/a		-

2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010					
unaudited	difference between trial balance and audited	% Change	reasons for audit difference	difference between Final and Previous year Final	% Change	reasons for Year over Year change	average asset (rate base) values for cost allocation	2010 EXPENSES OM & A	Financial & AMORTIZATION of related & REGULAR financial expense	Future Taxes provision	OTHER one of stuff		2006 expenses	2007 expenses	2008 expenses	2009 expenses
2,671,586.13	-	0.00%		- 714,150.00	-21.09%		2,671,586.13									
200.00	-	0.00%		-	0.00%		200.00									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
- 26.08	-	0.00%		-	0.00%		- 26.08									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
844,474.74	-	0.00%		-	0.00%		844,474.74									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
67,281.01	-	0.00%		-	0.00%		67,281.01									
9,879.77	-	0.00%		-	0.00%		9,879.77									
802,968.75	-	0.00%		-	0.00%		802,968.75									
- 2,114.30	-	0.00%		-	0.00%		- 2,114.30									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
13,002.76	-	0.00%		-	0.00%		13,002.76									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
114,256.34	-	0.00%		-	0.00%		114,256.34									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									
-	-	n/a		-	n/a		-									

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
30,000.00	-	0.00%		30,000.00	100.00%		30,000.00				
63,558.73	-	0.00%		37,815.55	146.90%		63,558.73				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
12,584.88	-	0.00%		8,400.23	200.74%		12,584.88				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
30,000.00	-	0.00%		-	0.00%		30,000.00				
- 6,500.00	-	0.00%		- 14,773.03	-178.57%		- 6,500.00				
6,500.00	-	0.00%		14,773.03	-178.57%		6,500.00				
- 18,866.24	-	0.00%		-	0.00%		- 18,866.24				
63,236.30	-	0.00%		31,496.66	99.23%		63,236.30				
792.12	-	0.00%		396.06	100.00%		792.12				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		266,337.20	-100.00%		-				
-	-	n/a		-	n/a		-				
-	-	n/a		96,705.44	-100.00%		-				
-	-	n/a		343,979.09	-100.00%		-				
-	-	n/a		251,987.78	-100.00%		-				
- 44,293.98	-	0.00%		10,528.59	-19.20%		- 44,293.98				
-	-	n/a		-	n/a		-				
26,171.00	-	0.00%		700.00	2.75%		26,171.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
42,597.07	-	0.00%		10,000.00	30.68%		37,597.07				
1,600,479.64	-	0.00%		18,500.00	1.17%		1,591,229.64				
5,873.01	-	0.00%		-	0.00%		5,873.01				
436,690.16	-	0.00%		13,300.00	3.14%		430,040.16				
561,449.62	-	0.00%		16,500.00	3.03%		553,199.62				
10,765.96	-	0.00%		1,000.00	10.24%		10,265.96				
690,459.75	-	0.00%		114,896.00	19.96%		633,011.75				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
7,600.00	-	0.00%		-	0.00%		7,600.00				
4,232.00	-	0.00%		-	0.00%		4,232.00				
214,579.03	-	0.00%		-	0.00%		214,579.03				
-	-	n/a		-	n/a		-				
73,128.45	-	0.00%		25,000.00	51.94%		60,628.45				
103,678.45	-	0.00%		10,000.00	10.67%		98,678.45				
140,957.33	-	0.00%		25,000.00	21.56%		128,457.33				
498,934.62	-	0.00%		12,500.00	2.57%		492,684.62				
1,854.52	-	0.00%		-	0.00%		1,854.52				
98,771.00	-	0.00%		2,000.00	2.07%		97,771.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
3,546.04	-	0.00%		-	0.00%		3,546.04				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-	-			
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 3,115,986.11	-	0.00%		- 144,386.21	4.86%		- 3,043,793.00				
- 13,741.41	-	0.00%		- 1,273.00	10.21%		- 13,104.91				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 1,200,000.00	-	0.00%		300,000.00	-20.00%		- 1,200,000.00				
- 30,000.00	-	0.00%		-	0.00%		- 30,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 3,728.00	-	0.00%		72.00	-1.89%		- 3,728.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
25,688.00	-	0.00%		688.00	2.75%		25,688.00				
-	-	n/a		-	n/a		-				
26,959.00	-	0.00%		-	0.00%		26,959.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 40,000.00	-	0.00%		5,000.00	-11.11%		- 40,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
25,800.00	-	0.00%		-	0.00%		25,800.00				
- 12,420.00	-	0.00%		- 1.00	0.01%		- 12,420.00				

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 1,700,000.00	-	0.00%		-	0.00%		- 1,700,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 10,000.00	-	0.00%		-	0.00%		- 10,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 206,641.00	-	0.00%		-	0.00%		- 206,641.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 2,512,315.00	-	0.00%		-	0.00%		- 2,512,315.00				
-	-	n/a		-	n/a		-				
- 1,350,000.00	-	0.00%		197,784.00	-12.78%		- 1,350,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 44,000.00	-	0.00%		20,601.00	-31.89%		- 44,000.00				
- 2,447.00	-	0.00%		15.00	-0.61%		- 2,447.00				
- 3,050,099.00	-	0.00%		120,422.00	-3.80%		- 3,050,099.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 200,000.00	-	0.00%		31,293.00	-13.53%		- 200,000.00				
-	-	n/a		-	n/a		-				
- 535,000.00	-	0.00%		15,568.00	-2.83%		- 535,000.00				
-	-	n/a		-	n/a		-				
- 380,000.00	-	0.00%		- 11,651.00	3.16%		- 380,000.00				
- 361,836.00	-	0.00%		3,981.00	-1.09%		- 361,836.00				
- 1,065,856.06	-	0.00%		- 187,151.13	21.30%		- 1,065,856.06				
- 3,600.00	-	0.00%		90.00	-2.44%		- 3,600.00				
- 30.00	-	0.00%		-	0.00%		- 30.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 18,000.00	-	0.00%		- 61.00	0.34%		- 18,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 7,300.00	-	0.00%		1,442.00	-16.50%		- 7,300.00				
-	-	n/a		-	n/a		-				
- 15,000.00	-	0.00%		-	0.00%		- 15,000.00				
-	-	n/a		-	n/a		-				

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 25,000.00	-	0.00%		-	0.00%		- 25,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
- 50,000.00	-	0.00%		34,720.00	-40.98%		- 50,000.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-

-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
384,000.00	-	0.00%		3,309.00	0.87%		384,000.00				
-	-	n/a		-	n/a		-				
366,838.00	-	0.00%		3,632.00	1.00%		366,838.00				
-	-	n/a		-	n/a		-				
-	-	n/a		-	n/a		-				
26,430.00	-	0.00%		262.00	1.00%		26,430.00				
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
5,000.00	-	0.00%		1,179.00	30.86%		5,000.00	0			
48,480.00	-	0.00%		- 12,772.00	-20.85%		48,480.00	0			
-	-	n/a		-	n/a		-	0			
210.00	-	0.00%		-	0.00%		210.00	0			
200.00	-	0.00%		-	0.00%		200.00	0			
1,000.00	-	0.00%		-	0.00%		1,000.00	0			

-	-	n/a		-	n/a		-	0			
100.00	-	0.00%		-	0.00%		100.00	0			
-	-	n/a		-	n/a		-	0			
5,000.00	-	0.00%		500.00	11.11%		5,000.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
36,200.00	-	0.00%		1,200.00	3.43%		36,200.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
10,750.00	-	0.00%		800.00	8.04%		10,750.00	0			
30,000.00	-	0.00%		-	0.00%		30,000.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
60,190.00	-	0.00%		11,700.00	24.13%		60,190.00	0			
89,475.00	-	0.00%		18,300.00	25.71%		89,475.00	0			
6,100.00	-	0.00%		600.00	10.91%		6,100.00	0			
50.00	-	0.00%		- 250.00	-83.33%		50.00	0			
2,000.00	-	0.00%		800.00	66.67%		2,000.00	0			
2,000.00	-	0.00%		- 800.00	-28.57%		2,000.00	0			
11,000.00	-	0.00%		-	0.00%		11,000.00	0			
68,750.00	-	0.00%		3,750.00	5.77%		68,750.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
15,000.00	-	0.00%		10,170.00	210.56%		15,000.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
85,079.00	-	0.00%		52,079.00	157.82%		85,079.00	0			
95,000.00	-	0.00%		1,000.00	1.06%		95,000.00	0			
20,000.00	-	0.00%		2,600.00	14.94%		20,000.00	0			
-	-	n/a		-	n/a		-	0			
5,000.00	-	0.00%		2,000.00	66.67%		5,000.00	0			
15,000.00	-	0.00%		4,000.00	36.36%		15,000.00	0			
10,000.00	-	0.00%		- 410.00	-3.94%		10,000.00	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			

-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
-	-	n/a		-	n/a		-	0			
5,000.00	-	0.00%		500.00	11.11%		5,000.00	0			
-	-	n/a		-	n/a		-	0			
12,000.00	-	0.00%		200.00	1.69%		12,000.00	0			
-	-	n/a		-	n/a		-	0			
78,000.00	-	0.00%		1,600.00	2.09%		78,000.00	0			
2,500.00	-	0.00%		-	0.00%		2,500.00	0			
-	-	n/a		-	n/a		-	0			
8,994.70	-	0.00%		- 132,274.16	-93.63%		8,994.70	0			
566.00	-	0.00%		16.00	2.91%		566.00	0			
9,000.00	-	0.00%		- 4,490.00	-33.28%		9,000.00	0			
90,500.00	-	0.00%		981.00	1.10%		90,500.00	0			
-	-	n/a		-	n/a		-	0			
7,095.00	-	0.00%		1,106.08	18.47%		7,095.00	0			
-	-	n/a		-	n/a		-	0			
22,000.00	-	0.00%		6,950.00	46.18%		22,000.00	0			
8,838.00	-	0.00%		88.00	1.01%		8,838.00	0			
-	-	n/a		-	n/a		-	0			
1,800.00	-	0.00%		- 92.00	-4.86%		1,800.00	0			
-	-	n/a		-	n/a		-	0			
144,386.21	-	0.00%		23,946.30	19.88%		132,413.06		0		
-	-	n/a		-	n/a		-		0		
1,273.00	-	0.00%		-	0.00%		1,273.00		0		
-	-	n/a		-	n/a		-		0		
-	-	n/a		-	n/a		-		0		
-	-	n/a		-	n/a		-

-	-	n/a		-	n/a		-				0
-	-	n/a		-	n/a		-				0
-	-	n/a		-	n/a		-				0
-	-	n/a		-	n/a		-				0
-	-	n/a		-	n/a		-				0
-	-	n/a		-	n/a		-				0
-	-	n/a		- 20,493.14	-100.00%		-				
-	-	n/a		- 4,184.65	-100.00%		-				
124,524.77	-	0.00%		52,126.35	72.00%		124,524.77				
- 64,602.09	-	0.00%		- 65,115.20	-12690.30%		- 64,602.09				
-	-	n/a		-	n/a		-				
53,039.97	-	0.00%		- 2,478.03	-4.46%		53,039.97				
-	-	n/a		-	n/a		-				
-	-	n/a		- 181,830.52	-100.00%		-				
-	-	n/a		-	n/a		-				
75,000.00	-	0.00%		10,000.00	15.38%		75,000.00				
77,713.00	-	0.00%		769.00	1.00%		77,713.00				
-	-	n/a		-	n/a		-				
								0	0	0	0

												$ difference			$ difference			$ difference
2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses

129,786.00	107,677.21	96,424.97	97,667.15	108,726.99	120,439.91	144386.2	-	22,108.79	- 11,252.24	1,242.18	11,059.84
-	-	-	-	-	-	0		-	-	-	-
1,273.00	-	1,273.00	-	1,273.00	1,273.00	1273	-	1,273.00	1,273.00	- 1,273.00	1,273.00
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
50,000.00	-	393,000.00	-	15,000.00	15,000.00	0	-	50,000.00	393,000.00	- 393,000.00	15,000.00
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
7,985.09	-	64,596.99	-	10,530.89	10,530.89	0	-	7,985.09	64,596.99	- 64,596.99	10,530.89
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-
-	-	-	-	-	-	0		-	-	-	-

	$ difference			% difference		% difference		% difference		% difference						
2009 expenses	2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses

11,712.92	23,946.30	- 144,386.21	-117.03%	-110.45%	-98.71%	-88.68%	-89.23%	-80.12%	-200.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	- 1,273.00	-200.00%	100.00%	-200.00%	100.00%	-100.00%	-100.00%	-200.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	- 15,000.00	-	-200.00%	100.00%	-200.00%	100.00%	-100.00%	-200.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	- 10,530.89	-	-200.00%	100.00%	-200.00%	100.00%	-100.00%	-200.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

-	-	-	-
10,025.00	-	15,559.00	-
-	-	- 2,500.00	-

					$ difference		$ difference		$ difference		$ difference			% difference		% difference	
2008 expenses	2009 expenses	2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses		2004 expenses	2005 expenses	2006 expenses	2007 expenses

-	-	0		-	-	-	-	-	-	-				0.00%	0.00%	0.00%
- 453.00	- 453.00	0		- 10,025.00	15,559.00	- 15,559.00	- 453.00	-	453.00	-				-200.00%	100.00%	-200.00%
- 22,800.00	- 22,800.00	0		-	- 2,500.00	2,500.00	- 22,800.00	-	22,800.00	-				0.00%	100.00%	-200.00%

% difference		% difference									$ difference		$ difference
2008 expenses	2009 expenses	2010 expenses	2011 expenses	2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses	2004 expenses	2005 expenses	2006 expenses

0.00%	0.00%	0.00%	0.00%								
100.00%	-100.00%	-200.00%	0.00%								
100.00%	-100.00%	-200.00%	0.00%								
				-	-	-	-	-	-	0	-	-
				-	-	-	-	-	-	0	-	-
				-	-	-	-	-	-	0	-	-
				-	-	-	-	-	-	0	-	-

-	-	-	-	-	-	0	-	-	
-	-	-	-	-	-	0	-	-	
-	-	-	-	-	-	0	-	-	
-	-	-	-	-	-	0	-	-	
-	-	-	-	-	-	0	-	-	
-	-	-	-	-	-	0	-	-	

	$ difference		$ difference		% difference		% difference		% difference		% difference	
2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses	2004 expenses	2005 expenses	2006 expenses	2007 expenses	2008 expenses	2009 expenses	2010 expenses	2011 expenses

-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

2007		MAY		JUNE		JULY		AUGUST	
CLASS	RATE	Consump.	Amount	Consump.	Amount	Consump.	Amount	Consump.	Amount
RESIDENTIAL	0.0007	2239533.57	1567.67	1822830.87	1275.98	1563923.75	1094.75	1602054.20	1121.44
GS< 50 KW	0.0006	1038777.78	623.27	940392.08	564.24	870815.61	522.49	836364.86	501.82
GS> 50 KW	0.2509	4867.23	1212.91	4729.80	1178.67	4670.51	1163.89	4553.64	1134.77
INT.USERS	0.3006	9329.24	2785.71	9239.22	2758.83	9312.99	2780.86	9077.23	2710.46
SENT. LIGHT	0.1895	13.67	2.57	13.67	2.57	13.50	2.54	13.50	2.54
STREET LIGHTING	0.1919	254.22	48.45	254.22	48.45	254.22	48.45	254.22	48.45
TOTAL	REVENUE		6240.58		5828.74		5612.98		5519.48
4750 SHARED LV LINES CHARGES			6811.32		5349.48		5659.02		5455.83

2008									
CLASS	RATE	JAN.		FEB.		MARCH		APRIL	
RESIDENTIAL	0.0007	2532634.1	1772.84	3635289.18	2544.7	2969832.43	2078.88	2722714.07	1905.9
GS< 50 KW	0.0006	1078218.6	646.93	1576479.87	945.89	1304483.39	782.69	1231907.01	739.14
GS> 50 KW	0.2509	5232.9	1304.04	5521.35	1375.92	5134.01	1279.4	4892.38	1219.18
INT.USERS	0.3006	6087.31	1817.67	5958.85	1779.31	5990.92	1788.89	6036.21	1802.41
SENT. LIGHT	0.1895	11.2	2.11	11.2	2.11	10.55	1.99	10.55	1.99
STREET LIGHTING	0.1919	255.65	48.73	255.65	48.73	256.13	48.82	256.13	48.82
TOTAL	REVENUE		5592.32		6696.66		5980.67		5717.44
4750 SHARED LV LINES CHARGES			7853.63		7765.64		7519.41		6995.92

2009									
CLASS	RATE	JAN.		FEB.		MARCH		APRIL	
RESIDENTIAL	0.0007	2955928.33	2069.15	3506444	2454.51	3124284	2187.00	2756238	1929.37
GS< 50 KW	0.0006	1247877.00	748.73	1371859	823.12	1368347	821.01	1308018	784.81
GS> 50 KW	0.2509	4866.10	1220.90	4986.8	1251.19	4692	1177.22	4065.8	1020.11
INT.USERS	0.3006	6168.40	1854.22	6229.9	1872.71	6069.8	1824.58	4249.6	1277.43
SENT. LIGHT	0.1895	10.55	2.00	10.55	2.00	10.55	2.00	10.55	2.00
STREET LIGHTING	0.1919	256.10	49.15	256.1	49.15	254.2	48.78	256.1	49.15
TOTAL	REVENUE		5944.15		6452.67		6060.59		5062.86
4750 SHARED LV LINES CHARGES(CHANGED ON HYDRO ONE INVOICES TO COMMON ST. LINES)			8075.81		8280.91		4037.54		3208.5

2009 & 2010 STATS AT POST MAY 2009 revenue rates

CLASS	RATE CHANGE	JAN.		FEB.		MARCH		APRIL	
RESIDENTIAL	0.0007		0.00		0.00		0.00	2756238	1929.37
GS< 50 KW	0.0006		0.00		0.00		0.00	1308018	784.81
GS> 50 KW	0.2492		0.00		0.00		0.00	4065.8	1013.20
INT.USERS	0.2986		0.00		0.00		0.00	4249.6	1268.93
SENT. LIGHT	0.1882		0.00		0.00		0.00	10.55	1.99
STREET LIGHTING	0.1906		0.00		0.00		0.00	256.1	48.81
TOTAL	REVENUE		0.00		0.00		0.00		5047.10
4750 SHARED LV LINES CHARGES(CHANGED ON HYDRO ONE INVOICES TO COMMON ST. LINES)									3208.5

SEPT. Consump.	Amount		OCT. Consump.	Amount	NOV. Consump.	Amount	DEC. Consump.	Amount	
1721860.21	1205.30		1494010.84	1045.81	1910817.47	1337.57	2428525.78	1699.97	
920880.26	552.53		788313.25	472.99	927862.79	556.72	1133627.76	680.18	
4465.99	1112.92		4469.73	1113.86	4627.39	1153.15	4760.31	1186.27	
9056.15	2704.17		9229.33	2755.88	9279.05	2770.72	9174.94	2739.64	
11.20	2.11		11.20	2.11	11.20	2.11	11.20	2.11	
255.15	48.63		204.40	38.96	255.15	48.63	255.65	48.73	
	5625.66			**5429.61**		**5868.90**		**6356.90**	**46482.85**
	5314.67			**5414.68**		**5838.79**		**7624.49**	

MAY		RATE CHANGE (May Consump)	JUNE		JULY		AUGUST		SEPT.		OCT.		NOV.		DEC.	
2119462	1483.62	0.0007	2062235.3	1443.56	1617865.9	1132.51	1730509.3	1211.36	1526891	1068.82	1597455	1118.22	2012496	1408.75	2160283	1512.2
987323	592.39	0.0006	997140.23	598.28	810097.61	486.06	916512.44	549.91	792381.6	475.43	843616.3	506.17	962389.3	577.43	990163.7	594.1
4843.97	1207.12	0.2509	4468.01	1121.02	4511.09	1131.83	4019.57	1008.51	4015.17	1007.41	4370.25	1096.5	4400.47	1104.08	4669.6	1171.6
5875.64	1754.47	0.3006	5807.16	1745.63	5536.89	1664.39	5761.88	1732.02	5858.61	1761.1	5843.62	1756.59	5779.08	1737.19	6082.9	1828.52
10.55	1.99	0.1895	10.55	2	10.55	2	10.55	2	10.55	2	10.55	2	10.55	2	10.55	2
256.13	48.82	0.1919	256.13	49.15	256.13	49.15	256.13	49.15	256.13	49.15	256.13	49.15	256.13	49.15	256.4	49.2
	5088.41			**4959.64**		**4465.94**		**4552.95**		**4363.91**		**4528.63**		**4878.6**		**5157.62**
	6077.43			**5645.73**		**5209.59**		**4889.29**		**5465.32**		**5215.92**		**6049.58**		**7197.84**

MAY		RATE CHANGE	JUNE		JULY		AUGUST		SEPT.		OCT.		NOV.		DEC.	
2242191	1569.53	0.0007	1770927	1239.65	1617866	1132.51	1730509	1211.36	1526891	1068.82	1597455	1118.22	2012496	1408.75	2160283	1512.20
1022931	613.76	0.0006	853976	512.39	810098	486.06	916512	549.91	792382	475.43	843616	506.17	962389	577.43	990164	594.10
3469.8	870.57	0.2492	4195.7	1045.57	4511	1124.14	4020	1001.78	4015	1000.54	4370	1089.00	4400	1096.48	4670	1163.76
4249.2	1277.31	0.2986	5535.2	1652.81	5537	1653.35	5762	1720.53	5859	1749.50	5844	1745.02	5779	1725.61	6083	1816.38
10.55	2.00	0.1882	10.55	1.99	11	2.07	11	2.07	11	2.07	11	2.07	11	2.07	11	2.07
256.1	49.15	0.1906	255.6	48.72	256	48.79	256	48.79	256	48.79	256	48.79	256	48.79	256	48.79
	4382.32			**4501.12**		**4446.92**		**4534.44**		**4345.15**		**4509.27**		**4859.13**		**5137.31**
	2650.29			**2867.13**												

