

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

AND IN THE MATTER OF an application by PowerStream Inc. for an order or orders approving or fixing just and reasonable distribution rates related to Smart Meter deployment, to be effective November 1, 2011.

**PowerStream Inc. ("PowerStream")
Responses to Vulnerable Energy Consumers Coalition
("VECC") Interrogatories**

Filed: September 9, 2011

VECC Question # 1

References: PowerStream Smart Meter Cost Recovery Application, Smart Meter Program Costs

Preamble: In this Application, PowerStream is seeking the recovery of costs related to the installation of 69,393 smart meters in the North rate zone from inception of the program to April 30, 2011, and 21, 725 smart meters from January 1, 2010 to April 30, 2011 in the South rate zone.

- a) Please complete the following table to show the actual and planned smart meter installations by year, rate zone & customer class.

Year	North Zone Residential	North Zone GS < 50kW	Total North Zone	South Zone Residential	South Zone GS< 50kW	Total South Zone
2006 Actual						
2007 Actual						
2008 Actual						
2009 Actual						
2010 Actual						
Jan 1 to April 30, 2011						
2011 Forecast						
Total						
Number of Outstanding Installations						
Total Number of Customers						

Response:

- a) Table VECC 1-1 below shows the actual and planned smart meter installations by year, rate zone & customer class.

Table VECC 1-1: Smart Meter Installations by Rate Zone and Rate Class

Year	North Zone Residential	North Zone GS< 50kW	Total North Zone	South Zone Residential	South Zone GS<50kW	Total South Zone
2006 Actual	-	-	-	-	-	-
2007 Actual	-	-	-	82,293	-	82,293
2008 Actual	-	-	-	53,262	-	53,262
2009 Actual	6,150		6,150	81,481	2,613	84,094
2010 Actual	57,009	3,301	60,310	3,202	7,867	11,069
Jan 1 to April 30, 2011	1,040	1,893	2,933	1,268	9,388	10,656
2011 Forecast	679	180	859	1,383	899	2,282
Total	64,878	5,374	70,252	222,889	20,767	243,656
Number of Outstanding Installations	-	-	-	-	-	-
Total Number of Mandated Customers	64,878	5,374	70,252	222,889	20,767	243,656

The number of customers mandated to receive smart meters will not equal the total number of customers in the customer class. The mandated customer numbers do not include smart suite metered customers or GS<50 kW customers with demand.

PowerStream has not included smart suite meters as part of its smart meter program.

There are a number of GS<50 kW customers with demand meters who because of their consumption history have moved between the GS<50 kW and GS>50 kW classes. There are no smart meters, capable of measuring demand, that are compatible with the MDM/R at this time. As it would not be prudent to install a non-demand meter in these situations, these customers have not been included in the mandated customer totals.

VECC Question # 2

Reference: PowerStream Smart Meter Cost Recovery Application, Page 17 Table 1 & Page 30 Table 12, Summary of Smart Meter Capital Costs

Preamble: Table 1 and Table 12 provide details on smart meter capital costs for the North and South Zones, respectively by customer class.

- a) For the North Zone, please provide the actual smart meter installations and capital costs for the years 2006, 2007, 2008, 2009 and 2010 by customer class. Please breakdown the full capital costs to show meter costs, installation costs and all other cost categories separately by customer class.
- b) For the South Zone, please provide the actual smart meter installations and capital costs for the years 2006, 2007, 2008 and 2009 by customer class. Please breakdown the full capital costs to show meter costs, installation costs and all other cost categories separately by customer class.
- c) Table 12 shows that PowerStream was able to reduce the average installed cost per meter for the residential and GS<50 kW meters in 2011. Please explain.
- d) The total installed cost per meter and the installed cost per meter by customer class for the North rate zone (Page 12) is significantly less than the installed costs per meter for the South rate zone (Page 12). Please explain.

Response:

- a) Table VECC 2-1 provides details on smart meter capital costs for the North rate zone for 2006 to 2010.

Table VECC 2-1: Smart Meter Capital Costs by Customer Class (North)

North Rate Zone	2008		2009		2010		
Description	Residential	GS<50 kW	Residential	GS<50 kW	Residential	GS<50 kW	Total
Number of Installed Meters	-	-	6,150	-	57,009	3,301	66,460
Meter and Installation			\$ 648,234		\$ 6,039,274	\$ 1,641,940	\$8,329,448
Workforce Automation			\$ 20,561	\$ 1,703	\$ 6,648	\$ 551	\$ 29,463
Collectors (Radio Towers)			\$ 738,276	\$ 61,153	\$ -	\$ -	\$ 799,429
AMI Computers & Software			\$ 36,609	\$ 3,032	\$ 11,837	\$ 980	\$ 52,458
AMI to CIS Interface			\$ 165,454	\$ 13,705	\$ 135,197	\$ 11,199	\$ 325,555
Professional Fees			\$ 122,078	\$ 10,112	\$ 39,471	\$ 3,269	\$ 174,931
Integration			\$ 57,956	\$ 4,801	\$ 18,739	\$ 1,552	\$ 83,047
Program Management	\$ 57,647	\$ 4,775	\$ 35,648	\$ 2,953	\$ -	\$ -	\$ 101,023
Other AMI Capital			\$ 49,518	\$ 4,102	\$ 16,011	\$ 1,326	\$ 70,957
Total	\$ 57,647	\$ 4,775	\$ 1,874,334	\$ 101,561	\$ 6,267,176	\$ 1,660,818	\$9,966,311

No meters were installed in the North rate zone until 2009. A small amount of capital spending took place prior to 2009. This occurred over several years beginning in 2006 but for simplicity is shown in 2008. Meter and installation costs are based on actual meters installed for each class. Other capital costs have been assigned to customer classes based on the number of mandated customers in each class. Other capital costs are similar for each meter/customer with no discernable difference between different customer classes or types of meters. These costs are either driven by the number of customers/meters or each customer/meter receives similar benefits.

b) Table VECC 2-2 provides details on smart meter capital costs for the South rate zone for 2006 to 2009.

Table VECC 2-2: Smart Meter Capital Costs 2006 to 2009 (South)

Description	2006			2007		
	Residential	GS<50 kW	Total	Residential	GS<50 kW	Total
Number of Installed Meters	-	-	-	82,293	-	82,293
Meter and Installation	\$ -	\$ -	\$ -	\$ 9,365,296		\$ 9,365,296
Workforce Automation	\$ -	\$ -		\$ -	\$ -	\$ -
Collectors (Radio Towers)	\$ -	\$ -		\$ 233,427	\$ 21,749	\$ 255,176
AMI Computers & Software	\$ 57,358	\$ 5,344	\$ 62,702	\$ 79,912	\$ 7,446	\$ 87,358
AMI to CIS Interface	\$ -	\$ -		\$ 148,081	\$ 13,797	\$ 161,878
Professional Fees	\$ -	\$ -		\$ 70,704	\$ 6,588	\$ 77,292
Integration	\$ -	\$ -		\$ 10,389	\$ 968	\$ 11,357
Program Management	\$ -	\$ -		\$ 92,251	\$ 8,595	\$ 100,846
Other AMI Capital	\$ -	\$ -		\$ -	\$ -	\$ -
Total	\$ 57,358	\$ 5,344	\$ 62,702	\$ 10,000,061	\$ 59,142	\$10,059,203
Description	2008			2009		
	Residential	GS<50 kW	Total	Residential	GS<50 kW	Total
Number of Installed Meters	53,262	-	53,262	81,481	2,613	84,094
Meter and Installation	\$ 5,381,023	\$ -	\$ 5,381,023	\$ 9,338,224	\$ 1,783,529	\$11,121,753
Workforce Automation	\$ -	\$ -	\$ -	\$ 49,066	\$ 4,572	\$ 53,638
Collectors (Radio Towers)	\$ 361,914	\$ 33,720	\$ 395,634	\$ -	\$ -	\$ -
AMI Computers & Software	\$ 17,036	\$ 1,587	\$ 18,623	\$ 18,492	\$ 1,723	\$ 20,215
AMI to CIS Interface	\$ 297,938	\$ 27,760	\$ 325,698	\$ 243,448	\$ 22,683	\$ 266,131
Professional Fees	\$ 139,184	\$ 12,968	\$ 152,152	\$ 423,480	\$ 39,456	\$ 462,936
Integration	\$ 73,182	\$ 6,818	\$ 80,000	\$ 96,403	\$ 8,982	\$ 105,385
Program Management	\$ 117,622	\$ 10,959	\$ 128,581	\$ 96,403	\$ 8,982	\$ 105,385
Other AMI Capital	\$ -	\$ -	\$ -	\$ 237,111	\$ 22,092	\$ 259,203
Total	\$ 6,387,898	\$ 93,813	\$ 6,481,711	\$ 10,502,627	\$ 1,892,019	\$12,394,646

- c) Several factors have resulted in a lower average cost of installed meters in 2011. For the residential meters this is primarily due to the impact of more favourable US dollar exchange rates on the contract price with Sensus which is in US dollars. For the GS<50 kW meters, this is primarily due to the procurement of 3-phase meters from another vendor at more favourable pricing. Please see the response to Board Staff IR#6(b) for more details.
- d) Please see the response to Board Staff IR# 8(a).

VECC Question # 3

References: PowerStream Smart Meter Cost Recovery Application, Pages 24-26, Tables 5, 6 & 7

Preamble: Appendix 1 includes worksheets that calculate revenue requirement, net fixed assets and the rate rider to recover smart meter costs for the North rate zone.

- a) Please provide a copy of these worksheets by customer class.
- b) Please recast Tables 5, 6 and 7 by customer class based on the revised worksheets. Reconcile to Tables 5, 6 & 7.

Response:

- a) See Appendix 1 for the Smart Meter Cost Recovery Model for the Residential class and Appendix 2 for the Smart Meter Cost Recovery Model for the GS<50 kW class, for the North rate zone.
- b) Table VECC 3-1 compares Table 5, Smart Meter Costs for Recovery to October 31, 2011 from the Application with the results from the response to VECC IR#3(a) above.

Table VECC 3-1: Smart Meter Cost for Recovery to October 31, 2011 (North)

	A	B	C	D	E
	Per Application	VECC 3(a) Residential	VECC 3(a) GS<50 kW	VECC 3(a) Combined	Difference (A-D)
a) Revenue Requirement 2006	\$ 960	\$ 887	\$ 73	\$ 960	\$ (0)
b) Revenue Requirement 2007	\$ 2,225	\$ 2,056	\$ 169	\$ 2,225	\$ 0
c) Revenue Requirement 2008	\$ 5,827	\$ 5,384	\$ 443	\$ 5,827	\$ (0)
d) Revenue Requirement 2009	\$ 169,160	\$ 167,155	\$ 9,287	\$ 176,442	\$ (7,282)
e) Revenue Requirement 2010	\$ 1,271,804	\$ 1,117,265	\$ 159,147	\$ 1,276,412	\$ (4,608)
f) Revenue Requirement 2011 (to Oct 31/11)	\$ 1,663,157	\$ 1,369,461	\$ 291,465	\$ 1,660,926	\$ 2,231
g) Revenue Requirement Total (a+b+c+d+e+f)	\$ 3,113,133	\$ 2,662,208	\$ 460,584	\$ 3,122,792	\$ (9,659)
h) Smart Meter Rate Adder collected	\$(2,801,421)	\$(2,538,894)	\$ (229,876)	\$(2,768,770)	\$ (32,651)
i) Carrying Cost	\$ (49,597)	\$ (46,384)	\$ (2,412)	\$ (48,796)	\$ (801)
j) Smart Meter True-up (g+h+i)	\$ 262,115	\$ 76,930	\$ 228,296	\$ 305,226	\$ (43,111)

The major difference is in the smart meter adder collected amount as the amounts collected from the GS>50 kW customer class are not included in either the Residential or the GS<50 kW models.

There are slight differences in the revenue requirement due to using the capital

additions by year by customer class prepared for the response to VECC IR#2 above. This more closely matches the allocated other capital costs to the North rate zone when the costs were incurred rather than when these costs were re-allocated to the North in 2010. These differences are small and PowerStream does not propose to amend its Application to reflect this.

These differences have a slight effect on the carrying charges as well.

Table VECC 3-2 compares the allocation of the true-up amounts and calculation of the disposition rate rider in Table 6 of the Application with the true-up amounts calculated in Table VECC 3-1 for the Residential (column B) and GS<50 kW classes (column C) and the resulting rate rider calculation for recovery over six months.

Table VECC 3-2: True-Up Allocation and Rate Riders (North)

Per Application				VECC 3(a)	
Customer Class	Number of Customers	True-up Allocation	Monthly Charge	True-up Allocation	Monthly Charge
Residential	64,830	\$ 201,871	\$ 0.52	\$ 76,930	\$ 0.20
GS<50 kW	5,886	\$ 60,245	\$ 1.71	\$ 228,296	\$ 6.46
Total	70,716	\$ 262,116		\$ 305,226	

Table VECC 3-3 compares the calculation of the Smart Meter Incremental Revenue Requirement (SMIRR) in Table 7 of the Application with the SMIRR amounts calculated in VECC IR#3(a).

Table VECC 3-3: Smart Meter Incremental Revenue Requirement (SMIRR)(North)

Per Application		VECC 3(a)			Difference (A-D)
Rate Base	Amount	Residential	GS<50 kW	Combined	
Net Fixed Assets	\$9,565,720	\$ 7,474,840	\$ 2,069,296	\$ 9,544,136	\$ 21,584
Working Capital Allowance	\$ 20,831	\$ 19,238	\$ 1,593	\$ 20,831	\$ 0
Total	\$9,586,552	\$ 7,494,078	\$ 2,070,889	\$ 9,564,967	\$ 21,585
Revenue Requirement					
Short Term Interest	\$ 9,318	\$ 7,284	\$ 2,013	\$ 9,297	\$ 21
Long Term Interest	\$ 294,192	\$ 229,978	\$ 63,551	\$ 293,529	\$ 663
Return on Equity	\$ 370,424	\$ 289,571	\$ 80,019	\$ 369,590	\$ 834
OM&A	\$ 138,875	\$ 128,252	\$ 10,623	\$ 138,875	\$ -
Amortization	\$ 798,186	\$ 641,657	\$ 155,413	\$ 797,070	\$ 1,116
Grossed-up PILs	\$ 113,730	\$ 90,917	\$ 22,768	\$ 113,685	\$ 45
Total	\$1,724,725	\$ 1,387,659	\$ 334,387	\$ 1,722,046	\$ 2,679

There are slight differences as discussed above regarding Table VECC 3-1. The timing differences increased the true-up revenue requirement and decreased the SMIRR. PowerStream does not propose to amend its Application to reflect this.

VECC Question # 4

References: PowerStream Smart Meter Cost Recovery Application, Page 38-40, Table 17, 18 & 19

Preamble: Appendix 2 includes worksheets that calculate revenue requirement, net fixed assets and the rate rider to recover smart meter costs for the South rate zone.

- a) Please provide a copy of these worksheets by customer class.
- c) Please recast Tables 17, 18 and 19 by customer class based on the revised worksheets. Reconcile to Tables 17, 18 and 19.

Response:

- a) See Appendix 3 for the Smart Meter Cost Recovery Model for the Residential class and Appendix 4 for the Smart Meter Cost Recovery Model for the GS<50 kW class, for the South rate zone.
- b) N/A (not used)
- c) Table VECC 4-1 compares Table 17, Smart Meter Costs for Recovery to October 31, 2011 from the Application, for the South, with the results from the response to VECC IR#4(a) above.

