Ontario Energy Board | Commission de l'énergie de l'Ontario

Ontario

EB-2009-0278

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Algoma Power Inc. for an order approving just and reasonable rates and other charges for the distribution of electricity to be effective July 1, 2010 and January 1, 2011.

BEFORE: Ken Quesnelle
Presiding Member

Marika Hare
Member

DECISION AND ORDER

BACKGROUND

Algoma Power Inc. ("Algoma Power" or "Applicant" or "API") filed a cost of service application with the Ontario Energy Board (the "Board") on June 1, 2010, and amended on June 7, 2010, under section 78 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c.15 (Schedule B), seeking approval for changes to the rates for 2010 and 2011 that Algoma Power charges for electricity distribution, to be effective July 1, 2010 and January 1, 2011 respectively.

Algoma Power is one of over 80 electricity distributors in Ontario regulated by the Board. In 2006, the Board announced the establishment of a multi-year electricity distribution rate-setting plan for the years 2007-2010. In an effort to assist distributors in preparing their applications, the Board issued the *Filing Requirements for Transmission and*

Distribution Applications on November 14, 2006. Chapter 2 of that document, as amended on May 27, 2009, outlines the filing requirements for cost of service rate applications, based on a forward test year, by electricity distributors.

The Board assigned the application file number EB-2009-0278 and issued a Notice of Application and Hearing dated June 24, 2010. The Board approved intervention and cost eligibility requests from four parties: the Energy Probe Research Foundation ("Energy Probe"), the School Energy Coalition ("SEC"), the Vulnerable Energy Consumers Coalition ("VECC") and Garden River First Nation. The Board approved the intervention requests of the Algoma Coalition and Great Lakes Power Transmission LP. The Board received three letters of comment.

Procedural Order No.1, dated July 20, 2010, provided for written interrogatories and the convening of a Technical Conference and a Settlement Conference which were respectively held on August 24, 2010 and August 25, 2010. Algoma Power filed a Settlement Proposal on September 10, 2010.

Pursuant to Procedural Order No.2, the Board heard the Settlement Proposal on September 16, 2010. The Settlement Proposal indicated that the parties to the Settlement agreed on all but three issues. The three unresolved issues were:

A. *What is the appropriate method of calculating the average rate adjustments of other distributors in order to calculate the rate increase for the customers of API, and the remaining amount that is payable under RRRP?* ("RRRP Adjustment");

B. *Should API's proposal to recover amounts in Account 1572 Extraordinary Event Costs be approved?* ("Extraordinary Event Costs") and;

C. *Should API's proposal to establish a new IFRS Deferral Account be approved?* ("IFRS Deferral Account").

At the September 16, 2010 oral hearing of the Settlement Proposal, Board staff indicated its concern with the legal basis of the proposal to reclassify street lighting customers from street lighting to residential, which would then make street lighting eligible for Rural and Remote Rate Protection ("RRRP"). Board staff, VECC, SEC, Energy Probe and Algoma Power made submissions on the matter. The Board found that O. Reg.442/01 and O. Reg. 445/07 do not include street lighting customers as a customer class eligible for RRRP. Accordingly, the Board did not accept the Settlement

Proposal dated September 10, 2010. The Board also questioned the provision to declare Algoma Power's proposed rates, to be effective December 1, 2010, interim as of December 31, 2011.

Parties to the Settlement Proposal agreed to file a Revised Settlement Proposal which would exclude the street lighting proposal. The Revised Settlement Proposal would also reframe the interim rates provision from "Algoma Power's rates be declared interim, effective December 31, 2011" to the agreement that the parties to the Settlement Proposal would not object, should Algoma Power make such an application in the future to the Board.

At the September 16, 2010 hearing the Board also notified the parties that a Revised Settlement Proposal would be heard on September 29, 2010 and solicited the parties' views on the procedural steps for the three unresolved issues.

Procedural Order No. 3, dated September 22, 2010, set out the procedural steps for the three unresolved issues. With respect to the RRRP Adjustment issue, Board staff was directed to prepare and file a report (the "RRRP Report") by September 30, 2010 on several options that could be considered to determine the appropriate method of calculating the average rate adjustments of other distributors. Board staff filed the RRRP Report and written submission on the matter on October 1, 2010. Algoma Power and the intervenors filed their submissions on October 14, 2010. With respect to the IFRS Deferral Account issue, intervernors and Board staff filed their submissions on October 8, 2010 and October 7, 2010 respectively. Algoma Power filed its reply on October 14, 2010. With respect to the Extraordinary Events Costs issue, the Board heard any further evidence and testimony on the issue at the same oral hearing scheduled for the review of the Revised Settlement Proposal, being September 29, 2010.

At the oral hearing held on September 29, 2010 the Board accepted the Revised Settlement Proposal and the further examination of the Extraordinary Events Costs issue was completed.

The Board's consideration of and findings on the three unresolved issues appear below.

<u>RRRP Adjustment</u>:

What is the appropriate method of calculating the average rate adjustments of other distributors in order to calculate the rate increase for the customers of API, and the remaining amount that is payable under RRRP?

As directed by the Board in Procedural Order No.3, Board staff prepared a report titled *Board Staff Report on: Rural and Remote Rate Protection and Adjustment Mechanism*, dated October 1, 2010.[1] The RRRP Report was organized around four questions concerning components of the existing mechanism that were not otherwise prescribed in detail by the underlying regulations.

A) Which customer classes in the other distributors of the province are comparable to Algoma Power's customers who are eligible for RRRP?
B) In the calculation of the province-wide increase, should a distributor with multiple tariffs (for the same class) have a greater weighting than a distributor who has one set of tariffs?
C) Should the Delivery cost components that are included in the calculation of the province-wide average correspond to the Delivery cost components to which the adjustment will be applied?
D) Which average monthly volume should be used?

A summary of the potential changes identified in the RRRP Report is presented in the Table A below.

[1] The RRRP Report is attached as Appendix "A" to this Decision and Order.

Table A
Current Mechanism and Potential Changes

Particulars	Current Mechanism	Potential Changes
(A) Class Comparator	• Residential	• Residential • GS< 50 kW @2,000 kWh • GS>50 kW revenue requirement calculated
(B) Comparator Weightings	• Simple average of each bill impact (for which there is a separate tariff sheet)	• Simple average of each licensed distributor bill impact (if multiple tariffs, multiple impacts average into one value for the distributor)
(C) Included Delivery Costs	• Delivery line of the bill which can include - Monthly fixed charge - Distribution volumetric rate - Retail Transmission rate - Rate Riders - Rate Adders	• Base Rate i.e. - Monthly fixed charge - Distribution volumetric rate
(D) Volumetric Assumption	• 1,000 kWh per month	• 800 kWh per month for residential • 2,000 kWh per month for General Service < 50kW
Note: As a general principle the calculation should only include the rate change impacts that align with the rate year in question. This is to exclude from the calculation instances where the rate order is issued in 2010 but in fact pertains to an application for 2009 rates.		

Board staff in its separate submission put forward its views on the options presented in the RRRP Report and was guided by the following principles:

- o the data is available in the public domain;
- o the data calculation is relatively simple and straight-forward;
- o the calculation particulars are in keeping with the intention of the underlying regulation;
- o there should be a reasonable balance between the value to be gained from increased refinement, including materiality and the time and resources required to achieve it.

Board staff recommended that the “class comparator” should include General Service < 50kW and Residential, that each distributor be weighted as “1” (regardless of size and the number of tariff sheets), “delivery costs” should include only the fixed monthly charge and variable distribution charges, and the volumetric assumption should be 800kWh for Residential and 2000kWh for General Service < 50kW.

The RRRP Report also included a number of scenarios that quantified the impact on Algoma Power’s R-1 and R-2 rates. These reflected certain assumptions regarding the span of rate years to be considered when calculating the rate changes experienced by other distributors. In that the Board last set Algoma Power’s distribution rates for the 2007 rate year, should the mechanism tabulate the increase experienced by other distributors between 2007 and 2010 or between 2009 and 2010? Or simply put, what is the base year to which the test year will be compared?

Board staff interpreted the regulation as requiring the Board to calculate the average increase for other distributors over the three years between 2007 and 2010.[2] The regulation stipulates that the forecast consumer revenues will be based on the most recent rate order, which in this case is the 2007 rate year. The regulation then states that these rates shall be adjusted in line with the average increase for other distributors in the same rate year. Board staff interpreted “the same rate year” to refer back to the rate year of the last Board approved rates for Algoma Power, i.e. 2007. Board staff also noted in the RRRP Report that the Revised Settlement Proposal accepted by the Board shows December 1, 2010 as the effective date for the rates to be ordered in this proceeding and that these rates would be based on the 2011 revenue requirement. This represents a period of three years, over which the Board did not perform the calculation of average distributor rate increases, and, unlike most other rate payers in the province, Algoma Power’s customers saw no distribution rate increases.

Algoma Power and Energy Probe concurred with Board staff’s recommendations but disagreed with Board staff’s assumption concerning the span of rate years to be considered. Based on their interpretation of O. Reg. 442/01 section 3.2, they submitted that the average increase or decrease should be based on the average of the most

[2] Excerpt from O. Reg. 442/01: (3.2) For the purpose of subsection (3.1), the distributor’s forecasted consumer revenues for a year shall be based on the rate classes and on the rates set out for those classes in the most recent rate order made by the Board and shall be adjusted in line with the average, as calculated by the Board, of any adjustment to rates approved by the Board for other distributors for the **same rate year.** (emphasis added)

recent rate year's increase and not on the average increase over a period of time. VECC also expressed similar concerns with Board staff's interpretation of the regulation.

SEC submitted that O. Reg. 442/01 mandates, rather than authorizes, the Board to calculate an annual calculation, noting that if the Board had done so, Algoma Power's existing rates would more accurately reflect the intent of the regulation. To correct this deficiency, SEC proposed that the Board should calculate the RRRP adjustment in this proceeding by notionally calculating for each year between 2007 and 2010 what the comparative increase in rates for other distributors in rates would have been, had the calculation been implemented annually. The result would then be applied year by year to Algoma Power's 2007 rates to establish the new rates.

SEC and VECC also made submissions on other aspects of Board staff's recommendations. Both SEC and VECC proposed that the calculation of the RRRP adjustment mechanism include the General Service > 50kW class of customers. Since Algoma Power has rates for this similar class of customer to which RRRP is afforded, then the equivalent class of customers should be included in the calculation of the increase experienced by the other distributors.

With respect to the volumetric assumption VECC recommended using 2500 kWh for the GS < 50kW since this is more representative actual experience across all distributors.

Board Findings

The Board adopts all of Board staff's recommended changes for the RRRP mechanism with the exception of the time period to be used in calculating the rate changes.

With respect to the alternatives proposed by VECC and SEC regarding the volumetric assumption for GS < 50kW and the inclusion of the GS > 50kW class in the calculation, the Board is mindful of the associated added complexity and typical consumption levels that the Board employs. The Board notes that Algoma Power and the submitting intervenors agreed with most, if not all of Board staff's recommendations, and on balance this will be a marked improvement to the existing mechanism.

With respect to the time period to be captured by the RRRP adjustment, the Board accepts Energy Probe's, VECC's and Algoma Power's interpretation of O.Reg. 442/01, and specifically what is meant by the qualifying phrase "…for the same rate year". In the context of this proceeding, the "same rate year" means 2009, being the last comparator year for the other distributors who filed applications for 2010 rates.

The Board has prepared a calculation of the RRRP adjustment factor based on the mechanism as now approved by the Board. The RRRP adjustment factor to be applied to Algoma Power's R-1 and R-2 rates to establish the rates effective December 1, 2010 is 2.5%. A detailed calculation is attached as Appendix B to this Decision and Order.

The Board notes SEC's interpretation of O. Reg. 442/01 which it sees as mandating an annual review to establish Algoma Power's RRRP eligible rates; or stated differently, that timing is not a matter for Board discretion within the meaning of a just and reasonable determination.[3]

The Board intends to calculate an RRRP adjustment factor annually for Algoma Power, with rates and the RRRP amount for the rate year affected accordingly. Every year the Board will communicate the RRRP adjustment factor to Algoma Power to ensure that it is reflected in Algoma Power's rates application. Should Algoma Power not file either an IRM or a cost of service application, the Board will on its own motion initiate a proceeding in this regard.

The Board notes that in the Revised Settlement Proposal under the issue "Application of a Future Incentive Rate Mechanism" the parties agreed that for the purpose of obtaining a complete settlement on all issues, Algoma agrees to consult with intervenors prior to proposing any future Incentive Rate Mechanism to set rates in non-rebasing years." [4]

The Board will leave to a future discussion the implementation particulars that would give effect to the annual calculation of the RRRP adjustment and setting of rates in an IRM context.

[3] Ref. SEC submission paragraphs 4 and 18.
[4] Algoma Power Inc. Revised Settlement Proposal, dated September 17, 2010, p.8.

Extraordinary Event Costs:

Should API's proposal to recover amounts in Account 1572 Extraordinary Event Costs be approved?

Algoma Power[5] is seeking the Board's approval to recover $397,677 in costs which Algoma Power incurred to comply with Section 71 of the *Ontario Energy Board Act, 1998* ("Section 71").[6] Section 71 reads as follows:

> Restriction on business activity
>
> 71. (1) Subject to subsection 70 (9) and subsection (2) of this section, a transmitter or distributor shall not, except through one or more affiliates, carry on any business activity other than transmitting or distributing electricity. 2004, c. 23, Sched. B, s. 12.
>
> Exception
>
> (2) Subject to section 80 and such rules as may be prescribed by the regulations, a transmitter or distributor may provide services in accordance with section 29.1 of the *Electricity Act, 1998* that would assist the Government of Ontario in achieving its goals in electricity conservation, including services related to,
>
> (a) the promotion of electricity conservation and the efficient use of electricity;
>
> (b) electricity load management; or
>
> (c) the promotion of cleaner energy sources, including alternative energy sources and renewable energy sources. 2004, c. 23, Sched. B, s. 12.

By way of background, Algoma Power noted that under Section 5(4) of O. Reg. 161/99, Great Lakes Power Limited ("GLPL") had been exempt from Section 71 until December 31, 2008 and, as a result, was permitted to carry on the activities of transmission and distribution, together with generation, within the same corporation until such date.[7]

In the written evidence, oral testimony and argument Algoma Power provided a number a reasons for incurring the Extraordinary Event costs, including: that the reorganization effort was to take an integrated utility which had been carrying on generation, transmission and

[5] Unless indicated otherwise, the name Algoma Power can also refer to its predecessor companies.
[6] Per Exhibit 9 Tab2 Schedule 2 p1 ln 28-29, the claimed amount totalled $410,695 and was described as follows: "As part of acquiring the distribution assets from GLPL, GLPD incurred costs in the amount of $410,695." Algoma Power revised this amount to $397,677 during oral testimony shown in volume 1 transcript dated September 29, 2010 p.11 ln. 17-27. The reduction regarded costs associated with transmission licensing requirements.
[7] Ref. Exhibit 9-T2-S2 p.1 ln 14-15

distribution and moving it into a distribution only business[8]; that Section 71 was the impetus for the separation of transmission and distribution.[9]; "No matter how one interprets subsection 71(1), GLPL's distribution business had to be separated from its generation business". [10]; "The cost of transferring the distribution business from GLPL to GLPDI that API has applied to recover as an extraordinary event costs is $397,667"[11]

Algoma Power noted that, although the costs incurred to separate the entities were accumulated by Algoma Power in Account 1525-Miscellaneous Deferred Debits, it preferred to characterize these costs as Extraordinary Event Costs per Account 1572 of the Board's Accounting Handbook.

The claimed amount totals $397,677(including interest of $1,080) and reflects the costs incurred between November 2008 and December 2009 for the following activities. [12]

- Legal: $270,094
    - Representation in connection with discussions/applications made with the Ministry of Energy, Ontario Energy Board, IESO
- Consultants: $66,390
    - Outside consultants used primarily in the separation of engineering records
- Internal Costs: $56,440
    - Internal staff used primarily to assist in the separation of engineering records
- Administrative: $3,665
    - Registration fees with Ministry of Finance, IESO

Algoma Power submitted that recovery of these costs from ratepayers is justified because the $397,677 meets the Board's criteria of causation, materiality, inability of management control and prudence pertaining to extraordinary events as laid out in the Board's Accounting Procedures and Electricity Rate Handbooks.[13]

[8] Ref. Transcript vol.1 p.20 ln 7-14
[9] Ref. Transcript vol.1 p.25 ln 8-12
[10] Ref. Algoma Power Reply Submission p4. Note: Algoma Power did not number the pages of its October 14, 2010 Reply Submission nor number the paragraphs. For reference purposes in this Decision, the Board assumed that the cover page is page 1.
[11] Ref. Algoma Power Reply Submission p.2
[12] Ref. Board Staff interrogatory No.43 and as adjusted per exhibit J2.1
[13] Ref. Transcript vol.1 p.9 ln 10-11 and Algoma Power Reply Submission p. 3

With respect to the disposition of the amount, Algoma Power proposed to include the $397,677 in the total of deferral and variance account balances that would be recovered by way of rate riders (for all classes) over a 2.5 year period.

