



## **MILTON HYDRO DISTRIBUTION INC.**

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By RESS and Courier

March 10, 2011

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

**Re Milton Hydro Distribution Inc., Distribution Licence ED-2003-0014  
2011 Electricity Distribution Cost of Service Rate Application  
EB-2010-0137  
Draft Rate Order**

Please find accompanying this letter a copy Milton Hydro Distribution Inc's ("Milton Hydro") Draft Rate Order, Draft Tariff of Rates and Charges and supporting calculations. Milton Hydro is also filing a "live" version of the Revenue Requirement Work Form through the RESS portal.

Two hard copies of the Draft Rate Order are being delivered to your attention by courier.

Should you require further information or clarification please contact me at 905-876-4611 ext. 246 or [cameronmckenzie@miltonhydro.com](mailto:cameronmckenzie@miltonhydro.com).

Respectfully submitted,

*Original signed by Cameron McKenzie*

Cameron McKenzie, CGA  
Director, Regulatory Affairs

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

**AND IN THE MATTER OF** an Application by Milton Hydro Distribution Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2011.

**MILTON HYDRO DISTRIBUTION INC. (“Milton Hydro”)**

**DRAFT RATE ORDER**

**March 10, 2011**

**INTRODUCTION:**

Milton Hydro Distribution Inc. (“Milton Hydro”) owns and operates the electricity distribution system within its licensed service area of 370 square kilometres extending to the boundaries of the Town of Milton of which 313 square kilometres or 85% is a rural distribution system. Milton Hydro serves approximately 27,500 customers in the Town of Milton.

Milton Hydro filed an application (the “Application”) with the Ontario Energy Board (the “OEB”) on August 26, 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 that Milton Hydro charges for electricity distribution, to be effective May 1, 2011. The Board assigned File Number EB-2010-0137 to the Application. Four parties requested and were granted Intervenor status: Energy Probe Research Foundation (“Energy Probe”); the School Energy Coalition (“SEC”); the Vulnerable Energy Consumers’ Coalition (“VECC”); and Joan Shewchun (“Ms. Shewchun”). One individual, Michael Grimwood, requested and was granted Observer status. Two individuals, W. S. McCafferty and David and Joan Greenfield filed letters of Comment.

A settlement conference was convened on December 8 and 9, 2010 in accordance with Procedural Order No. 2 and concluded in all participating parties reaching a complete settlement. On December 17, 2010 Milton Hydro, Energy Probe, SEC and VECC filed the Proposed Settlement Agreement (the "Settlement Agreement").

On February 11, 2011 the OEB issued its Decision and Order (the "Decision") on Milton Hydro's Application. In that Decision the OEB *"accepted the terms of the proposal as filed by the parties and the cost consequences flowing from the proposal."* The Decision also stated *"that the parties' agreement is subject to adjustment based on the updated cost of capital parameters to be issued by the Board in February 2011 and this may result in further changes to the bill impact amounts as calculated. The Board directs Milton Hydro to reflect those updates in its draft Rate Order."* The updated Cost of Capital Parameters for 2011 Cost of Service Rate Applications are:

Cost of Capital Parameter	Rate
ROE	9.58%
Deemed LT Debt rate	5.32%
Deemed ST Debt rate	2.46%

In addition to accepting the terms of the Settlement Agreement, the OEB addressed Milton Hydro's request for recovery of the Late Payment Penalty Litigation Cost as follows:

*"In its application, Milton Hydro requested the recovery of a one time expense of \$75,048.02 related to the late payment penalty ("LPP") costs and damages resulting from a court settlement that addressed litigation against many of the former municipal electricity utilities in Ontario.*

*On October 29, 2010 the Board commenced a generic proceeding on its own motion to determine whether Affected Electricity Distributors, including Milton Hydro, should be allowed to recover from their ratepayers the costs and damages incurred as a result of the Minutes of Settlement approved on April 21, 2010 by the Honourable Mr. Justice Cumming of the Ontario Superior Court of Justice (Court File No. 94-CQ-r0878) and as amended by addenda dated July 7, 2010 and July 8 (the "minutes of Settlement") in the late payment*

*penalty class action and if so, the form and timing of such recovery. This proceeding was assigned file No. EB-2010-0295.*

### **Board Findings**

*As a result of the generic proceeding dealing with this matter, no findings are required in this application. At this time, it is expected that the Board will issue its Decision and Order for the generic proceeding to be implemented in rates effective May 1, 2011. If the Board finds that the amounts allocated to the Affected Electricity Distributors are recoverable from ratepayers, the Board expects that Milton Hydro will reflect such findings in its draft Rate Order in this proceeding.”*

On February 22, 2011 the OEB issued its Decision and Order in respect of the Late Payment Penalty (“LPP Decision”) Class Action Costs and the recovery mechanism. On February 25, 2011 Milton Hydro filed an Application with the OEB for the recovery of the LPP Class Action Costs pursuant to the OEB’s LPP Decision on this proceeding. Milton Hydro would note that the amount to be recovered is now \$74,673.59 as per the LPP Decision, Appendix A. Milton Hydro has reflected its LPP Application in this Draft Rate Order and in particular, included the Table providing the calculations for the fixed customer charge in Exhibit 8 below and the LPP fixed monthly customer charge as calculated for recovery has been included in Milton Hydro’s Draft Tariff of Rates and Charges in Appendix A below.

The OEB Decision on Milton Hydro’s Application accepted all the terms set out in the Settlement Agreement. As such, Milton Hydro has included the Settlement Agreement as Appendix D to this Draft Rate Order and is not duplicating the supporting schedules that have not changed as a result of this Decision. The following Table 1 highlights those issues agreed upon in the Settlement Agreement, which do not change and the reference to the Settlement Agreement.

**Table 1**  
**Agreed Upon Issues and Reference to Settlement Agreement**

<b>Issues Agreed Upon</b>	<b>Settlement Agreement Reference</b>
Rate Base	Pages 8 to 12 & Appendix B & C
Load Forecast / Customer Count	Pages 13 to14 & Appendix D
Other Revenue	Page 15 & Appendix E

Operating Costs	Pages 17 to 19 & Appendix F & G
Cost Allocation	Pages 23 to 24 & Appendix K
Deferral and Variance Accounts	Pages 30 to 31
Smart Meters	Page 32 & Appendix M

Pursuant to the direction provided in the Decision, Milton Hydro has updated the Cost of Capital Parameters, issued by the OEB on March 3, 2011 and is filing detailed supporting material and all relevant calculations showing the impact of the updated cost of capital parameters on Milton Hydro's proposed Revenue Requirement, the allocation of the approved Revenue Requirement to the classes, the determination of the final rates and rate impacts. Milton Hydro is also filing a completed "live" version of the OEB Revenue Requirement Work Form as required in the Decision.

#### **IMPLEMENTATION OF RATES**

The Decision provides for Milton Hydro's new rates to be effective May 1, 2011.

Milton Hydro has provided its Draft Tariff of Rates and Charges as Appendix A and a summary of the monthly bill impacts by customer class as Appendix B.

#### **SUMMARY OF CHANGES**

Milton Hydro has provided the following Table 2 which sets out the significant adjustments to Milton Hydro's Application filed August 26, 2010, the Settlement Agreement which formed the basis for the OEB Decision and the impact resulting from the updated Cost of Capital Parameters.

**Table 2**  
**Summary of the Significant Adjustments**

Exhibit	Per Application	Per Settlement	Per Decision	Reference
Exhibit 2 - Rate Base				
Opening Fixed Assets 2010	41,542,768	40,433,503	no change ("n/c")	Settlement Agreement 2.2 & Appendix B
Capital Expenditures - 2010 Bridge Year	16,328,825	15,356,778	n/c	Settlement Agreement # 2.2 & Appendix A
Capital Expenditures - 2011 Test Year	11,943,579	11,672,404	n/c	Settlement Agreement # 2.3 & Appendix A
Average Fixed Assets - 2011 Test Year	51,888,834	49,696,889	n/c	Settlement Agreement # 2.1 & Appendix A
Working Capital Allowance - 2011 Test Year	10,253,641	10,090,901	n/c	Settlement Agreement # 2.1, 2.4 & Appendix A
Rate Base - 2011 Test Year	62,142,475	59,787,790	n/c	Settlement Agreement # 2.1 & Appendix A
Exhibit 3 - Operating Revenue				
Base Revenue Requirement - 2011 Test Year	13,608,183	13,184,661	13,005,180	Draft Rate Order Exhibit 3 Table 3
Other Revenue - 2011 Test Year	1,453,649	1,459,399	n/c	Settlement Agreement #3.1 & Appendix E
Service Revenue Requirement	15,061,832	14,644,060	14,464,579	Draft Rate Order Exhibit 3 Table 3
Load Forecast kWh	702,037,607	730,934,799	n/c	Settlement Agreement # 3.1 & Appendix D
Load Forecast kW	892,971	949,126	n/c	
Exhibit 4 - Operating Costs				
OM&A Expense - 2011 Test Year	6,514,979	6,300,000	n/c	Settlement Agreement # 4.1 & Appendix F
Depreciation Expense - 2011 Test Year	3,616,371	3,656,765	n/c	Settlement Agreement # 4.2 & Appendix G
PILs Expense - 2011 Test Year	624,945	557,788	532,516	Draft Rate Order Exhibit 4 Table 5
Exhibit 5 - Cost of Capital				
Long Term Debt Rate - 2011 Test Year	5.19%	5.15%	4.85%	Settlement Agreement # 5.2 & Appendix I
Short Term Debt Rate - 2011 Test Year	2.07%	2.07%	2.46%	Draft Rate Order Exhibit 5 Table 6
Return on Equity - 2011 Test Year	9.85%	9.85%	9.58%	
Regulated Rate of Return	6.93%	6.91%	6.65%	
Weighted Avge Cost of Capital - 2011 Test Year	4.98%	4.94%	4.70%	
Deemed Interest Expense	1,857,124	1,773,868	1,684,229	Draft Rate Order Exhibit 5 Table 6
Deemed Return on Equity	2,448,414	2,355,639	2,291,068	
Cost of Capital (Return on Rate Base)	4,305,538	4,129,507	3,975,297	
Exhibit 6 - Revenue Deficiency				
Revenue Deficiency - 2011 Test Year	1,690,053	1,080,751	901,270	Draft Rate Order Exhibit 6 Table 7
Exhibit 7 - Smart Meter Disposition				
Smart Meter Disposition	(598,979)	(547,796)	n/c	Settlement Agreement # 9.3 & Appendix M
Smart Meter Rider	(\$0.43) over 4 yrs	(\$1.54) over 1 yr	n/c	Settlement Agreement # 9.3 & Appendix M

## **ORGANIZATION**

This Draft Rate Order is organized according to the following issues as set out in the OEB Chapter 2 of the Filing Requirements for Transmission and Distribution Applications issued June 28, 2010. As stated above, only those Exhibits that change from the Settlement Agreement are being address.

- Exhibit 3 – Operating Revenue
- Exhibit 4 – Operating Costs – PILs
- Exhibit 5 – Cost of Capital
- Exhibit 6 – Revenue Deficiency
- Exhibit 8 – Rate Design

The following Appendices accompany this Draft Rate Order:

- Appendix A – Draft Tariff of Rates and Charges
- Appendix B – Monthly Bill Impacts by Customer Class
- Appendix C – Revenue Requirement Work Form
- Appendix D – Settlement Agreement

### EXHIBIT 3 – OPERATING REVENUE

Milton Hydro has updated its 2011 Test Year Service Revenue Requirement for the Cost of Capital Parameters issued March 3, 2011. The 2011 Test Year Service Revenue Requirement for the purpose of this Draft Rate Order is \$14,464,579. The Base Revenue Requirement and the Gross Revenue Requirement for rates have been undated to \$13,005,180 and \$13,174,024 respectively to reflect the updated Cost of Capital Parameters. Milton Hydro has provided the comparison calculations in the following Table 3.

**Table 3**  
**2011 Test Year Service Revenue Requirement**

Description	Settlement Agreement	Draft Rate Order
OM&A Expenses	6,300,000	6,300,000
Amortization Expenses	3,656,765	3,656,765
<b>Total Distribution Expenses</b>	<b>9,956,765</b>	<b>9,956,765</b>
Regulated Return On Capital	4,129,507	3,975,297
PILs	557,788	532,516
<b>Service Revenue Requirement</b>	<b>14,644,060</b>	<b>14,464,579</b>
Less: Revenue Offsets	(1,459,399)	(1,459,399)
<b>Base Revenue Requirement</b>	<b>13,184,661</b>	<b>13,005,180</b>
Transformer Discounts	168,844	168,844
<b>Gross Revenue Requirement for rates</b>	<b>13,353,505</b>	<b>13,174,024</b>



#### **EXHIBIT 4 – OPERATING COSTS - PILs**

Milton Hydro's has updated its 2011 Payment in Lieu of Taxes ("PILs") as a result of the change in Operating Revenues due to the published Cost of Capital Parameters. Milton Hydro has provided its 2011 Test Year taxable income calculations based on the Settlement Agreement and the updated Cost of Capital Parameters in Table 4 below. Milton Hydro has also provided the PILs tax provision updated from the Settlement Agreement based on the revised 2011 Test Year taxable income in Table 5.

**Table 4**  
**2011 Test Year Taxable Income**

		Settlement Agreement	Draft Rate Order
	T2 S1 line #	Test Year Taxable Income	Test Year Taxable Income
<b>Net Income Before Taxes</b>		2,355,639	2,291,068
<b>Additions:</b>			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104	3,813,651	3,813,651
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121	3,625	3,625
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves beginning of year	125		
Reserves from financial statements- balance at end of year	126	364,892	364,892
Pensions	292		
Non-deductible penalties	293		
Co-op/Apprentice Credit	294	52,231	52,231
	295		
	296		
	297		
<b>Total Additions</b>		<b>4,234,399</b>	<b>4,234,399</b>
<b>Deductions:</b>			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	4,430,594	4,430,594
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10 CEC	405		
Tax reserves end of year	413		
Reserves from financial statements - balance at beginning of year	414	364,892	364,892
	397		
<b>Total Deductions</b>		<b>4,795,486</b>	<b>4,795,486</b>
<b>NET INCOME FOR TAX PURPOSES</b>		<b>1,794,552</b>	<b>1,729,981</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of preceding taxation years from Schedule 7-1	331		
Net-capital losses of preceding taxation years (Please show calculation)	332		
Limited partnership losses of preceding taxation years from Schedule 4	335		
<b>REGULATORY TAXABLE INCOME</b>		<b>1,794,552</b>	<b>1,729,981</b>

**Table 5**  
**2011 Test Year PILs Tax Provision**

					Settlement Agreement		Draft Rate Order		
						Wires Only		Wires Only	
<b>Regulatory Taxable Income</b>						\$ 1,794,552		\$ 1,729,981	A
<b>Ontario Income Taxes</b>									
Income tax payable	Ontario income tax	11.75%	B		\$ 210,860	C = A * B		\$ 203,273	
Small business credit	Ontario Small Business Threshold	\$ 500,000	D						
	Rate reduction	-7.25%	E		-\$ 36,250	F = D * E		-\$ 36,250	
Surtax		\$ 1,000,000	G = A - D						
	Ontario surtax claw-back		H		\$ -	I = G * H		\$ -	
Ontario Income tax						\$ 174,610		\$ 167,023	J = C + F +
<b>Combined Tax Rate and PILs</b>									
	Effective Ontario Tax Rate				9.73000%	K = J / A		9.65460%	
	Federal tax rate				16.50%	L		16.50%	
	Combined tax rate					26.23%		26.15%	M = L + L
<b>Total Income Taxes</b>						\$ 470,711		\$ 452,470	N = A * M
Investment Tax Credits						\$ 7,000		\$ 7,000	O
Miscellaneous Tax Credits						\$ 52,231		\$ 52,231	P
<b>Total Tax Credits</b>						\$ 59,231		\$ 59,231	Q = O + P
<b>Corporate PILs/Income Tax Provision for Test Year</b>						\$ 411,480		\$ 393,239	R = N - Q
Corporate PILs/Income Tax Provision Gross Up					73.77%	S = 1 - M	\$ 146,308	73.85%	T = R / S - N
<b>Income Tax (grossed-up)</b>						\$ 557,788		\$ 532,516	U = R + T
<b>Ontario Capital Tax (not grossed-up)</b>						\$ -		\$ -	V
<b>Tax Provision for Test Year Rate Recovery</b>						\$ 557,788		\$ 532,516	W = U + V

## EXHIBIT 5 – COST OF CAPITAL

Pursuant to the OEB Decision, Milton Hydro has updated the Cost of Capital Parameters in its revenue requirement models to reflect the Cost of Capital Parameters issued March 3, 2011. The following Table 6 sets out the Cost of Capital as per the Settlement Agreement and the updated Parameters used in this Draft Rate Order. Milton Hydro has also set out the revised Deemed Interest, Return on Equity and the Regulated Return on Capital as proposed in the Settlement Agreement and updated for the Cost of Capital Parameters.

**Table 6**  
**Cost of Capital Parameters**

Description	Settlement Agreement		Draft Rate Order	
	Deemed Portion	Effective Rate	Deemed Portion	Effective Rate
Long-Term Debt	56.00%	5.15%	56.00%	4.85%
Short-Term Debt	4.00%	2.07%	4.00%	2.46%
Return On Equity	40.00%	9.85%	40.00%	9.58%
Weighted Debt Rate		4.94%		4.70%
Regulated Rate of Return		6.91%		6.65%

	Settlement Agreement		Draft Rate Order	
Regulated Return				
Deemed Interest Expense		1,773,868		1,684,229
Deemed Return on Equity		2,355,639		2,291,068
Regulated Return on Capital		4,129,507		3,975,297

## **EXHIBIT 6 – CALCULATION OF REVENUE DEFICIENCY**

Milton Hydro has calculated its 2011 Test Year Revenue Deficiency in accordance with the changes agreed to in the Settlement Agreement and the updated Cost of Capital Parameters as required in the OEB Decision. Milton Hydro's Revenue Deficiency has decreased by \$179,481 from the \$1,080,751, as provided in Appendix J of the Settlement Agreement, to \$901,270 as a result of the updated Cost of Capital Parameters. The following Table 7 sets out Milton Hydro's 2011 Test Year Revenue Requirement for this Draft Rate Order.

**Table 7**  
**2011 Test Year Revenue Requirement – Draft Rate Order**

Description	2010 Bridge Year Actual	2011 Test Year Existing Rates	2011 Test Year Required Revenue
<b>Revenue</b>			
Revenue Deficiency			901,270
Distribution Revenue includes Smart Meter Rev. Req.	13,408,778	12,103,910	12,103,910
Other Operating Revenue (Net)	1,320,890	1,459,399	1,459,399
<b>Total Revenue</b>	<b>14,729,669</b>	<b>13,563,309</b>	<b>14,464,579</b>
<b>Costs and Expenses</b>			
Administrative & General, Billing & Collecting	4,081,901	4,403,240	4,403,240
Operation & Maintenance	2,166,850	1,896,760	1,896,760
Depreciation & Amortization	3,907,910	3,656,765	3,656,765
Property Taxes	0	0	0
Capital Taxes	29,896	0	0
Deemed Interest	1,748,153	1,684,229	1,684,229
<b>Total Costs and Expenses</b>	<b>11,934,711</b>	<b>11,640,995</b>	<b>11,640,995</b>
Less OCT Included Above	29,896	0	0
<b>Total Costs and Expenses Net of OCT</b>	<b>11,964,607</b>	<b>11,640,995</b>	<b>11,640,995</b>
<b>Utility Income Before Income Taxes</b>	<b>2,765,062</b>	<b>1,922,314</b>	<b>2,823,585</b>
<b>Income Taxes:</b>			
Corporate Income Taxes	809,426	320,387	532,516
<b>Total Income Taxes</b>	<b>809,426</b>	<b>320,387</b>	<b>532,516</b>
<b>Utility Net Income</b>	<b>1,955,636</b>	<b>1,601,927</b>	<b>2,291,068</b>
<b>Capital Tax Expense Calculation:</b>			
Total Rate Base	54,861,594	59,787,790	59,787,790
Exemption	0	0	0
Deemed Taxable Capital	<b>54,861,594</b>	<b>59,787,790</b>	<b>59,787,790</b>
Ontario Capital Tax	29,896	0	0
<b>Income Tax Expense Calculation:</b>			
Accounting Income	2,765,062	1,922,314	2,823,585
Tax Adjustments to Accounting Income	40,591	-561,087	-561,087
<b>Taxable Income</b>	<b>2,805,652</b>	<b>1,361,227</b>	<b>2,262,497</b>
<b>Income Tax Expense</b>	<b>809,426</b>	<b>320,387</b>	<b>532,516</b>
<b>Tax Rate Reflecting Tax Credits</b>	<b>28.85%</b>	<b>23.54%</b>	<b>23.54%</b>
<b>Actual Return on Rate Base:</b>			
Rate Base	54,861,594	59,787,790	59,787,790
Interest Expense	1,748,153	1,684,229	1,684,229
Net Income	1,955,636	1,601,927	2,291,068
<b>Total Actual Return on Rate Base</b>	<b>3,703,789</b>	<b>3,286,156</b>	<b>3,975,297</b>
<b>Actual Return on Rate Base</b>	<b>6.75%</b>	<b>5.50%</b>	<b>6.65%</b>
<b>Required Return on Rate Base:</b>			
Rate Base	54,861,594	59,787,790	59,787,790
<b>Return Rates:</b>			
Return on Debt (Weighted)	5.31%	4.70%	4.70%
Return on Equity	9.00%	9.58%	9.58%
Deemed Interest Expense	1,748,153	1,684,229	1,684,229
Return On Equity	1,975,017	2,291,068	2,291,068
<b>Total Return</b>	<b>3,723,170</b>	<b>3,975,297</b>	<b>3,975,297</b>
<b>Expected Return on Rate Base</b>	<b>6.79%</b>	<b>6.65%</b>	<b>6.65%</b>
<b>Revenue Deficiency After Tax</b>	<b>19,381</b>	<b>689,141</b>	<b>0</b>
<b>Revenue Deficiency Before Tax</b>	<b>27,240</b>	<b>901,270</b>	<b>0</b>
<b>Tax Exhibit</b>			<b>2011</b>
Deemed Utility Income			2,291,068
Tax Adjustments to Accounting Income			(561,087)
<b>Taxable Income prior to adjusting revenue to PILs</b>			<b>1,729,981</b>
Tax Rate			23.54%
Total PILs before gross up			<b>407,180</b>
<b>Grossed up PILs</b>			<b>532,516</b>

## EXHIBIT 8 – RATE DESIGN

Milton Hydro has maintained the fixed-variable splits and revenue to cost allocations for each customer class as agreed to in the Settlement Agreement and approved in the Decision. The updated Cost of Capital Parameters results in a reduction in the revenue required from each class from the Settlement Agreement. The following Table 8 sets out the class revenue requirement per the Settlement Agreement and this Draft Rate Order.

**Table 8**  
**Class Revenue Requirement – Draft Rate Order**

Class	Per Settlement Agreement			Per Draft Rate Order		
	Proposed Revenue	Miscellaneous Revenue	Proposed Base Revenue	Proposed Revenue	Miscellaneous Revenue	Proposed Base Revenue
Residential	9,469,372	950,983	8,518,390	9,359,631	950,983	8,408,648
General Service < 50kW	1,909,086	185,007	1,724,079	1,885,616	185,007	1,700,609
General Service > 50 -999kW	1,697,339	190,404	1,506,935	1,673,915	190,404	1,483,511
General Service > 1000 - 4999kW	764,947	58,921	706,026	754,006	58,921	695,085
Large Use	592,345	39,316	553,029	583,266	39,316	543,950
Streetlighting	11,420	1,899	9,521	11,286	1,899	9,387
Sentinel Lighting	149,358	27,838	121,520	147,208	27,838	119,370
Unmetered & Scattered	50,192	5,032	45,161	49,651	5,032	44,620
<b>TOTAL</b>	<b>14,644,060</b>	<b>1,459,399</b>	<b>13,184,661</b>	<b>14,464,579</b>	<b>1,459,399</b>	<b>13,005,180</b>
				<b>Change</b>	<b>(179,481)</b>	

Milton Hydro has provided the following Table 9 setting out changes in the fixed and variable distribution rates, by customer class, from those calculated in the Settlement Agreement and the distribution rates calculated after implementing the update Cost of Capital Parameters.

**Table 9**  
**Fixed and Variable Distribution Rates**

Class	Fixed Rates (per Settlement)	Fixed Rates (per Draft Rate Order)	Variable Rates (per Settlement)	Variable Rates (per Draft Rate Order)
Residential	\$ 14.99	\$ 14.80	\$ 0.0140	\$ 0.0138
General Service < 50kW	\$ 16.01	\$ 15.79	\$ 0.0170	\$ 0.0168
General Service > 50 -999kW	\$ 75.34	\$ 74.17	\$ 2.5089	\$ 2.4712
General Service > 1000 - 4999kW	\$ 951.99	\$ 937.24	\$ 2.9955	\$ 2.9576
Large Use	\$ 4,038.15	\$ 3,971.85	\$ 2.4175	\$ 2.3779
Streetlighting	\$ 1.08	\$ 1.06	\$ 4.7335	\$ 4.6497
Sentinel Lighting	\$ 1.40	\$ 1.38	\$ 10.6060	\$ 10.4571
Unmetered & Scattered	\$ 8.02	\$ 7.93	\$ 0.0170	\$ 0.0168

The following Table 10 provides a comparison of the Delivery Charge impact and the Total Bill impact from the Settlement Agreement and the implementation of the updated Cost of Capital Parameters.