Table VECC 4-1: Smart Meter Cost for Recovery to October 31, 2011 (South)

	A	B	C	D	E
	Per Application	VECC 4(a) Residential	VECC 4(a) GS<50 kW	VECC 4(a) Combined	Difference (A-D)
a) Revenue Requirement 2010	\$ 1,039,636	\$ 327,883	\$ 727,157	\$ 1,055,040	\$ (15,404)
b) Revenue Requirement 2011 (to Oct 31/11)	\$ 1,637,891	\$ 459,087	\$ 1,200,152	\$ 1,659,239	\$ (21,348)
c) Revenue Requirement Total (a+b)	\$ 2,677,527	\$ 786,970	\$ 1,927,309	\$ 2,714,279	\$ (36,752)
d) Smart Meter Rate Adder collected	\$(4,718,561)	\$(4,196,784)	\$ (452,248)	\$(4,649,032)	\$ (69,529)
e) Carrying Cost	\$ (50,130)	\$ (61,836)	\$ 11,225	\$ (50,611)	\$ 481
f) Smart Meter True-up (c+d+e)	\$(2,091,164)	\$(3,471,650)	\$ 1,486,286	\$(1,985,364)	\$(105,800)

The main difference is the Smart Meter adder collected from GS<50 kW and Large Use customers which are not included in the models in the response to VECC IR#4(a). There are small differences in the revenue requirement due to using the capital additions by year by customer class prepared for the response to VECC IR#2 above. The timing differences are due to when the allocation of costs to the North are recognized. PowerStream does not propose to amend its Application to reflect this.

Table VECC 4-2 compares the allocation of the true-up amounts and calculation of the disposition rate rider in Table 18 of the Application with the true-up amounts calculated in Table VECC 4-1 for the Residential (column B) and GS<50 kW classes (column C) and the resulting rate rider calculation for recovery over six months.

Table VECC 4-2: True-Up Allocation and Rate Riders

Per Application				VECC 4(a)	
Customer Class	Number of Customers	True-up Allocation	Monthly Charge	True-up Allocation	Monthly Charge
Residential	226,121	\$ (258,936)	\$ (0.19)	\$(3,471,650)	\$ (2.56)
GS<50 kW	24,190	\$(1,832,228)	\$ (12.62)	\$ 1,486,286	\$ 10.24
Total	250,311	\$(2,091,164)		\$(1,985,364)	

Table VECC 4-3 compares the calculation of the Smart Meter Incremental Revenue Requirement (SMIRR) in Table 19 of the Application with the SMIRR amounts calculated in VECC IR#4(a).

Table VECC 4-3: Smart Meter Incremental Revenue Requirement (SMIRR)

A		B		C		D		E	
Per Application		VECC 4(a)				Difference (A-D)			
Rate Base	Amount	Residential	GS<50 kW	Combined					
Net Fixed Assets	\$ 8,020,936	\$ 1,619,946	\$ 6,362,895	\$ 7,982,841	\$ 38,095				
Working Capital Allowance	\$ 94	\$ 23	\$ 71	\$ 94	\$ -				
Total	\$ 8,021,030	\$ 1,619,969	\$ 6,362,966	\$ 7,982,935	\$ 38,095				
Revenue Requirement									
Short Term Interest	\$ 7,796	\$ 1,575	\$ 6,185	\$ 7,760	\$ 36				
Long Term Interest	\$ 246,149	\$ 49,714	\$ 195,267	\$ 244,981	\$ 1,168				
Return on Equity	\$ 309,933	\$ 62,596	\$ 245,865	\$ 308,461	\$ 1,472				
OM&A	\$ 628	\$ 153	\$ 475	\$ 628	\$ -				
Amortization	\$ 710,539	\$ 272,463	\$ 463,473	\$ 735,936	\$ (25,397)				
Grossed-up PILs	\$ 67,283	\$ 3,530	\$ 66,652	\$ 70,182	\$ (2,899)				
Total	\$ 1,342,328	\$ 390,031	\$ 977,917	\$ 1,367,948	\$ (25,620)				

There are slight differences resulting from the timing of fixed asset additions as discussed above regarding Table VECC4-1. The timing differences increased the true-up revenue requirement and decreased the SMIRR. PowerStream does not propose to amend its Application to reflect this.

VECC Question # 5

References: PowerStream Smart Meter Cost Recovery Application, Smart Meter Disposition and Smart Meter Incremental Revenue Requirement Calculations

- a) Based on the responses to questions regarding costs, revenue requirement and rate riders by customer class, please provide a summary and comparison to as filed, of the rate changes for each rate zone.
- b) Please update the bill impacts for each rate zone as required.

Response:

- a) The tables below show the calculation of the SMIRR rate riders based on the responses to VECC IR#3 and VECC IR#4 and compare the VECC rate riders with the rate riders in the Application.

Table VECC 5-1: Allocation of SMIRR and Calculation of Rate Riders (North)

Per Application				VECC 3(a)	
Customer class	Number of Customers	SMIRR allocation	Monthly Charge	SMIRR allocation	Monthly Charge
Residential	64,830	\$ 1,328,314	\$ 1.71	\$1,387,659	1.78
GS<50	5,886	\$ 396,412	\$ 5.61	\$ 334,387	4.73
Total	70,716	\$ 1,724,726		\$1,722,046	

Table VECC 5-2: Allocation of SMIRR and Calculation of Rate Riders (South)

Per Application				VECC 4(a)	
Customer class	Number of Customers	SMIRR allocation	Monthly Charge	SMIRR allocation	Monthly Charge
Residential	226,121	\$ 166,212	\$ 0.06	\$ 390,031	\$ 0.14
GS<50	24,190	\$ 1,176,116	\$ 4.05	\$ 977,917	\$ 3.37
Total	250,311	\$ 1,342,328		\$ 1,367,948	

Table VECC 5-3: Summary of Rate Riders (North)

Per Application			VECC 3(a)	
Rate Rider	Residential	GS<50	Residential	GS<50
Disposition	\$ 0.52	\$ 1.71	\$ 0.20	\$ 6.46
SMIRR	\$ 1.71	\$ 5.61	\$ 1.78	\$ 4.73
Total	\$ 2.23	\$ 7.32	\$ 1.98	\$ 11.19

Table VECC 5-4: Summary of Rate Riders (South)

Per Application			VECC 4(a)	
Rate Rider	Residential	GS<50	Residential	GS<50
Disposition	\$ (0.19)	\$ (12.62)	\$ (2.56)	\$ 10.24
SMIRR	\$ 0.06	\$ 4.05	\$ 0.14	\$ 3.37
Total	\$ (0.13)	\$ (8.57)	\$ (2.42)	\$ 13.61

- b) Table VECC 5-5 below summarizes the bill impacts as filed and those resulting from the rate riders determined in the responses to VECC IRs 3, 4 and 5.

Table VECC 5-5: Bill Impact Summary

	Per Application				Per VECC IR# 5			
	Residential		GS< 50		Residential		GS< 50	
	\$	%	\$	%	\$	%	\$	%
PowerStream South	\$ (0.13)	(0.1)%	\$ (8.72)	(3.4)%	\$ (2.46)	(2.4)%	\$ 13.84	5.5%
PowerStream North	\$ 2.27	2.0%	\$ 7.44	2.8%	\$ 2.01	1.8%	\$ 11.38	4.4%

The bill impacts in Table VECC 5-5 are based on:

- a typical Residential customer using 800 kWhs of electricity per month
- a typical GS<50 kW customer using 2,000 kWhs of electricity per month

See Appendix 5 for the detailed North rate zone bill impact calculations and Appendix 6 for the detailed South rate zone bill impact calculations.

VECC Question # 6

References: PowerStream Smart Meter Cost Recovery Application, Page 21 Table 4 & Page 35 Table 16, OM&A Costs

- a) Table 4 on Page 21 and Table 16 on Page 35 show a breakdown of 2010-2011 OM&A Costs for the North rate zone and South rate zone, respectively. Please provide a detailed explanation of each of the categories listed: AMI Systems Operation, Maintenance, Customer Communication, and Change Management.
- b) For the North rate zone, please provide a breakdown of the OM&A costs for meters installed in 2008, 2009, 2009 and 2011 by customer class.
- c) For the South rate zone, please provide a breakdown of the OM&A costs for meters installed in 2010 and 2011 by customer class.

Response:

- a) AMI Systems Operation consists of the monthly system operation and monitoring fees associated with the AMI system and associated costs to process and send the data to the MDM/R including dealing with exceptions and validation issues that arise.

Maintenance consists of the cost to check and replace smart meters that are not operating properly. This also includes costs for repairs to customer owned equipment like Murray Jensen meter bases and the remedial work required in some circumstances to permit installation of a smart meter. See PowerStream's response to Board Staff IR# 1 for more details on the remedial work.

Customer Communications consists of the cost of producing and delivering materials to inform customers regarding the installation of a smart meter, changeover to time-of-use billing and general information on smart meters. It also contains call centre costs related to smart meter inquiries from customers.

Change Management consists of staff training on new processes and procedures regarding smart meters and time-of-use billing as well as the costs of identifying and documenting the necessary changes.

PowerStream does not track OM&A costs by customer class. To provide this response PowerStream has allocated the period costs to the customer classes based on the average number of meters installed during the period. Tables VECC 6-1 to VECC 6-5 below show the allocation of the OM&A costs, in Table 4 of the Application, between customer classes for the North rate zone for meters installed in 2008, 2009, 2010 and 2011.

Table VECC 6-1: Allocation of 2010 Actual OM&A (North)

	2010 Actual	Residential	GS < 50	Total
AMI System Operation	\$ 149,164	\$ 142,383	\$ 6,781	\$ 149,164
Maintenance	\$ -	\$ -	\$ -	\$ -
Customer Communication	\$ 164,565	\$ 157,084	\$ 7,481	\$ 164,565
Change management	\$ 12,120	\$ 11,569	\$ 551	\$ 12,120
Total	\$ 325,849	\$ 311,035	\$ 14,814	\$ 325,849

Table VECC 6-2: Allocation of Jan. 1 to Apr. 30, 2011 Actual OM&A (North)

	Jan. 1 to Apr. 30, 2011 (Actual)	Residential	GS < 50	Total
AMI System Operation	\$ 29,151	\$ 27,301	\$ 1,850	\$ 29,151
Maintenance	\$ -	\$ -	\$ -	\$ -
Customer Communication	\$ 112,028	\$ 104,919	\$ 7,109	\$ 112,028
Change management	\$ 7,168	\$ 6,713	\$ 455	\$ 7,168
Total	\$ 148,347	\$ 138,934	\$ 9,413	\$ 148,347

Table VECC 6-3: Allocation of May 1 to Dec. 31, 2011 Projected OM&A (North)

	May 1 to Dec. 31, 2011 (Projected)	Residential	GS < 50	Total
AMI System Operation	\$ 53,990	\$ 50,564	\$ 3,426	\$ 53,990
Maintenance	\$ 145,000	\$ 135,799	\$ 9,201	\$ 145,000
Customer Communication	\$ 45,475	\$ 42,589	\$ 2,886	\$ 45,475
Change management	\$ 14,300	\$ 13,393	\$ 907	\$ 14,300
Total	\$ 258,765	\$ 242,345	\$ 16,420	\$ 258,765

Table VECC 6-4: Projected 2011 Total OM&A (North)

	Projected 2011 Total	Residential	GS < 50	Total
AMI System Operation	\$ 83,141	\$ 77,865	\$ 5,276	\$ 83,141
Maintenance	\$ 145,000	\$ 135,799	\$ 9,201	\$ 145,000
Customer Communication	\$ 157,503	\$ 147,509	\$ 9,994	\$ 157,503
Change management	\$ 21,468	\$ 20,106	\$ 1,362	\$ 21,468
Total	\$ 407,112	\$ 381,279	\$ 25,833	\$ 407,112

Table VECC 6-5: Adjusted 2011 OM&A (North)

	Adjusted 2011	Residential	GS < 50	Total
AMI System Operation	\$ 80,985	\$ 74,790	\$ 6,195	\$ 80,985
Maintenance	\$ 10,000	\$ 9,235	\$ 765	\$ 10,000
Customer Communication	\$ 26,423	\$ 24,402	\$ 2,021	\$ 26,423
Change management	\$ 21,468	\$ 19,826	\$ 1,642	\$ 21,468
Total	\$ 138,876	\$ 128,253	\$ 10,623	\$ 138,876

- b) Tables VECC 6-6 to VECC 6-10 below show the allocation of the OM&A costs, in Table 16 of the Application, between customer classes for the South rate zone, for meters installed in 2010 and 2011. Please see PowerStream's comments above in its response to part (b) regarding allocation between customer classes.

Table VECC 6-6: Allocation of 2010 Actual OM&A (South)

	Jan. 1 to Dec. 31, 2010 (Actual)	Residential	GS < 50	Total
AMI System Operation	\$ (795)	\$ (230)	\$ (565)	\$ (795)
Maintenance	\$ (2,988)	\$ (864)	\$ (2,124)	\$ (2,988)
Customer Communication	\$ 519,626	\$ 150,316	\$ 369,310	\$ 519,626
Change management	\$ 40,450	\$ 11,701	\$ 28,749	\$ 40,450
Total	\$ 556,293	\$ 160,922	\$ 395,371	\$ 556,293

Table VECC 6-7: Allocation of Jan. 1 to Apr. 30, 2011 Actual OM&A (South)

	Jan. 1 to Apr. 30, 2011 (Actual)	Residential	GS < 50	Total
AMI System Operation	\$ 17,913	\$ 4,624	\$ 13,289	\$ 17,913
Maintenance	\$ 8,173	\$ 2,110	\$ 6,063	\$ 8,173
Customer Communication	\$ 152,382	\$ 39,338	\$ 113,044	\$ 152,382
Change management	\$ (12,358)	\$ (3,190)	\$ (9,168)	\$ (12,358)
Total	\$ 166,110	\$ 42,882	\$ 123,228	\$ 166,110

Table VECC 6-8: Allocation of May 1 to Dec. 31, 2011 Projected OM&A (South)

	May 1 to Dec. 31, 2011 (Projected)	Residential	GS < 50	Total
AMI System Operation	\$ 25,532	\$ 6,591	\$ 18,941	\$ 25,532
Maintenance	\$ 371,366	\$ 95,870	\$ 275,496	\$ 371,366
Customer Communication	\$ 79,025	\$ 20,401	\$ 58,624	\$ 79,025
Change management	\$ (24,766)	\$ (6,393)	\$ (18,373)	\$ (24,766)
Total	\$ 451,157	\$ 116,468	\$ 334,689	\$ 451,157

Table VECC 6-9: Projected 2011 Total OM&A (South)

	Projected 2011 Total	Residential	GS < 50	Total
AMI System Operation	\$ 43,445	\$ 11,216	\$ 32,230	\$ 43,445
Maintenance	\$ 379,539	\$ 97,979	\$ 281,560	\$ 379,539
Customer Communication	\$ 231,407	\$ 59,739	\$ 171,668	\$ 231,407
Change management	\$ (37,124)	\$ (9,584)	\$ (27,540)	\$ (37,124)
Total	\$ 617,267	\$ 159,350	\$ 457,917	\$ 617,267

Table VECC 6-10: Adjusted 2011 OM&A (South)

	Adjusted 2011	Residential	GS < 50	Total
AMI System Operation	\$ 38,298	\$ 9,337	\$ 28,961	\$ 38,298
Maintenance	\$ 26,599	\$ 6,485	\$ 20,114	\$ 26,599
Customer Communication	\$ (27,145)	\$ (6,618)	\$ (20,527)	\$ (27,145)
Change management	\$ (37,124)	\$ (9,051)	\$ (28,073)	\$ (37,124)
Total	\$ 628	\$ 153	\$ 475	\$ 628

VECC Question # 7

Reference: PowerStream Smart Meter Cost Recovery Application, Page 12

Preamble: The evidence states, "Due to delays in availability of approved 3-phase smart meters, PowerStream was unable to complete the planned installations for the GS<50 kW class in 2010.