Board staff, VECC, SEC, and Energy Probe that adopted SEC's submission, took issue with the proposal from a variety of perspectives. The Board will address these concerns under four headings: Section 71 vs Transition Costs, Section 71 Requirements, Eligibility Criteria and Recovery in Rates.

<u>"Section 71" vs "Transition" costs</u>

SEC and VECC argued that the claimed costs are equivalent to transition costs incurred by municipal corporations due to market re-structuring. VECC viewed both pieces of legislation, Section 71 of the *Ontario Energy Board Act* and Section 142 of the *Electricity Act*, as related to market restructuring, thereby concluding that the Board's criteria set out in RP-1999-0034 should apply. On this basis, with the majority of the costs falling under Category 1 (which is corporate reorganization related), the amount to be recovered from ratepayers would be much less than the amount claimed. However VECC and SEC differed on the amounts that would be eligible for recovery if treated as transition costs, being $3,665 and $134,600 at most, respectively.

Algoma Power disagreed with the proposition that the costs were equivalent to transition costs. Algoma pointed to the different pieces of legislation applied to GLPL as opposed to the Municipal Electric Utilities ("MEUs").

Pursuant to subsection 144(1) of the *Electricity Act*, Algoma Power noted that MEUs were required to transition to a corporate status under the *Ontario Business Corporations Act* ("OBCA") if they wanted to generate, transmit distribute or retail electricity:

> 144. (1) After the second anniversary of the day section 142 comes into force, a municipal corporation shall not generate, transmit, distribute or retail electricity, directly or indirectly, except through a corporation incorporated under the Business Corporations Act pursuant to section 142.

Algoma Power also indicated that while the MEUs had the benefit of knowing the requirements of subsection 71(1) when they corporatized and so could conform with Section 71 from the outset, GLPL was already corporatized prior to the enactment of Section 71. Consequently, its actions subsequent to the enactment of Section 71 were a matter of compliance. Algoma Power further stated that the corporate restructuring it undertook had little to do with the costs for the transition to a new market structure described in the Board's RP-1999-0034 decision. Algoma Power also noted that, contrary to SEC's assertion, it did incur transition type costs that pertained to the new market structure. Algoma Power provided the example of the customer information system costs that were recorded in account 1570 and approved for recovery in EB-2007-0744.

Board Findings

The Board agrees with Algoma Power's position in this proceeding that, in the first instance, the determination of the appropriateness of the costs to be recovered from ratepayers should be solely based on compliance with Section 71 and not related to legislation concerning the transition to the new market structure for municipal entities. With the expiration of Section 5(4) of O. Reg. 161/99, GLPL was required to comply with Section 71 or face legal consequences. The evidence is clear that GLPL was not a municipally owned entity that was faced with transitional requirements to operate under the OBCA. As an ongoing business offering distribution, generation and transmission services, it was already an incorporated entity. Accordingly, the Board does not consider the transition to the new market structure criteria set out in the Accounting Procedures Handbook directly applicable to Algoma Power's circumstances described in this case.

<u>Section 71 Requirements</u>

Board staff, VECC and SEC disagreed with Algoma Power's claim that Section 71 required the separation of the transmission and distribution businesses in addition to the separation of generation from the said businesses.

Board staff and VECC submitted that Section 71 does not require the legal separation of transmission and distribution businesses. GLPL (the predecessor company which operated the transmission, distribution and generation businesses) was required to separate its generation business from transmission and distribution, but Section 71 does not appear to prohibit the same corporate entity from carrying on both transmission and distribution businesses. With respect to Algoma Power's assertion that Hydro One Networks Inc. is only allowed to act as a distributor and transmitter because of special provisions in the Electricity Act, Board staff noted that it was unable to find any provision of the *Electricity Act* which creates an exemption to Section 71 for Hydro One Networks Inc. In other words, Section 71 of the *Ontario Energy Board Act* appears to apply equally to Algoma power and Hydro One Networks Inc.

Board Findings

The Board finds that the wording of Section 71 does not support Algoma Power's position that it was required to separate the transmission and distribution businesses. Hydro One Networks Inc. has operated both functions within the same corporate structure absent any legislated exemption to do so.

Eligibility Criteria

Having found that the claimed costs are appropriately characterized as Extraordinary Event Costs, the Board will next consider whether the claimed costs meet the Board's eligibility criteria in this regard. Algoma Power submitted that recovery of these costs from ratepayers is justified because the $397,677 meets the Board's criteria of causation, materiality, inability of management control and prudence pertaining to extraordinary events as laid out in the Board's Accounting Procedures and Electricity Rate Handbooks.[14] The Board notes that the criteria are defined in the Board's filing requirements for IRM applications and have been referenced in other rates applications.[15]

The Board's four-part eligibility tests that must be satisfied for Extraordinary Event Costs to be considered for recovery are as follows:

- Prudence - the expense must have been prudently incurred. This means that the option selected must represent the most cost-effective option (not necessarily least initial cost) for ratepayers;
- Inability of Management to Control - to qualify for Z factor treatment, the cost must be attributable to some event outside of management's ability to control;
- Causation - the expense must be clearly outside of the base upon which rates were derived; and
- Materiality - the cost must have a significant influence on the operation of the electricity distribution utility, otherwise they should be expensed in the normal course and addressed through organizational productivity improvements.

[14] Ref. Transcript vol.1 p.9 ln 10-11 and Algoma Power Reply Submission p. 3
[15] See the EB-2010-0159 Decision concerning Canadian Niagara Power Inc.'s request for a deferral account to record certain preliminary costs.

PRUDENCE:

Board staff questioned the prudence, from a cost perspective, of the corporate strategy undertaken by Algoma Power's predecessor to comply with the Section 71 statutory requirement, being the legal separation of the generation from the distribution and transmission businesses.

Board staff submitted that the most cost efficient way, from a rate-payer perspective, to legally "separate" the businesses would have been to separate out the generation business from GLPL, leaving GLPL with only the distribution and transmission businesses. On this basis, the only costs that would be considered as prudent would be the ones associated with the separation of generation from distribution and transmission.

Algoma Power submitted that GLPL interpreted Section 71 as requiring the creation of a stand-alone distribution business and that the question to ask is whether this was a correct or reasonable interpretation at the time, based on the circumstances GLPL knew or ought to have known at the time. Algoma Power argued that the Board should not retroactively judge the prudence of GLPL's interpretation and in support provided the following excerpt.[16]

> The Board agrees that a review of prudence involves the following:
> - Decisions made by the utility's management should be generally presumed to be prudent unless challenged on reasonable grounds.
> - To be prudent, a decision must have been reasonable under the circumstances that were known or ought to have been known to the utility at the time the decision was made.
> - Hindsight should not be used in determining prudence, although consideration of the outcome of the decision may legitimately be used to overcome the presumption of prudence.
> - Prudence must be determined in a retrospective factual inquiry, in that the evidence must be concerned with the time the decision was made and must be based on facts about the elements that could or did enter into the decision at the time.

Algoma Power argued that GLPL's interpretation was not unreasonable given the wording of the Section 71(1). Algoma Power also noted that the Board had not questioned GLPL's interpretation when raised in other proceedings.

> For example, GLPL's understanding was described in GLPL's March 9, 2009 MAAD application to transfer its distribution assets from GLPL to GLPDI:

[16] Ref. Algoma Power Reply Submission p.4; excerpt at p.62 from the Board's RP-2001-0032 Decision setting Enbridge Gas Distribution rates for 2002 Fiscal Year, December 13, 2002.

> "To be compliant with Section 71 of the OEB Act, GLPL must corporately reorganize by establishing a distributor that legally and operationally carries on the business activity of electricity distribution separate **from any other business activity**. [emphasis added] [17]

Algoma Power claimed that the Board also had the opportunity to assess the prudence of the reorganization of GLPL into stand-alone businesses in the MAAD application to create a standalone transmission business.

Algoma Power noted in its reply argument that the Board, in previous Decisions concerning Great Lakes Power Limited (EB-2009-0073) and Great Lakes Power Transmission (EB-2009-0408), had not questioned the same Section 71 interpretation held by Algoma Power in this proceeding.[18] Algoma Power submitted that in respect to the EB-2009-0408 Settlement Proposal that was accepted by the Board, the Board had the option, as it did regarding the Street lighting agreement in this proceeding, to reject the Settlement.

INABILITY OF MANAGEMENT TO CONTROL:

VECC, SEC and Board staff argued that the claimed costs should not include any costs Algoma Power incurred to separate the distribution and transmission businesses. On the basis that there was no legislative requirement to do so, the decision was management's to make and associated costs should be borne by the shareholder and not the ratepayer.

With respect to the consultant's costs of $66,390 and internal costs of $56,440, VECC and SECC submitted that these costs, since there was insufficient evidence to indicate that other than the separation of transmission and distribution records and materials was involved, should be disallowed.

With respect to the $270,094 in legal costs, SEC submitted that, contrary to the testimony of Algoma Power's witness, in excess of $40,000 of the costs were related to asset transfer activities. For SEC, asset transfer activities fall under category 1 of transition costs, and as such are not recoverable from ratepayers. SEC also noted that the Applicant has not provided sufficient evidence to substantiate the qualifying component of the legal costs. On this basis, SEC submitted that the Board should disallow 50% of the claimed legal costs.

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[17] Ref: Omnibus Application/Exhibit A Tab 1 Schedule 3 p7/17

[18] EB-2009-0408 pertained to the Application to transfer of transmission assets from GLPL to Great Lakes Power Transmission. EB-2009-0073 pertained to the Application to transfer distribution assets from GLPL to Great Lakes Power Distribution

Algoma Power in its reply submission stated that its asset transfer activities cannot be carved out separately because they were part of the subsection 71(1) compliance applications, regulatory requirements for GLPL; nor were they as complex as described by SEC, since third parties were not involved. Algoma Power also noted that the legal costs included about $80,000 in regulatory costs involving the preparation, record-keeping, documentation and filings for land and land rights, land agreements, permits, and material agreements.

Board Findings:

The Board is guided by the Board's definition as to what comprises a prudent expense to ascertain which extraordinary costs are eligible for recovery from rate-payers.

- Prudence - the expense must have been prudently incurred. This means that the option selected must represent the most cost-effective option (not necessarily least initial cost) for ratepayers.

The Board is not persuaded that all the claimed costs meet the prudence review test. The Board is not questioning the actual course of action undertaken by Algoma Power's predecessor and put forward in various MAADs and Licencing applications to comply with Section 71. The issue in this proceeding is who will pay for the costs incurred to restructure, and in that regard, the Applicant has provided insufficient evidence for the Board to conclude that the path taken by Algoma Power's predecessor was the most cost effective or beneficial from the rate-payer perspective.

The Board does not consider that its determination regarding the interpretation of Section 71 in this proceeding falls in the category of a retroactive judgment. This proceeding afforded the opportunity to examine Section 71 compliance costs proposed for recovery from rate payers which had not otherwise formed a part of an overall settlement.

The Board is not persuaded by Algoma Power's argument that, in the Omnibus Application if distribution did not need to be separated from any other business activity, this should have been raised by the Board. The Board notes that that Omnibus Application sought approval for, amongst other things, the separation of the electricity distribution business from GLPL's generation business. In this context, "any business" has little or no specific meaning other than the scope of the application. Further, there is no prohibition against splitting transmission and distribution into separate businesses, and therefore no reason to expect that the Board would comment on the Section 71 issue in that proceeding. Put simply, it was not something that was raised with the Board, nor was there any reason to comment on it.

Finally, the Board is not using "hindsight" in its consideration of this matter. There have been no changes to the relevant legislation since GLPL was split into separate corporations. The Board is considering Section 71 as it was written when GLPL made the decision to separate transmission from distribution, as well as generation. The Board is not utilizing any information that is available now that was not available at that time.

The Board finds that costs related to activities associated with the separation of distribution from transmission are not what would be characterized as outside of management's control.

With respect to the legal costs, Algoma Power has provided next to no substantive evidence which shows what portion of the costs are actually related to the separation of the distribution business from the generation business. From the information that has been provided it would appear that most of the costs being claimed pertain to the separation of distribution from transmission. However there is no basis on which to quantify any costs that may be related to the separation of distribution from generation and therefore the Board is not able to assess those costs in isolation.

Having found that that the costs do not meet the prudence and inability for management to control tests there is no need for the Board to consider whether the claimed costs meet the tests of Causation and Materiality.

Allocation and Rate Design

In that the Board has disallowed the claimed costs, it is not necessary for the Board to make a determination regarding the manner by which the costs would be recovered through rates.

IFRS Deferral Account:

Should API's proposal to establish a new IFRS Deferral Account be approved?

Algoma Power is seeking the Board's approval to establish a deferral account ("IFRS Deferral Account") to capture the aggregate impact on the 2011 revenue requirement resulting from any changes to the existing International Financial Reporting Standards and changes in the interpretation and implementation of such standards.[19] In support of its proposal, Algoma Power cited the Board's decision in Hydro One EB-2009-0096

[19] Ref. Exhibit 9 Tab 5 /Schedule 1 p.1 ln 19-21

proceeding.[20] In that proceeding, the Board approved the establishment of an IFRS variance account.

VECC, SEC, Board staff and Energy Probe, adopting Board staff's submission, submitted that the Board should not approve the establishment of the IFRS Deferral Account for two reasons. First, the request is contrary to the treatment described in the Report of the Board (EB-2008-0408), titled *Transition to International Financial Reporting Standards* (the "IFRS Report"), dated July 28, 2009. VECC and Board staff pointed to pages 27-28 of the IFRS Report which states that the purpose of the only deferral account established by the IFRS report is to capture one time-administrative costs and not the cost consequences resulting from IFRS related changes in accounting for rate base and for operating costs. The relevant quotes from the IFRS Report appear below.

> Re: Administrative Costs
>
> The Board will establish a deferral account for distributors for incremental one-time administrative costs related to the transition to IFRS. This account is exclusively for necessary, incremental transition costs and is not to include the other two types of costs listed at the beginning of this section: ongoing compliance costs or impacts on revenue requirement arising from changes in the timing of the recognition of expenses. (p.27)
>
> The Board declines to establish a deferral account for ongoing compliance costs related to IFRS. Distributors who are filing a cost of service application for rates should forecast ongoing compliance costs as part of the rate application. Distributors under an IRM are expected to work within the general provisions of that mechanism. (p.28)
>
> Re: Impacts resulting from changes in accounting
>
> The Board is of the view that the cost consequences of changes in accounting for rate base and operating costs may be sought to be included in revenue requirement in a similar fashion to cost consequences arising from other events. Recovery from customers of such costs would be subject to testing for accuracy and prudence, as well as rate mitigation mechanisms as necessary. Accordingly, the Board will not establish a deferral account to record increases or decreases in costs resulting from the accounting changes. Distributors under an IRM have options to address unexpected and material cost increases if necessary. (p.28)

[20]Ref. Response to Board staff IR No, 42: "The requested variance account is similar to what was approved by the OEB in Hydro One's recent distribution rate application (EB-2009-0096). The account proposed is intended to capture the aggregate impact on the post 2010 revenue requirement, any changes to existing IFRS standards and changes in the interpretation of such standards."

Second, the context for the EB-2009-0096 Hydro One decision cited by Algoma Power as compared to this proceeding is not the same and therefore Algoma Power should not be afforded similar treatment. The intervenors and Board staff noted that in the Hydro One proceeding there was an evidentiary basis for the Board's decision to establish a variance account. Hydro One indicated that it had contemplated the adoption of IFRS, as then understood, and had concluded that if IFRS was adopted in its then expected form, it would have no impact on its cash flows. The intervenors and Board staff indicated that there was little in the evidence on the record in this proceeding to suggest that Algoma Power had conducted an analysis to quantify and compare financial results on both an IFRS and CGAAP basis.

Algoma Power in its reply submission indicated that it had no further submissions on the issue.

Board Findings

The Board will not approve the establishment of the IFRS deferral account as requested by Algoma Power. The case made by the intervenors and Board staff is compelling and Algoma Power declined to respond further in its reply submission. The Board finds that the requested deferral account does not align with the Board's policy articulated the IFRS Report.

