

May 9, 2012

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

Dear Ms. Walli

**Re: PowerStream Inc. (Licence ED-2004-0420)
2013 Electricity Distribution Rates Application EB-2012-0161
Additional OEB Chapter 2 Appendices**

Please find enclosed two (2) paper copies of the following OEB Chapter 2 Appendices:

- 2-A
- 2-L
- 2-M
- 2-Q
- 2-R
- 2-S
- 2-T

These appendices were omitted from the May 4, 2012 filed material.

Please file these in the Appendix 1 Supporting Schedules binder under the Schedule 21 tab.

These schedules have also been filed today through RESS.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly,



Tom Barrett
Manager – Rates & Applications

Appendix 2-A Capital Projects Table

Please see Exhibit B1, Tab 1, Schedule 4 for the Capital Projects.

Appendix 2-B

Fixed Asset Continuity Schedule

See attached PDF files.

File Number: EB-2012-0161

Exhibit: Appendix 1

Tab: Schedule 21

Schedule: 2-L

Page: 1 of 1

Date: May 8, 2012

Appendix 2-L
Shared Services/Corporate Cost Allocation

Please see Exhibits A4 and D3.

DEPRECIATION VARIANCE

Table 3 below provides a summary of the variances between actual depreciation as filed and the calculated amounts on the detailed schedules in Appendix 2M ("2-M"). Explanations of the variances follow table 1.

Table 1: Depreciation Variances 2009 to 2013 (000's)

Year	Description	Calculated Depreciation	Actual Depreciation	Variance	Notes
2009	CGAAP	43,191	44,419	(1,229)	1
2010	CGAAP	46,265	48,762	(2,497)	2
2011	CGAAP	47,364	48,643	(1,279)	3
2011	MIFRS	35,927	35,499	428	4
2012	MIFRS	38,298	33,916	4,382	5
2013	MIFRS	40,355	37,321	3,034	6
	TOTAL	251,400	248,561	2,839	

Note 1: 2009 Depreciation Variance (\$000)

Explanations for the 2009 difference between 2-M calculated depreciation and the actual filed depreciation are as follows:

For 2009 the variance items are listed below:

- Recognition of smart meter depreciation for prior years upon OEB approval in 2009. (\$1,304)
 - Full year depreciation recorded on 2009 stranded meters, but only half year calculated on 2-M \$176
 - Actual vehicle depreciation has 3 subclasses with different rates while 2-M calculated depreciation applies a single rate (\$129)
 - Other minor differences \$28
- Total (\$1,229)

Note 2: 2010 Depreciation Variance

Explanations for the 2010 difference between 2-M calculated depreciation and the actual filed depreciation are as follows:

- Recognition of smart meter depreciation for prior years
upon OEB approval in 2010 (\$1,855)
- Addiscott (capital lease) was in-service effective January 2010
so a full year depreciation was recorded (\$366)
- Adjustment to contributed capital depreciation due to amendment
to opening 2007 balances. (\$246)
- No stranded asset depreciation expense on 2010 additions
full year depreciation charged to account 5695 (\$155)
- PowerStream started calculating depreciation based on actual
in-service month in 2010, not half year (\$135)
- Actual vehicle depreciation has 3 subclasses with different
useful lives. Calculated depreciation applies a single rate \$111
- Office equipment dispositions occurred at beginning of year so
no depreciation taken in 2010, 2-M assumes half year \$97
- Leasehold improvements depreciation based on 3 months
in-service rather than a half year assumed on 2-M \$52
- Total (\$2,497)

Note 3: 2011 CGAAP Depreciation Variance

Explanations for the 2011 difference between 2-M calculated depreciation and the actual filed depreciation are as follows:

- Recognition of smart meter depreciation for prior years
upon OEB approval in 2011 (\$1,117)

• Actual vehicle depreciation has 3 subclasses with different useful lives. Calculated depreciation uses a single rate.	(\$141)
• Full year actual depreciation on 2011 stranded meters but only half year in 2-M calculated depreciation	(\$42)
• PowerStream bases depreciation on actual in-service month	\$21
Total	(\$1,279)

Note 4: 2011 MIFRS Depreciation Variance

Explanations for the 2011 difference between 2-M calculated depreciation and the actual filed depreciation are as follows:

• Recognition of smart meter depreciation for prior years upon OEB approval in 2011	(\$1,091)
• Assets with shorter useful became fully amortized on January 1, 2011 under IFRS requiring taking remaining net book value into depreciation	(\$3,169)
• Impact of longer useful life – see note 7 below	\$4,688
Total	\$428

Note 5: 2012 MIFRS Depreciation Variance

Explanations for the 2012 difference between 2-M calculated depreciation and the actual filed depreciation are as follows:

• Impact of longer useful life – see note 7 below	\$4,382
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Note 6: 2013 MIFRS Depreciation Variance

Explanations for the 2013 MIFRS difference between OEB calculated depreciation and the actual filed depreciation are as follows:

- Impact of longer useful life – see note 7 below \$3,034

Note 7: Impact of Longer Useful Life under IFRS

Actual depreciation expense under MIFRS will be lower than depreciation calculated on OEB Appendix 2-M when the useful life has increased under IFRS and conversely actual depreciation will be higher where the useful life has decreased under IFRS. On average useful lives have increased under IFRS, so that in total the actual MIFRS depreciation is lower than the depreciation calculated on 2-M.

PowerStream took the IFRS 1 deemed cost election and as a result the net book value ("NBV") as at December 31, 2010 becomes the opening 2011 cost in IFRS. Under MIFRS, PowerStream has calculated depreciation by dividing the NBV by the remaining useful life under IFRS. This will have a different result than dividing the original cost by the total useful life for each asset class as is done on 2-M.

For example account 1830 Poles, Towers and Fixtures had a useful life of 25 years under CGAAP and under IFRS has a useful life of 45 years. If there were poles costing \$10,000 that were 5 years old at December 31, 2010, this asset would have a NBV of \$8,000 (for illustration purposes, the half year rule is ignored). In 2011 under MIFRS, PowerStream would calculate depreciation as \$8,000 divided by the remaining useful life of 40 years, resulting in depreciation of \$200. On 2-M depreciation is being calculated as \$10,000 divided by 45 years resulting in depreciation of \$222. The actual depreciation takes into account that more depreciation was taken in the first 5 years under CGAAP.

