Guelph Hydro
Electric Systems Inc.

March 2, 2011

Kirsten Walli
Board Secretary
Ontario Energy Board,
2300 Yonge St.
Suite 2700, P.O. Box 2319
Toronto, Ontario
M4P 1E4
Canada

Dear Ms. Walli:

**Re: OEB File No. EB-2010-0130**
**Guelph Hydro Electric Systems Inc. (Guelph Hydro) – Smart Meter Rate Calculation Model**

Please find accompanying this letter Guelph Hydro's updated Smart Meter Rate Calculation Model as part of its 2011 IRM3 Electricity Distribution Rate Application.

On February 28, 2011, the Board Staff notified Guelph Hydro that the OEB's Smart Meter Rate Calculation Model made available for distributors to complete as part of their 2011 IRM rate application has been revised and some errors have been corrected.

The Board Staff provided Guelph Hydro with its revised model. Beside the Board Staff's corrections highlighted in yellow, Guelph Hydro corrected Sheet 3 _ LDC Assumption and Data: "The Total Capital Costs" (cells F36 to J36) to add up Tools & Equipment and Other Equipment; as a result, the Capital Costs amount (Cell J36) reconciles with the Total Capital Costs from Sheet 2. Smart Meter Data (Cell K99). Guelph Hydro highlighted in red its correction.

The resulted and requested 2011 Smart Meter Rate Adder is of $1.17 per month and metered customer.

Should there be any questions, please contact me at the number below.

Guelph Hydro
Electric Systems Inc.

Respectfully Submitted,

Cristina Birceanu

Manager of Regulatory Affairs
Guelph Hydro Electric Systems Inc.

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Guelph, ON N1G 4Y1
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# Sheet 1 Utility Information Sheet

| | |
|---|---|
| **Name of LDC:** | GUELPH HYDRO ELECTRIC SYSTEMS INC. |
| **Licence Number:** | ED-2002-0565 |
| **Date of Submission:** | March 2, 2011 |

**Contact Information**

| | |
|---|---|
| **Name:** | Cristina Birceanu |
| **Title:** | Manager of Regulatory Affairs |
| **Phone Number:** | 519-837-4735 |
| **E-Mail Address:** | cbirceanu@guelphhydro.com |

# Sheet 2. Smart Meter Capital Cost and Operational Expense Data

## Smart Meter Unit Installation Plan:

*assume calendar year installation*

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|
| Planned number of Residential smart meters to be installed | - | - | - | 492 | 45,208 | - | | 45,700 |
| Planned number of General Service Less Than 50 kW smart meters | - | - | - | - | 2,276 | 84 | | 2,360 |
| **Planned Meter Installation (Residential and Less Than 50 kW only)** | - | - | - | 492 | 47,484 | 84 | - | 48,060 |
| **Percentage of Completion** | 0% | 0% | 0% | 1% | 100% | 100% | 100% | |
| Planned number of General Service Greater Than 50 kW smart meters | - | - | - | - | - | - | | - |
| Planned / Actual Meter Installations | - | - | - | 492 | 47,484 | 84 | - | 48,060 |

## Other Unit Installation Plan:

*assume calendar year installation*

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|
| Planned number of Collectors to be installed | - | - | - | - | 17 | - | | 17 |
| Planned number of Repeaters to be installed | - | - | - | - | 29 | - | | 29 |
| Other : Please specify | | | | | | | | |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |

## Capital Costs

### 1.1 ADVANCED METERING

| | Asset Type | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|---|
| **1.1.1 Smart Meter**<br>*may include new meters and modules, etc.* | Smart Meter | $ - | $ - | $ - | $843,091 | $ 5,232,319 | $ - | | $ 6,075,410 |
| **1.1.2 Installation Cost**<br>*may include socket kits plus shipping, labour, benefits, vehicle, etc.* | Smart Meter | $ - | $ - | $ - | $ 2,393 | $ 1,165,456 | | | $ 1,167,849 |
| **1.1.3a Workforce Automation Hardware**<br>*may include fieldworker handhelds, barcode hardware, etc.* | Comp. Hard. | $ - | $ - | $ - | $ 25,463 | $ - | $ - | | $ 25,463 |
| **1.1.3b Workforce Automation Software**<br>*may include fieldworker handhelds, barcode hardware, etc.* | Comp. Soft. | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **Total Advanced Metering Communication Device (AMCD)** | | **$ -** | **$ -** | **$ -** | **$ 870,947** | **$ 6,397,775** | **$ -** | **$ -** | **$ 7,268,722** |

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

| | Asset Type | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|---|
| **1.2.1 Collectors** | Smart Meter | $ - | $ - | $ - | $ 9,330 | $ 71,873 | $ - | | $ 81,203 |
| **1.2.2 Repeaters**<br>*may include radio licence, etc.* | Smart Meter | $ - | $ - | $ - | $ - | $ 114,440 | $ - | | $ 114,440 |
| **1.2.3 Installation**<br>*may include meter seals and rings, collector computer hardware, etc.* | Smart Meter | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **Total Advanced Metering Regional Collector (AMRC) (includes** | | **$ -** | **$ -** | **$ -** | **$ 9,330** | **$ 186,313** | **$ -** | **$ -** | **$ 195,643** |

### 1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

| | Asset Type | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|---|
| **1.3.1 Computer Hardware** | Comp. Hard. | $ - | $ - | $ - | $ 372,353 | $ 228,956 | $ - | | $ 601,309 |
| **1.3.2 Computer Software** | Comp. Soft. | $ - | $ - | $ - | $ 26,930 | $ 370,206 | $ - | | $ 397,136 |
| **1.3.3 Computer Software Licence & Ins**<br>*may include AS/400 disc space, backup & recovery computer, UPS, etc* | Comp. Soft. | $ - | $ - | $ - | $ 1,712 | $ 37,066 | $ - | | $ 38,778 |
| **Total Advanced Metering Control Computer (AMCC)** | | **$ -** | **$ -** | **$ -** | **$ 400,995** | **$ 636,228** | **$ -** | **$ -** | **$ 1,037,223** |

### 1.4 WIDE AREA NETWORK (WAN)

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|

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# Sheet 2. Smart Meter Capital Cost and Operational Expense Data