IMPLEMENTATION

The findings in this Decision and the Revised Settlement Proposal accepted by the Board will change the proposed revenue requirement and deferral and variance account balances that will be recovered through rates. In filing its draft Rate Order, the Board expects Algoma Power to file detailed supporting material, including all relevant calculations showing the impact of this Decision on Algoma Power's revenue requirement, the allocation of the approved revenue requirement to the customer classes, the calculation of the RRRP adjustment and the determination of the final rates. Supporting documentation shall include, but not be limited to, a completed version of the Revenue Requirement Work Form excel spreadsheet, which can be found on the Board's website. Algoma Power should also show detailed calculations of the revised retail transmission service rates and variance account rate riders reflecting this Decision and the Settlement Proposal accepted by the Board.

Pursuant with the Revised Settlement Proposal, the Board anticipates that the new rates will be effective and ready for implementation on December 1, 2010.

COST AWARDS

The Board may grant cost awards to eligible stakeholders pursuant to its power under section 30 of the *Ontario Energy Board Act, 1998*. The Board will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of the Board's *Practice Direction on Cost Awards*. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

All filings with the Board must quote the file number EB-2009-0271, and be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must be received by the Board by 4:45 p.m. on the stated date. Parties should use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available, parties may e-mail their documents to the attention of the Board Secretary at BoardSec@oeb.gov.on.ca. All other filings not filed via the Board's web portal should be filed in accordance with the Board's *Practice Directions on Cost Awards*.

THE BOARD ORDERS THAT:

1. Algoma Power shall file with the Board, and shall also forward to intervenors, a draft Rate Order attaching a proposed Tariff of Rates and Charges reflecting the Board's findings in this Decision, within 10 days of the date of this Decision. The draft Rate Order shall also include customer rate impacts and detailed supporting information showing the calculation of the final rates including the Revenue Requirement Work Form in Microsoft Excel format.

2. Intervenors shall file any comments on the draft Rate Order with the Board and forward to Algoma Power within 7 days of the date of filing of the draft Rate Order.

3. Algoma Power shall file with the Board and forward to intervenors responses to any comments on its draft Rate Order within 5 days of the date of receipt of intervenor submissions.

4. Intervenors shall file with the Board and forward to Algoma Power their respective cost claims within 35 days from the date of this Decision.

5. Algoma Power shall file with the Board and forward to intervenors any objections to the claimed costs within 42 days from the date of this Decision.

6. Intervenors shall file with the Board and forward to Algoma Power any responses to any objections for cost claims within 49 days of the date of this Decision.

7. Algoma Power shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

DATED at Toronto**,** November 11, 2010

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX "A"

To the Decision and Order

Algoma Power Inc.

EB-2009-0278

Algoma Power Inc.
EB-2009-0278

Board Staff Report on:

Rural and Remote Rate Protection and Adjustment Mechanism

October 1, 2010
(Corrected October 4, 2010)*

*Note: the October 4, 2010 corrected version includes Appendix 4.

Introduction

The Revised Settlement Proposal pertaining to Algoma Power Inc.'s ("Algoma Power") application for 2010 and 2011 rates was filed on September 17, 2010.[1] The Revised Settlement Proposal identifies the Rural and Remote Rate Protection (RRRP) adjustment mechanism as an unresolved issue. In Procedural Order No. 3, dated September 22, 2010, the Board called for a Board staff report on the RRRP mechanism to be filed by September 30, 2010.

The issue in the Revised Settlement Proposal is defined as:

> What is the appropriate method of calculating the average rate adjustments of other distributors in order to calculate the rate increase for the customers of API, and the remaining amount that is payable under RRRP?

The purpose of this report is to set out some potential changes to the existing mechanism, including calculating the actual RRRP adjustment for a number of scenarios. The existing adjustment mechanism is the one used in setting Algoma Power Inc's last Board-approved rates, being the EB-2007-0744 proceeding for 2007 rates.[2] Parties are invited to consider the options presented in this report in their submissions on the unresolved issue.[3]

Background

The Board in establishing Algoma Power's 2007 rates in the EB-2007-0744 proceeding adopted a methodology for determining the average RRRP adjustment to be applied to set the rates. This methodology was to give effect to O. Reg 442/01 titled "Rural or Remote Electricity Rate Protection", made under the *Ontario Energy Board Act, 1998* and as amended by O. Reg. 335/07 and O. Reg. 446/07.[4]

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[1] In the fall of 2009 FortisOntario purchased the distribution business, previously known as Great Lakes Power Limited, and renamed it Algoma Power Inc. This report generally uses the Algoma Power name for both for pre and post 2009 purposes.

[2] In the existing mechanism, Attawapiskat Power Corp., Fort Albany, Algoma Power Inc, Hydro One Remote Communities Inc and Kashechewan Power Corp. were specifically excluded from the province-wide calculation. This is expected to continue regardless of any changes that may ensue.

[3] Board Staff's submission on the options is presented in a separately filed document.

[4] The methodology was based on a Board staff discussion paper titled, *Methodology for Determining the Average Adjustment to the Rates of Great Lakes Power Limited*, dated March 31, 2008.

The adjustment to be calculated by the Board is described in s. 4(3.1) and 4(3.2) of O.Reg. 442/01 [5]:

> (3.1) For each year, in respect of the rates for a distributor serving consumers described in paragraph 5 of section 2, the Board shall calculate the amount by which the distributor's forecasted revenue requirement for the year, as approved by the Board, exceeds the distributor's forecasted consumer revenues for the year, as approved by the Board. O. Reg. 335/07, s. 1 (2).
>
> (3.2) For the purpose of subsection (3.1), the distributor's forecasted consumer revenues for a year shall be based on the rate classes and on the rates set out for those classes in the most recent rate order made by the Board and shall be adjusted in line with the average, as calculated by the Board, of any adjustment to rates approved by the Board for other distributors for the same rate year.

The Board in setting Algoma Power's rates for residential class customers for 2007 accepted Algoma Power's proposal to establish two subclasses of residential customers, one class billed on energy consumption and the other on peak demand. With respect to the calculation of the RRRP adjustment amount, the Board found that the un-weighted methodology described in a Board staff discussion paper (which had been filed in the EB-2007-0744 proceeding) was the appropriate methodology to be applied for the purposes of calculating the average adjustment to Algoma Power's residential class rate for the 2007 rate year and for all future adjustments, unless determined otherwise by a future Board decision. [6] Particulars of the existing mechanism are set out in Table A on page 6 of this report.

What Rate Years should be included in the Calculation?

The Board last set Algoma Power's distribution rates for the 2007 rate year. The current application is for the 2010 and 2011 rate years. The Revised Settlement Proposal accepted by the Board shows December 1, 2010 as the effective date for the rates to be ordered in this proceeding and these rates are based on the

[5] See Attachment 1 for O.Reg. 442/01
[6] EB-2007-0744 Decision dated October 30, 2008 pp. 29-30.

2011 revenue requirement. This represents a period of three years (2008, 2009, and 2010) from the time the Board set rates for Algoma Power. The Board did not perform the calculation of average distributor rate increases for those years, and, unlike most other rate payers in the province, Algoma Power's customers have had no distribution rate increases over that time.

Board staff interprets the regulation to require the Board to calculate the average increase for other distributors over these three years. The regulation stipulates that the forecast consumer revenues will be based on the most recent rate order, which in this case is the 2007 rate year. The regulation then states that these rates shall be adjusted in line with the average increase for other distributors in the same rate year. Board staff interprets "the same rate year" to refer back to the rate year of the last Board approved rates for Algoma Power, i.e. 2007. The average increases for other distributors, therefore, should include all three years.

<u>Should the Methodology be changed?</u>

Board staff suggest that answering the following four questions can assist in identifying what changes, if any, should be made to the existing mechanism.

A) Which customer classes in the other distributors of the province are comparable to Algoma Power's customers who are eligible for RRRP province-wide classes of custom?
B) In the calculation of the province-wide increase, should a distributor with multiple tariffs (for the same class) have a greater weighting than a distributor who has one set of tariffs?
C) Should the Delivery cost components that are included in the calculation of the province-wide average correspond to the Delivery cost components to which the adjustment will be applied?
D) Which average monthly volume should be used?

As the regulation does not directly address these questions, these are matters that must be determined by the Board.

Discussion

(A) "Other Distributor" class comparator:
Under the current mechanism, the calculation of the average increase in rates experienced by the other electricity distributors includes only "residential rate classes". Algoma Power's residential rate classes, R1 and R2, however, also include customers who, for other distributors, would be classified as General Service.[7] Accordingly, it could be argued that the average increase should take into account the increase experienced by both the residential service and the general service customers.

(B) Comparator Weightings
In the current methodology the calculation of the RRRP adjustment is based on the province-wide average increase of all residential rates for which there is a Board-ordered tariff. A distributor may have several tariffs for the same class; for example, where it has amalgamated with or acquired another utility. Hydro One Distribution, which is in the process of harmonizing approximately 80 separate tariffs into just 16, is a case in point. Under these circumstances as the rates are harmonized, there can be increases over the years which could materially skew the overall result at the province-wide level since each tariff sheet has the same weighting. One way of preventing this outcome is to limit the calculation to include one number per licensed distributor. The calculation of the increase within the particular distributor would continue to be the simple average of the changes in its tariffs.

(C) Included Delivery Costs
The current mechanism used to calculate the RRRP adjustment in Algoma Power's last proceeding (for 2007 rates) took all the components of the Delivery line of the bill i.e. monthly fixed charge, variable charge, retail transmission rates, rate riders and rate adders into account to establish the comparator province-wide increase. The resulting percentage increase was then applied to Algoma Power's monthly fixed charge and variable distribution rate. In the normal course of events, Algoma Power's service revenue requirement, absent any RRRP,

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[7] See Attachment 2 for an excerpt from Algoma Power's Tariff of Rates and Charges approved in EB-2007-0744.

would be recovered through its monthly fixed charge and variable distribution rate. Accordingly, there may be a case to be made that retail transmission rates, rate riders and rate adders should not be taken into account to establish the RRRP adjustment.

(D) The current mechanism uses 1,000 kWh per month as the average consumption of a typical residential customer for the purposes of calculating the RRRP adjustment for Algoma Power. Currently, the volumetric standard for bill impact calculations which generally appears in a Notice of Application is 800 kWh, except for Hydro One which uses 1,000 kWh. It may be appropriate to change the formula to reflect the 800kWh standard.

A listing of the potential changes is presented in Table A below.

Table A

Particulars	**Current Mechanism**	**Potential Changes**
(A) Class Comparator	• Residential	• Residential • GS< 50 kW @2,000 kWh • GS>50 kW revenue requirement calculated
(B) Comparator Weightings	• Simple average of each bill impact (for which there is a separate tariff sheet)	• Simple average of each licensed distributor bill impact (if multiple tariffs, multiple impacts average into one value for the distributor)
(C) Included Delivery Costs	• Delivery line of the bill which can include - Monthly fixed charge - Distribution volumetric rate - Retail Transmission rate - Rate Riders - Rate Adders	• Base Rate i.e. - Monthly fixed charge - Distribution volumetric rate
(D) Volumetric Assumption	• 1,000 kWh per month	• 800 kWh per month for residential • 2,000 kWh per month for General Service < 50kW
Note: As a general principle the calculation should only include the rate change impacts that align with the rate year in question. This is to exclude from the calculation instances where the rate order is issued in 2010 but in fact pertains to an application for 2009 rates.		

Scenarios:
Board staff have run a number of scenarios for the identified options to generate the approximate RRRP adjustment that would result.[8] The RRRP adjustment calculated for the rates in this proceeding represents the comparable province-wide increases in rates since the rate year for which Algoma's Power's rates were last approved, that is for 2007.

At the Technical Conference held on August 24, 2010 Board staff filed exhibit KT1.5. This exhibit listed the rate changes by distributor, between 2009 and 2010, which totalled to a province-wide average increase of 5.5% (rounded). This calculation reflected the following assumptions: included only the Residential class, 800 kWh/mo consumption level, Delivery costs, equal weighting for each tariff sheet and a province-wide average that averages the dollar amount change.

Board staff have also re-run the underlying numbers used in exhibit KT1.5 to reflect one major assumption change. In the re-run calculation, each licensed distributor has equal weighting, rather than each tariff. On this basis a province-wide increase of about 0.3% results. The revised listing is found at Appendix 4.

Option 1:
The features of Option 1 are:
- Class Comparator is the residential class
- Uses only base rates i.e. fixed monthly charge and distribution variable charge.
- To calculate the province-wide average increase, each licensed distributor has a weighting of 1. Where the distributor has more that one tariff sheet for the class comparator, a simple average of the tariffs is used to generate a single representative increase.
- Average monthly use is 800 kWh

Option 1 generates RRRP adjustment factor of 9.2%.

[8] For all options the province-wide average is calculated by averaging the % change, rather than, the dollar change for each distributor.

Option 2:
Option 2 is similar to Option 1 except that class comparator also includes General Service < 50kW. The overall increase for the distributor is the simple average of the residential and general service < 50kW increase.[9] The average monthly General Service < 50kW volume reflected is 2000 kWh.

Option 2 generates an RRRP adjustment factor of 10.2%

Option 3:
Option 3 is similar to Option 1 (only Residential) , but uses the total Delivery costs which include the fixed monthly charge, the distribution variable rate, the Retail Transmission rate, rate riders, and rate adders.

Option 3 generates an RRRP adjustment factor of 1.2%.

Option 4:
Option 4 is similar to Option 2 (Residential and General Service < 50kW) but uses the total Delivery costs which include the fixed monthly charge, the distribution variable rate, the Retail Transmission rate, rate riders, and rate adders.

Due to extenuation circumstances, Board staff will provide the RRRP adjustment factor for Option 4 by October 6, 2010.

Details of the calculation for Options 1, 2 and 3 are attached as Appendix 1, 2 and 3 respectively.

[9] In this report the options that include the General Service class (i.e. options 2 and 4) only reflect and are limited to General Service < 50kW changes. Capturing and quantifying the General Service > 50 kW changes at the province-wide level is a very onerous and complex exercise.

Ontario Energy Board Act, 1998
Loi de 1998 sur la commission de l'énergie de l'Ontario

ONTARIO REGULATION 442/01

RURAL OR REMOTE ELECTRICITY RATE PROTECTION

Consolidation Period: From October 8, 2009 to the e-Laws currency date.

Last amendment: O. Reg. 391/09.

This Regulation is made in English only.

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CONTENTS

Definitions

1. (1) In this Regulation,

"government premises" means premises occupied by the Crown in right of Canada or Ontario or a facility that is funded in whole or in part by the Crown in right of Canada or Ontario, but does not include premises occupied by,

(a) Canada Post Corporation, the Services Corporation or a subsidiary of the Services Corporation, or

(b) social housing, a library, a recreational or sports facility, or a radio, television or cable television facility;

"IESO" and "IESO-controlled grid" have the same meaning as in the *Electricity Act, 1998*;

"market participant" means a market participant under the *Electricity Act, 1998*;

"rate protection" means rate protection under section 79 of the Act;

"remote area" means a part of Ontario not connected to the IESO-controlled grid that receives electricity from Hydro One Remote Communities Inc.;

"residential premises" means a dwelling occupied as a residence continuously for at least eight months of the year and, where the residential premises is located on a farm, includes other farm premises associated with the residential electricity meter;

"rural area" means those parts of Ontario connected to the IESO-controlled grid that, before March 31, 1999, received electricity from Ontario Hydro and, at the time subsection 26 (1) of the *Electricity Act, 1998* comes into force, are receiving electricity from Hydro One Networks Inc.;

"Services Corporation" has the same meaning as in the *Electricity Act, 1998*. O. Reg. 442/01, s. 1 (1); O. Reg. 383/04, s. 1 (1); O. Reg. 391/09, s. 1.

(2) REVOKED: O. Reg. 383/04, s. 1 (2).

Eligibility for rate protection

2. In addition to the persons described in subsection 79 (2) of the Act, the following classes of consumers in Ontario are eligible for rate protection:

1. REVOKED: O. Reg. 383/04, s. 2.

2. Consumers who occupy residential premises in a rural area and who, if section 108 of the *Power Corporation Act* had not been repealed by section 28 of Schedule E to the *Energy Competition Act, 1998* and electricity had continued to be distributed by Ontario Hydro, would have been entitled,

pursuant to section 108 of the *Power Corporation Act* as it read on March 31, 1999, to pay Ontario Hydro a discounted rate for the electricity they consumed.

3. Consumers who occupy residential premises in an area referred to in Schedule 16, if Ontario Hydro distributed electricity in the area before December 16, 1997 and electricity in the area is now distributed by a distributor connected to the IESO-controlled grid, other than a subsidiary of Hydro One Networks Inc.