MAY		RATE CHANGE	JUNE		JULY		AUGUST		SEPT.		OCT.		NOV.		DEC.		
2242191	1569.53		1770927	1239.65	1617866	1132.51	1730509	1211.36	1526891	1068.82	1597455	1118.22	2012496	1408.75	2160283	1512.20	
1022931	613.76		853976	512.39	810098	486.06	916512	549.91	792382	475.43	843616	506.17	962389	577.43	990164	594.10	
3469.8	864.67		4195.7	1045.57	4511	1124.14	4020	1001.78	4015	1000.54	4370	1089.00	4400	1096.48	4670	1163.76	
4249.2	1268.81		5535.2	1652.81	5537	1653.35	5762	1720.53	5859	1749.50	5844	1745.02	5779	1725.61	6083	1816.38	
10.55	1.99		10.55	1.99	11	2.07	11	2.07	11	2.07	11	2.07	11	2.07	11	2.07	
256.1	48.81		255.6	48.72	256	48.79	256	48.79	256	48.79	256	48.79	256	48.79	256	48.79	
	4367.58			**4501.12**		**4446.92**		**4534.44**		**4345.15**		**4509.27**		**4859.13**		**5137.31**	**41,748.03**
	2650.29			**2867.13**		**3937.25**		**2977.1**		**3683.48**		**3896.44**		**4154.28**		**4319.75**	**31,694.22** **8** **months**

61982.79	DIFF 13902.51	REVENUE
75885.3		4750 SHARED LV LINES CHARGES

60,235.93	DIFF -31,115.75
29,120.18	

		RATE CHANGE	TEST YEAR	2009 rate revenue TEST YEAR
		0.0007	27,043,280	$ 18,930.30
		0.0006	12,897,126	$ 7,738.28
		0.2492	58,015	$ 14,457.22
		0.2986	70,701	$ 21,111.23
		0.1882	87	$ 16.44
		0.1906	3,190	$ 608.11
41748.027	DIFF **-10053.807**	REVENUE		**$ 62,861.57**
31694.22		4750 SHARED LV LINES CHARGES(CHANGED ON		

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 2010**

		Opening Accrual	2004 Jan	2004 Feb	2004 Mar	2004 Apr	2004 May	2004 Jun	2004 Jul	2004 Aug	2004 Sep	2004 Oct	2004 Nov	2004 Dec	2004 Billing Total Total	2004 Closing Accrual	2004 Total including accruals
PURCHASED power and energy volumes																	
AT Transformer station from HYDRO ONE through IeSO	kW		22,160	20,407	19,432	17,926	17,590	16,091	16,077	16,040	16,257	17,697	17,954	20,588	218,219		218,219
AT Transformer station from HYDRO ONE through IeSO	kW.h		12,693,823	10,949,312	10,903,563	9,829,236	9,406,124	8,779,564	7,379,012	8,787,505	8,756,408	9,198,886	9,840,393	11,101,891	117,625,717		117,625,717
From HYDRO ONE through LV(subtransmission) before exit to HO	kW														-		-
From HYDRO ONE through LV(subtransmission) before exit to HO	kW.h														-		-
To HYDRO ONE through LV at town boundry includes losses	kW														-		-
To HYDRO ONE through LV at town boundry includes losses	kW.h														-		-
NET From HYDRO ONE through LV(subtransmission)	kW														-		-
NET From HYDRO ONE through LV(subtransmission)	kW.h														-		-
Total deliveries to hearst	**kW**		22,160	20,407	19,432	17,926	17,590	16,091	16,077	16,040	16,257	17,697	17,954	20,588	218,219		218,219
Total deliveries to hearst	**kW.h**		12,693,823	10,949,312	10,903,563	9,829,236	9,406,124	8,779,564	7,379,012	8,787,505	8,756,408	9,198,886	9,840,393	11,101,891	117,625,717		117,625,717
SALES		12,067,504	10,598,761	12,218,246	11,843,533	11,009,539	9,690,351	8,912,731	7,836,708	7,194,093	8,504,117	8,653,498	8,609,380	9,447,900	114,518,857	12,025,801	114,477,154
LOSS FACTORS			16.50%	-11.59%	-8.62%	-12.01%	-3.02%	-1.52%	-6.20%	18.13%	2.88%	5.93%	12.51%	14.90%	2.64%	#DIV/0!	2.68%
INTERMEDIATE USERS																	

PURCHASED power and energy $																	
AT Transformer station from HYDRO ONE through IeSO	kW$	LV Demand Delivery Charges													$ -		
AT Transformer station from HYDRO ONE through IeSO	kW$	Coincident Demand Transmission Charges													$ -		
AT Transformer station from HYDRO ONE through IeSO	kW.h$	Commodity ONLY Charges	$ 883,224	$ 592,351	$ 545,880	$ 465,390	$ 472,590	$ 428,094	$ 346,337	$ 392,520	$ 447,619	$ 463,728	$ 528,817	$ 580,526	$ 6,147,077		
AT Transformer station from HYDRO ONE through IeSO	kW.h$	Other Commodity charges													$ -		
NET From HYDRO ONE through LV(subtransmission)	kW$	LV Demand Delivery Charges													$ -		
NET From HYDRO ONE through LV(subtransmission)	kW$	Coincident Demand Transmission Charges													$ -		
NET From HYDRO ONE through LV(subtransmission)	kW.h$	Commodity ONLY Charges													$ -		
NET From HYDRO ONE through LV(subtransmission)	kW.h$	Other Commodity charges													$ -		
Total deliveries to hearst	**kW$**		$ 883,224	$ 592,351	$ 545,880	$ 465,390	$ 472,590	$ 428,094	$ 346,337	$ 392,520	$ 447,619	$ 463,728	$ 528,817	$ 580,526	$ 6,147,077		
Total deliveries to hearst	**kW.h$**		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		

2005 Opening Accrual	2005 Jan	2005 Feb	2005 Mar	2005 Apr	2005 May	2005 Jun	2005 Jul	2005 Aug	2005 Sep	2005 Oct	2005 Nov	2005 Dec	2005 Billing Total Total	2005 Closing Accrual	2005 Total including accruals
	19,597	20,292	19,675	17,508	17,635	16,876	15,949	16,013	15,883	17,167	19,835	20,894	217,324		217,324
	12,040,115	10,319,632	10,822,381	9,168,123	9,168,836	8,391,313	7,715,191	8,542,170	8,579,568	9,633,073	########	11,748,201	116,962,701		116,962,701
													-		-
													-		-
													-		-
													-		-
													-		-
													-		-
	19,597	20,292	19,675	17,508	17,635	16,876	15,949	16,013	15,883	17,167	19,835	20,894	217,324		217,324
	12,040,115	10,319,632	10,822,381	9,168,123	9,168,836	8,391,313	7,715,191	8,542,170	8,579,568	9,633,073	########	11,748,201	116,962,701		116,962,701
- -	12,025,801	10,112,659	11,895,058	10,328,807	10,579,989	9,164,662	8,949,796	8,196,607	7,397,043	8,430,254	8,341,338	9,101,851	10,272,109	112,770,173	12,172,654	112,917,026	- -
	#DIV/0!	16.01%	-15.27%	4.56%	-15.40%	0.05%	-6.66%	-6.24%	13.41%	1.74%	13.41%	15.99%	12.56%	3.58%	#DIV/0!	3.46%	
	$ 716,622	$ 522,329	$ 661,194	$ 579,163	$ 508,275	$ 579,810	$ 626,115	$ 806,184	$ 854,404	$ 767,412	$ 654,446	$ 990,792	$ - $ - $ 8,266,746 $ -		
													$ - $ - $ - $ - $ -		
	$ 716,622	$ 522,329	$ 661,194	$ 579,163	$ 508,275	$ 579,810	$ 626,115	$ 806,184	$ 854,404	$ 767,412	$ 654,446	$ 990,792	$ 8,266,746		
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		

2006 Opening Accrual	2006 Jan	2006 Feb	2006 Mar	2006 Apr	2006 May	2006 Jun	2006 Jul	2006 Aug	2006 Sep	2006 Oct	2006 Nov	2006 Dec	2006 Billing Total Total	2006 Closing Accrual	2006 Total including accruals
	20,257	20,407	18,934	17,451	16,980	16,085	15,826	15,537	15,098	8,051	8,512	8,635	181,773		181,773
	11,403,923	11,174,429	11,177,732	9,457,861	9,455,389	8,931,355	7,844,343	8,930,085	6,289,273	4,680,398	4,667,345	4,305,457	98,317,590		98,317,590
													-		-
													-		-
													-		-
													-		-
									3,231	6,259	11,037	12,131	32,658		32,658
									2,581,140	5,000,958	5,818,987	6,555,126	19,956,211		19,956,211
	20,257	20,407	18,934	17,451	16,980	16,085	15,826	15,537	18,329	14,310	19,549	20,766	214,431		214,431
	11,403,923	11,174,429	11,177,732	9,457,861	9,455,389	8,931,355	7,844,343	8,930,085	8,870,413	9,681,356	10,486,332	10,860,583	118,273,801		118,273,801
- -	12,172,654	10,703,711	11,638,474	10,746,585	10,955,185	9,176,677	9,508,317	8,645,169	7,542,867	8,858,428	8,356,838	9,212,385	10,007,509	115,352,145	10,325,562	113,505,053
	#DIV/0!	6.14%	-4.15%	3.86%	-15.83%	2.95%	-6.46%	-10.21%	15.53%	0.14%	13.68%	12.15%	7.85%	2.47%	#DIV/0!	4.03%	
												4,658,487	4,730,380	54,335,266	4,041,806		
														$ -			
														$ -			
	$ 649,956	$ 546,483	$ 560,360	$ 428,164	$ 454,150	$ 423,911	$ 411,386	$ 486,884	$ 229,261	$ 193,132	$ 236,275	$ 181,787		$ 4,801,750			
														$ -			
									$ 3,189	$ 6,178	$ 6,948	$ 7,638		$ 23,953			
									$ 10,588	$ 20,515	$ 23,067	$ 25,354		$ 79,524			
									$ 101,575	$ 196,802	$ 289,978	$ 271,737		$ 860,092			
														$ -			
	$ 649,956	$ 546,483	$ 560,360	$ 428,164	$ 454,150	$ 423,911	$ 411,386	$ 486,884	$ 229,261	$ 193,132	$ 236,275	$ 181,787		$ 4,801,750			
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 115,352	$ 223,495	$ 319,994	$ 304,729		$ 963,570			

2007 Opening Accrual	2007 Jan	2007 Feb	2007 Mar	2007 Apr	2007 May	2007 Jun	2007 Jul	2007 Aug	2007 Sep	2007 Oct	2007 Nov	2007 Dec	2007 Billing Total Total	2007 Closing Accrual	2007 Total including accruals		2008 Opening Accrual	2008 Jan	2008 Feb	2008 Mar	2008 Apr	2008 May	2008 Jun	2008 Jul	2008 Aug	2008 Sep	2008 Oct	2008 Nov	2008 Dec	2008 Total	2008 Closing Accrual	2008 Total including accruals
	8,831	9,108	8,649	8,252	8,016	7,850	7,764	7,632	7,721	7,907	7,730	5,254	94,714		94,714			5,339	5,145	4,907	4,693	4,560	4,298	4,095	4,334	4,458	4,451	4,605	5,104	55,989		55,989
	4,752,208	4,489,758	4,608,223	4,068,827	4,019,831	3,847,109	3,550,951	3,420,526	3,678,398	3,811,185	2,577,132	2,446,698	45,270,846		45,270,846			2,673,840	2,562,050	2,583,529	2,326,558	2,133,431	1,910,538	1,652,486	1,817,157	1,775,681	1,917,068	2,103,635	2,428,301	25,884,274		25,884,274
													-		-															-		-
													-		-															-		-
													-		-															-		-
													-		-															-		-
	12,519	12,793	12,133	10,815	8,464	9,069	8,735	8,516	8,672	9,352	12,179	12,538	125,785		125,785			12,273	11,879	11,061	9,608	9,023	8,326	7,809	8,735	8,248	9,557	11,371	12,758	120,648		120,648
	6,392,032	6,906,779	5,851,020	5,624,146	4,795,390	4,559,224	4,616,026	4,635,973	4,763,508	4,891,622	5,677,503	7,127,890	65,841,113		65,841,113			6,405,501	6,274,971	6,441,063	4,865,303	4,858,031	4,257,889	3,729,432	4,496,655	4,305,642	4,832,110	5,668,067	6,827,180	62,961,844		62,961,844
	21,350	21,901	20,782	19,067	16,480	16,919	16,499	16,148	16,393	17,259	19,909	17,792	220,499		220,499			17,612	17,024	15,968	14,301	13,583	12,624	11,904	13,069	12,706	14,008	15,976	17,862	176,637		176,637
	11,144,240	11,396,537	10,459,243	9,692,973	8,815,221	8,406,333	8,166,977	8,056,499	8,441,906	8,702,807	8,254,635	9,574,588	111,111,959		111,111,959	114,629,651		9,079,341	8,837,021	9,024,592	7,191,861	6,991,462	6,168,427	5,381,918	6,313,812	6,081,323	6,749,178	7,771,702	9,255,481	88,846,118		88,846,118
- - 10,325,562	9,311,984	10,966,687	11,258,037	10,899,864	9,237,172	8,687,679	8,084,297	7,694,044	7,929,570	7,655,898	8,420,020	7,957,369	108,102,621	9,277,587	107,054,646		- -	9,277,587	7,548,005	9,747,345	8,637,308	8,299,830	7,182,043	6,860,093	6,101,453	5,596,579	5,827,191	5,801,623	6,674,486	6,917,660	85,193,616	9,282,769	85,198,798
	16.44%	3.77%	-7.64%	-12.45%	-4.79%	-3.35%	1.01%	4.50%	6.07%	12.03%	-2.00%	16.89%	2.71%		3.65%			#DIV/0!	16.87%	-10.30%	4.29%	-15.41%	-2.73%	-11.21%	-13.37%	11.36%	4.18%	14.04%	14.12%	25.26%	4.11%		4.11%
	4,073,531	4,499,283	4,334,658	4,528,991	4,095,464	4,117,666	3,935,460	3,621,499	3,621,827	3,765,453	3,767,732	2,450,647	46,812,211	2,168,690					2,182,248	2,407,188	2,362,822	2,373,524	2,254,944	2,075,759	1,871,884	1,514,660	1,766,653	1,755,562	1,805,307	1,924,913	24,295,464	1,997,220	
																108,102,621																
																5.69%																
													$ -																	$ -		
													$ -																	$ -		
	$ 220,520	$ 275,699	$ 267,109	$ 197,522	$ 171,932	$ 181,387	$ 166,647	$ 198,499	$ 176,234	$ 194,995	$ 125,365	$ 131,565	$ 2,307,475					$ 115,080	$ 142,310	$ 152,911	$ 122,406	$ 79,658	$ 118,079	$ 106,434	$ 91,017	$ 92,121	$ 94,387	$ 114,414	$ 120,373	$ 1,349,189		
													$ -																	$ -		
	$ 7,884	$ 8,059	$ 7,644	$ 6,811	$ 5,349	$ 5,659	$ 5,456	$ 5,315	$ 5,415	$ 5,839	$ 7,624	$ 7,854	$ 78,908					$ 7,766	$ 7,519	$ 6,996	$ 6,077	$ 5,646	$ 5,210	$ 4,889	$ 5,465	$ 5,216	$ 6,050	$ 7,198	$ 8,076	$ 76,107		
	$ 26,165	$ 26,737	$ 25,341	$ 22,603	$ 17,690	$ 18,954	$ 18,256	$ 17,798	$ 18,124	$ 19,546	$ 25,454	$ 26,204	$ 262,874					$ 25,651	$ 24,825	$ 23,117	$ 20,011	$ 16,963	$ 15,653	$ 14,675	$ 16,422	$ 15,506	$ 17,948	$ 21,364	$ 23,953	$ 236,089		
	$ 305,436	$ 491,031	$ 342,227	$ 269,493	$ 188,315	$ 211,086	$ 216,059	$ 262,288	$ 227,246	$ 235,074	$ 279,573	$ 364,233	$ 3,392,062					$ 269,145	$ 343,839	$ 382,324	$ 247,430	$ 183,352	$ 263,379	$ 235,817	$ 231,838	$ 210,151	$ 228,539	$ 309,528	$ 318,267	$ 3,223,609		
													$ -																	$ -		
	$ 220,520	$ 275,699	$ 267,109	$ 197,522	$ 171,932	$ 181,387	$ 166,647	$ 198,499	$ 176,234	$ 194,995	$ 125,365	$ 131,565	$ 2,307,475					$ 115,080	$ 142,310	$ 152,911	$ 122,406	$ 79,658	$ 118,079	$ 106,434	$ 91,017	$ 92,121	$ 94,387	$ 114,414	$ 120,373	$ 1,349,189		
	$ 339,484	$ 525,828	$ 375,212	$ 298,907	$ 211,354	$ 235,700	$ 239,771	$ 285,401	$ 250,785	$ 260,459	$ 312,652	$ 398,291	$ 3,733,844					$ 302,561	$ 376,184	$ 412,438	$ 273,518	$ 205,961	$ 284,242	$ 255,382	$ 253,725	$ 230,873	$ 252,537	$ 338,090	$ 350,295	$ 3,535,806		

		2009 Opening Accrual	2009 Jan	2009 Feb	2009 Mar	2009 Apr	2009 May	2009 Jun	2009 Jul	2009 Aug	2009 Sep	2009 Oct	2009 Nov	2009 Dec	2009 Total	2009 Closing Accrual	2009 Total including accruals	
			4,985	5,024	4,204	4,077	4,391	4,311	3,805	4,085	4,127	4,180			43,189		43,189	
			2,567,714	2,138,399	2,136,355	1,885,395	1,871,993	1,928,172	1,350,876	1,559,721	1,882,200	1,942,847			19,263,672		19,263,672	
															-		-	
															-		-	
															-		-	
															-		-	
			13,082	11,703	9,300	7,682	8,303	8,426	5,838	7,742	8,316	9,011			89,403		89,403	
			7,081,209	6,038,892	5,148,750	4,361,358	4,440,388	4,217,023	3,460,937	3,994,268	4,209,046	5,005,967			47,957,838		47,957,838	
	2 YEAR		18,067	16,727	13,504	11,759	12,694	12,737	9,643	11,827	12,443	13,191	-	-	132,592		132,592	
89,648,158	199,958,077		9,648,923	8,177,291	7,285,105	6,246,753	6,312,381	6,145,195	4,811,813	5,553,989	6,091,246	6,948,814	-	-	67,221,510		67,221,510	84,248,693
87,159,999	192,253,444																	
100.00%	-4.01%	9,282,769	8,227,627	9,227,378	7,839,449	7,253,897	6,118,255	5,809,695	5,960,371	4,781,235	5,018,456	5,877,557	6,532,328	5,584,512	78,230,760	-	68,947,991	78,230,760
		#DIV/0!	14.73%	-12.84%	-7.61%	-16.12%	3.08%	5.46%	-23.87%	13.91%	17.61%	15.42%	#DIV/0!	#DIV/0!	-16.38%	#DIV/0!	-2.57%	7.14%
															$ -			
															$ -			
			$ 143,246	$ 107,235	$ 66,516	$ 38,419	$ 54,973	$ 45,924	$ 26,545	$ 45,190	$ 42,495	$ 60,734			$ 631,277			
															$ -			
			$ 8,281	$ 4,038	$ 3,209	$ 2,650	$ 2,867	$ 2,949	$ 2,043	$ 2,710	$ 2,911	$ 3,154			$ 34,811			
			$ 24,577	$ 21,968	$ 29,505	$ 27,040	$ 15,655	$ 16,766	$ 11,588	$ 15,407	$ 16,545	$ 17,906			$ 196,958			
			$ 380,773	$ 296,366	$ 135,866	$ 85,027	$ 125,304	$ 101,942	$ 65,497	$ 109,764	$ 98,672	$ 154,472			$ 1,553,683			
															$ -			
			$ 143,246	$ 107,235	$ 66,516	$ 38,419	$ 54,973	$ 45,924	$ 26,545	$ 45,190	$ 42,495	$ 60,734	$ -	$ -	$ 631,277			
			$ 413,631	$ 322,371	$ 168,580	$ 114,718	$ 143,827	$ 121,657	$ 79,128	$ 127,881	$ 118,128	$ 175,532	$ -	$ -	$ 1,785,452			

Name of LDC:Hearst Power Distribution Company **File Number: EB-2009-0266** **Rate Year: 20**

