

Newbury Power Inc.
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February 5, 2008

Ms. Kirstin Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: EB-2007-0864 Newbury Power Inc. Board Staff Interrogatories for 2008 Incentive Rate Mechanism

Dear Ms. Walli:

Please find attached the submission of Newbury Power Inc. on the Board Staff Interrogatories for the 2008 Incentive Rate Mechanism. Enclosed are two hard copies of the filing.

An email version of the excel 2008IRM revised model was sent to the Ontario Energy Board on February 5, 2008.

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

Yours truly,



Cheryl Decaire
Co-ordinator of Regulatory and Rates
(519) 352-6300 ext 405
Email: cheryldecaire@ckenergy.com

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Question #1 Regulatory Asset Recovery

- a. The Board approved 2006 EDR amount indicates a debit balance of \$111,361 while your Manager's summary reflects a debit balance of \$109,878. Please provide a detailed explanation supporting this discrepancy.
- b. Does the proposed amount include interest? If so, up to what period?
- c. If applicable, please confirm that the interest was calculated in accordance with accounting guidance provided in the Ontario Energy Board Accounting Procedures Handbook Frequently Asked Questions issued in April 2004.
- d. Please provide the calculations including any assumptions for the derivation of the rate rider unit rates
- e. Please provide the rationale for proposing that the regulatory asset debit balance be recovered over a 4 year period.
- f. Newbury Power states that as a result of implementing the regulatory asset and low voltage rate riders, the total bill impact would exceed 10% for residential, general service less than 50 kW, and general service greater than 50 kW. However, with the inclusion of the transmission and connection rate reduction, you indicated that the impact on the total bill would be less than the maximum threshold of 10%.

Please provide the total bill impact for these customer rate classes when incorporating the effect of your RTS proposal.

Answers:

- a. The actual Regulatory Asset Model on Sheet 1 of our model did not carryover an amount of \$1,483 to the total Column for Other Regulatory Assets Account 1508. Therefore, the total of the Regulatory Asset should be \$111,361.
- b. The Regulatory Asset Model does include interest from 2002 to February 28, 2007; the additional interest from March to December 31 2007 is \$1493.31 which Newbury will be requested for recover in the next rate application, in order to minimize the customer impact for the current rate application.
- c. The interest calculation is in accordance with the Ontario Energy Board Accounting Procedures Handbook as outlined in the Frequently Asked Questions issued on April 2004.

Question #1 continues

d.

OEB	Acct	Description	2002			
			2004	2003	May-Dec	Jan-Apr
		Residential				(43,614.02)
	4350	Retail trans netowrk - ST	(129.00)	(153.46)	(78.75)	
4006	4310	Retail trans network - R	(8,635.94)	(9,091.75)	(6,106.05)	
4035	4320	Retail trans network <50	(2,791.35)	(2,802.65)	(1,729.94)	
4036	4330	Retail trans network >50	(9,313.31)	(9,130.50)	(6,060.25)	
			-			
			(20,869.60)	(21,178.36)	(13,974.99)	(43,614.02)
4006	4210	Lines Connection charge - R	(2,575.61)	(2,711.86)	(1,821.18)	
4035	4220	Lines Connection charge <50	(858.95)	(862.34)	(608.97)	
4036	4230	Lines Connection charge >50	(2,747.28)	(2,693.34)	(2,037.10)	
4025	4250	Lines connection chrg - ST	(73.15)	(78.48)	(52.24)	
			(6,254.99)	(6,346.02)	(4,519.49)	-
	4600	Commercial				(33,108.67)
4025	4650	SSS COP kWh - UN	(2,741.38)	(2,832.67)	(1,018.48)	
4035	4620	SSS COP kWh <50	(26,262.67)	(23,100.44)	(20,459.19)	
4036	4630	SSS COP kWh >50	(77,368.45)	(80,768.32)	(71,098.74)	
4006	4610	SSS- COP kWh- R	(71,841.74)	(68,640.22)	(59,809.93)	
	4440	Retailer Commodity	(22,132.65)			
			(200,346.89)	(175,341.65)	(152,386.34)	(33,108.67)
4006	4701	Trans connection chrg - R	(4,999.71)	(5,263.65)	(3,537.10)	
4035	4702	Trans connection chrg <50	(1,556.65)	(1,563.09)	(1,101.85)	
4036	4703	Trans connection chrg >50	(5,101.71)	(5,001.61)	(3,319.71)	
	4705	Trans correction chrg - UN	(135.96)	(145.68)	(97.04)	
			(11,794.03)	(11,974.03)	(8,055.70)	-
4006	4801	Whole sales market service - R	(7,878.29)	(8,294.21)	(5,570.50)	
4035	4802	Wholesale market <50	(2,791.35)	(2,775.48)	(1,979.37)	
4036	4803	Wholesale market >50	(9,718.43)	(9,515.77)	(6,290.31)	
4025	4805	Wholesale market service - ST	(283.25)	(336.31)	(199.39)	
			(20,671.32)	(20,921.77)	(14,039.57)	-
		Total Revenue	(259,936.83)	(235,761.83)	(192,976.09)	(76,722.69)
4705	5101	Cost of Power		-		96,429.30
4714	5104	Cost of Transmission	32,208.65	32,026.52	20,778.82	
4708	5103	Charges - Wholesale Market	27,654.86	26,783.08	20,643.14	
4705	5102	Charges - Power	199,426.28	173,495.20	158,006.10	
			259,289.79	232,304.80	199,428.06	96,429.30
		Variance	(647.04)	(3,457.03)	6,451.97	19,706.61
		RSVA - Transmission	(6,709.97)	(7,471.89)	(5,771.36)	
		RSVA - Wholemarket	6,983.54	5,861.31	6,603.57	
		RSVA - Power	(920.61)	(1,846.45)		
		RSVA - Premarket				19,706.61
			(647.04)	(3,457.03)	832.21	19,706.61