4. Consumers who occupy premises, other than government premises, in a remote area.

5. Consumers,

   i. who are treated as residential-rate class customers under Ontario Regulation 445/07 (Reclassifying Certain Classes of Consumers as Residential-Rate Class Customers: Section 78 of the Act) made under the Act, or

   ii. who occupy residential premises in an area served by a distributor where,

      A. the distributor is licensed to serve the consumers,

      B. the area is not less than 10,000 square kilometres in size, and

      C. the average customer density for the distributor is less than seven customers per kilometre of distribution line. O. Reg. 442/01, s. 2; O. Reg. 262/03, s. 1; O. Reg. 383/04, s. 2; O. Reg. 446/07, s. 1; O. Reg. 391/09, s. 2.

3. REVOKED: O. Reg. 383/04, s. 3.

Amount of rate protection: 2004 and 2005

4. (1) The total amount of rate protection available for eligible consumers in each of the years 2004 and 2005 is $127 million, plus the amount calculated under subsection (2) for the year. O. Reg. 442/01, s. 4 (1); O. Reg. 383/04, s. 4 (1).

(1.1) The total amount of rate protection for eligible consumers in each year after 2005 shall not exceed $127 million plus the amount calculated under subsections (2) and (3.1) and shall be based on the amount of rate protection provided by the distributor to eligible consumers for the previous year. O. Reg. 335/07, s. 1 (1).

(2) For each year, the Board shall calculate the amount by which Hydro One Remote Communities Inc.'s forecasted revenue requirement for the year, as approved by the Board, exceeds Hydro One Remote Communities Inc.'s forecasted consumer revenues for the year, as approved by the Board. O. Reg. 442/01, s. 4 (2); O. Reg. 383/04, s. 4 (3).

(3) For the purpose of subsection (2), Hydro One Remote Communities Inc.'s forecasted consumer revenues for a year shall be based on the rate classes set out in Transitional Rate Order RP-1998-0001 made by the Board and on the rates set out for those classes in the most recent rate order made by the Board. O. Reg. 442/01, s. 4 (3).

(3.1) For each year, in respect of the rates for a distributor serving consumers described in paragraph 5 of section 2, the Board shall calculate the amount by which the distributor's forecasted revenue requirement for the year, as approved by the Board, exceeds the distributor's forecasted consumer revenues for the year, as approved by the Board. O. Reg. 335/07, s. 1 (2).

(3.2) For the purpose of subsection (3.1), the distributor's forecasted consumer revenues for a year shall be based on the rate classes and on the rates set out for those classes in the most recent rate order made by the Board and shall be adjusted in line with the average, as calculated by the Board, of any adjustment to rates approved by the Board for other distributors for the same rate year. O. Reg. 335/07, s. 1 (2).

(4) For each year, the Board shall calculate the amount of rate protection for individual consumers referred to in subsection 79 (2) of the Act and in section 2 of this Regulation in a manner that ensures that the total amount of rate protection for those consumers is equal to the total amount of rate protection available for the year under subsection (1) or (1.1), according to the following rules:

1. REVOKED: O. Reg. 383/04, s. 4 (5).

2. For each of the areas referred to in Schedule 16, the Board shall take reasonable steps to ensure that, for each month, the total amount of rate protection for consumers in the area who are in the class described in paragraph 3 of section 2 is the total monthly amount set out for that area in Schedule 16.

3. The Board shall take reasonable steps to ensure that an amount equal to the amount calculated under subsections (2) and (3.1) for the year is used to provide rate protection to consumers who are in the class described in paragraphs 4 and 5 of section 2.

4. After paragraphs 2 and 3 are complied with, the Board shall take reasonable steps to ensure that the remainder of the total amount of rate protection available under subsections (1) and (2) is used to provide rate protection to,

   i. the persons described in subsection 79 (2) of the Act, and

   ii. the consumers who are in the class described by paragraph 2 of section 2. O. Reg. 442/01, s. 4 (4); O. Reg. 262/03, s. 2; O. Reg. 383/04, s. 4 (4-6); O. Reg. 335/07, s. 1 (3).

(5) Any distributor that distributes electricity to eligible consumers shall provide, on a quarterly basis, such information relating to this Regulation as the Board may require, in a form specified by the Board. O. Reg. 383/04, s. 4 (7).

Compensation for distributors

5. (1) The Board shall calculate the amount of the charge to be collected by the IESO under subsection (5) for each kilowatt hour of electricity that is withdrawn from the IESO-controlled grid, as determined in accordance with the market rules, for use by consumers in Ontario, so that the total amount forecast to be collected is equal to the total amount of rate protection to be provided. O. Reg. 383/04, s. 5 (1); O. Reg. 391/09, s. 3 (1).

(2) At least 60 days before the end of each calendar year, the IESO shall submit to the Board,

(a) a forecast of the number of kilowatt hours of electricity that will be withdrawn from the IESO-controlled grid, as determined in accordance with the market rules, for use by consumers in Ontario during the next calendar year; and

(b) supporting documentation for the forecast. O. Reg. 442/01, s. 5 (2); O. Reg. 391/09, s. 3 (2, 3).

(3) The forecast shall be derived from information submitted to the Board under section 19 of the *Electricity Act, 1998* in respect of the next fiscal year O. Reg. 442/01, s. 5 (3).

(4) The IESO shall give a copy of the forecast and supporting documentation to Hydro One Networks Inc. O. Reg. 442/01, s. 5 (4); O. Reg. 391/09, s. 3 (4).

(5) The IESO shall collect the charge calculated by the Board under subsection (1) from market participants and any other person who, with the approval of the IESO, withdraws electricity from the IESO-controlled grid for use by consumers in Ontario. O. Reg. 442/01, s. 5 (5); O. Reg. 391/09, s. 3 (5).

(6) A distributor or retailer who bills a consumer for electricity shall aggregate the amount that the consumer is required to contribute to the compensation required by subsection 79 (3) of the Act with the wholesale market service rate described in the Electricity Distribution Rate Handbook issued by the Board, as it read on October 31, 2001. O. Reg. 442/01, s. 5 (6).

(7) Each month, the IESO shall pay the charges it collected under subsection (5) in the preceding month to Hydro One Networks Inc. O. Reg. 442/01, s. 5 (7); O. Reg. 391/09, s. 3 (6).

(8) Hydro One Networks Inc. shall pay the amounts it receives under subsection (7) into a separate account. O. Reg. 442/01, s. 5 (8).

(9) Each month, Hydro One Networks Inc. shall, from the account referred to in subsection (8), pay distributors the compensation to which they are entitled under subsection 79 (3) of the Act. O. Reg. 442/01, s. 5 (9).

(10), (11) REVOKED: O. Reg. 383/04, s. 5 (2).

(12) If the amount collected under subsection (5) in a year exceeds the total amount of rate protection available for eligible consumers under subsection 4 (1) or (1.1) in the year, the excess less the amount used to provide rate protection under subparagraph 4 iii of subsection 4 (4) shall be applied against the amount necessary to compensate distributors who are entitled to compensation under subsection 79 (3) of the Act for the following year. O. Reg. 383/04, s. 5 (3).

(13) If the amount collected under subsection (5) in a year is less than the total amount of rate protection available for eligible consumers under subsection 4 (1) or (1.1) in the year, the difference plus the amount used to provide rate protection under subparagraph 4 iii of subsection 4 (4) shall be added to the amount

necessary to compensate distributors who are entitled to compensation under subsection 79 (3) of the Act for the following year. O. Reg. 383/04, s. 5 (4).

(14) Any interest or other income earned on the account referred to in subsection (8) shall be held in the account and shall be used for the purpose of subsection (9). O. Reg. 442/01, s. 5 (14).

6. REVOKED: O. Reg. 383/04, s. 6.

7. OMITTED (REVOKES OTHER REGULATIONS). O. Reg. 442/01, s. 7.

8. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION). O. Reg. 442/01, s. 8.

SCHEDULES 1-15 REVOKED: O. Reg. 383/04, s. 7.

SCHEDULE 16
OTHER AREAS

Area	Total Monthly Amount of Rate Protection
Attawapiskat	$53,333.33
Fort Albany	30,000.00
Kaschechewan	50,000.00

O. Reg. 442/01, Sched. 16.

Great Lakes Power Limited – Distribution Division

TARIFF OF RATES AND CHARGES

Effective September 1, 2007
Implementation January 1, 2009
Rates and Charges become Interim May 1, 2009

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

EB-2007-0744

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

IMPLEMENTATION DATES

DISTRIBUTION RATES – January 1, 2009 for all consumption or deemed consumption service used on or after that date.
SPECIFIC SERVICE CHARGES – January 1, 2009 for all charges incurred by customers on or after that date.
RETAIL SERVICE CHARGES – January 1, 2009 for all charges incurred by retailers or customers on or after that date.
LOSS FACTOR ADJUSTMENT – January 1, 2009 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential Customers
For the purposes of rates and charges, a residential service is defined in two ways:
i) a dwelling occupied as a residence continuously for at least eight months of the year and, where the residential premises is located on a farm, includes other farm premises associated with the residential electricity meter, and
ii) consumers who are treated as residential-rate class customers under Ontario Regulation 445/07 (Reclassifying Certain Classes of Consumers as Residential-Rate Class Customers: Section 78 of the *Ontario Energy Board Act, 1998*) made under the *Ontario Energy Board Act, 1998*.

Residential – R1
This classification refers to a Residential service with a demand of less than, or is forecast to be less than, 50 kilowatts, and which is billed on an energy basis.

Residential – R2
This classification refers to a Residential service with a demand equal to or greater than, or is forecast to be equal to or greater than, 50 kilowatts, and which is billed on a demand basis.

Seasonal Customers
This classification includes all services supplied to single-family dwelling units for domestic purposes, which are occupied on a seasonal/intermittent basis. A service is defined as Seasonal if occupancy is for a period of less than eight months of the year.

Street Lighting
This classification refers to an account for roadway lighting. The consumption for these unmetered accounts will be based on the calculated connection load times the calculated hours of use established in the approved OEB street lighting load shape template.

Great Lakes Power Limited – Distribution Division

TARIFF OF RATES AND CHARGES

Effective September 1, 2007
Implementation January 1, 2009
Rates and Charges become Interim May 1, 2009

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

EB-2007-0744

MONTHLY RATES AND CHARGES

Residential – R1

Service Charge	$	20.41
Distribution Volumetric Rate	$/kWh	0.0287
Deferral Account Rate Rider – effective until December 31, 2010	$/kWh	(0.0041)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0050
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Residential – R2

Service Charge	$	596.12
Distribution Volumetric Rate	$/kW	2.4549
Deferral Account Rate Rider – effective until December 31, 2010	$/kW	(0.2025)
Retail Transmission Rate – Network Service Rate	$/kW	2.1218
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.7882
Retail Transmission Rate – Network Service Rate – Interval Metered >1,000 kW	$/kW	2.2508
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered >1,000 kW	$/kW	1.9763
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Seasonal

Service Charge	$	24.00
Distribution Volumetric Rate	$/kWh	0.0700
Deferral Account Rate Rider – effective until December 31, 2010	$/kWh	(0.0041)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0050
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Street Lighting

Service Charge	$	0.00
Distribution Volumetric Rate	$/kWh	0.0496
Deferral Account Rate Rider – effective until December 31, 2010	$/kWh	(0.0016)
Retail Transmission Rate – Network Service Rate	$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.3824
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

APPENDIX 1

OPTION 1

Applicant	Rate Class	SC 2007	DC 2007	SC 2010	DC 2010	2007	2010	$ Chg	% Chg
Veridian Connections Inc.	Residential	$ 12.64	$ 0.0177	$ 10.51	$ 0.0174	$ 26.80	$ 24.43	-$ 2.38	-8.9%
Horizon Utilities Corporation	Residential	$ 13.99	$ 0.0137	$ 12.68	$ 0.0127	$ 24.95	$ 22.84	-$ 2.11	-8.5%
Thunder Bay Hydro Electricity Distribution Inc.	Residential	$ 10.71	$ 0.0135	$ 10.17	$ 0.0128	$ 21.51	$ 20.41	-$ 1.10	-5.1%
Middlesex Power Distribution Corporation	Residential	$ 14.46	$ 0.0146	$ 13.73	$ 0.0139	$ 26.16	$ 24.85	-$ 1.31	-5.0%
Oakville Hydro Electricity Distribution Inc.	Residential	$ 13.79	$ 0.0151	$ 13.25	$ 0.0145	$ 25.87	$ 24.85	-$ 1.02	-3.9%
Guelph Hydro Electric Systems Inc.	Residential	$ 13.27	$ 0.0178	$ 13.39	$ 0.0164	$ 27.51	$ 26.51	-$ 1.00	-3.6%
Hydro One Brampton Networks Inc.	Residential	$ 10.78	$ 0.0159	$ 10.48	$ 0.0154	$ 23.48	$ 22.80	-$ 0.68	-2.9%
Milton Hydro Distribution inc.	Residential	$ 13.97	$ 0.0132	$ 13.71	$ 0.0128	$ 24.55	$ 23.95	-$ 0.60	-2.5%
Waterloo North Hydro Inc.	Residential	$ 14.89	$ 0.0134	$ 14.56	$ 0.0131	$ 25.63	$ 25.04	-$ 0.59	-2.3%
Chapleau Public Utilities Corporation	Residential	$ 19.66	$ 0.0094	$ 18.43	$ 0.0102	$ 27.18	$ 26.59	-$ 0.59	-2.2%
Woodstock Hydro Services Inc.	Residential	$ 11.25	$ 0.0194	$ 11.10	$ 0.0190	$ 26.77	$ 26.30	-$ 0.47	-1.8%
St. Thomas Energy Inc.	Residential	$ 11.07	$ 0.0158	$ 10.93	$ 0.0156	$ 23.71	$ 23.41	-$ 0.30	-1.3%
E.L.K. Energy Inc.	Residential	$ 11.27	$ 0.0080	$ 11.17	$ 0.0079	$ 17.67	$ 17.49	-$ 0.18	-1.0%
Brantford Power Inc.	Residential	$ 11.50	$ 0.0138	$ 11.34	$ 0.0137	$ 22.52	$ 22.30	-$ 0.22	-1.0%
Brant County Power Inc.	Residential	$ 10.99	$ 0.0217	$ 10.95	$ 0.0216	$ 28.32	$ 28.23	-$ 0.09	-0.3%
Wasaga Distribution Inc.	Residential	$ 11.91	$ 0.0147	$ 11.81	$ 0.0147	$ 23.64	$ 23.57	-$ 0.07	-0.3%
Kingston Hydro Corporation	Residential	$ 10.20	$ 0.0124	$ 10.12	$ 0.0124	$ 20.09	$ 20.04	-$ 0.05	-0.2%
Grimsby Power Incorporated	Residential	$ 15.24	$ 0.0086	$ 15.17	$ 0.0086	$ 22.08	$ 22.05	-$ 0.03	-0.1%
Centre Wellington Hydro Ltd.	Residential	$ 12.92	$ 0.0141	$ 13.99	$ 0.0129	$ 24.22	$ 24.31	$ 0.09	0.4%
Parry Sound Power Corporation	Residential	$ 16.73	$ 0.0133	$ 16.79	$ 0.0134	$ 27.38	$ 27.51	$ 0.13	0.5%
Kenora Hydro Electric Corporation Ltd.	Residential	$ 13.30	$ 0.0097	$ 13.53	$ 0.0099	$ 21.06	$ 21.45	$ 0.39	1.9%
Espanola Regional Hydro Distribution Corpora	Residential	$ 10.13	$ 0.0112	$ 9.94	$ 0.0120	$ 19.09	$ 19.54	$ 0.45	2.4%
Erie Thames Powerlines Corporation	Residential	$ 13.69	$ 0.0125	$ 14.19	$ 0.0126	$ 23.65	$ 24.27	$ 0.62	2.6%
COLLUS Power Corporation	Residential	$ 9.27	$ 0.0171	$ 9.40	$ 0.0178	$ 22.97	$ 23.64	$ 0.67	2.9%
Tillsonburg Hydro Inc.	Residential	$ 11.39	$ 0.0159	$ 10.53	$ 0.0180	$ 24.11	$ 24.93	$ 0.82	3.4%
Whitby Hydro Electric Corporation	Residential	$ 16.71	$ 0.0137	$ 17.71	$ 0.0137	$ 27.67	$ 28.67	$ 1.00	3.6%
Niagara-on-the-Lake Hydro Inc.	Residential	$ 17.50	$ 0.0121	$ 18.03	$ 0.0127	$ 27.20	$ 28.19	$ 0.99	3.6%
PowerStream Inc.	Residential	$ 12.71	$ 0.0136	$ 13.61	$ 0.0136	$ 23.58	$ 24.45	$ 0.86	3.7%
Niagara Peninsula Energy Inc.	Residential	$ 12.41	$ 0.0153	$ 13.00	$ 0.0158	$ 24.62	$ 25.64	$ 1.02	4.1%
Hydro Hawkesbury Inc.	Residential	$ 4.91	$ 0.0085	$ 5.87	$ 0.0079	$ 11.69	$ 12.19	$ 0.50	4.2%
Fort Frances Power Corporation	Residential	$ 11.34	$ 0.0083	$ 11.85	$ 0.0087	$ 17.98	$ 18.81	$ 0.83	4.6%
Burlington Hydro Inc.	Residential	$ 11.60	$ 0.0159	$ 12.15	$ 0.0166	$ 24.29	$ 25.43	$ 1.14	4.7%
Midland Power Utility Corporation	Residential	$ 11.11	$ 0.0184	$ 11.66	$ 0.0194	$ 25.83	$ 27.18	$ 1.35	5.2%
Renfrew Hydro Inc.	Residential	$ 14.39	$ 0.0106	$ 14.75	$ 0.0119	$ 22.87	$ 24.27	$ 1.40	6.1%
Enersource Hydro Mississauga Inc.	Residential	$ 11.05	$ 0.0110	$ 11.75	$ 0.0118	$ 19.87	$ 21.19	$ 1.32	6.7%
London Hydro Inc.	Residential	$ 11.81	$ 0.0131	$ 12.59	$ 0.0142	$ 22.29	$ 23.95	$ 1.66	7.4%
Hearst Power Distribution Company Limited	Residential	$ 7.34	$ 0.0101	$ 8.42	$ 0.0102	$ 15.42	$ 16.58	$ 1.16	7.5%
Westario Power Inc.	Residential	$ 10.66	$ 0.0128	$ 11.22	$ 0.0141	$ 20.92	$ 22.50	$ 1.58	7.6%
Greater Sudbury Hydro Inc.	Residential	$ 14.86	$ 0.0114	$ 16.00	$ 0.0123	$ 23.98	$ 25.84	$ 1.86	7.8%
Haldimand County Hydro Inc.	Residential	$ 11.26	$ 0.0310	$ 12.23	$ 0.0334	$ 36.08	$ 38.95	$ 2.87	8.0%
Innisifil Hydro Distribution Systems Limited	Residential	$ 19.30	$ 0.0140	$ 19.02	$ 0.0186	$ 30.51	$ 33.90	$ 3.39	11.1%
Ottawa River Power Corporation	Residential	$ 10.80	$ 0.0108	$ 11.95	$ 0.0121	$ 19.42	$ 21.63	$ 2.21	11.4%
Lakefront Utilities Inc.	Residential	$ 9.26	$ 0.0106	$ 9.25	$ 0.0133	$ 17.73	$ 19.89	$ 2.16	12.2%
North Bay Hydro Distribution Limited	Residential	$ 12.64	$ 0.0113	$ 14.16	$ 0.0127	$ 21.68	$ 24.32	$ 2.64	12.2%
West Perth Power Inc.	Residential	$ 12.17	$ 0.0087	$ 13.37	$ 0.0101	$ 19.11	$ 21.45	$ 2.34	12.3%
Chatham-Kent Hydro Inc.	Residential	$ 11.52	$ 0.0131	$ 18.03	$ 0.0084	$ 22.01	$ 24.75	$ 2.74	12.5%
Essex Powerlines Corporation	Residential	$ 10.93	$ 0.0134	$ 12.55	$ 0.0148	$ 21.67	$ 24.39	$ 2.72	12.6%
Cambridge and North Dumfries Hydro Inc.	Residential	$ 8.80	$ 0.0143	$ 9.93	$ 0.0161	$ 20.22	$ 22.81	$ 2.59	12.8%
Atikokan Hydro Inc.	Residential	$ 26.93	$ 0.0107	$ 30.53	$ 0.0121	$ 35.49	$ 40.21	$ 4.72	13.3%
Hydro Ottawa Ltd.	Residential	$ 7.50	$ 0.0182	$ 8.52	$ 0.0207	$ 22.08	$ 25.08	$ 3.00	13.6%
Peterborough Distribution Incorporated	Residential	$ 11.04	$ 0.0092	$ 11.79	$ 0.0115	$ 18.42	$ 20.99	$ 2.57	13.9%
Oshawa PUC Networks Inc.	Residential	$ 7.36	$ 0.0108	$ 8.43	$ 0.0123	$ 16.00	$ 18.27	$ 2.27	14.2%
Orangeville Hydro Limited	Residential	$ 14.51	$ 0.0117	$ 16.18	$ 0.0140	$ 23.89	$ 27.38	$ 3.49	14.6%
Orillia Power Distribution Corporation	Residential	$ 13.32	$ 0.0121	$ 13.47	$ 0.0162	$ 23.02	$ 26.43	$ 3.41	14.8%

