



Jerry Van Ooteghem
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March 25, 2008

BY COURIER

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

Re: IRM 2008 EB Number: EB-2007-0883
Kitchener-Wilmot Hydro Inc. Application for Approval of 2008 Electricity
Distribution Rates, Licence No. ED-2002-0573
Ontario Uniform Transmission Rate Order, EB-2007-0759

Dear Ms. Walli:

On December 20, 2006, the Ontario Energy Board (the "Board") issued its Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors (the "IRM Report"). In addition, on October 29, 2007, electricity distributors received a letter from the Board Secretary with respect to the Ontario Uniform Transmission Rate Order (EB-2007-0759), directing each distributor to propose an adjustment to their retail transmission rates, taking into consideration the reduction in the wholesale transmission rates and the pattern of variance in the accounts. Accordingly, Kitchener-Wilmot Hydro Inc., referred to herein as the "Applicant", submitted its application on November 1, 2007 to adjust its distribution and retail transmission rates effective May 1, 2008.

Subsequently, on March 19, 2008, the Board issued its decision on the Applicant's rate applications, directing the Applicant on how to proceed to ensure timely implementation of its new distribution and retail transmission rates for the effective date of May 1, 2008. All procedures and filing requirements as outlined in the Board's IRM report and subsequent filing guidelines were followed in the preparation of this submission, and in the development of the adjusted distribution rates, utilizing the Board's 2008 IRM Model. Adjusted retail transmission rates were calculated in accordance with the Board's decision of March 19, 2008.

The Applicant's submission, which has been previously electronically filed through the Board's web portal, consists of two hard copies of one (1) book, which includes a covering letter, Manager's Summary, the 2008 IRM model and a proposed Tariff of Rates and Charges for the 2008 rate year. An electronic copy of all materials has been provided on CD ROM.



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The applicant is requesting the adjusted distribution and retail transmission rates be approved for implementation on May 1, 2008. Consumption will be pro-rated, with pre-May 1st consumption at the old rates and post-May 1st consumption at the new rates.

As a result of adjustments made by the 2008 IRM model, the estimated bill impact for residential customers consuming 1,000 kWh per month would result in a decrease of (1.9%).

A general service <50 kW, 2000 kWh per month customer would experience a decrease of (1.7%).

Should you require any further information or clarification of any of the above data, kindly contact either myself at (519) 745-4771 ext. 280, or our Vice President of Finance & CFO at ext. 217.

Respectfully submitted,

Original Signed by

J. Van Ooteghem, P.Eng.
mn

President & CEO

Attachments

IRM 2008 EB Number: EB-2007-0883
Licence No. ED-2002-0573

**Application for Approval of
2008 Electricity Distribution and Retail Transmission Rates**

Manager's Summary

Kitchener-Wilmot Hydro Inc. (License No. ED-2002-0573) distributes electricity to approximately 82,077 customers within the City of Kitchener (primarily urban) and the Township of Wilmot which is primarily rural containing seven (7) small communities.

On December 20, 2006, the Ontario Energy Board ("OEB" or the "Board") issued its Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors (the "IRM Report"). Accordingly, on November 1, 2007, Kitchener-Wilmot Hydro Inc. (the "Applicant" or "KWHI") submitted its application for approval of 2008 electricity distribution and revised retail transmission rates consistent with the Board's IRM Report and subsequent filing guidelines.

Subsequently, on March 19, 2008, the Board issued its decision on the Applicant's rate applications, directing the Applicant on how to proceed to ensure timely implementation of its new distribution and retail transmission rates for the effective date of May 1, 2008. This response to the Board's Order is therefore submitted in accordance with the Board's instructions.

Details of the Applicant's Electricity Distribution Rate Application are noted below:

Embedded Distributor Rate Class

- The Embedded Distributor rate class has been entered as service classification #8 and #9 on Sheet 2 – 2007 Rate Classes and all subsequent worksheets. The Applicant's Embedded Distributor rate class is not charged a monthly service charge but is subject to two different volumetric rates (a specific LV line rate and a shared LV line rate). Limitations in the model did not allow for entry and subsequent adjustment of the two rates. Following discussion with Board staff at the time of filing its 2007 rate model, the Applicant was directed to enter the Embedded Distributor rate class twice, separating the two volumetric rates; thus allowing the model to make the required adjustments to both rates. The Embedded Distributor rate classification has been entered into this submission consistent with those instructions.

2007 Board-Approved Tariff of Rates and Charges

- The Applicant's 2007 Board-Approved Tariff of Rates and Charges, as issued April 12, 2007 was copied directly into Sheet 3 of the IRM model, except for

the Embedded Distributor rate class which has been entered twice, as noted above.

- Since the Applicant did not receive an extension for regulatory asset recovery for rate mitigation purposes, the Applicant has accepted the default removal of the Regulatory Asset Recovery rate rider from its 2008 distribution rates.

Smart Meter Information

- Smart Meter data, in accordance with the Board's Decision RP-2005-0020 / EB-2005-0529 was entered on Sheet 4 of the IRM model in accordance with the Applicant's 2007 rate order.

CDM Adjustment

- The Applicant did not make an application for incremental CDM funding (over and above the 3rd tranche) in 2007, thus no adjustment has been made for CDM funding in the 2008 rate model.

K-Factor Derivation

- Green cells in Sheet 6 have been populated using the data directly from the Applicant's Board-approved 2006 EDR model.
- The Applicant is considered to be a medium-small distributor.
- The following changes are included in the model stemming from the IRM report:

	2007	2008	Change
Debt to Equity	55 / 45	57.5 / 42.5	2.5 / (2.5)
Weighted Average Cost of Capital	7.35%	7.28%	-0.07%
Return on Rate Base	10,857,855	10,747,061	(110,794)
Revenue Requirement (Before PILS)	29,599,251	29,488,457	(110,794)
Target Net Income (EBIT)	5,982,900	5,650,517	(332,383)
Interest Expense	4,874,955	5,096,544	221,589
Revenue Requirement after PILS & Transformer allowance credit	32,397,153	32,218,474	(178,679)

- The resulting K-factor to be applied to the Applicant's revenue requirement is a decrease of (0.6%).