Question #1 d

Acct	Description	2002	Adjustment	2003	Adjustment	2004	Adjustment	Final 2004
1525	Deferred Charges	5,200.00		5,200.00		5,200.00		5,200.00
1571	Pre market PPA		19,706.60	19,706.60		19,706.60		19,706.60
1580	RSVA - Wholesale		6,603.57	6,603.57	5,861.31	12,464.88	6,983.54	19,448.42
1584	RSVA - Transmission		(5,771.36)	(5,771.36)	(7,471.89)	(13,243.25)	(6,709.97)	(19,953.22)
1588	RSVA - Power	5,619.76		5,619.76	(1,846.45)	3,773.31	(920.61)	2,852.70

- e. In the original submission Newbury had recommended to have the regulatory assets recovered over 4 years, after further analysis Newbury is recommending to recover the regulatory over 5 years. The rationale for proposing recovering the regulatory asset over 5 years is to reduce the customer impact in 2008 rates to be below the 10% threshold.

The rationale for a period longer than 1 or 2 years is to treat the recovery of regulatory assets over a period of at least four years as was done for most all other LDCs between 2004 and 2008.

Newbury is requesting for a rate change on the Regulatory Asset

Regulatory Asset Balance \$ 111,361

Divided by 5 years \$ 22,272.20

Rate Class	Amount	Rate
Residential	9,908	0.0064
GS	3,511	0.0054
GS greater	8,616	1.1996
Streetlight	238	1.3618
	<u>22,272</u>	

- f. Newbury Power will not be requesting a reduction in the transmission and connection costs at this time. Newbury Power requires more time to understand the actual costs for these services from Hydro One Transmission. Any variances from these services will be put into a variance account and will be brought forward to the Board for disposition at a later date.

Also, since Newbury Power has revised the timing of the recovery of regulatory assets the customer impacts are below 10%, which is the threshold that the Board uses for reviewing and approving rate applications.

Question #2 Low Voltage

- a. Please confirm that a debit balance of \$22,170.51 was approved by the Board in the 2006 EDR.
- b. Does the proposed amount include interest? If so, up to what period?

If applicable, please confirm that the interest was calculated in accordance with accounting guidance provided in the Ontario Energy Board Accounting Procedures Handbook Frequently Asked Questions issued in April 2004.

Answer:

- a. The Low Voltage balance of \$22,170.51 was approved by the Board in their decision (RP-2005-0020/EB-2005-0392 dated May 1, 2007 on page 2) from Newbury original submission of the 2006 EDR. In the same decision the OEB had requested Newbury to provide a rate mitigation plan, since the bill impact on the customer will be greater than the 10% threshold. Therefore, Newbury provided a rate mitigation plan to remove the low voltage amount from the 2006 EDR but will be applying for the low voltage amount in the 2008IRM this was stated in the Rate Mitigation Plan (RP-2005-0020/EB-2006-0392 dated May 14, 2007 on page 3).

