

Section 12.5
Original SIMPIL Models
2001, 2004 & 2005

2001

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name Chatham-Kent Hydro			Amount
5	2001 PILs Reconciliation			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y	
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		N	
14				
15	Accounting Year End		31-Dec-01	
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			45,653,588
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			6.05%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			3,035,964
33				
34	1999 return from RUD Sheet #7			786,476
35				
36	Total Incremental revenue			2,249,488
37	Input Board-approved dollar amounts phased-in			
38				
39	Amount allowed in 2001, Year 1			1,077,000
40	Amount allowed in 2002, Year 2			1,077,000
41	Amount allowed in 2003, Year 3			95,515
42				
43	Equity			22,826,794
44				
45	Return at target ROE			1,381,021
46				
47	Debt			22,826,794
48				
49	Deemed interest amount in EBIT			1,654,943
50				
51	Phase-in of interest - Year 1			1,015,805
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			1,602,891
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			1,654,943

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)			Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	2001 PILs Reconciliation		\$	#	\$		\$	#	\$		\$	#
6												
7	Utility Name Chatham-Kent Hydro										Column	
8	Reporting period - January 25, 2002										Brought	
9											Forward	
10											From	
11											TAXREC	
12	II) CORPORATE INCOME TAXES											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1		1A	465,869		465,869	1B	-1,486,068		-1,020,199	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions: To Accounting Income											
20	Depreciation & Amortization	2		2A	633,252		633,252	2B	23,603		656,854	2C
21	Federal Large Corporation Tax	3		3A	0			3B	0		0	3C
22	Employee Benefit Plans - Accrued, Not Paid	4		4A	78,750		78,750	4B	-78,750		0	4C
23	Change in Tax Reserves	5		5A	0		0	5B	654,860		654,860	5C
24	Regulatory Adjustments	6		6A	0			6B	0		0	6C
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Item #1	7		7A	0			7B	0		0	7C
27	"Material" Item #2	7		7A	0			7B	0		0	7C
28	Other Additions (not "Material")	7		7A	0			7B	2,381		2,381	7C
29	Deductions: From Accounting Income											
30	Capital Cost Allowance	8		8A	-229,702		-229,702	8B	-504,674		-734,376	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	-54,000		-54,000	9B	54,000		0	9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0		0	10C
33	Regulatory Adjustments	11		11A	0		0	11B	0		0	11C
34	Interest Expense Deemed/ Incurred	12		12A	-253,951		-253,951	12B	-168,392		-422,343	12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	-169,924		-169,924	13C
37	"Material" Item #2	13		13A	0			13B	-470,820		-470,820	13C
38	Other Deductions (not "Material")	13		13A	0			13B	-38,623		-38,623	13C
39												
40	REGULATORY TAXABLE INCOME		0		640,217		640,217		-2,182,407		-1,542,190	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	40.62%	14A	0.0000%		40.62%	14B	0.0000%		40.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		0		260,056		260,056		-260,056		0	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	Total Regulatory Income Tax		0		260,056		260,056		-260,056		0	
52												
53												
54												
55												
56	III) CAPITAL TAXES											
57												
58	Ontario											
59	Base	16		16A	45,653,588		45,653,588	16B	4,109,055		49,762,643	16C
60	Less: Exemption	17		17A	-5,000,000		-5,000,000	17B	1,624,818		-3,375,182	17C
61	Deemed Taxable Capital		0		40,653,588		40,653,588		5,733,873		46,387,461	
62												
63	Rate (.3%)	18	0.3000%	18A	0.0000%		0.3000%	18B	0.0000%		0.3000%	18C

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1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)			Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	2001 PILs Reconciliation		\$	#	\$		\$	#	\$		\$	#
64												
65	Net Amount (Taxable Capital x Rate)		0		30,490		30,490		4,586		35,077	
66												
67	Federal (LCT)											
68	Base	19		19A	45,653,588		45,653,588	19B	4,211,296		49,864,884	19C
69	Less: Exemption	20		20A	-10,000,000		-10,000,000	20B	3,620,962		-6,379,038	20C
70	Deemed Taxable Capital		0		35,653,588		35,653,588		7,832,258		43,485,846	
71												
72	Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%	21B	0.0000%		0.2250%	21C
73												
74	Gross Amount (Taxable Capital x Rate)		0		20,055		20,055		4,607		24,662	
75	Less: Federal Surtax	22	0	22A	-7,170		-7,170	22B	7,170		0	22C
76												
77	Net LCT		0		12,885		12,885		11,777		24,662	
78												
79												
80	III) INCLUSION IN RATES MARCH 2002											
81												
82	IncomeTax (grossed-up)	23	0	23A	429,845		429,845	23B	-429,845			n/a
83	LCT (grossed-up)	24	0	24A	21,297		21,297	24B	-21,297			n/a
84	Ontario Capital Tax	25	0	25A	30,490		30,490	25B	-30,490			n/a
85												
86												
87	Total S. 93 PILs Rate Adjustment		0		481,632		481,632		-481,632			
88												
89												
90												
91												
92	IV) FUTURE TRUE-UPS (post June 2002)								DR / (CR)			
93	Amount in M of F Filing Variance (Column I) that											
94	the Board orders added/subtracted from rates											
95	EBIT	1								No true-up		
96	Depreciation &Amortization	2								No true-up		
97	Federal Large Corporation Tax	3								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4							-78,750	True-up		
99	Change in Tax Reserves	5							654,860	True-up		
100	Regulatory Adjustments	6							0	True-up		
101	Other additions "Material" Item #1	7							0	True-up		
102	Other additions "Material" Item #2	7							0	True-up		
103	Other additions (not "Material")	7							0	True-up		
104	Capital Cost Allowance	8								No true-up		
105	Employee Benefit Plans - Paid Amounts	9							54,000	True-up		
106	Items Capitalized for Regulatory Purposes	10							0	True-up		
107	Regulatory Adjustments	11							0	True-up		
108	Interest Adjustment for Tax Purposes (Cell I135)	12							0	True-up-See Below		
109	Other deductions "Material" Item #1	13							-169,924	True-up		
110	Other deductions "Material" Item #2	13							-470,820	True-up		
111	Other deductions (not "Material")	13								No true-up		
112	Miscellaneous Tax Credits	15							0	True-up		
113												
114	Deferral Account Entry (Positive Entry=Debit)								-10,634	True-up		
115												
116												
117	V) INTEREST PORTION OF TRUE-UP											
118												
119	Variance Caused By Phase-in of Deemed Debt											
120												

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)			Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	2001 PILs Reconciliation		\$	#	\$		\$	#	\$		\$	#
121	Total deemed interest (REGINFO CELL D49)								-1,654,943			
122	Interest phased-in - (Deferral Account Cell G34)								253,951			
123												
124	Variance due to phase-in of debt stucture								-1,400,991			
125	according to Rate Handbook											
126												
127	Other Interest Variances (ie Borrowing Levels											
128	Above Deemed Debt per Rate Handbook)											
129												
130	Interest deducted on MoF filing (Cell K34)								-422,343			
131	Total deemed interest (REGINFO CELL D49)								1,654,943			
132												
133	Variance caused by excess debt								1,232,600			
134												
135	Interest Adjustment for Tax Purposes Cell I108								0	True-up Amount- Used above		
136												
137	Total Interest Variance (Cell I34)								-168,392			
138												

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name Chatham-Kent Hydro					
8	2001 PILs Reconciliation					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	J) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1	709,556		709,556	
16	Other Income	2	193,301		193,301	
17	Expenses					
18	Administration	3	711,620		711,620	
19	Distribution	4	554,582		554,582	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6	656,854		656,854	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	-1,020,199	0	-1,020,199	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		656,854	0	656,854	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves		654,860		654,860	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			1,311,714	0	1,311,714	
37	<i>Other Additions:</i> (From T2 S1)					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment		2,381		2,381	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
61						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	<i>Other Additions:</i>				0	7C
83						
84	<i>Total Other Additions</i>		2,381	0	2,381	7C
85						
86	<i>Total Additions</i>		1,314,095	0	1,314,095	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance		-734,376		-734,376	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred		-422,343		-422,343	12C
94	Other deductions "Material" Item #1 Tax reserves current		-169,924		-169,924	13C
95	Other deductions "Material" Item #2 Reserves F/S beg yr		-470,820		-470,820	13C
96			-1,797,463	0	-1,797,463	
97	<i>Other deductions: (From T2 S1)</i>					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets		-13,904		-13,904	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction		-24,719		-24,719	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	<i>Other deductions:</i>				0	13C
131					0	
132					0	
133	<i>Total Other Deductions</i>		-38,623	0	-38,623	13C
134						
135	<i>Total Deductions</i>		-1,836,086	0	-1,836,086	
136						
137						
138	<u>TAXABLE INCOME</u>		-1,542,190	0	-1,542,190	
139						
140						
141						

	A	B	C	D	E	F
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2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock		23,523,425		23,523,425	
149	Retained earnings (if deficit, deduct)		1,410,537		1,410,537	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances		24,445,986		24,445,986	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and		484,936		484,936	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		49,864,884	0	49,864,884	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked		-102,241		-102,241	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		49,762,643	0	49,762,643	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184	Total Eligible Investments		0	0	0	
185						
186						

	A	B	C	D	E	F
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2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet		62,146,175		62,146,175	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	Total assets as adjusted		62,146,175	0	62,146,175	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked		-102,241		-102,241	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		62,043,935	1	62,043,936	
213						
214	Investment Allowance					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	Taxable Capital					
220						
221	Net paid-up capital		49,762,643	0	49,762,643	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		49,762,643	0	49,762,643	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital		49,762,643	0	49,762,643	16C
229						
230	Deduction from taxable capital up to \$5,000,000		-3,375,182		-3,375,182	17C
231						
232	Net Taxable Capital		46,387,461	0	46,387,461	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		92	92	92	
237	Divide days by 365		0.2521	0.2521	0.2521	
238						
239	Ontario Capital Tax		35,077	0	35,077	
240						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
241						
242						
243	LARGE CORPORATION TAX					
244						
245	CAPITAL					
246						
247	ADD:					
248	Reserves that have not been deducted in				0	
249	computing income for the year under Part I		484,936		484,936	
250	Capital stock		23,523,425		23,523,425	
251	Retained earnings		1,410,537		1,410,537	
252	Contributed surplus				0	
253	Any other surpluses				0	
254	Deferred unrealized foreign exchange gains				0	
255	All loans and advances to the corporation		24,445,986		24,445,986	
256	All indebtedness- bonds, debentures, notes,				0	
257	mortgages, bankers acceptances, or similar				0	
258	obligations				0	
259	Any dividends declared but not paid				0	
260	All other indebtedness outstanding for more				0	
261	than 365 days				0	
262						
263	Subtotal		49,864,884	0	49,864,884	
264						
265	DEDUCT:					
266	Deferred tax debit balance				0	
267	Any deficit deducted in computing				0	
268	shareholders' equity				0	
269	Any patronage dividends 135(1) deducted in				0	
270	computing income under Part I included in				0	
271	amounts above				0	
272	Deferred unrealized foreign exchange losses				0	
273						
274	Subtotal		0	0	0	
275						
276	Capital for the year		49,864,884	0	49,864,884	
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation				0	
281	Loan or advance to another corporation				0	
282	Bond, debenture, note, mortgage, or				0	
283	similar obligation of another corporation				0	
284	Long term debt of financial institution				0	
285	Dividend receivable from another corporation				0	
286	Debts of corporate partnerships that were not				0	
287	exempt from tax under Part I.3				0	
288	Interest in a partnership				0	
289						
290	Investment Allowance		0	0	0	
291						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	<u>TAXABLE CAPITAL</u>					
294						
295	Capital for the year		49,864,884	0	49,864,884	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		49,864,884	0	49,864,884	19C
300						
301	Deduct: Capital Deduction \$10,000,000		-6,379,038		-6,379,038	20C
302						
303	Taxable Capital		43,485,846	0	43,485,846	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		92	92	92	
308	Divide days by 365		0.2521	0.2521	0.2521	
309						
310	Gross Part I.3 Tax LCT		24,662	0	24,662	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		-17,273	0	-17,273	
315						
316	Net Part I.3 Tax LCT Payable		41,934	0	41,934	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

2004

	A	B	C	D	E
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"				Version 2004.1
2	REGULATORY INFORMATION (REGINFO)				RRR # 2.1.8
3	Utility Name: Chatham-Kent Hydro Inc.				
4	Reporting period: 2004				
5					
6	Days in reporting period:	366	days		
7	Total days in the calendar year:	366	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	MARR NO TAX CALCULATIONS				Regulatory Income
27	SHEET #7 FINAL RUD MODEL DATA				
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			45,653,588	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			6.05%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			3,035,964	
42					
43	1999 return from RUD Sheet #7			786,476	786,476
44					
45	Total Incremental revenue			2,249,488	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			1,077,000	1,077,000
48	Amount allowed in 2002			1,077,000	1,077,000
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51					0
52					0
53	Total Regulatory Income				2,940,476
54					
55	Equity			22,826,794	
56					
57	Return at target ROE			1,381,021	
58					
59	Debt			22,826,794	
60					
61	Deemed interest amount in 100% of MARR			1,654,943	
62					
63	Phase-in of interest - Year 1 (2001)			1,015,805	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			1,602,891	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			1,602,891	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial						M of F	M of F	M of F	
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.1	
6			\$						\$		\$	
7	Utility Name: Chatham-Kent Hydro Inc.											
8	Reporting period: 2004										Column	
9	Days in reporting period:	366	days								Brought	
10	Total days in the calendar year:	366	days								From	
11											TAXREC	
12												
13	II) CORPORATE INCOME TAXES											
14												
15	Regulatory Net Income REGINFO E53	1	2,940,476						1,098,867		4,039,343	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions:											
20	Depreciation & Amortization	2	2,533,000						233,963		2,766,963	
21	Employee Benefit Plans - Accrued, Not Paid	3	318,500						354,178		672,678	
22	Tax reserves - beginning of year	4							154,633		154,633	
23	Reserves from financial statements - end of year	4							1,315,396		1,315,396	
24	Regulatory Adjustments - increase in income	5							0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6							2,426,498		2,426,498	
27	Other Additions (not "Material") "TAXREC"	6							1,719		1,719	
28	"Material" Items from "TAXREC 2" worksheet	6							400,000		400,000	
29	Other Additions (not "Material") "TAXREC 2"	6							4,417		4,417	
30												
31	Deductions: Input positive numbers											
32	Capital Cost Allowance and CEC	7	1,835,114						844,356		2,679,470	
33	Employee Benefit Plans - Paid Amounts	8	275,000						-275,000		0	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0						0		0	
36	Interest Expense Deemed/ Incurred	11	1,602,891						93,984		1,696,875	
37	Tax reserves - end of year	4							134,967		134,967	
38	Reserves from financial statements - beginning of year	4							1,468,848		1,468,848	
39	Contributions to deferred income plans	3							0		0	
40	Contributions to pension plans	3							0		0	
41	Interest capitalized for accounting but deducted for tax	11							0		0	
42	Other Deductions (See Tab entitled "TAXREC")											
43	"Material" Items from "TAXREC" worksheet	12							3,221,649		3,221,649	
44	Other Deductions (not "Material") "TAXREC"	12							0		0	
45	Material Items from "TAXREC 2" worksheet	12							0		0	
46	Other Deductions (not "Material") "TAXREC 2"	12							0		0	
47												
48	TAXABLE INCOME/ (LOSS)		2,078,971						11,478,475	Before loss C/F	2,579,838	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%						-38.6200%		0.00%	
52												
53	REGULATORY INCOME TAX		802,899						-15,543	Actual	787,356	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	Total Regulatory Income Tax		802,899						-15,543	Actual	787,356	
59												
60												
61	III) CAPITAL TAXES											
62												
63	Ontario											
64	Base	15	45,653,588						11,243,483		56,897,071	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						-341,188		4,658,812	
66	Taxable Capital		40,653,588						10,902,295		52,238,259	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		121,961						34,754		156,715	
71												
72	Federal Large Corporations Tax											
73	Base	18	45,653,588						13,995,720		59,649,308	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						36,820,000		46,820,000	
75	Taxable Capital		35,653,588						50,815,720		12,829,308	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						-0.0250%		0.2000%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		80,221						-54,562		25,659	
80	Less: Federal Surtax 1.12% x Taxable Income	21	23,284						1,130		24,414	
81												
82	Net LCT		56,936						-53,432		1,245	
83												

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial						M of F	M of F	M of F	
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.1	
6			\$						\$		\$	
84	III) INCLUSION IN RATES											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		37.50%									
87												
88	Income Tax (proxy tax is grossed-up)	22	1,284,638							Actual 2004	787,356	
89	LCT (proxy tax is grossed-up)	23	91,098							Actual 2004	1,245	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	121,961							Actual 2004	156,715	
91												
92												
93	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	1,497,696							Actual 2004	945,315	
94	RAM DECISION											
95												
96												
97	IV) FUTURE TRUE-UPS											
98	IV a) Calculation of the True-up Variance								DR/(CR)			
99	In Additions:											
100	Employee Benefit Plans - Accrued, Not Paid	3							354,178			
101	Tax reserves deducted in prior year	4							154,633			
102	Reserves from financial statements-end of year	4							1,315,396			
103	Regulatory Adjustments	5							0			
104	Other additions "Material" Items TAXREC	6							2,426,498			
105	Other additions "Material" Items TAXREC 2	6							400,000			
106	In Deductions - positive numbers											
107	Employee Benefit Plans - Paid Amounts	8							-275,000			
108	Items Capitalized for Regulatory Purposes	9							0			
109	Regulatory Adjustments	10							0			
110	Interest Adjustment for tax purposes (See Below - cell I204)	11							41,932			
111	Tax reserves claimed in current year	4							134,967			
112	Reserves from F/S beginning of year	4							1,468,848			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							0			
115	Other deductions "Material" Items TAXREC	12							3,221,649			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26						=	58,309			
119												
120	Income Tax Rate (excluding surtax) from 2004 Utility's tax return							x	35.00%			
121												
122	Income Tax Effect on True-up adjustments							=	20,408			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								20,408			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								35.00%			
129												
130	TRUE-UP VARIANCE ADJUSTMENT								31,397			
131												
132	IV b) Calculation of the Deferral Account Variance caused by changes in legislation											
133												
134	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	2,078,971			
135												
136	REVISED CORPORATE INCOME TAX RATE							x	36.12%			
137												
138	REVISED REGULATORY INCOME TAX							=	750,924			
139												
140	Less: Revised Miscellaneous Tax Credits							-	0			
141												
142	Total Revised Regulatory Income Tax							=	750,924			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	802,899			
145												
146	Regulatory Income Tax Variance							=	(51,974)			
147												
148	Ontario Capital Tax											
149	Base							=	45,653,588			
150	Less: Exemption from tab Tax Rates, Table 2, cell C39							-	5,000,000			
151	Revised deemed taxable capital							=	40,653,588			
152												
153	Rate - Tab Tax Rates cell C54							x	0.3000%			
154												
155	Revised Ontario Capital Tax							=	121,961			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							-	121,961			
157	Regulatory Ontario Capital Tax Variance							=	0			
158												
159	Federal LCT											
160	Base							=	45,653,588			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40							-	50,000,000			
162	Revised Federal LCT							=	(4,346,412)			
163												

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial						M of F	M of F	M of F	
2	DEFERRAL/VARIANCE ACCOUNTS	Estimate							Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.1	
6			\$						\$		\$	
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2000%			
165												
166	Gross Amount								0			
167	Less: Federal surtax							-	0			
168	Revised Net LCT							=	0			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	56,936			
171	Regulatory Federal LCT Variance							=	(56,936)			
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)								35.00%			
174												
175	Income Tax (grossed-up)							+	(79,960)			
176	LCT (grossed-up)							+	(87,594)			
177	Ontario Capital Tax							+	0			
178												
179	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT							=	(167,554)			
180												
181	TRUE-UP VARIANCE (from cell I130)							+	31,397			
182												
183	Total Deferral Account Entry (Positive Entry = Debit)							=	(136,157)			
184	(Deferral Account Variance + True-up Variance)											
185												
186												
187												
188	V) INTEREST PORTION OF TRUE-UP											
189	Variance Caused By Phase-in of Deemed Debt											
190												
191	Total deemed interest (REGINFO)								1,654,943			
192	Interest phased-in (Cell C36)								1,602,891			
193												
194	Variance due to phase-in of debt component of MARR in rates								52,052			
195	according to the Board's decision											
196												
197	Other Interest Variances (i.e. Borrowing Levels											
198	Above Deemed Debt per Rate Handbook)											
199	Interest deducted on MoF filing (Cell K36+K41)								1,696,875			
200	Total deemed interest (REGINFO CELL D61)								1,654,943			
201												
202	Variance caused by excess debt								41,932			
203												
204	Interest Adjustment for Tax Purposes (carry forward to Cell I110)								41,932			
205												
206	Total Interest Variance								10,119			
207												

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	RRR # 2.1.8		Return			
5					Version 2004.1	
6	Section A: Identification:					
7	Utility Name: Chatham-Kent Hydro Inc.					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		366	days		
12						
13	Please enter the Materiality Level :		57,067	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest expense and provision for income tax					
26						
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts					
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.					
29						
30	Income:					
31	Energy Sales	+	60,246,512		60,246,512	
32	Distribution Revenue	+	10,896,318		10,896,318	
33	Other Income	+	1,242,272		1,242,272	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line		0			
37			0			
38	Costs and Expenses:					
39	Cost of energy purchased	-	60,246,512		60,246,512	
40	Administration	-	1,332,124		1,332,124	
41	Customer billing and collecting	-	1,477,513		1,477,513	
42	Operations and maintenance	-	2,522,647		2,522,647	
43	Amortization	-	2,766,963		2,766,963	
44	Ontario Capital Tax	-	0		0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	4,039,343	0	4,039,343	
51	Less: Interest expense for accounting purposes	-	1,696,875		1,696,875	
52	Provision for payments in lieu of income taxes	-	860,883		860,883	
53	Net Income (loss)	=	1,481,585	0	1,481,585	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	860,883	0	860,883	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,766,963	0	2,766,963	
62	Employee benefit plans-accrued, not paid	+	672,678	0	672,678	
63	Tax reserves - beginning of year	+	154,633	0	154,633	
64	Reserves from financial statements- end of year	+	1,315,396	0	1,315,396	
65	Regulatory adjustments	+			0	
66	Material addition items from TAXREC 2	+	400,000	0	400,000	
67	Other addition items (not Material) from TAXREC 2	+	4,417	0	4,417	
68						
69	Subtotal		6,174,970	0	6,174,970	
70						
71	Other Additions: (Please explain the nature of the additions)					
72	Recapture of CCA	+			0	
73	Non-deductible meals and entertainment expense	+			0	
74	Capital items expensed	+			0	
75	Depreciation	+	157,508		157,508	
76	Donations	+			0	
77	Interest earned on taxes	+	1,719		1,719	
78	RSVA and deferred regulatory asset	+	2,268,990		2,268,990	
79	Total Other Additions	=	2,428,217	0	2,428,217	
80						
81	Total Additions	=	8,603,187	0	8,603,187	
82						
83	Recap Material Additions:					
84			0	0	0	
85			0	0	0	
86			0	0	0	
87	Depreciation		157,508	0	157,508	
88			0	0	0	
89			0	0	0	
90	RSVA and deferred regulatory asset		2,268,990	0	2,268,990	
91	Total Other additions >materiality level		2,426,498	0	2,426,498	
92	Other deductions (less than materiality level)		1,719	0	1,719	
93	Total Other Additions		2,428,217	0	2,428,217	
94						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	RRR # 2.1.8		Return			
5					Version 2004.1	
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	2,596,146		2,596,146	
97	Cumulative eligible capital deduction	-	83,324		83,324	
98	Employee benefit plans-paid amounts	-			0	
99	Items capitalized for regulatory purposes	-			0	
100	Regulatory adjustments :	-			0	
101	CCA	-			0	
102	other deductions	-			0	
103	Tax reserves - end of year	-	134,967	0	134,967	
104	Reserves from financial statements- beginning of year	-	1,468,848	0	1,468,848	
105	Contributions to deferred income plans	-			0	
106	Contributions to pension plans	-			0	
107	Interest capitalized for accounting deducted for tax	-			0	
108	Material deduction items from TAXREC 2	-	0	0	0	
109	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
110						
111	Subtotal	=	4,283,285	0	4,283,285	
112	Other deductions (Please explain the nature of the deductions)					
113	Charitable donations - tax basis	-			0	
114	Gain on disposal of assets	-	103,666		103,666	
115	Current years capital taxes	-	156,322		156,322	
116	Deductible costs included in regulatory assets	-	2,961,661		2,961,661	
117		-			0	
118	Total Other Deductions	=	3,221,649	0	3,221,649	
119						
120	Total Deductions	=	7,504,934	0	7,504,934	
121						
122	Recap Material Deductions:					
123			0	0	0	
124	Gain on disposal of assets		103,666	0	103,666	
125	Current years capital taxes		156,322	0	156,322	
126			2,961,661	0	2,961,661	
127			0	0	0	
128	Total Other Deductions exceed materiality level		3,221,649	0	3,221,649	
129	Other Deductions less than materiality level		0	0	0	
130	Total Other Deductions		3,221,649	0	3,221,649	
131						
132	TAXABLE INCOME	=	2,579,838	0	2,579,838	
133	DEDUCT:					
134	Non-capital loss applied positive number	-			0	
135	Net capital loss applied positive number	-			0	
136					0	
137	NET TAXABLE INCOME	=	2,579,838	0	2,579,838	
138						
139	FROM ACTUAL TAX RETURNS					
140	Net Federal Income Tax (Must agree with tax return)	+	482,179		482,179	
141	Net Ontario Income Tax (Must agree with tax return)	+	305,177		305,177	
142	Subtotal	=	787,356	0	787,356	
143	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
144	Total Income Tax	=	787,356	0	787,356	
145						
146	FROM ACTUAL TAX RETURNS					
147	Net Federal Income Tax Rate (Must agree with tax return)				0.00%	
148	Net Ontario Income Tax Rate (Must agree with tax return)				0.00%	
149	Blended Income Tax Rate		0.00%		0.00%	
150						
151	Section D: Detailed calculation of Ontario Capital Tax					
152						
153	ONTARIO CAPITAL TAX					
154	(From Ontario CT23)					
155	PAID-UP CAPITAL					
156						
157	Paid-up capital stock	+	23,523,425		23,523,425	
158	Retained earnings (if deficit, deduct)	+/-	4,726,800		4,726,800	
159	Capital and other surplus excluding	+			0	
160	appraisal surplus	+			0	
161	Loans and advances	+	29,165,034		29,165,034	
162	Bank loans	+			0	
163	Bankers acceptances	+			0	
164	Bonds and debentures payable	+			0	
165	Mortgages payable	+			0	
166	Lien notes payable	+			0	
167	Deferred credits	+			0	
168	Contingent, investment, inventory and similar reserves	+	2,234,049		2,234,049	
169	Other reserves not allowed as deductions	+			0	
170	Share of partnership(s), joint venture(s) paid-up capital	+			0	
171	Sub-total	=	59,649,308	0	59,649,308	
172	Subtract:					
173	Amounts deducted for income tax purposes in excess of amounts booked	-	2,752,237		2,752,237	
174	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
175	Total (Net) Paid-up Capital	=	56,897,071	0	56,897,071	
176						
177	ELIGIBLE INVESTMENTS					
178						
179	Bonds, lien notes, interest coupons	+			0	
180	Mortgages due from other corporations	+			0	
181	Shares in other corporations	+			0	
182	Loans and advances to unrelated corporations	+			0	
183	Eligible loans and advances to related corporations	+			0	

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	RRR # 2.1.8		Return			
5					Version 2004.1	
184	Share of partnership(s) or joint venture(s) eligible investments	+			0	
185						
186	Total Eligible Investments	=	0	0	0	
187						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	RRR # 2.1.8		Return			
5					Version 2004.1	
188						
189	TOTAL ASSETS					
190						
191	Total assets per balance sheet	+	69,193,905		69,193,905	
192	Mortgages or other liabilities deducted from assets	+			0	
193	Share of partnership(s)/ joint venture(s) total assets	+			0	
194	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
195						
196	Total assets as adjusted	=	69,193,905	0	69,193,905	
197						
198	Add: (if deducted from assets)					
199	Contingent, investment, inventory and similar reserves	+			0	
200	Other reserves not allowed as deductions	+			0	
201	Subtract:				0	
202	Amounts deducted for income tax purposes in excess of amounts booked	-	2,752,237		2,752,237	
203	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
204	Subtract: Appraisal surplus if booked	-			0	
205	Add or subtract: Other adjustments	+/-			0	
206						
207	Total Assets	=	66,441,668	0	66,441,668	
208						
209						
210	Investment Allowance		0	0	0	
211						
212	Taxable Capital					
213						
214	Net paid-up capital	+	56,897,071	0	56,897,071	
215	Subtract: Investment Allowance	-	0	0	0	
216						
217	Taxable Capital	=	56,897,071	0	56,897,071	
218						
219	Capital Tax Calculation					
220	Deduction from taxable capital up to maximum of \$5,000,000		4,658,812	0	4,658,812	
221	(Input in tab Tax Rates)					
222	Net Taxable Capital		52,238,259	0	52,238,259	
223						
224	Rate		0.3000%	0.3000%	0.3000%	
225						
226	Days in taxation year		366	366	366	
227	Divide days by 366		1.00	1.00	1.00	
228						
229	Ontario Capital Tax (Must agree with CT23 return)		156,715	0	156,715	
230						
231	Section E: Detailed calculation of Large Corporation Tax					
232						
233	LARGE CORPORATION TAX					
234	(From Federal Schedule 33)					
235	CAPITAL					
236	ADD:					
237	Reserves that have not been deducted in computing income for the year under Part I	+	2,234,049		2,234,049	
238	Capital stock	+	23,523,425		23,523,425	
239	Retained earnings	+	4,726,800		4,726,800	
240	Contributed surplus	+			0	
241	Any other surpluses	+			0	
242	Deferred unrealized foreign exchange gains	+			0	
243	All loans and advances to the corporation	+	29,165,034		29,165,034	
244	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
245	Any dividends declared but not paid	+			0	
246	All other indebtedness outstanding for more than 365 days	+			0	
247						
248	Subtotal	=	59,649,308	0	59,649,308	
249						
250	DEDUCT:					
251	Deferred tax debit balance	-			0	
252	Any deficit deducted in computing shareholders' equity	-			0	
253	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
254	Deferred unrealized foreign exchange losses	-			0	
255						
256	Subtotal	=	0	0	0	
257						
258	Capital for the year		59,649,308	0	59,649,308	
259						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	RRR # 2.1.8		Return			
5					Version 2004.1	
260	INVESTMENT ALLOWANCE					
261						
262	Shares in another corporation	+			0	
263	Loan or advance to another corporation	+	0		0	
264	Bond, debenture, note, mortgage, or	+			0	
265	similar obligation of another corporation	+			0	
266	Long term debt of financial institution	+			0	
267	Dividend receivable from another corporation	+			0	
268	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
269	Interest in a partnership	+			0	
270						
271	Investment Allowance	=	0	0	0	
272						
273						
274	TAXABLE CAPITAL					
275						
276	Capital for the year	=	59,649,308	0	59,649,308	
277						
278	Deduct: Investment allowance	-	0	0	0	
279						
280	Taxable Capital for taxation year	=	59,649,308	0	59,649,308	
281						
282	Deduct: Capital Deduction - maximum of \$50,000,000	-	46,820,000	0	46,820,000	
283	(Input in tab 'Tax Rates')					
284	Taxable Capital	=	12,829,308	0	12,829,308	
285						
286	Rate 0.225% in 2002 and 2003; 0.200% in 2004		0.20000%	0.20000%	0.20000%	
287						
288	Days in year		366	366	366	
289	Divide days by 366		1.0000	1.0000	1.0000	
290						
291	Gross Part I.3 Tax LCT (Must agree with tax return)	=	25,659	0	25,659	
292						
293	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
294						
295	Less: Federal Surtax = Actual Surtax from tax return	-	24,414		24,414	
296						
297	Net Part I.3 Tax - LCT Payable (Must agree with tax return)	=	1,245	0	1,245	
298	(If surtax is greater than Gross LCT, then zero)					
299						
300	Section F: Income and Capital Taxes					
301						
302	RECAP FROM ABOVE:					
303	Total Income Taxes	+	787,356	0	787,356	
304	Ontario Capital Tax	+	156,715	0	156,715	
305	Federal Large Corporations Tax	+	1,245	0	1,245	
306						
307	Total income and capital taxes	=	945,315	0	945,315	
308						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	RRR # 2.1.8				Version 2004.1	
6						
7	Utility Name: Chatham-Kent Hydro Inc.					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		154,633		154,633	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other				0	
19	Other				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		154,633	0	154,633	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		134,967		134,967	
27	Reserve for goods & services ss.20(1)(m)		0		0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other				0	
31	Other				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		134,967	0	134,967	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other		1,468,848		1,468,848	
48	Other				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		1,468,848	0	1,468,848	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other				0	
60	Other				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.1	
7						
8	Utility Name: Chatham-Kent Hydro Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		57,067			
12						
13	Section C: Reconciliation of accounting income to taxable income					
14	Add:					
15	Recapture of capital cost allowance	+			0	
16	Gain on sale of eligible capital property	+	0		0	
17	Income or loss for tax purposes- joint ventures or partnerships	+			0	
18	Loss in equity of subsidiaries and affiliates	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations	+	400,000		400,000	
21	Taxable capital gains	+			0	
22	Depreciation in inventory -end of year	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Non-deductible club dues and fees	+			0	
27	Non-deductible automobile expenses	+			0	
28	Non-deductible life insurance premiums	+			0	
29	Soft costs on construction and renovation of buildings	+			0	
30	Non-deductible meals and entertainment		4,417		4,417	
31	Book loss on joint ventures or partnerships	+			0	
32	Capital items expensed	+			0	
33	Debt issue expense	+			0	
34	Deemed dividend income	+			0	
35	Dividends credited to investment account	+			0	
36	Financing fees deducted in books	+			0	
37	Gain on settlement of debt	+			0	
38	Interest paid on income debentures	+			0	
39	Recapture of SR&ED expenditures	+			0	
40	Share issue expense	+			0	
41	Write down of capital property	+			0	
42	Amounts received in respect of qualifying environment trust	+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Debt financing expenses	+			0	
45		+			0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			0	
53		+				
54	Total Additions	=	404,417	0	404,417	
55						
56	Recap of Material Additions:					
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62	Charitable donations		400,000	0	400,000	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78			0	0	0	
79			0	0	0	
80			0	0	0	
81			0	0	0	
82			0	0	0	

	A	B	C	D	E	F
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.1	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
95	Total Material additions		400,000	0	400,000	
96	Other additions less than materiality level		4,417	0	4,417	
97	Total Additions		404,417	0	404,417	
98						
99	Deduct:					
100	Gain on disposal of assets per f/s	-			0	
101	Dividends not taxable under section 83	-			0	
102	Terminal loss from Schedule 8	-			0	
103	Depreciation in inventory, end of prior year	-			0	
104	Scientific research expenses claimed in year from Form T661	-			0	
105	Bad debts	-			0	
106	Book income of joint venture or partnership	-			0	
107	Equity in income from subsidiary or affiliates	-			0	
108	Contributions to a qualifying environment trust	-			0	
109	Other income from financial statements	-			0	
110	Other deductions: (Please explain in detail the nature of the item)	-				
111	Imputed interest on Reg Assets	-			0	
112		-			0	
113		-			0	
114		-			0	
115		-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120		-			0	
121		-			0	
122	Total Deductions	=	0	0	0	
123						
124	Recap of Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130			0	0	0	
131			0	0	0	
132			0	0	0	
133			0	0	0	
134			0	0	0	
135			0	0	0	
136			0	0	0	
137			0	0	0	
138			0	0	0	
139			0	0	0	
140			0	0	0	
141			0	0	0	
142			0	0	0	
143			0	0	0	
144			0	0	0	
145			0	0	0	
146	Total Deductions exceed materiality level		0	0	0	
147	Other deductions less than materiality level		0	0	0	
148	Total Deductions		0	0	0	
149						

	A	B	C	D	E	F	G	H	I	J
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"									
2	Corporate Tax Rates					Version 2004.1				
3	Exemptions, Deductions, or Thresholds					RRR # 2.1.8				
4	Utility Name: Chatham-Kent Hydro Inc.									
5	Reporting period: 2004									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications									
9	Income Range		0		200,001					
10	RAM 2002		to		to		>700,000			
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		0.00%							
15	and Ontario blended		19.12%		34.12%		38.62%			
16	Blended rate		19.12%	0.00%	34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Rates and Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates 2004		to	to	to		>1,128,000			
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
33	Ontario		5.50%	5.50%	9.75%		14.00%			
34	Blended rate		18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate		0.300%							
37	LCT rate		0.200%							
38	Surtax		1.12%							
39	Ontario Capital Tax Exemption ***	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption ***	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to		>1,128,000			
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
51	Ontario		5.50%	5.50%	9.75%		14.00%			
52	Blended rate		18.62%	27.62%	31.87%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM								
58	Federal Large Corporations Tax Exemption *	MAX \$50MM								
59	* Include copies of the actual tax return allocation calculations in your submission:									
60	Ontario CT23 page 11; federal T2 Schedule 36									
61										
62										
63										
64										

	A	B	C	D	E	F	G	H	I	J	K	N	O
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"												
2	Analysis of Account 1562:	Deferred Payment in lieu of Taxes											
3	Utility Name:	Chatham-Kent Hydro Inc.											Version 2004.1
4	Reporting period:	2004											RRR # 2.1.8
5		Sign Convention: + for increase; - for decrease											
6													
7													
8													
9	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		
10	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		Total
11													
12	Opening balance:	=			0		0		0		0		0
13	Initial Estimate PILs Rate Adjustment (1)	+/-					0		0				0
14	True-up Variance Adjustment (2)	+/-									31,397		31,397
15	Deferral Account Variance Adjustment (3)	+/-									-167,554		-167,554
16	Adjustments to reported prior years' variances (4)												0
17	Carrying charges	+/-											0
18	PILs collected from customers - Proxy (5)	-	0										0
19													
20	Ending balance: # 1562		0		0		0		0		-136,157		-136,157
21													
22	PILs collected from customers - Reg Assets (6)	-	0		0		0		0		0		0
23													
24	Note:												
25	The purposes of this worksheet is to show the movement in Account 1562.												
26	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities												
27													
28	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery.												
29	Answer:												
30													
31													
32													
33	(1) (i) From the Initial Estimate Column, under Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.												
34	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.												
35	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.												
36	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.												
37	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.												
38													
39													
40	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I130, of the TAXCALC spreadsheet												
41													
42	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I179, of the TAXCALC spreadsheet												
43													
44	(4) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.												
45													
46	(5) This should equal the actual kWhs for the period (including net unbilled at period end), multiplied by the PILs proxy rates												
47	from the Q4 2001 and 2002 PILs worksheets for 2002, 2003 and January 1 to March 31, 2004.												
48	In 2004, use the Board-approved 2002 PILs proxy rate for the period April 1 to December 31, 2004 added to the result from												
49	the sentence above for January 1 to March 31, 2004.												
50													
51	(6) Any interim PILs recovery from the Reg Asset decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes												
52	will have to include amounts from 1562 and from 1590.												
53													
54													
55													
56													
57													
58													
59													
60													

2005

SECTION 93 PILs TAX GROSS-UP
Updated March 9, 2005

PROXY CALCULATION FOR 2005

PILS2005.V1.1

REGULATORY INFORMATION (REGINFO)

Utility Name:
File Number:

Chatham-Kent Hydro ED-2002-0563

RP-2005-0013

EB-2005-0017

Reporting period:

January 1, 2005 - December 31, 2005

Days in reporting period:

365

Total days in the calendar year:

354

BACKGROUND

1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)

Yes

2. Please identify the percentage used to allocate the exemption.

100.00%

3. Please explain the basis of the allocation if the percentage is other than 100%.

4. Accounting Year End

Dec-31

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)

\$45,654,000.00

Common Equity Ratio (CER)

50.00%

1-CER

50.00%

Target Return On Equity (%) (1)

9.88%

Debt rate

7.25%

Market Adjusted Revenue Requirement

\$3,910,265

1999 return from RUD Sheet #7

\$786,000

Total Incremental revenue

\$3,124,265

Amount allowed in 2001, Year 1

\$1,041,422

Amount allowed in 2002, Year 2

\$1,041,422

Amount allowed in 2003, Year 3 (2)

\$1,041,422

Based on Board's
Decision (RP-2000-0069)

Board-Approved
Amounts

\$1,077,000

\$1,077,000

\$95,515

Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)

\$200,000

C&DM Capital Portion from "C&DM TAX FORECAST" worksheet

66%

Total Regulatory Income

\$3,910,265

Regulatory Income

\$786,000

\$0

Equity

\$22,827,000

Return at target ROE

\$2,255,308

Debt

\$22,827,000

Deemed interest amount in EBIT

\$1,654,958

Notes:

(1) Chatham-Kent Hydro (CK H) applied for and received approval for a return on equity of 6.05%.

In order to participate in Conservation and Demand Management (CDM) programs CK H is applying for a rate change that is equivalent to an ROE of 9.88%.

CK H obtained approval from the Minister of Energy to apply to the OEB for the one time rate change for CDM expenditures.

(2) CK H had Board approval for \$95,515 for the third phase of the original application.

The rate change proposed for CDM is the remaining amount of \$970,265.

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 Updated March 9, 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: Chatham-Kent Hydro ED-2002-0563 Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 354				
			\$	
<u>I) CORPORATE INCOME TAXES</u>				
Regulatory Net Income		1	\$3,910,265	
BOOK TO TAX ADJUSTMENTS				
Additions:				
Depreciation & Amortization		2	\$2,533,000	
Employee Benefit Plans - Accrued, Not Paid		3	\$0	
Tax reserves deducted in prior year		4	\$0	
Reserves from financial statements-end of year		4	\$0	
Regulatory Adjustments		5	\$0	
Other Additions				
"Material" Items		6	\$0	
Other Additions		6	\$0	
"Material Items		6	\$0	
Other Additions		6	\$0	
Deductions:				
Capital Cost Allowance and CEC		7	\$1,835,114	
Employee Benefit Plans - Paid Amounts		8	\$0	
Items Capitalized for Regulatory Purposes		9	\$0	
Regulatory Adjustments		10	\$0	
Interest Expense Deemed		11	\$1,654,958	
Tax reserves claimed in current year		4	\$0	
Reserves from F/S beginning of year		4	\$0	
Contributions to deferred income plans		3	\$0	
Contributions to pension plans		3	\$0	
Interest capitalized for accounting but deducted for tax		11	\$0	
Other Deductions				
"Material" Items		12	\$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan		12	\$130,000	
Material Items		12	\$0	
Other Deductions		12	\$0	
<u>REGULATORY TAXABLE INCOME</u>			\$2,823,194	
<u>CORPORATE INCOME TAX RATE</u>				
Deemed %		13	36.12%	
REGULATORY INCOME TAX			\$1,019,737	
Taxable Income x Rate				
Miscellaneous Tax Credits		14	\$0	
Total Regulatory Income Tax			\$1,019,737	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 Updated March 9, 2005 TAX CALCULATIONS (TAXCALC)	ITEM	Proxy Calculation	Comments
Utility Name: Chatham-Kent Hydro ED-2002-0563 Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 354		\$	
Percentage used to determine the exemptions for capital tax and large corporations tax		100%	
<u>II) CAPITAL TAXES</u>			
Ontario			
Rate Base	15	\$45,654,000	
Less: Exemption	16	\$7,500,000	
Deemed Taxable Capital		\$38,154,000	
Rate (.3%)	17	0.3000%	
Net Amount (Taxable Capital x Rate)		\$118,019	
Federal (LCT)			
Base	18	\$45,654,000	
Less: Exemption	19	\$50,000,000	
Deemed Taxable Capital		\$0	
Rate (.175%)	20	0.1750%	
Gross Amount (Taxable Capital x Rate)		\$0	
Less: Federal Surtax	21	\$0	
Net LCT		\$0	
<u>III) INCLUSION IN RATES</u>			
Income Tax Rate used for gross- up		36.12%	
Income Tax (grossed-up)	22	\$1,596,333	
LCT (grossed-up)	23	\$0	
Ontario Capital Tax	24	\$118,019	
Total S. 93 PILs Rate Adjustment (Enter this amount in the 2005 RAM, Sheet #4, cell G14)	25	\$1,714,352	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	\$0 to \$400,000	\$400,001 to \$1,128,000	> \$1,128,000
<i>Income Tax Rate</i>	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	\$7,500,000		
Federal Large Corporations Tax Exemption	\$50,000,000		

Conservation and Demand Management Tax Forecast

Utility Name: Chatham-Kent Hydro ED-2002-0563
 File Number: RP-2005-0013
 EB-2005-0017

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30 th 2007		Total		2004		Total Applied in CDM	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Capital	\$255,000	66%	\$100,000	56%	\$100,000	63%	\$455,000	63%	\$250,000	91%	\$705,000	71%
Tax Deductible Expense	\$130,000	34%	\$80,000	44%	\$60,000	38%	\$270,000	37%	\$25,000	9%	\$295,000	30%
Total	\$385,000	100%	\$180,000	100%	\$160,000	100%	\$725,000	100%	\$275,000	100%	\$1,000,000	100%

Notes:

1. Capital that will be recognized for tax purposes (i.e. UCC addition), not from a capital budget or commitment perspective.
2. Expenses to be recognized in the period shown that will be used as a tax deduction for the same period. The 2005 tax deductible expense amount will be entered automatically into the TAXCALC worksheet, cell C44.
3. The amounts shown in the "Total" column should agree with the C&DM plan filed with or approved by the Board. The amount of the third tranche of MARR is the maximum amount unless the utility has applied for a lower amount.

Chatham-Kent Hydro Inc.

2012 IRM3 Application

Board File: EB-2011-0163

Filed: September 16, 2011

Section 12.6

Rate Models

2001-2002, 2004 & 2005

2001

Chatham Kent Hydro
PBR Handbook Recommended
Overall Rate Impacts By Rate Class And Service Area

Line No.		1999 Actual Rates				March 2001 Target Rates				% Increase	Revenue Change	Overall %
		Total Revenue	COP	Delivery Revenue	Volumes	Total	COP	Delivery	Total	COP	Delivery	
	Blenheim											
1	Residential	\$ 1,194,926	\$ 1,154,014	\$ 40,912	15,237,677	7.84	7.57	0.27	#REF!	7.57	#REF!	#REF!
2	General Service	\$ 1,830,036	\$ 1,691,332	\$ 138,704	23,390,077	7.82	7.23	0.59	#REF!	7.23	#REF!	#REF!
3	TOU	\$ 1,313,502	\$ 1,249,440	\$ 64,062	21,425,089	6.13	5.83	0.30	#REF!	5.83	#REF!	#REF!
4	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%
5	Sentinel Light	\$ 2,032	\$ 1,669	\$ 363	26,316	7.72	6.34	1.38	#REF!	6.34	#REF!	#REF!
6	Street Light	\$ 36,200	\$ 31,457	\$ 4,743	496,080	7.30	6.34	0.96	#REF!	6.34	#REF!	#REF!
7		\$ 4,376,696	\$ 4,127,912	\$ 248,784	60,575,239							#REF! #REF!
	Bothwell											
8	Residential	\$ 327,504	\$ 253,746	\$ 73,758	3,577,559	9.15	7.09	2.06	#REF!	7.09	#REF!	#REF!
9	General Service	\$ 234,953	\$ 192,812	\$ 42,141	2,847,189	8.25	6.77	1.48	#REF!	6.77	#REF!	#REF!
10	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%
11	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%
12	Sentinel Light	\$ 1,865	\$ 1,436	\$ 429	24,179	7.71	5.94	1.77	#REF!	5.94	#REF!	#REF!
13	Street Light	\$ 13,021	\$ 10,334	\$ 2,687	174,006	7.48	5.94	1.54	#REF!	5.94	#REF!	#REF!
14		\$ 577,343	\$ 458,328	\$ 119,015	6,622,933							#REF! #REF!
	Chatham											
15	Residential	\$ 11,745,095	\$ 9,234,344	\$ 2,510,751	133,527,329	8.80	6.92	1.88	#REF!	6.92	#REF!	#REF!
16	General Service	\$ 16,354,930	\$ 15,212,508	\$ 1,142,422	230,388,081	7.10	6.60	0.50	#REF!	6.60	#REF!	#REF!
17	TOU	\$ 3,470,134	\$ 3,368,064	\$ 102,070	56,047,186	6.19	6.01	0.18	#REF!	6.01	#REF!	#REF!
18	Large User	\$ 1,448,762	\$ 1,332,867	\$ 115,895	25,051,899	5.78	5.32	0.46	#REF!	5.32	#REF!	#REF!
19	Sentinel Light	\$ 15,256	\$ 11,458	\$ 3,798	197,875	7.71	5.79	1.92	#REF!	5.79	#REF!	#REF!
20	Street Light	\$ 264,731	\$ 232,691	\$ 32,040	4,018,536	6.59	5.79	0.80	#REF!	5.79	#REF!	#REF!
21		\$ 33,298,908	\$ 29,391,932	\$ 3,906,976	449,230,906							#REF! #REF!
	Dresden											
22	Residential	\$ 823,340	\$ 658,891	\$ 164,449	9,396,371	8.76	7.01	1.75	#REF!	7.01	#REF!	#REF!
23	General Service	\$ 1,413,018	\$ 1,285,796	\$ 127,222	19,204,971	7.36	6.70	0.66	#REF!	6.70	#REF!	#REF!
24	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%
25	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%
26	Sentinel Light	\$ 4,423	\$ 3,364	\$ 1,059	57,290	7.72	5.87	1.85	#REF!	5.87	#REF!	#REF!
27	Street Light	\$ 14,848	\$ 11,190	\$ 3,658	190,584	7.79	5.87	1.92	#REF!	5.87	#REF!	#REF!
28		\$ 2,255,629	\$ 1,959,241	\$ 296,388	28,849,216							#REF! #REF!

