

March 26, 2007

Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Attention: Ms. Kirsten Walli
Board Secretary

Dear Kirsten:

RE: Festival Hydro Inc - 2008 IRM Rate Application Board File Number EB-2007-0872 – Draft Rate Order

Enclosed is the Draft Rate Order for Festival Hydro Inc. It consists of the attached proposed Tariff of Rates and Charges, filed in a Word format. Also enclosed is the final adjusted rate model which reflects the distribution and retail transmission rate changes, filed in Excel format and the final spreadsheet model for the Transmission Network Charges, also filed in Excel. A PDF file is enclosed which contains all these documents.

Festival Hydro has reviewed the rate model (spreadsheet) provided by the Board which reflects the price cap adjustments. We confirm the completeness and accuracy of the model. The only changes made to the model by Festival Hydro are the updates to Sheet 9A 2008 RTS Rate Changes. The inputs to 9A have resulted in changes to Sheet 10 Tariff of rates and charges, Sheet 11 Rate Change Summary, Sheet 12 Annualized Bill Impact and Sheet 13 Bill Impact by Consumption.

Paper copies are being sent to the OEB via courier today. An electronic version is being filed today with the Board Secretary, in PDF and word/excel formats.

Please contact Debbie Reece at 519-271-4703 x. 268 should you have any question or contact her by email at dreece@festivalhydro.com.

Yours truly,
Festival Hydro Inc.

W.G. Zehr
President

Festival 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-2007-0527

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.

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

SERVICE CLASSIFICATIONS

Residential

A customer is classed as residential when all the following conditions are met:

- (a) the property is zoned strictly residential by the local municipality,
- (b) the account is created and maintained in the customer's name,
- (c) the building is used for dwelling purposes.

Exceptions may be made for properties zoned for farming use, under the following conditions:

- (a) the principal use of the service is for the residence,
- (b) the service size is 200 amperes or less, and the service is 120/240 volt single phase.

General Service Less Than 50 kW

This classification refers to a non residential account whose peak demand is less than 50 kW in eight of the past twelve months and never reaches 100 kW in any month. For a new customer without prior billing history, the peak demand will be estimated by Festival Hydro Inc. Customers who are classed as General Service but consider themselves to be residential must provide Festival Hydro Inc. with a copy of their tax assessment, which clearly demonstrates the zoning is for residential use only.

General Service 50 to 4,999 kW

This classification refers to a non residential account whose peak demand is equal to or greater than 50 kW in eight of the past twelve months, or with a peak demand above 100 kW in any month, but less than 5,000 kW. For new customers without prior billing history, the peak demand will be estimated by Festival Hydro Inc.

Large Use

This classification refers to an account whose monthly peak demand is equal to or greater than 5,000 kW for twelve consecutive months, or is forecast to be equal to or greater than 5,000 kW.

Unmetered Scattered Load

This classification applies to an account 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, pedestrian Cross-Walk signals/beacons, 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.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Festival Hydro Inc.

TARIFF OF RATES AND CHARGES

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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. If connected to the municipal or the Province of Ontario street lighting system, decorative lighting and tree lighting services will be treated as a Street Lighting class of service. Decorative or tree lighting connected to Festival Hydro Inc.'s distribution system will be treated as a General Service Less Than 50 kW class customers.

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	14.32
Distribution Volumetric Rate	\$/kWh	0.0158
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Residential (Hensall)

Service Charge	\$	9.27
Distribution Volumetric Rate	\$/kWh	0.0099
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
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	\$	28.30
Distribution Volumetric Rate	\$/kWh	0.0142
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
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	\$	209.53
Distribution Volumetric Rate	\$/kW	2.2550
Retail Transmission Rate – Network Service Rate	\$/kW	1.8099
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4252
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.9222
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.5624
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Festival Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

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EB-2007-0527

Large Use

Service Charge	\$	10,422.76
Distribution Volumetric Rate	\$/kW	1.0905
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.1284
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.7866
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)	\$	14.03
Distribution Volumetric Rate	\$/kWh	0.0142
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	0.79
Distribution Volumetric Rate	\$/kW	4.1827
Retail Transmission Rate – Network Service Rate	\$/kW	1.3719
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1248
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)	\$	0.45
Distribution Volumetric Rate	\$/kW	2.0928
Retail Transmission Rate – Network Service Rate	\$/kW	1.3650
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1018
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Income tax letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Festival Hydro Inc.

TARIFF OF RATES AND CHARGES

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EB-2007-0527

Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect Charge - At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect Charge - At Meter After Hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Service call – customer owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Temporary service install & remove – overhead – with transformer	\$	1000.00
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	1.0281
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0178
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Sheet 1 Utility Information Sheet

Legend:	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

Name of LDC:	Festival Hydro Inc.		
Licence Number:	ED-2002-0513		
IRM 2008 EB Number:	EB-2007-0872		
(if known)			
IRM 2007 EB Number:	EB-2007-0527		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0364
Date of Submission:	03/26/08	Last Saved Date:	03/26/08 1:02 PM
Model Version:	3.1		
Contact Information			
Name:	Debbie Reece		
Title:	Secretary Treasurer		
Phone Number:	519-271-4703 x.268		
E-Mail Address:	drece@festivalhydro.com		

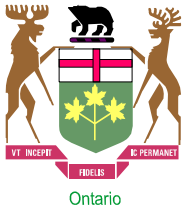
Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

Comments

This is the final spreadsheet with the OEB price adjustments and updates for new RTR rates.

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

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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	Residential - Hensall	Yes
3	General Service Less Than 50 kW	Yes
4	General Service 50 to 4,999 kW	Yes
5	Large Use	Yes
6	Unmetered Scattered Load	Yes
7	Sentinel Lighting	Yes
8	Street Lighting	Yes
9	Rate Class 9	No
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

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

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Ontario

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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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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	\$	14.43	
Distribution Volumetric Rate	\$/kWh	0.0159	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0007	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050	
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	



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Festival Hydro Inc.