**Table 10**  
**Comparison of Delivery Charge Impacts and Total Bill Impacts**

Class	Typical kWh Usage	Typical kW Demand	Deliver Charge Impact			Total Bill Impact		
			% as per Settlement	% as per Draft Rate	Change	% as per Settlement	% as per Draft Rate	Change
Residential	800		2.07%	0.98%	-1.09%	0.74%	0.38%	-0.36%
General Service < 50kW	2,000		8.87%	7.85%	-1.02%	2.34%	2.08%	-0.26%
General Service > 50 -999kW	200,000	500	12.67%	11.98%	-0.69%	1.82%	1.73%	-0.09%
General Service > 1000 - 4999kW	1,600,000	4,000	13.56%	12.89%	-0.67%	2.24%	2.13%	-0.11%
Large Use	3,100,000	7,500	8.80%	8.07%	-0.73%	0.75%	0.62%	-0.13%
Streetlighting	526,732	1,484	221.56%	217.42%	-4.14%	20.37%	19.99%	-0.38%
Sentinel Lighting	50	1	361.98%	356.66%	-5.32%	153.19%	150.95%	-2.24%
Unmetered & Scattered	630		16.18%	15.12%	-1.06%	4.76%	4.45%	-0.31%

Pursuant to the OEB Decision and as discussed above, Milton Hydro has reflected its LPP Application in this Draft Rate Order. The following Table 11 is taken from Milton Hydro's LPP Application and sets out the proposed fixed customer charges required to recovery the LPP Class Action Costs, in the amount of \$74,673.59, over twelve months commencing May 1, 2011. The customer charges are also reflected in Milton Hydro's Draft Tariff of Rates and Charges in Appendix A below.

**Table 11**  
**Calculation of the Fixed Monthly Customer Charge for LPP Class Action Cost Recovery**

Customer Class	2009 RRR Distribution Revenue	% of Total Distribution Revenue	Allocation of Settlement Amount	2009 RRR Customer Count	LPP Recovery Fixed Customer Charge / month
Residential	\$ 7,107,078.04	62.30%	\$ 46,524.15	24,832	\$ 0.16
General Service <50 kW	\$ 1,570,851.15	13.77%	\$ 10,283.06	2,203	\$ 0.39
General Service >50 <999 kW	\$ 1,422,348.34	12.47%	\$ 9,310.93	274	\$ 2.83
General Service 1,000 to 4,999 kW	\$ 813,839.53	7.13%	\$ 5,327.53	12	\$ 37.00
Large User > 5,000 kW	\$ 425,846.88	3.73%	\$ 2,787.67	2	\$ 116.15
Street Lighting	\$ 27,021.75	0.24%	\$ 176.89	2,774	\$ 0.01
Sentinel Lighting	\$ 3,342.99	0.03%	\$ 21.88	279	\$ 0.01
Unmetered & Scattered Load	\$ 36,888.52	0.32%	\$ 241.48	183	\$ 0.11
	<b>\$ 11,407,217.20</b>	<b>100.00%</b>	<b>\$ 74,673.59</b>	<b>30,559</b>	
<b>Milton Hydro's LPP Class Action Costs for Recovery</b>			<b>\$ 74,673.59</b>		



Milton Hydro has prepared its Draft Rate Order pursuant to the OEB Decision dated February 11, 2011. On March 3, 2011 the OEB issued the updated Cost of Capital Parameters and in accordance with the Decision Milton Hydro is filing its Draft Rate Order within the seven (7) permitted in the Decision. Milton Hydro is also filing a copy of its Draft Rate Order with each Intervenor of Record.

Respectfully submitted

*Original signed by Cameron McKenzie*

Cameron McKenzie, CGA  
Director, Regulatory Affairs  
Milton Hydro Distribution Inc.

## **Appendix A**

### **Draft Tariff of Rates and Charges**

**Milton Hydro Distribution Inc.**  
**PROPOSED TARIFF OF RATES AND CHARGES**  
**Effective May 1, 2011**

EB-2010-0137

**MONTHLY RATES AND CHARGES**

## Proposed Monthly Rates and Charges General

### Residential

Service Charge	\$	14.80
Service Charge Smart Meters	\$	(1.54)
Distribution Volumetric Rate	\$/kWh	0.0138
Low Voltage Volumetric Rate	\$/kWh	0.0002
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kWh	(0.0007)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	0.16
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0055
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service Less Than 50 kW

Service Charge	\$	15.79
Service Charge Smart Meters	\$	(1.54)
Distribution Volumetric Rate	\$/kWh	0.0168
Low Voltage Volumetric Rate	\$/kWh	0.0002
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kWh	(0.0008)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	0.39
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service 50 to 999 kW

Service Charge	\$	74.17
Service Charge Smart Meters	\$	(1.54)
Distribution Volumetric Rate	\$/kW	2.4712
Minimum Distribution Charge – per kW of maximum billing demand in the previous 11 months	\$/kW	0.5713
Low Voltage Volumetric Rate	\$/kW	0.0792
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kW	(0.3405)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	2.83
Retail Transmission Rate – Network Service Rate	\$/kW	2.2592
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9140
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service 1,000 to 4,999 kW

Service Charge	\$	937.24
Service Charge Smart Meters	\$	(1.54)
Distribution Volumetric Rate	\$/kW	2.9576
Minimum Distribution Charge – per kW of maximum billing demand in the previous 11 months	\$/kW	0.5713
Low Voltage Volumetric Rate	\$/kW	0.0779
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kW	(0.4110)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	37.00
Retail Transmission Rate – Network Service Rate	\$/kW	2.2220
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.8827
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Large Use

Service Charge	\$	3,971.85
Service Charge Smart Meters	\$	(1.54)
Distribution Volumetric Rate	\$/kW	2.3779
Minimum Distribution Charge – per kW of maximum billing demand in the previous 11 months	\$/kW	0.5713
Low Voltage Volumetric Rate	\$/kW	0.0871
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kW	(0.3564)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	116.15
Retail Transmission Rate – Network Service Rate	\$/kW	2.4061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1056
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Unmetered Scattered Load

Service Charge (per connection)	\$	7.93
Distribution Volumetric Rate	\$/kWh	0.0168
Low Voltage Volumetric Rate	\$/kWh	0.0002
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kWh	(0.0007)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	0.11
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Sentinel Lighting

Service Charge (per connection)	\$	1.38
Distribution Volumetric Rate	\$/kW	10.4571
Low Voltage Volumetric Rate	\$/kW	0.0544
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kW	(0.2828)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	0.01
Retail Transmission Rate – Network Service Rate	\$/kW	1.5379
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3145
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Street Lighting

Service Charge (per connection)	\$	1.06
Distribution Volumetric Rate	\$/kW	4.6497
Low Voltage Volumetric Rate	\$/kW	0.0532
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2012	\$/kW	(0.3348)
Late Payment Penalty Rate Rider - effective until April 30, 2012	\$	0.01
Retail Transmission Rate – Network Service Rate	\$/kW	1.5301
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2875
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## MicroFit Generator Service Classification

Service Charge (per connection) delivery component - effective September 21, 2009	\$	5.25
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**Specific Service Charges****Customer Administration**

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00
Special meter reads	\$	30.00

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at pole - after regular hours	\$	185.00

**Other**

Optional Interval/TOU Meter charge \$/month	\$	5.50
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Clearance Pole Attachment charge \$/pole/year	\$	5.59

**Allowances**

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

**Retail Service Charges (if applicable)****Retail Service Charges (if applicable)**

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)

**Service Transaction Requests (STR)**

Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

**LOSS FACTORS**

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0362
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0149
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0258
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0048

## **Appendix B**

### **Monthly Bill Impacts by Customer Class**



Date:

01-May-11

Customer Class:

Residential

Consumption

100 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	100	\$ 1.28	\$ 0.0138	100	\$ 1.38	\$ 0.10	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	100	\$ 0.03	\$ 0.0002	100	\$ 0.02	-\$ 0.01	-33.33%
Volumetric Rate Adder(s)			100	\$ -		100	\$ -	\$ -	
Volumetric Rate Rider(s)			100	\$ -		100	\$ -	\$ -	
Smart Meter Disposition Rider			100	\$ -		100	\$ -	\$ -	
LRAM & SSM Rate Rider			100	\$ -		100	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	100	-\$ 0.39	-\$ 0.0007	100	-\$ 0.07	\$ 0.32	-82.88%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 16.79			\$ 14.59	-\$ 2.20	-13.07%
RTSR - Network	per kWh	\$ 0.0059	103.51	\$ 0.61	\$ 0.0055	103.619	\$ 0.57	-\$ 0.04	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	103.51	\$ 0.49	\$ 0.0046	103.619	\$ 0.48	-\$ 0.01	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 17.89			\$ 15.64	-\$ 2.24	-12.54%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	103.51	\$ 0.54	\$ 0.0052	103.619	\$ 0.54	\$ 0.00	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	103.51	\$ 0.13	\$ 0.0013	103.619	\$ 0.13	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	103.51	\$ 0.04	\$ 0.0003730	103.619	\$ 0.04	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	100	\$ 0.70	\$ 0.0070	100	\$ 0.70	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	103.51	\$ 6.73	\$ 0.0650	103.619	\$ 6.74	\$ 0.01	0.11%
Energy Second Block		\$ 0.0750	0	\$ -	\$ 0.0750	0	\$ -	\$ -	
Total Bill (before Taxes)				\$ 26.28			\$ 24.04	-\$ 2.24	-8.51%
HST		13%		\$ 3.42	13%		\$ 3.13	-\$ 0.29	-8.51%
Total Bill (including Sub-total B)				\$ 29.69			\$ 27.17	-\$ 2.52	-8.49%
Loss Factor (%)		3.5100%			3.62%				

Notes:

Customer Class:

Residential

Consumption

250 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	250	\$ 3.20	\$ 0.0138	250	\$ 3.45	\$ 0.25	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	250	\$ 0.08	\$ 0.0002	250	\$ 0.05	-\$ 0.03	-33.33%
Volumetric Rate Adder(s)			250	\$ -		250	\$ -	\$ -	
Volumetric Rate Rider(s)			250	\$ -		250	\$ -	\$ -	
Smart Meter Disposition Rider			250	\$ -		250	\$ -	\$ -	
LRAM & SSM Rate Rider			250	\$ -		250	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	250	-\$ 0.98	-\$ 0.0007	250	-\$ 0.17	\$ 0.81	-82.88%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 18.17			\$ 16.59	-\$ 1.58	-8.67%
RTSR - Network	per kWh	\$ 0.0059	258.775	\$ 1.53	\$ 0.0055	259.048	\$ 1.42	-\$ 0.11	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	258.775	\$ 1.22	\$ 0.0046	259.048	\$ 1.20	-\$ 0.01	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 20.91			\$ 19.22	-\$ 1.70	-8.11%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	258.775	\$ 1.35	\$ 0.0052	259.048	\$ 1.35	\$ 0.00	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	258.775	\$ 0.34	\$ 0.0013	259.048	\$ 0.34	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	258.775	\$ 0.10	\$ 0.0003730	259.048	\$ 0.10	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	250	\$ 1.75	\$ 0.0070	250	\$ 1.75	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	258.775	\$ 16.82	\$ 0.0650	259.048	\$ 16.84	\$ 0.02	0.11%
Energy Second Block		\$ 0.0750	0	\$ -	\$ 0.0750	0	\$ -	\$ -	
Total Bill (before Taxes)				\$ 41.51			\$ 39.84	-\$ 1.68	-4.04%
HST		13%		\$ 5.40	13%		\$ 5.18	-\$ 0.22	-4.04%
Total Bill (including Sub-total B)				\$ 46.91			\$ 45.01	-\$ 1.90	-4.05%

Loss Factor (%)

3.5100%

3.62%

Notes:



Customer Class:

Residential

Consumption

500 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	500	\$ 6.40	\$ 0.0138	500	\$ 6.90	\$ 0.50	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	500	\$ 0.15	\$ 0.0002	500	\$ 0.10	-\$ 0.05	-33.33%
Volumetric Rate Adder(s)			500	\$ -		500	\$ -	\$ -	
Volumetric Rate Rider(s)			500	\$ -		500	\$ -	\$ -	
Smart Meter Disposition Rider			500	\$ -		500	\$ -	\$ -	
LRAM & SSM Rate Rider			500	\$ -		500	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	500	-\$ 1.95	-\$ 0.0007	500	-\$ 0.33	\$ 1.62	-82.88%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 20.47			\$ 19.93	-\$ 0.54	-2.65%
RTSR - Network	per kWh	\$ 0.0059	517.55	\$ 3.05	\$ 0.0055	518.096	\$ 2.84	-\$ 0.21	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	517.55	\$ 2.43	\$ 0.0046	518.096	\$ 2.40	-\$ 0.03	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 25.96			\$ 25.17	-\$ 0.78	-3.01%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	517.55	\$ 2.69	\$ 0.0052	518.096	\$ 2.69	\$ 0.00	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	517.55	\$ 0.67	\$ 0.0013	518.096	\$ 0.67	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	517.55	\$ 0.19	\$ 0.0003730	518.096	\$ 0.19	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	500	\$ 3.50	\$ 0.0070	500	\$ 3.50	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	517.55	\$ 33.64	\$ 0.0650	518.096	\$ 33.68	\$ 0.04	0.11%
Energy Second Block		\$ 0.0750	0	\$ -	\$ 0.0750	0	\$ -	\$ -	
Total Bill (before Taxes)				\$ 66.90			\$ 66.16	-\$ 0.74	-1.11%
HST		13%		\$ 8.70	13%		\$ 8.60	-\$ 0.10	-1.11%
Total Bill (including Sub-total B)				\$ 75.60			\$ 74.76	-\$ 0.84	-1.11%

Loss Factor (%)

3.5100%

3.62%

Notes:

Customer Class:

Residential

Consumption

800 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	800	\$ 10.24	\$ 0.0138	800	\$ 11.04	\$ 0.80	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	800	\$ 0.24	\$ 0.0002	800	\$ 0.16	-\$ 0.08	-33.33%
Volumetric Rate Adder(s)			800	\$ -		800	\$ -	\$ -	
Volumetric Rate Rider(s)			800	\$ -		800	\$ -	\$ -	
Smart Meter Disposition Rider			800	\$ -		800	\$ -	\$ -	
LRAM & SSM Rate Rider			800	\$ -		800	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	800	-\$ 3.12	-\$ 0.0007	800	-\$ 0.53	\$ 2.59	-82.88%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 23.23			\$ 23.93	\$ 0.70	3.00%
RTSR - Network	per kWh	\$ 0.0059	828.08	\$ 4.89	\$ 0.0055	828.953	\$ 4.55	-\$ 0.34	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	828.08	\$ 3.89	\$ 0.0046	828.953	\$ 3.85	-\$ 0.04	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 32.01			\$ 32.32	\$ 0.31	0.98%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	828.08	\$ 4.31	\$ 0.0052	828.953	\$ 4.31	\$ 0.00	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	828.08	\$ 1.08	\$ 0.0013	828.953	\$ 1.08	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	828.08	\$ 0.31	\$ 0.0003730	828.953	\$ 0.31	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	800	\$ 5.60	\$ 0.0070	800	\$ 5.60	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	228.08	\$ 17.11	\$ 0.0750	228.953	\$ 17.17	\$ 0.07	0.38%
Total Bill (before Taxes)				\$ 99.66			\$ 100.04	\$ 0.38	0.39%
HST		13%		\$ 12.96	13%		\$ 13.01	\$ 0.05	0.39%
Total Bill (including Sub-total B)				\$ 112.61			\$ 113.04	\$ 0.43	0.38%
Loss Factor (%)		3.5100%			3.62%				

Notes:

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Customer Class: Residential

Consumption 1000 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	1000	\$ 12.80	\$ 0.0138	1000	\$ 13.80	\$ 1.00	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	1000	\$ 0.30	\$ 0.0002	1000	\$ 0.20	-\$ 0.10	-33.33%
Volumetric Rate Adder(s)			1000	\$ -		1000	\$ -	\$ -	
Volumetric Rate Rider(s)			1000	\$ -		1000	\$ -	\$ -	
Smart Meter Disposition Rider			1000	\$ -		1000	\$ -	\$ -	
LRAM & SSM Rate Rider			1000	\$ -		1000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	1000	-\$ 3.90	-\$ 0.0007	1000	-\$ 0.67	\$ 3.23	-82.88%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 25.07			\$ 26.59	\$ 1.52	6.08%
RTSR - Network	per kWh	\$ 0.0059	1035.1	\$ 6.11	\$ 0.0055	1036.19	\$ 5.68	-\$ 0.42	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	1035.1	\$ 4.86	\$ 0.0046	1036.19	\$ 4.81	-\$ 0.06	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 36.04			\$ 37.09	\$ 1.04	2.90%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	1035.1	\$ 5.38	\$ 0.0052	1036.19	\$ 5.39	\$ 0.01	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	1035.1	\$ 1.35	\$ 0.0013	1036.19	\$ 1.35	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	1035.1	\$ 0.39	\$ 0.0003730	1036.19	\$ 0.39	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	1000	\$ 7.00	\$ 0.0070	1000	\$ 7.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	435.1	\$ 32.63	\$ 0.0750	436.191	\$ 32.71	\$ 0.08	0.25%
Total Bill (before Taxes)				\$ 122.04			\$ 123.17	\$ 1.13	0.93%
HST		13%		\$ 15.87	13%		\$ 16.01	\$ 0.15	0.93%
Total Bill (including Sub-total B)				\$ 137.90			\$ 139.18	\$ 1.28	0.93%

Loss Factor (%) 3.5100% 3.62%

Notes:

Customer Class: Residential

Consumption 1500 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	1500	\$ 19.20	\$ 0.0138	1500	\$ 20.70	\$ 1.50	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	1500	\$ 0.45	\$ 0.0002	1500	\$ 0.30	-\$ 0.15	-33.33%
Volumetric Rate Adder(s)			1500	\$ -		1500	\$ -	\$ -	
Volumetric Rate Rider(s)			1500	\$ -		1500	\$ -	\$ -	
Smart Meter Disposition Rider			1500	\$ -		1500	\$ -	\$ -	
LRAM & SSM Rate Rider			1500	\$ -		1500	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	1500	-\$ 5.85	-\$ 0.0007	1500	-\$ 1.00	\$ 4.85	-82.88%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 29.67			\$ 33.26	\$ 3.59	12.10%
RTSR - Network	per kWh	\$ 0.0059	1552.65	\$ 9.16	\$ 0.0055	1554.29	\$ 8.52	-\$ 0.64	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	1552.65	\$ 7.30	\$ 0.0046	1554.29	\$ 7.21	-\$ 0.08	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 46.13			\$ 49.00	\$ 2.87	6.22%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	1552.65	\$ 8.07	\$ 0.0052	1554.29	\$ 8.08	\$ 0.01	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	1552.65	\$ 2.02	\$ 0.0013	1554.29	\$ 2.02	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	1552.65	\$ 0.58	\$ 0.0003730	1554.29	\$ 0.58	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	1500	\$ 10.50	\$ 0.0070	1500	\$ 10.50	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	952.65	\$ 71.45	\$ 0.0750	954.287	\$ 71.57	\$ 0.12	0.17%
Total Bill (before Taxes)				\$ 178.00			\$ 181.00	\$ 3.00	1.69%
HST		13%		\$ 23.14	13%		\$ 23.53	\$ 0.39	1.69%
Total Bill (including Sub-total B)				\$ 201.14			\$ 204.53	\$ 3.39	1.69%

Loss Factor (%) 3.5100% 3.62%

Notes:

Customer Class: Residential

Consumption 2000 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 13.71	1	\$ 13.71	\$ 14.80	1	\$ 14.80	\$ 1.09	7.95%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0128	2000	\$ 25.60	\$ 0.0138	2000	\$ 27.60	\$ 2.00	7.81%
Low Voltage Rate Adder	per kWh	\$ 0.0003	2000	\$ 0.60	\$ 0.0002	2000	\$ 0.40	-\$ 0.20	-33.33%
Volumetric Rate Adder(s)			2000	\$ -		2000	\$ -	\$ -	
Volumetric Rate Rider(s)			2000	\$ -		2000	\$ -	\$ -	
Smart Meter Disposition Rider			2000	\$ -		2000	\$ -	\$ -	
LRAM & SSM Rate Rider			2000	\$ -		2000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0039	2000	-\$ 7.80	-\$ 0.0007	2000	-\$ 1.34	\$ 6.46	-82.88%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 34.27			\$ 39.93	\$ 5.66	16.51%
RTSR - Network	per kWh	\$ 0.0059	2070.2	\$ 12.21	\$ 0.0055	2072.38	\$ 11.37	-\$ 0.85	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	2070.2	\$ 9.73	\$ 0.0046	2072.38	\$ 9.62	-\$ 0.11	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 56.21			\$ 60.91	\$ 4.70	8.35%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2070.2	\$ 10.77	\$ 0.0052	2072.38	\$ 10.78	\$ 0.01	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2070.2	\$ 2.69	\$ 0.0013	2072.38	\$ 2.69	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	2070.2	\$ 0.77	\$ 0.0003730	2072.38	\$ 0.77	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	2000	\$ 14.00	\$ 0.0070	2000	\$ 14.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	1470.2	\$ 110.27	\$ 0.0750	1472.38	\$ 110.43	\$ 0.16	0.15%
Total Bill (before Taxes)				\$ 233.96			\$ 238.83	\$ 4.87	2.08%
HST		13%		\$ 30.41	13%		\$ 31.05	\$ 0.63	2.08%
Total Bill (including Sub-total B)				\$ 264.37			\$ 269.88	\$ 5.51	2.08%

Loss Factor (%) 3.5100% 3.62%

Notes:

Date:01-May-11

Customer Class:General Service < 50

Consumption1000 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 14.70	1	\$ 14.70	\$ 15.79	1	\$ 15.79	\$ 1.09	7.41%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0156	1000	\$ 15.60	\$ 0.0168	1000	\$ 16.80	\$ 1.20	7.69%
Low Voltage Rate Adder	per kWh	\$ 0.0002	1000	\$ 0.20	\$ 0.0002	1000	\$ 0.20	\$ -	0.00%
Volumetric Rate Adder(s)			1000	\$ -		1000	\$ -	\$ -	
Volumetric Rate Rider(s)			1000	\$ -		1000	\$ -	\$ -	
Smart Meter Disposition Rider			1000	\$ -		1000	\$ -	\$ -	
LRAM & SSM Rate Rider			1000	\$ -		1000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0037	1000	-\$ 3.70	-\$ 0.0008	1000	-\$ 0.77	\$ 2.93	-79.31%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 28.96			\$ 30.49	\$ 1.53	5.27%
RTSR - Network	per kWh	\$ 0.0054	1035.1	\$ 5.59	\$ 0.0050	1036.19	\$ 5.20	-\$ 0.39	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0042	1035.1	\$ 4.35	\$ 0.0041	1036.19	\$ 4.30	-\$ 0.05	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 38.90			\$ 39.98	\$ 1.09	2.80%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	1035.1	\$ 5.38	\$ 0.0052	1036.19	\$ 5.39	\$ 0.01	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	1035.1	\$ 1.35	\$ 0.0013	1036.19	\$ 1.35	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	1035.1	\$ 0.39	\$ 0.0003730	1036.19	\$ 0.39	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	1000	\$ 7.00	\$ 0.0070	1000	\$ 7.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	435.1	\$ 32.63	\$ 0.0750	436.191	\$ 32.71	\$ 0.08	0.25%
Total Bill (before Taxes)				\$ 124.89			\$ 126.07	\$ 1.18	0.94%
HST		13%		\$ 16.24	13%		\$ 16.39	\$ 0.15	0.94%
Total Bill (including Sub-total B)				\$ 141.13			\$ 142.46	\$ 1.33	0.94%
Loss Factor (%)			3.5100%			3.62%			

Notes:



Customer Class:

General Service < 50

Consumption

2000

kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 14.70	1	\$ 14.70	\$ 15.79	1	\$ 15.79	\$ 1.09	7.41%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0156	2000	\$ 31.20	\$ 0.0168	2000	\$ 33.60	\$ 2.40	7.69%
Low Voltage Rate Adder	per kWh	\$ 0.0002	2000	\$ 0.40	\$ 0.0002	2000	\$ 0.40	\$ -	0.00%
Volumetric Rate Adder(s)			2000	\$ -		2000	\$ -	\$ -	
Volumetric Rate Rider(s)			2000	\$ -		2000	\$ -	\$ -	
Smart Meter Disposition Rider			2000	\$ -		2000	\$ -	\$ -	
LRAM & SSM Rate Rider			2000	\$ -		2000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0037	2000	-\$ 7.40	-\$ 0.0008	2000	-\$ 1.53	\$ 5.87	-79.31%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 41.06			\$ 46.72	\$ 5.66	13.79%
RTSR - Network	per kWh	\$ 0.0054	2070.2	\$ 11.18	\$ 0.0050	2072.38	\$ 10.40	-\$ 0.78	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0042	2070.2	\$ 8.69	\$ 0.0041	2072.38	\$ 8.59	-\$ 0.10	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 60.93			\$ 65.72	\$ 4.78	7.85%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2070.2	\$ 10.77	\$ 0.0052	2072.38	\$ 10.78	\$ 0.01	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2070.2	\$ 2.69	\$ 0.0013	2072.38	\$ 2.69	\$ 0.00	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	2070.2	\$ 0.77	\$ 0.0003730	2072.38	\$ 0.77	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	2000	\$ 14.00	\$ 0.0070	2000	\$ 14.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	1470.2	\$ 110.27	\$ 0.0750	1472.38	\$ 110.43	\$ 0.16	0.15%
Total Bill (before Taxes)				\$ 238.68			\$ 243.64	\$ 4.96	2.08%
HST		13%		\$ 31.03	13%		\$ 31.67	\$ 0.65	2.08%
Total Bill (including Sub-total B)				\$ 269.71			\$ 275.31	\$ 5.60	2.08%
Loss Factor (%)		3.5100%			3.62%				

