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February 8, 2012

BY COURIER & RESS

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street, 26th Floor, P.O. Box 2319
TORONTO, ON M4P 1E4

**Re: IRM 2012 EB Number: EB-2011-0179 Reply Submission
Kitchener-Wilmot Hydro Inc. Application for Approval of 2012 Electricity
Distribution Rates, Licence No. ED-2002-0573**

Dear Ms. Walli:

On November 1, 2011, Kitchener-Wilmot Hydro Inc., referred to herein as the Applicant, filed its Application for 2012 Rates. Kitchener-Wilmot Hydro Inc. now submits its Reply Submission in response to the Submission of Board Staff filed January 30, 2012.

A copy of this package has been electronically filed through the Ontario Energy Board's RESS system. The original has been couriered to the Board's offices.

Should you require any further information or clarification of any of the above, kindly contact myself.

Respectfully submitted,

Original Signed by

M. Nanninga, MBA, CGA

Manager of Finance

Attachments

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ONTARIO ENERGY BOARD

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 Kitchener-Wilmot
Hydro Inc. to the Ontario Energy Board for an Order approving just
and reasonable rates and other charges, effective May 1, 2012.

**REPLY SUBMISSION
TO
FINAL ARGUMENTS
OF KITCHENER-WILMOT HYDRO INC.**

A. INTRODUCTION

1. Kitchener-Wilmot Hydro Inc. (“KWHI” or the “Applicant”) owns and operates the electricity distribution system located in the City of Kitchener and the Township of Wilmot.
2. On November 1, 2011, Kitchener-Wilmot Hydro Inc. (“KWHI”) submitted its IRM Application to the Ontario Energy Board (“the Board”) for rates effective May 1, 2012.
3. Subsequently, the Board issued a Letter of Direction and Notice of Application and Hearing on November 14, 2011.
4. As a result of the Notice of Application and Hearing, the Board received one intervention request from the Vulnerable Energy Consumers Coalition (“VECC”), which was accepted on December 9, 2011.
5. As per the Board’s instructions, KWHI received written interrogatories from both Board staff and VECC.
6. KWHI submitted its responses to those interrogatories on January 13, 2012. In addition to the interrogatory responses, KWHI updated its LRAM Application with the Final OPA 2010 Program Results received by the Applicant on November 14, 2011.

7. Board submissions from both Board staff and VECC were received by KWHI on January 30, 2012.
8. KWHI now responds to the submissions made by both Board staff and VECC.

Special Purpose Charge (SPC)

Board staff submission

9. KWHI provided a reconciliation of Account 1521 – Special Purpose Charge as requested by Board staff during the interrogatory phase. The amount supplied was an unaudited amount as KWHI's year-end audit was not yet complete as of the due date of the interrogatory responses. Board staff noted that the Board has approved the disposition of unaudited balances in both the Horizon (EB-2011-0172) and Hydro One Brampton (EB-2011-0174) 2012 IRM proceedings.
10. Board staff supports KWHI's request to dispose of the updated balance in Account 1521 of a debit of \$16,976.28. Board staff further submits that if the Board decides to dispose of Account 1521, the dispositions should be on a final basis and that the account should be closed.

KWHI response

11. KWHI's agrees with Board staff and formally requests disposition of the balance of Account 1521 of \$16,976.28 on a final basis and that the account be closed.

Smart Meter Funding Adder (SMFA)

12. KWHI has requested a revised SMFA of \$1.74 per metered customer per month on an interim basis only until KWHI's stand-alone Smart Meter Application review is completed and final rates are established and approved by the Board. KWHI currently has a SMFA of \$2.00 per metered customer per month with a sunset date of April 30, 2012.
13. As noted by Board staff in its submission to the Board, KWHI's total audited capital costs for its smart meter program reached 90% of its total forecast costs with 96% of its total smart meters installed as of December 31, 2010. As per Board direction, KWHI intends to file a stand-alone application for the Disposition and Revenue Requirement rate riders shortly, with an expected implementation of May 1, 2012.

14. In its interrogatory responses, KWHI expressed concern that the removal of the SMFA of \$2.00 per metered customer per month could create rate swings to customer bills if KWHI's stand-alone Smart Meter Disposition and Revenue Requirement rate riders is not completed on time to implement rates for the same date that the SMFA would cease.

Board staff submission

15. In its submission to the Board, Board staff submitted:

"The Board may wish to consider that the cessation of the SMFA without replacement until a decision on a utility's application for final smart meter cost disposition can be rendered would create rate fluctuations, and possibly result in customer confusion; this should be avoided to the extent possible. Further, until a decision on smart meter cost disposition is rendered, the total deferred revenue requirement would continue to increase in the absence of even partial recovery through an SMFA. Board staff therefore submits that the Board may wish to consider continuation of the SMFA until it is replaced by an SMDR and SMIRR resulting from the Board's decision in a stand-alone application seeking disposition of the utility's smart meter costs."

16. Board staff further submitted that the Board may wish to consider continuance of the SMFA with a specific termination date. The termination date suggested by Board staff is October 31, 2012.

KWHI response

17. KWHI supports Board staff's submission and formally requests that its current SMFA of \$2.00 per metered customer per month be discontinued effective April 30, 2012. KWHI further requests that a SMFA of \$1.74 per metered customer per month be effective May 1, 2012 with a sunset date of October 31, 2012.
18. Board staff further noted that KWHI should file its Application for Disposition and Revenue Requirements rate riders by May 31, 2012 in order to allow enough time for its Application to be processed and the replacement rate to be effective November 1, 2012. KWHI agrees that sufficient time for application processing is required and will file its applications with the Board as soon as possible (and no later than May 31, 2012).

Lost Revenue Adjustment Mechanism (LRAM)

19. KWHI has requested an LRAM rate rider to be effective May 1, 2012.
20. In its original claim filed in November 2011, KWHI sought to recover a total LRAM claim of \$569,663.88 over a two-year period and used preliminary 2010 OPA program results as a best estimate in advance of receiving final 2010 results.
21. Kitchener-Wilmot subsequently updated its LRAM claim to \$692,816.62, which includes carrying charges of \$13,316.18, based on the OPA's 2010 final program results.
22. KWHI has requested recovery of lost revenues that took place in 2009, 2010 and 2011. The LRAM amount for 2009 includes lost revenues from 2009 CDM programs. The LRAM amount for 2010 includes persisting lost revenues from 2006-2009 CDM programs as well as new lost revenues from 2010 CDM programs. The LRAM amount for 2011 is comprised of persisting lost revenues from 2006-2010 CDM programs.

VECC's Submission

23. VECC accepted for LRAM purposes, the OPA verification of the energy savings for KWHI's 2006 – 2010 OPA-funded CDM programs.
24. VECC further submitted that in other recent Decisions, the Board has disallowed LRAM claims in the rebasing year and beyond for CDM programs implemented prior to (and including) the rebasing year, including Hydro Ottawa (EB-2011-0054), Whitby Hydro (EB-2011-0206) and Hydro One Brampton (EB-2011-0174).
25. VECC stated that the Board has based its Decision on the Board's CDM Guidelines as stated below:

"The LRAM is determined by calculating the energy savings by customer class and valuing those energy savings using the distributor's Board-approved variable distribution charge appropriate to the class. The calculation does not include any Regulatory Asset Recovery rate riders, as these funds are subject to their own independent true-up process. Lost revenues are

only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time.”

26. As a result of the Decisions above, VECC submits that all of KWHI’s LRAM application should be disallowed except for the amounts for CDM programs implemented in 2009 as these energy savings occurred prior to rebasing, while KWHI was under IRM and these have not been claimed.

Board staff’s Submission

27. Board staff noted the disallowed LRAM claim in the Hydro One Brampton 2012 IRAM application (EB-2011-0174) as noted by VECC in its submission.
28. Board staff further submitted (in agreement with VECC) that the Board should accept the LRAM claim for all lost revenues associated with CDM programs delivered in 2009. This amount would be \$93,397.88 not including carrying charges.
29. Board staff further noted that *“in cases in which it was clear in the application or settlement agreement that an adjustment for CDM was not being incorporated into the load forecast specifically because of an expectation that an LRAM application would address the issue, and if this approach was accepted by the Board, then Board staff would agree that an LRAM application is appropriate.”*
30. Board staff requested that KWHI provide an updated total LRAM amount that reflects lost revenues for 2009 CDM programs in the year 2009 with carrying charges and associated rate riders.

KWHI response

31. KWHI has recalculated the LRAM claim using only the lost revenues for 2009 CDM programs. The resulting total claim based on this methodology is now \$96,279 (\$93,398 + \$2,882 in

carrying charges). The revised claim detail with the carrying charge calculation is attached as Appendix A .

32. If the Board were to decide that this is the calculation that KWHI should use for its LRAM rate rider, KWHI would revise its request for the LRAM rate rider to last for 12 months only to April 30, 2013, rather than for a 24 month period as originally requested.
33. The resulting rate riders, using a one-year period, are shown below:

2012 Rate Year - LRAM Rate Rider

Rate Class	Amounts 2010	Billing Units (2010)		Rate Riders
	LRAM			LRAM
	\$	kWh	kW	\$/unit (kWh or kW)
Residential	20,910.88	650,038,341		0.00003
GS < 50	29,658.29	235,461,608		0.00013
GS > 50	45,710.25		2,231,346	0.02049
Total	96,279.42			

34. KWHI submits that its last Board approved load forecast was for 2009-2010, and was based on monthly class specific data from May 2002 to December 2008.
35. While KWHI estimated what the effects of CDM were, the estimates were not included in the load forecast *per se*.
36. KWHI applied for and received LRAM in its Cost of Service proceeding (EB-2009-0267) and did not “build in” a future-based CDM factor into its load forecast, expecting to recover its lost revenues through a future LRAM application to the Board.
37. In the supporting regression analysis to the load forecast, no variables were identified specific to CDM.

38. In fact, in developing its load forecast, KWHI could not use the previous three years of data (2006 ~ 2008) for the equation. This was because the true effects of CDM could not be calculated accurately due to two major factors. One factor was a weak economy. The City of Kitchener has long been a blue-collar manufacturing hub and the weak economy and the shift to a service economy has resulted in significant plant closure in KWHI's service territory. In addition to the swings caused by the first factor, third tranche CDM activities began in 2004 and continued through 2007. When KWHI included the consumption data for 2006 ~ 2008 years in the model, the R2 value became unreliable, so it was removed.
39. KWHI submits therefore that there was no reliable predictive variable for CDM in the 2009-2010 load forecast, particularly as far as OPA programs are concerned. The OPA's programs began in 2007 but many programs took much of 2007 to be implemented. This leaves one full year of data from the OPA that could be used as a proxy for CDM savings. KWHI submits that one year of data is not enough data to base a load forecast on and that it could not possibly have developed predictive results for a reliable load forecast.
40. On this basis, KWHI submits that lost revenues for all the applied-for years should be included in final LRAM amounts.

Payments In Lieu of Taxes – PILS 1562

Board staff's Submission

41. In the interrogatory phase of this proceeding, Board staff noted an error in the interest calculation for the years 2003 and beyond. KWHI corrected the error which made it subject to the excess interest claw-back.
42. In its submission, Board staff noted that KWHI had revised its 2003 and 2004 SIMPIL models TAXCALC worksheet to trigger a true-up of the excess interest claw-back; however, the 2005 SIMPIL model was updated at that time. Revised files in Excel format were requested for the 2003, 2004 and 2005 SIMPIL model as well as revised PILS and EDDVAR continuity schedules.

43. In addition, during the interrogatory phase of this proceeding, Board staff requested a breakdown of KWHI's interest expense for the years 2001 ~ 2005. This table was provided as part of the KWHI's interrogatory responses. Interest expense for the years in questions included the following components:

- Interest on long term debt (interest paid to shareholders at the OEB deemed rate)
- Interest on short term debt (interest paid to Ontario Hydro in 2001 and 2002 prior to market opening)
- Interest on security deposits
- Interest on IESO prudentials
- Interest on PILS returns

A revised interest components table reflecting Board staff's submission was requested.

44. Board staff noted that the Board previously decided that interest expense used to calculate the interest claw-back variance should not include interest on customer deposits (Hydro One Brampton EB-2011-0174). Board staff further noted that, *"to the best of Board staff's knowledge, the Board has not yet decided if interest on IESO prudentials and on PILs returns should be included in interest expense for the SIMPIL claw-back variance calculations"*.

45. Board staff made the following submissions with regard to the interest expense components:

- Interest on customer deposits should be excluded from the excess interest claw-back.
- If the IESO has drawn down the line of credit because of non-payment of commodity invoices, then this interest expense relates to debt and should be included in the interest claw-back variance calculations. Conversely, if the interest on IESO prudentials is a stand-by fee for providing, but not drawing on, a line of credit, then it should be excluded from the excess interest calculation.
- If the interest on PILS return is penalty interest because KWHI made insufficient tax installments, then the interest should be excluded from the excess interest claw-back calculation.

KWHI's response

46. KWHI has updated the interest table as requested by Board staff:

**Kitchener-Wilmot Hydro Inc.
Interest Expense
Years 2001 ~ 2005**

Interest subject to clawback

	2001	2002	2003	2004	2005
Interest on Long Term Debt	721,520.29	3,601,828.26	5,387,349.93	5,402,109.91	5,387,350.00

Interest not subject to clawback

Interest on Short Term Debt	1,868.55	22,018.11	-	-	-
Interest on Security Deposits	27,019.81	34,206.68	50,236.52	90,014.04	98,106.69
Interest on IESO Prudentials		57,757.15	93,085.09	89,701.14	89,456.05
Interest on PILS Returns					4,055.74
Subtotal	28,888.36	113,981.94	143,321.61	179,715.18	191,618.48
	750,409	3,715,810	5,530,672	5,581,825	5,578,968

47. KWHI agrees with Board staff that interest on customer deposits should be excluded from the excess interest claw-back calculation.

48. KWHI confirms that the interest charges on IESO prudentials is a stand-by fee charged by the bank and that it is not interest expense related to drawing down on a line of credit. KWHI agrees with Board staff that it should then be excluded from the excess interest claw-back calculation.

49. KWHI confirms that the interest on PILS returns is penalty interest from making insufficient tax installments and agrees with Board staff that it should then also be excluded from the excess interest claw-back calculation.

50. KWHI has revised all the models to reflect the changes above and as requested by Board staff. The requested files have been provided in Excel format and hard copies have been provided as Appendices B, C, D, E, F and G respectively.

51. As a result of the changes to the models through this process, the balance of Account 1562 has now been adjusted to a payable to customers of (\$184,145). This balance is comprised of a payable of PILS to customers of (\$368,869) plus interest payable from customers of \$184,724.

