

CHAPLEAU PUBLIC UTILITIES CORPORATION

Board Staff Interrogatories - Question 3 - f.

Reconciliation 2008

	Application Operating Expenses 2008	Audited Financial Statements 2008	Variance Audited to Application
Operations	204,134	267,327	63,193
Billing and Collecting	78,384	78,384	-
Community Relations	587	- -	587
Administrative and General Expenses	314,657	252,050 -	62,607
	597,762	597,761 -	1

Reconciliation 2009

	Application Operating Expenses 2009	Audited Financial Statements 2009	Variance Audited to Application
Operations	156,151	238,270	82,119
Billing and Collecting	64,846	64,846	-
Community Relations	665	- -	665
Administrative and General Expenses	278,358	212,702 -	65,656
	500,020	515,818	15,798

Reconciliation 2010

	Application Operating Expenses 2010	Audited Financial Statements 2010	Variance Audited to Application
Operations	213,549	296,393	82,844
Billing and Collecting	72,991	72,991	-
Community Relations	715	- -	715
Administrative and General Expenses	261,327	187,853 -	73,474
	548,582	557,237	8,655

CHAPLEAU PUBLIC UTILITIES CORPORATION

Board Staff Interrogatories - Question 3 - g.

Balance Sheet

	Pro-Forma Financial Statements Bridge Year 2011	Actual Audited Financial Statements Bridge Year 2011	Variance Actual to Pro-Forma
Assets			
Current Assets			
Cash	88,838	35,627	- 53,211
Investments	248,595	248,152	- 443
Trade Receivables	55,564	56,217	653
Plant Material and Supplies	46,011	40,161	- 5,850
Prepaid Expenses	8,700	7,982	- 718
Unbilled Revenue - Energy Sales	550,000	509,664	- 40,336
Unbilled Revenue - Distribution	0	45,900	45,900
Advances to Related Company	0	-	-
	<u>997,708</u>	<u>943,703</u>	<u>- 54,005</u>
Property Plant and Equipment	2,096,750	2,099,989	3,239
Less Accumulated Amortization	1,370,105	1,364,870	- 5,235
	<u>726,645</u>	<u>735,119</u>	<u>8,474</u>
Regulatory Assets	583,183	741,270	158,087
	<u>2,307,536</u>	<u>2,420,088</u>	<u>112,552</u>
Liabilities and Shareholders Equity			
Current Liabilities			
Accounts Payable and Accrued Liabilities	380,500	371,489	- 9,011
Advances from Related Company	0	27,180	27,180
Current Portion of Regulatory Liabilities	0	27,233	27,233
	<u>380,500</u>	<u>425,902</u>	<u>45,402</u>
Other Liabilities			
Regulatory Liabilities	150,388	189,667	39,279
Customer Deposits	24,747	24,519	- 228
	<u>175,135</u>	<u>214,186</u>	<u>39,051</u>
Shareholders Equity			
Share Capital	2,243,059	2,243,058	- 1
Deficit	-491,158	463,058	28,100
	<u>1,751,901</u>	<u>1,780,000</u>	<u>28,099</u>
	<u>2,307,536</u>	<u>2,420,088</u>	<u>112,552</u>

CHAPLEAU PUBLIC UTILITIES CORPORATION

Statement of Income

	Pro-Forma Financial Statements Bridge Year 2011	Actual Audited Financial Statements Bridge Year 2011	Variance Actual to Pro-Forma 2011
Revenue			
Energy Sales	2,480,229	2,387,377	- 92,852
Distribution Services	627,368	633,926	6,558
	<u>3,107,597</u>	<u>3,021,303</u>	<u>- 86,294</u>
Expenses			
Power Purchased	2,480,229	2,387,377	- 92,852
Operations and Maintenance	217,098	295,754	78,656
Administration and General	308,510	194,297	- 114,213
Billing and Collection	58,874	71,650	12,776
Amortization of Property, Plant and Equipment	37,651	32,415	- 5,236
	<u>3,102,362</u>	<u>2,981,493</u>	<u>- 120,869</u>
Earnings Before the Undernoted	5,235	39,810	34,575
Other Income (Expenses)			
Interest Earned	13,758	18,370	4,612
Late Payment Charges	9,681	5,583	- 4,098
Miscellaneous	19,415	14,681	- 4,734
Other Interest	-2,616 -	2,870	- 254
	-	2,000	- 2,000
	<u>40,238</u>	<u>33,764</u>	<u>- 6,474</u>
Net Income	45,473	73,574	28,101
Deficit, Beginning of Year	-536,631 -	536,632	- 1
Deficit, End of Year	<u>- 491,158</u>	<u>- 463,058</u>	<u>28,100</u>