Hydro 2000 Inc.	Residential	$	7.94	$	0.0045	$	8.50	$	0.0060	$	11.51	$	13.30	$	1.79	15.6%
Norfolk Power Distribution Inc.	Residential	$	18.22	$	0.0160	$	20.73	$	0.0190	$	30.98	$	35.93	$	4.95	16.0%
Welland Hydro-Electric System Corp.	Residential	$	12.24	$	0.0123	$	14.21	$	0.0143	$	22.08	$	25.65	$	3.57	16.2%
Halton Hills Hydro Inc.	Residential	$	10.72	$	0.0109	$	12.92	$	0.0121	$	19.44	$	22.60	$	3.16	16.2%
Kitchener-Wilmot Hydro Inc.	Residential	$	9.61	$	0.0124	$	9.55	$	0.0169	$	19.53	$	23.07	$	3.54	18.1%
Cooperative Hydro Embrun Inc.	Residential	$	11.71	$	0.0103	$	13.49	$	0.0126	$	19.95	$	23.57	$	3.62	18.1%
Sioux Lookout Hydro Inc.	Residential	$	20.05	$	0.0087	$	24.01	$	0.0103	$	27.01	$	32.25	$	5.24	19.4%
Northern Ontario Wires Inc.	Residential	$	16.33	$	0.0090	$	17.57	$	0.0133	$	23.55	$	28.21	$	4.66	19.8%
Rideau St. Lawrence Distribution Inc.	Residential	$	8.52	$	0.0093	$	10.26	$	0.0117	$	15.95	$	19.62	$	3.67	23.0%
Bluewater Power Distribution Corporation	Residential	$	13.64	$	0.0115	$	13.66	$	0.0186	$	22.86	$	28.54	$	5.68	24.9%
Canadian Niagara Power Inc.	Residential	$	17.01	$	0.0094	$	17.03	$	0.0173	$	24.52	$	30.87	$	6.35	25.9%
Toronto Hydro -Electric System Limited	Residential	$	12.00	$	0.0155	$	18.25	$	0.0157	$	24.40	$	30.83	$	6.43	26.3%
Festival Hydro Inc.	Residential	$	11.63	$	0.0128	$	14.75	$	0.0163	$	21.83	$	27.79	$	5.97	27.3%
PUC Distribution Inc.	Residential	$	7.08	$	0.0112	$	8.71	$	0.0151	$	16.04	$	20.79	$	4.75	29.6%
Wellington North Power Inc.	Residential	$	9.33	$	0.0120	$	13.86	$	0.0139	$	18.90	$	24.98	$	6.08	32.2%
West Coast Huron Energy Inc.	Residential	$	13.76	$	0.0084	$	14.08	$	0.0182	$	20.48	$	28.64	$	8.16	39.8%
Hydro One Networks	Residential	$	12.74	$	0.0188	$	16.30	$	0.0332	$	27.76	$	42.85	$	15.09	54.3%
										AVERAGE PERCENTAGE CHANC						**9.2%**

APPENDIX 2

OPTION 2

Applicant	Rate Class	SC 2007	DC 2007	SC 2010	DC 2010	2007	2010	$ Chg	% Chg	Combined % Chg
Atikokan Hydro Inc.	Residential	$ 26.93	$ 0.0107	$ 30.53	$ 0.0121	$ 35.49	$ 40.21	$ 4.72	13.3%	
Atikokan Hydro Inc.	General Service < 50kW	$ 53.94	$ 0.0069	$ 69.89	$ 0.0089	$ 67.74	$ 87.69	$ 19.95	29.5%	
										21.4%
Bluewater Power Distribution Corporation	Residential	$ 13.64	$ 0.0115	$ 13.66	$ 0.0186	$ 22.86	$ 28.54	$ 5.68	24.9%	
Bluewater Power Distribution Corporation	General Service < 50kW	$ 25.16	$ 0.0126	$ 24.48	$ 0.0172	$ 50.44	$ 58.88	$ 8.44	16.7%	
										20.8%
Brant County Power Inc.	Residential	$ 10.99	$ 0.0217	$ 10.95	$ 0.0216	$ 28.32	$ 28.23	-$ 0.09	-0.3%	
Brant County Power Inc.	General Service < 50kW	$ 16.49	$ 0.0186	$ 16.51	$ 0.0186	$ 53.69	$ 53.71	$ 0.02	0.0%	
										-0.1%
Brantford Power Inc.	Residential	$ 11.50	$ 0.0138	$ 11.34	$ 0.0137	$ 22.52	$ 22.30	-$ 0.22	-1.0%	
Brantford Power Inc.	General Service < 50kW	$ 24.75	$ 0.0064	$ 24.54	$ 0.0064	$ 37.53	$ 37.34	-$ 0.19	-0.5%	
										-0.7%
Burlington Hydro Inc.	Residential	$ 11.60	$ 0.0159	$ 12.15	$ 0.0166	$ 24.29	$ 25.43	$ 1.14	4.7%	
Burlington Hydro Inc.	General Service < 50kW	$ 21.07	$ 0.0147	$ 25.24	$ 0.0136	$ 50.41	$ 52.44	$ 2.03	4.0%	
										4.4%
Cambridge and North Dumfries Hydro Inc.	Residential	$ 8.80	$ 0.0143	$ 9.93	$ 0.0161	$ 20.22	$ 22.81	$ 2.59	12.8%	
Cambridge and North Dumfries Hydro Inc.	General Service < 50kW	$ 12.38	$ 0.0132	$ 12.33	$ 0.0131	$ 38.72	$ 38.53	-$ 0.19	-0.5%	
										6.2%
Canadian Niagara Power Inc.	Residential	$ 17.01	$ 0.0094	$ 17.03	$ 0.0173	$ 24.52	$ 30.87	$ 6.35	25.9%	
Canadian Niagara Power Inc.	General Service < 50kW	$ 26.76	$ 0.0151	$ 24.51	$ 0.0202	$ 56.91	$ 64.91	$ 8.00	14.1%	
										20.0%
Centre Wellington Hydro Ltd.	Residential	$ 12.92	$ 0.0141	$ 13.99	$ 0.0129	$ 24.22	$ 24.31	$ 0.09	0.4%	
Centre Wellington Hydro Ltd.	General Service < 50kW	$ 13.59	$ 0.0167	$ 15.43	$ 0.0161	$ 46.89	$ 47.63	$ 0.74	1.6%	
										1.0%
Chapleau Public Utilities Corporation	Residential	$ 19.66	$ 0.0094	$ 18.43	$ 0.0102	$ 27.18	$ 26.59	-$ 0.59	-2.2%	
Chapleau Public Utilities Corporation	General Service < 50kW	$ 30.91	$ 0.0085	$ 30.01	$ 0.0122	$ 47.91	$ 54.41	$ 6.50	13.6%	
										5.7%
Chatham-Kent Hydro Inc.	Residential	$ 11.52	$ 0.0131	$ 18.03	$ 0.0084	$ 22.01	$ 24.75	$ 2.74	12.5%	
Chatham-Kent Hydro Inc.	General Service < 50kW	$ 30.58	$ 0.0088	$ 33.10	$ 0.0112	$ 48.20	$ 55.50	$ 7.30	15.1%	
										13.8%
COLLUS Power Corporation	Residential	$ 9.27	$ 0.0171	$ 9.40	$ 0.0178	$ 22.97	$ 23.64	$ 0.67	2.9%	
COLLUS Power Corporation	General Service < 50kW	$ 16.28	$ 0.0100	$ 17.86	$ 0.0112	$ 36.28	$ 40.26	$ 3.98	11.0%	
										6.9%
Cooperative Hydro Embrun Inc.	Residential	$ 11.71	$ 0.0103	$ 13.49	$ 0.0126	$ 19.95	$ 23.57	$ 3.62	18.1%	
Cooperative Hydro Embrun Inc.	General Service < 50kW	$ 14.99	$ 0.0137	$ 20.02	$ 0.0166	$ 42.39	$ 53.22	$ 10.83	25.5%	
										21.8%
E.L.K. Energy Inc.	Residential	$ 11.27	$ 0.0080	$ 11.17	$ 0.0079	$ 17.67	$ 17.49	-$ 0.18	-1.0%	
E.L.K. Energy Inc.	General Service < 50kW	$ 11.19	$ 0.0017	$ 11.10	$ 0.0017	$ 14.65	$ 14.50	-$ 0.15	-1.0%	
										-1.0%
Enersource Hydro Mississauga Inc.	Residential	$ 11.05	$ 0.0110	$ 11.75	$ 0.0118	$ 19.87	$ 21.19	$ 1.32	6.7%	
Enersource Hydro Mississauga Inc.	General Service < 50kW	$ 28.65	$ 0.0148	$ 39.51	$ 0.0115	$ 58.29	$ 62.51	$ 4.22	7.2%	
										7.0%
Erie Thames Powerlines Corporation	Residential	$ 13.69	$ 0.0125	$ 14.19	$ 0.0126	$ 23.65	$ 24.27	$ 0.62	2.6%	
Erie Thames Powerlines Corporation	General Service < 50kW	$ 27.22	$ 0.0152	$ 18.94	$ 0.0090	$ 57.60	$ 36.94	-$ 20.66	-35.9%	
										-16.6%
Espanola Regional Hydro Distribution Corp	Residential	$ 10.13	$ 0.0112	$ 9.94	$ 0.0120	$ 19.09	$ 19.54	$ 0.45	2.4%	
Espanola Regional Hydro Distribution Corp	General Service < 50kW	$ 12.93	$ 0.0179	$ 17.88	$ 0.0147	$ 48.71	$ 47.28	-$ 1.43	-2.9%	
										-0.3%
Essex Powerlines Corporation	Residential	$ 10.93	$ 0.0134	$ 12.55	$ 0.0148	$ 21.67	$ 24.39	$ 2.72	12.6%	
Essex Powerlines Corporation	General Service < 50kW	$ 12.58	$ 0.0035	$ 20.59	$ 0.0070	$ 19.60	$ 34.59	$ 14.99	76.5%	
										44.5%
Festival Hydro Inc.	Residential	$ 11.63	$ 0.0128	$ 14.75	$ 0.0163	$ 21.83	$ 27.79	$ 5.97	27.3%	
Festival Hydro Inc.	General Service < 50kW	$ 28.27	$ 0.0141	$ 29.05	$ 0.0145	$ 56.47	$ 58.05	$ 1.58	2.8%	
										15.1%
Fort Frances Power Corporation	Residential	$ 11.34	$ 0.0083	$ 11.85	$ 0.0087	$ 17.98	$ 18.81	$ 0.83	4.6%	
Fort Frances Power Corporation	General Service < 50kW	$ 27.33	$ 0.0062	$ 28.55	$ 0.0066	$ 39.73	$ 41.75	$ 2.02	5.1%	
										4.9%
Greater Sudbury Hydro Inc.	Residential	$ 14.86	$ 0.0114	$ 16.00	$ 0.0123	$ 23.98	$ 25.84	$ 1.86	7.8%	
Greater Sudbury Hydro Inc.	General Service < 50kW	$ 21.51	$ 0.0183	$ 21.72	$ 0.0187	$ 58.19	$ 59.12	$ 0.93	1.6%	