ATTACHMENT C
LRAM Totals

Rate Class

	LRAM \$ per Burman	Load Forecast Reduction	LRAM \$ Load Forecast Adjusted
<u>OPA Programs</u>			
RESIDENTIAL	\$20,285.04	-	\$20,285.04
GENERAL SERVICE <50KW	\$28,770.65	-	\$28,770.65
GENERAL SERVICE >50KW	\$44,342.19	-	\$44,342.19
	\$93,397.88	-	\$93,397.88

Energy reduction incorporated into 2010 Residential rates

0.53%

LRAM
LRAM Balances with Carrying Charges by Rate Class

Month/Year		Rate	Residential	GS < 50 kW	GS < 50 kW Interest	Account Balance
Jan ~ Dec	2009	2.45%	20,352	28,866	44,488	93,706
Jan ~ Dec	2010	0.55%	20,514	29,096	44,843	94,453
Jan ~ Dec	2011	1.47%	20,812	29,518	45,495	95,826
Jan ~ Dec	2012	1.47%	20,911	29,658	45,710	96,279

LRAM
Carrying Charges Calculation

Month/Year	Rate	Residential	Residential Interest	Residential Accumulated Interest	GS < 50 kW	GS < 50 kW Interest	GS < 50 kW Accumulated Interest	GS > 50 kW	GS > 50 kW Interest	GS > 50 kW Accumulated Interest	Account Balance
January	2009	2.45%	1,690		-	2,398		-	3,695		7,783.16
February	2009	2.45%	3,381	3.18	3.18	4,795	4.51	4.51	7,390	6.94	15,580.94
March	2009	2.45%	5,071	7.03	10.21	7,193	9.98	14.48	11,086	15.38	23,396.49
April	2009	1.00%	6,762	4.17	14.38	9,590	5.91	20.40	14,781	9.11	31,198.84
May	2009	1.00%	8,452	5.74	20.12	11,988	8.15	28.54	18,476	12.55	39,008.44
June	2009	1.00%	10,143	6.95	27.07	14,385	9.85	38.39	22,171	15.19	46,823.58
July	2009	0.55%	11,833	4.74	31.81	16,783	6.72	45.11	25,866	10.36	54,628.55
August	2009	0.55%	13,523	5.53	37.34	19,180	7.84	52.95	29,561	12.08	62,437.16
September	2009	0.55%	15,214	6.11	43.45	21,578	8.67	61.62	33,257	13.36	70,248.46
October	2009	0.55%	16,904	7.11	50.56	23,976	10.08	71.70	36,952	15.53	78,064.34
November	2009	0.55%	18,595	7.64	58.20	26,373	10.84	82.54	40,647	16.70	85,882.68
December	2009	0.55%	20,285	8.69	66.88	28,771	12.32	94.86	44,342	18.99	93,705.83
January	2010	0.55%	20,285	9.48	76.36	28,771	13.44	108.30	44,342	20.71	93,749.46
February	2010	0.55%	20,285	8.56	84.92	28,771	12.14	120.44	44,342	18.71	93,788.86
March	2010	0.55%	20,285	9.48	94.39	28,771	13.44	133.88	44,342	20.71	93,832.49
April	2010	0.55%	20,285	9.17	103.56	28,771	13.01	146.88	44,342	20.05	93,874.71
May	2010	0.55%	20,285	9.48	113.04	28,771	13.44	160.32	44,342	20.71	93,918.34
June	2010	0.55%	20,285	9.17	122.21	28,771	13.01	173.33	44,342	20.05	93,960.56
July	2010	0.89%	20,285	15.33	137.54	28,771	21.75	195.08	44,342	33.52	94,031.16
August	2010	0.89%	20,285	15.33	152.87	28,771	21.75	216.82	44,342	33.52	94,101.76
September	2010	0.89%	20,285	14.84	167.71	28,771	21.05	237.87	44,342	32.44	94,170.08
October	2010	1.20%	20,285	20.67	188.39	28,771	29.32	267.19	44,342	45.19	94,265.27
November	2010	1.20%	20,285	20.01	208.39	28,771	28.38	295.57	44,342	43.73	94,357.39
December	2010	1.20%	20,285	20.67	229.07	28,771	29.32	324.89	44,342	45.19	94,452.58
January	2011	1.47%	20,285	25.33	254.39	28,771	35.92	360.81	44,342	55.36	94,569.18
February	2011	1.47%	20,285	22.87	277.27	28,771	32.44	393.26	44,342	50.00	94,674.51
March	2011	1.47%	20,285	25.33	302.59	28,771	35.92	429.18	44,342	55.36	94,791.11
April	2011	1.47%	20,285	24.51	327.10	28,771	34.76	463.94	44,342	53.58	94,903.96
May	2011	1.47%	20,285	25.33	352.43	28,771	35.92	499.86	44,342	55.36	95,020.56
June	2011	1.47%	20,285	24.51	376.94	28,771	34.76	534.62	44,342	53.58	95,133.41
July	2011	1.47%	20,285	25.33	402.26	28,771	35.92	570.54	44,342	55.36	95,250.02
August	2011	1.47%	20,285	25.33	427.59	28,771	35.92	606.46	44,342	55.36	95,366.62
September	2011	1.47%	20,285	24.51	452.10	28,771	34.76	641.22	44,342	53.58	95,479.47
October	2011	1.47%	20,285	25.33	477.42	28,771	35.92	677.14	44,342	55.36	95,596.07
November	2011	1.47%	20,285	24.51	501.93	28,771	34.76	711.90	44,342	53.58	95,708.92
December	2011	1.47%	20,285	25.33	527.26	28,771	35.92	747.82	44,342	55.36	95,825.53
January	2012	1.47%	20,285	25.26	552.52	28,771	35.82	783.64	44,342	55.21	95,941.81
February	2012	1.47%	20,285	23.63	576.14	28,771	33.51	817.15	44,342	51.65	96,050.60
March	2012	1.47%	20,285	25.26	601.40	28,771	35.82	852.98	44,342	55.21	96,166.89
April	2012	1.47%	20,285	24.44	625.84	28,771	34.67	887.64	44,342	53.43	96,279.42

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	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	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		
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	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.78%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			11,608,690	
42		4,587,898			
43	1999 return from RUD Sheet #7	(388,709)		4,199,189	4,199,189
44					
45	Total Incremental revenue			7,409,501	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001	2,340,264		2,340,264	2,340,264
48	Amount allowed in 2002	388,709		2,728,973	2,728,973
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	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				9,268,426
55					
56	Equity			62,969,025	
57					
58	Return at target ROE			6,221,340	
59					
60	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR			5,387,350	
63					
64	Phase-in of interest - Year 1 (2001)			3,034,823	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			4,301,283	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			5,387,350	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	9,268,426		1,317,667		10,586,093	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	6,551,699		1,161,731		7,713,430	
21	Employee Benefit Plans - Accrued, Not Paid	3	3,307		229,520		232,827	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			219,981		219,981	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				2,543,529		2,543,529	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	5,545,625		1,723,503		7,269,128	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	4,301,283		-699,455		3,601,828	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			80,491		80,491	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			231,230		231,230	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				464,087		464,087	
49								
50	TAXABLE INCOME/ (LOSS)		5,976,525		3,672,570	Before loss C/F	9,649,095	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		2,308,134		-263,481	Actual	2,044,653	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		2,308,134		-263,481	Actual	2,044,653	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	139,931,166		18,653,611		158,584,777	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-10,969		4,989,031	
68	Taxable Capital		134,931,166		18,642,642		153,595,746	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		404,793		55,994		460,787	
73								
74	Federal Large Corporations Tax							
75	Base	18	139,931,166		17,987,730		157,918,896	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		129,931,166		17,987,730		147,918,896	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		292,345		40,472		332,818	
82	Less: Federal Surtax 1.12% x Taxable Income	21	66,937		-8,180		58,757	
83								
84	Net LCT		225,408		48,652		274,061	

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	3,693,014			Actual 2002	2,044,653	
91	LCT (proxy tax is grossed-up)	23	360,653			Actual 2002	274,061	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2002	460,787	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	4,458,461			Actual 2002	2,779,501	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			229,520			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			219,981			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			80,491			
118	Other deductions "Material" Item TAXREC 2	12			231,230			
119								
120	Total TRUE-UPS before tax effect	26		=	137,779			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	53,210			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				53,210			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				85,136			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	5,976,525			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	2,308,134			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	2,308,134			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	2,308,134			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	Ontario Capital Tax							
151	Base			=	139,931,166			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13							\$	
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	134,931,166			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	404,793			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	404,793			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				139,931,166			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	129,931,166			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				292,345			
169	Less: Federal surtax			-	66,937			
170	Revised Net LCT			=	225,408			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	225,408			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	85,136			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	85,136			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				5,387,350			
194	Interest phased-in (Cell C36)				4,301,283			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				1,086,067			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				3,601,828			
202	Total deemed interest (REGINFO CELL D61)				5,387,350			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				1,086,067			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2002					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	132,890,224		132,890,224	
32	Distribution Revenue	+	29,008,419		29,008,419	
33	Other Income	+	892,658		892,658	
34	Miscellaneous income	+	994,869		994,869	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	132,890,224		132,890,224	
40	Administration	-	2,118,200		2,118,200	
41	Customer billing and collecting	-	2,419,222		2,419,222	
42	Operations and maintenance	-	4,966,406		4,966,406	
43	Amortization	-	7,184,857		7,184,857	
44	Property & Ontario Capital Tax	-	980,218		980,218	
45	Regulatory Asset Impairment	-	2,526,968		2,526,968	
46	Interest expense not subject to clawback	-	113,982		113,982	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	10,586,093	0	10,586,093	
51	Less: Interest expense for accounting purposes	-	3,601,828		3,601,828	
52	Provision for payments in lieu of income taxes	-	2,293,540		2,293,540	
53	Net Income (loss)	=	4,690,725	0	4,690,725	
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	+	2,754,900	0	2,754,900	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	7,713,430	0	7,713,430	
62	Employee benefit plans-accrued, not paid	+	232,827	0	232,827	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+		0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		2,543,529	0	2,543,529	
67	Material addition items from TAXREC 2	+	219,981	0	219,981	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		13,464,667	0	13,464,667	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	13,464,667	0	13,464,667	
83						
84	Recap Material Additions:					

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
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	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	7,269,128		7,269,128	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		464,087	0	464,087	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	231,230	0	231,230	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	7,964,445	0	7,964,445	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-	80,491		80,491	
117		-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	80,491	0	80,491	
121						
122	Total Deductions	=	8,044,937	0	8,044,937	
123						
124	Recap Material Deductions:					
125			0	0	0	
126	Gain on disposal of assets		80,491	0	80,491	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		80,491	0	80,491	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		80,491	0	80,491	
133						
134	TAXABLE INCOME	=	10,110,455	0	10,110,455	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	4,864,331		4,864,331	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	5,246,124	0	5,246,124	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	1,423,322		1,423,322	
143	Net Ontario Income Tax (Must agree with tax return)	+	621,331		621,331	
144	Subtotal	=	2,044,653	0	2,044,653	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	2,044,653	0	2,044,653	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	*****	38.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	2,044,653	0	2,044,653	
157	Ontario Capital Tax	+	460,787		460,787	
158	Federal Large Corporations Tax	+	274,061		274,061	
159						
160	Total income and capital taxes	=	2,779,501	0	2,779,501	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0				Version 2009.1	
6						
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2002					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
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	Regulatory Asset Impairment				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
60	Other - Please describe				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	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations <i>(Only if it benefits ratepayers)</i>	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	219,981		219,981	
37		+			0	
38		+			0	
39		+			0	
40	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	219,981	0	219,981	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		219,981	0	219,981	
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	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
77	Total Material additions		219,981	0	219,981	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		219,981	0	219,981	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	231,230		231,230	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	231,230	0	231,230	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		231,230	0	231,230	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		231,230	0	231,230	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		231,230	0	231,230	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	13,311		13,311	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		3,250		3,250	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+	2,526,968		2,526,968	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	2,543,529	0	2,543,529	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	3,300		3,300	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-	460,787		460,787	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	464,087	0	464,087	
74						
75						

	A	B	C	D	E	F	G	H	I	J					
1	PILs TAXES - EB-2008-381														
2	Corporate Tax Rates					Version 2009.1									
3	Exemptions, Deductions, or Thresholds														
4	Utility Name: Kitchener-Wilmot Hydro Inc.														
5	Reporting period: 2002														
6															
7															
8	Table 1														
9	Rates Used in 2002 RAM PILs Applications for 2002														
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000								
11	RAM 2002	Year													
12	Income Tax Rate														
13	Proxy Tax Year	2002													
14	Federal (Includes surtax)		13.12%		26.12%		26.12%								
15	and Ontario blended		6.00%		6.00%		12.50%								
16	Blended rate		19.12%		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 Income Tax Rates for 2002 and Capital Tax Exemptions for 2002														
27	Income Range		0 to 200,000		200,001 to 700,000		>700,000								
28	Expected Rates	Year													
29	Income Tax Rate														
30	Current year	2002													
31	Federal (Includes surtax)	2002	13.12%		26.12%		26.12%								
32	Ontario	2002	6.00%		6.00%		12.50%								
33	Blended rate	2002	19.12%		32.12%		38.62%								
34															
35															
36	Capital Tax Rate	2002	0.300%												
37	LCT rate	2002	0.225%												
38	Surtax	2002	1.12%												
39	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	5,000,000												
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	10,000,000												
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 2002 Tax Returns														
45	Income Range		0 to 200,000		200,001 to 700,000		>700,000								
46		Year													
47	Income Tax Rate														
48	Current year	2002													
49	Federal (Includes surtax)		13.12%		22.12%		26.12%								
50	Ontario		6.00%		9.75%		12.50%								
51	Blended rate		19.12%		31.87%		38.62%								
52															
53															
54	Capital Tax Rate		0.300%												
55	LCT rate		0.225%												
56	Surtax		1.12%												
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,989,031												
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000												
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36														
60															
61															

26.12%	0.00%
12.50%	0.00%
38.62%	0.00%

[illegible]

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	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	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.78%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			11,608,690	
42		4,587,898			
43	1999 return from RUD Sheet #7	-388,709		4,199,189	4,199,189
44					
45	Total Incremental revenue			7,409,501	
46	Input: Board-approved dollar amounts phased-in	2,340,264			
47	Amount allowed in 2001	388,709		2,340,264	2,340,264
48	Amount allowed in 2002			2,728,973	2,728,973
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			2,728,973	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				9,268,426
55					
56	Equity			62,969,025	
57					
58	Return at target ROE			6,221,340	
59					
60	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR			5,387,350	
63					
64	Phase-in of interest - Year 1 (2001)			3,034,823	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			4,301,283	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			5,387,350	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	9,268,426		3,505,936		12,774,362	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	6,551,699		1,482,474		8,034,173	
21	Employee Benefit Plans - Accrued, Not Paid	3	3,307		392,051		395,358	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			91,109		91,109	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				165,934		165,934	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	5,545,625		1,887,911		7,433,536	
34	Employee Benefit Plans - Paid Amounts	8			147,268		147,268	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	4,301,283		1,086,067		5,387,350	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			191,176		191,176	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				581,357		581,357	
49								
50	TAXABLE INCOME/ (LOSS)		5,976,525		1,743,724	Before loss C/F	7,720,249	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-1.2506%		37.37%	
54								
55	REGULATORY INCOME TAX		2,308,134		738,014	Actual	3,046,148	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		2,308,134		738,014	Actual	3,046,148	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	139,931,166		22,824,212		162,755,378	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-10,836		4,989,164	
68	Taxable Capital		134,931,166		22,813,376		157,766,214	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		404,793		68,505		473,299	
73								
74	Federal Large Corporations Tax							
75	Base	18	139,931,166		22,223,576		162,154,742	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		129,931,166		22,223,576		152,154,742	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		292,345		50,003		342,348	
82	Less: Federal Surtax 1.12% x Taxable Income	21	66,937		24,359		91,296	
83								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
84	Net LCT		225,408		25,644		251,052	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	3,693,014			Actual 2003	3,046,148	
91	LCT (proxy tax is grossed-up)	23	360,653			Actual 2003	251,052	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2003	473,299	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	4,458,461			Actual 2003	3,770,499	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			392,051			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			91,109			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			147,268			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			191,176			
119								
120	Total TRUE-UPS before tax effect	26		=	144,715			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	36.62%			
123								
124	Income Tax Effect on True-up adjustments			=	52,995			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				52,995			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				82,162			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	5,976,525			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	2,188,603			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	2,188,603			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	2,308,134			
147								
148	Regulatory Income Tax Variance			=	(119,530)			
149								
150	Ontario Capital Tax							