CHAPLEAU PUBLIC UTILITIES CORPORATION

Uniform System of Accounts - Detail Accounts

Acct #	Account Name	Pro-Forma Financial Statements Bridge Year 2011	Actual Audited Financial Statements Bridge Year 2011		
Current Assets					
1005	Cash	88,837.51	35,624	-	53,214
1010	Cash Advances & Working Funds				
1070	Current Investments	248,595.00	248,153	-	442
1100	Customer Accounts Receivable	70,000.00	68,147	-	1,853
1105	Acct's Receivable - Merchandise, Jobbing	0	1,183		1,183
1120	Accrued Utility Revenues	550,000.00	555,563		5,563
1130	Accum. Provision for Uncollectable Accts	-14,436.00 -	13,114		1,322
1200	Acct's Receivable from Associated Companies	0	82		82
	Total	942,997	895,638	-	47,359
Inventory					
1330	Plant Materials & Operating Supplies	46,011.00	40,161	-	5,850
Other Assets & Deferred Charges					
1508	Other Regulatory Assets	24,398.00	15,530	-	8,868
1518	RCVA Retail	-3,242.00	4,209		7,451
1521	Special Purpose Charge Asses. Var	7,169.00	698	-	6,471
1521	Recovery Late Payment	2,520.00	-	-	2,520
1550	LV Variance Account	-42,287.00 -	40,953		1,334
1555	Stranded Meters	52,585.11	52,585		-
1555	Smart Meter Cap & Recov Offset Var.	381,912.00	334,239	-	47,673
1556	Smart Meter OM&A Variance	75,088.00	127,448		52,360
1562	Deferred Payments in Lieu of Taxes	0.00 -	136,604	-	136,604
1563	Deferred Pils Contra Account	0.00	136,604		136,604
1565	Conservation & Demand Expend & Recov	-4,731.00 -	4,731		-
1580	RSVAWMS	-29,527.00 -	61,354	-	31,827
1584	RSVANW	14,431.00	17,360		2,929
1586	RSVACN	25,081.00	23,842	-	1,239
1588	RSVAPOWER	-67,787.00	108,731		176,518
1595	Sub-Acct Disposition of Acct Bal Approved 2008	-2,814.00 -	53,236	-	50,422
	Total	432,796.11	524,368		91,572

Transmission Plant

1705 Land	140.50	141	-
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Distribution Plant

1815 Distribution Station Equipment - > 50 kV	462,816.71	462,817	-
1820 Distribution Station Equipment - below 50 kV			
1830 Poles, Towers & Fixtures	1,122,815.56	1,127,389	4,574
1840 Underground Conduit	77,510.59	77,511	-
1845 Underground Conductors and Devices	4,850.00	3,516	- 1,334
1850 Line Transformers	388,667.49	388,667	-
1860 Meters	28,101.56	28,102	-

General Plant

1920 Computer Equipment - Hardware	661.42	661	-
1925 Computer Software	11,185.67	11,186	-
1990 Other Tangible Property	8,700.00	7,982	- 718
Total	2,105,449.50	2,107,970	2,521

Accumulated Amortization

2105 Accum. Amortization Electric Utility Plant	-1,370,105.00 -	1,364,870	5,235
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TOTAL ASSETS

2,157,148	2,203,268	46,120
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Current Liabilities

2205 Accounts Payable	-310,000.00 -	286,685	23,315
2208 Customer Credit Balances	-35,000.00 -	42,691	- 7,691
2220 Misc Current & Accrued Liabilities	-20,000.00 -	19,315	685
2240 Acct's Payable to Associated Companies	-	27,262	- 27,262
2250 Debt Retirement Charges Payable	-19,000.00 -	17,271	1,729
2290 Commodity Taxes	3,500.00 -	5,524	- 9,024
2292 Payroll Deductions/Expenses Payable	0	-	-
Total	- 380,500 -	398,748	- 18,248

Non-Current Liability

2335 Long Term Customers Deposits	-24,747.20 -	24,519	229
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Shareholder's Equity

3005 Common Shares Issued	-1,121,529.37 -	1,121,529	-
3008 Preference Shares Issued	-1,121,529.36 -	1,121,529	-
3045 Unappropriated Retained Earnings	536,631.00	536,631	0
3046 Balance Transferred From Income	-45,473.00 -	73,574	- 28,101
Total	- 1,751,900.73 -	1,780,001	- 28,101

