Halton Hills
HYDRO

June 20, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
27th Floor/ P.O. Box 2319
2300 Yonge St.
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: 2012 Cost of Service Rate Application for Halton Hills Hydro Inc.
Draft Rate Order
Board File no. EB-2011-0271

In accordance with the Board's Decision and Order dated June 14, 2012, Halton Hills Hydro Inc. hereby submits its Draft Rate Order in proceeding EB-2011-0271. Please find enclosed two (2) copies of the Draft Rate Order. .

Any questions or concerns can be directed towards, Mr. David J. Smelsky, Chief Financial Officer, Halton Hills Hydro Inc., (519) 853-3700 extension 208, dsmelsky@haltonhillshydro.com.

Regards,

Original signed

David J. Smelsky, CMA
Chief Financial Officer

Cc: Arthur A. Skidmore, President & CEO
Richard King, Counsel to Halton Hills Hydro Inc.
Intervenors on Record

43 Alice St. Acton, ON L7J 2A9 519-853-3700 905-453-2222

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IN THE MATTER OF the Ontario Energy Board Act, 1998, being Schedule B to the Energy Competition Act, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Halton Hills Hydro Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2012.

HALTON HILLS HYDRO INC. ("HHH")

DRAFT RATE ORDER

June 20, 2012

INTRODUCTION:

Halton Hills Hydro Inc. ("HHH") owns and operates the electricity distribution system within its licensed service area of 280 square kilometres extending to the boundaries of the Town of Hills of which 255 square kilometres or 91% is a rural distribution system. HHH serves approximately 21,500 customers in the Town of Halton Hills.

On August 26, 2011, Halton Hills Hydro Inc. ("HHH") filed an application with the Ontario Energy Board (the "Board") under section 78 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B) seeking approval for changes to the rates that HHH charges for electricity distribution, to be effective May 1, 2012.

In 2006, the Board announced the establishment of a multi-year electricity distribution rate-setting plan. On March 1, 2011, the Board informed HHH that it would be one of the electricity distributors to have its rates rebased for the 2012 rate year. Accordingly, HHH filed a cost of service application based on 2012 as the forward test year. In an effort to assist distributors in preparing their applications, the Board issued the *Filing Requirements for Transmission and Distribution Applications* on November 14, 2006.

Chapter 2 of that document, as amended on June 22, 2011, outlines the filing requirements for cost of service rate applications by electricity distributors, based on a forward test year.

In Procedural Order No. 1, dated October 14, 2011, the Board approved intervenor status and cost award eligibility for Energy Probe Research Foundation ("Energy Probe"), the School Energy Coalition ("SEC"), and Vulnerable Energy Consumers Coalition ("VECC"). The Board provided for written interrogatories and responses to these interrogatories from HHH.

In Procedural Order No. 2, dated December 15, 2011, the Board provided for supplementary interrogatories, a potential technical conference, a settlement conference, and the filing of any settlement proposal. In Procedural Order No.3, dated January 30, 2012, the Board confirmed that a technical conference would be required. The technical conference was held on February 1, 2012. Undertakings made by HHH at the Technical Conference were filed by February 6, 2012.

On February 6 and 7, 2012, a settlement conference was held and a partial settlement was reached. On February 16, 2012 HHH requested and was granted an extension of the date that had been set in Procedural Order No. 2 for filing a proposed settlement agreement. On February 28, 2012 the Board granted a further extension for filing a proposed settlement agreement. The parties filed a proposed Partial Settlement Agreement (the "Partial Agreement") on February 28, 2012. The Partial Agreement identified five unsettled issues:

- Issue 2.3: inclusion of Green Energy Initiative in the rate base and related items in the revenue requirement
- Issue 11.1: property, plant and equipment ("PP&E") deferral account amortization period;
- Issues 4.1 – 4.6: operations, maintenance and administration ("OM&A") expense for the test year;
- Issue 5.2: long-term debt rate;
- Issue 9.2: deferral and variance account clearance.

The Partial Agreement noted that HHH would file updated evidence with respect to its PP&E Account, which tracks the amounts, including associated depreciation, attributable to the difference between CGAAP and IFRS calculations of net fixed assets as at the end of 2011.

In Procedural Order No. 4, dated March 5, 2012, the Board provided for updated evidence and an oral hearing on the unsettled issues. HHH filed its updated evidence on PP&E on March 12, 2012 and a further update on March 21, 2012. This second update reflected work that HHH had subsequently done in preparation for its 2011 audit.

An oral hearing was held on March 22, 2012. The Board confirmed its acceptance of the Partial Agreement. A number of undertakings arose from the oral hearing. These were filed by HHH on March 30, 2012. Two corrections to the undertakings were subsequently made and filed on April 3, 2012.

In Procedural Order No. 5 and Interim Rate Order dated March 26, 2012, the Board provided for HHH's argument-in-chief and submissions. It also declared HHH's existing distribution rates interim effective May 1, 2012. HHH filed its argument-in-chief on the unsettled issues on March 30, 2012. The intervenors and Board staff submitted their arguments on April 13, 2012, and HHH submitted its reply argument on April 25, 2012.

On June 14, 2012 the OEB issued its Decision and Order (the "Decision") on HHH's Application. In that Decision the OEB addressed the five (5) unsettled issues from the Partial Settlement. The Board findings on these issues are addressed in the summary of changes for each Exhibit individually.

The OEB Decision on HHH's Application accepted all the terms set out in the Partial Settlement Agreement. As such, HHH has included the Partial Settlement Agreement as Appendix D to this Draft Rate Order and is not duplicating the supporting schedules that have not changed as a result of this Decision. The following Table 1 highlights those issues agreed upon in the Partial Settlement Agreement, which do not change, and the reference to the Partial Settlement Agreement.

Table 1 - Agreed Upon Issues and Reference to Settlement Agreement

Issues Agreed Upon	Settlement Agreement Reference
Load Forecast / Customer Count	Pages 10 to 12 & Appendix D
Cost Allocation	Pages 16 to 17 & Appendix J
Smart Meters	Pages 14 to 15
Rate Design	Pages 18 to 20
LRAM	Page 21

IMPLEMENTATION OF RATES

In the Decision, the Board approves an effective date of May 1, 2012 for HHH's new rates with an implementation date of July 1, 2012.

HHH has provided its Draft Tariff of Rates and Charges as Appendix A and a summary of the monthly bill impacts by customer class as Appendix B.

SUMMARY OF CHANGES

HHH has provided the following Table 2 which sets out the significant adjustments to HHH's Application filed August 26, 2011, the Partial Settlement Agreement and the changes resulting from the Board Decision.