STRANDED METER INFORMATION

STRANDED ASSETS AT JANUARY 1, 2006 — ACCOUNT 1860

NO ADDITIONS TO LEGACY METERS AFTER JA

Customer Class	CUSTOMER COUNT 2005	Capital Cost Weighting	Weighted Share	Original Cost	Accumulated Depreciation	Net Book Value	Depreciation Rate	Depreciation 2006	Year End Accumulated Depreciation 2006	Year End Net Book Value 2006
Residential	2,322	50	116100	135,306	96,569	38,737	2.49%	3,371	99,940	35,366
GS <50	391	200	78200	91,136	65,045	26,092	2.49%	2,271	67,315	23,821
GS >50	38	767.10	29149.92	33,972	24,246	9,726	2.49%			
Intermediates	3	17,972.52	53917.56	62,837	44,847	17,990	2.49%			
TOTAL	2754		277367.48	323,252	230,706	92,545				

)10

ANUARY 1, 2006

Depreciation 2007	Year End Accumulated Depreciation 2007	Year End Net Book Value 2007	Depreciation 2008	Year End Accumulated Depreciation 2008	Year End Net Book Value 2008	Depreciation 2009	Year End Accumulated Depreciation 2009	Stranded Value of Legacy Meters June 30 Net Book Value 2009	
3,371	103,311	31,995	3,371	106,683	28,623	1,686	108,369	26,937	
2,271	69,586	21,550	2,271	71,857	19,279	1,135	72,992	18,144	
						TOTAL	**181,361**	**45,081**	226,442.46

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

DISTRIBUTION RATES

2009 EXISTING RATES

DISTRIBUTION RATES EXCLUDING SMART METER RATE RIDER

Customer Class		Customer	kW	kW.h
Residential		8.42		0.0102
GS < 50 kW		5.97		0.0097
GS > 50 kW		30.41	2.9926	
Intermediate		57.34	0.8903	
Sentinel Lights		3.98	1.8938	
Street Lighting		0.99	1.2912	
Transformer Allowance			(0.6000)	

2009 Regulatory Assets Variable Rate Rider if applicable

Customer Class	Regulatory Assets Rate Riders ($) per kW.h	Regulatory Assets Rate Riders ($) per kW
Residential		
GS < 50 kW		
GS > 50 kW		
Intermediate		
Sentinel Lights		
Street Lighting		

2009 Low Voltage Rate Component

Customer Class	Low Voltage Component ($) per kW.h	Low Voltage Component ($) per kW
Residential	0.0007	
GS < 50 kW	0.0006	
GS > 50 kW		0.2492
Intermediate		0.2986
Sentinel Lights		0.1882
Street Lighting		0.1906

2009 VOLUMETRIC EXCLUDING LV COMPONENT

Customer Class	per kW.h	per kW
Residential	0.0095	
GS < 50 kW	0.0091	
GS > 50 kW		2.7434
Intermediate		0.5917
Sentinel Lights		1.7056
Street Lighting		1.1006
Transformer Allowance		(0.6000)

2009 Smart Meter Adder If applicable

Customer Class	per Month
Residential	1.00
GS < 50 kW	1.00
GS > 50 kW	1.00
Intermediate	1.00
Sentinel Lights	
Street Lighting	

2009 OTHER VOLUMETRIC CHARGES $/kW.h

	Retail Transmission Rate (network & connection	Wholesale Market Service Rate & rural rate protection charge	Debt Retirement Charge	Total	Total with Adjusted RTR
Customer Class	per kW.h	per kW.h	per kW.h	per kW.h	per kW.h
Residential	0.0094	0.0065	0.0070	0.0229	0.0229
GS < 50 kW	0.0085	0.0065	0.0070	0.0220	0.0220
GS > 50 kW		0.0065	0.0070	0.0135	0.0135
Intermediate		0.0065	0.0070	0.0135	0.0135
Sentinel Lights		0.0065	0.0070	0.0135	0.0135
Street Lighting		0.0065	0.0070	0.0135	0.0135

DISTRIBUTION RATES

2010 PROPOSED

DISTRIBUTION RATES EXCLUDING SMART METER RATE RIDER

Customer Class		Customer	kW	kW.h
Residential		9.00		0.0162
GS < 50 kW		12.00		0.0098
GS > 50 kW		60.00	1.2200	
Intermediate		320.00	0.5400	
Sentinel Lights		5.00	1.4000	
Street Lighting		0.50	21.1000	
Transformer Allowance			(0.3500)	

2010 Regulatory Assets Variable Rate Rider if applicable

# OF YEARS	Customer Class	YEARS 4 Combined Reg. Asset Rebasing Rate Riders ($) per kW.h	YEARS 4 Combined Reg. Asset Rebasing Rate Riders ($) per kW
4	Residential	(0.0009)	
	GS < 50 kW	(0.0016)	
	GS > 50 kW		(0.7168)
	Intermediate		(0.7289)
	Sentinel Lights		0.1770
	Street Lighting		0.5144

2010 Low Voltage Rate Component

Customer Class	Low Voltage Component ($) per kW.h	Low Voltage Component ($) per kW
Residential	0.0005	
GS < 50 kW	0.0005	
GS > 50 kW		0.1892
Intermediate		0.2267
Sentinel Lights		0.1429
Street Lighting		0.1447

2010 VOLUMETRIC EXCLUDING LV COMPONENT

Customer Class	per kW.h	per kW
Residential	0.0157	
GS < 50 kW	0.0093	
GS > 50 kW		1.0308
Intermediate		0.3133
Sentinel Lights		1.2571
Street Lighting		20.9553
Transformer Allowance		(0.3500)

2010 Smart Meter Adder If applicable

Customer Class	per Month
Residential	0.00
GS < 50 kW	0.00
GS > 50 kW	0.00
Intermediate	0.00
Sentinel Lights	
Street Lighting	

2010 OTHER VOLUMETRIC CHARGES $/kW.h

	Retail Transmission Rate (network & connection	Wholesale Market Service Rate	Debt Retirement Charge	Total	Total with Adjusted RTR
Customer Class	per kW.h	per kW.h	per kW.h	per kW.h	per kW.h
Residential	0.0083	0.0065	0.0070	0.0218	0.0218
GS < 50 kW	0.0075	0.0065	0.0070	0.0210	0.0210
GS > 50 kW		0.0065	0.0070	0.0135	0.0135
Intermediate		0.0065	0.0070	0.0135	0.0135
Sentinel Lights		0.0065	0.0070	0.0135	0.0135
Street Lighting		0.0065	0.0070	0.0135	0.0135

YEARS 4 Regulatory Rebasing Cost Rate Riders ($) per kW.h	YEARS 4 Regulatory Rebasing Cost Rate Riders ($) per kW	YEARS 1 Regulatory Rebasing Cost Rate Riders ($) per kW.h	YEARS 1 Regulatory Rebasing Cost Rate Riders ($) per kW
0.0013		0.0051	
0.0007		0.0028	
	0.0757		0.3029
	0.0175		0.0701
	0.8743		3.4972
	1.1154		4.4615

YEARS 4 Regulatory Assets Rate Riders ($) per kW.h	YEARS 4 Regulatory Assets Rate Riders ($) per kW	YEARS 1 Regulatory Assets Rate Riders ($) per kW.h	YEARS 1 Regulatory Assets Rate Riders ($) per kW
(0.0022)		(0.0089)	
(0.0023)		(0.0093)	
	(0.7925)		(3.1698)
	(0.7464)		(2.9856)
	(0.6973)		(2.7893)
	(0.6010)		(2.4038)

2009 OTHER VOLUMETRIC CHARGES $/kW

	Retail Transmission Rate (network & connection	Wholesale Market Service Rate	Debt Retirement Charge	Total	Total with Adjusted RTR
Customer Class	per KW	per KW	per KW	per KW	per KW
Residential					
GS < 50 kW					
GS > 50 kW	3.4349			3.4349	3.4349
Intermediate	3.9505			3.9505	3.9505
Sentinel Lights	2.6593			2.6593	2.6593
Street Lighting	2.6242			2.6242	2.6242

2010 OTHER VOLUMETRIC CHARGES $/kW

	Retail Transmission Rate (network & connection	Wholesale Market Service Rate	Debt Retirement Charge	Total	Total with Adjusted RTR
Customer Class	per KW	per KW	per KW	per KW	per KW
Residential					
GS < 50 kW					
GS > 50 kW	3.0487			3.0487	3.0487
Intermediate	3.4989			3.4989	3.4989
Sentinel Lights	2.3565			2.3565	2.3565
Street Lighting	2.3269				

2009

Loss Adjustment Factors	
	2009
Customer Class	
Residential	1.0509
GS < 50 kW	1.0509
GS > 50 kW	1.0509
Intermediate	1.0509
Sentinel Lights	1.0509
Street Lighting	1.0509

2010

Loss Adjustment Factors	
	2010
Customer Class	
Residential	1.0419
GS < 50 kW	1.0419
GS > 50 kW	1.0419
Intermediate	1.0419
Sentinel Lights	1.0419
Street Lighting	1.0419

Current
Residential Regulated Price Plan

SEASON	BLOCK	BLOCK SIZE	UNIT PRICE
		kW.h	$ per kW.h
Summer	First Block	600	0.0570
Summer	Balance Block		0.0660
Winter	First Block	1000	0.0580
Winter	Balance Block		0.0670

Current
Residential Regulated Price Plan

SEASON	BLOCK	BLOCK SIZE	UNIT PRICE
		kW.h	$ per kW.h
Summer	First Block	600	0.0570
Summer	Balance Block		0.0660
Winter	First Block	1000	0.0580
Winter	Balance Block		0.0670

Current
NON Residential

SEASON	BLOCK	BLOCK SIZE	UNIT PRICE
		kW.h	$ per kW.h
Summer	First Block	600	0.0570
Summer	Balance Block		0.0660
Winter	First Block	1000	0.0580
Winter	Balance Block		0.0670

Current
NON Residential

SEASON	BLOCK	BLOCK SIZE	UNIT PRICE
		kW.h	$ per kW.h
Summer	First Block	600	0.0570
Summer	Balance Block		0.0660
Winter	First Block	1000	0.0580
Winter	Balance Block		0.0670

2009 EXISTING RATES

DELIVERY CHARGES for residential at 800 kW.h

		RATE	Volume		$
sevice charge	$	8.4200	1	$	8.4200
Smart meter rider	$	1.0000	1	$	1.0000
kW.h distribution	$	0.0102	800	$	8.1600
kW.h transmission	$	0.0094	800	$	7.5200
kW.h Regulatory Assets	$	-	800	$	-
			TOTAL	**$**	**25.1000**

DELIVERY CHARGES for GS< 50kW at 2000 kW.h

		RATE	Volume		$
sevice charge	$	5.9700	1	$	5.9700
Smart meter rider	$	1.0000	1	$	1.0000
kW.h distribution	$	0.0097	2000	$	19.4000
kW.h transmission	$	0.0085	2000	$	17.0000
kW.h Regulatory Assets	$	-	2000	$	-
			TOTAL	**$**	**43.3700**

2010 PROPOSED

DELIVERY CHARGES for residential at 800 kW.h

		RATE	Volume		$	CHANGE $	% CHANGE
sevice charge	$	9.0000	1	$	9.0000		
Smart meter rider	$	-	1	$	-		
kW.h distribution	$	0.0162	800	$	12.9600		
kW.h transmission	$	0.0083	800	$	6.6400		
kW.h Regulatory Assets	-$	0.0009	800	-$	0.7200		
			TOTAL	**$**	**27.8800**	**$ 2.7800**	**11.08%**

DELIVERY CHARGES for GS< 50kW at 2000 kW.h

		RATE	Volume		$	CHANGE $	% CHANGE
sevice charge	$	12.0000	1	$	12.0000		
Smart meter rider	$	-	1	$	-		
kW.h distribution	$	0.0098	2000	$	19.6000		
kW.h transmission	$	0.0075	2000	$	15.0000		
kW.h Regulatory Assets	-$	0.0016	2000	-$	3.2000		
			TOTAL	**$**	**43.4000**	**$ 0.0300**	**0.07%**

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

Residential

Commodity USE

Distribution kW.h =	100
Distribution kW =	n/a
Other Charge kW.h =	100

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	2.93%
Distribution		0	100	0.0102	1.02		0	100	0.0162	1.62	0.6000	58.82%	3.03%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-5.06%
LRAM & SSM Rider		0	100		-		0	100		-	0.0000	n/a	0.00%
Regulatory Assets		0	100	0.0000	-		0	100	(0.0009)	- 0.09	(0.0900)	n/a	-0.46%
Sub-Total					**10.44**					**10.53**	**0.0900**	**0.86%**	0.46%
Other Charges (kWh)			100	0.0229	2.29			100	0.0218	2.18	(0.1100)	-4.80%	-0.56%
Cost of Power Commodity first block	1000		105	0.0580	6.10	1000		104	0.0580	6.04	(0.0522)	-0.86%	-0.26%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**18.83**					**18.75**	**(0.0722)**	**-0.38%**	-0.37%
GST				5.00%	0.94				5.00%	0.94	**0.0000**	**0.00%**	0.00%
Total Bill					**19.77**					**19.69**	**(0.1244)**	**-0.63%**	-0.63%

Residential

Commodity USE

Distribution kW.h =	200
Distribution kW =	n/a
Other Charge kW.h =	200

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.96%
Distribution		0	200	0.0102	2.04		0	200	0.0162	3.24	1.2000	58.82%	4.05%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-3.37%
LRAM & SSM Rider		0	200	0.0000	-		0	200	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	200	0.0000	-		0	200	(0.0009)	- 0.18	(0.1800)	n/a	-0.61%
Sub-Total					**11.46**					**12.06**	**0.6000**	**5.24%**	2.02%
Other Charges (kWh)			200	0.0229	4.58			200	0.0218	4.36	(0.2200)	-4.80%	-0.74%
Cost of Power Commodity first block	1000		210	0.0580	12.19	1000		208	0.0580	12.09	(0.1044)	-0.86%	-0.35%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**28.23**					**28.51**	**0.2756**	**0.98%**	0.93%
GST				5.00%	1.41				5.00%	1.43	**0.0200**	**1.42%**	0.07%
Total Bill					**29.64**					**29.94**	**0.1912**	**0.65%**	0.65%

Residential

Commodity USE

Distribution kW.h = 300
Distribution kW = n/a
Other Charge kW.h = 300

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.47%
Distribution		0	300	0.0102	3.06		0	300	0.0162	4.86	1.8000	58.82%	4.55%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.53%
LRAM & SSM Rider		0	300	0.0000	-		0	300	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	300	0.0000	-		0	300	(0.0009)	- 0.27	(0.2700)	n/a	-0.68%
Sub-Total					**12.48**					**13.59**	**1.1100**	**8.89%**	2.81%
Other Charges (kWh)			300	0.0229	6.87			300	0.0218	6.54	(0.3300)	-4.80%	-0.84%
Cost of Power Commodity first block	1000		315	0.0580	18.29	1000		313	0.0580	18.13	(0.1566)	-0.86%	-0.40%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**37.64**					**38.26**	**0.6234**	**1.66%**	1.58%
GST				5.00%	1.88				5.00%	1.91	**0.0300**	**1.60%**	0.08%
Total Bill					**39.52**					**40.17**	**0.4968**	**1.26%**	1.26%

Residential

Commodity USE

Distribution kW.h = 400
Distribution kW = n/a
Other Charge kW.h = 400

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.17%
Distribution		0	400	0.0102	4.08		0	400	0.0162	6.48	2.4000	58.82%	4.86%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.02%
LRAM & SSM Rider		0	400	0.0000	-		0	400	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	400	0.0000	-		0	400	(0.0009)	- 0.36	(0.3600)	n/a	-0.73%
Sub-Total					**13.50**					**15.12**	**1.6200**	**12.00%**	3.28%
Other Charges (kWh)			400	0.0229	9.16			400	0.0218	8.72	(0.4400)	-4.80%	-0.89%
Cost of Power Commodity first block	1000		420	0.0580	24.38	1000		417	0.0580	24.17	(0.2088)	-0.86%	-0.42%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**47.04**					**48.01**	**0.9712**	**2.06%**	1.97%
GST				5.00%	2.35				5.00%	2.40	**0.0500**	**2.13%**	0.10%
Total Bill					**49.39**					**50.41**	**0.8124**	**1.64%**	1.64%

Residential

Commodity USE

Distribution kW.h = 500
Distribution kW = n/a
Other Charge kW.h = 500

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.98%
Distribution		0	500	0.0102	5.10		0	500	0.0162	8.10	3.0000	58.82%	5.06%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.69%
LRAM & SSM Rider		0	500	0.0000	-		0	500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	500	0.0000	-		0	500	(0.0009)	- 0.45	(0.4500)	n/a	-0.76%
Sub-Total					**14.52**					**16.65**	**2.1300**	**14.67%**	3.59%
Other Charges (kWh)			500	0.0229	11.45			500	0.0218	10.90	(0.5500)	-4.80%	-0.93%
Cost of Power Commodity first block	1000		525	0.0580	30.48	1000		521	0.0580	30.22	(0.2610)	-0.86%	-0.44%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**56.45**					**57.77**	**1.3190**	**2.34%**	2.23%
GST				5.00%	2.82				5.00%	2.89	**0.0700**	**2.48%**	0.12%
Total Bill					**59.27**					**60.66**	**1.1280**	**1.90%**	1.90%

Residential

Commodity USE

Distribution kW.h = 600
Distribution kW = n/a
Other Charge kW.h = 600

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.84%
Distribution		0	600	0.0102	6.12		0	600	0.0162	9.72	3.6000	58.82%	5.21%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.45%
LRAM & SSM Rider		0	600	0.0000	-		0	600	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	600	0.0000	-		0	600	(0.0009)	- 0.54	(0.5400)	n/a	-0.78%
Sub-Total					**15.54**					**18.18**	**2.6400**	**16.99%**	3.82%
Other Charges (kWh)			600	0.0229	13.74			600	0.0218	13.08	(0.6600)	-4.80%	-0.95%
Cost of Power Commodity first block	1000		631	0.0580	36.57	1000		625	0.0580	36.26	(0.3132)	-0.86%	-0.45%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**65.85**					**67.52**	**1.6668**	**2.53%**	2.41%
GST				5.00%	3.29				5.00%	3.38	**0.0900**	**2.74%**	0.13%
Total Bill					**69.14**					**70.90**	**1.4436**	**2.09%**	2.09%

Residential

Commodity USE

Distribution kW.h = **700**
Distribution kW = **n/a**
Other Charge kW.h = **700**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.73%
Distribution		0	700	0.0102	7.14		0	700	0.0162	11.34	4.2000	58.82%	5.32%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.27%
LRAM & SSM Rider		0	700	0.0000	-		0	700	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	700	0.0000	-		0	700	(0.0009)	- 0.63	(0.6300)	n/a	-0.80%
Sub-Total					**16.56**					**19.71**	**3.1500**	**19.02%**	3.99%
Other Charges (kWh)			700	0.0229	16.03			700	0.0218	15.26	(0.7700)	-4.80%	-0.97%
Cost of Power Commodity first block	1000		736	0.0580	42.67	1000		729	0.0580	42.30	(0.3654)	-0.86%	-0.46%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**75.26**					**77.27**	**2.0146**	**2.68%**	2.55%
GST				5.00%	3.76				5.00%	3.86	**0.1000**	**2.66%**	0.13%
Total Bill					**79.02**					**81.13**	**1.7492**	**2.21%**	2.21%

Residential

Commodity USE

Distribution kW.h = **800**
Distribution kW = **n/a**
Other Charge kW.h = **800**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.65%
Distribution		0	800	0.0102	8.16		0	800	0.0162	12.96	4.8000	58.82%	5.40%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.12%
LRAM & SSM Rider		0	800	0.0000	-		0	800	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	800	0.0000	-		0	800	(0.0009)	- 0.72	(0.7200)	n/a	-0.81%
Sub-Total					**17.58**					**21.24**	**3.6600**	**20.82%**	4.12%
Other Charges (kWh)			800	0.0229	18.32			800	0.0218	17.44	(0.8800)	-4.80%	-0.99%
Cost of Power Commodity first block	1000		841	0.0580	48.76	1000		834	0.0580	48.34	(0.4176)	-0.86%	-0.47%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**84.66**					**87.02**	**2.3624**	**2.79%**	2.66%
GST				5.00%	4.23				5.00%	4.35	**0.1200**	**2.84%**	0.13%
Total Bill					**88.89**					**91.37**	**2.0648**	**2.32%**	2.32%

Residential

Commodity USE

Distribution kW.h = **900**
Distribution kW = **n/a**
Other Charge kW.h = **900**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.59%
Distribution		0	900	0.0102	9.18		0	900	0.0162	14.58	5.4000	58.82%	5.47%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.01%
LRAM & SSM Rider		0	900	0.0000	-		0	900	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	900	0.0000	-		0	900	(0.0009)	- 0.81	(0.8100)	n/a	-0.82%
Sub-Total					**18.60**					**22.77**	**4.1700**	**22.42%**	4.22%
Other Charges (kWh)			900	0.0229	20.61			900	0.0218	19.62	(0.9900)	-4.80%	-1.00%
Cost of Power Commodity first block	1000		946	0.0580	54.86	1000		938	0.0580	54.39	(0.4698)	-0.86%	-0.48%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0670	0.00	Balance		0	0.0670	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**94.07**					**96.78**	**2.7102**	**2.88%**	2.74%
GST				5.00%	4.70				5.00%	4.84	**0.1400**	**2.98%**	0.14%
Total Bill					**98.77**					**101.62**	**2.3804**	**2.41%**	2.41%