Chatham Kent Hydro
PBR Handbook Recommended
Overall Rate Impacts By Rate Class And Service Area

Line No.		1999 Actual Rates				March 2001 Target Rates				% Increase	Revenue Change	Overall %	
		Total Revenue	COP	Delivery Revenue	Volumes	Total	COP	Delivery	Total				COP
Erieau													
1	Residential	\$ 213,370	\$ 171,580	\$ 41,790	2,562,356	8.33	6.70	1.63	#REF!	6.70	#REF!	#REF!	#REF!
2	General Service	\$ 98,536	\$ 77,472	\$ 21,064	1,211,752	8.13	6.39	1.74	#REF!	6.39	#REF!	#REF!	#REF!
3	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
4	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
5	Sentinel Light	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
6	Street Light	\$ 8,329	\$ 6,451	\$ 1,878	115,056	7.24	5.61	1.63	#REF!	5.61	#REF!	#REF!	#REF!
7		\$ 320,235	\$ 255,503	\$ 64,732	3,889,164								#REF! #REF! #REF!
Merlin													
8	Residential	\$ 245,096	\$ 185,007	\$ 60,089	2,762,675	8.87	6.70	2.18	#REF!	6.70	#REF!	#REF!	#REF!
9	General Service	\$ 102,224	\$ 75,317	\$ 26,907	1,177,958	8.68	6.39	2.28	#REF!	6.39	#REF!	#REF!	#REF!
10	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
11	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
12	Sentinel Light	\$ 532	\$ 386	\$ 146	6,888	7.72	5.61	2.12	#REF!	5.61	#REF!	#REF!	#REF!
13	Street Light	\$ 4,800	\$ 3,532	\$ 1,268	63,000	7.62	5.61	2.01	#REF!	5.61	#REF!	#REF!	#REF!
14		\$ 352,652	\$ 264,243	\$ 88,409	4,010,521								#REF! #REF! #REF!
Thamesville													
15	Residential	\$ 248,712	\$ 218,075	\$ 30,637	3,112,918	7.99	7.01	0.98	#REF!	7.01	#REF!	#REF!	#REF!
16	General Service	\$ 331,104	\$ 299,924	\$ 31,180	4,484,025	7.38	6.69	0.70	#REF!	6.69	#REF!	#REF!	#REF!
17	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
18	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
19	Sentinel Light	\$ 1,697	\$ 1,288	\$ 409	21,960	7.73	5.87	1.86	#REF!	5.87	#REF!	#REF!	#REF!
20	Street Light	\$ 16,920	\$ 14,443	\$ 2,477	246,240	6.87	5.87	1.01	#REF!	5.87	#REF!	#REF!	#REF!
21		\$ 598,433	\$ 533,730	\$ 64,703	7,865,143								#REF! #REF! #REF!
Tilbury													
22	Residential	\$ 1,312,707	\$ 1,067,489	\$ 245,218	16,240,546	8.08	6.57	1.51	#REF!	6.57	#REF!	#REF!	#REF!
23	General Service	\$ 4,815,862	\$ 4,604,255	\$ 211,607	73,365,481	6.56	6.28	0.29	#REF!	6.28	#REF!	#REF!	#REF!
24	TOU	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
25	Large User	\$ -	\$ -	\$ -	-	-	-	-	-	-	-	0.0%	\$ -
26	Sentinel Light	\$ 3,549	\$ 2,532	\$ 1,017	46,014	7.71	5.50	2.21	#REF!	5.50	#REF!	#REF!	#REF!
27	Street Light	\$ 27,852	\$ 22,737	\$ 5,115	413,136	6.74	5.50	1.24	#REF!	5.50	#REF!	#REF!	#REF!
28		\$ 6,159,970	\$ 5,697,013	\$ 462,957	90,065,177								#REF! #REF! #REF!

Chatham Kent Hydro
Rate Mitigation Proposal By Rate Class And Service Area

Line No.		Total Revenue	Delivery Revenue	Volumes	% Inc	March 2001 \$ Inc	Total Del
Blenheim							
1	Residential	\$ 1,194,926	\$ 40,912	15,237,677	#REF!	#REF!	#REF!
2	General Service	\$ 1,830,036	\$ 138,704	23,390,077	#REF!	#REF!	#REF!
3	TOU	\$ 1,313,502	\$ 64,062	21,425,089	#REF!	#REF!	#REF!
4	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
5	Sentinel Light	\$ 2,032	\$ 363	26,316	#REF!	#REF!	#REF!
6	Street Light	\$ 36,200	\$ 4,743	496,080	#REF!	#REF!	#REF!
7		\$ 4,376,696	\$ 248,784	60,575,239	#REF!	#REF!	#REF!
Bothwell							
8	Residential	\$ 327,504	\$ 73,758	3,577,559	#REF!	#REF!	#REF!
9	General Service	\$ 234,953	\$ 42,141	2,847,189	#REF!	#REF!	#REF!
10	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
11	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
12	Sentinel Light	\$ 1,865	\$ 429	24,179	#REF!	#REF!	#REF!
13	Street Light	\$ 13,021	\$ 2,687	174,006	#REF!	#REF!	#REF!
14		\$ 577,343	\$ 119,015	6,622,933	#REF!	#REF!	#REF!
Chatham							
15	Residential	\$ 11,745,095	\$ 2,510,751	133,527,329	#REF!	#REF!	#REF!
16	General Service	\$ 16,354,930	\$ 1,142,422	230,388,081	#REF!	#REF!	#REF!
17	TOU	\$ 3,470,134	\$ 102,070	56,047,186	#REF!	#REF!	#REF!
18	Large User	\$ 1,448,762	\$ 115,895	25,051,899	#REF!	#REF!	#REF!
19	Sentinel Light	\$ 15,256	\$ 3,798	197,875	#REF!	#REF!	#REF!
20	Street Light	\$ 264,731	\$ 32,040	4,018,536	#REF!	#REF!	#REF!
21		\$ 33,298,908	\$ 3,906,976	449,230,906	#REF!	#REF!	#REF!
Dresden							
22	Residential	\$ 823,340	\$ 164,449	9,396,371	#REF!	#REF!	#REF!
23	General Service	\$ 1,413,018	\$ 127,222	19,204,971	#REF!	#REF!	#REF!
24	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
25	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
26	Sentinel Light	\$ 4,423	\$ 1,059	57,290	#REF!	#REF!	#REF!
27	Street Light	\$ 14,848	\$ 3,658	190,584	#REF!	#REF!	#REF!
28		\$ 2,255,629	\$ 296,388	28,849,216	#REF!	#REF!	#REF!

Chatham Kent Hydro
Rate Mitigation Proposal By Rate Class And Service Area

Line No.		Total Revenue	Delivery Revenue	Volumes	% Inc	March 2001 \$ Inc	Total Del
Erieau							
1	Residential	\$ 213,370	\$ 41,790	2,562,356	#REF!	#REF!	#REF!
2	General Service	\$ 98,536	\$ 21,064	1,211,752	#REF!	#REF!	#REF!
3	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
4	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
5	Sentinel Light	\$ -	\$ -	-	#REF!	#REF!	#REF!
6	Street Light	\$ 8,329	\$ 1,878	115,056	#REF!	#REF!	#REF!
7		\$ 320,235	\$ 64,732	3,889,164	#REF!	#REF!	#REF!
Merlin							
8	Residential	\$ 245,096	\$ 60,089	2,762,675	#REF!	#REF!	#REF!
9	General Service	\$ 102,224	\$ 26,907	1,177,958	#REF!	#REF!	#REF!
10	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
11	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
12	Sentinel Light	\$ 532	\$ 146	6,888	#REF!	#REF!	#REF!
13	Street Light	\$ 4,800	\$ 1,268	63,000	#REF!	#REF!	#REF!
14		\$ 352,652	\$ 88,409	4,010,521	#REF!	#REF!	#REF!
Thamesville							
15	Residential	\$ 248,712	\$ 30,637	3,112,918	#REF!	#REF!	#REF!
16	General Service	\$ 331,104	\$ 31,180	4,484,025	#REF!	#REF!	#REF!
17	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
18	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
19	Sentinel Light	\$ 1,697	\$ 409	21,960	#REF!	#REF!	#REF!
20	Street Light	\$ 16,920	\$ 2,477	246,240	#REF!	#REF!	#REF!
21		\$ 598,433	\$ 64,703	7,865,143	#REF!	#REF!	#REF!
Tilbury							
22	Residential	\$ 1,312,707	\$ 245,218	16,240,546	#REF!	#REF!	#REF!
23	General Service	\$ 4,815,862	\$ 211,607	73,365,481	#REF!	#REF!	#REF!
24	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
25	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
26	Sentinel Light	\$ 3,549	\$ 1,017	46,014	#REF!	#REF!	#REF!
27	Street Light	\$ 27,852	\$ 5,115	413,136	#REF!	#REF!	#REF!
28		\$ 6,159,970	\$ 462,957	90,065,177	#REF!	#REF!	#REF!

Chatham Kent Hydro
 Rate Mitigation Proposal By Rate Class And Service Area

Line No.		Total Revenue	Delivery Revenue	Volumes	% Inc	March 2001 \$ Inc	Total Del
Ridgetown							
1	Residential	\$ 952,190	\$ 233,359	10,601,323	#REF!	#REF!	#REF!
2	General Service	\$ 1,334,974	\$ 129,417	18,621,550	#REF!	#REF!	#REF!
3	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
4	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
5	Sentinel Light	\$ 1,913	\$ 504	24,823	#REF!	#REF!	#REF!
6	Street Light	\$ 39,529	\$ 7,482	564,480	#REF!	#REF!	#REF!
7		\$ 2,328,606	\$ 370,761	29,812,176	#REF!	#REF!	#REF!
Wallaceburg							
8	Residential	\$ 3,329,034	\$ 823,356	37,655,069	#REF!	#REF!	#REF!
9	General Service	\$ 8,058,321	\$ 525,286	118,566,859	#REF!	#REF!	#REF!
10	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
11	Large User	\$ 3,219,393	\$ 342,446	49,338,918	#REF!	#REF!	#REF!
12	Sentinel Light	\$ 8,319	\$ 2,316	107,744	#REF!	#REF!	#REF!
13	Street Light	\$ 91,250	\$ 22,051	1,242,000	#REF!	#REF!	#REF!
14		\$ 14,706,317	\$ 1,715,456	206,910,590	#REF!	#REF!	#REF!
Wheatley							
15	Residential	\$ 477,413	\$ 77,839	5,648,238	#REF!	#REF!	#REF!
16	General Service	\$ 484,075	\$ 48,913	6,442,602	#REF!	#REF!	#REF!
17	TOU	\$ -	\$ -	-	#REF!	#REF!	#REF!
18	Large User	\$ -	\$ -	-	#REF!	#REF!	#REF!
19	Sentinel Light	\$ 1,168	\$ 212	16,134	#REF!	#REF!	#REF!
20	Street Light	\$ 11,606	\$ 2,006	162,072	#REF!	#REF!	#REF!
21		\$ 974,262	\$ 128,970	12,269,046	#REF!	#REF!	#REF!
Total							
22	Residential	\$ 20,869,387	\$ 4,302,156	240,322,061	#REF!	#REF!	#REF!
23	General Service	\$ 35,058,033	\$ 2,444,863	499,700,545	#REF!	#REF!	#REF!
24	TOU	\$ 4,783,636	\$ 166,132	77,472,275	#REF!	#REF!	#REF!
25	Large User	\$ 4,668,155	\$ 458,341	74,390,817	#REF!	#REF!	#REF!
26	Sentinel Light	\$ 40,754	\$ 10,252	529,223	#REF!	#REF!	#REF!
27	Street Light	\$ 529,086	\$ 85,405	7,685,190	#REF!	#REF!	#REF!
28		\$ 65,949,051	\$ 7,467,151	900,100,111	#REF!	#REF!	#REF!

Chatham Kent Hydro
Revenue Recovery Analysis

Line No.		Target Revenue Change (1)	Proposed Rate Change (2)	Over/ (Under) Recover	Customers	Monthly Impact
Blenheim						
1	Residential	#REF!	#REF!	#REF!	1,659	#REF!
2	General Service	#REF!	#REF!	#REF!	279	#REF!
3	TOU	#REF!	#REF!	#REF!	1	#REF!
4	Large User	\$ -	#REF!	#REF!		
5	Sentinel Light	#REF!	#REF!	#REF!		
6	Street Light	#REF!	#REF!	#REF!	1	#REF!
7		#REF!	#REF!	#REF!		
Bothwell						
8	Residential	#REF!	#REF!	#REF!	379	#REF!
9	General Service	#REF!	#REF!	#REF!	88	#REF!
10	TOU	\$ -	#REF!	#REF!		
11	Large User	\$ -	#REF!	#REF!		
12	Sentinel Light	#REF!	#REF!	#REF!		
13	Street Light	#REF!	#REF!	#REF!	1	#REF!
14		#REF!	#REF!	#REF!		
Chatham						
15	Residential	#REF!	#REF!	#REF!	15,689	#REF!
16	General Service	#REF!	#REF!	#REF!	2,053	#REF!
17	TOU	#REF!	#REF!	#REF!	3	#REF!
18	Large User	#REF!	#REF!	#REF!	2	#REF!
19	Sentinel Light	#REF!	#REF!	#REF!		
20	Street Light	#REF!	#REF!	#REF!	1	#REF!
21		#REF!	#REF!	#REF!		
Dresden						
22	Residential	#REF!	#REF!	#REF!	1,011	#REF!
23	General Service	#REF!	#REF!	#REF!	175	#REF!
24	TOU	\$ -	#REF!	#REF!		
25	Large User	\$ -	#REF!	#REF!		
26	Sentinel Light	#REF!	#REF!	#REF!		
27	Street Light	#REF!	#REF!	#REF!	1	#REF!
28		#REF!	#REF!	#REF!		

Note:

- (1) From Schedule 8
(2) From Schedule 9

Chatham Kent Hydro
 Revenue Recovery Analysis

Line No.		Target Revenue Change (1)	Proposed Rate Change (2)	Over/ (Under) Recover	Customers	Monthly Impact
Erieau						
1	Residential	#REF!	#REF!	#REF!	346	#REF!
2	General Service	#REF!	#REF!	#REF!	67	#REF!
3	TOU	\$ -	#REF!	#REF!		
4	Large User	\$ -	#REF!	#REF!		
5	Sentinel Light	\$ -	#REF!	#REF!		
6	Street Light	#REF!	#REF!	#REF!	1	#REF!
7		#REF!	#REF!	#REF!		
Merlin						
8	Residential	#REF!	#REF!	#REF!	268	#REF!
9	General Service	#REF!	#REF!	#REF!	55	#REF!
10	TOU	\$ -	#REF!	#REF!		
11	Large User	\$ -	#REF!	#REF!		
12	Sentinel Light	#REF!	#REF!	#REF!		
13	Street Light	#REF!	#REF!	#REF!	1	#REF!
14		#REF!	#REF!	#REF!		
Thamesville						
15	Residential	#REF!	#REF!	#REF!	364	#REF!
16	General Service	#REF!	#REF!	#REF!	102	#REF!
17	TOU	\$ -	#REF!	#REF!		
18	Large User	\$ -	#REF!	#REF!		
19	Sentinel Light	#REF!	#REF!	#REF!		
20	Street Light	#REF!	#REF!	#REF!	1	#REF!
21		#REF!	#REF!	#REF!		
Tilbury						
22	Residential	#REF!	#REF!	#REF!	1,751	#REF!
23	General Service	#REF!	#REF!	#REF!	250	#REF!
24	TOU	\$ -	#REF!	#REF!		
25	Large User	\$ -	#REF!	#REF!		
26	Sentinel Light	#REF!	#REF!	#REF!		
27	Street Light	#REF!	#REF!	#REF!	1	#REF!
28		#REF!	#REF!	#REF!		

Note:

- (1) From Schedule 8
 (2) From Schedule 9

Chatham Kent Hydro
Revenue Recovery Analysis

Line No.		Target Revenue Change (1)	Proposed Rate Change (2)	Over/ (Under) Recover	Customers	Monthly Impact
Ridgetown						
1	Residential	#REF!	#REF!	#REF!	1,338	#REF!
2	General Service	#REF!	#REF!	#REF!	230	#REF!
3	TOU	\$ -	#REF!	#REF!		
4	Large User	\$ -	#REF!	#REF!		
5	Sentinel Light	#REF!	#REF!	#REF!		
6	Street Light	#REF!	#REF!	#REF!	1	#REF!
7		#REF!	#REF!	#REF!		
Wallaceburg						
8	Residential	#REF!	#REF!	#REF!	4,365	#REF!
9	General Service	#REF!	#REF!	#REF!	578	#REF!
10	TOU	\$ -	#REF!	#REF!		
11	Large User	#REF!	#REF!	#REF!	1	#REF!
12	Sentinel Light	#REF!	#REF!	#REF!		
13	Street Light	#REF!	#REF!	#REF!	1	#REF!
14		#REF!	#REF!	#REF!		
Wheatley						
15	Residential	#REF!	#REF!	#REF!	600	#REF!
16	General Service	#REF!	#REF!	#REF!	127	#REF!
17	TOU	\$ -	#REF!	#REF!		
18	Large User	\$ -	#REF!	#REF!		
19	Sentinel Light	#REF!	#REF!	#REF!		
20	Street Light	#REF!	#REF!	#REF!	1	#REF!
21		#REF!	#REF!	#REF!		
Total						
22	Residential	#REF!	#REF!	#REF!	27,770	#REF!
23	General Service	#REF!	#REF!	#REF!	4,004	#REF!
24	TOU	#REF!	#REF!	#REF!	4	#REF!
25	Large User	#REF!	#REF!	#REF!	3	#REF!
26	Sentinel Light	#REF!	#REF!	#REF!	-	
27	Street Light	#REF!	#REF!	#REF!	11	#REF!
28		#REF!	#REF!	#REF!		

Note:

- (1) From Schedule 8
(2) From Schedule 9

Chatham Kent Hydro
PBR Handbook Recommended
Distribution of Delivery Revenue

PILs - 2001 Deferral and 2002 Estimate					1,979,328						
Line No.	2001 Statistics	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Delivery Revenue</u>	<u>Delivery Revenue %</u>		<u>Fixed 65.4%</u>	<u>Variable 34.6%</u>	<u>Service Charge</u>	<u>Variable Rate</u>
1	Residential	-	221,588,135	28,166	\$ 4,543,874	56.4%	\$ 1,115,759				
2	General Service < 50 kW	-	109,373,371	3,408	\$ 1,614,825	20.0%	\$ 396,524	\$ 259,327	\$ 137,197	\$ 6.34	\$ 0.0013
3	General Service > 50 kW	972,684	368,280,441	448	\$ 1,120,914	13.9%	\$ 275,243	\$ 180,009	\$ 95,234	\$ 33.48	\$ 0.10
4	TOU	132,240	64,424,896	4	\$ 264,130	3.3%	\$ 64,858				
5	Large User	195,538	79,253,217	3	\$ 455,234	5.6%	\$ 111,784				
6	Sentinel Lighting	1,979	461,013	220	\$ 7,279	0.1%	\$ 1,787				
7	Street Light	22,069	8,257,320	1	\$ 54,461	0.7%	\$ 13,373	\$ 8,746	\$ 4,627	\$ 728.83	\$ 0.21
8		<u>1,324,510</u>	<u>851,638,393</u>	<u>32,250</u>	<u>\$ 8,060,715</u>		<u>\$ 1,979,328</u>				

Fixed ratio from RP-1999-0033						Fixed		Variable			
Residential rate mitigation						65.4%		34.6%			
						55.0%		45.0%			
Blenheim	kW	kWh	Customers	Delivery Revenue	Delivery Change	Fixed 65.4%		Variable 34.6%		Service Charge	Variable Rate
Residential		13,973,584	1,675	\$ 86,978	\$ 21,358	\$ 11,747	\$	\$ 9,611	\$	\$ 0.58	\$ 0.0007
TOU	35,151	18,246,003	1	\$ 40,703	\$ 9,995	\$ 6,537	\$	\$ 3,458	\$	\$ 544.71	\$ 0.10
Large User		-	-	\$ -	\$ -	\$ -	\$	\$ -	\$	\$ -	\$ -
Sentinel Lighting	73	51,065	22	\$ 537	\$ 132	\$ 86	\$	\$ 46	\$	\$ 0.33	\$ 0.62
	110,423	62,464,350	1,972	\$ 296,680	\$ 72,850	\$ 45,423	\$	\$ 27,427			
Bothwell											
Residential		3,475,660	390	\$ 76,706	\$ 18,835	\$ 10,360	\$	\$ 8,476	\$	\$ 2.21	\$ 0.0024
TOU		-	-	\$ -	\$ -	\$ -	\$	\$ -	\$	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$	\$ -	\$	\$ -	\$ -
Sentinel Lighting	63	4,333	12	\$ 353	\$ 87	\$ 57	\$	\$ 30	\$	\$ 0.39	\$ 0.48
	4,027	6,485,379	487	\$ 117,745	\$ 28,913	\$ 16,950	\$	\$ 11,963			
Chatham											
Residential		121,657,705	15,927	\$ 2,619,178	\$ 643,145	\$ 353,730	\$	\$ 289,415	\$	\$ 1.85	\$ 0.0024
TOU	97,089	46,178,893	3	\$ 223,427	\$ 54,863	\$ 35,880	\$	\$ 18,983	\$	\$ 996.68	\$ 0.20
Large User	60,948	33,060,706	1	\$ 159,458	\$ 39,155	\$ 25,608	\$	\$ 13,548	\$	\$ 2,133.97	\$ 0.22
Sentinel Lighting	549	185,658	58	\$ 2,420	\$ 594	\$ 389	\$	\$ 206	\$	\$ 0.56	\$ 0.37
	618,624	439,381,221	17,983	\$ 4,359,715	\$ 1,070,539	\$ 633,245	\$	\$ 437,293			
Dresden											
Residential		9,269,429	1,013	\$ 172,817	\$ 42,436	\$ 23,340	\$	\$ 19,096	\$	\$ 1.92	\$ 0.0021
TOU		-	-	\$ -	\$ -	\$ -	\$	\$ -	\$	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$	\$ -	\$	\$ -	\$ -
Sentinel Lighting	158	36,877	18	\$ 784	\$ 192	\$ 126	\$	\$ 67	\$	\$ 0.58	\$ 0.42
	58,080	32,310,245	1,191	\$ 311,500	\$ 76,490	\$ 45,611	\$	\$ 30,879			

Erieau											
Residential	2,534,107	347	\$	43,260	\$	10,623	\$	5,842	\$	4,780	\$ 1.40 \$ 0.0019
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
	<u>1,245</u>	<u>3,627,745</u>	<u>412</u>	<u>\$ 64,907</u>	<u>\$</u>	<u>15,938</u>	<u>\$</u>	<u>9,319</u>	<u>\$</u>	<u>6,619</u>	
Merlin											
Residential	2,045,969	282	\$	60,598	\$	14,880	\$	8,184	\$	6,696	\$ 2.42 \$ 0.0033
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	532	5,620	8	\$ 35	\$	8	\$	6	\$	3	\$ 0.06 \$ 0.01
	<u>1,892</u>	<u>3,113,262</u>	<u>330</u>	<u>\$ 80,569</u>	<u>\$</u>	<u>19,784</u>	<u>\$</u>	<u>11,391</u>	<u>\$</u>	<u>8,393</u>	
Ridgetown											
Residential	10,426,589	1,362	\$	238,200	\$	58,491	\$	32,170	\$	26,321	\$ 1.97 \$ 0.0025
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	69	24,884	13	\$ 352	\$	86	\$	56	\$	30	\$ 0.36 \$ 0.43
	<u>41,738</u>	<u>29,836,162</u>	<u>1,587</u>	<u>\$ 375,949</u>	<u>\$</u>	<u>92,315</u>	<u>\$</u>	<u>54,291</u>	<u>\$</u>	<u>38,024</u>	
Thamesville											
Residential	2,622,566	362	\$	37,001	\$	9,086	\$	4,997	\$	4,089	\$ 1.15 \$ 0.0016
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	62	20,546	22	\$ 405	\$	100	\$	65	\$	34	\$ 0.25 \$ 0.56
	<u>6,649</u>	<u>6,457,456</u>	<u>486</u>	<u>\$ 72,024</u>	<u>\$</u>	<u>17,686</u>	<u>\$</u>	<u>10,622</u>	<u>\$</u>	<u>7,064</u>	

Tilbury											
Residential	14,903,667	1,814	\$	272,718	\$	66,966	\$	36,832	\$	30,135	\$ 1.69 \$ 0.0020
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	132 39,814	18	\$	714	\$	175	\$	115	\$	61	\$ 0.53 \$ 0.46
	157,450	88,917,765	2,071	\$ 553,498	\$	135,913	\$	81,922	\$	53,990	
Wallaceburg											
Residential	34,036,669	4,376	\$	845,834	\$	207,697	\$	114,233	\$	93,463	\$ 2.18 \$ 0.0027
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	134,590 46,192,511	2	\$	295,776	\$	72,628	\$	47,499	\$	25,129	\$ 1,979.13 \$ 0.19
Sentinel Lighting	300 75,914	39	\$	1,501	\$	368	\$	241	\$	127	\$ 0.51 \$ 0.42
	310,361	165,261,870	4,984	\$ 1,682,437	\$	413,126	\$	248,584	\$	164,542	
Wheatley											
Residential	6,642,190	618	\$	90,583	\$	22,243	\$	12,234	\$	10,009	\$ 1.65 \$ 0.0015
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	41 16,302	10	\$	179	\$	44	\$	29	\$	15	\$ 0.24 \$ 0.37
	14,021	13,782,938	746	\$ 145,692	\$	35,775	\$	21,084	\$	14,691	

Chatham Kent Hydro
Residential Proposed Rate Structure
Rate Change Effective March 1, 2002

Service Area	Current Rates			Rates after PBR adjustment, Late Fees, Phase PILs		
	Service Charge	Energy Charge	COP Energy	Service Charge	Energy Charge	COP Energy
Blenheim	\$ 2.46	\$ 0.0018	\$ 0.0831	\$ 3.40	\$ 0.0029	\$ 0.0831
Bothwell	\$ 11.64	\$ 0.0086	\$ 0.0783	\$ 15.15	\$ 0.0125	\$ 0.0783
Chatham	\$ 9.99	\$ 0.0073	\$ 0.0766	\$ 12.93	\$ 0.0112	\$ 0.0766
Dresden	\$ 9.93	\$ 0.0073	\$ 0.0775	\$ 12.98	\$ 0.0106	\$ 0.0775
Erieau	\$ 7.98	\$ 0.0059	\$ 0.0744	\$ 10.20	\$ 0.0089	\$ 0.0744
Merlin	\$ 12.85	\$ 0.0094	\$ 0.0744	\$ 16.69	\$ 0.0147	\$ 0.0744
Thamesville	\$ 5.72	\$ 0.0042	\$ 0.0775	\$ 7.55	\$ 0.0067	\$ 0.0775
Tilbury	\$ 8.63	\$ 0.0063	\$ 0.0731	\$ 11.32	\$ 0.0096	\$ 0.0731
Ridgetown	\$ 10.98	\$ 0.0081	\$ 0.0752	\$ 14.10	\$ 0.0121	\$ 0.0752
Wallaceburg	\$ 11.53	\$ 0.0085	\$ 0.0739	\$ 14.98	\$ 0.0129	\$ 0.0739
Wheatley	\$ 8.11	\$ 0.0060	\$ 0.0781	\$ 10.74	\$ 0.0084	\$ 0.0781

Chatham Kent Hydro
Residential Class Customer Impacts- Effective March 1, 2002

LINE NO.	Existing Rates								Rates After PBR Adjustment								Net Change		
Revenue									Revenue										
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%		
1 Blenheim	1,500	2.46	0.0018	0.0831	2.46	2.69	124.65	129.80	3.40	0.0029	0.0831	3.40	4.38	124.65	132.43	2.63	2.11%		
2	1,279	2.46	0.0018	0.0831	2.46	2.29	106.28	111.04	3.40	0.0029	0.0831	3.40	3.74	106.28	113.42	2.38	2.24%		
4	1,000	2.46	0.0018	0.0831	2.46	1.79	83.10	87.35	3.40	0.0029	0.0831	3.40	2.92	83.10	89.42	2.07	2.49%		
5	750	2.46	0.0018	0.0831	2.46	1.34	62.33	66.13	3.40	0.0029	0.0831	3.40	2.19	62.33	67.91	1.78	2.86%		
6	500	2.46	0.0018	0.0831	2.46	0.90	41.55	44.91	3.40	0.0029	0.0831	3.40	1.46	41.55	46.41	1.50	3.61%		
7	250	2.46	0.0018	0.0831	2.46	0.45	20.78	23.68	3.40	0.0029	0.0831	3.40	0.73	20.78	24.90	1.22	5.87%		
Revenue									Revenue										
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%		
8 Bothwell	1,500	11.64	0.0086	0.0783	11.64	12.90	117.45	141.99	15.15	0.0125	0.0783	15.15	18.71	117.45	151.31	9.32	7.94%		
9	1,279	11.64	0.0086	0.0783	11.64	11.00	100.15	122.79	15.15	0.0125	0.0783	15.15	15.95	100.15	131.25	8.46	8.45%		
10	1,000	11.64	0.0086	0.0783	11.64	8.60	78.30	98.54	15.15	0.0125	0.0783	15.15	12.47	78.30	105.92	7.38	9.43%		
11	750	11.64	0.0086	0.0783	11.64	6.45	58.73	76.82	15.15	0.0125	0.0783	15.15	9.35	58.73	83.23	6.42	10.93%		
12	500	11.64	0.0086	0.0783	11.64	4.30	39.15	55.09	15.15	0.0125	0.0783	15.15	6.24	39.15	60.54	5.45	13.92%		
13	250	11.64	0.0086	0.0783	11.64	2.15	19.58	33.37	15.15	0.0125	0.0783	15.15	3.12	19.58	37.85	4.48	22.89%		
Revenue									Revenue										
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%		
16 Chatham	1,500	9.99	0.0073	0.0766	9.99	10.95	114.90	135.84	12.93	0.0112	0.0766	12.93	16.76	114.90	144.59	8.75	7.62%		
17	1,279	9.99	0.0073	0.0766	9.99	9.34	97.97	117.30	12.93	0.0112	0.0766	12.93	14.29	97.97	125.19	7.89	8.06%		
18	1,000	9.99	0.0073	0.0766	9.99	7.30	76.60	93.89	12.93	0.0112	0.0766	12.93	11.18	76.60	100.70	6.81	8.89%		
19	750	9.99	0.0073	0.0766	9.99	5.48	57.45	72.92	12.93	0.0112	0.0766	12.93	8.38	57.45	78.76	5.84	10.17%		
20	500	9.99	0.0073	0.0766	9.99	3.65	38.30	51.94	12.93	0.0112	0.0766	12.93	5.59	38.30	56.81	4.87	12.73%		
21	250	9.99	0.0073	0.0766	9.99	1.83	19.15	30.97	12.93	0.0112	0.0766	12.93	2.79	19.15	34.87	3.90	20.39%		
Revenue									Revenue										
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%		
23 Dresden	1,500	9.93	0.0073	0.0775	9.93	10.95	116.25	137.13	12.98	0.0106	0.0775	12.98	15.91	116.25	145.14	8.01	6.89%		
24	1,279	9.93	0.0073	0.0775	9.93	9.34	99.12	118.39	12.98	0.0106	0.0775	12.98	13.57	99.12	125.67	7.28	7.34%		
25	1,000	9.93	0.0073	0.0775	9.93	7.30	77.50	94.73	12.98	0.0106	0.0775	12.98	10.61	77.50	101.09	6.36	8.20%		
26	750	9.93	0.0073	0.0775	9.93	5.48	58.13	73.53	12.98	0.0106	0.0775	12.98	7.95	58.13	79.06	5.53	9.51%		
27	500	9.93	0.0073	0.0775	9.93	3.65	38.75	52.33	12.98	0.0106	0.0775	12.98	5.30	38.75	57.03	4.70	12.13%		
28	250	9.93	0.0073	0.0775	9.93	1.83	19.38	31.13	12.98	0.0106	0.0775	12.98	2.65	19.38	35.01	3.88	20.00%		

Chatham Kent Hydro
Residential Class Customer Impacts- Effective March 1, 2002

LINE NO.	Existing Rates								Rates After PBR Adjustment								Net Change	
	Revenue								Revenue									
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%	
1 Erieau	1,500	7.98	0.0059	0.0744	7.98	8.85	111.60	128.43	10.20	0.0089	0.0744	10.20	13.36	111.60	135.16	6.73	6.03%	
2	1,279	7.98	0.0059	0.0744	7.98	7.55	95.16	110.68	10.20	0.0089	0.0744	10.20	11.39	95.16	116.75	6.06	6.37%	
3	1,000	7.98	0.0059	0.0744	7.98	5.90	74.40	88.28	10.20	0.0089	0.0744	10.20	8.90	74.40	93.51	5.23	7.02%	
4	750	7.98	0.0059	0.0744	7.98	4.43	55.80	68.21	10.20	0.0089	0.0744	10.20	6.68	55.80	72.68	4.47	8.02%	
5	500	7.98	0.0059	0.0744	7.98	2.95	37.20	48.13	10.20	0.0089	0.0744	10.20	4.45	37.20	51.85	3.72	10.01%	
6	250	7.98	0.0059	0.0744	7.98	1.48	18.60	28.06	10.20	0.0089	0.0744	10.20	2.23	18.60	31.03	2.97	15.98%	
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%	
8 Merlin	1,500	12.85	0.0094	0.0744	12.85	14.10	111.60	138.55	16.69	0.0147	0.0744	16.69	22.08	111.60	150.37	11.82	10.59%	
9	1,279	12.85	0.0094	0.0744	12.85	12.02	95.16	120.03	16.69	0.0147	0.0744	16.69	18.83	95.16	130.67	10.64	11.18%	
10	1,000	12.85	0.0094	0.0744	12.85	9.40	74.40	96.65	16.69	0.0147	0.0744	16.69	14.72	74.40	105.81	9.16	12.31%	
11	750	12.85	0.0094	0.0744	12.85	7.05	55.80	75.70	16.69	0.0147	0.0744	16.69	11.04	55.80	83.53	7.83	14.03%	
12	500	12.85	0.0094	0.0744	12.85	4.70	37.20	54.75	16.69	0.0147	0.0744	16.69	7.36	37.20	61.25	6.50	17.46%	
13	250	12.85	0.0094	0.0744	12.85	2.35	18.60	33.80	16.69	0.0147	0.0744	16.69	3.68	18.60	38.97	5.17	27.77%	
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%	
16 Ridgetown	1,500	10.98	0.0081	0.0752	10.98	12.15	112.80	135.93	14.10	0.0121	0.0752	14.10	18.20	112.80	145.09	9.16	8.12%	
17	1,279	10.98	0.0081	0.0752	10.98	10.36	96.18	117.52	14.10	0.0121	0.0752	14.10	15.52	96.18	125.79	8.27	8.60%	
18	1,000	10.98	0.0081	0.0752	10.98	8.10	75.20	94.28	14.10	0.0121	0.0752	14.10	12.13	75.20	101.43	7.15	9.51%	
19	750	10.98	0.0081	0.0752	10.98	6.08	56.40	73.46	14.10	0.0121	0.0752	14.10	9.10	56.40	79.59	6.14	10.89%	
20	500	10.98	0.0081	0.0752	10.98	4.05	37.60	52.63	14.10	0.0121	0.0752	14.10	6.07	37.60	57.76	5.13	13.65%	
21	250	10.98	0.0081	0.0752	10.98	2.03	18.80	31.81	14.10	0.0121	0.0752	14.10	3.03	18.80	35.93	4.12	21.93%	
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%	
23 Thamesville	1,500	5.72	0.0042	0.0775	5.72	6.30	116.25	128.27	7.55	0.0067	0.0775	7.55	10.08	116.25	133.88	5.61	4.83%	
24	1,279	5.72	0.0042	0.0775	5.72	5.37	99.12	110.21	7.55	0.0067	0.0775	7.55	8.60	99.12	115.27	5.06	5.10%	
25	1,000	5.72	0.0042	0.0775	5.72	4.20	77.50	87.42	7.55	0.0067	0.0775	7.55	6.72	77.50	91.77	4.35	5.61%	
26	750	5.72	0.0042	0.0775	5.72	3.15	58.13	67.00	7.55	0.0067	0.0775	7.55	5.04	58.13	70.72	3.72	6.40%	
27	500	5.72	0.0042	0.0775	5.72	2.10	38.75	46.57	7.55	0.0067	0.0775	7.55	3.36	38.75	49.66	3.09	7.97%	
28	250	5.72	0.0042	0.0775	5.72	1.05	19.38	26.15	7.55	0.0067	0.0775	7.55	1.68	19.38	28.60	2.46	12.69%	

Chatham Kent Hydro
Residential Class Customer Impacts- Effective March 1, 2002

LINE NO.	Existing Rates								Rates After PBR Adjustment								Net Change	
	Revenue								Revenue									
	Volume	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	Service Charge	Energy Rate	COP Rate	Service Charge	Energy Rate	COP Rate	Total	\$	%	
1 Tilbury																		
2	1,500	8.63	0.0063	0.0731	8.63	9.45	109.65	127.73	11.32	0.0096	0.0731	11.32	14.40	109.65	135.37	7.64	6.97%	
3	1,279	8.63	0.0063	0.0731	8.63	8.06	93.49	110.18	11.32	0.0096	0.0731	11.32	12.28	93.49	117.10	6.91	7.39%	
4	1,000	8.63	0.0063	0.0731	8.63	6.30	73.10	88.03	11.32	0.0096	0.0731	11.32	9.60	73.10	94.02	5.99	8.20%	
5	750	8.63	0.0063	0.0731	8.63	4.73	54.83	68.18	11.32	0.0096	0.0731	11.32	7.20	54.83	73.35	5.17	9.42%	
6	500	8.63	0.0063	0.0731	8.63	3.15	36.55	48.33	11.32	0.0096	0.0731	11.32	4.80	36.55	52.67	4.34	11.88%	
7	250	8.63	0.0063	0.0731	8.63	1.58	18.28	28.48	11.32	0.0096	0.0731	11.32	2.40	18.28	32.00	3.52	19.24%	
8 Wallaceburg																		
9	1,500	11.53	0.0085	0.0739	11.53	12.75	110.85	135.13	14.98	0.0129	0.0739	14.98	19.34	110.85	145.17	10.04	9.06%	
10	1,279	11.53	0.0085	0.0739	11.53	10.87	94.52	116.92	14.98	0.0129	0.0739	14.98	16.49	94.52	125.99	9.07	9.60%	
11	1,000	11.53	0.0085	0.0739	11.53	8.50	73.90	93.93	14.98	0.0129	0.0739	14.98	12.90	73.90	101.77	7.84	10.62%	
12	750	11.53	0.0085	0.0739	11.53	6.38	55.43	73.33	14.98	0.0129	0.0739	14.98	9.67	55.43	80.08	6.75	12.17%	
13	500	11.53	0.0085	0.0739	11.53	4.25	36.95	52.73	14.98	0.0129	0.0739	14.98	6.45	36.95	58.38	5.65	15.28%	
14	250	11.53	0.0085	0.0739	11.53	2.13	18.48	32.13	14.98	0.0129	0.0739	14.98	3.22	18.48	36.68	4.55	24.62%	
16 Wheatley																		
17	1,500	8.11	0.0060	0.0781	8.11	9.00	117.15	134.26	10.74	0.0084	0.0781	10.74	12.57	117.15	140.45	6.19	5.29%	
18	1,279	8.11	0.0060	0.0781	8.11	7.67	99.89	115.67	10.74	0.0084	0.0781	10.74	10.71	99.89	121.34	5.67	5.67%	
19	1,000	8.11	0.0060	0.0781	8.11	6.00	78.10	92.21	10.74	0.0084	0.0781	10.74	8.38	78.10	97.21	5.00	6.41%	
20	750	8.11	0.0060	0.0781	8.11	4.50	58.58	71.19	10.74	0.0084	0.0781	10.74	6.28	58.58	75.60	4.41	7.53%	
21	500	8.11	0.0060	0.0781	8.11	3.00	39.05	50.16	10.74	0.0084	0.0781	10.74	4.19	39.05	53.98	3.82	9.77%	
22	250	8.11	0.0060	0.0781	8.11	1.50	19.53	29.14	10.74	0.0084	0.0781	10.74	2.09	19.53	32.36	3.22	16.50%	

Chatham-Kent Hydro
General Service Rates

General Service < 50 kW	Rates under new structure		
	Distribution Rate		COP Rate
	Service Charge	Energy Charge	
Blenhiem	35.14	0.0062	0.0797
Bothwell	40.05	0.0071	0.0751
Chatham	40.15	0.0055	0.0734
Dresden	51.71	0.0104	0.0744
Erieau	26.64	0.0079	0.0713
Merlin	40.05	0.0104	0.0713
Ridgetown	42.90	0.0065	0.0743
Thamesville	25.14	0.0026	0.0702
Tilbury	47.98	0.0057	0.0721
Wallaceburg	54.49	0.0060	0.0709
Wheatley	30.61	0.0058	0.0749

General Service > 50 kW	Distribution Rate			COP Rate
	Service Charge	Energy Charge	Demand Charge	
Blenhiem	9.76	0.0003	0.82	0.0797
Bothwell	11.13	0.0004	0.84	0.0751
Chatham	11.15	0.0004	0.89	0.0734
Dresden	14.36	0.0005	1.06	0.0744
Erieau	7.40	0.0002	0.57	0.0713
Merlin	11.13	0.0004	0.86	0.0713
Ridgetown	11.92	0.0004	0.95	0.0743
Thamesville	6.98	0.0002	0.63	0.0702
Tilbury	13.13	0.0004	1.01	0.0721
Wallaceburg	64.14	0.0005	1.11	0.0709
Wheatley	14.13	0.0003	0.75	0.0749

Rates after PBR adjustment, Late Fees, Phase 2
PIL's

General Service < 50 kW	Distribution Rate		COP Rate
	Service Charge	Energy Charge	
	35.02	0.0069	0.0797
	35.02	0.0069	0.0751
	35.02	0.0069	0.0734
	35.02	0.0069	0.0744
	35.02	0.0069	0.0713
	35.02	0.0069	0.0713
	35.02	0.0069	0.0743
	35.02	0.0069	0.0702
	35.02	0.0069	0.0721
	35.02	0.0069	0.0709
	35.02	0.0069	0.0749

General Service > 50 kW	Distribution Rate		COP Rate
	Service Charge	Demand Charge	
	152.96	0.96	0.0797
	152.96	0.96	0.0751
	152.96	0.96	0.0734
	152.96	0.96	0.0744
	152.96	0.96	0.0713
	152.96	0.96	0.0713
	152.96	0.96	0.0743
	152.96	0.96	0.0702
	152.96	0.96	0.0721
	152.96	0.96	0.0709
	152.96	0.96	0.0749

Chatham Kent Hydro
General Service Class Customer Impacts for Proposed Rate Structure - effective March 1, 2002

e No.	Existing Old Rates							New Rates							NET CHANGE		
	Delivery Revenue							Delivery Revenue							from 2001 rates		
	Volume	Demand	Service		Trans	COP		Service		Trans	COP						
	<u>kwh</u>	<u>kw</u>	<u>Charge</u>	<u>Energy</u>	<u>Demand</u>	<u>Allow</u>	<u>Energy</u>	<u>Total</u>	<u>Charge</u>	<u>Energy</u>	<u>Demand</u>	<u>Allow</u>	<u>Energy</u>	<u>Total</u>	\$	%	
1	250000	750	9.76	0.0003	0.82	0.60	0.0797	\$20,175	152.96	0.0000	0.96	0.60	0.0797	\$ 20,347	172.14	0.85%	
2	200000	550	9.76	0.0003	0.82	0.60	0.0797	\$16,131	152.96	0.0000	0.96	0.60	0.0797	\$ 16,290	159.42	0.99%	
3	100000	300	9.76	0.0003	0.82	0.60	0.0797	\$8,076	152.96	0.0000	0.96	0.60	0.0797	\$ 8,231	154.77	1.92%	
4	50000	150	9.76	0.0003	0.82	0.60	0.0797	\$4,043	152.96	0.0000	0.96	0.60	0.0797	\$ 4,192	148.99	3.69%	
5	40000	100	9.76	0.0003	0.82	0.60	0.0797	\$3,232	152.96	0.0000	0.96	0.60	0.0797	\$ 3,377	145.06	4.49%	
6	20000	100	9.76	0.0003	0.82	0.60	0.0797	\$1,632	152.96	0.0000	0.96	0.60	0.0797	\$ 1,783	151.06	9.26%	
7	12500	0	35.14	0.0003	0.00		0.0797	\$1,035	35.02	0.0069	0.00		0.0797	\$ 1,031	-3.87	-0.37%	
8	10000	0	35.14	0.0003	0.00		0.0797	\$835	35.02	0.0069	0.00		0.0797	\$ 832	-3.12	-0.37%	
9	7500	0	35.14	0.0003	0.00		0.0797	\$635	35.02	0.0069	0.00		0.0797	\$ 633	-2.37	-0.37%	
10	5000	0	35.14	0.0003	0.00		0.0797	\$435	35.02	0.0069	0.00		0.0797	\$ 434	-1.62	-0.37%	
11	2000	0	35.14	0.0003	0.00		0.0797	\$195	35.02	0.0069	0.00		0.0797	\$ 194	-0.72	-0.37%	
12	1000	0	35.14	0.0003	0.00		0.0797	\$115	35.02	0.0069	0.00		0.0797	\$ 115	-0.42	-0.37%	
13	750	0	35.14	0.0003	0.00		0.0797	\$95	35.02	0.0069	0.00		0.0797	\$ 95	-0.35	-0.37%	
12	BOTHWELL	50000	115	11.13	0.0004	0.084	0.6	0.0751	\$3,727	152.96	0.0000	0.96	0.6	0.0751	\$ 3,949	222.41	5.97%
13		40000	100	11.13	0.0004	0.084	0.6	0.0751	\$2,980	152.96	0.0000	0.96	0.6	0.0751	\$ 3,193	213.29	7.16%
14		20000	100	11.13	0.0004	0.084	0.6	0.0751	\$1,470	152.96	0.0000	0.96	0.6	0.0751	\$ 1,691	221.29	15.06%
15		12500	0	40.05	0.0004	0.00		0.0751	\$984	35.02	0.0069	0.00		0.0751	\$ 974	-10.03	-1.02%
16		10000	0	40.05	0.0004	0.00		0.0751	\$795	35.02	0.0069	0.00		0.0751	\$ 786	-9.03	-1.14%
17		7500	0	40.05	0.0004	0		0.0751	\$606	35.02	0.0069	0.00		0.0751	\$ 598	-8.03	-1.32%
18		5000	0	40.05	0.0004	0		0.0751	\$418	35.02	0.0069	0.00		0.0751	\$ 411	-7.03	-1.68%
19		2000	0	40.05	0.0004	0		0.0751	\$191	35.02	0.0069	0.00		0.0751	\$ 185	-5.83	-3.05%
20		1000	0	40.05	0.0004	0		0.0751	\$116	35.02	0.0069	0.00		0.0751	\$ 110	-5.43	-4.70%
21		750	0	40.05	0.0004	0		0.0751	\$97	35.02	0.0069	0.00		0.0751	\$ 91	-5.33	-5.52%
22	CHATHAM	250000	650	11.15	0.0004	0.89	0.6	0.0734	\$18,650	152.96	0.0000	0.96	0.6	0.0734	\$ 18,736	86.39	0.46%
23		200000	500	11.15	0.0004	0.89	0.6	0.0734	\$14,916	152.96	0.0000	0.96	0.6	0.0734	\$ 15,012	96.10	0.64%
24		100000	250	11.15	0.0004	0.89	0.6	0.0734	\$7,464	152.96	0.0000	0.96	0.6	0.0734	\$ 7,583	118.96	1.59%
25		50000	125	11.15	0.0004	0.89	0.6	0.0734	\$3,737	152.96	0.0000	0.96	0.6	0.0734	\$ 3,868	130.38	3.49%
26		40000	100	11.15	0.0004	0.89	0.6	0.0734	\$2,992	152.96	0.0000	0.96	0.6	0.0734	\$ 3,125	132.67	4.43%
27		20000	100	11.15	0.0004	0.89	0.6	0.0734	\$1,516	152.96	0.0000	0.96	0.6	0.0734	\$ 1,657	140.67	9.28%
28		12500	0	40.15	0.0003	0		0.0734	\$961	35.02	0.0069	0.00		0.0734	\$ 953	-8.88	-0.92%
29		10000	0	40.15	0.0003	0		0.0734	\$777	35.02	0.0069	0.00		0.0734	\$ 769	-8.13	-1.05%
30		7500	0	40.15	0.0003	0		0.0734	\$593	35.02	0.0069	0.00		0.0734	\$ 586	-7.38	-1.25%
31		5000	0	40.15	0.0003	0		0.0734	\$409	35.02	0.0069	0.00		0.0734	\$ 402	-6.63	-1.62%
32		2000	0	40.15	0.0003	0		0.0734	\$188	35.02	0.0069	0.00		0.0734	\$ 182	-5.73	-3.06%
33		1000	0	40.15	0.0003	0		0.0734	\$114	35.02	0.0069	0.00		0.0734	\$ 108	-5.43	-4.77%
34		750	0	40.15	0.0003	0		0.0734	\$95	35.02	0.0069	0.00		0.0734	\$ 90	-5.36	-5.61%

Chatham Kent Hydro
General Service Class Customer Impacts for Proposed Rate Structure - effective March 1, 2002