Table 2 – Summary of the Significant Adjustments

	Initial Application	Partial Settlement Agreement	Change	Draft Rate Order	Change
Rate Base					
Gross Fixed Assets (average)	$ 58,245,701	$ 56,778,694	$(1,467,006)	$ 56,178,694	$(600,000)
Accumulated Depreciation (average)	$ (21,569,493)	$ (21,660,071)	$ (90,578)	$ (21,645,104)	$ 14,967
Allowance for Working Capital:					
Controllable Expenses	$ 6,397,261	$ 6,274,021	$ (123,240)	$ 5,900,000	$(374,021)
Cost of Power	$ 46,722,395	$ 46,736,102	$ 13,707	$ 46,736,102	$ -
Working Capital Rate (%)	15.00%	15.00%		15.00%	
Utility Income					
Operating Revenues:					
Distribution Revenue at Current Rates	$ 9,165,845	$ 9,202,162	$ 36,317	$ 9,202,162	$ -
Distribution Revenue at Proposed Rates	$ 10,095,456	$ 9,411,657	$ (683,799)	$ 8,672,531	$(739,126)
Other Revenue:					
Specific Service Charges	$ 172,792	$ 172,792	$ (0)	$ 172,792	$ -
Late Payment Charges	$ 271,607	$ 271,607	$ (0)	$ 271,607	$ -
Other Distribution Revenue	$ 249,346	$ 253,646	$ 4,300	$ 253,646	$ -
Other Income and Deductions	$ 448,500	$ 461,000	$ 12,500	$ 461,000	$ -
Total Revenue Offsets	$ 1,142,245	$ 1,159,045	$ 16,800	$ 1,159,045	$ -
Operating Expenses:					
OM+A Expenses	$ 6,290,661	$ 6,167,421	$ (123,240)	$ 5,793,400	$(374,021)
Depreciation/Amortization	$ 1,624,165	$ 1,390,193	$ (233,972)	$ 1,319,049	$ (71,144)
Property taxes	$ 106,600	$ 106,600	$ -	$ 106,600	$ -
Other Expenses	$ -	$ -	$ -	$ (50,956)	$ (50,956)
Taxes/PILs					
Taxable Income:					
Adjustments required to arrive at taxable income	$ (1,341,194)	$ (1,208,116)	$ 133,078	$ (1,190,116)	$ 18,000
Utility Income Taxes and Rates:					
Income taxes (not grossed up)	$ 97,012	$ 35,978	$ (61,034)	$ 26,841	$ (9,137)
Income taxes (grossed up)	$ 131,542	$ 39,393	$ (92,149)	$ 29,150	$ (10,243)
Capital Taxes					
Federal tax (%)	15.00%	4.17%	-11%	3.96%	-0.21%
Provincial tax (%)	11.25%	4.50%	-7%	3.96%	-0.54%
Income Tax Credits		$ -	0%	$ -	0.00%
Capitalization/Cost of Capital					
Capital Structure:					
Long-term debt Capitalization Ratio (%)	56.0%	56.0%	0%	56.0%	0.00%
Short-term debt Capitalization Ratio (%)	4.0%	4.0%	0%	4.0%	0.00%
Common Equity Capitalization Ratio (%)	40.0%	40.0%	0%	40.0%	0.00%
Prefered Shares Capitalization Ratio (%)					
	100.0%	100.0%		100.0%	
Cost of Capital					
Long-term debt Cost Rate (%)	5.32%	5.01%	-0.31%	4.21%	-0.80%
Short-term debt Cost Rate (%)	2.46%	2.08%	-0.38%	2.08%	0.00%
Common Equity Cost Rate (%)	9.58%	9.42%	-0.16%	9.42%	0.00%
Prefered Shares Cost Rate (%)					

ORGANIZATION

This Draft Rate Order is organized according to the following issues as set out in the OEB Chapter 2 of the *Filing Requirements for Transmission and Distribution Applications* issued June 22, 2011. As stated above, only those Exhibits that change from the Partial Settlement Agreement are being address.

- Exhibit 2 – Rate Base
- Exhibit 3 – Operating Revenue
- Exhibit 4 – Operating Costs
- Exhibit 5 – Capital Structure and Cost of Capital
- Exhibit 6 – Calculation of Revenue Deficiency/Sufficiency
- Exhibit 8 – Rate Design
- Exhibit 9 – Deferral and Variance Accounts

The following Appendices accompany this Draft Rate Order:

- Appendix A – Draft Tariff of Rates and Charges
- Appendix B – Monthly Bill Impacts by Customer Class
- Appendix C – Revenue Requirement Work Form
- Appendix D – Partial Settlement Agreement

EXHIBIT 2 – RATE BASE

GREEN ENERGY INITIATIVE

In its Decision, the Board stated:

> *"The Green Energy Initiative ("GEI") put forward by HHH is a proposal to install 1,400 photovoltaic devices on distribution pole-tops, at an installed cost of $1,000 each which would add $1,400,000 to HHH's 2012 rate base. Each device consists of a single 220-280 watt solar panel, a Smart Energy Module with inverter, a two-way wireless smart grid communicator, sensor, digital meters and a pole mounting system. Through the 2nd round of interrogatories, HHH updated its OM&A request to include $11,760 related to its GEI1. In addition to OM&A, the implementation of the GEI has consequential impacts on a variety of related areas of revenue requirement calculation, such as depreciation, working capital, and payments in lieu of taxes ("PILs"). HHH estimated the impact on revenue requirement of the GEI to be $91,467…*
>
> *…HHH submitted that while containing a clean generation component, the GEI is more appropriately classified as a distribution project given the broad distribution benefits associated with it. HHH outlined many benefits to its proposed initiative, including those that could be quantified and those that could not. HHH submitted that while very difficult to estimate, the quantified benefits would be $35,496 per annum. These cost savings would be achieved through electricity production, line loss reduction and transmission and other non-commodity savings. HHH proposed that these cost savings be directly passed on to HHH's customers through the establishment of a deferral/variance account ("DVA").*
>
> *As part of the distribution system, HHH submitted that the GEI would also provide many benefits that cannot be quantified. In its final argument, HHH highlighted the following non-financial and non-quantifiable benefits:*
> - *Non-Financial Benefits to Ratepayers: Increased reliability, voltage stabilization, improved monitoring of system (i.e., monitoring operation and health of grid, reliability alerts, remote sensing of voltage quality and power flows), platform for future smart grid opportunities, improved public awareness about electricity usage/renewable production, reduced generation emissions, etc.*
> - *Non-Quantifiable, Financial Benefits to Ratepayers: Value of emission reduction credits, value of any improved response times to specific problems as a result of better real-time information, etc."*

The Board findings stated:

> *"The Board finds that HHH should proceed with an expanded pilot project on a scale of not more than 200 units. The Board approves the inclusion of 1/7 (based on 200 units being installed) of the capital related costs of HHH's GEI as originally proposed. The Board also approves the full amount of the associated OM&A, which is $11,760, which will arguably be approximately the same for a pilot project as for the GEI as submitted. The Board acknowledges that this alternative scale is not found in the record. However, the Board considers that a pilot project of this scale is a reasonable compromise between the financial cost to HHH's customers and the value of improved information…*
>
> *…HHH proposed that the Board approve a CCA rate of 8% that is based on classifying the solar assets as distribution assets in Class 49. Energy Probe suggested that the Board consider a CCA rate of 29% as the midpoint of 8% proposed by HHH and 50%*

intended to provide enhanced tax deductions for various renewable asset properties. Energy Probe offered that this or some other alternative would balance the short and long term cost consequences to ratepayers of the GEI project. As the Board has decided to allow for a smaller scale project and the resulting rate impact will not be material, it will not make a determination on the appropriate CCA rate"

HHH has included the cost of 200 units in the Rate Base calculation at a CCA rate of 8%. The results of this change can be seen in Table 3.

