NORTON ROSE

Barristers & Solicitors / Patent & Trade-mark Agents

Norton Rose Canada LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

F: +1 416.216.3930
nortonrose.com

On January 1, 2012, Macleod Dixon joined
Norton Rose OR to create Norton Rose Canada.

April 3, 2012

Sent By Courier and File on RESS

Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700
2300 Yonge Street
Toronto, ON M4P 1E4

Your reference EB-2012-0072	Direct line +1 (416) 216-2311
Our reference 01005480-0015	Email richard.king@nortonrose.com

Dear Ms. Walli:

Halton Hills Hydro Inc.
Distribution Rates 2012 (EB-2011-0271)

Enclosed please find corrected Undertaking J1.4 and J1.5. They replace the Undertaking responses filed on March 30, 2012.

Yours very truly,

Original Signed by

Richard King

RK/mnm

Enclosures

Cop(y/ies) to: All Intervenors in EB-2011-0271
Art Skidmore (HHH)
David Smelsky (HHH)

Undertaking J1.4-Revised

Halton Hills Hydro Inc.

Updated Table EP TC-1 reflecting OM&A , Accelerated CCA

Capital Expenditure	1,400,000
Depreciation Expense	35,000
Net Book Value	1,365,000
OM&A	11,760
Fixed Assets Opening Balance 2012	-
Fixed Assets Closing Balance 2012	1,365,000
Average Fixed Asset Balance for 2012	682,500
Working Capital Allowance	1,764
Rate Base	684,264
Regulated Rate of Return	6.20%
Regulated Return on Capital	42,424
Deemed Interest Expense	17,466
Deemed Return on Equity	24,959
OM&A	11,760
Regulated Return on Capital	42,424
Depreciation Expense	35,000
	89,184
Pils	(44,956)
Revenue Requirement	**44,228**
Pils:	
CCA	350,000
(1,400,000 x 50% x 50%)	
Deemed Return on Equity	24,959
Add Depreciation	35,000
Less CCA	(350,000)
	(290,041)
Pils before Gross Up	(44,956)
Grossed Up - Pils	(44,956)

Undertaking J1.5-REVISED

Halton Hills Hydro Inc.