	Existing Old Rates							New Rates							NET CHANGE	
	Delivery Revenue							Delivery Revenue							from 2001 rates	
e No.	Volume kwh	Demand kw	Service Charge	Energy	Demand	Trans Allow	COP Energy	Total	Service Charge	Energy	Demand	Trans Allow	COP Energy	Total		
1 DRESDEN	250000	600	14.36	0.0005	1.06	0.6	0.0744	\$19,015	152.96	0.0000	0.96	0.6	0.0744	\$ 18,968	-47.25	-0.25%
2	200000	450	14.36	0.0005	1.06	0.6	0.0744	\$15,201	152.96	0.0000	0.96	0.6	0.0744	\$ 15,194	-7.04	-0.05%
3	100000	250	14.36	0.0005	1.06	0.6	0.0744	\$7,619	152.96	0.0000	0.96	0.6	0.0744	\$ 7,683	63.25	0.83%
4	50000	100	14.36	0.0005	1.06	0.6	0.0744	\$3,805	152.96	0.0000	0.96	0.6	0.0744	\$ 3,909	103.46	2.72%
5	40000	100	14.36	0.0005	1.06	0.6	0.0744	\$3,056	152.96	0.0000	0.96	0.6	0.0744	\$ 3,165	108.46	3.55%
6	20000	100	14.36	0.0005	1.06	0.6	0.0744	\$1,558	152.96	0.0000	0.96	0.6	0.0744	\$ 1,677	118.46	7.60%
7	12500	0	51.71	0.0005	0		0.0744	\$988	35.02	0.0069	0.00		0.0744	\$ 965	-22.94	-2.32%
8	10000	0	51.71	0.0005	0		0.0744	\$801	35.02	0.0069	0.00		0.0744	\$ 779	-21.69	-2.71%
9	7500	0	51.71	0.0005	0		0.0744	\$613	35.02	0.0069	0.00		0.0744	\$ 593	-20.44	-3.33%
10	5000	0	51.71	0.0005	0		0.0744	\$426	35.02	0.0069	0.00		0.0744	\$ 407	-19.19	-4.50%
11	2000	0	51.71	0.0005	0		0.0744	\$202	35.02	0.0069	0.00		0.0744	\$ 184	-17.69	-8.78%
12	1000	0	51.71	0.0005	0		0.0744	\$127	35.02	0.0069	0.00		0.0744	\$ 109	-17.19	-13.58%
13	750	0	51.71	0.0005	0		0.0744	\$108	35.02	0.0069	0.00		0.0744	\$ 91	-17.07	-15.82%
14 ERIEAU	20000	60	7.4	0.0002	0.57	0.6	0.0713	\$1,436	152.96	0.0000	0.96	0.6	0.0713	\$ 1,600	164.87	11.48%
15	12500	0	26.64	0.0002	0		0	\$29	35.02	0.0069	0.00		0.0000	\$ 35	5.88	20.17%
16	10000	0	26.64	0.0002	0		0	\$29	35.02	0.0069	0.00		0.0000	\$ 35	6.38	22.27%
17	7500	0	26.64	0.0002	0		0.0713	\$563	35.02	0.0069	0.00		0.0713	\$ 570	6.88	1.22%
18	5000	0	26.64	0.0002	0		0.0713	\$384	35.02	0.0069	0.00		0.0713	\$ 392	7.38	1.92%
19	2000	0	26.64	0.0002	0		0.0713	\$170	35.02	0.0069	0.00		0.0713	\$ 178	7.98	4.70%
20	1000	0	26.64	0.0002	0		0.0713	\$98	35.02	0.0069	0.00		0.0713	\$ 106	8.18	8.33%
21	750	0	26.64	0.0002	0		0.0713	\$80	35.02	0.0069	0.00		0.0713	\$ 88	8.23	10.25%
22 MERLIN	50000	125	11.13	0.0004	0.86	0.6	0.0713	\$3,629	152.96	0.0000	0.96	0.6	0.0713	\$ 3,763	134.15	3.70%
23	40000	100	11.13	0.0004	0.86	0.6	0.0713	\$2,905	152.96	0.0000	0.96	0.6	0.0713	\$ 3,041	135.69	4.67%
24	20000	100	11.13	0.0004	0.86	0.6	0.0713	\$1,471	152.96	0.0000	0.96	0.6	0.0713	\$ 1,615	143.69	9.77%
25	12500	0	40.05	0.0004	0		0.0713	\$936	35.02	0.0069	0.00		0.0713	\$ 926	-10.03	-1.07%
26	10000	0	40.05	0.0004	0		0.0713	\$757	35.02	0.0069	0.00		0.0713	\$ 748	-9.03	-1.19%
27	7500	0	40.05	0.0004	0		0.0713	\$578	35.02	0.0069	0.00		0.0713	\$ 570	-8.03	-1.39%
28	5000	0	40.05	0.0004	0		0.0713	\$399	35.02	0.0069	0.00		0.0713	\$ 392	-7.03	-1.76%
29	2000	0	40.05	0.0004	0		0.0713	\$183	35.02	0.0069	0.00		0.0713	\$ 178	-5.83	-3.18%
30	1000	0	40.05	0.0004	0		0.0713	\$112	35.02	0.0069	0.00		0.0713	\$ 106	-5.43	-4.86%
31	750	0	40.05	0.0004	0		0.0713	\$94	35.02	0.0069	0.00		0.0713	\$ 88	-5.33	-5.68%

Chatham Kent Hydro
General Service Class Customer Impacts for Proposed Rate Structure - effective March 1, 2002

	Existing Old Rates							New Rates							NET CHANGE		
	Delivery Revenue							Delivery Revenue									
e	Volume	Demand	Service	Trans		COP		Service	Trans		COP		from 2001 rates				
No.	kwh	kw	Charge	Energy	Demand	Allow	Energy	Total	Charge	Energy	Demand	Allow	Energy	Total			
1	RIDGETOWN	250000	600	11.92	0.0004	0.95	0.6	0.0721	\$18,347	152.96	0.0000	0.96	0.6	0.0721	\$ 18,393	46.19	0.25%
2		200000	450	11.92	0.0004	0.95	0.6	0.0721	\$14,669	152.96	0.0000	0.96	0.6	0.0721	\$ 14,734	64.90	0.44%
3		100000	250	11.92	0.0004	0.95	0.6	0.0721	\$7,349	152.96	0.0000	0.96	0.6	0.0721	\$ 7,453	103.19	1.40%
4		50000	150	11.92	0.0004	0.95	0.6	0.0721	\$3,689	152.96	0.0000	0.96	0.6	0.0721	\$ 3,812	122.33	3.32%
5		40000	100	11.92	0.0004	0.95	0.6	0.0721	\$2,947	152.96	0.0000	0.96	0.6	0.0721	\$ 3,073	125.90	4.27%
6		20000	100	11.92	0.0004	0.95	0.6	0.0721	\$1,497	152.96	0.0000	0.96	0.6	0.0721	\$ 1,631	133.90	8.94%
7		12500	0	42.9	0.0004	0		0.0721	\$949	35.02	0.0069	0.00		0.0721	\$ 936	-12.88	-1.36%
8		10000	0	42.9	0.0004	0		0.0721	\$768	35.02	0.0069	0.00		0.0721	\$ 756	-11.88	-1.55%
9		7500	0	42.9	0.0004	0		0.0721	\$587	35.02	0.0069	0.00		0.0721	\$ 576	-10.88	-1.86%
10		5000	0	42.9	0.0004	0		0.0721	\$405	35.02	0.0069	0.00		0.0721	\$ 396	-9.88	-2.44%
11		2000	0	42.9	0.0004	0		0.0721	\$188	35.02	0.0069	0.00		0.0721	\$ 179	-8.68	-4.62%
12		1000	0	42.9	0.0004	0		0.0721	\$115	35.02	0.0069	0.00		0.0721	\$ 107	-8.28	-7.18%
13		750	0	42.9	0.0004	0		0.0721	\$97	35.02	0.0069	0.00		0.0721	\$ 89	-8.18	-8.41%
14	THAMESVILLE	250000	600	6.98	0.0002	0.63	0.6	0.0743	\$18,650	152.96	0.0000	0.96	0.6	0.0743	\$ 18,943	293.13	1.57%
13		200000	450	6.98	0.0002	0.63	0.6	0.0743	\$14,920	152.96	0.0000	0.96	0.6	0.0743	\$ 15,174	253.84	1.70%
14		100000	250	6.98	0.0002	0.63	0.6	0.0743	\$7,464	152.96	0.0000	0.96	0.6	0.0743	\$ 7,673	208.13	2.79%
15		50000	150	6.98	0.0002	0.63	0.6	0.0743	\$3,736	152.96	0.0000	0.96	0.6	0.0743	\$ 3,922	185.27	4.96%
16		40000	100	6.98	0.0002	0.63	0.6	0.0743	\$2,990	152.96	0.0000	0.96	0.6	0.0743	\$ 3,161	170.84	5.71%
17		20000	100	6.98	0.0002	0.63	0.6	0.0743	\$1,500	152.96	0.0000	0.96	0.6	0.0743	\$ 1,675	174.84	11.66%
18		12500	0	25.14	0.0002	0		0.0743	\$956	35.02	0.0069	0.00		0.0743	\$ 964	7.38	0.77%
19		10000	0	25.14	0.0002	0		0.0743	\$770	35.02	0.0069	0.00		0.0743	\$ 778	7.88	1.02%
20		7500	0	25.14	0.0002	0		0.0743	\$584	35.02	0.0069	0.00		0.0743	\$ 592	8.38	1.43%
21		5000	0	25.14	0.0002	0		0.0743	\$398	35.02	0.0069	0.00		0.0743	\$ 407	8.88	2.23%
22		2000	0	25.14	0.0002	0		0.0743	\$174	35.02	0.0069	0.00		0.0743	\$ 184	9.48	5.44%
23		1000	0	25.14	0.0002	0		0.0743	\$100	35.02	0.0069	0.00		0.0743	\$ 109	9.68	9.71%
24		750	0	25.14	0.0002	0		0.0743	\$81	35.02	0.0069	0.00		0.0743	\$ 91	9.73	12.01%
25	TILBURY	250000	550	13.33	0.0004	1.01	0.6	0.0702	\$17,889	152.96	0.0000	0.96	0.6	0.0702	\$ 17,900	11.35	0.06%
26		200000	400	13.33	0.0004	1.01	0.6	0.0702	\$14,297	152.96	0.0000	0.96	0.6	0.0702	\$ 14,336	39.06	0.27%
27		100000	225	13.33	0.0004	1.01	0.6	0.0702	\$7,166	152.96	0.0000	0.96	0.6	0.0702	\$ 7,254	88.06	1.23%
28		50000	125	13.33	0.0004	1.01	0.6	0.0702	\$3,595	152.96	0.0000	0.96	0.6	0.0702	\$ 3,708	113.20	3.15%
29		40000	100	13.33	0.0004	1.01	0.6	0.0702	\$2,878	152.96	0.0000	0.96	0.6	0.0702	\$ 2,997	118.49	4.12%
30		20000	100	13.33	0.0004	0		0.0702	\$1,425	152.96	0.0000	0.96		0.0702	\$ 1,653	227.49	15.96%
31		12500	0	47.98	0.0004	0		0.0702	\$930	35.02	0.0069	0.00		0.0702	\$ 913	-17.96	-1.93%
32		10000	0	47.98	0.0004	0		0.0702	\$754	35.02	0.0069	0.00		0.0702	\$ 737	-16.96	-2.25%
33		7500	0	47.98	0.0004	0		0.0702	\$577	35.02	0.0069	0.00		0.0702	\$ 562	-15.96	-2.76%
34		5000	0	47.98	0.0004	0		0.0702	\$401	35.02	0.0069	0.00		0.0702	\$ 386	-14.96	-3.73%
35		2000	0	47.98	0.0004	0		0.0702	\$189	35.02	0.0069	0.00		0.0702	\$ 175	-13.76	-7.27%
36		1000	0	47.98	0.0004	0		0.0702	\$119	35.02	0.0069	0.00		0.0702	\$ 105	-13.36	-11.27%
37		750	0	47.98	0.0004	0		0.0702	\$101	35.02	0.0069	0.00		0.0702	\$ 88	-13.26	-13.14%

Chatham Kent Hydro
General Service Class Customer Impacts for Proposed Rate Structure - effective March 1, 2002

Existing Old Rates															New Rates															NET CHANGE	
e No.	Delivery Revenue														Delivery Revenue														from 2001 rates		
	Volume	Demand	Service	Charge	Energy	Demand	Allow	COP	Energy	Total	Service	Charge	Energy	Demand	Allow	COP	Energy	Total													
	kwh	kw																													
1 WALLACEBURG	250000	560	14.13	0.0005	1.11	0.6	0.0709		\$18,150	152.96	0.0000	0.96	0.6	0.0709		\$ 18,079		-70.96	-0.39%												
2	200000	450	14.13	0.0005	1.11	0.6	0.0709		\$14,524	152.96	0.0000	0.96	0.6	0.0709		\$ 14,494		-29.31	-0.20%												
3	100000	225	14.13	0.0005	1.11	0.6	0.0709		\$7,269	152.96	0.0000	0.96	0.6	0.0709		\$ 7,324		54.76	0.75%												
4	50000	115	14.13	0.0005	1.11	0.6	0.0709		\$3,643	152.96	0.0000	0.96	0.6	0.0709		\$ 3,739		96.42	2.65%												
5	40000	100	14.13	0.0005	1.11	0.6	0.0709		\$2,921	152.96	0.0000	0.96	0.6	0.0709		\$ 3,025		103.69	3.55%												
6	20000	100	14.13	0.0005	1.11	0.6	0.0709		\$1,493	152.96	0.0000	0.96	0.6	0.0709		\$ 1,607		113.69	7.61%												
7	12500	0	54.49	0.0005	0		0.0709		\$947	35.02	0.0069	0.00		0.0709		\$ 921		-25.72	-2.72%												
8	10000	0	54.49	0.0005	0		0.0709		\$768	35.02	0.0069	0.00		0.0709		\$ 744		-24.47	-3.18%												
9	7500	0	54.49	0.0005	0		0.0709		\$590	35.02	0.0069	0.00		0.0709		\$ 567		-23.22	-3.94%												
10	5000	0	54.49	0.0005	0		0.0709		\$411	35.02	0.0069	0.00		0.0709		\$ 390		-21.97	-5.34%												
11	2000	0	54.49	0.0005	0		0.0709		\$197	35.02	0.0069	0.00		0.0709		\$ 177		-20.47	-10.38%												
12	1000	0	54.49	0.0005	0		0.0709		\$126	35.02	0.0069	0.00		0.0709		\$ 106		-19.97	-15.87%												
13	750	0	54.49	0.0005	0		0.0709		\$108	35.02	0.0069	0.00		0.0709		\$ 88		-19.85	-18.37%												
14 WHEATLEY	250000	560	8.5	0.0003	0.75	0.6	0.0749		\$18,893	152.96	0.0000	0.96	0.6	0.0749		\$ 19,079		186.27	0.99%												
15	200000	450	8.5	0.0003	0.75	0.6	0.0749		\$15,116	152.96	0.0000	0.96	0.6	0.0749		\$ 15,294		178.32	1.18%												
16	100000	225	8.5	0.0003	0.75	0.6	0.0749		\$7,562	152.96	0.0000	0.96	0.6	0.0749		\$ 7,724		161.39	2.13%												
17	50000	115	8.5	0.0003	0.75	0.6	0.0749		\$3,786	152.96	0.0000	0.96	0.6	0.0749		\$ 3,939		153.45	4.05%												
18	40000	100	8.5	0.0003	0.75	0.6	0.0749		\$3,032	152.96	0.0000	0.96	0.6	0.0749		\$ 3,185		153.32	5.06%												
19	20000	100	8.5	0.0003	0.75		0.0749		\$1,588	152.96	0.0000	0.96		0.0749		\$ 1,747		159.32	10.04%												
20	12500	0	30.61	0.0003	0		0.0749		\$971	35.02	0.0069	0.00		0.0749		\$ 971		0.66	0.07%												
21	10000	0	30.61	0.0003	0		0.0749		\$783	35.02	0.0069	0.00		0.0749		\$ 784		1.41	0.18%												
22	7500	0	30.61	0.0003	0		0.0749		\$595	35.02	0.0069	0.00		0.0749		\$ 597		2.16	0.36%												
23	5000	0	30.61	0.0003	0		0.0749		\$407	35.02	0.0069	0.00		0.0749		\$ 410		2.91	0.72%												
24	2000	0	30.61	0.0003	0		0.0749		\$181	35.02	0.0069	0.00		0.0749		\$ 185		3.81	2.10%												
25	1000	0	30.61	0.0003	0.00		0.0749		\$106	35.02	0.0069	0.00		0.0749		\$ 110		4.11	3.88%												
26	750	0	30.61	0.0003	0.00		0.0749		\$87	35.02	0.0069	0.00		0.0749		\$ 91		4.18	4.81%												

Chatham Kent Hydro
Proposed Rate Structure for General Service TOU
Rate Change Effective March 1, 2002

Line No.		Current Rates							
		<u>Service Charge</u>	<u>Demand Charge</u>	<u>COP Demand W</u>	<u>S</u>	<u>Energy W On-P</u>	<u>W Off -P</u>	<u>S On-P</u>	<u>S Off-P</u>
1	Blenheim	\$ 1,450.84	0.84	8.54	7.46	0.0689	0.0412	0.0582	0.0306
2	Chatham	\$ 2,948.88	1.09	9.39	5.46	0.0691	0.0413	0.0583	0.0307

Rates after PBR adjustment, Late Fees, Phase 2
PILs

		<u>Service Charge</u>	<u>Demand Charge</u>	<u>COP Demand W</u>	<u>S</u>	<u>Energy W On-P</u>	<u>W Off -P</u>	<u>S On-P</u>	<u>S Off-P</u>
3	Blenheim	\$ 2,346.99	\$ 1.11	8.54	7.46	0.0689	0.0412	0.0582	0.0306
4	Chatham	\$ 4,588.58	\$ 1.42	9.39	5.46	0.0691	0.0413	0.0583	0.0307

Chatham Kent Hydro
Proposed General Service TOU Rates March 1, 2002

Chatham											Rates after PBR adjustment							Net Change	
Line No.	Winter Billing Stat Demand	Current Rates		Service Charge	Demand		COP		Total	Service Charge	Demand		COP		Total	Net Change			
		Energy On	Energy Off				On peak	Off peak						On peak		Off peak	\$	%	
1	3,000	781,200	624,900	\$ 2,949	\$ 3,282	\$ 28,170	\$ 53,981	\$ 25,808	\$ 114,191	\$ 4,589	\$ 4,247	\$ 28,170	\$ 53,981	\$ 25,808	\$116,795	\$ 2,605	2.28%		
2	4,000	1,062,432.0	1,020,768	\$ 2,949	\$ 3,282	\$ 37,560	\$ 73,414	\$ 42,158	\$ 159,363	\$ 4,589	\$ 4,247	\$ 37,560	\$ 73,414	\$ 42,158	\$161,968	\$ 2,605	1.63%		
<u>Summer</u>																			
4	3,000	781,200	624,900	\$ 2,949	\$ 3,282	\$ 16,380	\$ 39,763	\$ 14,560	\$ 76,935	\$ 4,589	\$ 4,247	\$ 16,380	\$ 39,763	\$ 14,560	\$ 79,539	\$ 2,605	3.39%		
5	4,000	1,062,432.0	1,020,768	\$ 2,949	\$ 4,377	\$ 21,840	\$ 54,078	\$ 23,784	\$ 107,027	\$ 4,589	\$ 5,663	\$ 21,840	\$ 54,078	\$ 23,784	\$109,953	\$ 2,926	2.73%		
<u>Blenheim</u>																			
Line No.	Winter Billing Stat Demand	Current Rates		Service Charge	Demand		COP		Total	Service Charge	Demand		COP		Total	Net Change			
		Energy On	Energy Off				On peak	Off peak						On peak		Off peak	\$	%	
6	3,000	781,200	624,900	\$ 1,451	\$ 2,511	\$ 25,620	\$ 53,825	\$ 25,746	\$ 109,152	\$ 2,347	\$ 3,330	\$ 25,620	\$ 53,825	\$ 25,746	\$110,868	\$ 1,716	1.57%		
7	4,000	1,062,432.0	1,020,768	\$ 1,451	\$ 3,348	\$ 34,160	\$ 73,202	\$ 42,056	\$ 154,216	\$ 2,347	\$ 4,441	\$ 34,160	\$ 73,202	\$ 42,056	\$156,205	\$ 1,989	1.29%		
<u>Summer</u>																			
8	3,000	781,200	624,900	\$ 1,451	\$ 2,511	\$ 22,380	\$ 39,685	\$ 14,498	\$ 80,524	\$ 2,347	\$ 3,330	\$ 22,380	\$ 39,685	\$ 14,498	\$ 82,240	\$ 1,716	2.13%		
9	4,000	1,062,432.0	1,020,768	\$ 1,451	\$ 3,348	\$ 29,840	\$ 53,972	\$ 23,682	\$ 112,292	\$ 2,347	\$ 4,441	\$ 29,840	\$ 53,972	\$ 23,682	\$114,281	\$ 1,989	1.77%		

Chatham Kent Hydro
Proposed Rate Structure for Large User
Effective March 1, 2002

Line No.		Current rates							
		Service Charge	Demand Charge	COP Demand <u>W</u>	<u>S</u>	Energy <u>W On-P</u>	<u>W Off -P</u>	<u>S On-P</u>	<u>S Off-P</u>
1	Chatham	\$ 7,787.58	\$ 1.50	8.15	4.66	0.0689	0.0412	0.0582	0.0306
2	Wallaceburg	\$ 10,165.95	\$ 1.78	7.47	5.88	0.0689	0.0412	0.0582	0.0306

Rates after PBR adjustment, Late Fees, Phase 2
PILs

		Service Charge	Demand Charge	COP Demand <u>W</u>	<u>S</u>	Energy <u>W On-P</u>	<u>W Off -P</u>	<u>S On-P</u>	<u>S Off-P</u>
3	Chatham	\$ 11,298.32	\$ 1.87	8.15	4.66	0.0689	0.0412	0.0582	0.0306
4	Wallaceburg	\$ 13,421.94	\$ 1.99	7.47	5.88	0.0689	0.0412	0.0582	0.0306

Chatham Kent Hydro
Proposed Large User Rates Structure March 1, 2002

Line No.	Chatham Winter			Current rates						Rates after PBR adjustment						Net Change	
	Demand	Billing Stats On Peak	Off Peak	Service Charge	Demand \$ 1.50	COP Demand 8.15	On peak 0.0689	Off peak 0.0412	Total	Service Charge	Demand \$ 1.87	COP Demand 8.15	On peak 0.0689	Off peak 0.0412	Total	\$	%
1	5,500	1,478,008	1,590,998	\$ 7,788	\$ 8,276	\$ 44,825	\$ 101,835	\$ 65,549	\$ 228,273	\$ 11,298	\$ 10,288	\$ 44,825	\$ 101,835	\$ 65,549	\$ 233,795	\$ 5,522	2.42%
2	6,000	1607000	1740960	\$ 7,788	\$ 9,029	\$ 48,900	\$ 110,722	\$ 71,728	\$ 248,166	\$ 11,298	\$ 11,223	\$ 48,900	\$ 110,722	\$ 71,728	\$ 253,871	\$ 5,705	2.30%
Summer																	
3	5,500	1,478,008	1,590,998	\$ 7,788	\$ 8,276	\$ 25,630	\$ 86,020	\$ 48,685	\$ 176,399	\$ 11,298	\$ 10,288	\$ 25,630	\$ 86,020	\$ 48,685	\$ 181,921	\$ 5,522	3.13%
4	6,000	1,607,000	1,740,960	\$ 7,788	\$ 9,029	\$ 27,960	\$ 93,527	\$ 53,273	\$ 191,577	\$ 11,298	\$ 11,223	\$ 27,960	\$ 93,527	\$ 53,273	\$ 197,282	\$ 5,705	2.98%
Wallaceburg																	
Winter																	
	Demand	Billing Stats On Peak	Off Peak	Service Charge	Demand \$ 1.78	COP Demand 7.47	On peak 0.0689	Off peak 0.0412	Total	Service Charge	Demand \$ 1.99	COP Demand 7.47	On peak 0.0689	Off peak 0.0412	Total		Net Change \$ %
5	5,500	1,478,008	1,590,998	\$ 10,166	\$ 9,807	\$ 41,085	\$ 101,835	\$ 65,549	\$ 228,442	\$ 13,422	\$ 10,940	\$ 41,085	\$ 101,835	\$ 65,549	\$ 232,830	\$ 4,388	1.92%
6	6,000	1607000	1740960	\$ 10,166	\$ 10,699	\$ 44,820	\$ 110,722	\$ 71,728	\$ 248,135	\$ 13,422	\$ 11,934	\$ 44,820	\$ 110,722	\$ 71,728	\$ 252,626	\$ 4,491	1.81%
Summer																	
7	5,500	1,478,008	1,590,998	\$ 10,166	\$ 9,807	\$ 32,340	\$ 86,020	\$ 48,685	\$ 187,018	\$ 13,422	\$ 10,940	\$ 32,340	\$ 86,020	\$ 48,685	\$ 191,406	\$ 4,388	2.35%
8	6,000	1,607,000	1,740,960	\$ 10,166	\$ 10,699	\$ 35,280	\$ 93,527	\$ 53,273	\$ 202,946	\$ 13,422	\$ 11,934	\$ 35,280	\$ 93,527	\$ 53,273	\$ 207,437	\$ 4,491	2.21%

Chatham Kent Hydro
Proposed Rate Structure Sentinel Lights
Rate Change Effective March 1, 2002

Line No.	Current rates			Rates after PBR adjustment, Late Fee PIL's		
	Service Charge	Demand Charge	COP Demand	Service Charge	Demand Charge	COP Demand
1 Blenheim	\$ 1.36	\$ 0.08	24.97	\$ 1.90	\$ 1.11	\$ 24.97
2 Bothwell	\$ 2.61	\$ 0.15	24.57	\$ 3.26	\$ 0.94	\$ 24.57
3 Chatham	\$ 3.98	\$ 0.23	23.56	\$ 4.90	\$ 0.85	\$ 23.56
4 Dresden	\$ 3.69	\$ 0.22	24.76	\$ 4.65	\$ 0.91	\$ 24.76
5 Erieau	\$ 2.87	\$ 0.17	0	\$ 2.87	\$ 0.17	\$ -
6 Merlin	\$ 0.26	\$ 0.02	23.69	\$ 0.44	\$ 0.03	\$ 23.69
7 Thamesville	\$ 2.33	\$ 0.14	23.48	\$ 2.75	\$ 1.05	\$ 23.48
8 Tilbury	\$ 3.17	\$ 0.19	22.1	\$ 4.04	\$ 0.94	\$ 22.10
9 Ridgetown	\$ 2.14	\$ 0.13	23.09	\$ 2.73	\$ 0.84	\$ 23.09
10 Wallaceburg	\$ 3.81	\$ 0.22	22.92	\$ 4.66	\$ 0.69	\$ 22.92
11 Wheatley	\$ 1.69	\$ 0.10	26.37	\$ 2.09	\$ 0.51	\$ 26.37
12 Total						

Chatham Kent Hydro
Proposed Rate Structure Sentinel Lights
Rate Change Effective March 1, 2002

Line No.	Current Rates			Rates after PBR adjustment, Late Fees, Phase PILs		
	<u>Service Charge</u>	<u>Demand Charge</u>	<u>COP Demand</u>	<u>Service Charge</u>	<u>Demand Charge</u>	<u>COP Demand</u>
1 Total Municipality	\$4,028.03	\$ 2.08	\$ 24.46	\$ 5,227.07	\$ 2.31	\$ 24.46

2004

December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY	Chatham-Kent Hydro Inc	LICENCE NUMBER	ED 2002 0563
NAME OF CONTACT	Jim Hogan	PHONE NUMBER	519-352-6300
E- Mail Address	jimhogan@ckenergy.com		
VERSION NUMBER			
Date	15-Jan-04		

Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)

Description	Account Number	Applied-for Amount	
		Balance as at Dec. 31, 2002	
RSVA - Wholesale Market Service Charge	1580		\$1,260,828
RSVA - Retail Transmission Network Charge	1584		\$117,204
RSVA - Retail Transmission Connection Charge	1586		\$275,676
RSVA - Power	1588		\$72,713
Sub-Total			\$1,726,421
RSVA - One-time Wholesale Market Service	1582		\$5,207
Other Regulatory Assets	1508		\$0
Retail Cost Variance Account - Retail	1518		\$0
Retail Cost Variance Account - STR	1548		\$0
Misc. Deferred Debits - incl. Rebate Cheques	1525		\$155,070
Deferred Payments in Lieu of Taxes	1562		\$139,202
PILs Contra Account	1563		\$0
Qualifying Transition Costs	1570		\$542,375
Pre-Market Opening Energy Variances Total	1571		-\$612,997
Pre-Market Opening Energy Variances - 2001		-\$1,160,938	
Pre-Market Opening Energy Variances - 2002		\$547,941	
Extra-Ordinary Event Losses	1572		\$0
Deferred Rate Impact Amounts	1574		\$0
Other Deferred Credits	2425		\$0
Total Applied-for Regulatory Assets		(a)	\$1,955,278
(1) Total of 4 RSVA Accounts		(b)	\$1,726,421 Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)			88.3%
(2) 25 % of (a)		(c)	\$488,820

If (b) is greater than (c) go to Section 1

If (b) is less than (c) go to Section 2

Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)	\$488,820	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	\$533,258	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	\$1,237,602	Ignore minus sign

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)		\$488,820	Approved for 2004 Rate Recovery
Final 4 RSVA Amount as shown at (b)		\$1,726,421	
Gross Up for Recovery over 11 months: Amount (b) x 12/11		\$1,883,368	Enter this amount on Sheet 3
Interim Amount to be recovered (c) - (b)	(d)	-\$1,237,602	
Gross Up for Recovery over 11 months: Amount (d) x 12/11		-\$1,350,111	Enter this amount on Sheet 5
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)		\$488,820	

Rate Implementation**Check Box**
Yes or No

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

Chatham Kent Hydro
2002 Distribution Statistics
Allocate Regulatory Asset Recovery

Regulatory Assets		533,258											
Line No.	2002 Statistics	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Delivery Revenue</u>	<u>kWh Allocation %</u>		<u>Fixed 0.0%</u>	<u>Variable 100.0%</u>	<u>Service Charge</u>	<u>Variable Rate</u>		
1	Residential	-	245,672,912	28,148	\$ 6,768,188	27.0%	\$ 143,880						
2	General Service < 50 kW	-	104,026,175	3,274	\$ 2,062,654	11.4%	\$ 60,924	\$ -	\$ 60,924	\$ -	\$ 0.0006		
3	General Service > 50 kW	1,032,626	394,297,288	452	\$ 1,416,018	43.3%	\$ 230,923	\$ -	\$ 230,923	\$ -	\$ 0.22		
4	TOU	165,220	80,681,374	4	\$ 319,686	8.9%	\$ 47,252						
5	Large User	196,515	76,941,225	3	\$ 707,553	8.5%	\$ 45,061						
6	Sentinel Lighting	1,360	506,872	402	\$ 16,888	0.1%	\$ 297						
7	Street Light	22,225	8,404,225	1	\$ 106,110	0.9%	\$ 4,922	\$ -	\$ 4,922	\$ -	\$ 0.22		
8		<u>1,417,946</u>	<u>910,530,071</u>	<u>32,284</u>	<u>\$ 11,397,097</u>		<u>\$ 533,258</u>						

	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Delivery Revenue</u>	<u>Delivery Change</u>	<u>Fixed 0.0%</u>	<u>Variable 100.0%</u>	<u>Service Charge</u>	<u>Variable Rate</u>
Blenheim									
Residential		14,627,503	1,680	\$ 124,607	\$ 2,649	\$ -	\$ 2,649	\$ -	\$ 0.0002
TOU	40,390	18,246,528	1	\$ 48,240	\$ 7,130	\$ -	\$ 7,130	\$ -	\$ 0.18
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	69	26,594	36	\$ 646	\$ 11	\$ -	\$ 11	\$ -	\$ 0.16
	40,459	32,900,625	1,717	\$ 173,493	\$ 9,790	\$ -	\$ 9,790		
Bothwell									
Residential		3,529,831	391	\$ 109,187	\$ 2,321	\$ -	\$ 2,321	\$ -	\$ 0.0007
TOU		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	36	14,049	13	\$ 545	\$ 10	\$ -	\$ 10	\$ -	\$ 0.27
	36	3,543,880	404	\$ 109,732	\$ 2,331	\$ -	\$ 2,331		
Chatham									
Residential		136,867,734	15,952	\$ 3,922,154	\$ 83,378	\$ -	\$ 83,378	\$ -	\$ 0.0006
TOU	124,830	62,434,846	3	\$ 271,446	\$ 40,121	\$ -	\$ 40,121	\$ -	\$ 0.32
Large User	57,050	24,243,374	1	\$ 199,393	\$ 12,699	\$ -	\$ 12,699	\$ -	\$ 0.22
Sentinel Lighting	524	202,622	140	\$ 6,814	\$ 120	\$ -	\$ 120	\$ -	\$ 0.23
	182,404	223,748,576	16,096	\$ 4,399,807	\$ 136,318	\$ -	\$ 136,318		
Dresden									
Residential		9,484,212	1,011	\$ 253,076	\$ 5,380	\$ -	\$ 5,380	\$ -	\$ 0.0006
TOU		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	120	46,407	27	\$ 1,373	\$ 24	\$ -	\$ 24	\$ -	\$ 0.20
	120	9,530,619	1,038	\$ 254,449	\$ 5,404	\$ -	\$ 5,404		

Erieau															
Residential		2,134,781	339	\$	54,382	\$	1,156	\$	-	\$	1,156	\$	-	\$	0.0005
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
		-	2,134,781	339	\$	54,382	\$	1,156	\$	-	\$	1,156			
Merlin															
Residential		2,586,583	276	\$	80,598	\$	1,713	\$	-	\$	1,713	\$	-	\$	0.0007
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting	12	4,588	4	\$	30	\$	1	\$	-	\$	1	\$	-	\$	0.04
	12	2,591,171	280	\$	80,628	\$	1,714	\$	-	\$	1,714				
Ridgetown															
Residential		10,844,888	1,351	\$	360,049	\$	7,654	\$	-	\$	7,654	\$	-	\$	0.0007
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting	63	31,527	23	\$	685	\$	12	\$	-	\$	12	\$	-	\$	0.19
	63	10,876,415	1,374	\$	360,734	\$	7,666	\$	-	\$	7,666				
Thamesville															
Residential		3,339,662	360	\$	55,339	\$	1,176	\$	-	\$	1,176	\$	-	\$	0.0004
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting	54	20,755	17	\$	599	\$	11	\$	-	\$	11	\$	-	\$	0.19
	54	3,360,417	377	\$	55,938	\$	1,187	\$	-	\$	1,187				

Tilbury												
Residential		17,431,617	1,815	\$	410,149	\$	8,719	\$	-	\$	8,719	\$ - \$ 0.0005
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	132	51,180	32	\$	1,485	\$	26	\$	-	\$	26	\$ - \$ 0.20
	132	17,482,797	1,847	\$	411,634	\$	8,745	\$	-	\$	8,745	
Wallaceburg												
Residential		38,431,938	4,355	\$	1,265,393	\$	26,900	\$	-	\$	26,900	\$ - \$ 0.0007
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	139,465	52,697,851	2	\$	508,160	\$	32,363	\$	-	\$	32,363	\$ - \$ 0.23
Sentinel Lighting	334	102,909	101	\$	4,612	\$	81	\$	-	\$	81	\$ - \$ 0.24
	139,799	91,232,698	4,458	\$	1,778,165	\$	59,344	\$	-	\$	59,344	
Wheatley												
Residential		6,394,163	618	\$	133,254	\$	2,833	\$	-	\$	2,833	\$ - \$ 0.0004
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	16	6,241	9	\$	99	\$	2	\$	-	\$	2	\$ - \$ 0.11
	16	6,400,404	627	\$	133,353	\$	2,834	\$	-	\$	2,834	

Chatham Kent Hydro
2002 Distribution Statistics
Allocate 2004 PILs Proxy

2004 PILs Proxy		1,497,696										
Line					Delivery	Delivery Revenue			Fixed	Variable	Service	Variable
<u>No.</u>	<u>2002 Statistics</u>	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Revenue</u>	<u>Allocation %</u>			<u>0.0%</u>	<u>100.0%</u>	<u>Charge</u>	<u>Rate</u>
1	Residential	-	245,672,912	28,148	\$ 6,768,188	59.4%	\$ 889,410					
2	General Service < 50 kW	-	104,026,175	3,274	\$ 2,062,654	18.1%	\$ 271,054	\$ -	\$ 271,054	\$ -	\$ 0.0026	
3	General Service > 50 kW	1,032,626	394,297,288	452	\$ 1,416,018	12.4%	\$ 186,079	\$ -	\$ 186,079	\$ -	\$ 0.18	
4	TOU	165,220	80,681,374	4	\$ 319,686	2.8%	\$ 42,010					
5	Large User	196,515	76,941,225	3	\$ 707,553	6.2%	\$ 92,980					
6	Sentinel Lighting	1,360	506,872	402	\$ 16,888	0.1%	\$ 2,219					
7	Street Light	22,225	8,404,225	1	\$ 106,110	0.9%	\$ 13,944	\$ -	\$ 13,944	\$ -	\$ 0.63	
8		1,417,946	910,530,071	32,284	\$ 11,397,097		\$ 1,497,696					

	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Delivery Revenue</u>	<u>Delivery Change</u>	<u>Fixed 0.0%</u>	<u>Variable 100.0%</u>	<u>Service Charge</u>	<u>Variable Rate</u>
Blenheim									
Residential		14,627,503	1,680	\$ 124,607	\$ 16,375	\$ -	\$ 16,375	\$ -	\$ 0.0011
TOU	40,390	18,246,528	1	\$ 48,240	\$ 6,339	\$ -	\$ 6,339	\$ -	\$ 0.16
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	69	26,594	36	\$ 646	\$ 85	\$ -	\$ 85	\$ -	\$ 1.23
	40,459	32,900,625	1,717	\$ 173,493	\$ 22,799	\$ -	\$ 22,799		
Bothwell									
Residential		3,529,831	391	\$ 109,187	\$ 14,348	\$ -	\$ 14,348	\$ -	\$ 0.0041
TOU		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	36	14,049	13	\$ 545	\$ 72	\$ -	\$ 72	\$ -	\$ 1.99
	36	3,543,880	404	\$ 109,732	\$ 14,420	\$ -	\$ 14,420		
Chatham									
Residential		136,867,734	15,952	\$ 3,922,154	\$ 515,411	\$ -	\$ 515,411	\$ -	\$ 0.0038
TOU	124,830	62,434,846	3	\$ 271,446	\$ 35,671	\$ -	\$ 35,671	\$ -	\$ 0.29
Large User	57,050	24,243,374	1	\$ 199,393	\$ 26,202	\$ -	\$ 26,202	\$ -	\$ 0.46
Sentinel Lighting	524	202,622	140	\$ 6,814	\$ 895	\$ -	\$ 895	\$ -	\$ 1.71
	182,404	223,748,576	16,096	\$ 4,399,807	\$ 578,180	\$ -	\$ 578,180		
Dresden									
Residential		9,484,212	1,011	\$ 253,076	\$ 33,257	\$ -	\$ 33,257	\$ -	\$ 0.0035
TOU		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Large User		-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sentinel Lighting	120	46,407	27	\$ 1,373	\$ 180	\$ -	\$ 180	\$ -	\$ 1.50
	120	9,530,619	1,038	\$ 254,449	\$ 33,437	\$ -	\$ 33,437		

Erieau											
Residential	2,134,781	339	\$	54,382	\$	7,146	\$	-	\$	7,146	\$ - \$ 0.0033
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
	-	2,134,781	339	\$	54,382	\$	7,146	\$	-	\$	7,146
Merlin											
Residential	2,586,583	276	\$	80,598	\$	10,591	\$	-	\$	10,591	\$ - \$ 0.0041
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	12	4,588	4	\$	30	\$	4	\$	-	\$	4 \$ 0.33
	12	2,591,171	280	\$	80,628	\$	10,595	\$	-	\$	10,595
Ridgetown											
Residential	10,844,888	1,351	\$	360,049	\$	47,314	\$	-	\$	47,314	\$ - \$ 0.0044
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	63	31,527	23	\$	685	\$	90	\$	-	\$	90 \$ 1.43
	63	10,876,415	1,374	\$	360,734	\$	47,404	\$	-	\$	47,404
Thamesville											
Residential	3,339,662	360	\$	55,339	\$	7,272	\$	-	\$	7,272	\$ - \$ 0.0022
TOU	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Large User	-	-	\$	-	\$	-	\$	-	\$	-	\$ -
Sentinel Lighting	54	20,755	17	\$	599	\$	79	\$	-	\$	79 \$ 1.46
	54	3,360,417	377	\$	55,938	\$	7,351	\$	-	\$	7,351

Tilbury															
Residential		17,431,617	1,815	\$	410,149	\$	53,898	\$	-	\$	53,898	\$	-	\$	0.0031
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting	132	51,180	32	\$	1,485	\$	195	\$	-	\$	195	\$	-	\$	1.48
	132	17,482,797	1,847	\$	411,634	\$	54,093	\$	-	\$	54,093				
Wallaceburg															
Residential		38,431,938	4,355	\$	1,265,393	\$	166,286	\$	-	\$	166,286	\$	-	\$	0.0043
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User	139,465	52,697,851	2	\$	508,160	\$	66,777	\$	-	\$	66,777	\$	-	\$	0.48
Sentinel Lighting	334	102,909	101	\$	4,612	\$	606	\$	-	\$	606	\$	-	\$	1.81
	139,799	91,232,698	4,458	\$	1,778,165	\$	233,669	\$	-	\$	233,669				
Wheatley															
Residential		6,394,163	618	\$	133,254	\$	17,511	\$	-	\$	17,511	\$	-	\$	0.0027
TOU		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Large User		-	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Sentinel Lighting	16	6,241	9	\$	99	\$	13	\$	-	\$	13	\$	-	\$	0.81
	16	6,400,404	627	\$	133,353	\$	17,524	\$	-	\$	17,524				
Total															
Residential											\$	889,410			
TOU											\$	42,010			
Large User											\$	92,980			
Sentinel Lighting											\$	2,219			

Chatham Kent Hydro
Residential Proposed Rate Structure

Service Area	Current Rates		2004 Rates	
	Service Charge	Energy Charge	Service Charge	Energy Charge
Blenheim	\$ 3.49	\$ 0.0030	\$ 3.49	\$ 0.0043
Bothwell	\$ 12.35	\$ 0.0094	\$ 12.35	\$ 0.0141
Chatham	\$ 11.08	\$ 0.0088	\$ 11.08	\$ 0.0132
Dresden	\$ 11.06	\$ 0.0085	\$ 11.06	\$ 0.0126
Erieau	\$ 8.80	\$ 0.0070	\$ 8.80	\$ 0.0109
Merlin	\$ 11.83	\$ 0.0081	\$ 11.83	\$ 0.0129
Thamesville	\$ 6.40	\$ 0.0052	\$ 6.40	\$ 0.0102
Tilbury	\$ 9.63	\$ 0.0076	\$ 9.63	\$ 0.0101
Ridgetown	\$ 12.13	\$ 0.0096	\$ 12.13	\$ 0.0132
Wallaceburg	\$ 12.75	\$ 0.0100	\$ 12.75	\$ 0.0150
Wheatley	\$ 9.09	\$ 0.0069	\$ 9.09	\$ 0.0101

Note:

The base rates include the harmonization values approved in RP-2002-0081

	Service Charge		
	Base	Harmonization	Total
Blenheim	\$ 2.81	\$ 0.68	\$ 3.49
Bothwell	\$ 12.94	\$ (0.59)	\$ 12.35
Merlin	\$ 14.27	\$ (2.44)	\$ 11.83
Wallaceburg	\$ 12.80	\$ (0.05)	\$ 12.75

	Energy			
	Base	Harmonization	Total	
Blenheim	\$ 0.0022	\$ 0.0008	\$ 0.0030	0.0008
Bothwell	\$ 0.0100	\$ (0.0006)	\$ 0.0094	
Merlin	\$ 0.0114	\$ (0.0033)	\$ 0.0081	
Wallaceburg	\$ 0.0101	\$ (0.0001)	\$ 0.0100	

Chatham-Kent Hydro
General Service Rates

Current Rates

General Service < 50 kW	Distribution Rate	
	Service Charge	Energy Charge
Blenhiem	28.68	0.0056
Bothwell	28.68	0.0056
Chatham	28.68	0.0056
Dresden	28.68	0.0056
Erieau	28.68	0.0056
Merlin	28.68	0.0056
Ridgetown	28.68	0.0056
Thamesville	28.68	0.0056
Tilbury	28.68	0.0056
Wallaceburg	28.68	0.0056
Wheatley	28.68	0.0056

2004 Rates

General Service < 50 kW	Distribution Rate	
	Service Charge	Energy Charge
Blenhiem	28.68	0.0088
Bothwell	28.68	0.0088
Chatham	28.68	0.0088
Dresden	28.68	0.0088
Erieau	28.68	0.0088
Merlin	28.68	0.0088
Ridgetown	28.68	0.0088
Thamesville	28.68	0.0088
Tilbury	28.68	0.0088
Wallaceburg	28.68	0.0088
Wheatley	28.68	0.0088

General Service > 50 kW	Distribution Rate	
	Service Charge	Demand Charge
Blenhiem	119.47	0.86
Bothwell	119.47	0.86
Chatham	119.47	0.86
Dresden	119.47	0.86
Erieau	119.47	0.86
Merlin	119.47	0.86
Ridgetown	119.47	0.86
Thamesville	119.47	0.86
Tilbury	119.47	0.86
Wallaceburg	119.47	0.86
Wheatley	119.47	0.86

General Service > 50 kW	Distribution Rate	
	Service Charge	Demand Charge
Blenhiem	119.47	1.26
Bothwell	119.47	1.26
Chatham	119.47	1.26
Dresden	119.47	1.26
Erieau	119.47	1.26
Merlin	119.47	1.26
Ridgetown	119.47	1.26
Thamesville	119.47	1.26
Tilbury	119.47	1.26
Wallaceburg	119.47	1.26
Wheatley	119.47	1.26

Chatham Kent Hydro
Proposed Rate Structure for General Service TOU

Current Rates

Line <u>No.</u>		Service Charge	Demand Charge
1	Blenheim	\$ 1,802.28	0.90
2	Chatham	\$ 3,591.91	1.22

2004 Rates

		<u>Service Charge</u>	<u>Demand Charge</u>
3	Blenheim	\$ 1,802.28	\$ 1.23
4	Chatham	\$ 3,591.91	\$ 1.83

Chatham Kent Hydro
Proposed Rate Structure for Large User

Current Rates

Line No.	Customers	Service Charge	Demand Charge
1	Chatham	\$ 9,164.35	\$ 1.65
2	Wallaceburg	\$ 11,442.82	\$ 1.80

2004 Rates

	Service Charge	Demand Charge
3 Chatham	\$ 9,164.35	\$ 2.33
4 Wallaceburg	\$ 11,442.82	\$ 2.51

Chatham Kent Hydro
Proposed Rate Structure Sentinel Lights

Line No.	Current Rates		2004 Rates	
	Service Charge	Demand Charge	Service Charge	Demand Charge
1 Blenheim	\$ 1.58	\$ 0.48	\$ 1.58	\$ 1.88
2 Bothwell	\$ 2.86	\$ 0.46	\$ 2.86	\$ 2.72
3 Chatham	\$ 4.34	\$ 0.47	\$ 4.34	\$ 2.41
4 Dresden	\$ 4.06	\$ 0.49	\$ 4.06	\$ 2.19
5 Erieau	\$ 2.87	\$ 0.17	\$ 2.87	\$ 0.17
6 Merlin	\$ 0.38	\$ 0.03	\$ 0.38	\$ 0.40
7 Thamesville	\$ 2.51	\$ 0.50	\$ 2.51	\$ 2.15
8 Tilbury	\$ 3.51	\$ 0.48	\$ 3.51	\$ 2.16
9 Ridgetown	\$ 2.37	\$ 0.41	\$ 2.37	\$ 2.02
10 Wallaceburg	\$ 4.14	\$ 0.27	\$ 4.14	\$ 2.32
11 Wheatley	\$ 1.85	\$ 0.14	\$ 1.85	\$ 1.06
12 Total				

Chatham Kent Hydro
Proposed Rate Structure Sentinel Lights

Line <u>No.</u>	Delivery <u>Revenue (1)</u>	Current Rates		2004 Rates	
		<u>Service Charge</u>	<u>Demand Charge</u>	<u>Service Charge</u>	<u>Demand Charge</u>
1 Total Municipality	1	\$4,498.24	\$ 2.10	\$ 4,498.24	\$ 2.95

Chatham Kent Hydro
2002 Distribution Statistics
Service Charge Adjustment

2002 Statistics	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Current Service Charge</u>	<u>Revenue Current Service Charge</u>	<u>Revenue Calculated Service Charge Sch 4</u>	<u>Difference</u>	<u>Variable Rate Adjust</u>	<u>Adjusted Variable Rate</u>
Residential	-	245,672,912	28,148						
General Service < 50 l	-	104,026,175	3,274	\$ 35.02	\$ 1,375,865.76	\$ 1,126,636.46	\$ 249,229.30	\$ 0.0024	\$ 0.0064
General Service > 50 l	1,032,626	394,297,288	452	\$ 152.96	\$ 829,655.04	\$ 648,029.12	\$ 181,625.92	\$ 0.18	\$ 1.09
TOU	165,220	80,681,374	4						
Large User	196,515	76,941,225	3						
Sentinel Lighting	1,360	506,872	402						
Street Light	22,225	8,404,225	1	\$ 5,227.07	\$ 62,724.84	\$ 53,978.88	\$ 8,745.96	\$ 0.39	\$ 2.56
	<u>1,417,946</u>	<u>910,530,071</u>	<u>32,284</u>						

	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Current Service Charge</u>	<u>Revenue Current Service Charge</u>	<u>Revenue Calculated Service Charge Sch 4</u>	<u>Difference</u>	<u>Variable Rate Adjust</u>	<u>Adjusted Variable Rate</u>
Blenheim									
Residential		14,627,503	1,680	\$ 4.08	\$ 82,252.80	\$ 70,358.40	\$ 11,894.40	\$ 0.0008	\$ 0.0035
TOU	40,390	18,246,528	1	\$ 2,346.99	\$ 28,163.88	\$ 21,627.30	\$ 6,536.58	\$ 0.16	\$ 1.07
Large User		-	-						
Sentinel Lighting	69	26,594	36	\$ 1.90	\$ 820.80	\$ 680.61	\$ 140.19	\$ 2.03	\$ (0.15)
	<u>40,459</u>	<u>32,900,625</u>	<u>1,717</u>						
Bothwell									
Residential		3,529,831	391	\$ 14.56	\$ 68,315.52	\$ 57,946.20	\$ 10,369.32	\$ 0.0029	\$ 0.0112
TOU		-	-						
Large User		-	-						
Sentinel Lighting	36	14,049	13	\$ 3.26	\$ 508.56	\$ 446.52	\$ 62.04	\$ 1.72	\$ 0.99
	<u>36</u>	<u>3,543,880</u>	<u>404</u>						
Chatham									
Residential		136,867,734	15,952	\$ 12.93	\$ 2,475,112.32	\$ 2,120,046.04	\$ 355,066.28	\$ 0.0026	\$ 0.0106
TOU	124,830	62,434,846	3	\$ 4,588.58	\$ 165,188.88	\$ 129,308.62	\$ 35,880.26	\$ 0.29	\$ 1.54
Large User	57,050	24,243,374	1	\$ 11,298.32	\$ 135,579.84	\$ 109,972.20	\$ 25,607.64	\$ 0.45	\$ 1.88
Sentinel Lighting	524	202,622	140	\$ 4.90	\$ 8,232.00	\$ 7,285.84	\$ 946.16	\$ 1.81	\$ 0.61
	<u>182,404</u>	<u>223,748,576</u>	<u>16,096</u>						
Dresden									
Residential		9,484,212	1,011	\$ 12.98	\$ 157,473.36	\$ 134,163.03	\$ 23,310.33	\$ 0.0025	\$ 0.0102
TOU		-	-						
Large User		-	-						
Sentinel Lighting	120	46,407	27	\$ 4.65	\$ 1,506.60	\$ 1,316.53	\$ 190.07	\$ 1.58	\$ 0.61
	<u>120</u>	<u>9,530,619</u>	<u>1,038</u>						