TOTAL LIABILITIES

- 2,157,147.93 -	2,203,268	- 46,120
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Sales of Electricity

4006 Residential Energy Sales	-1,122,047.00 -	1,054,016	68,031
4025 Street Light Energy Sales	-22,832.00 -	24,050	- 1,218
4030 Sentinel Light Energy Sales	-2,023.00 -	1,829	194
4035 General Energy Sales	-969,905.00 -	853,139	116,766
4050 Revenue Adjustment	0 -	1,857	- 1,857
4055 Energy Sales for Resale	0 -	108,798	- 108,798
4062 Billed WMS	-150,828.00 -	154,627	- 3,799
4066 Billed NW	-157,315.00 -	149,055	8,260
4068 Billed CN	-41,279.00 -	40,006	1,273
4075 Billed LV	-14,000.00 -	13,647	353
Total	- 2,480,229 -	2,401,024	79,205

Revenue from Services - Distribution

4080 Distribution Services Revenue	-627,368.00 -	617,445	9,923
4082 Retail Services Revenues	-2,808.20 -	2,834	- 26
Total	- 630,176 -	620,279	9,897

Other Operating Revenues

4210 Rent from Electric Property	-7,265.00 -	7,306	- 41
4225 Late Payment Charges	-5,493.25 -	5,583	- 90
4235 Misc Service Revenues	-8,650.00 -	8,501	149
Total	- 21,408 -	21,390	18

Other Income / Deductions

4325 Revenues from Merchandise, Jobbing	-1,380.00	5,896	7,276
4325 Revenue from OPA	0	-	-
4330 Costs & Expenses of Merchandising, Jobbing	-3500 -	4,770	- 1,270
Total	- 4,880	1,126	6,006

Investment Income

4405 Interest & Dividend Income	-13,758.00 -	18,370	- 4,612
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Other Power Supply Expenses

4705 Power Purchased	2,116,807.00	2,043,689	- 73,118
4708 Charges-WMS	150,828.00	154,514	3,686
4714 Charges-NW	157,315.00	148,026	- 9,289
4716 Charges-CN	41,279.00	41,148	- 131
4750 Charges-LV	14,000.00	14,368	368
Total	2,480,229	2,401,745	- 78,484

Distribution Expenses - Operation

5016 Dist. Station Equipment - Operation Labour	4,229.74	3,791	-	439
5017 Dist. Station Equipment - Operation Supplies	500	810		310
5020 OH Dist. Lines & Feeders - Operation Labour	147,606.00	147,188	-	418
5025 OH Dist. Lines & Feeders - Operation Supplies	52,752.00	39,282	-	13,470
5065 Meter Expense	517.14	1,494		977
5095 OH Dist. Lines & Feeders - Rental Paid	1,611.91	1,900		288
Total	207,217	194,465	-	12,752

Billing & Collecting

5310 Meter Reading Expense	1,775.60	2,046		270
5315 Customer Billing	50,328.09	63,642		13,314
5335 Bad Debt Expense	6,770.00	5,962	-	808
Total	58,874	71,650		12,776

Community Relations

5410 Community Relations - Sundry	350	715		365
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Administration & Gen Expense

5605 Executive Salaries & Expenses	13,200.00	13,100	-	100
5610 Management Salaries & Expense	59,652.00	60,806		1,154
5615 General Admin Salaries & Expenses	12,955.56	12,778	-	178
5620 Office Supplies & Expense	23,796.90	18,825	-	4,972
5630 Outside Services Employed	70,677.76	44,921	-	25,757
5635 Property Insurance	16,020.00	14,922	-	1,098
5640 Injuries & Damages	6,632.41	6,055	-	577
5645 Employee Pensions & Benefits	61,012.03	58,434	-	2,578
5655 Regulatory Expenses	7,866.36	7,100	-	766
5665 Misc Gen Expenses	34,346.55	33,907	-	440
Total	306,160	270,848	-	35,312

Amortization Expenses

5705 Amortization Expense-Property, Plant & Equip.	37,651.00	32,415	-	5,236
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Interest Expenses

6035 Other Interest Expense	2,615.98	2,870		254
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Taxes

6105 Taxes Other Than Income Taxes	9,881.00	9,654	-	227
6205 Leap Funding (Low Energy Assistance program)	2,000.00	2,000		-
Net Income	- 45,474	- 73,574	-	28,100