										4.7%
Grimsby Power Incorporated	Residential	$ 15.24	$ 0.0086	$ 15.17	$ 0.0086	$ 22.08	$ 22.05	-$ 0.03	-0.1%	
Grimsby Power Incorporated	General Service < 50kW	$ 25.77	$ 0.0101	$ 25.66	$ 0.0100	$ 45.91	$ 45.66	-$ 0.25	-0.5%	
										-0.3%
Guelph Hydro Electric Systems Inc.	Residential	$ 13.27	$ 0.0178	$ 13.39	$ 0.0164	$ 27.51	$ 26.51	-$ 1.00	-3.6%	
Guelph Hydro Electric Systems Inc.	General Service < 50kW	$ 10.84	$ 0.0201	$ 12.24	$ 0.0156	$ 51.04	$ 43.44	-$ 7.60	-14.9%	
										-9.3%
Haldimand County Hydro Inc.	Residential	$ 11.26	$ 0.0310	$ 12.23	$ 0.0334	$ 36.08	$ 38.95	$ 2.87	8.0%	
Haldimand County Hydro Inc.	General Service < 50kW	$ 18.32	$ 0.0223	$ 28.60	$ 0.0202	$ 62.88	$ 69.00	$ 6.12	9.7%	
										8.8%
Halton Hills Hydro Inc.	Residential	$ 10.72	$ 0.0109	$ 12.92	$ 0.0121	$ 19.44	$ 22.60	$ 3.16	16.2%	
Halton Hills Hydro Inc.	General Service < 50kW	$ 24.46	$ 0.0089	$ 28.13	$ 0.0089	$ 42.16	$ 45.93	$ 3.77	8.9%	
										12.6%
Hearst Power Distribution Company Limitec	Residential	$ 7.34	$ 0.0101	$ 8.42	$ 0.0102	$ 15.42	$ 16.58	$ 1.16	7.5%	
Hearst Power Distribution Company Limitec	General Service < 50kW	$ 4.92	$ 0.0096	$ 5.97	$ 0.0097	$ 24.12	$ 25.37	$ 1.25	5.2%	
										6.4%
Horizon Utilities Corporation	Residential	$ 13.99	$ 0.0137	$ 12.68	$ 0.0127	$ 24.95	$ 22.84	-$ 2.11	-8.5%	
Horizon Utilities Corporation	General Service < 50kW	$ 25.31	$ 0.0066	$ 27.45	$ 0.0073	$ 38.53	$ 42.05	$ 3.52	9.1%	
										0.3%
Hydro 2000 Inc.	Residential	$ 7.94	$ 0.0045	$ 8.50	$ 0.0060	$ 11.51	$ 13.30	$ 1.79	15.6%	
Hydro 2000 Inc.	General Service < 50kW	$ 11.64	$ 0.0056	$ 24.52	$ 0.0081	$ 22.92	$ 40.72	$ 17.80	77.7%	
										46.6%
Hydro Hawkesbury Inc.	Residential	$ 4.91	$ 0.0085	$ 5.87	$ 0.0079	$ 11.69	$ 12.19	$ 0.50	4.2%	
Hydro Hawkesbury Inc.	General Service < 50kW	$ 9.61	$ 0.0045	$ 13.55	$ 0.0054	$ 18.67	$ 24.35	$ 5.68	30.4%	
										17.3%
Hydro One Brampton Networks Inc.	Residential	$ 10.78	$ 0.0159	$ 10.48	$ 0.0154	$ 23.48	$ 22.80	-$ 0.68	-2.9%	
Hydro One Brampton Networks Inc.	General Service < 50kW	$ 20.73	$ 0.0183	$ 20.15	$ 0.0178	$ 57.27	$ 55.75	-$ 1.52	-2.7%	
										-2.8%
Hydro One Networks	Residential	$ 12.74	$ 0.0188	$ 16.30	$ 0.0332	$ 27.76	$ 42.85	$ 15.09	54.3%	
Hydro One Networks	General Service < 50kW	$ 20.97	$ 0.0183	$ 30.54	$ 0.0369	$ 57.49	$ 104.34	$ 46.84	81.5%	
										67.9%
Hydro Ottawa Ltd.	Residential	$ 7.50	$ 0.0182	$ 8.52	$ 0.0207	$ 22.08	$ 25.08	$ 3.00	13.6%	
Hydro Ottawa Ltd.	General Service < 50kW	$ 8.56	$ 0.0179	$ 14.73	$ 0.0185	$ 44.42	$ 51.73	$ 7.31	16.5%	
										15.0%
Innisifil Hydro Distribution Systems Limited	Residential	$ 19.30	$ 0.0140	$ 19.02	$ 0.0186	$ 30.51	$ 33.90	$ 3.39	11.1%	
Innisifil Hydro Distribution Systems Limited	General Service < 50kW	$ 36.60	$ 0.0107	$ 30.88	$ 0.0092	$ 57.96	$ 49.28	-$ 8.68	-15.0%	
										-1.9%
Kenora Hydro Electric Corporation Ltd.	Residential	$ 13.30	$ 0.0097	$ 13.53	$ 0.0099	$ 21.06	$ 21.45	$ 0.39	1.9%	
Kenora Hydro Electric Corporation Ltd.	General Service < 50kW	$ 25.34	$ 0.0040	$ 25.77	$ 0.0040	$ 33.34	$ 33.77	$ 0.43	1.3%	
										1.6%
Kingston Hydro Corporation	Residential	$ 10.20	$ 0.0124	$ 10.12	$ 0.0124	$ 20.09	$ 20.04	-$ 0.05	-0.2%	
Kingston Hydro Corporation	General Service < 50kW	$ 23.58	$ 0.0098	$ 23.46	$ 0.0097	$ 43.14	$ 42.86	-$ 0.28	-0.6%	
										-0.4%
Kitchener-Wilmot Hydro Inc.	Residential	$ 9.61	$ 0.0124	$ 9.55	$ 0.0169	$ 19.53	$ 23.07	$ 3.54	18.1%	
Kitchener-Wilmot Hydro Inc.	General Service < 50kW	$ 25.33	$ 0.0091	$ 25.17	$ 0.0122	$ 43.53	$ 49.57	$ 6.04	13.9%	
										16.0%
Lakefront Utilities Inc.	Residential	$ 9.26	$ 0.0106	$ 9.25	$ 0.0133	$ 17.73	$ 19.89	$ 2.16	12.2%	
Lakefront Utilities Inc.	General Service < 50kW	$ 24.82	$ 0.0091	$ 23.07	$ 0.0085	$ 43.06	$ 40.07	-$ 2.99	-6.9%	
										2.6%
London Hydro Inc.	Residential	$ 11.81	$ 0.0131	$ 12.59	$ 0.0142	$ 22.29	$ 23.95	$ 1.66	7.4%	
London Hydro Inc.	General Service < 50kW	$ 32.21	$ 0.0098	$ 29.27	$ 0.0091	$ 51.81	$ 47.47	-$ 4.34	-8.4%	
										-0.5%
Middlesex Power Distribution Corporation	Residential	$ 14.46	$ 0.0146	$ 13.73	$ 0.0139	$ 26.16	$ 24.85	-$ 1.31	-5.0%	
Middlesex Power Distribution Corporation	General Service < 50kW	$ 19.11	$ 0.0050	$ 18.14	$ 0.0048	$ 29.09	$ 27.74	-$ 1.35	-4.6%	
										-4.8%
Midland Power Utility Corporation	Residential	$ 11.11	$ 0.0184	$ 11.66	$ 0.0194	$ 25.83	$ 27.18	$ 1.35	5.2%	
Midland Power Utility Corporation	General Service < 50kW	$ 12.35	$ 0.0128	$ 14.70	$ 0.0154	$ 37.91	$ 45.50	$ 7.59	20.0%	
										12.6%
Milton Hydro Distribution inc.	Residential	$ 13.97	$ 0.0132	$ 13.71	$ 0.0128	$ 24.55	$ 23.95	-$ 0.60	-2.5%	
Milton Hydro Distribution inc.	General Service < 50kW	$ 14.97	$ 0.0169	$ 14.70	$ 0.0156	$ 48.69	$ 45.90	-$ 2.79	-5.7%	
										-4.1%
Niagara Peninsula Energy Inc.	Residential	$ 12.41	$ 0.0153	$ 13.00	$ 0.0158	$ 24.62	$ 25.64	$ 1.02	4.1%	
Niagara Peninsula Energy Inc.	General Service < 50kW	$ 29.44	$ 0.0141	$ 28.81	$ 0.0138	$ 57.61	$ 56.41	-$ 1.20	-2.1%	
										1.0%
Niagara-on-the-Lake Hydro Inc.	Residential	$ 17.50	$ 0.0121	$ 18.03	$ 0.0127	$ 27.20	$ 28.19	$ 0.99	3.6%	

Niagara-on-the-Lake Hydro Inc.	General Service < 50kW	$ 39.95	$ 0.0118	$ 45.27	$ 0.0136	$ 63.63	$ 72.47	$ 8.84	13.9%	
										8.8%
Norfolk Power Distribution Inc.	Residential	$ 18.22	$ 0.0160	$ 20.73	$ 0.0190	$ 30.98	$ 35.93	$ 4.95	16.0%	
Norfolk Power Distribution Inc.	General Service < 50kW	$ 41.48	$ 0.0108	$ 49.47	$ 0.0138	$ 63.10	$ 77.07	$ 13.97	22.1%	
										19.1%
North Bay Hydro Distribution Limited	Residential	$ 12.64	$ 0.0113	$ 14.16	$ 0.0127	$ 21.68	$ 24.32	$ 2.64	12.2%	
North Bay Hydro Distribution Limited	General Service < 50kW	$ 21.90	$ 0.0140	$ 21.70	$ 0.0168	$ 49.90	$ 55.30	$ 5.40	10.8%	
										11.5%
Northern Ontario Wires Inc.	Residential	$ 16.33	$ 0.0090	$ 17.57	$ 0.0133	$ 23.55	$ 28.21	$ 4.66	19.8%	
Northern Ontario Wires Inc.	General Service < 50kW	$ 21.45	$ 0.0087	$ 23.55	$ 0.0132	$ 38.91	$ 49.95	$ 11.04	28.4%	
										24.1%
Oakville Hydro Electricity Distribution Inc.	Residential	$ 13.79	$ 0.0151	$ 13.25	$ 0.0145	$ 25.87	$ 24.85	-$ 1.02	-3.9%	
Oakville Hydro Electricity Distribution Inc.	General Service < 50kW	$ 30.26	$ 0.0132	$ 32.54	$ 0.0143	$ 56.66	$ 61.14	$ 4.48	7.9%	
										2.0%
Orangeville Hydro Limited	Residential	$ 14.51	$ 0.0117	$ 16.18	$ 0.0140	$ 23.89	$ 27.38	$ 3.49	14.6%	
Orangeville Hydro Limited	General Service < 50kW	$ 30.00	$ 0.0089	$ 32.76	$ 0.0100	$ 47.86	$ 52.76	$ 4.90	10.2%	
										12.4%
Orillia Power Distribution Corporation	Residential	$ 13.32	$ 0.0121	$ 13.47	$ 0.0162	$ 23.02	$ 26.43	$ 3.41	14.8%	
Orillia Power Distribution Corporation	General Service < 50kW	$ 30.76	$ 0.0137	$ 35.32	$ 0.0157	$ 58.22	$ 66.72	$ 8.50	14.6%	
										14.7%
Oshawa PUC Networks Inc.	Residential	$ 7.36	$ 0.0108	$ 8.43	$ 0.0123	$ 16.00	$ 18.27	$ 2.27	14.2%	
Oshawa PUC Networks Inc.	General Service < 50kW	$ 8.83	$ 0.0181	$ 8.37	$ 0.0172	$ 45.03	$ 42.77	-$ 2.26	-5.0%	
										4.6%
Ottawa River Power Corporation	Residential	$ 10.80	$ 0.0108	$ 11.95	$ 0.0121	$ 19.42	$ 21.63	$ 2.21	11.4%	
Ottawa River Power Corporation	General Service < 50kW	$ 22.13	$ 0.0070	$ 23.41	$ 0.0083	$ 36.11	$ 40.01	$ 3.90	10.8%	
										11.1%
Parry Sound Power Corporation	Residential	$ 16.73	$ 0.0133	$ 16.79	$ 0.0134	$ 27.38	$ 27.51	$ 0.13	0.5%	
Parry Sound Power Corporation	General Service < 50kW	$ 25.20	$ 0.0103	$ 25.29	$ 0.0104	$ 45.70	$ 46.09	$ 0.39	0.9%	
										0.7%
Peterborough Distribution Incorporated	Residential	$ 11.04	$ 0.0092	$ 11.79	$ 0.0115	$ 18.42	$ 20.99	$ 2.57	13.9%	
Peterborough Distribution Incorporated	General Service < 50kW	$ 24.46	$ 0.0068	$ 29.59	$ 0.0089	$ 38.13	$ 47.39	$ 9.26	24.3%	
										19.1%
PowerStream Inc.	Residential	$ 12.71	$ 0.0136	$ 13.61	$ 0.0136	$ 23.58	$ 24.45	$ 0.86	3.7%	
PowerStream Inc.	General Service < 50kW	$ 27.27	$ 0.0125	$ 28.34	$ 0.0115	$ 52.34	$ 51.34	-$ 1.00	-1.9%	
										0.9%
PUC Distribution Inc.	Residential	$ 7.08	$ 0.0112	$ 8.71	$ 0.0151	$ 16.04	$ 20.79	$ 4.75	29.6%	
PUC Distribution Inc.	General Service < 50kW	$ 10.94	$ 0.0187	$ 14.81	$ 0.0178	$ 48.34	$ 50.41	$ 2.07	4.3%	
										16.9%
Renfrew Hydro Inc.	Residential	$ 14.39	$ 0.0106	$ 14.75	$ 0.0119	$ 22.87	$ 24.27	$ 1.40	6.1%	
Renfrew Hydro Inc.	General Service < 50kW	$ 29.75	$ 0.0069	$ 30.22	$ 0.0080	$ 43.45	$ 46.22	$ 2.77	6.4%	
										6.2%
Rideau St. Lawrence Distribution Inc.	Residential	$ 8.52	$ 0.0093	$ 10.26	$ 0.0117	$ 15.95	$ 19.62	$ 3.67	23.0%	
Rideau St. Lawrence Distribution Inc.	General Service < 50kW	$ 28.52	$ 0.0024	$ 24.22	$ 0.0074	$ 33.24	$ 39.02	$ 5.79	17.4%	
										20.2%
Sioux Lookout Hydro Inc.	Residential	$ 20.05	$ 0.0087	$ 24.01	$ 0.0103	$ 27.01	$ 32.25	$ 5.24	19.4%	
Sioux Lookout Hydro Inc.	General Service < 50kW	$ 35.80	$ 0.0068	$ 42.65	$ 0.0081	$ 49.40	$ 58.85	$ 9.45	19.1%	
										19.3%
St. Thomas Energy Inc.	Residential	$ 11.07	$ 0.0158	$ 10.93	$ 0.0156	$ 23.71	$ 23.41	-$ 0.30	-1.3%	
St. Thomas Energy Inc.	General Service < 50kW	$ 15.69	$ 0.0144	$ 15.50	$ 0.0142	$ 44.49	$ 43.90	-$ 0.59	-1.3%	
										-1.3%
Thunder Bay Hydro Electricity Distribution In	Residential	$ 10.71	$ 0.0135	$ 10.17	$ 0.0128	$ 21.51	$ 20.41	-$ 1.10	-5.1%	
Thunder Bay Hydro Electricity Distribution In	General Service < 50kW	$ 16.69	$ 0.0122	$ 17.86	$ 0.0131	$ 41.09	$ 44.06	$ 2.97	7.2%	
										1.1%
Tillsonburg Hydro Inc.	Residential	$ 11.39	$ 0.0159	$ 10.53	$ 0.0180	$ 24.11	$ 24.93	$ 0.82	3.4%	
Tillsonburg Hydro Inc.	General Service < 50kW	$ 24.77	$ 0.0100	$ 24.81	$ 0.0151	$ 44.77	$ 55.01	$ 10.24	22.9%	
										13.1%
Toronto Hydro -Electric System Limited	Residential	$ 12.00	$ 0.0155	$ 18.25	$ 0.0157	$ 24.40	$ 30.83	$ 6.43	26.3%	
Toronto Hydro -Electric System Limited	General Service < 50kW	$ 16.07	$ 0.0185	$ 24.30	$ 0.0227	$ 53.07	$ 69.70	$ 16.63	31.3%	
										28.8%
Veridian Connections Inc.	Residential	$ 12.64	$ 0.0177	$ 10.51	$ 0.0174	$ 26.80	$ 24.43	-$ 2.38	-8.9%	
Veridian Connections Inc.	General Service < 50kW	$ 14.41	$ 0.0143	$ 12.59	$ 0.0182	$ 43.01	$ 48.99	$ 5.98	13.9%	
										2.5%
Wasaga Distribution Inc.	Residential	$ 11.91	$ 0.0147	$ 11.81	$ 0.0147	$ 23.64	$ 23.57	-$ 0.07	-0.3%	
Wasaga Distribution Inc.	General Service < 50kW	$ 13.75	$ 0.0138	$ 13.64	$ 0.0138	$ 41.33	$ 41.24	-$ 0.09	-0.2%	
										-0.3%