Please explain the cause of the delays in availability of 3-phase meters and when the delay ended.

Response:

When PowerStream started smart meter deployment for the GS<50 kW customer class in 2009, there was only one vendor with a Measurement Canada approved 3-phase smart meter. This was not the vendor that PowerStream was using for its single phase smart meter installations. With a single supplier the pricing was not as competitive as for single phase meters and supply was limited. PowerStream acquired some of these approved meters so that it could begin this aspect of the smart meter implementation to remain on schedule with the target completion dates sought by the Provincial Government.

PowerStream continued to work with its primary smart meter vendor to have an alternative approved 3-phase smart meter at a more competitive price. In the fall of 2010, Sensus was successful in getting a General Electric (GE) meter with a Sensus module approved by Measurement Canada. PowerStream was able to obtain more favourable pricing for these meters and placed orders for the 3-phase meters required to complete the replacement of conventional 3-phase meters for GS<50 kW customers. The supplier was able to provide shipments in December 2010.

As a result of these factors, PowerStream was unable to complete the 3-phase installations by December 31, 2010 as originally planned. However it was able to substantially complete the installations by April 30, 2011 and at a lower cost by using the GE/Sensus meters.

VECC Question # 8

Reference: PowerStream Smart Meter Cost Recovery Application, Page 15

Preamble: Approximately 2% of residential installations required more expensive smart meters. These installations were for larger 400 amp services and for installations where there was a need for a meter with enhanced communication capabilities.

- a) Please provide a description of the more expensive residential smart meters.
- b) Please provide the total number of meters installed by year.
- c) Please describe the situation where a residential installation would require enhanced communication capabilities.

Response:

- a) There are two other meters used for Residential customers where required by the type of electrical service. One is a transformer rated single phase meter required for Residential customers with 400 amp service. This meter is designed to handle the higher electrical load in a residential unit with 400 amp service. The other meter is the network (or two-phase) meter required for multi-unit residential buildings which use two phases of the three phase electrical supply.
- b) PowerStream has not aggregated this data by year. Most of the installations were done in the later stages of the smart meter implementation program (2009 to present) and are included in this Application. Table VECC 8-1 summarizes the types of meters installed for Residential customers.

Table VECC 8-1: Residential Meters Installed by Type

	North	South	Total
Single Phase standard	62,621	215,961	278,582
Single Phase 400 amp	518	1,020	1,538
2-Phase ("network")	1,060	4,525	5,585
Total	64,199	221,506	285,705

- c) This was an error in the original explanation. Network meters are not used for enhancing communications but are in fact used for multi-unit residential buildings using two phases of the three phase electrical supply and which require two-phase meters. Most of the smart meters installed by PowerStream are capable of being run in "buddy" mode if needed to help other meters communicate with the radio tower collectors.

VECC Question # 9

Reference: PowerStream Smart Meter Cost Recovery Application, Page 19 Table 2 & Page 33 Table 14

Preamble: Table 2 and Table 14 provide a comparison of 2010 estimated to actual capital costs for the North rate zone and South rate zone, respectively. For the north and south rate zones, the actual capital costs for programming of billing systems was higher than estimated spending to meet the many changes to the requirements from the Provincial MDM/R.

PowerStream indicates it has accrued \$200,000 for programming of its billing systems to meet new billing requirements and of this amount \$45,000 has been allocated in the North rate zone (Page 18) and \$155,000 has been allocated to the South rate zone (Page 32) based on the total number of smart meters installed in each zone.

Please provide a breakdown of Customer Billing Costs by customer class for each rate zone.

Response:

Table VECC 9-1 shows the total cost of programming changes related to the AMI to CIS processes and time-of-use billing. These costs are similar for all meter and customer types and the asset provides an equal benefit to each. These have been allocated between rate zones based on the total number of mandated customers receiving smart meters in each rate zone. These costs have been allocated within each rate zone between the Residential and GS<50 kW customer classes based on the total number of mandated customers receiving smart meters in each class.

Table VECC 9-1: AMI to CIS Programming Costs by Rate Zone and Customer Class

	North		South		Total
	Residential	GS<50 kW	Residential	GS<50 kW	
AMI to CIS Programming Costs	\$ 367,954	\$ 30,479	\$1,269,938	\$ 118,322	\$1,786,693
Less previously approved	\$ -	\$ -	\$ 689,468	\$ 64,239	\$ 753,707
Claimed in this Application	\$ 367,954	\$ 30,479	\$ 580,470	\$ 54,083	\$1,032,986

VECC Question # 10

Reference: PowerStream Smart Meter Cost Recovery Application, Page 11, Provincial Meter Data Management and Repository (MDM/R)

Preamble: PowerStream has not included any amounts in the actual or projected costs for charges for use of the Provincial MDM/R. PowerStream anticipates being permitted to recover these costs at a later date. PowerStream estimated the 2010 MDM/R costs for the South rate zone at \$441,000 (Page 34).

Please provide the actual and projected cost information for the MDM/R charges for each rate zone by year.

Response:

PowerStream has not received any charges to date for use of the Provincial MDM/R. The actual and projected costs in this application do not contain any amounts for the use of the Provincial MDM/R.

In its Decision on PowerStream's 2010 Smart Meter Cost Recovery Application (EB-2010-0209, page 9), the Board noted the following about MDM/R costs.

No distributors have been billed for services related to MDM/R by the IESO. At this point in time these costs could not be accurately estimated by the distributor. The Board further notes that the time period for which the IESO might bill PowerStream for MDM/R related costs is yet unknown.

This statement remains true and PowerStream is not able to accurately project what these costs may be. The MDM/R estimate used in the 2010 Smart Meter cost recovery application was based on a per meter monthly amount based on MDM/R working group discussions at that time. It now appears that this was a very preliminary estimate and no reliance should be placed on this.

VECC Question # 11

Reference: PowerStream Smart Meter Cost Recovery Application, Page 20, Table 3

Preamble: Table 3 provides a comparison of Estimated to Actual OM&A Costs (North). PowerStream indicates that the favourable variance in the AMI operational costs is mainly due to lower pricing for monthly system monitoring than was available at the time the estimate was prepared.

- a) Please provide details on the change in monthly system monitoring costs.
- b) Please provide more details on the need for more effort and cost related to the start of TOU billing.

Response:

- a) PowerStream negotiated a lower monthly monitoring cost per meter for any meters in excess of 120,000 meters. The actual AMI operational costs reflect the resulting lower average monthly monitoring cost per meter.
- b) The estimate used in the 2010 Smart Meter adder filed in 2009 was somewhat preliminary as the Time-of-use (TOU) billing communications plan was still in development. Based on the public reaction to the introduction of TOU billing by other utilities, PowerStream felt that it was necessary to do a very good job on communicating about TOU billing.

PowerStream has provided several communications to customers regarding time-of-use billing, its likely impact on the customer's bill and steps that can be taken to reduce bills. This has included providing time-of-use stickers that indicate the on-peak, mid-peak and off-peak time periods.

This higher than planned cost of customer communications has proved to be effective, resulting in lower than planned call centre costs related to smart meters. These lower smart meter call centre costs are reflected in the lower costs projected for 2012 used to calculate the smart meter incremental revenue requirement (SMIRR) rate rider.

The results from PowerStream's annual customer survey attest to the effectiveness of its communications regarding smart meters and TOU billing showing that its customers had a good understanding of these subjects and the time-of-use pricing structure.

The complete smart meter communications, from notification of a smart meter to be installed through to the transition to TOU billing along with potential bill impacts and tips for reducing bills by taking positive steps to utilize the TOU pricing structure, cost less than \$5 per customer.

VECC Question # 12

Reference: PowerStream Smart Meter Cost Recovery Application, Page 21 Table 4 & Page 35 Table 16

Preamble: Tables 4 and 16 provide the 2010 actual and 2011 actual (unaudited) and 2011 projected OM&A costs for each rate zone.

Please provide the detailed calculation for the last three columns of each Table.

Response:

i.) "May 1 to Dec. 31, 2011 (Projected)" column:

This column is generally a pro-ratio based on the "Jan. 1 to Apr. 30, 2011 (Actual)" column. The projected cost is 8 months based on twice the four months actual cost in 2011 with adjustments for expected differences in the level of costs between the periods as discussed below.

Re: Table 4 OM&A North rate zone:

AMI System operation for the first four months of 2011 had gross costs of \$95,000 less meter reading savings of \$65,849 for a net cost of \$29,151. AMI costs are expected to continue at the same level but there will be some additional meter reading savings in the remaining eight months of 2011 as more meters are installed. Projected costs for the remaining eight months of 2011 are gross costs of \$190,000 less meter reading savings of \$136,010 for a net cost of \$53,990.

Maintenance had no actual costs booked for the first four months of 2011. There are projected costs in the remaining eight months of 2011 of \$145,000 for remedial work on customer premises to allow installation of a smart meter. See the response to Board Staff IR#1 for more details regarding the remedial work.

Customer communications cost for the first four months of 2011 consist of call centre costs of \$8,823 and other communication costs of \$103,204 for a total of \$112,028. Other communication costs relate mainly to the cost of producing and distributing information to customers regarding smart meters and time-of-use billing. Call centre costs are expected to remain at a similar level. Other communication costs will decline as the smart meter implementation program nears completion and most customers have received the necessary information regarding their smart meter and change to time-of-use billing. Projected costs for the remaining eight months of 2011 are \$17,600 for call centre and \$27,875 for other communication costs related to time-of-use billing and remaining installations (refusals or remedial work required) for a total of \$45,475.

Change management costs booked for the first four months of 2011 were \$7,168 for staff training and process redesign. These costs are expected to continue at a similar level. Projected costs for the remaining eight months of 2011 are \$14,300.

Re: Table 16 OM&A South rate zone:

AMI System operation for the first four months of 2011 had gross costs of \$26,757 less meter reading savings of \$8,844 for a net cost of \$17,913. AMI costs are expected to continue at the same level but there will be some additional meter reading savings in the remaining eight months of 2011 as more smart meters are installed. Projected costs for the remaining eight months of 2011 are gross costs of \$53,514 less meter reading savings of \$27,982 for a net cost of \$25,532.

Maintenance had actual costs of \$12,640 for the first four months of 2011 less \$4,467 already in rates for a net cost of \$8,173. This level of expense is expected to continue. There are projected costs in the remaining eight months of 2011 of \$25,300 for similar work to that carried out in the first four months of 2011, and \$355,000 for remedial work on customer premises to allow installation of a smart meter, less \$8,934 already in rates for a net total of \$371,366. Please see PowerStream's response to Board Staff IR#1 for more details.

Customer communications costs for the first four months of 2011 consist of call centre costs of \$67,955 and other communication costs of \$161,427 less \$77,000 already in rates for a net total of \$152,382. Call centre costs are expected to remain at a similar level. Other communication costs will decline for the reasons discussed above in relation to the North rate zone. Projected costs for the remaining eight months of 2011 are \$135,900 for call centre and \$97,125 for other communication costs related to time-of-use billing and remaining installations (refusals or remedial work required) less \$154,000 already in rates for a net total of \$79,025.

Change management costs booked for the first four months of 2011 were \$24,975 for staff training and process redesign less \$37,333 already in rates for a net cost of \$(12,358). These costs are expected to continue at a similar level. Projected costs for the remaining eight months of 2011 are \$49,900 less \$74,666 already in rates for a net cost of \$(24,766).

ii.) "Projected 2011 Total" column:

This column is simply the addition of the "Jan. 1 to Apr. 30, 2011 (Actual)" column amount and the "May 1 to Dec. 31, 2011 (Projected)" column amount.

iii.) “Adjusted 2011” column:

This column is based on the “Projected 2011 Total” column with some adjustments for expected differences in the level of costs between 2011 and future years. Please see also PowerStream’s response to Board Staff IR#5.

Re: Table 4 OM&A North rate zone:

AMI System operation gross cost for future years is the same as projected 2011 of \$285,000 less a full year of meter reading savings of \$204,015 for a net cost of \$80,985.

Maintenance costs have been adjusted from projected 2011 costs by removing the one time costs of \$145,000 for remedial work and adding a projected \$10,000 for maintenance of the 69,383 installed smart meters.

Customer communications have been adjusted from the projected 2011 costs by removing the other communications costs of \$131,000 and keeping the call centre costs of \$26,243.

Change management costs are expected to continue at the same level for 2012.

Re: Table 16 OM&A South rate zone:

AMI System operation gross cost for future years is the same as projected 2011 cost of \$80,272 less a full year of meter reading savings of \$41,973 for a net cost of \$38,299.

Maintenance costs have been adjusted from projected 2011 costs by removing the one time costs of \$355,000 for remedial work, replacing the other maintenance amount of \$37,940 with a projected \$40,000 and deducting the \$13,400 already in rates for a net cost of \$26,600.

Customer communications have been adjusted from the projected 2011 costs by removing the other communications costs of \$258,552, keeping the call centre costs of \$203,855 and deducting the amount of \$231,000 already in rates for a net cost of \$(27,145). This is negative since the ongoing costs of \$203,855 are less than the amounts already approved in rates.

Change management costs are expected to continue at the same level for 2012 less the amount already in rates.

VECC Question # 13

Reference: PowerStream Smart Meter Cost Recovery Application, Page 23

Preamble: PowerStream is not seeking disposition of its stranded meter costs at this time. The net book value of the stranded conventional meters was \$3.4 million at April 30, 2011. Proceeds on the stranded meters are captured in account 1555 as an offset to the costs in the deferral account.

Please provide the calculation of the proceeds captured in account 1555.

Response:

PowerStream has recorded a credit of \$85,026 in account 1555 for proceeds on disposition of scrapped meters due to smart meters. The amount paid is for the scrap value of the metal in the meter, which varies over time. Table VECC 13-1 shows the total number of scrapped meters and the average price received for meters scrapped in 2010. With fluctuations in metal prices, the actual proceeds received over time are somewhat higher.

Table VECC 13-1: Estimated Proceeds on Scrapped Meters

	Quantity	Average Price	Proceeds
Single Phase Meters	263,680	\$ 0.14	\$ 36,915
3-phase meters	20,083	\$ 0.59	\$ 11,849
Total	283,763		\$ 48,764

VECC Question # 14

Reference: PowerStream Smart Meter Cost Recovery Application, Page 33

Preamble: The 2010 Smart Meter Funding adder did not contain any estimated costs for program management, consulting and professional fees for contracts, which was an oversight in calculating the adder.

Please provide a breakdown of these costs by customer class.

Response:

Table VECC 14-1 shows the breakdown of these capital costs by customer class.

Table VECC 14-1: Smart Meter Capital Costs by Customer Class (South)

Description	Residential	GS<50 kW	Total
Professional Fees	\$ (5,101)	\$ (475)	\$ (5,576)
Integration	\$ 95,115	\$ 8,862	\$ 103,977
Program Management	\$ 107,971	\$ 10,060	\$ 118,031

These costs have been allocated to the customer classes based on the total smart meters to be installed. Please see the response to Board Staff IR#4 for a discussion of the allocation of shared costs.