	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Current Service Charge</u>	<u>Revenue Current Service Charge</u>	<u>Revenue Calculated Service Charge Sch 4</u>	<u>Difference</u>	<u>Variable Rate Adjust</u>	<u>Adjusted Variable Rate</u>
Erieau									
Residential		2,134,781	339	\$ 10.20	\$ 41,493.60	\$ 35,789.70	\$ 5,703.90	\$ 0.0027	\$ 0.0082
TOU		-	-						
Large User		-	-						
Sentinel Lighting	-	-	-						
	<u>-</u>	<u>2,134,781</u>	<u>339</u>						
Merlin									
Residential		2,586,583	276	\$ 14.25	\$ 47,196.00	\$ 39,180.96	\$ 8,015.04	\$ 0.0031	\$ 0.0098
TOU		-	-						
Large User		-	-						
Sentinel Lighting	12	4,588	4	\$ 0.44	\$ 21.12	\$ 18.40	\$ 2.72	\$ 0.23	\$ 0.17
	<u>12</u>	<u>2,591,171</u>	<u>280</u>						
Ridgetown									
Residential		10,844,888	1,351	\$ 14.10	\$ 228,589.20	\$ 196,603.34	\$ 31,985.86	\$ 0.0029	\$ 0.0103
TOU		-	-						
Large User		-	-						
Sentinel Lighting	63	31,527	23	\$ 2.73	\$ 753.48	\$ 653.01	\$ 100.47	\$ 1.59	\$ 0.43
	<u>63</u>	<u>10,876,415</u>	<u>1,374</u>						
Thamesville									
Residential		3,339,662	360	\$ 7.55	\$ 32,616.00	\$ 27,639.60	\$ 4,976.40	\$ 0.0015	\$ 0.0087
TOU		-	-						
Large User		-	-						
Sentinel Lighting	54	20,755	17	\$ 2.75	\$ 561.00	\$ 511.46	\$ 49.54	\$ 0.92	\$ 1.23
	<u>54</u>	<u>3,360,417</u>	<u>377</u>						

				Current	Revenue Current	Revenue Calculated		Variable	Adjusted
	<u>kW</u>	<u>kWh</u>	<u>Customers</u>	<u>Service Charge</u>	<u>Service Charge</u>	<u>Sch 4</u>	<u>Difference</u>	<u>Rate</u>	<u>Variable</u>
Tilbury									
Residential		17,431,617	1,815	\$ 11.32	\$ 246,549.60	\$ 209,718.57	\$ 36,831.03	\$ 0.0021	\$ 0.0080
TOU		-	-						
Large User		-	-						
Sentinel Lighting	132	51,180	32	\$ 4.04	\$ 1,551.36	\$ 1,346.67	\$ 204.69	\$ 1.55	\$ 0.61
	132	17,482,797	1,847						
Wallaceburg									
Residential		38,431,938	4,355	\$ 14.93	\$ 780,241.80	\$ 666,315.00	\$ 113,926.80	\$ 0.0030	\$ 0.0121
TOU		-	-						
Large User	139,465	52,697,851	2	\$ 13,421.94	\$ 322,126.56	\$ 274,627.64	\$ 47,498.92	\$ 0.34	\$ 2.17
Sentinel Lighting	334	102,909	101	\$ 4.66	\$ 5,647.92	\$ 5,023.38	\$ 624.54	\$ 1.87	\$ 0.45
	139,799	91,232,698	4,458						
Wheatley									
Residential		6,394,163	618	\$ 10.74	\$ 79,647.84	\$ 67,395.87	\$ 12,251.97	\$ 0.0019	\$ 0.0081
TOU		-	-						
Large User		-	-						
Sentinel Lighting	16	6,241	9	\$ 2.09	\$ 225.72	\$ 199.46	\$ 26.26	\$ 1.64	\$ (0.58)

Chatham-Kent Hydro
 2004 Adjusted Rates

Residential

Service Area	Service Charge	Energy Charge
Blenheim	\$ 4.08	\$ 0.0035
Bothwell	\$ 14.56	\$ 0.0112
Chatham	\$ 12.93	\$ 0.0106
Dresden	\$ 12.98	\$ 0.0102
Erieau	\$ 10.20	\$ 0.0082
Merlin	\$ 14.25	\$ 0.0098
Thamesville	\$ 7.55	\$ 0.0087
Tilbury	\$ 11.32	\$ 0.0080
Ridgetown	\$ 14.10	\$ 0.0103
Wallaceburg	\$ 14.93	\$ 0.0121
Wheatley	\$ 10.74	\$ 0.0081

General Service < 50 kW

Service Area	Service Charge	Energy Charge
All Areas	\$ 35.02	\$ 0.0064

General Service > 50 kW

Service Area	Service Charge	Energy Charge
All Areas	\$ 152.96	\$ 1.09

General Service TOU

Service Area	Service Charge	Energy Charge
Blenheim	\$ 2,346.99	\$ 1.07
Chatham	\$ 4,588.58	\$ 1.54

Large User

Service Area	Service Charge	Energy Charge
Chatham	\$ 11,298.32	\$ 1.88
Wallaceburg	\$ 13,421.94	\$ 2.17

Sentinel Lights

Service Area	Service Charge	Demand Charge
Blenheim	\$ 1.90	\$ (0.15)
Bothwell	\$ 3.26	\$ 0.99
Chatham	\$ 4.90	\$ 0.61
Dresden	\$ 4.65	\$ 0.61
Erieau	\$ -	\$ -
Merlin	\$ 0.44	\$ 0.17
Thamesville	\$ 2.75	\$ 1.23
Tilbury	\$ 4.04	\$ 0.61
Ridgetown	\$ 2.73	\$ 0.43
Wallaceburg	\$ 4.66	\$ 0.45
Wheatley	\$ 2.09	\$ (0.58)

Street Light

Service Area	Service Charge	Energy Charge
All Areas	\$ 5,227.07	\$ 2.56

LINE NO.	Existing Rates					2004 Adjusted Rates															Net Change	
		Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%	
1	Blenheim	Volume																				
2		1,500	4.08	0.0037	0.0239	0.0430	4.08	5.55	35.85	64.50	109.98	4.08	0.0035	0.0239	0.0430	4.08	5.23	35.85	64.50	109.66	-0.32	-0.29%
3		1,279	4.08	0.0037	0.0239	0.0430	4.08	4.73	30.57	55.00	94.38	4.08	0.0035	0.0239	0.0430	4.08	4.46	30.57	55.00	94.11	-0.27	-0.29%
4		1,000	4.08	0.0037	0.0239	0.0430	4.08	3.70	23.90	43.00	74.68	4.08	0.0035	0.0239	0.0430	4.08	3.49	23.90	43.00	74.47	-0.21	-0.28%
5		750	4.08	0.0037	0.0239	0.0430	4.08	2.78	17.93	32.25	57.03	4.08	0.0035	0.0239	0.0430	4.08	2.62	17.93	32.25	56.87	-0.16	-0.28%
6		500	4.08	0.0037	0.0239	0.0430	4.08	1.85	11.95	21.50	39.38	4.08	0.0035	0.0239	0.0430	4.08	1.74	11.95	21.50	39.27	-0.11	-0.27%
7		250	4.08	0.0037	0.0239	0.0430	4.08	0.93	5.98	10.75	21.73	4.08	0.0035	0.0239	0.0430	4.08	0.87	5.98	10.75	21.68	-0.05	-0.24%
8	Bothwell	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%
9		1,500	14.56	0.0119	0.0239	0.0430	14.56	17.85	35.85	64.50	132.76	14.56	0.0112	0.0239	0.0430	14.56	16.78	35.85	64.50	131.69	-1.07	-0.98%
10		1,279	14.56	0.0119	0.0239	0.0430	14.56	15.22	30.57	55.00	115.35	14.56	0.0112	0.0239	0.0430	14.56	14.31	30.57	55.00	114.43	-0.91	-0.97%
11		1,000	14.56	0.0119	0.0239	0.0430	14.56	11.90	23.90	43.00	93.36	14.56	0.0112	0.0239	0.0430	14.56	11.18	23.90	43.00	92.64	-0.72	-0.96%
12		750	14.56	0.0119	0.0239	0.0430	14.56	8.93	17.93	32.25	73.66	14.56	0.0112	0.0239	0.0430	14.56	8.39	17.93	32.25	73.12	-0.54	-0.94%
13		500	14.56	0.0119	0.0239	0.0430	14.56	5.95	11.95	21.50	53.96	14.56	0.0112	0.0239	0.0430	14.56	5.59	11.95	21.50	53.60	-0.36	-0.91%
14		250	14.56	0.0119	0.0239	0.0430	14.56	2.98	5.98	10.75	34.26	14.56	0.0112	0.0239	0.0430	14.56	2.80	5.98	10.75	34.08	-0.18	-0.82%
16	Chatham	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%
17		1,500	12.93	0.0112	0.0239	0.0430	12.93	16.80	35.85	64.50	130.08	12.93	0.0106	0.0239	0.0430	12.93	15.87	35.85	64.50	129.15	-0.93	-0.72%
18		1,279	12.93	0.0112	0.0239	0.0430	12.93	14.32	30.57	55.00	112.82	12.93	0.0106	0.0239	0.0430	12.93	13.53	30.57	55.00	112.02	-0.80	-0.71%
19		1,000	12.93	0.0112	0.0239	0.0430	12.93	11.20	23.90	43.00	91.03	12.93	0.0106	0.0239	0.0430	12.93	10.58	23.90	43.00	90.41	-0.62	-0.68%
20		750	12.93	0.0112	0.0239	0.0430	12.93	8.4														

LINE NO.	Existing Rates					2004 Adjusted Rates														Net Change			
				Other		Revenue		Other							Revenue		Other						
				Other	Commodity	63	Energy	Other	Commodity	Total		Energy	Other	Commodity	Service	Energy	Charges	Commodity	Total	\$	%		
	Volume	Service Charge	Energy Rate	Charges Rate	Rate	Charge	Rate	Rate	Rate		Service Charge	Rate	Rate	Rate	Charge	Rate	Rate	Rate					
1	Erieau	1,500	10.20	0.0089	0.0239	0.0430	10.20	13.35	35.85	64.50	123.90	10.20	0.0082	0.0239	0.0430	10.20	12.35	35.85	64.50	122.90	-1.00	-0.80%	
2		1,279	10.20	0.0089	0.0239	0.0430	10.20	11.38	30.57	55.00	107.15	10.20	0.0082	0.0239	0.0430	10.20	10.53	30.57	55.00	106.30	-0.85	-0.79%	
3		1,000	10.20	0.0089	0.0239	0.0430	10.20	8.90	23.90	43.00	86.00	10.20	0.0082	0.0239	0.0430	10.20	8.24	23.90	43.00	85.34	-0.66	-0.77%	
4		750	10.20	0.0089	0.0239	0.0430	10.20	6.68	17.93	32.25	67.05	10.20	0.0082	0.0239	0.0430	10.20	6.18	17.93	32.25	66.55	-0.50	-0.74%	
5		500	10.20	0.0089	0.0239	0.0430	10.20	4.45	11.95	21.50	48.10	10.20	0.0082	0.0239	0.0430	10.20	4.12	11.95	21.50	47.77	-0.33	-0.69%	
6		250	10.20	0.0089	0.0239	0.0430	10.20	2.23	5.98	10.75	29.15	10.20	0.0082	0.0239	0.0430	10.20	2.06	5.98	10.75	28.98	-0.17	-0.57%	
7																							
8	Merlin	1,500	14.25	0.0114	0.0239	0.0430	14.25	17.10	35.85	64.50	131.70	14.25	0.0098	0.0239	0.0430	14.25	14.64	35.85	64.50	129.24	-2.46	-1.87%	
9		1,279	14.25	0.0114	0.0239	0.0430	14.25	14.58	30.57	55.00	114.40	14.25	0.0098	0.0239	0.0430	14.25	12.48	30.57	55.00	112.30	-2.10	-1.84%	
10		1,000	14.25	0.0114	0.0239	0.0430	14.25	11.40	23.90	43.00	92.55	14.25	0.0098	0.0239	0.0430	14.25	9.76	23.90	43.00	90.91	-1.64	-1.77%	
11		750	14.25	0.0114	0.0239	0.0430	14.25	8.55	17.93	32.25	72.98	14.25	0.0098	0.0239	0.0430	14.25	7.32	17.93	32.25	71.74	-1.23	-1.69%	
12		500	14.25	0.0114	0.0239	0.0430	14.25	5.70	11.95	21.50	53.40	14.25	0.0098	0.0239	0.0430	14.25	4.88	11.95	21.50	52.58	-0.82	-1.54%	
13		250	14.25	0.0114	0.0239	0.0430	14.25	2.85	5.98	10.75	33.83	14.25	0.0098	0.0239	0.0430	14.25	2.44	5.98	10.75	33.41	-0.41	-1.21%	
14																							
15																							
16	Ridgetown	1,500	14.10	0.0121	0.0239	0.0430	14.10	18.15	35.85	64.50	132.60	14.10	0.0103	0.0239	0.0430	14.10	15.38	35.85	64.50	129.83	-2.77	-2.09%	
17		1,279	14.10	0.0121	0.0239	0.0430	14.10	15.48	30.57	55.00	115.14	14.10	0.0103	0.0239	0.0430	14.10	13.11	30.57	55.00	112.78	-2.36	-2.05%	
18		1,000	14.10	0.0121	0.0239	0.0430	14.10	12.10	23.90	43.00	93.10	14.10	0.0103	0.0239	0.0430	14.10	10.25	23.90	43.				

Chatham Kent Hydro
Residential Class Customer Impacts- Effective April 1, 2004

LINE NO.	Existing Rates										2004 Adjusted Rates										Net Change	
	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total			
1	Tilbury	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%
2		1,500	11.32	0.0096	0.0239	0.0430	11.32	14.40	35.85	64.50	126.07	11.32	0.0080	0.0239	0.0430	11.32	11.99	35.85	64.50	123.66	-2.41	-1.91%
3		1,279	11.32	0.0096	0.0239	0.0430	11.32	12.28	30.57	55.00	109.16	11.32	0.0080	0.0239	0.0430	11.32	10.23	30.57	55.00	107.11	-2.05	-1.88%
4		1,000	11.32	0.0096	0.0239	0.0430	11.32	9.60	23.90	43.00	87.82	11.32	0.0080	0.0239	0.0430	11.32	8.00	23.90	43.00	86.22	-1.60	-1.83%
5		750	11.32	0.0096	0.0239	0.0430	11.32	7.20	17.93	32.25	68.70	11.32	0.0080	0.0239	0.0430	11.32	6.00	17.93	32.25	67.49	-1.20	-1.75%
6		500	11.32	0.0096	0.0239	0.0430	11.32	4.80	11.95	21.50	49.57	11.32	0.0080	0.0239	0.0430	11.32	4.00	11.95	21.50	48.77	-0.80	-1.62%
7		250	11.32	0.0096	0.0239	0.0430	11.32	2.40	5.98	10.75	30.45	11.32	0.0080	0.0239	0.0430	11.32	2.00	5.98	10.75	30.04	-0.40	-1.32%
8	Wallaceburg	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%
9		1,500	14.93	0.0128	0.0239	0.0430	14.93	19.20	35.85	64.50	134.48	14.93	0.0121	0.0239	0.0430	14.93	18.09	35.85	64.50	133.37	-1.11	-0.82%
10		1,279	14.93	0.0128	0.0239	0.0430	14.93	16.37	30.57	55.00	116.87	14.93	0.0121	0.0239	0.0430	14.93	15.43	30.57	55.00	115.92	-0.94	-0.81%
11		1,000	14.93	0.0128	0.0239	0.0430	14.93	12.80	23.90	43.00	94.63	14.93	0.0121	0.0239	0.0430	14.93	12.06	23.90	43.00	93.89	-0.74	-0.78%
12		750	14.93	0.0128	0.0239	0.0430	14.93	9.60	17.93	32.25	74.71	14.93	0.0121	0.0239	0.0430	14.93	9.05	17.93	32.25	74.15	-0.55	-0.74%
13		500	14.93	0.0128	0.0239	0.0430	14.93	6.40	11.95	21.50	54.78	14.93	0.0121	0.0239	0.0430	14.93	6.03	11.95	21.50	54.41	-0.37	-0.67%
14		250	14.93	0.0128	0.0239	0.0430	14.93	3.20	5.98	10.75	34.86	14.93	0.0121	0.0239	0.0430	14.93	3.02	5.98	10.75	34.67	-0.18	-0.53%
16	Wheatley	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Revenue Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	\$	%
17		1,500	10.74	0.0084	0.0239	0.0430	10.74	12.60	35.85	64.50	123.69	10.74	0.0081	0.0239	0.0430	10.74	12.20	35.85	64.50	123.29	-0.40	-0.32%
18		1,279	10.74	0.0084	0.0239	0.0430	10.74	10.74	30.57	55.00	107.05	10.74	0.0081	0.0239	0.0430	10.74	10.41	30.57	55.00	106.71	-0.34	-0.32%
19		1,000	10.74	0.0084	0.0239	0.0430	10.74	8.40	23.90	43.00	86.04	10.74	0.0081	0.0239	0.0430	10.74	8.14	23.90	43.00	85.78	-0.26	-0.31%
20		750	10.74	0.0084	0.0239	0.0430	10.74	6.30	17.93	32.25	67.22	10.74	0.0081	0.0239	0.0430	10.74	6.10	17.93	32.25	67.02	-0.20	-0.30%
21		500	10.74	0.0084	0.0239	0.0430	10.74	4.20	11.95	21.50	48.39	10.74	0.0081	0.0239	0.0430	10.74	4.07	11.95	21.50	48.26	-0.13	-0.27%
22		250	10.74	0.0084	0.0239	0.0430	10.74	2.10	5.98	10.75	29.57	10.74	0.0081	0.0239	0.0430	10.74	2.03	5.98	10.75	29.50	-0.07	-0.22%

Chatham Kent Hydro
General Service Class Customer Impacts

		Existing Old Rates						New Rates						NET CHANGE	
GS < 50 kW		Delivery Revenue						Delivery Revenue							
e No.	Volume kwh	Service Charge	Energy	Trans Allowance	Other Charges	Commodity	Total Bill	Service Charge	Energy	Trans Allow	Other Charges	Commodity	Total		
1 All Areas	1,000	35.02	0.0069	0.60	0.0229	0.043	\$107.82	35.02	0.0064	0.60	0.0229	0.0430	\$ 107.32	-0.50	-0.46%
2	2,000	35.02	0.0069	0.60	0.0229	0.043	\$180.62	35.02	0.0064	0.60	0.0229	0.0430	\$ 179.62	-1.00	-0.55%
3	5,000	35.02	0.0069	0.60	0.0229	0.043	\$399.02	35.02	0.0064	0.60	0.0229	0.0430	\$ 396.52	-2.50	-0.63%
4	10,000	35.02	0.0069	0.60	0.0229	0.043	\$763.02	35.02	0.0064	0.60	0.0229	0.0430	\$ 758.02	-5.00	-0.66%
5	15,000	35.02	0.0069	0.60	0.0229	0.043	\$1,127.02	35.02	0.0064	0.60	0.0229	0.0430	\$ 1,119.52	-7.50	-0.67%

		Existing Old Rates						New Rates						NET CHANGE		
GS > 50 kW		Delivery Revenue						Delivery Revenue								
e No.	Volume kwh	Demand kW	Service Charge	Demand	Trans Allowance	Other Charges	Commodity	Total Bill	Service Charge	Demand	Trans Allow	Other Charges	Commodity	Total		
1 All Areas	40,000	100	152.96	0.9600	0.60	0.0132	0.055	\$2,922.46	152.96	1.07	0.60	0.0132	0.0550	\$ 2,927.96	5.50	0.19%
2	100,000	500	152.96	0.9600	0.60	0.0132	0.055	\$7,180.46	152.96	1.07	0.60	0.0132	0.0550	\$ 7,207.96	27.50	0.38%
3	400,000	1000	152.96	0.9600	0.60	0.0132	0.055	\$27,847.96	152.96	1.07	0.60	0.0132	0.0550	\$ 27,902.96	55.00	0.20%

Chatham Kent Hydro
Proposed General Service TOU Rates March 1, 2002Current Rates
Chatham

Current Rates		Service Charge					Total	2004 Rates						Total	Net Change	
Billing Stats	Energy		Demand	Other Charges kW	Other Charges kWh	Commodity		Service Charge	Demand	Other Charges kW	Other Charges kWh	Commodity	\$		%	
			\$ 1.42	\$ 4.21	\$ 0.0132	\$ 0.0550			\$ 1.54	\$ 4.21	\$ 0.0132	\$ 0.0550				
3,000	800,000	\$ 4,588.58	\$ 4,260	\$ 12,641	\$ 10,560	\$ 44,000	\$ 76,050	\$ 4,588.58	\$ 4,620	\$ 12,641	\$ 10,560	\$ 44,000	\$ 76,410	\$ 360	0.47%	
3,000	1,000,000.0	\$ 4,588.58	\$ 4,260	\$ 12,641	\$ 13,200	\$ 55,000	\$ 89,690	\$ 4,588.58	\$ 4,620	\$ 12,641	\$ 13,200	\$ 55,000	\$ 90,050	\$ 360	0.40%	
4,000	1,200,000	\$ 4,588.58	\$ 5,680	\$ 16,855	\$ 15,840	\$ 66,000	\$ 108,964	\$ 4,588.58	\$ 6,160	\$ 16,855	\$ 15,840	\$ 66,000	\$ 109,444	\$ 480	0.44%	
4,000	1,800,000	\$ 4,588.58	\$ 5,680	\$ 16,855	\$ 23,760	\$ 99,000	\$ 149,884	\$ 4,588.58	\$ 6,160	\$ 16,855	\$ 23,760	\$ 99,000	\$ 150,364	\$ 480	0.32%	

Blenheim

Billing Stats		Service		Other		Other		Total	Service		Other		Other		Total	Net Change	
Demand		Charge	Demand	Charges kW	Charges kWh	Commodity	Charge		Demand	Charges kW	Charges kWh	Commodity	\$	%			
			\$ 1.11	\$ 4.21	\$ 0.0132	\$ 0.0550				\$ 1.07	\$ 4.21	\$ 0.0132	\$ 0.0550				
3,000	800,000	\$ 2,346.99	\$ 3,330	\$ 12,641	\$ 10,560	\$ 44,000	\$ 72,878	\$ 2,346.99	\$ 3,216	\$ 12,641	\$ 10,560	\$ 44,000	\$ 72,765	\$ (114)	-0.16%		
3,000	1,000,000.0	\$ 2,346.99	\$ 3,330	\$ 12,641	\$ 13,200	\$ 55,000	\$ 86,518	\$ 2,346.99	\$ 3,216	\$ 12,641	\$ 13,200	\$ 55,000	\$ 86,405	\$ (114)	-0.13%		
4,000	1,200,000	\$ 2,346.99	\$ 4,440	\$ 16,855	\$ 15,840	\$ 66,000	\$ 105,482	\$ 2,346.99	\$ 4,288	\$ 16,855	\$ 15,840	\$ 66,000	\$ 105,331	\$ (152)	-0.14%		
4,000	1,800,000	\$ 2,346.99	\$ 4,440	\$ 16,855	\$ 23,760	\$ 99,000	\$ 146,402	\$ 2,346.99	\$ 4,288	\$ 16,855	\$ 23,760	\$ 99,000	\$ 146,251	\$ (152)	-0.10%		

Chatham Kent Hydro
Proposed LU Rates April 1, 2004Current Rates
Chatham

Billing Stats		Current Rates							2004 Rates							Net Change					
Demand	Energy	Service Charge	Demand	Other Charges kW	Other Charges kWh	Commodity	Total	Service Charge	Demand	Other Charges kW	Other Charges kWh	Commodity	Total								
			\$		\$		\$			\$			\$		\$						
			1.87		4.21		0.0132		0.0550				1.88		4.21		0.0132		0.0550		
5,500	2,000,000	\$ 11,298.32	\$ 10,285	\$ 23,176	\$ 26,400	\$ 110,000	\$ 181,159	\$11,298.32	\$ 10,347	\$ 23,176	\$ 26,400	\$ 110,000	\$181,221	\$ 62	0.03%						
5,500	2,200,000	\$ 11,298.32	\$ 10,285	\$ 23,176	\$ 29,040	\$ 121,000	\$ 194,799	\$11,298.32	\$ 10,347	\$ 23,176	\$ 29,040	\$ 121,000	\$194,861	\$ 62	0.03%						
6,000	2,800,000	\$ 11,298.32	\$ 11,220	\$ 25,283	\$ 36,960	\$ 154,000	\$ 238,761	\$11,298.32	\$ 11,287	\$ 25,283	\$ 36,960	\$ 154,000	\$238,828	\$ 67	0.03%						
6,000	3,000,000	\$ 11,298.32	\$ 11,220	\$ 25,283	\$ 39,600	\$ 165,000	\$ 252,401	\$11,298.32	\$ 11,287	\$ 25,283	\$ 39,600	\$ 165,000	\$252,468	\$ 67	0.03%						

Wallaceburg

Billing Stats		Service								Net Change																
		Demand		Other Charges kW		Other Charges kWh		Commodity		Total		Service Charge		Demand		Other Charges kW		Other Charges kWh		Commodity		Total		Net Change \$ %		
				\$	1.99	\$	4.21	\$	0.0132	\$	0.0550			\$	2.17	\$	4.21	\$	0.0132	\$	0.0550			\$		
5,500	2,000,000	\$	13,421.94	\$	10,945	\$	23,176	\$	26,400	\$	110,000	\$	183,943	\$13,421.94	\$	11,949	\$	23,176	\$	26,400	\$	110,000	\$184,947	\$	1,004	0.55%
5,500	2,200,000	\$	13,421.94	\$	10,945	\$	23,176	\$	29,040	\$	121,000	\$	197,583	\$13,421.94	\$	11,949	\$	23,176	\$	29,040	\$	121,000	\$198,587	\$	1,004	0.51%
6,000	2,800,000	\$	13,421.94	\$	11,940	\$	25,283	\$	36,960	\$	154,000	\$	241,605	\$13,421.94	\$	13,036	\$	25,283	\$	36,960	\$	154,000	\$242,700	\$	1,096	0.45%
6,000	3,000,000	\$	13,421.94	\$	11,940	\$	25,283	\$	39,600	\$	165,000	\$	255,245	\$13,421.94	\$	13,036	\$	25,283	\$	39,600	\$	165,000	\$256,340	\$	1,096	0.43%

Chatham Kent Hydro

Residential Class Customer Impacts- Effective April 1, 2004

	Existing Rates						2004 Adjusted Rates						Net Change	
	Volume	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Total	Service Charge	Energy Rate	Other Charges Rate	Commodity Rate	Additional	Total	\$	%
Blenheim	1,500	4.08	0.0037	0.0239	0.0430	109.98	4.08	0.0035	0.0239	0.0470	0.0550	121.66	11.68	10.62%
	1,279	4.08	0.0037	0.0239	0.0430	94.38	4.08	0.0035	0.0239	0.0470	0.0550	103.45	9.08	9.62%
	1,000	4.08	0.0037	0.0239	0.0430	74.68	4.08	0.0035	0.0239	0.0470	0.0550	80.47	5.79	7.75%
	750	4.08	0.0037	0.0239	0.0430	57.03	4.08	0.0035	0.0239	0.0470	0.0550	59.87	2.84	4.98%
	500	4.08	0.0037	0.0239	0.0430	39.38	4.08	0.0035	0.0239	0.0470	0.0550	41.27	1.89	4.81%
	250	4.08	0.0037	0.0239	0.0430	21.73	4.08	0.0035	0.0239	0.0470	0.0550	22.68	0.95	4.36%
Bothwell	1,500	14.56	0.0119	0.0239	0.0430	132.76	14.56	0.0112	0.0239	0.0470	0.0550	143.69	10.93	9.94%
	1,279	14.56	0.0119	0.0239	0.0430	115.35	14.56	0.0112	0.0239	0.0470	0.0550	123.78	8.43	8.94%
	1,000	14.56	0.0119	0.0239	0.0430	93.36	14.56	0.0112	0.0239	0.0470	0.0550	98.64	5.28	7.08%
	750	14.56	0.0119	0.0239	0.0430	73.66	14.56	0.0112	0.0239	0.0470	0.0550	76.12	2.46	4.32%
	500	14.56	0.0119	0.0239	0.0430	53.96	14.56	0.0112	0.0239	0.0470	0.0550	55.60	1.64	4.17%
	250	14.56	0.0119	0.0239	0.0430	34.26	14.56	0.0112	0.0239	0.0470	0.0550	35.08	0.82	3.78%
Chatham	1,500	12.93	0.0112	0.0239	0.0430	130.08	12.93	0.0106	0.0239	0.0470	0.0550	141.15	11.07	8.51%
	1,279	12.93	0.0112	0.0239	0.0430	112.82	12.93	0.0106	0.0239	0.0470	0.0550	117.14	4.32	3.83%
	1,000	12.93	0.0112	0.0239	0.0430	91.03	12.93	0.0106	0.0239	0.0470	0.0550	94.41	3.38	3.71%
	750	12.93	0.0112	0.0239	0.0430	71.51	12.93	0.0106	0.0239	0.0470	0.0550	74.04	2.53	3.54%
	500	12.93	0.0112	0.0239	0.0430	51.98	12.93	0.0106	0.0239	0.0470	0.0550	53.67	1.69	3.25%
	250	12.93	0.0112	0.0239	0.0430	32.46	12.93	0.0106	0.0239	0.0470	0.0550	33.30	0.84	2.60%
Dresden	1,500	12.98	0.0106	0.0239	0.0430	129.23	12.98	0.0102	0.0239	0.0470	0.0550	140.57	11.34	8.78%
	1,279	12.98	0.0106	0.0239	0.0430	112.10	12.98	0.0102	0.0239	0.0470	0.0550	116.66	4.56	4.06%
	1,000	12.98	0.0106	0.0239	0.0430	90.48	12.98	0.0102	0.0239	0.0470	0.0550	94.04	3.56	3.94%
	750	12.98	0.0106	0.0239	0.0430	71.11	12.98	0.0102	0.0239	0.0470	0.0550	73.78	2.67	3.76%
	500	12.98	0.0106	0.0239	0.0430	51.73	12.98	0.0102	0.0239	0.0470	0.0550	53.51	1.78	3.44%
	250	12.98	0.0106	0.0239	0.0430	32.36	12.98	0.0102	0.0239	0.0470	0.0550	33.25	0.89	2.75%

Erieau	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	10.20	0.0089	0.0239	0.0430	123.90	10.20	0.0082	0.0239	0.0470	0.0550	134.90	11.00	8.88%
	1,279	10.20	0.0089	0.0239	0.0430	107.15	10.20	0.0082	0.0239	0.0470	0.0550	111.41	4.27	3.98%
	1,000	10.20	0.0089	0.0239	0.0430	86.00	10.20	0.0082	0.0239	0.0470	0.0550	89.34	3.34	3.88%
	750	10.20	0.0089	0.0239	0.0430	67.05	10.20	0.0082	0.0239	0.0470	0.0550	69.55	2.50	3.73%
	500	10.20	0.0089	0.0239	0.0430	48.10	10.20	0.0082	0.0239	0.0470	0.0550	49.77	1.67	3.47%
	250	10.20	0.0089	0.0239	0.0430	29.15	10.20	0.0082	0.0239	0.0470	0.0550	29.98	0.83	2.86%

Merlin	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	14.25	0.0114	0.0239	0.0430	131.70	14.25	0.0098	0.0239	0.0470	0.0550	141.24	9.54	7.24%
	1,279	14.25	0.0114	0.0239	0.0430	114.40	14.25	0.0098	0.0239	0.0470	0.0550	117.41	3.02	2.64%
	1,000	14.25	0.0114	0.0239	0.0430	92.55	14.25	0.0098	0.0239	0.0470	0.0550	94.91	2.36	2.55%
	750	14.25	0.0114	0.0239	0.0430	72.98	14.25	0.0098	0.0239	0.0470	0.0550	74.74	1.77	2.42%
	500	14.25	0.0114	0.0239	0.0430	53.40	14.25	0.0098	0.0239	0.0470	0.0550	54.58	1.18	2.21%
	250	14.25	0.0114	0.0239	0.0430	33.83	14.25	0.0098	0.0239	0.0470	0.0550	34.41	0.59	1.74%

Ridgetown	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	14.10	0.0121	0.0239	0.0430	132.60	14.10	0.0103	0.0239	0.0470	0.0550	141.83	9.23	6.96%
	1,279	14.10	0.0121	0.0239	0.0430	115.14	14.10	0.0103	0.0239	0.0470	0.0550	117.89	2.75	2.39%
	1,000	14.10	0.0121	0.0239	0.0430	93.10	14.10	0.0103	0.0239	0.0470	0.0550	95.25	2.15	2.31%
	750	14.10	0.0121	0.0239	0.0430	73.35	14.10	0.0103	0.0239	0.0470	0.0550	74.96	1.61	2.20%
	500	14.10	0.0121	0.0239	0.0430	53.60	14.10	0.0103	0.0239	0.0470	0.0550	54.68	1.08	2.01%
	250	14.10	0.0121	0.0239	0.0430	33.85	14.10	0.0103	0.0239	0.0470	0.0550	34.39	0.54	1.59%

Thamesville	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	7.55	0.0067	0.0239	0.0430	117.95	7.55	0.0087	0.0239	0.0470	0.0550	133.01	15.06	12.77%
	1,279	7.55	0.0067	0.0239	0.0430	101.68	7.55	0.0087	0.0239	0.0470	0.0550	109.41	7.73	7.60%
	1,000	7.55	0.0067	0.0239	0.0430	81.15	7.55	0.0087	0.0239	0.0470	0.0550	87.19	6.04	7.45%
	750	7.55	0.0067	0.0239	0.0430	62.75	7.55	0.0087	0.0239	0.0470	0.0550	67.28	4.53	7.22%
	500	7.55	0.0067	0.0239	0.0430	44.35	7.55	0.0087	0.0239	0.0470	0.0550	47.37	3.02	6.81%
	250	7.55	0.0067	0.0239	0.0430	25.95	7.55	0.0087	0.0239	0.0470	0.0550	27.46	1.51	5.82%

Tilbury	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	11.32	0.0096	0.0239	0.0430	126.07	11.32	0.0080	0.0239	0.0470	0.0550	135.66	9.59	7.61%
	1,279	11.32	0.0096	0.0239	0.0430	109.16	11.32	0.0080	0.0239	0.0470	0.0550	112.23	3.07	2.81%
	1,000	11.32	0.0096	0.0239	0.0430	87.82	11.32	0.0080	0.0239	0.0470	0.0550	90.22	2.40	2.73%
	750	11.32	0.0096	0.0239	0.0430	68.70	11.32	0.0080	0.0239	0.0470	0.0550	70.49	1.80	2.62%
	500	11.32	0.0096	0.0239	0.0430	49.57	11.32	0.0080	0.0239	0.0470	0.0550	50.77	1.20	2.42%
	250	11.32	0.0096	0.0239	0.0430	30.45	11.32	0.0080	0.0239	0.0470	0.0550	31.04	0.60	1.97%

Wallaceburg	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	14.93	0.0128	0.0239	0.0430	134.48	14.93	0.0121	0.0239	0.0470	0.0550	145.37	10.89	8.10%
	1,279	14.93	0.0128	0.0239	0.0430	116.87	14.93	0.0121	0.0239	0.0470	0.0550	121.04	4.17	3.57%
	1,000	14.93	0.0128	0.0239	0.0430	94.63	14.93	0.0121	0.0239	0.0470	0.0550	97.89	3.26	3.45%
	750	14.93	0.0128	0.0239	0.0430	74.71	14.93	0.0121	0.0239	0.0470	0.0550	77.15	2.45	3.28%
	500	14.93	0.0128	0.0239	0.0430	54.78	14.93	0.0121	0.0239	0.0470	0.0550	56.41	1.63	2.98%
	250	14.93	0.0128	0.0239	0.0430	34.86	14.93	0.0121	0.0239	0.0470	0.0550	35.67	0.82	2.34%

Wheatley	<u>Volume</u>	Service	Energy	Other	Commodity	<u>Total</u>	Service	Energy	Other	Commodity	Additional	<u>Total</u>	\$	%
		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>		<u>Charge</u>	<u>Rate</u>	<u>Charges</u> <u>Rate</u>	<u>Rate</u>	<u>Commodity</u>			
	1,500	10.74	0.0084	0.0239	0.0430	123.69	10.74	0.0081	0.0239	0.0470	0.0550	135.29	11.60	9.38%
	1,279	10.74	0.0084	0.0239	0.0430	107.05	10.74	0.0081	0.0239	0.0470	0.0550	111.83	4.78	4.46%
	1,000	10.74	0.0084	0.0239	0.0430	86.04	10.74	0.0081	0.0239	0.0470	0.0550	89.78	3.74	4.34%
	750	10.74	0.0084	0.0239	0.0430	67.22	10.74	0.0081	0.0239	0.0470	0.0550	70.02	2.80	4.17%
	500	10.74	0.0084	0.0239	0.0430	48.39	10.74	0.0081	0.0239	0.0470	0.0550	50.26	1.87	3.86%
	250	10.74	0.0084	0.0239	0.0430	29.57	10.74	0.0081	0.0239	0.0470	0.0550	30.50	0.93	3.16%

Chatham Kent Hydro
General Service Class Customer Impacts
GS < 50 kW - All Areas

Existing Old Rates Delivery Revenue							New Rates Delivery Revenue							NET CHANGE	
Volume kwh	Service Charge	Energy	Trans Allowance	Other Charges	Commodity	Total Bill	Service Charge	Energy	Trans Allow	Other Charges	Frist 750	Additional Commodity	Total		
1,000	35.02	0.0069	0.60	0.0229	0.043	\$107.82	35.02	0.0064	0.60	0.0229	0.0470	0.0550	\$ 113.32	5.50	5.10%
2,000	35.02	0.0069	0.60	0.0229	0.043	\$180.62	35.02	0.0064	0.60	0.0229	0.0470	0.0550	\$ 197.62	17.00	9.41%
5,000	35.02	0.0069	0.60	0.0229	0.043	\$399.02	35.02	0.0064	0.60	0.0229	0.0470	0.0550	\$ 450.52	51.50	12.91%
10,000	35.02	0.0069	0.60	0.0229	0.043	\$763.02	35.02	0.0064	0.60	0.0229	0.0470	0.0550	\$ 872.02	109.00	14.29%
15,000	35.02	0.0069	0.60	0.0229	0.043	\$1,127.02	35.02	0.0064	0.60	0.0229	0.0470	0.0550	\$ 1,293.52	166.50	14.77%

2005

2005 Rate Adjustment Model

Name of Utility: Chatham-Kent Hydro

License Number: ED-2002-0563

File Number: RP-2005-0013

EB-2005-0017

Name of Contact: Jim Hogan

E- Mail Address: jimhogan@ckenergy.com

Phone Number: 519-352-6300 (277)

Date: March 10, 2005

Version Number: **2005.V1.1**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM.

Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

Service Area - Blenheim

Distribution kWh Rate	\$0.0030
-----------------------	----------

Monthly Service Charge (Per Customer)	\$3.49
---------------------------------------	--------

Service Area - Bothwell

Distribution kWh Rate	\$0.0094
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.35
---------------------------------------	---------

Service Area - Chatham

Distribution kWh Rate	\$0.0088
-----------------------	----------

Monthly Service Charge (Per Customer)	\$11.08
---------------------------------------	---------

Service Area - Dresden

Distribution kWh Rate	\$0.0085
-----------------------	----------

Monthly Service Charge (Per Customer)	\$11.06
---------------------------------------	---------

Service Area - Erieau

Distribution kWh Rate	\$0.0070
-----------------------	----------

Monthly Service Charge (Per Customer)	\$8.80
---------------------------------------	--------

Service Area - Merlin

Distribution kWh Rate	\$0.0081
-----------------------	----------

Monthly Service Charge (Per Customer)	\$11.83
---------------------------------------	---------

SHEET 1 - 2002 Base Rate Schedule

Service Area - Ridgetown	
Distribution kWh Rate	\$0.0096

Monthly Service Charge (Per Customer)	\$12.13
---------------------------------------	---------

Service Area - Thamesville	
Distribution kWh Rate	\$0.0052

Monthly Service Charge (Per Customer)	\$6.40
---------------------------------------	--------

Service Area - Tilbury	
Distribution kWh Rate	\$0.0076

Monthly Service Charge (Per Customer)	\$9.63
---------------------------------------	--------

Service Area - Wallaceburg	
Distribution kWh Rate	\$0.0100

Monthly Service Charge (Per Customer)	\$12.75
---------------------------------------	---------

Service Area - Wheatley	
Distribution kWh Rate	\$0.0069

Monthly Service Charge (Per Customer)	\$9.09
---------------------------------------	--------

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
-----------------------	--

Monthly Service Charge (Per Customer)	
---------------------------------------	--

SHEET 1 - 2002 Base Rate Schedule

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0056
-----------------------	----------

Monthly Service Charge (Per Customer)	\$28.68
---------------------------------------	---------

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$0.8600
----------------------	----------

Monthly Service Charge (Per Customer)	\$119.47
---------------------------------------	----------

GENERAL SERVICE > 50 KW (TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$0.9000
----------------------	----------

Monthly Service Charge (Per Customer)	\$1,802.28
---------------------------------------	------------

Service Area - Chatham

Distribution KW Rate	\$1.2200
----------------------	----------

Monthly Service Charge (Per Customer)	\$3,591.91
---------------------------------------	------------

INTERMEDIATE USE

Distribution KW Rate	
----------------------	--

Monthly Service Charge (Per Customer)	
---------------------------------------	--

LARGE USE

Service Area - Chatham

Distribution KW Rate	\$1.6500
----------------------	----------

Monthly Service Charge (Per Customer)	\$9,164.35
---------------------------------------	------------

Service Area - Wallaceburg

	\$1.8000
--	----------

Monthly Service Charge (Per Customer)	\$11,442.82
---------------------------------------	-------------

SHEET 1 - 2002 Base Rate Schedule

SENTINEL LIGHTS (NON TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$0.4800
----------------------	----------

Monthly Service Charge (Per Connection)	\$1.58
---	--------

Service Area - Bothwell

Distribution KW Rate	\$0.4600
----------------------	----------

Monthly Service Charge (Per Connection)	\$2.86
---	--------

Service Area - Chatham

Distribution KW Rate	\$0.4700
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.34
---	--------

Service Area - Dresden

Distribution KW Rate	\$0.4900
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.06
---	--------

Service Area - Erieau

Distribution KW Rate	\$0.1700
----------------------	----------

Monthly Service Charge (Per Connection)	\$2.87
---	--------

Service Area - Merlin

Distribution KW Rate	\$0.0300
----------------------	----------

Monthly Service Charge (Per Connection)	\$0.38
---	--------

SHEET 1 - 2002 Base Rate Schedule

Service Area - Ridgetown	
Distribution KW Rate	\$0.4100
Monthly Service Charge (Per Connection)	\$2.37
Service Area - Thamesville	
Distribution KW Rate	\$0.5000
Monthly Service Charge (Per Connection)	\$2.51
Service Area - Tilbury	
Distribution KW Rate	\$0.4800
Monthly Service Charge (Per Connection)	\$3.51
Service Area - Wallaceburg	
Distribution KW Rate	\$0.2700
Monthly Service Charge (Per Connection)	\$4.14
Service Area - Wheatley	
Distribution KW Rate	\$0.1400
Monthly Service Charge (Per Connection)	\$1.85

SHEET 1 - 2002 Base Rate Schedule

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$2.1000
Monthly Service Charge (Per Connection)	\$4,498.24

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Enter the final MARR installment calculated in the 2001 RUD Model	\$ 970,265.00
---	---------------

Have you applied for approval of your C&DM plan?	yes
--	-----

Enter the amount applied for your C&DM plan	\$1,000,000.00
---	----------------

Has the C&DM application been approved?	no
---	----

Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount)	\$ 970,265.00
--	---------------

Grossed-up MARR based on 14 months recovery over 13 months.	\$ 1,044,900.77
---	-----------------

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
 1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
 You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class		240,322,061	27,770	\$4,302,156	58.97%	\$616,224
General Service < 50 KW Class		114,548,638	3,556	\$1,619,180	22.20%	\$231,925
General Service > 50 KW Non-Time of Use	1,094,813	385,151,907	448	\$825,683	11.32%	\$118,268
General Service > 50 KW Time of Use	150,890	77,472,275	4	\$166,132	2.28%	\$23,796
Intermediate Use	0	0	0	\$0	0.00%	\$0
Large Class User	91,794	38,113,071	2	\$286,141	3.92%	\$40,986
Sentinel Lights	1,979	529,223	220	\$10,252	0.14%	\$1,468
Street Lighting	22,715	7,685,190	1	\$85,405	1.17%	\$12,233
TOTALS	1,362,191	863,822,365	32,001	\$7,294,949	100.00%	\$1,044,901
Grossed-up MARR Value =====>						\$1,044,901

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Allocation of Residential by Service Area

	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	15,237,677	1,659	\$ 40,912	1.0%	\$5,860
Bothwell	3,577,559	379	\$ 73,758	1.7%	\$10,565
Chatham	133,527,329	15,689	\$ 2,510,751	58.4%	\$359,630
Dresden	9,396,371	1,011	\$ 164,449	3.8%	\$23,555
Erieau	2,562,356	346	\$ 41,790	1.0%	\$5,986
Merlin	2,762,675	268	\$ 60,089	1.4%	\$8,607
Ridgetown	10,601,323	1,338	\$ 233,359	5.4%	\$33,425
Thamesville	3,112,918	364	\$ 30,637	0.7%	\$4,388
Tilbury	16,240,546	1,751	\$ 245,218	5.7%	\$35,124
Wallaceburg	37,655,069	4,365	\$ 823,356	19.1%	\$117,934
Wheatley	5,648,238	600	\$ 77,839	1.8%	\$11,149
	240,322,061	27,770	\$ 4,302,158	100.0%	\$616,224

Allocation of GS > 50 kW TOU by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	41,753	21,425,089	1	\$ 64,062	38.6%	\$9,176
Chatham	109,141	56,047,186	3	\$ 102,070	61.4%	\$14,620
	150,894	77,472,275	4	\$ 166,132	100.0%	\$23,796

Allocation of Large User by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Chatham	45,490	25,051,899	1	\$ 115,895	40.5%	\$16,600
Wallaceburg	46,304	13,061,172	1	\$ 170,246	59.5%	\$24,385
	91,794	38,113,071	2	\$ 286,141	100.0%	\$40,986

Allocation of Sentinel by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	73	26,316	22	\$ 363	3.5%	\$52
Bothwell	63	24,179	12	\$ 429	4.2%	\$61
Chatham	549	197,875	58	\$ 3,798	37.0%	\$544
Dresden	158	57,290	18	\$ 1,059	10.3%	\$152
Erieau	0	-	-	\$ -	0.0%	\$0
Merlin	532	6,888	8	\$ 146	1.4%	\$21
Ridgetown	69	24,823	18	\$ 409	4.0%	\$59
Thamesville	62	21,960	13	\$ 1,017	9.9%	\$146
Tilbury	132	46,014	22	\$ 504	4.9%	\$72
Wallaceburg	300	107,744	39	\$ 2,316	22.6%	\$332
Wheatley	41	16,134	10	\$ 212	2.1%	\$30
	1,979	529,223	220	\$ 10,253	100.0%	\$1,468

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$5,860
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$2,028	\$3,832	\$5,860
(D) Number of kWh	15,237,677		
(E) Number of Customers		1,659	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0001		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1925	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$10,565
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$3,655	\$6,909	\$10,565
(D) Number of kWh	3,577,559		
(E) Number of Customers		379	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0010		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.5192	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$359,630
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$124,432	\$235,198	\$359,630
(D) Number of kWh	133,527,329		
(E) Number of Customers		15,689	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0009		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.2493	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$23,555
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$8,150	\$15,405	\$23,555
(D) Number of kWh	9,396,371		
(E) Number of Customers		1,011	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0009		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.2698	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$5,986
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$2,071	\$3,915	\$5,986
(D) Number of kWh	2,562,356		
(E) Number of Customers		346	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0008		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.9429	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$8,607
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$2,978	\$5,629	\$8,607
(D) Number of kWh	2,762,675		
(E) Number of Customers		268	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0011		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.7503	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$33,425
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$11,565	\$21,860	\$33,425
(D) Number of kWh	10,601,323		
(E) Number of Customers		1,338	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0011		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.3615	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Thamesville			
(A) Allocated MARR			\$4,388
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$1,518	\$2,870	\$4,388
(D) Number of kWh	3,112,918		
(E) Number of Customers		364	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0005		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.6570	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Tilbury			
(A) Allocated MARR			\$35,124
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$12,153	\$22,971	\$35,124
(D) Number of kWh	16,240,546		
(E) Number of Customers		1,751	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.0932	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$117,934
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$40,805	\$77,129	\$117,934
(D) Number of kWh	37,655,069		
(E) Number of Customers		4,365	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0011		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.4725	
Service Area - Wheatley			
(A) Allocated MARR			\$11,149
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$3,858	\$7,292	\$11,149
(D) Number of kWh	5,648,238		
(E) Number of Customers		600	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.0127	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$231,925
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$80,246	\$151,679	\$231,925
(D) Number of kWh	114,548,638		
(E) Number of Customers		3,556	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$3.5545	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$118,268
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$40,921	\$77,347	\$118,268
(D) Number of kW	1,094,813		
(E) Number of Customers		448	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.0374		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$14.3875	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$9,176
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$3,175	\$6,001	\$9,176
(D) Number of kW	41,753		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0760		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$500.0919	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$14,620
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$5,059	\$9,562	\$14,620
(D) Number of kW	109,141		
(E) Number of Customers		3	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0463		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$265.5988	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$16,600
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$5,744	\$10,857	\$16,600
(D) Number of kW	45,490		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1263		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$904.7196	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$24,385
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$8,437	\$15,948	\$24,385
(D) Number of kW	46,304		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1822		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1,329.0038	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$52
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$18	\$34	\$52
(D) Number of kW	73		
(E) Number of Customers		22	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2464		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1288	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$61
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$21	\$40	\$61
(D) Number of kW	63		
(E) Number of Customers		12	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.3374		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.2791	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$544
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$188	\$356	\$544
(D) Number of kW	549		
(E) Number of Customers		58	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.3428		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.5111	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$152
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$52	\$99	\$152
(D) Number of kW	158		
(E) Number of Customers		18	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.3321		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.4592	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$21
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$7	\$14	\$21
(D) Number of kW	532		
(E) Number of Customers		8	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0136		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1425	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$59
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$20	\$38	\$59
(D) Number of kW	69		
(E) Number of Customers		18	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2937		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1774	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Thamesville			
(A) Allocated MARR			\$146
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$50	\$95	\$146
(D) Number of kW	62		
(E) Number of Customers		13	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.8129		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.6106	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Tilbury			
(A) Allocated MARR			\$72
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$25	\$47	\$72
(D) Number of kW	132		
(E) Number of Customers		22	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1892		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1788	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$332
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$115	\$217	\$332
(D) Number of kW	300		
(E) Number of Customers		39	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.3826		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.4635	
Service Area - Wheatley			
(A) Allocated MARR			\$30
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$11	\$20	\$30
(D) Number of kW	41		
(E) Number of Customers		10	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2562		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.1655	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$12,233
(B) Fixed-Variable Split (%)	34.6%	65.4%	100%
(C) Re-Allocated MARR (\$)	\$4,233	\$8,000	\$12,233
(D) Number of kW	22,715		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1863		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$666.7033	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