Residential

Commodity USE

Distribution kW.h = **1000**
Distribution kW = **n/a**
Other Charge kW.h = **1000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.53%
Distribution		0	1,000	0.0102	10.20		0	1,000	0.0162	16.20	6.0000	58.82%	5.50%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.92%
LRAM & SSM Rider		0	1,000	0.0000	-		0	1,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,000	0.0000	-		0	1,000	(0.0009)	- 0.90	(0.9000)	n/a	-0.82%
Sub-Total					**19.62**					**24.30**	**4.6800**	**23.85%**	4.29%
Other Charges (kWh)			1,000	0.0229	22.90			1,000	0.0218	21.80	(1.1000)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		51	0.0670	3.41	Balance		42	0.0670	2.81	(0.6030)	-17.68%	-0.55%
Total Bill Before Taxes					**103.93**					**106.91**	**2.9770**	**2.86%**	2.73%
GST				5.00%	5.20				5.00%	5.35	**0.1500**	**2.88%**	0.14%
Total Bill					**109.13**					**112.26**	**2.5240**	**2.31%**	2.31%

Residential

Commodity USE

Distribution kW.h = **1250**
Distribution kW = **n/a**
Other Charge kW.h = **1250**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.43%
Distribution		0	1,250	0.0102	12.75		0	1,250	0.0162	20.25	7.5000	58.82%	5.50%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.73%
LRAM & SSM Rider		0	1,250	0.0000	-		0	1,250	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,250	0.0000	-		0	1,250	(0.0009)	- 1.13	(1.1250)	n/a	-0.83%
Sub-Total					**22.17**					**28.13**	**5.9550**	**26.86%**	4.37%
Other Charges (kWh)			1,250	0.0229	28.63			1,250	0.0218	27.25	(1.3750)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		314	0.0670	21.01	Balance		302	0.0670	20.26	(0.7538)	-3.59%	-0.55%
Total Bill Before Taxes					**129.81**					**133.63**	**3.8263**	**2.95%**	2.81%
GST				5.00%	6.49				5.00%	6.68	**0.1900**	**2.93%**	0.14%
Total Bill					**136.30**					**140.31**	**3.2625**	**2.39%**	2.39%

Residential

Commodity USE

Distribution kW.h = **1500**
Distribution kW = **n/a**
Other Charge kW.h = **1500**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.35%
Distribution		0	1,500	0.0102	15.30		0	1,500	0.0162	24.30	9.0000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.61%
LRAM & SSM Rider		0	1,500	0.0000	-		0	1,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,500	0.0000	-		0	1,500	(0.0009)	- 1.35	(1.3500)	n/a	-0.83%
Sub-Total					**24.72**					**31.95**	**7.2300**	**29.25%**	4.42%
Other Charges (kWh)			1,500	0.0229	34.35			1,500	0.0218	32.70	(1.6500)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		576	0.0670	38.62	Balance		563	0.0670	37.71	(0.9045)	-2.34%	-0.55%
Total Bill Before Taxes					**155.69**					**160.36**	**4.6755**	**3.00%**	2.86%
GST				5.00%	7.78				5.00%	8.02	**0.2400**	**3.08%**	0.15%
Total Bill					**163.47**					**168.38**	**4.0110**	**2.45%**	2.45%

Residential

Commodity USE

Distribution kW.h = **1750**
Distribution kW = **n/a**
Other Charge kW.h = **1750**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.30%
Distribution		0	1,750	0.0102	17.85		0	1,750	0.0162	28.35	10.5000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.52%
LRAM & SSM Rider		0	1,750	0.0000	-		0	1,750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,750	0.0000	-		0	1,750	(0.0009)	- 1.58	(1.5750)	n/a	-0.83%
Sub-Total					**27.27**					**35.78**	**8.5050**	**31.19%**	4.46%
Other Charges (kWh)			1,750	0.0229	40.08			1,750	0.0218	38.15	(1.9250)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		839	0.0670	56.22	Balance		823	0.0670	55.16	(1.0552)	-1.88%	-0.55%
Total Bill Before Taxes					**181.56**					**187.09**	**5.5248**	**3.04%**	2.90%
GST				5.00%	9.08				5.00%	9.35	**0.2700**	**2.97%**	0.14%
Total Bill					**190.64**					**196.44**	**4.7395**	**2.49%**	2.49%

Residential

Commodity USE

Distribution kW.h = **2000**
Distribution kW = **n/a**
Other Charge kW.h = **2000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.27%
Distribution		0	2,000	0.0102	20.40		0	2,000	0.0162	32.40	12.0000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.46%
LRAM & SSM Rider		0	2,000	0.0000	-		0	2,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,000	0.0000	-		0	2,000	(0.0009)	- 1.80	(1.8000)	n/a	-0.83%
Sub-Total					**29.82**					**39.60**	**9.7800**	**32.80%**	4.49%
Other Charges (kWh)			2,000	0.0229	45.80			2,000	0.0218	43.60	(2.2000)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,102	0.0670	73.82	Balance		1,084	0.0670	72.61	(1.2060)	-1.63%	-0.55%
Total Bill Before Taxes					**207.44**					**213.81**	**6.3740**	**3.07%**	2.93%
GST				5.00%	10.37				5.00%	10.69	**0.3200**	**3.09%**	0.15%
Total Bill					**217.81**					**224.50**	**5.4880**	**2.52%**	2.52%

Residential

Commodity USE

Distribution kW.h = **2250**
Distribution kW = **n/a**
Other Charge kW.h = **2250**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.24%
Distribution		0	2,250	0.0102	22.95		0	2,250	0.0162	36.45	13.5000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.41%
LRAM & SSM Rider		0	2,250	0.0000	-		0	2,250	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,250	0.0000	-		0	2,250	(0.0009)	- 2.03	(2.0250)	n/a	-0.83%
Sub-Total					**32.37**					**43.43**	**11.0550**	**34.15%**	4.51%
Other Charges (kWh)			2,250	0.0229	51.53			2,250	0.0218	49.05	(2.4750)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,365	0.0670	91.42	Balance		1,344	0.0670	90.07	(1.3568)	-1.48%	-0.55%
Total Bill Before Taxes					**233.32**					**240.54**	**7.2232**	**3.10%**	2.95%
GST				5.00%	11.67				5.00%	12.03	**0.3600**	**3.08%**	0.15%
Total Bill					**244.99**					**252.57**	**6.2265**	**2.54%**	2.54%

Residential

Commodity USE

Distribution kW.h = **2500**
Distribution kW = **n/a**
Other Charge kW.h = **2500**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.21%
Distribution		0	2,500	0.0102	25.50		0	2,500	0.0162	40.50	15.0000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.37%
LRAM & SSM Rider		0	2,500	0.0000	-		0	2,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,500	0.0000	-		0	2,500	(0.0009)	- 2.25	(2.2500)	n/a	-0.83%
Sub-Total					**34.92**					**47.25**	**12.3300**	**35.31%**	4.53%
Other Charges (kWh)			2,500	0.0229	57.25			2,500	0.0218	54.50	(2.7500)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,627	0.0670	109.03	Balance		1,605	0.0670	107.52	(1.5075)	-1.38%	-0.55%
Total Bill Before Taxes					**259.20**					**267.27**	**8.0725**	**3.11%**	2.97%
GST				5.00%	12.96				5.00%	13.36	**0.4000**	**3.09%**	0.15%
Total Bill					**272.16**					**280.63**	**6.9650**	**2.56%**	2.56%

Residential

Commodity USE

Distribution kW.h = **2750**
Distribution kW = **n/a**
Other Charge kW.h = **2750**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.19%
Distribution		0	2,750	0.0102	28.05		0	2,750	0.0162	44.55	16.5000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.33%
LRAM & SSM Rider		0	2,750	0.0000	-		0	2,750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,750	0.0000	-		0	2,750	(0.0009)	- 2.48	(2.4750)	n/a	-0.83%
Sub-Total					**37.47**					**51.08**	**13.6050**	**36.31%**	4.55%
Other Charges (kWh)			2,750	0.0229	62.98			2,750	0.0218	59.95	(3.0250)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,890	0.0670	126.63	Balance		1,865	0.0670	124.97	(1.6583)	-1.31%	-0.55%
Total Bill Before Taxes					**285.07**					**294.00**	**8.9218**	**3.13%**	2.98%
GST				5.00%	14.25				5.00%	14.70	**0.4500**	**3.16%**	0.15%
Total Bill					**299.32**					**308.70**	**7.7135**	**2.58%**	2.58%

Residential

Commodity USE

Distribution kW.h = **3000**
Distribution kW = **n/a**
Other Charge kW.h = **3000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.18%
Distribution		0	3,000	0.0102	30.60		0	3,000	0.0162	48.60	18.0000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.31%
LRAM & SSM Rider		0	3,000	0.0000	-		0	3,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,000	0.0000	-		0	3,000	(0.0009)	- 2.70	(2.7000)	n/a	-0.83%
Sub-Total					**40.02**					**54.90**	**14.8800**	**37.18%**	4.56%
Other Charges (kWh)			3,000	0.0229	68.70			3,000	0.0218	65.40	(3.3000)	-4.80%	-1.01%
Cost of Power Commodity first block	1000		1,000	0.0580	58.00	1000		1,000	0.0580	58.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,153	0.0670	144.23	Balance		2,126	0.0670	142.42	(1.8090)	-1.25%	-0.55%
Total Bill Before Taxes					**310.95**					**320.72**	**9.7710**	**3.14%**	2.99%
GST				5.00%	15.55				5.00%	16.04	**0.4900**	**3.15%**	0.15%
Total Bill					**326.50**					**336.76**	**8.4520**	**2.59%**	2.59%

Residential

Commodity USE

Distribution kW.h = **100**
Distribution kW = **n/a**
Other Charge kW.h = **100**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	2.95%
Distribution		0	100	0.0102	1.02		0	100	0.0162	1.62	0.6000	58.82%	3.05%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-5.09%
LRAM & SSM Rider		0	100		-		0	100		-	0.0000	n/a	0.00%
Regulatory Assets		0	100	0.0000	-		0	100	(0.0009)	- 0.09	(0.0900)	n/a	-0.46%
Sub-Total					**10.44**					**10.53**	**0.0900**	**0.86%**	0.46%
Other Charges (kWh)			100	0.0229	2.29			100	0.0218	2.18	(0.1100)	-4.80%	-0.56%
Cost of Power Commodity first block	600		105	0.0570	5.99	600		104	0.0570	5.94	(0.0513)	-0.86%	-0.26%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**18.72**					**18.65**	**(0.0713)**	**-0.38%**	-0.36%
GST				5.00%	0.94				5.00%	0.93	**(0.0100)**	**-1.06%**	-0.05%
Total Bill					**19.66**					**19.58**	**(0.1326)**	**-0.67%**	-0.67%

Residential

Commodity USE

Distribution kW.h = **200**
Distribution kW = **n/a**
Other Charge kW.h = **200**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.97%
Distribution		0	200	0.0102	2.04		0	200	0.0162	3.24	1.2000	58.82%	4.08%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-3.40%
LRAM & SSM Rider		0	200	0.0000	-		0	200	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	200	0.0000	-		0	200	(0.0009)	- 0.18	(0.1800)	n/a	-0.61%
Sub-Total					**11.46**					**12.06**	**0.6000**	**5.24%**	2.04%
Other Charges (kWh)			200	0.0229	4.58			200	0.0218	4.36	(0.2200)	-4.80%	-0.75%
Cost of Power Commodity first block	600		210	0.0570	11.98	600		208	0.0570	11.88	(0.1026)	-0.86%	-0.35%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**28.02**					**28.30**	**0.2774**	**0.99%**	0.94%
GST				5.00%	1.40				5.00%	1.42	**0.0200**	**1.43%**	0.07%
Total Bill					**29.42**					**29.72**	**0.1948**	**0.66%**	0.66%

Residential

Commodity USE

Distribution kW.h = 300
Distribution kW = n/a
Other Charge kW.h = 300

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.48%
Distribution		0	300	0.0102	3.06		0	300	0.0162	4.86	1.8000	58.82%	4.59%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.55%
LRAM & SSM Rider		0	300	0.0000	-		0	300	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	300	0.0000	-		0	300	(0.0009)	- 0.27	(0.2700)	n/a	-0.69%
Sub-Total					**12.48**					**13.59**	**1.1100**	**8.89%**	2.83%
Other Charges (kWh)			300	0.0229	6.87			300	0.0218	6.54	(0.3300)	-4.80%	-0.84%
Cost of Power Commodity first block	600		315	0.0570	17.97	600		313	0.0570	17.82	(0.1539)	-0.86%	-0.39%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**37.32**					**37.95**	**0.6261**	**1.68%**	1.60%
GST				5.00%	1.87				5.00%	1.90	**0.0300**	**1.60%**	0.08%
Total Bill					**39.19**					**39.85**	**0.5022**	**1.28%**	1.28%

Residential

Commodity USE

Distribution kW.h = 400
Distribution kW = n/a
Other Charge kW.h = 400

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	1.18%
Distribution		0	400	0.0102	4.08		0	400	0.0162	6.48	2.4000	58.82%	4.90%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.04%
LRAM & SSM Rider		0	400	0.0000	-		0	400	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	400	0.0000	-		0	400	(0.0009)	- 0.36	(0.3600)	n/a	-0.74%
Sub-Total					**13.50**					**15.12**	**1.6200**	**12.00%**	3.31%
Other Charges (kWh)			400	0.0229	9.16			400	0.0218	8.72	(0.4400)	-4.80%	-0.90%
Cost of Power Commodity first block	600		420	0.0570	23.96	600		417	0.0570	23.76	(0.2052)	-0.86%	-0.42%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**46.62**					**47.60**	**0.9748**	**2.09%**	1.99%
GST				5.00%	2.33				5.00%	2.38	**0.0500**	**2.15%**	0.10%
Total Bill					**48.95**					**49.98**	**0.8196**	**1.67%**	1.67%

Residential

Commodity USE

Distribution kW.h = 500
Distribution kW = n/a
Other Charge kW.h = 500

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.99%
Distribution		0	500	0.0102	5.10		0	500	0.0162	8.10	3.0000	58.82%	5.11%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.70%
LRAM & SSM Rider		0	500	0.0000	-		0	500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	500	0.0000	-		0	500	(0.0009)	- 0.45	(0.4500)	n/a	-0.77%
Sub-Total					**14.52**					**16.65**	**2.1300**	**14.67%**	3.63%
Other Charges (kWh)			500	0.0229	11.45			500	0.0218	10.90	(0.5500)	-4.80%	-0.94%
Cost of Power Commodity first block	600		525	0.0570	29.95	600		521	0.0570	29.69	(0.2565)	-0.86%	-0.44%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**55.92**					**57.24**	**1.3235**	**2.37%**	2.25%
GST				5.00%	2.80				5.00%	2.86	**0.0600**	**2.14%**	0.10%
Total Bill					**58.72**					**60.10**	**1.1270**	**1.92%**	1.92%

Residential

Commodity USE

Distribution kW.h = 600
Distribution kW = n/a
Other Charge kW.h = 600

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.84%
Distribution		0	600	0.0102	6.12		0	600	0.0162	9.72	3.6000	58.82%	5.23%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.45%
LRAM & SSM Rider		0	600	0.0000	-		0	600	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	600	0.0000	-		0	600	(0.0009)	- 0.54	(0.5400)	n/a	-0.79%
Sub-Total					**15.54**					**18.18**	**2.6400**	**16.99%**	3.84%
Other Charges (kWh)			600	0.0229	13.74			600	0.0218	13.08	(0.6600)	-4.80%	-0.96%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		31	0.0660	2.02	Balance		25	0.0660	1.66	(0.3564)	-17.68%	-0.52%
Total Bill Before Taxes					**65.50**					**67.12**	**1.6236**	**2.48%**	2.36%
GST				5.00%	3.28				5.00%	3.36	**0.0800**	**2.44%**	0.12%
Total Bill					**68.78**					**70.48**	**1.3472**	**1.96%**	1.96%

Residential

Commodity USE

Distribution kW.h = 700
Distribution kW = n/a
Other Charge kW.h = 700

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.73%
Distribution		0	700	0.0102	7.14		0	700	0.0162	11.34	4.2000	58.82%	5.28%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.26%
LRAM & SSM Rider		0	700	0.0000	-		0	700	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	700	0.0000	-		0	700	(0.0009)	- 0.63	(0.6300)	n/a	-0.79%
Sub-Total					**16.56**					**19.71**	**3.1500**	**19.02%**	3.96%
Other Charges (kWh)			700	0.0229	16.03			700	0.0218	15.26	(0.7700)	-4.80%	-0.97%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		136	0.0660	8.95	Balance		129	0.0660	8.54	(0.4158)	-4.64%	-0.52%
Total Bill Before Taxes					**75.74**					**77.71**	**1.9642**	**2.59%**	2.47%
GST				5.00%	3.79				5.00%	3.89	**0.1000**	**2.64%**	0.13%
Total Bill					**79.53**					**81.60**	**1.6484**	**2.07%**	2.07%

Residential

Commodity USE

Distribution kW.h = 800
Distribution kW = n/a
Other Charge kW.h = 800

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.64%
Distribution		0	800	0.0102	8.16		0	800	0.0162	12.96	4.8000	58.82%	5.32%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.11%
LRAM & SSM Rider		0	800	0.0000	-		0	800	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	800	0.0000	-		0	800	(0.0009)	- 0.72	(0.7200)	n/a	-0.80%
Sub-Total					**17.58**					**21.24**	**3.6600**	**20.82%**	4.05%
Other Charges (kWh)			800	0.0229	18.32			800	0.0218	17.44	(0.8800)	-4.80%	-0.97%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		241	0.0660	15.89	Balance		234	0.0660	15.41	(0.4752)	-2.99%	-0.53%
Total Bill Before Taxes					**85.99**					**88.29**	**2.3048**	**2.68%**	2.55%
GST				5.00%	4.30				5.00%	4.41	**0.1100**	**2.56%**	0.12%
Total Bill					**90.29**					**92.70**	**1.9396**	**2.15%**	2.15%

Residential

Commodity USE

Distribution kW.h = **900**
Distribution kW = **n/a**
Other Charge kW.h = **900**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.57%
Distribution		0	900	0.0102	9.18		0	900	0.0162	14.58	5.4000	58.82%	5.34%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.99%
LRAM & SSM Rider		0	900	0.0000	-		0	900	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	900	0.0000	-		0	900	(0.0009)	- 0.81	(0.8100)	n/a	-0.80%
Sub-Total					**18.60**					**22.77**	**4.1700**	**22.42%**	4.13%
Other Charges (kWh)			900	0.0229	20.61			900	0.0218	19.62	(0.9900)	-4.80%	-0.98%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		346	0.0660	22.82	Balance		338	0.0660	22.29	(0.5346)	-2.34%	-0.53%
Total Bill Before Taxes					**96.23**					**98.88**	**2.6454**	**2.75%**	2.62%
GST				5.00%	4.81				5.00%	4.94	**0.1300**	**2.70%**	0.13%
Total Bill					**101.04**					**103.82**	**2.2408**	**2.22%**	2.22%

Residential

Commodity USE

Distribution kW.h = **1000**
Distribution kW = **n/a**
Other Charge kW.h = **1000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.52%
Distribution		0	1,000	0.0102	10.20		0	1,000	0.0162	16.20	6.0000	58.82%	5.37%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.89%
LRAM & SSM Rider		0	1,000	0.0000	-		0	1,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,000	0.0000	-		0	1,000	(0.0009)	- 0.90	(0.9000)	n/a	-0.81%
Sub-Total					**19.62**					**24.30**	**4.6800**	**23.85%**	4.19%
Other Charges (kWh)			1,000	0.0229	22.90			1,000	0.0218	21.80	(1.1000)	-4.80%	-0.98%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		451	0.0660	29.76	Balance		442	0.0660	29.17	(0.5940)	-2.00%	-0.53%
Total Bill Before Taxes					**106.48**					**109.47**	**2.9860**	**2.80%**	2.67%
GST				5.00%	5.32				5.00%	5.47	**0.1500**	**2.82%**	0.13%
Total Bill					**111.80**					**114.94**	**2.5420**	**2.27%**	2.27%

Residential

Commodity USE

Distribution kW.h = 1250
Distribution kW = n/a
Other Charge kW.h = 1250

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.42%
Distribution		0	1,250	0.0102	12.75		0	1,250	0.0162	20.25	7.5000	58.82%	5.41%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.72%
LRAM & SSM Rider		0	1,250	0.0000	-		0	1,250	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,250	0.0000	-		0	1,250	(0.0009)	- 1.13	(1.1250)	n/a	-0.81%
Sub-Total					**22.17**					**28.13**	**5.9550**	**26.86%**	4.29%
Other Charges (kWh)			1,250	0.0229	28.63			1,250	0.0218	27.25	(1.3750)	-4.80%	-0.99%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		714	0.0660	47.10	Balance		702	0.0660	46.36	(0.7425)	-1.58%	-0.54%
Total Bill Before Taxes					**132.09**					**135.93**	**3.8375**	**2.91%**	2.77%
GST				5.00%	6.60				5.00%	6.80	**0.2000**	**3.03%**	0.14%
Total Bill					**138.69**					**142.73**	**3.2950**	**2.38%**	2.38%