Waterloo North Hydro Inc.	Residential	$ 14.89	$ 0.0134	$ 14.56	$ 0.0131	$ 25.63	$ 25.04	-$ 0.59	-2.3%	
Waterloo North Hydro Inc.	General Service < 50kW	$ 31.33	$ 0.0107	$ 30.63	$ 0.0104	$ 52.79	$ 51.43	-$ 1.36	-2.6%	
										-2.4%
Welland Hydro-Electric System Corp.	Residential	$ 12.24	$ 0.0123	$ 14.21	$ 0.0143	$ 22.08	$ 25.65	$ 3.57	16.2%	
Welland Hydro-Electric System Corp.	General Service < 50kW	$ 18.17	$ 0.0063	$ 24.54	$ 0.0086	$ 30.77	$ 41.74	$ 10.97	35.7%	
										25.9%
Wellington North Power Inc.	Residential	$ 9.33	$ 0.0120	$ 13.86	$ 0.0139	$ 18.90	$ 24.98	$ 6.08	32.2%	
Wellington North Power Inc.	General Service < 50kW	$ 16.06	$ 0.0076	$ 27.83	$ 0.0120	$ 31.18	$ 51.83	$ 20.65	66.2%	
										49.2%
West Coast Huron Energy Inc.	Residential	$ 13.76	$ 0.0084	$ 14.08	$ 0.0182	$ 20.48	$ 28.64	$ 8.16	39.8%	
West Coast Huron Energy Inc.	General Service < 50kW	$ 33.03	$ 0.0052	$ 33.44	$ 0.0115	$ 43.43	$ 56.44	$ 13.01	30.0%	
										34.9%
West Perth Power Inc.	Residential	$ 12.17	$ 0.0087	$ 13.37	$ 0.0101	$ 19.11	$ 21.45	$ 2.34	12.3%	
West Perth Power Inc.	General Service < 50kW	$ 10.68	$ 0.0132	$ 11.86	$ 0.0142	$ 37.16	$ 40.26	$ 3.10	8.3%	
										10.3%
Westario Power Inc.	Residential	$ 10.66	$ 0.0128	$ 11.22	$ 0.0141	$ 20.92	$ 22.50	$ 1.58	7.6%	
Westario Power Inc.	General Service < 50kW	$ 19.56	$ 0.0081	$ 20.55	$ 0.0091	$ 35.66	$ 38.75	$ 3.09	8.7%	
										8.1%
Whitby Hydro Electric Corporation	Residential	$ 16.71	$ 0.0137	$ 17.71	$ 0.0137	$ 27.67	$ 28.67	$ 1.00	3.6%	
Whitby Hydro Electric Corporation	General Service < 50kW	$ 18.51	$ 0.0181	$ 19.51	$ 0.0181	$ 54.71	$ 55.71	$ 1.00	1.8%	
										2.7%
Woodstock Hydro Services Inc.	Residential	$ 11.25	$ 0.0194	$ 11.10	$ 0.0190	$ 26.77	$ 26.30	-$ 0.47	-1.8%	
Woodstock Hydro Services Inc.	General Service < 50kW	$ 21.75	$ 0.0125	$ 21.45	$ 0.0123	$ 46.75	$ 46.05	-$ 0.70	-1.5%	
										-1.6%
						AVERAGE PERCENTAGE CHANGE				**10.2%**

APPENDIX 3

OPTION 3

Applicant		2007		2010	% Change
Atikokan Hydro Inc.	$	41.96	$	46.46	10.7%
Bluewater Power Distribution Corporation	$	37.64	$	36.64	-2.7%
Brant County Power Inc.	$	41.18	$	37.51	-8.9%
Brantford Power Inc.	$	36.72	$	31.84	-13.3%
Burlington Hydro Inc.	$	34.88	$	35.76	2.5%
Cambridge and North Dumfries Hydro Inc.	$	29.36	$	27.03	-7.9%
Canadian Niagara Power Inc.	$	36.12	$	41.13	13.9%
Centre Wellington Hydro Ltd.	$	35.77	$	32.57	-9.0%
Chapleau Public Utilities Corporation	$	36.79	$	30.62	-16.8%
Chatham-Kent Hydro Inc.	$	24.38	$	32.85	34.8%
Clinton Power Corporation	$	34.66	$	27.71	-20.0%
COLLUS Power Corporation	$	32.11	$	30.97	-3.6%
Cooperative Hydro Embrun Inc.	$	32.92	$	34.55	5.0%
Dutton Hydro Limited	$	21.94	$	31.58	44.0%
E.L.K. Energy Inc.	$	27.57	$	30.22	9.6%
Enersource Hydro Mississauga Inc.	$	32.63	$	32.72	0.3%
ENWIN Utilities Ltd.	$	35.24	$	35.09	-0.4%
Erie Thames Powerlines Corporation	$	36.87	$	36.10	-2.1%
Espanola Regional Hydro Distribution Corporation	$	31.48	$	32.25	2.4%
Essex Powerlines Corporation	$	33.17	$	35.75	7.8%
Festival Hydro Inc.	$	31.61	$	36.73	16.2%
Fort Frances Power Corporation	$	23.42	$	25.30	8.0%
Greater Sudbury Hydro Inc.	$	31.65	$	34.19	8.0%
Grimsby Power Incorporated	$	33.16	$	26.15	-21.1%
Guelph Hydro Electric Systems Inc.	$	37.10	$	35.37	-4.7%
Halton Hills Hydro Inc.	$	32.79	$	33.02	0.7%
Hearst Power Distribution Company Limited	$	23.59	$	24.49	3.8%
Horizon Utilities Corporation	$	34.37	$	31.57	-8.1%
Hydro 2000 Inc.	$	32.00	$	31.78	-0.7%
Hydro Hawkesbury Inc.	$	22.33	$	18.51	-17.1%
Hydro One Brampton Networks Inc.	$	34.63	$	31.61	-8.7%
Hydro One Networks Inc.	$	36.41	$	52.04	42.9%
Hydro Ottawa Ltd.	$	32.78	$	35.85	9.4%
Innisifil Hydro Distribution Systems Limited	$	43.53	$	48.69	11.9%
Kenora Hydro Electric Corporation Ltd.	$	25.63	$	28.71	12.0%
Kingston Hydro Corporation	$	31.55	$	27.13	-14.0%
Kitchener-Wilmot Hydro Inc.	$	25.26	$	27.99	10.8%
Lakefront Utilities Inc.	$	30.74	$	31.65	3.0%
Lakeland Power Distribution Limited	$	40.73	$	38.04	-6.6%
London Hydro Inc.	$	34.11	$	33.09	-3.0%
Middlesex Power Distribution Corporation	$	38.32	$	33.90	-11.5%
Midland Power Utility Corporation	$	42.32	$	38.03	-10.1%
Milton Hydro Distribution inc.	$	35.13	$	31.99	-8.9%
Newbury Power Inc.	$	30.21	$	40.70	34.7%

Niagara-on-the-Lake Hydro Inc.	$	35.66	$	33.98	-4.7%
Norfolk Power Distribution Inc.	$	44.13	$	45.89	4.0%
North Bay Hydro Distribution Limited	$	31.46	$	34.92	11.0%
Northern Ontario Wires Inc.	$	37.17	$	37.32	0.4%
Oakville Hydro Electricity Distribution Inc.	$	37.41	$	34.12	-8.8%
Orangeville Hydro Limited	$	36.11	$	35.08	-2.9%
Orillia Power Distribution Corporation	$	31.09	$	32.40	4.2%
Oshawa PUC Networks Inc.	$	25.94	$	28.41	9.5%
Ottawa River Power Corporation	$	30.07	$	29.92	-0.5%
Parry Sound Power Corporation	$	37.58	$	34.91	-7.1%
Peterborough Distribution Incorporated	$	31.81	$	30.78	-3.2%
PowerStream Inc.	$	32.14	$	31.75	-1.2%
PUC Distribution Inc.	$	22.23	$	24.90	12.0%
Renfrew Hydro Inc.	$	30.40	$	30.46	0.2%
Rideau St. Lawrence Distribution Inc.	$	31.34	$	32.19	2.7%
Sioux Lookout Hydro Inc.	$	44.77	$	42.04	-6.1%
St. Thomas Energy Inc.	$	32.89	$	32.42	-1.4%
Thunder Bay Hydro Electricity Distribution Inc.	$	28.04	$	29.15	4.0%
Tillsonburg Hydro Inc.	$	36.31	$	34.07	-6.2%
Toronto Hydro -Electric System Limited	$	36.62	$	40.33	10.1%
Veridian Connections Inc.	$	31.46	$	34.71	10.3%
Wasaga Distribution Inc.	$	34.66	$	29.59	-14.6%
Waterloo North Hydro Inc.	$	31.70	$	30.53	-3.7%
Welland Hydro-Electric System Corp.	$	33.91	$	36.86	8.7%
Wellington North Power Inc.	$	31.37	$	31.88	1.6%
West Coast Huron Energy Inc.	$	33.96	$	33.31	-1.9%
West Perth Power Inc.	$	34.52	$	32.12	-6.9%
Westario Power Inc.	$	36.37	$	34.02	-6.5%
Whitby Hydro Electric Corporation	$	40.05	$	37.57	-6.2%
Woodstock Hydro Services Inc.	$	36.20	$	35.85	-1.0%
	Average Percentage Change				1.2%

APPENDIX 4

Applicant		2010		2009	% Change
Hydro One Networks	$	63.28	$	58.51	8.2%
Haldimand County Hydro Inc.	$	59.17	$	52.65	12.4%
Innisifil Hydro Distribution Systems Limited	$	55.61	$	51.70	7.6%
Norfolk Power Distribution Inc.	$	51.76	$	52.23	-0.9%
Atikokan Hydro Inc.	$	50.19	$	54.55	-8.0%
Veridian Connections Inc. - Gravenhurst	$	48.00	$	41.14	16.7%
Newbury Power Inc.	$	47.66	$	46.49	2.5%
Canadian Niagara Power Inc. - Fort Erie	$	46.96	$	45.60	3.0%
Sioux Lookout Hydro Inc.	$	45.82	$	46.05	-0.5%
Toronto Hydro -Electric System Limited	$	45.70	$	41.92	9.0%
Midland Power Utility Corporation	$	44.12	$	43.39	1.7%
Brant County Power Inc.	$	43.91	$	41.23	6.5%
Lakeland Power Distribution Limited	$	43.25	$	42.46	1.9%
Hydro Ottawa Ltd.	$	42.25	$	41.71	1.3%
Bluewater Power Distribution Corporation	$	42.14	$	41.87	0.6%
Welland Hydro-Electric System Corp.	$	42.06	$	42.89	-1.9%
Northern Ontario Wires Inc.	$	42.01	$	41.04	2.4%
Festival Hydro Inc.	$	41.97	$	40.86	2.7%
Woodstock Hydro Services Inc.	$	41.63	$	41.62	0.0%
Burlington Hydro Inc.	$	41.41	$	39.30	5.4%
Essex Powerlines Corporation	$	41.06	$	36.65	12.0%
ENWIN Utilities Ltd.	$	40.94	$	41.37	-1.0%
Guelph Hydro Electric Systems Inc.	$	40.61	$	42.05	-3.4%
North Bay Hydro Distribution Limited	$	39.73	$	36.13	10.0%
Orangeville Hydro Limited	$	39.57	$	39.21	0.9%
Cooperative Hydro Embrun Inc.	$	39.48	$	34.05	15.9%
Westario Power Inc.	$	39.48	$	38.52	2.5%
Tillsonburg Hydro Inc.	$	39.40	$	42.99	-8.4%
Parry Sound Power Corporation	$	39.20	$	41.97	-6.6%
Oakville Hydro Electricity Distribution Inc.	$	38.92	$	40.66	-4.3%
Barrie Hydro Distribution Inc.	$	38.36	$	42.08	-8.8%
Middlesex Power Distribution Corporation	$	38.22	$	40.73	-6.2%
Niagara Peninsula Energy Inc. - Niagara Falls	$	38.18	$	40.55	-5.8%
London Hydro Inc.	$	37.96	$	37.70	0.7%
West Coast Huron Energy Inc.	$	37.88	$	41.20	-8.1%
Niagara-on-the-Lake Hydro Inc.	$	37.72	$	39.79	-5.2%
St. Thomas Energy Inc.	$	37.67	$	38.16	-1.3%
Halton Hills Hydro Inc.	$	37.66	$	35.92	4.8%
Espanola Regional Hydro Distribution Corporation	$	37.56	$	35.56	5.6%
Enersource Hydro Mississauga Inc.	$	37.40	$	34.95	7.0%
Hydro 2000 Inc.	$	37.35	$	32.33	15.5%
Canadian Niagara Power Inc. - Eastern Ontario Power	$	37.15	$	32.62	13.9%
Rideau St. Lawrence Distribution Inc.	$	37.04	$	35.60	4.0%
Centre Wellington Hydro Ltd.	$	36.97	$	37.45	-1.3%

Orillia Power Distribution Corporation	$	36.88	$	34.71	6.3%
Lakefront Utilities Inc.	$	36.63	$	33.96	7.9%
Hydro One Brampton Networks Inc.	$	36.62	$	37.95	-3.5%
Brantford Power Inc.	$	36.44	$	37.90	-3.9%
Chatham-Kent Hydro Inc.	$	36.32	$	37.66	-3.6%
Wellington North Power Inc.	$	36.15	$	40.52	-10.8%
Milton Hydro Distribution inc.	$	36.02	$	39.29	-8.3%
Horizon Utilities Corporation	$	35.89	$	37.72	-4.9%
Niagara Peninsula Energy Inc. - Penisula West	$	35.88	$	41.51	-13.6%
COLLUS Power Corporation	$	35.86	$	38.00	-5.6%
Peterborough Distribution Incorporated	$	35.28	$	35.13	0.4%
E.L.K. Energy Inc.	$	34.74	$	31.47	10.4%
Waterloo North Hydro Inc.	$	34.28	$	36.45	-6.0%
Wasaga Distribution Inc.	$	33.79	$	40.18	-15.9%
Chapleau Public Utilities Corporation	$	33.42	$	35.81	-6.7%
Thunder Bay Hydro Electricity Distribution Inc.	$	33.40	$	34.49	-3.2%
PowerStream Inc.	$	33.36	$	32.61	2.3%
Oshawa PUC Networks Inc.	$	33.16	$	32.12	3.2%
Veridian Connections Inc.	$	32.72	$	35.74	-8.4%
Kitchener-Wilmot Hydro Inc.	$	32.35	$	29.56	9.4%
Kenora Hydro Electric Corporation Ltd.	$	32.25	$	30.69	5.1%
Kingston Hydro Corporation	$	31.17	$	32.73	-4.8%
Cambridge and North Dumfries Hydro Inc.	$	31.05	$	32.37	-4.1%
Grimsby Power Incorporated	$	28.64	$	36.00	-20.4%
PUC Distribution Inc.	$	28.49	$	30.42	-6.3%
Fort Frances Power Corporation	$	28.42	$	27.68	2.7%
	Average Percentage Change				0.3%

APPENDIX “B”

To the Decision and Order

Algoma Power Inc.