The Low Voltage balance of \$22,170.51 is the on going cost from Hydro One Distribution for these services.

From the Newbury Power Inc. 2006 EDR Rate Decision (Decision with reason dated May 1, 2007 RP-2005-0020/EB-2005-0392 on page 4) has stated the following:

“Newbury Power included in its Application recovery of ongoing Low Voltage (“LV”) charges that Hydro One Networks will be levying on Newbury Power for Low Voltage wheeling distribution services provided to Newbury Power. The Board notes that this estimate reflects Hydro One Networks’ current approved LV rate of \$0.56/kW. The Board further notes that Hydro One Networks has applied for an LV rate of \$0.63/kW in its 2006 rate application RP-2005-0020/EB-2005-0378, and the Board has approved this rate.

The Board is of the view that the LV adjustment that Newbury Power has included in its Application is insufficient to recover its expected LV charges in 2006, as this amount does not reflect the updated Hydro One Networks rate. Although the Generic Decision provides that embedded distributors are to track differences between LV costs charged by the host distributor(s) and corresponding revenues recovered from ratepayers, the Board seeks to

minimize systemic sources of variance. The Board is of the view that Newbury Power's rates should reflect the LV rates authorized by the Board for the host distributor. Accordingly, the Board has revised the amount for LV charge recovery in Newbury Power's revenue requirement."

b. The proposed amount does not include interest

Question #3 Monthly Rates and Changes for Street Lighting

Ref.: 2008 IRM Model, Sheet 3 (2007 Tariff Sheet)

A review of your current 2007 Board approved Tariff of Rates and Changes indicates that the service charge is applied on a “(per connection)” basis; however, your 2008 does not reflect this.

Answer:

There was an oversight on the entering the information into 2008 IRM Model Sheet 3 (2007 Tariff Sheet), the lines that for the Street Lighting for the service charge should have read per connection.

Question #4 Monthly Rates and Charges for Non Payment of Account

- a. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the “Collection of Account charge – no disconnection” is applied on a “\$” basis; however your 2008 model does not reflect this.
 - b. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that there is a \$165, “Service call – after regular hours” charge; however your 2008 model does not reflect this. Instead, the “Install/Remove load control device – After regular hours” charge was selected, which does not appear in your current 2007 Board approved Tariff of Rates and Charges.
-

Answers:

- a. There was an oversight on the entering the information into 2008 IRM Model Sheet 3 (2007 Tariff Sheet), the lines that for the Collection of Account charge – no disconnection should have read “\$” basis.
- b. There was an oversight on the entering the information into 2008 IRM Model Sheet 3 (2007 Tariff Sheet), the lines that for the Install/Remove load control device – After regular hours should have read Service call – after regular hours charge.

Question #5

Ref.: 2008 Model, Sheet 6 (K-factor Derivation)

A review of your 2006 Board Approved EDR Model indicates that the Rate Base is "\$211,883"; however your 2008 model does not reflect this.

Answer:

The incorrect 2006EDR Final model was used to calculate the k-factor in the 2008 IRM. After receiving the final approved 2006EDR model, the rate base should be \$211,883.

An updated model was created to reflect the correct figures; the name of the file is "Newbury_APPL_2008IRMrevised_20080204.xls"

Question #6

Ref.: 2008 Model, Sheet 6 (K-factor Derivation)

A review of your 2006 Board Approved EDR Model indicates that the Distribution Expenses (other than PILs) is “\$69,839”; however your 2008 model does not reflect this.

Answer:

The incorrect 2006EDR Final model was used to calculate the k-factor in the 2008 IRM. After receiving the final approved 2006EDR model, the Distribution Expenses (other than PILs) should be \$69,839.

An updated model was created to reflect the correct figures; the name of the file is “Newbury_APPL_2008IRMrevised_20080204.xls”

Question #7

Ref.: 2008 Model, Sheet 6 (K-factor Derivation)

A review of your 2006 Board Approved EDR Model indicates that the Base Revenue Requirement is "\$79,245"; however your 2008 model does not reflect this.