PowerStream Inc.
Responses to VECC Interrogatories

Appendices

1. Smart Meter Cost Recovery Model – North Residential (VECC IR#3)
2. Smart Meter Cost Recovery Model – North GS<50 kW (VECC IR#3)
3. Smart Meter Cost Recovery Model – South Residential (VECC IR#4)
4. Smart Meter Cost Recovery Model – South GS<50 kW (VECC IR#4)
5. Bill Impact Calculations – North Rate Zone
6. Bill Impact Calculations –South Rate Zone

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011
Residential Class Only (VECC IR#3)

Rate Rider to Recover Smart Meter Costs

Revenue Requirement 2006	\$887
Revenue Requirement 2007	\$2,056
Revenue Requirement 2008	\$5,384
Revenue Requirement 2009	\$167,155
Revenue Requirement 2010	\$1,117,265
Revenue Requirement 2011 (to Oct 31/11)	\$1,369,461
Revenue Requirement Total	<u>\$2,662,207</u>
Smart Meter Rate Adder	(\$2,538,894)
Carrying Cost	<u>(\$46,384)</u>
Smart Meter True-up	<u>\$76,929</u>

2011 Addition to Rate Base (Smart meters installed up to April 30, 2011)

Fixed Assets	
Smart Meters	\$8,008,156
Computer Software	<u>\$367,954</u>
	<u>\$8,376,110</u>
Accumulated Depreciation	
Smart Meters	(\$916,943)
Computer Software	<u>(\$216,694)</u>
	<u>(\$1,133,637)</u>
Addition to Net Fixed Assets	<u><u>\$7,242,473</u></u>

2011 Amortization Expense	
Smart Meters	\$530,223
Computer Software	<u>\$111,434</u>
	<u>\$641,657</u>

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011

Incremental Revenue Requirement Calculation

	2006		2007		2008		2009		2010		2011		2011 Adjusted	
Net Fixed Assets		\$ 5,525		\$ 12,812		\$ 34,255		\$ 946,911		\$ 4,773,547		\$ 7,474,840		\$ 7,474,840
OM&A	\$ -		\$ -		\$ -		\$6,704		\$311,035		\$381,277		\$128,252	
WCA	15%	\$ -	15%	\$ -	15%	\$ -	15%	\$ 1,006	15%	\$ 46,655	15%	\$ 57,192	15%	\$ 19,238
Rate Base		\$ 5,525		\$ 12,812		\$ 34,255		\$ 947,916		\$ 4,820,202		\$ 7,532,032		\$ 7,494,078
Deemed ST Debt	0%	\$ -	0%	\$ -	4%	\$ 1,370	4%	\$ 37,917	4%	\$ 192,808	4%	\$ 301,281	4%	\$ 299,763
Deemed LT Debt	60%	\$ 3,315	60%	\$ 7,687	56%	\$ 19,183	56%	\$ 530,833	56%	\$ 2,699,313	56%	\$ 4,217,938	56%	\$ 4,196,684
Deemed Equity	40%	\$ 2,210	40%	\$ 5,125	40%	\$ 13,702	40%	\$ 379,167	40%	\$ 1,928,081	40%	\$ 3,012,813	40%	\$ 2,997,631
ST Interest	0.00%	\$ -	0.00%	\$ -	4.47%	\$ 61	4.47%	\$ 1,695	2.07%	\$ 3,991	2.43%	\$ 7,321	2.43%	\$ 7,284
LT Interest	6.16%	\$ 204	6.16%	\$ 474	6.10%	\$ 1,170	6.10%	\$ 32,381	5.89%	\$ 158,990	5.48%	\$ 231,143	5.48%	\$ 229,978
ROE	9.00%	\$ 199	9.00%	\$ 461	8.57%	\$ 1,174	8.57%	\$ 32,495	9.85%	\$ 189,916	9.66%	\$ 291,038	9.66%	\$ 289,571
		\$ 403		\$ 935		\$ 2,406		\$ 66,570		\$ 352,897		\$ 529,502		\$ 526,834
OM&A						\$ -		\$ 6,704		\$ 311,035		\$ 381,277		\$ 128,252
Amortization		\$ 381		\$ 910		\$ 2,451		\$ 88,384		\$ 399,854		\$ 641,657		\$ 641,657
Grossed-up PILs		\$ 103		\$ 211		\$ 527		\$ 5,497		\$ 53,479		\$ 90,917		\$ 90,917
Revenue Requirement		\$ 887		\$ 2,056		\$ 5,384		\$ 167,155		\$ 1,117,265		\$ 1,643,353		\$ 1,387,660

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011

PILs Calculation

	2006	2007	2008	2009	2010	2011
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
INCOME TAX						
Net Income	\$ 199	\$ 461	\$ 1,174	\$ 32,495	\$ 189,916	\$ 291,038
Amortization	\$ 381	\$ 910	\$ 2,451	\$ 88,384	\$ 399,854	\$ 641,657
CCA	(\$457)	(\$1,055)	(\$2,821)	(\$118,123)	(\$483,601)	(\$701,782)
Change in taxable income	\$ 123	\$ 316	\$ 805	\$ 2,755	\$ 106,169	\$ 230,913
Tax Rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%
Income Taxes Payable	\$ 44	\$ 114	\$ 270	\$ 909	\$ 32,912	\$ 65,233

ONTARIO CAPITAL TAX

Closing Net Fixed Assets	\$ 11,050	\$ 14,575	\$ 53,936	\$ 1,839,886	\$ 7,707,208	\$ 7,242,473
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ 11,050	\$ 14,575	\$ 53,936	\$ 1,839,886	\$ 7,707,208	\$ 7,242,473
Ontario Capital Tax Rate	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%
Net Amount (Taxable Capital x Rate)	\$33	\$33	\$121	\$4,140	\$5,780	\$0

Gross Up

	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable
Change in Income Taxes Payable	\$44	\$114	\$270	\$909	\$32,912	\$65,233
Change in OCT	\$33	\$33	\$121	\$4,140	\$5,780	\$0
PIL's	\$77	\$147	\$391	\$5,049	\$38,693	\$65,233
	Gross Up 36.12%	Gross Up 36.12%	Gross Up 33.50%	Gross Up 33.00%	Gross Up 31.00%	Gross Up 28.25%
	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs
Change in Income Taxes Payable	69	179	406	1,357	47,699	90,917
Change in OCT	33	33	121	4,140	5,780	0
PIL's	\$103	\$211	\$527	\$5,497	\$53,479	\$90,917

Average Net Fixed Assets

Net Fixed Assets - Smart Meters

	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ 11,431	\$ 15,866	\$ 57,678	\$ 1,766,558	\$ 7,898,537
Capital Investment	\$ 11,431	\$ 4,435	\$ 41,812	\$ 1,708,880	\$ 6,131,979	\$ 109,619
Closing Capital Investment	\$ 11,431	\$ 15,866	\$ 57,678	\$ 1,766,558	\$ 7,898,537	\$ 8,008,156
Opening Accumulated Amortization	\$ -	\$ 381	\$ 1,291	\$ 3,742	\$ 64,550	\$ 386,720
Amortization Year One	\$ 381	\$ 148	\$ 1,394	\$ 56,963	\$ 204,399	\$ 3,654
Amortization Thereafter	\$ -	\$ 762	\$ 1,058	\$ 3,845	\$ 117,771	\$ 526,569
Closing Accumulated Amortization	\$ 381	\$ 1,291	\$ 3,742	\$ 64,550	\$ 386,720	\$ 916,943
Opening Net Fixed Assets	\$ -	\$ 11,050	\$ 14,575	\$ 53,936	\$ 1,702,008	\$ 7,511,817
Closing Net Fixed Assets	\$ 11,050	\$ 14,575	\$ 53,936	\$ 1,702,008	\$ 7,511,817	\$ 7,091,213
Average Net Fixed Assets	\$ 5,525	\$ 12,812	\$ 34,255	\$ 877,972	\$ 4,606,912	\$ 7,301,515

Net Fixed Assets - Computer Software

	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 165,454	\$ 300,651
Capital Investment				\$ 165,454	\$ 135,197	\$ 67,303
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 165,454	\$ 300,651	\$ 367,954
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 27,576	\$ 105,260
Amortization Year One	\$ -	\$ -	\$ -	\$ 27,576	\$ 22,533	\$ 11,217
Amortization Thereafter	\$ -	\$ -	\$ -	\$ -	\$ 55,151	\$ 100,217
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 27,576	\$ 105,260	\$ 216,694
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 137,878	\$ 195,391
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 137,878	\$ 195,391	\$ 151,260
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 68,939	\$ 166,635	\$ 173,326
Total closing capital investment	\$ 11,431	\$ 15,866	\$ 57,678	\$ 1,932,012	\$ 8,199,188	\$ 8,376,110
Total Average Fixed Assets	\$ 5,525	\$ 12,812	\$ 34,255	\$ 946,911	\$ 4,773,547	\$ 7,474,840
Total Amortization expense	\$ 381	\$ 910	\$ 2,451	\$ 88,384	\$ 399,854	\$ 641,657

For PILs Calculation

UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ 10,974	\$ 14,353	\$ 53,345	\$ 1,689,602	\$ 7,441,134
Capital Additions	\$ 11,431	\$ 4,435	\$ 41,812	\$ 1,708,880	\$ 6,131,979	\$ 109,619
UCC Before Half Year Rule	\$ 11,431	\$ 15,409	\$ 56,165	\$ 1,762,225	\$ 7,821,581	\$ 7,550,753
Half Year Rule (1/2 Additions - Disposals)	\$ 5,715	\$ 2,218	\$ 20,906	\$ 854,440	\$ 3,065,990	\$ 54,810
Reduced UCC	\$ 5,715	\$ 13,191	\$ 35,259	\$ 907,785	\$ 4,755,591	\$ 7,495,943
CCA Rate Class	47					
CCA Rate	8%					
CCA	\$ 457	\$ 1,055	\$ 2,821	\$ 72,623	\$ 380,447	\$ 599,675
Closing UCC	\$ 10,974	\$ 14,353	\$ 53,345	\$ 1,689,602	\$ 7,441,134	\$ 6,951,077

UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 119,954	\$ 151,997
Capital Additions	\$ -	\$ -	\$ -	\$ 165,454	\$ 135,197	\$ 67,303
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 165,454	\$ 255,151	\$ 219,300
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 82,727	\$ 67,599	\$ 33,652
Reduced UCC	\$ -	\$ -	\$ -	\$ 82,727	\$ 187,553	\$ 185,649
CCA Rate Class	50					
CCA Rate	55%					
CCA	\$ -	\$ -	\$ -	\$ 45,500	\$ 103,154	\$ 102,107
Closing UCC	\$ -	\$ -	\$ -	\$ 119,954	\$ 151,997	\$ 117,193
Total CCA	\$ 457	\$ 1,055	\$ 2,821	\$ 118,123	\$ 483,601	\$ 701,782

Table Staff 16-1: Account 1555 Smart Meter Capital and Offset Account – Principa

Month	Opening Balance	SM Adder	Revenue Requirement	Closing Balance (excluding Stranded)
May-06	\$0	(\$13,901)	\$111	(\$13,790)
Jun-06	(\$13,790)	(\$13,901)	\$111	(\$27,580)
Jul-06	(\$27,580)	(\$13,901)	\$111	(\$41,371)
Aug-06	(\$41,371)	(\$13,901)	\$111	(\$55,161)
Sep-06	(\$55,161)	(\$13,901)	\$111	(\$68,951)
Oct-06	(\$68,951)	(\$13,901)	\$111	(\$82,741)
Nov-06	(\$82,741)	(\$13,901)	\$111	(\$96,531)
Dec-06	(\$96,531)	(\$13,901)	\$111	(\$110,321)
Jan-07	(\$110,321)	(\$16,320)	\$171	(\$126,470)
Feb-07	(\$126,470)	(\$16,320)	\$171	(\$142,619)
Mar-07	(\$142,619)	(\$16,320)	\$171	(\$158,767)
Apr-07	(\$158,767)	(\$16,320)	\$171	(\$174,916)
May-07	(\$174,916)	(\$16,320)	\$171	(\$191,065)
Jun-07	(\$191,065)	(\$16,320)	\$171	(\$207,213)
Jul-07	(\$207,213)	(\$16,320)	\$171	(\$223,362)
Aug-07	(\$223,362)	(\$16,320)	\$171	(\$239,511)
Sep-07	(\$239,511)	(\$16,320)	\$171	(\$255,659)
Oct-07	(\$255,659)	(\$16,320)	\$171	(\$271,808)
Nov-07	(\$271,808)	(\$16,320)	\$171	(\$287,957)
Dec-07	(\$287,957)	(\$16,320)	\$171	(\$304,105)
Jan-08	(\$304,105)	(\$16,770)	\$449	(\$320,426)
Feb-08	(\$320,426)	(\$16,770)	\$449	(\$336,747)
Mar-08	(\$336,747)	(\$16,770)	\$449	(\$353,069)
Apr-08	(\$353,069)	(\$16,770)	\$449	(\$369,390)
May-08	(\$369,390)	(\$16,770)	\$449	(\$385,711)
Jun-08	(\$385,711)	(\$16,770)	\$449	(\$402,032)
Jul-08	(\$402,032)	(\$16,770)	\$449	(\$418,353)
Aug-08	(\$418,353)	(\$16,770)	\$449	(\$434,674)
Sep-08	(\$434,674)	(\$16,770)	\$449	(\$450,995)
Oct-08	(\$450,995)	(\$16,770)	\$449	(\$467,316)
Nov-08	(\$467,316)	(\$16,770)	\$449	(\$483,637)
Dec-08	(\$483,637)	(\$16,770)	\$449	(\$499,958)
Jan-09	(\$499,958)	(\$44,447)	\$13,930	(\$530,476)
Feb-09	(\$530,476)	(\$44,447)	\$13,930	(\$560,993)
Mar-09	(\$560,993)	(\$44,447)	\$13,930	(\$591,511)
Apr-09	(\$591,511)	(\$44,447)	\$13,930	(\$622,028)
May-09	(\$622,028)	(\$44,447)	\$13,930	(\$652,546)
Jun-09	(\$652,546)	(\$44,447)	\$13,930	(\$683,063)
Jul-09	(\$683,063)	(\$44,447)	\$13,930	(\$713,581)
Aug-09	(\$713,581)	(\$44,447)	\$13,930	(\$744,098)
Sep-09	(\$744,098)	(\$44,447)	\$13,930	(\$774,616)
Oct-09	(\$774,616)	(\$44,447)	\$13,930	(\$805,133)
Nov-09	(\$805,133)	(\$44,447)	\$13,930	(\$835,651)
Dec-09	(\$835,651)	(\$44,447)	\$13,930	(\$866,169)
Jan-10	(\$866,169)	(\$90,434)	\$93,105	(\$863,497)
Feb-10	(\$863,497)	(\$90,434)	\$93,105	(\$860,826)
Mar-10	(\$860,826)	(\$90,434)	\$93,105	(\$858,155)
Apr-10	(\$858,155)	(\$90,434)	\$93,105	(\$855,483)
May-10	(\$855,483)	(\$90,434)	\$93,105	(\$852,812)
Jun-10	(\$852,812)	(\$90,434)	\$93,105	(\$850,141)
Jul-10	(\$850,141)	(\$90,434)	\$93,105	(\$847,469)
Aug-10	(\$847,469)	(\$90,434)	\$93,105	(\$844,798)
Sep-10	(\$844,798)	(\$90,434)	\$93,105	(\$842,127)
Oct-10	(\$842,127)	(\$90,434)	\$93,105	(\$839,455)
Nov-10	(\$839,455)	(\$90,434)	\$93,105	(\$836,784)
Dec-10	(\$836,784)	(\$90,434)	\$93,105	(\$834,113)
Jan-11	(\$834,113)	(\$103,009)	\$136,946	(\$800,175)
Feb-11	(\$800,175)	(\$103,009)	\$136,946	(\$766,238)
Mar-11	(\$766,238)	(\$103,009)	\$136,946	(\$732,301)
Apr-11	(\$732,301)	(\$103,009)	\$136,946	(\$698,363)
May-11	(\$698,363)	\$0	\$136,946	(\$561,417)
Jun-11	(\$561,417)	\$0	\$136,946	(\$424,471)
Jul-11	(\$424,471)	\$0	\$136,946	(\$287,525)
Aug-11	(\$287,525)	\$0	\$136,946	(\$150,579)
Sep-11	(\$150,579)	\$0	\$136,946	(\$13,633)
Oct-11	(\$13,633)	\$0	\$136,946	\$123,313
Total		(\$2,538,894)	\$2,662,207	