Appendix 2-M

Year:	2009	CGAAP
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Account	Description	Base Unadjusted Opening Balance (2008)	Remove FMV	Disposals	Opening Balance ⁴	Less Fully Depreciated ¹	Net For Depreciation	Additions	Disposals	Total For Depreciation ² (e) = (c) + ½ x (d) + x (h)	Years	Depreciat ion Rate	Calculated Depreciation Expense ³	Actual Depreciation Expense ³	Differences ⁵	Depreciat ion Rate in "g" Change (Yes/No)2	Dtd
					(a)	(b)	(c) = (a) - (b)	(d)	(h)		(f)	(g) = 1 / (f)	(i)	(j)	(k) = (i) - (j)		
1805	Land	\$ 8,580,941.65	-\$ 488,200.00		\$ 8,092,742		\$ 8,092,742	\$ 341,897		\$ 8,263,690	0	0.00%	\$ -	\$ -	\$ -	No	
1806	Land Rights	\$ 656,895.41			\$ 656,895		\$ 656,895	\$ 147,639		\$ 730,715	0	0.00%	\$ -	\$ 1,201	\$ (1,201)	No	
1808	Buildings	\$ 43,527,129			\$ 43,527,129	\$ 1,105,944	\$ 42,421,185	\$ 439,585		\$ 42,640,977	50	2.00%	\$ 852,820	\$ 852,820	\$ -	No	
18-0	Major Spare parts	\$ 7,619,008			\$ 7,619,008		\$ 7,619,008	\$ 8,842,527	\$ (7,619,008)	\$ 8,230,767	0	0.00%	\$ -	\$ -	\$ -	No	
18-5	Transformer Station Equipment >50 kV	\$ 95,767,182			\$ 95,767,182	\$ 31,873	\$ 95,735,309	\$ -		\$ 95,735,309	40	2.50%	\$ 2,393,363	\$ 2,393,363	\$ -	No	
1820	Distribution Station Equipment <50 kV	\$ 10,981,045	\$ 141,473		\$ 10,839,572	\$ 917,004	\$ 9,922,568	\$ 680,901		\$ 10,263,019	30	3.33%	\$ 342,101	\$ 342,101	\$ -	No	
1825	Storage Battery Equipment	\$ -			\$ -		\$ -	\$ -		\$ -	0	0.00%	\$ -	\$ -	\$ -	No	
1830	Poles, Towers & Fixtures	\$ 114,186,288			\$ 114,186,288	\$ 12,207,953	\$ 101,978,335	\$ 10,564,027		\$ 107,260,348	25	4.00%	\$ 4,290,414	\$ 4,290,414	\$ -	No	
1835	Overhead Conductors & Devices	\$ 156,081,733	\$ 1,041,748		\$ 155,039,985	\$ 12,262,683	\$ 142,777,301	\$ 2,124,416		\$ 143,839,510	25	4.00%	\$ 5,753,580	\$ 5,752,247	\$ 1,334	No	
1840	Underground Conduit	\$ 148,091,648			\$ 148,091,648	\$ 8,695,749	\$ 137,395,899	\$ 8,218,654		\$ 141,505,227	25	4.00%	\$ 5,660,209	\$ 5,661,543	\$ (1,334)	No	
1845	Underground Conductors & Devices	\$ 291,892,004	\$ 1,404,817		\$ 293,296,821	\$ 19,115,362	\$ 274,181,459	\$ 24,596,723		\$ 286,479,820	25	4.00%	\$ 11,459,193	\$ 11,459,193	\$ -	No	
1850	Overhead Transformers	\$ 38,913,500	\$ 119,470		\$ 39,032,970	\$ 8,603,821	\$ 30,429,149	\$ 752,058		\$ 30,805,178	25	4.00%	\$ 1,232,207	\$ 1,232,207	\$ -	No	
1850	Underground Transformers	\$ 202,256,102	\$ 242,712		\$ 202,498,814	\$ 11,704,415	\$ 190,794,400	\$ 10,048,228		\$ 195,818,514	25	4.00%	\$ 7,832,741	\$ 7,832,741	\$ -	No	
1855	Overhead Services	\$ 5,781,996			\$ 5,781,996	\$ 733,117	\$ 5,048,879	\$ 775,470		\$ 5,436,613	25	4.00%	\$ 217,465	\$ 217,465	\$ -	No	
1855	Underground Services	\$ 43,091,880			\$ 43,091,880	\$ 6,144,068	\$ 36,947,811	\$ 1,892,237		\$ 37,893,930	25	4.00%	\$ 1,515,757	\$ 1,515,757	\$ -	No	
1860	Meters	\$ 41,253,320	-\$ 11,431		\$ 41,241,889		\$ 41,241,889	\$ 704,673	\$ (9,297,235)	\$ 36,945,607	25	4.00%	\$ 1,477,824	\$ 1,301,468	\$ 176,356	No	
1860	Interval Meters	\$ 5,121,362			\$ 5,121,362	\$ 196,240	\$ 4,925,122	\$ 1,997,454		\$ 4,888,483	15	6.67%	\$ 325,899	\$ 1,629,494	\$ (1,303,595)	No	
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -	\$ -	\$ 9,776,967		\$ -	0	0.00%	\$ -	\$ -	\$ -	No	
1870	Leased Properties	\$ 575,421			\$ 575,421	\$ 575,421	\$ -	\$ -		\$ -	50	2.00%	\$ 582,550	\$ 560,081	\$ 22,469	No	
1908	Buildings & Fixtures	\$ 26,544,669			\$ 26,544,669	\$ (2,246,908)	\$ 28,791,577	\$ 671,857		\$ 29,127,508	15	6.67%	\$ 102,657	\$ 102,657	\$ -	No	
1910	Leasehold Improvements	\$ 1,755,144			\$ 1,755,144	\$ 215,287	\$ 1,539,857	\$ -		\$ 1,539,857	2	50.00%	\$ 207,729	\$ 207,729	\$ -	No	
1910	Leasehold Improvements (JOC/Cochrane)	\$ 415,459			\$ 415,459	\$ (0)	\$ 415,459	\$ -		\$ 415,459	2	50.00%	\$ 207,729	\$ 207,729	\$ -	No	
1915	Office Furniture & Equipment (10 Years)	\$ 6,649,747	-\$ 26,001		\$ 6,649,747	\$ 4,490,993	\$ 2,158,754	\$ 283,339		\$ 2,900,424	10	10.00%	\$ 230,042	\$ 230,042	\$ -	No	
1920	Computer Equipment - Hardware	\$ 15,107,586			\$ 15,107,586	\$ 6,857,303	\$ 8,250,583	\$ 1,834,969		\$ 9,168,067	5	20.00%	\$ 1,833,613	\$ 1,833,613	\$ -	No	
1925	Computer Software	\$ 13,632,048	\$ 16,417		\$ 13,632,048	\$ 6,501,805	\$ 7,130,243	\$ 1,964,728		\$ 8,112,607	3	33.33%	\$ 2,704,202	\$ 2,704,202	\$ (0)	No	
1930	Transportation Equipment	\$ 19,321,387	-\$ 92,868		\$ 19,228,519	\$ 6,898,298	\$ 12,330,221	\$ 4,081,695	\$ (1,733,234)	\$ 13,504,451	6.5	15.38%	\$ 2,077,608	\$ 2,206,647	\$ (129,039)	No	
1935	Stores Equipment	\$ 651,696			\$ 651,696	\$ 540,119	\$ 111,577	\$ -		\$ 111,577	10	10.00%	\$ 11,158	\$ 11,158	\$ -	No	
1940	Tools, Shop & Garage Equipment	\$ 5,519,489	\$ 3,578		\$ 5,535,140	\$ 2,274,130	\$ 3,261,010	\$ 411,257		\$ 3,468,639	10	10.00%	\$ 346,664	\$ 346,664	\$ -	No	
1955	Communications Equipment	\$ 1,259,178	\$ 15,841		\$ 1,259,178	\$ 839,614	\$ 419,564	\$ 557,717		\$ 698,423	10	10.00%	\$ 69,842	\$ 69,842	\$ -	No	
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	10	10.00%	\$ -	\$ -	\$ -	No	
1955	Wireless Communication Equipment	\$ 26,672			\$ 26,672	\$ 0	\$ 26,672	\$ 32,973		\$ 43,158	3	33.33%	\$ 14,386	\$ 14,386	\$ -	No	
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	0	0.00%	\$ -	\$ -	\$ -	No	
1960	Process Re-Engineering	\$ 735,213			\$ 735,213	\$ 0	\$ 735,213	\$ 443,819		\$ 957,122	3	33.33%	\$ 319,041	\$ 319,041	\$ -	No	
1980	Load Management Controls Utility Premises	\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	0	0.00%	\$ -	\$ -	\$ -	No	
1980	System Supervisor Equipment	\$ 17,665,090	\$ 129,256		\$ 17,794,346	\$ 4,370,845	\$ 13,423,501	\$ 547,856		\$ 13,697,429	15	6.67%	\$ 913,162	\$ 913,162	\$ -	No	
1985	Miscellaneous Fixed Assets (Sentinel Lights)	\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	25	4.00%	\$ -	\$ -	\$ -	No	
1995	Contributions & Grants	\$ 222,214,304	\$ 6,662,527		\$ (228,876,831)	\$ 642,974	\$ (229,519,805)	\$ (31,587,213)		\$ (245,313,412)	25	4.00%	\$ (9,812,536)	\$ (9,818,729)	\$ 6,193	No	
		\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	0	0.00%	\$ -	\$ -	\$ -	No	
		\$ -			\$ -	\$ -	\$ -	\$ -		\$ -	-	0.00%	\$ -	\$ -	\$ -	No	
Total		\$ 1,099,450,998	\$ 6,539,513	\$ -	\$ 1,092,920,485	\$ 113,678,110	\$ 979,242,375	\$ 61,146,451	\$ (18,649,477)	\$ 1,000,490,863			\$ 43,190,664	\$ 44,419,482	\$ (1,228,818)		

Notes:

¹ This adjusts for assets still on the books but which have been fully amortized or depreciated.

² Calculated depreciation expense is based on acquisition standard 50% half-year rule on additions and disposals. In addition, the depreciation rate applied is based on an average within the rate class. This adjusts for assets sold on the books but which have been fully amortized or depreciated.

- Calculated depreciation expense is based on applying standard 50% half-year rule on additions and disposals;
- Calculated depreciation rate applied is based on an average within the rate class;
- Chances may arise due to the adoption of International Financial Reporting Standards.

³ Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year applicable.