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

Residential - Hensall

Service Charge	\$	9.34		
Distribution Volumetric Rate	\$/kWh	0.0100		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	0.0007		No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050		
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	\$	28.53		
Distribution Volumetric Rate	\$/kWh	0.0143		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	(0.0003)		No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045		
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	\$	211.22		
Distribution Volumetric Rate	\$/kW	2.2732		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	(0.2085)		No
Retail Transmission Rate – Network Service Rate	\$/kW	2.1218		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7882		
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.2535		
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.9603		
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	\$	10,506.81		
Distribution Volumetric Rate	\$/kW	1.0993		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	(0.0580)		No
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.4952		
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.2417		
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

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

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

Unmetered Scattered Load

Service Charge (per connection)	\$	14.14		
Distribution Volumetric Rate	\$/kWh	0.0143		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	(0.0005)		No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045		
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		

Sentinel Lighting

Service Charge (per connection)	\$	0.80		
Distribution Volumetric Rate	\$/kW	4.2164		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	1.9871		No
Retail Transmission Rate – Network Service Rate	\$/kW	1.6083		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4113		
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		

Street Lighting

Service Charge (per connection)	\$	0.45		
Distribution Volumetric Rate	\$/kW	2.1097		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	(0.1200)		No
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824		
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

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

Festival Hydro Inc.

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

Customer Administration

[illegible]

Late Payment - per month

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00

[illegible]

Transforme

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	

[illegible]

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0281
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0178
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

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

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2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

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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

	2007 IRM	2008 IRM
Residential	\$ 0.26	
Residential - Hensall	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 4,999 kW	\$ 0.26	
Large Use	\$ 0.26	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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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	\$ 14.43	\$ 0.0159	\$ 0.26	\$ 14.17	\$ 0.0159	\$/kWh
Residential - Hensall	\$ 9.34	\$ 0.0100	\$ 0.26	\$ 9.08	\$ 0.0100	\$/kWh
General Service Less Than 50 kW	\$ 28.53	\$ 0.0143	\$ 0.26	\$ 28.27	\$ 0.0143	\$/kWh
General Service 50 to 4,999 kW	\$ 211.22	\$ 2.2732	\$ 0.26	\$ 210.96	\$ 2.2732	\$/kW
Large Use	\$ 10,506.81	\$ 1.0993	\$ 0.26	\$ 10,506.55	\$ 1.0993	\$/kW
Unmetered Scattered Load	\$ 14.14	\$ 0.0143	\$ -	\$ 14.14	\$ 0.0143	\$/kWh
Sentinel Lighting	\$ 0.80	\$ 4.2164	\$ -	\$ 0.80	\$ 4.2164	\$/kW
Street Lighting	\$ 0.45	\$ 2.1097	\$ -	\$ 0.45	\$ 2.1097	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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	7.25%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 34,999,828	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	46.7%	F2 Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	8.125%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	8.07%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 2,843,736.03	= C X G / 100
2008	J	\$ 2,823,523.62	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 5,438,303	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 9,013,847	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 446,944	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 8,282,039.03	= I + K
2008	O	\$ 8,261,826.62	= J + K

Target Net Income (EBIT)

Current	P1	\$ 1,574,992.26	= I - P2
2008	Q1	\$ 1,471,042.77	= J - Q2

Interest Expense

Current	P2	\$ 1,268,743.77	= C X (B X E1 / 100)
2008	Q2	\$ 1,352,480.85	= 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	\$		S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$	87,022	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$	1,339,573	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current	\$ 2,222,272	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008	\$ 2,184,725	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current	\$ 1,256,551	V	= AC * (R / 100) / (1 - R / 100)
	2008	\$ 1,235,321	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	\$ 9,625,611.82	X	= N + V + T
2008	\$ 9,584,169.27	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	\$ 9,460,791.00	Z	= L + M
2008	\$ 9,419,348.46	AA1	= Z + (Y - X)
Difference	\$ - 41,442.54	AA2	= AA1 - Z
K-factor	-0.4%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

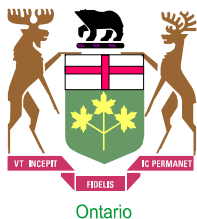
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Sheet 6A - 2008 Fed Tax Adjustment Factor

	2006		2008	Difference
From 2006 PIL's Model				
2006 Regulatory Taxable Income (<i>K-Factor Cell F69</i>)	2,222,272	A	2,222,272	
2006 Corporate Income Tax Rate (<i>K-Factor Cell C61</i>)	36.12%	B	33.50%	
Corporate PILs/Income Tax Provision for Test Year	802,685	$C = A * B$	744,461	
Income Tax (grossed-up)	1,256,551	$D = C / (1 - B)$	1,119,490	-137,060 ← Amount to be adjusted
From 2006 EDR Model				
2006 EDR Base Revenue Requirement From Distribution Rates (<i>K-Factor Cell C84</i>)	9,460,791	E	9,460,791	
Grossed up taxes as a % of Revenue Requirement	13.300%	$F = D / E$	11.800%	-1.500%
				↑ 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

Festival Hydro Inc.

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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%	-0.4%	-1.5%	-0.8%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment	
Residential	\$ 14.17	\$ 14.06	\$ 0.0159	\$ 0.0158	
Residential - Hensall	\$ 9.08	\$ 9.01	\$ 0.0100	\$ 0.0099	
General Service Less Than 50 kW	\$ 28.27	\$ 28.04	\$ 0.0143	\$ 0.0142	
General Service 50 to 4,999 kW	\$ 210.96	\$ 209.27	\$ 2.2732	\$ 2.2550	
Large Use	\$ 10,506.55	\$ 10,422.50	\$ 1.0993	\$ 1.0905	
Unmetered Scattered Load	\$ 14.14	\$ 14.03	\$ 0.0143	\$ 0.0142	
Sentinel Lighting	\$ 0.80	\$ 0.79	\$ 4.2164	\$ 4.1827	
Street Lighting	\$ 0.45	\$ 0.45	\$ 2.1097	\$ 2.0928	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Festival Hydro Inc.

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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>	\$ 14.06	\$ 0.26	\$ 14.32	\$ 0.0158
<i>Residential - Hensall</i>	\$ 9.01	\$ 0.26	\$ 9.27	\$ 0.0099
<i>General Service Less Than 50 kW</i>	\$ 28.04	\$ 0.26	\$ 28.30	\$ 0.0142
<i>General Service 50 to 4,999 kW</i>	\$ 209.27	\$ 0.26	\$ 209.53	\$ 2.2550
<i>Large Use</i>	\$ 10,422.50	\$ 0.26	\$ 10,422.76	\$ 1.0905
<i>Unmetered Scattered Load</i>	\$ 14.03	\$ -	\$ 14.03	\$ 0.0142
<i>Sentinel Lighting</i>	\$ 0.79	\$ -	\$ 0.79	\$ 4.1827
<i>Street Lighting</i>	\$ 0.45	\$ -	\$ 0.45	\$ 2.0928



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

Festival Hydro Inc.