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
151	Base			=	139,931,166			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	134,931,166			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	404,793			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell							
158	C70)			-	404,793			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				139,931,166			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	129,931,166			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				292,345			
169	Less: Federal surtax			-	66,937			
170	Revised Net LCT			=	225,408			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	225,408			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	(185,319)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(185,319)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	82,162			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(103,156)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				5,387,350			
194	Interest phased-in (Cell C36)				4,301,283			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,086,067			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				5,387,350			
202	Total deemed interest (REGINFO CELL D61)				5,387,350			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				1,086,067			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	128,780,125		128,780,125	
32	Distribution Revenue	+	29,792,692		29,792,692	
33	Other Income	+	96,209		96,209	
34	Miscellaneous income	+	1,547,471		1,547,471	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	128,780,125		128,780,125	
40	Administration	-	2,627,230		2,627,230	
41	Customer billing and collecting	-	2,254,446		2,254,446	
42	Operations and maintenance	-	5,154,295		5,154,295	
43	Amortization	-	7,510,231		7,510,231	
44	Property & Ontario Capital Taxes	-	972,486		972,486	
45	Interest expense not subject to clawback	-	143,322		143,322	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	12,774,362	0	12,774,362	
51	Less: Interest expense for accounting purposes	-	5,387,350		5,387,350	
52	Provision for payments in lieu of income taxes	-	3,319,312		3,319,312	
53	Net Income (loss)	=	4,067,700	0	4,067,700	
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	+	3,750,519	0	3,750,519	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	8,034,173	0	8,034,173	
62	Employee benefit plans-accrued, not paid	+	395,358	0	395,358	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		165,934	0	165,934	
67	Material addition items from TAXREC 2	+	91,109	0	91,109	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		12,437,093	0	12,437,093	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	12,437,093	0	12,437,093	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
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	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	7,433,536		7,433,536	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-	147,268		147,268	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		581,357	0	581,357	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	191,176	0	191,176	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	8,353,337	0	8,353,337	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	8,353,337	0	8,353,337	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	8,151,456	0	8,151,456	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	8,151,456	0	8,151,456	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	2,027,216		2,027,216	
143	Net Ontario Income Tax (Must agree with tax return)	+	1,018,932		1,018,932	
144	Subtotal	=	3,046,148	0	3,046,148	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	3,046,148	0	3,046,148	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.87%		24.87%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		37.37%		37.37%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	3,046,148	0	3,046,148	
157	Ontario Capital Tax	+	473,299		473,299	
158	Federal Large Corporations Tax	+	251,052		251,052	
159						
160	Total income and capital taxes	=	3,770,499	0	3,770,499	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0				Version 2009.1	
6						
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
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 - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
60	Other - Please describe				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	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	91,109		91,109	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	91,109	0	91,109	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		91,109	0	91,109	
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	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		91,109	0	91,109	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		91,109	0	91,109	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	20,123		20,123	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	171,053		171,053	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	191,176	0	191,176	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		20,123	0	20,123	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		171,053	0	171,053	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		191,176	0	191,176	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		191,176	0	191,176	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	15,784		15,784	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		150,150		150,150	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	165,934	0	165,934	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	150,150		150,150	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-	431,207		431,207	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	581,357	0	581,357	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Kitchener-Wilmot Hydro Inc.									
5	Reporting period: 2003									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to		>700000			
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		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 Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001					
28	Expected Rates		to		to		>700000			
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%				24.12%			
33	Ontario	2003	6.00%				12.50%			
34	Blended rate	2003	19.12%		34.12%		36.62%			
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	1.12%							
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000							
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 2003 Tax Returns									
45	Income Range		0		200,001					
46			to		to		>700,000			
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%		0.00%		24.12%		24.12%	0.00%
51	Ontario		6.00%		0.00%		12.50%		12.50%	0.00%
52	Blended rate		19.12%		0.00%		36.62%		36.62%	0.00%
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,989,164							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Kitchener-Wilmot Hydro Inc.														Version 2009.1
4	Reporting period: 2003				Sign Convention: + for increase; - for decrease									0	
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		1,413,943		942,861		843,615		5,653,494		6,768,109		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,405,676		4,458,461		5,864,137		4,809,880		1,114,615		0		17,652,768
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			17,506										17,506
15	True-up Variance Adjustment (3)	+/-					85,136						82,162		167,299
16	Deferral Account Variance Adjustment Q4, 2001 (4)				993										993
17	Deferral Account Variance Adjustment (5)	+/-											-185,319		-185,319
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	8,267		112,047		52,273								172,587
20	PILs billed to (collected from) customers (8)	-	0		-5,060,090		-6,100,792								-11,160,881
21															
22	Ending balance: # 1562		1,413,943		942,861		843,615		5,653,494		6,768,109		6,664,953		6,664,953
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(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.														
40	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) 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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Kitchener-Wilmot Hydro Inc.			<u>Colour Code</u>	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
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		
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	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.81%	
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
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			11,608,690	
42		4,587,898			
43	1999 return from RUD Sheet #7	-388,709		4,199,189	4,199,189
44					
45	Total Incremental revenue			7,409,501	
46	Input: Board-approved dollar amounts phased-in	2,340,264			
47	Amount allowed in 2001	388,709		2,340,264	2,340,264
48	Amount allowed in 2002			2,728,973	2,728,973
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			388,709	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				9,268,426
55					
56	Equity			62,969,025	
57					
58	Return at target ROE			6,221,340	
59					
60	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR			5,387,350	
63					
64	Phase-in of interest - Year 1 (2001)			3,034,823	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			4,301,283	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			5,387,350	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2004							
8								
9	Days in reporting period:	366	days				Column	
10	Total days in the calendar year:	366	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	9,268,426		3,045,654		12,314,080	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	6,551,699		2,010,455		8,562,154	
21	Employee Benefit Plans - Accrued, Not Paid	3	3,307		217,309		220,616	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			115,474		115,474	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				170,645		170,645	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	5,545,625		2,054,432		7,600,057	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	4,301,283		1,100,827		5,402,110	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			226,571		226,571	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				154,275		154,275	
49								
50	TAXABLE INCOME/ (LOSS)		5,976,525		2,023,431	Before loss C/F	7,999,956	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5000%		36.12%	
54								
55	REGULATORY INCOME TAX		2,308,134		543,951	Actual	2,852,085	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		2,308,134		543,951	Actual	2,852,085	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	139,931,166		27,785,228		167,716,394	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-9,457		4,990,543	
68	Taxable Capital		134,931,166		27,775,771		162,725,851	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		404,793		83,384		488,178	
73								
74	Federal Large Corporations Tax							
75	Base	18	139,931,166		26,823,131		166,754,297	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		129,931,166		66,823,131		116,754,297	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		292,345		-58,837		233,509	
82	Less: Federal Surtax 1.12% x Taxable Income	21	66,937		22,662		89,599	
83								
84	Net LCT		225,408		-81,498		143,910	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2004							
8								
9	Days in reporting period:	366	days				Column	
10	Total days in the calendar year:	366	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
90	Income Tax (proxy tax is grossed-up)	22	3,693,014			Actual 2004	2,852,085	
91	LCT (proxy tax is grossed-up)	23	360,653			Actual 2004	143,910	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2004	488,178	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	4,458,461			Actual 2004	3,484,173	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			217,309			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			115,474			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			14,760			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			226,571			
119								
120	Total TRUE-UPS before tax effect	26		=	91,451			
121								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	33,032			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				33,032			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				50,818.88			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	5,976,525			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	2,158,721			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	2,158,721			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	2,308,134			
147								
148	Regulatory Income Tax Variance			=	(149,413)			
149								
150	Ontario Capital Tax							
151	Base			=	139,931,166			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	134,931,166			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	404,793			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	404,793			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2004							
8								
9	Days in reporting period:	366	days				Column	
10	Total days in the calendar year:	366	days				Brought	
11							From	
12							TAXREC	
13							\$	
161	Federal LCT							
162	Base				139,931,166			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	89,931,166			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				179,862			
169	Less: Federal surtax			-	66,937			
170	Revised Net LCT			=	112,925			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	225,408			
173	Regulatory Federal LCT Variance			=	(112,483)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(229,866)			
178	LCT (grossed-up)			+	(173,050)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-402,916.79			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	50,818.88			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-352,097.91			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				5,387,350			
194	Interest phased-in (Cell C36)				4,301,283			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,086,067			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				5,402,110			
202	Total deemed interest (REGINFO CELL D61)				5,387,350			
203								
204	Variance caused by excess debt				14,760			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				14,760			
207								
208	Total Interest Variance				1,071,307			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Kitchener-Wilmot 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 :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	127,326,094		127,326,094	
32	Distribution Revenue	+	29,363,383		29,363,383	
33	Other Income	+	1,488,917		1,488,917	
34	Miscellaneous income	+	788,029		788,029	
35		+	158,966,423		158,966,423	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	127,326,094		127,326,094	
40	Administration	-	2,632,714		2,632,714	
41	Customer billing and collecting	-	2,408,837		2,408,837	
42	Operations and maintenance	-	5,052,878		5,052,878	
43	Amortization	-	8,045,955		8,045,955	
44	Property & Capital Tax es	-	1,006,150		1,006,150	
45	Interest expense not subject to clawback	-	179,715		179,715	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	12,314,080	0	12,314,080	
51	Less: Interest expense for accounting purposes	-	5,402,110		5,402,110	
52	Provision for payments in lieu of income taxes	-	3,022,443		3,022,443	
53	Net Income (loss)	=	3,889,527	0	3,889,527	
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	+	3,022,443	0	3,022,443	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	8,562,154	0	8,562,154	
62	Employee benefit plans-accrued, not paid	+	220,616	0	220,616	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		170,645		170,645	
67	Material addition items from TAXREC 2	+	115,474	0	115,474	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		12,091,332	0	12,091,332	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	12,091,332	0	12,091,332	
83						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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		0	Return			
5					Version 2009.1	
84	Recap Material Additions:					
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	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	7,600,057		7,600,057	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		154,275	0	154,275	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	226,571	0	226,571	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	7,980,903	0	7,980,903	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	7,980,903	0	7,980,903	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	7,999,956	0	7,999,956	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	7,999,956	0	7,999,956	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	1,758,561	0	1,758,561	
143	Net Ontario Income Tax (Must agree with tax return)	+	1,093,524	0	1,093,524	
144	Subtotal	=	2,852,085	0	2,852,085	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	2,852,085	0	2,852,085	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	2,852,085	0	2,852,085	
157	Ontario Capital Tax	+	488,178		488,178	
158	Federal Large Corporations Tax	+	143,910		143,910	
159						
160	Total income and capital taxes	=	3,484,173	0	3,484,173	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0				Version 2009.1	
6						
7	Utility Name: Kitchener-Wilmot 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)				0	
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 - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
60	Other - Please describe				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	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	115,474		115,474	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	115,474	0	115,474	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		115,474	0	115,474	
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	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		115,474	0	115,474	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		115,474	0	115,474	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	35,377		35,377	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	191,194		191,194	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	226,571	0	226,571	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		35,377	0	35,377	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		191,194	0	191,194	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		226,571	0	226,571	
120	Other deductions less than materiality level			0	0	
121	Total Deductions		226,571	0	226,571	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+		20,731	-20,731	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	16,445		16,445	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		154,200		154,200	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	170,645	20,731	149,914	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	154,200		154,200	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	75		75	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	154,275	0	154,275	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Kitchener-Wilmot Hydro Inc.									
5	Reporting period: 2004									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0		200,001					
11	RAM 2002		to		to					
12		Year	200,000		700,000					
13	Income Tax Rate									
14	Proxy Tax Year	2002								
15	Federal (Includes surtax)		13.12%		26.12%		26.12%			
16	and Ontario blended		6.00%		6.00%		12.50%			
17	Blended rate		19.12%		34.12%		38.62%			
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 Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to					
29		Year	250,000	400,000	1,128,000		>1,128,000			
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)	2004	13.12%	22.12%	22.12%		22.12%			
33	Ontario	2004	5.50%	5.50%	9.75%		14.00%			
34	Blended rate	2004	18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2004	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					
47		Year	250,000	400,000	1,128,000		>1,128,000			
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		13.12%	22.12%	22.29%		22.12%			
51	Ontario		5.50%	5.50%	13.77%		14.00%			
52	Blended rate		18.62%	27.62%	36.06%		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	4,990,543							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