⁴ Opening balance has been adjusted to reflect Aurora fee

⁵ See attached summary and explanation of differences

**Appendix 2-M
Depreciation and Amortization Expense**

Year: 2010 CGAAP

US of A Account	Description	Opening Balance ^a (a)	Less Fully Depreciated ¹ (b)	Net For Depreciation (c) = (a) - (b)	Additions (d)	Disposal (f)	Total For Depreciation ² (e) = (c) + ½ x (d) + ½ x (f)	Years (l)	Depreciation Rate (g) = 1 / (l)	Calculated Depreciation Expense ³ (h) = (e) / (l)	Actual Depreciation Expense (j)	Differences ⁵ (k) = (h) - (j)	Did Depreciation Rate in "g" Change (Yes/No)? ⁴
1805	Land	\$ 8,434,639		\$ 8,434,639	\$ 1,951,695	\$ -	\$ 9,410,486	0					
1806	Land Rights	\$ 729,260		\$ 729,260	\$ 1,025	\$ -	\$ 729,773	0					
1808	Buildings	\$ 43,966,713	\$ 37,361,912	\$ 6,604,802	\$ 388,832	\$ -	\$ 6,999,218	50	2.00%	\$ 135,984	\$ 135,984	\$ 0	No
1810	Major Spare parts	\$ 8,842,527		\$ 8,842,527	\$ (438,227)	\$ -	\$ 8,623,413	0	0.00%	\$ -	\$ -	\$ -	No
1815	Transformer Station Equipment >50 kV	\$ 95,767,182	\$ 3,662,557	\$ 92,104,625	\$ 25,909,847	\$ -	\$ 105,059,549	40	2.50%	\$ 2,626,489	\$ 2,621,773	\$ 4,716	No
1820	Distribution Station Equipment <50 kV	\$ 11,520,473	\$ (21,318,313)	\$ 32,838,786	\$ 425,515	\$ -	\$ 33,051,544	30	3.33%	\$ 1,101,718	\$ 1,106,434	\$ (4,716)	No
1825	Storage Battery Equipment			\$ -	\$ -	\$ -	\$ -	0					No
1830	Poles, Towers & Fixtures	\$ 124,750,315	\$ 11,576,487	\$ 113,173,828	\$ 18,973,848	\$ -	\$ 122,660,752	25	4.00%	\$ 4,906,430	\$ 4,906,430	\$ 0	No
1835	Overhead Conductors & Devices	\$ 157,164,400	\$ 19,776,014	\$ 137,388,385	\$ 15,849,128	\$ -	\$ 145,312,949	25	4.00%	\$ 5,812,518	\$ 5,812,518	\$ (0)	No
1840	Underground Conduit	\$ 154,310,302	\$ 54,394,479	\$ 99,915,823	\$ 3,640,396	\$ -	\$ 101,736,021	25	4.00%	\$ 4,069,441	\$ 4,069,441	\$ 0	No
1845	Underground Conductors & Devices	\$ 317,893,543	\$ 22,018,795	\$ 295,874,748	\$ 16,417,744	\$ -	\$ 304,083,620	25	4.00%	\$ 12,163,345	\$ 12,163,345	\$ (0)	No
1850	Overhead Transformers	\$ 39,785,027	\$ (3,440,935)	\$ 43,225,962	\$ 2,370,044	\$ -	\$ 44,410,984	25	4.00%	\$ 1,776,439	\$ 1,776,439	\$ (0)	No
1855	Underground Transformers	\$ 212,547,043	\$ 26,747,737	\$ 185,799,305	\$ 8,069,880	\$ -	\$ 189,834,245	25	4.00%	\$ 7,593,370	\$ 7,593,370	\$ 0	No
1855	Overhead Services	\$ 6,557,466	\$ (4,862,005)	\$ 11,419,471	\$ 1,076,440	\$ -	\$ 11,957,691	25	4.00%	\$ 478,308	\$ 478,308	\$ 0	No
1855	Underground Services	\$ 44,984,117	\$ (36,767,771)	\$ 81,751,888	\$ 2,461,560	\$ -	\$ 82,982,668	25	4.00%	\$ 3,319,307	\$ 3,319,307	\$ (0)	No
1860	Meters	\$ 32,845,566	\$ 3,906,040	\$ 28,939,526	\$ 904,702	\$ (7,766,216)	\$ 25,508,770	25	4.00%	\$ 1,020,351	\$ 1,175,675	\$ (155,324)	No
1860	Interval Meters	\$ 6,922,576	\$ 875,131	\$ 6,047,445	\$ 2,192,249	\$ (738,905)	\$ 6,774,117	25	4.00%	\$ 270,965	\$ 285,743	\$ (14,778)	No
1860	Meters (Smart Meters)	\$ 9,776,967	\$ -	\$ 9,776,967	\$ 18,284,528	\$ -	\$ 18,919,231	15	6.67%	\$ 1,261,282	\$ 3,116,010	\$ (1,854,728)	No
1870	Leased Properties	\$ 575,421	\$ 575,421	\$ -	\$ -	\$ -	\$ -	40	2.50%	\$ -	\$ -	\$ -	No
1908	Buildings & Fixtures	\$ 27,216,526	\$ (14,299,722)	\$ 41,516,248	\$ 4,537,661	\$ -	\$ 43,785,078	50	2.00%	\$ 875,702	\$ 918,863	\$ (43,161)	No
1910	Leasehold Improvements (JOC/Cochrane)	\$ 1,755,144	\$ 1,202,192	\$ 552,951	\$ -	\$ (1,755,144)	\$ (324,621)	15	6.67%	\$ (21,641)	\$ 36,863	\$ (58,505)	No
1915	Office Furniture & Equipment	\$ 6,933,087	\$ 233,598	\$ 6,699,489	\$ 11,536	\$ (1,947,156)	\$ 5,731,679	2	50.00%	\$ 103,865	\$ 51,932	\$ 51,933	No
1920	Computer Equipment - Hardware	\$ 16,942,856	\$ 8,591,982	\$ 8,350,873	\$ 1,211,333	\$ -	\$ 8,956,540	10	10.00%	\$ 573,168	\$ 475,810	\$ 97,358	No
1925	Computer Software	\$ 15,596,776	\$ 9,904,934	\$ 5,691,842	\$ 2,948,040	\$ -	\$ 7,165,862	5	20.00%	\$ 1,791,308	\$ 1,791,308	\$ 0	No
1930	Transportation Equipment	\$ 21,576,980	\$ 5,709,324	\$ 15,867,656	\$ 2,603,685	\$ (1,385,980)	\$ 16,476,509	6.5	33.33%	\$ 2,388,621	\$ 2,383,148	\$ 5,473	No
1935	Stores Equipment	\$ 651,696	\$ 609,570	\$ 42,126	\$ -	\$ -	\$ 42,126	10	10.00%	\$ 4,213	\$ 4,213	\$ 0	No
1940	Tools, Shop & Garage Equipment	\$ 5,946,397	\$ 2,521,354	\$ 3,425,043	\$ 414,510	\$ (464,379)	\$ 3,400,168	10	10.00%	\$ 340,011	\$ 363,230	\$ (23,219)	No
1955	Communications Equipment	\$ 1,816,895	\$ 242,462	\$ 1,574,432	\$ 229,622	\$ (18,763)	\$ 1,679,862	10	10.00%	\$ 167,986	\$ 168,924	\$ (938)	No
1955	Wireless Communication Equipment	\$ 59,645	\$ (22)	\$ 59,667	\$ 22,624	\$ -	\$ 70,979	3	33.33%	\$ 23,660	\$ 23,660	\$ (0)	No
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0					No
1961	Process Re-Engineering	\$ 1,179,032	\$ 213,610	\$ 965,422	\$ 613,894	\$ -	\$ 1,272,370	3	33.33%	\$ 424,123	\$ 424,123	\$ 0	No
1980	System Supervisor Equipment	\$ 18,342,202	\$ 3,160,141	\$ 15,182,061	\$ 650,989	\$ -	\$ 15,507,556	15	6.67%	\$ 1,033,837	\$ 1,033,837	\$ 0	No
1985	Contributions & Grants	\$ (260,464,043)	\$ -	\$ (260,464,043)	\$ (22,889,253)	\$ -	\$ (271,908,670)	25	4.00%	\$ (10,629,888)	\$ (10,629,888)	\$ (246,459)	No
2005	Property Under Capital Lease	\$ -	\$ -	\$ -	\$ 18,280,294	\$ -	\$ 9,140,147	25	4.00%	\$ 365,606	\$ 731,212	\$ (365,606)	No
	Total	\$ 1,135,342,187	\$ 132,594,971	\$ 1,002,747,216	\$ 127,114,142	\$ (14,492,001)	\$ 1,066,304,287	n/a			\$ 48,761,959	\$ (2,497,056)	

Notes:

- ¹ This adjusts for assets still on the books but which have been fully amortized or depreciated.
- ² Calculated depreciation expense is based on applying standard 50% half-year rule on additions and disposals. Where there were multiple subclasses of assets within one asset class the depreciation rate applied is based on an average within the rate.
- ³ Applicants must indicate "YES" or "NO" as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year approved by the Board. Changes may arise due to the adoption of International Financial Reporting
- ⁴ Opening balance has been adjusted to reflect the Aurora fair market value adjustments as a result of the sale of Aurora Hydro to Powerstream in 2005.
- ⁵ See attached summary and explanation of differences.