Residential

Commodity USE

Distribution kW.h = 1500
Distribution kW = n/a
Other Charge kW.h = 1500

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.35%
Distribution		0	1,500	0.0102	15.30		0	1,500	0.0162	24.30	9.0000	58.82%	5.43%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.60%
LRAM & SSM Rider		0	1,500	0.0000	-		0	1,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,500	0.0000	-		0	1,500	(0.0009)	- 1.35	(1.3500)	n/a	-0.82%
Sub-Total					**24.72**					**31.95**	**7.2300**	**29.25%**	4.37%
Other Charges (kWh)			1,500	0.0229	34.35			1,500	0.0218	32.70	(1.6500)	-4.80%	-1.00%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		976	0.0660	64.44	Balance		963	0.0660	63.55	(0.8910)	-1.38%	-0.54%
Total Bill Before Taxes					**157.71**					**162.40**	**4.6890**	**2.97%**	2.83%
GST				5.00%	7.89				5.00%	8.12	**0.2300**	**2.92%**	0.14%
Total Bill					**165.60**					**170.52**	**4.0280**	**2.43%**	2.43%

Residential

Commodity USE

Distribution kW.h = **1750**
Distribution kW = **n/a**
Other Charge kW.h = **1750**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.30%
Distribution		0	1,750	0.0102	17.85		0	1,750	0.0162	28.35	10.5000	58.82%	5.45%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.52%
LRAM & SSM Rider		0	1,750	0.0000	-		0	1,750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,750	0.0000	-		0	1,750	(0.0009)	- 1.58	(1.5750)	n/a	-0.82%
Sub-Total					**27.27**					**35.78**	**8.5050**	**31.19%**	4.42%
Other Charges (kWh)			1,750	0.0229	40.08			1,750	0.0218	38.15	(1.9250)	-4.80%	-1.00%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,239	0.0660	81.78	Balance		1,223	0.0660	80.74	(1.0395)	-1.27%	-0.54%
Total Bill Before Taxes					**183.32**					**188.86**	**5.5405**	**3.02%**	2.88%
GST				5.00%	9.17				5.00%	9.44	**0.2700**	**2.94%**	0.14%
Total Bill					**192.49**					**198.30**	**4.7710**	**2.48%**	2.48%

Residential

Commodity USE

Distribution kW.h = **2000**
Distribution kW = **n/a**
Other Charge kW.h = **2000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.26%
Distribution		0	2,000	0.0102	20.40		0	2,000	0.0162	32.40	12.0000	58.82%	5.47%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.46%
LRAM & SSM Rider		0	2,000	0.0000	-		0	2,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,000	0.0000	-		0	2,000	(0.0009)	- 1.80	(1.8000)	n/a	-0.82%
Sub-Total					**29.82**					**39.60**	**9.7800**	**32.80%**	4.46%
Other Charges (kWh)			2,000	0.0229	45.80			2,000	0.0218	43.60	(2.2000)	-4.80%	-1.00%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,502	0.0660	99.12	Balance		1,484	0.0660	97.93	(1.1880)	-1.20%	-0.54%
Total Bill Before Taxes					**208.94**					**215.33**	**6.3920**	**3.06%**	2.91%
GST				5.00%	10.45				5.00%	10.77	**0.3200**	**3.06%**	0.15%
Total Bill					**219.39**					**226.10**	**5.5240**	**2.52%**	2.52%

Residential

Commodity USE

Distribution kW.h = **2250**
Distribution kW = **n/a**
Other Charge kW.h = **2250**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.24%
Distribution		0	2,250	0.0102	22.95		0	2,250	0.0162	36.45	13.5000	58.82%	5.48%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.41%
LRAM & SSM Rider		0	2,250	0.0000	-		0	2,250	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,250	0.0000	-		0	2,250	(0.0009)	- 2.03	(2.0250)	n/a	-0.82%
Sub-Total					**32.37**					**43.43**	**11.0550**	**34.15%**	4.49%
Other Charges (kWh)			2,250	0.0229	51.53			2,250	0.0218	49.05	(2.4750)	-4.80%	-1.00%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,765	0.0660	116.46	Balance		1,744	0.0660	115.12	(1.3365)	-1.15%	-0.54%
Total Bill Before Taxes					**234.55**					**241.80**	**7.2435**	**3.09%**	2.94%
GST				5.00%	11.73				5.00%	12.09	**0.3600**	**3.07%**	0.15%
Total Bill					**246.28**					**253.89**	**6.2670**	**2.54%**	2.54%

Residential

Commodity USE

Distribution kW.h = **2500**
Distribution kW = **n/a**
Other Charge kW.h = **2500**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.21%
Distribution		0	2,500	0.0102	25.50		0	2,500	0.0162	40.50	15.0000	58.82%	5.49%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.37%
LRAM & SSM Rider		0	2,500	0.0000	-		0	2,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,500	0.0000	-		0	2,500	(0.0009)	- 2.25	(2.2500)	n/a	-0.82%
Sub-Total					**34.92**					**47.25**	**12.3300**	**35.31%**	4.51%
Other Charges (kWh)			2,500	0.0229	57.25			2,500	0.0218	54.50	(2.7500)	-4.80%	-1.01%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,027	0.0660	133.80	Balance		2,005	0.0660	132.31	(1.4850)	-1.11%	-0.54%
Total Bill Before Taxes					**260.17**					**268.26**	**8.0950**	**3.11%**	2.96%
GST				5.00%	13.01				5.00%	13.41	**0.4000**	**3.07%**	0.15%
Total Bill					**273.18**					**281.67**	**7.0100**	**2.57%**	2.57%

Residential

Commodity USE

Distribution kW.h = **2750**
Distribution kW = **n/a**
Other Charge kW.h = **2750**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.19%
Distribution		0	2,750	0.0102	28.05		0	2,750	0.0162	44.55	16.5000	58.82%	5.50%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.33%
LRAM & SSM Rider		0	2,750	0.0000	-		0	2,750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,750	0.0000	-		0	2,750	(0.0009)	- 2.48	(2.4750)	n/a	-0.82%
Sub-Total					**37.47**					**51.08**	**13.6050**	**36.31%**	4.53%
Other Charges (kWh)			2,750	0.0229	62.98			2,750	0.0218	59.95	(3.0250)	-4.80%	-1.01%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,290	0.0660	151.14	Balance		2,265	0.0660	149.50	(1.6335)	-1.08%	-0.54%
Total Bill Before Taxes					**285.78**					**294.73**	**8.9465**	**3.13%**	2.98%
GST				5.00%	14.29				5.00%	14.74	**0.4500**	**3.15%**	0.15%
Total Bill					**300.07**					**309.47**	**7.7630**	**2.59%**	2.59%

Residential

Commodity USE

Distribution kW.h = **3000**
Distribution kW = **n/a**
Other Charge kW.h = **3000**

	2009	2010
Loss Factor	1.0509	1.0419

	Season	Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					8.42					9.00	0.5800	6.89%	0.18%
Distribution		0	3,000	0.0102	30.60		0	3,000	0.0162	48.60	18.0000	58.82%	5.51%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.31%
LRAM & SSM Rider		0	3,000	0.0000	-		0	3,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,000	0.0000	-		0	3,000	(0.0009)	- 2.70	(2.7000)	n/a	-0.83%
Sub-Total					**40.02**					**54.90**	**14.8800**	**37.18%**	4.55%
Other Charges (kWh)			3,000	0.0229	68.70			3,000	0.0218	65.40	(3.3000)	-4.80%	-1.01%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,553	0.0660	168.48	Balance		2,526	0.0660	166.70	(1.7820)	-1.06%	-0.55%
Total Bill Before Taxes					**311.40**					**321.20**	**9.7980**	**3.15%**	3.00%
GST				5.00%	15.57				5.00%	16.06	**0.4900**	**3.15%**	0.15%
Total Bill					**326.97**					**337.26**	**8.5060**	**2.60%**	2.60%

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

General Service < 50kW

Commodity USE

Distribution kW.h =	100
Distribution kW =	n/a
Other Charge kW.h =	100

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	35.60%
Distribution		0	100	0.0097	0.97		0	100	0.0098	0.98	0.0100	1.03%	0.06%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-5.90%
LRAM & SSM Rider		0	100		-		0	100		-	0.0000	n/a	0.00%
Regulatory Assets		0	100	0.0000	-		0	100	(0.0016)	- 0.16	(0.1600)	n/a	-0.94%
Sub-Total					**7.94**					**12.82**	**4.8800**	**61.46%**	28.81%
Other Charges (kWh)			100	0.0220	2.20			100	0.0210	2.10	(0.1000)	-4.55%	-0.59%
Cost of Power Commodity first block	1000		105	0.0570	5.99	1000		104	0.0570	5.94	(0.0513)	-0.86%	-0.30%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**16.13**					**20.86**	**4.7287**	**29.32%**	27.91%
GST				5.00%	0.81				5.00%	1.04	**0.2300**	**28.40%**	1.36%
Total Bill					**16.94**					**21.90**	**4.9074**	**28.97%**	28.97%

General Service < 50kW

Commodity USE

Distribution kW.h =	200
Distribution kW =	n/a
Other Charge kW.h =	200

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	22.71%
Distribution		0	200	0.0097	1.94		0	200	0.0098	1.96	0.0200	1.03%	0.08%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-3.77%
LRAM & SSM Rider		0	200	0.0000	-		0	200	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	200	0.0000	-		0	200	(0.0016)	- 0.32	(0.3200)	n/a	-1.21%
Sub-Total					**8.91**					**13.64**	**4.7300**	**53.09%**	17.82%
Other Charges (kWh)			200	0.0220	4.40			200	0.0210	4.20	(0.2000)	-4.55%	-0.75%
Cost of Power Commodity first block	1000		210	0.0570	11.98	1000		208	0.0570	11.88	(0.1026)	-0.86%	-0.39%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**25.29**					**29.72**	**4.4274**	**17.51%**	16.68%
GST				5.00%	1.26				5.00%	1.49	**0.2300**	**18.25%**	0.87%
Total Bill					**26.55**					**31.21**	**4.5548**	**17.16%**	17.16%

General Service < 50kW

Commodity USE

Distribution kW.h = 300
Distribution kW = n/a
Other Charge kW.h = 300

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	16.67%
Distribution		0	300	0.0097	2.91		0	300	0.0098	2.94	0.0300	1.03%	0.08%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.76%
LRAM & SSM Rider		0	300	0.0000	-		0	300	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	300	0.0000	-		0	300	(0.0016)	- 0.48	(0.4800)	n/a	-1.33%
Sub-Total					**9.88**					**14.46**	**4.5800**	**46.36%**	12.66%
Other Charges (kWh)			300	0.0220	6.60			300	0.0210	6.30	(0.3000)	-4.55%	-0.83%
Cost of Power Commodity first block	1000		315	0.0570	17.97	1000		313	0.0570	17.82	(0.1539)	-0.86%	-0.43%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**34.45**					**38.58**	**4.1261**	**11.98%**	11.41%
GST				5.00%	1.72				5.00%	1.93	**0.2100**	**12.21%**	0.58%
Total Bill					**36.17**					**40.51**	**4.1822**	**11.56%**	11.56%

General Service < 50kW

Commodity USE

Distribution kW.h = 400
Distribution kW = n/a
Other Charge kW.h = 400

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	13.17%
Distribution		0	400	0.0097	3.88		0	400	0.0098	3.92	0.0400	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.18%
LRAM & SSM Rider		0	400	0.0000	-		0	400	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	400	0.0000	-		0	400	(0.0016)	- 0.64	(0.6400)	n/a	-1.40%
Sub-Total					**10.85**					**15.28**	**4.4300**	**40.83%**	9.67%
Other Charges (kWh)			400	0.0220	8.80			400	0.0210	8.40	(0.4000)	-4.55%	-0.87%
Cost of Power Commodity first block	1000		420	0.0570	23.96	1000		417	0.0570	23.76	(0.2052)	-0.86%	-0.45%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**43.61**					**47.44**	**3.8248**	**8.77%**	8.35%
GST				5.00%	2.18				5.00%	2.37	**0.1900**	**8.72%**	0.41%
Total Bill					**45.79**					**49.81**	**3.8096**	**8.32%**	8.32%

General Service < 50kW

Commodity USE

Distribution kW.h = **500**
Distribution kW = **n/a**
Other Charge kW.h = **500**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	10.88%
Distribution		0	500	0.0097	4.85		0	500	0.0098	4.90	0.0500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.80%
LRAM & SSM Rider		0	500	0.0000	-		0	500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	500	0.0000	-		0	500	(0.0016)	- 0.80	(0.8000)	n/a	-1.44%
Sub-Total					**11.82**					**16.10**	**4.2800**	**36.21%**	7.72%
Other Charges (kWh)			500	0.0220	11.00			500	0.0210	10.50	(0.5000)	-4.55%	-0.90%
Cost of Power Commodity first block	1000		525	0.0570	29.95	1000		521	0.0570	29.69	(0.2565)	-0.86%	-0.46%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**52.77**					**56.29**	**3.5235**	**6.68%**	6.36%
GST				5.00%	2.64				5.00%	2.81	**0.1700**	**6.44%**	0.31%
Total Bill					**55.41**					**59.10**	**3.4370**	**6.20%**	6.20%

General Service < 50kW

Commodity USE

Distribution kW.h = **750**
Distribution kW = **n/a**
Other Charge kW.h = **750**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	7.59%
Distribution		0	750	0.0097	7.28		0	750	0.0098	7.35	0.0750	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.26%
LRAM & SSM Rider		0	750	0.0000	-		0	750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	750	0.0000	-		0	750	(0.0016)	- 1.20	(1.2000)	n/a	-1.51%
Sub-Total					**14.25**					**18.15**	**3.9050**	**27.41%**	4.92%
Other Charges (kWh)			750	0.0220	16.50			750	0.0210	15.75	(0.7500)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		788	0.0570	44.93	1000		781	0.0570	44.54	(0.3847)	-0.86%	-0.48%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**75.67**					**78.44**	**2.7703**	**3.66%**	3.49%
GST				5.00%	3.78				5.00%	3.92	**0.1400**	**3.70%**	0.18%
Total Bill					**79.45**					**82.36**	**2.5255**	**3.18%**	3.18%

General Service < 50kW

Commodity USE

Distribution kW.h = 1000
Distribution kW = n/a
Other Charge kW.h = 1000

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	5.80%
Distribution		0	1,000	0.0097	9.70		0	1,000	0.0098	9.80	0.1000	1.03%	0.10%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.96%
LRAM & SSM Rider		0	1,000	0.0000	-		0	1,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,000	0.0000	-		0	1,000	(0.0016)	- 1.60	(1.6000)	n/a	-1.54%
Sub-Total					**16.67**					**20.20**	**3.5300**	**21.18%**	3.39%
Other Charges (kWh)			1,000	0.0220	22.00			1,000	0.0210	21.00	(1.0000)	-4.55%	-0.96%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		51	0.0660	3.36	Balance		42	0.0660	2.77	(0.5940)	-17.68%	-0.57%
Total Bill Before Taxes					**99.03**					**100.97**	**1.9360**	**1.95%**	1.86%
GST				5.00%	4.95				5.00%	5.05	**0.1000**	**2.02%**	0.10%
Total Bill					**103.98**					**106.02**	**1.4420**	**1.39%**	1.39%

General Service < 50kW

Commodity USE

Distribution kW.h = 1500
Distribution kW = n/a
Other Charge kW.h = 1500

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	3.84%
Distribution		0	1,500	0.0097	14.55		0	1,500	0.0098	14.70	0.1500	1.03%	0.10%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.64%
LRAM & SSM Rider		0	1,500	0.0000	-		0	1,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,500	0.0000	-		0	1,500	(0.0016)	- 2.40	(2.4000)	n/a	-1.53%
Sub-Total					**21.52**					**24.30**	**2.7800**	**12.92%**	1.77%
Other Charges (kWh)			1,500	0.0220	33.00			1,500	0.0210	31.50	(1.5000)	-4.55%	-0.96%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		576	0.0660	38.04	Balance		563	0.0660	37.15	(0.8910)	-2.34%	-0.57%
Total Bill Before Taxes					**149.56**					**149.95**	**0.3890**	**0.26%**	0.25%
GST				5.00%	7.48				5.00%	7.50	**0.0200**	**0.27%**	0.01%
Total Bill					**157.04**					**157.45**	**(0.4820)**	**-0.31%**	-0.31%

General Service < 50kW

Commodity USE

Distribution kW.h = 2000
Distribution kW = n/a
Other Charge kW.h = 2000

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	2.87%
Distribution		0	2,000	0.0097	19.40		0	2,000	0.0098	19.60	0.2000	1.03%	0.10%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.48%
LRAM & SSM Rider		0	2,000	0.0000	-		0	2,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,000	0.0000	-		0	2,000	(0.0016)	- 3.20	(3.2000)	n/a	-1.52%
Sub-Total					**26.37**					**28.40**	**2.0300**	**7.70%**	0.97%
Other Charges (kWh)			2,000	0.0220	44.00			2,000	0.0210	42.00	(2.0000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,102	0.0660	72.72	Balance		1,084	0.0660	71.53	(1.1880)	-1.63%	-0.57%
Total Bill Before Taxes					**200.09**					**198.93**	**(1.1580)**	**-0.58%**	-0.55%
GST				5.00%	10.00				5.00%	9.95	**(0.0500)**	**-0.50%**	-0.02%
Total Bill					**210.09**					**208.88**	**(2.3960)**	**-1.14%**	-1.14%

General Service < 50kW

Commodity USE

Distribution kW.h = 2500
Distribution kW = n/a
Other Charge kW.h = 2500

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	2.29%
Distribution		0	2,500	0.0097	24.25		0	2,500	0.0098	24.50	0.2500	1.03%	0.10%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.38%
LRAM & SSM Rider		0	2,500	0.0000	-		0	2,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,500	0.0000	-		0	2,500	(0.0016)	- 4.00	(4.0000)	n/a	-1.52%
Sub-Total					**31.22**					**32.50**	**1.2800**	**4.10%**	0.49%
Other Charges (kWh)			2,500	0.0220	55.00			2,500	0.0210	52.50	(2.5000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,627	0.0660	107.40	Balance		1,605	0.0660	105.91	(1.4850)	-1.38%	-0.56%
Total Bill Before Taxes					**250.62**					**247.91**	**(2.7050)**	**-1.08%**	-1.03%
GST				5.00%	12.53				5.00%	12.40	**(0.1300)**	**-1.04%**	-0.05%
Total Bill					**263.15**					**260.31**	**(4.3200)**	**-1.64%**	-1.64%

General Service < 50kW

Commodity USE

Distribution kW.h = 3000
Distribution kW = n/a
Other Charge kW.h = 3000

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.91%
Distribution		0	3,000	0.0097	29.10		0	3,000	0.0098	29.40	0.3000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.32%
LRAM & SSM Rider		0	3,000	0.0000	-		0	3,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,000	0.0000	-		0	3,000	(0.0016)	- 4.80	(4.8000)	n/a	-1.52%
Sub-Total					**36.07**					**36.60**	**0.5300**	**1.47%**	0.17%
Other Charges (kWh)			3,000	0.0220	66.00			3,000	0.0210	63.00	(3.0000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,153	0.0660	142.08	Balance		2,126	0.0660	140.30	(1.7820)	-1.25%	-0.56%
Total Bill Before Taxes					**301.15**					**296.90**	**(4.2520)**	**-1.41%**	-1.34%
GST				5.00%	15.06				5.00%	14.85	**(0.2100)**	**-1.39%**	-0.07%
Total Bill					**316.21**					**311.75**	**(6.2440)**	**-1.97%**	-1.97%

General Service < 50kW

Commodity USE

Distribution kW.h = 3500
Distribution kW = n/a
Other Charge kW.h = 3500

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.63%
Distribution		0	3,500	0.0097	33.95		0	3,500	0.0098	34.30	0.3500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.27%
LRAM & SSM Rider		0	3,500	0.0000	-		0	3,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,500	0.0000	-		0	3,500	(0.0016)	- 5.60	(5.6000)	n/a	-1.52%
Sub-Total					**40.92**					**40.70**	**(0.2200)**	**-0.54%**	-0.06%
Other Charges (kWh)			3,500	0.0220	77.00			3,500	0.0210	73.50	(3.5000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,678	0.0660	176.76	Balance		2,647	0.0660	174.68	(2.0790)	-1.18%	-0.56%
Total Bill Before Taxes					**351.68**					**345.88**	**(5.7990)**	**-1.65%**	-1.57%
GST				5.00%	17.58				5.00%	17.29	**(0.2900)**	**-1.65%**	-0.08%
Total Bill					**369.26**					**363.17**	**(8.1680)**	**-2.21%**	-2.21%

General Service < 50kW

Commodity USE

Distribution kW.h = **4000**
Distribution kW = **n/a**
Other Charge kW.h = **4000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.43%
Distribution		0	4,000	0.0097	38.80		0	4,000	0.0098	39.20	0.4000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.24%
LRAM & SSM Rider		0	4,000	0.0000	-		0	4,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	4,000	0.0000	-		0	4,000	(0.0016)	- 6.40	(6.4000)	n/a	-1.52%
Sub-Total					**45.77**					**44.80**	**(0.9700)**	**-2.12%**	-0.23%
Other Charges (kWh)			4,000	0.0220	88.00			4,000	0.0210	84.00	(4.0000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		3,204	0.0660	211.44	Balance		3,168	0.0660	209.06	(2.3760)	-1.12%	-0.56%
Total Bill Before Taxes					**402.21**					**394.86**	**(7.3460)**	**-1.83%**	-1.74%
GST				5.00%	20.11				5.00%	19.74	**(0.3700)**	**-1.84%**	-0.09%
Total Bill					**422.32**					**414.60**	**(10.0920)**	**-2.39%**	-2.39%