22.12%	0.00%
14.00%	0.00%
36.12%	0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Kitchener-Wilmot Hydro Inc.														Version 2009.1
4	Reporting period: 2004														0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		1,413,943		942,861		843,616		844,242		844,242		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,405,676		4,458,461		5,864,137		4,809,880.00						16,538,154
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			17,506										17,506
15	True-up Variance Adjustment (3)	+/-					85,136		82,162						167,299
16	Deferral Account Variance Adjustment Q4, 2001 (4)				993										993
17	Deferral Account Variance Adjustment (5)	+/-							-185,319						-185,319
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	8,267		112,047		52,273		42,884						215,472
20	PILs billed to (collected from) customers (8)	-	0		-5,060,090		-6,100,792		-4,748,982						-15,909,863
21															
22	Ending balance: # 1562		1,413,943		942,861		843,616		844,242		844,242		844,242		844,242
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
29															
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.														
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	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
39															
40															
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
43															
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
46															
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
49															
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53															
54	(6) 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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
59															
60															
61															
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
64															
65															
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
68															
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.														
71															
72															
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.														
75															
76															
77															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	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	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.86%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	31-Dec	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			11,608,690	
42					
43	1999 return from RUD Sheet #7			4,587,898	4,587,898
44					
45	Total Incremental revenue			7,020,792	
46	Input: Board-approved dollar amounts phased-in	2,340,264			
47	Amount allowed in 2001			2,340,264	2,340,264
48	Amount allowed in 2002			2,340,264	2,340,264
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			2,340,264	2,340,264
52	Other Board-approved changes to MARR or incremental revenue				0
53				338709	338,709
54	Total Regulatory Income				11,947,399
55					
56	Equity			62,969,025	
57					
58	Return at target ROE			6,221,340	
59					
60	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR			5,387,350	
63					
64	Phase-in of interest - Year 1 (2001)			3,215,215	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			4,301,283	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			5,387,350	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	11,947,399		1,501,282		13,448,681	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	6,551,699		2,192,572		8,744,271	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		365,802		365,802	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			131,545		131,545	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				176,087		176,087	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	5,545,625		2,536,278		8,081,903	
34	Employee Benefit Plans - Paid Amounts	8			454,095		454,095	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	5,387,350		0		5,387,350	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12	607,000		-607,000		0	
46	Material Items from "TAXREC 2" worksheet	12			163,597		163,597	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				201,014		201,014	
49								
50	TAXABLE INCOME/ (LOSS)		6,959,123		1,619,304		8,578,427	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		0.0000%		36.12%	
54								
55	REGULATORY INCOME TAX		2,513,635		320,282	Actual	2,833,917	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		2,513,635		320,282	Actual	2,833,917	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	139,931,166		42,874,134		182,805,300	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-10,592		7,489,408	
68	Taxable Capital		132,431,166		42,863,542		175,315,893	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		397,293		128,654		525,948	
73								
74	Federal Large Corporations Tax							
75	Base	18	139,931,166		40,346,425		180,277,591	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		89,931,166		40,346,425		130,277,591	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		157,380		70,606		227,986	
82	Less: Federal Surtax 1.12% x Taxable Income	21	77,942		18,160		96,102	
83								
84	Net LCT		79,437		52,446		131,884	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	3,934,933			Actual 2005	2,833,917	
91	LCT (proxy tax is grossed-up)	23	124,354			Actual 2005	131,884	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	397,293			Actual 2005	525,948	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	4,456,580			Actual 2005	3,491,749	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			365,802			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			131,545			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			454,095			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			163,597			
119								
120	Total TRUE-UPS before tax effect	26		=	-120,345			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-43,469			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-43,469			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(66,875)			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	6,959,123			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	2,513,635			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	2,513,635			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	2,513,635			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Kitchener-Wilmot Hydro Inc.							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	139,931,166			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	132,431,166			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	397,293			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	397,293			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				139,931,166			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	89,931,166			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
167								
168	Gross Amount				157,380			
169	Less: Federal surtax			-	77,942			
170	Revised Net LCT			=	79,437			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	79,437			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(66,875)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(66,875)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				5,387,350			
194	Interest phased-in (Cell C36)				4,301,283			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				1,086,067			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell K36+K41)				5,387,350			
202	Actual Interest Paid				5,387,350			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				1,086,067			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2005					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/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	+	151,137,931		151,137,931	
32	Distribution Revenue	+	31,503,586		31,503,586	
33	Other Income	+	860,757		860,757	
34	Miscellaneous income	+	752,225		752,225	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	151,137,931		151,137,931	
40	Administration	-	2,530,264		2,530,264	
41	Customer billing and collecting	-	2,288,198		2,288,198	
42	Operations and maintenance	-	5,418,660		5,418,660	
43	Amortization	-	8,218,644		8,218,644	
44	Property & Ontario Capital Taxes	-	1,020,503		1,020,503	
45	Interest expense not subject to clawback	-	191,618		191,618	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	13,448,681	0	13,448,681	
51	Less: Interest expense for accounting purposes	-	5,387,350		5,387,350	
52	Provision for payments in lieu of income taxes	-	2,939,451		2,939,451	
53	Net Income (loss)	=	5,121,880	0	5,121,880	
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	+	2,941,591	0	2,941,591	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	8,744,271	0	8,744,271	
62	Employee benefit plans-accrued, not paid	+	365,802	0	365,802	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		176,087		176,087	
67	Material addition items from TAXREC 2	+	131,545	0	131,545	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		12,359,296	0	12,359,296	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	12,359,296	0	12,359,296	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0		Return			
5					Version 2009.1	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	8,081,903		8,081,903	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-	454,095		454,095	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		201,014	0	201,014	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	163,597	0	163,597	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	8,900,609	0	8,900,609	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	8,900,609	0	8,900,609	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	8,580,567	0	8,580,567	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	8,580,567	0	8,580,567	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	1,672,564	0	1,672,564	
143	Net Ontario Income Tax (Must agree with tax return)	+	1,161,353	0	1,161,353	
144	Subtotal	=	2,833,917	0	2,833,917	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	2,833,917	0	2,833,917	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	2,833,917	0	2,833,917	
157	Ontario Capital Tax	+	525,948		525,948	
158	Federal Large Corporations Tax	+	131,884		131,884	
159						
160	Total income and capital taxes	=	3,491,749	0	3,491,749	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	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	0				Version 2009.1	
6						
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
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 - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
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 - Please describe				0	
60	Other - Please describe				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	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	91,619		91,619	
37	Ontario ATTC claimed in year	+	36,534		36,534	
38	Ontario CETC claimed in year	+	3,392		3,392	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Interest & Penalties on Taxes	+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	131,545	0	131,545	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		91,619	0	91,619	
68	Ontario ATTC claimed in year		36,534	0	36,534	
69	Ontario CETC claimed in year		3,392	0	3,392	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	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	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Kitchener-Wilmot Hydro Inc.					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		131,545	0	131,545	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		131,545	0	131,545	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	163,597		163,597	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	163,597	0	163,597	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		163,597	0	163,597	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		163,597	0	163,597	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		163,597	0	163,597	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+		20,731	-20,731	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	21,531		21,531	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		150,500		150,500	
36	Interest and penalties on unpaid taxes		4,056		4,056	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	176,087	20,731	155,356	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	50,514		50,514	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	150,500		150,500	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	201,014	0	201,014	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Kitchener-Wilmot Hydro Inc.									
5	Reporting period: 2005									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2005									
10	Income Range		0		200,001					
11	RAM 2005		to		to					
12		Year	200,000		700,000				>700000	
13	Income Tax Rate									
14	Proxy Tax Year	2005								
15	Federal (Includes surtax)		13.12%		17.75%				22.12%	
16	and Ontario blended		5.50%		9.75%				14.00%	
17	Blended rate		18.62%		27.50%				36.12%	
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to				>1,128,000	
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2005								
32	Federal (Includes surtax)	2005	13.12%	22.12%	22.12%				22.12%	
33	Ontario	2005	5.50%	5.50%	9.75%				14.00%	
34	Blended rate	2005	18.62%	27.62%	31.87%				36.12%	
35										
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$7.5MM	7,500,000							
40	Federal Large Corporations Tax Exemption *** 2004	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 2005 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	2005								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%				22.12%	
51	Ontario		5.50%	5.50%	14.00%				14.00%	
52	Blended rate		18.62%	27.62%	36.12%				36.12%	
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.175%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,489,408							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

22.12% 0.00%
14.00% 0.00%
36.12% 0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Kitchener-Wilmot Hydro Inc.														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease									0	
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		1,413,943		942,861		843,616		844,242		360,846		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,405,676		4,458,461		5,864,137		4,809,880.00		1,114,615		1,114,145		18,766,914
13	PILs proxy from April 1, 2005 - input 9/12 of amount										3,342,435				3,342,435
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			17,506										17,506
15	True-up Variance Adjustment (3)	+/-					85,136		82,163		50,819		-66,875		151,243
16	Deferral Account Variance Adjustment Q4, 2001 (4)				993										993
17	Deferral Account Variance Adjustment (5)	+/-							-185,319		-402,917		0		-588,235
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	8,267		112,047		52,273		42,884		27,442		-11,700		231,214
20	PILs billed to (collected from) customers (8)	-	0		-5,060,090		-6,100,792		-4,748,982		-4,615,790		-1,534,071		-22,059,725
21															
22	Ending balance: # 1562		1,413,943		942,861		843,616		844,242		360,846		-137,654		-137,654
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
29															
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.														
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	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
39															
40															
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
43															
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
46															
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
49															
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53															
54	(6) 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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
59															
60															
61															
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
64															
65															
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
68															
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.														
71															
72															
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.														
75															
76															
77															

Kitchener-Wilmot Hydro Inc.
Account 1562 - Deferred PILS
Account Detail

		All Rate Classes								
Month	Year	PILS Collected	PILS Proxy	True up Variances	Account Balance (before carrying charges)	Days	Rate	Carrying Charges	Carrying Charges (cumulative)	Account Balance
October	2001	-	468,558.67	18,499.12	468,558.67	31	7.00%			468,558.67
November	2001	-	468,558.67		937,117.33	30	7.00%	2,695.82	2,695.82	939,813.15
December	2001	-	468,558.67		1,405,676.00	31	7.00%	5,571.36	8,267.17	1,413,943.17
January	2002	-	371,538.42		1,777,214.42	31	7.00%	8,357.03	16,624.20	1,793,838.62
February	2002	-	371,538.42		2,148,752.83	28	7.00%	9,543.40	26,167.60	2,174,920.44
March	2002	(518,304.31)	371,538.42		2,001,986.94	31	7.00%	12,774.78	38,942.38	2,040,929.32
April	2002	(480,952.78)	371,538.42		1,892,572.58	30	7.00%	11,518.28	50,460.66	1,943,033.24
May	2002	(355,565.59)	371,538.42		1,908,545.40	31	7.00%	11,251.73	61,712.39	1,970,257.80
June	2002	(598,102.22)	371,538.42		1,700,480.72	30	7.00%	10,980.67	72,693.07	1,773,173.79
July	2002	(508,764.16)	371,538.42		1,563,254.97	31	7.00%	10,109.71	82,802.77	1,646,057.75
August	2002	(496,455.17)	371,538.42		1,438,338.22	31	7.00%	9,293.87	92,096.65	1,530,434.87
September	2002	(540,308.90)	371,538.42		1,269,567.74	30	7.00%	8,275.37	100,372.02	1,369,939.76
October	2002	(512,966.63)	371,538.42	85,136.31	1,128,139.53	31	7.00%	7,547.84	107,919.86	1,236,059.38
November	2002	(506,588.62)	371,538.42		993,089.32	30	7.00%	6,490.67	114,410.52	1,107,499.84
December	2002	(542,081.29)	371,538.42		822,546.45	31	7.00%	5,904.12	120,314.64	942,861.09
January	2003	(523,942.42)	488,678.08		787,282.11	31	7.00%	4,890.21	125,204.85	912,486.96
February	2003	(501,117.14)	488,678.08		774,843.05	28	7.00%	4,227.60	129,432.45	904,275.50
March	2003	(539,742.41)	488,678.08		723,778.72	31	7.00%	4,606.60	134,039.05	857,817.77
April	2003	(471,956.59)	488,678.08		740,500.21	30	7.00%	4,164.21	138,203.25	878,703.47
May	2003	(541,130.42)	488,678.08		688,047.88	31	7.00%	4,402.43	142,605.68	830,653.56
June	2003	(476,920.02)	488,678.08		784,942.25	30	7.00%	3,958.63	146,564.31	931,506.56
July	2003	(512,260.42)	488,678.08		761,359.91	31	7.00%	4,666.64	151,230.96	912,590.87
August	2003	(485,904.20)	488,678.08		764,133.79	31	7.00%	4,526.44	155,757.40	919,891.19
September	2003	(540,011.40)	488,678.08		712,800.48	30	7.00%	4,396.39	160,153.78	872,954.26
October	2003	(490,715.85)	488,678.08	(103,156.11)	710,762.71	31	7.00%	4,237.75	164,391.53	875,154.23
November	2003	(508,692.01)	488,678.08		690,748.78	30	7.00%	4,089.32	168,480.85	859,229.62
December	2003	(508,398.85)	488,678.08		671,028.01	31	7.00%	4,106.64	172,587.49	843,615.50
January	2004	(509,059.88)	488,678.08		650,646.21	31	7.00%	3,989.40	176,576.89	827,223.10
February	2004	(528,713.92)	488,678.08		610,610.38	29	7.00%	3,618.66	180,195.55	790,805.93
March	2004	(518,300.77)	488,678.08		580,987.70	31	7.00%	3,630.20	183,825.76	764,813.45
April	2004	(349,128.12)	371,538.42		603,397.99	30	7.00%	3,342.67	187,168.43	790,566.42
May	2004	(335,361.42)	371,538.42		639,574.98	31	7.00%	3,587.33	190,755.75	830,330.73
June	2004	(365,330.51)	371,538.42		542,626.78	30	7.00%	3,679.75	194,435.50	737,062.27
July	2004	(342,521.79)	371,538.42		571,643.40	31	7.00%	3,226.03	197,661.53	769,304.93
August	2004	(366,655.27)	371,538.42		576,526.55	31	7.00%	3,398.54	201,060.06	777,586.61
September	2004	(338,604.82)	371,538.42		609,460.15	30	7.00%	3,317.00	204,377.06	813,837.21
October	2004	(352,670.36)	371,538.42	(352,097.91)	628,328.20	31	7.00%	3,623.37	208,000.43	836,328.63
November	2004	(351,196.47)	371,538.42		648,670.15	30	7.00%	3,615.04	211,615.47	860,285.62
December	2004	(391,438.48)	371,538.42		628,770.09	31	7.00%	3,856.48	215,471.95	844,242.04
January	2005	(390,725.29)	371,538.42		609,583.22	31	7.00%	3,738.17	219,210.11	828,793.33
February	2005	(354,611.27)	371,538.42		626,510.36	28	7.00%	3,273.38	222,483.49	848,993.86
March	2005	(426,557.89)	371,538.42		571,490.89	31	7.00%	3,724.73	226,208.23	797,699.12
April	2005	(369,062.61)	371,381.69		573,809.97	30	7.00%	3,288.03	229,496.26	803,306.23
May	2005	(329,054.49)	371,381.69		616,137.18	31	7.00%	3,411.42	232,907.67	849,044.85
June	2005	(376,179.77)	371,381.69		259,241.19	30	7.00%	3,544.90	236,452.57	495,693.77
July	2005	(399,003.50)	371,381.69		231,619.38	31	7.00%	1,541.24	237,993.81	469,613.20
August	2005	(447,535.65)	371,381.69		155,465.43	31	7.00%	1,377.02	239,370.84	394,836.27
September	2005	(381,330.38)	371,381.69	(66,874.79)	145,516.74	30	7.00%	894.46	240,265.30	385,782.04
October	2005	(368,546.98)	371,381.69		148,351.45	31	7.00%	865.13	241,130.43	389,481.87
November	2005	(363,296.74)	371,381.69		156,436.40	30	7.00%	853.53	241,983.95	398,420.35
December	2005	(409,885.77)	371,381.69		117,932.32	31	7.00%	930.05	242,914.00	360,846.32
January	2006	(386,812.14)	278,536.25		9,656.42	31	7.00%	701.13	243,615.13	253,271.56
February	2006	(382,865.93)	278,536.25		(94,673.26)	28	7.00%	51.85	243,666.99	148,993.73
March	2006	(403,781.88)	278,536.25		(219,918.89)	31	7.00%	(562.85)	243,104.13	23,185.24
April	2006	(360,611.02)	278,536.33		(301,993.58)	30	7.00%	(1,265.29)	241,838.85	(60,154.73)
May	2006				(301,993.58)	31	4.14%	(1,061.86)	240,776.99	(61,216.59)
June	2006				(368,868.37)	30	4.14%	(1,027.61)	239,749.38	(129,118.99)
July	2006				(368,868.37)	31	4.59%	(1,437.98)	238,311.40	(130,556.97)
August	2006				(368,868.37)	31	4.59%	(1,437.98)	236,873.42	(131,994.95)
September	2006				(368,868.37)	30	4.59%	(1,391.59)	235,481.83	(133,386.54)
October	2006				(368,868.37)	31	4.59%	(1,437.98)	234,043.85	(134,824.52)
November	2006				(368,868.37)	30	4.59%	(1,391.59)	232,652.25	(136,216.11)