Depreciation and Amortization Expense

Year: 2011

Account	Description	Opening Balance ⁴	Less Fully Depreciated ¹	Net for Depreciation	Additions	Disposal Adjustments	Total For Depreciation ² (e) = (c) + ½ x (d) + ½ x (f)	Years	Depreciation Rate (g) = 1 / (f)	Calculated Depreciation Expense ³ (h) = (e) / (f)	Actual Depreciation Expense (i)	Differences ¹ (k) = (h) - (i)	Did Depreciation Rate in "g" Change (Y/N/No)? ²
1805	Land	\$ 10,386,334	\$	\$ 10,386,334	\$ 482,972		\$ 10,632,820	0				\$	
1806	Land Rights	\$ 730,285	\$	\$ 730,285	\$ 29,950		\$ 745,260	0				\$	
1808	Buildings	\$ 7,170,856	\$ 103,323	\$ 7,067,533	\$ 154,346		\$ 7,144,708	50	2.00%	\$ 142,894	\$ 142,894	\$	No
1810	Major Spare Parts	\$ 8,404,300	\$	\$ 8,404,300	\$ 779,589		\$ 8,794,094	0				\$	No
1815	Transformer Station Equipment >50 kV	\$ 121,677,029	\$ 1,123,742	\$ 120,553,287	\$ 4,917,684		\$ 123,012,129	40	2.50%	\$ 3,075,303	\$ 3,070,586	\$ 4,717	No
1820	Distribution Station Equipment <50 kV	\$ 34,115,942	\$ 2,756,854	\$ 31,359,088	\$ 2,648,450		\$ 32,683,313	30	3.33%	\$ 1,089,444	\$ 1,094,159	\$ (4,715)	No
1825	Storage Battery Equipment			\$	\$		\$	0				\$	
1830	Poles, Towers & Fixtures	\$ 140,109,148	\$ 12,631,864	\$ 127,477,284	\$ 13,556,641		\$ 134,255,604	25	4.00%	\$ 5,370,224	\$ 5,370,224	\$	No
1835	Overhead Conductors & Devices	\$ 170,577,445	\$ 22,838,499	\$ 147,738,946	\$ 7,383,703		\$ 151,430,798	25	4.00%	\$ 6,057,232	\$ 6,057,232	\$ (0)	No
1840	Underground Conduit	\$ 112,414,030	\$ 15,845,840	\$ 96,568,190	\$ 13,281,592		\$ 103,208,986	25	4.00%	\$ 4,128,359	\$ 4,128,359	\$	No
1845	Underground Conductors & Devices	\$ 335,710,139	\$ 41,023,002	\$ 294,687,137	\$ 14,624,945		\$ 301,999,610	25	4.00%	\$ 12,079,984	\$ 12,079,985	\$ (0)	No
1850	Overhead Transformers	\$ 53,644,466	\$ 13,628,451	\$ 40,015,015	\$ 1,553,952		\$ 40,791,991	25	4.00%	\$ 1,631,680	\$ 1,631,680	\$ (0)	No
1850	Underground Transformers	\$ 208,127,529	\$ 23,802,534	\$ 185,324,995	\$ 11,123,226		\$ 190,886,608	25	4.00%	\$ 7,635,464	\$ 7,635,464	\$ (0)	No
1855	Overhead Services	\$ 13,685,003	\$ 1,087,655	\$ 12,597,349	\$ 1,435,990		\$ 13,315,344	25	4.00%	\$ 532,614	\$ 532,614	\$ (0)	No
1855	Underground Services	\$ 91,583,493	\$ 10,358,274	\$ 81,225,220	\$ 3,504,686		\$ 82,977,563	25	4.00%	\$ 3,319,103	\$ 3,319,103	\$ (0)	No
1860	Meters	\$ 8,050,424	\$ (1,754,605)	\$ 9,805,029	\$ 1,420,053	\$ (2,111,358)	\$ 9,459,377	25	4.00%	\$ 378,375	\$ 378,375	\$ (42,227)	No
1860	Interval Meters	\$ 8,375,920	\$ 186,866	\$ 8,189,054	\$ 2,749,732	\$ (281,043)	\$ 9,423,398	25	4.00%	\$ 376,936	\$ 382,557	\$ (5,621)	No
1860	Smart Meters	\$ 28,061,495		\$ 28,061,495	\$ 22,969,679		\$ 39,548,334	15	6.67%	\$ 2,636,422	\$ 3,753,683	\$ (1,117,261)	No
1870	Leased Properties	\$ 575,421	\$ 575,421	\$	\$		\$	0		\$	\$	\$	
1908	Buildings & Fixtures	\$ 48,053,909	\$ 36,850	\$ 48,017,059	\$ 151,202		\$ 48,082,660	50	2.00%	\$ 921,853	\$ 921,853	\$	No
1910	Leasehold Improvements	\$	\$	\$	\$		\$	15	6.67%	\$	\$	\$	No
1910	Office Furniture & Equipment	\$ 5,712,480	\$ 995,403	\$ 4,717,077	\$ 100,089		\$ 4,767,122	10	10.00%	\$ 476,712	\$ 476,712	\$	No
1915	Computer Equipment - Hardware	\$ 18,154,189	\$ 11,171,157	\$ 6,983,032	\$ 1,229,491		\$ 7,597,778	5	20.00%	\$ 1,519,556	\$ 1,519,556	\$ (0)	No
1920	Computer Software	\$ 18,544,816	\$ 11,462,648	\$ 7,082,168	\$ 4,201,921		\$ 9,183,128	3	33.33%	\$ 3,061,043	\$ 3,055,570	\$ 5,473	No
1930	Transportation Equipment	\$ 22,794,685	\$ 6,946,150	\$ 15,848,535	\$ 1,145,265	\$ (1,766,923)	\$ 15,537,703	7	15.38%	\$ 2,390,416	\$ 2,531,334	\$ (140,918)	No
1935	Stores Equipment	\$ 187,317	\$ 190,895	\$ (3,578)	\$		\$ (3,578)	10	10.00%	\$ (358)	\$ (358)	\$	No
1940	Tools, Shop & Garage Equipment	\$ 6,342,144	\$ 3,061,412	\$ 3,280,732	\$ 558,802		\$ 3,560,193	10	10.00%	\$ 356,013	\$ 356,013	\$	No
1955	Communications Equipment	\$ 2,048,516	\$ 301,040	\$ 1,745,477	\$ 284,045		\$ 1,877,499	10	10.00%	\$ 187,750	\$ 187,750	\$ (0)	No
1955	Wireless Communication Equipment	\$ 82,269	\$ 15,508	\$ 66,661	\$ 14,923		\$ 74,122	3	33.33%	\$ 24,707	\$ 24,707	\$	No
1960	Miscellaneous Equipment		\$	\$	\$		\$	0		\$	\$	\$	No
1961	Process Re-Engineering	\$ 1,792,927	\$ 1,830,514	\$ (37,588)	\$ 122,798		\$ 23,811	3	33.33%	\$ 7,937	\$ 7,937	\$	No
1980	System Supervisor Equipment	\$ 18,993,192	\$ 3,088,687	\$ 15,106,505	\$ 449,936		\$ 15,331,473	15	6.67%	\$ 1,022,098	\$ 1,022,098	\$	No
1980	Miscellaneous Fixed Assets (Sentinel Lights)		\$	\$	\$		\$	25	4.00%	\$	\$	\$	No
1985	Contributions & Grants	\$ (283,353,296)	\$	\$ (283,353,296)	\$		\$ (283,353,296)	25	4.00%	\$ (11,334,132)	\$ (11,349,274)	\$ 15,142	No
1995	Contributions & Grants		\$	\$	\$		\$ (11,772,435)	25	4.00%	\$ (470,897)	\$ (490,163)	\$ 19,266	No
2005	Leased Property - 80 Addiscott	\$ 18,280,294	\$	\$ 18,280,294			\$ 18,280,294	25	4.00%	\$ 731,212	\$ 731,212	\$ (0)	No
1611	Barrie - Cont. Capital - Ont. Hydro		\$	\$	\$ 609,442		\$ 304,721	19	5.19%	\$ 15,830	\$ 28,970	\$ (13,140)	No
					</								

Notes:

This adjusts for assets still on the books but which have been fully amortized or depreciated.

² Applicable for the standard Board policy of the "half-year" rule, that additions in the year attract a half-year depreciation expense in the first year. Deviations from this standard practice must

Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year approved by the Board. Changes may arise

⁴ Opening balance has been adjusted to reflect the Aurora fair market value adjustments as a result of the sale of Aurora Hydro to Powerstream in 2005.

⁵ See attached summary and explanation of differences.