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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>Residential - Hensall</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>Sentinel Lighting</i>	\$ -	\$ -
<i>Street Lighting</i>	\$ -	\$ -



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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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:)	-14.7%	
Retail Transmission Rates - Line and Transformation Connection Service Rate Adjustment		-20.3%	

		2007 Tariff Sheet	2008 Proposed	% Change
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057	0.0049	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050	0.0040	-20.3000%
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%
Residential - Hensall				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057	0.0049	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050	0.0040	-20.3000%
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	0.0052	0.0044	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045	0.0036	-20.3000%
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%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 9A - 2008 RTS Rate Change

General Service 50 to 4,999 kW

Retail Transmission Rate – Network Service Rate	\$/kW	2.1218	1.8099	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7882	1.4252	-20.3000%
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.2535	1.9222	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.9603	1.5624	-20.3000%
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%

Large Use

Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.4952	2.1284	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.2417	1.7866	-20.3000%
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	0.0052	0.0044	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045	0.0036	-20.3000%
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%

Sentinel Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.6083	1.3719	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4113	1.1248	-20.3000%
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

Festival Hydro Inc.

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Sheet 9A - 2008 RTS Rate Change

Street Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.6002	1.3650	-14.7000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3824	1.1018	-20.3000%
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

Festival Hydro Inc.

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Sheet 9A - 2008 RTS Rate Change



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 9A - 2008 RTS Rate Change

Festival 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-2007-0527

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	14.32
Distribution Volumetric Rate	\$/kWh	0.0158
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Residential - Hensall

Service Charge	\$	9.27
Distribution Volumetric Rate	\$/kWh	0.0099
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
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	\$	28.30
Distribution Volumetric Rate	\$/kWh	0.0142
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
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	\$	209.53
Distribution Volumetric Rate	\$/kW	2.2550
Retail Transmission Rate – Network Service Rate	\$/kW	1.8099
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4252
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	1.9222
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.5624
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	\$	10,422.76
Distribution Volumetric Rate	\$/kW	1.0905
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.1284
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.7866
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)	\$	14.03
Distribution Volumetric Rate	\$/kWh	0.0142
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	0.79
Distribution Volumetric Rate	\$/kW	4.1827
Retail Transmission Rate – Network Service Rate	\$/kW	1.3719
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1248
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)	\$	0.45
Distribution Volumetric Rate	\$/kW	2.0928
Retail Transmission Rate – Network Service Rate	\$/kW	1.3650
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1018
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Income tax letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 14.43	\$ 0.0159
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.16	\$ 0.0002
Add: K-Factor	-\$ 0.06	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.21	-\$ 0.0002
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 14.32	\$ 0.0158

Residential - Hensall

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 9.34	\$ 0.0100
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.10	\$ 0.0001
Add: K-Factor	-\$ 0.04	-\$ 0.0000
Add: Fed Tax Adjustment	-\$ 0.14	-\$ 0.0002
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 9.27	\$ 0.0099

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 28.53	\$ 0.0143
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.31	\$ 0.0002
Add: K-Factor	-\$ 0.11	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.42	-\$ 0.0002
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 28.30	\$ 0.0142

General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 211.22	\$ 2.2732
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 2.32	\$ 0.0250
Add: K-Factor	-\$ 0.84	-\$ 0.0091
Add: Fed Tax Adjustment	-\$ 3.16	-\$ 0.0341
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 209.53	\$ 2.2550



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 11 - Distribution Rate Change Summary

Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 10,506.81	\$ 1.0993
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 115.57	\$ 0.0121
Add: K-Factor	-\$ 42.03	-\$ 0.0044
Add: Fed Tax Adjustment	-\$ 157.60	-\$ 0.0165
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 10,422.76	\$ 1.0905

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 14.14	\$ 0.0143
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.16	\$ 0.0002
Add: K-Factor	-\$ 0.06	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.21	-\$ 0.0002
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 14.03	\$ 0.0142

Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.80	\$ 4.2164
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.01	\$ 0.0464
Add: K-Factor	-\$ 0.00	-\$ 0.0169
Add: Fed Tax Adjustment	-\$ 0.01	-\$ 0.0632
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.79	\$ 4.1827

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.45	\$ 2.1097
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.00	\$ 0.0232
Add: K-Factor	-\$ 0.00	-\$ 0.0084
Add: Fed Tax Adjustment	-\$ 0.01	-\$ 0.0316
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.45	\$ 2.0928



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 11 - Distribution Rate Change Summary

Ontario



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

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Sheet 11 - Distribution Rate Change Summary



Festival Hydro Inc.

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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 1.0281			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%
Energy Second Tier (kWh)	428	\$ 0.0620	\$ 26.54	428	\$ 0.0620	\$ 26.54	\$0.00	0.0%
Sub-Total: Energy			\$ 58.34			\$ 58.34	\$0.00	0.0%
Monthly Service Charge	1	\$ 14.43	\$ 14.43	1	\$ 14.32	\$ 14.32	-\$0.11	(0.8)%
Distribution (kWh)	1,000	\$ 0.0159	\$ 15.90	1,000	\$ 0.0158	\$ 15.80	-\$0.10	(0.6)%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	1,000	\$ 0.0007	\$ 0.70	1,000	\$ -	\$ -	-\$0.70	(100.0)%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	1,028	\$ 0.0057	\$ 5.86	1,028	\$ 0.0049	\$ 5.00	-\$0.86	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,028	\$ 0.0050	\$ 5.14	1,028	\$ 0.0040	\$ 4.10	-\$1.04	(20.3)%
Sub-Total: Delivery			\$ 42.03			\$ 39.22	-\$2.81	(6.7)%
Wholesale Market Service Rate	1028	\$ 0.0052	\$ 5.35	1028	\$ 0.0052	\$ 5.35	\$0.00	0.0%
Rural Rate Protection Charge	1028	\$ 0.0010	\$ 1.03	1028	\$ 0.0010	\$ 1.03	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 6.62			\$ 6.62	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%
Total Bill before Taxes			\$ 114.00			\$ 111.18	-\$2.81	(2.5)%
GST	\$ 114.00	6.00%	\$ 6.84	\$ 111.18	6.00%	\$ 6.67	-\$0.17	(2.5)%
Total Bill after Taxes			\$ 120.84			\$ 117.85	-\$2.98	(2.5)%

Residential - Hensall

Consumption	1,000	kWh	0	kW	Loss Factor 1.0281			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%
Energy Second Tier (kWh)	428	\$ 0.0620	\$ 26.54	428	\$ 0.0620	\$ 26.54	\$0.00	0.0%
Sub-Total: Energy			\$ 58.34			\$ 58.34	\$0.00	0.0%
Monthly Service Charge	1	\$ 9.34	\$ 9.34	1	\$ 9.27	\$ 9.27	-\$0.07	(0.7)%
Distribution (kWh)	1,000	\$ 0.0100	\$ 10.00	1,000	\$ 0.0099	\$ 9.90	-\$0.10	(1.0)%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	1,000	\$ 0.0007	\$ 0.70	1,000	\$ -	\$ -	-\$0.70	(100.0)%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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.

Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	1,028	\$ 0.0057	\$ 5.86	1,028	\$ 0.0049	\$ 5.00	-\$0.86	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,028	\$ 0.0050	\$ 5.14	1,028	\$ 0.0040	\$ 4.10	-\$1.04	(20.3)%
Sub-Total: Delivery			\$ 31.04			\$ 28.27	-\$2.77	(8.9)%
Wholesale Market Service Rate	1028	\$ 0.0052	\$ 5.35	1028	\$ 0.0052	\$ 5.35	\$0.00	0.0%
Rural Rate Protection Charge	1028	\$ 0.0010	\$ 1.03	1028	\$ 0.0010	\$ 1.03	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 6.62			\$ 6.62	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%
Total Bill before Taxes			\$ 103.01			\$ 100.23	-\$2.77	(2.7)%
GST	\$ 103.01	6.00%	\$ 6.18	\$ 100.23	6.00%	\$ 6.01	-\$0.17	(2.7)%
Total Bill after Taxes			\$ 109.19			\$ 106.25	-\$2.94	(2.7)%

General Service Less Than 50 kW

Consumption	2,000	kWh	0	kW	Loss Factor 1.0281			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	1,306	\$ 0.0620	\$ 80.98	1,306	\$ 0.0620	\$ 80.98	\$0.00	0.0%
Sub-Total: Energy			\$ 120.73			\$ 120.73	\$0.00	0.0%
Monthly Service Charge	1	\$ 28.53	\$ 28.53	1	\$ 28.30	\$ 28.30	-\$0.23	(0.8)%
Distribution (kWh)	2,000	\$ 0.0143	\$ 28.60	2,000	\$ 0.0142	\$ 28.40	-\$0.20	(0.7)%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	2,000	-\$ 0.0003	-\$ 0.60	2,000	\$ -	\$ -	\$0.60	(100.0)%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	2,056	\$ 0.0052	\$ 10.69	2,056	\$ 0.0044	\$ 9.12	-\$1.57	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,056	\$ 0.0045	\$ 9.25	2,056	\$ 0.0036	\$ 7.37	-\$1.88	(20.3)%
Sub-Total: Delivery			\$ 76.48			\$ 73.20	-\$3.28	(4.3)%
Wholesale Market Service Rate	2056	\$ 0.0052	\$ 10.69	2056	\$ 0.0052	\$ 10.69	\$0.00	0.0%
Rural Rate Protection Charge	2056	\$ 0.0010	\$ 2.06	2056	\$ 0.0010	\$ 2.06	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13.00			\$ 13.00	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%
Total Bill before Taxes			\$ 224.21			\$ 220.93	-\$3.28	(1.5)%
GST	\$ 224.21	6.00%	\$ 13.45	\$ 220.93	6.00%	\$ 13.26	-\$0.20	(1.5)%
Total Bill after Taxes			\$ 237.66			\$ 234.18	-\$3.48	(1.5)%

General Service 50 to 4,999 kW

Consumption	1,000,000 kWh	2,000 kW	Loss Factor 1.0281
	2007 BILL	2008 BILL	IMPACT



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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.

	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	1,027,350	\$ 0.0620	\$ 63,695.70	1,027,350	\$ 0.0620	\$ 63,695.70	\$0.00	0.0%
Sub-Total: Energy			\$ 63,735.45			\$ 63,735.45	\$0.00	0.0%
Monthly Service Charge	1	\$ 211.22	\$ 211.22	1	\$ 209.53	\$ 209.53	-\$1.69	(0.8)%
Distribution (kWh)	1,000,000	\$ -	\$ -	1,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	2,000	\$ 2.2732	\$ 4,546.40	2,000	\$ 2.2550	\$ 4,510.00	-\$36.40	(0.8)%
Regulatory Assets (kWh)	2,000	\$ 0.2085	\$ 417.00	2,000	\$ -	\$ -	\$417.00	(100.0)%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	2,056	\$ 4.3753	\$ 8,996.49	2,056	\$ 3.7321	\$ 7,674.01	-\$1,322.48	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,056	\$ 3.7485	\$ 7,707.67	2,056	\$ 2.9876	\$ 6,143.01	-\$1,564.66	(20.3)%
Sub-Total: Delivery			\$ 21,044.78			\$ 18,536.55	-\$2,508.23	(11.9)%
Wholesale Market Service Rate	1028100	\$ 0.0052	\$ 5,346.12	1028100	\$ 0.0052	\$ 5,346.12	\$0.00	0.0%
Rural Rate Protection Charge	1028100	\$ 0.0010	\$ 1,028.10	1028100	\$ 0.0010	\$ 1,028.10	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 6,374.47			\$ 6,374.47	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,000,000	\$ 0.0070	\$ 7,000.00	1,000,000	\$ 0.0070	\$ 7,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 98,154.70			\$ 95,646.47	-\$2,508.23	(2.6)%
GST	\$ 98,154.70	6.00%	\$ 5,889.28	\$ 95,646.47	6.00%	\$ 5,738.79	-\$150.49	(2.6)%
Total Bill after Taxes			\$ 104,043.98			\$ 101,385.26	-\$2,658.72	(2.6)%