Month	Year	PILS Collected	PILS Proxy	True up Variances	Account Balance (before carrying charges)	Days	Rate	Carrying Charges	Carrying Charges (cumulative)	Account Balance
December	2006				(368,868.37)	31	4.59%	(1,437.98)	231,214.27	(137,654.09)
January	2007				(368,868.37)	31	4.59%	(1,437.98)	229,776.29	(139,092.07)
February	2007				(368,868.37)	28	4.59%	(1,298.82)	228,477.47	(140,390.90)
March	2007				(368,868.37)	31	4.59%	(1,437.98)	227,039.49	(141,828.88)
April	2007				(368,868.37)	30	4.59%	(1,391.59)	225,647.90	(143,220.47)
May	2007				(368,868.37)	31	4.59%	(1,437.98)	224,209.92	(144,658.45)
June	2007				(368,868.37)	30	4.59%	(1,391.59)	222,818.32	(146,050.04)
July	2007				(368,868.37)	31	4.59%	(1,437.98)	221,380.34	(147,488.02)
August	2007				(368,868.37)	31	4.59%	(1,437.98)	219,942.36	(148,926.00)
September	2007				(368,868.37)	30	4.59%	(1,391.59)	218,550.77	(150,317.60)
October	2007				(368,868.37)	31	5.14%	(1,610.29)	216,940.48	(151,927.89)
November	2007				(368,868.37)	30	5.14%	(1,558.34)	215,382.14	(153,486.23)
December	2007				(368,868.37)	31	5.14%	(1,610.29)	213,771.85	(155,096.51)
January	2008				(368,868.37)	31	5.14%	(1,610.29)	212,161.57	(156,706.80)
February	2008				(368,868.37)	29	5.14%	(1,506.40)	210,655.17	(158,213.20)
March	2008				(368,868.37)	31	5.14%	(1,610.29)	209,044.88	(159,823.49)
April	2008				(368,868.37)	30	4.08%	(1,236.97)	207,807.91	(161,060.46)
May	2008				(368,868.37)	31	4.08%	(1,278.20)	206,529.70	(162,338.66)
June	2008				(368,868.37)	30	4.08%	(1,236.97)	205,292.73	(163,575.64)
July	2008				(368,868.37)	31	3.35%	(1,049.51)	204,243.23	(164,625.14)
August	2008				(368,868.37)	31	3.35%	(1,049.51)	203,193.72	(165,674.65)
September	2008				(368,868.37)	30	3.35%	(1,015.65)	202,178.07	(166,690.30)
October	2008				(368,868.37)	31	3.35%	(1,049.51)	201,128.56	(167,739.81)
November	2008				(368,868.37)	30	3.35%	(1,015.65)	200,112.91	(168,755.46)
December	2008				(368,868.37)	31	3.35%	(1,049.51)	199,063.40	(169,804.96)
January	2009				(368,868.37)	31	2.45%	(767.55)	198,295.85	(170,572.51)
February	2009				(368,868.37)	28	2.45%	(693.27)	197,602.58	(171,265.78)
March	2009				(368,868.37)	31	2.45%	(767.55)	196,835.03	(172,033.33)
April	2009				(368,868.37)	30	1.00%	(303.18)	196,531.86	(172,336.51)
May	2009				(368,868.37)	31	1.00%	(313.29)	196,218.57	(172,649.80)
June	2009				(368,868.37)	30	1.00%	(303.18)	195,915.39	(172,952.98)
July	2009				(368,868.37)	31	0.55%	(172.31)	195,743.08	(173,125.28)
August	2009				(368,868.37)	31	0.55%	(172.31)	195,570.78	(173,297.59)
September	2009				(368,868.37)	30	0.55%	(166.75)	195,404.03	(173,464.34)
October	2009				(368,868.37)	31	0.55%	(172.31)	195,231.72	(173,636.65)
November	2009				(368,868.37)	30	0.55%	(166.75)	195,064.97	(173,803.40)
December	2009				(368,868.37)	31	0.55%	(172.31)	194,892.66	(173,975.70)
January	2010				(368,868.37)	31	0.55%	(172.31)	194,720.36	(174,148.01)
February	2010				(368,868.37)	28	0.55%	(155.63)	194,564.73	(174,303.64)
March	2010				(368,868.37)	31	0.55%	(172.31)	194,392.42	(174,475.95)
April	2010				(368,868.37)	30	0.55%	(166.75)	194,225.67	(174,642.70)
May	2010				(368,868.37)	31	0.55%	(172.31)	194,053.36	(174,815.01)
June	2010				(368,868.37)	30	0.55%	(166.75)	193,886.61	(174,981.75)
July	2010				(368,868.37)	31	0.89%	(278.82)	193,607.79	(175,260.58)
August	2010				(368,868.37)	31	0.89%	(278.82)	193,328.97	(175,539.40)
September	2010				(368,868.37)	30	0.89%	(269.83)	193,059.14	(175,809.23)
October	2010				(368,868.37)	31	1.20%	(375.94)	192,683.19	(176,185.17)
November	2010				(368,868.37)	30	1.20%	(363.82)	192,319.38	(176,548.99)
December	2010				(368,868.37)	31	1.20%	(375.94)	191,943.44	(176,924.93)
January	2011				(368,868.37)	31	1.47%	(460.53)	191,482.91	(177,385.46)
February	2011				(368,868.37)	28	1.47%	(415.96)	191,066.94	(177,801.42)
March	2011				(368,868.37)	31	1.47%	(460.53)	190,606.41	(178,261.95)
April	2011				(368,868.37)	30	1.47%	(445.67)	190,160.74	(178,707.63)
May	2011				(368,868.37)	31	1.47%	(460.53)	189,700.21	(179,168.16)
June	2011				(368,868.37)	30	1.47%	(445.67)	189,254.54	(179,613.83)
July	2011				(368,868.37)	31	1.47%	(460.53)	188,794.01	(180,074.36)
August	2011				(368,868.37)	31	1.47%	(460.53)	188,333.48	(180,534.89)
September	2011				(368,868.37)	30	1.47%	(445.67)	187,887.80	(180,980.56)
October	2011				(368,868.37)	31	1.47%	(460.53)	187,427.27	(181,441.09)
November	2011				(368,868.37)	30	1.47%	(445.67)	186,981.60	(181,886.77)
December	2011				(368,868.37)	31	1.47%	(460.53)	186,521.07	(182,347.30)
January	2012				(368,868.37)	31	1.47%	(460.53)	186,060.54	(182,807.83)
February	2012				(368,868.37)	29	1.47%	(430.82)	185,629.72	(183,238.64)
March	2012				(368,868.37)	31	1.47%	(460.53)	185,169.19	(183,699.17)
April	2012				(368,868.37)	30	1.47%	(445.67)	184,723.52	(184,144.85)
		(22,059,724.55)	22,109,349.56	(418,493.38)	(368,868.37)			184,723.52	184,723.52	(184,144.85)



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Choose Your Utility:

Application Type: IRM3

OEB Application #: EB-2011-0179

LDC Licence #: ED-2002-0573

Application Contact Information

Name:

Title:

Phone Number:

Email Address:

We are applying for rates effective:

Please indicate the version of Microsoft Excel
that you are currently using:

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

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Ontario Energy Board

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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Select the appropriate rate classes as they appear on your most recent Board-Approved Tariff of Rates and Charges.

Note: The microFIT class does not exist in the drop-down menu below as it will automatically be inserted into your proposed Tariff Schedule.

Rate Class

Residential
General Service Less Than 50 kW
General Service 50 to 4,999 kW
Large Use
Standby Power – INTERIM APPROVAL
Unmetered Scattered Load
Street Lighting
Embedded Distributor
Low Voltage Wheeling Charge Rate
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
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Choose Rate Class
Choose Rate Class



Ontario Energy Board

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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Please note that unlike the Distribution Volumetric Rates, which will be entered in the following two tabs, all current Monthly Fixed Charges, including the base charges, must be entered on this tab. Please enter the descriptions of the current Monthly Fix Charges exactly as they appear on your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct class exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. Please note that the base Monthly Fixed Charge is identified in the drop-down list as a "Service Charge" to coincide with the description on the tariff. Please do not enter more than one "Service Charge" for each class for which a base monthly fixed charge applies. **Note: Do not enter Standard Supply Service Rate. The rate will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Service Charge	\$	9.59	
Smart Meter Funding Adder	\$	2.00	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	0.15	April 30, 2012
General Service Less Than 50 kW			
Service Charge	\$	25.27	
Smart Meter Funding Adder	\$	2.00	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	0.41	April 30, 2012
General Service 50 to 4,999 kW			
Service Charge	\$	233.59	
Smart Meter Funding Adder	\$	2.00	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	6.98	April 30, 2012
Large Use			
Service Charge	\$	14249.77	
Smart Meter Funding Adder	\$	2.00	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	230.55	April 30, 2012
Unmetered Scattered Load			
Service Charge (per connection)	\$	8.37	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs (per connection)	\$	0.13	April 30, 2012
Street Lighting			
Service Charge (per connection)	\$	0.78	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs (per connection)	\$	0.01	April 30, 2012

For each class, please enter the base Distribution Volumetric Rates ("DVR") from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus and input cells in columns labeled "Unit" and "Amount".

Rate Description	Unit	Amount
Residential	\$/kWh	0.01700
General Service Less Than 50 kW	\$/kWh	0.01220
General Service 50 to 4,999 kW	\$/kW	3.98880
Large Use	\$/kW	1.35800
Unmetered Scattered Load	\$/kWh	0.01630
Street Lighting	\$/kW	5.24580
Embedded Distributor		
Low Voltage Wheeling Charge Rate		
Standby Power – INTERIM APPROVAL		



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Please enter your RTS-Network Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00530
General Service Less Than 50 kW		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00460
General Service 50 to 4,999 kW		
Retail Transmission Rate – Network Service Rate	\$/kW	2.42500
Large Use		
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.27920
Unmetered Scattered Load		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00460
Street Lighting		
Retail Transmission Rate – Network Service Rate	\$/kW	1.47460
Embedded Distributor		
Retail Transmission Rate – Network Service Rate	\$/kW	2.28640
Low Voltage Wheeling Charge Rate		
Standby Power – INTERIM APPROVAL		



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Please enter your RTS-Connection Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00130
General Service Less Than 50 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00120
General Service 50 to 4,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.64100
Large Use		
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.60250
Unmetered Scattered Load		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00120
Street Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.38990
Embedded Distributor		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.60440
Low Voltage Wheeling Charge Rate		
Standby Power – INTERIM APPROVAL		



Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Please complete the following continuity schedule for your Group 1 Deferral/ Variance Accounts, Account 1521 and Account 1562. Enter information into green cells only. Lines 51-61 contain footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balances, the starting point for your entries below should be the adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance columns (for both principal and interest) without requiring entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

		2005										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-05	Transactions Debit/ (Credit) during 2005 excluding interest and adjustments ⁵	Board-Approved Disposition during 2005	Adjustments during 2005 - other ⁵	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other ⁵	Closing Interest Amounts as of Dec-31-05	
Group 1 Accounts												
LV Variance Account	1550					\$ -					\$ -	
RSVA - Wholesale Market Service Charge	1580					\$ -					\$ -	
RSVA - Retail Transmission Network Charge	1584					\$ -					\$ -	
RSVA - Retail Transmission Connection Charge	1586					\$ -					\$ -	
RSVA - Power (excluding Global Adjustment)	1588					\$ -					\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588					\$ -					\$ -	
Recovery of Regulatory Asset Balances	1590					\$ -					\$ -	
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595					\$ -					\$ -	
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595					\$ -					\$ -	
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Special Purpose Charge Assessment Variance Account	1521											
Deferred Payments in Lieu of Taxes	1562											
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
The following is not included in the total claim but are included on a memo basis:												
Board-Approved CDM Variance Account	1567											
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					\$ -					\$ -	
Disposition and Recovery of Regulatory Balances ⁷	1595					\$ -					\$ -	

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

¹ Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

² Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.

^{2A} Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.

³ Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

⁴ Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.

⁵ For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.

⁶ If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 11 on the December 31, 2010 balance. The projected interest is recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision.

⁷ Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 49).



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lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
ceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

2006											
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-06	Transactions Debit / (Credit) during 2006 excluding interest and adjustments ²	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Interest Amounts as of Dec-31-06
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account	1521										
Deferred Payments in Lieu of Taxes	1562					-\$ 301,994	\$ 242,914	-\$ 11,700		-\$ 66,875	\$ 164,339
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	-\$ 301,994	\$ 242,914	-\$ 11,700	\$ -	-\$ 66,875	\$ 164,339
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
ceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

2007											
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions Debit / (Credit) during 2007 excluding interest and adjustments ²	Board-Approved Disposition during 2007	Adjustments during 2007 - other ¹	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Interest Amounts as of Dec-31-07
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account	1521										
Deferred Payments in Lieu of Taxes	1562	-\$ 301,994				-\$ 301,994	\$ 164,339	-\$ 17,442			\$ 146,897
Group 1 Total + 1521 + 1562		-\$ 301,994	\$ -	\$ -	\$ -	-\$ 301,994	\$ 164,339	-\$ 17,442	\$ -	\$ -	\$ 146,897
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 a
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



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lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
ceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

2008											
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions Debit / (Credit) during 2008 excluding interest and adjustments ²	Board-Approved Disposition during 2008	Adjustments during 2008 - other ¹	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Interest Amounts as of Dec-31-08
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -	-\$ 4,915,630			-\$ 4,915,630	\$ -	-\$ 213,016			-\$ 213,016
RSVA - Retail Transmission Network Charge	1584	\$ -	-\$ 2,529,128			-\$ 2,529,128	\$ -	-\$ 326,927			-\$ 326,927
RSVA - Retail Transmission Connection Charge	1586	\$ -	-\$ 1,770,743			-\$ 1,770,743	\$ -	-\$ 174,492			-\$ 174,492
RSVA - Power (excluding Global Adjustment)	1588	\$ -	-\$ 1,076,041			\$ 1,076,041	\$ -	-\$ 18,794			-\$ 18,794
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	-\$ 1,956,050			\$ 1,956,050	\$ -	\$ 79,478			\$ 79,478
Recovery of Regulatory Asset Balances	1590	\$ -	-\$ 628,662			-\$ 628,662	\$ -	\$ 374,384			\$ 374,384
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	-\$ 6,812,072	\$ -	\$ -	-\$ 6,812,072	\$ -	-\$ 279,366	\$ -	\$ -	-\$ 279,366
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	-\$ 8,768,122	\$ -	\$ -	-\$ 8,768,122	\$ -	-\$ 358,845	\$ -	\$ -	-\$ 358,845
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ 1,956,050	\$ -	\$ -	\$ 1,956,050	\$ -	\$ 79,478	\$ -	\$ -	\$ 79,478
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes	1562	-\$ 301,994				-\$ 301,994	\$ 146,897	-\$ 14,708			\$ 132,189
Group 1 Total + 1521 + 1562		-\$ 301,994	-\$ 6,812,072	\$ -	\$ -	-\$ 7,114,066	\$ 146,897	-\$ 294,075	\$ -	\$ -	-\$ 147,178
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 a
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



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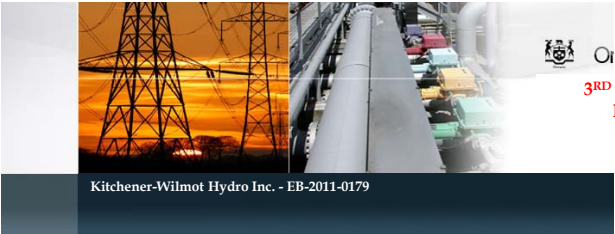
lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
ceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