Table 3 - Changes to Rate Base

Description	Initial Application	Partial Settlement	Difference	Draft Rate Order	Difference
Gross Fixed Assets (Average)	$ 58,245,701	$ 56,778,694	$ (1,467,006)	$ 56,178,694	$ (600,000)
Accumulated Depreciation (Average)	$ (21,569,493)	$ (21,660,071)	$ (90,578)	$ (21,645,104)	$ 14,967
Net Fixed Assets (Average)	$ 36,676,208	$ 35,118,623	$ (1,557,585)	$ 34,533,590	$ (585,033)
Allowance for Working Capital	$ 7,967,948	$ 7,951,519	$ (16,430)	$ 7,895,415	$ (56,103)
Total Rate Base	**$ 44,644,156**	**$ 43,070,141**	**$ (1,574,015)**	**$ 42,429,005**	**$ (641,136)**

EXHIBIT 3 – OPERATING REVENUE

HHH has updated its 2012 Test Year Service Revenue Requirement as per the Board Decision. The 2012 Test Year Service Revenue Requirement for the purpose of this Draft Rate Order is $8,672,531. HHH has provided the comparison calculations in the following Table 4.

Table 4 – Changes to Operating Revenue

Description	Initial Application	Partial Settlement	Difference	Draft Rate Order	Difference
Service Revenue Requirement	$11,237,701	$10,570,702	$ (666,998)	$9,831,576	$(739,126)
Revenue Offsets	$ 1,142,245	$ 1,159,045	$ 16,800	$1,159,045	$ 0
Base Revenue Requirement	**$10,095,456**	**$ 9,411,657**	**$ (683,798)**	**$8,672,531**	$(739,126)

EXHIBIT 4 – OPERATING COSTS - PILs

In its Decision, the Board stated:

> *"HHH has requested approval of OM&A in the test year of $6,274,021 (including property tax). The accounting basis is MIFRS. Compared to the initial application, it excludes the forecast cost of the IESO MDM/R at $135,000 and adds the operating cost of the proposed GEI at $11,760.*
>
> *This amount is a large increase over OM&A expenditures in previous years. HHH's evidence identified four cost drivers that are largely responsible for the increase:*
>
> - *an increase in wages and benefits*
> - *an increase in tree trimming costs*
> - *an increase in smart meter costs*
> - *an increase related to the transition from CGAAP to MIFRS accounting*
>
> *.*
>
> *Wages and benefits include the addition of four new positions during the test year, as well as increased benefits and wages as required by HHH's collective agreement.*
>
> *The increase in tree trimming costs is due to a high rate of growth, disease and die back of mature trees, and underfunding of line clearance over a number of years. HHH submitted that its ratepayers have benefitted from low tree trimming costs in past years that are unsustainable in the future.*
>
> *The increase in smart meter OM&A costs is beyond HHH's control, in its view, because it is driven by regulatory requirements.*
>
> *HHH also submitted that the increase due to MIFRS is beyond its control. The amount of this increase is $286,621. No party took issue with the inclusion of costs associated with the conversion from CGAAP to MIFRS.*
>
> *HHH maintained that while the company was not lacking in any standard utility practices over the IRM period, wages and benefits and tree trimming costs have been underfunded for the past few years."*

The Board findings stated:

> *"The Board will approve OM&A spending using an envelope approach.*
>
> *The Board accepts that tree trimming has been under funded and notes that HHH will amortize the program and costs over 4 years. The Board accepts the need and the costs that have been validated by a 3rd party whose findings have not been disputed by intervenors. However, the Board agrees with intervenors that ratepayers should not be required to pay for the entire deferred incremental tree trimming costs necessary to remedy the under-funded budget during the IRM term, particularly when overall OM&A spending during the IRM period has been lower than the 2008 Board approved level.*
>
> *HHH submitted that its wages and benefits have also been under funded for the past few years and must be increased. The Board notes that HHH held off on hiring additional staff however, the evidence indicates that some of the 2008 approved budget could have funded those additions.*

Given the adjustments outlined above and accounting for growth in the customer forecast, the Board has determined that the forecast OM&A envelope will be $5.9 M. This is based on a sharing of 2.5% year over year escalation of 2008 approved levels notwithstanding the lower actual expenditures levels during the IRM period. This figure also includes the provision for $286k in MIFRS transition costs which the Board finds is beyond HHH's control and was uncontested"

HHH has changed the OM&A amount to $5.9M, including the $286,000 for MIFRS transition costs. The updated calculations are shown in Table 5.

Table 5 – Changes to OM&A

Description	Initial Application	Partial Settlement	Difference	Draft Rate Order	Difference
Operation	$ 1,122,101	$1,122,101	$ -	$1,122,101	$ -
Maintenance	$ 797,225	$ 808,985	$ 11,760	$ 808,985	$ -
Billing and Collecting	$ 1,683,690	$1,548,690	$ (135,000)	$1,548,690	$ -
Community Relations	$ -		$ -	$ -	$ -
Administrative and General Expenses	$ 2,687,646	$2,687,646	$ -	$2,313,625	$ (374,021)
Taxes Other than Income Taxes	$ 106,600	$ 106,600	$ -	$ 106,600	$ -
Total OM&A	**$ 6,397,262**	**$6,274,021**	**$ (123,240)**	**$5,900,000**	**$ (374,021)**

Additionally, in relation to the PP&E deferral account, in its Decision, the Board stated:

"In its prefiled evidence, HHH filed for approval of its PP&E Deferral Account balance of $1,384,586 owing to ratepayers. The Partial Agreement indicated that no settlement was reached with regard to HHH's PP&E amortization period and that HHH would be filing updated evidence on this issue. Section 11 of the Partial Agreement however did not specifically refer to the amortization period…

…HHH filed its updated evidence on March 12, 2012 seeking approval of a revised PP&E balance of $1,462,823 owing to ratepayers. On March 21, 2012 the day before the oral hearing, HHH revised its March 12, 2012 update. HHH stated that the revision reflected results of HHH finalizing its 2011 capital expenditures and depreciation during its 2011 year-end audit process with KPMG. The 2011 CGAAP depreciation figures were reduced to $2,115,000 from $2,741,106.4 The revision reduced the PP&E deferral account balance from $1,462,823 to $836,717 owing to ratepayers…