Appendix 2-M Depreciation and Amortization Expense

Year: 2011 MFRS

Account	Description	Opening Balance MFRS	Less Fully Depreciated	Net for Depreciation	Additions	Disposals	Total for Depreciation ²	Years	Depreciation Rate	Calculated Depreciation Expense	Actual Depreciation Expense	Differences ⁴	Did Depreciation Rate in "g" Change ⁵
		(a)	(b)	(c) = (a) - (b)	(d)	(f)	(e) = (c) + (d) - (f)	(g)	(g) = 1 / (f)	(h) = (e) / (f)	(i)	(h) - (i)	(j) = (h) - (i)
1805	Land	\$ 10,386,324		\$ 10,386,324	\$ 50,498		\$ 10,436,822	0					
1806	Land Rights	\$ 730,285		\$ 730,285	\$ 35,467		\$ 765,752	0					
1807	Buildings	\$ 7,170,856	\$ 103,323	\$ 7,067,533	\$ 186,983		\$ 7,254,516	40	2.50%	\$ 179,026	\$ 190,634	\$ (11,608)	Yes
1810	Major Spare Parts	\$ 8,404,300		\$ 8,404,300	\$ 778,589		\$ 9,182,889	0					
1815	Transformer Station Equipment >50 kV	\$ 1,906,100		\$ 1,906,100	\$ 66,756		\$ 1,972,856	0					
1815	TS - Power Transformer & Other	\$ 12,167,716		\$ 12,167,716	\$ 498,945		\$ 12,666,661	25	4.00%	\$ 498,945	\$ 498,945	\$ 0	No
1815	TS - Tap Changer	\$ 12,167,716		\$ 12,167,716	\$ 498,945		\$ 12,666,661	25	4.00%	\$ 498,945	\$ 498,945	\$ 0	No
1815	TS - Winding	\$ 49,887,634		\$ 49,887,634	\$ 2,043,775		\$ 51,931,409	40	2.50%	\$ 1,298,285	\$ 1,298,285	\$ 0	No
1815	TS - Support Steel Structure	\$ 8,517,401		\$ 8,517,401	\$ 343,962		\$ 8,861,363	40	2.50%	\$ 221,536	\$ 221,536	\$ 0	No
1815	TS - Grounding Station	\$ 6,083,858		\$ 6,083,858	\$ 223,065		\$ 6,306,923	40	2.50%	\$ 157,673	\$ 157,673	\$ 0	No
1815	TS - PAC System	\$ 21,901,888		\$ 21,901,888	\$ 868,901		\$ 22,770,789	30	3.33%	\$ 759,026	\$ 759,026	\$ 0	No
1815	TS - Switchgear & Relays	\$ 4,887,086		\$ 4,887,086	\$ 198,578		\$ 5,085,664	30	3.33%	\$ 169,522	\$ 169,522	\$ 0	No
1815	TS - Capacitor Banks	\$ 1,411,470		\$ 1,411,470	\$ 58,023		\$ 1,469,493	30	3.33%	\$ 48,683	\$ 48,683	\$ 0	No
1820	Distribution Station Equipment <50 kV	\$ 15,555,009		\$ 15,555,009	\$ 1,216,382		\$ 16,771,391	20	5.00%	\$ 838,569	\$ 838,569	\$ 0	No
1820	MS - Power Transformer	\$ 15,301,968		\$ 15,301,968	\$ 1,216,382		\$ 16,518,350	20	5.00%	\$ 825,917	\$ 825,917	\$ 0	No
1820	MS - Protection & Control	\$ 3,400,438		\$ 3,400,438	\$ 270,307		\$ 3,670,745	30	3.33%	\$ 122,358	\$ 122,358	\$ 0	No
1820	MS - Switchgear	\$ 140,109,148	\$ 12,631,664	\$ 127,477,484	\$ 12,675,524	\$ (185,717)	\$ 140,067,291	45	2.22%	\$ 2,911,604	\$ 2,911,604	\$ 0	No
1825	Storage Battery Equipment	\$ 170,577,445	\$ 22,838,059	\$ 147,739,386	\$ 6,584,253	\$ (854)	\$ 154,471,384	40	2.50%	\$ 3,861,785	\$ 3,861,785	\$ 0	No
1835	Poles, Towers & Structures	\$ 112,414,030	\$ 15,845,840	\$ 96,568,190	\$ 10,540,073	\$ (854)	\$ 107,253,409	60	1.67%	\$ 1,787,399	\$ 1,787,399	\$ 0	No
1840	Underground Conductors & Devices	\$ 335,710,139	\$ 41,023,002	\$ 294,687,137	\$ 15,511,112	\$ (352,894)	\$ 310,245,355	45	2.22%	\$ 6,894,343	\$ 6,894,343	\$ 0	No
1845	Overhead Conductors & Devices	\$ 53,644,466	\$ 13,629,451	\$ 40,015,015	\$ 1,535,143	\$ (280,634)	\$ 41,769,524	45	2.22%	\$ 926,323	\$ 926,323	\$ 0	No
1850	Overhead Transformers	\$ 209,127,529	\$ 23,802,534	\$ 185,324,995	\$ 11,062,197	\$ (891,161)	\$ 196,496,031	30	3.33%	\$ 6,516,534	\$ 6,516,534	\$ 0	No
1855	Overhead Transformers	\$ 13,686,003	\$ 1,087,665	\$ 12,598,338	\$ 1,141,015		\$ 13,739,353	30	3.33%	\$ 457,811	\$ 457,811	\$ 0	No
1855	Overhead Services	\$ 91,883,493	\$ 14,846,187	\$ 77,037,307	\$ 2,863,130		\$ 79,900,437	25	4.00%	\$ 3,196,017	\$ 3,196,017	\$ 0	No
1860	Meters	\$ 8,050,424	\$ (1,754,065)	\$ 9,804,489	\$ 1,130,029	\$ (442,497)	\$ 10,492,011	25	4.00%	\$ 419,680	\$ 419,680	\$ 0	No
1861	Internal Meters	\$ 8,775,920	\$ 1,880,666	\$ 6,895,254	\$ 2,005,460	\$ (72,440)	\$ 8,928,274	15	6.67%	\$ 595,218	\$ 595,218	\$ 0	No
1862	Smart Meters	\$ 28,061,495		\$ 28,061,495	\$ 2,218,031		\$ 30,279,526	15	6.67%	\$ 2,016,764	\$ 2,016,764	\$ 0	No
1870	Leased Properties	\$ 575,421	\$ 575,421	\$ -	\$ -	\$ -	\$ -	0					
1870	Buildings & Structures	\$ 21,887,988	\$ 36,850	\$ 21,851,138	\$ 200,023		\$ 22,051,161	50	2.00%	\$ 441,023	\$ 441,023	\$ 0	No
1870	Building & Structures	\$ 21,289,587		\$ 21,289,587	\$ 62,517		\$ 21,352,104	50	2.00%	\$ 427,417	\$ 427,417	\$ 0	No
1870	Building & Structures	\$ 2,776,334		\$ 2,776,334	\$ 19,360		\$ 2,795,694	30	3.33%	\$ 93,189	\$ 93,189	\$ 0	No
1905	Office Furniture & Equipment	\$ 5,712,480	\$ 595,403	\$ 5,117,077	\$ 115,663		\$ 5,232,740	10	10.00%	\$ 511,707	\$ 511,707	\$ 0	No
1920	Computer Equipment - Hardware	\$ 11,673,005		\$ 11,673,005	\$ 1,153,004		\$ 12,826,009	5	20.00%	\$ 2,565,202	\$ 2,565,202	\$ 0	No
1920	HW - Desktop/Laptops	\$ 4,909,265		\$ 4,909,265	\$ 276,113		\$ 5,185,378	4	25.00%	\$ 1,296,344	\$ 1,296,344	\$ 0	No
1920	HW - Servers	\$ 8,269,865		\$ 8,269,865	\$ 631,285		\$ 8,901,150	5	20.00%	\$ 1,780,230	\$ 1,780,230	\$ 0	No
1920	HW - MFPs	\$ 1,235,371		\$ 1,235,371	\$ 55,355		\$ 1,290,726	4	25.00%	\$ 322,681	\$ 322,681	\$ 0	No
1920	HW - Switches/Routers	\$ 3,708,667		\$ 3,708,667	\$ 264,462		\$ 4,000,129	6	16.67%	\$ 668,021	\$ 668,021	\$ 0	No
1925	Computer Software	\$ 20,337,743	\$ 13,293,163	\$ 7,044,580	\$ 4,502,864		\$ 11,547,444	7	14.29%	\$ 1,649,635	\$ 1,649,635	\$ 0	No
1930	Transportation Equipment - Light Vehicles	\$ 10,086,618	\$ 6,946,150	\$ 3,140,468	\$ 326,986		\$ 3,467,454	12	8.33%	\$ 288,954	\$ 288,954	\$ 0	No
1930	Transportation Equipment - Heavy Vehicles	\$ 12,517,164		\$ 12,517,164	\$ 806,197		\$ 13,323,361	12	8.33%	\$ 1,109,447	\$ 1,109,447	\$ 0	No
1930	Transportation Equipment - Trailers	\$ 180,703		\$ 180,703	\$ 15,653		\$ 196,356	22	4.55%	\$ 8,925	\$ 8,925	\$ 0	No
1935	Stores Equipment	\$ 187,317		\$ 187,317	\$ (2,000)		\$ 185,317	10	10.00%	\$ 18,532	\$ 18,532	\$ 0	No
1940	Tools, Shop & Garage Equipment	\$ 6,342,144	\$ 3,061,412	\$ 3,280,732	\$ 587,184		\$ 3,867,916	10	10.00%	\$ 386,792	\$ 386,792	\$ 0	No
1955	Communications Equipment	\$ 2,046,516	\$ 301,040	\$ 1,745,476	\$ 262,418		\$ 1,997,894	6	16.67%	\$ 332,982	\$ 332,982	\$ 0	No
1955	Wireless Communication Equipment	\$ 82,269	\$ 15,608	\$ 66,661	\$ 15,653		\$ 82,314	3	33.33%	\$ 27,438	\$ 27,438	\$ 0	No
1960	Miscellaneous Equipment	\$ 3,826,587		\$ 3,826,587	\$ 244,212		\$ 4,070,799	15	6.67%	\$ 271,386	\$ 271,386	\$ 0	No
1961	Process Equipment	\$ 13,945,129		\$ 13,945,129	\$ 244,262		\$ 14,189,391	15	6.67%	\$ 945,959	\$ 945,959	\$ 0	No
1960	System Supervisor Equipment	\$ 1,320,476		\$ 1,320,476	\$ 23,310		\$ 1,343,786	10	10.00%	\$ 134,379	\$ 134,379	\$ 0	No
1960	RTU	\$ 1,320,476		\$ 1,320,476	\$ 23,310		\$ 1,343,786	10	10.00%	\$ 134,379	\$ 134,379	\$ 0	No
1965	Miscellaneous Fixed Assets (Sentinel Lights)	\$ 283,353,266		\$ 283,353,266	\$ (22,621,000)		\$ 260,732,266	38	2.63%	\$ (5,952,684)	\$ (5,952,684)	\$ 0	No
1965	Contributions & Grants	\$ 18,280,294		\$ 18,280,294	\$ -		\$ 18,280,294	25	4.00%	\$ 731,212	\$ 731,212	\$ 0	No
2005	Leased Property - 80 Adilcott	\$ 304,221		\$ 304,221	\$ 608,442		\$ 912,663	25	4.00%	\$ 36,506	\$ 36,506	\$ 0	No
1811	Barrie - Cont. Capital - Orit. Hydro												
Total		\$ 1,230,000,659	\$ 197,252,698	\$ 1,032,747,961	\$ 84,083,883	\$ (1,748,113)	\$ 1,117,083,733			\$ 35,927,208	\$ 35,927,208	\$ 0	

Notes:

- This adjusts for assets still on the books but which have been fully amortized or depreciated.
- Applicable for the standard Board policy of the "half-year" rule, that additions in the year attract a half-year depreciation expense in the first year. Deviations from this standard practice must be explained.
- Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last measuring year approved by the Board. Changes may arise due to the adoption of International Financial Reporting Standards (IFRS).
- Opening cost balance is the 2010 CGAAP closing amount that has been adjusted to remove fair market value amounts due to Aurora Hydro purchase of 2005.
- See attached summary and explanation of differences.