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 1.4.1 Activation Fees | Tools & Equip | $ - | $ - | $ - | $ - | $ 24,902 | $ - | | $ 24,902 |
| **Total Wide Area Network (WAN)** | | **$ -** | **$ -** | **$ -** | **$ -** | **$ 24,902** | **$ -** | **$ -** | **$ 24,902** |

| **1.5 OTHER AMI CAPITAL COSTS RELATED T** | | 2006<br>Audited Actual | 2007<br>Audited Actual | 2008<br>Audited Actual | 2009<br>Audited Actual | 2010<br>Forecasted | 2011<br>Forecasted | Later<br>Forecasted | Total |
|---|---|---|---|---|---|---|---|---|---|
| 1.5.1 Customer equipment (including r | Other Equip. | $ - | $ - | $ - | $ - | $ 41,500 | $ - | | $ 41,500 |
| 1.5.2 AMI Interface to CIS | Comp. Soft. | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| 1.5.3 Professional Fees | Smart Meter | $ - | $ - | $ - | $ 43,606 | $ 154,394 | $ - | | $ 198,000 |
| 1.5.4 Integration | Comp. Soft. | $ - | $ - | $ - | $ - | $ 278,500 | $ 85,800 | | $ 364,300 |
| 1.5.5 Program Management | Comp. Soft. | $ - | $ - | $ - | $ - | $ 81,244 | $ - | | $ 81,244 |
| 1.5.6 Other AMI Capital | Smart Meter | $ - | $ - | $ - | $ - | $ 118,541 | $ - | | $ 118,541 |
| **Total Other AMI Capital Costs Related To Minimum Functional** | | **$ -** | **$ -** | **$ -** | **$ 43,606** | **$ 674,179** | **$ 85,800** | **$ -** | **$ 803,585** |
| **Total Capital Costs** | | **$ -** | **$ -** | **$ -** | **$ 1,324,878** | **$ 7,919,397** | **$ 85,800** | **$ -** | **$ 9,330,075** |

# Sheet 2. Smart Meter Capital Cost and Operational Expense Data

## O M & A

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|
| **2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)** | | | | | | | | |
| **2.1.1 Maintenance**<br>*may include meter reverification costs, etc.* | $ - | $ - | $ - | $ - | $ - | $ 48,000 | | $ 48,000 |
| **Total Incremental AMI Operation Expenses** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 48,000** | **$ -** | **$ 48,000** |
| **2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)** | | | | | | | | |
| **2.2.1 Maintenance** | $ - | $ - | $ - | $ - | $ - | $ 15,000 | | $ 15,000 |
| **Total Advanced Metering Regional Collector (AMRC) (includes** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 15,000** | **$ -** | **$ 15,000** |
| **2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)** | | | | | | | | |
| **2.3.1 Hardware Maintenance**<br>*may include server support, etc* | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **2.3.2 Software Maintenance**<br>*may include maintenance support, etc.* | $ - | $ - | $ - | $ - | $ - | $ 16,170 | | $ 16,170 |
| **Total Advanced Metering Control Computer (AMCC)** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 16,170** | **$ -** | **$ 16,170** |
| **2.4 WIDE AREA NETWORK (WAN)** | | | | | | | | |
| **2.4.1 WIDE AREA NETWORK (WAN)**<br>*may include serial to Ethernet hardware, etc.* | $ - | $ - | $ - | $ - | $ - | $ 25,000 | | $ 25,000 |
| **Total Incremental Other Operation Expenses** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 25,000** | **$ -** | **$ 25,000** |
| **2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY** | | | | | | | | |
| **2.5.1 Business Process Redesign** | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **2.5.2 Customer Communication**<br>*may include project communication. etc.* | $ - | $ - | $ - | $ - | $ 68,000 | $ 90,000 | | $ 158,000 |
| **2.5.3 Program Management** | $ - | $ - | $ - | $ - | $ 97,535 | $ 195,070 | | $ 292,605 |
| **2.5.4 Change Management**<br>*may include training, etc.* | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **2.5.5 Administration Cost** | $ - | $ - | $ - | $ - | $ 25,000 | $ 84,000 | | $ 109,000 |
| **2.5.6 Other AMI Expenses** | $ - | $ - | $ - | $ - | $ - | $ - | | $ - |
| **Total 2.5 Other AMI OM&A Costs Related To Minimum Functio** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 190,535** | **$ 369,070** | **$ -** | **$ 559,605** |
| **Total O M & A Costs** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 190,535** | **$ 473,240** | **$ -** | **$ 663,775** |

## Sheet 3. LDC Assumptions and Data

**Assumptions:**

1. Planned meter installations occur evenly through the year.
2. Year assumed January to December
3. Amortization is straight line and has half year rule applied in first year

| | 2006 EDR Data Information | 2007 | 2008 | 2009 | 2010 | 2011 | Later |
|---|---|---|---|---|---|---|---|
| **Rate Base** | | | | | | | |
| **Deemed Short Term Debt %** | | | 4% | 4% | 4% | 4% | 4% |
| **Deemed Debt** | 50% | 50% | 49% | 53% | 56% | 56% | 56% |
| **Deemed Equity** | 50% | 50% | 47% | 43% | 40% | 40% | 40% |
| **Deemed Short Term Debt Rate%** | | | 4.47% | 4.47% | 4.47% | 4.47% | 2.07% |
| **Weighted Debt Rate** | 6.25% | 6.25% | 6.10% | 6.10% | 6.10% | 6.10% | 5.87% |
| **Proposed ROE** | 9.00% | 9.00% | 8.57% | 8.57% | 8.57% | 8.57% | 9.85% |
| **Weighted Average Cost of Capital** | 7.63% | 7.63% | 7.19% | 7.10% | 7.02% | 7.02% | 7.31% |
| **Working Capital Allowance %** | 15.00% | 15.00% | 15.00% | 15.00% | 15.00% | 15.00% | 15.00% |
| **2006 EDR Tax Rate** | | | | | | | |
| **Corporate Income Tax Rate** | 36.12% | 36.12% | 33.50% | 33.00% | 31.00% | 28.25% | 26.25% |