… HHH proposed to amortize its PP&E deferral account balance over a period of 20 years. Intervenors and Board staff supported a shorter amortization period such as four years. HHH, intervenors and Board staff considered factors such as accounting policy changes, impact on rates, impact on cash flow, and intergenerational equity in support of their submissions related to the amortization period of the PP&E deferral account"

The Board findings stated:

> *"…the Board approves on an interim basis the amount of $836,717 as the appropriate PP&E deferral account balance subject to a confirmation by HHH's auditors, KPMG, and verification of the results by the Board's Regulatory Audit and Accounting (the "Regulatory Audit").*
>
> *The Board directs HHH to file with the Board, under EB-2011-0271, by September 30, 2012 the results of KPMG's audit and its confirmation of all detailed calculations for the derivation of PP&E net book value and depreciations under both CGAAP and MIFRS assumptions. In other words, HHH is directed to file an audited statement of the PP&E balance including detail sufficient to support the amount that is to be amortized, whether it is one of the three balances already submitted or some other amount.*
>
> *The Board anticipates that the Regulatory Audit group will conduct an audit review which may assist the Board in determining how best to finalize the amount in this account. When Regulatory Audit has concluded its audit review of the account, and depending upon its conclusions, the Board will determine whether it is necessary to revise the account balance for purposes of issuing a final order prior to HHH's next IRM rate application. If necessary, HHH will be required to prepare a final draft order to that effect at that time…*
>
> *… Therefore, the Board approves a four-year amortization period for HHH's PP&E deferral account."*

HHH has included one quarter of the PP&E balance plus the regulatory return as follows;

1. A reduction of $209,179 to the 2012 depreciation expense representing one year's amortization of the PP&E deferral account; and

2. A reduction of $50,956 to the 2012 return on rate base calculation representing the rate of return on the PP&E deferral account

In order to make the Revenue Requirement Workform work for the two adjustments mentioned above, HHH has changed the Common Equity Cost Rate to 9.42% in tab 3.Data_Input_Sheet cell U62.

EXHIBIT 5 – COST OF CAPITAL

In its Decision, the Board stated:

> *"The proportion of long term debt in determining the cost of capital is included in the Partial Agreement, at 56% of total capital. Proportions for short term debt and equity were also settled, at 4% and 40% respectively. The cost of capital parameters are settled for short-term debt and equity at the rates established in the Board's letter to distributors and intervenors dated March 2, 2012.*
>
> *The parties agreed on the capital structure proposed by HHH with the exception of the long-term debt rate. HHH proposes that its long term debt rate be set at the Board's deemed rate for long-term debt in the same letter, which is 4.41%. Intervenors suggest that the rate should be set at 3.85% and Board Staff suggests the rate be set at 3.96%."*

The Board findings stated:

> *"The Board therefore calculates that the weighted average rate for long-term debt will be approximately 4.21% on the basis of the following calculation:*
> - *$16.1 million at deemed rate of 4.41% for the full year*
> - *$2.2 million at actual rate of 2.13% for 2/3 of the year*
> - *$2.2 million at 3.96% for 1/3 of the year*
> - *$4.0 million at 3.96% for ½ of the year."*

The Long Term Debt Rate has been updated and the revised calculations are shown in Tables 6 and 7.

Table 6 – Revised Long Term Debt Rate

	Settlement Agreement		Draft Rate Order	
Description	**Deemed Portion**	**Effective Rate**	**Deemed Portion**	**Effective Rate**
Long Term Debt	56%	5.01%	56%	4.21%
Short Term Debt	4%	2.08%	4%	2.08%
Return on Equity	40%	9.42%	40%	9.12%
Weighted Debt Rate				
Regulated Rate of Return				

Regulated Return		**Settlement Agreement**		**Draft Rate Order**
Deemed Interest Expense		$1,244,060		$1,035,607
Deemed Return on Equity		$1,622,687		$1,547,810

Table 7 – Revised Weighted Debt Cost

Weighted Debt Cost

Description	Debt Holder	Affliated with LDC?	Date of Issuance	Principal	Term (Years)	Rate%	Year Applied to	Interest Cost
		Y		$16,141,970		6.25%	2008	$ 1,008,873
		N					2008	$ -
		Y		$16,141,970		6.25%	2009	$ 1,008,873
		N					2009	$ -
		Y		$16,141,970		6.25%	2010	$ 1,008,873
		N					2010	$ -
		Y		$16,141,970		6.25%	2011	$ 1,008,873
		N					2011	$ -
		Y		$16,141,970		4.41%	2012	$ 711,861
								0
								0
								0
								0
								0
								0
								0
								0
								0
								0
								0
								0

2008 Total Long Term Debt	$16,141,970	Total Interest Cost for 2008	$ 1,008,873
		Weighted Debt Cost Rate for 2008	6.25%
2009 Total Long Term Debt	$16,141,970	Total Interest Cost for 2009	$ 1,008,873
		Weighted Debt Cost Rate for 2009	6.25%
2010 Total Long Term Debt	$16,141,970	Total Interest Cost for 2010	$ 1,008,873
		Weighted Debt Cost Rate for 2010	6.25%
2011 Total Long Term Debt	$16,141,970	Total Interest Cost for 2011	$ 1,008,873
		Weighted Debt Cost Rate for 2011	6.25%
2012 Total Long Term Debt	16,141,970	Total Interest Cost for 2011	$ 711,861
		Weighted Debt Cost Rate for 2011	4.41%

Deemed Capital Structure for 2012

Description	$	% of Rate Base	Rate of Return	Return
Long Term Debt	23,760,243	56.00%	4.21%	1,000,306
Unfunded Short Term Debt	1,697,160	4.00%	2.08%	35,301
Total Debt	25,457,403	60.00%		1,035,607
Common Share Equity	16,971,602	40.00%	9.12%	1,547,810
Total equity	16,971,602	40.00%		1,547,810
Total Rate Base	42,429,005	100.00%	6.09%	2,583,417

EXHIBIT 6 – CALCULATION OF REVENUE DEFICIENCY/SUFFICIENCY

HHH has calculated its 2012 Test Year Revenue Sufficiency in accordance with the changes agreed to in the Partial Settlement Agreement and the Board Decision. HHH's Revenue Deficiency has decreased by $ 1,453,24 from the $ 929,610 in the initial application resulting in a Revenue Sufficiency of $ 523,632. The following Table 8 sets out HHH's 2012 Test Year Revenue Requirement for this Draft Rate Order.