Appendix 2-M Depreciation and Amortization Expense

Year:	2012	MIFRS
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Account	Description	Opening Balance MFHS Cost ¹	Less Fully Depreciated ²	Net for Depreciation	Additions	WIP Change	Disposals	Total for Depreciation ³ (9)-(10)-(11)-(12)	Years	Depreciation Rate	Calculated Depreciation Expenses	Differences ⁴ Actual Depreciation Expenses	Dis Depreciation Rate in % Change (Rate10)/7 ⁵
		(a)	(b)	(c) = (a) - (b)	(d)	(e)	(f)	(g) = (c) + (d) + (e) + (f)	(h)	(i) = (g) / (h)	(j) = (i) / (h)	(k) = (j) - (i)	(l) = (k) / (j)
1805	Land	\$ 10,660,832		\$ 10,660,832	\$ 550,000	\$ (550,000)		\$ 10,660,832	0		\$ -		
1806	Land Rights	\$ 765,752		\$ 765,752	\$ 38,956			\$ 785,225	0		\$ -		
1808	Buildings	\$ 7,357,836	\$ 103,320	\$ 7,254,516	\$ 6,411			\$ 7,260,927	40	2.50%	\$ 181,443	\$ 148,000	\$ (14,597)
1810	Major Spare Parts	\$ 9,183,869		\$ 9,183,869				\$ 9,183,869	0	0.00%	\$ -		
1815	Transformer Station Equipment >50 kV	\$ (68,884)	\$ 1,908,100	\$ (1,976,984)				\$ (1,976,984)	40	2.50%	\$ (48,326)		No
1815	TS - Power Transformer	\$ 12,667,661		\$ 12,667,661	\$ 281,537	\$ (599,867)		\$ 12,349,331	40	2.50%	\$ 311,461		Yes
1815	TS - Two Charger	\$ 12,667,661		\$ 12,667,661	\$ 281,537			\$ 12,949,198	25	4.00%	\$ 519,537		No
1815	TS - Winding	\$ 12,667,661		\$ 12,667,661	\$ 115,342			\$ 12,783,003	40	2.50%	\$ 312,864		No
1815	TS - Support Steel Structure	\$ 8,867,365		\$ 8,867,365	\$ 197,078			\$ 9,064,443	40	2.50%	\$ 224,148		No
1815	TS - Grounding Station	\$ 6,306,923		\$ 6,306,923	\$ 140,789			\$ 6,447,712	20	5.00%	\$ 323,923		Yes
1815	TS - PLC System	\$ 6,333,830		\$ 6,333,830	\$ 140,789			\$ 6,474,619	20	5.00%	\$ 323,923		Yes
1815	TS - Switchgear & Relay	\$ 22,801,789		\$ 22,801,789	\$ 500,767			\$ 23,302,556	30	3.33%	\$ 768,500		Yes
1815	TS - Capacitor Banks	\$ 5,007,064		\$ 5,007,064	\$ 112,615			\$ 5,119,679	30	3.33%	\$ 170,779		Yes
	Subtotal 1815							\$ 3,798,413			\$ 3,798,413	\$ 2,599,535	\$ (568,121)
1820	Distribution Station Equipment <50 kV	\$ (167,475)	\$ 8,710,621	\$ (8,878,096)		\$ (233,250)		\$ (9,111,346)	30	3.33%	\$ (233,250)		No
1820	MS - Power Transformer	\$ 16,771,391		\$ 16,771,391	\$ 283,865			\$ 17,055,256	40	2.50%	\$ 422,834		Yes
1820	MS - Protection & Control	\$ 16,518,349		\$ 16,518,349	\$ 283,865			\$ 16,802,214	30	5.00%	\$ 563,017		Yes
1820	MS - Switchgear	\$ 3,670,745		\$ 3,670,745	\$ 63,103			\$ 3,733,848	30	3.33%	\$ 123,410		Yes
	Subtotal 1820							\$ 1,144,487			\$ 1,144,487	\$ (21,006)	
1825	Storage Battery Equipment			\$ -				\$ -	0		\$ -		No
1830	Poles, Towers & Frames	\$ 152,566,965	\$ 14,442,281	\$ 138,124,684	\$ 12,366,729	\$ (1,177,948)	\$ (186,000)	\$ 143,632,965	45	2.22%	\$ 3,192,288	\$ 2,638,912	\$ 553,376
1835	Overhead Conductors & Devices	\$ 177,160,744	\$ 24,219,011	\$ 152,941,733	\$ 12,366,729	\$ (1,177,948)	\$ (1,000)	\$ 159,151,286	40	2.50%	\$ 3,970,382	\$ 3,000,180	\$ 970,202
1840	Underground Conductors	\$ 122,660,703	\$ 17,856,298	\$ 104,804,405	\$ 3,492,584	\$ 738,108		\$ 107,161,821	60	1.67%	\$ 1,788,614	\$ 1,253,568	\$ 535,046
1845	Underground Transformers	\$ 560,868,357	\$ 44,887,271	\$ 515,981,086	\$ 20,354,320	\$ 4,204,004	\$ (253,000)	\$ 538,286,409	45	2.22%	\$ 7,072,589	\$ 5,546,904	\$ 1,525,685
1849	Overhead Transformers	\$ 5,839,574	\$ 13,928,451	\$ (8,088,877)	\$ 2,199,500	\$ 655,869		\$ (5,889,377)	40	2.50%	\$ 1,504,911	\$ 657,865	\$ 847,046
1850	Underground Transformers	\$ 218,298,964	\$ 28,347,153	\$ 189,951,811	\$ 11,113,103	\$ 294,774	\$ (891,000)	\$ 199,265,588	30	3.33%	\$ 6,540,342	\$ 5,607,821	\$ 932,521
1855	Overhead Services	\$ 14,826,916	\$ 1,265,078	\$ 13,561,838	\$ 1,292,703			\$ 14,854,541	40	2.50%	\$ 365,206	\$ 281,000	\$ 84,206
1856	Underground Services	\$ 94,446,823	\$ 17,026,458	\$ 77,419,365	\$ 2,403,721		\$ (74,000)	\$ 79,823,086	25	4.00%	\$ 3,144,519	\$ 2,662,000	\$ 482,519
1860	Meters	\$ 7,840,756	\$ 10,201,261	\$ (2,360,505)	\$ 1,066,468			\$ (1,294,037)	15	6.67%	\$ 724,103	\$ 419,543	\$ 304,560
1681	Interval Meters	\$ 10,300,359	\$ 186,886	\$ 10,113,473	\$ 1,991,558	\$ (531,655)	\$ (11,000)	\$ 11,573,376	15	6.67%	\$ 724,103	\$ 419,543	\$ 304,560
1682	Smart Meters	\$ 51,281,426	\$ 575,421	\$ 50,706,005	\$ 759,186			\$ 51,465,191	10	10.00%	\$ 5,146,519	\$ -	\$ -
1682	Smart Properties			\$ -				\$ -	10	10.00%	\$ -	\$ -	\$ -
1682	Buildings & Frames	\$ 22,189,011	\$ 36,850	\$ 22,152,161	\$ 877,407			\$ 22,989,861	50	2.00%	\$ 451,787		No
1608	Building & Frames - Structure	\$ 21,352,104		\$ 21,352,104	\$ 484,803			\$ 21,836,907	50	2.00%	\$ 431,883		No
1608	Building & Frames - Windows	\$ 2,796,680		\$ 2,796,680	\$ 151,278			\$ 2,947,958	30	3.33%	\$ 95,711		Yes
	Subtotal 1908							\$ 979,391			\$ 979,391	\$ 939,000	\$ 40,391
1915	Office Furniture & Equipment	\$ 5,826,143	\$ 1,056,629	\$ 4,769,514	\$ 377,630			\$ 5,147,144	10	10.00%	\$ 514,714	\$ 488,033	\$ 26,681
1900	Computer Equipment - Hardware	\$ 1	\$ 11,673,025	\$ (11,673,024)				\$ (11,673,024)	10	20.00%	\$ (11,673,024)	\$ -	No
1920	HW - Desktop/Laptops	\$ 5,185,350	\$ 9,483,550	\$ (4,298,200)	\$ 833,050	\$ (28,600)		\$ (3,465,150)	4	25.00%	\$ 1,271,444		Yes
1900	HW - Servers	\$ 8,631,149	\$ 759,997	\$ 7,871,152	\$ 1,821,162			\$ 9,692,314	5	20.00%	\$ 1,821,162		No
1803	HW - MFPs	\$ 1,291,726	\$ 81,493	\$ 1,210,233	\$ 189,330			\$ 1,400,563	5	20.00%	\$ 280,109		No
1802	HW - Switches/Routers	\$ 3,973,130	\$ 316,557	\$ 3,656,573	\$ 833,050			\$ 4,489,623	5	16.67%	\$ 897,925		Yes
	Subtotal 1900							\$ 1,704,919			\$ 1,704,919	\$ 1,478,140	\$ 226,779
1825	Computer Software	\$ 24,840,610	\$ 15,695,792	\$ 9,144,818	\$ 13,686,945	\$ (12,644,000)		\$ 10,187,763	6	25.00%	\$ 2,441,572	\$ 2,626,000	\$ (184,428)
1900	Transportation Equipment - Light Vehicles	\$ 10,400,207	\$ 6,897,001	\$ 3,503,206	\$ 858,000		\$ (53,000)	\$ 4,248,205	7	14.29%	\$ 559,664	\$ 783,713	\$ (224,049)
1800	Transportation Equipment - Heavy Vehicles	\$ 13,321,534	\$ 15,827	\$ 13,305,707	\$ 1,100,000			\$ 14,405,707	12	8.33%	\$ 1,194,642	\$ 813,000	\$ 381,642
1900	Transportation Equipment - Trailers	\$ 180,703		\$ 180,703				\$ 180,703	22	4.55%	\$ 8,214	\$ 6,000	\$ 2,214
	Subtotal 1930							\$ 1,721,550			\$ 1,721,550	\$ 1,402,713	\$ 318,837
1935	Stores Equipment	\$ 165,317	\$ 150,895	\$ (14,578)	\$ 6,000			\$ (8,578)	10	10.00%	\$ (857.8)	\$ (228)	\$ 130
1940	Tools, Shop & Garage Equipment	\$ 6,639,326	\$ 3,354,108	\$ 3,285,218	\$ 711,710			\$ 3,996,928	10	10.00%	\$ 399,693	\$ 421,564	\$ (21,871)
1955	Communications Equipment	\$ 2,308,684	\$ 318,598	\$ 1,990,086	\$ 335,500			\$ 2,325,586	6	16.67%	\$ 387,598	\$ 273,000	\$ 114,598
1955	Wireless Communication Equipment	\$ 97,022	\$ 42,280	\$ 54,742				\$ 54,742	3	33.33%	\$ 18,547	\$ 19,000	\$ (453)
	Subtotal 1955							\$ 378,226			\$ 378,226	\$ 394,000	\$ (15,772)
1960	Miscellaneous Equipment		\$ -	\$ -				\$ -	10	10.00%	\$ -	\$ -	\$ -
1961	Process Re-Engineering		\$ -	\$ -				\$ -	0		\$ -	\$ -	\$ -
1900	System Supervisor Equipment	\$ 4,070,789	\$ 7,306,417	\$ (3,235,628)	\$ 115,941		\$ (13,000)	\$ (6,460,096)	15	6.67%	\$ (212,277)		No
1900	RTU	\$ 14,078,668	\$ 14,078,668	\$ -	\$ 423,183			\$ 423,183	15	6.67%	\$ 28,212	\$ 62,573	\$ 34,361
1900	Display Wall	\$ 1,343,785		\$ 1,343,785	\$ 40,579			\$ 1,384,364	10	10.00%	\$ 138,407		Yes
	Subtotal 1960							\$ 1,384,364			\$ 1,384,364	\$ 962,617	\$ (421,753)
1965	Miscellaneous Fixed Assets (Survival Lites)		\$ -	\$ -				\$ -	0		\$ -	\$ -	\$ -
1965	Contributions & Grants	\$ (305,458,260)		\$ (305,458,260)		\$ (4,478,000)	\$ (516,000)	\$ (310,442,260)	38	2.63%	\$ (8,120,288)	\$ (8,033,500)	\$ 86,788
2005	Leased Property - 30 Additional	\$ 18,290,294		\$ 18,290,294				\$ 18,290,294	25	4.00%	\$ 731,212	\$ 703,000	\$ 28,212
1611	Burial - Cont. Capital - On, Hydro	\$ 608,442		\$ 608,442				\$ 608,442	25	4.00%	\$ 24,538	\$ 32,000	\$ (7,462)
	Total	\$ 1,312,945,465	\$ 217,550,260	\$ 1,095,395,205	\$ 794,000,077	\$ (16,406,436)	\$ (1,382,000)	\$ 1,776,949,352			\$ 1,776,949,352	\$ 4,281,702	\$ 1,772,667,650