| | **Capital Data:** | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|---|
| $6,857,023 | Smart Meter | $ - | $ - | $ - | $ 898,420 | $ 6,857,023 | $ - | $ - | $ 7,755,443 |
| $228,956 | Computer Hardware | $ - | $ - | $ - | $ 397,816 | $ 228,956 | $ - | $ - | $ 626,772 |
| $767,016 | Computer Software | $ - | $ - | $ - | $ 28,642 | $ 767,016 | $ 85,800 | $ - | $ 881,458 |
| | Tools & Equipment | $ - | $ - | $ - | $ - | $ 24,902 | $ - | $ - | $ 24,902 |
| | Other Equipment | $ - | $ - | $ - | $ - | $ 41,500 | $ - | $ - | $ 41,500 |
| | **Total Capital Costs** | $ - | $ - | $ - | $ 1,324,878 | $ 7,852,995 | $ 85,800 | $ - | $ 9,263,673 |
| | | - | - | - | - | *66,402.00* | - | - | *66,402.00* |

| **Operating Expense Data:** | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted | Total |
|---|---|---|---|---|---|---|---|---|
| 2.1 Advanced Metering Communication Device (AMCD) | $ - | $ - | $ - | $ - | $ - | $ 48,000 | $ - | $ 48,000 |
| 2.2 Advanced Metering Regional Collector (AMRC) (includes LAN | $ - | $ - | $ - | $ - | $ - | $ 15,000 | $ - | $ 15,000 |
| 2.3 Advanced Metering Control Computer (AMCC) | $ - | $ - | $ - | $ - | $ - | $ 16,170 | $ - | $ 16,170 |
| 2.4 Wide Area Network (WAN) | $ - | $ - | $ - | $ - | $ - | $ 25,000 | $ - | $ 25,000 |
| 2.5 Other AMI OM&A Costs Related To Minimum Functionality | $ - | $ - | $ - | $ - | $ 190,535 | $ 369,070 | $ - | $ 559,605 |
| **Total O M & A Costs** | $ - | $ - | $ - | $ - | $ 190,535 | $ 473,240 | $ - | $ 663,775 |
| | - | - | - | - | - | - | - | - |

| **Per Meter Cost Split:** | Per Meter | Installed | Investment | % of Invest |
|---|---|---|---|---|
| Smart meter including installation | $ 161.37 | 48,060 | $ 7,755,443 | 78% |
| Computer Hardware Costs | $ 13.04 | 48,060 | $ 626,772 | 6% |
| Computer Software Costs | $ 18.34 | 48,060 | $ 881,458 | 9% |
| Tools & Equipment | $ 0.52 | 48,060 | $ 24,902 | 0% |
| Other Equipment | $ 0.86 | 48,060 | $ 41,500 | 0% |
| Smart meter incremental operating expenses | $ 13.81 | 48,060 | $ 663,775 | 7% |
| Total Smart Meter Capital Costs per meter | $ 207.95 | | $ 9,993,850 | 100% |

| **Depreciation Rates** | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted |
|---|---|---|---|---|---|---|---|
| Smart Meter (years) | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Computer Hardware (years) | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Computer Software (years) | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Tools & Equipment (years) | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Other Equipment (years) | 15 | 15 | 15 | 15 | 15 | 15 | 15 |

| **CCA Rates** | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted |
|---|---|---|---|---|---|---|---|
| CCA Class | 47 | 47 | 47 | 47 | 47 | 47 | 47 |
| Smart Meter | 8% | 8% | 8% | 8% | 8% | 8% | 8% |
| CCA Class | 45 | 50 | 50 | 50 | 50 | 50 | 50 |
| Computer Equipment | 45% | 55% | 55% | 100% | 100% | 55% | 55% |
| CCA Class | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| General Equipment | 20% | 20% | 20% | 20% | 20% | 20% | 20% |

the OEB.

## Smart Meter Revenue Requirement Calculation

| Average Asset Values | 2006 Audited Actual | | | 2007 Audited Actual | | | 2008 Audited Actual | | |
|---|---|---|---|---|---|---|---|---|---|
| Net Fixed Assets Smart Meters | $ - | | | $ - | | | $ - | | |
| Net Fixed Assets Computer Hardware | $ - | | | $ - | | | $ - | | |
| Net Fixed Assets Computer Software | $ - | | | $ - | | | $ - | | |
| Net Fixed Assets Tools & Equipment | $ - | | | $ - | | | $ - | | |
| Net Fixed Assets Other Equipment | $ - | | | $ - | | | $ - | | |
| Total Net Fixed Assets | $ - | $ - | | $ - | $ - | | $ - | $ - | |
| **Working Capital** | | | | | | | | | |
| Operation Expense | $ - | | | $ - | | | $ - | | |
| Working Capital % | $ - | $ - | | $ - | $ - | | $ - | $ - | |
| **Smart Meters included in Rate Base** | | $ - | | | $ - | | | $ - | |
| **Return on Rate Base** | | | | | | | | | |
| Deemed Short Term Debt % | | | | | | | 4% | $ - | |
| Deemed Long Term Debt % | 50.0% | $ - | | 50.0% | $ - | | 49.3% | $ - | |
| Deemed Equity % | 50.0% | $ - | | 50.0% | $ - | | 46.7% | $ - | |
| | | $ - | | | $ - | | | $ - | |
| Deemed Short Term Debt Rate% | | | | | | | 4.5% | $ - | |
| Weighted Debt Rate *(3. LDC Assumptions and Data)* | 6.3% | $ - | | 6.3% | $ - | | 6.1% | $ - | |
| Proposed ROE *(3. LDC Assumptions and Data)* | 9.0% | $ - | | 9.0% | $ - | | 8.6% | $ - | |
| **Return on Rate Base** | | $ - | $ - | | $ - | $ - | | $ - | $ - |
| **Operating Expenses** | | | | | | | | | |
| Incremental Operating Expenses *(3. LDC Assumptions and Data)* | | | $ - | | | $ - | | | $ - |
| **Amortization Expenses** | | | | | | | | | |
| Amortization Expenses - Smart Meters | | $ - | | | $ - | | | $ - | |
| Amortization Expenses - Computer Hardware | | $ - | | | $ - | | | $ - | |
| Amortization Expenses - Computer Software | | $ - | | | $ - | | | $ - | |
| Amortization Expenses - Tools & Equipment | | $ - | | | $ - | | | $ - | |
| Amortization Expenses - Other Equipment | | $ - | | | $ - | | | $ - | |
| **Total Amortization Expenses** | | | $ - | | | $ - | | | $ - |
| **Revenue Requirement Before PILs** | | | $ - | | | $ - | | | $ - |
| **Calculation of Taxable Income** | | | | | | | | | |
| Incremental Operating Expenses | | | $ - | | | $ - | | | $ - |
| Depreciation Expenses | | | $ - | | | $ - | | | $ - |
| Interest Expense | | | $ - | | | $ - | | | $ - |
| **Taxable Income For PILs** | | | $ - | | | $ - | | | $ - |
| **Grossed up PILs** *(5. PILs)* | | | $ - | | | $ - | | | $ - |
| Revenue Requirement Before PILs | | | $ - | | | $ - | | | $ - |
| Grossed up PILs *(5. PILs)* | | | $ - | | | $ - | | | $ - |
| **Revenue Requirement for Smart Meters** | | | **$ -** | | | **$ -** | | | **$ -** |