Table 8 – Revised Revenue Requirement

Particulars	Initial Application		Partial Settlement		Draft Rate Order	
	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
Revenue Deficiency from Below		$ 929,610		$ 209,474		$ (523,632)
Distribution Revenue	$ 9,165,845	$ 9,165,845	$ 9,202,162	$ 9,202,183	$ 9,202,162	$ 9,196,163
Other Operating Revenue Offsets - net	$ 1,142,245	$ 1,142,245	$ 1,159,045	$ 1,159,045	$ 1,159,045	$ 1,159,045
Total Revenue	**$ 10,308,091**	**$ 11,237,701**	**$ 10,361,207**	**$ 10,570,702**	**$ 10,361,207**	**$ 9,831,576**
Operating Expenses	$ 8,021,426	$ 8,021,426	$ 7,664,214	$ 7,664,214	$ 7,168,093	$ 7,168,093
Deemed Interest Expense	$ 1,373,969	$ 1,373,969	$ 1,244,210	$ 1,244,210	$ 1,035,607	$ 1,035,607
Total Cost and Expenses	**$ 9,395,395**	**$ 9,395,395**	**$ 8,908,424**	**$ 8,908,424**	**$ 8,203,700**	**$ 8,203,700**
Utility Income Before Income Taxes	**$ 912,696**	**$ 1,842,306**	**$ 1,452,783**	**$ 1,662,277**	**$ 2,157,507**	**$ 1,627,876**
Tax Adjustments to Accounting	$ (1,341,194)	$ (1,341,194)	$ (1,208,116)	$ (1,208,116)	$ (1,190,116)	$ (1,190,116)
Taxable Income	$ (428,498)	$ 501,112	$ 244,667	$ 454,161	$ 967,391	$ 437,760
Income Tax Rate	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Income Tax on Taxable Income	$ (112,481)	$ 131,542	$ 21,213	$ 39,376	$ 76,627	$ 34,671
Income Tax Credits	$ -	$ -	$ -	$ -	$ -	$ -
Utility Net Income	**$ 1,025,177**	**$ 1,710,764**	**$ 1,431,570**	**$ 1,622,884**	**$ 2,080,880**	**$ 1,598,726**
Utility Rate Base	**$ 44,644,156**	**$ 44,644,156**	**$ 43,070,141**	**$ 43,070,141**	**$ 42,429,005**	**$ 42,429,005**
Deemed Equity Portion of Rate Base	$ 17,857,663	$ 17,857,663	$ 17,228,057	$ 17,228,057	$ 16,971,602	$ 16,971,602
Income/(Equity Portion of Rate Base)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Target Return - Equity on Rate Base	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Deficiency/Sufficiency in Return on Equity	$ (0)	$ -	$ (0)	$ 0	$ 0	$ 0
Indicated Rate of Return	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Requested Rate of Return on Rate Base	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Deficiency/Sufficiency in Rate of Return	$ (0)	$ -	$ (0)	$ 0	$ 0	$ 0
Target Return on Equity	**$ 1,710,764**	**$ 1,710,764**	**$ 1,622,883**	**$ 1,622,883**	**$ 1,598,725**	**$ 1,598,725**
Revenue Deficiency/(Sufficiency)	**$ 685,588**	**$ -**	**$ 191,313**	**$ 1**	**$ (482,155)**	**$ 1**
Gross Revenue Deficiency/(Sufficiency)	**$ 929,610**		**$ 209,474**		**$ (523,632)**	

EXHIBIT 8 – RATE DESIGN

HHH has adjusted the fixed-variable splits and revenue to cost allocations for each customer class as agreed to in the Partial Settlement Agreement and approved in the Decision. The following Tables 9 and 10 set out the revised revenue requirement by class.

Table 9 - Distribution Rate Allocation Between Fixed & Variable Rates For 2012 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	$ 5,269,291	61.12%	14.67	$ 0.0095	$2,865,711	$ 2,403,581		$ 5,269,291	$250,311	$5,519,603
GS < 50 kW	$ 991,401	11.50%	31.80	$ 0.0100	$ 538,714	$ 452,686		$ 991,401	$ 60,332	$1,051,732
GS >50 to 999 kW	$ 1,196,791	13.88%	89.84	$ 4.0060	$ 158,042	$ 1,038,749	$ 57,229	$ 1,254,020	$155,405	$1,409,425
GS 1000 to 4,999 kW	$ 777,437	9.02%	173.31	$ 3.6987	$ 21,765	$ 755,672	$ 150,229	$ 927,666	$139,126	$1,066,792
Sentinel Lights	$ 25,274	0.29%	5.87	$ 22.2342	$ 10,275	$ 14,999		$ 25,274	$ 276	$ 25,550
Street Lighting	$ 343,986	3.99%	2.59	$ 35.0285	$ 115,729	$ 228,257		$ 343,986	$ 2,610	$ 346,596
USL	$ 17,394	0.20%	7.86	$ 0.0052	$ 13,759	$ 3,635		$ 17,394	$ 932	$ 18,326
TOTAL	**$ 8,621,575**	**100%**			**$3,723,996**	**$ 4,897,579**	**$ 207,458**	**$ 8,829,033**	**$608,992**	**$9,438,025**
			Forecast Fixed/Variable Ratios		**42.179%**	**55.471%**	**2.350%**	**100.000%**		

Table 10 - Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Spilt	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2011 Rates From OEB Approved Tariff	Minimum System with PLCC Adustment (Ceiling Fixed Charge From Cost Allocation Model)	Target Fixed Charge Split	Fixed Charge with Target Split
Residential	45.61%	54.39%	100.00%	$ 14.67	$ 12.94	$ 17.18	54.39%	$ 12.23
GS < 50 kW	45.66%	54.34%	100.00%	$ 31.80	$ 28.28	$ 18.28	54.34%	$ 26.50
GS >50 to 999 kW	86.79%	13.21%	100.00%	$ 89.84	$ 76.18	$ 79.78	13.21%	$ 74.87
GS 1000 to 4,999 kW	97.21%	2.79%	100.00%	$ 172.82	$ 173.31	$ 105.74	2.79%	$ 144.02
Sentinel Lights	59.34%	40.66%	100.00%	$ 5.87	$ 2.67	$ 11.89	40.66%	$ 4.89
Street Lighting	66.36%	33.64%	100.00%	$ 2.59	$ 2.30	$ 5.90	33.64%	$ 2.16
USL	20.90%	79.10%	100.00%	$ 7.86	$ 12.69	$ 5.47	79.10%	$ 6.55

HHH has provided the following Tables 11 and 12, setting out changes in the fixed and variable distribution rates, by customer class, from those calculated in the Partial Settlement Agreement and the distribution rates calculated after implementing the Board Decision.

