

Derivation of Revenue Requirement Impacts of Actual Nuclear Rate Base						
2008						
	(a)	(b)	(c) = b-a	(d)	(e) = (c) x (d)	
	OEB Approved	Actual	Delta	Deemed Rates	Revenue Req Impact <sup>1</sup>	
Part C	\$ Millions					
2008 Average Rate Base	3,509.1	3,464.2	(44.9)			Assumed to be allocated 53% debt and 47% equity
Lesser of Unfunded Nuclear Liability or ARC	1,060.3	1,060.3	0.0	5.60%	0.0	No change in assumed UNL or ARC
Deemed Debt	1,297.9	1,274.1	(23.8)	5.76%	(1.0)	Using OEB approved debt rate (average)
Deemed Equity	1,150.9	1,129.8	(21.1)	8.65%	(1.4)	Using OEB approved ROE rate
					<b>(2.4)</b>	<b>Impact on Revenue Requirement</b>

2009						
	(a)	(b)	(c) = b-a	(d)	(e) = (c) x (d)	
	OEB Approved	Actual	Delta		Revenue Req Impact	
Part D	\$ Millions.					
2009 Average Rate Base	3,483.8	3,421.4	(62.4)			Assumed to be allocated 53% debt and 47% equity
Lesser of Unfunded Nuclear Liability or ARC	1,012.9	1,012.9	0.0	5.60%	0.0	No change in assumed UNL or ARC
Deemed Debt	1,309.6	1,276.5	(33.1)	5.89%	(2.0)	Using OEB approved debt rate (average)
Deemed Equity	1,161.4	1,132.0	(29.4)	8.65%	(2.5)	Using OEB approved ROE rate
					<b>(4.5)</b>	<b>Impact on Revenue Requirement</b>

2008						
	(a)	(b)	(c) = b-a	(d)	(e) = (c) x (d)	
	OEB Approved	Actual	Delta	Deemed Rates	Revenue Req Impact <sup>1</sup>	
Part E	\$ Millions					
2008 Average Rate Base excluding unamortized ARC	2,282.1	2,180.5	(101.6)			Assumed to be allocated 53% debt and 47% equity
Lesser of Unfunded Nuclear Liability or ARC	1,060.3	1,060.3	0.0	5.60%	0.0	Assumed unchanged UNL remains < actual ARC
Deemed Debt	1,297.9	1,244.0	(53.8)	5.76%	(2.3)	Using OEB approved debt rate (average)
Deemed Equity	1,150.9	1,103.2	(47.8)	8.65%	(3.1)	Using OEB approved ROE rate
					<b>(5.4)</b>	<b>Impact on Revenue Requirement</b>

2009						
	(a)	(b)	(c) = b-a	(d)	(e) = (c) x (d)	
	OEB Approved	Actual	Delta		Revenue Req Impact	
Part F	\$ Millions.					
2009 Average Rate Base	2,362.8	2,261.6	(101.2)			Assumed to be allocated 53% debt and 47% equity
Lesser of Unfunded Nuclear Liability or ARC	1,012.9	1,012.9	0.0	5.60%	0.0	Assumed unchanged UNL remains < actual ARC
Deemed Debt	1,309.6	1,255.9	(53.7)	5.89%	(3.2)	Using OEB approved debt rate (average)
Deemed Equity	1,161.4	1,113.8	(47.6)	8.65%	(4.1)	Using OEB approved ROE rate
					<b>(7.3)</b>	<b>Impact on Revenue Requirement</b>

<sup>1</sup> Revenue requirement impacts for 2008 reflect 9 months

**KT1.6**