2006	(\$111,208)	\$887
2007	(\$195,840)	\$2,056
2008	(\$201,237)	\$5,384
2009	(\$533,365)	\$167,155
2010	(\$1,085,209)	\$1,117,265
2011	(\$412,035)	\$1,369,461
	(\$2,538,894)	\$2,662,207

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 1
Page 6 of 7

Table Staff 16-2: Account 1555 – Interest

Month	Opening Balance (excluding Stranded)	Days	Rate	Interest	To Date
May-06	\$0	31	4.1400%	\$0	\$0
Jun-06	(\$13,790)	30	4.1400%	(\$47)	(\$47)
Jul-06	(\$27,580)	31	4.5900%	(\$108)	(\$154)
Aug-06	(\$41,371)	31	4.5900%	(\$161)	(\$316)
Sep-06	(\$55,161)	30	4.5900%	(\$208)	(\$524)
Oct-06	(\$68,951)	31	4.5900%	(\$269)	(\$793)
Nov-06	(\$82,741)	30	4.5900%	(\$312)	(\$1,105)
Dec-06	(\$96,531)	31	4.5900%	(\$376)	(\$1,481)
Jan-07	(\$110,321)	31	4.5900%	(\$430)	(\$1,911)
Feb-07	(\$126,470)	28	4.5900%	(\$445)	(\$2,356)
Mar-07	(\$142,619)	31	4.5900%	(\$556)	(\$2,912)
Apr-07	(\$158,767)	30	4.5900%	(\$599)	(\$3,511)
May-07	(\$174,916)	31	4.5900%	(\$682)	(\$4,193)
Jun-07	(\$191,065)	30	4.5900%	(\$721)	(\$4,914)
Jul-07	(\$207,213)	31	4.5900%	(\$808)	(\$5,722)
Aug-07	(\$223,362)	31	4.5900%	(\$871)	(\$6,593)
Sep-07	(\$239,511)	30	4.5900%	(\$904)	(\$7,496)
Oct-07	(\$255,659)	31	5.1400%	(\$1,116)	(\$8,612)
Nov-07	(\$271,808)	30	5.1400%	(\$1,148)	(\$9,761)
Dec-07	(\$287,957)	31	5.1400%	(\$1,257)	(\$11,018)
Jan-08	(\$304,105)	31	5.1400%	(\$1,324)	(\$12,342)
Feb-08	(\$320,426)	29	5.1400%	(\$1,305)	(\$13,647)
Mar-08	(\$336,747)	31	5.1400%	(\$1,466)	(\$15,113)
Apr-08	(\$353,069)	30	4.0800%	(\$1,181)	(\$16,293)
May-08	(\$369,390)	31	4.0800%	(\$1,277)	(\$17,570)
Jun-08	(\$385,711)	30	4.0800%	(\$1,290)	(\$18,860)
Jul-08	(\$402,032)	31	3.3500%	(\$1,141)	(\$20,001)
Aug-08	(\$418,353)	31	3.3500%	(\$1,187)	(\$21,188)
Sep-08	(\$434,674)	30	3.3500%	(\$1,194)	(\$22,381)
Oct-08	(\$450,995)	31	3.3500%	(\$1,280)	(\$23,661)
Nov-08	(\$467,316)	30	3.3500%	(\$1,283)	(\$24,944)
Dec-08	(\$483,637)	31	3.3500%	(\$1,372)	(\$26,316)
Jan-09	(\$499,958)	31	2.4500%	(\$1,040)	(\$27,357)
Feb-09	(\$530,476)	28	2.4500%	(\$997)	(\$28,354)
Mar-09	(\$560,993)	31	2.4500%	(\$1,167)	(\$29,521)
Apr-09	(\$591,511)	30	1.0000%	(\$486)	(\$30,007)
May-09	(\$622,028)	31	1.0000%	(\$528)	(\$30,535)
Jun-09	(\$652,546)	30	1.0000%	(\$536)	(\$31,072)
Jul-09	(\$683,063)	31	0.5500%	(\$319)	(\$31,391)
Aug-09	(\$713,581)	31	0.5500%	(\$333)	(\$31,724)
Sep-09	(\$744,098)	30	0.5500%	(\$336)	(\$32,061)
Oct-09	(\$774,616)	31	0.5500%	(\$362)	(\$32,422)
Nov-09	(\$805,133)	30	0.5500%	(\$364)	(\$32,786)
Dec-09	(\$835,651)	31	0.5500%	(\$390)	(\$33,177)
Jan-10	(\$866,169)	31	0.5500%	(\$405)	(\$33,581)
Feb-10	(\$863,497)	28	0.5500%	(\$364)	(\$33,946)
Mar-10	(\$860,826)	31	0.5500%	(\$402)	(\$34,348)
Apr-10	(\$858,155)	30	0.5500%	(\$388)	(\$34,736)
May-10	(\$855,483)	31	0.5500%	(\$400)	(\$35,135)
Jun-10	(\$852,812)	30	0.5500%	(\$386)	(\$35,521)
Jul-10	(\$850,141)	31	0.8900%	(\$643)	(\$36,163)
Aug-10	(\$847,469)	31	0.8900%	(\$641)	(\$36,804)
Sep-10	(\$844,798)	30	0.8900%	(\$618)	(\$37,422)
Oct-10	(\$842,127)	31	1.2000%	(\$858)	(\$38,280)
Nov-10	(\$839,455)	30	1.2000%	(\$828)	(\$39,108)
Dec-10	(\$836,784)	31	1.2000%	(\$853)	(\$39,961)
Jan-11	(\$834,113)	31	1.4700%	(\$1,041)	(\$41,002)
Feb-11	(\$800,175)	28	1.4700%	(\$902)	(\$41,905)
Mar-11	(\$766,238)	31	1.4700%	(\$957)	(\$42,861)
Apr-11	(\$732,301)	30	1.4700%	(\$885)	(\$43,746)
May-11	(\$698,363)	31	1.4700%	(\$872)	(\$44,618)
Jun-11	(\$561,417)	30	1.4700%	(\$678)	(\$45,296)
Jul-11	(\$424,471)	31	1.4700%	(\$530)	(\$45,826)
Aug-11	(\$287,525)	31	1.4700%	(\$359)	(\$46,185)
Sep-11	(\$150,579)	30	1.4700%	(\$182)	(\$46,367)
Oct-11	(\$13,633)	31	1.4700%	(\$17)	(\$46,384)

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011
GS<50 kW Class Only (VECC IR#3)

Rate Rider to Recover Smart Meter Costs

Revenue Requirement 2006	\$73
Revenue Requirement 2007	\$169
Revenue Requirement 2008	\$443
Revenue Requirement 2009	\$9,287
Revenue Requirement 2010	\$159,147
Revenue Requirement 2011 (to Oct 31/11)	\$291,465
Revenue Requirement Total	<u>\$460,584</u>
Smart Meter Rate Adder	(\$229,876)
Carrying Cost	<u>(\$2,412)</u>
Smart Meter True-up	<u>\$228,295</u>

2011 Addition to Rate Base (Smart meters installed up to April 30, 2011)

Fixed Assets	
Smart Meters	\$2,643,268
Computer Software	<u>\$30,479</u>
	<u>\$2,673,747</u>
Accumulated Depreciation	
Smart Meters	(\$210,896)
Computer Software	<u>(\$17,950)</u>
	<u>(\$228,846)</u>
Addition to Net Fixed Assets	<u>\$2,444,901</u>

2011 Amortization Expense	
Smart Meters	\$146,183
Computer Software	<u>\$9,231</u>
	<u>\$155,413</u>

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011

Incremental Revenue Requirement Calculation

	2006		2007		2008		2009		2010		2011		2011 Adjusted	
Net Fixed Assets		\$ 454		\$ 1,054		\$ 2,818		\$ 52,452		\$ 897,080		\$ 2,069,296		\$ 2,069,296
OM&A	\$ -		\$ -		\$ -		\$ -		\$ 14,814		\$ 25,833		\$ 10,623	
WCA	15%	\$ -	15%	\$ -	15%	\$ -	15%	\$ -	15%	\$ 2,222	15%	\$ 3,875	15%	\$ 1,593
Rate Base		\$ 454		\$ 1,054		\$ 2,818		\$ 52,452		\$ 899,302		\$ 2,073,171		\$ 2,070,890
Deemed ST Debt	0%	\$ -	0%	\$ -	4%	\$ 113	4%	\$ 2,098	4%	\$ 35,972	4%	\$ 82,927	4%	\$ 82,836
Deemed LT Debt	60%	\$ 273	60%	\$ 632	56%	\$ 1,578	56%	\$ 29,373	56%	\$ 503,609	56%	\$ 1,160,976	56%	\$ 1,159,698
Deemed Equity	40%	\$ 182	40%	\$ 422	40%	\$ 1,127	40%	\$ 20,981	40%	\$ 359,721	40%	\$ 829,268	40%	\$ 828,356
ST Interest	0.00%	\$ -	0.00%	\$ -	4.47%	\$ 5	4.47%	\$ 94	2.07%	\$ 745	2.43%	\$ 2,015	2.43%	\$ 2,013
LT Interest	6.16%	\$ 17	6.16%	\$ 39	6.10%	\$ 96	6.10%	\$ 1,792	5.89%	\$ 29,663	5.48%	\$ 63,621	5.48%	\$ 63,551
ROE	9.00%	\$ 16	9.00%	\$ 38	8.57%	\$ 97	8.57%	\$ 1,798	9.85%	\$ 35,432	9.66%	\$ 80,107	9.66%	\$ 80,019
		\$ 33		\$ 77		\$ 198		\$ 3,684		\$ 65,840		\$ 145,744		\$ 145,584
OM&A						\$ -		\$ -		\$ 14,814		\$ 25,833		\$ 10,623
Amortization		\$ 31		\$ 75		\$ 202		\$ 5,529		\$ 67,595		\$ 155,413		\$ 155,413
Grossed-up PILs		\$ 8		\$ 17		\$ 43		\$ 75		\$ 10,897		\$ 22,768		\$ 22,768
Revenue Requirement		\$ 73		\$ 169		\$ 443		\$ 9,287		\$ 159,147		\$ 349,758		\$ 334,387

PowerStream Inc. - North
Recovery of Costs to Oct 31, 2011

PILs Calculation

	2006	2007	2008	2009	2010	2011
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
INCOME TAX						
Net Income	\$ 16	\$ 38	\$ 97	\$ 1,798	\$ 35,432	\$ 80,107
Amortization	\$ 31	\$ 75	\$ 202	\$ 5,529	\$ 67,595	\$ 155,413
CCA	(\$38)	(\$87)	(\$232)	(\$7,634)	(\$81,600)	(\$177,695)
Change in taxable income	\$ 10	\$ 26	\$ 66	\$ 307	\$ 21,428	\$ 57,825
Tax Rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%
Income Taxes Payable	\$ 4	\$ 9	\$ 22	\$ 101	\$ 6,643	\$ 16,336

ONTARIO CAPITAL TAX

Closing Net Fixed Assets	\$ 909	\$ 1,199	\$ 4,436	\$ 100,468	\$ 1,693,691	\$ 2,444,901
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ 909	\$ 1,199	\$ 4,436	\$ 100,468	\$ 1,693,691	\$ 2,444,901
Ontario Capital Tax Rate	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%
Net Amount (Taxable Capital x Rate)	\$3	\$3	\$10	\$226	\$1,270	\$0

Gross Up

	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable	PILs Payable
Change in Income Taxes Payable	\$4	\$9	\$22	(\$101)	\$6,643	\$16,336
Change in OCT	\$3	\$3	\$10	\$226	\$1,270	\$0
PIL's	\$6	\$12	\$32	\$125	\$7,913	\$16,336
	Gross Up 36.12%	Gross Up 36.12%	Gross Up 33.50%	Gross Up 33.00%	Gross Up 31.00%	Gross Up 28.25%
	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs	Grossed Up PILs
Change in Income Taxes Payable	6	15	33	(151)	9,627	22,768
Change in OCT	3	3	10	226	1,270	0
PIL's	\$8	\$17	\$43	\$75	\$10,897	\$22,768

Average Net Fixed Assets

Net Fixed Assets - Smart Meters

	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ 940	\$ 1,305	\$ 4,744	\$ 92,600	\$ 1,742,219
Capital Investment	\$ 940	\$ 365	\$ 3,439	\$ 87,856	\$ 1,649,619	\$ 901,049
Closing Capital Investment	\$ 940	\$ 1,305	\$ 4,744	\$ 92,600	\$ 1,742,219	\$ 2,643,268
Opening Accumulated Amortization	\$ -	\$ 31	\$ 106	\$ 308	\$ 3,553	\$ 64,713
Amortization Year One	\$ 31	\$ 12	\$ 115	\$ 2,929	\$ 54,987	\$ 30,035
Amortization Thereafter	\$ -	\$ 63	\$ 87	\$ 316	\$ 6,173	\$ 116,148
Closing Accumulated Amortization	\$ 31	\$ 106	\$ 308	\$ 3,553	\$ 64,713	\$ 210,896
Opening Net Fixed Assets	\$ -	\$ 909	\$ 1,199	\$ 4,436	\$ 89,047	\$ 1,677,506
Closing Net Fixed Assets	\$ 909	\$ 1,199	\$ 4,436	\$ 89,047	\$ 1,677,506	\$ 2,432,372
Average Net Fixed Assets	\$ 454	\$ 1,054	\$ 2,818	\$ 46,742	\$ 883,277	\$ 2,054,939

Net Fixed Assets - Computer Software

	2006	2007	2008	2009	2010	2011
	Actual	Actual	Actual	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ 13,705	\$ 24,904
Capital Investment				\$ 13,705	\$ 11,199	\$ 5,575
Closing Capital Investment	\$ -	\$ -	\$ -	\$ 13,705	\$ 24,904	\$ 30,479
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ 2,284	\$ 8,719
Amortization Year One	\$ -	\$ -	\$ -	\$ 2,284	\$ 1,867	\$ 929
Amortization Thereafter	\$ -	\$ -	\$ -	\$ -	\$ 4,568	\$ 8,301
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ 2,284	\$ 8,719	\$ 17,950
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 11,421	\$ 16,185
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ 11,421	\$ 16,185	\$ 12,530
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ 5,710	\$ 13,803	\$ 14,357
Total closing capital investment	\$ 940	\$ 1,305	\$ 4,744	\$ 106,305	\$ 1,767,123	\$ 2,673,747
Total Average Fixed Assets	\$ 454	\$ 1,054	\$ 2,818	\$ 52,452	\$ 897,080	\$ 2,069,296
Total Amortization expense	\$ 31	\$ 75	\$ 202	\$ 5,529	\$ 67,595	\$ 155,413