| Average Asset Values | 2009 Audited Actual | | | 2010 Forecasted | | | 2011 Forecasted | | | Later Forecasted | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net Fixed Assets Smart Meters | $ 434,236.33 | | | $ 4,152,753.12 | | | $ 7,178,518.80 | | | $ - | | |
| Net Fixed Assets Computer Hardware | $ 179,017.20 | | | $ 421,283.00 | | | $ 421,854.40 | | | $ - | | |
| Net Fixed Assets Computer Software | $ 13,843.63 | | | $ 397,456.93 | | | $ 782,174.67 | | | $ - | | |
| Net Fixed Assets Tools & Equipment | $ - | | | $ 11,828.45 | | | $ 22,411.80 | | | $ - | | |
| Net Fixed Assets Other Equipment | $ - | | | $ 20,058.33 | | | $ 38,733.33 | | | $ - | | |
| Total Net Fixed Assets | $ 627,097.17 | $ 627,097.17 | | $ 5,003,379.83 | $ 5,003,379.83 | | $ 8,443,693.00 | $ 8,443,693.00 | | $ - | $ - | |
| **Working Capital** | | | | | | | | | | | | |
| Operation Expense | $ - | | | $ 190,535.00 | | | $ 473,240.00 | | | $ - | | |
| Working Capital % | $ - | $ - | | $ 28,580.25 | $ 28,580.25 | | $ 70,986.00 | $ 70,986.00 | | $ - | $ - | |
| **Smart Meters included in Rate Base** | | $ 627,097.17 | | | $ 5,031,960.08 | | | $ 8,514,679.00 | | | $ - | |
| **Return on Rate Base** | | | | | | | | | | | | |
| Deemed Short Term Debt % | 4% | $ 25,083.89 | | 4% | $ 201,278.40 | | 4% | $ 340,587.16 | | 4% | $ - | |
| Deemed Long Term Debt % | 52.7% | $ 330,480.21 | | 56.0% | $ 2,817,897.65 | | 56.0% | $ 4,768,220.24 | | 56.0% | $ - | |
| Deemed Equity % | 43.3% | $ 271,533.07 | | 40.0% | $ 2,012,784.03 | | 40.0% | $ 3,405,871.60 | | 40.0% | $ - | |
| | | $ 627,097.17 | | | $ 5,031,960.08 | | | $ 8,514,679.00 | | | $ - | |
| Deemed Short Term Debt Rate% | 4.5% | $ 1,121.25 | | 4.5% | $ 8,997.14 | | 4.5% | $ 15,224.25 | | 2.1% | $ - | |
| Weighted Debt Rate *(3. LDC Assumptions and Data)* | 6.1% | $ 20,159.29 | | 6.1% | $ 171,891.76 | | 6.1% | $ 290,861.43 | | 5.9% | $ - | |
| Proposed ROE *(3. LDC Assumptions and Data)* | 8.6% | $ 23,270.38 | | 8.6% | $ 172,495.59 | | 8.6% | $ 291,883.20 | | 9.9% | $ - | |
| **Return on Rate Base** | | $ 44,550.93 | $ 44,550.93 | | $ 353,384.49 | $ 353,384.49 | | $ 597,968.88 | $ 597,968.88 | | $ - | $ - |
| **Operating Expenses** | | | | | | | | | | | | |
| Incremental Operating Expenses *(3. LDC Assumptions and Data)* | | | $ - | | | $ 190,535.00 | | | $ 473,240.00 | | | $ - |
| **Amortization Expenses** | | | | | | | | | | | | |
| Amortization Expenses - Smart Meters | | $ 29,947.33 | | | $ 288,462.10 | | | $ 517,029.53 | | | $ - | |
| Amortization Expenses - Computer Hardware | | $ 39,781.60 | | | $ 102,458.80 | | | $ 125,354.40 | | | $ - | |
| Amortization Expenses - Computer Software | | $ 954.73 | | | $ 27,476.67 | | | $ 55,903.87 | | | $ - | |
| Amortization Expenses - Tools & Equipment | | $ - | | | $ 1,245.10 | | | $ 2,490.20 | | | $ - | |
| Amortization Expenses - Other Equipment | | $ - | | | $ 1,383.33 | | | $ 2,766.67 | | | $ - | |
| **Total Amortization Expenses** | | | $ 70,683.67 | | | $ 421,026.00 | | | $ 703,544.67 | | | $ - |
| **Revenue Requirement Before PILs** | | | $ 115,234.59 | | | $ 964,945.49 | | | $ 1,774,753.54 | | | $ - |
| **Calculation of Taxable Income** | | | | | | | | | | | | |
| Incremental Operating Expenses | | | $ - | | | -$ 190,535.00 | | | -$ 473,240.00 | | | $ - |
| Depreciation Expenses | | | -$ 70,683.67 | | | -$ 421,026.00 | | | -$ 703,544.67 | | | $ - |
| Interest Expense | | | -$ 21,280.54 | | | -$ 180,888.90 | | | -$ 306,085.68 | | | $ - |
| **Taxable Income For PILs** | | | $ 23,270.38 | | | $ 172,495.59 | | | $ 291,883.20 | | | $ - |
| **Grossed up PILs** *(5. PILs)* | | | -$ 73,625.64 | | | -$ 203,570.49 | | | $ 37,754.63 | | | $ - |
| Revenue Requirement Before PILs | | | $ 115,234.59 | | | $ 964,945.49 | | | $ 1,774,753.54 | | | $ - |
| Grossed up PILs *(5. PILs)* | | | -$ 73,625.64 | | | -$ 203,570.49 | | | $ 37,754.63 | | | $ - |
| **Revenue Requirement for Smart Meters** | | | **$ 41,608.95** | | | **$ 761,375.00** | | | **$ 1,812,508.17** | | | **$ -** |