Large Use

Consumption	3,000,000 kWh	5,500 kW	Loss Factor 1.0045					
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	3,012,750	\$ 0.0620	\$ 186,790.50	3,012,750	\$ 0.0620	\$ 186,790.50	\$0.00	0.0%
Sub-Total: Energy			\$ 186,830.25			\$ 186,830.25	\$0.00	0.0%
Monthly Service Charge	1	\$10,506.81	\$ 10,506.81	1	#####	\$ 10,422.76	-\$84.05	(0.8)%
Distribution (kWh)	3,000,000	\$ -	\$ -	3,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,500	\$ 1.0993	\$ 6,046.15	5,500	\$ 1.0905	\$ 5,997.75	-\$48.40	(0.8)%
Regulatory Assets (kWh)	5,500	-\$ 0.0580	-\$ 319.00	5,500	\$ -	\$ -	\$319.00	(100.0)%
Rate Riders	5,500	\$ -	\$ -	5,500	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,500	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,525	\$ 2.4952	\$ 13,785.36	5,525	\$ 2.1284	\$ 11,758.91	-\$2,026.45	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,525	\$ 2.2417	\$ 12,384.83	5,525	\$ 1.7866	\$ 9,870.71	-\$2,514.12	(20.3)%
Sub-Total: Delivery			\$ 42,404.15			\$ 38,050.13	-\$4,354.02	(10.3)%
Wholesale Market Service Rate	3013500	\$ 0.0052	\$ 15,670.20	3013500	\$ 0.0052	\$ 15,670.20	\$0.00	0.0%
Rural Rate Protection Charge	3013500	\$ 0.0010	\$ 3,013.50	3013500	\$ 0.0010	\$ 3,013.50	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 18,683.95			\$ 18,683.95	\$0.00	0.0%
Debt Retirement Charge (DRC)	3,000,000	\$ 0.0070	\$ 21,000.00	3,000,000	\$ 0.0070	\$ 21,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 268,918.35			\$ 264,564.33	-\$4,354.02	(1.6)%
GST	\$ 268,918.35	6.00%	\$ 16,135.10	\$264,564.33	6.00%	\$ 15,873.86	-\$261.24	(1.6)%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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.

Total Bill after Taxes	\$	285,053.45		\$	280,438.19	-\$4,615.26	(1.6)%
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Unmetered Scattered Load

Consumption	67,000	kWh	0	kW	Loss Factor 1.0281
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	68,133	\$ 0.0620	\$ 4,224.23	68,133	\$ 0.0620	\$ 4,224.23	\$0.00	0.0%
Sub-Total: Energy			\$ 4,263.98			\$ 4,263.98	\$0.00	0.0%
Monthly Service Charge	1	\$ 14.14	\$ 14.14	1	\$ 14.03	\$ 14.03	-\$0.11	(0.8)%
Distribution (kWh)	67,000	\$ 0.0143	\$ 958.10	67,000	\$ 0.0142	\$ 951.40	-\$6.70	(0.7)%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	67,000	\$ 0.0005	\$ 33.50	67,000	\$ -	\$ -	\$33.50	(100.0)%
Rate Riders	67,000	\$ -	\$ -	67,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	67,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	68,883	\$ 0.0052	\$ 358.19	68,883	\$ 0.0044	\$ 305.54	-\$52.65	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	68,883	\$ 0.0045	\$ 309.97	68,883	\$ 0.0036	\$ 247.05	-\$62.92	(20.3)%
Sub-Total: Delivery			\$ 1,606.90			\$ 1,518.01	-\$88.89	(5.5)%
Wholesale Market Service Rate	68883	\$ 0.0052	\$ 358.19	68883	\$ 0.0052	\$ 358.19	\$0.00	0.0%
Rural Rate Protection Charge	68883	\$ 0.0010	\$ 68.88	68883	\$ 0.0010	\$ 68.88	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 427.32			\$ 427.32	\$0.00	0.0%
Debt Retirement Charge (DRC)	67,000	\$ 0.0070	\$ 469.00	67,000	\$ 0.0070	\$ 469.00	\$0.00	0.0%
Total Bill before Taxes			\$ 6,767.20			\$ 6,678.31	-\$88.89	(1.3)%
GST	\$ 6,767.20	6.00%	\$ 406.03	\$ 6,678.31	6.00%	\$ 400.70	-\$5.33	(1.3)%
Total Bill after Taxes			\$ 7,173.23			\$ 7,079.01	-\$94.22	(1.3)%

Sentinel Lighting

Consumption	19,000	kWh	53	kW	Loss Factor 1.0281
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	18,784	\$ 0.0620	\$ 1,164.60	18,784	\$ 0.0620	\$ 1,164.60	\$0.00	0.0%
Sub-Total: Energy			\$ 1,204.35			\$ 1,204.35	\$0.00	0.0%
Monthly Service Charge	1	\$ 0.80	\$ 0.80	1	\$ 0.79	\$ 0.79	-\$0.01	(1.3)%
Distribution (kWh)	19,000	\$ -	\$ -	19,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	53	\$ 4.2164	\$ 223.47	53	\$ 4.1827	\$ 221.68	-\$1.79	(0.8)%
Regulatory Assets (kWh)	53	\$ 1.9871	\$ 105.32	53	\$ -	\$ -	-\$105.32	(100.0)%
Rate Riders	53	\$ -	\$ -	53	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	53	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	54	\$ 1.6083	\$ 87.64	54	\$ 1.3719	\$ 74.75	-\$12.88	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	54	\$ 1.4113	\$ 76.90	54	\$ 1.1248	\$ 61.29	-\$15.61	(20.3)%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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.

Sub-Total: Delivery			\$ 494.12			\$ 358.52	-\$135.61	(27.4)%
Wholesale Market Service Rate	19534	\$ 0.0052	\$ 101.58	19534	\$ 0.0052	\$ 101.58	\$0.00	0.0%
Rural Rate Protection Charge	19534	\$ 0.0010	\$ 19.53	19534	\$ 0.0010	\$ 19.53	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 121.36			\$ 121.36	\$0.00	0.0%
Debt Retirement Charge (DRC)	19,000	\$ 0.0070	\$ 133.00	19,000	\$ 0.0070	\$ 133.00	\$0.00	0.0%
Total Bill before Taxes			\$ 1,952.83			\$ 1,817.23	-\$135.61	(6.9)%
GST	\$ 1,952.83	6.00%	\$ 117.17	\$ 1,817.23	6.00%	\$ 109.03	-\$8.14	(6.9)%
Total Bill after Taxes			\$ 2,070.00			\$ 1,926.26	-\$143.74	(6.9)%