2009											
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments ²	Board-Approved Disposition during 2009	Adjustments during 2009 - other ¹	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	Closing Interest Amounts as of Dec-31-09
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	-\$ 4,915,630	-\$ 712,372			-\$ 5,628,002	-\$ 213,016	-\$ 58,698			-\$ 271,714
RSVA - Retail Transmission Network Charge	1584	-\$ 2,529,128	\$ 336,448			-\$ 2,192,680	-\$ 326,927	-\$ 27,016			-\$ 353,943
RSVA - Retail Transmission Connection Charge	1586	-\$ 1,770,743	-\$ 516,047			-\$ 2,286,790	-\$ 174,492	-\$ 21,229			-\$ 195,721
RSVA - Power (excluding Global Adjustment)	1588	\$ 1,076,041	-\$ 391,863			\$ 684,178	-\$ 18,794	-\$ 76,098			-\$ 94,892
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 1,956,050	\$ 3,663,678			\$ 5,619,728	\$ 79,478	\$ 113,276			\$ 192,754
Recovery of Regulatory Asset Balances	1590	-\$ 628,662				-\$ 628,662	\$ 374,384	-\$ 7,150			\$ 367,234
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-\$ 6,812,072	\$ 2,379,844	\$ -	\$ -	-\$ 4,432,229	-\$ 279,366	-\$ 76,915	\$ -	\$ -	-\$ 356,281
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-\$ 8,768,122	-\$ 1,283,834	\$ -	\$ -	-\$ 10,051,956	-\$ 358,845	-\$ 190,191	\$ -	\$ -	-\$ 549,035
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 1,956,050	\$ 3,663,678	\$ -	\$ -	\$ 5,619,728	\$ 79,478	\$ 113,276	\$ -	\$ -	\$ 192,754
Special Purpose Charge Assessment Variance Account											
1521											
Deferred Payments in Lieu of Taxes	1562	-\$ 301,994				-\$ 301,994	\$ 132,189	-\$ 4,171			\$ 128,018
Group 1 Total + 1521 + 1562		-\$ 7,114,066	\$ 2,379,844	\$ -	\$ -	-\$ 4,734,222	-\$ 147,178	-\$ 81,086	\$ -	\$ -	-\$ 228,264
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 a
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



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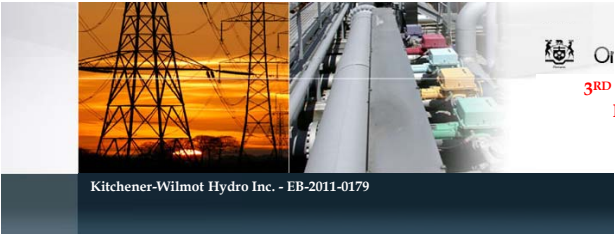
lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
ceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

		2010													
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments ³	Board-Approved Disposition during 2010	Other ³ Adjustments during Q1 2010	Other ³ Adjustments during Q2 2010	Other ³ Adjustments during Q3 2010	Other ³ Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other ³	Closing Interest Amounts as of Dec-31-10	
Group 1 Accounts															
LV Variance Account	1550	\$ -							\$ -	\$ -				\$ -	
RSVA - Wholesale Market Service Charge	1580	-\$ 5,628,002	-\$ 2,088,243	-\$ 4,915,630					-\$ 2,800,614	-\$ 271,714	-\$ 26,577	-\$ 249,064		-\$ 49,226	
RSVA - Retail Transmission Network Charge	1584	-\$ 2,192,680	-\$ 1,582,259	-\$ 2,529,128					\$ 1,918,707	-\$ 353,943	\$ 3,344	-\$ 345,474		-\$ 5,125	
RSVA - Retail Transmission Connection Charge	1586	-\$ 2,286,790	\$ 13,306	-\$ 1,770,743					-\$ 502,741	-\$ 195,721	-\$ 8,805	-\$ 187,478		-\$ 17,048	
RSVA - Power (excluding Global Adjustment)	1588	\$ 684,178	\$ 1,280,633	\$ 1,076,041					\$ 888,769	-\$ 94,892	-\$ 10,902	-\$ 10,903		-\$ 94,892	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 5,619,728	-\$ 1,049,622	\$ 1,956,050					\$ 2,614,055	\$ 192,754	\$ 26,928	\$ 93,823		\$ 125,859	
Recovery of Regulatory Asset Balances	1590	-\$ 628,662		-\$ 628,662					\$ -	\$ 367,234		\$ 369,774	\$ 2,540	\$ -	
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -							\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -							\$ -	\$ -				\$ -	
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-\$ 4,432,229	-\$ 261,668	-\$ 6,812,072	\$ -	\$ -	\$ -	\$ -	\$ 2,118,176	-\$ 356,281	-\$ 16,012	-\$ 329,321	\$ 2,540	-\$ 40,432	
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-\$ 10,051,956	\$ 787,955	\$ 8,768,122	\$ -	\$ -	\$ -	\$ -	-\$ 495,879	-\$ 549,035	-\$ 42,940	-\$ 423,144	\$ 2,540	-\$ 166,291	
RSVA - Power - Sub-Account - Global Adjustment		1588	\$ 5,619,728	-\$ 1,049,622	\$ 1,956,050	\$ -	\$ -	\$ -	\$ 2,614,055	\$ 192,754	\$ 26,928	\$ 93,823	\$ -	\$ 125,859	
Special Purpose Charge Assessment Variance Account		1521	\$ 722,215			-\$ 46,872	-\$ 183,961	-\$ 478,848	\$ 12,534		\$ 3,001			\$ 3,001	
Deferred Payments in Lieu of Taxes		1562	-\$ 301,994						-\$ 301,994	\$ 128,018	-\$ 2,949			\$ 125,069	
Group 1 Total + 1521 + 1562		-\$ 4,734,222	\$ 460,547	-\$ 6,812,072	\$ -	-\$ 46,872	-\$ 183,961	-\$ 478,848	\$ 1,828,717	-\$ 228,264	-\$ 15,960	-\$ 329,321	\$ 2,540	\$ 87,638	
The following is not included in the total claim but are included on a memo basis:															
Board-Approved CDM Variance Account	1567								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -							\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -							\$ -	\$ -				\$ -	

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



Kitchener-Wilmot Hydro Inc. - EB-2011-0179

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 ar
otnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV/
eived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

		2011				Projected Interest on Dec-31-10 Balances				2.1.7 RRR		
Account Descriptions	Account Number	Principal Disposition during 2011 - instructed by Board	Interest Disposition during 2011 - instructed by Board	Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 ⁵	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 ^{6,7}	Total Claim	As of Dec 31-10 ⁴	Variance RRR vs. 2010 Balance (Principal + Interest)		
Group 1 Accounts												
LV Variance Account	1550			\$ -	\$ -			\$ -		\$ -		
RSVA - Wholesale Market Service Charge	1580	-\$ 712,372	-\$ 65,921	-\$ 2,088,243	\$ 16,695	-\$ 30,697	-\$ 10,149	-\$ 2,112,394	-\$ 2,849,840	\$ -		
RSVA - Retail Transmission Network Charge	1584	\$ 336,448	-\$ 23,604	\$ 1,582,259	\$ 18,479	\$ 23,259	\$ 7,690	\$ 1,631,687	\$ 1,913,582	\$ 0		
RSVA - Retail Transmission Connection Charge	1586	-\$ 516,047	-\$ 26,461	\$ 13,306	\$ 9,414	\$ 196	\$ 65	\$ 22,980	-\$ 519,789	\$ 0		
RSVA - Power (excluding Global Adjustment)	1588	-\$ 391,863	-\$ 80,072	\$ 1,280,633	-\$ 14,820	\$ 18,825	\$ 6,224	\$ 1,290,862	\$ 919,736	\$ 125,859		
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 3,663,678	\$ 150,425	-\$ 1,049,622	-\$ 24,567	-\$ 15,429	-\$ 5,101	\$ 1,094,719	-\$ 2,614,055	\$ 125,859		
Recovery of Regulatory Asset Balances	1590			\$ -	0			\$ 0		\$ 0		
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595			\$ -	\$ -			\$ -		\$ -		
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595			\$ -	\$ -			\$ -		\$ -		
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ 2,379,844	-\$ 45,633	-\$ 261,668	\$ 5,201	-\$ 3,847	-\$ 1,272	\$ 261,585	\$ 2,077,744	\$ 0		
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-\$ 1,283,834	-\$ 196,058	\$ 787,955	\$ 29,768	\$ 11,583	\$ 3,829	\$ 833,135	-\$ 536,311	\$ 125,859		
RSVA - Power - Sub-Account - Global Adjustment		1588	\$ 3,663,678	\$ 150,425	-\$ 1,049,622	-\$ 24,567	-\$ 15,429	-\$ 5,101	\$ 1,094,719	\$ 2,614,055	\$ 125,859	
Special Purpose Charge Assessment Variance Account		1521				\$ 1,380	\$ 61	\$ 16,976	\$ 331,875	\$ 316,340		
Deferred Payments in Lieu of Taxes		1562		-\$ 301,994	\$ 125,069	-\$ 5,422	-\$ 1,798	-\$ 184,145	-\$ 2,104,032	\$ 1,927,107		
Group 1 Total + 1521 + 1562			\$ 2,379,844	-\$ 45,633	-\$ 563,661	\$ 130,270	-\$ 7,889	-\$ 3,008	-\$ 428,753	\$ 305,588	-\$ 1,610,767	
The following is not included in the total claim but are included on a memo basis:												
Board-Approved CDM Variance Account	1567							\$ -		\$ -		
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592							\$ -		\$ -		
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592							\$ -		\$ -		
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592							\$ -		\$ -		
Disposition and Recovery of Regulatory Balances ⁷	1595							\$ -		\$ -		

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dis
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



Ontario Energy Board

3RD Generation Incentive Regulation Model

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue ¹	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) ²	1595 Recovery Share Proportion (2009) ²
Residential	\$/kWh	650,038,341		66,321,050	-	19,431,952			
General Service Less Than 50 kW	\$/kWh	235,461,608		27,890,243	-	5,020,861			
General Service 50 to 4,999 kW	\$/kW	884,051,506	2,231,346	682,092,959	1,721,603	12,215,825			
Large Use	\$/kW	71,682,604	140,928	149,523,624	293,963	524,938			
Unmetered Scattered Load	\$/kWh	3,287,380		-	-	175,943			
Street Lighting	\$/kW	16,689,726	46,815	6,634,249	18,609	485,875			
Embedded Distributor	\$/kW				-				
Low Voltage Wheeling Charge Rate					-				
Standby Power – INTERIM APPROVAL					-				
Total		1,861,211,165	2,419,089	932,462,125	2,034,175	37,855,394	0%	0%	0%

Total Claim (including Accounts 1521 and 1562)	-\$ 428,753
---	--------------------

Total Claim for Threshold Test (All Group 1 Accounts)	-\$ 261,585
--	--------------------

Threshold Test ³ (Total Claim per kWh)	- 0.00014	Claim does not meet the threshold test. If data has been entered on Sheet 9 for Accounts 1521 and 1562, the model will only dispose of Accounts 1521 and 1562.
--	------------------	--

¹ For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balance.

² Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

³ The Threshold Test does not include the amount in 1521 nor 1562.



No input required. This worksheet allocates the deferral/variance account balances (Group 1, 1521, 1588 GA and 1562) to the appropriate classes.

Allocation of Group 1 Accounts (Excluding Account 1588 - Global Adjustment)

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595 (2008)	1595 (2009)	1521	Total
Residential	\$/kWh	650,038,341	34.93%	0	0	0	0	0	0	0	0	5,929	5,929
General Service Less Than 50 kW	\$/kWh	235,461,608	12.65%	0	0	0	0	0	0	0	0	2,148	2,148
General Service 50 to 4,999 kW	\$/kW	884,051,506	47.50%	0	0	0	0	0	0	0	0	8,064	8,064
Large Use	\$/kW	71,682,604	3.85%	0	0	0	0	0	0	0	0	654	654
Unmetered Scattered Load	\$/kWh	3,287,380	0.18%	0	0	0	0	0	0	0	0	30	30
Street Lighting	\$/kW	16,689,726	0.90%	0	0	0	0	0	0	0	0	152	152
Embedded Distributor	\$/kW	-	0.00%	0	0	0	0	0	0	0	0	0	0
Low Voltage Wheeling Charge Rate	-	-	0.00%	0	0	0	0	0	0	0	0	0	0
Standby Power – INTERIM APPROVAL	-	-	0.00%	0	0	0	0	0	0	0	0	0	0
Total		1,861,211,165	100.00%	0	(2,112,394)	1,631,687	22,980	1,290,862	(0)	0	0	16,976	16,976

* RSVA - Power (Excluding Global Adjustment)

1588 RSVA - Power (Global Adjustment Sub-Account)

Rate Class	non-RPP kWh	% kWh	1588
Residential	66,321,050	7.11%	-
General Service Less Than 50 kW	27,890,243	2.99%	-
General Service 50 to 4,999 kW	682,092,959	73.15%	-
Large Use	149,523,624	16.04%	-
Unmetered Scattered Load	-	0.00%	-
Street Lighting	6,634,249	0.71%	-
Embedded Distributor	-	0.00%	-
Low Voltage Wheeling Charge Rate	-	0.00%	-
Standby Power – INTERIM APPROVAL	-	0.00%	-
Total	932,462,125	100.00%	(1,094,719)

Allocation of Account 1562

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	51.3%	- 94,525
General Service Less Than 50 kW	13.3%	- 24,424
General Service 50 to 4,999 kW	32.3%	- 59,423
Large Use	1.4%	- 2,554
Unmetered Scattered Load	0.5%	- 856
Street Lighting	1.3%	- 2,364
Embedded Distributor	0.0%	-
Low Voltage Wheeling Charge Rate	0.0%	-
Standby Power – INTERIM APPROVAL	0.0%	-
Total	100.0%	- 184,145



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Deferral/ Variance Account Work Form

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

No input required. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and associated rate riders for the global adjustment sub-account.