# PILs Calculation

| INCOME TAX | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted | Later Forecasted |
|---|---|---|---|---|---|---|---|
| Net Income | $ - | $ - | $ - | $ 23,270.38 | $ 172,495.59 | $ 291,883.20 | $ - |
| Amortization | $ - | $ - | $ - | $ 70,683.67 | $ 421,026.00 | $ 703,544.67 | $ - |
| CCA - Smart Meters | $ - | $ - | $ - | -$ 35,936.80 | -$ 343,279.58 | -$ 590,098.13 | $ - |
| CCA - Computers | $ - | $ - | $ - | -$ 213,229.00 | -$ 711,215.00 | -$ 297,487.30 | $ - |
| CCA - Other Equipment | $ - | $ - | $ - | $ - | -$ 6,640.20 | -$ 11,952.36 | $ - |
| Change in taxable income | $ - | $ - | $ - | -$ 155,211.75 | -$ 467,613.18 | $ 95,890.07 | $ - |
| Tax Rate *(3. LDC Assumptions and Data)* | 36.12% | 36.12% | 33.50% | 33.00% | 31.00% | 28.25% | 26.25% |
| Income Taxes Payable | $ - | $ - | $ - | -$ 51,219.88 | -$ 144,960.09 | $ 27,088.95 | $ - |

| ONTARIO CAPITAL TAX | | | | | | | |
|---|---|---|---|---|---|---|---|
| Smart Meters | $ - | $ - | $ - | $ 868,472.67 | $ 7,437,033.57 | $ 6,920,004.03 | $ - |
| Computer Hardware | $ - | $ - | $ - | $ 358,034.40 | $ 484,531.60 | $ 359,177.20 | $ - |
| Computer Software | $ - | $ - | $ - | $ 27,687.27 | $ 767,226.60 | $ 797,122.73 | $ - |
| Tools & Equipment | $ - | $ - | $ - | $ - | $ 23,656.90 | $ 21,166.70 | $ - |
| Other Equipment | $ - | $ - | $ - | $ - | $ 40,116.67 | $ 37,350.00 | $ - |
| Rate Base | $ - | $ - | $ - | $ 1,254,194.33 | $ 8,688,791.77 | $ 8,076,303.97 | $ - |
| Less: Exemption | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Deemed Taxable Capital | $ - | $ - | $ - | $ 1,254,194.33 | $ 8,688,791.77 | $ 8,076,303.97 | $ - |
| Ontario Capital Tax Rate | 0.300% | 0.225% | 0.225% | 0.225% | 0.075% | 0.000% | 0.000% |
| Net Amount (Taxable Capital x Rate) | $ - | $ - | $ - | $ 2,821.94 | $ 6,516.59 | $ - | $ - |

## Gross Up

| | PILs Payable | PILs Payable | PILs Payable | PILs Payable | PILs Payable | PILs Payable | PILs Payable |
|---|---|---|---|---|---|---|---|
| Change in Income Taxes Payable | $ - | $ - | $ - | -$ 51,219.88 | -$ 144,960.09 | $ 27,088.95 | $ - |
| Change in OCT | $ - | $ - | $ - | $ 2,821.94 | $ 6,516.59 | $ - | $ - |
| PIL's | $ - | $ - | $ - | -$ 48,397.94 | -$ 138,443.49 | $ 27,088.95 | $ - |

| | Gross Up 36.12% | Gross Up 36.12% | Gross Up 33.50% | Gross Up 33.00% | Gross Up 31.00% | Gross Up 28.25% | Gross Up 26.25% |
|---|---|---|---|---|---|---|---|
| | **Grossed Up PILs** | **Grossed Up PILs** | **Grossed Up PILs** | **Grossed Up PILs** | **Grossed Up PILs** | **Grossed Up PILs** | **Grossed Up PILs** |
| Change in Income Taxes Payable | $ - | $ - | $ - | -$ 76,447.58 | -$ 210,087.08 | $ 37,754.63 | $ - |
| Change in OCT | $ - | $ - | $ - | $ 2,821.94 | $ 6,516.59 | $ - | $ - |
| PIL's | **$ -** | **$ -** | **$ -** | **-$ 73,625.64** | **-$ 203,570.49** | **$ 37,754.63** | **$ -** |

# Smart Meter Average Net Fixed Assets

## Net Fixed Assets - Smart Meters

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening Capital Investment | $ - | $ - | $ - | $ - | $ 898,420.00 | $ 7,755,443.00 |
| Capital Investment *(3. LDC Assumptions and Data)* | $ - | $ - | $ - | $ 898,420.00 | $ 6,857,023.00 | $ - |
| Closing Capital Investment | $ - | $ - | $ - | $ 898,420.00 | $ 7,755,443.00 | $ 7,755,443.00 |
| Opening Accumulated Amortization | $ - | $ - | $ - | $ - | $ 29,947.33 | $ 318,409.43 |
| Amortization (15 Years Straight Line) | $ - | $ - | $ - | $ 29,947.33 | $ 288,462.10 | $ 517,029.53 |
| Closing Accumulated Amortization | $ - | $ - | $ - | $ 29,947.33 | $ 318,409.43 | $ 835,438.97 |
| Opening Net Fixed Assets | $ - | $ - | $ - | $ - | $ 868,472.67 | $ 7,437,033.57 |
| Closing Net Fixed Assets | $ - | $ - | $ - | $ 868,472.67 | $ 7,437,033.57 | $ 6,920,004.03 |
| Average Net Fixed Assets | $ - | $ - | $ - | $ 434,236.33 | $ 4,152,753.12 | $ 7,178,518.80 |