Notes:

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Customer Class: General Service < 50

Consumption 5000 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 14.70	1	\$ 14.70	\$ 15.79	1	\$ 15.79	\$ 1.09	7.41%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0156	5000	\$ 78.00	\$ 0.0168	5000	\$ 84.00	\$ 6.00	7.69%
Low Voltage Rate Adder	per kWh	\$ 0.0002	5000	\$ 1.00	\$ 0.0002	5000	\$ 1.00	\$ -	0.00%
Volumetric Rate Adder(s)			5000	\$ -		5000	\$ -	\$ -	
Volumetric Rate Rider(s)			5000	\$ -		5000	\$ -	\$ -	
Smart Meter Disposition Rider			5000	\$ -		5000	\$ -	\$ -	
LRAM & SSM Rate Rider			5000	\$ -		5000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0037	5000	-\$ 18.50	-\$ 0.0008	5000	-\$ 3.83	\$ 14.67	-79.31%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 77.36			\$ 95.42	\$ 18.06	23.35%
RTSR - Network	per kWh	\$ 0.0054	5175.5	\$ 27.95	\$ 0.0050	5180.96	\$ 26.01	-\$ 1.94	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0042	5175.5	\$ 21.74	\$ 0.0041	5180.96	\$ 21.49	-\$ 0.25	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 127.04			\$ 142.92	\$ 15.87	12.49%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	5175.5	\$ 26.91	\$ 0.0052	5180.96	\$ 26.94	\$ 0.03	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	5175.5	\$ 6.73	\$ 0.0013	5180.96	\$ 6.74	\$ 0.01	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	5175.5	\$ 1.93	\$ 0.0003730	5180.96	\$ 1.93	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	5000	\$ 35.00	\$ 0.0070	5000	\$ 35.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	4575.5	\$ 343.16	\$ 0.0750	4580.96	\$ 343.57	\$ 0.41	0.12%
Total Bill (before Taxes)				\$ 580.03			\$ 596.35	\$ 16.32	2.81%
HST		13%		\$ 75.40	13%		\$ 77.53	\$ 2.12	2.81%
Total Bill (including Sub-total B)				\$ 655.43			\$ 673.87	\$ 18.44	2.81%
Loss Factor (%)			3.5100%			3.62%			

Notes:

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Customer Class:

General Service < 50

Consumption

10000

kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 14.70	1	\$ 14.70	\$ 15.79	1	\$ 15.79	\$ 1.09	7.41%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0156	10000	\$ 156.00	\$ 0.0168	10000	\$ 168.00	\$ 12.00	7.69%
Low Voltage Rate Adder	per kWh	\$ 0.0002	10000	\$ 2.00	\$ 0.0002	10000	\$ 2.00	\$ -	0.00%
Volumetric Rate Adder(s)			10000	\$ -		10000	\$ -	\$ -	
Volumetric Rate Rider(s)			10000	\$ -		10000	\$ -	\$ -	
Smart Meter Disposition Rider			10000	\$ -		10000	\$ -	\$ -	
LRAM & SSM Rate Rider			10000	\$ -		10000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0037	10000	-\$ 37.00	-\$ 0.0008	10000	-\$ 7.65	\$ 29.35	-79.31%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 137.86			\$ 176.60	\$ 38.74	28.10%
RTSR - Network	per kWh	\$ 0.0054	10351	\$ 55.90	\$ 0.0050	10361.9	\$ 52.01	-\$ 3.89	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0042	10351	\$ 43.47	\$ 0.0041	10361.9	\$ 42.97	-\$ 0.50	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 237.23			\$ 271.58	\$ 34.35	14.48%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	10351	\$ 53.83	\$ 0.0052	10361.9	\$ 53.88	\$ 0.06	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	10351	\$ 13.46	\$ 0.0013	10361.9	\$ 13.47	\$ 0.01	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	10351	\$ 3.86	\$ 0.0003730	10361.9	\$ 3.86	\$ 0.00	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	10000	\$ 70.00	\$ 0.0070	10000	\$ 70.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	9751	\$ 731.33	\$ 0.0750	9761.91	\$ 732.14	\$ 0.82	0.11%
Total Bill (before Taxes)				\$ 1,148.95			\$ 1,184.19	\$ 35.25	3.07%
HST		13%		\$ 149.36	13%		\$ 153.95	\$ 4.58	3.07%
Total Bill (including Sub-total B)				\$ 1,298.31			\$ 1,338.14	\$ 39.83	3.07%
Loss Factor (%)			3.5100%			3.62%			

Notes:

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Customer Class:

General Service < 50

Consumption

15000

kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 14.70	1	\$ 14.70	\$ 15.79	1	\$ 15.79	\$ 1.09	7.41%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0156	15000	\$ 234.00	\$ 0.0168	15000	\$ 252.00	\$ 18.00	7.69%
Low Voltage Rate Adder	per kWh	\$ 0.0002	15000	\$ 3.00	\$ 0.0002	15000	\$ 3.00	\$ -	0.00%
Volumetric Rate Adder(s)			15000	\$ -		15000	\$ -	\$ -	
Volumetric Rate Rider(s)			15000	\$ -		15000	\$ -	\$ -	
Smart Meter Disposition Rider			15000	\$ -		15000	\$ -	\$ -	
LRAM & SSM Rate Rider			15000	\$ -		15000	\$ -	\$ -	
Deferral/Variance Account	per kWh	-\$ 0.0037	15000	-\$ 55.50	-\$ 0.0008	15000	-\$ 11.48	\$ 44.02	-79.31%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 198.36			\$ 257.77	\$ 59.41	29.95%
RTSR - Network	per kWh	\$ 0.0054	15526.5	\$ 83.84	\$ 0.0050	15542.9	\$ 78.02	-\$ 5.83	-6.95%
RTSR - Line and Transformation Connection	per kWh	\$ 0.0042	15526.5	\$ 65.21	\$ 0.0041	15542.9	\$ 64.46	-\$ 0.75	-1.15%
Sub-Total B - Delivery (including Sub-Total A)				\$ 347.41			\$ 400.25	\$ 52.83	15.21%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	15526.5	\$ 80.74	\$ 0.0052	15542.9	\$ 80.82	\$ 0.09	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	15526.5	\$ 20.18	\$ 0.0013	15542.9	\$ 20.21	\$ 0.02	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	15526.5	\$ 5.79	\$ 0.0003730	15542.9	\$ 5.80	\$ 0.01	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	15000	\$ 105.00	\$ 0.0070	15000	\$ 105.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block		\$ 0.0750	14926.5	\$ 1,119.49	\$ 0.0750	14942.9	\$ 1,120.72	\$ 1.23	0.11%
Total Bill (before Taxes)				\$ 1,717.87			\$ 1,772.04	\$ 54.17	3.15%
HST		13%		\$ 223.32	13%		\$ 230.37	\$ 7.04	3.15%
Total Bill (including Sub-total B)				\$ 1,941.19			\$ 2,002.40	\$ 61.21	3.15%
Loss Factor (%)			3.5100%			3.62%			

Notes:

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Date:01-May-11

Customer Class:General Service > 50 to 999kW

Consumption30000 kWh60 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 70.90	1	\$ 70.90	\$ 74.17	1	\$ 74.17	\$ 3.27	4.61%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.3658	60	\$ 141.95	\$ 2.4712	60	\$ 148.27	\$ 6.32	4.46%
Low Voltage Rate Adder	per kW	\$ 0.1135	60	\$ 6.81	\$ 0.0792	60	\$ 4.75	-\$ 2.06	-30.22%
Volumetric Rate Adder(s)			60	\$ -		60	\$ -	\$ -	
Volumetric Rate Rider(s)			60	\$ -		60	\$ -	\$ -	
Smart Meter Disposition Rider			60	\$ -		60	\$ -	\$ -	
LRAM & SSM Rate Rider			60	\$ -		60	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.1644	60	-\$ 69.86	-\$ 0.3405	60	-\$ 20.43	\$ 49.43	-70.75%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 151.95			\$ 205.22	\$ 53.27	35.06%
RTSR - Network	per kW	\$ 2.4305	60	\$ 145.83	\$ 2.2592	60	\$ 135.55	-\$ 10.28	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9383	60	\$ 116.30	\$ 1.9140	60	\$ 114.84	-\$ 1.46	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 414.08			\$ 455.61	\$ 41.53	10.03%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	31053	\$ 161.48	\$ 0.0052	31085.7	\$ 161.65	\$ 0.17	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	31053	\$ 40.37	\$ 0.0013	31085.7	\$ 40.41	\$ 0.04	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	31053	\$ 11.58	\$ 0.0003730	31085.7	\$ 11.59	\$ 0.01	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	30000	\$ 210.00	\$ 0.0070	30000	\$ 210.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block	per kWh	\$ 0.0750	30453	\$ 2,283.98	\$ 0.0750	30485.7	\$ 2,286.43	\$ 2.46	0.11%
Total Bill (before Taxes)				\$ 3,160.73			\$ 3,204.95	\$ 44.21	1.40%
HST		13%		\$ 410.90	13%		\$ 416.64	\$ 5.75	1.40%
Total Bill (including Sub-total B)				\$ 3,571.63			\$ 3,621.59	\$ 49.96	1.40%

Loss Factor (%)3.5100%3.62%

Notes:

Customer Class: General Service > 50 to 999kW

Consumption 75000 kWh 100 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 70.90	1	\$ 70.90	\$ 74.17	1	\$ 74.17	\$ 3.27	4.61%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.3658	100	\$ 236.58	\$ 2.4712	100	\$ 247.12	\$ 10.54	4.46%
Low Voltage Rate Adder	per kW	\$ 0.1135	100	\$ 11.35	\$ 0.0792	100	\$ 7.92	-\$ 3.43	-30.22%
Volumetric Rate Adder(s)			100	\$ -		100	\$ -	\$ -	
Volumetric Rate Rider(s)			100	\$ -		100	\$ -	\$ -	
Smart Meter Disposition Rider			100	\$ -		100	\$ -	\$ -	
LRAM & SSM Rate Rider			100	\$ -		100	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.1644	100	-\$ 116.44	-\$ 0.3405	100	-\$ 34.05	\$ 82.39	-70.75%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 204.55			\$ 293.62	\$ 89.07	43.54%
RTSR - Network	per kW	\$ 2.4305	100	\$ 243.05	\$ 2.2592	100	\$ 225.92	-\$ 17.13	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9383	100	\$ 193.83	\$ 1.9140	100	\$ 191.40	-\$ 2.43	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 641.43			\$ 710.94	\$ 69.51	10.84%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	77632.5	\$ 403.69	\$ 0.0052	77714.3	\$ 404.11	\$ 0.43	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	77632.5	\$ 100.92	\$ 0.0013	77714.3	\$ 101.03	\$ 0.11	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	77632.5	\$ 28.96	\$ 0.0003730	77714.3	\$ 28.99	\$ 0.03	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC) Energy	per kWh	\$ 0.0070	75000	\$ 525.00	\$ 0.0070	75000	\$ 525.00	\$ -	0.00%
				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block	per kWh	\$ 0.0750	77032.5	\$ 5,777.44	\$ 0.0750	77114.3	\$ 5,783.58	\$ 6.14	0.11%
Total Bill (before Taxes)				\$ 7,516.69			\$ 7,592.89	\$ 76.21	1.01%
HST		13%		\$ 977.17	13%		\$ 987.08	\$ 9.91	1.01%
Total Bill (including Sub-total B)				\$ 8,493.85			\$ 8,579.97	\$ 86.12	1.01%
Loss Factor (%)		3.5100%			3.62%				

Notes:

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Customer Class: General Service > 50 to 999kW

Consumption 200000 kWh 500 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 70.90	1	\$ 70.90	\$ 74.17	1	\$ 74.17	\$ 3.27	4.61%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.3658	500	\$ 1,182.90	\$ 2.4712	500	\$ 1,235.60	\$ 52.70	4.46%
Low Voltage Rate Adder	per kW	\$ 0.1135	500	\$ 56.75	\$ 0.0792	500	\$ 39.60	-\$ 17.15	-30.22%
Volumetric Rate Adder(s)			500	\$ -		500	\$ -	\$ -	
Volumetric Rate Rider(s)			500	\$ -		500	\$ -	\$ -	
Smart Meter Disposition Rider			500	\$ -		500	\$ -	\$ -	
LRAM & SSM Rate Rider			500	\$ -		500	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.1644	500	-\$ 582.20	-\$ 0.3405	500	-\$ 170.27	\$ 411.93	-70.75%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 730.51			\$ 1,177.57	\$ 447.06	61.20%
RTSR - Network	per kW	\$ 2.4305	500	\$ 1,215.25	\$ 2.2592	500	\$ 1,129.59	-\$ 85.66	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9383	500	\$ 969.15	\$ 1.9140	500	\$ 957.00	-\$ 12.15	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 2,914.91			\$ 3,264.16	\$ 349.25	11.98%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	207020	\$ 1,076.50	\$ 0.0052	207238	\$ 1,077.64	\$ 1.13	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	207020	\$ 269.13	\$ 0.0013	207238	\$ 269.41	\$ 0.28	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	207020	\$ 77.22	\$ 0.0003730	207238	\$ 77.30	\$ 0.08	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	200000	\$ 1,400.00	\$ 0.0070	200000	\$ 1,400.00	\$ -	0.00%
Energy				\$ -			\$ -	\$ -	
Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
Energy Second Block	per kWh	\$ 0.0750	206420	\$ 15,481.50	\$ 0.0750	206638	\$ 15,497.87	\$ 16.37	0.11%
Total Bill (before Taxes)				\$ 21,258.51			\$ 21,625.62	\$ 367.12	1.73%
HST		13%		\$ 2,763.61	13%		\$ 2,811.33	\$ 47.73	1.73%
Total Bill (including Sub-total B)				\$ 24,022.11			\$ 24,436.96	\$ 414.85	1.73%
Loss Factor (%)		3.5100%			3.62%				

Notes:

Customer Class: General Service > 50 to 999kW

Consumption 800000 kWh 999 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 70.90	1	\$ 70.90	\$ 74.17	1	\$ 74.17	\$ 3.27	4.61%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.3658	999	\$ 2,363.43	\$ 2.4712	999	\$ 2,468.73	\$ 105.29	4.46%
Low Voltage Rate Adder	per kW	\$ 0.1135	999	\$ 113.39	\$ 0.0792	999	\$ 79.12	-\$ 34.27	-30.22%
Volumetric Rate Adder(s)			999	\$ -		999	\$ -	\$ -	
Volumetric Rate Rider(s)			999	\$ -		999	\$ -	\$ -	
Smart Meter Disposition Rider			999	\$ -		999	\$ -	\$ -	
LRAM & SSM Rate Rider			999	\$ -		999	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.1644	999	-\$ 1,163.24	-\$ 0.3405	999	-\$ 340.19	\$ 823.04	-70.75%
Disposition Rate Rider									
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 1,386.65			\$ 2,280.29	\$ 893.64	64.45%
RTSR - Network	per kW	\$ 2.4305	999	\$ 2,428.07	\$ 2.2592	999	\$ 2,256.92	-\$ 171.15	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9383	999	\$ 1,936.36	\$ 1.9140	999	\$ 1,912.09	-\$ 24.27	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 5,751.08			\$ 6,449.30	\$ 698.22	12.14%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	828080	\$ 4,306.02	\$ 0.0052	828953	\$ 4,310.56	\$ 4.54	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	828080	\$ 1,076.50	\$ 0.0013	828953	\$ 1,077.64	\$ 1.13	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	828080	\$ 308.87	\$ 0.0003730	828953	\$ 309.20	\$ 0.33	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	800000	\$ 5,600.00	\$ 0.0070	800000	\$ 5,600.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	828080	\$ 53,825.20	\$ 0.0650	828953	\$ 53,881.94	\$ 56.74	0.11%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Total Bill (before Taxes)				\$ 70,867.92			\$ 71,628.89	\$ 760.97	1.07%
HST		13%		\$ 9,212.83	13%		\$ 9,311.76	\$ 98.93	1.07%
Total Bill (including Sub-total B)				\$ 80,080.75			\$ 80,940.64	\$ 859.89	1.07%
Loss Factor (%)		3.5100%			3.62%				

Notes:



**Date:** 01-May-11

**Customer Class:** General Service > 1000 to 4999kW

Consumption		800000	kWh	1000	kW				
Charge Unit	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	monthly	\$ 926.33	1	\$ 926.33	\$ 937.24	1	\$ 937.24	\$ 10.91	1.18%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.9296	1000	\$ 2,929.60	\$ 2.9576	1000	\$ 2,957.60	\$ 28.00	0.96%
Low Voltage Rate Adder	per kW	\$ 0.1116	1000	\$ 111.60	\$ 0.0779	1000	\$ 77.90	-\$ 33.70	-30.20%
Volumetric Rate Adder(s)			1000	\$ -		1000	\$ -	\$ -	
Volumetric Rate Rider(s)			1000	\$ -		1000	\$ -	\$ -	
Smart Meter Disposition Rider			1000	\$ -		1000	\$ -	\$ -	
LRAM & SSM Rate Rider			1000	\$ -		1000	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.4024	1000	-\$ 1,402.40	-\$ 0.4110	1000	-\$ 411.00	\$ 991.40	-70.69%
Disposition Rate Rider									
				\$ -		\$ -		\$ -	
				\$ -		\$ -		\$ -	
				\$ -		\$ -		\$ -	
				\$ -		\$ -		\$ -	
				\$ -		\$ -		\$ -	
<b>Sub-Total A - Distribution</b>				<b>\$ 2,567.29</b>		<b>\$ 3,560.20</b>	<b>\$ 992.91</b>	<b>38.68%</b>	
RTSR - Network	per kW	\$ 2.3905	1000	\$ 2,390.50	\$ 2.2220	1000	\$ 2,222.00	-\$ 168.50	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9066	1000	\$ 1,906.60	\$ 1.8827	1000	\$ 1,882.70	-\$ 23.90	-1.25%
<b>Sub-Total B - Delivery (including Sub-Total A)</b>				<b>\$ 6,864.39</b>		<b>\$ 7,664.90</b>	<b>\$ 800.51</b>	<b>11.66%</b>	
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	828080	\$ 4,306.02	\$ 0.0052	828953	\$ 4,310.56	\$ 4.54	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	828080	\$ 1,076.50	\$ 0.0013	828953	\$ 1,077.64	\$ 1.13	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	828080	\$ 308.87	\$ 0.0003730	828953	\$ 309.20	\$ 0.33	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	800000	\$ 5,600.00	\$ 0.0070	800000	\$ 5,600.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	828080	\$ 53,825.20	\$ 0.0650	828953	\$ 53,881.94	\$ 56.74	0.11%
				\$ -		\$ -		\$ -	
				\$ -		\$ -		\$ -	
<b>Total Bill (before Taxes)</b>				<b>\$ 71,981.23</b>		<b>\$ 72,844.49</b>	<b>\$ 863.26</b>	<b>1.20%</b>	
HST		13%		\$ 9,357.56	13%		\$ 9,469.78	\$ 112.22	1.20%
<b>Total Bill (including Sub-total B)</b>				<b>\$ 81,338.79</b>		<b>\$ 82,314.27</b>	<b>\$ 975.48</b>	<b>1.20%</b>	
<b>Loss Factor (%)</b>		3.5100%			3.62%				

**Notes:**

Customer Class: General Service > 1000 to 4999kW

Consumption 1600000 kWh 4000 kW

		Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 926.33	1	\$ 926.33	\$ 937.24	1	\$ 937.24	\$ 10.91	1.18%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.9296	4000	\$ 11,718.40	\$ 2.9576	4000	\$ 11,830.40	\$ 112.00	0.96%
Low Voltage Rate Adder	per kW	\$ 0.1116	4000	\$ 446.40	\$ 0.0779	4000	\$ 311.60	-\$ 134.80	-30.20%
Volumetric Rate Adder(s)			4000	\$ -		4000	\$ -	\$ -	
Volumetric Rate Rider(s)			4000	\$ -		4000	\$ -	\$ -	
Smart Meter Disposition Rider			4000	\$ -		4000	\$ -	\$ -	
LRAM & SSM Rate Rider			4000	\$ -		4000	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.4024	4000	-\$ 5,609.60	-\$ 0.4110	4000	-\$ 1,644.01	\$ 3,965.59	-70.69%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 7,483.69			\$ 11,433.69	\$ 3,950.00	52.78%
RTSR - Network	per kW	\$ 2.3905	4000	\$ 9,562.00	\$ 2.2220	4000	\$ 8,887.99	-\$ 674.01	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.9066	4000	\$ 7,626.40	\$ 1.8827	4000	\$ 7,530.82	-\$ 95.58	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 24,672.09			\$ 27,852.50	\$ 3,180.41	12.89%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	1656160	\$ 8,612.03	\$ 0.0052	1657906	\$ 8,621.11	\$ 9.08	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	1656160	\$ 2,153.01	\$ 0.0013	1657906	\$ 2,155.28	\$ 2.27	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	1656160	\$ 617.75	\$ 0.0003730	1657906	\$ 618.40	\$ 0.65	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	1600000	\$ 11,200.00	\$ 0.0070	1600000	\$ 11,200.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	1656160	\$ 107,650.40	\$ 0.0650	1657906	\$ 107,763.89	\$ 113.49	0.11%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Total Bill (before Taxes)				\$ 154,905.53			\$ 158,211.42	\$ 3,305.90	2.13%
HST		13%		\$ 20,137.72	13%		\$ 20,567.49	\$ 429.77	2.13%
Total Bill (including Sub-total B)				\$ 175,043.25			\$ 178,778.91	\$ 3,735.66	2.13%
Loss Factor (%)		3.5100%			3.62%				

Notes:



Date:

01-May-11

Customer Class:		Large User >5000kW									
Consumption		2400000 kWh		5400 kW							
	Charge Unit	Current Board-Approved			Proposed			Impact			
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change		
Monthly Service Charge	monthly	\$ 4,126.26	1	\$ 4,126.26	\$ 3,971.85	1	\$ 3,971.85	-\$ 154.41	-3.74%		
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	\$ 1.54	-\$ 3.70	-171.22%		
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -			
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -			
Distribution Volumetric Rate	per kW	\$ 2.4703	5400	\$ 13,339.62	\$ 2.3779	5400	\$ 12,840.66	-\$ 498.96	-3.74%		
Low Voltage Rate Adder	per kW	\$ 0.1248	5400	\$ 673.92	\$ 0.0871	5400	\$ 470.34	-\$ 203.58	-30.21%		
Volumetric Rate Adder(s)			5400	\$ -		5400	\$ -	\$ -			
Volumetric Rate Rider(s)			5400	\$ -		5400	\$ -	\$ -			
Smart Meter Disposition Rider			5400	\$ -		5400	\$ -	\$ -			
LRAM & SSM Rate Rider			5400	\$ -		5400	\$ -	\$ -			
Deferral/Variance Account	per kW	-\$ 1.2508	5400	-\$ 6,754.32	-\$ 0.3564	5400	-\$ 1,924.45	\$ 4,829.87	-71.51%		
Disposition Rate Rider				\$ -			\$ -	\$ -			
				\$ -			\$ -	\$ -			
				\$ -			\$ -	\$ -			
				\$ -			\$ -	\$ -			
				\$ -			\$ -	\$ -			
Sub-Total A - Distribution				\$ 11,387.64			\$ 15,356.86	\$ 3,969.22	34.86%		
RTSR - Network	per kW	\$ 2.5886	5400	\$ 13,978.44	\$ 2.4061	5400	\$ 12,993.12	-\$ 985.32	-7.05%		
RTSR - Line and Transformation Connection	per kW	\$ 2.1323	5400	\$ 11,514.42	\$ 2.1056	5400	\$ 11,370.11	-\$ 144.31	-1.25%		
Sub-Total B - Delivery (including Sub-Total A)				\$ 36,880.50			\$ 39,720.08	\$ 2,839.58	7.70%		
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2434800	\$ 12,660.96	\$ 0.0052	2411611	\$ 12,540.38	-\$ 120.58	-0.95%		
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2434800	\$ 3,165.24	\$ 0.0013	2411611	\$ 3,135.09	-\$ 30.15	-0.95%		
Special Purpose Charge	per kWh	\$ 0.0003730	2434800	\$ 908.18	\$ 0.0003730	2411611	\$ 899.53	-\$ 8.65	-0.95%		
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%		
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	2400000	\$ 16,800.00	\$ 0.0070	2400000	\$ 16,800.00	\$ -	0.00%		
Energy	per kWh	\$ 0.0650	2434800	\$ 158,262.00	\$ 0.0650	2411611	\$ 156,754.73	-\$ 1,507.27	-0.95%		
				\$ -			\$ -	\$ -			
				\$ -			\$ -	\$ -			
Total Bill (before Taxes)				\$ 228,677.13			\$ 229,850.06	\$ 1,172.93	0.51%		
HST		13%		\$ 29,728.03	13%		\$ 29,880.51	\$ 152.48	0.51%		
Total Bill (including Sub-total B)				\$ 258,405.16			\$ 259,730.57	\$ 1,325.41	0.51%		
Loss Factor (%)		1.45%				0.48%					

Notes:

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Customer Class: Large User >5000kW