Answer:

The incorrect 2006EDR Final model was used to calculate the k-factor in the 2008 IRM. After receiving the final approved 2006EDR model, the Base Revenue Requirement should be \$79,245.

An updated model was created to reflect the correct figures; the name of the file is "Newbury_APPL_2008IRMrevised_20080204.xls"

Question #8:

Ref.: 2008 Model, Sheet 6 (K-factor Derivation)

A review of your 2006 Board Approved PILs Model indicates that the OCT (Rate Base less \$10,000,000 X 0.30%) is "0"; however your 2008 model does not reflect this.

Answer:

There was an oversight on the entering the information into 2008 IRM Model Sheet 6 (K-factor Derivation), the line for the OCT (Rate Base less \$10,000,000 X 0.30%) should have been entered as zero.

An updated model was created to reflect the correct figures; the name of the file is "Newbury_APPL_2008IRMrevised_20080204.xls"



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Sheet 1 Utility Information Sheet

Legend:

Input Cell

Pull-Down Menu Option

Output Cell

Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

Name of LDC: Newbury Power Inc.

Licence Number: ED-2002-0526

IRM 2008 EB Number:
(if known) EB-2007-0864

IRM 2007 EB Number: EB-2007-0556

EDR 2006 RP Number: RP-2005-0020

EDR 2006 EB Number: EB-2005-0392

Date of Submission: November 1 2007

Last Saved Date: 02/05/08 3:02 PM

Model Version: 2.0

Contact Information

Name: Cheryl Decaire

Title: Co ordinator of Regulatory and Rates

Phone Number: 352-6300 ext 405

E-Mail Address: cheryldecaire@ckenergy.com

Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

Comments

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2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 2 - 2007 Rate Classes

Are you changing the descriptions of any of your Service Classifications?

☐ YES

☒ NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

Instructions:

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.

Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Street Lighting	Yes
5	Rate Class 5	No
6	Rate Class 6	No
7	Rate Class 7	No
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Ontario

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

MONTHLY RATES AND CHARGES

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

Residential

Service Charge	\$	11.89		
Distribution Volumetric Rate	\$/kWh	0.0118		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh			No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

General Service Less Than 50 kW

Service Charge	\$	21.56		
Distribution Volumetric Rate	\$/kWh	0.0118		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh			No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

General Service 50 to 4,999 kW

Service Charge	\$	259.84		
Distribution Volumetric Rate	\$/kW	1.3384		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW			No
Retail Transmission Rate – Network Service Rate	\$/kW	2.1210		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7870		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

Street Lighting

Service Charge (per connection)	\$	0.79		
Distribution Volumetric Rate	\$/kW	3.3280		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW			No
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	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

Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
	\$	
	\$	
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	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Allowances

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

LOSS FACTORS

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0580
Total Loss Factor - Secondary Metered Customer > 5,000 kW	
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0475
Total Loss Factor - Primary Metered Customer > 5,000 kW	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Ontario

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

Smart Meter Rate Adder

	2007 IRM	2008 IRM
Residential	\$ 0.25	\$ 0.25
General Service Less Than 50 kW	\$ 0.25	\$ 0.25
General Service 50 to 4,999 kW	\$ 0.25	\$ 0.25



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

☐ YES ☒ NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge	Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	kW / kWh	
<i>Residential</i>	\$ 11.89	\$ 0.0118	\$ 0.25	\$ 11.64	\$ 0.0118	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 21.56	\$ 0.0118	\$ 0.25	\$ 21.31	\$ 0.0118	\$/kWh
<i>General Service 50 to 4,999 kW</i>	\$ 259.84	\$ 1.3384	\$ 0.25	\$ 259.59	\$ 1.3384	\$/kW
<i>Street Lighting</i>	\$ 0.79	\$ 3.3280	\$ -	\$ 0.79	\$ 3.3280	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 6 - K-Factor Derivation

Capital Structure Transition

Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	7.25%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 211,883	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2
2008	F1 53.3%	46.7%	F2

Based on C, copies the deemed D/E from row "2007" of the table
Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	8.125%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	8.07%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 17,215.49	= C X G / 100
2008	J	\$ 17,093.13	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 69,830	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 79,245	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ -	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 87,045.49	= I + K
2008	O	\$ 86,923.13	= J + K

Target Net Income (EBIT)