## Net Fixed Assets - Computer Hardware

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening Capital Investment | $ - | $ - | $ - | $ - | $ 397,816.00 | $ 626,772.00 |
| Capital Investment *(3. LDC Assumptions and Data)* | $ - | $ - | $ - | $ 397,816.00 | $ 228,956.00 | $ - |
| Closing Capital Investment | $ - | $ - | $ - | $ 397,816.00 | $ 626,772.00 | $ 626,772.00 |
| Opening Accumulated Amortization | $ - | $ - | $ - | $ - | $ 39,781.60 | $ 142,240.40 |
| Amortization (5 Years Straight Line) | $ - | $ - | $ - | $ 39,781.60 | $ 102,458.80 | $ 125,354.40 |
| Closing Accumulated Amortization | $ - | $ - | $ - | $ 39,781.60 | $ 142,240.40 | $ 267,594.80 |
| Opening Net Fixed Assets | $ - | $ - | $ - | $ - | $ 358,034.40 | $ 484,531.60 |
| Closing Net Fixed Assets | $ - | $ - | $ - | $ 358,034.40 | $ 484,531.60 | $ 359,177.20 |
| Average Net Fixed Assets | $ - | $ - | $ - | $ 179,017.20 | $ 421,283.00 | $ 421,854.40 |

## Net Fixed Assets - Computer Software

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening Capital Investment | $ - | $ - | $ - | $ - | $ 28,642.00 | $ 795,658.00 |
| Capital Investment *(3. LDC Assumptions and Data)* | $ - | $ - | $ - | $ 28,642.00 | $ 767,016.00 | $ 85,800.00 |
| Closing Capital Investment | $ - | $ - | $ - | $ 28,642.00 | $ 795,658.00 | $ 881,458.00 |
| Opening Accumulated Amortization | $ - | $ - | $ - | $ - | $ 954.73 | $ 28,431.40 |
| Amortization Year 1 (15 Years Straight Line) | $ - | $ - | $ - | $ 954.73 | $ 27,476.67 | $ 55,903.87 |
| Closing Accumulated Amortization | $ - | $ - | $ - | $ 954.73 | $ 28,431.40 | $ 84,335.27 |
| Opening Net Fixed Assets | $ - | $ - | $ - | $ - | $ 27,687.27 | $ 767,226.60 |
| Closing Net Fixed Assets | $ - | $ - | $ - | $ 27,687.27 | $ 767,226.60 | $ 797,122.73 |
| Average Net Fixed Assets | $ - | $ - | $ - | $ 13,843.63 | $ 397,456.93 | $ 782,174.67 |

## Net Fixed Assets - Tools & Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening Capital Investment | $ - | $ - | $ - | $ - | $ - | $ 24,902.00 |
| Capital Investment *(3. LDC Assumptions and Data)* | $ - | $ - | $ - | $ - | $ 24,902.00 | $ - |
| Closing Capital Investment | $ - | $ - | $ - | $ - | $ 24,902.00 | $ 24,902.00 |
| Opening Accumulated Amortization | $ - | $ - | $ - | $ - | $ - | $ 1,245.10 |
| Amortization Year 1 (10 Years Straight Line) | $ - | $ - | $ - | $ - | $ 1,245.10 | $ 2,490.20 |
| Closing Accumulated Amortization | $ - | $ - | $ - | $ - | $ 1,245.10 | $ 3,735.30 |
| Opening Net Fixed Assets | $ - | $ - | $ - | $ - | $ - | $ 23,656.90 |
| Closing Net Fixed Assets | $ - | $ - | $ - | $ - | $ 23,656.90 | $ 21,166.70 |

# Sheet 6. Avg Net Fixed Assets &UCC

| | | | | | | |
|---|---|---|---|---|---|---|
| Average Net Fixed Assets | $ - | $ - | $ - | $ - | $ 11,828.45 | $ 22,411.80 |

## Net Fixed Assets - Other Equipment

| | 2006<br>Audited Actual | 2007<br>Audited Actual | 2008<br>Audited Actual | 2009<br>Audited Actual | 2010<br>Forecasted | 2011<br>Forecasted |
|---|---|---|---|---|---|---|
| Opening Capital Investment | $ - | $ - | $ - | $ - | $ - | $ 41,500.00 |
| Capital Investment *(3. LDC Assumptions and Data)* | $ - | $ - | $ - | $ - | $ 41,500.00 | $ - |
| Closing Capital Investment | $ - | $ - | $ - | $ - | $ 41,500.00 | $ 41,500.00 |
| | | | | | | |
| Opening Accumulated Amortization | $ - | $ - | $ - | $ - | $ - | $ 1,383.33 |
| Amortization Year 1 (15 Years Straight Line) | $ - | $ - | $ - | $ - | $ 1,383.33 | $ 2,766.67 |
| Closing Accumulated Amortization | $ - | $ - | $ - | $ - | $ 1,383.33 | $ 4,150.00 |
| | | | | | | |
| Opening Net Fixed Assets | $ - | $ - | $ - | $ - | $ - | $ 40,116.67 |
| Closing Net Fixed Assets | $ - | $ - | $ - | $ - | $ 40,116.67 | $ 37,350.00 |
| Average Net Fixed Assets | $ - | $ - | $ - | $ - | $ 20,058.33 | $ 38,733.33 |

## Sheet 6. Avg Net Fixed Assets &UCC

# For PILs Calculation

### UCC - Smart Meters

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ 862,483.20 | $ 7,376,226.62 |
| Capital Additions | $ - | $ - | $ - | $ 898,420.00 | $ 6,857,023.00 | $ - |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ 898,420.00 | $ 7,719,506.20 | $ 7,376,226.62 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ 449,210.00 | $ 3,428,511.50 | $ - |
| Reduced UCC | $ - | $ - | $ - | $ 449,210.00 | $ 4,290,994.70 | $ 7,376,226.62 |
| CCA Rate Class | 47 | 47 | 47 | 47 | 47 | 47 |
| CCA Rate | 8% | 8% | 8% | 8% | 8% | 8% |
| CCA | $ - | $ - | $ - | $ 35,936.80 | $ 343,279.58 | $ 590,098.13 |
| Closing UCC | $ - | $ - | $ - | $ 862,483.20 | $ 7,376,226.62 | $ 6,786,128.49 |