Abstract.

¹ This adjusts for assets still on the books in 1944 which have been fully amortized or depreciated.

2. Applicable for the standard Board policy of the "half-use" rule that additions in the year attract a half-year depreciation expense in the first year. This adjusts for assets sold on the books but which have been fully amortized or depreciated.

Applicants must indicate YES or NO as to whether the "Discussion Box" for the asset in column "c" has changed from the last revision user approved by the Board. Changes may include due to the adoption of international accounting or the forward board policy of the 100-year item, that occurred in the year started a full-year depreciation expense in the first year.

Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "D" has changed from the last releasing year approved by the Board. Changes may arise due to the adoption of International Financial Reporting Standards (

4. Opening cost balance is based on 2010 CGAAP costs plus 2011 MFRS additions and less 2011 MFRS deductions. In addition, the cost base is adjusted to remove fair market value adjustments due to foreign currency rate movements and revaluing our shares.

³ Opening cost insurance is based on 2010 CNAAP costs plus 2011 MHPRS costs and less 2011 MHPRS dispositions. In addition, the cost base is adjusted to remove fair market value amounts due to Aurora Hydro purchases.
See attached summary and explanation of differences.

Appendix 2-M Depreciation and Amortization Expense

Year: 2013 MFRS

Account	Description	Opening Balance MFRS Cost ¹	Less Fully Depreciated ²	Net for Depreciation	Additions	WIP Change	Disposals	Total for Depreciation ³ (a) = (c) + (d) + (e) + (f)	Years	Depreciation Rate (g) = 1 / (f)	Calculated Depreciation Expense (h) = (g) x (f)	Actual Depreciation Expense (i)	Differences ⁴ (b) = (i) - (h)	Did Depreciation Change in 'g'?
1805	Land	\$ 1,684,832	\$ -	\$ 1,684,832	\$ 2,200,000	\$ (2,200,000)	\$ -	\$ 1,684,832	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	Yes
1806	Land Rights	\$ 804,718	\$ -	\$ 804,718	\$ 14,196	\$ -	\$ -	\$ 804,718	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	Yes
1807	Buildings	\$ 7,364,250	\$ 103,320	\$ 7,260,930	\$ 14,986	\$ -	\$ -	\$ 7,260,930	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	Yes
1808	Major Open Pans	\$ 1,833,889	\$ -	\$ 1,833,889	\$ -	\$ -	\$ -	\$ 1,833,889	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	Yes
1809	Transformer Station Equipment >50 kV	\$ 12,404,221	\$ 1,908,100	\$ 10,496,121	\$ 406,293	\$ (1,988,091)	\$ -	\$ 10,914,323	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1810	Transformer Station Equipment <50 kV	\$ 12,404,128	\$ 1,908,100	\$ 10,496,028	\$ 406,293	\$ (1,988,091)	\$ -	\$ 10,914,235	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1811	IS - Power Transformer & Other	\$ 12,404,128	\$ 1,908,100	\$ 10,496,028	\$ 406,293	\$ (1,988,091)	\$ -	\$ 10,914,235	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1812	IS - Tip Changer	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1813	IS - Winding	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1814	IS - Support Steel Structure	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1815	IS - Grounding Station	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1816	IS - P&C System	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1817	IS - Switchgear & Relays	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1818	IS - Capacitor Banks	\$ 53,091,712	\$ 1,908,100	\$ 51,183,612	\$ 406,293	\$ (1,988,091)	\$ -	\$ 51,691,805	40.00	2.50%	\$ 181,710	\$ 181,710	\$ -	No
1819	Distribution Station Equipment <50 kV	\$ 15,007,290	\$ 6,710,621	\$ 8,296,669	\$ 1,854,271	\$ (1,927,620)	\$ -	\$ 8,223,320	30.00	3.33%	\$ 3,741,107	\$ 3,741,107	\$ -	No
1820	IS - Power Transformer	\$ 17,655,364	\$ 1,765,364	\$ 15,890,000	\$ 1,854,271	\$ (1,927,620)	\$ -	\$ 15,816,651	30.00	3.33%	\$ 3,741,107	\$ 3,741,107	\$ -	No
1821	IS - Protection & Control	\$ 18,803,314	\$ 1,803,314	\$ 17,000,000	\$ 1,854,271	\$ (1,927,620)	\$ -	\$ 16,926,651	30.00	3.33%	\$ 3,741,107	\$ 3,741,107	\$ -	No
1822	IS - Switchgear	\$ 3,733,848	\$ -	\$ 3,733,848	\$ 412,849	\$ -	\$ -	\$ 3,733,848	30.00	3.33%	\$ 1,244,616	\$ 1,244,616	\$ -	No
1823	Storage Battery Equipment	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1824	Power Transformers & Devices	\$ 180,047,897	\$ 25,759,538	\$ 154,288,359	\$ 18,841,567	\$ (19,516,100)	\$ -	\$ 153,613,826	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1825	Underground Cables	\$ 177,221,305	\$ 19,662,815	\$ 157,558,490	\$ 3,949,760	\$ (891,610)	\$ -	\$ 156,616,640	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1826	Underground Cables & Devices	\$ 177,221,305	\$ 19,662,815	\$ 157,558,490	\$ 3,949,760	\$ (891,610)	\$ -	\$ 156,616,640	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1827	Underground Transformers	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1828	Underground Transformers	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1829	Underground Transformers	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1830	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1831	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1832	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1833	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1834	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1835	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1836	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1837	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1838	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1839	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1840	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1841	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1842	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1843	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1844	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1845	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1846	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1847	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1848	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1849	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1850	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1851	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1852	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1853	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1854	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1855	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1856	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1857	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1858	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1859	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1860	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1861	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1862	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1863	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1864	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1865	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1866	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1867	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1868	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00	2.22%	\$ 3,333,763	\$ 3,333,763	\$ -	No
1869	Underground Services	\$ 143,501,706	\$ 16,562,887	\$ 126,938,819	\$ 11,971,540	\$ (12,111,000)	\$ -	\$ 126,809,359	45.00					

File Number: EB-2012-0161
Exhibit: Appendic 1
Tab: Schedule 21
Schedule: 2-Q
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Date: May 8, 2012

Appendix 2-Q Smart Meters

Irrespective of whether a distributor is actively deploying smart meters (except if the distributor has completed its smart meter deployment program and has had Board-approved disposition of the balances in accounts 1555 and 1556) the distributor should provide a completed table as follows:

PowerStream completed its smart meter deployment in 2011, applied for final disposition and received approval (EB-2011-0128).