Current	\$ 9,534.74	P1 = I - P2
2008	\$ 8,905.44	Q1 = J - Q2

Interest Expense

Current	\$ 7,680.76	P2 = C X (B X E1 / 100)
2008	\$ 8,187.69	Q2 = C X (B X F1 / 100)

PILs

Tax Rate R 0% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ -	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ -	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ -	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ -	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ -	V	= AC * (R / 100) / (1 - R / 100)
	2008 \$ -	W	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

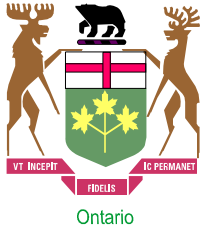
Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR,

Current	\$ 87,045.49	X	= N + V + T
2008	\$ 86,923.13	Y	= O + W + T

Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 79,245.00	Z	= L + M
2008	\$ 79,122.64	AA1	= Z + (Y - X)
Difference	\$ -122.36	AA2	= AA1 - Z
K-factor	-0.2%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

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Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment
1.9%	1.0%	0.9%	-0.2%	0.7%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
Residential	\$ 11.64	\$ 11.72	\$ 0.0118	\$ 0.0119
General Service Less Than 50 kW	\$ 21.31	\$ 21.46	\$ 0.0118	\$ 0.0119
General Service 50 to 4,999 kW	\$ 259.59	\$ 261.41	\$ 1.3384	\$ 1.3478
Street Lighting	\$ 0.79	\$ 0.80	\$ 3.3280	\$ 3.3513



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

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Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 11.72	\$ 0.25	\$ 11.97	0.0119
<i>General Service Less Than 50 kW</i>	\$ 21.46	\$ 0.25	\$ 21.71	0.0119
<i>General Service 50 to 4,999 kW</i>	\$ 261.41	\$ 0.25	\$ 261.66	1.3478
<i>Street Lighting</i>	\$ 0.80	\$ -	\$ 0.80	3.3513



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

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Sheet 9. - Z-Factor Rate Rider Adjustment

Is the Applicant seeking Board approval for other rate adjustments?

☐ YES

☒ NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf), issued December 20, 2006 (link http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

This is the Regulatory Asset Recovery Rate and Low Voltage Rate as described in the Management Summary.

Class	Monthly Service Charge Rate Rider \$	Volumetric Charge Rate Rider kW / kWh
Residential		\$ 0.0106
General Service Less Than 50 kW		\$ 0.0097
General Service 50 to 4,999 kW		\$ 2.8697
Street Lighting		\$ 2.6538

Newbury Power Inc.

Tariff OF RATES AND CHARGES

Effective May 1, 2008*

(*Except as otherwise noted)

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

EB-2007-0556

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	11.97
Distribution Volumetric Rate	\$/kWh	0.0119
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0106
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	21.71
Distribution Volumetric Rate	\$/kWh	0.0119
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0097
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	261.66
Distribution Volumetric Rate	\$/kW	1.3478
Distribution Volumetric, Non-routine Rate Rider	\$/kW	2.8697
Retail Transmission Rate – Network Service Rate	\$/kW	2.1210
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7870
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.80
Distribution Volumetric Rate	\$/kW	3.3513
Distribution Volumetric, Non-routine Rate Rider	\$/kW	2.6538
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	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
Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

Allowances

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

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0580
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0475



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

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Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.89	\$ 0.0118
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.10	\$ 0.0001
Add: K-Factor	\$ (0.02)	-\$ 0.0000
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 11.97	\$ 0.0119

General Service Less Than 50 kW

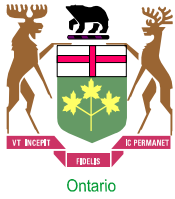
Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 21.56	\$ 0.0118
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.19	\$ 0.0001
Add: K-Factor	\$ (0.04)	-\$ 0.0000
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 21.71	\$ 0.0119

General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 259.84	\$ 1.3384
Less: Smart meters	-\$ 0.25	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 2.34	\$ 0.0120
Add: K-Factor	\$ (0.52)	-\$ 0.0027
Add: Smart Meters	\$ 0.25	\$ -
Final 2008 Rates	\$ 261.66	\$ 1.3478

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.79	\$ 3.3280
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0300
Add: K-Factor	\$ (0.00)	-\$ 0.0067
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.80	\$ 3.3513



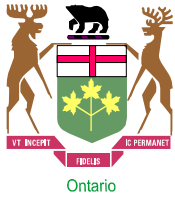
2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