Table 11 – Revised Base Revenue by Class

Class	Per Settlement Agreement			Per Draft Rate Order		
	Proposed Revenue	Miscellaneous Revenue	Proposed Base Revenue	Proposed Revenue	Miscellaneous Revenue	Proposed Base Revenue
Residential	$ 6,553,738	$ 782,324	$ 5,771,414	$ 6,051,615	$ 782,324	$ 5,269,291
GS < 50 kW	$ 1,266,110	$ 183,918	$ 1,082,192	$ 1,175,318	$ 183,918	$ 991,401
GS >50 to 999 kW	$ 1,407,760	$ 108,387	$ 1,299,373	$ 1,305,178	$ 108,387	$ 1,196,791
GS 1000 to 4,999 kW	$ 878,744	$ 40,714	$ 838,030	$ 818,151	$ 40,714	$ 777,437
Sentinel Lights	$ 30,702	$ 3,348	$ 27,354	$ 28,622	$ 3,348	$ 25,274
Street Lighting	$ 412,951	$ 38,532	$ 374,419	$ 382,518	$ 38,532	$ 343,986
USL	$ 20,698	$ 1,823	$ 18,875	$ 19,217	$ 1,823	$ 17,394
TOTAL	**$ 10,570,702**	**$ 1,159,045**	**$ 9,411,657**	**$ 9,780,620**	**$ 1,159,045**	**$ 8,621,575**

Table 12 – Revised Fixed and Variable Rates by Class

Class	Fixed Rates		Variable Rates	
	Per Settlement Agreement	Per Draft Rate Order	Per Settlement Agreement	Per Draft Rate Order
Residential	$ 13.39	$ 14.67	$ 0.0125	$ 0.0095
GS < 50 kW	$ 28.28	$ 31.80	$ 0.0093	$ 0.0100
GS >50 to 999 kW	$ 81.28	$ 89.84	$ 3.6096	$ 4.0060
GS 1000 to 4,999 kW	$ 173.31	$ 173.31	$ 3.2736	$ 3.6987
Sentinel Lights	$ 5.30	$ 5.87	$ 20.0529	$ 22.2342
Street Lighting	$ 2.35	$ 2.59	$ 31.7729	$ 35.0285
USL	$ 7.11	$ 7.86	$ 0.0047	$ 0.0052

EXHIBIT 9 – DEFERRAL AND VARIANCE ACCOUNTS

DISPOSAL OF GROUP 1 & GROUP 2 DEFERRAL AND VARIANCE ACCOUNT BALANCES ("DVA")

As per the Board Decision, the final Group 1 and Group 2 DVA balances are as follows:

Table 13 – DVA Balances

Account Name	Account Number	Principal Balance	Interest Balance	Total Claim
Group 1				
LV Variance Account	1550	$ (613,274)	$ (13,534)	$ (626,808)
RSVA, Wholesale Service Charge	1580	$ (503,791)	$(130,003)	$ (633,794)
RSVA, Retail Tranmission Network Charge	1584	$ 601,339	$(238,494)	$ 362,845
RSVA, Retail Tranmission Connection Charge	1586	$ 517,827	$(186,920)	$ 330,907
RSVA, Power (Excluding Global Adjustment)	1588	$ (473,530)	$(440,300)	$ (913,830)
RSVA, sub account Global Adjustment	1588	$2,249,396	$ 54,258	$2,303,654
Recovery of Regulatory Asset Balances	1590	$ (48,428)	$ 116,101	$ 67,673
Group 2				
Other Regulatory Assets-Sub acct. Incremental Capital Charges	1508	$ 147,776	$ (72,501)	$ 75,275
Other Regulatory Assets-Sub acct. Other	1508	$ 167,838	$ 15,047	$ 182,885
Retail Cost Variance Account-Retail	1518	$ (30,746)	$ (672)	$ (31,418)
Miscellaneous Deferred Debits	1525	$ 13,015	$ (4,831)	$ 8,184
Retail Cost Variance Account-STR	1548	$ 3,788	$ (1,400)	$ 2,388
Deferred Payments In Lieu of Taxes	1562	$ (420,641)	$ (79,381)	$ (500,022)
Special Purpose Charge Variance	1521	$ (16,237)	$ 724	$ (15,513)
Total Group 1 & Group 2 for Disposition				**$ 612,426**

The Board findings state the following directions:

> *"The Board authorizes the disposition of Account 1521 as of December 31, 2010, plus the amounts recovered from customers in 2011, including interest, because the account balance does not require a prudence review, and electricity distributors are required by regulation to apply for disposition of this account. The Board will approve the disposition of a credit balance of $15,514 in Account 1521 on a final basis, representing principal balance plus carrying costs until April 30, 2012. The Board approves a two year disposition period. The Board directs HHH to close Account 1521 effective May 1, 2012.*
>
> *For accounting and reporting purposes, all account balances approved for disposition in this proceeding shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the* Accounting Procedures Handbook for Electricity

> Distributors*. This entry should be completed on a timely basis to ensure that these adjustments are included in the RRR data as soon as possible.*
>
> *The Board agrees with HHH that given the rate impacts associated with this rate application, a four-year clearance period is unnecessary. The Board will approve the clearance of HHH's DVA amounts over 24 months."*

HHH will close Account 1521 and all approved account balances for disposition, shown above, will be transferred to Account 1595 sub account-2012.

The DVA rate riders are shown below in Table 14. Smart Meter rate riders will have a sunset date of April 30, 2016. The rate riders for other DVA balances disposed of in this proceeding and LRAM will have a sunset date of April 30, 2014.

Table 14 – DVA Disposition Rate Riders

Customer Class	Deferral and Variance Account Rate Riders ($) per kWh	Deferral and Variance Account Rate Riders ($) per kW	Global Adjustment Account Rate Riders ($) per kWh	Global Adjustment Account Rate Riders ($) per kW	Rate Rider for Smart Meter True up ($) per month	Rate Rider for Smart Meter - Stranded Meters ($) per month
Residential	(0.0018)		0.0012		1.31	1.13
GS < 50 kW	(0.0018)		0.0002		1.38	1.46
GS >50 to 999 kW		(0.7063)		1.5817		
GS 1000 to 4,999 kW		(0.7409)		1.9530		
Sentinel Lights		(0.7438)		18.2482		
Street Lighting		(0.0754)		0.2586		
USL	(0.0016)		0.0053			

HHH has prepared its Draft Rate Order pursuant to the OEB Decision dated June 14, 2012. In accordance with the Decision, HHH is filing its Draft Rate Order on June 20, 2012. HHH is also filing a copy of its Draft Rate Order with each Intervenor of Record.

Respectfully submitted,

David J. Smelsky, CMA
Chief Financial Officer
Halton Hills Hydro Inc.