For PILs Calculation

UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ 903	\$ 1,181	\$ 4,388	\$ 88,378	\$ 1,664,942
Capital Additions	\$ 940	\$ 365	\$ 3,439	\$ 87,856	\$ 1,649,619	\$ 901,049
UCC Before Half Year Rule	\$ 940	\$ 1,267	\$ 4,620	\$ 92,244	\$ 1,737,997	\$ 2,565,991
Half Year Rule (1/2 Additions - Disposals)	\$ 470	\$ 182	\$ 1,720	\$ 43,928	\$ 824,810	\$ 450,525
Reduced UCC	\$ 470	\$ 1,085	\$ 2,900	\$ 48,316	\$ 913,188	\$ 2,115,467
CCA Rate Class	47					
CCA Rate	8%					
CCA	\$ 38	\$ 87	\$ 232	\$ 3,865	\$ 73,055	\$ 169,237
Closing UCC	\$ 903	\$ 1,181	\$ 4,388	\$ 88,378	\$ 1,664,942	\$ 2,396,754

UCC

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Forecasted	2011 Forecasted
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 9,936	\$ 12,591
Capital Additions	\$ -	\$ -	\$ -	\$ 13,705	\$ 11,199	\$ 5,575
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 13,705	\$ 21,135	\$ 18,166
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 6,853	\$ 5,600	\$ 2,788
Reduced UCC	\$ -	\$ -	\$ -	\$ 6,853	\$ 15,536	\$ 15,378
CCA Rate Class	50					
CCA Rate	55%					
CCA	\$ -	\$ -	\$ -	\$ 3,769	\$ 8,545	\$ 8,458
Closing UCC	\$ -	\$ -	\$ -	\$ 9,936	\$ 12,591	\$ 9,708
Total CCA	\$ 38	\$ 87	\$ 232	\$ 7,634	\$ 81,600	\$ 177,695

Table Staff 16-1: Account 1555 Smart Meter Capital and Offset Account – Principa

Month	Opening Balance	SM Adder	Revenue Requirement	Closing Balance (excluding Stranded)
May-06	\$0	(\$1,240)	\$9	(\$1,231)
Jun-06	(\$1,231)	(\$1,240)	\$9	(\$2,461)
Jul-06	(\$2,461)	(\$1,240)	\$9	(\$3,692)
Aug-06	(\$3,692)	(\$1,240)	\$9	(\$4,923)
Sep-06	(\$4,923)	(\$1,240)	\$9	(\$6,153)
Oct-06	(\$6,153)	(\$1,240)	\$9	(\$7,384)
Nov-06	(\$7,384)	(\$1,240)	\$9	(\$8,614)
Dec-06	(\$8,614)	(\$1,240)	\$9	(\$9,845)
Jan-07	(\$9,845)	(\$1,466)	\$14	(\$11,297)
Feb-07	(\$11,297)	(\$1,466)	\$14	(\$12,749)
Mar-07	(\$12,749)	(\$1,466)	\$14	(\$14,200)
Apr-07	(\$14,200)	(\$1,466)	\$14	(\$15,652)
May-07	(\$15,652)	(\$1,466)	\$14	(\$17,104)
Jun-07	(\$17,104)	(\$1,466)	\$14	(\$18,556)
Jul-07	(\$18,556)	(\$1,466)	\$14	(\$20,007)
Aug-07	(\$20,007)	(\$1,466)	\$14	(\$21,459)
Sep-07	(\$21,459)	(\$1,466)	\$14	(\$22,911)
Oct-07	(\$22,911)	(\$1,466)	\$14	(\$24,362)
Nov-07	(\$24,362)	(\$1,466)	\$14	(\$25,814)
Dec-07	(\$25,814)	(\$1,466)	\$14	(\$27,266)
Jan-08	(\$27,266)	(\$1,504)	\$37	(\$28,733)
Feb-08	(\$28,733)	(\$1,504)	\$37	(\$30,200)
Mar-08	(\$30,200)	(\$1,504)	\$37	(\$31,667)
Apr-08	(\$31,667)	(\$1,504)	\$37	(\$33,135)
May-08	(\$33,135)	(\$1,504)	\$37	(\$34,602)
Jun-08	(\$34,602)	(\$1,504)	\$37	(\$36,069)
Jul-08	(\$36,069)	(\$1,504)	\$37	(\$37,536)
Aug-08	(\$37,536)	(\$1,504)	\$37	(\$39,003)
Sep-08	(\$39,003)	(\$1,504)	\$37	(\$40,471)
Oct-08	(\$40,471)	(\$1,504)	\$37	(\$41,938)
Nov-08	(\$41,938)	(\$1,504)	\$37	(\$43,405)
Dec-08	(\$43,405)	(\$1,504)	\$37	(\$44,872)
Jan-09	(\$44,872)	(\$4,001)	\$774	(\$48,099)
Feb-09	(\$48,099)	(\$4,001)	\$774	(\$51,326)
Mar-09	(\$51,326)	(\$4,001)	\$774	(\$54,554)
Apr-09	(\$54,554)	(\$4,001)	\$774	(\$57,781)
May-09	(\$57,781)	(\$4,001)	\$774	(\$61,008)
Jun-09	(\$61,008)	(\$4,001)	\$774	(\$64,235)
Jul-09	(\$64,235)	(\$4,001)	\$774	(\$67,462)
Aug-09	(\$67,462)	(\$4,001)	\$774	(\$70,689)
Sep-09	(\$70,689)	(\$4,001)	\$774	(\$73,916)
Oct-09	(\$73,916)	(\$4,001)	\$774	(\$77,143)
Nov-09	(\$77,143)	(\$4,001)	\$774	(\$80,371)
Dec-09	(\$80,371)	(\$4,001)	\$774	(\$83,598)
Jan-10	(\$83,598)	(\$8,239)	\$13,262	(\$78,574)
Feb-10	(\$78,574)	(\$8,239)	\$13,262	(\$73,551)
Mar-10	(\$73,551)	(\$8,239)	\$13,262	(\$68,527)
Apr-10	(\$68,527)	(\$8,239)	\$13,262	(\$63,504)
May-10	(\$63,504)	(\$8,239)	\$13,262	(\$58,480)
Jun-10	(\$58,480)	(\$8,239)	\$13,262	(\$53,457)
Jul-10	(\$53,457)	(\$8,239)	\$13,262	(\$48,433)
Aug-10	(\$48,433)	(\$8,239)	\$13,262	(\$43,410)
Sep-10	(\$43,410)	(\$8,239)	\$13,262	(\$38,387)
Oct-10	(\$38,387)	(\$8,239)	\$13,262	(\$33,363)
Nov-10	(\$33,363)	(\$8,239)	\$13,262	(\$28,340)
Dec-10	(\$28,340)	(\$8,239)	\$13,262	(\$23,316)
Jan-11	(\$23,316)	(\$9,360)	\$29,146	(\$3,530)
Feb-11	(\$3,530)	(\$9,360)	\$29,146	\$16,256
Mar-11	\$16,256	(\$9,360)	\$29,146	\$36,043
Apr-11	\$36,043	(\$9,360)	\$29,146	\$55,829
May-11	\$55,829	\$0	\$29,146	\$84,975
Jun-11	\$84,975	\$0	\$29,146	\$114,122
Jul-11	\$114,122	\$0	\$29,146	\$143,268
Aug-11	\$143,268	\$0	\$29,146	\$172,415
Sep-11	\$172,415	\$0	\$29,146	\$201,561
Oct-11	\$201,561	\$0	\$29,146	\$230,708
Total		(\$229,876)	\$460,584	

2006	(\$9,918)	\$73
2007	(\$17,590)	\$169
2008	(\$18,049)	\$443
2009	(\$48,013)	\$9,287
2010	(\$98,865)	\$159,147
2011	(\$37,441)	\$291,465
	(\$229,876)	\$460,584

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 2
Page 6 of 7

Table Staff 16-2: Account 1555 – Interest

Month	Opening Balance (excluding Stranded)	Days	Rate	Interest	To Date
May-06	\$0	31	4.1400%	\$0	\$0
Jun-06	(\$1,231)	30	4.1400%	(\$4)	(\$4)
Jul-06	(\$2,461)	31	4.5900%	(\$10)	(\$14)
Aug-06	(\$3,692)	31	4.5900%	(\$14)	(\$28)
Sep-06	(\$4,923)	30	4.5900%	(\$19)	(\$47)
Oct-06	(\$6,153)	31	4.5900%	(\$24)	(\$71)
Nov-06	(\$7,384)	30	4.5900%	(\$28)	(\$99)
Dec-06	(\$8,614)	31	4.5900%	(\$34)	(\$132)
Jan-07	(\$9,845)	31	4.5900%	(\$38)	(\$171)
Feb-07	(\$11,297)	28	4.5900%	(\$40)	(\$210)
Mar-07	(\$12,749)	31	4.5900%	(\$50)	(\$260)
Apr-07	(\$14,200)	30	4.5900%	(\$54)	(\$314)
May-07	(\$15,652)	31	4.5900%	(\$61)	(\$375)
Jun-07	(\$17,104)	30	4.5900%	(\$65)	(\$439)
Jul-07	(\$18,556)	31	4.5900%	(\$72)	(\$511)
Aug-07	(\$20,007)	31	4.5900%	(\$78)	(\$589)
Sep-07	(\$21,459)	30	4.5900%	(\$81)	(\$670)
Oct-07	(\$22,911)	31	5.1400%	(\$100)	(\$770)
Nov-07	(\$24,362)	30	5.1400%	(\$103)	(\$873)
Dec-07	(\$25,814)	31	5.1400%	(\$113)	(\$986)
Jan-08	(\$27,266)	31	5.1400%	(\$119)	(\$1,105)
Feb-08	(\$28,733)	29	5.1400%	(\$117)	(\$1,222)
Mar-08	(\$30,200)	31	5.1400%	(\$131)	(\$1,353)
Apr-08	(\$31,667)	30	4.0800%	(\$106)	(\$1,459)
May-08	(\$33,135)	31	4.0800%	(\$115)	(\$1,574)
Jun-08	(\$34,602)	30	4.0800%	(\$116)	(\$1,689)
Jul-08	(\$36,069)	31	3.3500%	(\$102)	(\$1,792)
Aug-08	(\$37,536)	31	3.3500%	(\$107)	(\$1,898)
Sep-08	(\$39,003)	30	3.3500%	(\$107)	(\$2,005)
Oct-08	(\$40,471)	31	3.3500%	(\$115)	(\$2,120)
Nov-08	(\$41,938)	30	3.3500%	(\$115)	(\$2,235)
Dec-08	(\$43,405)	31	3.3500%	(\$123)	(\$2,358)
Jan-09	(\$44,872)	31	2.4500%	(\$93)	(\$2,452)
Feb-09	(\$48,099)	28	2.4500%	(\$90)	(\$2,542)
Mar-09	(\$51,326)	31	2.4500%	(\$107)	(\$2,649)
Apr-09	(\$54,554)	30	1.0000%	(\$45)	(\$2,694)
May-09	(\$57,781)	31	1.0000%	(\$49)	(\$2,743)
Jun-09	(\$61,008)	30	1.0000%	(\$50)	(\$2,793)
Jul-09	(\$64,235)	31	0.5500%	(\$30)	(\$2,823)
Aug-09	(\$67,462)	31	0.5500%	(\$32)	(\$2,855)
Sep-09	(\$70,689)	30	0.5500%	(\$32)	(\$2,887)
Oct-09	(\$73,916)	31	0.5500%	(\$35)	(\$2,921)
Nov-09	(\$77,143)	30	0.5500%	(\$35)	(\$2,956)
Dec-09	(\$80,371)	31	0.5500%	(\$38)	(\$2,994)
Jan-10	(\$83,598)	31	0.5500%	(\$39)	(\$3,033)
Feb-10	(\$78,574)	28	0.5500%	(\$33)	(\$3,066)
Mar-10	(\$73,551)	31	0.5500%	(\$34)	(\$3,100)
Apr-10	(\$68,527)	30	0.5500%	(\$31)	(\$3,131)
May-10	(\$63,504)	31	0.5500%	(\$30)	(\$3,161)
Jun-10	(\$58,480)	30	0.5500%	(\$26)	(\$3,187)
Jul-10	(\$53,457)	31	0.8900%	(\$40)	(\$3,228)
Aug-10	(\$48,433)	31	0.8900%	(\$37)	(\$3,264)
Sep-10	(\$43,410)	30	0.8900%	(\$32)	(\$3,296)
Oct-10	(\$38,387)	31	1.2000%	(\$39)	(\$3,335)
Nov-10	(\$33,363)	30	1.2000%	(\$33)	(\$3,368)
Dec-10	(\$28,340)	31	1.2000%	(\$29)	(\$3,397)
Jan-11	(\$23,316)	31	1.4700%	(\$29)	(\$3,426)
Feb-11	(\$3,530)	28	1.4700%	(\$4)	(\$3,430)
Mar-11	\$16,256	31	1.4700%	\$20	(\$3,410)
Apr-11	\$36,043	30	1.4700%	\$44	(\$3,366)
May-11	\$55,829	31	1.4700%	\$70	(\$3,296)
Jun-11	\$84,975	30	1.4700%	\$103	(\$3,194)
Jul-11	\$114,122	31	1.4700%	\$142	(\$3,051)
Aug-11	\$143,268	31	1.4700%	\$179	(\$2,872)
Sep-11	\$172,415	30	1.4700%	\$208	(\$2,664)
Oct-11	\$201,561	31	1.4700%	\$252	(\$2,412)

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model
Residential Class Only (VECC IR#4)

Smart Meter Costs to October 31, 2011 for recovery:

Revenue Requirement 2010	\$327,883
Revenue Requirement 2011	\$459,087
Revenue Requirement Total	\$786,971
Smart Meter Rate Adder	(\$4,196,784)
Carrying Cost	(\$61,836)
Smart Meter True-up	<u>(\$3,471,650)</u>

2011 Addition to Rate Base (*Smart Meters installed in 2010 and up to April 30, 2011*)

Fixed Assets

Smart Meters	\$1,522,170
Computer Software	\$580,470
	<u>\$2,102,640</u>

Accumulated Depreciation

Smart Meters	(\$126,556)
Computer Software	(\$270,886)
	<u>(\$397,442)</u>

Addition to Net Fixed Assets	<u>\$1,705,198</u>
-------------------------------------	---------------------------

2011 Amortization Expense

Smart Meters	\$88,647
Computer Software	\$183,816
	<u>\$272,463</u>

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Incremental Revenue Requirement Calculation