RESIDENTIAL**Service Area - Blenheim**

Distribution kWh Rate	\$0.0031
-----------------------	----------

Monthly Service Charge (Per Customer)	\$3.68
---------------------------------------	--------

Service Area - Bothwell

Distribution kWh Rate	\$0.0104
-----------------------	----------

Monthly Service Charge (Per Customer)	\$13.87
---------------------------------------	---------

Service Area - Chatham

Distribution kWh Rate	\$0.0097
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.33
---------------------------------------	---------

Service Area - Dresden

Distribution kWh Rate	\$0.0094
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.33
---------------------------------------	---------

Service Area - Erieau

Distribution kWh Rate	\$0.0078
-----------------------	----------

Monthly Service Charge (Per Customer)	\$9.74
---------------------------------------	--------

Service Area - Merlin

Distribution kWh Rate	\$0.0092
-----------------------	----------

Monthly Service Charge (Per Customer)	\$13.58
---------------------------------------	---------

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Service Area - Ridgetown	
Distribution kWh Rate	\$0.0107

Monthly Service Charge (Per Customer)	\$13.49
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Service Area - Thamesville	
Distribution kWh Rate	\$0.0057

Monthly Service Charge (Per Customer)	\$7.06
---------------------------------------	--------

Service Area - Tilbury	
Distribution kWh Rate	\$0.0083

Monthly Service Charge (Per Customer)	\$10.72
---------------------------------------	---------

Service Area - Wallaceburg	
Distribution kWh Rate	\$0.0111

Monthly Service Charge (Per Customer)	\$14.22
---------------------------------------	---------

Service Area - Wheatley	
Distribution kWh Rate	\$0.0076

Monthly Service Charge (Per Customer)	\$10.10
---------------------------------------	---------

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
-----------------------	--

Monthly Service Charge (Per Customer)	
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SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

GENERAL SERVICE < 50 KW (NON TIME OF USE)

Distribution kWh Rate	\$0.0063
-----------------------	----------

Monthly Service Charge (Per Customer)	\$32.23
---------------------------------------	---------

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$0.8974
----------------------	----------

Monthly Service Charge (Per Customer)	\$133.86
---------------------------------------	----------

GENERAL SERVICE > 50 KW (TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$0.9760
----------------------	----------

Monthly Service Charge (Per Customer)	\$2,302.37
---------------------------------------	------------

Service Area - Chatham

Distribution KW Rate	\$1.2663
----------------------	----------

Monthly Service Charge (Per Customer)	\$3,857.51
---------------------------------------	------------

INTERMEDIATE USE

Distribution KW Rate	
----------------------	--

Monthly Service Charge (Per Customer)	
---------------------------------------	--

LARGE USE

Service Area - Chatham

Distribution KW Rate	\$1.7763
----------------------	----------

Monthly Service Charge (Per Customer)	\$10,069.07
---------------------------------------	-------------

Service Area - Wallaceburg

	\$1.9822
--	----------

Monthly Service Charge (Per Customer)	\$12,771.82
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SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

SENTINEL LIGHTS (NON TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$0.7264
----------------------	----------

Monthly Service Charge (Per Connection)	\$1.71
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Service Area - Bothwell

Distribution KW Rate	\$0.7974
----------------------	----------

Monthly Service Charge (Per Connection)	\$3.14
---	--------

Service Area - Chatham

Distribution KW Rate	\$0.8074
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.85
---	--------

Service Area - Dresden

Distribution KW Rate	\$0.8221
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.52
---	--------

Service Area - Erieau

Distribution KW Rate	\$0.1700
----------------------	----------

Monthly Service Charge (Per Connection)	\$2.87
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Service Area - Merlin

Distribution KW Rate	\$0.0436
----------------------	----------

Monthly Service Charge (Per Connection)	\$0.52
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SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Service Area - Ridgetown	
Distribution KW Rate	\$0.7037
Monthly Service Charge (Per Connection)	\$2.55
Service Area - Thamesville	
Distribution KW Rate	\$1.3129
Monthly Service Charge (Per Connection)	\$3.12
Service Area - Tilbury	
Distribution KW Rate	\$0.6692
Monthly Service Charge (Per Connection)	\$3.69
Service Area - Wallaceburg	
Distribution KW Rate	\$0.6526
Monthly Service Charge (Per Connection)	\$4.60
Service Area - Wheatley	
Distribution KW Rate	\$0.3962
Monthly Service Charge (Per Connection)	\$2.02

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$2.2863
Monthly Service Charge (Per Connection)	\$5,164.94

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount

\$ 1,714,352.00

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2005 PILs Proxy Allocation
Residential Class	0	248,324,523	28,204	\$6,789,194	60.9%	\$1,043,429
General Service < 50 KW Class	42,776	107,128,527	3,273	\$2,052,938	18.4%	\$315,515
General Service > 50 KW Non-Time of Use	1,013,027	396,146,453	438	\$1,437,248	12.9%	\$220,890
General Service > 50 KW Time of Use	141,975	64,160,678	4	\$352,321	3.2%	\$54,148
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	116,775	40,010,798	2	\$394,763	3.5%	\$60,671
Sentinel Lights	1,361	418,184	363	\$17,678	0.2%	\$2,717
Street Lighting	22,225	8,065,495	1	\$110,490	1.0%	\$16,981
TOTALS		864,254,658	32,285	\$11,154,632	1.00	\$1,714,352
				2005 PILs Proxy Amount =====>		\$1,714,352

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Allocation of Residential by Service Area

	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	15,819,391	1,687	\$ 139,805	2.1%	\$21,487
Bothwell	3,680,038	388	\$ 110,639	1.6%	\$17,004
Chatham	139,169,853	15,994	\$ 3,993,514	58.8%	\$613,762
Dresden	9,624,043	1,006	\$ 256,444	3.8%	\$39,413
Erieau	2,597,275	335	\$ 63,911	0.9%	\$9,822
Merlin	2,237,409	282	\$ 64,423	0.9%	\$9,901
Ridgetown	10,742,282	1,345	\$ 354,740	5.2%	\$54,520
Thamesville	3,373,917	361	\$ 54,799	0.8%	\$8,422
Tilbury	17,653,441	1,839	\$ 411,759	6.1%	\$63,283
Wallaceburg	37,331,183	4,348	\$ 1,215,082	17.9%	\$186,746
Wheatley	6,095,691	619	\$ 124,078	1.8%	\$19,070
	248,324,523	28,204	\$ 6,789,194	100.0%	\$1,043,429

Allocation of GS > 50 kW TOU by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	45,432	17,323,383	1	\$ 70,464	20.0%	\$10,830
Chatham	96,543	46,837,295	3	\$ 281,856	80.0%	\$43,318
	141,975	64,160,678	4	\$ 352,320	100.0%	\$54,148

Allocation of Large User by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Chatham	55,024	24,323,494	1	\$ 207,856	52.6%	\$31,893
Wallaceburg	61,751	15,687,604	1	\$ 187,555	47.4%	\$28,778
	116,775	40,011,098	2	\$ 395,411	100.0%	\$60,671

Allocation of Sentinel by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	127	38,893	35	\$ 651	3.7%	\$100
Bothwell	36	10,979	11	\$ 570	3.2%	\$88
Chatham	478	146,773	108	\$ 6,570	37.2%	\$1,010
Dresden	109	33,488	26	\$ 1,500	8.5%	\$231
Erieau	0	-	-	\$ -	0.0%	\$0
Merlin	9	2,650	4	\$ 25	0.1%	\$4
Ridgetown	62	19,093	20	\$ 649	3.7%	\$100
Thamesville	59	18,239	16	\$ 938	5.3%	\$144
Tilbury	141	43,213	32	\$ 1,721	9.7%	\$265
Wallaceburg	302	92,816	102	\$ 4,898	27.7%	\$753
Wheatley	39	12,039	9	\$ 154	0.9%	\$24
	1,362	418,183	363	\$ 17,676	100.0%	\$2,717

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

RESIDENTIAL**Service Area - Blenheim**

Distribution kWh Rate	\$0.0045
-----------------------	----------

Monthly Service Charge (Per Customer)	\$3.68
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Service Area - Bothwell

Distribution kWh Rate	\$0.0150
-----------------------	----------

Monthly Service Charge (Per Customer)	\$13.87
---------------------------------------	---------

Service Area - Chatham

Distribution kWh Rate	\$0.0141
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.33
---------------------------------------	---------

Service Area - Dresden

Distribution kWh Rate	\$0.0135
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.33
---------------------------------------	---------

Service Area - Erieau

Distribution kWh Rate	\$0.0116
-----------------------	----------

Monthly Service Charge (Per Customer)	\$9.74
---------------------------------------	--------

Service Area - Merlin

Distribution kWh Rate	\$0.0136
-----------------------	----------

Monthly Service Charge (Per Customer)	\$13.58
---------------------------------------	---------

SHEET 5 - Rate Schedule including 2005 PILs

Service Area - Ridgetown

Distribution kWh Rate	\$0.0158
-----------------------	----------

Monthly Service Charge (Per Customer)	\$13.49
---------------------------------------	---------

Service Area - Thamesville

Distribution kWh Rate	\$0.0082
-----------------------	----------

Monthly Service Charge (Per Customer)	\$7.06
---------------------------------------	--------

Service Area - Tilbury

Distribution kWh Rate	\$0.0119
-----------------------	----------

Monthly Service Charge (Per Customer)	\$10.72
---------------------------------------	---------

Service Area - Wallaceburg

Distribution kWh Rate	\$0.0161
-----------------------	----------

Monthly Service Charge (Per Customer)	\$14.22
---------------------------------------	---------

Service Area - Wheatley

Distribution kWh Rate	\$0.0107
-----------------------	----------

Monthly Service Charge (Per Customer)	\$10.10
---------------------------------------	---------

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
-----------------------	--

Monthly Service Charge (Per Customer)	
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SHEET 5 - Rate Schedule including 2005 PILs

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0092
Monthly Service Charge (Per Customer)	\$32.23

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.1154
Monthly Service Charge (Per Customer)	\$133.86

GENERAL SERVICE > 50 KW (TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$1.2144
Monthly Service Charge (Per Customer)	\$2,302.37

Service Area - Chatham

Distribution KW Rate	\$1.7150
Monthly Service Charge (Per Customer)	\$3,857.51

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

LARGE USE

Service Area - Chatham

Distribution KW Rate	\$2.3559
Monthly Service Charge (Per Customer)	\$10,069.07

Service Area - Wallaceburg

	\$2.4482
Monthly Service Charge (Per Customer)	\$12,771.82

SHEET 5 - Rate Schedule including 2005 PILs

SENTINEL LIGHTS (NON TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$1.5143
----------------------	----------

Monthly Service Charge (Per Connection)	\$1.71
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Service Area - Bothwell

Distribution KW Rate	\$3.2311
----------------------	----------

Monthly Service Charge (Per Connection)	\$3.14
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Service Area - Chatham

Distribution KW Rate	\$2.9201
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.85
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Service Area - Dresden

Distribution KW Rate	\$2.9374
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.52
---	--------

Service Area - Erieau

Distribution KW Rate	\$0.1700
----------------------	----------

Monthly Service Charge (Per Connection)	\$2.87
---	--------

Service Area - Merlin

Distribution KW Rate	\$0.4706
----------------------	----------

Monthly Service Charge (Per Connection)	\$0.52
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SHEET 5 - Rate Schedule including 2005 PILs

Service Area - Ridgetown

Distribution KW Rate	\$2.3127
----------------------	----------

Monthly Service Charge (Per Connection)	\$2.55
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Service Area - Thamesville

Distribution KW Rate	\$3.7565
----------------------	----------

Monthly Service Charge (Per Connection)	\$3.12
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Service Area - Tilbury

Distribution KW Rate	\$2.5453
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Monthly Service Charge (Per Connection)	\$3.69
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Service Area - Wallaceburg

Distribution KW Rate	\$3.1455
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Monthly Service Charge (Per Connection)	\$4.60
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Service Area - Wheatley

Distribution KW Rate	\$1.0032
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Monthly Service Charge (Per Connection)	\$2.02
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SHEET 5 - Rate Schedule including 2005 PILs

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate

\$3.0504

Monthly Service Charge (Per Connection)

\$5,164.94

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

Distribution KW Rate

Monthly Service Charge (Per Connection)

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

LDCs should enter their December 3, 2003 balances for each regulatory asset account. In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10. In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied- for Balance as at Dec. 31, 2003
-------------	----------------	---

RSVA - Wholesale Market Service Charge	1580	\$1,393,842
RSVA - One-time Wholesale Market Service	1582	\$30,407
RSVA - Retail Transmission Network Charge	1584	-\$104,484
RSVA - Retail Transmission Connection Charge	1586	\$471,680
RSVA - Power	1588	\$85,453
Sub-Total for RSVA Accounts		\$1,876,898
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		\$533,258
Adjusted 2005 Recovery Amount (RSVA Accounts)		\$1,343,640

Other Regulatory Assets	1508	
Retail Cost Variance Account - Retail	1518	-\$27,331
Retail Cost Variance Account - STR	1548	\$37,069
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$273,062
Deferred Payments in Lieu of Taxes	1562	\$158,334
<i>PILs Contra Account</i>	1563	\$0
Qualifying Transition Costs	1570	\$592,001
Pre-Market Opening Energy Variances Total	1571	-\$612,900
Extra-Ordinary Event Losses	1572	
Deferred Rate Impact Amounts	1574	
Other Deferred Credits	2425	
Sub-Total for Non-RSVA Regulatory Asset Accounts		\$420,235
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		\$420,235

Total Adjusted Regulatory Assets	\$1,763,875
---	--------------------

33% of Total Adjusted Regulatory Assets	\$587,958.33
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SHEET 6 - December 31, 2003 Regulatory Assets

----- Please go to Section 1 -----

<u>Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:</u>		
Total Adjusted Balance for RSVA Accounts	(a)	\$1,343,640
33% of Total Adjusted Regulatory Assets	(b)	\$587,958
Remaining Final Amount to be recovered in future periods (a) - (b)		<u>\$755,682</u>

<u>Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:</u>	
33% OF Total Adjusted Regulatory Assets	N/A
Total Adjusted Balance for RSVA Accounts	N/A
Amount to be collected from RSVA Accounts	N/A
Amount to be collected from Non-RSVA accounts	N/A

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.



YES



NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.



YES



NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ 587,958.33

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 kWh Shares	2003 RSVA Allocations
Residential Class	0	248,324,523	28,204	\$6,789,194	28.7%	\$168,937
General Service < 50 KW Class	42,776	107,128,527	3,273	\$2,052,938	12.4%	\$72,880
General Service > 50 KW Non-Time of Use	1,013,027	396,146,453	438	\$1,437,248	45.8%	\$269,501
General Service > 50 KW Time of Use	141,975	64,160,678	4	\$352,321	7.4%	\$43,649
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	116,775	40,010,798	2	\$394,763	4.6%	\$27,220
Sentinel Lights	1,361	418,184	363	\$17,678	0.0%	\$284
Street Lighting	22,225	8,065,495	1	\$110,490	0.9%	\$5,487
TOTALS		864,254,658	32,285	\$11,154,632.00	1.00	\$587,958
				Allocated Total for RSVA accounts =====>		\$587,958

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Allocation of Residential by Service Area

	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	15,819,391	1,687	\$ 139,805	2.1%	\$3,479
Bothwell	3,680,038	388	\$ 110,639	1.6%	\$2,753
Chatham	139,169,853	15,994	\$ 3,993,514	58.8%	\$99,371
Dresden	9,624,043	1,006	\$ 256,444	3.8%	\$6,381
Erieau	2,597,275	335	\$ 63,911	0.9%	\$1,590
Merlin	2,237,409	282	\$ 64,423	0.9%	\$1,603
Ridgetown	10,742,282	1,345	\$ 354,740	5.2%	\$8,827
Thamesville	3,373,917	361	\$ 54,799	0.8%	\$1,364
Tilbury	17,653,441	1,839	\$ 411,759	6.1%	\$10,246
Wallaceburg	37,331,183	4,348	\$ 1,215,082	17.9%	\$30,235
Wheatley	6,095,691	619	\$ 124,078	1.8%	\$3,087
	248,324,523	28,204	\$ 6,789,194	100.0%	\$168,937

Allocation of GS > 50 kW TOU by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	45,432	17,323,383	1	\$ 70,464	20.0%	\$8,730
Chatham	96,543	46,837,295	3	\$ 281,856	80.0%	\$34,919
	141,975	64,160,678	4	\$ 352,320	100.0%	\$43,649

Allocation of Large User by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Chatham	55,024	24,323,494	1	\$ 207,856	52.6%	\$14,309
Wallaceburg	61,751	15,687,604	1	\$ 187,555	47.4%	\$12,911
	116,775	40,011,098	2	\$ 395,411	100.0%	\$27,220

Allocation of Sentinel by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	127	38893	35	\$ 651	3.7%	\$10
Bothwell	36	10979	11	\$ 570	3.2%	\$9
Chatham	478	146773	108	\$ 6,570	37.2%	\$106
Dresden	109	33488	26	\$ 1,500	8.5%	\$24
Erieau	0	0	0	\$ -	0.0%	\$0
Merlin	9	2650	4	\$ 25	0.1%	\$0
Ridgetown	62	19093	20	\$ 649	3.7%	\$10
Thamesville	59	18239	16	\$ 938	5.3%	\$15
Tilbury	141	43213	32	\$ 1,721	9.7%	\$28
Wallaceburg	302	92816	102	\$ 4,898	27.7%	\$79
Wheatley	39	12039	9	\$ 154	0.9%	\$2
	1,362	418,183	363	\$ 17,676	100.0%	\$284

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$3,479
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$3,479	\$0	\$3,479
(D) Number of kWh	15,819,391		
(E) Number of Customers		1,687	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0002		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$2,753
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$2,753	\$0	\$2,753
(D) Number of kWh	3,680,038		
(E) Number of Customers		388	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$99,371
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$99,371	\$0	\$99,371
(D) Number of kWh	139,169,853		
(E) Number of Customers		15,994	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$6,381
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$6,381	\$0	\$6,381
(D) Number of kWh	9,624,043		
(E) Number of Customers		1,006	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$1,590
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$1,590	\$0	\$1,590
(D) Number of kWh	2,597,275		
(E) Number of Customers		335	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0006		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$1,603
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$1,603	\$0	\$1,603
(D) Number of kWh	2,237,409		
(E) Number of Customers		282	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$8,827
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$8,827	\$0	\$8,827
(D) Number of kWh	10,742,282		
(E) Number of Customers		1,345	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0008		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Thamesville			
(A) Allocated MARR			\$1,364
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$1,364	\$0	\$1,364
(D) Number of kWh	3,373,917		
(E) Number of Customers		361	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0004		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Tilbury			
(A) Allocated MARR			\$10,246
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$10,246	\$0	\$10,246
(D) Number of kWh	17,653,441		
(E) Number of Customers		1,839	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0006		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$30,235
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$30,235	\$0	\$30,235
(D) Number of kWh	37,331,183		
(E) Number of Customers		4,348	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0008		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wheatley			
(A) Allocated MARR			\$3,087
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$3,087	\$0	\$3,087
(D) Number of kWh	6,095,691		
(E) Number of Customers		619	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0005		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$72,880
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$72,880	\$0	\$72,880
(D) Number of kWh	107,128,527		
(E) Number of Customers		3,273	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$269,501
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$269,501	\$0	\$269,501
(D) Number of kW	1,013,027		
(E) Number of Customers		438	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.2660		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Benheim			
(A) Allocated MARR			\$8,730
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$8,730	\$0	\$8,730
(D) Number of kW	45,432		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1922		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$34,919
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$34,919	\$0	\$34,919
(D) Number of kW	96,543		
(E) Number of Customers		3	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.3617		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$14,309
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$14,309	\$0	\$14,309
(D) Number of kW	55,024		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2600		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$12,911
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$12,911	\$0	\$12,911
(D) Number of kW	61,751		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2091		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$10
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$10	\$0	\$10
(D) Number of kW	127		
(E) Number of Customers		35	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0825		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$9
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$9	\$0	\$9
(D) Number of kW	36		
(E) Number of Customers		11	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2548		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$106
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$106	\$0	\$106
(D) Number of kW	478		
(E) Number of Customers		108	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2212		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$24
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$24	\$0	\$24
(D) Number of kW	109		
(E) Number of Customers		26	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2215		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	9		
(E) Number of Customers		4	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0447		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$10
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$10	\$0	\$10
(D) Number of kW	62		
(E) Number of Customers		20	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1685		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Thamesville			
(A) Allocated MARR			\$15
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$15	\$0	\$15
(D) Number of kW	59		
(E) Number of Customers		16	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2559		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Tilbury			
(A) Allocated MARR			\$28
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$28	\$0	\$28
(D) Number of kW	141		
(E) Number of Customers		32	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1964		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$79
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$79	\$0	\$79
(D) Number of kW	302		
(E) Number of Customers		102	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2610		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wheatley			
(A) Allocated MARR			\$2
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$2	\$0	\$2
(D) Number of kW	39		
(E) Number of Customers		9	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0636		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$5,487
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$5,487	\$0	\$5,487
(D) Number of kW	22,225		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.2469		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2)

\$ -

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class	0	248,324,523	28,204	\$6,789,194	60.9%	\$0
General Service < 50 KW Class	42,776	107,128,527	3,273	\$2,052,938	18.4%	\$0
General Service > 50 KW Non-Time of Use	1,013,027	396,146,453	438	\$1,437,248	12.9%	\$0
General Service > 50 KW Time of Use	141,975	64,160,678	4	\$352,321	3.2%	\$0
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	116,775	40,010,798	2	\$394,763	3.5%	\$0
Sentinel Lights	1,361	418,184	363	\$17,678	0.2%	\$0
Street Lighting	22,225	8,065,495	1	\$110,490	1.0%	\$0
TOTALS		864,254,658	32,285	\$11,154,632	1.00	\$0
Allocated Total for Non-RSVA accounts =====>						\$0

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Allocation of Residential by Service Area

	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	15,819,391	1,687	\$ 139,805	2.1%	\$0
Bothwell	3,680,038	388	\$ 110,639	1.6%	\$0
Chatham	139,169,853	15,994	\$ 3,993,514	58.8%	\$0
Dresden	9,624,043	1,006	\$ 256,444	3.8%	\$0
Erieau	2,597,275	335	\$ 63,911	0.9%	\$0
Merlin	2,237,409	282	\$ 64,423	0.9%	\$0
Ridgetown	10,742,282	1,345	\$ 354,740	5.2%	\$0
Thamesville	3,373,917	361	\$ 54,799	0.8%	\$0
Tilbury	17,653,441	1,839	\$ 411,759	6.1%	\$0
Wallaceburg	37,331,183	4,348	\$ 1,215,082	17.9%	\$0
Wheatley	6,095,691	619	\$ 124,078	1.8%	\$0
	248,324,523	28,204	\$ 6,789,194	100.0%	\$0

Allocation of GS > 50 kW TOU by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	45,432	17,323,383	1	\$ 70,464	20.0%	\$0
Chatham	96,543	46,837,295	3	\$ 281,856	80.0%	\$0
	141,975	64,160,678	4	\$ 352,320	100.0%	\$0

Allocation of Large User by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Chatham	55,024	24,323,494	1	\$ 207,856	52.6%	\$0
Wallaceburg	61,751	15,687,604	1	\$ 187,555	47.4%	\$0
	116,775	40,011,098	2	\$ 395,411	100.0%	\$0

Allocation of Sentinel by Service Area

	kW	kWh	Number of Customers (Connections)	Distribution Revenues	% Allocation	\$ Allocation
Blenheim	127	38893	35	\$ 651	3.7%	\$0
Bothwell	36	10979	11	\$ 570	3.2%	\$0
Chatham	478	146773	108	\$ 6,570	37.2%	\$0
Dresden	109	33488	26	\$ 1,500	8.5%	\$0
Erieau	0	0	0	\$ -	0.0%	\$0
Merlin	9	2650	4	\$ 25	0.1%	\$0
Ridgetown	62	19093	20	\$ 649	3.7%	\$0
Thamesville	59	18239	16	\$ 938	5.3%	\$0
Tilbury	141	43213	32	\$ 1,721	9.7%	\$0
Wallaceburg	302	92816	102	\$ 4,898	27.7%	\$0
Wheatley	39	12039	9	\$ 154	0.9%	\$0
	1,362	418,183	363	\$ 17,676	100.0%	\$0

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	15,819,391		
(E) Number of Customers		1,687	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	3,680,038		
(E) Number of Customers		388	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	139,169,853		
(E) Number of Customers		15,994	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	9,624,043		
(E) Number of Customers		1,006	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	2,597,275		
(E) Number of Customers		335	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	2,237,409		
(E) Number of Customers		282	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	10,742,282		
(E) Number of Customers		1,345	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
Service Area - Thamesville			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	3,373,917		
(E) Number of Customers		361	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
Service Area - Tilbury			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	17,653,441		
(E) Number of Customers		1,839	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	37,331,183		
(E) Number of Customers		4,348	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wheatley			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	6,095,691		
(E) Number of Customers		619	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	107,128,527		
(E) Number of Customers		3,273	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	1,013,027		
(E) Number of Customers		438	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Benheim			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	45,432		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	96,543		
(E) Number of Customers		3	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	55,024		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	61,751		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

(G) Incremental Monthly Service Charge (C)/(E)/12	\$0.0000
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SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Blenheim			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	127		
(E) Number of Customers		35	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Bothwell			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	36		
(E) Number of Customers		11	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Chatham			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	478		
(E) Number of Customers		108	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Dresden			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	109		
(E) Number of Customers		26	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Erieau			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Merlin			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	9		
(E) Number of Customers		4	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Ridgetown			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	62		
(E) Number of Customers		20	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
Service Area - Thamesville			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	59		
(E) Number of Customers		16	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	
Service Area - Tilbury			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	141		
(E) Number of Customers		32	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wallaceburg			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	302		
(E) Number of Customers		102	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
Service Area - Wheatley			
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	39		
(E) Number of Customers		9	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	22,225		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

RESIDENTIAL

Service Area - Blenheim

Distribution kWh Rate	\$0.0047
Monthly Service Charge (Per Customer)	\$3.68

Service Area - Bothwell

Distribution kWh Rate	\$0.0158
Monthly Service Charge (Per Customer)	\$13.87

Service Area - Chatham

Distribution kWh Rate	\$0.0149
Monthly Service Charge (Per Customer)	\$12.33

Service Area - Dresden

Distribution kWh Rate	\$0.0141
Monthly Service Charge (Per Customer)	\$12.33

Service Area - Erieau

Distribution kWh Rate	\$0.0122
Monthly Service Charge (Per Customer)	\$9.74

Service Area - Merlin

Distribution kWh Rate	\$0.0143
Monthly Service Charge (Per Customer)	\$13.58

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Service Area - Ridgetown	
Distribution kWh Rate	\$0.0166
Monthly Service Charge (Per Customer)	\$13.49

Service Area - Thamesville	
Distribution kWh Rate	\$0.0086
Monthly Service Charge (Per Customer)	\$7.06

Service Area - Tilbury	
Distribution kWh Rate	\$0.0125
Monthly Service Charge (Per Customer)	\$10.72

Service Area - Wallaceburg	
Distribution kWh Rate	\$0.0169
Monthly Service Charge (Per Customer)	\$14.22

Service Area - Wheatley	
Distribution kWh Rate	\$0.0112
Monthly Service Charge (Per Customer)	\$10.10

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0099
Monthly Service Charge (Per Customer)	\$32.23

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.3815
Monthly Service Charge (Per Customer)	\$133.86

GENERAL SERVICE > 50 KW (TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$1.4066
Monthly Service Charge (Per Customer)	\$2,302.37

Service Area - Chatham

Distribution KW Rate	\$2.0767
Monthly Service Charge (Per Customer)	\$3,857.51

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

LARGE USE

Service Area - Chatham

Distribution KW Rate	\$2.6159
Monthly Service Charge (Per Customer)	\$10,069.07

Service Area - Wallaceburg

	\$2.6573
Monthly Service Charge (Per Customer)	\$12,771.82

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

SENTINEL LIGHTS (NON TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$1.5968
Monthly Service Charge (Per Connection)	\$1.71

Service Area - Bothwell

Distribution KW Rate	\$3.4860
Monthly Service Charge (Per Connection)	\$3.14

Service Area - Chatham

Distribution KW Rate	\$3.1413
Monthly Service Charge (Per Connection)	\$4.85

Service Area - Dresden

Distribution KW Rate	\$3.1589
Monthly Service Charge (Per Connection)	\$4.52

Service Area - Erleau

Distribution KW Rate	\$0.1700
Monthly Service Charge (Per Connection)	\$2.87

Service Area - Merlin

Distribution KW Rate	\$0.5153
Monthly Service Charge (Per Connection)	\$0.52

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Service Area - Ridgetown	
Distribution KW Rate	\$2.4812
Monthly Service Charge (Per Connection)	\$2.55
Service Area - Thamesville	
Distribution KW Rate	\$4.0124
Monthly Service Charge (Per Connection)	\$3.12
Service Area - Tilbury	
Distribution KW Rate	\$2.7418
Monthly Service Charge (Per Connection)	\$3.69
Service Area - Wallaceburg	
Distribution KW Rate	\$3.4065
Monthly Service Charge (Per Connection)	\$4.60
Service Area - Wheatley	
Distribution KW Rate	\$1.0667
Monthly Service Charge (Per Connection)	\$2.02

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
----------------------	--

Monthly Service Charge (Per Connection)	
---	--

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$3.2973
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Monthly Service Charge (Per Connection)	\$5,164.94
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OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
----------------------	--

Monthly Service Charge (Per Connection)	
---	--

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery
- Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class	
General Service < 50 KW Class	
General Service > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	

Chatham-Kent Hydro
RP-2005-0013 EB-2005-0017
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Blenheim

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$3.68
Distribution Volumetric Rate	(per kWh)	\$0.0047

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$2,302.37
Distribution Volumetric Rate	(per kW)	\$1.4066

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$1.71
Distribution Volumetric Rate	(per kW)	\$1.5968

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month/per connection)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Bothwell

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.87
Distribution Volumetric Rate	(per kWh)	\$0.0158

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$3.14
Distribution Volumetric Rate	(per kW)	\$3.4860

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Chatham

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.33
Distribution Volumetric Rate	(per kWh)	\$0.0149

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$3,857.51
Distribution Volumetric Rate	(per kW)	\$2.0767

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)	\$10,069.07
Distribution Volumetric Rate	(per kW)	\$2.6159

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$4.85
Distribution Volumetric Rate	(per kW)	\$3.1413

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$5,164.94
Distribution Volumetric Rate	(per kW)	\$3.2973

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Dresden

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.33
Distribution Volumetric Rate	(per kWh)	\$0.0141

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$4.52
Distribution Volumetric Rate	(per kW)	\$3.1589

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month/per connection)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Erieau

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$9.74
Distribution Volumetric Rate	(per kWh)	\$0.0122

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$2.87
Distribution Volumetric Rate	(per kW)	\$0.1700

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges

Effective April 1, 2005 until April 30, 2006

Service Area Merlin

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.58
Distribution Volumetric Rate	(per kWh)	\$0.0143

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$0.52
Distribution Volumetric Rate	(per kW)	\$0.5153

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Ridgetown

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.49
Distribution Volumetric Rate	(per kWh)	\$0.0166

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$2.55
Distribution Volumetric Rate	(per kW)	\$2.4812

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
Service Area Thamesville

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$7.06
Distribution Volumetric Rate	(per kWh)	\$0.0086

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$3.12
Distribution Volumetric Rate	(per kW)	\$4.0124

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges

Effective April 1, 2005 until April 30, 2006

Service Area Tilbury

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.72
Distribution Volumetric Rate	(per kWh)	\$0.0125

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$3.69
Distribution Volumetric Rate	(per kW)	\$2.7418

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges

Effective April 1, 2005 until April 30, 2006

Service Area Wallaceburg

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.22
Distribution Volumetric Rate	(per kWh)	\$0.0169

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)	\$12,771.82
Distribution Volumetric Rate	(per kW)	\$2.6573

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$4.60
Distribution Volumetric Rate	(per kW)	\$3.4065

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

Schedule of Changed Distribution Rates and Charges

Effective April 1, 2005 until April 30, 2006

Service Area Wheatley

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.10
Distribution Volumetric Rate	(per kWh)	\$0.0112

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month/per connection)	\$2.02
Distribution Volumetric Rate	(per kW)	\$1.0667

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	Chatham-Kent Hydro	2005.V1.1
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

Service Area - Blenheim

Distribution kWh Rate	\$0.0035
-----------------------	----------

Monthly Service Charge (Per Customer)	\$4.08
---------------------------------------	--------

Service Area - Bothwell

Distribution kWh Rate	\$0.0112
-----------------------	----------

Monthly Service Charge (Per Customer)	\$14.56
---------------------------------------	---------

Service Area - Chatham

Distribution kWh Rate	\$0.0106
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.93
---------------------------------------	---------

Service Area - Dresden

Distribution kWh Rate	\$0.0102
-----------------------	----------

Monthly Service Charge (Per Customer)	\$12.98
---------------------------------------	---------

Service Area - Erieau

Distribution kWh Rate	\$0.0098
-----------------------	----------

Monthly Service Charge (Per Customer)	\$10.20
---------------------------------------	---------

Service Area - Merlin

Distribution kWh Rate	\$0.0098
-----------------------	----------

Monthly Service Charge (Per Customer)	\$14.25
---------------------------------------	---------

SHEET 12 - Current Rates as of April 1, 2004

Service Area - Ridgetown

Distribution kWh Rate	\$0.0103
-----------------------	----------

Monthly Service Charge (Per Customer)	\$14.10
---------------------------------------	---------

Service Area - Thamesville

Distribution kWh Rate	\$0.0087
-----------------------	----------

Monthly Service Charge (Per Customer)	\$7.55
---------------------------------------	--------

Service Area - Tilbury

Distribution kWh Rate	\$0.0080
-----------------------	----------

Monthly Service Charge (Per Customer)	\$11.32
---------------------------------------	---------

Service Area - Wallaceburg

Distribution kWh Rate	\$0.0121
-----------------------	----------

Monthly Service Charge (Per Customer)	\$14.93
---------------------------------------	---------

Service Area - Wheatley

Distribution kWh Rate	\$0.0081
-----------------------	----------

Monthly Service Charge (Per Customer)	\$10.74
---------------------------------------	---------

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
-----------------------	--

Monthly Service Charge (Per Customer)	
---------------------------------------	--

SHEET 12 - Current Rates as of April 1, 2004

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0064
Monthly Service Charge (Per Customer)	\$35.02

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.0900
Monthly Service Charge (Per Customer)	\$152.96

GENERAL SERVICE > 50 KW (TIME OF USE)

Service Area - Blenheim	
Distribution KW Rate	\$1.0700
Monthly Service Charge (Per Customer)	\$2,346.99
Service Area - Chatham	
Distribution KW Rate	\$1.5400
Monthly Service Charge (Per Customer)	\$4,588.58

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

LARGE USE

Service Area - Chatham	
Distribution KW Rate	\$1.8800
Monthly Service Charge (Per Customer)	\$11,298.32
Service Area - Wallaceburg	
Monthly Service Charge (Per Customer)	\$13,421.94

SHEET 12 - Current Rates as of April 1, 2004

SENTINEL LIGHTS (NON TIME OF USE)

Service Area - Blenheim

Distribution KW Rate	\$0.4300
----------------------	----------

Monthly Service Charge (Per Connection)	\$0.79
---	--------

Service Area - Bothwell

Distribution KW Rate	\$0.9900
----------------------	----------

Monthly Service Charge (Per Connection)	\$3.26
---	--------

Service Area - Chatham

Distribution KW Rate	\$0.6100
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.90
---	--------

Service Area - Dresden

Distribution KW Rate	\$0.6100
----------------------	----------

Monthly Service Charge (Per Connection)	\$4.65
---	--------

Service Area - Erieau

Distribution KW Rate	
----------------------	--

Monthly Service Charge (Per Connection)	
---	--

Service Area - Merlin

Distribution KW Rate	\$0.1700
----------------------	----------

Monthly Service Charge (Per Connection)	\$0.44
---	--------

SHEET 12 - Current Rates as of April 1, 2004

Service Area - Ridgetown	
Distribution KW Rate	\$0.4300
Monthly Service Charge (Per Connection)	\$2.73
Service Area - Thamesville	
Distribution KW Rate	\$1.2300
Monthly Service Charge (Per Connection)	\$2.75
Service Area - Tilbury	
Distribution KW Rate	\$0.6100
Monthly Service Charge (Per Connection)	\$4.04
Service Area - Wheatley	
Distribution KW Rate	\$0.4300
Monthly Service Charge (Per Connection)	\$0.30
Service Area - Wallaceburg	
Distribution KW Rate	\$0.4500
Monthly Service Charge (Per Connection)	\$4.66

SHEET 12 - Current Rates as of April 1, 2004

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$2.5600
Monthly Service Charge (Per Connection)	\$5,227.07

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	Chatham-Kent Hydro	2005.V1.0
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Monthly Consumption

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$0.0107, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0239/kWh. These charges may differ slightly for your utility. In addition, consumption has not been adjusted for line losses.

Service Area Blenheim

CURRENT 2004 BILL					FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL (kWh)	100	kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
		Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	N/A	\$ 3.68	
		Distribution (kWh)	100	\$ 0.0035	\$ 0.35		Distribution (kWh)	100	\$ 0.0047	\$ 0.47	
		Sub-Total		\$ 4.43			Sub Total		\$ 4.15		\$ (0.28) -6.24%
		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39	
		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70	
		Current 2004 Bill			\$ 11.52		Adjusted 2005 Bill			\$ 11.24	\$ (0.28) -2.40%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	250	\$ 0.0035	\$ 0.88		Distribution (kWh)	250	\$ 0.0047	\$ 1.18	
			Sub-Total	\$ 4.96			Sub Total	\$ 4.86	\$ (0.09)	-1.91%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	
	Current 2004 Bill			\$ 22.68		Adjusted 2005 Bill		\$ 22.59	\$ (0.09)	-0.42%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	500	\$ 0.0035	\$ 1.75		Distribution (kWh)	500	\$ 0.0047	\$ 2.36	
			Sub-Total	\$ 5.83			Sub Total	\$ 6.04	\$ 0.21	3.57%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	
	Current 2004 Bill			\$ 41.28		Adjusted 2005 Bill		\$ 41.49	\$ 0.21	0.50%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Blenheim

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	750	\$0.0035	\$ 2.63		Distribution (kWh)	750	\$ 3.53		
			Sub-Total	\$ 6.71				Sub Total	\$ 7.22	\$ 0.51 7.62%
	Other Charges (kWh)	750	0.0239	\$ 17.93		Other Charges (kWh)	750	\$ 17.93		
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	\$ 35.25		
				Current 2004 Bill	\$ 59.88				Adjusted 2005 Bill	\$ 60.39 \$ 0.51 0.85%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	1000	\$0.0035	\$ 3.50		Distribution (kWh)	1000	\$ 4.71		
			Sub-Total	\$ 7.58				Sub Total	\$ 8.39	\$ 0.81 10.74%
	Other Charges (kWh)	1000	0.0239	\$ 23.90		Other Charges (kWh)	1000	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75		Cost of Power (kWh)	250	\$ 13.75		
				Current 2004 Bill	\$ 80.48				Adjusted 2005 Bill	\$ 81.29 \$ 0.81 1.01%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	1500	\$0.0035	\$ 5.25		Distribution (kWh)	1500	\$ 7.07		
			Sub-Total	\$ 9.33				Sub Total	\$ 10.75	\$ 1.42 15.21%
	Other Charges (kWh)	1500	0.0239	\$ 35.85		Other Charges (kWh)	1500	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25		Cost of Power (kWh)	750	\$ 41.25		
				Current 2004 Bill	\$ 121.68				Adjusted 2005 Bill	\$ 123.10 \$ 1.42 1.17%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 4.08		Monthly Service Charge	N/A	\$ 3.68		
	Distribution (kWh)	2000	\$0.0035	\$ 7.00		Distribution (kWh)	2000	\$ 9.42		
			Sub-Total	\$ 11.08				Sub Total	\$ 13.10	\$ 2.02 18.28%
	Other Charges (kWh)	2000	0.0239	\$ 47.80		Other Charges (kWh)	2000	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		Cost of Power (kWh)	1,250	\$ 68.75		
				Current 2004 Bill	\$ 162.88				Adjusted 2005 Bill	\$ 164.90 \$ 2.02 1.24%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Bothwell

		CURRENT 2004 BILL						FUTURE 2005 BILL								
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)					
100																
		Monthly Service Charge	N/A	N/A	\$	14.56	Monthly Service Charge	N/A	N/A	\$	13.87					
		Distribution (kWh)	100	\$	0.0112	\$	1.12	Distribution (kWh)	100	\$	0.0158		\$	1.58		
				Sub-Total	\$	15.68			Sub Total	\$	15.44	\$	(0.24)	-1.50%		
		Other Charges (kWh)	100	\$	0.0239	\$	2.39	Other Charges (kWh)	100	\$	0.0239	\$	2.39			
		Cost of Power (kWh)	100	\$	0.0470	\$	4.70	Cost of Power (kWh)	100	\$	0.0470	\$	4.70			
		Current 2004 Bill				\$	22.77	Adjusted 2005 Bill				\$	22.53		\$	(0.24)

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87		
	Distribution (kWh)	250	\$0.0112	\$ 2.80	Distribution (kWh)	250	\$ 0.0158	\$ 3.94		
			Sub-Total	\$ 17.36			Sub Total	\$ 17.81	\$ 0.45	2.58%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 35.09	Adjusted 2005 Bill			\$ 35.53	\$ 0.45	1.28%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
500											
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87			
	Distribution (kWh)	500	\$0.0112	\$ 5.60	Distribution (kWh)	500	\$ 0.0158	\$ 7.88			
			Sub-Total	\$ 20.16			Sub Total	\$ 21.75	\$ 1.59	7.87%	
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95			
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50			
	Current 2004 Bill				\$ 55.61	Adjusted 2005 Bill				\$ 57.20	\$ 1.59

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Bothwell											
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
750											
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87			
	Distribution (kWh)	750	\$0.0112	\$ 8.40	Distribution (kWh)	750	0.0158	\$ 11.82			
			Sub-Total	\$ 22.96			Sub Total	\$ 25.69	\$ 2.73	11.88%	
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93			
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25			
	Current 2004 Bill				Adjusted 2005 Bill						
					\$ 76.14					\$ 78.86	\$ 2.73

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87		
	Distribution (kWh)	1000	\$0.0112	\$ 11.20	Distribution (kWh)	1000	0.0158	\$ 15.76		
				Sub-Total	\$ 25.76				Sub Total	\$ 29.63
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
				Current 2004 Bill	\$ 98.66				Adjusted 2005 Bill	\$ 102.53
									\$ 3.87	15.01%
										3.92%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87		
	Distribution (kWh)	1500	\$0.0112	\$ 16.80	Distribution (kWh)	1500	0.0158	\$ 23.63		
				Sub-Total	\$ 31.36				Sub Total	\$ 37.50
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
				Current 2004 Bill	\$ 143.71				Adjusted 2005 Bill	\$ 149.85
									\$ 6.14	19.59%
										4.28%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 14.56	Monthly Service Charge	N/A	N/A	\$ 13.87		
	Distribution (kWh)	2000	\$0.0112	\$ 22.40	Distribution (kWh)	2000	0.0158	\$ 31.51		
				Sub-Total	\$ 36.96				Sub Total	\$ 45.38
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
				Current 2004 Bill	\$ 188.76				Adjusted 2005 Bill	\$ 197.18
									\$ 8.42	22.79%
										4.46%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Chatham

		CURRENT 2004 BILL						FUTURE 2005 BILL				
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
100												
		Monthly Service Charge	N/A	N/A	\$ 12.93		Monthly Service Charge	N/A	N/A	\$ 12.33		
		Distribution (kWh)	100	\$ 0.0106	\$ 1.06		Distribution (kWh)	100	\$ 0.0149	\$ 1.49		
		Sub-Total		\$ 13.99			Sub Total		\$ 13.81		\$ (0.18) -1.25%	
		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		
		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		
		Current 2004 Bill			\$ 21.08		Adjusted 2005 Bill			\$ 20.90	\$ (0.18) -0.83%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	250	\$ 0.0106	\$ 2.65	Distribution (kWh)	250	\$ 0.0149	\$ 3.71		
			Sub-Total	\$ 15.58			Sub Total	\$ 16.04	\$ 0.46	2.97%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 33.31	Adjusted 2005 Bill			\$ 33.77	\$ 0.46	1.39%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	500	\$ 0.0106	\$ 5.30	Distribution (kWh)	500	\$ 0.0149	\$ 7.43		
			Sub-Total	\$ 18.23			Sub Total	\$ 19.76	\$ 1.53	8.38%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 53.68	Adjusted 2005 Bill			\$ 55.21	\$ 1.53	2.85%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Chatham											
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
750											
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33	\$ 2.59	12.41%	
	Distribution (kWh)	750	\$0.0106	\$ 7.95	Distribution (kWh)	750	0.0149	\$ 11.14			
	Sub-Total			\$ 20.88	Sub Total			\$ 23.47			
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93			
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25			
	Current 2004 Bill			\$ 74.06	Adjusted 2005 Bill			\$ 76.65			

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33	\$ 3.66	15.53%
	Distribution (kWh)	1000	\$0.0106	\$ 10.60	Distribution (kWh)	1000	0.0149	\$ 14.86		
	Sub-Total			\$ 23.53	Sub Total			\$ 27.19		
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
Current 2004 Bill			\$ 96.43	Adjusted 2005 Bill			\$ 100.09	\$ 3.66	3.79%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33	\$ 5.78	20.06%
	Distribution (kWh)	1500	\$0.0106	\$ 15.90	Distribution (kWh)	1500	0.0149	\$ 22.28		
	Sub-Total			\$ 28.83	Sub Total			\$ 34.61		
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
Current 2004 Bill			\$ 141.18	Adjusted 2005 Bill			\$ 146.96	\$ 5.78	4.10%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 12.93	Monthly Service Charge	N/A	N/A	\$ 12.33	\$ 7.91	23.18%
	Distribution (kWh)	2000	\$0.0106	\$ 21.20	Distribution (kWh)	2000	0.0149	\$ 29.71		
	Sub-Total			\$ 34.13	Sub Total			\$ 42.04		
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
Current 2004 Bill			\$ 185.93	Adjusted 2005 Bill			\$ 193.84	\$ 7.91	4.26%	

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Dresden

CURRENT 2004 BILL					FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
	100									
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	100	\$ 0.0102	\$ 1.02	Distribution (kWh)	100	\$ 0.0141	\$ 1.41		
			Sub-Total	\$ 14.00			Sub Total	\$ 13.74	\$ (0.26)	-1.84%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		
	Current 2004 Bill			\$ 21.09	Adjusted 2005 Bill			\$ 20.83	\$ (0.26)	-1.22%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	250	\$0.0102	\$ 2.55	Distribution (kWh)	250	\$ 0.0141	\$ 3.53		
			Sub-Total	\$ 15.53			Sub Total	\$ 15.86	\$ 0.33	2.13%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 33.26	Adjusted 2005 Bill			\$ 33.59	\$ 0.33	1.00%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	500	\$0.0102	\$ 5.10	Distribution (kWh)	500	\$ 0.0141	\$ 7.06		
			Sub-Total	\$ 18.08			Sub Total	\$ 19.39	\$ 1.31	7.26%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 53.53	Adjusted 2005 Bill			\$ 54.84	\$ 1.31	2.45%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Dresden										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	750	\$0.0102	\$ 7.65	Distribution (kWh)	750	0.0141	\$ 10.59		
			Sub-Total	\$ 20.63			Sub Total	\$ 22.92	\$ 2.29	11.12%
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Current 2004 Bill			\$ 73.81	Adjusted 2005 Bill			\$ 76.10	\$ 2.29	3.11%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	1000	\$0.0102	\$ 10.20	Distribution (kWh)	1000	0.0141	\$ 14.13		
			Sub-Total	\$ 23.18			Sub Total	\$ 26.46	\$ 3.28	14.13%
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
	Current 2004 Bill			\$ 96.08	Adjusted 2005 Bill			\$ 99.36	\$ 3.28	3.41%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	1500	\$0.0102	\$ 15.30	Distribution (kWh)	1500	0.0141	\$ 21.19		
			Sub-Total	\$ 28.28			Sub Total	\$ 33.52	\$ 5.24	18.52%
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
	Current 2004 Bill			\$ 140.63	Adjusted 2005 Bill			\$ 145.87	\$ 5.24	3.72%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 12.98	Monthly Service Charge	N/A	N/A	\$ 12.33		
	Distribution (kWh)	2000	\$0.0102	\$ 20.40	Distribution (kWh)	2000	0.0141	\$ 28.25		
			Sub-Total	\$ 33.38			Sub Total	\$ 40.58	\$ 7.20	21.57%
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
	Current 2004 Bill			\$ 185.18	Adjusted 2005 Bill			\$ 192.38	\$ 7.20	3.89%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Erieau