Street Lighting

Consumption	270,000	kWh	885	kW	Loss Factor 1.0281			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	276,837	\$ 0.0620	\$ 17,163.89	276,837	\$ 0.0620	\$ 17,163.89	\$0.00	0.0%
Sub-Total: Energy			\$ 17,203.64			\$ 17,203.64	\$0.00	0.0%
Monthly Service Charge	1	\$ 0.45	\$ 0.45	1	\$ 0.45	\$ 0.45	\$0.00	0.0%
Distribution (kWh)	270,000	\$ -	\$ -	270,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	885	\$ 2.1097	\$ 1,867.08	885	\$ 2.0928	\$ 1,852.13	-\$14.96	(0.8)%
Regulatory Assets (kWh)	885	-\$ 0.1200	-\$ 106.20	885	\$ -	\$ -	\$106.20	(100.0)%
Rate Riders	885	\$ -	\$ -	885	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	885	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	910	\$ 1.6002	\$ 1,455.97	910	\$ 1.3650	\$ 1,241.94	-\$214.03	(14.7)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	910	\$ 1.3824	\$ 1,257.80	910	\$ 1.1018	\$ 1,002.47	-\$255.33	(20.3)%
Sub-Total: Delivery			\$ 4,475.11			\$ 4,096.99	-\$378.12	(8.4)%
Wholesale Market Service Rate	277587	\$ 0.0052	\$ 1,443.45	277587	\$ 0.0052	\$ 1,443.45	\$0.00	0.0%
Rural Rate Protection Charge	277587	\$ 0.0010	\$ 277.59	277587	\$ 0.0010	\$ 277.59	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 1,721.29			\$ 1,721.29	\$0.00	0.0%
Debt Retirement Charge (DRC)	270,000	\$ 0.0070	\$ 1,890.00	270,000	\$ 0.0070	\$ 1,890.00	\$0.00	0.0%
Total Bill before Taxes			\$ 25,290.04			\$ 24,911.92	-\$378.12	(1.5)%
GST	\$ 25,290.04	6.00%	\$ 1,517.40	\$ 24,911.92	6.00%	\$ 1,494.72	-\$22.69	(1.5)%
Total Bill after Taxes			\$ 26,807.44			\$ 26,406.64	-\$400.81	(1.5)%



% of Total Bill
26.98%
22.52%
49.50%
12.15%
13.41%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
4.24%
3.48%
33.28%
4.54%
0.87%
0.21%
5.62%
5.94%
94.34%
5.66%
100.00%

% of Total Bill
26.98%
22.52%
49.50%
7.87%
8.40%
0.00%
0.00%
0.00%

0.00%
0.00%
4.24%
3.48%
23.98%
4.54%
0.87%
0.21%
5.62%
5.94%
85.05%
5.10%
90.15%

% of Total Bill
33.73%
68.72%
102.44%
24.01%
24.10%
0.00%
0.00%
0.00%
0.00%
0.00%
7.74%
6.26%
62.11%
9.07%
1.74%
0.21%
11.03%
11.88%
187.46%
11.25%
198.71%



% of Total Bill
33.73%
54046.71%
54080.44%
177.79%
0.00%
3826.80%
0.00%
0.00%
0.00%
0.00%
6511.51%
5212.43%
15728.53%
4536.26%
872.36%
0.21%
5408.83%
5939.60%
81157.40%
4869.44%
86026.84%

% of Total Bill
33.73%
158494.41%
158528.14%
8843.86%
0.00%
5089.18%
0.00%
0.00%
0.00%
0.00%
9977.60%
8375.44%
32286.08%
13296.39%
2557.00%
0.21%
15853.60%
17818.80%
224486.62%
13469.20%

237955.82%

% of Total Bill
33.73%
3584.32%
3618.05%
11.90%
807.28%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
259.25%
209.62%
1288.06%
303.93%
58.45%
0.21%
362.59%
397.95%
5666.65%
340.00%
6006.64%

% of Total Bill
33.73%
988.18%
1021.91%
0.67%
0.00%
188.10%
0.00%
0.00%
0.00%
0.00%
63.43%
52.01%



304.21%
86.19%
16.57%
0.21%
102.98%
112.85%
1541.94%
92.52%
1634.46%

% of Total Bill
33.73%
14563.81%
14597.54%
0.38%
0.00%
1571.56%
0.00%
0.00%
0.00%
0.00%
0.00%
1053.81%
850.61%
3476.35%
1224.79%
235.54%
0.21%
1460.54%
1603.69%
21138.12%
1268.29%
22406.41%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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	\$ 25.68	\$ 25.28	\$ (0.40)	-1.6%	-1.6%	-2.5%
	250	0	\$ 40.86	\$ 40.03	\$ (0.83)	-2.0%		
	500	0	\$ 66.16	\$ 64.61	\$ (1.55)	-2.3%		
	600	0	\$ 76.44	\$ 74.60	\$ (1.84)	-2.4%		
	750	0	\$ 93.09	\$ 90.82	\$ (2.27)	-2.4%		
	1,000	0	\$ 120.84	\$ 117.85	\$ (2.98)	-2.5%		
	1,500	0	\$ 176.34	\$ 171.92	\$ (4.42)	-2.5%		
Residential - Hensall	100	0	\$ 47.59	\$ 47.23	\$ (0.36)	-0.8%	-0.8%	-2.7%
	250	0	\$ 53.17	\$ 52.38	\$ (0.79)	-1.5%		
	500	0	\$ 62.46	\$ 60.96	\$ (1.51)	-2.4%		
	600	0	\$ 67.29	\$ 65.49	\$ (1.79)	-2.7%		
	750	0	\$ 83.00	\$ 80.78	\$ (2.22)	-2.7%		
	1,000	0	\$ 109.19	\$ 106.25	\$ (2.94)	-2.7%		
	1,500	0	\$ 161.56	\$ 157.19	\$ (4.38)	-2.7%		
General Service Less Than 50 kW	1,000	0	\$ 130.51	\$ 128.65	\$ (1.86)	-1.4%	-1.4%	-1.5%
	2,000	0	\$ 237.66	\$ 234.18	\$ (3.48)	-1.5%		
	5,000	0	\$ 559.12	\$ 550.80	\$ (8.33)	-1.5%		
	10,000	0	\$ 1,094.90	\$ 1,078.49	\$ (16.41)	-1.5%		
	20,000	0	\$ 2,166.44	\$ 2,133.86	\$ (32.57)	-1.5%		
	40,000	0	\$ 4,309.53	\$ 4,244.62	\$ (64.91)	-1.5%		
	50,000	0	\$ 5,381.07	\$ 5,300.00	\$ (81.07)	-1.5%		
General Service 50 to 4,999 kW	15,000	50	\$ 1,995.24	\$ 1,927.03	\$ (68.21)	-3.4%	-1.8%	-3.4%
	40,000	100	\$ 4,590.92	\$ 4,456.28	\$ (134.64)	-2.9%		
	100,000	200	\$ 10,599.70	\$ 10,332.22	\$ (267.48)	-2.5%		
	400,000	1,000	\$ 43,956.15	\$ 42,625.89	\$ (1,330.26)	-3.0%		
	1,000,000	2,000	\$ 104,043.98	\$ 101,385.26	\$ (2,658.72)	-2.6%		
	1,500,000	2,000	\$ 144,915.68	\$ 142,256.96	\$ (2,658.72)	-1.8%		
	2,000,000	3,000	\$ 196,829.17	\$ 192,841.98	\$ (3,987.19)	-2.0%		
Large Use	1,000,000	5,000	\$ 121,905.08	\$ 117,701.29	\$ (4,203.79)	-3.4%	-1.5%	-3.4%
	1,500,000	5,000	\$ 161,923.73	\$ 157,719.95	\$ (4,203.79)	-2.6%		
	2,000,000	5,000	\$ 201,942.39	\$ 197,738.60	\$ (4,203.79)	-2.1%		
	2,500,000	5,500	\$ 245,034.79	\$ 240,419.53	\$ (4,615.26)	-1.9%		
	3,000,000	5,500	\$ 285,053.45	\$ 280,438.19	\$ (4,615.26)	-1.6%		
	3,250,000	6,000	\$ 308,136.52	\$ 303,109.79	\$ (5,026.73)	-1.6%		
	3,500,000	6,000	\$ 328,145.85	\$ 323,119.12	\$ (5,026.73)	-1.5%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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
Unmetered Scattered Load	15,000	0	\$ 1,612.23	\$ 1,591.05	\$ (21.18)	-1.3%	-1.3%	-1.3%
	25,000	0	\$ 2,681.66	\$ 2,646.43	\$ (35.23)	-1.3%		
	40,000	0	\$ 4,285.79	\$ 4,229.49	\$ (56.30)	-1.3%		
	50,000	0	\$ 5,355.21	\$ 5,284.87	\$ (70.34)	-1.3%		
	60,000	0	\$ 6,424.64	\$ 6,340.25	\$ (84.39)	-1.3%		
	67,000	0	\$ 7,173.23	\$ 7,079.01	\$ (94.22)	-1.3%		
	70,000	0	\$ 7,494.06	\$ 7,395.63	\$ (98.44)	-1.3%		
Sentinel Lighting	15,000	50	\$ 1,713.43	\$ 1,577.82	\$ (135.61)	-7.9%	-6.6%	-7.9%
	16,000	51	\$ 1,805.04	\$ 1,666.72	\$ (138.32)	-7.7%		
	17,000	52	\$ 1,896.65	\$ 1,755.62	\$ (141.03)	-7.4%		
	18,000	52	\$ 1,978.39	\$ 1,837.36	\$ (141.03)	-7.1%		
	19,000	53	\$ 2,070.00	\$ 1,926.26	\$ (143.74)	-6.9%		
	20,000	55	\$ 2,171.48	\$ 2,022.31	\$ (149.17)	-6.9%		
	21,000	55	\$ 2,253.22	\$ 2,104.06	\$ (149.17)	-6.6%		
Street Lighting	100,000	500	\$ 10,847.67	\$ 10,621.22	\$ (226.44)	-2.1%	-1.4%	-2.1%
	150,000	600	\$ 15,470.78	\$ 15,199.05	\$ (271.73)	-1.8%		
	200,000	700	\$ 20,093.90	\$ 19,776.88	\$ (317.02)	-1.6%		
	250,000	800	\$ 24,717.02	\$ 24,354.71	\$ (362.31)	-1.5%		
	270,000	885	\$ 26,807.44	\$ 26,406.64	\$ (400.81)	-1.5%		
	300,000	900	\$ 29,340.14	\$ 28,932.54	\$ (407.60)	-1.4%		
	325,000	1,000	\$ 31,919.67	\$ 31,466.78	\$ (452.89)	-1.4%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Festival Hydro Inc.