		2010		2011		2011 Adjusted	Notes
Net Fixed Assets		\$ 767,347		\$ 1,619,946		\$ 1,619,946	
OM&A	\$ 158,983		\$ 159,350		\$ 153		
Working Capital Allowance	15%	\$ 23,847	15%	\$ 23,903	15%	\$ 23	
Rate Base		\$ 791,195		\$ 1,643,849		\$ 1,619,969	
Deemed ST Debt	4%	\$ 31,648	4%	\$ 65,754	4%	\$ 64,799	
Deemed LT Debt	56%	\$ 443,069	56%	\$ 920,555	56%	\$ 907,183	
Deemed Equity	40%	\$ 316,478	40%	\$ 657,540	40%	\$ 647,988	
ST Interest	2.07%	\$ 655	2.43%	\$ 1,598	2.43%	\$ 1,575	
LT Interest	5.89%	\$ 26,097	5.48%	\$ 50,446	5.48%	\$ 49,714	
ROE	9.85%	\$ 31,173	9.66%	\$ 63,518	9.66%	\$ 62,596	
		\$ 57,925		\$ 115,563		\$ 113,884	
OM&A		\$ 158,983		\$ 159,350		153	
Amortization		\$ 124,979		\$ 272,463		\$ 272,463	
Grossed-up PILs		-\$ 14,004		\$ 3,530		\$ 3,530	
Revenue Requirement		\$ 327,883		\$ 550,905		\$ 390,029	

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

PILs Calculation

	2010	2011
	Forecasted	Forecasted
INCOME TAX		
Net Income	\$ 31,173	\$ 63,518
Amortization	\$ 124,979	\$ 272,463
CCA	-\$ 189,156	-\$ 327,017
Change in taxable income	-\$ 33,004	\$ 8,964
Tax Rate	31.00%	28.25%
Income Taxes Payable	-\$ 10,231	\$ 2,532

ONTARIO CAPITAL TAX

Closing Net Fixed Assets	\$ 1,099,342	\$ 1,395,614
Less: Exemption	\$ -	\$ -
Deemed Taxable Capital	\$ 1,099,342	\$ 1,395,614
Ontario Capital Tax Rate	0.075%	0.000%
Net Amount (Taxable Capital x Rate)	\$ 825	\$ -

Gross Up

	PILs Payable	PILs Payable
Change in Income Taxes Payable	-\$ 10,231	\$ 2,532
Change in OCT	\$ 825	\$ -
PIL's	-\$ 9,407	\$ 2,532

Gross Up	Gross Up
31.00%	28.25%

	Grossed Up PILs	Grossed Up PILs
Change in Income Taxes Payable	-\$ 14,828	\$ 3,530
Change in OCT	\$ 825	\$ -
PIL's	-\$ 14,004	\$ 3,530

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Average Net Fixed Assets

Net Fixed Assets - meters

	2009	2010	2011
	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ 1,137,250
Capital Investment		\$ 1,137,250	\$ 384,920
Closing Capital Investment	\$ -	\$ 1,137,250	\$ 1,522,170
Opening Accumulated Amortization	\$ -	\$ -	\$ 37,908
Amortization Year One	15 years \$ -	\$ 37,908	\$ 12,831
Amortization Thereafter	\$ -	\$ -	\$ 75,817
Closing Accumulated Amortization	\$ -	\$ 37,908	\$ 126,556
Opening Net Fixed Assets	\$ -	\$ -	\$ 1,099,342
Closing Net Fixed Assets	\$ -	\$ 1,099,342	\$ 1,395,614
Average Net Fixed Assets	\$ -	\$ 549,671	\$ 1,247,478

Net Fixed Assets - software

	2009	2010	2011
	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ 522,423
Capital Investment		\$ 522,423	\$ 58,047
Closing Capital Investment	\$ -	\$ 522,423	\$ 580,470
Opening Accumulated Amortization	\$ -	\$ -	\$ 87,071
Amortization Year One	3 years \$ -	\$ 87,071	\$ 9,675
Amortization Thereafter	\$ -	\$ -	\$ 174,141
Closing Accumulated Amortization	\$ -	\$ 87,071	\$ 270,886
Opening Net Fixed Assets	\$ -	\$ -	\$ 435,353
Closing Net Fixed Assets	\$ -	\$ 435,353	\$ 309,584
Average Net Fixed Assets	\$ -	\$ 217,676	\$ 372,468

Totals

Closing Capital Investment	\$ -	\$ 1,659,673	\$ 2,102,640
Average Net Fixed Assets	\$ -	\$ 767,347	\$ 1,619,946
Amorization Expense	\$ -	\$ 124,979	\$ 272,463

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model
For PILs Calculation

UCC

		2009 Actual	2010 Actual	2011 Actual
Opening UCC		\$ -	\$ -	\$ 1,091,760
Capital Additions		\$ -	\$ 1,137,250	\$ 384,920
UCC Before Half Year Rule		\$ -	\$ 1,137,250	\$ 1,476,680
Half Year Rule (1/2 Additions - Disposals)		\$ -	\$ 568,625	\$ 192,460
Reduced UCC		\$ -	\$ 568,625	\$ 1,284,220
CCA Rate Class	47			
CCA Rate	8%			
CCA		\$ -	\$ 45,490	\$ 102,738
Closing UCC		\$ -	\$ 1,091,760	\$ 1,373,942

UCC

		2009 Actual	2010 Actual	2011 Actual
Opening UCC		\$ -	\$ -	\$ 378,757
Capital Additions		\$ -	\$ 522,423	\$ 58,047
UCC Before Half Year Rule		\$ -	\$ 522,423	\$ 436,804
Half Year Rule (1/2 Additions - Disposals)		\$ -	\$ 261,212	\$ 29,024
Reduced UCC		\$ -	\$ 261,212	\$ 407,780
CCA Rate Class	50			
CCA Rate	55%			
CCA		\$ -	\$ 143,666	\$ 224,279
Closing UCC		\$ -	\$ 378,757	\$ 212,525
Total CCA		\$ -	\$ 189,156	\$ 327,017

Meters installed cost details:
Residential

Table Staff 16-1: Account 1555 Smart Meter Capital and Offset Account

Month	Opening Balance	SM Adder	Revenue Requirement	Closing Balance (excluding Stranded)
Jan-10	\$0	(\$349,732)	\$27,324	(\$322,408)
Feb-10	(\$322,408)	(\$349,732)	\$27,324	(\$644,817)
Mar-10	(\$644,817)	(\$349,732)	\$27,324	(\$967,225)
Apr-10	(\$967,225)	(\$349,732)	\$27,324	(\$1,289,634)
May-10	(\$1,289,634)	(\$349,732)	\$27,324	(\$1,612,042)
Jun-10	(\$1,612,042)	(\$349,732)	\$27,324	(\$1,934,450)
Jul-10	(\$1,934,450)	(\$349,732)	\$27,324	(\$2,256,859)
Aug-10	(\$2,256,859)	(\$349,732)	\$27,324	(\$2,579,267)
Sep-10	(\$2,579,267)	(\$349,732)	\$27,324	(\$2,901,676)
Oct-10	(\$2,901,676)	(\$349,732)	\$27,324	(\$3,224,084)
Nov-10	(\$3,224,084)	(\$349,732)	\$27,324	(\$3,546,492)
Dec-10	(\$3,546,492)	(\$349,732)	\$27,324	(\$3,868,901)
Jan-11	(\$3,868,901)	\$0	\$45,909	(\$3,822,992)
Feb-11	(\$3,822,992)	\$0	\$45,909	(\$3,777,083)
Mar-11	(\$3,777,083)	\$0	\$45,909	(\$3,731,175)
Apr-11	(\$3,731,175)	\$0	\$45,909	(\$3,685,266)
May-11	(\$3,685,266)	\$0	\$45,909	(\$3,639,357)
Jun-11	(\$3,639,357)	\$0	\$45,909	(\$3,593,448)
Jul-11	(\$3,593,448)	\$0	\$45,909	(\$3,547,540)
Aug-11	(\$3,547,540)	\$0	\$45,909	(\$3,501,631)
Sep-11	(\$3,501,631)	\$0	\$45,909	(\$3,455,722)
Oct-11	(\$3,455,722)	\$0	\$45,909	(\$3,409,813)
Nov-11	(\$3,409,813)	\$0		(\$3,409,813)
Dec-11	(\$3,409,813)	\$0		(\$3,409,813)
Jan-12	(\$3,409,813)	\$0		(\$3,409,813)
Feb-12	(\$3,409,813)	\$0		(\$3,409,813)
Mar-12	(\$3,409,813)	\$0		(\$3,409,813)
Apr-12	(\$3,409,813)	\$0		(\$3,409,813)
May-12	(\$3,409,813)	\$0		(\$3,409,813)
Jun-12	(\$3,409,813)	\$0		(\$3,409,813)
Jul-12	(\$3,409,813)	\$0		(\$3,409,813)
Aug-12	(\$3,409,813)	\$0		(\$3,409,813)
Sep-12	(\$3,409,813)	\$0		(\$3,409,813)
Oct-12	(\$3,409,813)	\$0		(\$3,409,813)
Total		(\$4,196,784)	\$786,971	(\$3,409,813)

2010	(\$4,196,784)	\$327,883
2011	\$0	\$459,087
	<u>(\$4,196,784)</u>	<u>\$786,971</u>

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Table Staff 16-2: Account 1555 – Interest

Month	Opening Balance (excluding Stranded)	Days	Rate	Interest	To Date
Jan-10	0	31	0.5500%	0	0
Feb-10	(322,408)	28	0.5500%	(136)	(136)
Mar-10	(644,817)	31	0.5500%	(301)	(437)
Apr-10	(967,225)	30	0.5500%	(437)	(874)
May-10	(1,289,634)	31	0.5500%	(602)	(1,477)
Jun-10	(1,612,042)	30	0.5500%	(729)	(2,206)
Jul-10	(1,934,450)	31	0.8900%	(1,462)	(3,668)
Aug-10	(2,256,859)	31	0.8900%	(1,706)	(5,374)
Sep-10	(2,579,267)	30	0.8900%	(1,887)	(7,261)
Oct-10	(2,901,676)	31	1.2000%	(2,957)	(10,218)
Nov-10	(3,224,084)	30	1.2000%	(3,180)	(13,398)
Dec-10	(3,546,492)	31	1.2000%	(3,615)	(17,012)
Jan-11	(3,868,901)	31	1.4700%	(4,830)	(21,843)
Feb-11	(3,822,992)	28	1.4700%	(4,311)	(26,154)
Mar-11	(3,777,083)	31	1.4700%	(4,716)	(30,869)
Apr-11	(3,731,175)	30	1.4700%	(4,508)	(35,377)
May-11	(3,685,266)	31	1.4700%	(4,601)	(39,978)
Jun-11	(3,639,357)	30	1.4700%	(4,397)	(44,376)
Jul-11	(3,593,448)	31	1.4700%	(4,486)	(48,862)
Aug-11	(3,547,540)	31	1.4700%	(4,429)	(53,291)
Sep-11	(3,501,631)	30	1.4700%	(4,231)	(57,522)
Oct-11	(3,455,722)	31	1.4700%	(4,314)	(61,836)

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model
GS<50 kW Class Only (VECC IR#4)

Smart Meter Costs to October 31, 2011 for recovery:

Revenue Requirement 2010	\$727,157
Revenue Requirement 2011	\$1,200,152
Revenue Requirement Total	\$1,927,308
Smart Meter Rate Adder	(\$452,248)
Carrying Cost	\$11,225
Smart Meter True-up	<u>\$1,486,286</u>

2011 Addition to Rate Base (*Smart Meters installed in 2010 and up to April 30, 2011*)

Fixed Assets

Smart Meters	\$9,075,513
Computer Software	\$54,083
	<u>\$9,129,596</u>

Accumulated Depreciation

Smart Meters	(\$590,175)
Computer Software	(\$25,239)
	<u>(\$615,414)</u>

Addition to Net Fixed Assets	<u>\$8,514,182</u>
-------------------------------------	---------------------------

2011 Amortization Expense

Smart Meters	\$446,346
Computer Software	\$17,126
	<u>\$463,473</u>

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Incremental Revenue Requirement Calculation

		2010		2011		2011 Adjusted	Notes
Net Fixed Assets		\$ 2,105,804		\$ 6,362,895		\$ 6,362,895	
OM&A	\$ 390,607		\$ 457,917		\$ 475		
Working Capital Allowance	15%	\$ 58,591	15%	\$ 68,688	15%	\$ 71	
Rate Base		\$ 2,164,395		\$ 6,431,582		\$ 6,362,966	
Deemed ST Debt	4%	\$ 86,576	4%	\$ 257,263	4%	\$ 254,519	
Deemed LT Debt	56%	\$ 1,212,061	56%	\$ 3,601,686	56%	\$ 3,563,261	
Deemed Equity	40%	\$ 865,758	40%	\$ 2,572,633	40%	\$ 2,545,186	
ST Interest	2.07%	\$ 1,792	2.43%	\$ 6,251	2.43%	\$ 6,185	
LT Interest	5.89%	\$ 71,390	5.48%	\$ 197,372	5.48%	\$ 195,267	
ROE	9.85%	\$ 85,277	9.66%	\$ 248,516	9.66%	\$ 245,865	
		\$ 158,460		\$ 452,140		\$ 447,316	
OM&A		\$ 390,607		\$ 457,917		475	
Amortization		\$ 151,942		\$ 463,473		\$ 463,473	
Grossed-up PILs		\$ 26,148		\$ 66,652		\$ 66,652	
Revenue Requirement		\$ 727,157		\$ 1,440,182		\$ 977,916	

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

PILs Calculation

	2010	2011
	Forecasted	Forecasted
INCOME TAX		
Net Income	\$ 85,277	\$ 248,516
Amortization	\$ 151,942	\$ 463,473
CCA	-\$ 185,981	-\$ 542,704
Change in taxable income	\$ 51,238	\$ 169,285
Tax Rate	31.00%	28.25%
Income Taxes Payable	\$ 15,884	\$ 47,823

ONTARIO CAPITAL TAX

Closing Net Fixed Assets	\$ 4,171,045	\$ 8,485,338
Less: Exemption	\$ -	\$ -
Deemed Taxable Capital	\$ 4,171,045	\$ 8,485,338
Ontario Capital Tax Rate	0.075%	0.000%
Net Amount (Taxable Capital x Rate)	\$ 3,128	\$ -

Gross Up

	PILs Payable	PILs Payable
Change in Income Taxes Payable	\$ 15,884	\$ 47,823
Change in OCT	\$ 3,128	\$ -
PIL's	\$ 19,012	\$ 47,823

Gross Up	Gross Up
31.00%	28.25%

	Grossed Up PILs	Grossed Up PILs
Change in Income Taxes Payable	\$ 23,020	\$ 66,652
Change in OCT	\$ 3,128	\$ -
PIL's	\$ 26,148	\$ 66,652

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Average Net Fixed Assets

Net Fixed Assets - meters

	2009	2010	2011
	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ 4,314,874
Capital Investment		\$ 4,314,874	\$ 4,760,639
Closing Capital Investment	\$ -	\$ 4,314,874	\$ 9,075,513
Opening Accumulated Amortization	\$ -	\$ -	\$ 143,829
Amortization Year One	15 years \$ -	\$ 143,829	\$ 158,688
Amortization Thereafter	\$ -	\$ -	\$ 287,658
Closing Accumulated Amortization	\$ -	\$ 143,829	\$ 590,175
Opening Net Fixed Assets	\$ -	\$ -	\$ 4,171,045
Closing Net Fixed Assets	\$ -	\$ 4,171,045	\$ 8,485,338
Average Net Fixed Assets	\$ -	\$ 2,085,522	\$ 6,328,191