General Service < 50kW

Commodity USE

Distribution kW.h = **7000**
Distribution kW = **n/a**
Other Charge kW.h = **7000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.81%
Distribution		0	7,000	0.0097	67.90		0	7,000	0.0098	68.60	0.7000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.14%
LRAM & SSM Rider		0	7,000	0.0000	-		0	7,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	7,000	0.0000	-		0	7,000	(0.0016)	- 11.20	(11.2000)	n/a	-1.51%
Sub-Total					**74.87**					**69.40**	**(5.4700)**	**-7.31%**	-0.74%
Other Charges (kWh)			7,000	0.0220	154.00			7,000	0.0210	147.00	(7.0000)	-4.55%	-0.95%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		6,356	0.0660	419.52	Balance		6,293	0.0660	415.36	(4.1580)	-0.99%	-0.56%
Total Bill Before Taxes					**705.39**					**688.76**	**(16.6280)**	**-2.36%**	-2.25%
GST				5.00%	35.27				5.00%	34.44	**(0.8300)**	**-2.35%**	-0.11%
Total Bill					**740.66**					**723.20**	**(21.6160)**	**-2.92%**	-2.92%

General Service < 50kW

Commodity USE

Distribution kW.h = **10000**
Distribution kW = **n/a**
Other Charge kW.h = **10000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.57%
Distribution		0	10,000	0.0097	97.00		0	10,000	0.0098	98.00	1.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.09%
LRAM & SSM Rider		0	10,000	0.0000	-		0	10,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	10,000	0.0000	-		0	10,000	(0.0016)	- 16.00	(16.0000)	n/a	-1.51%
Sub-Total					**103.97**					**94.00**	**(9.9700)**	**-9.59%**	-0.94%
Other Charges (kWh)			10,000	0.0220	220.00			10,000	0.0210	210.00	(10.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		9,509	0.0660	627.59	Balance		9,419	0.0660	621.65	(5.9400)	-0.95%	-0.56%
Total Bill Before Taxes					**1,008.56**					**982.65**	**(25.9100)**	**-2.57%**	-2.45%
GST				5.00%	50.43				5.00%	49.13	**(1.3000)**	**-2.58%**	-0.12%
Total Bill					**1,058.99**					**1,031.78**	**(33.1500)**	**-3.13%**	-3.13%

General Service < 50kW

Commodity USE

Distribution kW.h = **15000**
Distribution kW = **n/a**
Other Charge kW.h = **15000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.38%
Distribution		0	15,000	0.0097	145.50		0	15,000	0.0098	147.00	1.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.06%
LRAM & SSM Rider		0	15,000	0.0000	-		0	15,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	15,000	0.0000	-		0	15,000	(0.0016)	- 24.00	(24.0000)	n/a	-1.51%
Sub-Total					**152.47**					**135.00**	**(17.4700)**	**-11.46%**	-1.10%
Other Charges (kWh)			15,000	0.0220	330.00			15,000	0.0210	315.00	(15.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		14,764	0.0660	974.39	Balance		14,629	0.0660	965.48	(8.9100)	-0.91%	-0.56%
Total Bill Before Taxes					**1,513.86**					**1,472.48**	**(41.3800)**	**-2.73%**	-2.60%
GST				5.00%	75.69				5.00%	73.62	**(2.0700)**	**-2.73%**	-0.13%
Total Bill					**1,589.55**					**1,546.10**	**(52.3600)**	**-3.29%**	-3.29%

General Service < 50kW

Commodity USE

Distribution kW.h = **20000**
Distribution kW = **n/a**
Other Charge kW.h = **20000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.28%
Distribution		0	20,000	0.0097	194.00		0	20,000	0.0098	196.00	2.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.05%
LRAM & SSM Rider		0	20,000	0.0000	-		0	20,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	20,000	0.0000	-		0	20,000	(0.0016)	- 32.00	(32.0000)	n/a	-1.51%
Sub-Total					**200.97**					**176.00**	**(24.9700)**	**-12.42%**	-1.18%
Other Charges (kWh)			20,000	0.0220	440.00			20,000	0.0210	420.00	(20.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		20,018	0.0660	1,321.19	Balance		19,838	0.0660	1,309.31	(11.8800)	-0.90%	-0.56%
Total Bill Before Taxes					**2,019.16**					**1,962.31**	**(56.8500)**	**-2.82%**	-2.68%
GST				5.00%	100.96				5.00%	98.12	**(2.8400)**	**-2.81%**	-0.13%
Total Bill					**2,120.12**					**2,060.43**	**(71.5700)**	**-3.38%**	-3.38%

General Service < 50kW

Commodity USE

Distribution kW.h = **25000**
Distribution kW = **n/a**
Other Charge kW.h = **25000**

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.23%
Distribution		0	25,000	0.0097	242.50		0	25,000	0.0098	245.00	2.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.04%
LRAM & SSM Rider		0	25,000	0.0000	-		0	25,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	25,000	0.0000	-		0	25,000	(0.0016)	- 40.00	(40.0000)	n/a	-1.51%
Sub-Total					**249.47**					**217.00**	**(32.4700)**	**-13.02%**	-1.22%
Other Charges (kWh)			25,000	0.0220	550.00			25,000	0.0210	525.00	(25.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		25,273	0.0660	1,667.99	Balance		25,048	0.0660	1,653.14	(14.8500)	-0.89%	-0.56%
Total Bill Before Taxes					**2,524.46**					**2,452.14**	**(72.3200)**	**-2.86%**	-2.73%
GST				5.00%	126.22				5.00%	122.61	**(3.6100)**	**-2.86%**	-0.14%
Total Bill					**2,650.68**					**2,574.75**	**(90.7800)**	**-3.42%**	-3.42%

General Service < 50kW

Commodity USE

Distribution kW.h = 30000
Distribution kW = n/a
Other Charge kW.h = 30000

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.19%
Distribution		0	30,000	0.0097	291.00		0	30,000	0.0098	294.00	3.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		0	30,000	0.0000	-		0	30,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	30,000	0.0000	-		0	30,000	(0.0016)	- 48.00	(48.0000)	n/a	-1.51%
Sub-Total					**297.97**					**258.00**	**(39.9700)**	**-13.41%**	-1.26%
Other Charges (kWh)			30,000	0.0220	660.00			30,000	0.0210	630.00	(30.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		30,527	0.0660	2,014.78	Balance		30,257	0.0660	1,996.96	(17.8200)	-0.88%	-0.56%
Total Bill Before Taxes					**3,029.75**					**2,941.96**	**(87.7900)**	**-2.90%**	-2.76%
GST				5.00%	151.49				5.00%	147.10	**(4.3900)**	**-2.90%**	-0.14%
Total Bill					**3,181.24**					**3,089.06**	**(110.0000)**	**-3.46%**	-3.46%

General Service < 50kW

Commodity USE

Distribution kW.h = 35000
Distribution kW = n/a
Other Charge kW.h = 35000

	2009	2010
Loss Factor	1.0509	1.0419

		Winter	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.16%
Distribution		0	35,000	0.0097	339.50		0	35,000	0.0098	343.00	3.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		0	35,000	0.0000	-		0	35,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	35,000	0.0000	-		0	35,000	(0.0016)	- 56.00	(56.0000)	n/a	-1.51%
Sub-Total					**346.47**					**299.00**	**(47.4700)**	**-13.70%**	-1.28%
Other Charges (kWh)			35,000	0.0220	770.00			35,000	0.0210	735.00	(35.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	1000		1,000	0.0570	57.00	1000		1,000	0.0570	57.00	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		35,782	0.0660	2,361.58	Balance		35,467	0.0660	2,340.79	(20.7900)	-0.88%	-0.56%
Total Bill Before Taxes					**3,535.05**					**3,431.79**	**(103.2600)**	**-2.92%**	-2.78%
GST				5.00%	176.75				5.00%	171.59	**(5.1600)**	**-2.92%**	-0.14%
Total Bill					**3,711.80**					**3,603.38**	**(129.2100)**	**-3.48%**	-3.48%

General Service < 50kW

Commodity USE

Distribution kW.h = **100**
Distribution kW = **n/a**
Other Charge kW.h = **100**

	2009	2010
Loss Factor	1.0509	1.0419

		Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	35.60%
Distribution		0	100	0.0097	0.97		0	100	0.0098	0.98	0.0100	1.03%	0.06%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-5.90%
LRAM & SSM Rider		0	100		-		0	100		-	0.0000	n/a	0.00%
Regulatory Assets		0	100	0.0000	-		0	100	(0.0016)	- 0.16	(0.1600)	n/a	-0.94%
Sub-Total					**7.94**					**12.82**	**4.8800**	**61.46%**	28.81%
Other Charges (kWh)			100	0.0220	2.20			100	0.0210	2.10	(0.1000)	-4.55%	-0.59%
Cost of Power Commodity first block	600		105	0.0570	5.99	600		104	0.0570	5.94	(0.0513)	-0.86%	-0.30%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**16.13**					**20.86**	**4.7287**	**29.32%**	27.91%
GST				5.00%	0.81				5.00%	1.04	**0.2300**	**28.40%**	1.36%
Total Bill					**16.94**					**21.90**	**4.9074**	**28.97%**	28.97%

General Service < 50kW

Commodity USE

Distribution kW.h = **200**
Distribution kW = **n/a**
Other Charge kW.h = **200**

	2009	2010
Loss Factor	1.0509	1.0419

		Summer	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	22.71%
Distribution		0	200	0.0097	1.94		0	200	0.0098	1.96	0.0200	1.03%	0.08%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-3.77%
LRAM & SSM Rider		0	200	0.0000	-		0	200	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	200	0.0000	-		0	200	(0.0016)	- 0.32	(0.3200)	n/a	-1.21%
Sub-Total					**8.91**					**13.64**	**4.7300**	**53.09%**	17.82%
Other Charges (kWh)			200	0.0220	4.40			200	0.0210	4.20	(0.2000)	-4.55%	-0.75%
Cost of Power Commodity first block	600		210	0.0570	11.98	600		208	0.0570	11.88	(0.1026)	-0.86%	-0.39%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**25.29**					**29.72**	**4.4274**	**17.51%**	16.68%
GST				5.00%	1.26				5.00%	1.49	**0.2300**	**18.25%**	0.87%
Total Bill					**26.55**					**31.21**	**4.5548**	**17.16%**	17.16%

General Service < 50kW

Commodity USE

Distribution kW.h = 300
Distribution kW = n/a
Other Charge kW.h = 300

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	16.67%
Distribution		0	300	0.0097	2.91		0	300	0.0098	2.94	0.0300	1.03%	0.08%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.76%
LRAM & SSM Rider		0	300	0.0000	-		0	300	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	300	0.0000	-		0	300	(0.0016)	- 0.48	(0.4800)	n/a	-1.33%
Sub-Total					**9.88**					**14.46**	**4.5800**	**46.36%**	12.66%
Other Charges (kWh)			300	0.0220	6.60			300	0.0210	6.30	(0.3000)	-4.55%	-0.83%
Cost of Power Commodity first block	600		315	0.0570	17.97	600		313	0.0570	17.82	(0.1539)	-0.86%	-0.43%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**34.45**					**38.58**	**4.1261**	**11.98%**	11.41%
GST				5.00%	1.72				5.00%	1.93	**0.2100**	**12.21%**	0.58%
Total Bill					**36.17**					**40.51**	**4.1822**	**11.56%**	11.56%

General Service < 50kW

Commodity USE

Distribution kW.h = 400
Distribution kW = n/a
Other Charge kW.h = 400

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	13.17%
Distribution		0	400	0.0097	3.88		0	400	0.0098	3.92	0.0400	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-2.18%
LRAM & SSM Rider		0	400	0.0000	-		0	400	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	400	0.0000	-		0	400	(0.0016)	- 0.64	(0.6400)	n/a	-1.40%
Sub-Total					**10.85**					**15.28**	**4.4300**	**40.83%**	9.67%
Other Charges (kWh)			400	0.0220	8.80			400	0.0210	8.40	(0.4000)	-4.55%	-0.87%
Cost of Power Commodity first block	600		420	0.0570	23.96	600		417	0.0570	23.76	(0.2052)	-0.86%	-0.45%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**43.61**					**47.44**	**3.8248**	**8.77%**	8.35%
GST				5.00%	2.18				5.00%	2.37	**0.1900**	**8.72%**	0.41%
Total Bill					**45.79**					**49.81**	**3.8096**	**8.32%**	8.32%

General Service < 50kW

Commodity USE

Distribution kW.h = **500**
Distribution kW = **n/a**
Other Charge kW.h = **500**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	10.88%
Distribution		0	500	0.0097	4.85		0	500	0.0098	4.90	0.0500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.80%
LRAM & SSM Rider		0	500	0.0000	-		0	500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	500	0.0000	-		0	500	(0.0016)	- 0.80	(0.8000)	n/a	-1.44%
Sub-Total					**11.82**					**16.10**	**4.2800**	**36.21%**	7.72%
Other Charges (kWh)			500	0.0220	11.00			500	0.0210	10.50	(0.5000)	-4.55%	-0.90%
Cost of Power Commodity first block	600		525	0.0570	29.95	600		521	0.0570	29.69	(0.2565)	-0.86%	-0.46%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0660	0.00	Balance		0	0.0660	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**52.77**					**56.29**	**3.5235**	**6.68%**	6.36%
GST				5.00%	2.64				5.00%	2.81	**0.1700**	**6.44%**	0.31%
Total Bill					**55.41**					**59.10**	**3.4370**	**6.20%**	6.20%

General Service < 50kW

Commodity USE

Distribution kW.h = **750**
Distribution kW = **n/a**
Other Charge kW.h = **750**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	7.42%
Distribution		0	750	0.0097	7.28		0	750	0.0098	7.35	0.0750	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-1.23%
LRAM & SSM Rider		0	750	0.0000	-		0	750	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	750	0.0000	-		0	750	(0.0016)	- 1.20	(1.2000)	n/a	-1.48%
Sub-Total					**14.25**					**18.15**	**3.9050**	**27.41%**	4.81%
Other Charges (kWh)			750	0.0220	16.50			750	0.0210	15.75	(0.7500)	-4.55%	-0.92%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		188	0.0660	12.42	Balance		181	0.0660	11.97	(0.4455)	-3.59%	-0.55%
Total Bill Before Taxes					**77.36**					**80.07**	**2.7095**	**3.50%**	3.34%
GST				5.00%	3.87				5.00%	4.00	**0.1300**	**3.36%**	0.16%
Total Bill					**81.23**					**84.07**	**2.3940**	**2.95%**	2.95%

General Service < 50kW

Commodity USE

Distribution kW.h = **1000**
Distribution kW = **n/a**
Other Charge kW.h = **1000**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	5.60%
Distribution		0	1,000	0.0097	9.70		0	1,000	0.0098	9.80	0.1000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.93%
LRAM & SSM Rider		0	1,000	0.0000	-		0	1,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,000	0.0000	-		0	1,000	(0.0016)	- 1.60	(1.6000)	n/a	-1.48%
Sub-Total					**16.67**					**20.20**	**3.5300**	**21.18%**	3.28%
Other Charges (kWh)			1,000	0.0220	22.00			1,000	0.0210	21.00	(1.0000)	-4.55%	-0.93%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		451	0.0660	29.76	Balance		442	0.0660	29.17	(0.5940)	-2.00%	-0.55%
Total Bill Before Taxes					**102.63**					**104.57**	**1.9360**	**1.89%**	1.80%
GST				5.00%	5.13				5.00%	5.23	**0.1000**	**1.95%**	0.09%
Total Bill					**107.76**					**109.80**	**1.4420**	**1.34%**	1.34%

General Service < 50kW

Commodity USE

Distribution kW.h = **1500**
Distribution kW = **n/a**
Other Charge kW.h = **1500**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	3.75%
Distribution		0	1,500	0.0097	14.55		0	1,500	0.0098	14.70	0.1500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.62%
LRAM & SSM Rider		0	1,500	0.0000	-		0	1,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	1,500	0.0000	-		0	1,500	(0.0016)	- 2.40	(2.4000)	n/a	-1.49%
Sub-Total					**21.52**					**24.30**	**2.7800**	**12.92%**	1.73%
Other Charges (kWh)			1,500	0.0220	33.00			1,500	0.0210	31.50	(1.5000)	-4.55%	-0.93%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		976	0.0660	64.44	Balance		963	0.0660	63.55	(0.8910)	-1.38%	-0.55%
Total Bill Before Taxes					**153.16**					**153.55**	**0.3890**	**0.25%**	0.24%
GST				5.00%	7.66				5.00%	7.68	**0.0200**	**0.26%**	0.01%
Total Bill					**160.82**					**161.23**	**(0.4820)**	**-0.30%**	-0.30%

General Service < 50kW

Commodity USE

Distribution kW.h = 2000
Distribution kW = n/a
Other Charge kW.h = 2000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	2.82%
Distribution		0	2,000	0.0097	19.40		0	2,000	0.0098	19.60	0.2000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.47%
LRAM & SSM Rider		0	2,000	0.0000	-		0	2,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,000	0.0000	-		0	2,000	(0.0016)	- 3.20	(3.2000)	n/a	-1.50%
Sub-Total					**26.37**					**28.40**	**2.0300**	**7.70%**	0.95%
Other Charges (kWh)			2,000	0.0220	44.00			2,000	0.0210	42.00	(2.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		1,502	0.0660	99.12	Balance		1,484	0.0660	97.93	(1.1880)	-1.20%	-0.56%
Total Bill Before Taxes					**203.69**					**202.53**	**(1.1580)**	**-0.57%**	-0.54%
GST				5.00%	10.18				5.00%	10.13	**(0.0500)**	**-0.49%**	-0.02%
Total Bill					**213.87**					**212.66**	**(2.3960)**	**-1.12%**	-1.12%

General Service < 50kW

Commodity USE

Distribution kW.h = 2500
Distribution kW = n/a
Other Charge kW.h = 2500

	2009	2010
Loss Factor	1.0509	1.0419

	Summer	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	2.26%
Distribution		0	2,500	0.0097	24.25		0	2,500	0.0098	24.50	0.2500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.37%
LRAM & SSM Rider		0	2,500	0.0000	-		0	2,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	2,500	0.0000	-		0	2,500	(0.0016)	- 4.00	(4.0000)	n/a	-1.50%
Sub-Total					**31.22**					**32.50**	**1.2800**	**4.10%**	0.48%
Other Charges (kWh)			2,500	0.0220	55.00			2,500	0.0210	52.50	(2.5000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,027	0.0660	133.80	Balance		2,005	0.0660	132.31	(1.4850)	-1.11%	-0.56%
Total Bill Before Taxes					**254.22**					**251.51**	**(2.7050)**	**-1.06%**	-1.01%
GST				5.00%	12.71				5.00%	12.58	**(0.1300)**	**-1.02%**	-0.05%
Total Bill					**266.93**					**264.09**	**(4.3200)**	**-1.62%**	-1.62%

General Service < 50kW

Commodity USE

Distribution kW.h = 3000
Distribution kW = n/a
Other Charge kW.h = 3000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.88%
Distribution		0	3,000	0.0097	29.10		0	3,000	0.0098	29.40	0.3000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.31%
LRAM & SSM Rider		0	3,000	0.0000	-		0	3,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,000	0.0000	-		0	3,000	(0.0016)	- 4.80	(4.8000)	n/a	-1.50%
Sub-Total					**36.07**					**36.60**	**0.5300**	**1.47%**	0.17%
Other Charges (kWh)			3,000	0.0220	66.00			3,000	0.0210	63.00	(3.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		2,553	0.0660	168.48	Balance		2,526	0.0660	166.70	(1.7820)	-1.06%	-0.56%
Total Bill Before Taxes					**304.75**					**300.50**	**(4.2520)**	**-1.40%**	-1.33%
GST				5.00%	15.24				5.00%	15.03	**(0.2100)**	**-1.38%**	-0.07%
Total Bill					**319.99**					**315.53**	**(6.2440)**	**-1.95%**	-1.95%

General Service < 50kW

Commodity USE

Distribution kW.h = 3500
Distribution kW = n/a
Other Charge kW.h = 3500

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.62%
Distribution		0	3,500	0.0097	33.95		0	3,500	0.0098	34.30	0.3500	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.27%
LRAM & SSM Rider		0	3,500	0.0000	-		0	3,500	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	3,500	0.0000	-		0	3,500	(0.0016)	- 5.60	(5.6000)	n/a	-1.50%
Sub-Total					**40.92**					**40.70**	**(0.2200)**	**-0.54%**	-0.06%
Other Charges (kWh)			3,500	0.0220	77.00			3,500	0.0210	73.50	(3.5000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		3,078	0.0660	203.16	Balance		3,047	0.0660	201.08	(2.0790)	-1.02%	-0.56%
Total Bill Before Taxes					**355.28**					**349.48**	**(5.7990)**	**-1.63%**	-1.55%
GST				5.00%	17.76				5.00%	17.47	**(0.2900)**	**-1.63%**	-0.08%
Total Bill					**373.04**					**366.95**	**(8.1680)**	**-2.19%**	-2.19%