		CURRENT 2004 BILL				FUTURE 2005 BILL								
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)		
100														
	Monthly Service Charge	N/A	N/A	\$ 10.20		Monthly Service Charge	N/A	N/A	\$ 9.74					
	Distribution (kWh)	100	\$ 0.0098	\$ 0.98		Distribution (kWh)	100	\$ 0.0122	\$ 1.22					
			Sub-Total		\$ 11.18				Sub Total		\$ 10.96		\$ (0.22)	-1.94%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39					
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70					
	Current 2004 Bill				\$ 18.27		Adjusted 2005 Bill				\$ 18.05		\$ (0.22)	-1.19%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74		
	Distribution (kWh)	250	\$0.0098	\$ 2.45	Distribution (kWh)	250	\$ 0.0122	\$ 3.05		
			Sub-Total	\$ 12.65			Sub Total	\$ 12.79	\$ 0.14	1.13%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 30.38	Adjusted 2005 Bill			\$ 30.52	\$ 0.14	0.47%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74		
	Distribution (kWh)	500	\$0.0098	\$ 4.90	Distribution (kWh)	500	\$ 0.0122	\$ 6.10		
			Sub-Total	\$ 15.10			Sub Total	\$ 15.84	\$ 0.74	4.93%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 50.55	Adjusted 2005 Bill			\$ 51.29	\$ 0.74	1.47%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Erieau										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750										
		Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74	
		Distribution (kWh)	750	\$0.0098	\$ 7.35	Distribution (kWh)	750	0.0122	\$ 9.15	
		Sub-Total		\$ 17.55		Sub Total		\$ 18.89	\$ 1.34	7.66%
		Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93	
		Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25	
		Current 2004 Bill			\$ 70.73	Adjusted 2005 Bill			\$ 72.07	\$ 1.34 1.90%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74		
	Distribution (kWh)	1000	\$0.0098	\$ 9.80	Distribution (kWh)	1000	0.0122	\$ 12.20		
			Sub-Total	\$ 20.00			Sub Total	\$ 21.95	\$ 1.95	9.73%
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
	Current 2004 Bill			\$ 92.90	Adjusted 2005 Bill			\$ 94.85	\$ 1.95	2.09%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74		
	Distribution (kWh)	1500	\$0.0098	\$ 14.70	Distribution (kWh)	1500	0.0122	\$ 18.30		
			Sub-Total	\$ 24.90			Sub Total	\$ 28.05	\$ 3.15	12.64%
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
	Current 2004 Bill			\$ 137.25	Adjusted 2005 Bill			\$ 140.40	\$ 3.15	2.29%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 10.20	Monthly Service Charge	N/A	N/A	\$ 9.74		
	Distribution (kWh)	2000	\$0.0098	\$ 19.60	Distribution (kWh)	2000	0.0122	\$ 24.40		
			Sub-Total	\$ 29.80			Sub Total	\$ 34.15	\$ 4.35	14.59%
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
	Current 2004 Bill			\$ 181.60	Adjusted 2005 Bill			\$ 185.95	\$ 4.35	2.39%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Merlin

		CURRENT 2004 BILL				FUTURE 2005 BILL									
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)				
100															
	Monthly Service Charge	N/A	N/A	\$ 14.25		Monthly Service Charge	N/A	N/A	\$ 13.58						
	Distribution (kWh)	100	\$ 0.0098	\$ 0.98		Distribution (kWh)	100	\$ 0.0143	\$ 1.43						
			Sub-Total		\$ 15.23				Sub Total			\$ 15.01		\$ (0.22)	-1.43%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39						
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70						
	Current 2004 Bill				\$ 22.32		Adjusted 2005 Bill				\$ 22.10		\$ (0.22)	-0.98%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58		
	Distribution (kWh)	250	\$0.0098	\$ 2.45	Distribution (kWh)	250	\$ 0.0143	\$ 3.58		
			Sub-Total	\$ 16.70			Sub Total	\$ 17.16	\$ 0.46	2.76%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 34.43	Adjusted 2005 Bill			\$ 34.89	\$ 0.46	1.34%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58		
	Distribution (kWh)	500	\$0.0098	\$ 4.90	Distribution (kWh)	500	\$ 0.0143	\$ 7.16		
			Sub-Total	\$ 19.15			Sub Total	\$ 20.74	\$ 1.59	8.30%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 54.60	Adjusted 2005 Bill			\$ 56.19	\$ 1.59	2.91%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Merlin												
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
750												
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58				
	Distribution (kWh)	750	\$0.0098	\$ 7.35	Distribution (kWh)	750	0.0143	\$ 10.74				
	Sub-Total			\$ 21.60	Sub Total			\$ 24.32	\$ 2.72	12.59%		
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93				
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25				
	Current 2004 Bill				\$ 74.78	Adjusted 2005 Bill				\$ 77.50	\$ 2.72	3.64%
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
1,000												
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58				
	Distribution (kWh)	1000	\$0.0098	\$ 9.80	Distribution (kWh)	1000	0.0143	\$ 14.32				
	Sub-Total			\$ 24.05	Sub Total			\$ 27.90	\$ 3.85	16.01%		
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90				
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25				
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75				
	Current 2004 Bill				\$ 96.95	Adjusted 2005 Bill				\$ 100.80	\$ 3.85	3.97%
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
1,500												
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58				
	Distribution (kWh)	1500	\$0.0098	\$ 14.70	Distribution (kWh)	1500	0.0143	\$ 21.48				
	Sub-Total			\$ 28.95	Sub Total			\$ 35.06	\$ 6.11	21.10%		
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85				
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25				
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25				
	Current 2004 Bill				\$ 141.30	Adjusted 2005 Bill				\$ 147.41	\$ 6.11	4.32%
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
2,000												
	Monthly Service Charge	N/A	N/A	\$ 14.25	Monthly Service Charge	N/A	N/A	\$ 13.58				
	Distribution (kWh)	2000	\$0.0098	\$ 19.60	Distribution (kWh)	2000	0.0143	\$ 28.64				
	Sub-Total			\$ 33.85	Sub Total			\$ 42.22	\$ 8.37	24.73%		
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80				
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25				
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75				
	Current 2004 Bill				\$ 185.65	Adjusted 2005 Bill				\$ 194.02	\$ 8.37	4.51%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Ridgeway

		CURRENT 2004 BILL				FUTURE 2005 BILL										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)				
100																
		Monthly Service Charge	N/A	N/A	\$	14.10	Monthly Service Charge	N/A	N/A	\$	13.49					
		Distribution (kWh)	100	\$	0.0103	\$	1.03	Distribution (kWh)	100	\$	0.0166			\$	1.66	
				Sub-Total		\$	15.13			Sub Total		\$	15.15	\$	0.02	0.13%
		Other Charges (kWh)	100	\$	0.0239	\$	2.39	Other Charges (kWh)	100	\$	0.0239	\$	2.39			
		Cost of Power (kWh)	100	\$	0.0470	\$	4.70	Cost of Power (kWh)	100	\$	0.0470	\$	4.70			
		Current 2004 Bill				\$	22.22	Adjusted 2005 Bill				\$	22.24	\$	0.02	0.09%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49		
	Distribution (kWh)	250	\$ 0.0103	\$ 2.58	Distribution (kWh)	250	\$ 0.0166	\$ 4.15		
			Sub-Total	\$ 16.68			Sub Total	\$ 17.64	\$ 0.96	5.78%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 34.40	Adjusted 2005 Bill			\$ 35.36	\$ 0.96	2.80%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49		
	Distribution (kWh)	500	\$ 0.0103	\$ 5.15	Distribution (kWh)	500	\$ 0.0166	\$ 8.29		
			Sub-Total	\$ 19.25			Sub Total	\$ 21.79	\$ 2.54	13.17%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 54.70	Adjusted 2005 Bill			\$ 57.24	\$ 2.54	4.64%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Ridgetown													
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)					kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750													
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49	\$ 4.1118.82%				
	Distribution (kWh)	750	\$0.0103	\$ 7.73	Distribution (kWh)	750	0.0166	\$ 12.44					
			Sub-Total	\$ 21.83			Sub Total	\$ 25.93					
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93					
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25					
	Current 2004 Bill				\$ 75.00	Adjusted 2005 Bill				\$ 79.11	\$ 4.11	5.48%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49		
	Distribution (kWh)	1000	\$0.0103	\$ 10.30	Distribution (kWh)	1000	0.0166	\$ 16.59		
			Sub-Total	\$ 24.40			Sub Total	\$ 30.08	\$ 5.68	23.28%
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
	Current 2004 Bill			\$ 97.30	Adjusted 2005 Bill			\$ 102.98	\$ 5.68	5.84%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49		
	Distribution (kWh)	1500	\$0.0103	\$ 15.45	Distribution (kWh)	1500	0.0166	\$ 24.88		
			Sub-Total	\$ 29.55			Sub Total	\$ 38.37	\$ 8.82	29.86%
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
	Current 2004 Bill			\$ 141.90	Adjusted 2005 Bill			\$ 150.72	\$ 8.82	6.22%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 14.10	Monthly Service Charge	N/A	N/A	\$ 13.49		
	Distribution (kWh)	2000	\$0.0103	\$ 20.60	Distribution (kWh)	2000	0.0166	\$ 33.18		
			Sub-Total	\$ 34.70			Sub Total	\$ 46.67	\$ 11.97	34.49%
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
	Current 2004 Bill			\$ 186.50	Adjusted 2005 Bill			\$ 198.47	\$ 11.97	6.42%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Thamesville

CURRENT 2004 BILL					FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
	100										
		Monthly Service Charge	N/A	N/A	\$ 7.55	Monthly Service Charge	N/A	N/A	\$ 7.06		
		Distribution (kWh)	100	\$ 0.0087	\$ 0.87	Distribution (kWh)	100	\$ 0.0086	\$ 0.86		
		Sub-Total		\$ 8.42	Sub Total		\$ 7.92	\$ (0.50)	-5.99%		
		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		
		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		
		Current 2004 Bill			\$ 15.51	Adjusted 2005 Bill			\$ 15.01	\$ (0.50)	-3.25%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250								7.06		
	Monthly Service Charge	N/A	N/A	\$ 7.55	Monthly Service Charge	N/A	N/A	\$ 7.06		
	Distribution (kWh)	250	\$0.0087	\$ 2.18	Distribution (kWh)	250	\$ 0.0086	\$ 2.15		
			Sub-Total	\$ 9.73			Sub Total	\$ 9.20	\$ (0.52)	-5.36%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 27.45	Adjusted 2005 Bill			\$ 26.93	\$ (0.52)	-1.90%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 7.55	Monthly Service Charge	N/A	N/A	\$ 7.06		
	Distribution (kWh)	500	\$0.0087	\$ 4.35	Distribution (kWh)	500	\$ 0.0086	\$ 4.29		
			Sub-Total	\$ 11.90			Sub Total	\$ 11.35	\$ (0.55)	-4.61%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 47.35	Adjusted 2005 Bill			\$ 46.80	\$ (0.55)	-1.16%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Thamesville										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750										
	Monthly Service Charge	N/A	N/A	\$ 7.55		Monthly Service Charge	N/A	N/A	\$ 7.06	
	Distribution (kWh)	750	\$0.0087	\$ 6.53		Distribution (kWh)	750	0.0086	\$ 6.44	
	Sub-Total			\$ 14.08		Sub Total			\$ 13.50	\$ (0.58) -4.10%
	Other Charges (kWh)	750	0.0239	\$ 17.93		Other Charges (kWh)	750	0.0239	\$ 17.93	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Current 2004 Bill			\$ 67.25		Adjusted 2005 Bill			\$ 66.67	\$ (0.58) -0.86%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 7.55		Monthly Service Charge	N/A	N/A	\$ 7.06	
	Distribution (kWh)	1000	\$0.0087	\$ 8.70		Distribution (kWh)	1000	0.0086	\$ 8.59	
	Sub-Total			\$ 16.25		Sub Total			\$ 15.65	\$ (0.60) -3.72%
	Other Charges (kWh)	1000	0.0239	\$ 23.90		Other Charges (kWh)	1000	0.0239	\$ 23.90	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	250	0.0550	\$ 13.75		Cost of Power (kWh)	250	0.0550	\$ 13.75	
	Current 2004 Bill			\$ 89.15		Adjusted 2005 Bill			\$ 88.55	\$ (0.60) -0.68%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 7.55		Monthly Service Charge	N/A	N/A	\$ 7.06	
	Distribution (kWh)	1500	\$0.0087	\$ 13.05		Distribution (kWh)	1500	0.0086	\$ 12.88	
	Sub-Total			\$ 20.60		Sub Total			\$ 19.94	\$ (0.66) -3.21%
	Other Charges (kWh)	1500	0.0239	\$ 35.85		Other Charges (kWh)	1500	0.0239	\$ 35.85	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	750	0.0550	\$ 41.25		Cost of Power (kWh)	750	0.0550	\$ 41.25	
	Current 2004 Bill			\$ 132.95		Adjusted 2005 Bill			\$ 132.29	\$ (0.66) -0.50%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 7.55		Monthly Service Charge	N/A	N/A	\$ 7.06	
	Distribution (kWh)	2000	\$0.0087	\$ 17.40		Distribution (kWh)	2000	0.0086	\$ 17.18	
	Sub-Total			\$ 24.95		Sub Total			\$ 24.23	\$ (0.72) -2.87%
	Other Charges (kWh)	2000	0.0239	\$ 47.80		Other Charges (kWh)	2000	0.0239	\$ 47.80	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		Cost of Power (kWh)	1,250	0.0550	\$ 68.75	
	Current 2004 Bill			\$ 176.75		Adjusted 2005 Bill			\$ 176.03	\$ (0.72) -0.41%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Tilbury

CURRENT 2004 BILL					FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
	100									
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	100	\$ 0.0080	\$ 0.80	Distribution (kWh)	100	\$ 0.0125	\$ 1.25		
			Sub-Total	\$ 12.12			Sub Total	\$ 11.97	\$ (0.15)	-1.20%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		
	Current 2004 Bill			\$ 19.21	Adjusted 2005 Bill			\$ 19.06	\$ (0.15)	-0.76%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	250	\$0.0080	\$ 2.00	Distribution (kWh)	250	\$ 0.0125	\$ 3.13		
			Sub-Total	\$ 13.32			Sub Total	\$ 13.85	\$ 0.53	3.99%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		
	Current 2004 Bill			\$ 31.05	Adjusted 2005 Bill			\$ 31.58	\$ 0.53	1.71%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	500	\$0.0080	\$ 4.00	Distribution (kWh)	500	\$ 0.0125	\$ 6.26		
			Sub-Total	\$ 15.32			Sub Total	\$ 16.98	\$ 1.66	10.84%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		
	Current 2004 Bill			\$ 50.77	Adjusted 2005 Bill			\$ 52.43	\$ 1.66	3.27%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Tilbury											
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
	750										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72			
	Distribution (kWh)	750	\$0.0080	\$ 6.00	Distribution (kWh)	750	0.0125	\$ 9.39			
			Sub-Total	\$ 17.32			Sub Total	\$ 20.11	\$ 2.79	16.10%	
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93			
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25			
Current 2004 Bill				\$ 70.50	Adjusted 2005 Bill				\$ 73.28	\$ 2.79	3.96%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	1000	\$0.0080	\$ 8.00	Distribution (kWh)	1000	0.0125	\$ 12.51		
				Sub-Total	\$ 19.32				Sub Total	\$ 23.24
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
				Current 2004 Bill	\$ 92.22				Adjusted 2005 Bill	\$ 96.14
									\$ 3.92	20.27%
										4.25%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	1500	\$0.0080	\$ 12.00	Distribution (kWh)	1500	0.0125	\$ 18.77		
				Sub-Total	\$ 23.32				Sub Total	\$ 29.49
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
				Current 2004 Bill	\$ 135.67				Adjusted 2005 Bill	\$ 141.84
									\$ 6.17	26.47%
										4.55%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 11.32	Monthly Service Charge	N/A	N/A	\$ 10.72		
	Distribution (kWh)	2000	\$0.0080	\$ 16.00	Distribution (kWh)	2000	0.0125	\$ 25.03		
				Sub-Total	\$ 27.32				Sub Total	\$ 35.75
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
				Current 2004 Bill	\$ 179.12				Adjusted 2005 Bill	\$ 187.55
									\$ 8.43	30.86%
										4.71%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Wallaceburg

		CURRENT 2004 BILL				FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL (kWh)			kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
		100											
			Monthly Service Charge	N/A	N/A	\$ 14.93		Monthly Service Charge	N/A	N/A	\$ 14.22		
			Distribution (kWh)	100	\$ 0.0121	\$ 1.21		Distribution (kWh)	100	\$ 0.0169	\$ 1.69		
					Sub-Total	\$ 16.14				Sub Total	\$ 15.91	\$ (0.23)	-1.41%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39				
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70				
	Current 2004 Bill				\$ 23.23	Adjusted 2005 Bill				\$ 23.00	\$ (0.23)	-0.98%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 14.93		Monthly Service Charge	N/A	\$ 14.22		
	Distribution (kWh)	250	\$0.0121	\$ 3.03		Distribution (kWh)	250	\$ 0.0169	\$ 4.22	
			Sub-Total	\$ 17.96			Sub Total	\$ 18.45	\$ 0.49	2.74%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	
	Current 2004 Bill			\$ 35.68		Adjusted 2005 Bill		\$ 36.17	\$ 0.49	1.38%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 14.93		Monthly Service Charge	N/A	\$ 14.22		
	Distribution (kWh)	500	\$0.0121	\$ 6.05		Distribution (kWh)	500	\$ 0.0169	\$ 8.45	
			Sub-Total	\$ 20.98			Sub Total	\$ 22.67	\$ 1.69	8.06%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	
	Current 2004 Bill			\$ 56.43		Adjusted 2005 Bill		\$ 58.12	\$ 1.69	3.00%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Wallaceburg											
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)	
750											
	Monthly Service Charge	N/A	N/A	\$ 14.93	Monthly Service Charge	N/A	N/A	\$ 14.22			
	Distribution (kWh)	750	\$0.0121	\$ 9.08	Distribution (kWh)	750	0.0169	\$ 12.67			
			Sub-Total	\$ 24.01			Sub Total	\$ 26.89	\$ 2.89	12.04%	
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)	750	0.0239	\$ 17.93			
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25			
	Current 2004 Bill				\$ 77.18	Adjusted 2005 Bill				\$ 80.07	\$ 2.89

ENTER DESIRED CONSUMPTION LEVEL (kWh)										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 14.93	Monthly Service Charge	N/A	N/A	\$ 14.22		
	Distribution (kWh)	1000	\$0.0121	\$ 12.10	Distribution (kWh)	1000	0.0169	\$ 16.90		
				Sub-Total	\$ 27.03				Sub Total	\$ 31.12
	Other Charges (kWh)	1000	0.0239	\$ 23.90	Other Charges (kWh)	1000	0.0239	\$ 23.90	\$ 4.09	15.13%
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	250	0.0550	\$ 13.75	Cost of Power (kWh)	250	0.0550	\$ 13.75		
				Current 2004 Bill	\$ 99.93					Adjusted 2005 Bill \$ 104.02
										\$ 4.09 4.09%

ENTER DESIRED CONSUMPTION LEVEL (kWh)										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 14.93	Monthly Service Charge	N/A	N/A	\$ 14.22		
	Distribution (kWh)	1500	\$0.0121	\$ 18.15	Distribution (kWh)	1500	0.0169	\$ 25.34		
				Sub-Total	\$ 33.08				Sub Total	\$ 39.57
	Other Charges (kWh)	1500	0.0239	\$ 35.85	Other Charges (kWh)	1500	0.0239	\$ 35.85	\$ 6.49	19.61%
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	750	0.0550	\$ 41.25	Cost of Power (kWh)	750	0.0550	\$ 41.25		
				Current 2004 Bill	\$ 145.43					Adjusted 2005 Bill \$ 151.92
										\$ 6.49 4.46%

ENTER DESIRED CONSUMPTION LEVEL (kWh)										
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 14.93	Monthly Service Charge	N/A	N/A	\$ 14.22		
	Distribution (kWh)	2000	\$0.0121	\$ 24.20	Distribution (kWh)	2000	0.0169	\$ 33.79		
				Sub-Total	\$ 39.13				Sub Total	\$ 48.01
	Other Charges (kWh)	2000	0.0239	\$ 47.80	Other Charges (kWh)	2000	0.0239	\$ 47.80	\$ 8.88	22.70%
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)	750	0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		
				Current 2004 Bill	\$ 190.93					Adjusted 2005 Bill \$ 199.81
										\$ 8.88 4.65%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Wheatley

		CURRENT 2004 BILL				FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL (kWh)			kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
		100											
			Monthly Service Charge	N/A	N/A	\$ 10.74		Monthly Service Charge	N/A	N/A	\$ 10.10		
			Distribution (kWh)	100	\$ 0.0081	\$ 0.81		Distribution (kWh)	100	\$ 0.0112	\$ 1.12		
					Sub-Total	\$ 11.55				Sub Total	\$ 11.22	\$ (0.33)	-2.82%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		Other Charges (kWh)	100	\$ 0.0239	\$ 2.39				
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70				
	Current 2004 Bill				\$ 18.64	Adjusted 2005 Bill				\$ 18.31	\$ (0.33)	-1.75%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 10.74		Monthly Service Charge	N/A	\$ 10.10		
	Distribution (kWh)	250	\$0.0081	\$ 2.03		Distribution (kWh)	250	\$ 0.0112	\$ 2.80	
			Sub-Total	\$ 12.77			Sub Total	\$ 12.91	\$ 0.14	1.11%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	
	Current 2004 Bill			\$ 30.49		Adjusted 2005 Bill		\$ 30.63	\$ 0.14	0.47%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 10.74		Monthly Service Charge	N/A	\$ 10.10		
	Distribution (kWh)	500	\$0.0081	\$ 4.05		Distribution (kWh)	500	\$ 0.0112	\$ 5.61	
			Sub-Total	\$ 14.79			Sub Total	\$ 15.71	\$ 0.92	6.23%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	
	Current 2004 Bill			\$ 50.24		Adjusted 2005 Bill		\$ 51.16	\$ 0.92	1.83%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Service Area Wheatley											
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)			kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750											
	Monthly Service Charge	N/A	N/A	\$ 10.74	Monthly Service Charge		N/A	N/A	\$ 10.10		
	Distribution (kWh)	750	\$0.0081	\$ 6.08	Distribution (kWh)		750	0.0112	\$ 8.41		
			Sub-Total	\$ 16.82			Sub Total	\$ 18.52	\$ 1.70	10.12%	
	Other Charges (kWh)	750	0.0239	\$ 17.93	Other Charges (kWh)		750	0.0239	\$ 17.93		
	Cost of Power (kWh)	750	0.0470	\$ 35.25	Cost of Power (kWh)		750	0.0470	\$ 35.25		
	Current 2004 Bill				\$ 69.99	Adjusted 2005 Bill				\$ 71.69	\$ 1.70

ENTER DESIRED CONSUMPTION LEVEL (kWh)				kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000												
	Monthly Service Charge		N/A		N/A	\$ 10.74		Monthly Service Charge		N/A	\$ 10.10	
	Distribution (kWh)		1000		\$0.0081	\$ 8.10		Distribution (kWh)		1000	0.0112	\$ 11.22
					Sub-Total	\$ 18.84					Sub Total	\$ 21.32
	Other Charges (kWh)		1000		0.0239	\$ 23.90		Other Charges (kWh)		1000	0.0239	\$ 23.90
	Cost of Power (kWh)		750		0.0470	\$ 35.25		Cost of Power (kWh)		750	0.0470	\$ 35.25
	Cost of Power (kWh)		250		0.0550	\$ 13.75		Cost of Power (kWh)		250	0.0550	\$ 13.75
					Current 2004 Bill	\$ 91.74					Adjusted 2005 Bill	\$ 94.22
											\$ 2.48	13.17%
											\$ 2.48	2.70%

ENTER DESIRED CONSUMPTION LEVEL (kWh)				kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500												
	Monthly Service Charge		N/A		N/A	\$ 10.74		Monthly Service Charge		N/A	\$ 10.10	
	Distribution (kWh)		1500		\$0.0081	\$ 12.15		Distribution (kWh)		1500	0.0112	\$ 16.83
					Sub-Total	\$ 22.89					Sub Total	\$ 26.93
	Other Charges (kWh)		1500		0.0239	\$ 35.85		Other Charges (kWh)		1500	0.0239	\$ 35.85
	Cost of Power (kWh)		750		0.0470	\$ 35.25		Cost of Power (kWh)		750	0.0470	\$ 35.25
	Cost of Power (kWh)		750		0.0550	\$ 41.25		Cost of Power (kWh)		750	0.0550	\$ 41.25
					Current 2004 Bill	\$ 135.24					Adjusted 2005 Bill	\$ 139.28
											\$ 4.04	17.65%
											\$ 4.04	2.99%

ENTER DESIRED CONSUMPTION LEVEL (kWh)				kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000												
	Monthly Service Charge		N/A		N/A	\$ 10.74		Monthly Service Charge		N/A	\$ 10.10	
	Distribution (kWh)		2000		\$0.0081	\$ 16.20		Distribution (kWh)		2000	0.0112	\$ 22.44
					Sub-Total	\$ 26.94					Sub Total	\$ 32.54
	Other Charges (kWh)		2000		0.0239	\$ 47.80		Other Charges (kWh)		2000	0.0239	\$ 47.80
	Cost of Power (kWh)		750		0.0470	\$ 35.25		Cost of Power (kWh)		750	0.0470	\$ 35.25
	Cost of Power (kWh)		1,250		0.0550	\$ 68.75		Cost of Power (kWh)		1,250	0.0550	\$ 68.75
					Current 2004 Bill	\$ 178.74					Adjusted 2005 Bill	\$ 184.34
											\$ 5.60	20.78%
											\$ 5.60	3.13%

Name of Utility:	Chatham-Kent Hydro	2005.V1.0
License Number:	ED-2002-0563	RP-2005-0013
Name of Contact:	Jim Hogan	EB-2005-0017
E- Mail Address:	jimhogan@ckenergy.com	
Phone Number:	519-352-6300 (277)	
Date:	March 10, 2005	

Monthly Consumption

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$0.0097, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

CURRENT 2004 BILL				FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL (kWh) 1,000	kWh		RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
	Monthly Service Charge	N/A	N/A	\$ 35.02		Monthly Service Charge	N/A	N/A	\$ 32.23		
	Distribution (kWh)	1000	\$ 0.0064	\$ 6.40		Distribution (kWh)	1000	\$ 0.0099	\$ 9.93		
			Sub-Total	\$ 41.42				Sub Total	\$ 42.16	\$ 0.74	1.79%
	Other Charges (kWh)	1000	\$ 0.0229	\$ 22.90		Other Charges (kWh)	1000	\$ 0.0229	\$ 22.90		
	Cost of Power (kWh)	1000	\$ 0.0470	\$ 47.00		Cost of Power (kWh)	1000	\$ 0.0470	\$ 47.00		
	Current 2004 Bill			\$ 111.32		Adjusted 2005 Bill			\$ 112.06	\$ 0.74	0.67%

ENTER DESIRED CONSUMPTION LEVEL (kWh)	kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	\$ 35.02		Monthly Service Charge	N/A	\$ 32.23			
	Distribution (kWh)	2000	\$ 0.0064 \$ 12.80		Distribution (kWh)	2000	\$ 0.0099 \$ 19.85			
		Sub-Total	\$ 47.82			Sub Total	\$ 52.09		\$ 4.27	8.92%
	Other Charges (kWh)	2000	\$ 0.0229 \$ 45.80		Other Charges (kWh)	2,000	\$ 0.0229 \$ 45.80			
	Cost of Power (kWh)	750	\$ 0.0470 \$ 35.25		Cost of Power (kWh)	750	\$ 0.0470 \$ 35.25			
	Cost of Power (kWh)	1,250	\$ 0.0550 \$ 68.75		Cost of Power (kWh)	1,250	\$ 0.0550 \$ 68.75			
	Current 2004 Bill		\$ 197.62		Adjusted 2005 Bill		\$ 201.89		\$ 4.27	2.16%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
5,000											
	Monthly Service Charge	N/A	N/A	\$ 35.02		Monthly Service Charge	N/A	\$ 32.23			
	Distribution (kWh)	5000	\$0.0064	\$ 32.00		Distribution (kWh)	5000	\$ 49.63			
	Sub-Total			\$ 67.02		Sub Total			\$ 81.86		\$ 14.84 22.15%
	Other Charges (kWh)	5000	\$0.0229	\$ 114.50		Other Charges (kWh)	5,000	\$ 114.50			
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		Cost of Power (kWh)	750	\$ 35.25			
	Cost of Power (kWh)	4,250	\$0.0550	\$ 233.75		Cost of Power (kWh)	4,250	\$ 233.75			
	Current 2004 Bill			\$ 450.52		Adjusted 2005 Bill			\$ 465.36		\$ 14.84 3.30%

ENTER DESIRED CONSUMPTION LEVEL (kWh)																		
		kWh		RATE \$/kWh		CHARGE (\$)			kWh		RATE \$/kWh		CHARGE (\$)		IMPACT (\$)	IMPACT (%)		
10,000																		
	Monthly Service Charge	N/A	N/A	\$	35.02			Monthly Service Charge	N/A	N/A	\$	32.23						
	Distribution (kWh)	10000	\$0.0064	\$	64.00			Distribution (kWh)	10000	\$0.0099	\$	99.26						
			Sub-Total	\$	99.02					Sub Total	\$	131.50			\$	32.48	32.80%	
	Other Charges (kWh)	10000	\$0.0229	\$	229.00			Other Charges (kWh)	10,000	\$0.0229	\$	229.00						
	Cost of Power (kWh)	750	\$0.0470	\$	35.25			Cost of Power (kWh)	750	\$0.0470	\$	35.25						
	Cost of Power (kWh)	9,250	\$0.0550	\$	508.75			Cost of Power (kWh)	9,250	\$0.0550	\$	508.75						

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)	
15,000												
	Monthly Service Charge	N/A	N/A	\$ 35.02		Monthly Service Charge	N/A	N/A		\$ 32.23		
	Distribution (kWh)	15000	\$0.0064	\$ 96.00		Distribution (kWh)	15000	\$0.0099		\$ 148.89		
	Sub-Total			\$ 131.02		Sub Total				\$ 181.13	\$ 50.11	38.24%
	Other Charges (kWh)	15000	\$0.0229	\$ 343.50		Other Charges (kWh)	15,000	\$0.0229		\$ 343.50		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		Cost of Power (kWh)	750	\$0.0470		\$ 35.25		
	Cost of Power (kWh)	14,250	\$0.0550	\$ 783.75		Cost of Power (kWh)	14,250	\$0.0550		\$ 783.75		
	Current 2004 Bill			\$ 1,293.52		Adjusted 2005 Bill				\$ 1,343.63	\$ 50.11	3.87%

GENERAL SERVICE > 50 KW (Non Time of Use)

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$3.91/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.

Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for time losses.

CURRENT 2004 BILL				FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL kW 60 kWh 15,000		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
	Monthly Service Charge	N/A	N/A	\$ 152.96	Monthly Service Charge	N/A	N/A	\$ 133.86			
	Distribution (kW)	60	\$1.0900	\$ 65.40	Distribution (kW)	60	\$1.3815	\$ 82.89			
			Sub-Total	\$ 218.36			Sub Total	\$ 216.75		\$ (1.61)	-0.74%
	Other Charges (kW)	60	\$3.9100	\$ 234.60	Other Charges (kW)	60.00	\$3.9100	\$ 234.60			
	Other Charges (kWh)	15,000	\$0.0132	\$ 198.00	Other Charges (kWh)	15,000	\$0.0132	\$ 198.00			
	Cost of Power (kWh)	750	\$0.0550	\$ 41.25	Cost of Power (kWh)	750	\$0.0550	\$ 41.25			
	Current 2004 Bill			\$ 692.21	Adjusted 2005 Bill			\$ 690.60		\$ (1.61)	-0.23%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
100	Monthly Service Charge	N/A	N/A	\$ 152.96	Monthly Service Charge	N/A	N/A	\$ 133.86		
	Distribution (kW)	100	\$1.0900	\$ 109.00	Distribution (kW)	100	\$1.3815	\$ 138.15		
kWh										
40,000			Sub-Total	\$ 261.96			Sub Total	\$ 272.00	\$ 10.04	3.83%
	Other Charges (kW)	100	\$3.9100	\$ 391.00	Other Charges (kW)	100.00	\$3.9100	\$ 391.00		
	Other Charges (kWh)	40,000	\$0.0132	\$ 528.00	Other Charges (kWh)	40,000	\$0.0132	\$ 528.00		
	Cost of Power (kWh)	40,000	\$0.0550	\$ 2,200.00	Cost of Power (kWh)	40,000	\$0.0550	\$ 2,200.00		
	Current 2004 Bill			\$ 3,380.96	Adjusted 2005 Bill			\$ 3,391.00	\$ 10.04	0.30%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
500	Monthly Service Charge	N/A	N/A	\$ 152.96	Monthly Service Charge	N/A	N/A	\$ 133.86		
	Distribution (kW)	500	\$1.0900	\$ 545.00	Distribution (kW)	500	\$1.3815	\$ 690.73		
kWh										
100,000			Sub-Total	\$ 697.96			Sub Total	\$ 824.59	\$ 126.63	18.14%
	Other Charges (kW)	500	\$3.9100	\$ 1,955.00	Other Charges (kW)	500.00	\$3.9100	\$ 1,955.00		
	Other Charges (kWh)	100,000	\$0.0132	\$ 1,320.00	Other Charges (kWh)	100,000	\$0.0132	\$ 1,320.00		
	Cost of Power (kWh)	100,000	\$0.0550	\$ 5,500.00	Cost of Power (kWh)	100,000	\$0.0550	\$ 5,500.00		
	Current 2004 Bill			\$ 9,472.96	Adjusted 2005 Bill			\$ 9,599.59	\$ 126.63	1.34%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
1,000		Monthly Service Charge	N/A	N/A	\$ 152.96	Monthly Service Charge	N/A	N/A	\$ 133.86		
kWh		Distribution (kW)	1,000	\$1.0900	\$ 1,090.00	Distribution (kW)	1000	1.3815	\$ 1,381.46		
400,000		Sub-Total		\$ 1,242.96		Sub Total		\$ 1,515.32		\$ 272.36	21.91%
		Other Charges (kW)	1,000	3.9100	\$ 3,910.00	Other Charges (kW)	1,000.00	3.9100	\$ 3,910.00		
		Other Charges (kWh)	400,000	0.0132	\$ 5,280.00	Other Charges (kWh)	400,000	0.0132	\$ 5,280.00		
		Cost of Power (kWh)	400,000	0.0550	\$ 22,000.00	Cost of Power (kWh)	400,000	0.0550	\$ 22,000.00		
		Current 2004 Bill		\$ 32,432.96		Adjusted 2005 Bill		\$ 32,705.32		\$ 272.36	0.84%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
3,000		Monthly Service Charge	N/A	N/A	\$ 152.96	Monthly Service Charge	N/A	N/A	\$ 133.86		
kWh		Distribution (kW)	3,000	\$1.0900	\$ 3,270.00	Distribution (kW)	3000	1.3815	\$ 4,144.39		
1,000,000		Sub-Total		\$ 3,422.96		Sub Total		\$ 4,278.24		\$ 855.28	24.99%
		Other Charges (kW)	3,000	3.9100	\$ 11,730.00	Other Charges (kW)	3,000.00	3.9100	\$ 11,730.00		
		Charges	1,000,000	0.0132	\$ 13,200.00	Charges	1,000,000	0.0132	\$ 13,200.00		
		Power	1,000,000	0.0550	\$ 55,000.00	Power	1,000,000	0.0550	\$ 55,000.00		
		Current 2004 Bill		\$ 83,352.96		Adjusted 2005 Bill		\$ 84,208.24		\$ 855.28	1.03%

GENERAL SERVICE > 50 KW (Time of Use)

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.2138/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

Service Area Blenheim

		CURRENT 2004 BILL					FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL kw			kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)			kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
3,000		Monthly Service Charge	N/A	N/A	\$ 2,346.99		Monthly Service Charge	N/A	N/A	\$ 2,302.37			
kWh		Distribution (kW)	3,000	\$1.0700	\$ 3,210.00		Distribution (kW)	3000	\$1.41	\$ 4,219.68			
800,000		Sub-Total			\$ 5,556.99		Sub Total			\$ 6,522.05		\$ 965.06	17.37%
		Other Charges (kW)	3,000	4.2138	\$ 12,641.40		Other Charges (kWh)	3,000.00	4.2138	\$ 12,641.40			
		Other Charges (kWh)	800,000	0.0132	\$ 10,560.00		Other Charges (kWh)	800,000	0.0132	\$ 10,560.00			
		Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00		Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00			
		Current 2004 Bill			\$ 72,758.39		Adjusted 2005 Bill			\$ 73,723.45			

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kw										
3,000	Monthly Service Charge	N/A	N/A	\$ 2,346.99	Monthly Service Charge	N/A	N/A	\$ 2,302.37		
	Distribution (kW)	3,000	\$1.0700	\$ 3,210.00	Distribution (kW)	3000	\$1.41	\$ 4,219.68		
kWh										
1,000,000				Sub-Total \$ 5,556.99				Sub Total \$ 6,522.05	\$ 965.06	17.37%
	Other Charges (kW)	3,000	4.2138	\$ 12,641.40	Other Charges (kWh)	3,000.00	4.2138	\$ 12,641.40		
	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00		
	Current 2004 Bill			\$ 86,398.39	Adjusted 2005 Bill			\$ 87,363.45	\$ 965.06	1.117%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
4,000		Monthly Service Charge	N/A	\$ 2,346.99		Monthly Service Charge	N/A	\$ 2,302.37			
kWh		Distribution (kW)	4,000	\$1.0700	\$ 4,280.00	Distribution (kW)	4000	\$1.41	\$ 5,626.24		
1,200,000		Sub-Total		\$ 6,626.99		Sub Total		\$ 7,928.61		\$ 1,301.62	19.64%
		Other Charges (kW)	4,000	4.2138	\$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	\$ 16,855.20		
		Other Charges (kWh)	1,200,000	0.0132	\$ 15,840.00	Other Charges (kWh)	1,200,000	0.0132	\$ 15,840.00		
		Cost of Power (kWh)	1,200,000	0.0550	\$ 66,000.00	Cost of Power (kWh)	1,200,000	0.0550	\$ 66,000.00		
		Current 2004 Bill		\$ 105,322.19		Adjusted 2005 Bill		\$ 106,623.81		\$ 1,301.62	1.24%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
4,000		Monthly Service Charge	N/A	\$ 2,346.99		Monthly Service Charge	N/A	\$ 2,302.37			
kWh		Distribution (kW)	4,000	\$1.0700	\$ 4,280.00	Distribution (kW)	4000	\$1.41	\$ 5,626.24		
1,800,000		Sub-Total		\$ 6,626.99		Sub Total		\$ 7,928.61		\$ 1,301.62	19.64%
		Other Charges (kW)	4,000	4.2138	\$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	\$ 16,855.20		
		Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00	Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00		
		Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00	Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00		
		Current 2004 Bill		\$ 146,242.19		Adjusted 2005 Bill		\$ 147,543.81		\$ 1,301.62	0.890%

Service Area Chatham

		CURRENT 2004 BILL					FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL			kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)			kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW													
3,000		Monthly Service Charge	N/A	N/A	\$ 4,588.58		Monthly Service Charge	N/A	N/A	\$ 3,857.51			
		Distribution (kW)	3,000	\$1.5400	\$ 4,620.00		Distribution (kW)	3000	\$2.08	\$ 6,230.22			
kWh													
800,000				Sub-Total	\$ 9,208.58				Sub Total	\$ 10,087.73		\$ 879.15	9.55%
		Other Charges (kW)	3,000	4.2138	\$ 12,641.40		Other Charges (kWh)	3,000.00	4.2138	\$ 12,641.40			
		Other Charges (kWh)	800,000	0.0132	\$ 10,560.00		Other Charges (kWh)	800,000	0.0132	\$ 10,560.00			
		Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00		Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00			
		Current 2004 Bill			\$ 76,409.98		Adjusted 2005 Bill			\$ 77,289.13		\$ 879.15	1.151%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
3,000	Monthly Service Charge	N/A	N/A	\$ 4,588.58	Monthly Service Charge	N/A	N/A	\$ 3,857.51			
	Distribution (kW)	3,000	\$1.5400	\$ 4,620.00	Distribution (kW)	3000	\$2.08	\$ 6,230.22			
kWh											
1,000,000				Sub-Total \$ 9,208.58				Sub Total \$ 10,087.73		\$ 879.15	9.55%
	Other Charges (kW)	3,000	4.2138	\$ 12,641.40	Other Charges (kWh)	3,000.00	4.2138	\$ 12,641.40			
	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00			
	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00			
	Current 2004 Bill			\$ 90,049.98	Adjusted 2005 Bill			\$ 90,929.13		\$ 879.15	0.976%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
4,000		Monthly Service Charge	N/A	\$ 4,588.58		Monthly Service Charge	N/A	\$ 3,857.51			
kWh		Distribution (kW)	4,000	\$1.5400	\$ 6,160.00	Distribution (kW)	4000	\$2.08	\$ 8,306.96		
1,200,000		Sub-Total		\$ 10,748.58		Sub Total		\$ 12,164.47		\$ 1,415.89	13.17%
		Other Charges (kW)	4,000	4.2138	\$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	\$ 16,855.20		
		Other Charges (kWh)	1,200,000	0.0132	\$ 15,840.00	Other Charges (kWh)	1,200,000	0.0132	\$ 15,840.00		
		Cost of Power (kWh)	1,200,000	0.0550	\$ 66,000.00	Cost of Power (kWh)	1,200,000	0.0550	\$ 66,000.00		
		Current 2004 Bill		\$ 109,443.78		Adjusted 2005 Bill		\$ 110,859.67		\$ 1,415.89	1.29%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
kW											
4,000		Monthly Service Charge	N/A	\$ 4,588.58		Monthly Service Charge	N/A	\$ 3,857.51			
kWh		Distribution (kW)	4,000	\$1.5400	\$ 6,160.00	Distribution (kW)	4000	\$2.0767	\$ 8,306.96		
1,800,000		Sub-Total		\$ 10,748.58		Sub Total		\$ 12,164.47		\$ 1,415.89	13.17%
		Other Charges (kW)	4,000	4.2138	\$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	\$ 16,855.20		
		Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00	Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00		
		Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00	Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00		
		Current 2004 Bill		\$ 150,363.78		Adjusted 2005 Bill		\$ 151,779.67		\$ 1,415.89	0.942%

LARGE USE CLASS (> 5000 KW)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$0.047369/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

Service Area Chatham

		CURRENT 2004 BILL				FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL kW			kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		IMPACT (\$)	IMPACT (%)
6,000		Monthly Service Charge	N/A	N/A	\$ 11,298.32		Monthly Service Charge	N/A	N/A	\$ 10,069.07		
kWh		Distribution (kW)	6,000	\$1.8800	\$ 11,280.00		Distribution (kW)	6000	\$2.62	\$ 15,695.55		
2,800,000		Sub-Total			\$ 22,578.32		Sub Total			\$ 25,764.62	\$ 3,186.30	14.11%
		Other Charges (kW)	6,000	0.0474	\$ 284.21		Other Charges (kWh)	6,000.00	0.0474	\$ 284.21		
		Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00		Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00		
		Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00		Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00		
		Current 2004 Bill			\$ 213,822.53		Adjusted 2005 Bill			\$ 217,008.83		\$ 3,186.30

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
15,000	Monthly Service Charge	N/A	N/A	\$ 11,298.32	Monthly Service Charge	N/A	N/A	\$ 10,069.07		
	Distribution (kW)	15,000	\$1.8800	\$ 28,200.00	Distribution (kW)	15000	\$2.62	\$ 39,238.87		
kWh										
10,000,000				Sub-Total				Sub Total	\$ 9,809.62	24.84%
	Other Charges (kW)	15,000	0.0474	\$ 710.54	Other Charges (kWh)	15,000.00	0.0474	\$ 710.54		
	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00		
	Current 2004 Bill			\$ 722,208.86	Adjusted 2005 Bill			\$ 732,018.48	\$ 9,809.62	1.36%

Service Area Wallaceburg

		CURRENT 2004 BILL					FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)				kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)			IMPACT (\$)	IMPACT (%)
kW														
6,000		Monthly Service Charge	N/A	N/A	\$ 13,421.94			Monthly Service Charge	N/A	N/A	\$ 12,771.82			
kWh		Distribution (kW)	6,000	\$2.1700	\$ 13,020.00			Distribution (kW)	6000	\$2.66	\$ 15,943.99			
2,800,000				Sub-Total	\$ 26,441.94					Sub Total	\$ 28,715.82		\$ 2,273.88	8.60%
		Other Charges (kW)	6,000	0.0474	\$ 284.21			Other Charges (kWh)	6,000.00	0.0474	\$ 284.21			
		Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00			Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00			
		Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00			Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00			
		Current 2004 Bill			\$ 217,686.15		Adjusted 2005 Bill			\$ 219,960.03		\$ 2,273.88	1.04%	

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
15,000	Monthly Service Charge	N/A	N/A	\$ 13,421.94	Monthly Service Charge	N/A	N/A	\$ 12,771.82		
kWh	Distribution (kW)	15,000	\$2.1700	\$ 32,550.00	Distribution (kW)	15000	\$2.66	\$ 39,859.99		
10,000,000			Sub-Total	\$ 45,971.94			Sub Total	\$ 52,631.81	\$ 6,659.87	14.49%
	Other Charges (kW)	15,000	0.0474	\$ 710.54	Other Charges (kWh)	15,000.00	0.0474	\$ 710.54		
	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00		
	Current 2004 Bill			\$ 728,682.48	Adjusted 2005 Bill			\$ 735,342.34	\$ 6,659.87	0.91%

Chatham-Kent Hydro
Hamronized Rates 2005

Allocation of Residential by Service Area

	kWh	Number of Customers (Connections)						
Blenheim	15,819,391	1,687	\$ 0.0047	\$	3.68	\$	74,351	\$ 74,498
Bothwell	3,680,038	388	\$ 0.0158	\$	13.87	\$	58,145	\$ 64,579
Chatham	139,169,853	15,994	\$ 0.0149	\$	12.33	\$	2,073,631	\$ 2,366,472
Dresden	9,624,043	1,006	\$ 0.0141	\$	12.33	\$	135,699	\$ 148,848
Erieau	2,597,275	335	\$ 0.0122	\$	9.74	\$	31,687	\$ 39,155
Merlin	2,237,409	282	\$ 0.0143	\$	13.58	\$	31,995	\$ 45,955
Ridgetown	10,742,282	1,345	\$ 0.0166	\$	13.49	\$	178,322	\$ 217,729
Thamesville	3,373,917	361	\$ 0.0086	\$	7.06	\$	29,016	\$ 30,584
Tilbury	17,653,441	1,839	\$ 0.0125	\$	10.72	\$	220,668	\$ 236,569
Wallaceburg	37,331,183	4,348	\$ 0.0169	\$	14.22	\$	630,897	\$ 741,943
Wheatley	6,095,691	619	\$ 0.0112	\$	10.10	\$	68,272	\$ 75,023
	<u>248,324,523</u>	<u>28,204</u>					<u>\$ 3,532,682</u>	<u>\$ 4,041,353</u>
							<u>\$ 0.0142</u>	<u>\$ 11.94</u>

Allocation of GS > 50 kW TOU by Service Area

Allocation of GS > 50 kW TOU by Service Area										
	kW	kWh	Number of Customers (Connections)							
Blenheim	45,432	17,323,383	1	\$	1.41	\$ 2,302.37	\$	63,905	\$	27,628
Chatham	96,543	46,837,295	3	\$	2.07	\$ 3,857.51	\$	199,844	\$	138,870
	141,975	64,160,678	4				\$	263,749	\$	166,499
							\$	1.8577	\$	3,468.73

Allocation of Large User by Service Area

Allocation of Large User by Service Area										
	kW	kWh	Number of Customers (Connections)							
Chatham	55,024	24,323,494	1	\$	2.61	\$10,069.07	\$	143,613	\$	120,829
Wallaceburg	61,751	15,687,604	1	\$	2.66	\$12,771.82	\$	164,072	\$	153,262
	116,775	40,011,098	2				\$	307,685	\$	274,091
							\$	2.6349	\$	11,420.45

Allocation of Sentinel by Service Area

Allocation of Sentinel by Service Area	kW	kWh	Number of Customers (Connections)							
Blenheim	127	38,893	35	1.59	\$	1.71	\$	201.93	\$	718.20
Bothwell	36	10,979	11	3.486	\$	3.14	\$	125.50	\$	414.48
Chatham	478	146,773	108	3.14	\$	4.85	\$	1,500.92	\$	6,285.60
Dresden	109	33,488	26	3.158	\$	4.52	\$	344.22	\$	1,410.24
Erieau	0	-	-				\$	-	\$	-
Merlin	9	2,650	4	0.51	\$	0.52	\$	4.59	\$	24.96
Ridgetown	62	19,093	20	2.48	\$	2.55	\$	153.76	\$	612.00
Thamesville	59	18,239	16	4.012	\$	3.12	\$	236.71	\$	599.04
Tilbury	141	43,213	32	2.74	\$	3.69	\$	386.34	\$	1,416.96
Wallaceburg	302	92,816	102	3.4	\$	4.60	\$	1,026.80	\$	5,630.40
Wheatley	39	12,039	9	1.06	\$	2.02	\$	41.34	\$	218.16
	1,362	418,183	363				\$	4,022	\$	17,330
							\$	2.9531	\$	3.98

Section 12.7

Decision and Orders for:
2002 Rates- EB-2002-0090
2004 Rates- EB-2004-0022 and,
2005 Rates- EB-2005-0017

Ontario Energy
Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie
de l'Ontario
C.P. 2319
26e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

April 5, 2002

Dave Kenney
President
Chatham-Kent Hydro Inc.
320 Queen Street
P.O. Box 70
Chatham, ON
N7M 5K2

Dear Mr. Kenney:

**Re: Chatham-Kent Hydro Inc.
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0081/EB-2002-0090**

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,



Peter H. O'Dell
Assistant Board Secretary

Encl.



RP-2002-0081

EB-2002-0090

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
Chatham-Kent Hydro Inc. for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

DECISION AND ORDER

On December 21, 2001 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. Supplemental instructions were issued on January 18, 2002.

Chatham-Kent Hydro Inc. is an amalgamated utility formed in 1998. It serves the 11 former service areas of Blenheim, Bothwell, Chatham, Dresden, Erieau, Merlin, Ridgetown, Thamesville, Tilbury, Wallaceburg and Wheatley. The utility elected to maintain 11 separate rate schedules in its RP-2000-0033 application dealing with 2001 rates and proposed to implement rate harmonization over the next five years, which was accepted by the Board.

Chatham-Kent Hydro Inc. ("the Applicant") filed an Application ("the Application"), dated February 6, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Applicant filed a revised application ("the Revised Application") dated March 22, 2002.