Consumption 3100000 kWh 7500 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 4,126.26	1	\$ 4,126.26	\$ 3,971.85	1	\$ 3,971.85	-\$ 154.41	-3.74%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.4703	7500	\$ 18,527.25	\$ 2.3779	7500	\$ 17,834.25	-\$ 693.00	-3.74%
Low Voltage Rate Adder	per kW	\$ 0.1248	7500	\$ 936.00	\$ 0.0871	7500	\$ 653.25	-\$ 282.75	-30.21%
Volumetric Rate Adder(s)			7500	\$ -		7500	\$ -	\$ -	
Volumetric Rate Rider(s)			7500	\$ -		7500	\$ -	\$ -	
Smart Meter Disposition Rider			7500	\$ -		7500	\$ -	\$ -	
LRAM & SSM Rate Rider			7500	\$ -		7500	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.2508	7500	-\$ 9,381.00	-\$ 0.3564	7500	-\$ 2,672.85	\$ 6,708.15	-71.51%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 14,210.67			\$ 19,784.96	\$ 5,574.29	39.23%
RTSR - Network	per kW	\$ 2.5886	7500	\$ 19,414.50	\$ 2.4061	7500	\$ 18,045.99	-\$ 1,368.51	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 2.1323	7500	\$ 15,992.25	\$ 2.1056	7500	\$ 15,791.81	-\$ 200.44	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 49,617.42			\$ 53,622.77	\$ 4,005.35	8.07%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	3144950	\$ 16,353.74	\$ 0.0052	3114998	\$ 16,197.99	-\$ 155.75	-0.95%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	3144950	\$ 4,088.44	\$ 0.0013	3114998	\$ 4,049.50	-\$ 38.94	-0.95%
Special Purpose Charge	per kWh	\$ 0.0003730	3144950	\$ 1,173.07	\$ 0.0003730	3114998	\$ 1,161.89	-\$ 11.17	-0.95%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	3100000	\$ 21,700.00	\$ 0.0070	3100000	\$ 21,700.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	3144950	\$ 204,421.75	\$ 0.0650	3114998	\$ 202,474.86	-\$ 1,946.89	-0.95%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Total Bill (before Taxes)				\$ 297,354.66			\$ 299,207.26	\$ 1,852.59	0.62%
HST		13%		\$ 38,656.11	13%		\$ 38,896.94	\$ 240.84	0.62%
Total Bill (including Sub-total B)				\$ 336,010.77			\$ 338,104.20	\$ 2,093.43	0.62%

Loss Factor (%) 1.45% 0.48%

Notes:

Customer Class: Large User >5000kW

Consumption 4200000 kWh 10000 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 4,126.26	1	\$ 4,126.26	\$ 3,971.85	1	\$ 3,971.85	-\$ 154.41	-3.74%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.4703	10000	\$ 24,703.00	\$ 2.3779	10000	\$ 23,779.00	-\$ 924.00	-3.74%
Low Voltage Rate Adder	per kW	\$ 0.1248	10000	\$ 1,248.00	\$ 0.0871	10000	\$ 871.00	-\$ 377.00	-30.21%
Volumetric Rate Adder(s)			10000	\$ -		10000	\$ -	\$ -	
Volumetric Rate Rider(s)			10000	\$ -		10000	\$ -	\$ -	
Smart Meter Disposition Rider			10000	\$ -		10000	\$ -	\$ -	
LRAM & SSM Rate Rider			10000	\$ -		10000	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.2508	10000	-\$ 12,508.00	-\$ 0.3564	10000	-\$ 3,563.80	\$ 8,944.20	-71.51%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 17,571.42			\$ 25,056.51	\$ 7,485.09	42.60%
RTSR - Network	per kW	\$ 2.5886	10000	\$ 25,886.00	\$ 2.4061	10000	\$ 24,061.33	-\$ 1,824.67	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 2.1323	10000	\$ 21,323.00	\$ 2.1056	10000	\$ 21,055.75	-\$ 267.25	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 64,780.42			\$ 70,173.59	\$ 5,393.17	8.33%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	4260900	\$ 22,156.68	\$ 0.0052	4220320	\$ 21,945.66	-\$ 211.02	-0.95%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	4260900	\$ 5,539.17	\$ 0.0013	4220320	\$ 5,486.42	-\$ 52.75	-0.95%
Special Purpose Charge	per kWh	\$ 0.0003730	4260900	\$ 1,589.32	\$ 0.0003730	4220320	\$ 1,574.18	-\$ 15.14	-0.95%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	4200000	\$ 29,400.00	\$ 0.0070	4200000	\$ 29,400.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	4260900	\$ 276,958.50	\$ 0.0650	4220320	\$ 274,320.77	-\$ 2,637.73	-0.95%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Total Bill (before Taxes)				\$ 400,424.34			\$ 402,900.87	\$ 2,476.53	0.62%
HST		13%		\$ 52,055.16	13%		\$ 52,377.11	\$ 321.95	0.62%
Total Bill (including Sub-total B)				\$ 452,479.50			\$ 455,277.98	\$ 2,798.48	0.62%

Loss Factor (%) 1.45% 0.48%

Notes:

Customer Class: Large User >5000kW

Consumption 4700000 kWh 13900 kW

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 4,126.26	1	\$ 4,126.26	\$ 3,971.85	1	\$ 3,971.85	-\$ 154.41	-3.74%
Smart Meter Rate Adder	monthly	\$ 2.16	1	\$ 2.16	-\$ 1.54	1	-\$ 1.54	-\$ 3.70	-171.22%
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 2.4703	13900	\$ 34,337.17	\$ 2.3779	13900	\$ 33,052.81	-\$ 1,284.36	-3.74%
Low Voltage Rate Adder	per kW	\$ 0.1248	13900	\$ 1,734.72	\$ 0.0871	13900	\$ 1,210.69	-\$ 524.03	-30.21%
Volumetric Rate Adder(s)			13900	\$ -		13900	\$ -	\$ -	
Volumetric Rate Rider(s)			13900	\$ -		13900	\$ -	\$ -	
Smart Meter Disposition Rider			13900	\$ -		13900	\$ -	\$ -	
LRAM & SSM Rate Rider			13900	\$ -		13900	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.2508	13900	-\$ 17,386.12	-\$ 0.3564	13900	-\$ 4,953.69	\$ 12,432.43	-71.51%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Sub-Total A - Distribution				\$ 22,814.19			\$ 33,280.13	\$ 10,465.94	45.87%
RTSR - Network	per kW	\$ 2.5886	13900	\$ 35,981.54	\$ 2.4061	13900	\$ 33,445.24	-\$ 2,536.30	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 2.1323	13900	\$ 29,638.97	\$ 2.1056	13900	\$ 29,267.50	-\$ 371.47	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$ 88,434.70			\$ 95,992.86	\$ 7,558.16	8.55%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	4768150	\$ 24,794.38	\$ 0.0052	4722739	\$ 24,558.24	-\$ 236.14	-0.95%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	4768150	\$ 6,198.60	\$ 0.0013	4722739	\$ 6,139.56	-\$ 59.03	-0.95%
Special Purpose Charge	per kWh	\$ 0.0003730	4768150	\$ 1,778.52	\$ 0.0003730	4722739	\$ 1,761.58	-\$ 16.94	-0.95%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	4700000	\$ 32,900.00	\$ 0.0070	4700000	\$ 32,900.00	\$ -	0.00%
Energy	per kWh	\$ 0.0650	4768150	\$ 309,929.75	\$ 0.0650	4722739	\$ 306,978.01	-\$ 2,951.74	-0.95%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
Total Bill (before Taxes)				\$ 464,036.19			\$ 468,330.51	\$ 4,294.31	0.93%
HST		13%		\$ 60,324.71	13%		\$ 60,882.97	\$ 558.26	0.93%
Total Bill (including Sub-total B)				\$ 524,360.90			\$ 529,213.47	\$ 4,852.57	0.93%

Loss Factor (%) 1.45% 0.48%

Notes:

File Number: EB-2010-0137  
Exhibit: Appendix 2-Q -Streetlighting

Date: 01-May-11

Customer Class: Streetlighting

Consumption 526,732 kWh 1,484 kW 2,865 Connections

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$ 0.1600	2864.57	\$ 458.33	\$ 1.0636	2864.57	\$ 3,046.76	\$ 2,588.43	564.75%
Smart Meter Rate Adder	monthly		1	\$ -		1	\$ -	\$ -	
Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 0.6995	1484.14	\$ 1,038.15	\$ 4.6497	1484.14	\$ 6,900.79	\$ 5,862.64	564.72%
Low Voltage Rate Adder	per kW	\$ 0.0764	1484.14	\$ 113.39	\$ 0.0532	1484.14	\$ 78.96	-\$ 34.43	-30.37%
Volumetric Rate Adder(s)			1484.14	\$ -		1484.14	\$ -	\$ -	
Volumetric Rate Rider(s)			1484.14	\$ -		1484.14	\$ -	\$ -	
Smart Meter Disposition Rider			1484.14	\$ -		1484.14	\$ -	\$ -	
LRAM & SSM Rate Rider			1484.14	\$ -		1484.14	\$ -	\$ -	
Deferral/Variance Account	per kW	-\$ 1.1241	1484.14	-\$ 1,668.32	-\$ 0.3348	1484.14	-\$ 496.88	\$ 1,171.44	-70.22%
Disposition Rate Rider				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
<b>Sub-Total A - Distribution</b>				<b>-\$ 58.44</b>			<b>\$ 9,529.63</b>	<b>\$ 9,588.07</b>	<b>-16405.35%</b>
RTSR - Network	per kW	\$ 1.6461	1484.14	\$ 2,443.04	\$ 1.5301	1484.14	\$ 2,270.83	-\$ 172.21	-7.05%
RTSR - Line and Transformation Connection	per kW	\$ 1.3038	1484.14	\$ 1,935.02	\$ 1.2875	1484.14	\$ 1,910.77	-\$ 24.25	-1.25%
<b>Sub-Total B - Delivery (including Sub-Total A)</b>				<b>\$ 4,319.61</b>			<b>\$ 13,711.23</b>	<b>\$ 9,391.62</b>	<b>217.42%</b>
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	545221	\$ 2,835.15	\$ 0.0052	545795	\$ 2,838.14	\$ 2.99	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	545221	\$ 708.79	\$ 0.0013	545795	\$ 709.53	\$ 0.75	0.11%
Special Purpose Charge	per kWh	\$ 0.0003730	545221	\$ 203.37	\$ 0.0003730	545795	\$ 203.58	\$ 0.21	0.11%
Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	526732	\$ 3,687.13	\$ 0.0070	526732	\$ 3,687.13	\$ -	0.00%
Energy	per kWh	\$ 0.0650	545221	\$ 35,439.34	\$ 0.0650	545795	\$ 35,476.70	\$ 37.36	0.11%
				\$ -			\$ -	\$ -	
				\$ -			\$ -	\$ -	
<b>Total Bill (before Taxes)</b>				<b>\$ 47,193.62</b>			<b>\$ 56,626.55</b>	<b>\$ 9,432.93</b>	<b>19.99%</b>
HST		13%		\$ 6,135.17	13%		\$ 7,361.45	\$ 1,226.28	19.99%
<b>Total Bill (including Sub-total B)</b>				<b>\$ 53,328.79</b>			<b>\$ 63,988.00</b>	<b>\$ 10,659.21</b>	<b>19.99%</b>
<b>Loss Factor (%)</b>		3.5100%			3.62%				

Notes:

Date:01-May-11

Customer Class:Sentinel

Consumption50 kWh1 kW1Connections

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	monthly	\$0.4000	1	\$0.40	\$1.3839	1	\$1.38	\$0.98	245.98%
Smart Meter Rate Adder	monthly		1	\$-		1	\$-	\$-	
Service Charge Rate Adder(s)			1	\$-		1	\$-	\$-	
Service Charge Rate Rider(s)			1	\$-		1	\$-	\$-	
Distribution Volumetric Rate	per kW	\$3.0225	1	\$3.02	\$10.4571	1	\$10.46	\$7.43	245.98%
Low Voltage Rate Adder	per kW	\$0.0779	1	\$0.08	\$0.0544	1	\$0.05	-\$0.02	-30.17%
Volumetric Rate Adder(s)			1	\$-		1	\$-	\$-	
Volumetric Rate Rider(s)			1	\$-		1	\$-	\$-	
Smart Meter Disposition Rider			1	\$-		1	\$-	\$-	
LRAM & SSM Rate Rider			1	\$-		1	\$-	\$-	
Deferral/Variance Account	per kW	-\$3.3185	1	-\$3.32	-\$0.2828	1	-\$0.28	\$3.04	-91.48%
Disposition Rate Rider				\$-			\$-	\$-	
				\$-			\$-	\$-	
				\$-			\$-	\$-	
				\$-			\$-	\$-	
				\$-			\$-	\$-	
Sub-Total A - Distribution				\$0.18			\$11.61	\$11.43	6284.08%
RTSR - Network	per kW	\$1.6545	1	\$1.65	\$1.5379	1	\$1.54	-\$0.12	-7.05%
RTSR - Line and Transformation Connection	per kW	\$1.3312	1	\$1.33	\$1.3145	1	\$1.31	-\$0.02	-1.25%
Sub-Total B - Delivery (including Sub-Total A)				\$3.17			\$14.47	\$11.30	356.66%
Wholesale Market Service Charge (WMSC)	per kWh	\$0.0052	51.755	\$0.27	\$0.0052	51.8096	\$0.27	\$0.00	0.11%
Rural and Remote Rate Protection (RRRP)	per kWh	\$0.0013	51.755	\$0.07	\$0.0013	51.8096	\$0.07	\$0.00	0.11%
Special Purpose Charge	per kWh	\$0.0003730	51.755	\$0.02	\$0.0003730	51.8096	\$0.02	\$0.00	0.11%
Standard Supply Service Charge	monthly	\$0.2500	1	\$0.25	\$0.2500	1	\$0.25	\$-	0.00%
Debt Retirement Charge (DRC)	per kWh	\$0.0070	50	\$0.35	\$0.0070	50	\$0.35	\$-	0.00%
Energy	per kWh	\$0.0650	51.755	\$3.36	\$0.0650	51.8096	\$3.37	\$0.00	0.11%
				\$-			\$-	\$-	
				\$-			\$-	\$-	
Total Bill (before Taxes)				\$7.49			\$18.79	\$11.30	150.94%
HST		13%		\$0.97	13%		\$2.44	\$1.47	150.94%
Total Bill (including Sub-total B)				\$8.46			\$21.23	\$12.77	150.95%
Loss Factor (%)		3.5100%			3.62%				

Notes:



Date:01-May-11

Customer Class:Unmetered & Scattered

Consumption		630 kWh		kW		1		Connections	
Charge Unit	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
monthly	\$ 7.3800	1	\$ 7.38	\$ 7.9257	1	\$ 7.93	\$ 0.55	7.39%	
		1	\$ -		1	\$ -			
		1	\$ -		1	\$ -			
		1	\$ -		1	\$ -			
per kWh	\$ 0.0156	630	\$ 9.83	\$ 0.0168	630	\$ 10.58	\$ 0.76	7.69%	
per kWh	\$ 0.0002	630	\$ 0.13	\$ 0.0002	630	\$ 0.13	\$ -	0.00%	
per kWh	-\$ 0.0041	630	\$ -	-\$ 0.0007	630	\$ -	\$ 2.15	-83.32%	
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		630	\$ -		630	\$ -			
		\$ -			\$ -	\$ -			
		\$ -			\$ -	\$ -			
		\$ -			\$ -	\$ -			
		\$ -			\$ -	\$ -			
		\$ -			\$ -	\$ -			
		\$ 14.75			\$ 18.20	\$ 3.45	23.41%		
per kWh	\$ 0.0054	652.113	\$ 3.52	\$ 0.0050	652.8	\$ 3.28	-\$ 0.24	-6.95%	
per kWh	\$ 0.0042	652.113	\$ 2.74	\$ 0.0041	652.8	\$ 2.71	-\$ 0.03	-1.15%	
		\$ 21.01			\$ 24.19	\$ 3.18	15.12%		
per kWh	\$ 0.0052	652.113	\$ 3.39	\$ 0.0052	652.8	\$ 3.39	\$ 0.00	0.11%	
per kWh	\$ 0.0013	652.113	\$ 0.85	\$ 0.0013	652.8	\$ 0.85	\$ 0.00	0.11%	
per kWh	\$ 0.0003730	652.113	\$ 0.24	\$ 0.0003730	652.8	\$ 0.24	\$ 0.00	0.11%	
monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%	
per kWh	\$ 0.0070	630	\$ 4.41	\$ 0.0070	630	\$ 4.41	\$ -	0.00%	
per kWh	\$ 0.0650	652.113	\$ 42.39	\$ 0.0650	652.8	\$ 42.43	\$ 0.04	0.11%	
			\$ -			\$ -	\$ -		
			\$ -			\$ -	\$ -		
		\$ 72.54				\$ 75.77	\$ 3.23	4.45%	
	13%		\$ 9.43	13%		\$ 9.85	\$ 0.42	4.45%	
		\$ 81.97				\$ 85.62	\$ 3.65	4.45%	
		3.5100%			3.62%				

Notes:

## **Appendix C**

### **Revenue Requirement Work Form**





## REVENUE REQUIREMENT WORK FORM

Name of LDC: Milton Hydro Distribution Inc. (1)  
 File Number: EB-2010-0137  
 Rate Year: 2011  
 Version: 2.11

### Table of Content

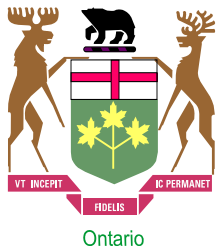
<u>Sheet</u>	<u>Name</u>
A	<a href="#">Data Input Sheet</a>
1	<a href="#">Rate Base</a>
2	<a href="#">Utility Income</a>
3	<a href="#">Taxes/PILS</a>
4	<a href="#">Capitalization/Cost of Capital</a>
5	<a href="#">Revenue Sufficiency/Deficiency</a>
6	<a href="#">Revenue Requirement</a>
7A	<a href="#">Bill Impacts -Residential</a>
7B	<a href="#">Bill Impacts - GS &lt; 50 kW</a>

#### Notes:

- (1) Pale green cells represent inputs
- (2) Pale yellow cells represent drop=down lists
- (3) **Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.**
- (4) **Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.**

#### **Copyright**

*This Revenue Requirement Work Form Model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing your draft rate order. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.*



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.

File Number: EB-2010-0137

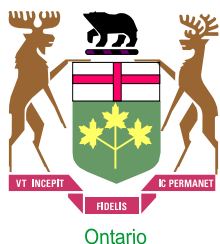
Rate Year: 2011

Data Input										(1)
	Initial Application		Adjustments		Settlement Agreement	(7)	Adjustments		Per Board Decision	
<b>1 Rate Base</b>										
Gross Fixed Assets (average)	\$101,943,529		(\$2,216,900)		\$ 99,726,629				\$99,726,629	
Accumulated Depreciation (average)	(\$50,054,695)	(5)	\$24,955		-\$ 50,029,740				(\$50,029,740)	
<b>Allowance for Working Capital:</b>										
Controllable Expenses	\$6,514,979		(\$214,979)		\$ 6,300,000				\$6,300,000	
Cost of Power	\$61,842,630		(\$869,954)		\$ 60,972,676				\$60,972,676	
Working Capital Rate (%)	15.00%				15.00%				15.00%	
<b>2 Utility Income</b>										
Operating Revenues:										
Distribution Revenue at Current Rates	\$11,918,130		\$185,780		\$12,103,910		(\$0)		\$12,103,910	
Distribution Revenue at Proposed Rates	\$13,608,183		(\$423,522)		\$13,184,661		(\$179,481)		\$13,005,180	
<b>Other Revenue:</b>										
Specific Service Charges	\$36,869		\$0		\$36,869		\$0		\$36,869	
Late Payment Charges	\$156,670		\$0		\$156,670		\$0		\$156,670	
Other Distribution Revenue	\$1,215,110		\$5,750		\$1,220,860		\$0		\$1,220,860	
Other Income and Deductions	\$45,000		\$0		\$45,000		\$0		\$45,000	
<b>Operating Expenses:</b>										
OM+A Expenses	\$6,514,979		(\$214,979)		\$ 6,300,000				\$6,300,000	
Depreciation/Amortization	\$3,616,371		\$40,394		\$ 3,656,765				\$3,656,765	
Property taxes										
<b>Capital taxes</b>										
Other expenses										
<b>3 Taxes/PILs</b>										
Taxable Income:										
Adjustments required to arrive at taxable income	(\$651,498)	(3)			(\$561,087)				(\$561,087)	
<b>Utility Income Taxes and Rates:</b>										
Income taxes (not grossed up)	\$448,398				\$411,480				\$393,239	
<b>Income taxes (grossed up)</b>	\$624,945				\$557,788				\$532,517	
Capital Taxes		(6)				(6)				(6)
Federal tax (%)	16.50%				16.50%				16.50%	
Provincial tax (%)	11.75%				9.73%				9.65%	
Income Tax Credits	(\$59,231)				(\$59,231)				(\$59,231)	
<b>4 Capitalization/Cost of Capital</b>										
<b>Capital Structure:</b>										
Long-term debt Capitalization Ratio (%)	56.0%				56.0%				56.0%	
Short-term debt Capitalization Ratio (%)	4.0%	(2)			4.0%	(2)			4.0%	(2)
Common Equity Capitalization Ratio (%)	40.0%				40.0%				40.0%	
Preferred Shares Capitalization Ratio (%)										
	100.0%				100.0%				100.0%	
<b>Cost of Capital</b>										
Long-term debt Cost Rate (%)	5.19%				5.15%				4.85%	
Short-term debt Cost Rate (%)	2.07%				2.07%				2.46%	
Common Equity Cost Rate (%)	9.85%				9.85%				9.58%	
Preferred Shares Cost Rate (%)										

### Notes:

(Rate Base through Revenue Requirement), except for Notes that the utility may wish to use to support the data. Notes should be put on the applicable pages to explain numbers shown.

- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- (2) 4.0% unless an Applicant has proposed or been approved for another amount.
- (3) Net of addbacks and deductions to arrive at taxable income.
- (4) Average of Gross Fixed Assets at beginning and end of the Test Year
- (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- (6) Not applicable as of July 1, 2010
- (7) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.



# REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.  
File Number: EB-2010-0137  
Rate Year: 2011

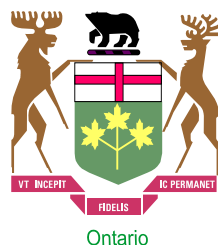
## Rate Base

Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)	\$101,943,529	(\$2,216,900)	\$99,726,629	\$ -	\$99,726,629
2	Accumulated Depreciation (average) (3)	(\$50,054,695)	\$24,955	(\$50,029,740)	\$ -	(\$50,029,740)
3	Net Fixed Assets (average) (3)	\$51,888,834	(\$2,191,945)	\$49,696,889	\$ -	\$49,696,889
4	Allowance for Working Capital (1)	\$10,253,641	(\$162,740)	\$10,090,901	\$ -	\$10,090,901
5	<b>Total Rate Base</b>	<b>\$62,142,475</b>	<b>(\$2,354,685)</b>	<b>\$59,787,790</b>	<b>\$ -</b>	<b>\$59,787,790</b>

<b>(1) Allowance for Working Capital - Derivation</b>						
6	Controllable Expenses	\$6,514,979	(\$214,979)	\$6,300,000	\$ -	\$6,300,000
7	Cost of Power	\$61,842,630	(\$869,954)	\$60,972,676	\$ -	\$60,972,676
8	Working Capital Base	\$68,357,609	(\$1,084,933)	\$67,272,676	\$ -	\$67,272,676
9	Working Capital Rate % (2)	15.00%	0.00%	15.00%	0.00%	15.00%
10	Working Capital Allowance	\$10,253,641	(\$162,740)	\$10,090,901	\$ -	\$10,090,901

## Notes

- (2) Generally 15%. Some distributors may have a unique rate due as a result of a lead-lag study.  
(3) Average of opening and closing balances for the year.



# REVENUE REQUIREMENT WORK FORM

Name of LDC: Milton Hydro Distribution Inc.  
File Number: EB-2010-0137  
Rate Year: 2011

Version: 2.11

Utility income						
Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
<b>Operating Revenues:</b>						
1	Distribution Revenue (at Proposed Rates)	\$13,608,183	(\$423,522)	\$13,184,661	(\$179,481)	\$13,005,180
2	Other Revenue (1)	\$1,453,649	(\$2,913,048)	\$1,459,399	\$ -	\$1,459,399
3	Total Operating Revenues	\$15,061,832	(\$3,336,570)	\$14,644,060	(\$179,481)	\$14,464,579
<b>Operating Expenses:</b>						
4	OM+A Expenses	\$6,514,979	(\$214,979)	\$6,300,000	\$ -	\$6,300,000
5	Depreciation/Amortization	\$3,616,371	\$40,394	\$3,656,765	\$ -	\$3,656,765
6	Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$10,131,350	(\$174,585)	\$9,956,765	\$ -	\$9,956,765
10	Deemed Interest Expense	\$1,857,124	(\$83,340)	\$1,773,784	(\$89,555)	\$1,684,229
11	Total Expenses (lines 9 to 10)	\$11,988,474	(\$257,925)	\$11,730,549	(\$89,555)	\$11,640,994
12	Utility income before income taxes	\$3,073,358	(\$3,078,645)	\$2,913,511	(\$89,926)	\$2,823,585
13	Income taxes (grossed-up)	\$624,945	(\$67,157)	\$557,788	(\$25,271)	\$532,517
14	Utility net income	\$2,448,413	(\$3,011,488)	\$2,355,723	(\$64,655)	\$2,291,068

## Notes

(1)	<b>Other Revenues / Revenue Offsets</b>					
	Specific Service Charges	\$36,869	\$ -	\$36,869	\$ -	\$36,869
	Late Payment Charges	\$156,670	\$ -	\$156,670	\$ -	\$156,670
	Other Distribution Revenue	\$1,215,110	\$5,750	\$1,220,860	\$ -	\$1,220,860
	Other Income and Deductions	\$45,000	\$ -	\$45,000	\$ -	\$45,000
	Total Revenue Offsets	\$1,453,649	\$5,750	\$1,459,399	\$ -	\$1,459,399



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

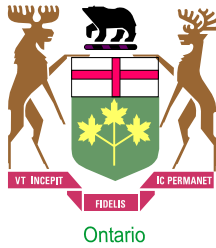
Name of LDC: Milton Hydro Distribution Inc.  
 File Number: EB-2010-0137  
 Rate Year: 2011

### Taxes/PILs

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$2,448,414	\$2,355,639	\$2,291,068
2	Adjustments required to arrive at taxable utility income	(\$651,498)	(\$561,087)	(\$561,087)
3	Taxable income	<u>\$1,796,916</u>	<u>\$1,794,552</u>	<u>\$1,729,981</u>
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	\$448,398	\$411,480	\$393,239
5	Capital taxes	\$ - (1)	\$ - (1)	\$ - (1)
6	Total taxes	<u>\$448,398</u>	<u>\$411,480</u>	<u>\$393,239</u>
7	Gross-up of Income Taxes	<u>\$176,547</u>	<u>\$146,308</u>	<u>\$139,278</u>
8	Grossed-up Income Taxes	<u>\$624,945</u>	<u>\$557,788</u>	<u>\$532,517</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$624,945</u>	<u>\$557,788</u>	<u>\$532,517</u>
10	Other tax Credits	(\$59,231)	(\$59,231)	(\$59,231)
<u>Tax Rates</u>				
11	Federal tax (%)	16.50%	16.50%	16.50%
12	Provincial tax (%)	11.75%	9.73%	9.65%
13	Total tax rate (%)	<u>28.25%</u>	<u>26.23%</u>	<u>26.15%</u>

#### Notes

(1) Capital Taxes not applicable after July 1, 2010 (i.e. for 2011 and later test years)



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.