EB-2007-0872, EB-2007-0527, EB-2005-0364

March 26, 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
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Festival Hydro Inc (EB-2007-XXXX)
2008 IRM Model - Retail Transmission Rates
Proposal for Revised Network and Connection Charges
ED-2002-0513
Revision # 2 dated 030608

2006 Data by Class	kW for Network	kW for Connection	kWh	><	Total Network Charged to customers	Connection Service Rate
Residential			137,953,475	0.0057	\$786,335	0.0050
Residential - Hensall			8,272,917	0.0057	\$47,156	0.0050
G.S. < 50 kW	0	0	70,330,441	0.0052	\$365,718	0.0045
G.S. 50 kW to 4999 kW	138,384	138,384		2.1218	\$293,623	1.7882
G.S. 50 kW to 4999 kW (interval Metered)	707,343	739,385		2.2535	\$1,593,996	1.9603
Larger Use	116,986	116,986		2.4952	\$291,903	2.2417
Unmetered Scattered Load			799,598	0.0052	\$4,158	0.0045
Sentinel Lighting	649	649		1.6083	\$1,044	1.4113
Street Lighting	10,562	10,562		1.6002	\$16,901	1.3824
TOTALS	973,924	1,005,966	217,356,431		\$3,400,835	
Less: Billed by the IESO and Hydro One					\$3,286,194	
Overcharge to customers					\$114,640	
					3.49%	

2005 Data by Class	kW for Network	kW for Connection	kWh	><	Total Network Charged to customers	Connection Service Rate
Residential			143,666,834	0.0057	\$818,901	0.0050
Residential - Hensall			8,622,172	0.0057	\$49,146	0.0050
G.S. < 50 kW	0	0	73,512,606	0.0052	\$382,266	0.0045
G.S. 50 kW to 4999 kW	154,459	154,459		2.1218	\$327,731	1.7882
G.S. 50 kW to 4999 kW (interval Metered)	719,989	745,696		2.2535	\$1,622,494	1.9603
Larger Use	80,012	80,012		2.4952	\$199,646	2.2417
Unmetered Scattered Load			943,017	0.0052	\$4,904	0.0045
Sentinel Lighting	600	600		1.6083	\$965	1.4113
Street Lighting	10,550	10,550		1.6002	\$16,882	1.3824
TOTALS	965,610	991,317	226,744,629		\$3,422,935	
Less: Billed by the IESO and Hydro One					\$3,320,837	
Overcharge to customers					\$102,098	
					3.07%	

Festival Hydro Inc (EB-2007-XXXX)
2008 IRM Model - Retail Transmission Rates
Proposal for Revised Network and Connection Charges
ED-2002-0513
Revision # 2 dated 030608

2004 Data by Class	kW for Network	kW for Connection	kWh	><	Total Network Charged to customers	Connection Service Rate
Residential			137,111,937	0.0057	\$781,538	0.0050
Residential - Hensall			8,268,607	0.0057	\$47,131	0.0050
G.S. < 50 kW			74,446,831	0.0052	\$387,124	0.0045
G.S. 50 kW to 4999 kW	163,317	163,317		2.1218	\$346,526	1.7882
G.S. 50 kW to 4999 kW (interval Metered)	729,447	769,307		2.2535	\$1,643,809	1.9603
Larger Use	82,960	82,960		2.4952	\$207,002	2.2417
Unmetered Scattered Load			921,767	0.0052	\$4,793	0.0045
Sentinel Lighting	475	475		1.6083	\$764	1.4113
Street Lighting	10,540	10,540		1.6002	\$16,866	1.3824
TOTALS	986,739	1,026,599	220,749,142		\$3,435,553	
Less: Billed by the IESO and Hydro One					\$3,338,994	
Overcharge to customers					\$96,558	
					2.89%	