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective March 1, 2002 and providing the opportunity for ratepayers to participate in the proceeding or comment on the utility's application. In response to the Board's generic Notice, the Board received a total of 148 submissions in the form of a letter, facsimile, or e-mail. The total may be apportioned to the following four categories:

- 100 were copies of a template submission seeking an oral hearing, wanting to make oral submissions, claiming that rates are not just and reasonable. Another 9 were of the same template but indicated they did not wish to make an oral submission.
- 10 indicated that there should be an oral hearing and wanted to make a submission.
- 11 indicated that there should be an oral hearing but did not wish to make an oral submission.
- 18 made substantive submissions.

In some cases the submission named a specific electricity distributor, in other cases it did not. The Applicant was not named in any of the submissions.

By letter dated February 11, 2002 the Board directed electricity distributors to serve the Notice to the municipal corporation in the distributors' service area. No submissions were received.

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.
- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), \$1,077,000.
- the 2001 deferred Payments in Lieu of Taxes (PILs), \$481,632.
- the 2002 Payments in Lieu of Taxes (PILs), \$1,497,696.
- a change in the Applicant's late payment penalty and a provision for the revenue losses incurred by this change, \$200,000.

As required in the Electricity Distribution Rate Handbook and ordered by the Board in RP-2000-0033, the Applicant proposed in the current application to break-out the revenue requirement for the general service rate class into the less than 50 kW and greater than 50 kW sub-groups for each of its 11 service areas. The Applicant also proposed to harmonize these general service rates into one rate for each of the sub-groups and similarly harmonize street lighting rates.

Copies of the Application and supporting material are available for review at the Board's offices.

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that “the rates are not just and reasonable” and that they “would like the opportunity to present to the Board on this matter”.

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario’s electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this

framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board's jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario's electricity system in the future. These are not relevant to the Board's duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

While the Board accepts the Applicant's harmonization proposals for purposes of setting rates for 2002, the Board notes that these proposals differ from those presented by the Applicant and accepted by the Board in the RP-2000-0033 proceeding. The Board expects the Applicant to file the following information with the Board as soon as possible:

- 1) how the current harmonization plan differs from the harmonization plan approved in the RP-2000-0033 proceeding;
- 2) why the Applicant's harmonization plans have been changed; and
- 3) an updated harmonization plan and related schedules showing the rate impacts of these plans for each year of the harmonization plan.

In addition, the Board also notes that the Applicant has requested that certain charges related to standard installations be included on the rate schedule. At this time, the Board will consider these charges to be pass-through charges and while the Applicant may continue to charge these standard installation charges, it will not include these charges on the rate schedule.

Subject to the above, the Board finds that the Applicant's proposals in the Revised Application conform with the Board's earlier decisions, directives and guidelines and the resulting rates are just and reasonable.

THE BOARD ORDERS THAT:

- 1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.
- 2) The Applicant shall notify its customers of the rate changes coincident with the first bill reflecting the new rates.

DATED at Toronto, April 5, 2002.

ONTARIO ENERGY BOARD



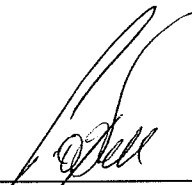
Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0081
EB-2002-0090

April 5, 2002

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read 'P. O'Dell', is written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Blenheim

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$4.08
Distribution Volumetric Rate	(per kWh)	\$0.0037
Cost of Power Rate	(per kWh)	\$0.0831

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0797

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0797

GENERAL SERVICE TIME OF USE

Monthly Service Charge	(per month)	\$2,346.99
Distribution Volumetric Rate	(per kW)	\$1.1100
Cost of Power - Winter Peak	(per kW)	\$8.5400
Cost of Power - Summer Peak	(per kW)	\$7.4600
Cost of Power - Winter Peak	(per kWh)	\$0.0689
Cost of Power - Winter Off Peak	(per kWh)	\$0.0412
Cost of Power - Summer Peak	(per kWh)	\$0.0582
Cost of Power - Summer Off Peak	(per kWh)	\$0.0306

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 2
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Blenheim

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.90
Distribution Volumetric Rate	(per kW)	\$1.1100
Cost of Power Demand Rate	(per kW)	\$24.9700

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand service at less than 115 kV	(per kW)	\$0.60
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Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 3
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Blenheim

SPECIFIC SERVICE CHARGES

Late Payment Charge	(per month)			1.50%
	(per annum)			19.56%
Returned Cheque			\$	9.00
Account Set-Up			\$	8.80
Reconnect Charges	During Regular Hours		\$	17.60
	After Hours		\$	125.00
Arrears Certificate			\$	10.00
Dispute Meter Agents Fee			\$	10.00
Diversity Adjustment Credit	(per kW)	Winter	\$	-
(discontinued at Market Opening)		Summer	\$	-

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Bothwell

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.56
Distribution Volumetric Rate	(per kWh)	\$0.0119
Cost of Power Rate	(per kWh)	\$0.0783

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0751

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0751

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$3.26
Distribution Volumetric Rate	(per kW)	\$0.9400
Cost of Power Demand Rate	(per kW)	\$24.5700

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 2
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Bothwell

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
	After Hours	\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW) (discontinued at Market Opening)	Winter	\$ -
	Summer	\$ -

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Chatham

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.93
Distribution Volumetric Rate	(per kWh)	\$0.0112
Cost of Power Rate	(per kWh)	\$0.0766

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0734

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0734

GENERAL SERVICE TIME OF USE

Monthly Service Charge	(per month)	\$4,588.58
Distribution Volumetric Rate	(per kW)	\$1.4200
Cost of Power - Winter Peak	(per kW)	\$9.3900
Cost of Power - Summer Peak	(per kW)	\$5.4600
Cost of Power - Winter Peak	(per kWh)	\$0.0691
Cost of Power - Winter Off Peak	(per kWh)	\$0.0413
Cost of Power - Summer Peak	(per kWh)	\$0.0583
Cost of Power - Summer Off Peak	(per kWh)	\$0.0307

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 2
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Chatham

LARGE USER

Monthly Service Charge	(per month)	\$11,298.32
Distribution Volumetric Rate	(per kW)	\$1.8700
Cost of Power - Winter Peak	(per kW)	\$8.1500
Cost of Power - Summer Peak	(per kW)	\$4.6600
Cost of Power - Winter Peak	(per kWh)	\$0.0689
Cost of Power - Winter Off Peak	(per kWh)	\$0.0412
Cost of Power - Summer Peak	(per kWh)	\$0.0582
Cost of Power - Summer Off Peak	(per kWh)	\$0.0306

STAND-BY CHARGE

Service Charge	(per kW)	\$1.02
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BACK-UP POWER

Distribution Volumetric Rate-Winter	(per kW)	\$1.7300
Distribution Volumetric Rate-Summer	(per kW)	\$1.2900
Distribution Volumetric Rate-Winter Peak	(per kWh)	\$0.0088
Distribution Volumetric Rate-Winter Off Peak	(per kWh)	\$0.0048
Distribution Volumetric Rate-Summer Peak	(per kWh)	\$0.0072
Distribution Volumetric Rate-Summer Off Peak	(per kWh)	\$0.0033
Cost of Power - Winter Peak	(per kW)	\$12.0500
Cost of Power - Summer Peak	(per kW)	\$9.0500
Cost of Power - Winter Peak	(per kWh)	\$0.0683
Cost of Power - Winter Off Peak	(per kWh)	\$0.0409
Cost of Power - Summer Peak	(per kWh)	\$0.0577
Cost of Power - Summer Off Peak	(per kWh)	\$0.0304

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.90
Distribution Volumetric Rate	(per kW)	\$0.8500
Cost of Power Demand Rate	(per kW)	\$23.5600

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 3
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Chatham

STREET LIGHTS (Non Time of Use)

Monthly Service Charge	(per customer)	\$5,227.07
Distribution Volumetric Rate	(per kW)	\$2.3100
Cost of Power Demand Rate	(per kW)	\$24.4600

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand service at less than 115 kV	(per kW)	\$0.60
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Chatham-Kent Hydro Inc.
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EB-2002-0090

Service Area -- Chatham

SPECIFIC SERVICE CHARGES

Late Payment	(per month)		1.50%
	(per annum)		19.56%
Returned Cheque		\$	9.00
Account set-up costs		\$	8.80
Reconnect Charges - During Regular Hours		\$	17.60
After Hours		\$	125.00
Arrears Certificate		\$	10.00
Dispute Meter Agents Fee		\$	10.00
Diversity Adjustment (per kW)	Winter	\$	2.19
(discontinued at Market Opening)	Summer	\$	1.81

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Service Area -- Dresden

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.98
Distribution Volumetric Rate	(per kWh)	\$0.0106
Cost of Power Rate	(per kWh)	\$0.0775

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0744

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0744

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.65
Distribution Volumetric Rate	(per kW)	\$0.9100
Cost of Power Demand Rate	(per kW)	\$24.7600

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Service Area -- Dresden

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment (per kW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

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Service Area -- Erieanu

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.20
Distribution Volumetric Rate	(per kWh)	\$0.0089
Cost of Power Rate	(per kWh)	\$0.0744

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0713

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0713

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.87
Distribution Volumetric Rate	(per kW)	\$0.1700
Cost of Power Demand Rate	(per kW)	\$0.0000

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Service Area -- Erieau

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand service at less than 115 kV	(per kW)	\$0.60
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SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

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Service Area -- Merlin

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.25
Distribution Volumetric Rate	(per kWh)	\$0.0114
Cost of Power Rate	(per kWh)	\$0.0744

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0713

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0713

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.44
Distribution Volumetric Rate	(per kW)	\$0.0300
Cost of Power Demand Rate	(per kW)	\$23.6900

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Service Area -- Merlin

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand service at less than 115 kV	(per kW)	\$0.60
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SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

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Service Area -- Ridgeway

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.10
Distribution Volumetric Rate	(per kWh)	\$0.0121
Cost of Power Rate	(per kWh)	\$0.0752

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0743

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0743

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.73
Distribution Volumetric Rate	(per kW)	\$0.8400
Cost of Power Demand Rate	(per kW)	\$23.0900

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Service Area -- Ridgeway

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

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Service Area -- Thamesville

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$7.55
Distribution Volumetric Rate	(per kWh)	\$0.0067
Cost of Power Rate	(per kWh)	\$0.0775

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0702

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0702

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.75
Distribution Volumetric Rate	(per kW)	\$1.0500
Cost of Power Demand Rate	(per kW)	\$23.4800

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Service Area -- Thamesville

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment (per kW) (discontinued at Market Opening)	Winter	\$ -
	Summer	\$ -

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Service Area -- Tilbury

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.32
Distribution Volumetric Rate	(per kWh)	\$0.0096
Cost of Power Rate	(per kWh)	\$0.0731

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0721

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0721

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.04
Distribution Volumetric Rate	(per kW)	\$0.9400
Cost of Power Demand Rate	(per kW)	\$22.1000

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Service Area -- Tilbury

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand service at less than 115 kV	(per kW)	\$0.60
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SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
After Hours		\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

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Service Area -- Wallaceburg

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.93
Distribution Volumetric Rate	(per kWh)	\$0.0128
Cost of Power Rate	(per kWh)	\$0.0739

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0709

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0709

LARGE USER

Monthly Service Charge	(per month)	\$13,421.94
Distribution Volumetric Rate	(per kW)	\$1.9900
Cost of Power - Winter Peak	(per kW)	\$7.4700
Cost of Power - Summer Peak	(per kW)	\$5.8800
Cost of Power - Winter Peak	(per kWh)	\$0.0689
Cost of Power - Winter Off Peak	(per kWh)	\$0.0412
Cost of Power - Summer Peak	(per kWh)	\$0.0582
Cost of Power - Summer Off Peak	(per kWh)	\$0.0306

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Service Area -- Wallaceburg

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.66
Distribution Volumetric Rate	(per kWh)	\$0.6900
Cost of Power Demand Rate	(per kW)	\$22.9200

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 3
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Wallaceburg

SPECIFIC SERVICE CHARGES

Late Payment	(per month)		1.50%
	(per annum)		19.56%
Returned Cheque		\$	9.00
Account set-up costs		\$	8.80
Reconnect Charges - During Regular Hours		\$	17.60
After Hours		\$	125.00
Arrears Certificate		\$	10.00
Dispute Meter Agents Fee		\$	10.00
Diversity Adjustment ((per kW)	Winter	\$	2.19
(discontinued at Market Opening)	Summer	\$	1.81

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0081
EB-2002-0090

Service Area -- Wheatley

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)
Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.74
Distribution Volumetric Rate	(per kWh)	\$0.0084
Cost of Power Rate	(per kWh)	\$0.0781

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0069
Cost of Power Rate	(per kWh)	\$0.0749

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$0.9600
Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0749

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.09
Distribution Volumetric Rate	(per kW)	\$0.5100
Cost of Power Demand Rate	(per kW)	\$26.3700

Chatham-Kent Hydro Inc.
Schedule of Rates and Charges - Page 2
 Effective March 1, 2002

RP-2002-0081
 EB-2002-0090

Service Area -- Wheatley

UNMETERED SCATTERED LOADS

Un-metered scattered loads are applied on a per-site basis to the rated loads multiplied by the monthly hours of use.

Cable Television	Monthly Service Charge	(per month)	\$3.53
	Distribution Volumetric Rate	(per kWh)	\$0.0047
	Cost of Power Demand Rate	(per kWh)	\$0.0974
Phone Booths	Monthly Service Charge	(per month)	\$0.75
	Distribution Volumetric Rate	(per kWh)	\$0.0045
	Cost of Power Demand Rate	(per kWh)	\$0.0920
Traffic Lights	Monthly Service Charge	(per month)	\$3.36
	Distribution Volumetric Rate	(per kWh)	\$0.0049
	Cost of Power Demand Rate	(per kWh)	\$0.1009
Railway Crossings	Monthly Service Charge	(per month)	\$2.33
	Distribution Volumetric Rate	(per kWh)	\$0.0056
	Cost of Power Demand Rate	(per kWh)	\$0.1139
Bus Shelters	Monthly Service Charge	(per month)	\$3.86
	Distribution Volumetric Rate	(per kWh)	\$0.0086
	Cost of Power Demand Rate	(per kWh)	\$0.1719

TRANSFORMER

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook

Allowance for Ownership: per kW of billing demand		
service at less than 115 kV	(per kW)	\$0.60

SPECIFIC SERVICE CHARGES

Late Payment	(per month)	1.50%
	(per annum)	19.56%
Returned Cheque		\$ 9.00
Account set-up costs		\$ 8.80
Reconnect Charges - During Regular Hours		\$ 17.60
	After Hours	\$ 125.00
Arrears Certificate		\$ 10.00
Dispute Meter Agents Fee		\$ 10.00
Diversity Adjustment ((per kW) (discontinued at Market Opening)	Winter	\$ -
	Summer	\$ -

Ontario Energy
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March 15, 2004

Dave Kenney
President
Chatham-Kent Hydro Inc.
320 Queen Street
P.O. Box 70
Chatham ON
N7M 5K2

Dear Mr. Kenney:

**Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule**

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0036
EB-2004-0022

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 Chatham-
Kent Hydro Inc. for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate

evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.
- 2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 15, 2004

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Blenheim

RESIDENTIAL

Monthly Service Charge	(per month)	\$4.08
Distribution Volumetric Rate	(per kWh)	\$0.0035

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

GENERAL SERVICE TIME OF USE

Monthly Service Charge	(per month)	\$2,346.99
Distribution Volumetric Rate	(per kW)	\$1.0700

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.79
Distribution Volumetric Rate	(per kW)	\$0.4300

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Bothwell

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.56
Distribution Volumetric Rate	(per kWh)	\$0.0112

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$3.26
Distribution Volumetric Rate	(per kW)	\$0.9900

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Chatham

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.93
Distribution Volumetric Rate	(per kWh)	\$0.0106

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

GENERAL SERVICE TIME OF USE

Monthly Service Charge	(per month)	\$4,588.58
Distribution Volumetric Rate	(per kW)	\$1.5400

LARGE USER

Monthly Service Charge	(per month)	\$11,298.32
Distribution Volumetric Rate	(per kW)	\$1.8800

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.90
Distribution Volumetric Rate	(per kW)	\$0.6100

STREET LIGHTS (Non Time of Use)

Monthly Service Charge	(per customer)	\$5,227.07
Distribution Volumetric Rate	(per kW)	\$2.5600

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Dresden

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.98
Distribution Volumetric Rate	(per kWh)	\$0.0102

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.65
Distribution Volumetric Rate	(per kW)	\$0.6100

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Eriean

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.20
Distribution Volumetric Rate	(per kWh)	\$0.0098

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Merlin

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.25
Distribution Volumetric Rate	(per kWh)	\$0.0098

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.44
Distribution Volumetric Rate	(per kW)	\$0.1700

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Ridgetown

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.10
Distribution Volumetric Rate	(per kWh)	\$0.0103

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.73
Distribution Volumetric Rate	(per kW)	\$0.4300

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2002

RP-2004-0036
EB-2004-0022

Service Area -- Thamesville

RESIDENTIAL

Monthly Service Charge	(per month)	\$7.55
Distribution Volumetric Rate	(per kWh)	\$0.0087

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.75
Distribution Volumetric Rate	(per kW)	\$1.2300

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Tilbury

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.32
Distribution Volumetric Rate	(per kWh)	\$0.0080

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.04
Distribution Volumetric Rate	(per kW)	\$0.6100

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Wallaceburg

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.93
Distribution Volumetric Rate	(per kWh)	\$0.0121

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kW)	\$1.0900

LARGE USER

Monthly Service Charge	(per month)	\$13,421.94
Distribution Volumetric Rate	(per kW)	\$2.1700

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.66
Distribution Volumetric Rate	(per kW)	\$0.4500

Interim Rates
Chatham-Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0036
EB-2004-0022

Service Area -- Wheatley

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.74
Distribution Volumetric Rate	(per kWh)	\$0.0081

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$35.02
Distribution Volumetric Rate	(per kWh)	\$0.0064

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$152.96
Distribution Volumetric Rate	(per kWh)	\$1.0900

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.30
Distribution Volumetric Rate	(per kW)	\$0.4300

ONT ENERGY BOARD

JOB #387

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Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie
de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656



FACSIMILE/TÉLÉCOPIE

DATE:

NAME: Dave Kenney

COMPANY: Chatham-Kent Hydro Inc.

FAX NO. & CITY: 1-519-351-4059

FROM: Peter O'Dell

FILE NO. _____

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Téléphone: (416) 481-1967
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March 30, 2004

Dave Kenney
President
Chatham-Kent Hydro Inc.
320 Queen Street
P.O. Box 70
Chatham ON
N7M 5K2

Dear Mr. Kenney:

**Re: Distribution Rate Application
Revised Board Decision and Order
RP-2004-0036/EB-2004-0022**

Attached is the Board's amendment to its Decision and Order with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0036
EB-2004-0022

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 Chatham-
Kent Hydro Inc. for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

Amendment to DECISION AND ORDER

On March 15, 2004 the Ontario Energy Board ("the Board") issued its Decision and Order in this proceeding. The Board orders that the Decision and Order is hereby amended with the following additions:

The Applicant also applied for recovery of amounts outside of the filing guidelines. Specifically, the Applicant requested to continue its rate harmonization plans in its 11 different service areas, started in the 2002 rate adjustment process.

In his letter to the Board authorizing the Board to proceed with allowing the recovery of Regulatory Assets, the Minister of Energy requested that the Board report on any anomalies in the applications. At this time, the Board will approve only the portion of the application that conforms to the guidelines. The Applicant's other request will be reported as an anomaly to the Minister along with the Board's recommendation regarding this part of the applicant's proposal.

The rate schedule issued with the Decision and Order remains as issued.

DATED at Toronto, March 30, 2004

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary



RP-2005-0013
EB-2005-0017

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
Chatham-Kent Hydro for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application on January 17, 2005. On March 8, 2005, the Applicant filed a revised application for adjustments to their rates for the following amounts:

MARR: \$ 970,265

2005 PILs Proxy: \$ 1,714,352

Regulatory Assets Second Tranche: \$ 587,958

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

SEC made specific submissions for this application stating that the Board should approve the additional increase in the Applicant's MARR in order to fund the C & DM plan. SEC based its position on the fact that the rate increase proposed in this application still leaves the Applicant in the lower cost category of distributors.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedules attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedules remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 29, 2005

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0017

March 29, 2005

ONTARIO ENERGY BOARD

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

Service Area - Blenheim

RESIDENTIAL

Monthly Service Charge	(per month)	\$3.68
Distribution Volumetric Rate	(per kWh)	\$0.0047

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$2,302.37
Distribution Volumetric Rate	(per kW)	\$1.4066

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.71
Distribution Volumetric Rate	(per kW)	\$1.5968

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

Service Area - Bothwell

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.87
Distribution Volumetric Rate	(per kWh)	\$0.0158

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$3.14
Distribution Volumetric Rate	(per kW)	\$3.4860

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

Service Area - Chatham

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.33
Distribution Volumetric Rate	(per kWh)	\$0.0149

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

GENERAL SERVICE (Time of Use)

Monthly Service Charge	(per month)	\$3,857.51
Distribution Volumetric Rate	(per kW)	\$2.0767

LARGE USE

Monthly Service Charge	(per month)	\$10,069.07
Distribution Volumetric Rate	(per kW)	\$2.6159

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.85
Distribution Volumetric Rate	(per kW)	\$3.1413

STREET LIGHTS (Non Time of Use)

Monthly Service Charge	(per customer)	\$5,164.94
Distribution Volumetric Rate	(per kW)	\$3.2973

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

Service Area - Dresden

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.33
Distribution Volumetric Rate	(per kWh)	\$0.0141

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.52
Distribution Volumetric Rate	(per kW)	\$3.1589

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

Service Area - Erieau

RESIDENTIAL

Monthly Service Charge	(per month)	\$9.74
Distribution Volumetric Rate	(per kWh)	\$0.0122

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.87
Distribution Volumetric Rate	(per kW)	\$0.1700

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

Service Area - Merlin

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.58
Distribution Volumetric Rate	(per kWh)	\$0.0143

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.52
Distribution Volumetric Rate	(per kW)	\$0.5153

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

Service Area - Ridgetown

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.49
Distribution Volumetric Rate	(per kWh)	\$0.0166

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.55
Distribution Volumetric Rate	(per kW)	\$2.4812

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

Service Area - Thamesville

RESIDENTIAL

Monthly Service Charge	(per month)	\$7.06
Distribution Volumetric Rate	(per kWh)	\$0.0086

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$3.12
Distribution Volumetric Rate	(per kW)	\$4.0124

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

Service Area - Tilbury

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.72
Distribution Volumetric Rate	(per kWh)	\$0.0125

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$3.69
Distribution Volumetric Rate	(per kW)	\$2.7418

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RP-2005-0013
EB-2005-0017

Service Area - Wheatley

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.10
Distribution Volumetric Rate	(per kWh)	\$0.0112

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$2.02
Distribution Volumetric Rate	(per kW)	\$1.0667

The rates on this schedule include an interim recovery of Regulatory Assets.

Chatham - Kent Hydro Inc.
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0017

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

Service Area - Wallaceburg

RESIDENTIAL

Monthly Service Charge	(per month)	\$14.22
Distribution Volumetric Rate	(per kWh)	\$0.0169

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$32.23
Distribution Volumetric Rate	(per kWh)	\$0.0099

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$133.86
Distribution Volumetric Rate	(per kW)	\$1.3815

LARGE USE

Monthly Service Charge	(per month)	\$12,771.82
Distribution Volumetric Rate	(per kW)	\$2.6573

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$4.60
Distribution Volumetric Rate	(per kW)	\$3.4065

The rates on this schedule include an interim recovery of Regulatory Assets.

Section 12.8
CKH Financial Statements
2001 through 2005

Financial Statements of

CHATHAM-KENT HYDRO INC.

December 31, 2001

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**Deloitte
& Touche**

Notice to Reader

We have compiled the balance sheet of Chatham-Kent Hydro Inc. as at December 31, 2001 and the statement of earnings and retained earnings for the period then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.



Chartered Accountants

April 16, 2001

**Deloitte
Touche
Tohmatsu**

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CHATHAM-KENT HYDRO INC.

Balance Sheet

December 31, 2001

(Unaudited - See Notice to Reader)

ASSETS

CURRENT

Cash	\$ 742,001
Accounts receivable (Note 3)	3,249,342
Accounts receivable - unbilled revenue	6,402,940
Due from Municipality	10,185,115
Due from Chatham-Kent Utility Services Inc.	694,509
Inventories	678,102
Prepaid expenses	89,933
	22,041,942

CAPITAL

39,372,910

OTHER

Transition costs recoverable	722,755
Computer software	8,568
	40,104,233
	\$ 62,146,175

LIABILITIES

CURRENT

Accounts payable	\$ 7,717,147
Due to Water/Wastewater Municipal departments	952,696
Due to Chatham-Kent Energy Inc.	3,266,448
Current portion of customer deposits	345,000
	12,281,291

LONG-TERM

Note payable	23,523,326
Employee future benefits (Note 6)	484,936
Long-term portion of customer deposits	922,660
	24,930,922
	37,212,213

SHAREHOLDERS' EQUITY

Share capital (Note 10)	23,523,425
Surplus (deficit)	1,410,537
	24,933,962
	\$ 62,146,175

CHATHAM-KENTHYDRO INC.**Statement of Earnings and Retained Earnings****For the Three Months Ended December 31, 2001****(Unaudited - See Notice to Reader)**

SERVICE REVENUE	
Residential	\$ 5,495,721
General service	12,310,854
Street lighting	144,539
	<u>17,951,114</u>
Change in unbilled revenue	(1,027,850)
	<u>16,923,264</u>
COST OF POWER	
	<u>16,213,708</u>
GROSS MARGIN ON SERVICE REVENUE	<u>709,556</u>
OTHER OPERATING REVENUE	
	<u>193,301</u>
OPERATING INCOME	<u>902,857</u>
OPERATING AND MAINTENANCE EXPENSE	
Distribution	<u>554,582</u>
ADMINISTRATIVE EXPENSE	
Billing and collection	281,306
General administration	430,314
Interest	422,343
	<u>1,133,963</u>
DEPRECIATION	
	<u>656,854</u>
	<u>2,345,399</u>
NET PROFIT (LOSS)	<u>(1,442,542)</u>
DEFICIT, BEGINNING OF PERIOD	<u>2,853,079</u>
SURPLUS, (DEFICIT) END OF PERIOD	<u>\$ 1,410,537</u>

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2001

(Unaudited – See Notice to Reader)

1. NATURE OF OPERATIONS

Chatham-Kent Hydro Inc. ("the Company") was incorporated September 22, 2000 under the *Business Corporations Act (Ontario)*.

The Company is wholly-owned by Chatham-Kent Energy Inc. which in turn is wholly-owned by the Municipality of Chatham-Kent ("the Municipality").

The principal activity of the Company is to distribute electricity to customers within the Municipality of Chatham-Kent, under the license issued by the Ontario Energy Board ("OEB").

Other activities of the Company are to provide energy services, meter services, and street lighting services.

Under a Municipality by-law, dated September 5, 2000, the former Public Utilities Commission of the Municipality of Chatham-Kent – Electrical Division ("the Commission") and the Municipality transferred the assets, liabilities and employees associated with the distribution of electricity at book value effective October 1, 2000. The book value of the net assets transferred to the Company at October 1, 2000 was \$47,046,751. In consideration for the transfer the Company issued long-term notes payable to the Municipality in the aggregate principal amount of \$23,523,326. Shares valued at \$23,523,425 have been issued to Chatham-Kent Energy Inc.

Certain regulations of section 93 of *the Electricity Act, 1998 (Ontario)*, if enacted, will permit the assets transferred to be adjusted to reflect fair market value. It is anticipated that this adjustment will take place at either the date of transfer of assets (October 1, 2000) or the date of market opening, which is anticipated to be May 2002. The adjustment will result in issuance of further debt and equity as consideration at the ratio stipulated in the transfer by-law.

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act, 1998* enacted by the Province of Ontario to introduce competition in the electricity market.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2001

(Unaudited – See Notice to Reader)

2. NOTE PAYABLE

The note payable is due to the Municipality. The structure of the note payable is under negotiation. The Company has accrued an interest expense of \$1,387,444 in the current year at a rate of 7.04% and is expected to pay interest of the same amount in 2002.

3. SHARE CAPITAL

Authorized

Unlimited common shares

Issued

2,000 common shares

\$ 23,523,425

Financial Statements of

CHATHAM-KENT HYDRO INC.

December 31, 2002

Auditors' Report

To the Chairman and Board Members of Chatham-Kent Hydro Inc.

We have audited the balance sheet of Chatham-Kent Hydro Inc. as at December 31, 2002 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2002 and the results of its operations and its cash flows for the year ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
February 28, 2003

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CHATHAM-KENT HYDRO INC.

Balance Sheet

December 31, 2002

Page 1 of 11

	2002	2001
ASSETS		
CURRENT		
Cash	\$ 10,787,465	\$ 675,189
Accounts receivable (Note 3)	3,373,960	2,096,714
Accounts receivable - unbilled revenue	8,228,837	6,402,939
Due from Municipality	-	10,185,115
Due from Chatham-Kent Utility Services Inc.	6,219,720	694,509
Income taxes receivable	6,939	-
Inventories	605,543	678,102
Prepaid expenses	110,561	89,933
	29,333,025	20,822,501
CAPITAL ASSETS (Note 4)	39,216,367	39,372,911
OTHER		
Deferred assets (Note 5)	1,847,547	722,755
Computer software	11,294	8,568
	1,858,841	731,323
	\$ 70,408,233	\$ 60,926,735
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 7,491,137	\$ 7,550,848
Income taxes payable	-	177,960
Due to Municipality	7,794,870	-
Due to Shareholder	3,276,644	3,266,448
Current portion of customer deposits	340,000	345,000
	18,902,651	11,340,256
LONG-TERM		
Note payable (Note 6)	23,523,326	23,523,326
Employee future benefits (Note 7)	545,100	484,936
Long-term portion of customer deposits	1,068,845	792,304
	25,137,271	24,800,566
	44,039,922	36,140,822
CONTINGENCY (Note 10)		
COMMITMENTS (Note 15)		
SHAREHOLDER'S EQUITY		
Share capital (Note 11)	23,523,425	23,523,425
Retained earnings	2,844,886	1,262,488
	26,368,311	24,785,913
	\$ 70,408,233	\$ 60,926,735

CHATHAM-KENT HYDRO INC.**Statement of Earnings and Retained Earnings**

Year Ended December 31, 2002

Page 2 of 11

	2002	2001
SERVICE REVENUE		
Residential	\$ 23,774,423	\$ 22,989,005
General service	49,549,585	45,459,328
Street lighting	549,327	580,407
	73,873,335	69,028,740
Change in unbilled revenue	1,229,560	(47,803)
	75,102,895	68,980,937
Retailer energy sales	4,180,214	-
	79,283,109	68,980,937
COST OF POWER	68,359,445	59,598,306
GROSS MARGIN ON SERVICE REVENUE	10,923,664	9,382,631
OTHER OPERATING REVENUE	1,037,765	1,411,842
OPERATING INCOME	11,961,429	10,794,473
OPERATING AND MAINTENANCE EXPENSE		
Distribution	2,393,344	2,263,802
ADMINISTRATIVE EXPENSE		
Billing and collection	1,376,271	1,312,880
General administration	1,887,735	1,275,573
Interest	1,697,454	1,393,058
DEPRECIATION AND AMORTIZATION	2,724,227	2,495,184
	10,079,031	8,740,497
EARNINGS, BEFORE		
PAYMENTS IN LIEU OF TAXES	1,882,398	2,053,976
PAYMENTS IN LIEU OF TAXES (Note 14)	300,000	-
NET EARNINGS	1,582,398	2,053,976
RETAINED EARNINGS (DEFICIT),		
BEGINNING OF YEAR	1,262,488	(791,488)
RETAINED EARNINGS, END OF YEAR	\$ 2,844,886	\$ 1,262,488

CHATHAM-KENT HYDRO INC.

Statement of Cash Flows

Year Ended December 31, 2002

Page 3 of 11

	<u>2002</u>	<u>2001</u>
OPERATING ACTIVITIES		
Net earnings	\$ 1,582,398	\$ 2,053,976
Adjustments for:		
Depreciation of capital assets	2,775,853	2,524,663
Depreciation of computer software	2,418	10,313
Amortization of contributed capital	(54,044)	(39,792)
Gain on disposal of capital assets	(15,335)	-
Employee future benefits	60,164	56,466
Changes in non-cash working capital items (Note 12)	9,169,147	(755,842)
Change in customer deposits	271,541	(2,854)
	<u>13,792,142</u>	<u>3,846,930</u>
INVESTING ACTIVITIES		
Additions to deferred assets	(1,124,792)	(722,755)
Additions to computer software	(5,144)	(9,520)
Proceeds on disposal of capital assets	77,723	-
Additions to capital assets	(2,627,653)	(3,180,858)
	<u>(3,679,866)</u>	<u>(3,913,133)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	10,112,276	(66,203)
CASH AND CASH EQUIVALENTS,		
BEGINNING OF YEAR	675,189	741,392
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 10,787,465	\$ 675,189

See Note 12 for supplemental cash flow information.

1. NATURE OF OPERATIONS

Chatham-Kent Hydro Inc. (the "Company") was incorporated September 22, 2000 under the *Business Corporations Act* (Ontario).

The Company is wholly-owned by Chatham-Kent Energy Inc. (the "Shareholder") which in turn is wholly-owned by the Municipality of Chatham-Kent (the "Municipality").

The principal activity of the Company is to distribute electricity to customers within the Municipality of Chatham-Kent, under the license issued by the Ontario Energy Board ("OEB").

Under a Municipal by-law, dated September 5, 2000, the former Public Utilities Commission of the Municipality of Chatham-Kent – Electrical Division ("the Commission") and the Municipality transferred the assets, liabilities and employees associated with the distribution of electricity at book value effective October 1, 2000. The book value of the net assets transferred to the Company at October 1, 2000 was \$47,046,751. In consideration for the transfer the Company issued long-term notes payable to the Municipality in the aggregate principal amount of \$23,523,326. Shares valued at \$23,523,425 have been issued to Chatham-Kent Energy Inc.

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act, 1998* enacted by the Province of Ontario to introduce competition in the electricity market.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies as set forth in the Accounting Procedures Handbook issued by the OEB under the authority of the *Ontario Energy Board Act, 1998*:

Regulation

The Company is regulated by the OEB and any power rate adjustments require OEB approval.

Inventories

Inventories are valued at the lower of cost and replacement cost with cost being determined using the weighted average method.

Capital assets

Capital assets are recorded at cost. Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

Buildings and fixtures	25 – 50 years
Distribution station equipment	30 years
Distribution lines	25 years
Distribution transformers	25 years
Distribution meters	25 years
General office equipment	10 years
Computer equipment	5 years
Rolling stock	4 – 8 years
Tools	10 years
System supervisory equipment	15 years
Automated mapping facility management	15 years
Services	25 years

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Computer software

Computer software is stated at cost less accumulated depreciation. Depreciated is calculated on a straight-line basis over five years.

Deferred assets

Deferred assets consist of qualifying capital costs and related expenditures incurred in the preparation for market opening which occurred in May 2002 as well as difference between the amounts recovered through rates and the amounts paid for cost of power. Recovery of the deferred costs is regulated by the OEB.

Contributed capital

Contributed capital consist of third party contributions toward the cost of constructing company assets. For the year ended December 31, 2002, \$356,295 (2001 - \$396,862) of contributed capital has been charged to capital assets and recorded as an offset to capital assets. Amortization is on a straight-line basis over 25 years.

Customer deposits

Customer deposits are recorded when received or paid. Deposits earn interest at a rate of prime less 1.75%.

Revenue recognition and cost of power

Service revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used. Any discrepancies in the revenue collected and associated cost of power related to distribution are charged to deferred assets.

Unbilled revenue

Unbilled revenue is an estimate of customers' consumption of power from the last meter read to December 31st.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Post employment benefits other than pension

The Company provides its current and retired employees with life insurance and medical benefits beyond those provided by government-sponsored plans. The cost of these benefits is expensed as earned through employment service.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2002

Page 6 of 11

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment in lieu of income taxes

Under the *Electricity Act, 1998*, the Company is required to make payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFC), for the period commencing October 1, 2001. These payments are recorded in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporation Tax Act* (Ontario) and modified by the *Electricity Act, 1998*, and related regulations. Prior to October 1, 2001, the Company was not subject to income or capital taxes.

The Company, regulated by the Ontario Energy Board, provides for payments in lieu of corporate income taxes using the taxes payable method instead of the liability method.

Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Future income taxes are expected to be reflected in future rates and, accordingly, are not recognized in the financial information.

Payments in lieu of taxes are henceforth referred to as income taxes.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with the bank.

3. ACCOUNTS RECEIVABLE

	2002	2001
Electrical energy	\$ 3,217,121	\$ 2,134,328
Other	331,349	132,310
	<u>3,548,470</u>	<u>2,266,638</u>
Allowance for doubtful accounts	174,510	169,924
	<u>\$ 3,373,960</u>	<u>\$ 2,096,714</u>

4. CAPITAL ASSETS

	2002		2001	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Plant and distribution system:				
Land	\$ 408,911	\$ -	\$ 408,911	\$ 415,308
Buildings and fixtures	3,002,982	209,326	2,793,656	2,929,823
Substation	211,364	35,479	175,885	191,085
Distribution system:				
Overhead	14,372,112	1,703,458	12,668,654	12,112,397
Underground	11,992,109	1,518,864	10,473,245	10,608,355
Transformers	9,902,947	1,272,106	8,630,841	8,615,239
Meters	2,163,828	302,381	1,861,447	1,863,920
General office equipment	61,131	21,376	39,755	49,306
Computer equipment	257,322	122,875	134,447	168,333
Rolling stock	1,129,224	609,043	520,181	698,394
Tools	451,211	181,574	269,637	339,858
System supervisory equipment	551,422	138,357	413,065	460,007
Automated mapping facility management	1,285,825	196,582	1,089,243	1,164,567
Services	1,043,608	71,613	971,995	688,663
	<u>46,833,996</u>	<u>6,383,034</u>	<u>40,450,962</u>	<u>40,305,255</u>
Contributed capital	(1,334,411)	(99,816)	(1,234,595)	(932,344)
	<u>\$ 45,499,585</u>	<u>\$ 6,283,218</u>	<u>\$ 39,216,367</u>	<u>\$ 39,372,911</u>

CHATHAM-KENT HYDRO INC.**Notes to the Financial Statements**

December 31, 2002

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5. DEFERRED ASSETS

Deferred assets and liabilities arise as a result of the rate-making process. As described in this note, the Company has recorded the following regulatory assets and related provision.

	2002	2001
Billing activities	\$ 76,089	\$ 42,543
Customer education	9,966	8,974
Wholesale market requirements	120,683	60,252
Independent market operator requirements	61,054	9,582
Retailer/customer requirements	116,024	68,725
Regulatory requirements	158,558	111,676
Payment-in-lieu of taxes - property	139,202	150,954
Payment-in-lieu of taxes - corporate taxes	-	195,719
Post employment costs	155,069	74,330
Retailer settlement variance accounts	1,692,478	-
	2,529,123	722,755
Less: provision	681,576	-
	\$ 1,847,547	\$ 722,755

The introduction of Bill 210 in November 2002 has deferred future rate increases until 2006. Due to the uncertainty created by this bill, management believes that certain of these assets may not be allowed in future rate setting even past 2006. Management has performed an analysis of the impact on future rates and is confident that future rate increases will be sufficient to realize all of these costs. While it is management's intention to pursue future rate increases based on all of these costs and the related interest, they have provided an allowance of \$681,576 (2001 - \$nil) for costs which may be disallowed for OEB purposes.

6. NOTE PAYABLE

The note payable is due to the Municipality with no set repayment terms and interest payable monthly at 7.04% (2001 - 7.04%). Interest expense for the year amounted to \$1,656,042 (2001 - \$1,387,444).

7. EMPLOYEE FUTURE BENEFITS

The Company pays certain medical and life insurance benefits on behalf of its retired and current employees. The accrued benefit liability was determined by actuarial valuation using a discount rate of 7.5% (2001 - 7.5%).

Information about the Company's defined benefit plan is as follows:

	2002		2001	
Accrued benefit liability, beginning of year	\$	484,936	\$	428,470
Expense for the period		60,164		56,466
Benefits paid during the period		-		-
Estimated accrued benefit liability, end of year	\$	545,100	\$	484,936

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future inflation levels, as measured by changes in the Consumers Price Index ("CPI"), were assumed to be 2.5% in 2002 and thereafter.

Interest (discount) rate

The present value as at December 31, 2002 of the future benefits, and the expense for the year ended December 31, 2002, was determined using a discount rate of 7.5%. This corresponds to the assumed CPI rate plus as assumed rate of return of 5%.

Health costs

Health costs were assumed to increase at 12% per year for 10 years, and then at the CPI rate plus 1% thereafter.

Dental costs

Dental costs were assumed to increase at the CPI rate plus 1% for 2002 and thereafter.

8. PENSION AGREEMENT

The Company provides a pension plan for its employees through the Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund") and provides pensions for employees of Ontario municipalities, local boards, public utilities, and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. As there is insufficient information to apply defined benefit plan accounting, defined contribution plan accounting has been used by the Company. The Company's contribution for employees' current service in 2002 was \$nil (2001 - \$nil). No premiums were paid by the employer or employees in 2002 due to the legislated OMERS premium holiday which is in effect until December 31, 2002.

CHATHAM-KENT HYDRO INC.**Notes to the Financial Statements**

December 31, 2002

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9. RELATED PARTY TRANSACTIONS

The Company provided the following services in the normal course of operations to the Municipality:

	2002	2001
Energy (at commercial rates)	\$ 3,537,630	\$ 3,046,469
Streetlight maintenance	146,562	155,075
	\$ 3,684,192	\$ 3,201,544

Chatham-Kent Utility Services Inc. provided the following services in the normal course of operations to the Company:

	2002	2001
Billing and collection services	\$ 2,794,828	\$ 2,611,352

The Shareholder provided the following services in the normal course of operations to the Company:

	2002	2001
Administrative services	\$ 653,172	\$ 703,556

10. CONTINGENCY

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981.

The claim states that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code.

The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Company, and as such no potential liability has been recognized.

11. SHARE CAPITAL

	2002	2001
Authorized		
Unlimited common shares		
Issued		
2,000 common shares	\$23,523,425	\$23,523,425

CHATHAM-KENT HYDRO INC.**Notes to the Financial Statements**

December 31, 2002

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12. SUPPLEMENTAL CASH FLOW INFORMATION*Changes in non-cash working capital items*

	2002	2001
Accounts receivable	\$ (1,277,246)	\$ 1,014,821
Accounts receivable - unbilled revenue	(1,825,898)	163,992
Due from Municipality	17,979,985	(3,322,899)
Due from Chatham-Kent Utility Services Inc.	(5,525,211)	(868,908)
Inventories	72,559	178,471
Prepaid expenses	(20,628)	(89,933)
Accounts payable and accrued liabilities	(59,711)	2,009,080
Income taxes payable	(184,899)	177,960
Due from Shareholder	10,196	(18,426)
	\$ 9,169,147	\$ (755,842)

Payments in lieu of taxes of \$306,939 (2001 - \$nil) and interest of \$1,668,813 (2001 - \$5,614) was paid during 2002.

13. FINANCIAL INSTRUMENTS*Fair value*

The Company's recognized financial instruments consist of cash, accounts receivable, accounts payable, customer deposits, due to/from related parties and long-term debt. The values of cash, accounts receivable, due to/from related parties and accounts payable approximate their carrying amounts due to their short-term nature. As there is no secondary market for customer deposits, the calculation of a fair value with appropriate reliability is impractical.

It is not practicable within the constraint of cost to determine the fair value of long-term liabilities with sufficient reliability.

Credit risk

The Company is exposed to credit risk from its customers. However, the Company has a large number of diverse customers minimizing concentration of credit risk.

Interest risk

Financial assets and liabilities recorded in the financial statements are non-interest bearing unless otherwise disclosed in the notes to the financial statements.

14. FUTURE INCOME TAXES

If the liability method of accounting for income taxes were used, a future tax asset of \$2,195,000 (2001 - \$3,500,000) would be recorded.

15. COMMITMENTS

(a) The Company has entered into a service level agreement with Chatham-Kent Utility Services Inc. for the services of billing, account collections, customer inquiries and meter reading as well as administrative services such as office space usage, rate submission support, accounting and budgeting support and streetlight maintenance.

(b) The Company has entered into a joint customer agreement with Chatham-Kent Utility Services Inc., for the services of an unrelated party to perform the operations of data collection, data storage and access to specific software and systems. Monthly payments of \$7,700 are to be paid jointly by the Company and Chatham-Kent Utility Services Inc. until June 15, 2004. Annual joint payments are as follows:

2003	\$	92,400
2004		46,200

(c) The Company, along with Chatham-Kent Utility Services Inc., has committed by way of letter of agreement to providing certain management, human resource, financial, regulatory, customer support and engineering support services to an unrelated party for an undetermined period of time. A formal service agreement will be created once regulatory approval has been obtained.

(d) The Company entered into an agreement with an unrelated party to perform meter reading and associated services on behalf of the Company for a period of three years beginning January 2003.

(e) As of May 1, 2002, in order for the Company to obtain the electricity it requires to distribute to its customers, the Company was required to provide security for Independent Electricity Market Operator based on its usage. The security obtained was a letter of credit from a financial institution which requires a debt-to-equity ratio of less than 1.75 to decrease to 1.5 by March 2003 and an interest coverage ratio of not less than 2. As of December 31, 2002, the Company is in compliance with these covenants. The credit limit of the facility is \$3,200,000, and was not in use at December 31, 2002.

16. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current classification.

Financial Statements of

CHATHAM-KENT HYDRO INC.

December 31, 2003

Auditors' Report

To the Chairman and Board Members of Chatham-Kent Hydro Inc.

We have audited the balance sheet of Chatham-Kent Hydro Inc. as at December 31, 2003 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
February 27, 2004

CHATHAM-KENT HYDRO INC.
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CHATHAM-KENT HYDRO INC.

Balance Sheet

December 31, 2003

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	2003	2002
ASSETS		
CURRENT		
Cash	\$ 10,758,856	\$ 10,787,465
Accounts receivable (Note 3)	3,433,379	3,373,960
Accounts receivable - unbilled revenue	7,040,555	8,228,837
Due from Chatham-Kent Utility Services Inc.	32,447	6,219,720
Inventories	630,805	605,543
Prepaid expenses	122,350	110,561
	22,018,392	29,326,086
CAPITAL ASSETS (Note 4)	39,362,281	39,216,367
OTHER		
Deferred assets (Note 5)	1,857,294	1,847,547
Computer software	8,361	11,294
	1,865,655	1,858,841
	\$ 63,246,328	\$ 70,401,294
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 8,501,647	\$ 7,491,137
Taxes payable	871,898	(6,939)
Due to The Municipality of Chatham-Kent	240,446	7,794,870
Due to Chatham-Kent Energy Inc.	2,659	3,276,644
Current portion of customer deposits	381,365	340,000
	9,998,015	18,895,712
LONG-TERM		
Note payable (Note 6)	23,523,326	23,523,326
Regulatory revenue repayable	240,000	-
Employee future benefits (Note 7)	609,213	545,100
Long-term portion of customer deposits	1,607,134	1,068,845
	25,979,673	25,137,271
	35,977,688	44,032,983
CONTINGENCY (Note 10)		
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	23,523,425	23,523,425
Retained earnings	3,745,215	2,844,886
	27,268,640	26,368,311
	\$ 63,246,328	\$ 70,401,294

CHATHAM-KENT HYDRO INC.**Statement of Earnings and Retained Earnings**

Year Ended December 31, 2003

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	2003	2002
SERVICE REVENUE		
Residential	\$ 19,075,959	\$ 23,774,423
General service	44,227,461	49,549,585
Street lighting	575,471	549,327
	63,878,891	73,873,335
Change in unbilled revenue	(1,175,798)	1,229,560
	62,703,093	75,102,895
Retailer energy sales	7,613,050	4,180,214
Total energy sales	70,316,143	79,283,109
COST OF POWER	58,841,762	68,359,445
GROSS MARGIN ON SERVICE REVENUE	11,474,381	10,923,664
OTHER OPERATING REVENUE	1,449,351	1,037,765
OPERATING INCOME	12,923,732	11,961,429
OPERATING AND MAINTENANCE EXPENSE		
Distribution	2,317,525	2,393,344
ADMINISTRATIVE EXPENSE		
Billing and collection	1,421,828	1,376,271
General administration	2,313,252	2,022,908
Interest	1,696,234	1,697,454
	5,431,314	5,096,633
DEPRECIATION AND AMORTIZATION	2,650,564	2,589,054
	10,399,403	10,079,031
EARNINGS, BEFORE		
PAYMENTS IN LIEU OF TAXES	2,524,329	1,882,398
Payments in lieu of taxes (Note 14)	1,149,000	300,000
NET EARNINGS	1,375,329	1,582,398
RETAINED EARNINGS, BEGINNING OF YEAR	2,844,886	1,262,488
DIVIDENDS PAID	(475,000)	
RETAINED EARNINGS, END OF YEAR	\$ 3,745,215	\$ 2,844,886

CHATHAM-KENT HYDRO INC.

Statement of Cash Flows

Year Ended December 31, 2003

Page 3 of 11

	2003	2002
OPERATING ACTIVITIES		
Net earnings	\$ 1,375,329	\$ 1,582,398
Adjustments for:		
Depreciation of capital assets	2,982,530	2,775,853
Depreciation of computer software	2,933	2,418
Amortization of contributed capital	(89,057)	(54,044)
Allowance for deferred assets	465,000	
Gain on disposal of capital assets	(58,169)	(15,335)
Employee future benefits net expense	64,113	60,164
Changes in non-cash working capital items (Note 12)	(1,618,612)	9,169,147
Increase in customer deposits	538,289	271,541
	<u>3,662,356</u>	<u>13,792,142</u>
INVESTING ACTIVITIES		
Additions to deferred assets	(474,747)	(1,124,792)
Additions to computer software	-	(5,144)
Regulatory revenue payable	240,000	
Proceeds on disposal of capital assets	135,317	77,723
Additions to capital assets	(3,116,535)	(2,627,653)
	<u>(3,215,965)</u>	<u>(3,679,866)</u>
FINANCING ACTIVITIES		
Dividends paid	(475,000)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(28,609)	10,112,276
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,787,465	675,189
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u>10,758,856</u>	\$ <u>10,787,465</u>

1. NATURE OF OPERATIONS

Chatham-Kent Hydro Inc. ("the Company") was incorporated September 22, 2000 under the *Business Corporations Act (Ontario)*. The Company is wholly-owned by Chatham-Kent Energy Inc. which in turn is wholly-owned by the Municipality of Chatham-Kent. ("the Municipality"). The principal activity of the Company is to distribute electricity to customers within the Municipality of Chatham-Kent, under the license issued by the Ontario Energy Board ("OEB").