File Number: EB-2010-0137

Rate Year: 2011

### Capitalization/Cost of Capital

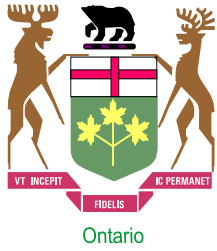
Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
Initial Application					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$34,799,786	5.19%	\$1,805,670
2	Short-term Debt	4.00%	\$2,485,699	2.07%	\$51,454
3	Total Debt	60.00%	\$37,285,485	4.98%	\$1,857,124
	Equity				
4	Common Equity	40.00%	\$24,856,990	9.85%	\$2,448,414
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$24,856,990	9.85%	\$2,448,414
7	Total	100.00%	\$62,142,475	6.93%	\$4,305,537

Settlement Agreement					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$33,481,163	5.15%	\$1,724,280
2	Short-term Debt	4.00%	\$2,391,512	2.07%	\$49,504
3	Total Debt	60.00%	\$35,872,674	4.94%	\$1,773,784
	Equity				
4	Common Equity	40.00%	\$23,915,116	9.85%	\$2,355,639
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$23,915,116	9.85%	\$2,355,639
7	Total	100.00%	\$59,787,790	6.91%	\$4,129,423

Per Board Decision					
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$33,481,163	4.85%	\$1,625,398
9	Short-term Debt	4.00%	\$2,391,512	2.46%	\$58,831
10	Total Debt	60.00%	\$35,872,674	4.70%	\$1,684,229
	Equity				
11	Common Equity	40.00%	\$23,915,116	9.58%	\$2,291,068
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$23,915,116	9.58%	\$2,291,068
14	Total	100.00%	\$59,787,790	6.65%	\$3,975,297

#### Notes

(1) 4.0% unless an Applicant has proposed or been approved for another amount.



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

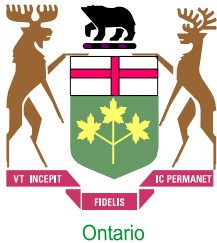
Name of LDC: Milton Hydro Distribution Inc.  
File Number: EB-2010-0137  
Rate Year: 2011

### Revenue Sufficiency/Deficiency

Line No.	Particulars	Initial Application		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$1,690,053		\$1,080,667		\$901,270
2	Distribution Revenue	\$11,918,130	\$11,918,130	\$12,103,910	\$12,103,994	\$12,103,910	\$12,103,911
3	Other Operating Revenue Offsets - net	\$1,453,649	\$1,453,649	\$1,459,399	\$1,459,399	\$1,459,399	\$1,459,399
4	<b>Total Revenue</b>	<b>\$13,371,779</b>	<b>\$15,061,832</b>	<b>\$13,563,309</b>	<b>\$14,644,060</b>	<b>\$13,563,309</b>	<b>\$14,464,579</b>
5	Operating Expenses	\$10,131,350	\$10,131,350	\$9,956,765	\$9,956,765	\$9,956,765	\$9,956,765
6	Deemed Interest Expense	\$1,857,124	\$1,857,124	\$1,773,784	\$1,773,784	\$1,684,229	\$1,684,229
	<b>Total Cost and Expenses</b>	<b>\$11,988,474</b>	<b>\$11,988,474</b>	<b>\$11,730,549</b>	<b>\$11,730,549</b>	<b>\$11,640,994</b>	<b>\$11,640,994</b>
7	<b>Utility Income Before Income Taxes</b>	<b>\$1,383,305</b>	<b>\$3,073,358</b>	<b>\$1,832,760</b>	<b>\$2,913,511</b>	<b>\$1,922,315</b>	<b>\$2,823,585</b>
8	Tax Adjustments to Accounting Income per 2009 PILs	(\$651,498)	(\$651,498)	(\$561,087)	(\$561,087)	(\$561,087)	(\$561,087)
9	<b>Taxable Income</b>	<b>\$731,807</b>	<b>\$2,421,860</b>	<b>\$1,271,673</b>	<b>\$2,352,424</b>	<b>\$1,361,228</b>	<b>\$2,262,498</b>
10	Income Tax Rate	28.25%	28.25%	26.23%	26.23%	26.15%	26.15%
11	Income Tax on Taxable Income	\$206,735	\$684,175	\$333,560	\$617,041	\$356,024	\$591,747
12	<b>Income Tax Credits</b>	<b>(\$59,231)</b>	<b>(\$59,231)</b>	<b>(\$59,231)</b>	<b>(\$59,231)</b>	<b>(\$59,231)</b>	<b>(\$59,231)</b>
13	<b>Utility Net Income</b>	<b>\$1,235,801</b>	<b>\$2,448,413</b>	<b>\$1,558,431</b>	<b>\$2,355,723</b>	<b>\$1,625,522</b>	<b>\$2,291,068</b>
14	<b>Utility Rate Base</b>	<b>\$62,142,475</b>	<b>\$62,142,475</b>	<b>\$59,787,790</b>	<b>\$59,787,790</b>	<b>\$59,787,790</b>	<b>\$59,787,790</b>
	Deemed Equity Portion of Rate Base	\$24,856,990	\$24,856,990	\$23,915,116	\$23,915,116	\$23,915,116	\$23,915,116
15	Income/Equity Rate Base (%)	4.97%	9.85%	6.52%	9.85%	6.80%	9.58%
16	Target Return - Equity on Rate Base	9.85%	9.85%	9.85%	9.85%	9.58%	9.58%
17	Sufficiency/Deficiency in Return on Equity	-4.88%	0.00%	-3.33%	0.00%	-2.78%	0.00%
18	Indicated Rate of Return	4.98%	6.93%	5.57%	6.91%	5.54%	6.65%
19	Requested Rate of Return on Rate Base	6.93%	6.93%	6.91%	6.91%	6.65%	6.65%
20	Sufficiency/Deficiency in Rate of Return	-1.95%	0.00%	-1.33%	0.00%	-1.11%	0.00%
21	Target Return on Equity	\$2,448,414	\$2,448,414	\$2,355,639	\$2,355,639	\$2,291,068	\$2,291,068
22	Revenue Deficiency/(Sufficiency)	\$1,212,613	(\$0)	\$797,208	\$84	\$665,546	\$0
23	<b>Gross Revenue Deficiency/(Sufficiency)</b>	<b>\$1,690,053 (1)</b>		<b>\$1,080,667 (1)</b>		<b>\$901,270 (1)</b>	

#### Notes:

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



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.  
 File Number: EB-2010-0137  
 Rate Year: 2011

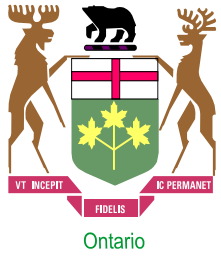
### Revenue Requirement

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$6,514,979	\$6,300,000	\$6,300,000
2	Amortization/Depreciation	\$3,616,371	\$3,656,765	\$3,656,765
3	Property Taxes	\$ -		
4	Capital Taxes	\$ -	\$ -	\$ -
5	Income Taxes (Grossed up)	\$624,945	\$557,788	\$532,517
6	Other Expenses	\$ -		
7	Return			
	Deemed Interest Expense	\$1,857,124	\$1,773,784	\$1,684,229
	Return on Deemed Equity	\$2,448,414	\$2,355,639	\$2,291,068
8	Distribution Revenue Requirement before Revenues	\$15,061,832	\$14,643,976	\$14,464,579
9	Distribution revenue	\$13,608,183	\$13,184,661	\$13,005,180
10	Other revenue	\$1,453,649	\$1,459,399	\$1,459,399
11	<b>Total revenue</b>	\$15,061,832	\$14,644,060	\$14,464,579
12	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<b>(\$0)</b>	<b>\$84</b>	<b>\$0</b>

#### Notes

(1) Line 11 - Line 8





## REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.  
File Number: EB-2010-0137  
Rate Year: 2011

### Residential

Consumption **800** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
1 Monthly Service Charge	monthly	\$ 13.7100	1	\$ 13.71	\$ 14.8000	1	\$ 14.80	\$ 1.09	7.95%
2 Smart Meter Rate Adder	monthly	\$ 2.1600	1	\$ 2.16	-\$ 1.5383	1	-\$ 1.54	-\$ 3.70	-171.22%
3 Service Charge Rate Adder(s)			1	\$ -		1	\$ -	\$ -	
4 Service Charge Rate Rider(s)			1	\$ -		1	\$ -	\$ -	
5 Distribution Volumetric Rate	per kWh	\$ 0.0128	800	\$ 10.24	\$ 0.0138	800	\$ 11.04	\$ 0.80	7.81%
6 Low Voltage Rate Adder	per kWh	\$ 0.0003	800	\$ 0.24	\$ 0.0002	800	\$ 0.16	-\$ 0.08	-33.33%
7 Volumetric Rate Adder(s)			800	\$ -		800	\$ -	\$ -	
8 Volumetric Rate Rider(s)			800	\$ -		800	\$ -	\$ -	
9 Smart Meter Disposition Rider			800	\$ -		800	\$ -	\$ -	
10 LRAM & SSM Rate Rider			800	\$ -		800	\$ -	\$ -	
11 Deferral/Variance Account Disposition Rate Rider	per kWh	-\$ 0.0039	800	-\$ 3.12	-\$ 0.0007	800	-\$ 0.53	\$ 2.59	-82.88%
12				\$ -			\$ -	\$ -	
13				\$ -			\$ -	\$ -	
14				\$ -			\$ -	\$ -	
15				\$ -			\$ -	\$ -	
16 Sub-Total A - Distribution				\$ 23.23			\$ 23.93	\$ 0.70	3.00%
17 RTSR - Network	per kWh	\$ 0.0059	828.08	\$ 4.89	\$ 0.0055	828.953	\$ 4.55	-\$ 0.34	-6.95%
18 RTSR - Line and Transformation Connection	per kWh	\$ 0.0047	828.08	\$ 3.89	\$ 0.0046	828.953	\$ 3.85	-\$ 0.04	-1.15%
19 Sub-Total B - Delivery (including Sub-Total A)				\$ 32.01			\$ 32.32	\$ 0.31	0.98%
20 Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	828.08	\$ 4.31	\$ 0.0052	828.953	\$ 4.31	\$ 0.00	0.11%
21 Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	828.08	\$ 1.08	\$ 0.0013	828.953	\$ 1.08	\$ 0.00	0.11%
22 Special Purpose Charge	per kWh	\$ 0.0004	828.08	\$ 0.31	\$ 0.0004	828.953	\$ 0.31	\$ 0.00	0.11%
23 Standard Supply Service Charge	monthly	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
24 Debt Retirement Charge (DRC)	per kWh	\$ 0.0070	828.08	\$ 5.80	\$ 0.0070	828.953	\$ 5.80	\$ 0.01	0.11%
25 Energy		\$ -	828.08	\$ -	\$ -	828.953	\$ -	\$ -	
26 Energy First Block	per kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
27 Energy Second Block	per kWh	\$ 0.0750	228.08	\$ 17.11	\$ 0.0750	228.953	\$ 17.17	\$ 0.07	0.38%
28 Total Bill (before Taxes)				\$ 99.85			\$ 100.24	\$ 0.39	0.39%
29 HST		13%		\$ 12.98	13%		\$ 13.03	\$ 0.05	0.39%
30 Total Bill (including Sub-total B)				\$ 112.83			\$ 113.27	\$ 0.44	0.39%
31 Loss Factor (%)	Note 1		3.51%			3.62%			

#### Notes:

Note 1: Enter existing and proposed total loss factor (Secondary Metered Customer < 5,000 kW) as a percentage.



## REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Milton Hydro Distribution Inc.  
File Number: EB-2010-0137  
Rate Year: 2011

### General Service < 50 kW

Consumption **2000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
1	Monthly Service Charge	\$ 14.7000	1	\$ 14.70	\$ 15.7900	1	\$ 15.79	\$ 1.09	7.41%
2	Smart Meter Rate Adder	\$ 2.1600	1	\$ 2.16	-\$ 1.5383	1	-\$ 1.54	-\$ 3.70	-171.22%
3	Service Charge Rate Adder(s)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
4	Service Charge Rate Rider(s)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
5	Distribution Volumetric Rate	\$ 0.0156	2000	\$ 31.20	\$ 0.0168	2000	\$ 33.60	\$ 2.40	7.69%
6	Low Voltage Rate Adder	\$ 0.0002	2000	\$ 0.40	\$ 0.0002	2000	\$ 0.40	\$ -	0.00%
7	Volumetric Rate Adder(s)	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
8	Volumetric Rate Rider(s)	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
9	Smart Meter Disposition Rider	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
10	LRAM & SSM Rider	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
11	Deferral/Variance Account Disposition Rate Rider	-\$ 0.0037	2000	-\$ 7.40	-\$ 0.0008	2000	-\$ 1.53	\$ 5.87	-79.31%
12		\$ -		\$ -	\$ -		\$ -	\$ -	
13		\$ -		\$ -	\$ -		\$ -	\$ -	
14		\$ -		\$ -	\$ -		\$ -	\$ -	
15		\$ -		\$ -	\$ -		\$ -	\$ -	
16	<b>Sub-Total A - Distribution</b>			<b>\$ 41.06</b>			<b>\$ 46.72</b>	<b>\$ 5.66</b>	<b>13.79%</b>
17	RTSR - Network	\$ 0.0054	2070.2	\$ 11.18	\$ 0.0050	2072.38	\$ 10.40	-\$ 0.78	-6.95%
18	RTSR - Line and Transformation Connection	\$ 0.0042	2070.2	\$ 8.69	\$ 0.0041	2072.38	\$ 8.59	-\$ 0.10	-1.15%
19	<b>Sub-Total B - Delivery (including Sub-Total A)</b>			<b>\$ 60.93</b>			<b>\$ 65.72</b>	<b>\$ 4.78</b>	<b>7.85%</b>
20	Wholesale Market Service Charge (WMSC)	\$ 0.0052	2070.2	\$ 10.77	\$ 0.0052	2072.38	\$ 10.78	\$ 0.01	0.11%
21	Rural and Remote Rate Protection (RRRP)	\$ 0.0013	2070.2	\$ 2.69	\$ 0.0013	2072.38	\$ 2.69	\$ 0.00	0.11%
22	Special Purpose Charge	\$ 0.0004	2070.2	\$ 0.77	\$ 0.0004	2072.38	\$ 0.77	\$ 0.00	0.11%
23	Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
24	Debt Retirement Charge (DRC)	\$ 0.0070	2070.2	\$ 14.49	\$ 0.0070	2072.38	\$ 14.51	\$ 0.02	0.11%
25	Energy	\$ -	2070.2	\$ -	\$ -	2072.38	\$ -	\$ -	
26	First Block	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	0.00%
27	Second Block	\$ 0.0750	1470.2	\$ 110.27	\$ 0.0750	1472.38	\$ 110.43	\$ 0.16	0.15%
28	<b>Total Bill (before Taxes)</b>			<b>\$ 239.17</b>			<b>\$ 244.15</b>	<b>\$ 4.98</b>	<b>2.08%</b>
29	HST	13%		\$ 31.09	13%		\$ 31.74	\$ 0.65	2.08%
30	<b>Total Bill (including Sub-total B)</b>			<b>\$ 270.26</b>			<b>\$ 275.89</b>	<b>\$ 5.63</b>	<b>2.08%</b>
31	<b>Loss Factor</b>	<b>Note 1</b>							
		3.51%			3.62%				

#### Notes:

**Note 1:** See Note 1 from Sheet 1A. Bill Impacts - Residential

**Appendix D**

**Settlement Agreement**

**Filed December 17, 2010**

**As Agreed to in the OEB Decision & Order Issued February 11, 2011**



## **MILTON HYDRO DISTRIBUTION INC.**

8069 Lawson Road, Milton, Ontario L9T 5C4  
Telephone (905) 876-4611 • Fax (905) 876-2044

By RESS and Courier

December 17, 2010

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

**Re Milton Hydro Distribution Inc., Distribution Licence ED-2003-0014  
2011 Electricity Distribution Cost of Service Rate Application  
EB-2010-0137  
Proposed Settlement Agreement**

A settlement conference was convened in respect of this proceeding on December 8, 2010 in accordance with Procedural Order No. 2. The settlement conference continued into December 9, 2010. We are please to advise that the parties have achieved a complete settlement in this matter. Please find accompanying this letter a copy of the proposed Settlement Agreement. Each of the parties has reviewed and approved the Agreement. We would like to thank the OEB Staff and Mr. Haussmann for their assistance in this process.

Two hard copies are being delivered to your attention by courier.

Should you require further information or clarification please contact me at 905-876-4611 ext. 246 or [cameronmckenzie@miltonhydro.com](mailto:cameronmckenzie@miltonhydro.com).

Respectfully submitted,

*Original signed by Cameron McKenzie*

Cameron McKenzie, CGA  
Director, Regulatory Affairs

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

**AND IN THE MATTER OF** an Application by Milton Hydro Distribution Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2011.

**MILTON HYDRO DISTRIBUTION INC. (“Milton Hydro”)**

**SETTLEMENT AGREEMENT**

**Filed: December 17, 2010**

**INTRODUCTION:**

Milton Hydro Distribution Inc. (“Milton Hydro”) owns and operates the electricity distribution system within its licensed service area of 370 square kilometres extending to the boundaries of the Town of Milton of which 313 square kilometres or 85% is a rural distribution system. Milton Hydro serves approximately 27,500 customers in the Town of Milton Hydro.

Milton Hydro filed an application (the “Application”) with the Ontario Energy Board (the “OEB”) on August 26, 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 that Milton Hydro charges for electricity distribution, to be effective May 1, 2011. The Board assigned File Number EB-2010-0137 to the Application. Four parties requested and were granted Intervenor status: Energy Probe Research Foundation (“Energy Probe”); the School Energy Coalition (“SEC”); the Vulnerable Energy Consumers’ Coalition (“VECC”); and Joan Shewchun (“Ms. Shewchun”). One individual, Michael Grimwood, requested and was granted Observer status. Two individuals, W. S. McCafferty and David and Joan Greenfield filed letters of Comment.

The Board issued Procedural Order No. 1 on October 19, 2010 scheduling November 2, 2010 as the date for written interrogatories; November 16, 2010 as the date for Milton Hydro's responses; November 30, 2010 for a Technical Conference; a Settlement Conference for November 30, 2010; and December 13, 2010 for filing a Settlement Proposal. OEB staff and all registered Intervenor, except Ms. Shewchun, filed interrogatories on November 2, 2010. On November 12, 2010 Milton Hydro requested a one week extension in order to prepare complete responses to all interrogatories. The OEB approved the extension in Procedural Order No. 2 and re-scheduled the following dates: Milton Hydro responses to interrogatories were due by November 23, 2010; the Technical Conference was rescheduled to December 3, 2010; the Settlement Conference was rescheduled to December 8, 2010; and any Settlement Proposal was to be filed December 20, 2010. Milton Hydro filed responses to all interrogatories on November 23, 2010. The evidence in this proceeding (referred to here as the "Evidence") consists of the Application and Milton Hydro's responses to both the initial interrogatories and the questions provided to Milton Hydro during the Technical Conference and its responses to Undertakings given during the Technical Conference. It also includes the Appendices to this Agreement.

By Procedural Order No. 3 the OEB directed Milton Hydro to file evidence regarding the publication of the Notice of Application for this proceeding in the Milton Canadian Champion by the end of day December 7, 2010 to which Milton Hydro filed accordingly.

The Settlement Conference was duly convened in accordance with Procedural Order 2, with Mr. Chris Haussmann as facilitator. The Settlement Conference concluded on December 9, 2010.

Milton Hydro and the following Intervenor, (the "Intervenor" and collectively including Milton Hydro (the "Parties")), participated in the Settlement Conference,

Energy Probe  
SEC  
VECC.

Although Ms. Shewchun is an intervenor, she did not participate in the Settlement Conference and is not a party to the Settlement Agreement.

The role adopted by OEB staff in the Settlement Conference is set out in page 5 of the OEB *Settlement Conference Guidelines* ("the Guidelines"). Although OEB staff is not a party to this Agreement, as noted in the Guidelines, OEB staff who did participate in the Settlement Conference are bound by the same confidentiality standards that apply to the Parties to the proceeding.

These settlement proceedings are subject to the rules relating to confidentiality and privilege contained in the Guidelines. The parties understand this to mean that the documents and other information provided, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference are strictly confidential and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the interpretation of any provision of this settlement agreement.

**A COMPLETE SETTLEMENT HAS BEEN REACHED IN THIS PROCEEDING:**

The Parties are pleased to advise the OEB that a complete settlement has been reached on all issues in the proceeding. This document comprises the Settlement Agreement to the OEB, and it is presented jointly by Milton Hydro and Energy Probe, SEC and VECC. It identifies the settled matters, and contains such references to the Evidence as is necessary to assist the Board in understanding the Settlement Agreement (the "Agreement"). The Parties confirm that the Evidence filed to date in respect of each settled issue, as supplemented in some instances by additional information recorded in this Agreement, supports the settlement of the matters identified in this Agreement. In addition, the Parties agree that the Evidence, supplemented where necessary by the additional information appended to this Agreement, contains sufficient detail, rationale and quality of information to allow the OEB to make findings in keeping with the settlement reached by the Parties.

The Parties explicitly request that the Board consider and accept this Settlement Agreement as a package. None of the matters in respect of which a settlement has been reached is

severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this comprehensive Agreement. The distinct issues addressed in this proposal are intricately interrelated, and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the Parties. If the Board does not accept the Agreement in its entirety, then there is no Agreement unless the Parties agree that those portions of the Agreement that the Board does accept may continue as a valid settlement.

It is further acknowledged and agreed that none of the Parties will withdraw from this Agreement under any circumstances, except as provided under Rule 32.0.5 of the Board's *Rules of Practice and Procedure*.

It is also agreed that this Agreement is without prejudice to any of the Parties re-examining these issues in any subsequent proceeding and taking positions inconsistent with the resolution of these issues in this Agreement. However, none of the Parties will in any subsequent proceeding take the position that the resolution therein of any issue settled in this Agreement, if contrary to the terms of this Agreement, should be applicable for all or any part of the 2011 Test Year.

References to the Evidence supporting this Agreement on each issue are set out in each section of the Agreement. The Appendices to the Agreement provide further evidentiary support. The Parties agree that this Agreement and the Appendices form part of the record in EB-2010-0137. The Appendices were prepared by the Applicant. The Intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement.

The Parties believe that the Agreement represents a balanced proposal that protects the interests of Milton Hydro's customers, employees and shareholder and promotes economic efficiency and cost effectiveness. It also provides the resources which will allow Milton Hydro to manage its assets so that the highest standards of performance levels are achieved and customer's expectation for the safe, reliable delivery of electricity, at reasonable prices, are met.



## **ORGANIZATION AND SUMMARY OF THE SETTLEMENT AGREEMENT:**

There is no approved Issues List for this proceeding. However, for the purposes of organizing this Agreement, the Parties have followed the OEB's Filing Guidelines that address all of the revenue requirement components, load forecast, deferral and variance account dispositions, cost allocation and rate design and other issues relevant to determining Milton Hydro's 2011 delivery rates.

The following Appendices accompany this Settlement Agreement:

- Appendix A – Summary of the Significant Items Adjusted as a result of this Agreement
- Appendix B – Updated Fixed Asset Continuity Schedules
- Appendix C – Updated Cost of Power
- Appendix D – 2011 Test Year Updated Load Forecast
- Appendix E – 2011 Test Year Updated Other Revenue
- Appendix F – 2011 Test Year Updated OM&A
- Appendix G – 2011 Test Year Updated Depreciation Expense
- Appendix H – 2011 Test Year Updated PILs
- Appendix I – 2011 Test Year Updated Cost of Capital
- Appendix J – 2011 Test Year Updated Revenue Deficiency
- Appendix K – 2011 Test Year Updated Revenue to Cost Ratios
- Appendix L – Summary of Updated Customer Impacts
- Appendix M – Updated Smart Meter Rates

## **UNSETTLED MATTERS**

There are no unsettled matters in this proceeding.