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Sheet 11 - Distribution Rate Change Summary



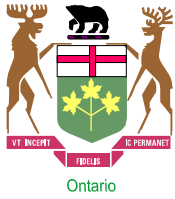
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Sheet 11 - Distribution Rate Change Summary



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

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Sheet 11 - Distribution Rate Change Summary



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

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Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to	600	\$ 0.053	600	\$ 0.053
greater than	> 600	\$ 0.062	> 600	\$ 0.062

Regulated Price Plan Non-Residential	May-07 Threshold	May-07 \$/ kWh	May-08 Threshold	May-08 \$/ kWh
less than or equal to	750	\$ 0.053	750	\$ 0.053
greater than	> 750	\$ 0.062	> 750	\$ 0.062

Residential

Consumption	1,000	kWh	0	kW	Loss Factor 1.058
--------------------	--------------	------------	----------	-----------	--------------------------

	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	25.04%
Energy Second Tier (kWh)	458	\$ 0.0620	\$ 28.40	458	\$ 0.0620	\$ 28.40	\$0.00	0.0%	22.36%
Sub-Total: Energy			\$ 60.20			\$ 60.20	\$0.00	0.0%	47.40%
Monthly Service Charge	1	\$ 11.89	\$ 11.89	1	\$ 11.97	\$ 11.97	\$0.08	0.7%	9.43%
Distribution (kWh)	1,000	\$ 0.0118	\$ 11.80	1,000	\$ 0.0119	\$ 11.90	\$0.10	0.8%	9.37%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ 0.0106	\$ 10.60	\$10.60	0.0%	8.35%
Retail Transmission Rate – Network Service Rate	1,058	\$ 0.0057	\$ 6.03	1,058	\$ 0.0057	\$ 6.03	\$0.00	0.0%	4.75%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,058	\$ 0.0050	\$ 5.29	1,058	\$ 0.0050	\$ 5.29	\$0.00	0.0%	4.17%
Sub-Total: Delivery			\$ 35.01			\$ 45.79	\$10.78	30.8%	36.06%
Wholesale Market Service Rate	1058	\$ 0.0052	\$ 5.50	1058	\$ 0.0052	\$ 5.50	\$0.00	0.0%	4.33%
Rural Rate Protection Charge	1058	\$ 0.0010	\$ 1.06	1058	\$ 0.0010	\$ 1.06	\$0.00	0.0%	0.83%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.20%
Sub-Total: Regulatory			\$ 6.81			\$ 6.81	\$0.00	0.0%	5.36%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	5.51%
Total Bill before Taxes			\$ 109.02			\$ 119.80	\$10.78	9.9%	94.34%
GST	\$ 109.02	6.00%	\$ 6.54	\$ 119.80	6.00%	\$ 7.19	\$0.65	9.9%	5.66%
Total Bill after Taxes			\$ 115.56			\$ 126.98	\$11.43	9.9%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

General Service Less Than 50 kW

Consumption	2,000	kWh	0	kW	Loss Factor 1.058				
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	15.81%
Energy Second Tier (kWh)	1,366	\$ 0.0620	\$ 84.69	1,366	\$ 0.0620	\$ 84.69	\$0.00	0.0%	33.68%
Sub-Total: Energy			\$ 124.44			\$ 124.44	\$0.00	0.0%	49.48%
Monthly Service Charge	1	\$ 21.56	\$ 21.56	1	\$ 21.71	\$ 21.71	\$0.15	0.7%	8.63%
Distribution (kWh)	2,000	\$ 0.0118	\$ 23.60	2,000	\$ 0.0119	\$ 23.80	\$0.20	0.8%	9.46%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ 0.0097	\$ 19.40	\$19.40	0.0%	7.71%
Retail Transmission Rate – Network Service Rate	2,116	\$ 0.0052	\$ 11.00	2,116	\$ 0.0052	\$ 11.00	\$0.00	0.0%	4.38%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,116	\$ 0.0045	\$ 9.52	2,116	\$ 0.0045	\$ 9.52	\$0.00	0.0%	3.79%
Sub-Total: Delivery			\$ 65.69			\$ 85.44	\$19.75	30.1%	33.97%
Wholesale Market Service Rate	2116	\$ 0.0052	\$ 11.00	2116	\$ 0.0052	\$ 11.00	\$0.00	0.0%	4.38%
Rural Rate Protection Charge	2116	\$ 0.0010	\$ 2.12	2116	\$ 0.0010	\$ 2.12	\$0.00	0.0%	0.84%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.10%
Sub-Total: Regulatory			\$ 13.37			\$ 13.37	\$0.00	0.0%	5.32%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	5.57%
Total Bill before Taxes			\$ 217.50			\$ 237.25	\$19.75	9.1%	94.34%
GST	\$ 217.50	6.00%	\$ 13.05	\$ 237.25	6.00%	\$ 14.23	\$1.19	9.1%	5.66%
Total Bill after Taxes			\$ 230.55			\$ 251.48	\$20.94	9.1%	100.00%