### UCC - Computer Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ 213,229.00 | $ 497,986.00 |
| Capital Additions Computer Hardware | $ - | $ - | $ - | $ 397,816.00 | $ 228,956.00 | $ - |
| Capital Additions Computer Software | $ - | $ - | $ - | $ 28,642.00 | $ 767,016.00 | $ 85,800.00 |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ 426,458.00 | $ 1,209,201.00 | $ 583,786.00 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ 213,229.00 | $ 497,986.00 | $ 42,900.00 |
| Reduced UCC | $ - | $ - | $ - | $ 213,229.00 | $ 711,215.00 | $ 540,886.00 |
| CCA Rate Class | 45 | 50 | 50 | 50 | 50 | 50 |
| CCA Rate | 45% | 55% | 55% | 100% | 100% | 55% |
| CCA | $ - | $ - | $ - | $ 213,229.00 | $ 711,215.00 | $ 297,487.30 |
| Closing UCC | $ - | $ - | $ - | $ 213,229.00 | $ 497,986.00 | $ 286,298.70 |

### UCC - General Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Forecasted | 2011 Forecasted |
|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ - | $ 59,761.80 |
| Capital Additions Tools & Equipment | $ - | $ - | $ - | $ - | $ 24,902.00 | $ - |
| Capital Additions Other Equipment | $ - | $ - | $ - | $ - | $ 41,500.00 | $ - |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ - | $ 66,402.00 | $ 59,761.80 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ - | $ 33,201.00 | $ - |
| Reduced UCC | $ - | $ - | $ - | $ - | $ 33,201.00 | $ 59,761.80 |
| CCA Rate Class | 8 | 8 | 8 | 8 | 8 | 8 |
| CCA Rate | 20% | 20% | 20% | 20% | 20% | 20% |
| CCA | $ - | $ - | $ - | $ - | $ 6,640.20 | $ 11,952.36 |
| Closing UCC | $ - | $ - | $ - | $ - | $ 59,761.80 | $ 47,809.44 |

## Sheet 7. Smart Meter Funding Adder Collected

| | Approved Deferral and Variance Accounts | CWIP Account |
|---|---|---|
| | Prescribed Interest Rate (per the Bankers' Acceptances-3 months Plus 0.25 Spread) | Prescribed Interest Rate (per the DEX Mid Term Corporate Bond Index Yield 2) |
| **Q2 2006** | **4.14** | **4.68** |
| **Q3 2006** | **4.59** | **5.05** |
| **Q4 2006** | **4.59** | **4.72** |
| **Q1 2007** | **4.59** | **4.72** |
| **Q2 2007** | **4.59** | **4.72** |
| **Q3 2007** | **4.59** | **5.18** |
| **Q4 2007** | **5.14** | **5.18** |
| **Q1 2008** | **5.14** | **5.18** |
| **Q2 2008** | **4.08** | **5.18** |
| **Q3 2008** | **3.35** | **5.43** |
| **Q4 2008** | **3.35** | **5.43** |
| **Q1 2009** | **2.45** | **6.61** |
| **Q2 2009** | **1.00** | **6.61** |
| **Q3 2009** | **0.55** | **5.67** |
| **Q4 2009** | **0.55** | **4.66** |
| **Q1 2010** | **0.55** | **4.34** |
| **Q2 2010** | **0.55** | **4.34** |
| **Q3 2010** | **0.89** | **4.66** |