EB-2009-0278

RRRP Adjustment Calculation

Applicant Name	Class	MFC 2009	VC 2009	MFC 2010	VC 2010	TB 2009	TB 2010	$ Chg	% Chg	Combined % Chg
Atikokan Hydro Inc.	Residential	33.03	10.40	30.53	9.68	43.43	40.21	-3.22	-7.4%	
	General Service < 50 kW	76.85	19.60	69.89	17.80	96.45	87.69	-8.76	-9.1%	
										-8.2%
Bluewater Power Distribution Corporation	Residential	13.64	15.04	13.66	15.04	28.68	28.70	0.02	0.1%	
	General Service < 50 kW	25.16	35.80	24.48	34.80	60.96	59.28	-1.68	-2.8%	
										-1.3%
Brant County Power Inc.	Residential	11.02	18.00	10.95	17.92	29.02	28.87	-0.15	-0.5%	
	General Service < 50 kW	16.54	38.80	16.51	38.60	55.34	55.11	-0.23	-0.4%	
										-0.5%
Brantford Power Inc.	Residential	11.12	10.72	11.34	10.96	21.84	22.30	0.46	2.1%	
	General Service < 50 kW	23.93	12.60	24.54	12.80	36.53	37.34	0.81	2.2%	
										2.2%
Burlington Hydro Inc.	Residential	11.55	12.72	12.15	13.28	24.27	25.43	1.16	4.8%	
	General Service < 50 kW	20.98	29.40	25.24	27.20	50.38	52.44	2.06	4.1%	
										4.4%
Cambridge and North Dumfries Hydro Inc.	Residential	8.73	11.36	9.93	12.96	20.09	22.89	2.80	13.9%	
	General Service < 50 kW	12.27	26.20	12.33	26.20	38.47	38.53	0.06	0.2%	
										7.0%
Canadian Niagara Power Inc.	Residential	16.91	13.81	17.03	14.29	30.73	31.32	0.59	1.9%	
	General Service < 50 kW	24.95	42.33	24.51	41.33	67.29	65.84	-1.44	-2.1%	
										-0.1%
Centre Wellington Hydro Ltd.	Residential	14.73	10.80	13.99	10.80	25.53	24.79	-0.74	-2.9%	
	General Service < 50 kW	16.17	33.40	15.43	33.40	49.57	48.83	-0.74	-1.5%	
										-2.2%
Chapleau Public Utilities Corporation	Residential	19.82	9.28	18.43	9.12	29.10	27.55	-1.55	-5.3%	
	General Service < 50 kW	31.16	27.40	30.01	26.60	58.56	56.61	-1.95	-3.3%	
										-4.3%
Chatham-Kent Hydro Inc.	Residential	11.79	11.12	18.03	6.96	22.91	24.99	2.08	9.1%	
	General Service < 50 kW	30.47	18.40	33.10	23.00	48.87	56.10	7.23	14.8%	
										11.9%
COLLUS Power Corporation	Residential	10.66	16.00	9.40	15.20	26.66	24.60	-2.06	-7.7%	
	General Service < 50 kW	19.68	26.00	17.86	24.60	45.68	42.46	-3.22	-7.0%	
										-7.4%
Cooperative Hydro Embrun Inc.	Residential	11.81	8.32	13.49	11.20	20.13	24.69	4.56	22.7%	
	General Service < 50 kW	15.12	27.60	20.02	35.80	42.72	55.82	13.10	30.7%	
										26.7%
E.L.K. Energy Inc.	Residential	11.23	7.60	11.17	7.60	18.83	18.77	-0.06	-0.3%	
	General Service < 50 kW	11.16	6.20	11.10	6.20	17.36	17.30	-0.06	-0.3%	
										-0.3%
Enersource Hydro Mississauga Inc.	Residential	11.73	9.44	11.75	9.44	21.17	21.19	0.02	0.1%	
	General Service < 50 kW	39.44	23.00	39.51	23.00	62.44	62.51	0.07	0.1%	
										0.1%
Erie Thames Powerlines Corporation	Residential	14.23	11.52	14.19	11.52	25.75	25.71	-0.04	-0.2%	
	General Service < 50 kW	19.00	21.40	18.94	21.40	40.40	40.34	-0.06	-0.1%	
										-0.2%
Espanola Regional Hydro Distribution Corp.	Residential	9.99	11.52	9.94	11.44	21.51	21.38	-0.13	-0.6%	
	General Service < 50 kW	18.30	34.40	17.88	33.60	52.70	51.48	-1.22	-2.3%	
										-1.5%
Essex Powerlines Corporation	Residential	10.95	12.00	12.55	12.64	22.95	25.19	2.24	9.8%	
	General Service < 50 kW	12.60	10.00	20.59	16.00	22.60	36.59	13.99	61.9%	
										35.8%
Festival Hydro Inc.	Residential	14.09	12.64	14.75	13.20	26.73	27.95	1.22	4.6%	
	General Service < 50 kW	28.11	28.40	29.05	29.40	56.51	58.45	1.94	3.4%	
										4.0%
Fort Frances Power Corporation	Residential	11.73	6.88	11.85	6.96	18.61	18.81	0.20	1.1%	
	General Service < 50 kW	28.27	12.80	28.55	13.20	41.07	41.75	0.68	1.7%	
										1.4%
Greater Sudbury Hydro Inc.	Residential	14.08	10.00	16.00	10.00	24.08	26.00	1.92	8.0%	
	General Service < 50 kW	20.67	38.60	21.72	37.60	59.27	59.32	0.05	0.1%	
										4.0%
Grimsby Power Incorporated	Residential	15.19	7.44	15.17	7.44	22.63	22.61	-0.02	-0.1%	
	General Service < 50 kW	25.69	21.20	25.66	21.20	46.89	46.86	-0.03	-0.1%	
										-0.1%
Guelph Hydro Electric Systems Inc.	Residential	13.38	13.20	13.39	13.20	26.58	26.59	0.01	0.0%	
	General Service < 50 kW	12.40	31.60	12.24	31.40	44.00	43.64	-0.36	-0.8%	
										-0.4%
Haldimand County Hydro Inc.	Residential	10.85	25.04	12.23	27.04	35.89	39.27	3.38	9.4%	
	General Service < 50 kW	18.07	45.60	28.60	41.00	63.67	69.60	5.93	9.3%	
										9.4%
Halton Hills Hydro Inc.	Residential	12.94	10.64	12.92	10.64	23.58	23.56	-0.02	-0.1%	
	General Service < 50 kW	28.26	20.00	28.13	20.00	48.26	48.13	-0.13	-0.3%	
										-0.2%

RRRP Adjustment Calculation

Applicant Name	Class	MFC 2009	VC 2009	MFC 2010	VC 2010	TB 2009	TB 2010	$ Chg	% Chg	Combined % Chg
Hearst Power Distribution Company Limited	Residential	7.42	8.16	8.42	8.16	15.58	16.58	1.00	6.4%	
	General Service < 50 kW	4.97	19.40	5.97	19.40	24.37	25.37	1.00	4.1%	5.3%
Horizon Utilities Corporation	Residential	12.66	10.16	12.68	10.16	22.82	22.84	0.02	0.1%	
	General Service < 50 kW	27.40	14.60	27.45	14.60	42.00	42.05	0.05	0.1%	0.1%
Hydro 2000 Inc.	Residential	8.49	9.20	8.50	9.20	17.69	17.70	0.01	0.1%	
	General Service < 50 kW	24.48	26.40	24.52	26.40	50.88	50.92	0.04	0.1%	0.1%
Hydro Hawkesbury Inc.	Residential	4.96	7.36	5.87	6.64	12.32	12.51	0.19	1.5%	
	General Service < 50 kW	9.73	10.20	13.55	11.60	19.93	25.15	5.22	26.2%	13.9%
Hydro One Brampton Networks Inc.	Residential	10.79	12.56	10.48	12.32	23.35	22.80	-0.55	-2.4%	
	General Service < 50 kW	20.64	36.20	20.15	35.60	56.84	55.75	-1.09	-1.9%	-2.1%
Hydro One Networks Inc.	Residential	15.33	21.65	13.98	26.55	36.98	40.53	3.55	9.6%	
	General Service < 50 kW	24.73	57.85	27.62	70.74	82.59	98.35	15.76	19.1%	14.3%
Hydro Ottawa Ltd.	Residential	8.50	16.56	8.52	16.72	25.06	25.24	0.18	0.7%	
	General Service < 50 kW	14.70	37.00	14.73	37.40	51.70	52.13	0.43	0.8%	0.8%
Innisifil Hydro Distribution Systems Limited	Residential	19.72	16.88	19.02	16.64	36.60	35.66	-0.94	-2.6%	
	General Service < 50 kW	33.72	23.80	30.88	22.40	57.52	53.28	-4.24	-7.4%	-5.0%
Kenora Hydro Electric Corporation Ltd.	Residential	13.53	7.92	13.53	7.92	21.45	21.45	0.00	0.0%	
	General Service < 50 kW	25.77	8.00	25.77	8.00	33.77	33.77	0.00	0.0%	0.0%
Kingston Hydro Corporation	Residential	10.22	10.16	10.12	10.08	20.38	20.20	-0.18	-0.9%	
	General Service < 50 kW	23.62	20.00	23.46	19.80	43.62	43.26	-0.36	-0.8%	-0.9%
Kitchener-Wilmot Hydro Inc.	Residential	9.55	9.84	9.55	13.52	19.39	23.07	3.68	19.0%	
	General Service < 50 kW	25.17	18.00	25.17	24.40	43.17	49.57	6.40	14.8%	16.9%
Lakefront Utilities Inc.	Residential	9.32	11.76	9.25	11.68	21.08	20.93	-0.15	-0.7%	
	General Service < 50 kW	24.62	20.60	23.07	19.40	45.22	42.47	-2.75	-6.1%	-3.4%
London Hydro Inc.	Residential	11.68	11.44	12.59	11.36	23.12	23.95	0.83	3.6%	
	General Service < 50 kW	29.34	18.80	29.27	18.20	48.14	47.47	-0.67	-1.4%	1.1%
Middlesex Power Distribution Corporation	Residential	12.87	12.24	12.82	12.20	25.11	25.02	-0.09	-0.4%	
	General Service < 50 kW	20.03	21.40	19.96	21.40	41.43	41.36	-0.06	-0.2%	-0.3%
Midland Power Utility Corporation	Residential	11.90	16.96	11.66	16.72	28.86	28.38	-0.48	-1.7%	
	General Service < 50 kW	14.73	33.40	14.70	33.40	48.13	48.10	-0.03	-0.1%	-0.9%
Milton Hydro Distribution inc.	Residential	13.89	10.64	13.71	10.48	24.53	24.19	-0.34	-1.4%	
	General Service < 50 kW	14.89	32.00	14.70	31.60	46.89	46.30	-0.59	-1.3%	-1.3%
Niagara Peninsula Energy Inc.	Residential	13.20	13.72	13.00	13.56	26.92	26.56	-0.35	-1.3%	
	General Service < 50 kW	29.29	29.80	28.81	29.40	59.09	58.21	-0.88	-1.5%	-1.4%
Niagara-on-the-Lake Hydro Inc.	Residential	18.05	10.16	18.03	10.16	28.21	28.19	-0.02	-0.1%	
	General Service < 50 kW	45.33	27.20	45.27	27.20	72.53	72.47	-0.06	-0.1%	-0.1%
Norfolk Power Distribution Inc.	Residential	21.02	15.92	20.73	15.76	36.94	36.49	-0.45	-1.2%	
	General Service < 50 kW	49.74	29.20	49.47	28.80	78.94	78.27	-0.67	-0.8%	-1.0%
North Bay Hydro Distribution Limited	Residential	12.53	8.96	14.16	10.19	21.49	24.35	2.86	13.3%	
	General Service < 50 kW	21.70	27.80	21.70	33.68	49.50	55.38	5.88	11.9%	12.6%
Northern Ontario Wires Inc.	Residential	17.54	11.52	17.57	11.52	29.06	29.09	0.03	0.1%	
	General Service < 50 kW	23.51	27.60	23.55	27.60	51.11	51.15	0.04	0.1%	0.1%
Oakville Hydro Electricity Distribution Inc.	Residential	13.72	12.00	13.25	11.76	25.72	25.01	-0.71	-2.8%	
	General Service < 50 kW	30.09	26.20	32.54	29.00	56.29	61.54	5.25	9.3%	3.3%
Orangeville Hydro Limited	Residential	16.07	10.80	16.18	12.08	26.87	28.26	1.39	5.2%	
	General Service < 50 kW	29.78	20.20	32.76	22.00	49.98	54.76	4.78	9.6%	7.4%
Orillia Power Distribution Corporation	Residential	13.34	10.24	13.47	13.44	23.58	26.91	3.33	14.1%	
	General Service < 50 kW	30.79	28.80	35.32	32.60	59.59	67.92	8.33	14.0%	14.1%

APPENDIX B

RRRP Adjustment Calculation

Applicant Name	Class	MFC 2009	VC 2009	MFC 2010	VC 2010	TB 2009	TB 2010	$ Chg	% Chg	Combined % Chg
Oshawa PUC Networks Inc.	Residential	8.16	9.84	8.43	9.84	18.00	18.27	0.27	1.5%	
	General Service < 50 kW	8.75	35.80	8.37	34.40	44.55	42.77	-1.78	-4.0%	
										-1.2%
Ottawa River Power Corporation	Residential	10.95	9.68	11.95	9.68	20.63	21.63	1.00	4.8%	
	General Service < 50 kW	22.41	16.60	23.41	16.60	39.01	40.01	1.00	2.6%	
										3.7%
Parry Sound Power Corporation	Residential	16.84	11.52	16.79	11.52	28.36	28.31	-0.05	-0.2%	
	General Service < 50 kW	25.37	22.20	25.29	22.20	47.57	47.49	-0.08	-0.2%	
										-0.2%
Peterborough Distribution Incorporated	Residential	12.29	10.00	11.79	9.60	22.29	21.39	-0.90	-4.0%	
	General Service < 50 kW	29.59	18.80	29.59	18.80	48.39	48.39	0.00	0.0%	
										-2.0%
PowerStream Inc.	Residential	13.10	11.24	13.61	11.20	24.34	24.81	0.47	1.9%	
	General Service < 50 kW	21.55	28.60	22.14	28.60	50.15	50.74	0.59	1.2%	
										1.5%
PUC Distribution Inc.	Residential	8.72	12.08	8.71	12.08	20.80	20.79	-0.01	0.0%	
	General Service < 50 kW	15.12	36.40	14.81	35.60	51.52	50.41	-1.11	-2.2%	
										-1.1%
Renfrew Hydro Inc.	Residential	14.49	9.52	14.75	9.52	24.01	24.27	0.26	1.1%	
	General Service < 50 kW	29.96	16.00	30.22	16.00	45.96	46.22	0.26	0.6%	
										0.8%
Rideau St. Lawrence Distribution Inc.	Residential	10.27	10.64	10.26	10.64	20.91	20.90	-0.01	0.0%	
	General Service < 50 kW	24.33	17.80	24.22	17.80	42.13	42.02	-0.11	-0.3%	
										-0.2%
Sioux Lookout Hydro Inc.	Residential	23.73	10.56	24.01	10.64	34.29	34.65	0.36	1.0%	
	General Service < 50 kW	42.15	21.40	42.65	21.60	63.55	64.25	0.70	1.1%	
										1.1%
St. Thomas Energy Inc.	Residential	11.02	12.56	10.93	12.48	23.58	23.41	-0.17	-0.7%	
	General Service < 50 kW	15.62	28.60	15.50	28.40	44.22	43.90	-0.32	-0.7%	
										-0.7%
Thunder Bay Hydro Electricity Distribution Inc.	Residential	10.75	10.80	10.17	10.24	21.55	20.41	-1.14	-5.3%	
	General Service < 50 kW	17.92	26.20	17.86	26.20	44.12	44.06	-0.06	-0.1%	
										-2.7%
Tillsonburg Hydro Inc.	Residential	10.89	15.60	10.53	14.40	26.49	24.93	-1.56	-5.9%	
	General Service < 50 kW	24.27	30.20	24.81	30.20	54.47	55.01	0.54	1.0%	
										-2.4%
Toronto Hydro -Electric System Limited	Residential	16.17	11.46	18.25	12.58	27.63	30.83	3.20	11.6%	
	General Service < 50 kW	20.76	39.50	24.30	45.40	60.26	69.70	9.44	15.7%	
										13.6%
Veridian Connections Inc.	Residential	9.74	14.12	10.51	15.32	23.86	25.83	1.97	8.3%	
	General Service < 50 kW	11.88	36.80	12.59	39.50	48.68	52.09	3.41	7.0%	
										7.6%
Wasaga Distribution Inc.	Residential	11.92	12.96	11.81	12.88	24.88	24.69	-0.19	-0.8%	
	General Service < 50 kW	13.76	30.40	13.64	30.20	44.16	43.84	-0.32	-0.7%	
										-0.7%
Waterloo North Hydro Inc.	Residential	14.81	10.72	14.56	10.56	25.53	25.12	-0.41	-1.6%	
	General Service < 50 kW	31.15	21.40	30.63	21.00	52.55	51.63	-0.92	-1.8%	
										-1.7%
Welland Hydro-Electric System Corp.	Residential	14.87	12.00	14.21	11.44	26.87	25.65	-1.22	-4.5%	
	General Service < 50 kW	24.51	17.20	24.54	17.20	41.71	41.74	0.03	0.1%	
										-2.2%
Wellington North Power Inc.	Residential	13.73	12.24	13.86	12.40	25.97	26.26	0.29	1.1%	
	General Service < 50 kW	27.26	26.40	27.83	27.00	53.66	54.83	1.17	2.2%	
										1.6%
West Coast Huron Energy Inc.	Residential	13.09	14.56	14.08	14.56	27.65	28.64	0.99	3.6%	
	General Service < 50 kW	32.46	23.00	33.44	23.00	55.46	56.44	0.98	1.8%	
										2.7%
West Perth Power Inc.	Residential	12.37	8.08	13.37	8.08	20.45	21.45	1.00	4.9%	
	General Service < 50 kW	10.86	28.40	11.86	28.40	39.26	40.26	1.00	2.5%	
										3.7%
Westario Power Inc.	Residential	11.23	12.24	11.22	12.24	23.47	23.46	-0.01	0.0%	
	General Service < 50 kW	20.57	20.40	20.55	20.40	40.97	40.95	-0.02	0.0%	
										0.0%
Whitby Hydro Electric Corporation	Residential	16.71	10.96	17.71	10.96	27.67	28.67	1.00	3.6%	
	General Service < 50 kW	18.51	36.20	19.51	36.20	54.71	55.71	1.00	1.8%	
										2.7%
Woodstock Hydro Services Inc.	Residential	11.19	15.36	11.10	15.20	26.55	26.30	-0.25	-0.9%	
	General Service < 50 kW	21.63	24.80	21.45	24.60	46.43	46.05	-0.38	-0.8%	
										-0.9%
						Average Percentage Change				**2.490%**