General Service 50 to 4,999 kW

Consumption	15,000	kWh	60	kW	Loss Factor 1.058				
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	1.93%
Energy Second Tier (kWh)	15,120	\$ 0.0620	\$ 937.44	15,120	\$ 0.0620	\$ 937.44	\$0.00	0.0%	45.50%
Sub-Total: Energy			\$ 977.19			\$ 977.19	\$0.00	0.0%	47.43%
Monthly Service Charge	1	\$ 259.84	\$ 259.84	1	\$ 261.66	\$ 261.66	\$1.82	0.7%	12.70%
Distribution (kWh)	15,000	\$ -	\$ -	15,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	60	\$ 1.3384	\$ 80.30	60	\$ 1.3478	\$ 80.87	\$0.56	0.7%	3.93%
Regulatory Assets (kWh)	60	\$ -	\$ -	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	60	\$ -	\$ -	60	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	60	\$ 2.8697	\$ 172.18	\$172.18	0.0%	8.36%
Retail Transmission Rate – Network Service Rate	63	\$ 2.1210	\$ 134.64	63	\$ 2.1210	\$ 134.64	\$0.00	0.0%	6.54%
Retail Transmission Rate – Line and Transformation Connection Service Rate	63	\$ 1.7870	\$ 113.44	63	\$ 1.7870	\$ 113.44	\$0.00	0.0%	5.51%
Sub-Total: Delivery			\$ 588.22			\$ 762.79	\$174.57	29.7%	37.02%
Wholesale Market Service Rate	15870	\$ 0.0052	\$ 82.52	15870	\$ 0.0052	\$ 82.52	\$0.00	0.0%	4.01%
Rural Rate Protection Charge	15870	\$ 0.0010	\$ 15.87	15870	\$ 0.0010	\$ 15.87	\$0.00	0.0%	0.77%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.01%
Sub-Total: Regulatory			\$ 98.64			\$ 98.64	\$0.00	0.0%	4.79%
Debt Retirement Charge (DRC)	15,000	\$ 0.0070	\$ 105.00	15,000	\$ 0.0070	\$ 105.00	\$0.00	0.0%	5.10%
Total Bill before Taxes			\$ 1,769.06			\$ 1,943.62	\$174.57	9.9%	94.34%
GST	\$ 1,769.06	6.00%	\$ 106.14	\$ 1,943.62	6.00%	\$ 116.62	\$10.47	9.9%	5.66%
Total Bill after Taxes			\$ 1,875.20			\$ 2,060.24	\$185.04	9.9%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Ontario