2008 Federal Tax Adjustment (PILS)

- Sheet 6A – 2008 Fed Tax Adjust Factor was added to the rate model by Board staff subsequent to the Applicant’s initial filing in November 1, 2007 to reflect reductions to federal income tax rates and thereby reduce the Applicant’s revenue requirement accordingly.
- The isolated effect to the Applicant’s revenue requirement for PILS is a reduction of (\$388,575) for the 2008 rate year or a (1.2%) decrease in the revenue requirement.

Price Cap Adjustment

- No inputs were required to be entered on Sheet 7 – Dx IRM Adjustment.
- The inflation index to be used in the Price Escalator (GDP-IPI) has been updated by the Board since the Applicant’s initial filing in November 2007.
- The Applicant has used the following values in this submission:
 - Price Escalator (GDP-IPI) of 2.1%.
 - Average annual expected productivity gain of 1%.
 - K-Factor, calculated on Sheet 6, of (0.6%).
 - 2008 Federal Tax Adjustment Factor, calculated on Sheet 6A, of (1.2%).
- The resulting total Price Cap Adjustment to be applied to the Applicant’s revenue requirement (including the K-factor adjustment) is (0.7%).

Z-Factors

- The Applicant is not applying for any Z-factor adjustments for the 2008 rate year.

Retail Transmission Rates

Pursuant to the March 19, 2008 Board Decision on KWHI’s application for a change in retail transmission rates effective May 1, 2008, the Applicant has entered the following reductions to its retail transmission rates on Sheet 9A. – 2008 RTS Rate Changes:

- RTS Network Service Rates – (18%)
- RTS – Line and Transformation Connection Service Rates – (5%)
- A summary of the changes is as follows:

RTS - Network Service Rates

Rate Classification		2007 Rate	2008 Rate	\$\$\$ Change	% Change
Residential	\$/kWh	0.0051	0.0042	(0.0009)	(18%)
General Service Less Than 50 kW	\$/kWh	0.0045	0.0037	(0.0008)	(18%)
General Service 50 to 4,999 kW	\$/kW	2.3431	1.9213	(0.4218)	(18%)
Large Use	\$/kW	2.2022	1.8058	(0.3964)	(18%)
Unmetered Scattered Load	\$/kWh	0.0045	0.0037	(0.0008)	(18%)
Street Lighting	\$/kW	1.4249	1.1684	(0.2565)	(18%)
Embedded Distributor	\$/kW	2.2091	1.8115	(0.3976)	(18%)

**RTS - Line & Transformation Connection Service
Rate**

Rate Classification		2007 Rate	2008 Rate	\$\$\$ Change	% Change
Residential	\$/kWh	0.0017	0.0016	(0.0001)	(5%)
General Service Less Than 50 kW	\$/kWh	0.0016	0.0015	(0.0001)	(5%)
General Service 50 to 4,999 kW	\$/kW	0.8101	0.7696	(0.0405)	(5%)
Large Use	\$/kW	0.7615	0.7234	(0.0381)	(5%)
Unmetered Scattered Load	\$/kWh	0.0016	0.0015	(0.0001)	(5%)
Street Lighting	\$/kW	0.4927	0.4681	(0.0246)	(5%)
Embedded Distributor	\$/kW	0.7638	0.7256	(0.0382)	(5%)

Respectfully submitted,

Original Signed by

Margaret Nanninga, MBA, CGA
Manager of Regulatory & Financial Services
Kitchener-Wilmot Hydro Inc.

cc G. Guthrie, Vice President Finance & CFO
J. Van Ooteghem, President & CEO



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Sheet 1 Utility Information Sheet

Legend:

Input Cell

Pull-Down Menu Option

Output Cell

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

Name of LDC: Kitchener-Wilmot Hydro Inc.

Licence Number: ED-2002-0573

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

IRM 2007 EB Number: EB-2007-0549

EDR 2006 RP Number: RP-2005-0020

EDR 2006 EB Number: EB-2005-0386

Date of Submission: 11/01/08

Last Saved Date: 03/25/08 10:35 AM

Model Version: 3.1

Contact Information

Name: Margaret Nanninga

Title: Manager of Regulatory and Financial Services

Phone Number: 519-745-4771 Ext. 220

E-Mail Address: mnanninga@kwhydro.on.ca

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

Comments

Copyright

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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 2 - 2007 Rate Classes

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

☐ YES

☒ NO

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

Instructions:

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

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

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

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

Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Large Use	Yes
5	Unmetered Scattered Load	Yes
6	Street Lighting	Yes
7	Standby Power - APPROVED ON AN INTERIM BASIS	Yes
8	Embedded Distributor	Yes
9	Embedded Distributor con't	Yes
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

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

MONTHLY RATES AND CHARGES

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

Residential

Service Charge	\$	9.88		
Distribution Volumetric Rate	\$/kWh	0.0124		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	(0.0002)	No	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0051		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

General Service Less Than 50 kW

Service Charge	\$	25.60		
Distribution Volumetric Rate	\$/kWh	0.0091		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	(0.0003)	No	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

General Service 50 to 4,999 kW

Service Charge	\$	234.42		
Distribution Volumetric Rate	\$/kW	3.5420		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	(0.0440)	No	
Retail Transmission Rate – Network Service Rate	\$/kW	2.3431		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8101		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

Large Use

Service Charge	\$	14,284.09		
Distribution Volumetric Rate	\$/kW	1.4405		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	(0.4377)	No	
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2022		
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.7615		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

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

Unmetered Scattered Load

Service Charge (per connection)	\$	12.67	
Distribution Volumetric Rate	\$/kWh	0.0091	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0003)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Street Lighting

Service Charge (per connection)	\$	0.79	
Distribution Volumetric Rate	\$/kW	4.4221	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.6873)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.4249	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4927	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Standby Power - APPROVED ON AN INTERIM BASIS

