

UNDERTAKING

Undertaking

TO CALCULATE IMPACT OF REJECTION OF CWIP AS PERCENTAGE OF RATE INCREASE FOR 2011 AND 2012.

Response

The impact of the rejection of CWIP in rate base for Bruce to Milton would be as follows:

- In 2011, the rate increase would be 12.2% which is a reduction of 3.5% (as shown in Exhibit K2.1, the February 11, 2010 Board Presentation, slide 6) from the 15.7% originally filed.
- In 2012, the rate increase would be 11.6% which is an increase of 1.8% from the 9.8% originally filed. Approximately 20% of the 2012 rate increase would be the result of Bruce to Milton being placed into rate base. In 2013, there would be a further 2.3% increase in rates due to the full year rate base impact of Bruce to Milton.