Date: May 7, 2012

Appendix 2-R Stranded Meter Treatment - PowerStream South

Year	Notes	Gross Asset Value	Accumulated Amortization	Contributed Capital (Net of Amortization)	Net Asset	Proceeds on Disposition	Residual Net Book Value
		(A)	(B)	(C)	(D) = (A) - (B) - (C)	(E)	(F) = (D) - (E)
2006				\$ -	\$ -		\$ -
2007		\$ 8,314,629	\$ 3,819,083	\$ -	\$ 4,495,546	\$ 29,321	\$ 4,466,225
2008		\$ 13,098,657	\$ 6,603,944	\$ -	\$ 6,494,713	\$ 57,679	\$ 6,437,034
2009		\$ 21,737,228	\$ 11,847,171	\$ -	\$ 9,890,057		\$ 9,890,057
2010		\$ 23,951,923	\$ 13,629,618	\$ -	\$ 10,322,304	\$ 4,607	\$ 10,317,697
2011	(1)	\$ 25,446,997	\$ 15,698,381	\$ -	\$ 9,748,616	\$ 5,422	\$ 9,743,194

Notes:

(1) For 2011, please indicate whether the amounts provided are on a forecast or actual basis.

POWERSTREAM RESPONSE: The 2011 amounts are actual.

Some distributors have transferred the cost of stranded meters from Account 1860 - Meters to "Sub-account Stranded Meter Costs of Account 1555", while in some cases distributors have left these costs in Account 1860. Depending on which treatment the applicant has chosen, please provide the information under either of the two scenarios (A and B below), as applicable.

Scenario A: If the stranded meter costs were transferred to "Sub-account Stranded Meter Costs" of Account 1555, the above table should be completed and the following information should be provided.

1 A description of the accounting treatment followed by the applicant on stranded meter costs for financial accounting and reporting purposes.

POWERSTREAM RESPONSE: Powerstream recorded stranded meters each year of the smart meter implementation program. This included an analysis of the conventional meter asset pool for those meters replaced by smart meters to determine the average cost and remaining useful life to determine the accumulated depreciation and remaining net book value ("NBV") of the meters being replaced. An entry was recorded to remove the stranded meters from the fixed assets and to record the net book value in the smart meter account 1555. Powerstream continued to record depreciation on these stranded meters. An entry was made to debit "depreciation" to the OMA contra account 5695 with the offsetting credit to the smart meter account 1555 sub-account stranded meter accumulated depreciation.

2 The amount of the pooled residual net book value of the removed from service stranded meters, less any contributed capital (net of accumulated amortization), and less any net proceeds from sales, which were transferred to this sub-account as of December 31, 2011

POWERSTREAM RESPONSE: The net book value of stranded meters at December 31, 2011 for the South rate zone was \$9,743,194.

3 A statement as to whether or not, since transferring the removed stranded meter costs to the sub-account, the recording of depreciation expenses was continued in order to reduce the net book value through accumulated depreciation. If so, the total depreciation expense amount for the period from the time the costs for the stranded meters were transferred to the sub-account to December 31, 2011 should be provided.

POWERSTREAM RESPONSE: PowerStream applied depreciation annually on the gross cost of the assets removed to reduce the net book value of the stranded meter assets. The total depreciation charged as of December 31, 2011 and after the stranded meters were transferred was \$3,318,707.

If no depreciation expenses were recorded to reduce the net book value of stranded meter costs through accumulated depreciation, the total depreciation expense amount that would have been applicable from the time that the stranded meter costs were transferred.

- a) Whether or not carrying charges were recorded for the stranded meter cost balances in the sub-account, and if so, the total carrying charges recorded to December 31, 2011.

POWERSTREAM RESPONSE: PowerStream did not apply carrying charges to stranded meter assets.

- b) The estimated amount of the pooled residual net book value of the removed from service meters, less any net proceeds from sales and contributed capital, at the time when the smart meters will have been fully deployed (e.g., as of December 31, 2010). If the smart meters have been fully deployed, the actual amount should be provided.

POWERSTREAM RESPONSE: PowerStream completed its program by December 31/2011. The pooled NBV is \$9,743,194.

- c) A description as to how the applicant intends to recover in rates the remaining costs for stranded meters, including the proposed accounting treatment, the proposed disposition period, and the associated bill impacts.

POWERSTREAM RESPONSE: PowerStream proposes in this rate application to recover the residual NBV of stranded meters from rate payers over a 2 year period through the use of rate riders. The stranded meters amount has been aggregated with the other deferral and variance account balances for disposition. The amount for disposition was adjusted to remove 2012 estimated "depreciation". Please see Exhibit H, Tab 6, Schedule 3 for Bill Impacts.

Date: May 7, 2012

Appendix 2-R Stranded Meter Treatment - PowerStream Barrie

Year	Notes	Gross Asset Value	Accumulated Amortization	Contributed Capital (Net of Amortization)	Net Asset	Proceeds on Disposition	Residual Net Book Value
		(A)	(B)	(C)	(D) = (A) - (B) - (C)	(E)	(F) = (D) - (E)
2006					\$ -		\$ -
2007					\$ -		\$ -
2008					\$ -		\$ -
2009		\$ 659,450	\$ 365,120		\$ 294,330		\$ 294,330
2010		\$ 7,028,622	\$ 3,849,361		\$ 3,179,261		\$ 3,179,261
2011	(1)	\$ 7,947,195	\$ 4,882,896		\$ 3,064,299	\$ 18,709	\$ 3,045,590

Notes:

(1) For 2011, please indicate whether the amounts provided are on a forecast or actual basis.

POWERSTREAM RESPONSE: The 2011 amounts are actual.

Some distributors have transferred the cost of stranded meters from Account 1860 - Meters to "Sub-account Stranded Meter Costs of Account 1555", while in some cases distributors have left these costs in Account 1860. Depending on which treatment the applicant has chosen, please provide the information under either of the two scenarios (A and B below), as applicable.

Scenario A: If the stranded meter costs were transferred to "Sub-account Stranded Meter Costs" of Account 1555, the above table should be completed and the following information should be provided.

- A description of the accounting treatment followed by the applicant on stranded meter costs for financial accounting and reporting purposes.

POWERSTREAM RESPONSE: Powerstream recorded stranded meters each year of the smart meter implementation program. This included an analysis of the conventional meter asset pool for those meters replaced by smart meters to determine the average cost and remaining useful life to determine the accumulated depreciation and remaining net book value ("NBV") of the meters being replaced. An entry was recorded to remove the stranded meters from the fixed assets and to record the net book value in the smart meter account 1555. Powerstream continued to record depreciation on these stranded meters. An entry was made to debit "depreciation" to the OMA contra account 5695 with the offsetting credit to the smart meter account 1555 sub-account stranded meter accumulated depreciation.
- The amount of the pooled residual net book value of the removed from service stranded meters, less any contributed capital (net of accumulated amortization), and less any net proceeds from sales, which were transferred to this sub-account as of December 31, 2011.

POWERSTREAM RESPONSE: The net book value of stranded meters at December 31, 2011 for the Barrie rate zone was \$3,045,590.
- A statement as to whether or not, since transferring the removed stranded meter costs to the sub-account, the recording of depreciation expenses was continued in order to reduce the net book value through accumulated depreciation. If so, the total depreciation expense amount for the period from the time the costs for the stranded meters were transferred to the sub-account to December 31, 2010 should be provided.

POWERSTREAM RESPONSE: PowerStream applied depreciation annually on the gross cost of the assets removed to reduce the net book value of the stranded meter assets. The total depreciation charged as of December 31, 2011 and after the stranded meters were transferred to 1555 was \$414,872.

If no depreciation expenses were recorded to reduce the net book value of stranded meter costs through accumulated depreciation, the total depreciation expense amount that would have been applicable from the time that the stranded meter costs were transferred.

- a) Whether or not carrying charges were recorded for the stranded meter cost balances in the sub-account, and if so, the total carrying charges recorded to December 31, 2011.

POWERSTREAM RESPONSE: PowerStream did not apply carrying charges to stranded meter assets.

- b) The estimated amount of the pooled residual net book value of the removed from service meters, less any net proceeds from sales and contributed capital, at the time when the smart meters will have been fully deployed (e.g., as of December 31, 2010). If the smart meters have been fully deployed, the actual amount should be provided.

POWERSTREAM RESPONSE: PowerStream completed its program by December 31/2011. The residual pooled NBV is \$3,045,590.

- c) A description as to how the applicant intends to recover in rates the remaining costs for stranded meters, including the proposed accounting treatment, the proposed disposition period, and the associated bill impacts.

POWERSTREAM RESPONSE: PowerStream proposes in this rate application to recover the residual NBV of stranded meters from rate payers over a 2 year period through the use of rate riders. The stranded meters amount has been aggregated with the other deferral and variance account balances for disposition. The amount for disposition was adjusted to remove 2012 estimated "depreciation". Please see Exhibit H, Tab 6, Schedule 3 for Bill Impacts.

Appendix 2-S

PowerStream does not have any embedded distributors.