## **OVERVIEW OF THE SETTLED MATTERS:**

This Agreement will allow Milton Hydro to continue to make the necessary investments in maintenance and operation expenditures as well as capital investments to maintain the safety and reliability of the electricity distribution service that it provides. Milton Hydro is one of the

fastest growing distributors in Ontario, is a low cost service provider and continues to maintain one of the highest ratios of customers served per employee within its peer group as provided in the Pacific Economic Group ("PEG") Report dated March 20, 2008 and the 2009 data provided in the MEARIE 2009/2010 Survey of Ontario's Local Distribution Companies. This Agreement will allow Milton Hydro to maintain current capital investment levels in infrastructure to ensure a reliable distribution system; to manage current and future staffing levels, skills and training to ensure regulatory compliance with Codes and Regulations; to promote conservation programs including the Ministry of Energy directives and Milton Hydro's distribution licence; and to continue to provide the high level of customer service Milton Hydro customers have come to expect.

The Parties agree that no rate classes face bill impacts in this proceeding that require mitigation efforts.

The revised Base Revenue Requirement for the 2011 Test Year is \$13,184,661. This revenue requirement is subject to adjustment based on the updated cost of capital parameters to be issued by the Board in February 2011. This represents a revenue deficiency, based on forecast 2011 revenue at current rates, of \$1,080,751. The revised revenue deficiency of \$1,080,751 is \$609,302 or 36% lower than that set out in the pre-filed evidence of \$1,690,053. Through the settlement process, Milton Hydro has agreed to certain adjustments from its original 2011 Cost of Service Application. The changes are described in the following sections.

**ADMNSITRATION (Exhibit 1)**

1.1. Has Milton Hydro responded to all relevant Board Directives from previous proceedings?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 1, Page 12 and Page 26

For the purpose of obtaining complete settlement of all issues, the Parties accept Milton Hydro's Evidence that there are no outstanding obligations or orders from previous Board decisions.

## 2. RATE BASE (Exhibit 2)

2.1. Are the amounts proposed for Rate Base appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 2, Page 1 to 62

Interrogatory response Energy Probe Supplemental IR # 67 c)

For the purpose of achieving settlement on this issue, the Parties agree that Milton Hydro's Rate Based should be \$59,787,790 for the 2011 Test Year. These adjustments result in an agreed-upon reduction in the total Rate Base in the amount of \$2,354,685 from \$62,142,475 as filed to \$59,787,790 for the purposes of this Settlement Agreement. This reflects the following material changes:

- The 2010 Bridge Year capital expenditures will be reduced by \$972,047 as set out in section 2.2 below;
- The 2010 balance for land is reduced by \$1,109,265;
- The 2011 Test Year capital expenditures will be reduced by \$271,175 as set out in section 2.3 below;
- Working Capital Allowance has been reduced by \$162,740 as set out in section 2.3 below; and
- An adjustment to the 2010 Bridge Year and 2011 Test Year depreciation expense which impacts accumulated depreciation as set out in section 4.2 below.

The adjustments to Milton Hydro's Rate Base and Working Capital Allowance are set out in the following tables:

### Change in Rate Base

Description	As per Application	As per Settlement Agreement	Change
Gross Fixed Assets	106,017,849	103,665,362	(2,352,487)
Accumulated Depreciation	51,941,323	51,936,566	(4,757)
Net Book Value	54,076,526	51,728,796	(2,347,730)
Average Net Book Value	51,888,834	49,696,889	(2,191,945)
Working Capital	68,357,609	67,272,676	(1,084,933)
Working Capital Allowance	10,253,641	10,090,901	(162,740)
Rate Base	62,142,475	59,787,790	(2,354,685)

### Change in Working Capital

Description	As per Application	As per Settlement Agreement	Change
Cost of Power	61,842,630	60,972,676	(869,954)
Operations	876,809	876,809	-
Maintenance	1,234,930	1,234,930	-
Billing & Collecting	1,818,688	1,818,688	-
Community Relations	10,679	10,679	-
Administration & General Expense	2,573,873	2,573,873	-
OM&A Adjustment difference		(214,979)	(214,979)
Working Capital	68,357,609	67,272,676	(1,084,933)
Working Capital allowance @ 15%	10,253,641	10,090,901	(162,740)

2.2. Are the amounts proposed for the 2010 Bridge Year Capital Expenditures appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 2, Pages 45 to 54

Interrogatory response OEB Staff IR # 4, TCIR # 4

Interrogatory response Energy Probe IR # 7, 8, 13, 14, TCIR # 5, 7

Interrogatory response SEC IR # 6

For the purposes of obtaining complete settlement of all issues, the parties agree to a reduction of the 2010 Bridge Year capital additions of \$972,047 and a reduction to the opening balance of the land, purchased in 2009 and included in USoA 1905, in the amount of \$1,109,265 for the following reasons:

- The removal of \$1,109,265 representing 50% of a parcel of land purchased by Milton Hydro in 2009 from the opening capital for the 2010 Bridge Year in order to calculate the 2011 average opening and closing fixed assets. The land will be the site for Milton Hydro's future office/service centre. The Parties agree for the purposes of settlement that only 50% of the parcel of land would be used and useful in the 2011 Test Year.
- A reduction of \$700,000 from the 2010 Bridge Year related to the purchase of a second parcel of land, that will also form part of the Milton Hydro office/service centre, as this land will not be used and useful in the 2011 Test Year.
- A reduction of \$105,000 for the portion of the parking lot paving at Milton Hydro's current facilities (Milton Hydro is a tenant in those facilities) paid for by Milton Hydro's landlord.
- The removal of \$164,000 of Smart Meter capital expenditures which the Parties agree should continue to be tracked in the Smart Meter variance account 1555.
- The removal of \$3,047 of Stranded Assets which the Parties agree would continue to be tracked in the Smart Meter variance account 1555.

2.3. Are the amounts proposed for the 2011 Test Year capital additions appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 2, Pages 55 to 61

Interrogatory response OEB Staff # 9, 19, TCIR # 4

Interrogatory response Energy Probe IR# 12, 20, 21, 36 a), b), TCIR# 4, 8

Interrogatory response SEC TCIR # 5, 6

For the purposes of obtaining complete settlement of all issues, the parties agree to a reduction in the 2011 Test Year capital additions in the amount of \$271,175, reflecting the following adjustments:

- A reduction of architect fees for the design of the future office/service centre in the amount of \$150,000 from the 2011 Test Year and transferred to work in progress;
- A reduction of \$100,127 for FIT/microFIT capital expenditures for 2011 leaving \$50,000 as 2011 Test Year capital expenditures in this regard; and
- An additional reduction in capital related to the PST/HST changes in the amount of \$21,048 arising out of the revised capital expenditures and based on the percentage of historical PST to capital additions.

2.4. 2.3 Has the Working Capital Allowance been determined appropriately?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 2, Pages 63 to 70

Interrogatory response Energy Probe IR # 22, TCIR # 22

For the purposes of obtaining complete settlement of all issues, the parties agree that the amount proposed for Milton Hydro's Working Capital and rate base as shown in section 2.1 shall be reduced by \$1,084,933, reflecting the following adjustments:

- i.) Milton Hydro will update its Cost of Power calculation as follows:
  - The total kWh purchases will be based on the total kWh determined in the revised load forecast as set out in section 3.1 adjusted for the agreed-upon loss factors.
  - The commodity rates to be used are based upon the rates issued in the October 18, 2010 Regulated Price Plan Report. The non-RPP cost of power is \$62.50 per MWh (\$36.12 + \$26.38). The RPP cost of power is based on the load weighted average using the 2010 average of 7.62% which equals an RPP cost of power of \$65.09 per MWh. ( $\$36.12 \times 1.0762 + \$26.38 + \$1.00 - \$1.16 = \$65.09/\text{MWh}$ ).
- ii.) adjustments related to OM&A changes as set out in section 4.1 below.



### 3. OPERATING REVENUE (Exhibit 3)

#### 3.1. Is the load forecast appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 3, Pages 6 to 26

Interrogatory responses Board Staff IR # 10, 11, 12, 13, 14, 15, 16, TCIR # 5, 6, 8

Interrogatory responses Energy Probe IR # 2, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, TCIR #13, 14, 20

Interrogatory response VECC IR # 2, 3, 4, 5, 6, TCIR # 2

For the purposes of obtaining complete settlement of all issues, the parties agree that Milton Hydro's proposed 2011 Test Year load forecast is to be increased by a total kWh of 28,897,192 to 730,934,799 kWhs (see Appendix D), up from 702,037,607 kWhs in the pre-filed Evidence (Exhibit 3, Page 26), reflecting the following adjustments:

- The customer count for the General Service 1,000 to 4,999 kW class will be increased to 13 to reflect the actual number of customers in this rate class as of October 2010;
- The kWhs for the Large User customer class will be increased by 36% for 2010 and 5% for 2011; and
- The kWh consumption for the metered customer classes will be reduced by one tenth ( $1/10^{\text{th}}$ ) of Milton Hydro's OEB/OPA directed CDM target of 33.5 million kWhs.

The agreed-upon load forecast is used in the updated cost of power calculation (see Appendix C) of this Agreement, in the billing determinants in rate design and in the updated bill impact tables (see Appendix L).

The Parties have agreed that any revenue deficiency or sufficiency resulting from the implementation of the CDM Target adjustment may be recovered through an LRAM application and the Intervenor will not oppose the filing of such an application.

The Parties recognize that if the Board decides on an adjustment mechanism and/or deferral account on a generic basis specifically to address the energy (kWh) and peak demand (kW) reductions associated with CDM Targets, any new guidelines or filing requirements will supersede the previous methodology.

Is the proposed amount for 2011 Test Year Other Revenue appropriate?

---

**Status: Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 3, Pages 27 to 32

Interrogatory responses VECC TCIR # 7

For the purposes of obtaining complete settlement of all issues, the parties agree that the forecast for Other Revenues in the Test Year should be \$1,459,399, an increase of \$5,750 (see Appendix E) reflecting the following adjustments:

- A total of \$25,000 will be recovered over a four year period on account of revenue from the disposal of assets. In the Application, Milton Hydro had included \$500 in revenue on account of gains on the disposal of utility assets in the 2011 Test Year. Therefore the gain on disposal of utility assets in the 2011 Test Year should be increased by \$5,750, to a 2011 total of \$6,250, with no 50/50 revenue sharing. This increase brings the 2011 recovery to one-quarter of the agreed upon total amount of \$25,000.

3.2. Are the proposed Specific Service Charges for 2010 appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, Page 21

Interrogatory response OEB Staff IR # 17

Interrogatory response VECC IR # 7

For the purposes of obtaining complete settlement of all issues, the Parties accept the Specific Service Charges proposed by Milton Hydro.

#### **4. OPERATING COSTS (Exhibit 4)**

4.1. Are the overall levels of the 2011 Test Year Operation, Maintenance and Administration costs appropriate?

---

**Status: Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 4, Pages 1 to 6

Interrogatory responses Board Staff IRs # 18, 19, 27, 30

Interrogatory responses Energy Probe IR # 4, 38, 39, 45

Interrogatory response SEC IR # 11

For the purposes of obtaining complete settlement of all issues, the Parties agree to a reduction of the OM&A expenditures in the amount of \$214,979 from a forecast of \$6,514,979 proposed in the Application to a forecast of \$6,300,000 for the 2011 Test Year (see Appendix F). This will allow Milton Hydro to maintain its position as a low cost utility while ensuring that its customers will receive a safe and reliable distribution service. The LEAP Emergency Financial Assistance, referred to in the OEB's letter dated October 20, 2010, is included in the OM&A envelope of \$6,300,000.

4.2. Is Milton Hydro's depreciation expense appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 4, Pages 80 to 88  
Settlement Agreement 2.2, 2.3

For the purposes of obtaining complete settlement of all issues, the Parties agree to the following adjustments to the proposed 2011 Test Year depreciation expense:

- An increase of \$40,394 to reflect the agreed-upon changes in the 2010 Bridge Year and the 2011 Test Year capital expenditures in sections 2.2 and 2.3 of this Settlement Agreement. The Depreciation Expense is increased from \$3,616,371 to \$3,656,765 (see Appendix G) due primarily to the disposition of Smart Meters effective with the 2009 audited balances, which now includes a full year of depreciation expense in the 2011 Test Year.

4.3. Is the amount proposed for the 2011 Test Year Payment in Lieu of Taxes, including CCA calculations, appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 4, Pages 89 to 92

Interrogatory response Board Staff IR # 31, 32, 39

Interrogatory responses Energy Probe IR # 47

For the purposes of obtaining complete settlement of all issues, the Parties agree to an overall reduction in grossed-up 2011 Payment in Lieu of Taxes ("PILs") in the amount of \$67,157, reflecting the following adjustments:

- Flow through of agreed upon changes in OM&A expenses and capital expenditures;
- Correction to the classification of computer hardware to the appropriate CCA class (see Energy Probe IR # 46); and
- The Ontario Small Business Deduction ("SBD"). Milton Hydro confirms that the Ontario SBD was taken in the calculations of the PILs. The SBD rate used was 8.5% and this has been corrected to 7.25%.

The Parties also agree to the change in PILs (see Appendix H) from this Agreement for the updated cost of capital for 2011 cost of service applications expected to be approved by the Board in February 2011.

## 5. COST OF CAPITAL (Exhibit 5)

5.1. Are the proposed Capital Structure and Rate of Return on Equity appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 5, Pages 2 to 6

For the purposes of obtaining complete settlement of all issues, the Parties agree that Milton Hydro's proposed debt to equity ratio for rate making purposes of 60% (comprised of 56% long term debt and 4% short term debt) to 40% is appropriate.

For the purposes of its Application, Milton Hydro used the cost of capital parameters applicable to cost of service applications for the 2010 Test Year. This included a Return on Equity of 9.85%. The Parties agree that Milton Hydro's cost of capital parameters will be adjusted to reflect the Board's updated cost of capital parameters for cost of service applications for distribution rates effective May 1, 2011. The updated parameters are expected to be issued by the Board in February 2011.



5.2. Is the proposed Return on Debt appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 5

Interrogatory responses OEB Staff IR # 33, 34

Interrogatory responses Energy Probe IR # 48, TCIR # 19

For the purposes of obtaining complete settlement of all issues, the Parties agree to reduce the forecasted Infrastructure Ontario interest rate on the new debt for the 2010 Bridge Year and the 2011 Test Year from 5.29% to 5.0%. This reduces the deemed interest for the 2011 Test Year from \$1,857,124 to \$1,773,868 and the weighted cost of debt from 5.19% to 5.15%.

For the purposes of its Application, Milton Hydro used the cost of capital parameters applicable to cost of service applications for the 2010 Test Year. This included a Long Term Debt Rate of 5.87% and a Short Term Debt Rate of 2.07%. The Parties agree that Milton Hydro's cost of capital parameters will be adjusted to reflect the Board's updated cost of capital parameters for cost of service applications for distribution rates effective May 1, 2011. The updated parameters are expected to be issued by the Board in February 2011.

## **6. CALCULATION OF REVENUE DEFICIENCY OR SURPLUS (Exhibit 6)**

6.1. Is the Revenue Deficiency for the 2010 Test Year appropriate?

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**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 6

For purposes of obtaining complete settlement of all issues, the parties accept and rely on the calculation by the Applicant of the Test Year revenue deficiency of \$1,080,751 as detailed in Appendix J.

## **7. COST ALLOCATION (Exhibit 7)**

7.1. Is Milton Hydro's cost allocation appropriate?

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**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 7

Interrogatory response OEB Staff IR # 35

Interrogatory response Energy Probe IR # 49

For purposes of obtaining complete settlement of all issues, the Parties accept Milton Hydro's cost allocation.

7.2. Are the proposed revenue-to-cost ratios appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 7, Pages 1 to 9

Interrogatory response OEB Staff IR # 35

Interrogatory response Energy Probe IR # 49

For the purposes of obtaining complete settlement of all issues, the Parties agree to Milton Hydro's Proposed Revenue to Cost Ratios with the following adjustments (see Appendix K):

- The revenue to cost ratio for the General Service >50 to <999 kW customer class will remain at 83.2% as shown in the results of Milton Hydro's original cost allocation model as filed.
- The revenue to cost ratio for the General Service 1,000 to 4,999 kW and the Large User customer classes will be reduced to 115% from 121.4 % and 127.1% respectively; and
- The revenue to cost ratio for the Residential customer class will be reduced from 105.4% to 104.4% to balance the revenue requirement accordingly.

## 8. RATE DESIGN (Exhibit 8)

8.1 Are the proposed customer classes appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, Page 13 to 14

For the purposes of obtaining complete settlement of all issues, the Parties accept that no changes are required to Milton Hydro's existing customer classes.

8.2. Are the customer charges and the fixed-variable splits for each class appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, Pages

Interrogatory responses VECC IR # 10

For the purposes of obtaining complete settlement of all issues, the Parties accept the customer charges and the fixed-variable splits resulting from this Agreement. (see Appendix L).

8.3. Are the customer bill impacts appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, Page 23 and Appendix A

For the purposes of obtaining complete settlement of all issues, the Parties agree that the bill impacts provided in Appendix L of the Agreement are appropriate.

8.4. Are the proposed Retail Transmission Service Rates appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, pages 9 to 10

For the purposes of obtaining complete settlement of all issues, the Parties agree that Milton Hydro's proposed Retail Transmission Service Rates are appropriate.



8.5. Are the proposed Loss Factors appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 8, Pages 11 to 12

Interrogatory Response OEB Staff IR # 36

For the purposes of obtaining complete settlement of all issues, the Parties accept Milton Hydro's proposed loss factors.

## 9. DEFERRAL AND VARIANCE ACCOUNTS (Exhibit 9)

9.1. Are the balances in the Deferral and Variance Accounts appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 9, Pages 3 to 9

Interrogatory responses OEB Staff IR # 2, 38, 39, 41

Interrogatory response VECC IR # 13

For the purposes of obtaining complete settlement of all issues, the Parties accept the balances in Milton Hydro's Deferral and Variance Accounts.

9.2. Are the methods of disposition of the Deferral and Variance Accounts appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 9, Pages 10 to 15

Interrogatory responses OEB Staff IR # 2, 38, 39, 41

Interrogatory response VECC IR # 13

For the purposes of obtaining complete settlement of all issues, the Parties agree that the disposition of the Global Adjustment, which is included in a sub-account of account 1588, should be disposed of differently than the other Deferral and Variance Accounts. The Global Adjustment will be recovered from customers in the following manner:

- From only non-RPP customers;
- The MUSH sector will not be charged this rate as they were only non-RPP customers for two months during the period and the allocation to the MUSH sector is not material; and
- The recovery period will be over one year.

For the purposes of obtaining complete settlement of all issues, the Parties accept that all other Deferral and Variance Accounts will be recovered from or rebated to the customers as proposed by Milton Hydro in the Application, over a one year period.

9.3. Are the Smart Meter charges, disposition rate rider and rate adder appropriate?

---

**Status:** **Complete Settlement**

Supporting Parties: Milton Hydro, Energy Probe, SEC, VECC

Evidence: Exhibit 9, Page 16 to 29

Interrogatory responses OEB Staff IR # 34, 40, 41, 42, 43, TCIR 9, 10, 12

Interrogatory responses Energy Probe IR # 50

Interrogatory responses VECC IRs # 20, 21, 22, 23, 24

For the purposes of obtaining complete settlement of all issues, the Parties agree that Milton Hydro will dispose of its Smart Meter variance account balances based on the 2009 audited balances. The revenue requirement is calculated to the end of the 2010 Bridge Year resulting in an over recovery of \$547,796. The over recovery will be disposed of by way of a rate rider credit over one year in the amount of (\$1.54) and applied to all metered customers. (see Appendix M)

Milton Hydro will continue to use the Smart Meter variance accounts for capital expenditures incurred in the 2010 Bridge Year and the 2011 Test Year and related OM&A costs for disposition at a later date. The Parties agree that the continuation of a Smart Meter Adder is not required.

## Appendix A

### Summary of the Significant Items Adjusted as a Result of this Settlement Agreement

Summary of Significant Items Adjusted			
	Original As per Application A	Settlement Submission B	Difference = B - A
Rate Base	62,142,475	59,787,790	(2,354,685)
<u>Capital Additions</u>			
2010 Bridge Year	16,328,825	15,356,778	(972,047)
2011 Test Year	11,943,579	11,672,404	(271,175)
Other Revenue	1,453,649	1,459,399	5,750
Loss Factor	3.62%	3.62%	no change
Load Forecast (kWh's)	702,037,607	730,934,799	28,897,192
RPP Cost of Power Rate	0.06938	0.06509	(0.00429)
Non-RPP Cost of Power Rate	0.06704	0.06250	(0.00454)
<u>Cost of Capital</u>			
Long Term Debt Rate	5.19%	5.15%	
Short Term Debt Rate	2.07%	2.07%	
Return on Equity	9.85%	9.85%	
Weighted Debt Rate	4.98%	4.94%	
Return on Long Term Debt	1,806,109	1,724,363	(81,745)
Return on Short Term Debt	51,015	49,504	(1,511)
Return on Equity	2,448,414	2,355,639	(92,775)
Total Return on Capital	4,305,538	4,129,507	(176,031)
OM&A Expenses	6,514,979	6,300,000	(214,979)
<u>PST/HST</u>			
OM&A (included in OM&A adjustment)	65,838	83,600	17,762
Capital (included in 2011 Test Year capital adjustment)	222,215	243,263	21,048
<u>Depreciation Expense</u>			
2010 Bridge Year	3,953,062	3,907,910	(45,152)
2011 Test Year	3,616,371	3,656,765	40,394
Smart Meter Disposition \$\$	(598,979)	(547,796)	51,183
Smart Meter Rider (over 4 years)	(0.43)		
Smart Meter Rider (over 1 year)		(1.54)	

Settlement Agreement			
	Original As per Application	Per Settlement	Change
Average Fixed Assets	51,888,834	49,696,889	(2,191,945)
Working Capital Allowance	10,253,641	10,090,901	(162,740)
Rate Base	62,142,475	59,787,790	(2,354,685)
Deemed Long-Term Debt Component %	56%	56%	-
Deemed Short-Term Debt Component %	4%	4%	-
Deemed Equity Component %	40%	40%	-
Long -Term Debt Rate	5.19%	5.15%	-0.04%
Short-Term Debt Rate	2.07%	2.07%	-
Return on Equity	9.85%	9.85%	-
Weighted Average Cost of Capital	4.98%	4.94%	-0.04%
Cost of Capital (Return on Rate Base)	4,305,537	4,129,507	(176,030)
Cost of Power	61,842,630	60,972,676	(869,954)
Deemed Interest	1,857,124	1,773,868	(83,256)
OM&A	6,514,979	6,300,000	(214,979)
PILS	624,945	557,788	(67,157)
Service Revenue Requirement	15,061,832	14,644,060	(417,772)
Revenue Offset	1,453,649	1,459,399	5,750
Base Revenue Requirement	13,608,183	13,184,661	(423,522)
Revenue Deficiency	1,690,053	1,080,751	(609,302)

## **Appendix B**

### **Updated Fixed Asset Continuity Schedules – 2010 Bridge Year & 2011 Test Year**

MILTON HYDRO DISTRIBUTION INC.