Service Charge	\$		
Applicable Customer Class Volumetric Rate - \$/kW of contracted power	\$/kW		
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW		No
Retail Transmission Rate – Network Service Rate	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0000	
Rural Rate Protection Charge	\$/kWh	0.0000	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.00	

Embedded Distributor

Service Charge	\$		
Monthly Distribution Wheeling Service Rate - Dedicated LV Line	\$/kW	1.1360	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW		No
Retail Transmission Rate – Network Service Rate	\$/kW	2.2091	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7638	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0000	
Rural Rate Protection Charge	\$/kWh	0.0000	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.00	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

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

Embedded Distributor con't

Service Charge	\$			
Monthly Distribution Wheeling Service Rate - Shared LV Line	\$/kW	0.1005		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW			No
Retail Transmission Rate – Network Service Rate	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0000		
Rural Rate Protection Charge	\$/kWh	0.0000		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.00		

2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

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

Specific Service Charges

Customer Administration

[illegible]

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
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

[illegible]

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)
	\$/kW	
	\$/kW	

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0329
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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 4 - Smart Meter Information

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

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

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

Smart Meter Rate Adder

Residential
General Service Less Than 50 kW
General Service 50 to 4,999 kW
Large Use

2007 IRM	2008 IRM
\$ 0.27	
\$ 0.27	
\$ 0.27	
\$ 0.27	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 5 - Removal of Smart Meter and CDM

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

☐ YES ☒ NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge	Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	kW / kWh	
Residential	\$ 9.88	\$ 0.0124	\$ 0.27	\$ 9.61	\$ 0.0124	\$/kWh
General Service Less Than 50 kW	\$ 25.60	\$ 0.0091	\$ 0.27	\$ 25.33	\$ 0.0091	\$/kWh
General Service 50 to 4,999 kW	\$ 234.42	\$ 3.5420	\$ 0.27	\$ 234.15	\$ 3.5420	\$/kW
Large Use	\$ 14,284.09	\$ 1.4405	\$ 0.27	\$ 14,283.82	\$ 1.4405	\$/kW
Unmetered Scattered Load	\$ 12.67	\$ 0.0091	\$ -	\$ 12.67	\$ 0.0091	\$/kWh
Street Lighting	\$ 0.79	\$ 4.4221	\$ -	\$ 0.79	\$ 4.4221	\$/kW
Standby Power - APPROVED ON AN	\$ -	\$ -	\$ -	\$ -	\$ -	\$/kW
Embedded Distributor	\$ -	\$ 1.1360	\$ -	\$ -	\$ 1.1360	\$/kW
Embedded Distributor con't	\$ -	\$ 0.1005	\$ -	\$ -	\$ 0.1005	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 6 - K-Factor Derivation

Capital Structure Transition

Size of Utility (Rate Base)

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

Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	6.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 147,725,922	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Med-Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 55.0%	45.0%	E2
2008	F1 57.5%	42.5%	F2

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

Cost of Capital

Current	G	7.35%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.28%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 10,857,855.27	= C X G / 100
2008	J	\$ 10,747,060.83	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 18,741,396	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 31,437,185	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 959,968	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 29,599,251.27	= I + K
2008	O	\$ 29,488,456.83	= J + K

Target Net Income (EBIT)

Current	\$ 5,982,899.84	P1 = I - P2
2008	\$ 5,650,516.52	Q1 = J - Q2

Interest Expense

Current	\$ 4,874,955.43	P2 = C X (B X E1 / 100)
2008	\$ 5,096,544.31	Q2 = C X (B X F1 / 100)

PILs

Tax Rate	R	36.12%	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)
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Large Corporation Tax Allowance (if applicable) - grossed up	\$ 117,953	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 473,075	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 4,153,429	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 6,300,282	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 6,180,225	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 3,562,401	V	= AC * (R / 100) / (1 - R / 100)
	2008 \$ 3,494,517	W	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

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

Current	\$ 33,634,727.42	X	= N + V + T
2008	\$ 33,456,048.61	Y	= O + W + T

Base Revenue Requirement (plus transformer allowance credit)

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

Current	\$ 32,397,153.27	Z	= L + M
2008	\$ 32,218,474.46	AA1	= Z + (Y - X)
Difference	\$ 178,678.81	AA2	= AA1 - Z
K-factor	-0.6%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 6A - 2008 Fed Tax Adjustment Factor

	2006		2008	Difference
From 2006 PIL's Model				
2006 Regulatory Taxable Income (<i>K-Factor Cell F69</i>)	6,300,282	A	6,300,282	
2006 Corporate Income Tax Rate (<i>K-Factor Cell C61</i>)	36.12%	B	33.50%	
Corporate PILs/Income Tax Provision for Test Year	2,275,662	$C = A * B$	2,110,594	
Income Tax (grossed-up)	3,562,401	$D = C / (1 - B)$	3,173,826	-388,575 ← Amount to be adjusted
From 2006 EDR Model				
2006 EDR Base Revenue Requirement From Distribution Rates (<i>K-Factor Cell C84</i>)	32,397,153	E	32,397,153	
Grossed up taxes as a % of Revenue Requirement	11.000%	$F = D / E$	9.800%	-1.200%
				↑ 2008 Federal Tax Rate Adjustment Factor

This calculates the percentage amount that the distribution rates must be reduced by in order to reflect the change in Federal tax rates. The adjustment is calculated by applying the new 2008 tax rates (cell D9) against the 2006 Regulatory Taxable Income (cell D7).