Net Present Value of Green Energy Initiative

			Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
Capital Expenditure		1,400,000	1,365,000	1,295,000	1,225,000	1,155,000	1,085,000	1,015,000	945,000	875,000	805,000	735,000	665,000	595,000	525,000	455,000	385,000	315,000	245,000	175,000	105,000	35,000
Depreciation Expense		35,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	35,000
Net Book Value		1,365,000	1,295,000	1,225,000	1,155,000	1,085,000	1,015,000	945,000	875,000	805,000	735,000	665,000	595,000	525,000	455,000	385,000	315,000	245,000	175,000	105,000	35,000	-
OM&A	2.50%	11,760	12,054	12,355	12,664	12,981	13,305	13,638	13,979	14,328	14,687	15,054	15,430	15,816	16,211	16,617	17,032	17,458	17,894	18,342	18,800	19,270
Deferral Account Offset - Cost of Power		(35,495)	(35,495)	(36,382)	(37,292)	(38,224)	(39,180)	(40,159)	(41,163)	(42,192)	(43,247)	(44,328)	(45,437)	(46,573)	(47,737)	(48,930)	(50,154)	(51,407)	(52,693)	(54,010)	(55,360)	(56,744)
Fixed Assets Opening Balance		-	-	-	-	1,155,000	1,155,000	1,155,000	1,155,000	875,000	875,000	875,000	875,000	595,000	595,000	595,000	595,000	315,000	315,000	315,000	315,000	35,000
Fixed Assets Closing Balance		1,365,000	1,365,000	1,365,000	1,365,000	1,085,000	1,085,000	1,085,000	1,085,000	805,000	805,000	805,000	805,000	525,000	525,000	525,000	525,000	245,000	245,000	245,000	245,000	-
Average Fixed Asset Balance		682,500	682,500	682,500	682,500	1,120,000	1,120,000	1,120,000	1,120,000	840,000	840,000	840,000	840,000	560,000	560,000	560,000	560,000	280,000	280,000	280,000	280,000	17,500
Working Capital Allowance		1,764	1,764	1,764	1,764	1,947	1,947	1,947	1,947	2,149	2,149	2,149	2,149	2,372	2,372	2,372	2,372	2,619	2,619	2,619	2,619	2,891
Rate Base		684,264	684,264	684,264	684,264	1,121,947	1,121,947	1,121,947	1,121,947	842,149	842,149	842,149	842,149	562,372	562,372	562,372	562,372	282,619	282,619	282,619	282,619	20,391
Regulated Rate of Return		6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Regulated Return on Capital		42,424	42,424	42,424	42,424	69,561	69,561	69,561	69,561	52,213	52,213	52,213	52,213	34,867	34,867	34,867	34,867	17,522	17,522	17,522	17,522	1,264
Deemed Interest Expense	40.0%	16,970	16,970	16,970	16,970	27,824	27,824	27,824	27,824	20,885	20,885	20,885	20,885	13,947	13,947	13,947	13,947	7,009	7,009	7,009	7,009	506
Deemed Return on Equity	60.0%	25,455	25,455	25,455	25,455	41,736	41,736	41,736	41,736	31,328	31,328	31,328	31,328	20,920	20,920	20,920	20,920	10,513	10,513	10,513	10,513	759
OM&A		11,760	11,760	11,760	11,760	12,981	12,981	12,981	12,981	14,328	14,328	14,328	14,328	15,816	15,816	15,816	15,816	17,458	17,458	17,458	17,458	19,270
Deferral Account Offset - Cost of Power		(35,495)	(35,495)	(35,495)	(35,495)	(38,224)	(38,224)	(38,224)	(38,224)	(42,192)	(42,192)	(42,192)	(42,192)	(46,573)	(46,573)	(46,573)	(46,573)	(51,407)	(51,407)	(51,407)	(51,407)	(56,744)
Regulated Return on Capital		42,424	42,424	42,424	42,424	69,561	69,561	69,561	69,561	52,213	52,213	52,213	52,213	34,867	34,867	34,867	34,867	17,522	17,522	17,522	17,522	1,264
Depreciation Expense		35,000	35,000	35,000	35,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	35,000
		53,689	53,689	53,689	53,689	114,317	114,317	114,317	114,317	94,349	94,349	94,349	94,349	74,110	74,110	74,110	74,110	53,573	53,573	53,573	53,573	(1,210)
Pils		(44,880)	(44,880)	(44,880)	(44,880)	8,458	8,458	8,458	8,458	17,834	17,834	17,834	17,834	16,631	16,631	16,631	16,631	14,766	14,766	14,766	14,766	6,559
Revenue Requirement		**8,810**	**8,810**	**8,810**	**8,810**	**122,776**	**122,776**	**122,776**	**122,776**	**112,184**	**112,184**	**112,184**	**112,184**	**90,741**	**90,741**	**90,741**	**90,741**	**68,339**	**68,339**	**68,339**	**68,339**	**5,349**
Pils:																						
CCA - accelerated 50.0%	(1,400,000 x 50% x 50%)	350,000	525,000	262,500	131,250	65,625	32,813	16,406	8,203	4,102	2,051	1,025	513	256	128	64	32	16	8	4	2	1
	Accum. CCA		875,000	1,137,500	1,268,750	1,334,375	1,367,188	1,383,594	1,391,797	1,395,898	1,397,949	1,398,975	1,399,487	1,399,744	1,399,872	1,399,936	1,399,968	1,399,984	1,399,992	1,399,996	1,399,998	1,399,999
Deemed Return on Equity		25,455	25,455	25,455	25,455	41,736	41,736	41,736	41,736	31,328	31,328	31,328	31,328	20,920	20,920	20,920	20,920	10,513	10,513	10,513	10,513	759
Add Depreciation		35,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	35,000
Less CCA -accelerated 50.0%		(350,000)	(525,000)	(262,500)	(131,250)	(65,625)	(32,813)	(16,406)	(8,203)	(4,102)	(2,051)	(1,025)	(513)	(256)	(128)	(64)	(32)	(16)	(8)	(4)	(2)	(1)
		(289,545)	(429,545)	(167,045)	(35,795)	46,111	78,924	95,330	103,533	97,226	99,277	100,303	100,815	90,664	90,792	90,856	90,888	80,497	80,505	80,509	80,511	35,758
Pils before Gross Up		(44,880)	(44,880)	(44,880)	(44,880)	7,147	7,147	7,147	7,147	15,070	15,070	15,070	15,070	14,053	14,053	14,053	14,053	12,477	12,477	12,477	12,477	5,542
Grossed Up - Pils		$ (44,880)	$ (44,880)	$ (44,880)	$ (44,880)	$ 8,458	$ 8,458	$ 8,458	$ 8,458	$ 17,834	$ 17,834	$ 17,834	$ 17,834	$ 16,631	$ 16,631	$ 16,631	$ 16,631	$ 14,766	$ 14,766	$ 14,766	$ 14,766	$ 6,559

Discount Rate		6.20%
Capital Cost of Project	$	1,400,000
Revenue in Year 1	$	8,810
Present Value of Revenues from Year 2 to 21	$	889,719
Total Revenue	$	898,529
Net Present Value	**$**	**(501,471)**