| Date | Opening | Fund Adder | Int. Rate | Interest | Closing | |
|---|---|---|---|---|---|---|
| Jan-06 | $ - | $ - | 6.25% | $ - | $ - | |
| Feb-06 | $ - | $ - | 6.25% | $ - | $ - | |
| Mar-06 | $ - | $ - | 6.25% | $ - | $ - | |
| Apr-06 | $ - | $ - | 4.14% | $ - | $ - | |
| May-06 | $ - | -$ 1,226 | 4.14% | $ - | -$ 1,226 | |
| Jun-06 | -$ 1,226 | -$ 8,631 | 4.14% | -$ 4 | -$ 9,862 | |
| Jul-06 | -$ 9,862 | -$ 10,713 | 4.59% | -$ 38 | -$ 20,613 | |
| Aug-06 | -$ 20,613 | -$ 14,004 | 4.59% | -$ 79 | -$ 34,695 | |
| Sep-06 | -$ 34,695 | -$ 11,200 | 4.59% | -$ 133 | -$ 46,028 | |
| Oct-06 | -$ 46,028 | -$ 14,503 | 4.59% | -$ 176 | -$ 60,707 | |
| Nov-06 | -$ 60,707 | -$ 11,243 | 4.59% | -$ 232 | -$ 72,182 | |
| Dec-06 | -$ 72,182 | -$ 10,404 | 4.59% | -$ 276 | -$ 82,863 | |
| Jan-07 | -$ 82,863 | -$ 15,192 | 4.59% | -$ 317 | -$ 98,372 | |
| Feb-07 | -$ 98,372 | -$ 12,089 | 4.59% | -$ 376 | -$ 110,837 | |
| Mar-07 | -$ 110,837 | -$ 13,282 | 4.59% | -$ 424 | -$ 124,542 | |
| Apr-07 | -$ 124,542 | -$ 13,268 | 4.59% | -$ 476 | -$ 138,287 | |
| May-07 | -$ 138,287 | -$ 10,996 | 4.59% | -$ 529 | -$ 149,812 | |
| Jun-07 | -$ 149,812 | -$ 13,115 | 4.59% | -$ 573 | -$ 163,500 | |
| Jul-07 | -$ 163,500 | -$ 11,965 | 4.59% | -$ 625 | -$ 176,090 | |
| Aug-07 | -$ 176,090 | -$ 15,638 | 4.59% | -$ 674 | -$ 192,402 | |
| Sep-07 | -$ 192,402 | -$ 10,203 | 4.59% | -$ 736 | -$ 203,341 | |
| Oct-07 | -$ 203,341 | -$ 14,864 | 5.14% | -$ 871 | -$ 219,077 | |
| Nov-07 | -$ 219,077 | -$ 12,230 | 5.14% | -$ 938 | -$ 232,245 | |
| Dec-07 | -$ 232,245 | -$ 11,820 | 5.14% | -$ 995 | -$ 245,059 | |
| Jan-08 | -$ 245,059 | -$ 14,389 | 5.14% | -$ 1,050 | -$ 260,498 | |
| Feb-08 | -$ 260,498 | -$ 13,735 | 5.14% | -$ 1,116 | -$ 275,348 | |
| Mar-08 | -$ 275,348 | -$ 10,214 | 5.14% | -$ 1,179 | -$ 286,742 | |
| Apr-08 | -$ 286,742 | -$ 16,417 | 4.08% | -$ 975 | -$ 304,134 | |
| May-08 | -$ 304,134 | -$ 11,324 | 4.08% | -$ 1,034 | -$ 316,491 | |
| Jun-08 | -$ 316,491 | -$ 13,134 | 4.08% | -$ 1,076 | -$ 330,702 | |
| Jul-08 | -$ 330,702 | -$ 12,018 | 3.35% | -$ 923 | -$ 343,643 | |
| Aug-08 | -$ 343,643 | -$ 13,275 | 3.35% | -$ 959 | -$ 357,877 | |
| Sep-08 | -$ 357,877 | -$ 16,461 | 3.35% | -$ 999 | -$ 375,337 | |
| Oct-08 | -$ 375,337 | -$ 38,832 | 3.35% | -$ 1,048 | -$ 415,217 | |
| Nov-08 | -$ 415,217 | -$ 39,833 | 3.35% | -$ 1,159 | -$ 456,209 | |
| Dec-08 | -$ 456,209 | -$ 49,074 | 3.35% | -$ 1,274 | -$ 506,557 | |
| Jan-09 | -$ 506,557 | -$ 50,496 | 2.45% | -$ 1,034 | -$ 558,087 | |
| Feb-09 | -$ 558,087 | -$ 48,060 | 2.45% | -$ 1,139 | -$ 607,287 | |
| Mar-09 | -$ 607,287 | -$ 48,863 | 2.45% | -$ 1,240 | -$ 657,389 | |
| Apr-09 | -$ 657,389 | -$ 50,882 | 1.00% | -$ 548 | -$ 708,819 | |
| May-09 | -$ 708,819 | -$ 43,400 | 1.00% | -$ 591 | -$ 752,810 | |
| Jun-09 | -$ 752,810 | -$ 59,011 | 1.00% | -$ 627 | -$ 812,449 | |
| Jul-09 | -$ 812,449 | -$ 41,291 | 0.55% | -$ 372 | -$ 854,112 | |
| Aug-09 | -$ 854,112 | -$ 51,043 | 0.55% | -$ 391 | -$ 905,547 | |
| Sep-09 | -$ 905,547 | -$ 49,165 | 0.55% | -$ 415 | -$ 955,127 | |
| Oct-09 | -$ 955,127 | -$ 54,463 | 0.55% | -$ 438 | -$ 1,010,028 | |
| Nov-09 | -$ 1,010,028 | -$ 44,322 | 0.55% | -$ 463 | -$ 1,054,813 | |
| Dec-09 | -$ 1,054,813 | -$ 53,438 | 0.55% | -$ 483 | -$ 1,108,735 | |
| Jan-10 | -$ 1,108,735 | -$ 46,592 | 0.55% | -$ 508 | -$ 1,155,835 | |
| Feb-10 | -$ 1,155,835 | -$ 52,825 | 0.55% | -$ 530 | -$ 1,209,190 | |
| Mar-10 | -$ 1,209,190 | -$ 44,861 | 0.55% | -$ 554 | -$ 1,254,605 | |
| Apr-10 | -$ 1,254,605 | -$ 54,160 | 0.55% | -$ 575 | -$ 1,309,340 | |
| May-10 | -$ 1,309,340 | -$ 44,678 | 0.55% | -$ 600 | -$ 1,354,619 | |
| Jun-10 | -$ 1,354,619 | -$ 57,205 | 0.55% | -$ 621 | -$ 1,412,445 | |
| Jul-10 | -$ 1,412,445 | -$ 45,983 | 0.89% | -$ 1,048 | -$ 1,459,475 | |
| Aug-10 | -$ 1,459,475 | -$ 48,548 | 0.89% | -$ 1,082 | -$ 1,509,106 | forecast |
| Sep-10 | -$ 1,509,106 | -$ 49,357 | 0.89% | -$ 1,119 | -$ 1,559,582 | |
| Oct-10 | -$ 1,559,582 | -$ 49,357 | 0.89% | -$ 1,157 | -$ 1,610,095 | |
| Nov-10 | -$ 1,610,095 | -$ 49,357 | 0.89% | -$ 1,194 | -$ 1,660,646 | |
| Dec-10 | -$ 1,660,646 | -$ 49,357 | 0.89% | -$ 1,232 | -$ 1,711,234 | |
| Jan-11 | -$ 1,711,234 | -$ 49,357 | 0.89% | -$ 1,269 | -$ 1,761,860 | |
| Feb-11 | -$ 1,761,860 | -$ 49,357 | 0.89% | -$ 1,307 | -$ 1,812,523 | |
| Mar-11 | -$ 1,812,523 | -$ 49,357 | 0.89% | -$ 1,344 | -$ 1,863,224 | |
| Apr-11 | -$ 1,863,224 | -$ 49,357 | 0.89% | -$ 1,382 | -$ 1,913,963 | |
| May-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Jun-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Jul-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Aug-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Sep-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Oct-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Nov-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Dec-11 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Jan-12 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Feb-12 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Mar-12 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| Apr-12 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| May-12 | -$ 1,913,963 | $ - | | $ - | -$ 1,913,963 | |
| | | -$ 1,869,434 | | -$ 44,529 | | |

| Rockwood | GHESI |
|---|---|
| -1980.6 | -44002.24 |
| -1813.01 | -46735.2 |

# Sheet 8 Applied for Smart Meter Rate Adder

| Description | Amount | |
|---|---|---|
| Revenue Requirement - 2006 | $ - | |
| Revenue Requirement - 2007 | $ - | |
| Revenue Requirement - 2008 | $ - | |
| Revenue Requirement - 2009 | $ 41,608.95 | |
| Revenue Requirement - 2010 | $ 761,375.00 | |
| Revenue Requirement - 2011 | $ 1,812,508.17 | |
| Total Revenue Requirement | $ 2,615,492.13 | |
| | | |
| Smart Meter Rate Adder Collected | $ 1,869,434.03 | |
| Carrying Cost / Interest | $ 44,528.86 | |
| | | |
| Proposed Smart Meter Recovery | $ 701,529.24 | |
| | | |
| 2011 Expected Metered Customers | 49,933 | from Load Forecast Sept 13, 2010 |
| | | |
| **Proposed Smart Meter Rate Adder** | **$ 1.17** | |