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL
Kitchener-Wilmot Hydro Inc.
EB-2007-XXXX, EB-2007-0549, EB-2005-0386
November 1, 2008
Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	2008 Fed Tax Adjust Factor	Total Price Cap Adjustment
2.1%	1.0%	1.1%	-0.6%	-1.2%	-0.7%

	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
<i>Residential</i>	\$ 9.61	\$ 9.54	\$ 0.0124	\$ 0.0123
<i>General Service Less Than 50 kW</i>	\$ 25.33	\$ 25.15	\$ 0.0091	\$ 0.0090
<i>General Service 50 to 4,999 kW</i>	\$ 234.15	\$ 232.51	\$ 3.5420	\$ 3.5172
<i>Large Use</i>	\$ 14,283.82	\$ 14,183.83	\$ 1.4405	\$ 1.4304
<i>Unmetered Scattered Load</i>	\$ 12.67	\$ 12.58	\$ 0.0091	\$ 0.0090
<i>Street Lighting</i>	\$ 0.79	\$ 0.78	\$ 4.4221	\$ 4.3911
<i>Standby Power - APPROVED ON AN</i>	\$ -	\$ -	\$ -	\$ -
<i>Embedded Distributor</i>	\$ -	\$ -	\$ 1.1360	\$ 1.1280
<i>Embedded Distributor con't</i>	\$ -	\$ -	\$ 0.1005	\$ 0.0998



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 9.54	\$ 0.27	\$ 9.81	0.0123
<i>General Service Less Than 50 kW</i>	\$ 25.15	\$ 0.27	\$ 25.42	0.0090
<i>General Service 50 to 4,999 kW</i>	\$ 232.51	\$ 0.27	\$ 232.78	3.5172
<i>Large Use</i>	\$ 14,183.83	\$ 0.27	\$ 14,184.10	1.4304
<i>Unmetered Scattered Load</i>	\$ 12.58	\$ -	\$ 12.58	0.0090
<i>Street Lighting</i>	\$ 0.78	\$ -	\$ 0.78	4.3911
<i>Standby Power - APPROVED ON AN INTERIM</i>	\$ -	\$ -	\$ -	-
<i>Embedded Distributor</i>	\$ -	\$ -	\$ -	1.1280
<i>Embedded Distributor con't</i>	\$ -	\$ -	\$ -	0.0998



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 9. - Z-Factor Rate Rider Adjustment

Is the Applicant seeking Board approval for other rate adjustments?

☐ YES ☒ NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](#), iss

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

Class	Monthly Service Charge Rate Rider \$	Volumetric Charge Rate Rider kW / kWh
<i>Residential</i>	\$ -	\$ -
<i>General Service Less Than 50 kW</i>	\$ -	\$ -
<i>General Service 50 to 4,999 kW</i>	\$ -	\$ -
<i>Large Use</i>	\$ -	\$ -
<i>Unmetered Scattered Load</i>	\$ -	\$ -
<i>Street Lighting</i>	\$ -	\$ -
<i>Standby Power - APPROVED ON AN</i>	\$ -	\$ -
<i>Embedded Distributor</i>	\$ -	\$ -
<i>Embedded Distributor con't</i>	\$ -	\$ -



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 9A - 2008 RTS Rate Change

Instruction: The applicant may input the % value which will applied equally to to all rate classes or enter individual rates.

Retail Transmission Rates - Network Service Rate Adjustment	(Enter % amount here:)	-18.0%
Retail Transmission Rates - Line and Transformation Connection Service Rate Adjustment		-5.0%

		2007 Tariff Sheet	2008 Proposed	% Change
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0051	0.0042	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017	0.0016	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045	0.0037	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016	0.0015	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
General Service 50 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	2.3431	1.9213	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.8101	0.7696	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 9A - 2008 RTS Rate Change

Large Use

Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2022	1.8058	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.7615	0.7234	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Unmetered Scattered Load

Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045	0.0037	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016	0.0015	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%

Street Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.4249	1.1684	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4927	0.4681	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Standby Power - APPROVED ON AN INTERIM BASIS

Retail Transmission Rate – Network Service Rate	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 9A - 2008 RTS Rate Change

Embedded Distributor

Retail Transmission Rate – Network Service Rate	\$/kW	2.2091	1.8115	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7638	0.7256	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Embedded Distributor con't

Retail Transmission Rate – Network Service Rate	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Kitchener-Wilmot Hydro Inc.

Tariff OF RATES AND CHARGES

Effective May 1, 2008*

(*Except as otherwise noted)

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

EB-2007-0549

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	9.81
Distribution Volumetric Rate	\$/kWh	0.0123
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	25.42
Distribution Volumetric Rate	\$/kWh	0.0090
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0037
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	232.78
Distribution Volumetric Rate	\$/kW	3.5172
Retail Transmission Rate – Network Service Rate	\$/kW	1.9213
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7696
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	14,184.10
Distribution Volumetric Rate	\$/kW	1.4304
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.8058
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.7234
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	12.58
Distribution Volumetric Rate	\$/kWh	0.0090
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0037
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.78
Distribution Volumetric Rate	\$/kW	4.3911
Retail Transmission Rate – Network Service Rate	\$/kW	1.1684
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4681
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Standby Power - APPROVED ON AN INTERIM BASIS

Embedded Distributor

Monthly Distribution Wheeling Service Rate - Dedicated LV Line	\$/kW	1.1280
Retail Transmission Rate – Network Service Rate	\$/kW	1.8115
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7256

Embedded Distributor con't

Monthly Distribution Wheeling Service Rate - Shared LV Line	\$/kW	0.0998
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Specific Service Charges

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

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
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
Service call - after regular hours	\$	105.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

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)

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0329
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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 9.88	\$ 0.0124
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.11	\$ 0.0001
Add: K-Factor	-\$ 0.06	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.12	-\$ 0.0001
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 9.81	\$ 0.0123

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 25.60	\$ 0.0091
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.28	\$ 0.0001
Add: K-Factor	-\$ 0.15	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.30	-\$ 0.0001
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 25.42	\$ 0.0090

General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 234.42	\$ 3.5420
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 2.58	\$ 0.0390
Add: K-Factor	-\$ 1.40	-\$ 0.0213
Add: Fed Tax Adjustment	-\$ 2.81	-\$ 0.0425
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 232.78	\$ 3.5172

Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 14,284.09	\$ 1.4405
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 157.12	\$ 0.0158
Add: K-Factor	-\$ 85.70	-\$ 0.0086
Add: Fed Tax Adjustment	-\$ 171.41	-\$ 0.0173
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 14,184.10	\$ 1.4304

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 12.67	\$ 0.0091
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.14	\$ 0.0001
Add: K-Factor	-\$ 0.08	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.15	-\$ 0.0001
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 12.58	\$ 0.0090



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 11 - Distribution Rate Change Summary

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.79	\$ 4.4221
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0486
Add: K-Factor	-\$ 0.00	-\$ 0.0265
Add: Fed Tax Adjustment	-\$ 0.01	-\$ 0.0531
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.78	\$ 4.3911

Standby Power - APPROVED ON AN IN

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ -
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ -	\$ -
Add: K-Factor	\$ -	\$ -
Add: Fed Tax Adjustment	\$ -	\$ -
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ -	\$ -

Embedded Distributor

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 1.1360
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ -	\$ 0.0125
Add: K-Factor	\$ -	-\$ 0.0068
Add: Fed Tax Adjustment	\$ -	-\$ 0.0136
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ -	\$ 1.1280

Embedded Distributor con't

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 0.1005
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ -	\$ 0.0011
Add: K-Factor	\$ -	-\$ 0.0006
Add: Fed Tax Adjustment	\$ -	-\$ 0.0012
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ -	\$ 0.0998



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

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

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

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

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

Residential

Consumption	1,000	kWh	0	kW	Loss Factor 1.0329
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	30.17%
Energy Second Tier (kWh)	433	\$ 0.0620	\$ 26.84	433	\$ 0.0620	\$ 26.84	\$0.00	0.0%	25.46%
Sub-Total: Energy			\$ 58.64			\$ 58.64	\$0.00	0.0%	55.63%
Monthly Service Charge	1	\$ 9.88	\$ 9.88	1	\$ 9.81	\$ 9.81	-\$0.07	(0.7)%	9.31%
Distribution (kWh)	1,000	\$ 0.0124	\$ 12.40	1,000	\$ 0.0123	\$ 12.30	-\$0.10	(0.8)%	11.67%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0002	\$ 0.20	1,000	\$ -	\$ -	\$0.20	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,033	\$ 0.0051	\$ 5.27	1,033	\$ 0.0042	\$ 4.32	-\$0.95	(18.0)%	4.10%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,033	\$ 0.0017	\$ 1.76	1,033	\$ 0.0016	\$ 1.67	-\$0.09	(5.0)%	1.58%
Sub-Total: Delivery			\$ 29.10			\$ 28.10	-\$1.01	(3.5)%	26.66%
Wholesale Market Service Rate	1033	\$ 0.0052	\$ 5.37	1033	\$ 0.0052	\$ 5.37	\$0.00	0.0%	5.10%
Rural Rate Protection Charge	1033	\$ 0.0010	\$ 1.03	1033	\$ 0.0010	\$ 1.03	\$0.00	0.0%	0.98%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 6.65			\$ 6.65	\$0.00	0.0%	6.31%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	6.64%
Total Bill before Taxes			\$ 101.40			\$ 100.39	-\$1.01	(1.0)%	95.24%
GST	\$ 101.40	6.00%	\$ 6.08	\$ 100.39	5.00%	\$ 5.02	-\$1.06	(17.5)%	4.76%
Total Bill after Taxes			\$ 107.48			\$ 105.41	-\$2.07	(1.9)%	100.00%

General Service Less Than 50 kW

Consumption	2,000	kWh	0	kW	Loss Factor 1.0329
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	1,316	\$ 0.0620	\$ 81.58	1,316	\$ 0.0620	\$ 81.58	\$0.00	0.0%	77.39%
Sub-Total: Energy			\$ 121.33			\$ 121.33	\$0.00	0.0%	115.10%
Monthly Service Charge	1	\$ 25.60	\$ 25.60	1	\$ 25.42	\$ 25.42	-\$0.18	(0.7)%	24.12%
Distribution (kWh)	2,000	\$ 0.0091	\$ 18.20	2,000	\$ 0.0090	\$ 18.00	-\$0.20	(1.1)%	17.08%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ 0.0003	\$ 0.60	2,000	\$ -	\$ -	\$0.60	(100.0)%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,066	\$ 0.0045	\$ 9.30	2,066	\$ 0.0037	\$ 7.62	-\$1.67	(18.0)%	7.23%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Retail Transmission Rate – Line and Transformation Connection Service Rate	2,066	\$ 0.0016	\$ 3.31	2,066	\$ 0.0015	\$ 3.14	-\$0.17	(5.0)%	2.98%
Sub-Total: Delivery			\$ 55.80			\$ 54.18	-\$1.62	(2.9)%	51.40%
Wholesale Market Service Rate	2066	\$ 0.0052	\$ 10.74	2066	\$ 0.0052	\$ 10.74	\$0.00	0.0%	10.19%
Rural Rate Protection Charge	2066	\$ 0.0010	\$ 2.07	2066	\$ 0.0010	\$ 2.07	\$0.00	0.0%	1.96%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 13.06			\$ 13.06	\$0.00	0.0%	12.39%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	13.28%
Total Bill before Taxes			\$ 204.19			\$ 202.57	-\$1.62	(0.8)%	192.17%
GST	\$ 204.19	6.00%	\$ 12.25	\$ 202.57	5.00%	\$ 10.13	-\$2.12	(17.3)%	9.61%
Total Bill after Taxes			\$ 216.44			\$ 212.70	-\$3.74	(1.7)%	201.78%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