APPENDIX A

DRAFT TARIFF OF RATES AND CHARGES

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2012 Proposed Rates and Charges - revised June 20, 2012

RESIDENTIAL
RESIDENTIAL Time-of-USE

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	14.6700
Distribution Volumetric Rate	kWh	0.0114
Low Voltage Service Rate	kWh	0.0014
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kWh	0.0012
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kWh	(0.0018)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kWh	0.0007
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	1.1300
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	1.3100
Retail Transmission Rate – Network Service Rate	kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	kWh	0.0045

MONTHLY RATES AND CHARGES – Regulatory Component		($)
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

General Service less than 50 kW

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	31.8000
Distribution Volumetric Rate	kWh	0.0100
Low Voltage Service Rate	kWh	0.0013
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kWh	(0.0018)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kWh	0.0007
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	1.4600
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	1.3800
Retail Transmission Rate – Network Service Rate	kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	kWh	0.0042

MONTHLY RATES AND CHARGES – Regulatory Component		($)
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

General Service 50 to 999 kW

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	89.8400
Distribution Volumetric Rate	kW/90%kVa	4.0060
Low Voltage Service Rate	kW/90%kVa	0.4734
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kW/90%kVa	1.5817
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kW/90%kVa	(0.7063)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kW/90%kVa	0.0408
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	-
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	-
Retail Transmission Rate – Network Service Rate	kW	2.2257
Retail Transmission Rate – Line and Transformation Connection Service Rate	kW/90%kVa	1.7975

MONTHLY RATES AND CHARGES – Regulatory Component		($)
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

General Service 1,000 to 4,999 kW

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	173.3100
Distribution Volumetric Rate	kW/90%kVa	3.6987
Low Voltage Service Rate	kW/90%kVa	0.4734
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kW/90%kVa	1.9530
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kW/90%kVa	(0.7409)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kW/90%kVa	0.0090
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	-
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	-
Retail Transmission Rate – Network Service Rate	kW	2.2257
Retail Transmission Rate – Line and Transformation Connection Service Rate	kW/90%kVa	1.7975

MONTHLY RATES AND CHARGES – Regulatory Component		($)
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

Unmetered Scattered Load

MONTHLY RATES AND CHARGES – Delivery Component		**($)**
Service Charge	monthly	7.8590
Distribution Volumetric Rate	kWh	0.0052
Low Voltage Service Rate	kWh	0.0013
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kWh	0.0053
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kWh	(0.0016)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kWh	-
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	-
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	-
Retail Transmission Rate – Network Service Rate	kWh	0.0051
Retail Transmission Rate – Line and Transformation Connection Service Rate	kWh	0.0042

MONTHLY RATES AND CHARGES – Regulatory Component		**($)**
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

Sentinel Lighting

MONTHLY RATES AND CHARGES – Delivery Component		**($)**
Service Charge	monthly	5.8737
Distribution Volumetric Rate	kW	22.2342
Low Voltage Service Rate	kW	0.3408
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kW	18.2482
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kW	(0.7438)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kW	-
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	-
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	-
Retail Transmission Rate – Network Service Rate	kW	1.5878
Retail Transmission Rate – Line and Transformation Connection Service Rate	kW	1.2941

MONTHLY RATES AND CHARGES – Regulatory Component		**($)**
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

Street Lighting

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	2.5869
Distribution Volumetric Rate	kW	35.0285
Low Voltage Service Rate	kW	0.3338
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	kW	0.2586
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	kW	(0.0754)
Rate Rider for LRAM/SSM – effective until April 30, 2014	kW	-
Smart Meter Stranded Meter Rate Rider - effective until April 30, 2016	monthly	-
Smart Meter Revenue Requirement True-up Rate Rider - effective until April 30, 2016	monthly	-
Retail Transmission Rate – Network Service Rate	kW	1.5805
Retail Transmission Rate – Line and Transformation Connection Service Rate	kW	1.2676

MONTHLY RATES AND CHARGES – Regulatory Component		($)
Wholesale Market Service Rate	kWh	0.0052
Rural Rate Protection Charge	kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	monthly	0.0250

MicroFIT

MONTHLY RATES AND CHARGES – Delivery Component		($)
Service Charge	monthly	5.2500

Retailer Charges		
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$ once	100.00
Monthly Fixed Charge, per retailer	$/month	20.00
Monthly Variable Charge, per customer, per retailer	$/customer	0.50
Distributor-consolidated billing charge, per customer, per retailer	$/customer	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/customer	(0.30)
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	$	2.00

SPECIFIC SERVICE CHARGES	Rate ($)
Customer Administration	
Arrears certificate	15.00
Statement of account	15.00
Pulling post dated cheques	15.00
Duplicate invoices for previous billing	15.00
Request for other billing information	15.00
Easement letter	15.00
Income tax letter	15.00
Notification charge	15.00
Account history	15.00
Credit reference/credit check (plus credit agency costs)	15.00
Returned cheque charge (plus bank charges)	15.00
Charge to certify cheque	15.00
Legal letter charge	15.00
Account set up charge/change of occupancy charge (plus credit agency costs)	30.00
Special meter reads	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
Collection of account charge - no disconnection - after regular hours	165.00
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 - after regular hours	185.00
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
Interval Meter Charge	20.00
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	1,000.00
Specific Charge for Access to the Power Poles $/pole/year	22.35

Loss Factors	
Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0602
Total Loss Factor - Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0496
Total Loss Factor - Primary Metered Customer > 5,000 kW	N/A

Allowances	
Transformer Allowance for Ownership - per kW/90%kVa of billing demand/month	(0.50)
Primary Metering Allowance for transformer losses - applied to measured demand & energy	1.00%

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APPENDIX B

REVISED BILL IMPACTS

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Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - Residential - non-RPP

Consumption 100 kWh

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	100	$ 1.21	$ 0.0114	100	$ 1.14	-$ 0.07	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	100	$ 0.12	$ 0.0014	100	$ 0.14	$ 0.02	16.67%
7	Volumetric Rate Adder(s)			100	$ -		100	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		100	$ -		100	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	100	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	100	$ -	$ 0.0007	100	$ 0.07	$ 0.07	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0019	100	$ 0.19	-$ 0.0006	100	-$ 0.06	-$ 0.25	-131.58%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 15.96**			**$ 18.40**	**$ 2.44**	**15.29%**
17	RTSR - Network	per kWh	$ 0.0055	101.05	$ 0.56	$ 0.0057	101.06	$ 0.58	$ 0.02	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	101.05	$ 0.43	$ 0.0045	101.06	$ 0.45	$ 0.02	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 16.95**			**$ 19.43**	**$ 2.48**	**14.63%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	101.05	$ 0.53	$ 0.0052	101.06	$ 0.53	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	101.05	$ 0.13	$ 0.0011	101.06	$ 0.11	-$ 0.02	-15.38%
22	Special Purpose Charge	per kWh		101.05	$ -		101.06	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	100	$ 0.70	$ 0.0070	100	$ 0.70	$ -	0.00%
25	Energy			101.05	$ -		101.06	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	101.05	$ 6.87	$ 0.0750	101.06	$ 7.58	$ 0.71	10.31%
27	Cost of Power	per kWh	$ 0.0790		$ -	$ 0.0880		$ -	$ -	
28	**Total Bill (before Taxes)**				**$ 25.43**			**$ 28.60**	**$ 3.17**	**12.46%**
29	HST		13%		$ 3.31	13%		$ 3.72	$ 0.41	12.46%
30	**Total Bill (including Sub-total B)**				**$ 28.73**			**$ 32.31**	**$ 3.58**	**12.46%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 2.87**	-10%		**-$ 3.23**	**-$ 0.36**	**12.54%**
32	**Total Bill (including OCEB)**				**$ 25.86**			**$ 29.08**	**$ 3.22**	**12.45%**
33	**Loss Factor (%)**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - Residential - non-RPP