General Service < 50kW

Commodity USE

Distribution kW.h = 4000
Distribution kW = n/a
Other Charge kW.h = 4000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	1.42%
Distribution		0	4,000	0.0097	38.80		0	4,000	0.0098	39.20	0.4000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.23%
LRAM & SSM Rider		0	4,000	0.0000	-		0	4,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	4,000	0.0000	-		0	4,000	(0.0016)	- 6.40	(6.4000)	n/a	-1.50%
Sub-Total					**45.77**					**44.80**	**(0.9700)**	**-2.12%**	-0.23%
Other Charges (kWh)			4,000	0.0220	88.00			4,000	0.0210	84.00	(4.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		3,604	0.0660	237.84	Balance		3,568	0.0660	235.46	(2.3760)	-1.00%	-0.56%
Total Bill Before Taxes					**405.81**					**398.46**	**(7.3460)**	**-1.81%**	-1.72%
GST				5.00%	20.29				5.00%	19.92	**(0.3700)**	**-1.82%**	-0.09%
Total Bill					**426.10**					**418.38**	**(10.0920)**	**-2.37%**	-2.37%

General Service < 50kW

Commodity USE

Distribution kW.h = 7000
Distribution kW = n/a
Other Charge kW.h = 7000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.81%
Distribution		0	7,000	0.0097	67.90		0	7,000	0.0098	68.60	0.7000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.13%
LRAM & SSM Rider		0	7,000	0.0000	-		0	7,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	7,000	0.0000	-		0	7,000	(0.0016)	- 11.20	(11.2000)	n/a	-1.50%
Sub-Total					**74.87**					**69.40**	**(5.4700)**	**-7.31%**	-0.73%
Other Charges (kWh)			7,000	0.0220	154.00			7,000	0.0210	147.00	(7.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		6,756	0.0660	445.92	Balance		6,693	0.0660	441.76	(4.1580)	-0.93%	-0.56%
Total Bill Before Taxes					**708.99**					**692.36**	**(16.6280)**	**-2.35%**	-2.23%
GST				5.00%	35.45				5.00%	34.62	**(0.8300)**	**-2.34%**	-0.11%
Total Bill					**744.44**					**726.98**	**(21.6160)**	**-2.90%**	-2.90%

General Service < 50kW

Commodity USE

Distribution kW.h = **10000**
Distribution kW = **n/a**
Other Charge kW.h = **10000**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.57%
Distribution		0	10,000	0.0097	97.00		0	10,000	0.0098	98.00	1.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.09%
LRAM & SSM Rider		0	10,000	0.0000	-		0	10,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	10,000	0.0000	-		0	10,000	(0.0016)	- 16.00	(16.0000)	n/a	-1.51%
Sub-Total					**103.97**					**94.00**	**(9.9700)**	**-9.59%**	-0.94%
Other Charges (kWh)			10,000	0.0220	220.00			10,000	0.0210	210.00	(10.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		9,909	0.0660	653.99	Balance		9,819	0.0660	648.05	(5.9400)	-0.91%	-0.56%
Total Bill Before Taxes					**1,012.16**					**986.25**	**(25.9100)**	**-2.56%**	-2.44%
GST				5.00%	50.61				5.00%	49.31	**(1.3000)**	**-2.57%**	-0.12%
Total Bill					**1,062.77**					**1,035.56**	**(33.1500)**	**-3.12%**	-3.12%

General Service < 50kW

Commodity USE

Distribution kW.h = **15000**
Distribution kW = **n/a**
Other Charge kW.h = **15000**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.38%
Distribution		0	15,000	0.0097	145.50		0	15,000	0.0098	147.00	1.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.06%
LRAM & SSM Rider		0	15,000	0.0000	-		0	15,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	15,000	0.0000	-		0	15,000	(0.0016)	- 24.00	(24.0000)	n/a	-1.51%
Sub-Total					**152.47**					**135.00**	**(17.4700)**	**-11.46%**	-1.10%
Other Charges (kWh)			15,000	0.0220	330.00			15,000	0.0210	315.00	(15.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		15,164	0.0660	1,000.79	Balance		15,029	0.0660	991.88	(8.9100)	-0.89%	-0.56%
Total Bill Before Taxes					**1,517.46**					**1,476.08**	**(41.3800)**	**-2.73%**	-2.60%
GST				5.00%	75.87				5.00%	73.80	**(2.0700)**	**-2.73%**	-0.13%
Total Bill					**1,593.33**					**1,549.88**	**(52.3600)**	**-3.29%**	-3.29%

General Service < 50kW

Commodity USE

Distribution kW.h = **20000**
Distribution kW = **n/a**
Other Charge kW.h = **20000**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.28%
Distribution		0	20,000	0.0097	194.00		0	20,000	0.0098	196.00	2.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.05%
LRAM & SSM Rider		0	20,000	0.0000	-		0	20,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	20,000	0.0000	-		0	20,000	(0.0016)	- 32.00	(32.0000)	n/a	-1.51%
Sub-Total					**200.97**					**176.00**	**(24.9700)**	**-12.42%**	-1.18%
Other Charges (kWh)			20,000	0.0220	440.00			20,000	0.0210	420.00	(20.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		20,418	0.0660	1,347.59	Balance		20,238	0.0660	1,335.71	(11.8800)	-0.88%	-0.56%
Total Bill Before Taxes					**2,022.76**					**1,965.91**	**(56.8500)**	**-2.81%**	-2.68%
GST				5.00%	101.14				5.00%	98.30	**(2.8400)**	**-2.81%**	-0.13%
Total Bill					**2,123.90**					**2,064.21**	**(71.5700)**	**-3.37%**	-3.37%

General Service < 50kW

Commodity USE

Distribution kW.h = **25000**
Distribution kW = **n/a**
Other Charge kW.h = **25000**

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.23%
Distribution		0	25,000	0.0097	242.50		0	25,000	0.0098	245.00	2.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.04%
LRAM & SSM Rider		0	25,000	0.0000	-		0	25,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	25,000	0.0000	-		0	25,000	(0.0016)	- 40.00	(40.0000)	n/a	-1.51%
Sub-Total					**249.47**					**217.00**	**(32.4700)**	**-13.02%**	-1.22%
Other Charges (kWh)			25,000	0.0220	550.00			25,000	0.0210	525.00	(25.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		25,673	0.0660	1,694.39	Balance		25,448	0.0660	1,679.54	(14.8500)	-0.88%	-0.56%
Total Bill Before Taxes					**2,528.06**					**2,455.74**	**(72.3200)**	**-2.86%**	-2.72%
GST				5.00%	126.40				5.00%	122.79	**(3.6100)**	**-2.86%**	-0.14%
Total Bill					**2,654.46**					**2,578.53**	**(90.7800)**	**-3.42%**	-3.42%

General Service < 50kW

Commodity USE

Distribution kW.h = 30000
Distribution kW = n/a
Other Charge kW.h = 30000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.19%
Distribution		0	30,000	0.0097	291.00		0	30,000	0.0098	294.00	3.0000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		0	30,000	0.0000	-		0	30,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	30,000	0.0000	-		0	30,000	(0.0016)	- 48.00	(48.0000)	n/a	-1.51%
Sub-Total					**297.97**					**258.00**	**(39.9700)**	**-13.41%**	-1.25%
Other Charges (kWh)			30,000	0.0220	660.00			30,000	0.0210	630.00	(30.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		30,927	0.0660	2,041.18	Balance		30,657	0.0660	2,023.36	(17.8200)	-0.87%	-0.56%
Total Bill Before Taxes					**3,033.35**					**2,945.56**	**(87.7900)**	**-2.89%**	-2.76%
GST				5.00%	151.67				5.00%	147.28	**(4.3900)**	**-2.89%**	-0.14%
Total Bill					**3,185.02**					**3,092.84**	**(110.0000)**	**-3.45%**	-3.45%

General Service < 50kW

Commodity USE

Distribution kW.h = 35000
Distribution kW = n/a
Other Charge kW.h = 35000

	2009	2010
Loss Factor	1.0509	1.0419

	Summer BILL			2009 EXISTING RATES		2010	2010	2010	2010 PROPOSED		BILL Change		
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					5.97					12.00	6.0300	101.01%	0.16%
Distribution		0	35,000	0.0097	339.50		0	35,000	0.0098	343.00	3.5000	1.03%	0.09%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		0	35,000	0.0000	-		0	35,000	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		0	35,000	0.0000	-		0	35,000	(0.0016)	- 56.00	(56.0000)	n/a	-1.51%
Sub-Total					**346.47**					**299.00**	**(47.4700)**	**-13.70%**	-1.28%
Other Charges (kWh)			35,000	0.0220	770.00			35,000	0.0210	735.00	(35.0000)	-4.55%	-0.94%
Cost of Power Commodity first block	600		600	0.0570	34.20	600		600	0.0570	34.20	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		36,182	0.0660	2,387.98	Balance		35,867	0.0660	2,367.19	(20.7900)	-0.87%	-0.56%
Total Bill Before Taxes					**3,538.65**					**3,435.39**	**(103.2600)**	**-2.92%**	-2.78%
GST				5.00%	176.93				5.00%	171.77	**(5.1600)**	**-2.92%**	-0.14%
Total Bill					**3,715.58**					**3,607.16**	**(129.2100)**	**-3.48%**	-3.48%

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	50
Other Charge kW.h =	10000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	2.75%
Distribution		50	0	2.9926	149.63		50	0	1.2200	61.00	(88.6300)	-59.23%	-8.23%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.09%
LRAM & SSM Rider		50	0		-		50	0		-	0.0000	n/a	0.00%
Regulatory Assets		50	0	0.0000	-		50	0	(0.7168)	- 35.84	(35.8400)	n/a	-3.33%
Sub-Total					**181.04**					**85.16**	**(95.8800)**	**-52.96%**	-8.91%
Other Charges (kWh)			10,000	0.0135	135.00			10,000	0.0135	135.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	1000		1,000	0.0675	67.47	1000		1,000	0.0675	67.47	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		9,509	0.0675	641.54	Balance		9,419	0.0675	635.47	(6.0720)	-0.95%	-0.56%
Total Bill Before Taxes					**1,025.05**					**923.10**	**(101.9520)**	**-9.95%**	-9.47%
GST				5.00%	51.25				5.00%	46.16	**(5.0900)**	**-9.93%**	-0.47%
Total Bill					**1,076.30**					**969.26**	**(113.1140)**	**-10.51%**	-10.51%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	50
Other Charge kW.h =	15000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	1.95%
Distribution		50	0	2.9926	149.63		50	0	1.2200	61.00	(88.6300)	-59.23%	-5.83%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.07%
LRAM & SSM Rider		50	0	0.0000	-		50	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		50	0	0.0000	-		50	0	(0.7168)	- 35.84	(35.8400)	n/a	-2.36%
Sub-Total					**181.04**					**85.16**	**(95.8800)**	**-52.96%**	-6.31%
Other Charges (kWh)			15,000	0.0135	202.50			0	0.0135	-	(202.5000)	-100.00%	-13.33%
Cost of Power Commodity first block	1000		1,000	0.0675	67.47	1000		1,000	0.0675	67.47	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		14,764	0.0675	996.04	Balance		14,629	0.0675	986.94	(9.1080)	-0.91%	-0.60%
Total Bill Before Taxes					**1,447.05**					**1,139.56**	**(307.4880)**	**-21.25%**	-20.24%
GST				5.00%	72.35				5.00%	56.98	**(15.3700)**	**-21.24%**	-1.01%
Total Bill					**1,519.40**					**1,196.54**	**(331.9660)**	**-21.85%**	-21.85%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	50
Other Charge kW.h =	20000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	6.25%
Distribution		50	0	2.9926	149.63		50	0	1.2200	61.00	(88.6300)	-59.23%	-18.71%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.21%
LRAM & SSM Rider		50	0	0.0000	-		50	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		50	0	0.0000	-		50	0	(0.7168)	- 35.84	(35.8400)	n/a	-7.57%
Sub-Total					**181.04**					**85.16**	**(95.8800)**	**-52.96%**	-20.25%
Other Charges (kWh)			20,000	0.0135	270.00			0	0.0135	-	(270.0000)	-100.00%	-57.01%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**451.04**					**85.16**	**(365.8800)**	**-81.12%**	-77.26%
GST				5.00%	22.55				5.00%	4.26	**(18.2900)**	**-81.11%**	-3.86%
Total Bill					**473.59**					**89.42**	**(384.1700)**	**-81.12%**	-81.12%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	50
Other Charge kW.h =	25000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	5.43%
Distribution		50	0	2.9926	149.63		50	0	1.2200	61.00	(88.6300)	-59.23%	-16.28%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.18%
LRAM & SSM Rider		50	0	0.0000	-		50	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		50	0	0.0000	-		50	0	(0.7168)	- 35.84	(35.8400)	n/a	-6.58%
Sub-Total					**181.04**					**85.16**	**(95.8800)**	**-52.96%**	-17.61%
Other Charges (kWh)			25,000	0.0135	337.50			0	0.0135	-	(337.5000)	-100.00%	-61.99%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**518.54**					**85.16**	**(433.3800)**	**-83.58%**	-79.60%
GST				5.00%	25.93				5.00%	4.26	**(21.6700)**	**-83.57%**	-3.98%
Total Bill					**544.47**					**89.42**	**(455.0500)**	**-83.58%**	-83.58%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	200
Other Charge kW.h =	40000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	2.41%
Distribution		200	0	2.9926	598.52		200	0	1.2200	244.00	(354.5200)	-59.23%	-28.86%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.08%
LRAM & SSM Rider		200	0	0.0000	-		200	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		200	0	0.0000	-		200	0	(0.7168)	- 143.36	(143.3600)	n/a	-11.67%
Sub-Total					**629.93**					**160.64**	**(469.2900)**	**-74.50%**	-38.20%
Other Charges (kWh)			40,000	0.0135	540.00			0	0.0135	-	(540.0000)	-100.00%	-43.96%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**1,169.93**					**160.64**	**(1,009.2900)**	**-86.27%**	-82.16%
GST				5.00%	58.50				5.00%	8.03	**(50.4700)**	**-86.27%**	-4.11%
Total Bill					**1,228.43**					**168.67**	**(1,059.7600)**	**-86.27%**	-86.27%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	200
Other Charge kW.h =	60000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	1.96%
Distribution		200	0	2.9926	598.52		200	0	1.2200	244.00	(354.5200)	-59.23%	-23.45%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.07%
LRAM & SSM Rider		200	0	0.0000	-		200	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		200	0	0.0000	-		200	0	(0.7168)	- 143.36	(143.3600)	n/a	-9.48%
Sub-Total					**629.93**					**160.64**	**(469.2900)**	**-74.50%**	-31.04%
Other Charges (kWh)			60,000	0.0135	810.00			0	0.0135	-	(810.0000)	-100.00%	-53.57%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**1,439.93**					**160.64**	**(1,279.2900)**	**-88.84%**	-84.61%
GST				5.00%	72.00				5.00%	8.03	**(63.9700)**	**-88.85%**	-4.23%
Total Bill					**1,511.93**					**168.67**	**(1,343.2600)**	**-88.84%**	-88.84%

General Service > 50kW

Commodity USE

Distribution kW.h = n/a
Distribution kW = 200
Other Charge kW.h = 80000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	1.65%
Distribution		200	0	2.9926	598.52		200	0	1.2200	244.00	(354.5200)	-59.23%	-19.75%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.06%
LRAM & SSM Rider		200	0	0.0000	-		200	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		200	0	0.0000	-		200	0	(0.7168)	- 143.36	(143.3600)	n/a	-7.98%
Sub-Total					**629.93**					**160.64**	**(469.2900)**	**-74.50%**	-26.14%
Other Charges (kWh)			80,000	0.0135	1,080.00			0	0.0135	-	(1,080.0000)	-100.00%	-60.15%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**1,709.93**					**160.64**	**(1,549.2900)**	**-90.61%**	-86.29%
GST				5.00%	85.50				5.00%	8.03	**(77.4700)**	**-90.61%**	-4.31%
Total Bill					**1,795.43**					**168.67**	**(1,626.7600)**	**-90.61%**	-90.61%

General Service > 50kW

Commodity USE

Distribution kW.h = n/a
Distribution kW = 200
Other Charge kW.h = 100000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	1.42%
Distribution		200	0	2.9926	598.52		200	0	1.2200	244.00	(354.5200)	-59.23%	-17.05%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.05%
LRAM & SSM Rider		200	0	0.0000	-		200	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		200	0	0.0000	-		200	0	(0.7168)	- 143.36	(143.3600)	n/a	-6.90%
Sub-Total					**629.93**					**160.64**	**(469.2900)**	**-74.50%**	-22.57%
Other Charges (kWh)			100,000	0.0135	1,350.00			0	0.0135	-	(1,350.0000)	-100.00%	-64.94%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**1,979.93**					**160.64**	**(1,819.2900)**	**-91.89%**	-87.51%
GST				5.00%	99.00				5.00%	8.03	**(90.9700)**	**-91.89%**	-4.38%
Total Bill					**2,078.93**					**168.67**	**(1,910.2600)**	**-91.89%**	-91.89%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	500
Other Charge kW.h =	100000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.98%
Distribution		500	0	2.9926	1,496.30		500	0	1.2200	610.00	(886.3000)	-59.23%	-29.33%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		500	0	0.0000	-		500	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		500	0	0.0000	-		500	0	(0.7168)	- 358.40	(358.4000)	n/a	-11.86%
Sub-Total					**1,527.71**					**311.60**	**(1,216.1100)**	**-79.60%**	-40.25%
Other Charges (kWh)			100,000	0.0135	1,350.00			0	0.0135	-	(1,350.0000)	-100.00%	-44.68%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**2,877.71**					**311.60**	**(2,566.1100)**	**-89.17%**	-84.93%
GST				5.00%	143.89				5.00%	15.58	**(128.3100)**	**-89.17%**	-4.25%
Total Bill					**3,021.60**					**327.18**	**(2,694.4200)**	**-89.17%**	-89.17%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	500
Other Charge kW.h =	150000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.79%
Distribution		500	0	2.9926	1,496.30		500	0	1.2200	610.00	(886.3000)	-59.23%	-23.76%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.03%
LRAM & SSM Rider		500	0	0.0000	-		500	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		500	0	0.0000	-		500	0	(0.7168)	- 358.40	(358.4000)	n/a	-9.61%
Sub-Total					**1,527.71**					**311.60**	**(1,216.1100)**	**-79.60%**	-32.60%
Other Charges (kWh)			150,000	0.0135	2,025.00			0	0.0135	-	(2,025.0000)	-100.00%	-54.28%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**3,552.71**					**311.60**	**(3,241.1100)**	**-91.23%**	-86.88%
GST				5.00%	177.64				5.00%	15.58	**(162.0600)**	**-91.23%**	-4.34%
Total Bill					**3,730.35**					**327.18**	**(3,403.1700)**	**-91.23%**	-91.23%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	500
Other Charge kW.h =	200000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.67%
Distribution		500	0	2.9926	1,496.30		500	0	1.2200	610.00	(886.3000)	-59.23%	-19.97%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.02%
LRAM & SSM Rider		500	0	0.0000	-		500	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		500	0	0.0000	-		500	0	(0.7168)	- 358.40	(358.4000)	n/a	-8.07%
Sub-Total					**1,527.71**					**311.60**	**(1,216.1100)**	**-79.60%**	-27.40%
Other Charges (kWh)			200,000	0.0135	2,700.00			0	0.0135	-	(2,700.0000)	-100.00%	-60.82%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**4,227.71**					**311.60**	**(3,916.1100)**	**-92.63%**	-88.22%
GST				5.00%	211.39				5.00%	15.58	**(195.8100)**	**-92.63%**	-4.41%
Total Bill					**4,439.10**					**327.18**	**(4,111.9200)**	**-92.63%**	-92.63%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	500
Other Charge kW.h =	250000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.57%
Distribution		500	0	2.9926	1,496.30		500	0	1.2200	610.00	(886.3000)	-59.23%	-17.22%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.02%
LRAM & SSM Rider		500	0	0.0000	-		500	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		500	0	0.0000	-		500	0	(0.7168)	- 358.40	(358.4000)	n/a	-6.96%
Sub-Total					**1,527.71**					**311.60**	**(1,216.1100)**	**-79.60%**	-23.62%
Other Charges (kWh)			250,000	0.0135	3,375.00			0	0.0135	-	(3,375.0000)	-100.00%	-65.56%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**4,902.71**					**311.60**	**(4,591.1100)**	**-93.64%**	-89.18%
GST				5.00%	245.14				5.00%	15.58	**(229.5600)**	**-93.64%**	-4.46%
Total Bill					**5,147.85**					**327.18**	**(4,820.6700)**	**-93.64%**	-93.64%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1000
Other Charge kW.h =	200000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.49%
Distribution		1,000	0	2.9926	2,992.60		1,000	0	1.2200	1,220.00	(1,772.6000)	-59.23%	-29.49%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.02%
LRAM & SSM Rider		1,000	0	0.0000	-		1,000	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,000	0	0.0000	-		1,000	0	(0.7168)	- 716.80	(716.8000)	n/a	-11.93%
Sub-Total					**3,024.01**					**563.20**	**(2,460.8100)**	**-81.38%**	-40.94%
Other Charges (kWh)			200,000	0.0135	2,700.00			0	0.0135	-	(2,700.0000)	-100.00%	-44.92%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**5,724.01**					**563.20**	**(5,160.8100)**	**-90.16%**	-85.87%
GST				5.00%	286.20				5.00%	28.16	**(258.0400)**	**-90.16%**	-4.29%
Total Bill					**6,010.21**					**591.36**	**(5,418.8500)**	**-90.16%**	-90.16%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1000
Other Charge kW.h =	300000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.40%
Distribution		1,000	0	2.9926	2,992.60		1,000	0	1.2200	1,220.00	(1,772.6000)	-59.23%	-23.86%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,000	0	0.0000	-		1,000	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,000	0	0.0000	-		1,000	0	(0.7168)	- 716.80	(716.8000)	n/a	-9.65%
Sub-Total					**3,024.01**					**563.20**	**(2,460.8100)**	**-81.38%**	-33.13%
Other Charges (kWh)			300,000	0.0135	4,050.00			0	0.0135	-	(4,050.0000)	-100.00%	-54.53%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**7,074.01**					**563.20**	**(6,510.8100)**	**-92.04%**	-87.66%
GST				5.00%	353.70				5.00%	28.16	**(325.5400)**	**-92.04%**	-4.38%
Total Bill					**7,427.71**					**591.36**	**(6,836.3500)**	**-92.04%**	-92.04%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1000
Other Charge kW.h =	400000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.33%
Distribution		1,000	0	2.9926	2,992.60		1,000	0	1.2200	1,220.00	(1,772.6000)	-59.23%	-20.04%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,000	0	0.0000	-		1,000	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,000	0	0.0000	-		1,000	0	(0.7168)	- 716.80	(716.8000)	n/a	-8.10%
Sub-Total					**3,024.01**					**563.20**	**(2,460.8100)**	**-81.38%**	-27.82%
Other Charges (kWh)			400,000	0.0135	5,400.00			0	0.0135	-	(5,400.0000)	-100.00%	-61.05%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**8,424.01**					**563.20**	**(7,860.8100)**	**-93.31%**	-88.87%
GST				5.00%	421.20				5.00%	28.16	**(393.0400)**	**-93.31%**	-4.44%
Total Bill					**8,845.21**					**591.36**	**(8,253.8500)**	**-93.31%**	-93.31%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1000
Other Charge kW.h =	500000