General Service 50 to 4,999 kW

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ 234.42	\$ 234.42	1	\$ 232.78	\$ 232.78	-\$1.64	(0.7)%	220.83%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 3.5420	\$ 17,710.00	5,000	\$ 3.5172	\$ 17,586.00	-\$124.00	(0.7)%	16683.26%
Regulatory Assets (kWh)	5,000	-\$ 0.0440	-\$ 220.00	5,000	\$ -	\$ -	\$220.00	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ 2.3431	\$ 12,100.94	5,165	\$ 1.9213	\$ 9,922.77	-\$2,178.17	(18.0)%	9413.40%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ 0.8101	\$ 4,183.76	5,165	\$ 0.7696	\$ 3,974.57	-\$209.19	(5.0)%	3770.55%
Sub-Total: Delivery			\$ 34,009.12			\$ 31,716.12	-\$2,293.00	(6.7)%	30088.04%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 188,890.18			\$ 186,597.18	-\$2,293.00	(1.2)%	177018.57%
GST	\$ 188,890.18	6.00%	\$ 11,333.41	\$ 186,597.18	5.00%	\$ 9,329.86	-\$2,003.55	(17.7)%	8850.93%
Total Bill after Taxes			\$ 200,223.59			\$ 195,927.04	-\$4,296.55	(2.1)%	185869.50%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Large Use

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0154						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,030,050	\$ 0.0620	\$ 125,863.10	2,030,050	\$ 0.0620	\$ 125,863.10	\$0.00	0.0%	119402.16%
Sub-Total: Energy			\$ 125,902.85			\$ 125,902.85	\$0.00	0.0%	119439.87%
Monthly Service Charge	1	\$14,284.09	\$ 14,284.09	1	\$ 14,184.10	\$ 14,184.10	-\$99.99	(0.7)%	13455.99%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 1.4405	\$ 7,202.50	5,000	\$ 1.4304	\$ 7,152.00	-\$50.50	(0.7)%	6784.87%
Regulatory Assets (kWh)	5,000	-\$ 0.4377	-\$ 2,188.50	5,000	\$ -	\$ -	\$2,188.50	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,077	\$ 2.2022	\$ 11,180.57	5,077	\$ 1.8058	\$ 9,168.07	-\$2,012.50	(18.0)%	8697.44%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,077	\$ 0.7615	\$ 3,866.14	5,077	\$ 0.7234	\$ 3,672.83	-\$193.31	(5.0)%	3484.29%
Sub-Total: Delivery			\$ 34,344.79			\$ 34,177.00	-\$167.80	(0.5)%	32422.58%
Wholesale Market Service Rate	2030800	\$ 0.0052	\$ 10,560.16	2030800	\$ 0.0052	\$ 10,560.16	\$0.00	0.0%	10018.07%
Rural Rate Protection Charge	2030800	\$ 0.0010	\$ 2,030.80	2030800	\$ 0.0010	\$ 2,030.80	\$0.00	0.0%	1926.55%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,591.21			\$ 12,591.21	\$0.00	0.0%	11944.86%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 186,838.85			\$ 186,671.06	-\$167.80	(0.1)%	177088.65%
GST	\$ 186,838.85	6.00%	\$ 11,210.33	\$ 186,671.06	5.00%	\$ 9,333.55	-\$1,876.78	(16.7)%	8854.43%
Total Bill after Taxes			\$ 198,049.19			\$ 196,004.61	-\$2,044.58	(1.0)%	185943.09%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Unmetered Scattered Load

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ 12.67	\$ 12.67	1	\$ 12.58	\$ 12.58	-\$0.09	(0.7)%	11.93%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 0.0091	\$ 45.50	5,000	\$ 0.0090	\$ 45.00	-\$0.50	(1.1)%	42.69%
Regulatory Assets (kWh)	5,000	-\$ 0.0003	-\$ 1.50	5,000	\$ -	\$ -	\$1.50	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ 0.0045	\$ 23.24	5,165	\$ 0.0037	\$ 19.06	-\$4.18	(18.0)%	18.08%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ 0.0016	\$ 8.26	5,165	\$ 0.0015	\$ 7.85	-\$0.41	(5.0)%	7.45%
Sub-Total: Delivery			\$ 88.17			\$ 84.49	-\$3.69	(4.2)%	80.15%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 154,969.23			\$ 154,965.55	-\$3.69	(0.0)%	147010.69%
GST	\$ 154,969.23	6.00%	\$ 9,298.15	\$ 154,965.55	5.00%	\$ 7,748.28	-\$1,549.88	(16.7)%	7350.53%
Total Bill after Taxes			\$ 164,267.39			\$ 162,713.82	-\$1,553.56	(0.9)%	154361.22%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Street Lighting

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ 0.79	\$ 0.79	1	\$ 0.78	\$ 0.78	-\$0.01	(1.3)%	0.74%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 4.4221	\$ 22,110.50	5,000	\$ 4.3911	\$ 21,955.50	-\$155.00	(0.7)%	20828.46%
Regulatory Assets (kWh)	5,000	-\$ 0.6873	-\$ 3,436.50	5,000	\$ -	\$ -	\$3,436.50	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ 1.4249	\$ 7,358.90	5,165	\$ 1.1684	\$ 6,034.29	-\$1,324.60	(18.0)%	5724.54%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ 0.4927	\$ 2,544.55	5,165	\$ 0.4681	\$ 2,417.32	-\$127.23	(5.0)%	2293.23%
Sub-Total: Delivery			\$ 28,578.24			\$ 30,407.90	\$1,829.66	6.4%	28846.97%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 183,459.30			\$ 185,288.96	\$1,829.66	1.0%	175777.50%
GST	\$ 183,459.30	6.00%	\$ 11,007.56	\$ 185,288.96	5.00%	\$ 9,264.45	-\$1,743.11	(15.8)%	8788.88%
Total Bill after Taxes			\$ 194,466.85			\$ 194,553.40	\$86.55	0.0%	184566.38%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Standby Power - APPROVED ON AN INTERIM BASIS

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ -	\$ -	5,165	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ -	\$ -	5,165	\$ -	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Delivery			\$ -			\$ -	\$0.00	0.0%	0.00%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 154,881.06			\$ 154,881.06	\$0.00	0.0%	146930.54%
GST	\$ 154,881.06	6.00%	\$ 9,292.86	\$ 154,881.06	5.00%	\$ 7,744.05	-\$1,548.81	(16.7)%	7346.53%
Total Bill after Taxes			\$ 164,173.92			\$ 162,625.11	-\$1,548.81	(0.9)%	154277.06%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Embedded Distributor