Net Fixed Assets - software

	2009	2010	2011
	Actual	Actual	Actual
Opening Capital Investment	\$ -	\$ -	\$ 48,675
Capital Investment		\$ 48,675	\$ 5,408
Closing Capital Investment	\$ -	\$ 48,675	\$ 54,083
Opening Accumulated Amortization	\$ -	\$ -	\$ 8,113
Amortization Year One	3 years \$ -	\$ 8,113	\$ 901
Amortization Thereafter	\$ -	\$ -	\$ 16,225
Closing Accumulated Amortization	\$ -	\$ 8,113	\$ 25,239
Opening Net Fixed Assets	\$ -	\$ -	\$ 40,563
Closing Net Fixed Assets	\$ -	\$ 40,563	\$ 28,844
Average Net Fixed Assets	\$ -	\$ 20,281	\$ 34,703

Totals

Closing Capital Investment	\$ -	\$ 4,363,549	\$ 9,129,596
Average Net Fixed Assets	\$ -	\$ 2,105,804	\$ 6,362,895
Amorization Expense	\$ -	\$ 151,942	\$ 463,473

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model
For PILs Calculation

UCC

		2009 Actual	2010 Actual	2011 Actual
Opening UCC		\$ -	\$ -	\$ 4,142,279
Capital Additions		\$ -	\$ 4,314,874	\$ 4,760,639
UCC Before Half Year Rule		\$ -	\$ 4,314,874	\$ 8,902,918
Half Year Rule (1/2 Additions - Disposals)		\$ -	\$ 2,157,437	\$ 2,380,320
Reduced UCC		\$ -	\$ 2,157,437	\$ 6,522,599
CCA Rate Class	47			
CCA Rate	8%			
CCA		\$ -	\$ 172,595	\$ 521,808
Closing UCC		\$ -	\$ 4,142,279	\$ 8,381,110

UCC

		2009 Actual	2010 Actual	2011 Actual
Opening UCC		\$ -	\$ -	\$ 35,289
Capital Additions		\$ -	\$ 48,675	\$ 5,408
UCC Before Half Year Rule		\$ -	\$ 48,675	\$ 40,697
Half Year Rule (1/2 Additions - Disposals)		\$ -	\$ 24,338	\$ 2,704
Reduced UCC		\$ -	\$ 24,338	\$ 37,993
CCA Rate Class	50			
CCA Rate	55%			
CCA		\$ -	\$ 13,386	\$ 20,896
Closing UCC		\$ -	\$ 35,289	\$ 19,801
Total CCA		\$ -	\$ 185,981	\$ 542,704

Meters installed cost details:
Residential

Table Staff 16-1: Account 1555 Smart Meter Capital and Offset Account

Month	Opening Balance	SM Adder	Revenue Requirement	Closing Balance (excluding Stranded)
Jan-10	\$0	(\$37,687)	\$60,596	\$22,909
Feb-10	\$22,909	(\$37,687)	\$60,596	\$45,818
Mar-10	\$45,818	(\$37,687)	\$60,596	\$68,727
Apr-10	\$68,727	(\$37,687)	\$60,596	\$91,636
May-10	\$91,636	(\$37,687)	\$60,596	\$114,545
Jun-10	\$114,545	(\$37,687)	\$60,596	\$137,454
Jul-10	\$137,454	(\$37,687)	\$60,596	\$160,363
Aug-10	\$160,363	(\$37,687)	\$60,596	\$183,272
Sep-10	\$183,272	(\$37,687)	\$60,596	\$206,181
Oct-10	\$206,181	(\$37,687)	\$60,596	\$229,091
Nov-10	\$229,091	(\$37,687)	\$60,596	\$252,000
Dec-10	\$252,000	(\$37,687)	\$60,596	\$274,909
Jan-11	\$274,909	\$0	\$120,015	\$394,924
Feb-11	\$394,924	\$0	\$120,015	\$514,939
Mar-11	\$514,939	\$0	\$120,015	\$634,954
Apr-11	\$634,954	\$0	\$120,015	\$754,969
May-11	\$754,969	\$0	\$120,015	\$874,984
Jun-11	\$874,984	\$0	\$120,015	\$995,000
Jul-11	\$995,000	\$0	\$120,015	\$1,115,015
Aug-11	\$1,115,015	\$0	\$120,015	\$1,235,030
Sep-11	\$1,235,030	\$0	\$120,015	\$1,355,045
Oct-11	\$1,355,045	\$0	\$120,015	\$1,475,060
Nov-11	\$1,475,060	\$0		\$1,475,060
Dec-11	\$1,475,060	\$0		\$1,475,060
Jan-12	\$1,475,060	\$0		\$1,475,060
Feb-12	\$1,475,060	\$0		\$1,475,060
Mar-12	\$1,475,060	\$0		\$1,475,060
Apr-12	\$1,475,060	\$0		\$1,475,060
May-12	\$1,475,060	\$0		\$1,475,060
Jun-12	\$1,475,060	\$0		\$1,475,060
Jul-12	\$1,475,060	\$0		\$1,475,060
Aug-12	\$1,475,060	\$0		\$1,475,060
Sep-12	\$1,475,060	\$0		\$1,475,060
Oct-12	\$1,475,060	\$0		\$1,475,060
Total		(\$452,248)	\$1,927,308	\$1,475,060

2010	(\$452,248)	\$727,157
2011	\$0	\$1,200,152
	<u>(\$452,248)</u>	<u>\$1,927,308</u>

PowerStream Inc. - South
Actual Smart Meter Cost Recovery Model

Table Staff 16-2: Account 1555 – Interest

Month	Opening Balance (excluding Stranded)	Days	Rate	Interest	To Date
Jan-10	0	31	0.5500%	0	0
Feb-10	22,909	28	0.5500%	10	10
Mar-10	45,818	31	0.5500%	21	31
Apr-10	68,727	30	0.5500%	31	62
May-10	91,636	31	0.5500%	43	105
Jun-10	114,545	30	0.5500%	52	157
Jul-10	137,454	31	0.8900%	104	261
Aug-10	160,363	31	0.8900%	121	382
Sep-10	183,272	30	0.8900%	134	516
Oct-10	206,181	31	1.2000%	210	726
Nov-10	229,091	30	1.2000%	226	952
Dec-10	252,000	31	1.2000%	257	1,209
Jan-11	274,909	31	1.4700%	343	1,552
Feb-11	394,924	28	1.4700%	445	1,997
Mar-11	514,939	31	1.4700%	643	2,640
Apr-11	634,954	30	1.4700%	767	3,407
May-11	754,969	31	1.4700%	943	4,350
Jun-11	874,984	30	1.4700%	1,057	5,407
Jul-11	995,000	31	1.4700%	1,242	6,649
Aug-11	1,115,015	31	1.4700%	1,392	8,042
Sep-11	1,235,030	30	1.4700%	1,492	9,534
Oct-11	1,355,045	31	1.4700%	1,692	11,225

POWERSTREAM NORTH

MONTHLY CHARGES FOR TYPICAL RESIDENTIAL CUSTOMERS (RPP, TOU) (800 KWH CONSUMPTION)

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 5
Page 1 of 2

Residential				1-May-11	1-Nov-11
	kWh	800	Loss factor	1.0565	1.0565

	As of May 01, 2011			As of Nov 01, 2011			Bill Impact Nov 2011 to May 2011	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Monthly Service Charge	1	\$ 15.37	\$ 15.37	1	\$ 17.35	\$ 17.35	\$ 1.98	1.6%
Distribution (kWh)	800	\$ 0.0139	\$ 11.12	800	\$ 0.0139	\$ 11.12	\$ -	0.0%
Distribution (kW)	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
LRAM / SSM adder	800	\$ 0.0004	\$ 0.32	800	\$ 0.0004	\$ 0.32	\$ -	0.0%
Regulatory Assets (kWh)	800	\$ -	\$ -	800	\$ -	\$ -	\$ -	0.0%
Regulatory Assets (kW)	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
Sub-Total			\$ 26.81			\$ 28.79	\$ 1.98	1.6%
Other Charges	845	\$ 0.0135	\$ 11.34	845	\$ 0.0135	\$ 11.34	\$ -	0.0%
Transmission charges	845	\$ 0.0120	\$ 10.14	845	\$ 0.0120	\$ 10.14	\$ -	0.0%
Commodity Off Peak (kWh)	541	\$ 0.059	\$ 31.91	541	\$ 0.059	\$ 31.91	\$ -	0.0%
Commodity Mid Peak (kWh)	152	\$ 0.089	\$ 13.54	152	\$ 0.089	\$ 13.54	\$ -	0.0%
Commodity On Peak (kWh)	152	\$ 0.107	\$ 16.28	152	\$ 0.107	\$ 16.28	\$ -	0.0%
Total Bill before Taxes			\$ 110.03			\$ 112.01	\$ 1.98	1.6%
Total Bill Including Taxes			\$ 124.33			\$ 126.57	\$ 2.24	1.8%
Less OCEB 10%			\$ (12.43)			\$ (12.66)	\$ (0.22)	-0.2%
Total Bill			\$ 111.90			\$ 113.91	\$ 2.01	1.8%

POWERSTREAM NORTH
MONTHLY CHARGES FOR TYPICAL GS<50 CUSTOMERS - 2-TIERED CONSUMPTION
(2,000 KWH CONSUMPTION)

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 5
Page 2 of 2

			1-May-11	1-Nov-11
kWh	2000	Loss factor	1.0565	1.0565
		Tier 1 Threshold	750	750

	As of May 01, 2011			As of Nov 01, 2011			Bill Impact May 2010 to Apr 2010	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Monthly Service Charge	1	\$ 16.40	\$ 16.40	1	\$ 27.59	\$ 27.59	\$ 11.19	3.8%
Distribution (kWh)	2,000	\$ 0.0167	\$ 33.40	2,000	\$ 0.0167	\$ 33.40	\$ -	0.0%
Distribution (kW)		\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
LRAM / SSM adder	2,000	\$ 0.0001	\$ 0.20	2,000	\$ 0.0001	\$ 0.20	\$ -	0.0%
Regulatory Assets (kWh)	2,000		\$ -	2,000		\$ -	\$ -	0.0%
Regulatory Assets (kW)	-		\$ -	-		\$ -	\$ -	0.0%
Sub-Total			\$ 50.00			\$ 61.19	\$ 11.19	3.8%
Other Charges	2,113	\$ 0.0135	\$ 27.98	2,113	\$ 0.0135	\$ 27.98	\$ -	0.0%
Transmission charges	2,113	\$ 0.0109	\$ 23.03	2,113	\$ 0.0109	\$ 23.03	\$ -	0.0%
Cost of Power Commodity (kWh)	750	\$ 0.068	\$ 51.00	750	\$ 0.068	\$ 51.00	\$ -	0.0%
Cost of Power Commodity (kWh)	1,363	\$ 0.079	\$ 107.68	1,363	\$ 0.079	\$ 107.68	\$ -	0.0%
Total Bill before Taxes			\$ 259.69			\$ 270.88	\$ 11.19	3.8%
Total Bill Including Taxes			\$ 293.45			\$ 306.10	\$ 12.64	4.3%
less OCEB	10%		\$ (29.35)			\$ (30.61)	\$ (1.26)	10.3%
Total Bill			\$ 264.11			\$ 275.49	\$ 11.38	4.3%

POWERSTREAM SOUTH

MONTHLY CHARGES FOR TYPICAL RESIDENTIAL CUSTOMERS (RPP, TOU) (800 KWH CONSUMPTION)

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 6
Page 1 of 2

		1-May-11		1-Nov-11	
kWh	800	Loss factor	1.0299		1.0299

	As of May 01, 2011			As of Nov 01, 2011			Bill Impact Nov 2011 to May 2011	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Monthly Service Charge	1	\$ 13.33	\$ 13.33	1	\$ 10.91	\$ 10.91	\$ (2.42)	-2.1%
Distribution (kWh)	800	\$ 0.0132	\$ 10.56	800	\$ 0.0132	\$ 10.56	\$ -	0.0%
Distribution (kW)	-		\$ -	-	\$ -	\$ -	\$ -	0.0%
LRAM / SSM adder	800	\$ 0.0002	\$ 0.16	800	\$ 0.0002	\$ 0.16	\$ -	0.0%
Regulatory Assets (kWh)	800	\$ -	\$ -	800	\$ -	\$ -	\$ -	0.0%
Regulatory Assets (kW)	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
Sub-Total			\$ 24.05			\$ 21.63	\$ (2.42)	-2.1%
Other Charges	824	\$ 0.0135	\$ 11.21	824	\$ 0.0135	\$ 11.21	\$ -	0.0%
Transmission charges	824	\$ 0.0090	\$ 7.42	824	\$ 0.0090	\$ 7.42	\$ -	0.0%
Commodity Off Peak (kWh)	527	\$ 0.059	\$ 31.11	527	\$ 0.059	\$ 31.11	\$ -	0.0%
Commodity Mid Peak (kWh)	148	\$ 0.089	\$ 13.20	148	\$ 0.089	\$ 13.20	\$ -	0.0%
Commodity On Peak (kWh)	148	\$ 0.107	\$ 15.87	148	\$ 0.107	\$ 15.87	\$ -	0.0%
Total Bill before Taxes			\$ 102.85			\$ 100.43	\$ (2.42)	-2.1%
Total Bill Including Taxes			\$ 116.22			\$ 113.49	\$ (2.73)	-2.4%
Less OCEB 10%			\$ (11.62)			\$ (11.35)	\$ 0.27	-2.4%
Total Bill			\$ 104.60			\$ 102.14	\$ (2.46)	-2.4%

POWERSTREAM SOUTH

EB-2011-0128
PowerStream Inc.
2011 Smart Meter Cost Recovery Application
Responses to VECC IRs
Appendix 6
Page 2 of 2

MONTHLY CHARGES FOR TYPICAL GS<50 CUSTOMERS - 2-TIERED CONSUMPTION (2,000 KWH CONSUMPTION)

			1-May-11	1-Nov-11
kWh	2000	Loss factor	1.0299	1.0299
		Tier 1 Threshold	750	750

	As of May 01, 2011			As of Nov 01, 2011			Bill Impact Nov 2011 to May 2011	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Monthly Service Charge	1	\$ 29.83	\$ 29.83	1	\$ 43.44	\$ 43.44	\$ 13.61	4.8%
Distribution (kWh)	2,000	\$ 0.0114	\$ 22.80	2,000	\$ 0.0114	\$ 22.80	\$ -	0.0%
Distribution (kW)		\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
LRAM / SSM adder	2,000	\$ 0.0001	\$ 0.20	2,000	\$ 0.0001	\$ 0.20	\$ -	0.0%
Regulatory Assets (kWh)	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$ -	0.0%
Regulatory Assets (kW)	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	0.0%
Sub-Total			\$ 52.83			\$ 66.44	\$ 13.61	4.8%
Other Charges	2,060	\$ 0.0135	\$ 27.64	2,060	\$ 0.0135	\$ 27.64	\$ -	0.0%
Transmission charges	2,060	\$ 0.0081	\$ 16.68	2,060	\$ 0.0081	\$ 16.68	\$ -	0.0%
Cost of Power Commodity (kWh)	750	\$ 0.0680	\$ 51.00	750	\$ 0.0680	\$ 51.00	\$ -	0.0%
Cost of Power Commodity (kW)	1,310	\$ 0.0790	\$ 103.47	1,310	\$ 0.0790	\$ 103.47	\$ -	0.0%
Total Bill before Taxes			\$ 251.63			\$ 265.24	\$ 13.61	4.8%
Total Bill Including Taxes			\$ 284.34			\$ 299.72	\$ 15.38	5.4%
less OCEB 10%			\$ (28.43)			\$ (29.97)	\$ (1.54)	5.4%
Total Bill			\$ 255.90			\$ 269.75	\$ 13.84	5.4%