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.29%
Distribution		1,000	0	2.9926	2,992.60		1,000	0	1.2200	1,220.00	(1,772.6000)	-59.23%	-17.27%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,000	0	0.0000	-		1,000	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,000	0	0.0000	-		1,000	0	(0.7168)	- 716.80	(716.8000)	n/a	-6.98%
Sub-Total					**3,024.01**					**563.20**	**(2,460.8100)**	**-81.38%**	-23.98%
Other Charges (kWh)			500,000	0.0135	6,750.00			0	0.0135	-	(6,750.0000)	-100.00%	-65.77%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**9,774.01**					**563.20**	**(9,210.8100)**	**-94.24%**	-89.75%
GST				5.00%	488.70				5.00%	28.16	**(460.5400)**	**-94.24%**	-4.49%
Total Bill					**10,262.71**					**591.36**	**(9,671.3500)**	**-94.24%**	-94.24%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1400
Other Charge kW.h =	280000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.35%
Distribution		1,400	0	2.9926	4,189.64		1,400	0	1.2200	1,708.00	(2,481.6400)	-59.23%	-29.54%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,400	0	0.0000	-		1,400	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,400	0	0.0000	-		1,400	0	(0.7168)	- 1,003.52	(1,003.5200)	n/a	-11.95%
Sub-Total					**4,221.05**					**764.48**	**(3,456.5700)**	**-81.89%**	-41.14%
Other Charges (kWh)			280,000	0.0135	3,780.00			0	0.0135	-	(3,780.0000)	-100.00%	-44.99%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**8,001.05**					**764.48**	**(7,236.5700)**	**-90.45%**	-86.14%
GST				5.00%	400.05				5.00%	38.22	**(361.8300)**	**-90.45%**	-4.31%
Total Bill					**8,401.10**					**802.70**	**(7,598.4000)**	**-90.45%**	-90.45%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1400
Other Charge kW.h =	420000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.28%
Distribution		1,400	0	2.9926	4,189.64		1,400	0	1.2200	1,708.00	(2,481.6400)	-59.23%	-23.90%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,400	0	0.0000	-		1,400	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,400	0	0.0000	-		1,400	0	(0.7168)	- 1,003.52	(1,003.5200)	n/a	-9.66%
Sub-Total					**4,221.05**					**764.48**	**(3,456.5700)**	**-81.89%**	-33.28%
Other Charges (kWh)			420,000	0.0135	5,670.00			0	0.0135	-	(5,670.0000)	-100.00%	-54.59%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**9,891.05**					**764.48**	**(9,126.5700)**	**-92.27%**	-87.88%
GST				5.00%	494.55				5.00%	38.22	**(456.3300)**	**-92.27%**	-4.39%
Total Bill					**10,385.60**					**802.70**	**(9,582.9000)**	**-92.27%**	-92.27%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1400
Other Charge kW.h =	560000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.24%
Distribution		1,400	0	2.9926	4,189.64		1,400	0	1.2200	1,708.00	(2,481.6400)	-59.23%	-20.06%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,400	0	0.0000	-		1,400	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,400	0	0.0000	-		1,400	0	(0.7168)	- 1,003.52	(1,003.5200)	n/a	-8.11%
Sub-Total					**4,221.05**					**764.48**	**(3,456.5700)**	**-81.89%**	-27.94%
Other Charges (kWh)			560,000	0.0135	7,560.00			0	0.0135	-	(7,560.0000)	-100.00%	-61.12%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**11,781.05**					**764.48**	**(11,016.5700)**	**-93.51%**	-89.06%
GST				5.00%	589.05				5.00%	38.22	**(550.8300)**	**-93.51%**	-4.45%
Total Bill					**12,370.10**					**802.70**	**(11,567.4000)**	**-93.51%**	-93.51%

General Service > 50kW

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1400
Other Charge kW.h =	700000

	2009	2010
Loss Factor	1.0509	1.0419

	N/A	BILL		2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					30.41					60.00	29.5900	97.30%	0.21%
Distribution		1,400	0	2.9926	4,189.64		1,400	0	1.2200	1,708.00	(2,481.6400)	-59.23%	-17.29%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	-0.01%
LRAM & SSM Rider		1,400	0	0.0000	-		1,400	0	0.0000	-	0.0000	n/a	0.00%
Regulatory Assets		1,400	0	0.0000	-		1,400	0	(0.7168)	- 1,003.52	(1,003.5200)	n/a	-6.99%
Sub-Total					**4,221.05**					**764.48**	**(3,456.5700)**	**-81.89%**	-24.08%
Other Charges (kWh)			700,000	0.0135	9,450.00			0	0.0135	-	(9,450.0000)	-100.00%	-65.83%
Cost of Power Commodity first block	1000		0	0.0675	0.00	1000		0	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0675	0.00	Balance		0	0.0675	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**13,671.05**					**764.48**	**(12,906.5700)**	**-94.41%**	-89.91%
GST				5.00%	683.55				5.00%	38.22	**(645.3300)**	**-94.41%**	-4.50%
Total Bill					**14,354.60**					**802.70**	**(13,551.9000)**	**-94.41%**	-94.41%

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

INTERMEDIATE Use

Commodity USE

			2009	2010
Distribution kW.h =	n/a			
Distribution kW =	2000	Loss Factor	1.0509	1.0419
Other Charge kW.h =	400,000			

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.73%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.56%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.17%
Other Charges (kWh)			400,000	0.0135	5,400.00			400,000	0.0135	5,400.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	1000		1,000	0.0675	67.47	1000		1,000	0.0675	67.47	0.0000	0.00%	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		419,360	0.0675	28,292.82	Balance		415,760	0.0675	28,292.82	0.0000	0.00%	0.00%
Total Bill Before Taxes					**34,399.23**					**34,460.29**	**61.0600**	**0.18%**	0.17%
GST				5.00%	1,719.96				5.00%	1,723.01	**3.0500**	**0.18%**	0.01%
Total Bill					**36,119.19**					**36,183.30**	**64.1100**	**0.18%**	0.18%

*** net of transformer ownership allowance**

INTERMEDIATE Use

Commodity USE

			2009	2010
Distribution kW.h =	n/a			
Distribution kW =	2000	Loss Factor	1.0509	1.0419
Other Charge kW.h =	600,000			

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.49%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.37%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.11%
Other Charges (kWh)			600,000	0.0135	8,100.00			600,000	0.0135	8,100.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	5.97		6	0.0675	0.40	1000		1,000	0.0675	67.47	67.0639	16650.42%	0.12%
Cost of Power Commodity Balance kW.h	BALANCE		630,534	0.0675	42,540.03	Balance		624,140	0.0675	42,108.65	(431.3839)	-1.01%	-0.80%
Total Bill Before Taxes					**51,279.37**					**50,976.11**	**(303.2600)**	**-0.59%**	-0.56%
GST				5.00%	2,563.97				5.00%	2,548.81	**(15.1600)**	**-0.59%**	-0.03%
Total Bill					**53,843.34**					**53,524.92**	**(682.7400)**	**-1.27%**	-1.27%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **2000**
Other Charge kW.h = **800,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.37%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.28%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.09%
Other Charges (kWh)			800,000	0.0135	10,800.00			800,000	0.0135	10,800.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.09%
Cost of Power Commodity Balance kW.h	BALANCE		840,720	0.0675	56,720.58	Balance		832,520	0.0675	56,167.35	(553.2267)	-0.98%	-0.77%
Total Bill Before Taxes					**68,159.52**					**67,734.82**	**(424.7000)**	**-0.62%**	-0.59%
GST				5.00%	3,407.98				5.00%	3,386.74	**(21.2400)**	**-0.62%**	-0.03%
Total Bill					**71,567.50**					**71,121.56**	**(931.7000)**	**-1.30%**	-1.30%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **2000**
Other Charge kW.h = **1,000,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.29%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.22%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.07%
Other Charges (kWh)			1,000,000	0.0135	13,500.00			1,000,000	0.0135	13,500.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.08%
Cost of Power Commodity Balance kW.h	BALANCE		1,050,900	0.0675	70,900.72	Balance		1,040,900	0.0675	70,226.05	(674.6667)	-0.95%	-0.76%
Total Bill Before Taxes					**85,039.66**					**84,493.52**	**(546.1400)**	**-0.64%**	-0.61%
GST				5.00%	4,251.98				5.00%	4,224.68	**(27.3000)**	**-0.64%**	-0.03%
Total Bill					**89,291.64**					**88,718.20**	**(1,180.6400)**	**-1.32%**	-1.32%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **2000**
Other Charge kW.h = **1,200,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.25%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.19%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.06%
Other Charges (kWh)			1,200,000	0.0135	16,200.00			1,200,000	0.0135	16,200.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.06%
Cost of Power Commodity Balance kW.h	BALANCE		1,261,080	0.0675	85,080.86	Balance		1,249,280	0.0675	84,284.76	(796.1067)	-0.94%	-0.74%
Total Bill Before Taxes					**101,919.80**					**101,252.22**	**(667.5800)**	**-0.66%**	-0.62%
GST				5.00%	5,095.99				5.00%	5,062.61	**(33.3800)**	**-0.66%**	-0.03%
Total Bill					**107,015.79**					**106,314.83**	**(1,429.6000)**	**-1.34%**	-1.34%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **2000**
Other Charge kW.h = **1,400,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.21%
Distribution*		2,000	0	0.2903	580.60		2,000	0	0.1900	380.00	(200.6000)	-34.55%	-0.16%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		2,000	n/a	0.0000			2,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		2,000	n/a	0.0000			2,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**638.94**					**700.00**	**61.0600**	**9.56%**	0.05%
Other Charges (kWh)			1,400,000	0.0135	18,900.00			1,400,000	0.0135	18,900.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.05%
Cost of Power Commodity Balance kW.h	BALANCE		1,471,260	0.0675	99,261.01	Balance		1,457,660	0.0675	98,343.46	(917.5467)	-0.92%	-0.74%
Total Bill Before Taxes					**118,799.95**					**118,010.93**	**(789.0200)**	**-0.66%**	-0.63%
GST				5.00%	5,940.00				5.00%	5,900.55	**(39.4500)**	**-0.66%**	-0.03%
Total Bill					**124,739.95**					**123,911.48**	**(1,678.5500)**	**-1.35%**	-1.35%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = n/a
Distribution kW = 3000
Other Charge kW.h = 600,000

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.47%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-1.88%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-1.41%
Other Charges (kWh)			600,000	0.0135	8,100.00			600,000	0.0135	8,100.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	0.00	0.0000	n/a	0.00%
Cost of Power Commodity Balance kW.h	BALANCE		630,540	0.0675	42,540.43	Balance		624,140	0.0675	42,540.43	0.0000	0.00%	0.00%
Total Bill Before Taxes					**53,369.67**					**52,580.43**	**(789.2400)**	**-1.48%**	-1.41%
GST				5.00%	2,668.48				5.00%	2,629.02	**(39.4600)**	**-1.48%**	-0.07%
Total Bill					**56,038.15**					**55,209.45**	**(828.7000)**	**-1.48%**	-1.48%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = n/a
Distribution kW = 3000
Other Charge kW.h = 900,000

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.32%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-1.27%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-0.96%
Other Charges (kWh)			900,000	0.0135	12,150.00			900,000	0.0135	12,150.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.08%
Cost of Power Commodity Balance kW.h	BALANCE		945,810	0.0675	63,810.65	Balance		936,710	0.0675	63,196.70	(613.9467)	-0.96%	-0.74%
Total Bill Before Taxes					**78,689.89**					**77,354.17**	**(1,335.7200)**	**-1.70%**	-1.62%
GST				5.00%	3,934.49				5.00%	3,867.71	**(66.7800)**	**-1.70%**	-0.08%
Total Bill					**82,624.38**					**81,221.88**	**(1,948.9800)**	**-2.36%**	-2.36%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **3000**
Other Charge kW.h = **1,200,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.24%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-0.96%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-0.72%
Other Charges (kWh)			1,200,000	0.0135	16,200.00			1,200,000	0.0135	16,200.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.06%
Cost of Power Commodity Balance kW.h	BALANCE		1,261,080	0.0675	85,080.86	Balance		1,249,280	0.0675	84,284.76	(796.1067)	-0.94%	-0.73%
Total Bill Before Taxes					**104,010.10**					**102,492.22**	**(1,517.8800)**	**-1.46%**	-1.39%
GST				5.00%	5,200.51				5.00%	5,124.61	**(75.9000)**	**-1.46%**	-0.07%
Total Bill					**109,210.61**					**107,616.83**	**(2,322.4200)**	**-2.13%**	-2.13%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **3000**
Other Charge kW.h = **1,500,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.19%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-0.77%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-0.58%
Other Charges (kWh)			1,500,000	0.0135	20,250.00			1,500,000	0.0135	20,250.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.05%
Cost of Power Commodity Balance kW.h	BALANCE		1,576,350	0.0675	106,351.08	Balance		1,561,850	0.0675	105,372.81	(978.2667)	-0.92%	-0.72%
Total Bill Before Taxes					**129,330.32**					**127,630.28**	**(1,700.0400)**	**-1.31%**	-1.25%
GST				5.00%	6,466.52				5.00%	6,381.51	**(85.0100)**	**-1.31%**	-0.06%
Total Bill					**135,796.84**					**134,011.79**	**(2,695.8500)**	**-1.99%**	-1.99%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **3000**
Other Charge kW.h = **1,800,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.16%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-0.65%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-0.49%
Other Charges (kWh)			1,800,000	0.0135	24,300.00			1,800,000	0.0135	24,300.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.04%
Cost of Power Commodity Balance kW.h	BALANCE		1,891,620	0.0675	127,621.30	Balance		1,874,420	0.0675	126,460.87	(1,160.4267)	-0.91%	-0.71%
Total Bill Before Taxes					**154,650.54**					**152,768.34**	**(1,882.2000)**	**-1.22%**	-1.16%
GST				5.00%	7,732.53				5.00%	7,638.42	**(94.1100)**	**-1.22%**	-0.06%
Total Bill					**162,383.07**					**160,406.76**	**(3,069.2700)**	**-1.89%**	-1.89%

* net of transformer ownership allowance

INTERMEDIATE Use

Commodity USE

Distribution kW.h = **n/a**
Distribution kW = **3000**
Other Charge kW.h = **2,100,000**

	2009	2010
Loss Factor	1.0509	1.0419

		n/a	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					57.34					320.00	262.6600	458.07%	0.14%
Distribution*		3,000	0	0.8903	2,670.90		3,000	0	0.5400	1,620.00	(1,050.9000)	-39.35%	-0.56%
Smart Meter Rider (per month)					1.00					0.00	(1.0000)	-100.00%	0.00%
LRAM & SSM Rider		3,000	n/a	0.0000			3,000	n/a	0.0000		0.0000	n/a	0.00%
Regulatory Assets		3,000	n/a	0.0000			3,000	n/a	(0.7289)		0.0000	n/a	0.00%
Sub-Total					**2,729.24**					**1,940.00**	**(789.2400)**	**-28.92%**	-0.42%
Other Charges (kWh)			2,100,000	0.0135	28,350.00			2,100,000	0.0135	28,350.00	0.0000	0.00%	0.00%
Cost of Power Commodity first block	0		0	0.0675	0.00	1000		1,000	0.0675	67.47	67.4667	n/a	0.04%
Cost of Power Commodity Balance kW.h	BALANCE		2,206,890	0.0675	148,891.51	Balance		2,186,990	0.0675	147,548.93	(1,342.5867)	-0.90%	-0.71%
Total Bill Before Taxes					**179,970.75**					**177,906.39**	**(2,064.3600)**	**-1.15%**	-1.09%
GST				5.00%	8,998.54				5.00%	8,895.32	**(103.2200)**	**-1.15%**	-0.05%
Total Bill					**188,969.29**					**186,801.71**	**(3,442.7000)**	**-1.82%**	-1.82%

* net of transformer ownership allowance

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

Sentinel Lighting

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1
Other Charge kW.h =	365

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					3.98					5.00	1.0200	25.63%	2.58%
Distribution		1	0	1.8938	1.89		1	0	1.4000	1.40	(0.4938)	-26.07%	-1.25%
Smart Meter Rider (per month)					0.00					0.00	0.0000	n/a	0.00%
LRAM & SSM Rider		1	0		-		1	0		-	0.0000	n/a	0.00%
Regulatory Assets		1	0	0.0000	-		1	0	0.1770	0.18	0.1770	n/a	0.45%
Sub-Total					**5.87**					**6.58**	**0.7032**	**11.97%**	1.78%
Other Charges (kWh)			365	0.0135	4.93			365	0.0135	4.93	0.0000	0.00%	0.00%
Cost of Power Commodity first block	1000		384	0.0700	26.85	1000		380	0.0700	26.62	(0.2299)	-0.86%	-0.58%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0700	0.00	Balance		0	0.0700	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**37.65**					**38.13**	**0.4733**	**1.26%**	1.20%
GST				5.00%	1.88				5.00%	1.91	**0.0300**	**1.60%**	0.08%
Total Bill					**39.53**					**40.04**	**0.2733**	**0.69%**	0.69%

Name of LDC:Hearst Power Distribution Company
File Number: EB-2009-0266
Rate Year: 2010

Street Lighting

Commodity USE

Distribution kW.h =	n/a
Distribution kW =	1
Other Charge kW.h =	365

	2009	2010
Loss Factor	1.0509	1.0419

		N/A	BILL	2009	EXISTING RATES	2010	2010	2010	2010	PROPOSED	BILL	Change	
	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Block Size kW.h	Volume kW	Volume kW.h	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge					0.99					0.50	(0.4900)	-49.49%	-1.37%
Distribution		1	0	1.2912	1.29		1	0	21.1000	21.10	19.8088	1534.14%	55.39%
Smart Meter Rider (per month)					0.00					0.00	0.0000	n/a	0.00%
LRAM & SSM Rider		1	0		-		1	0		-	0.0000	n/a	0.00%
Regulatory Assets		1	0	0.0000	-		1	0	0.5144	0.51	0.5144	n/a	1.44%
Sub-Total					**2.28**					**22.11**	**19.8332**	**869.42%**	55.46%
Other Charges (kWh)			365	0.0135	4.93			365	0.0135	4.93	0.0000	0.00%	0.00%
Cost of Power Commodity first block	1000		384	0.0700	26.85	1000		380	0.0700	26.62	(0.2299)	-0.86%	-0.64%
Cost of Power Commodity Balance kW.h	BALANCE		0	0.0700	0.00	Balance		0	0.0700	0.00	0.0000	n/a	0.00%
Total Bill Before Taxes					**34.06**					**53.66**	**19.6033**	**57.56%**	54.82%
GST				5.00%	1.70				5.00%	2.68	**0.9800**	**57.65%**	2.74%
Total Bill					**35.76**					**56.34**	**20.3533**	**56.92%**	56.92%

Loss Adjustment Factors

Customer Class	2009	2010 adjusted	2009 rounded	2010 adjusted & rounded
Residential	1.0509	1.0419	1.0509	1.0419
GS < 50 kW	1.0509	1.0419	1.0509	1.0419
GS > 50 kW	1.0509	1.0419	1.0509	1.0419
Intermediate	1.0509	1.0419	1.0509	1.0419
Sentinel Lights	1.0509	1.0419	1.0509	1.0419
Street Lighting	1.0509	1.0419	1.0509	1.0419

		2009	2010
	Supply Facilities Loss Factor	1.0045	1.0045
Distribution Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0462	1.0372
Distribution Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0357	1.0269
Distribution Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0357	1.0269
Total Loss Factor	**Secondary Metered Customer < 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Secondary Metered Customer > 5,000 kW**	1.0509	1.0419
Total Loss Factor	**Primary Metered Customer < 5,000 kW**	1.0404	1.0315
Total Loss Factor	**Primary Metered Customer > 5,000 kW**	1.0404	1.0315