Fixed Asset Continuity Schedule (Distribution & Operations)  
As at December 31, 2010

		Cost				Accumulated Depreciation					
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land	69,883			69,883	0			0	69,883
CEC	1806	Land Rights	0			0	0			0	0
47	1808	Buildings and Fixtures	0			0	0			0	0
13	1810	Leasehold Improvements	0			0	0			0	0
47	1815	Transformer Station Equipment - Normally Primary above 50 kV	0			0	0			0	0
47	1820	Distribution Station Equipment - Normally Primary below 50 kV	1,516,192			1,516,192	1,334,708	23,011		1,357,719	158,472
47	1825	Storage Battery Equipment	0			0	0			0	0
47	1830	Poles, Towers and Fixtures	18,270,524	2,929,158		21,199,682	7,463,993	747,009		8,211,002	12,988,679
47	1835	Overhead Conductors and Devices	17,927,909	1,438,086		19,365,995	10,149,797	620,817		10,770,615	8,595,381
47	1840	Underground Conduit	16,836,772	1,635,529		18,472,301	4,961,493	727,009		5,688,501	12,783,800
47	1845	Underground Conductors and Devices	13,960,739	1,020,051		14,980,790	5,021,963	581,687		5,603,649	9,377,141
47	1850	Line Transformers	29,840,722	2,743,025		32,583,747	12,687,454	1,202,311		13,889,765	18,693,982
47	1855	Services	9,799,447	898,261		10,697,708	2,733,208	428,050		3,161,258	7,536,450
47	1860	Meters	5,215,886	3,948,613	6,938	9,157,561	1,941,964	929,410	3,891	2,867,483	6,290,078
N/A	1865	Other Installations on Customer's Premises	0			0	0			0	0
N/A	1905	Land	1,109,265	0		1,109,265	0			0	1,109,265
CEC	1906	Land Rights	0			0	0			0	0
47	1908	Buildings and Fixtures	0			0	0			0	0
13	1910	Leasehold Improvements	280,817	75,000		355,817	56,165	71,163		127,328	228,489
8	1915	Office Furniture and Equipment	620,005	25,000		645,005	567,321	10,912		578,233	66,772
52	1920	Computer Equipment - Hardware	1,468,521	181,752		1,650,273	1,335,227	74,651		1,409,878	240,395
12	1925	Computer Software	381,822	61,470		443,292	329,771	41,054		370,825	72,467
10	1930	Transportation Equipment	1,822,804	285,000		2,107,804	1,441,565	125,321		1,566,886	540,918
8	1935	Stores Equipment	179,526	10,000		189,526	149,997	7,818		157,815	31,711
8	1940	Tools, Shop and Garage Equipment	386,497	23,250		409,747	360,446	7,767		368,212	41,535
8	1945	Measurement and Testing Equipment	31,721			31,721	13,997	3,172		17,169	14,552
8	1950	Power Operated Equipment	0			0	0			0	0
8	1955	Communication Equipment	202,159	12,583		214,742	146,820	11,115		157,935	56,807
8	1960	Miscellaneous Equipment	0			0	0			0	0
47	1970	Load Management Controls - Customer Premises	0			0	0			0	0
47	1975	Load Management Controls - Utility Premises	0			0	0			0	0
47	1980	System Supervisory Equipment	41,545			41,545	41,545			41,545	0
47	1985	Sentinel Lighting Rentals	0			0	0			0	0
47	1990	Other Tangible Property	0	70,000		70,000	0	4,662		4,662	65,338
47	1995	Contributions and Grants	-35,454,436	-4,070,264		(39,524,700)	-6,662,615	-1,564,950		(8,227,565)	(31,297,135)
	2005	Property under Capital Lease	0			0	0			0	0
		<b>Total before Work in Process</b>	<b>84,508,321</b>	<b>11,286,514</b>	<b>6,938</b>	<b>95,787,896</b>	<b>44,074,818</b>	<b>4,051,988</b>	<b>3,891</b>	<b>48,122,915</b>	<b>47,664,982</b>
WIP		Work in Process	1,374,900.71	2,005,000.00	1,374,900.71	2,005,000	0			0	2,005,000
		<b>Total after Work in Process</b>	<b>85,883,221</b>	<b>13,291,514</b>	<b>1,381,839</b>	<b>97,792,896</b>	<b>44,074,818</b>	<b>4,051,988</b>	<b>3,891</b>	<b>48,122,915</b>	<b>49,669,982</b>

10	1930	Transportation
10	1935	Stores
8	1940	Tools
8	1945	Measurement & Testing Equipment

Less: Fully Allocated Depreciation  
Transportation 125,321  
Stores 7,818  
Tools 7,767  
Measurement 3,172  
Net Depreciation 3,907,910



MILTON HYDRO DISTRIBUTION INC.

Fixed Asset Continuity Schedule (Distribution & Operations)  
As at December 31, 2011

		Cost				Accumulated Depreciation						
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value	
N/A	1805	Land	69,883	0		69,883	0			0	69,883	
CEC	1806	Land Rights	0			0	0			0	0	
47	1808	Buildings and Fixtures	0			0	0			0	0	
13	1810	Leasehold Improvements	0			0	0			0	0	
47	1815	Transformer Station Equipment - Normally Primary above 50 kV	0			0	0			0	0	
47	1820	Distribution Station Equipment - Normally Primary below 50 kV	1,516,192			1,516,192	1,357,719	23,011		1,380,730	135,461	
47	1825	Storage Battery Equipment	0			0	0			0	0	
47	1830	Poles, Towers and Fixtures	21,199,682	2,339,288		23,538,970	8,211,002	784,245		8,995,247	14,543,723	
47	1835	Overhead Conductors and Devices	19,365,995	1,435,257		20,801,252	10,770,615	634,560		11,405,174	9,396,078	
47	1840	Underground Conduit	18,472,301	2,189,940		20,662,241	5,688,501	769,380		6,457,881	14,204,360	
47	1845	Underground Conductors and Devices	14,980,790	1,147,536		16,128,326	5,603,649	602,593		6,206,242	9,922,084	
47	1850	Line Transformers	32,583,747	2,399,153		34,982,900	13,889,765	1,217,616		15,107,381	19,875,519	
47	1855	Services	10,697,708	1,033,560		11,731,268	3,161,258	448,700		3,609,958	8,121,310	
47	1860	Meters	9,157,561	289,170		9,446,731	2,867,483	553,960		3,421,443	6,025,288	
N/A	1865	Other Installations on Customer's Premises	0			0	0			0	0	
N/A	1905	Land	1,109,265			1,109,265	0			0	1,109,265	
CEC	1906	Land Rights	0			0	0			0	0	
47	1908	Buildings and Fixtures	0	0		0	0	0		0	0	
13	1910	Leasehold Improvements	355,817			355,817	127,328	71,163		198,491	157,326	
8	1915	Office Furniture and Equipment	645,005	5,000		650,005	578,233	10,624		588,857	61,148	
52	1920	Computer Equipment - Hardware	1,650,273	201,000		1,851,273	1,409,878	86,920		1,496,798	354,475	
12	1925	Computer Software	443,292	210,000		653,292	370,825	70,602		441,426	211,865	
10	1930	Transportation Equipment	2,107,804	210,000		2,317,804	1,566,886	138,446		1,705,332	612,472	
8	1935	Stores Equipment	189,526	10,000		199,526	157,815	8,318		166,133	33,393	
8	1940	Tools, Shop and Garage Equipment	409,747	2,500		412,247	368,212	6,950		375,162	37,085	
8	1945	Measurement and Testing Equipment	31,721			31,721	17,169	3,172		20,341	11,380	
8	1950	Power Operated Equipment	0			0	0			0	0	
8	1955	Communication Equipment	214,742	200,000		414,742	157,935	19,578		177,513	237,229	
8	1960	Miscellaneous Equipment	0			0	0			0	0	
47	1970	Load Management Controls - Customer Premises	0			0	0			0	0	
47	1975	Load Management Controls - Utility Premises	0			0	0			0	0	
47	1980	System Supervisory Equipment	41,545			41,545	41,545			41,545	0	
47	1985	Sentinel Lighting Rentals	0			0	0			0	0	
47	1990	Other Tangible Property	70,000			70,000	4,662	4,667		9,329	60,671	
47	1995	Contributions and Grants	-39,524,700	-3,794,938		(43,319,638)	-8,227,565	-1,640,853		(9,868,418)	(33,451,220)	
	2005	Property under Capital Lease	0			0	0			0	0	
		<b>Total before Work in Process</b>	<b>95,787,896</b>	<b>7,877,466</b>	<b>0</b>	<b>103,665,362</b>	<b>48,122,915</b>	<b>3,813,651</b>	<b>0</b>	<b>51,936,566</b>	<b>51,728,796</b>	
WIP		Work in Process	2,005,000	1,350,000	1,200,000	2,155,000	0			0	2,155,000	
		<b>Total after Work in Process</b>	<b>97,792,896</b>	<b>9,227,466</b>	<b>1,200,000</b>	<b>105,820,362</b>	<b>48,122,915</b>	<b>3,813,651</b>	<b>0</b>	<b>51,936,566</b>	<b>53,883,796</b>	

10	1930	Transportation
10	1935	Stores
8	1940	Tools
8	1945	Measurement & Testing Equipment

Less: Fully Allocated Depreciation	
Transportation	138,446
Stores	8,318
Tools	6,950
Measurement	3,172
Net Depreciation	<u>3,656,765</u>

**Appendix C**  
**Updated Cost of Power**

<u>Electricity - Commodity</u>		2011 RPP Forecasted Metered kWhs	2011 Loss Factor	2011		
Class per Load Forecast				2011		
Residential		231,771,694	1.0362	240,159,801	\$0.06509	\$15,632,564
GS<50kW		65,980,276	1.0362	68,368,185	\$0.06509	\$4,450,245
GS>50-999kW		30,943,664	1.0362	32,063,553	\$0.06509	\$2,087,092
GS>1000-4999		2,970,096	1.0362	3,077,587	\$0.06509	\$200,327
Large Users		-0	1.0148	-0	\$0.06509	(\$0)
Sentinel Lighting		115,553	1.0362	119,735	\$0.06509	\$7,794
Street Lighting		4,067,818	1.0362	4,215,038	\$0.06509	\$274,367
Unmetered Scattered Load		0	1.0362	0	\$0.06509	\$0
TOTAL		335,849,101		348,003,899		\$22,652,390
<u>Electricity - Commodity</u>		2011 Non-RPP Forecasted Metered kWhs	2011 Loss Factor	2011		
Class per Load Forecast				2011		
Residential		28,636,370	1.0362	29,672,756	\$0.06250	\$1,854,547
GS<50kW		9,623,427	1.0362	9,971,711	\$0.06250	\$623,232
GS>50-999kW		157,745,989	1.0362	163,455,013	\$0.06250	\$10,215,938
GS>1000-4999		109,553,257	1.0362	113,518,127	\$0.06250	\$7,094,883
Large Users		85,702,235	1.0148	86,973,885	\$0.06250	\$5,435,868
Sentinel Lighting		51,635	1.0362	53,503	\$0.06250	\$3,344
Street Lighting		2,252,969	1.0362	2,334,506	\$0.06250	\$145,907
Unmetered Scattered Load		1,519,815	1.0362	1,574,819	\$0.06250	\$98,426
TOTAL		395,085,698		407,554,321		\$25,472,145
<u>Transmission - Network</u>			Volume Metric	2011		
Class per Load Forecast				2011		
Residential			kWh	269,832,558	\$0.0059	\$1,592,012
GS<50kW			kWh	78,339,896	\$0.0054	\$423,035
GS>50-999kW			kW	511,697	\$2.4305	\$1,243,680
GS>1000-4999			kW	230,486	\$2.3905	\$550,978
Large Users			kW	188,668	\$2.5886	\$488,385
Sentinel Lighting			kW	465	\$1.6545	\$770
Street Lighting			kW	17,810	\$1.6461	\$29,316
Unmetered Scattered Load			kWh	1,574,819	\$0.0054	\$8,504
TOTAL						\$4,336,681
<u>Transmission - Connection</u>			Volume Metric	2011		
Class per Load Forecast				2011		
Residential			kWh	269,832,558	\$0.0047	\$1,268,213
GS<50kW			kWh	78,339,896	\$0.0042	\$329,028
GS>50-999kW			kW	511,697	\$1.9383	\$991,823
GS>1000-4999			kW	230,486	\$1.9066	\$439,445
Large Users			kW	188,668	\$2.1323	\$402,296
Sentinel Lighting			kW	465	\$1.3312	\$619
Street Lighting			kW	17,810	\$1.3038	\$23,220
Unmetered Scattered Load			kWh	1,574,819	\$0.0042	\$6,614
TOTAL						\$3,461,259
<u>Wholesale Market Service</u>				2011		
Class per Load Forecast				2011		
Residential				269,832,558	\$0.0052	\$1,403,129
GS<50kW				78,339,896	\$0.0052	\$407,367
GS>50-999kW				195,518,567	\$0.0052	\$1,016,697
GS>1000-4999				116,595,714	\$0.0052	\$606,298
Large Users				86,973,885	\$0.0052	\$452,264
Sentinel Lighting				173,239	\$0.0052	\$901
Street Lighting				6,549,544	\$0.0052	\$34,058
Unmetered Scattered Load				1,574,819	\$0.0052	\$8,189
TOTAL						\$3,928,903
<u>Rural Rate Assistance</u>				2011		
Class per Load Forecast				2011		
Residential				269,832,558	\$0.0013	\$350,782
GS<50kW				78,339,896	\$0.0013	\$101,842
GS>50-999kW				195,518,567	\$0.0013	\$254,174
GS>1000-4999				116,595,714	\$0.0013	\$151,574
Large Users				86,973,885	\$0.0013	\$113,066
Sentinel Lighting				173,239	\$0.0013	\$225
Street Lighting				6,549,544	\$0.0013	\$8,514
Unmetered Scattered Load				1,574,819	\$0.0013	\$2,047
TOTAL						\$982,226
<u>Low Voltage Service Rate</u>			Volume Metric	2011		
Class per Load Forecast				2011		
Low Voltage sub-Transmission			kWh	208,668	\$0.6300	\$131,461
Monthly Fixed charge	(3 feeders)			36	\$211.4700	\$7,613
TOTAL						\$139,074
Cost of Power Summary		2011				
Cost of Power Account		\$\$\$				
4705-Power Purchased		48,124,535				
4708-Charges-WMS		3,928,903				
4714-Charges-NW		4,336,681				
4716-Charges-CN		3,461,259				
4730-Rural Rate Assistance		982,226				
4750-Low Voltage		139,074				
TOTAL		60,972,676				

**Appendix D**  
**2011 Test Year Updated Load Forecast**

Milton Hydro Customer Class Load Forecast			
Description	Original As per Application	As per Settlement	Change
<b>2011 Test Year Billed kWh</b>	702,037,607	730,934,799	28,897,192
<b>By Class</b>			
<b>Residential Customers kWh</b>	27,832 258,520,606	27,832 260,408,065	- 1,887,459
<b>General Service &lt; 50 kW Customers kWh</b>	2,315 75,044,767	2,315 75,603,703	(0) 558,936
<b>General Service &gt; 50 to 999 kW Customers kWh kW</b>	299 187,300,109 507,929	299 188,689,653 511,697	(0) 1,389,544 3,768
<b>General Service &gt; 1000 to 4999 kW Customers kWh kW</b>	11 94,342,584 193,246	13 112,523,353 230,486	2 18,180,769 37,240
<b>Large User &gt; 4999 kW Customers kWh kW</b>	2 78,821,751 173,521	2 85,702,235 188,668	- 6,880,484 15,147
<b>Streetlights Connections kWh kW</b>	2,895 6,320,787 17,810	2,895 6,320,787 17,810	0 (0) (0)
<b>Sentinel Lights Connections kWh kW</b>	270 167,188 465	270 167,188 465	0 0 0
<b>Unmetered Loads Connections kWh</b>	208 1,519,815	208 1,519,815	(0) 0
<b>Total of Above Customer/Connections kWh kW from applicable classes</b>	33,832 702,037,607 892,971	33,834 730,934,799 949,126	2 28,897,192 56,155

## Appendix E

### 2011 Test Year Updated Other Revenue

Other Revenue			
Description	2011 Test Year as Filed	2011 As Proposed	Change
4082 - Retail Service Revenue	35,784	35,784	0
4084 - Service Transaction Requests (STR) Revenues	1,085	1,085	0
4090 - Electric Services Incidental to Energy Sales			0
4210 - Rent from Electric Property - Pole Attachments	135,213	135,213	0
4215 - Other Utility Operating Income - SSS Admin	75,804	75,804	0
4225 - Late Payment Charges	156,670	156,670	0
4235 - Miscellaneous Service Revenues	403,492	403,492	0
4355 - Gain on Disposition of Utility and Other Property	1,000	6,250	5,250
4375 - Revenue from Non Utility Operations	469,714	469,714	0
4380 - Expenses from Non Utility Operations	(438,714)	(438,714)	0
4390 - Miscellaneous Non-Operating Income	600,101	600,101	0
4405 - Interest and Dividend Income	45,000	45,000	0
<b>Base Distribution Revenue</b>	<b>1,485,149</b>	<b>1,490,399</b>	<b>5,250</b>
<b>Revenue Offsets</b>			
Less: 4375 Revenue from Non Utility Operations	(469,714)	(469,714)	0
Less: 4380 Expenses from Non Utility Operations	438,714	438,714	0
Less: 4355 Gain on Disposition of Utility & Other Property	(500)	0	500
<b>Total Revenue Offsets</b>	<b>(31,500)</b>	<b>(31,000)</b>	<b>500</b>
<b>Total Other Revenue with Offsets</b>	<b>1,453,649</b>	<b>1,459,399</b>	<b>5,750</b>
<b>Other Distribution Revenue</b>			
Late Payment Charges	156,670	156,670	0
Specific Service Charges	36,869	36,869	0
Interest Income	45,000	45,000	0
Other Distribution Revenue	1,215,110	1,220,860	5,750
<b>Other Revenue</b>	<b>1,453,649</b>	<b>1,459,399</b>	<b>5,750</b>

**Appendix F**  
**2011 Test Year Updated OM&A**

**Change in Operations, Maintenance & Administration**

Description	As per Application	As per Settlement Agreement	Change
<b>Operations</b>	876,809	876,809	-
<b>Maintenance</b>	1,234,930	1,234,930	-
<b>Billing &amp; Collecting</b>	1,818,688	1,818,688	-
<b>Community Relations</b>	10,679	10,679	-
<b>Administration &amp; General Expense</b>	2,573,873	2,573,873	-
<b>OM&amp;A Adjustment difference</b>		(214,979)	(214,979)
<b>Total OM&amp;A</b>	6,514,979	6,300,000	(214,979)

## **Appendix G**

### **2010 Bridge Year & 2011 Test Year Updated Depreciation Expense**

MILTON HYDRO DISTRIBUTION INC.

Depreciation Expense Continuity Schedule (Distribution & Operations)  
As at December 31, 2010

CCA Class	OEB	Description	A Opening Balance	B Less Fully Depreciated	C = A-B Net for Depreciation	D Additions	D1 Book Adjustment for Stranded Meters	E=C + D+D1 Total for Depreciation	F Years	G = E/F Depreciation
N/A	1805	Land	69,883		69,883			69,883	N/A	0
CEC	1806	Land Rights	0					0		
1	1808	Buildings and Fixtures	0					0		
	1810	Leasehold Improvements	0					0		
	1815	Transformer Station Equipment - Normally Primary above 50 kV	0					0		
1	1820	Distribution Station Equipment - Normally Primary below 50 kV	1,516,192	825,858	690,334			690,334	30	23,011
	1825	Storage Battery Equipment	0	0				0		
1	1830	Poles, Towers and Fixtures	18,270,524	2,524,446	15,746,077	2,929,158		18,675,235	25	747,009
1	1835	Overhead Conductors and Devices	17,927,909	3,845,568	14,082,342	1,438,086		15,520,428	25	620,817
1	1840	Underground Conduit	16,836,772	297,087	16,539,685	1,635,529		18,175,214	25	727,009
1	1845	Underground Conductors and Devices	13,960,739	438,623	13,522,116	1,020,051		14,542,167	25	581,687
1	1850	Line Transformers	29,840,722	2,525,981	27,314,742	2,743,025		30,057,767	25	1,202,311
1	1855	Services	9,799,447		9,799,447	898,261		10,697,708	25	428,050
1	1860	Meters	5,215,886	345,983	4,869,903	3,948,613	-3,047	8,815,470	25/15	929,410
	1865	Other Installations on Customer's Premises	0		0			0		
N/A	1905	Land	1,109,265		1,109,265	0		1,109,265	N/A	
CEC	1906	Land Rights	0		0			0		
1	1908	Buildings and Fixtures	0		0			0		
	1910	Leasehold Improvements	280,817		280,815	75,000		355,815	5	71,163
8	1915	Office Furniture and Equipment	620,005	535,885	84,120	25,000		109,120	10	10,912
45	1920	Computer Equipment - Hardware	1,468,521	1,277,018	191,503	181,752		373,255	5	74,651
12	1925	Computer Software	381,822	320,130	61,692	61,470		123,162	3	41,054
10	1930	Transportation Equipment	1,822,804	1,293,218	529,587	285,000		814,587	5/8	125,321
10	1935	Stores Equipment	179,526	111,346	68,180	10,000		78,180	10	7,818
8	1940	Tools, Shop and Garage Equipment	386,497	332,080	54,417	23,250		77,667	10	7,767
	1945	Measurement and Testing Equipment	31,721	1	31,720			31,720	10	3,172
	1950	Power Operated Equipment	0	0	0			0		
10	1955	Communication Equipment	202,159	103,592	98,567	12,583		111,150	10	11,115
	1960	Miscellaneous Equipment	0		0			0		
	1970	Load Management Controls - Customer Premises	0		0			0		
	1975	Load Management Controls - Utility Premises	0		0			0		
	1980	System Supervisory Equipment	41,545	41,545	0			0	15	
	1985	Sentinel Lighting Rentals	0		0			0		
	1990	Other Tangible Property	0			70,000		70,000	15	4,662
1	1995	Contributions and Grants	-35,454,436	-400,950	-35,053,486	-4,070,264		-39,123,750	25	-1,564,950
	2005	Property under Capital Lease						0		
	WIP		1,374,901	1,374,901	-0	2,005,000		2,005,000	N/A	0
		<b>Total</b>	<b>85,883,221</b>	<b>15,792,312</b>	<b>70,090,908</b>	<b>13,291,514</b>	<b>(3,047)</b>	<b>83,379,375</b>		<b>4,051,988</b>

Less: Fully Allocated Depreciation

Transportation	125,321
Stores	7,818
Tools	7,767
Measurment	3,172
Net Depreciation	3,907,910



MILTON HYDRO DISTRIBUTION INC.

Depreciation Expense Continuity Schedule (Distribution & Operations)  
As at December 31, 2011

CCA Class	OEB	Description	A Opening Balance	B Less Fully Depreciated	C = A-B Net for Depreciation	D Additions	E=C+ (.5* D) Total for Depreciation	F Years	G = E/F Depreciation
N/A	1805	Land	69,883		69,883		69,883	N/A	0
CEC	1806	Land Rights	0				0		
1	1808	Buildings and Fixtures	0				0		
	1810	Leasehold Improvements	0				0		
	1815	Transformer Station Equipment - Normally Primary above 50 kV	0				0		
1	1820	Distribution Station Equipment - Normally Primary below 50 kV	1,516,192	825,858	690,334		690,334	30	23,011
	1825	Storage Battery Equipment	0	0			0		
1	1830	Poles, Towers and Fixtures	21,138,439	2,763,307	18,375,132	2,339,288	19,544,881	25	784,245
1	1835	Overhead Conductors and Devices	19,327,111	4,219,230	15,107,881	1,435,257	15,825,120	25	634,560
1	1840	Underground Conduit	18,472,301	332,775	18,139,526	2,189,940	19,234,496	25	769,380
1	1845	Underground Conductors and Devices	14,980,790	489,736	14,491,054	1,147,536	15,064,822	25	602,593
1	1850	Line Transformers	32,583,747	3,342,917	29,240,831	2,399,153	30,440,407	25	1,217,616
1	1855	Services	10,697,708		10,697,708	1,033,560	11,214,488	25	448,700
1	1860	Meters	9,157,561	421,861	8,735,699	289,170	8,880,284	25/15	553,960
	1865	Other Installations on Customer's Premises	0		0		0		
N/A	1905	Land	1,109,265		1,109,265		1,109,265	N/A	
CEC	1906	Land Rights	0		0		0		
1	1908	Buildings and Fixtures	0		0	0	0	50	0
	1910	Leasehold Improvements	355,817		355,817		355,817	5	71,163
8	1915	Office Furniture and Equipment	645,005	541,266	103,740	5,000	106,240	10	10,624
45	1920	Computer Equipment - Hardware	1,650,273	1,417,165	233,108	201,000	333,608	5	86,920
12	1925	Computer Software	443,292	336,487	106,805	210,000	211,805	3	70,602
10	1930	Transportation Equipment	2,107,804	1,293,218	814,586	210,000	919,586	5/8	138,446
10	1935	Stores Equipment	189,526	111,346	78,180	10,000	83,180	10	8,318
8	1940	Tools, Shop and Garage Equipment	409,747	341,497	68,250	2,500	69,500	10	6,950
	1945	Measurement and Testing Equipment	31,721	0	31,721		31,721	10	3,172
	1950	Power Operated Equipment	0	0	0		0		
10	1955	Communication Equipment	214,742	118,962	95,780	200,000	195,780	10	19,578
	1960	Miscellaneous Equipment	0		0		0		
	1970	Load Management Controls - Customer Premises	0		0		0		
	1975	Load Management Controls - Utility Premises	0		0		0		
	1980	System Supervisory Equipment	41,545	41,545	0		0	15	
	1985	Sentinel Lighting Rentals	0		0		0		
	1990	Other Tangible Property	70,000		70,000		70,000	15	4,667
1	1995	Contributions and Grants	-39,524,700	-400,950	-39,123,750	-3,794,938	-41,021,219	25	-1,640,853
	2005	Property under Capital Lease					0		
	WIP		1,200,000	1,200,000	0	1,200,000	1,200,000	N/A	0
		<b>Total</b>	<b>96,887,769</b>	<b>17,396,220</b>	<b>79,491,549</b>	<b>9,077,466</b>	<b>84,629,997</b>		<b>3,813,651</b>

Less: Fully Allocated Depreciation

Transportation	138,446
Stores	8,318
Tools	6,950
Measurement	3,172
Net Depreciation	<u>3,656,765</u>

**Appendix H**  
**2011 Test Year Updated PILs**

### Schedule 8 CCA Bridge Year

Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA	UCC End of Bridge Year
1	Distribution System - post 1987	\$ 27,664,939	\$ -	\$ -	\$ 27,664,939	\$ -	\$ 27,664,939	4%	\$ 1,106,598	\$ 26,558,341
2	Distribution System - pre 1988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	\$ 3,650,176	\$ 70,833	\$ -	\$ 3,721,009	\$ 35,417	\$ 3,685,593	20%	\$ 737,119	\$ 2,983,891
10	Computer Hardware/ Vehicles	\$ 418,034	\$ 285,000	\$ -	\$ 703,034	\$ 142,500	\$ 560,534	30%	\$ 168,160	\$ 534,874
10.1	Certain Automobiles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software	\$ 36,123	\$ 61,470	\$ -	\$ 97,593	\$ 30,735	\$ 66,858	100%	\$ 66,858	\$ 30,735
13	Leasehold Improvements	\$ 252,735	\$ 75,000	\$ -	\$ 327,735	\$ 37,500	\$ 290,235	5%	\$ 14,512	\$ 313,223
13.2	Lease #2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4	\$ -	\$ -
13.3	Lease # 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3	\$ -	\$ -
13.4	Lease # 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4	\$ -	\$ -
14	Franchise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7	\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8%	\$ -	\$ -
52	Computer Hardware	\$ -	\$ 181,752	\$ -	\$ 181,752	\$ 181,752	\$ 181,752	100%	\$ 181,752	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	\$ 17,030	\$ -	\$ -	\$ 17,030	\$ -	\$ 17,030	45%	\$ 7,664	\$ 9,367
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 16,934,407	\$ 10,612,459	\$ 6,938	\$ 27,539,928	\$ 5,299,291	\$ 22,240,637	8%	\$ 1,779,251	\$ 25,760,677
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 18,067	\$ -	\$ -	\$ 18,067	\$ -	\$ 18,067	55%	\$ 9,937	\$ 8,130
95	cwip	\$ 1,374,901	\$ 2,005,000	\$- 1,374,901	\$ 2,005,000	\$ -	\$ 2,005,000		\$ -	\$ 2,005,000
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
	TOTAL	\$ 50,366,412	\$ 13,291,514	\$- 1,381,839	\$ 62,276,087	\$ 5,727,195	\$ 56,730,644		\$ 4,071,849	\$ 58,204,238