Under a Municipal by-law, dated September 5, 2000, the former Public Utilities Commission of the Municipality of Chatham-Kent – Electrical Division ("the Commission") and the Municipality transferred the assets, liabilities and employees associated with the distribution of electricity at book value effective October 1, 2000. The book value of the net assets transferred to the Company at October 1, 2000 was \$47,046,751. In consideration for the transfer the Company issued long-term notes payable to the Municipality in the aggregate principal amount of \$23,523,326. Shares valued at \$23,523,425 have been issued to Chatham-Kent Energy Inc.

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act, 1998* enacted by the Province of Ontario to introduce competition in the electricity market.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies as set forth in the Accounting Procedures Handbook issued by the OEB under the authority of the *Ontario Energy Board Act, 1998*:

Regulation

The Company is regulated by the OEB and any power rate adjustments require OEB approval.

Inventories

Inventories are valued at the lower of cost and replacement cost with cost being determined using the weighted average method.

Capital assets

Capital assets are recorded at cost. Depreciation is calculated on a straight-line basis over the useful life as follows:

Buildings and fixtures	25 – 50 years
Distribution station equipment	30 years
Distribution lines	25 years
Distribution transformers	25 years
Distribution meters	25 years
General office equipment	10 years
Computer equipment	5 years
Rolling stock	4 – 8 years
Tools	10 years
System supervisory equipment	15 years
Automated mapping facility management	15 years
Services	25 years

Computer software

Computer software is stated at cost less accumulated depreciation. It is depreciated over 5 years on a straight-line basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred transition costs

Deferred transition costs consist of qualifying capital costs and related expenditures incurred in the preparation for market opening. Recovery of the deferred costs is regulated by the OEB.

Contributions in aid of construction

Contributions in aid of construction consist of third party contributions toward the cost of constructing Company assets. For the year ended December 31, 2003, \$875,307 (2002- \$356,295) of contributed capital has been charged to capital assets and recorded as an offset to capital assets. Amortization is on a straight-line basis over 25 years.

Revenue recognition and cost of power

Service revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used. Any discrepancies in the revenue collected and associated cost of power related to distribution are charged to deferred assets.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Post employment benefits other than pension

The Company provides its current and retired employees with life insurance and medical benefits beyond those provided by government-sponsored plans. The cost of these benefits is expensed as earned through employment service.

Payment in lieu of income taxes

Under the *Electricity Act, 1998*, the Corporation is required to make payments-in-lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFPC). These payments are recorded in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporation Tax Act* (Ontario) and modified by the *Electricity Act, 1998*, and related regulations.

The Corporation, regulated by the Ontario Energy Board, provides for payments-in-lieu of corporate income taxes using the taxes payable method instead of the liability method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Future income taxes are expected to be reflected in future rates, and accordingly, are not recognized in the financial information. Payment in lieu of taxes is henceforth referred to as income taxes.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with the bank.

3. ACCOUNTS RECEIVABLE

	2003	2002
Electrical energy	\$ 3,100,659	\$ 3,217,121
Other	487,353	331,349
	<u>3,588,012</u>	<u>3,548,470</u>
Allowance for doubtful accounts	154,633	174,510
	<u>\$ 3,433,379</u>	<u>\$ 3,373,960</u>

4. CAPITAL ASSETS

	2003		2002	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Plant and distribution system:				
Land	\$ 400,909	\$ -	\$ 400,909	\$ 408,911
Buildings and fixtures	3,024,568	304,046	2,720,522	2,793,656
Substation	211,364	50,679	160,685	175,885
Distribution system:				
Overhead	16,221,747	2,569,173	13,652,574	12,668,654
Underground	12,495,654	2,230,143	10,265,511	10,473,245
Transformers	10,477,985	1,808,951	8,669,034	8,630,841
Meters	2,378,757	448,829	1,929,928	1,861,447
General office equipment	63,502	30,971	32,531	39,755
Computer equipment	298,304	179,264	119,040	134,447
Rolling stock	1,279,325	807,709	471,616	520,181
Tools	483,433	256,337	227,096	269,637
System supervisory equipment	584,592	217,295	367,297	413,065
Automated mapping facility management	1,285,825	286,306	999,519	1,089,243
Services	1,498,414	131,549	1,366,865	971,995
	50,704,379	9,321,252	41,383,127	40,450,962
Contributed capital	(2,209,718)	(188,872)	(2,020,846)	(1,234,595)
	\$ 48,494,661	\$ 9,132,380	\$ 39,362,281	\$ 39,216,367

Depreciation and amortization in the amount of \$245,842 (2002-\$135,173) for rolling stock and software is included in the relevant cost centre.

5. DEFERRED ASSETS

Deferred assets and liabilities arise as a result of the rate-making process. As described in this note, Chatham-Kent Hydro has recorded the following deferred assets and provision.

	2003	2002
Billing activities	\$ 76,089	\$ 76,089
Customer education	9,966	9,966
Wholesale market requirements	120,683	120,683
Independent market operator requirements	73,554	61,054
Retailer/customer requirements	116,024	116,024
Regulatory requirements	195,683	158,558
Payment-in-lieu of taxes - property	158,334	139,202
Payment-in-lieu of taxes - corporate taxes	-	-
Post employment costs	244,517	155,069
Regulatory requirements Bill 210	28,545	-
	1,023,395✓	836,645
Retail settlement variance assets	1,980,475	1,692,478
Total deferred assets	3,003,870	2,529,123
Provision	(1,146,576)	(681,576)
Net deferred assets	\$ 1,857,294	\$ 1,847,547

The introduction of Bill 210 in November 2002 has deferred future rate increases until 2006. However Bill 4 was introduced in December 2003 which allows for the application to the OEB for possible recovery of these costs. While it is management's intention to pursue future rate increases based on all of these costs and the related interest, they have provided an allowance of \$465,000 (2002 - \$681,576) for costs which may be disallowed for OEB purposes.

6. NOTE PAYABLE

The note payable is due to the Municipality with no set repayment terms and interest payable monthly at 7.04% (2002 - 7.04%). Interest expense for the year amounted to \$1,656,042 (2002 - \$1,656,042).

7. EMPLOYEE FUTURE BENEFITS

The Company pays certain medical and life insurance benefits on behalf of its retired and current employees. The accrued benefit liability at December 31, 2003 of \$609,213 (2002 - \$545,100) was determined by actuarial valuation using a discount rate of 6.0 % (2002 - 7.5%).

Information about the Company's defined benefit plan is as follows:

	2003		2002	
Accrued benefit liability, beginning of year	\$	545,100	\$	484,936
Expense for the period		64,113		60,164
Benefits paid during the period		-		-
Estimated accrued benefit liability as at December 31, 2003	\$	609,213	\$	545,100

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future inflation levels, as measured by changes in the Consumers Price Index ("CPI"), were assumed to be 2.5% in 2003 and thereafter.

Interest (discount) rate

The present value as at December 31, 2003 of the future benefits, and the expense for the year ended December 31, 2003, was determined using a discount rate of 6.0 %. This corresponds to the assumed CPI rate plus as assumed rate of return of 2.5 %.

Health costs

Health costs were assumed to increase at 12% per year for 10 years, and then at the CPI rate plus 1% thereafter.

Dental costs

Dental costs were assumed to increase at the CPI rate plus 1% for 2003 and thereafter.

8. PENSION AGREEMENT

The Company provides a pension plan for its employees through the Ontario Municipal Employees' Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund") and provides pensions for employees of Ontario municipalities, local boards, public utilities, and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. As there is insufficient information to apply defined benefit plan accounting, defined contribution plan accounting has been used by the Company. The Company's contribution for employees' current service in 2003 was \$45,992 (2002 - \$nil). No premiums were paid by the employer or employees in 2002 due to the legislated OMERS premium holiday which was in effect until January 1, 2003. The 2003 contributions were at a reduced rate. The full contribution rates will not be in place until January 1, 2004.

9. RELATED PARTY TRANSACTIONS

The Company provided the following services in the normal course of operations to the Shareholder:

	2003	2002
Energy (at commercial rates)	\$ 3,001,694	\$ 3,537,630
Streetlight maintenance	154,630	146,562
	\$ 3,156,324	\$ 3,684,192

Chatham-Kent Utility Services Inc. provided the following services in the normal course of operations to the Company:

	2003	2002
Billing and collection services	\$ 2,061,046	\$ 2,794,828

Chatham-Kent Energy Inc. provided the following services in the normal course of operations to the Company:

	2003	2002
Administrative services	\$ 575,081	\$ 653,172

10. CONTINGENCY

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981.

The claim states that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code.

The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Company, and as such no potential liability has been recognized.

11. SHARE CAPITAL

	2003	2002
Authorized Unlimited common shares		
Issued 2,000 common shares	\$23,523,425	\$23,523,425

12. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash working capital items

	2003	2002
Accounts receivable	\$ (59,419)	\$ (1,277,246)
Accounts receivable - unbilled revenue	1,188,282	(1,825,898)
Due to the Municipality	(7,554,424)	17,979,985
Due from Chatham-Kent Utility Services	6,187,273	(5,525,211)
Inventories	(25,262)	72,559
Prepaid expenses	(11,789)	(20,628)
Accounts payable	1,010,510	(59,711)
Taxes payable	878,837	(184,899)
Increase in current portion of customer deposits	41,365	-
Due from Shareholder	(3,273,985)	10,196
	\$ (1,618,612)	\$ 9,169,147

Payments in lieu of taxes of \$ 259,200 (2002 - \$306,939) and interest of \$1,696,234 (2002 - \$1,697,454) were paid during the year.

13. FINANCIAL INSTRUMENTS

Fair value

The Company's recognized financial instruments consist of cash, accounts receivable, accounts payable, customer deposits and long-term debt. The fair values of cash, accounts receivable and accounts payable approximate their carrying values due to their short-term nature. As there is no secondary market for customer deposits, the calculation of a fair value with sufficient reliability is impractical.

The fair value of long-term notes payable cannot be determined as the note has no specified repayment terms and no maturity date.

Credit risk

The Company is exposed to credit risk from its customers. However, the Company has a large number of diverse customers minimizing concentration of credit risk. The Company has also reduced the credit risk by implementing a strict credit policy that has increased the amount of deposits from customers.

14. FUTURE INCOME TAXES

If the liability method of accounting for income taxes were used, a future tax asset of \$2,715,000 (2002 - \$2,130,000) would be recorded.

16. COMMITMENTS

The Company has entered into a Service Level agreement with Chatham-Kent Utility Services Inc. to have them provide the services of billing, account collections, customer inquiries and meter reading as well as administrative services such as office space usage, rate submission support and accounting and budgeting support. The value of this agreement for 2003 is \$2,061,046 (2002-\$2,794,828).

The Company has entered into a joint Customer Agreement, along with Chatham-Kent Utility Services Inc., for the services of a third party related to operations of a data collection system, data storage and access to specific software and systems. Monthly payments of \$7,700 are to be paid jointly by the Company and Chatham-Kent Utility Services Inc. until June 15, 2004. Annual joint payments are \$46,200 for 2004.

The Company, along with Chatham-Kent Utility service Inc., has committed by way of letter of agreement to providing certain management, human resources, financial, regulatory, customer support and engineering support services to an unrelated party until July 2007.

17. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current classification.

Financial Statements of

CHATHAM-KENT HYDRO INC.

December 31, 2004

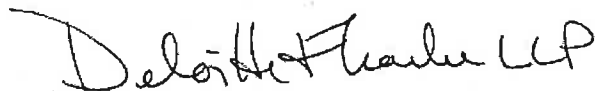
Auditor's Report

To the Chairman and Board Members of Chatham-Kent Hydro Inc.

We have audited the balance sheet of Chatham-Kent Hydro Inc. as at December 31, 2004 and the statement of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

February 25, 2005

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CHATHAM-KENT HYDRO INC.**Balance Sheet****December 31, 2004**

	2004	2003
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 14,022,252	\$ 10,758,856
Accounts receivable (Note 4)	4,360,128	3,855,390
Accounts receivable – unbilled revenue	7,782,646	7,040,555
Due from Chatham-Kent Utility Services Inc.	-	32,447
Inventories	566,961	630,805
Prepaid expenses	127,974	122,350
	26,859,961	22,440,403
CAPITAL ASSETS (Note 5)	40,014,768	39,362,281
OTHER		
Deferred assets (Note 6)	2,309,248	1,752,942
Computer software	9,928	8,361
	2,319,176	1,761,303
	\$	\$ 63,563,987
	69,193,905	
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 10,622,337	\$ 8,825,671
Taxes payable	149,781	871,898
Due to the Municipality of Chatham-Kent	3,476,752	240,446
Due to Chatham-Kent Energy Inc.	-	2,659
Current portion of customers deposits	827,000	375,000
	15,075,870	10,315,674
LONG TERM		
Note payable (Note 7)	23,523,326	23,523,326
Regulatory revenue payable	294,850	240,000
Provision for asset retirement obligation	39,000	-
Employee future benefits (Note 8)	672,678	609,213
Long-term portion of customer deposits	1,337,956	1,607,134
	25,867,810	25,979,673
	40,943,680	36,295,347
CONTINGENCY (Note 11)		
SHAREHOLDER'S EQUITY		
Share capital (Note 12)	23,523,425	23,523,425
Retained earnings	4,726,800	3,745,215
	28,250,225	27,268,640
	\$ 69,193,905	\$ 63,563,987

CHATHAM-KENT HYDRO INC.
Statement of Earnings and Retained Earnings
Year Ended December 31, 2004

	2004	2003
SERVICE REVENUE		
Residential	\$ 19,387,119	\$ 19,075,959
General service	41,445,387	44,227,461
Street lighting	633,592	575,471
	61,466,098	63,878,891
Change in unbilled revenue	640,184	(1,175,798)
	62,106,282	62,703,093
Retailer Energy Sales	9,036,548	7,613,050
Total Energy Sales	71,142,830	70,316,143
COST OF POWER	60,246,512	58,841,762
GROSS MARGIN ON SERVICE REVENUE	10,896,318	11,474,381
OTHER OPERATING REVENUE	1,242,272	1,449,351
OPERATING INCOME	12,138,590	12,923,732
OPERATING AND MAINTENANCE EXPENSE		
Distribution	2,522,647	2,317,525
ADMINISTRATIVE EXPENSE		
Billing and collection	1,477,513	1,421,828
General administration	1,332,124	2,313,252
Interest	1,696,875	1,696,234
DEPRECIATION AND AMORTIZATION	2,766,963	2,650,564
	9,796,122	10,399,403
EARNINGS, BEFORE PAYMENTS IN LIEU OF TAXES	2,342,468	2,524,329
Payments in lieu of taxes (Note 15)	860,883	1,149,000
NET EARNINGS	1,481,585	1,375,329
RETAINED EARNINGS, BEGINNING OF YEAR	3,745,215	2,844,886
DIVIDENDS PAID	(500,000)	(475,000)
RETAINED EARNINGS, END OF YEAR	\$ 4,726,800	\$ 3,745,215

CHATHAM-KENT HYDRO INC.**Statement of Cash Flow****Year Ended December 31, 2004**

	2004	2003
OPERATING ACTIVITIES		
Net earnings	\$ 1,481,585	\$ 1,375,329
Adjustments for:		
Depreciation of capital assets	3,032,393	2,982,530
Depreciation computer software	3,433	2,933
Amortization of contributed capital	(111,355)	(89,057)
Allowance for deferred assets	(300,000)	465,000
Gain on disposal of capital assets	(103,666)	(58,169)
Employee future benefits	63,465	64,113
Changes in non-cash working capital items (Note 13)	3,604,034	(1,722,964)
Change in long term customer deposits	(269,178)	538,289
	<u>7,400,711</u>	<u>3,558,004</u>
INVESTING ACTIVITIES		
Additions to deferred assets	(637,250)	(370,395)
Recovery of deferred assets	380,942	-
Regulatory revenue payable	54,850	240,000
Proceeds on disposal of capital assets	124,984	135,317
Additions to capital assets and computer software	(3,560,841)	(3,116,535)
	<u>(3,637,315)</u>	<u>(3,111,613)</u>
FINANCING ACTIVITIES		
Dividends	(500,000)	(475,000)
	<u>(500,000)</u>	<u>(475,000)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>3,263,396</u>	<u>(28,609)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,758,856	10,787,465
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 14,022,252</u>	<u>\$ 10,758,856</u>

See Note 13 for supplemental cash flow information

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

1. NATURE OF OPERATIONS

Chatham-Kent Hydro Inc. ("the Company") was incorporated September 22, 2000 under the *Business Corporations Act (Ontario)*.

The Company is wholly-owned by Chatham-Kent Energy Inc. which in turn is wholly-owned by the Municipality of Chatham-Kent ("the Municipality").

The principal activity of the Company is to distribute electricity to customers within the Municipality of Chatham-Kent, under the license issued by the Ontario Energy Board ("OEB").

Under a Municipal by-law, dated September 5, 2000, the former Public Utilities Commission of the Municipality of Chatham-Kent – Electrical Division ("the Commission") and the Municipality transferred the assets, liabilities and employees associated with the distribution of electricity at book value effective October 1, 2000. The book value of the net assets transferred to the Company at October 1, 2000 was \$47,046,751. In consideration for the transfer the company issued long-term notes payable to the Municipality in the aggregate principal amount of \$23,523,326. Shares valued at \$23,523,425 have been issued to Chatham-Kent Energy Inc.

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act*, 1998 enacted by the Province of Ontario to introduce competition in the electricity market.

2. CHANGES IN ACCOUNTING POLICIES

Impairment of long-lived assets

The Company prospectively adopted the recommendations of CICA Handbook Section 3063 "Impairment of long-lived assets" as of January 1, 2004. These recommendations require that an impairment loss on long-lived assets to be held and used be recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value. The adoption of these recommendations had no impact on the results of operations for 2004.

Asset retirement obligations

On January 1, 2004, the Company adopted the recommendations of CICA Handbook Section 3110 "Asset retirement obligations". The standard provides guidance for the recognition, measurement and disclosure of liabilities for asset retirement obligations. The liability represents the fair value of the obligations. The corresponding cost is capitalized as part of the related asset and amortized over the asset's useful life. The new recommendations had no material impact on the opening retained earnings. The adoption of the recommendation increased capital assets and increased provision for asset retirement obligation by \$39,000 in 2004.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies as set forth in the Accounting Procedures Handbook issued by the OEB under the authority of the *Ontario Energy Board Act, 1998*:

Regulation

The company is regulated by the OEB and any power rate adjustments require OEB approval.

Inventories

Inventories are valued at the lower of cost and replacement cost with cost being determined using the weighted average method.

Capital assets

Capital assets are recorded at cost. Depreciation is calculated on a straight-line basis over the useful life as follows:

Buildings and fixtures	25 – 50 years
Distribution station equipment	30 years
Distribution lines	25 years
Distribution transformers	25 years
Distribution meters	25 years
General office equipment	10 years
Computer equipment	5 years
Rolling stock	4 – 8 years
Tools	10 years
System supervisory equipment	15 years
Automated mapping facility management	15 years
Services	25 years

Computer software

Computer software is stated at cost less accumulated depreciation. It is depreciated over 5 years on a straight-line basis.

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Asset retirement obligations

The Company recognizes the liability for an asset retirement that results from the acquisition, construction, development or normal operations. The liability for an asset retirement is initially recorded at its fair value in the year in which it is incurred and when a reasonable estimate of fair value can be made. The corresponding cost is capitalized as part of the related asset and is amortized over the asset's useful life. In subsequent years the liability is adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original estimate of the undiscounted cash flows. The accretion of the liability to its fair value as a result of the passage of time is charged to earnings.

Deferred assets

Deferred assets consist of qualifying capital costs and related expenditures incurred in the preparation for market opening. Deferred assets also include costs for conservation programs which meet the Minister of Energy's Directive. Recovery of the deferred assets is regulated by the OEB.

Contributions in aid of construction

Contributions in aid of construction consist of third party contributions toward the cost of constructing Company assets. For the year ended December 31, 2004, \$557,404 (2003 - \$875,307) of contributed capital has been charged to capital assets and recorded as an offset to capital assets. Amortization is on a straight-line basis over 25 years.

Revenue recognition and cost of power

Service revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used. Any discrepancies in the revenue collected and associated cost of power related to distribution are charged to deferred assets.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual result could differ from those estimates.

Post employment benefits other than pension

The Company provides its current and retired employees with life insurance and medical benefits beyond those provided by government-sponsored plans. The cost of these benefits is expensed as earned through employment service.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment in lieu of income taxes

Under the *Electricity Act, 1998*, the Corporation is required to make payments-in-lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFC). These payments are recorded in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporation Tax Act* (Ontario) and modified by the *Electricity Act, 1998*, and related regulations.

The Corporation, regulated by the Ontario Energy Board, provides for payments-in-lieu of corporate income taxes using the taxes payable method instead of the liability method.

Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Future income taxes are expected to be reflected in future rates and, accordingly, are not recognized in the financial information. Payment in lieu of taxes is henceforth referred to as income taxes.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with the bank.

4. ACCOUNTS RECEIVABLE

	2004	2003
Electrical energy	\$ 3,383,332	\$ 3,100,659
Other	1,111,763	909,364
	<u>4,495,095</u>	<u>4,010,023</u>
Allowance for doubtful accounts	134,967	154,633
	<u>\$ 4,360,128</u>	<u>\$ 3,855,390</u>

CHATHAM-KENT HYDRO INC.**Notes to the Financial Statements****December 31, 2004****5. CAPITAL ASSETS**

	2004		2003	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Plant and distribution system:				
Land	\$ 389,046	\$ -	\$ 389,046	\$ 400,909
Buildings and fixtures	3,095,805	401,269	2,694,536	2,720,522
Substation	210,290	65,618	144,672	160,685
Station retirement obligation	39,000	-	39,000	-
Distribution system:				
Overhead	17,677,193	3,491,515	14,185,678	13,652,574
Underground	13,128,181	2,966,724	10,161,457	10,265,511
Transformers	11,191,031	2,374,318	8,816,713	8,669,034
Meters	2,718,542	607,488	2,111,054	1,929,928
General office equipment	88,553	40,325	48,228	32,531
Computer equipment	318,351	231,952	86,399	119,040
Rolling stock	1,573,355	926,405	646,949	471,616
Tools	492,096	326,167	165,928	227,096
System supervisory equipment	611,319	298,014	313,305	367,297
Automated mapping facility	1,337,773	379,494	958,279	999,519
Services	1,929,132	208,715	1,720,417	1,366,865
	54,799,666	12,318,004	42,481,662	41,383,127
Contributed capital	(2,767,122)	(300,227)	(2,466,894)	(2,020,846)
	\$ 52,032,544	\$ 12,017,776	\$ 40,014,768	\$ 39,362,281

Depreciation and amortization in the amount of \$157,506 (2003 - \$245,842) for rolling stock and software is included with relevant cost centres.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

6. DEFERRED ASSETS

Deferred assets and liabilities arise as a result of the rate-making process. As described in this note, Chatham-Kent Hydro has recorded the following regulatory assets and provision.

	2004	2003
Billing activities	\$ 76,089	\$ 76,089
Customer education	9,969	9,969
Wholesale market requirements	120,683	120,683
Independent market operator requirements	73,554	73,554
Retailer/customer requirements	116,024	116,024
Regulatory requirements	195,683	195,683
Payment-in-lieu of taxes – property	158,334	158,334
Wholesale meter support	(4,108)	-
Residential interval study	17,303	-
Energy conservation – DSM	35,936	-
Smart meter requirements OEB	260,200	-
Post employment costs	326,464	244,517
Regulatory requirements Bill 210	28,545	28,545
	1,414,675	1,023,398
Retail settlement variance assets	2,122,093	1,876,122
Total regulatory assets	3,536,768	2,899,520
Deferred asset recovery	(380,942)	-
Provision	(846,578)	(1,146,578)
Net deferred assets	\$ 2,309,248	\$ 1,752,942

The introduction of Bill 210 in November 2002 has deferred future rate increases until 2006. However Bill 4 was introduced in December 2003 which allowed for the recovery of deferred assets over a four year period beginning in April 2004. Deferred asset revenue for 2004 was \$380,942. Since the recovery of the regulatory assets has begun, the provision has been reduced by \$300,000. While it continues to be management's intention to pursue future rate increases based on all of these costs and the related interest, they have provided an allowance of \$846,578 (2003 - \$1,146,578) for costs which may be disallowed for OEB purposes.

7. NOTE PAYABLE

The note payable is due to the Municipality with no set repayment terms and interest payable monthly at 7.04 %. Interest expense for the year amounted to \$ 1,654,320 (2003 - \$1,646,042).

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

8. EMPLOYEE FUTURE BENEFITS

The company pays certain medical and life insurance benefits on behalf of its current employees. The accrued benefit liability at December 31, 2004 of \$672,678 (2003 - \$609,213).

Information about the Company's defined benefit plan is as follows:

	2004	2003
Accrued benefit liability, beginning of year	\$ 609,213	\$ 545,100
Expense for the period	63,465	64,113
Benefits paid during the period	-	-
Estimated accrued benefit liability as at December 31, 2004	\$ 672,678	\$609,213

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future inflation levels, as measured by changes in the Consumers Price Index ("CPI"), were assumed to be 2.5% in 2004 and thereafter.

Interest (discount) rate

The present value as at December 31, 2004 of the future benefits, and the expense for the year ended December 31, 2004, was determined using a discount rate of 5.75% (2003 - 6.0%). This corresponds to the assumed CPI rate plus an assumed rate of return of 2.5%.

Health costs

Health costs were assumed to increase at 10% per year for 10 years, and then at the CPI rate plus 1% thereafter.

Dental costs

Dental costs were assumed to increase at the CPI rate plus 1% for 2004 and thereafter.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

9. PENSION AGREEMENT

The Company provides a pension plan for its employees through the Ontario Municipal Employees' Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund") and provides pensions for employees of Ontario municipalities, local boards, public utilities, and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. As there is insufficient information to apply defined benefit plan accounting, defined contribution plan accounting has been used by the Company. The Company's contribution for employees' current service in 2004 was \$154,633 (2003 - \$ 45,992). No premiums were paid in 2002, due to the legislated OMERS premium holiday which is in effect until January 1, 2003. The 2003 contributions were at a reduced rate. The full contributions commenced January 1, 2004.

10. RELATED PARTY TRANSACTIONS

The Company provided the following services in the normal course of operations to the Shareholders:

	2004	2003
Energy (at commercial rates)	\$ 3,735,017	\$ 3,001,694
Streetlight maintenance	148,084	154,630
Capital for Bloomfield Park	154,839	719,884
	<u>\$ 4,037,940</u>	<u>\$ 3,876,208</u>

Chatham-Kent Utility Services Inc. provided the following services in the normal course of operations to the Company:

	2004	2003
Administrative services (C-K Utility Services), Billing and collection services	\$ 2,118,189	\$ 2,061,046

Chatham-Kent Energy Inc. provided the following services in the normal course of operations to the Company:

	2004	2003
Administrative services (C-K Energy)	\$ 612,266	\$ 575,081

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

11. CONTINGENCY

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro electric commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981.

The claim states that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1) (b) of the Criminal Code.

The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Company, and as such no potential liability has been recognized.

12. SHARE CAPITAL

	2004	2003
Authorized		
Unlimited common shares		
Issued		
2,000 common shares	\$ 23,523,425	\$ 23,523,425

13. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash working capital items

	2004	2003
Accounts receivable	\$ (504,738)	\$ (481,430)
Accounts receivable – unbilled revenue	(742,091)	1,188,282
Due from Chatham-Kent Utility Services	32,447	6,187,273
Inventories	63,844	(25,262)
Prepaid expenses	(5,624)	(11,789)
Due to Municipality of Chatham-Kent	3,236,306	(7,554,424)
Accounts payable and accrued liabilities	1,796,666	1,334,534
Tax payable	(722,117)	878,837
Due to Chatham-Kent Energy Inc.	(2,659)	(3,273,985)
Increase in current portion of customer deposits	452,000	35,000
	\$ 3,604,034	\$ (1,722,964)

Payments in lieu of taxes of \$1,583,000 (2003 - \$259,200) and interest of \$1,696,875 (2003 - \$1,696,234) were paid during the year.

CHATHAM-KENT HYDRO INC.

Notes to the Financial Statements

December 31, 2004

14. FINANCIAL INSTRUMENTS

Fair value

The Company's recognized financial instruments consist of cash, accounts receivable, accounts payable, customer deposits and long-term debt. The values of cash, accounts receivable and accounts payable approximate their carrying amounts due to the short-term nature. As there is no secondary market for customer deposits, the calculation of a fair value with appropriate reliability is impractical.

It is not practical within the constraint of cost to determine the fair value of long-term liabilities with sufficient reliability.

Credit risk

The Company is exposed to credit risk from its customers. However, the Company has a large number of diverse customers minimizing concentration of credit risk.

15. FUTURE INCOME TAXES

If the liability method of accounting for income taxes were used, a future tax asset of \$2,144,000, (2003 - \$2,715,000) would be recorded.

16. COMMITMENTS

The Company has entered into Service Level agreements with Chatham-Kent Utility Services Inc. to have them provide the services of billing, account collections, customer inquiries and meter reading as well as administrative services such as office space usage, rate submission support and accounting and budgeting support. The value for 2004 is \$ 2,730,403 (2003 - \$ 2,061,046).

The Company has entered into a joint Customer Agreement, along with Chatham-Kent Utility Services Inc., for the services of a third party related to operations of a data collection system, data storage and access to specific software and systems. Monthly payments of \$9,500 are to be paid jointly by the Company and Chatham-Kent Utility Services Inc. until June 15, 2007. Annual joint payments are \$119,940 (2003 - \$139,147).

The Company entered into an agreement with an unrelated party to perform meter reading and associated services on behalf of the Company for a period of three years beginning January 2003. The cost of this service to the company was \$ 228,735 (2003- \$ 224,985).

17. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current classification.

Financial Statements of

CHATHAM-KENT HYDRO INC.

December 31, 2005

CHATHAM-KENT HYDRO INC.

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CHATHAM-KENT HYDRO INC.
Balance Sheet
December 31, 2005

	2005	2004
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 9,581,604	\$ 14,022,252
Accounts receivable (Note 4)	2,666,469	4,360,128
Accounts receivable – unbilled revenue	10,253,024	7,782,646
Due from Chatham-Kent Energy Inc.	1,600,000	-
Due from Middlesex Power Distribution Corporation	455,953	-
Inventories	573,348	566,961
Prepaid expenses	65,608	127,974
	25,196,006	26,859,961
CAPITAL ASSETS (Note 5)	40,657,412	40,014,768
OTHER		
Deferred assets (Note 6)	3,238,516	2,309,248
Computer software	5,995	9,928
	3,244,511	2,319,176
	\$ 69,097,929	\$ 69,193,905
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 14,974,906	\$ 10,622,337
Taxes payable	143,830	149,781
Deferred taxes payable	355,300	42,200
Due to the Municipality of Chatham-Kent	1,812,626 ^x	3,476,752
Current portion of customers deposits	783,290 ^x	827,000
	18,069,952	15,118,070
LONG TERM		
Note payable (Note 7)	23,523,326 ^y	23,523,326
Regulatory revenue payable	83,650	294,850
Provision for asset retirement obligation	30,000	39,000
Employee future benefits (Note 8)	723,535	672,678
Long-term portion of customer deposits	1,508,847 ^x	1,337,956
	25,869,358	25,867,810
	43,939,310	40,985,880
CONTINGENCY (Note 11)		
SHAREHOLDERS' EQUITY		
Share capital (Note 12)	23,523,425	23,523,425
Retained earnings	1,635,194	4,684,600
	25,158,619	28,208,025
	\$ 69,097,929	\$ 69,139,905

CHATHAM-KENT HYDRO INC.
Statement of Earnings and Retained Earnings
Year Ended December 31, 2005

	2005	2004
SERVICE REVENUE		
Residential	\$ 22,147,951	\$ 19,387,119
General service	46,683,479	41,445,387
Street lighting	689,417	633,592
	69,520,847	61,466,098
Change in unbilled revenue	2,158,620	640,184
	71,679,467	62,106,282
Retailer energy Sales	11,419,852	9,036,548
Total Energy Sales	83,099,319	71,142,830
COST OF POWER	71,404,758	60,246,512
GROSS MARGIN ON SERVICE REVENUE	11,694,561	10,896,318
OTHER OPERATING REVENUE	1,336,837	1,242,272
OPERATING INCOME	13,031,398	12,138,590
OPERATING AND MAINTENANCE EXPENSE		
Distribution	2,486,511	2,522,647
ADMINISTRATIVE EXPENSE		
Billing and collection	1,404,972	1,477,513
General administration	1,424,946	1,332,124
Interest	1,726,279	1,696,875
DEPRECIATION AND AMORTIZATION	2,846,538	2,766,963
	9,889,246	9,796,122
EARNINGS, BEFORE PAYMENTS IN LIEU OF TAXES	3,142,152	2,342,468
Payments in lieu of taxes (Note 15)	1,391,558	903,083
NET EARNINGS	1,750,594	1,439,385
RETAINED EARNINGS, BEGINNING OF YEAR	4,684,600	3,745,215
DIVIDENDS PAID	(4,800,000)	(500,000)
RETAINED EARNINGS, END OF YEAR	\$ 1,635,194	\$ 4,684,600

CHATHAM-KENT HYDRO INC.
Statement of Cash Flow
Year Ended December 31, 2005

	2005	2004
OPERATING ACTIVITIES		
Net earnings	\$ 1,750,594	\$ 1,439,385
Adjustments for:		
Depreciation of capital assets	3,120,526	3,032,393
Depreciation computer software	3,933	3,433
Amortization of contributed capital	(116,101)	(111,355)
Allowance for deferred assets	(339,000)	(300,000)
Gain on disposal of capital assets	(83,930)	(103,666)
Provision for asset retirement obligation	(9,000)	39,000
Employee future benefits	50,857	63,465
Changes in non-cash working capital items (Note 13)	175,189	3,646,234
Changes in long term customer deposits	170,891	(269,178)
	4,723,959	7,439,711
INVESTING ACTIVITIES		
Additions to deferred assets	(1,902,024)	(637,250)
Recovery of deferred assets	1,311,756	380,942
Regulatory revenue payable	(211,200)	54,850
Proceeds on disposal of capital assets	113,330	124,984
Additions to capital assets and computer software	(3,676,469)	(3,599,841)
	(4,364,607)	(3,676,315)
FINANCING ACTIVITIES		
Dividends	(4,800,000)	(500,000)
	(4,800,000)	(500,000)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,440,648)	3,263,396
CASH AND CASH EQUIVALENTS,		
BEGINNING OF YEAR	14,022,252	10,758,856
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 9,581,604	\$ 14,022,252

See Note 13 for supplemental cash flow information.

1. NATURE OF OPERATIONS

(a) Incorporation of Chatham-Kent Energy Inc.

Chatham-Kent Hydro Inc. ("the Company") was incorporated September 22, 2000 under the *Business Corporations Act (Ontario)*.

The Company is wholly-owned by Chatham-Kent Energy Inc. which in turn is wholly-owned by the Municipality of Chatham-Kent ("the Municipality").

The principal activity of the Company is to distribute electricity to customers within the Municipality of Chatham-Kent, under the license issued by the Ontario Energy Board ("OEB").

Under a Municipal by-law, dated September 5, 2000, the former Public Utilities Commission of the Municipality of Chatham-Kent – Electrical Division ("the Commission") and the Municipality transferred the assets, liabilities and employees associated with the distribution of electricity at book value effective October 1, 2000. The book value of the net assets transferred to the Company at October 1, 2000 was \$47,046,751. In consideration for the transfer the company issued long-term notes payable to the Municipality in the aggregate principal amount of \$23,523,326. Shares valued at \$23,523,425 have been issued to Chatham-Kent Energy Inc.

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act, 1998* enacted by the Province of Ontario to introduce competition in the electricity market.

1. NATURE OF OPERATIONS (continued)

(b) Rate Regulated Entity

OEB

The Company is a regulated electricity Local Distribution Company (LDC) and has a distribution licence that is regulated by the OEB. The OEB has regulatory oversight of electricity matters in Ontario. *The Ontario Energy Board Act*, 1998 sets out the OEB's authority to issue a distribution licence which must be obtained by owners or operators of a distribution system in Ontario. The OEB prescribes licence requirements and conditions including, among other things, specified accounting records, regulatory accounting principles and filing process requirements for rate-setting purposes.

The OEB's authority and responsibilities include the power to approve and fix rates for the transmission and distribution of electricity, the power to provide continued rate protection for rural and remote electricity customers and the responsibility of ensuring the electricity distribution companies fulfill obligations to connect and service customers.

The Company is required to charge its customers for the following amounts (all of which, other than the distribution rates, represent a pass through of amounts payable to third parties):

- Electricity Price – The electricity price represents the commodity cost of electricity.
- Distribution Rate – The distribution rate is designed to recover the costs incurred by the Company in delivering electricity to customers and the OEB allowed rate of return.
- Retail Transmission Rate – The retail transmission rate represents the wholesale costs incurred by Company in respect of the transmission of electricity from generating stations to the local areas.
- Wholesale Market Service Charge – The wholesale market service charge represents the various wholesale market support costs.

In order to operate in the Ontario electrical industry all market participants, including the Company, are required to satisfy and maintain prudential requirements with the Independent Electricity System Operator ("IESO"), which include credit support with respect to outstanding market obligations in the form of obtaining a credit rating, letters of credit, cash deposits or guarantees from third parties with prescribed credit ratings.

Market Based Rate of Return

The OEB regulates the rates of the Company in a cost-of-service regime. A part of the cost-of-service rate setting is the market based rate of return which the OEB has approved the maximum rate to be 9.88%. The Company however elected to apply for a rate of return of 6.05% in the initial rate setting in 2001.

The initial rate setting process of 2001 required a three year phase-in of the rate change to minimize the impacts to the customers. The final implementation of the rates occurred in April 2005 for \$1,000,000 however the Company is required to invest the same amount of funds in Conservation and Demand Management programs between May 2005 and September 2007.

The next rate rebasing is scheduled for May 2006 which will update the market based rate of return as well as set rates on the 2004 rate base.

1. NATURE OF OPERATIONS (continued)

Regulatory Assets and Liabilities

Electricity distributors are required to reflect certain prescribed costs on their balance sheet until the manner and timing of distribution is determined by the OEB. These costs are:

- transition costs resulting from preparation to Open Access;
- settlement variances between amounts charged by the Company to customers (based on regulated rates) and corresponding cost of non-competitive electricity service incurred by it in the wholesale market administered by the IESO after May 1, 2002;
- the deferral of OEB annual cost assessments for the OEB's fiscal year 2004 and subsequent fiscal years; and
- the deferral of incremental Ontario Municipal Employees Retirement System pension expenditures for fiscal years starting after January 1, 2005.

2. CHANGE IN ACCOUNTING POLICY

Payments in lieu of income taxes

Effective for the fiscal year ended December 31, 2005, the Company adopted the recommendations of CICA Handbook Section 3465 on accounting for income taxes requiring the use of the liability method of accounting for income taxes for the difference between the approved cost and the actual cost of electricity, and other amounts deferred in accounts approved by the OEB. As a result, deferred taxes payable increased by \$313,100 and Payments in lieu of taxes increased by \$313,100 as at December 31, 2005 (2004 - \$42,200). Retained earnings as at January 1, 2005 have decreased by \$42,200. This restatement of income taxes has been applied retroactively with restatement and accordingly figures for the year ended December 31, 2004 have been restated.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies as set forth in the Accounting Procedures Handbook issued by the OEB under the authority of the *Ontario Energy Board Act, 1998*:

Regulation

The company is regulated by the OEB and any power rate adjustments require OEB approval.

Inventories

Inventories are valued at the lower of cost and replacement cost with cost being determined using the weighted average method.

Capital Assets

Capital assets are recorded at cost. Depreciation is calculated on a straight-line basis over the useful life as follows:

Buildings and fixtures	25 – 50 years
Distribution station equipment	30 years
Distribution lines	25 years
Distribution transformers	25 years
Distribution meters	25 years
General office equipment	10 years
Computer equipment	5 years
Rolling stock	4 – 8 years
Tools	10 years
System supervisory equipment	15 years
Automated mapping facility management	15 years
Services	25 years
Contributions in aid of construction	25 years

Computer Software

Computer Software is stated at cost less accumulated depreciation. It is depreciated over 5 years on a straight-line basis.

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Asset retirement obligations

The Company recognizes the liability for an asset retirement that results from the acquisition, construction, development or normal operations. The liability for an asset retirement is initially recorded at its fair value in the year in which it is incurred and when a reasonable estimate of fair value can be made. The corresponding cost is capitalized as part of the related asset and is amortized over the asset's useful life. In subsequent years the liability is adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original estimate of the undiscounted cash flows. The accretion of the liability to its fair value as a result of the passage of time is charged to earnings.

Deferred assets

Deferred assets consist of qualifying capital costs and related expenditures incurred in the preparation for market opening. Deferred assets also include costs for conservation programs which meet the Minister of Energy's Directive. Recovery of the deferred assets is regulated by the OEB.

Contributions in aid of construction

Contributions in aid of construction consist of third party contributions toward the cost of constructing Company assets. For the year ended December 31, 2005, \$118,719 (2004 - \$557,404) of contributed capital has been charged to capital assets and recorded as an offset to capital assets. Amortization is on a straight-line basis over 25 years.

Revenue recognition and cost of power

Service revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used. Any discrepancies in the revenue collected and associated cost of power related to distribution are charged to deferred assets.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual result could differ from those estimates.

Post employment benefits other than pension

The Company provides its current and retired employees with life insurance and medical benefits beyond those provided by government-sponsored plans. The cost of these benefits is expensed as earned through employment service.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment in lieu of income taxes

Under the *Electricity Act, 1998*, the Corporation is required to make payments-in-lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFC). These payments are recorded in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporation Tax Act* (Ontario) and modified by the *Electricity Act, 1998*, and related regulations.

The Corporation, regulated by the Ontario Energy Board, provides for payments-in-lieu of corporate income taxes using the taxes payable method instead of the liability method.

Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Future income taxes are expected to be reflected in future rates and, accordingly, are not recognized in the financial information. Payment in lieu of taxes is henceforth referred to as income taxes. An exception is that the Company calculates deferred income taxes on temporary differences between the approved cost and the actual cost of electricity, and other amounts deferred in accounts approved by the OEB.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with the bank.

CHATHAM-KENT HYDRO INC.
Notes to the Financial Statements
December 31, 2005

4. ACCOUNTS RECEIVABLE	2005	2004
Electrical energy	\$ 2,523,267	\$ 3,383,332
Other	244,383	1,111,763
	2,767,650	4,495,095
Allowance for doubtful accounts	(101,181)	(134,967)
Net accounts receivable	\$ 2,666,469	\$ 4,360,128

5. CAPITAL ASSETS

	2005		2004	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Plant and distribution system:				
Land	\$ 386,825	\$ -	\$ 386,825	\$ 389,046
Buildings and fixtures	3,454,409	496,365	2,958,044	2,694,536
Substation	199,845	67,659	132,186	144,672
Station Retirement Obligation	35,009	5,009	30,000	39,000
Distribution system:				
Overhead	18,893,014	4,448,319	14,444,695	14,185,678
Underground	13,811,406	3,730,640	10,080,766	10,161,457
Transformers	11,858,568	2,966,385	8,892,183	8,816,713
Meters	2,809,363	748,884	2,060,479	2,111,054
General office equipment	91,964	49,112	42,852	48,228
Computer equipment	333,567	276,813	56,754	86,399
Rolling stock	1,754,146	1,071,380	682,766	646,949
Tools	526,281	387,401	138,880	165,928
System supervisory equipment	653,619	361,159	292,460	313,305
Automated mapping facility	1,440,321	486,184	954,137	958,279
Services	2,273,554	299,657	1,973,897	1,720,417
	58,521,891	15,394,967	43,126,924	42,481,662
Contributed capital	(2,885,841)	416,329	(2,469,512)	(2,466,894)
	\$ 55,636,050	\$14,978,638	\$ 40,657,412	\$ 40,014,768

Depreciation and amortization in the amount of \$161,820 (2004 - \$157,506) for rolling stock and computer software is included with relevant cost centres.

CHATHAM-KENT HYDRO INC.
Notes to the Financial Statements
December 31, 2005

6. DEFERRED ASSETS

Deferred assets and liabilities arise as a result of the rate-making process. As described in this note, Chatham-Kent Hydro has recorded the following regulatory assets and provision.

	2005	2004
Transition costs	1,306,176	1,118,539
Retail settlement variance accounts	3,033,177	2,122,093
Conservation and demand management costs	679,460	296,136
Other deferred costs	419,979	-
Gross deferred assets	5,438,792	3,536,768
Recoveries		
Transition / RSVA	(969,368)	(380,942)
Conservation and demand management	(723,330)	-
Provision	(507,578)	(846,578)
Net Deferred Assets	\$ 3,238,516	\$ 2,309,248

The introduction of Bill 210 in November 2002 has deferred future rate increases until 2006. However Bill 4 was introduced in December 2003 which allowed for the recovery of deferred assets over a four year period beginning in April 2004. Deferred asset revenue for 2005 was \$588,426 (2004 - 380,942). Since the recovery of the regulatory assets has begun the provision has been reduced by \$339,000 (2004 - \$300,000). While it continues to be management's intention to pursue future rate increases based on all of these costs and the related interest, they have provided an allowance of \$507,578 (2004 \$846,578) for costs which may be disallowed for OEB purposes.

7. NOTE PAYABLE

The note payable is due to the Municipality with no set repayment terms and interest payable monthly at 7.04 %. Interest expense for the year amounted to \$1,654,320 (2004 - \$1,654,320).

8. EMPLOYEE FUTURE BENEFITS

The company pays certain medical and life insurance benefits on behalf of its current employees. The accrued benefit liability at December 31, 2005 was \$723,535 (2004 - \$672,678).

Information about the Company's defined benefit plan is as follows:

	2005	2004
Accrued benefit liability, beginning of year	\$ 672,678	\$ 609,213
Expense for the year	50,857	63,465
Estimated accrued benefit liability as at December 31.	\$ 723,535	\$ 672,678

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future inflation levels, as measured by changes in the Consumers Price Index ("CPI"), were assumed to be 2.5% in 2004 and thereafter.

Interest (discount) rate

The present value of the future benefits and the expense for the year ended December 31, 2005 was determined using a discount rate of 5.75% (2004-5.75%). This corresponds to the assumed CPI rate plus an assumed rate of return of 2.5%.

Health costs

Health costs were assumed to increase at 10% per year for 10 years, and then at the CPI rate plus 1% thereafter.

Dental costs

Dental costs were assumed to increase at the CPI rate plus 1% for 2004 and thereafter.

Salary growth rate

Salary growth rate was assumed to increase at a rate of 3.5% for 2004 and thereafter.

9. PENSION AGREEMENT

The Company provides a pension plan for its employees through the Ontario Municipal Employees' Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund") and provides pensions for employees of Ontario municipalities, local boards, public utilities, and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. As there is insufficient information to apply defined benefit plan accounting, defined contribution plan accounting has been used by the Company. The Company's contribution for employees' current service in 2005 was \$167,152 (2004 - \$154,633).

10. RELATED PARTY TRANSACTIONS

The Company provided the following services in the normal course of operations to the Municipality of Chatham-Kent:

	<u>2005</u>	<u>2004</u>
Energy (at commercial rates)	\$ 3,756,022	\$ 3,735,017
Streetlight maintenance	156,161	148,084
Capital for Bloomfield Park	-	154,839
	<u>\$ 4,405,765</u>	<u>\$ 4,037,940</u>

Chatham-Kent Utility Services Inc. provided the following services in the normal course of operations to the Company:

	<u>2005</u>	<u>2004</u>
Administrative services (C-K Utility Services), Billing, collecting & administrative services	\$ 2,870,981	\$ 2,730,455

Included in the costs above are deferred costs of \$114,469 (2004 - \$45,744) that are reflected on the balance sheet.

11. CONTINGENCY

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro electric commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981.

The claim states that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1) (b) of the Criminal Code.

The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Company, and as such no potential liability has been recognized.

12. SHARE CAPITAL

	2005	2004
Authorized		
Unlimited common shares		
Issued		
2,000 common shares	\$ 23,523,425	\$ 23,523,425

13. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash working capital items

	2005	2004
Accounts receivable	1,693,659	(504,738)
Accounts receivable – unbilled revenue	(2,470,378)	(742,091)
Due from Chatham-Kent Utility Services	-	32,447
Inventories	(6,387)	63,844
Prepaid expenses	62,366	(5,624)
Due from Middlesex Power Distribution Corporation	(455,953)	-
Due to Municipality of Chatham-Kent	(1,664,126)	3,236,306
Accounts payable and accrued liabilities	4,352,569	1,796,666
Tax payable	(5,951)	(722,117)
Deferred taxes payable	313,100	42,200
Due to Chatham-Kent Energy Inc.	(1,600,000)	(2,659)
Increase in current portion of customer deposits	(43,710)	452,000
	\$ (175,189)	\$ 3,646,234

Payments in lieu of taxes of \$1,391,558 (2004 - \$1,583,000) and interest of \$1,726,279 (2004 - \$1,696,875) were paid during the year.

14. FINANCIAL INSTRUMENTS

Fair value

The Company's recognized financial instruments consist of cash, accounts receivable, accounts payable, customer deposits and long-term debt. The values of cash, accounts receivable and accounts payable approximate their carrying amounts due to the short-term nature. As there is no secondary market for customer deposits, the calculation of a fair value with appropriate reliability is impractical.

It is not practical within the constraint of cost to determine the fair value of long-term liabilities with sufficient reliability.

Credit risk

The Company is exposed to credit risk from its customers. However, the Company has a large number of diverse customers minimizing concentration of credit risk.

15. FUTURE INCOME TAXES

If the liability method of accounting for income taxes were used, a future tax asset of _____, (2004 - \$2,715,000) would be recorded.

16. COMMITMENTS

The Company has entered into Service Level agreements with Chatham-Kent Utility Services Inc. to have them provide the services of billing, account collections, customer inquiries and meter reading as well as administrative services such as office space usage, rate submission support and accounting and budgeting support. The value for 2005 is \$2,870,981 (2004 - \$2,730,403).

The Company has entered into a joint Customer Agreement, along with Chatham-Kent Utility Services Inc., for the services of a third party related to operations of a data collection system, data storage and access to specific software and systems. Monthly payments of \$8,025 are to be paid jointly by the Company and Chatham-Kent Utility Services Inc. until June 15, 2007. Annual joint payments are \$96,000 (2004 - \$119,940).