2004 to 2006 Data by Class - 3 year avge	kW for Network	kW for Connection	kWh	><	Total Network Charged to customers	Connection Service Rate
Residential			139,577,415	0.0057	\$795,591	0.0050
Residential - Hensall			8,387,899	0.0057	\$47,811	0.0050
G.S. < 50 kW			72,763,293	0.0052	\$378,369	0.0045
G.S. 50 kW to 4999 kW	152,053	152,053		2.1218	\$322,627	1.7882
G.S. 50 kW to 4999 kW (interval Metered)	718,926	751,463		2.2535	\$1,620,100	1.9603
Larger Use	93,319	93,319		2.4952	\$232,850	2.2417
Unmetered Scattered Load			888,127	0.0052	\$4,618	0.0045
Sentinel Lighting	575	575		1.6083	\$924	1.4113
Street Lighting	10,551	10,551		1.6002	\$16,883	1.3824
TOTALS	975,424	1,007,961	221,616,734		\$3,419,774	
Less: Billed by the IESO and Hydro One					3,315,342	
Overcharge to customers					\$104,432	
					3.15%	

Festival Hydro Inc (EB-2007-XXXX)
2008 IRM Model - Retail Transmission Rates
Proposal for Revised Network and Connection Charges
ED-2002-0513
Revision # 2 dated 030608

Rate reduction required to retail transmission Rates:

Network

Average charged by IESO/Hydro One over past three years
Less 12% reduction as a result of recent rate order
Amount needed to be recovered through customer rates on a go forward basis

\$3,315,342
-\$397,841
<u>\$2,917,501</u>

2004 to 2006 Data - 3 year avge	kW for Network	kW for Connection	kWh	Calculated Proposed Network Rate	Total Network Charged to customers	Calculated Proposed Connection Rate
Residential			139,577,415	0.0049	\$678,740	0.0040
Residential - Hensall			8,387,899	0.0049	\$40,789	0.0040
G.S. < 50 kW			72,763,293	0.0044	\$322,797	0.0036
G.S. 50 kW to 4999 kW	152,053	152,053		1.8102	\$275,242	1.4260
G.S. 50 kW to 4999 kW (interval Metered)	718,926	751,463		1.9225	\$1,382,151	1.5632
Larger Use	93,319	93,319		2.1287	\$198,651	1.7876
Unmetered Scattered Load			888,127	0.0044	\$3,940	0.0036
Sentinel Lighting	575	575		1.3721	\$788	1.1254
Street Lighting	10,551	10,551		1.3652	\$14,403	1.1024
TOTALS	975,424	1,007,961	221,616,734		\$2,917,501	
Amount allocated to each rate group					2,917,501	
					\$0	

Proposed Network Rate Sheet	Existing Network Rate(kWh billed)	Existing Network Rate(kW billed)	Proposed Network Rate(kWh billed)	Proposed Network Rate (kW billed)	Reduction in rate	Percentage Reduction
Residential	0.0057		0.0049		0.0008	14.7%
Residential - Hensall	0.0057		0.0049		0.0008	14.7%
G.S. < 50 kW	0.0052		0.0044		0.0008	14.7%
G.S. 50 kW to 4999 kW		2.1218		1.8099	0.3119	14.7%
G.S. 50 kW to 4999 kW (interval Metered)		2.2535		1.9222	0.3313	14.7%
Larger Use		2.4952		2.1284	0.3668	14.7%
Unmetered Scattered Load	0.0052		0.0044		0.0008	14.7%
Sentinel Lighting		1.6083		1.3719	0.2364	14.7%
Street Lighting		1.6002		1.3650	0.2352	14.7%

Festival Hydro Inc (EB-2007-XXXX)
 2008 IRM Model - Retail Transmission Rates
 Proposal for Revised Network and Connection Charges
ED-2002-0513
 Revision # 2 dated 030608

Proposed Connection Rate Sheet	Existing Connection Rate(kWh billed)	Existing Connection Rate (kW billed)	Proposed Connection Rate (kWh billed)	Proposed Connection Rate (kW billed)	Reduction in rate	Percentage Reduction
Residential	0.0050		0.0040		0.0010	20.3%
Residential - Hensall	0.0050		0.0040		0.0010	20.3%
G.S. < 50 kW	0.0045		0.0036		0.0009	20.3%
G.S. 50 kW to 4999 kW		1.7882		1.4252	0.3630	20.3%
G.S. 50 kW to 4999 kW (interval Metered)		1.9603		1.5624	0.3979	20.3%
Larger Use		2.2417		1.7866	0.4551	20.3%
Unmetered Scattered Load	0.0045		0.0036		0.0009	20.3%
Sentinel Lighting		1.4113		1.1248	0.2865	20.3%
Street Lighting		1.3824		1.1018	0.2806	20.3%

Total Connection Charged to customers
\$689,767
\$41,365
\$316,487
\$247,458
\$1,449,417
\$262,248
\$3,598
\$916
\$14,601
\$3,025,857
\$2,728,197
\$297,660
10.91%

Total Connection Charged to customers
\$718,334
\$43,111
\$330,807
\$276,204
\$1,461,788
\$179,363
\$4,244
\$847
\$14,584
\$3,029,281
\$2,775,730
\$253,551
9.13%

**Total Connection
Charged to
customers**

\$685,560
\$41,343
\$335,011
\$292,043
\$1,508,073
\$185,971
\$4,148
\$670
\$14,570
\$3,067,390
\$2,762,836
\$304,554
11.02%

**Total Connection
Charged to
customers**

\$697,887
\$41,939
\$327,435
\$271,902
\$1,473,093
\$209,194
\$3,997
\$811
\$14,585
\$3,040,843
2,755,588
\$285,255
10.35%

Connection

	\$2,755,588
	-\$330,671
	<u>\$2,424,917</u>
Total Connection	
Charged to	
customers	
	\$556,529
	\$33,445
	\$261,113
	\$216,828
	\$1,174,716
	\$166,822
	\$3,187
	\$647
	\$11,631
	<u>\$2,424,917</u>
	2,480,029
	<u>-\$55,112</u>