Please indicate the Rate Rider Recovery Period
(in years)

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue			Deferral/Variance Account Rate Rider	Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider	
Residential	\$/kWh	650,038,341	-	-\$	88,596	(\$0.00014)	\$/kWh	\$	-	66,321,050	\$0.00000
General Service Less Than 50 kW	\$/kWh	235,461,608	-	-\$	22,276	(\$0.00009)	\$/kWh	\$	-	27,890,243	\$0.00000
General Service 50 to 4,999 kW	\$/kW	884,051,506	2,231,346	-\$	51,359	(\$0.02302)	\$/kW	\$	-	1,721,603	\$0.00000
Large Use	\$/kW	71,682,604	140,928	-\$	1,900	(\$0.01348)	\$/kW	\$	-	293,963	\$0.00000
Unmetered Scattered Load	\$/kWh	3,287,380	-	-\$	826	(\$0.00025)	\$/kWh	\$	-	-	\$0.00000
Street Lighting	\$/kW	16,689,726	46,815	-\$	2,211	(\$0.04723)	\$/kW	\$	-	18,609	\$0.00000
Embedded Distributor	\$/kW	-	-	\$	-	\$0.00000		\$	-	-	\$0.00000
Low Voltage Wheeling Charge Rate	-	-	-	\$	-	\$0.00000		\$	-	-	\$0.00000
Standby Power – INTERIM APPROVAL	-	-	-	\$	-	\$0.00000		\$	-	-	\$0.00000
Total		1,861,211,165	2,419,089	-\$	167,169			\$	-		



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Below is a listing of the current Monthly Fixed Charges. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional Monthly Fixed Charges you are proposing (eg: Smart Meter Funding Adder, etc). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Service Charge	\$	9.59			
Smart Meter Funding Adder	\$			1.74	April 30, 2013
	\$				
	\$				
General Service Less Than 50 kW					
Service Charge	\$	25.27			
Smart Meter Funding Adder	\$			1.74	April 30, 2013
	\$				
	\$				
General Service 50 to 4,999 kW					
Service Charge	\$	233.59			
Smart Meter Funding Adder	\$			1.74	April 30, 2013
	\$				
	\$				
Large Use					
Service Charge	\$	14249.77			
Smart Meter Funding Adder	\$			1.74	April 30, 2013
	\$				
	\$				
Unmetered Scattered Load					
Service Charge (per connection)	\$	8.37			
	\$				
	\$				
	\$				
Street Lighting					
Service Charge (per connection)	\$	0.78			
	\$				
	\$				
	\$				
Embedded Distributor					
	\$				
	\$				
	\$				
Low Voltage Wheeling Charge Rate					
	\$				
	\$				
	\$				
Standby Power – INTERIM APPROVAL					
	\$				
	\$				
	\$				



3RD Generation Incentive Regulation Model

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Below is a listing of the current Distribution Volumetric Rates other than the base rates. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional volumetric rates you are proposing (eg: LRAM/SSM, Tax Adjustments, etc.). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	\$/kWh	0.00210	April 30, 2013		
Rate Rider for Deferral/Variance Account Disposition (2011)	\$/kWh	-0.00040	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kWh	0.00030	April 30, 2014		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kWh			0.00027	April 30, 2014
Rate Rider for IRM3 Shared Tax Savings	\$/kWh			-0.00040	April 30, 2013
General Service Less Than 50 kW					
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	\$/kWh	0.00210	April 30, 2013		
Rate Rider for Deferral/Variance Account Disposition (2011)	\$/kWh	-0.00040	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kWh	0.00010	April 30, 2014		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kWh			0.00036	April 30, 2014
Rate Rider for IRM3 Shared Tax Savings	\$/kWh			-0.00030	April 30, 2013
General Service 50 to 4,999 kW					
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	\$/kW	0.81210	April 30, 2013		
Rate Rider for Deferral/Variance Account Disposition (2011)	\$/kW	-0.15750	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kW	0.01720	April 30, 2014		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kW			0.01433	April 30, 2014
Rate Rider for IRM3 Shared Tax Savings	\$/kW			-0.07490	April 30, 2013
Large Use					
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	\$/kW	1.04030	April 30, 2013		
Rate Rider for Deferral/Variance Account Disposition (2011)	\$/kW	-0.20220	April 30, 2013		



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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Current RTSR-Network Rates are listed below. In column "K", please enter your proposed RTSR-Network Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00530	13.208%	0.00600
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00460	13.043%	0.00520
General Service 50 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	2.42500	13.518%	2.75280
Large Use				
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.27920	13.518%	2.58730
Unmetered Scattered Load				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00460	13.043%	0.00520
Street Lighting				
Retail Transmission Rate – Network Service Rate	\$/kW	1.47460	13.516%	1.67390
Embedded Distributor				
Retail Transmission Rate – Network Service Rate	\$/kW	2.28640	13.519%	2.59550
Low Voltage Wheeling Charge Rate				
Standby Power – INTERIM APPROVAL				



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Current RTSR-Connection Rates are listed below. In column "K", please enter your proposed RTSR-Connection Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00130	15.385%	0.00150
General Service Less Than 50 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00120	8.333%	0.00130
General Service 50 to 4,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.64100	12.262%	0.71960
Large Use				
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.60250	12.266%	0.67640
Unmetered Scattered Load				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00120	8.333%	0.00130
Street Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.38990	12.260%	0.43770
Embedded Distributor				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.60440	12.260%	0.67850
Low Voltage Wheeling Charge Rate				
Standby Power – INTERIM APPROVAL				



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns H and K.
The Price Escalator has been set at the 2011 values and will be updated by Board staff. The Stretch Factor Value will also be updated by Board staff.

Price Escalator 1.30% Productivity Factor 0.72%

Price Cap Index 0.18%

Choose Stretch Factor Group II Associated Stretch Factor Value 0.4%

Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	Unit	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
Residential									
General Service Less Than 50 kW	\$	9.59		0.01700	\$/kWh		0.180%	9.61	0.01703
General Service 50 to 4,999 kW	\$	25.27		0.01220	\$/kWh		0.180%	25.32	0.01222
Large Use	\$	233.59		3.98880	\$/kW		0.180%	234.01	3.99598
Unmetered Scattered Load	\$	14,249.77		1.35800	\$/kW		0.180%	14,275.42	1.36044
Street Lighting	\$	8.37		0.01630	\$/kWh		0.180%	8.39	0.01633
Embedded Distributor	\$	0.78		5.24580	\$/kW		0.180%	0.78	5.25524
Low Voltage Wheeling Charge Rate	\$						0.180%		
Standby Power – INTERIM APPROVAL	\$						0.180%		





Ontario Energy Board

3RD Generation Incentive
Regulation Model

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

Please enter the descriptions of the current Loss Factors from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menu in the column labeled "Loss Factors". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes.

Loss Factors

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

Current

1.0320
1.0154
1.0226
1.0053



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3RD Generation Incentive Regulation Model

Kitchener-Wilmot Hydro Inc. - EB-2011-0179

The standard Allowance rates have been included as default entries. If you have different rates, please make the appropriate corrections in the green cells below. As well, please enter the current Specific Service Charges below. The standard Retail Service Charges have been entered below. If you have different rates, please make the appropriate corrections in columns B, D or E as applicable (cells are unlocked).

UNIT CURRENT

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month

\$/kW	(0.60)
-------	--------

Primary Metering Allowance for transformer losses – applied to measured demand and energy

%	(1.00)
---	--------

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration

Returned cheque charge (plus bank charges)

\$	15.00
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Account set up charge/change of occupancy charge (plus credit agency costs if applicable)

\$	10.00
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Meter dispute charge plus Measurement Canada fees (if meter found correct)

\$	30.00
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Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	45.00
Disconnect/Reconnect at meter - after regular hours	\$	75.00
Disconnect/Reconnect at pole - during regular hours	\$	95.00

Other

[illegible]**RETAIL SERVICE CHARGES (if applicable)**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
Implementation Date May 1, 2012

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

EB-2011-0179

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	9.61
Smart Meter Funding Adder - Effective Until April 30, 2013	\$	1.74
Distribution Volumetric Rate	\$/kWh	0.017
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	\$/kWh	0.0021
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kWh	-0.0004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kWh	0.0003
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kWh	0.00027
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kWh	-0.0004
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.006
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
Implementation Date May 1, 2012

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EB-2011-0179

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	25.32
Smart Meter Funding Adder - Effective Until April 30, 2013	\$	1.74
Distribution Volumetric Rate	\$/kWh	0.0122
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	\$/kWh	0.0021
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kWh	-0.0004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kWh	0.0001
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kWh	0.00036
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kWh	-0.0003
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0013

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
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EB-2011-0179

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 999 kW non-interval metered

General Service 50 to 999 kW interval metered

General Service 1,000 to 4,999 kW interval metered.

Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	234.01
Smart Meter Funding Adder - Effective Until April 30, 2013	\$	1.74
Distribution Volumetric Rate	\$/kW	3.996
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	\$/kW	0.8121
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kW	-0.1575
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kW	0.0172
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	\$/kW	0.01433
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kW	-0.0749
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kW	-0.023
Retail Transmission Rate – Network Service Rate	\$/kW	2.7528
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7196

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
Implementation Date May 1, 2012

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EB-2011-0179

LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	14275.42
Smart Meter Funding Adder - Effective Until April 30, 2013	\$	1.74
Distribution Volumetric Rate	\$/kW	1.3604
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	\$/kW	1.0403
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kW	-0.2022
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kW	-0.0199
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kW	-0.0135
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.5873
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.6764

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
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Implementation Date May 1, 2012

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STANDBY POWER – INTERIM APPROVAL SERVICE CLASSIFICATION

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of the billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate

#VALUE!

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	8.39
Distribution Volumetric Rate	\$/kWh	0.0163
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kWh	-0.0004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	\$/kWh	0.0045
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kWh	-0.0006
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0013

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.78
Distribution Volumetric Rate	\$/kW	5.2552
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	\$/kW	0.7291
Rate Rider for Deferral/Variance Account Disposition (2011) - Effective Until April 30, 2013	\$/kW	-0.1417
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kW	-0.1414
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kW	-0.0472
Retail Transmission Rate – Network Service Rate	\$/kW	1.6739
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4377

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
Implementation Date May 1, 2012

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EB-2011-0179

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate		#VALUE!
Rate Rider for IRM3 Shared Tax Savings - Effective Until April 30, 2013	\$/kW	-0.0162
Retail Transmission Rate – Network Service Rate	\$/kW	2.5955
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6785

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012
Implementation Date May 1, 2012

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EB-2011-0179

LOW VOLTAGE WHEELING CHARGE RATE SERVICE CLASSIFICATION

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate

#VALUE!

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0179

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Programs, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.25
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Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0179

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

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Customer Administration

Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	10.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	45.00
Disconnect/Reconnect at meter - after regular hours	\$	75.00
Disconnect/Reconnect at pole - during regular hours	\$	95.00
Meter Removal without Authorization	\$	60.00
Service call - after regular hours	\$	105.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factor will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0320
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0154
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0226
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0053



Ontario Energy Board

**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	9.59	9.61
Smart Meter Funding Adder	2.00	1.74
Service Charge Rate Rider(s)	0.15	-
Distribution Volumetric Rate	0.01700	0.01703
Distribution Volumetric Rate Rider(s)	(0.00220)	(0.00037)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00530	0.00600
Connection Service Rate	0.00130	0.00150
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0320	1.0320

Consumption	800	kWh	kW
RPP Tier One	600	kWh	Load Factor

Current Loss Factor	1.0320
Proposed Loss Factor	1.0320

Residential	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	35.85%
Energy Second Tier (kWh)	225.60	0.0790	17.82	225.60	0.0790	17.82	0.00	0.00%	15.66%
Sub-Total: Energy			58.62			58.62	0.00	0.00%	51.51%
Service Charge	1	9.59	9.59	1	9.61	9.61	0.02	0.18%	8.44%
Service Charge Rate Rider(s)	1	2.15	2.15	1	1.74	1.74	-0.41	(19.07)%	1.53%
Distribution Volumetric Rate	800	0.0170	13.60	800	0.0170	13.62	0.02	0.18%	11.97%
Low Voltage Volumetric Rate	800	0.0000	0.00	800	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	800	(0.0022)	(1.76)	800	(0.0004)	(0.29)	1.47	(83.35)%	(0.26)%
Total: Distribution			23.58			24.68	1.10	4.66%	21.69%
Retail Transmission Rate – Network Service Rate	825.60	0.0053	4.38	825.60	0.0060	4.95	0.58	13.21%	4.35%
Retail Transmission Rate – Line and Transformation Connection Service Rate	825.60	0.0013	1.07	825.60	0.0015	1.24	0.17	15.38%	1.09%
Total: Retail Transmission			5.45			6.19	0.74	13.64%	5.44%
Sub-Total: Delivery (Distribution and Retail Transmission)			29.03			30.87	1.84	6.34%	27.13%
Wholesale Market Service Rate	825.60	0.0052	4.29	825.60	0.0052	4.29	0.00	0.00%	3.77%
Rural Rate Protection Charge	825.60	0.0013	1.07	825.60	0.0013	1.07	0.00	0.00%	0.94%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.22%
Sub-Total: Regulatory			5.62			5.62			4.94%
Debt Retirement Charge (DRC)	800.00	0.00700	5.60	800	0.0070	5.60	0.00	0.00%	4.92%
Total Bill before Taxes			98.87			100.71	1.84	1.86%	88.50%
HST		13%	12.85		13%	13.09	0.24	1.86%	11.50%
Total Bill			111.72			113.80	2.08	1.86%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-11.17		(10%)	-11.38			
Total Bill (less OCEB)			100.55			102.42	1.87	1.86%	



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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

General Service Less Than 50 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	25.27	25.32
Smart Meter Funding Adder	2.00	1.74
Service Charge Rate Rider(s)	0.41	-
Distribution Volumetric Rate	0.01220	0.01222
Distribution Volumetric Rate Rider(s)	(0.00260)	(0.00033)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00460	0.00520
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00120	0.00130
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0320	1.0320

Consumption	2,000	kWh	kW
RPP Tier One	600	kWh	Load Factor

Current Loss Factor	1.0320
Proposed Loss Factor	1.0320

General Service Less Than 50 kW	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	14.54%
Energy Second Tier (kWh)	1,464.00	0.0790	115.66	1,464.00	0.0790	115.66	0.00	0.00%	41.21%
Sub-Total: Energy			156.46			156.46	0.00	0.00%	55.75%
Service Charge	1	25.27	25.27	1	25.32	25.32	0.05	0.18%	9.02%
Service Charge Rate Rider(s)	1	2.41	2.41	1	1.74	1.74	-0.67	(27.80)%	0.62%
Distribution Volumetric Rate	2,000	0.0122	24.40	2,000	0.0122	24.44	0.04	0.18%	8.71%
Low Voltage Volumetric Rate	2,000	0.0000	0.00	2,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	2,000	(0.0026)	(5.20)	2,000	(0.0003)	(0.67)	4.53	(87.13)%	(0.24)%
Total: Distribution			46.88			50.83	3.95	8.43%	18.11%
Retail Transmission Rate – Network Service Rate	2,064.00	0.0046	9.49	2,064.00	0.0052	10.73	1.24	13.04%	3.82%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,064.00	0.0012	2.48	2,064.00	0.0013	2.68	0.21	8.33%	0.96%
Total: Retail Transmission			11.97			13.42	1.44	12.07%	4.78%
Sub-Total: Delivery (Distribution and Retail Transmission)			58.85			64.25	5.39	9.17%	22.89%
Wholesale Market Service Rate	2,064.00	0.0052	10.73	2,064.00	0.0052	10.73	0.00	0.00%	3.82%
Rural Rate Protection Charge	2,064.00	0.0013	2.68	2,064.00	0.0013	2.68	0.00	0.00%	0.96%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			13.67			13.67			4.87%
Debt Retirement Charge (DRC)	2,000.00	0.00700	14.00	2,000	0.0070	14.00	0.00	0.00%	4.99%
Total Bill before Taxes			242.97			248.37	5.39	2.22%	88.50%
HST		13%	31.59		13%	32.29	0.70	2.22%	11.50%
Total Bill			274.56			280.66	6.10	2.22%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-27.46		(10%)	-28.07			
Total Bill (less OCEB)			247.10			252.59	5.49	2.22%	



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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

General Service 50 to 4,999 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	233.59	234.01
Smart Meter Funding Adder	2.00	1.74
Service Charge Rate Rider(s)	6.98	-
Distribution Volumetric Rate	3.98880	3.99598
Distribution Volumetric Rate Rider(s)	(1.03380)	(0.22389)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	2.42500	2.75280
Connection Service Rate	0.64100	0.71960
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0320	1.0320