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Street Lighting

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.058						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.02%
Energy Second Tier (kWh)	2,115,250	\$ 0.0620	\$ 131,145.50	2,115,250	\$ 0.0620	\$ 131,145.50	\$0.00	0.0%	60.62%
Sub-Total: Energy			\$ 131,185.25			\$ 131,185.25	\$0.00	0.0%	60.63%
Monthly Service Charge	1	\$ 0.79	\$ 0.79	1	\$ 0.80	\$ 0.80	\$0.01	1.3%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 3.3280	\$ 16,640.00	5,000	\$ 3.3513	\$ 16,756.50	\$116.50	0.7%	7.74%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ 2.6538	\$ 13,269.00	\$13,269.00	0.0%	6.13%
Retail Transmission Rate – Network Service Rate	5,290	\$ 1.6002	\$ 8,465.06	5,290	\$ 1.6002	\$ 8,465.06	\$0.00	0.0%	3.91%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,290	\$ 1.3824	\$ 7,312.90	5,290	\$ 1.3824	\$ 7,312.90	\$0.00	0.0%	3.38%
Sub-Total: Delivery			\$ 32,418.74			\$ 45,804.25	\$13,385.51	41.3%	21.17%
Wholesale Market Service Rate	2116000	\$ 0.0052	\$ 11,003.20	2116000	\$ 0.0052	\$ 11,003.20	\$0.00	0.0%	5.09%
Rural Rate Protection Charge	2116000	\$ 0.0010	\$ 2,116.00	2116000	\$ 0.0010	\$ 2,116.00	\$0.00	0.0%	0.98%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
Sub-Total: Regulatory			\$ 13,119.45			\$ 13,119.45	\$0.00	0.0%	6.06%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	6.47%
Total Bill before Taxes			\$ 190,723.44			\$ 204,108.95	\$13,385.51	7.0%	94.34%
GST	\$ 190,723.44	6.00%	\$ 11,443.41	\$ 204,108.95	6.00%	\$ 12,246.54	\$803.13	7.0%	5.66%
Total Bill after Taxes			\$ 202,166.85			\$ 216,355.49	\$14,188.64	7.0%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Newbury Power Inc.

EB-2007-0864, EB-2007-0556, EB-2005-0392

November 1 2007

Sheet 13 - Bill Impacts by Consumption

Click on the "Calculate" button to determine a series of bill impacts for each class at different consumption levels.

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 22.70	\$ 24.08	\$ 1.38	6.1%	11.4%	6.1%
	250		\$ 37.45	\$ 40.75	\$ 3.30	8.8%		
	500		\$ 62.03	\$ 68.54	\$ 6.51	10.5%		
	600		\$ 72.19	\$ 79.98	\$ 7.79	10.8%		
	750		\$ 88.45	\$ 98.17	\$ 9.71	11.0%		
	1,000		\$ 115.56	\$ 128.48	\$ 12.92	11.2%		
	1,500		\$ 169.76	\$ 189.10	\$ 19.33	11.4%		
General Service Less Than 50 kW	2,000		\$ 230.55	\$ 254.05	\$ 23.50	10.2%	10.8%	10.2%
	2,500		\$ 284.19	\$ 313.52	\$ 29.33	10.3%		
	4,000		\$ 445.13	\$ 491.95	\$ 46.82	10.5%		
	5,000		\$ 552.42	\$ 610.90	\$ 58.48	10.6%		
	10,000		\$ 1,088.88	\$ 1,205.66	\$ 116.78	10.7%		
	12,500		\$ 1,357.10	\$ 1,503.03	\$ 145.93	10.8%		
	15,000		\$ 1,625.33	\$ 1,800.41	\$ 175.08	10.8%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,586.75	\$ 1,623.39	\$ 36.64	2.3%	2.6%	2.3%
	40,000	27	\$ 3,783.77	\$ 3,877.81	\$ 94.04	2.5%		
	100,000	69	\$ 9,056.61	\$ 9,288.41	\$ 231.80	2.6%		
	400,000	274	\$ 35,420.82	\$ 36,341.40	\$ 920.58	2.6%		
	1,000,000	685	\$ 88,149.25	\$ 90,447.39	\$ 2,298.15	2.6%		
	1,500,000	1,028	\$ 132,089.60	\$ 135,535.72	\$ 3,446.12	2.6%		
	2,000,000	1,371	\$ 176,029.96	\$ 180,624.04	\$ 4,594.09	2.6%		
Street Lighting	15,000	10	\$ 1,323.17	\$ 1,355.85	\$ 32.68	2.5%	2.5%	2.5%
	40,000	27	\$ 3,538.54	\$ 3,625.66	\$ 87.12	2.5%		
	100,000	69	\$ 8,855.43	\$ 9,073.21	\$ 217.79	2.5%		
	400,000	274	\$ 35,439.86	\$ 36,310.97	\$ 871.11	2.5%		
	1,000,000	685	\$ 88,608.73	\$ 90,786.49	\$ 2,177.76	2.5%		
	1,500,000	1,028	\$ 132,916.12	\$ 136,182.76	\$ 3,266.64	2.5%		
	2,000,000	1,371	\$ 177,223.51	\$ 181,579.02	\$ 4,355.51	2.5%		



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Click on the "Calculate" button to determine a series of bill impacts for each class at different consumption levels.

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
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