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 1.1360	\$ 5,680.00	5,000	\$ 1.1280	\$ 5,640.00	-\$40.00	(0.7)%	5350.48%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ 2.2091	\$ 11,408.90	5,165	\$ 1.8115	\$ 9,355.30	-\$2,053.60	(18.0)%	8875.06%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ 0.7638	\$ 3,944.65	5,165	\$ 0.7256	\$ 3,747.41	-\$197.23	(5.0)%	3555.05%
Sub-Total: Delivery			\$ 21,033.54			\$ 18,742.71	-\$2,290.83	(10.9)%	17780.59%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 175,914.60			\$ 173,623.77	-\$2,290.83	(1.3)%	164711.12%
GST	\$ 175,914.60	6.00%	\$ 10,554.88	\$ 173,623.77	5.00%	\$ 8,681.19	-\$1,873.69	(17.8)%	8235.56%
Total Bill after Taxes			\$ 186,469.48			\$ 182,304.96	-\$4,164.52	(2.2)%	172946.68%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Embedded Distributor con't

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0329						
	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	37.71%
Energy Second Tier (kWh)	2,065,050	\$ 0.0620	\$ 128,033.10	2,065,050	\$ 0.0620	\$ 128,033.10	\$0.00	0.0%	121460.77%
Sub-Total: Energy			\$ 128,072.85			\$ 128,072.85	\$0.00	0.0%	121498.47%
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 0.1005	\$ 502.50	5,000	\$ 0.0998	\$ 499.00	-\$3.50	(0.7)%	473.38%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,165	\$ -	\$ -	5,165	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,165	\$ -	\$ -	5,165	\$ -	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Delivery			\$ 502.50			\$ 499.00	-\$3.50	(0.7)%	473.38%
Wholesale Market Service Rate	2065800	\$ 0.0052	\$ 10,742.16	2065800	\$ 0.0052	\$ 10,742.16	\$0.00	0.0%	10190.73%
Rural Rate Protection Charge	2065800	\$ 0.0010	\$ 2,065.80	2065800	\$ 0.0010	\$ 2,065.80	\$0.00	0.0%	1959.76%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.24%
Sub-Total: Regulatory			\$ 12,808.21			\$ 12,808.21	\$0.00	0.0%	12150.72%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	13281.34%
Total Bill before Taxes			\$ 155,383.56			\$ 155,380.06	-\$3.50	(0.0)%	147403.92%
GST	\$ 155,383.56	6.00%	\$ 9,323.01	\$ 155,380.06	5.00%	\$ 7,769.00	-\$1,554.01	(16.7)%	7370.20%
Total Bill after Taxes			\$ 164,706.57			\$ 163,149.06	-\$1,557.51	(0.9)%	154774.12%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 13 - Bill Impacts by Consumption

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

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100	0	\$ 20.00	\$ 19.83	\$ (0.17)	-0.9%	-0.9%	-1.0%
	250	0	\$ 33.89	\$ 33.57	\$ (0.32)	-1.0%		
	500	0	\$ 57.04	\$ 56.47	\$ (0.57)	-1.0%		
	600	0	\$ 66.49	\$ 65.82	\$ (0.67)	-1.0%		
	750	0	\$ 81.86	\$ 81.05	\$ (0.82)	-1.0%		
	1,000	0	\$ 107.48	\$ 106.42	\$ (1.07)	-1.0%		
	1,500	0	\$ 158.72	\$ 157.15	\$ (1.56)	-1.0%		
General Service Less Than 50 kW	2,000	0	\$ 216.44	\$ 214.72	\$ (1.72)	-0.8%	-0.8%	-0.8%
	2,500	0	\$ 265.49	\$ 263.39	\$ (2.10)	-0.8%		
	4,000	0	\$ 412.63	\$ 409.39	\$ (3.24)	-0.8%		
	5,000	0	\$ 510.73	\$ 506.73	\$ (4.00)	-0.8%		
	10,000	0	\$ 1,001.22	\$ 993.40	\$ (7.82)	-0.8%		
	12,500	0	\$ 1,246.46	\$ 1,236.74	\$ (9.72)	-0.8%		
	15,000	0	\$ 1,491.70	\$ 1,480.08	\$ (11.63)	-0.8%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,546.56	\$ 1,539.82	\$ (6.73)	-0.4%	-0.4%	-0.4%
	40,000	27	\$ 3,721.49	\$ 3,706.44	\$ (15.05)	-0.4%		
	100,000	69	\$ 8,941.33	\$ 8,906.30	\$ (35.03)	-0.4%		
	400,000	274	\$ 35,040.54	\$ 34,905.64	\$ (134.90)	-0.4%		
	1,000,000	685	\$ 87,238.96	\$ 86,904.32	\$ (334.64)	-0.4%		
	1,500,000	1,028	\$ 130,737.65	\$ 130,236.56	\$ (501.09)	-0.4%		
	2,000,000	1,371	\$ 174,236.33	\$ 173,568.79	\$ (667.54)	-0.4%		
Large Use	15,000	10	\$ 16,390.34	\$ 16,284.21	\$ (106.14)	-0.6%	-0.1%	-0.6%
	40,000	27	\$ 18,483.84	\$ 18,377.45	\$ (106.38)	-0.6%		
	100,000	69	\$ 23,508.23	\$ 23,401.25	\$ (106.97)	-0.5%		
	400,000	274	\$ 48,630.17	\$ 48,520.24	\$ (109.93)	-0.2%		
	1,000,000	685	\$ 98,874.06	\$ 98,758.22	\$ (115.84)	-0.1%		
	1,500,000	1,028	\$ 140,743.97	\$ 140,623.21	\$ (120.77)	-0.1%		
	2,000,000	1,371	\$ 182,613.88	\$ 182,488.19	\$ (125.69)	-0.1%		
Unmetered Scattered Load	15,000	10	\$ 1,238.06	\$ 1,237.96	\$ (0.10)	0.0%	0.0%	0.0%
	40,000	27	\$ 3,290.60	\$ 3,290.48	\$ (0.12)	0.0%		
	100,000	69	\$ 8,216.68	\$ 8,216.53	\$ (0.15)	0.0%		
	400,000	274	\$ 32,847.09	\$ 32,846.79	\$ (0.30)	0.0%		
	1,000,000	685	\$ 82,107.92	\$ 82,107.30	\$ (0.62)	0.0%		
	1,500,000	1,028	\$ 123,158.60	\$ 123,157.73	\$ (0.88)	0.0%		
	2,000,000	1,371	\$ 164,209.29	\$ 164,208.15	\$ (1.14)	0.0%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Kitchener-Wilmot Hydro Inc.