Consumption	1,095,000 kWh	2,500 kW
	kWh	Load Factor 60.0%

Current Loss Factor	1.0320
Proposed Loss Factor	1.0320

General Service 50 to 4,999 kW	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	1,130,040.00	0.0680	76,842.72	1,130,040	0.0680	76,842.72	0.00	0.00%	28814.52%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			76,842.72			76,842.72	0.00	0.00%	28814.52%
Service Charge	1	233.59	233.59	1	234.01	234.01	0.42	0.18%	87.75%
Service Charge Rate Rider(s)	1	8.98	8.98	1	1.74	1.74	-7.24	(80.62)%	0.65%
Distribution Volumetric Rate	2,500	3.9888	9,972.00	2,500	3.9960	9,989.95	17.95	0.18%	3746.04%
Low Voltage Volumetric Rate	2,500	0.0000	0.00	2,500	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	2,500	(1.0338)	(2,584.50)	2,500	(0.2239)	(559.72)	2,024.78	(78.34)%	(209.88)%
Total: Distribution			7,630.07			9,665.98	2,035.91	26.68%	3624.55%
Retail Transmission Rate – Network Service Rate	2,500.00	2.4250	6,062.50	2,500.00	2.7528	6,882.00	819.50	13.52%	2580.62%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,500.00	0.6410	1,602.50	2,500.00	0.7196	1,799.00	196.50	12.26%	674.59%
Total: Retail Transmission			7,665.00			8,681.00	1,016.00	13.26%	3255.21%
Sub-Total: Delivery (Distribution and Retail Transmission)			15,295.07			18,346.98	3,051.91	19.95%	6879.76%
Wholesale Market Service Rate	1,130,040.00	0.0052	5,876.21	1,130,040.00	0.0052	5,876.21	0.00	0.00%	2203.46%
Rural Rate Protection Charge	1,130,040.00	0.0013	1,469.05	1,130,040.00	0.0013	1,469.05	0.00	0.00%	550.87%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			7,345.51			7,345.51			2754.42%
Debt Retirement Charge (DRC)	1,095,000.00	0.00700	7,665.00	1,095,000	0.0070	7,665.00	0.00	0.00%	2874.23%
Total Bill before Taxes			107,148.30			110,200.21	3,051.91	2.85%	41322.93%
HST		13%	13,929.28		13%	14,326.03	396.75	2.85%	5371.98%
Total Bill			121,077.58			124,526.24	3,448.66	2.85%	46694.91%
Ontario Clean Energy Benefit (OCEB)		(10%)	-12,107.76		(10%)	-12,452.62			
Total Bill (less OCEB)			108,969.82			112,073.62	3,103.79	2.85%	



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Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

Large Use

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	14,249.77	14,275.42
Smart Meter Funding Adder	2.00	1.74
Service Charge Rate Rider(s)	230.55	-
Distribution Volumetric Rate	1.35800	1.36044
Distribution Volumetric Rate Rider(s)	(1.72510)	(0.23558)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	2.27920	0.00000
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.60250	0.67640
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0053	1.0053

Consumption	2,190,000	kWh	5,000	kW
		kWh	Load Factor	60.0%

Current Loss Factor	1.0053
Proposed Loss Factor	1.0053

Large Use	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	2,201,607.00	0.0680	149,709.28	2,201,607	0.0680	149,709.28	0.00	0.00%	927.94%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			149,709.28			149,709.28	0.00	0.00%	927.94%
Service Charge	1	14,249.77	14,249.77	1	14,275.42	14,275.42	25.65	0.18%	88.48%
Service Charge Rate Rider(s)	1	232.55	232.55	1	1.74	1.74	-230.81	(99.25)%	0.01%
Distribution Volumetric Rate	5,000	1.3580	6,790.00	5,000	1.3604	6,802.22	12.22	0.18%	42.16%
Low Voltage Volumetric Rate	5,000	0.0000	0.00	5,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	5,000	(1.7251)	(8,625.50)	5,000	(0.2356)	(1,177.90)	7,447.60	(86.34)%	(7.30)%
Total: Distribution			12,646.82			19,901.48	7,254.66	57.36%	123.36%
Retail Transmission Rate – Network Service Rate	5,000.00	2.2792	11,396.00	5,000.00	0.0000	0.00	-11,396.00	(100.00)%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,000.00	0.6025	3,012.50	5,000.00	0.6764	3,382.00	369.50	12.27%	20.96%
Total: Retail Transmission			14,408.50			3,382.00	-11,026.50	(76.53)%	20.96%
Sub-Total: Delivery (Distribution and Retail Transmission)			27,055.32			23,283.48	-3,771.84	(13.94)%	144.32%
Wholesale Market Service Rate	2,201,607.00	0.0052	11,448.36	2,201,607.00	0.0052	11,448.36	0.00	0.00%	70.96%
Rural Rate Protection Charge	2,201,607.00	0.0013	2,862.09	2,201,607.00	0.0013	2,862.09	0.00	0.00%	17.74%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			14,310.70			14,310.70			88.70%
Debt Retirement Charge (DRC)	2,190,000.00	0.00700	15,330.00	2,190,000	0.0070	15,330.00	0.00	0.00%	95.02%
Total Bill before Taxes			206,405.29			202,633.45	-3,771.84	(1.83)%	1255.98%
HST		13%	26,832.69		13%	26,342.35	-490.34	(1.83)%	163.28%
Total Bill			233,237.98			228,975.80	-4,262.18	(1.83)%	1419.26%
Ontario Clean Energy Benefit (OCEB)		(10%)	-23,323.80		(10%)	-22,897.58			
Total Bill (less OCEB)			209,914.18			206,078.22	(3,835.96)	(1.83)%	



Ontario Energy Board

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Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

Standby Power – INTERIM APPROVAL

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	-	-
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	-	-
Distribution Volumetric Rate	0.00000	0.00000
Distribution Volumetric Rate Rider(s)	0.00000	0.00000
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00000	0.00000
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00000	0.00000
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0053	1.0053

Consumption		kWh		kW
		kWh	Load Factor	

Current Loss Factor	1.0053
Proposed Loss Factor	1.0053

Standby Power – INTERIM APPROVAL	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	0.00	0.0680	0.00	0	0.0680	0.00	0.00	0.00%	0.00%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			0.00			0.00	0.00	0.00%	0.00%
Service Charge	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Low Voltage Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Total: Distribution			0.00			0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Network Service Rate	0.00	0.0000	0.00	0.00	0.0000	0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00	0.0000	0.00	0.00	0.0000	0.00	0.00	0.00%	0.00%
Total: Retail Transmission			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Delivery (Distribution and Retail Transmission)			0.00			0.00	0.00	0.00%	0.00%
Wholesale Market Service Rate	0.00	0.0052	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Rural Rate Protection Charge	0.00	0.0013	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	88.50%
Sub-Total: Regulatory			0.25			0.25			88.50%
Debt Retirement Charge (DRC)	0.00	0.007	0.00	0	0.0070	0.00	0.00	0.00%	0.00%
Total Bill before Taxes			0.25			0.25	0.00	0.00%	88.50%
HST		13%	0.03		13%	0.03	0.00	0.00%	11.50%
Total Bill			0.28			0.28	0.00	0.00%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-0.03		(10%)	-0.03			
Total Bill (less OCEB)			0.25			0.25	0.00	0.00%	



Ontario Energy Board

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Rate Class

Unmetered Scattered Load

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	8.37	8.39
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.13	-
Distribution Volumetric Rate	0.01630	0.01633
Distribution Volumetric Rate Rider(s)	0.00180	0.00325
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00460	0.00520
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00120	0.00130
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0320	1.0320

Consumption	0	kWh	kW
RPP Tier One	600	kWh	Load Factor

Current Loss Factor	1.0320
Proposed Loss Factor	1.0320

Unmetered Scattered Load	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	0.00	0.0680	0.00	0.00	0.0680	0.00	0.00	0.00%	0.00%
Energy Second Tier (kWh)	0.00	0.0790	0.00	0.00	0.0790	0.00	0.00	0.00%	0.00%
Sub-Total: Energy			0.00			0.00	0.00	0.00%	0.00%
Service Charge	1	8.37	8.37	1	8.39	8.39	0.02	0.18%	85.93%
Service Charge Rate Rider(s)	1	0.13	0.13	1	0.00	0.00	-0.13	(100.00)%	0.00%
Distribution Volumetric Rate	0	0.0163	0.00	0	0.0163	0.00	0.00	0.00%	0.00%
Low Voltage Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	0.0018	0.00	0	0.0032	0.00	0.00	0.00%	0.00%
Total: Distribution			8.50			8.39	-0.11	(1.35)%	85.93%
Retail Transmission Rate – Network Service Rate	0.00	0.0046	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00	0.0012	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Total: Retail Transmission			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Delivery (Distribution and Retail Transmission)			8.50			8.39	-0.11	(1.35)%	85.93%
Wholesale Market Service Rate	0.00	0.0052	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Rural Rate Protection Charge	0.00	0.0013	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	2.56%
Sub-Total: Regulatory			0.25			0.25			2.56%
Debt Retirement Charge (DRC)	0.00	0.00700	0.00	0	0.0070	0.00	0.00	0.00%	0.00%
Total Bill before Taxes			8.75			8.64	-0.11	(1.31)%	88.50%
HST		13%	1.14		13%	1.12	-0.01	(1.31)%	11.50%
Total Bill			9.89			9.76	-0.13	(1.31)%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-0.99		(10%)	-0.98			
Total Bill (less OCEB)			8.90			8.78	(0.12)	(1.31)%	



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**3RD Generation Incentive
Regulation Model**

Kitchener-Wilmot Hydro Inc. - EB-2011-0179



Rate Class

Street Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	0.78	0.78
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.01	-
Distribution Volumetric Rate	5.24580	5.25524
Distribution Volumetric Rate Rider(s)	(1.03730)	(0.33033)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	1.47460	1.67390
Connection Service Rate	0.38990	0.43770
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0320	1.0320

Consumption	kWh	kW
	kWh	Load Factor

Current Loss Factor	1.0320
Proposed Loss Factor	1.0320

Street Lighting	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	0.00	0.0680	0.00	0	0.0680	0.00	0.00	0.00%	0.00%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			0.00			0.00	0.00	0.00%	0.00%
Service Charge	1	0.78	0.78	1	0.78	0.78	0.00	0.18%	67.05%
Service Charge Rate Rider(s)	1	0.01	0.01	1	0.00	0.00	-0.01	(100.00)%	0.00%
Distribution Volumetric Rate	0	5.2458	0.00	0	5.2552	0.00	0.00	0.00%	0.00%
Low Voltage Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	(1.0373)	0.00	0	(0.3303)	0.00	0.00	0.00%	0.00%
Total: Distribution			0.79			0.78	-0.01	(1.09)%	67.05%
Retail Transmission Rate – Network Service Rate	0.00	1.4746	0.00	0.00	1.6739	0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00	0.3899	0.00	0.00	0.4377	0.00	0.00	0.00%	0.00%
Total: Retail Transmission			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Delivery (Distribution and Retail Transmission)			0.79			0.78	-0.01	(1.09)%	67.05%
Wholesale Market Service Rate	0.00	0.0052	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Rural Rate Protection Charge	0.00	0.0013	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	21.45%
Sub-Total: Regulatory			0.25			0.25			21.45%
Debt Retirement Charge (DRC)	0.00	0.007	0.00	0	0.0070	0.00	0.00	0.00%	0.00%
Total Bill before Taxes			1.04			1.03	-0.01	(0.83)%	88.50%
HST		13%	0.14		13%	0.13	-0.00	(0.83)%	11.50%
Total Bill			1.18			1.17	-0.01	(0.83)%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-0.12		(10%)	-0.12			
Total Bill (less OCEB)			1.06			1.05	(0.01)	(0.83)%	



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Rate Class

Embedded Distributor

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	-	-
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	43.29	-
Distribution Volumetric Rate	0.00000	0.00000
Distribution Volumetric Rate Rider(s)	(0.00900)	(0.01620)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	2.28640	2.59550
Connection Service Rate	0.60440	0.67850
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0053	1.0053

Consumption		kWh		kW
		kWh	Load Factor	

Current Loss Factor	1.0053
Proposed Loss Factor	1.0053

Embedded Distributor	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	0.00	0.0680	0.00	0	0.0680	0.00	0.00	0.00%	0.00%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			0.00			0.00	0.00	0.00%	0.00%
Service Charge	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Service Charge Rate Rider(s)	1	43.29	43.29	1	0.00	0.00	-43.29	(100.00)%	0.00%
Distribution Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Low Voltage Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	(0.0090)	0.00	0	(0.0162)	0.00	0.00	0.00%	0.00%
Total: Distribution			43.29			0.00	-43.29	(100.00)%	0.00%
Retail Transmission Rate – Network Service Rate	0.00	2.2864	0.00	0.00	2.5955	0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00	0.6044	0.00	0.00	0.6785	0.00	0.00	0.00%	0.00%
Total: Retail Transmission			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Delivery (Distribution and Retail Transmission)			43.29			0.00	-43.29	(100.00)%	0.00%
Wholesale Market Service Rate	0.00	0.0052	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Rural Rate Protection Charge	0.00	0.0013	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	88.50%
Sub-Total: Regulatory			0.25			0.25			88.50%
Debt Retirement Charge (DRC)	0.00	0.007	0.00	0	0.0070	0.00	0.00	0.00%	0.00%
Total Bill before Taxes			43.54			0.25	-43.29	(99.43)%	88.50%
HST		13%	5.66		13%	0.03	-5.63	(99.43)%	11.50%
Total Bill			49.20			0.28	-48.92	(99.43)%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-4.92		(10%)	-0.03			
Total Bill (less OCEB)			44.28			0.25	(44.03)	(99.43)%	



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Regulation Model**

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Rate Class

Low Voltage Wheeling Charge Rate

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	-	-
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	-	-
Distribution Volumetric Rate	0.00000	0.00000
Distribution Volumetric Rate Rider(s)	0.00000	0.00000
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00000	0.00000
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00000	0.00000
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0053	1.0053

Consumption		kWh		kW
		kWh	Load Factor	

Current Loss Factor	1.0053
Proposed Loss Factor	1.0053

Low Voltage Wheeling Charge Rate	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	0.00	0.0680	0.00	0	0.0680	0.00	0.00	0.00%	0.00%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			0.00			0.00	0.00	0.00%	0.00%
Service Charge	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Low Voltage Volumetric Rate	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	0.0000	0.00	0	0.0000	0.00	0.00	0.00%	0.00%
Total: Distribution			0.00			0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Network Service Rate	0.00	0.0000	0.00	0.00	0.0000	0.00	0.00	0.00%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00	0.0000	0.00	0.00	0.0000	0.00	0.00	0.00%	0.00%
Total: Retail Transmission			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Delivery (Distribution and Retail Transmission)			0.00			0.00	0.00	0.00%	0.00%
Wholesale Market Service Rate	0.00	0.0052	0.00	0.00	0.0052	0.00	0.00	0.00%	0.00%
Rural Rate Protection Charge	0.00	0.0013	0.00	0.00	0.0013	0.00	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	88.50%
Sub-Total: Regulatory			0.25			0.25			88.50%
Debt Retirement Charge (DRC)	0.00	0.007	0.00	0	0.0070	0.00	0.00	0.00%	0.00%
Total Bill before Taxes			0.25			0.25	0.00	0.00%	88.50%
HST		13%	0.03		13%	0.03	0.00	0.00%	11.50%
Total Bill			0.28			0.28	0.00	0.00%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-0.03		(10%)	-0.03			
Total Bill (less OCEB)			0.25			0.25	0.00	0.00%	