### Schedule 8 CCA Test Year

Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	\$ 26,558,341	\$ -	\$ -	\$ 26,558,341	\$ -	\$ 26,558,341	4%	\$ 1,062,334	\$ 25,496,008
2	Distribution System - pre 1988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	\$ 2,983,891	\$ 217,500	\$ -	\$ 3,201,391	\$ 108,750	\$ 3,092,641	20%	\$ 618,528	\$ 2,582,862
10	Computer Hardware/ Vehicles	\$ 534,874	\$ 210,000	\$ -	\$ 744,874	\$ 105,000	\$ 639,874	30%	\$ 191,962	\$ 552,912
10.1	Certain Automobiles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software	\$ 30,735	\$ 210,000	\$ -	\$ 240,735	\$ 105,000	\$ 135,735	100%	\$ 135,735	\$ 105,000
13	Leasehold Improvements	\$ 313,223	\$ -	\$ -	\$ 313,223	\$ -	\$ 313,223	5%	\$ 15,661	\$ 297,562
13.2	Lease #2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
13.3	Lease # 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
13.4	Lease # 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
14	Franchise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8%	\$ -	\$ -
52	Computer Hardware	\$ -	\$ 201,000	\$ -	\$ 201,000	\$ 100,500	\$ 100,500	55%	\$ 55,275	\$ 145,725
45	Computers & Systems Software acq'd post Mar 22/04	\$ 9,367	\$ -	\$ -	\$ 9,367	\$ -	\$ 9,367	45%	\$ 4,215	\$ 5,152
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 25,760,677	\$ 7,038,966	\$ -	\$ 32,799,643	\$ 3,519,483	\$ 29,280,160	8%	\$ 2,342,413	\$ 30,457,230
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 8,130	\$ -	\$ -	\$ 8,130	\$ -	\$ 8,130	55%	\$ 4,472	\$ 3,659
95	cwip	\$ 2,005,000	\$ 1,350,000	\$ 1,200,000	\$ 2,155,000	\$ -	\$ 2,155,000		\$ -	\$ 2,155,000
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
	TOTAL	\$ 58,204,238	\$ 9,227,466	\$ 1,200,000	\$ 66,231,704	\$ 3,938,733	\$ 62,292,971		\$ 4,430,594	\$ 61,801,109

## Taxable Income Test Year

	T2 S1 line #	Test Year Income	Taxable Income
<b>Net Income Before Taxes</b>			2,355,639
<b>Additions:</b>			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104		3,813,651
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		
Charitable donations	112		
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		3,625
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves beginning of year	125		
Reserves from financial statements- balance at end of year	126		364,892
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
<i>Other Additions: (please explain in detail the nature of the item)</i>			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
Co-op/Apprentice Credit	294		52,231
	295		
	296		
	297		
<b>Total Additions</b>			<b>4,234,399</b>
<b>Deductions:</b>			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403		4,430,594
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10 CEC	405		
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413		
Reserves from financial statements - balance at beginning of year	414		364,892
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<i>Other deductions: (Please explain in detail the nature of the item)</i>			
Interest capitalized for accounting deducted for tax	390		
Capital Lease Payments	391		
Non-taxable imputed interest income on deferral and variance accounts	392		
	393		
	394		
	395		
	396		
	397		
<b>Total Deductions</b>			<b>4,795,486</b>
<b>NET INCOME FOR TAX PURPOSES</b>			<b>1,794,552</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of preceding taxation years from Schedule 7-1	331		
Net-capital losses of preceding taxation years (Please show calculation)	332		
Limited partnership losses of preceding taxation years from Schedule 4	335		
<b>REGULATORY TAXABLE INCOME</b>			<b>1,794,552</b>

## PILs, Tax Provision

					Wires Only			
Regulatory Taxable Income					\$ 1,794,552		A	
Ontario Income Taxes								
Income tax payable	Ontario income tax	11.75%	B	\$ 210,860	C = A * B			
Small business credit	Ontario Small Business Threshold	\$ 500,000	D					
	Rate reduction	-7.25%	E	-\$ 36,250	F = D * E			
Surtax		\$ 1,000,000	G = A - D					
	Ontario surtax claw-back		H	\$ -	I = G * H			
Ontario Income tax					\$ 174,610		J = C + F + I	
Combined Tax Rate and PILs								
	Effective Ontario Tax Rate			9.73000%	K = J / A			
	Federal tax rate			16.50%	L			
	Combined tax rate				26.23%		M = L + L	
Total Income Taxes					\$ 470,711		N = A * M	
Investment Tax Credits					\$ 7,000		O	
Miscellaneous Tax Credits					\$ 52,231		P	
Total Tax Credits					\$ 59,231		Q = O + P	
Corporate PILs/Income Tax Provision for Test Year					\$ 411,480		R = N - Q	
Corporate PILs/Income Tax Provision Gross Up		73.77%	S = 1 - M	\$ 146,308		T = R / S - N		
Income Tax (grossed-up)					\$ 557,788		U = R + T	
Ontario Capital Tax (not grossed-up)					\$ -		V	
Tax Provision for Test Year Rate Recovery					\$ 557,788		W = U + V	

## Appendix I

### 2011 Test Year Updated Cost of Capital

#### Debt & Capital Cost Structure

Weighted Debt Cost								
Description	Debt Holder	Affiliated with LDC?	Date of Issuance	Principal	Term (Years)	Rate%	Year Applied to	Interest Cost
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		7.25%	2006	1,082,730
		N					2006	0
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		7.25%	2007	1,082,730
		N					2007	0
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		7.25%	2008	1,082,730
		N					2008	0
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		7.25%	2009	1,082,730
		N					2009	0
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		7.25%	2010	1,082,730
Infrastructure Ontario	Infrastructure Ontario	N	April 1, 2010	285,000	5	3.02%	2010	6,455
Infrastructure Ontario	Infrastructure Ontario	N	April 1, 2010	2,880,057	15	4.49%	2010	96,986
Infrastructure Ontario	Infrastructure Ontario	N	July 15, 2010	4,000,000	25	4.84%	2010	96,800
Infrastructure Ontario	Infrastructure Ontario	N	December 1, 2010	3,000,000	25	5.00%	2010	50,000
Shareholder Loan	Town of Milton	Y	October 1,2000	14,934,210		5.87%	2011	876,638
Infrastructure Ontario	Infrastructure Ontario	N	April 1, 2010	235,000	4 yrs left	3.02%	2011	7,097
Infrastructure Ontario	Infrastructure Ontario	N	April 1, 2010	2,741,906	14 yrs left	4.49%	2011	123,112
Infrastructure Ontario	Infrastructure Ontario	N	July 15, 2010	3,915,012	24 yrs left	4.84%	2011	189,487
Infrastructure Ontario	Infrastructure Ontario	N	December 1, 2010	2,925,000	24 yrs left	5.00%	2011	146,250
Infrastructure Ontario	Infrastructure Ontario	N	June 1, 2011	3,037,200	25	5.00%	2011	88,585
								0
								0
								0
								0
								0
2006 Total Long Term Debt				14,934,210	Total Interest Cost for 2006		1,082,730	
					Weighted Debt Cost Rate for 2006		7.25%	
2007 Total Long Term Debt				14,934,210	Total Interest Cost for 2007		1,082,730	
					Weighted Debt Cost Rate for 2007		7.25%	
2008 Total Long Term Debt				14,934,210	Total Interest Cost for 2008		1,082,730	
					Weighted Debt Cost Rate for 2008		7.25%	
2009 Total Long Term Debt				14,934,210	Total Interest Cost for 2009		1,082,730	
					Weighted Debt Cost Rate for 2009		7.25%	
2010 Total Long Term Debt				25,099,267	Total Interest Cost for 2010		1,332,971	
					Weighted Debt Cost Rate for 2010		5.31%	
2011 Total Long Term Debt				27,788,328	Total Interest Cost for 2011		1,431,168	
					Weighted Debt Cost Rate for 2011		5.15%	

**Deemed Capital Structure for 2011**

Description	\$	% of Rate Base	Rate of Return	Return
Long Term Debt	33,481,163	56.00%	5.15%	1,724,363
Unfunded Short Term Debt	2,391,512	4.00%	2.07%	49,504
Total Debt	35,872,674	60.00%		1,773,868
Common Share Equity	23,915,116	40.00%	9.85%	2,355,639
Total equity	23,915,116	40.00%		2,355,639
Total Rate Base	59,787,790	100.00%	6.91%	4,129,507



## Appendix J

### 2011 Test Year Updated Revenue Deficiency

#### MILTON HYDRO DISTRIBUTION INC. Revenue Deficiency Determination

Description	2010 Bridge Year Actual	2011 Test Year Existing Rates	2011 Test Year Required Revenue
<b>Revenue</b>			
Revenue Deficiency			1,080,751
Distribution Revenue includes Smart Meter Rev. Req.	13,408,778	12,103,910	12,103,910
Other Operating Revenue (Net)	1,320,890	1,459,399	1,459,399
<b>Total Revenue</b>	<b>14,729,669</b>	<b>13,563,309</b>	<b>14,644,060</b>
<b>Costs and Expenses</b>			
Administrative & General, Billing & Collecting	4,081,901	4,403,240	4,403,240
Operation & Maintenance	2,166,850	1,896,760	1,896,760
Depreciation & Amortization	3,907,910	3,656,765	3,656,765
Property Taxes	0	0	0
Capital Taxes	29,896	0	0
Deemed Interest	1,748,153	1,773,868	1,773,868
<b>Total Costs and Expenses</b>	<b>11,934,711</b>	<b>11,730,633</b>	<b>11,730,633</b>
Less OCT Included Above	29,896	0	0
<b>Total Costs and Expenses Net of OCT</b>	<b>11,964,607</b>	<b>11,730,633</b>	<b>11,730,633</b>
<b>Utility Income Before Income Taxes</b>	<b>2,765,062</b>	<b>1,832,676</b>	<b>2,913,427</b>
<b>Income Taxes:</b>			
Corporate Income Taxes	809,426	301,520	557,788
<b>Total Income Taxes</b>	<b>809,426</b>	<b>301,520</b>	<b>557,788</b>
<b>Utility Net Income</b>	<b>1,955,636</b>	<b>1,531,156</b>	<b>2,355,639</b>
<b>Capital Tax Expense Calculation:</b>			
Total Rate Base	54,861,594	59,787,790	59,787,790
Exemption	0	0	0
Deemed Taxable Capital	<b>54,861,594</b>	<b>59,787,790</b>	<b>59,787,790</b>
Ontario Capital Tax	29,896	0	0
<b>Income Tax Expense Calculation:</b>			
Accounting Income	2,765,062	1,832,676	2,913,427
Tax Adjustments to Accounting Income	40,591	-561,087	-561,087
<b>Taxable Income</b>	<b>2,805,652</b>	<b>1,271,589</b>	<b>2,352,339</b>
<b>Income Tax Expense</b>	<b>809,426</b>	<b>301,520</b>	<b>557,788</b>
<b>Tax Rate Reflecting Tax Credits</b>	<b>28.85%</b>	<b>23.71%</b>	<b>23.71%</b>
<b>Actual Return on Rate Base:</b>			
Rate Base	54,861,594	59,787,790	59,787,790
Interest Expense	1,748,153	1,773,868	1,773,868
Net Income	1,955,636	1,531,156	2,355,639
<b>Total Actual Return on Rate Base</b>	<b>3,703,789</b>	<b>3,305,024</b>	<b>4,129,507</b>
<b>Actual Return on Rate Base</b>	<b>6.75%</b>	<b>5.53%</b>	<b>6.91%</b>
<b>Required Return on Rate Base:</b>			
Rate Base	54,861,594	59,787,790	59,787,790
<b>Return Rates:</b>			
Return on Debt (Weighted)	5.31%	4.94%	4.94%
Return on Equity	9.00%	9.85%	9.85%
Deemed Interest Expense	1,748,153	1,773,868	1,773,868
Return On Equity	1,975,017	2,355,639	2,355,639
<b>Total Return</b>	<b>3,723,170</b>	<b>4,129,507</b>	<b>4,129,507</b>
<b>Expected Return on Rate Base</b>	<b>6.79%</b>	<b>6.91%</b>	<b>6.91%</b>
<b>Revenue Deficiency After Tax</b>	<b>19,381</b>	<b>824,483</b>	<b>-0</b>
<b>Revenue Deficiency Before Tax</b>	<b>27,240</b>	<b>1,080,751</b>	<b>-0</b>

<b>Tax Exhibit</b>	<b>2011</b>
Deemed Utility Income	2,355,639
Tax Adjustments to Accounting Income	(561,087)
<b>Taxable Income prior to adjusting revenue to PILs</b>	<b>1,794,552</b>
Tax Rate	23.71%
Total PILs before gross up	425,525
<b>Grossed up PILs</b>	<b>557,788</b>

**Appendix K**  
**2011 Test Year Updated Revenue to Cost Ratios**

MILTON HYDRO DISTRIBUTION INC.

Class	Dist Rev At Existing Rates % (per Application)	Dist Rev At Existing Rates % (per Settlement)	Fixed Distribution Revenue (per Application)	Fixed Distribution Revenue (per Settlement)	Variable Distribution Revenue (per Application)	Variable Distribution Revenue (per Settlement)	Transformer Allowance (per Application)	Transformer Allowance (per Settlement)	Gross Dist. Rev. (per Application)	Gross Dist. Rev. (per Settlement)	Cost Ratios per Cost Allocation Model	Cost Ratios per Cost Allocation Model (per Settlement)
Residential	63.93%	64.61%	4,991,751	4,872,916	3,707,307	3,645,473			8,699,058	8,518,390	104.0%	104.4%
GS < 50 kW	13.21%	13.08%	460,534	439,352	1,336,709	1,284,727			1,797,243	1,724,079	99.4%	99.4%
GS >50 to 999 kW	12.91%	11.43%	310,582	264,785	1,446,260	1,242,150	41,349	41,656	1,798,191	1,548,591	85.1%	83.2%
GS >1000 to 4999 kW	4.64%	5.35%	136,070	142,799	495,209	563,227	111,058	127,189	742,337	833,215	121.4%	115.0%
Large Use	3.97%	4.19%	101,268	96,916	438,335	456,114			539,603	553,029	127.1%	115.0%
Sentinel Lights	0.07%	0.07%	4,801	4,587	5,165	4,934			9,966	9,521	18.9%	44.4%
Street Lighting	0.94%	0.92%	39,091	37,218	88,543	84,302			127,633	121,520	13.2%	41.6%
Unmetered and Scattered	0.34%	0.34%	19,990	19,390	26,569	25,771			46,559	45,161	110.2%	110.0%
<b>100%</b>	<b>100%</b>		<b>6,064,087</b>	<b>5,877,962</b>	<b>7,544,097</b>	<b>7,306,698</b>	<b>152,407</b>	<b>168,844</b>	<b>13,760,590</b>	<b>13,353,505</b>		

## Appendix L

### Summary of Updated Customer Impacts

Bill Impact Summary								
Class	Typical kWh Usage	Typical kW Demand	Delivery Charge Impact % as per Application	Delivery Charge Impact % as per Settlement	Change	Total Bill Impact % as per Application	Total Bill Impact % as per Settlement	Change
Residential	800		7.43%	2.07%	-5.36%	2.46%	0.74%	-1.72%
General Service < 50kW	2,000		14.57%	8.87%	-5.70%	4.04%	2.34%	-1.70%
General Service > 50 -999kW	200,000	500	20.41%	12.67%	-7.74%	2.88%	1.82%	-1.06%
General Service > 1000 - 4999kW	1,600,000	4,000	16.14%	13.56%	-2.58%	2.65%	2.24%	-0.41%
Large Use	3,100,000	7,500	10.86%	8.80%	-2.06%	1.09%	0.75%	-0.34%
Streetlighting	526,732	1,484	233.43%	221.56%	-11.87%	21.45%	20.37%	-1.08%
Sentinel Lighting	50	1	379.76%	361.98%	-17.78%	160.76%	153.19%	-7.57%
Unmetered & Scattered	630		18.86%	16.18%	-2.68%	5.54%	4.76%	-0.78%

### 2011 Test Year Rates

Class	Fixed Rates (per Application)	Fixed Rates (per Settlement)	Variable Rates (per Application)	Variable Rates (per Settlement)
Residential	\$ 15.36	\$ 14.99	\$ 0.0143	\$ 0.0140
GS < 50 kW	\$ 16.78	\$ 16.01	\$ 0.0178	\$ 0.0170
GS >50 to 999 kW	\$ 88.37	\$ 75.34	\$ 2.9288	\$ 2.5089
GS >1000 to 4999 kW	\$ 1,008.02	\$ 951.99	\$ 3.1373	\$ 2.9955
Large Use	\$ 4,219.51	\$ 4,038.15	\$ 2.5261	\$ 2.4175
Sentinel Lights	\$ 1.47	\$ 1.40	\$ 11.1018	\$ 10.6060
Street Lighting	\$ 1.14	\$ 1.08	\$ 4.9716	\$ 4.7335
Unmetered and Scattered	\$ 8.27	\$ 8.02	\$ 0.0175	\$ 0.0170

## Appendix M

### Updated Smart Meter Rates & Revenue Requirement Workform

Milton Hydro Distribution Inc.  
2011 Smart Meter Rate Rider Application

Rate Year	Revenue Requirement
2006 Rate Year Entitlement	-
2007 Rate Year Entitlement	190,147
2008 Rate Year Entitlement	502,465
2009 Rate Year Entitlement	601,753
2010 Bridge Year Entitlement	616,341
2011 Test Year Entitlement to April 30, 2011	
Carrying Charges in Account 1556	9,209
Total Revenue Requirement	1,919,915
	1,735,731 162,335 20,721 976 153 1,919,915

Smart Meter Rate Rider Billed:	Total	Residential	GS<50	GS>50-999	GS>1000-4999	Large Users	Total
2006	(19,553)	(17,530)	(1,783)	(225)	(12)	(2)	(19,553)
2007	(408,141)	(365,921)	(37,221)	(4,703)	(259)	(37)	(408,141)
2008	(624,140)	(560,818)	(55,646)	(7,271)	(351)	(53)	(624,140)
2009	(685,689)	(622,000)	(56,141)	(7,162)	(334)	(52)	(685,689)
2010 Bridge Year forecast	(730,188)	(664,705)	(57,861)	(7,272)	(298)	(52)	(730,188)
2011 Test Year forecast							-
Total Smart Meter Rate Rider Billed	(2,467,712)	(2,230,975)	(208,653)	(26,634)	(1,255)	(196)	(2,467,712)

Revenue Requirement for Recovery to April 30, 2010 (547,796)

2011 Average Number of Customers 29,676  
Number of Months 12  
Rate Rider (1.54)

**Milton Hydro Distribution Inc.**  
**EB-2010-0137**  
**Proposed Settlement Agreement**  
**Filed: December 17, 2010**  
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Milton Hydro Distribution Inc.  
2011 Smart Meter Rate Rider Application  
Revenue Requirement Calculations

Description	Actual 2007			Actual 2008			Actual 2009			2010 Bridge Year				
Average Fixed Asset Values														
OH & UG Services	\$	-		\$	-		\$	-		\$	-			
General Office	\$	-		\$	-									
Building Renovations	\$	-		\$	-									
Smart meters	\$	937,631		\$	2,129,317		\$	2,624,394		\$	2,756,174			
Stranded Meters	\$	246,631		\$	427,601		\$	429,916		\$	429,916			
Computer Hardware														
Computer Software														
Total	\$	1,184,262		\$	2,556,918		\$	3,054,310		\$	3,186,090			
Working Capital														
Operation Expense		388			95,086			103,040			93,355			
15% Working Capital	\$	58	\$ 58	\$	14,263	\$ 14,263	\$	15,456	\$ 15,456	\$	14,003	\$ 14,003		
Smart Meters Fixed Assets in Rate Base	\$ 1,184,320			\$ 2,571,181			\$ 3,069,766			\$ 3,200,093				
Return on Rate Base														
Deemed Debt - Long Term	50%	\$ 592,160		53.3%	\$ 1,370,439		56.7%	\$ 1,740,557		60%	\$ 1,920,056			
Deemed Debt - Short Term	0%	\$ -		0.0%	\$ -		0.0%	\$ -		0%	\$ -			
Deemed Equity	50%	\$ 592,160		46.7%	\$ 1,200,741		43.3%	\$ 1,329,209		40%	\$ 1,280,037			
		\$ 1,184,320			\$ 2,571,181			\$ 3,069,766			\$ 3,200,093			
Weighted Debt Rate - Long Term	7.25%	\$ 42,932		7.25%	\$ 99,357		7.25%	\$ 126,190		7.25%	\$ 139,204			
Short Term Debt Rate	0.00%	\$ -		0.00%	\$ -		0.00%	\$ -		0.00%	\$ -			
Equity Rate	9.00%	\$ 53,294		9.00%	\$ 108,067		9.00%	\$ 119,629		9.00%	\$ 115,203			
Return on Rate Base		\$ 96,226	\$ 96,226		\$ 207,424	\$ 207,424		\$ 245,819	\$ 245,819		\$ 254,407	\$ 254,407		
Operating Expenses														
Incremental Operating Expenses		\$ 388		\$ 388		\$ 95,086		\$ 103,040		\$ 93,355		\$ 93,355		
Amortization Expenses														
		\$ 64,664		\$ 64,664		\$ 151,309		\$ 195,887		\$ 218,485		\$ 218,485		
Revenue Requirement before PILs		\$ 161,278		\$ 161,278		\$ 453,818		\$ 544,746		\$ 566,248		\$ 566,248		
Calculation of Taxable Income														
Incremental Operating Expenses		\$ (388)		\$ (388)		\$ (95,086)		\$ (103,040)		\$ (93,355)		\$ (93,355)		
Depreciation Expense		\$ (64,664)		\$ (64,664)		\$ (151,309)		\$ (195,887)		\$ (218,485)		\$ (218,485)		
Interest Expense		\$ (42,932)		\$ (42,932)		\$ (99,357)		\$ (126,190)		\$ (139,204)		\$ (139,204)		
Taxable Income for PILs		\$ 53,294		\$ 53,294		\$ 108,067		\$ 119,629		\$ 115,203		\$ 115,203		
Grossed up PILs		28,869		28,869		48,647		57,007		50,093		50,093		
Revenue Requirement before PILs		161,278		161,278		453,818		544,746		566,248		566,248		
Grossed up PILs		28,869		28,869		48,647		57,007		50,093		50,093		
2011 Revenue Requirement for Smart Meters		190,147		190,147		502,465		601,753		616,341		616,341		
2011 Smart Meter Rate Adder														
Revenue Requirement for Smart Meters		190,147		190,147		502,465		601,753		616,341		616,341		
Average # of Metered Customers		21,474		21,474		23,912		26,253		28,107		28,107		
Annualized amount required per metered customer		8.85		8.85		21.01		22.92		21.93		21.93		
Number of months in year		12		12		12		12		12		12		
Smart Meter Rate Adder		0.74		0.74		1.75		1.91		1.83		1.83		
Smart Meter - PILs Calculation														
Income Tax														
Net Income		53,294		53,294		108,067		119,629		115,203		115,203		
Amortization		64,664		64,664		151,309		195,887		218,485		218,485		
CCA		(77,597)		(77,597)		(175,363)		(214,826)		(224,759)		(224,759)		
Revised Taxable Income		40,362		40,362		84,013		100,688		108,929		108,929		
Tax Rate		36.12%		36.12%		33.50%		33.00%		31.00%		31.00%		
Income Taxes Payable		14,579		14,579		28,144		33,227		33,768		33,768		
Ontario Capital Tax														
Smart Meter Related Fixed Assets		2,121,893		2,121,893		2,810,973		3,295,332		3,076,847		3,076,847		
Less: Exemption		-		-		-		-		-		-		
Deemed Taxable Capital		2,121,893		2,121,893		2,810,973		3,295,332		3,076,847		3,076,847		
Ontario Capital Tax Rate		0.285%		0.285%		0.225%		0.225%		0.075%		0.075%		
NET OCT Amount		6,047		6,047		6,325		7,414		1,154		1,154		
OCT end June 30th														
PILs Payable	Gross Up	Grossed Up PILs		PILs Payable	Gross Up	Grossed Up PILs		PILs Payable	Gross Up	Grossed Up PILs		PILs Payable	Gross Up	Grossed Up PILs
Change in Income Taxes Payable	14,579	36.12%	22,822	28,144	33.50%	42,322		33,227	33.00%	49,593		33,768	31.00%	48,939
Change in OCT	6,047		6,047	6,325		6,325		7,414		7,414		1,154		1,154
PIL's	20,626		28,869	34,469		48,647		40,642		57,007		34,922		50,093