EB-2007-XXXX, EB-2007-0549, EB-2005-0386

November 1, 2008

Sheet 13 - Bill Impacts by Consumption

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

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Street Lighting	15,000	10	\$ 1,287.58	\$ 1,291.56	\$ 3.98	0.3%	0.3%	0.3%
	40,000	27	\$ 3,443.64	\$ 3,454.26	\$ 10.62	0.3%		
	100,000	69	\$ 8,618.18	\$ 8,644.75	\$ 26.57	0.3%		
	400,000	274	\$ 34,490.86	\$ 34,597.18	\$ 106.32	0.3%		
	1,000,000	685	\$ 86,236.23	\$ 86,502.04	\$ 265.81	0.3%		
	1,500,000	1,028	\$ 129,357.37	\$ 129,756.10	\$ 398.73	0.3%		
	2,000,000	1,371	\$ 172,478.51	\$ 173,010.15	\$ 531.64	0.3%		
Standby Power - APPROVED ON AN INTERIM	15,000	10	\$ 1,224.47	\$ 1,224.47	\$ -	0.0%	0.0%	0.0%
	40,000	27	\$ 3,276.73	\$ 3,276.73	\$ -	0.0%		
	100,000	69	\$ 8,202.15	\$ 8,202.15	\$ -	0.0%		
	400,000	274	\$ 32,829.27	\$ 32,829.27	\$ -	0.0%		
	1,000,000	685	\$ 82,083.52	\$ 82,083.52	\$ -	0.0%		
	1,500,000	1,028	\$ 123,128.72	\$ 123,128.72	\$ -	0.0%		
	2,000,000	1,371	\$ 164,173.92	\$ 164,173.92	\$ -	0.0%		
Embedded Distributor	15,000	10	\$ 1,270.30	\$ 1,265.31	\$ (4.99)	-0.4%	-0.4%	-0.4%
	40,000	27	\$ 3,398.96	\$ 3,385.65	\$ (13.31)	-0.4%		
	100,000	69	\$ 8,507.74	\$ 8,474.45	\$ (33.28)	-0.4%		
	400,000	274	\$ 34,051.62	\$ 33,918.49	\$ (133.13)	-0.4%		
	1,000,000	685	\$ 85,139.38	\$ 84,806.55	\$ (332.82)	-0.4%		
	1,500,000	1,028	\$ 127,712.51	\$ 127,213.27	\$ (499.24)	-0.4%		
	2,000,000	1,371	\$ 170,285.64	\$ 169,620.00	\$ (665.65)	-0.4%		
Embedded Distributor con't	15,000	60	\$ 1,230.86	\$ 1,230.81	\$ (0.04)	0.0%	0.0%	0.0%
	40,000	100	\$ 3,287.38	\$ 3,287.31	\$ (0.07)	0.0%		
	100,000	500	\$ 8,255.42	\$ 8,255.04	\$ (0.37)	0.0%		
	400,000	1,000	\$ 32,935.80	\$ 32,935.06	\$ (0.74)	0.0%		
	1,000,000	3,000	\$ 82,403.11	\$ 82,400.88	\$ (2.23)	0.0%		
	1,500,000	4,000	\$ 123,554.84	\$ 123,551.87	\$ (2.97)	0.0%		
	2,000,000	5,000	\$ 164,706.57	\$ 164,702.86	\$ (3.71)	0.0%		

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

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

EB-2007-0549

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2008 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES - May 1, 2008 for all charges incurred by customers on or after that date.

LOSS FACTOR ADJUSTMENT – May 1, 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential

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.

General Service Less Than 50 kW

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.

General Service 50 to 4,999 kW

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.

Large Use

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.

Unmetered Scattered Load

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.

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

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

EB-2007-0549

Standby Power

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.

Street Lighting

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.

Embedded Distributor

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities.

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	9.81
Distribution Volumetric Rate	\$/kWh	0.0123
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0016
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	25.42
Distribution Volumetric Rate	\$/kWh	0.0090
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0037
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	232.78
Distribution Volumetric Rate	\$/kW	3.5172
Retail Transmission Rate – Network Service Rate	\$/kW	1.9213
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7696
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

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

EB-2007-0549

Large Use

Service Charge	\$	14,184.10
Distribution Volumetric Rate	\$/kW	1.4304
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.8058
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.7234
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	12.58
Distribution Volumetric Rate	\$/kWh	0.0090
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0037
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Standby Power – INTERIM APPROVAL

Monthly Rate - Applicable Customer Class Distribution Volumetric Rate – \$/kW of contracted amount

Street Lighting

Service Charge (per connection)	\$	0.78
Distribution Volumetric Rate	\$/kW	4.3911
Retail Transmission Rate – Network Service Rate	\$/kW	1.1684
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4681
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Embedded Distributor

Monthly Distribution Wheeling Service Rate – Dedicated LV Line	\$/kW	1.1280
Monthly Distribution Wheeling Service Rate – Shared LV Line	\$/kW	0.0998
Retail Transmission Rate – Network Service Rate	\$/kW	1.8115
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7256

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

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

EB-2007-0549

Specific Service Charges

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
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
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
Service call – after regular hours	\$	105.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
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)

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0329
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