Consumption 800 kWh

		Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	800	$ 9.68	$ 0.0114	800	$ 9.12	-$ 0.56	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	800	$ 0.96	$ 0.0014	800	$ 1.12	$ 0.16	16.67%
7	Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		800	$ -		800	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	800	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	800	$ -	$ 0.0007	800	$ 0.56	$ 0.56	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0019	800	$ 1.52	-$ 0.0006	800	-$ 0.48	-$ 2.00	-131.58%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 26.60**			**$ 27.43**	**$ 0.83**	**3.12%**
17	RTSR - Network	per kWh	$ 0.0055	808.399	$ 4.45	$ 0.0057	808.482	$ 4.61	$ 0.16	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	808.399	$ 3.48	$ 0.0045	808.482	$ 3.64	$ 0.16	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 34.52**			**$ 35.68**	**$ 1.15**	**3.34%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	808.399	$ 4.20	$ 0.0052	808.482	$ 4.20	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	808.399	$ 1.05	$ 0.0011	808.482	$ 0.89	-$ 0.16	-15.38%
22	Special Purpose Charge	per kWh		808.399	$ -		808.482	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00%
25	Energy			808.399	$ -		808.482	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	239.92	$ 18.95	$ 0.0880	248.16	$ 21.84	$ 2.88	15.22%
28	**Total Bill (before Taxes)**				**$105.38**			**$ 113.46**	**$ 8.08**	**7.67%**
29	HST		13%		$ 13.70	13%		$ 14.75	$ 1.05	7.67%
30	**Total Bill (including Sub-total B)**				**$119.08**			**$ 128.21**	**$ 9.13**	**7.67%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 11.91**	-10%		**-$ 12.82**	**-$ 0.91**	**7.64%**
32	**Total Bill (including OCEB)**				**$107.17**			**$ 115.39**	**$ 8.22**	**7.67%**
33	**Loss Factor (%)**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Halton Hills Hydro Inc.

Bill Impacts - Residential - non-RPP

Consumption 1500 kWh

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	1500	$ 18.15	$ 0.0114	1500	$ 17.10	-$ 1.05	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	1500	$ 1.80	$ 0.0014	1500	$ 2.10	$ 0.30	16.67%
7	Volumetric Rate Adder(s)			1500	$ -		1500	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		1500	$ -		1500	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	1500	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	1500	$ -	$ 0.0007	1500	$ 1.05	$ 1.05	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0019	1500	$ 2.85	-$ 0.0006	1500	-$ 0.90	-$ 3.75	-131.58%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 37.24**			**$ 36.46**	**-$ 0.78**	**-2.09%**
17	RTSR - Network	per kWh	$ 0.0055	1515.75	$ 8.34	$ 0.0057	1515.9	$ 8.64	$ 0.30	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	1515.75	$ 6.52	$ 0.0045	1515.9	$ 6.82	$ 0.30	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 52.09**			**$ 51.92**	**-$ 0.17**	**-0.33%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	1515.75	$ 7.88	$ 0.0052	1515.9	$ 7.88	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	1515.75	$ 1.97	$ 0.0011	1515.9	$ 1.67	-$ 0.30	-15.38%
22	Special Purpose Charge	per kWh		1515.75	$ -		1515.9	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	1500	$ 10.50	$ 0.0070	1500	$ 10.50	$ -	0.00%
25	Energy			1515.75	$ -		1515.9	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	974.85	$ 77.01	$ 0.0880	990.3	$ 87.15	$ 10.13	13.16%
28	**Total Bill (before Taxes)**				**$ 190.51**			**$ 204.37**	**$ 13.86**	**7.27%**
29	HST		13%		$ 24.77	13%		$ 26.57	$ 1.80	7.27%
30	**Total Bill (including Sub-total B)**				**$ 215.28**			**$ 230.94**	**$ 15.66**	**7.27%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 21.53**	-10%		**-$ 23.09**	**-$ 1.56**	**7.25%**
32	**Total Bill (including OCEB)**				**$ 193.75**			**$ 207.85**	**$ 14.10**	**7.28%**
33	**Loss Factor (%)**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Halton Hills Hydro Inc.

Bill Impacts - Residential -RPP

Consumption 100 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	100	$ 1.21	$ 0.0114	100	$ 1.14	-$ 0.07	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	100	$ 0.12	$ 0.0014	100	$ 0.14	$ 0.02	16.67%
7	Volumetric Rate Adder(s)			100	$ -		100	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		100	$ -		100	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	100	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	100	$ -	$ 0.0007	100	$ 0.07	$ 0.07	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0006	100	$ 0.06	-$ 0.0018	100	-$ 0.18	-$ 0.24	-400.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 15.83**			**$ 18.28**	**$ 2.45**	**15.48%**
17	RTSR - Network	per kWh	$ 0.0055	101.05	$ 0.56	$ 0.0057	101.06	$ 0.58	$ 0.02	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	101.05	$ 0.43	$ 0.0045	101.06	$ 0.45	$ 0.02	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 16.82**			**$ 19.31**	**$ 2.49**	**14.81%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	101.05	$ 0.53	$ 0.0052	101.06	$ 0.53	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	101.05	$ 0.13	$ 0.0011	101.06	$ 0.11	-$ 0.02	-15.38%
22	Special Purpose Charge	per kWh		101.05	$ -		101.06	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	100	$ 0.70	$ 0.0070	100	$ 0.70	$ -	0.00%
25	Energy			101.05	$ -		101.06	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	101.05	$ 6.87	$ 0.0750	101.06	$ 7.58	$ 0.71	10.31%
27	Cost of Power	per kWh	$ 0.0790		$ -	$ 0.0880		$ -	$ -	
28	**Total Bill (before Taxes)**				**$ 25.30**			**$ 28.48**	**$ 3.18**	**12.56%**
29	HST		13%		$ 3.29	13%		$ 3.70	$ 0.41	12.56%
30	**Total Bill (including Sub-total B)**				**$ 28.59**			**$ 32.18**	**$ 3.59**	**12.56%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 2.86**	-10%		**-$ 3.22**	**-$ 0.36**	**12.59%**
32	**Total Bill (including OCEB)**				**$ 25.73**			**$ 28.96**	**$ 3.23**	**12.55%**
33	**Loss Factor (%)**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Halton Hills Hydro Inc.
Bill Impacts - Residential -RPP

Consumption 800 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	800	$ 9.68	$ 0.0114	800	$ 9.12	-$ 0.56	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	800	$ 0.96	$ 0.0014	800	$ 1.12	$ 0.16	16.67%
7	Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		800	$ -		800	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	800	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	800	$ -	$ 0.0007	800	$ 0.56	$ 0.56	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0006	800	$ 0.48	-$ 0.0018	800	-$ 1.44	-$ 1.92	-400.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 25.56**			**$ 26.47**	**$ 0.91**	**3.56%**
17	RTSR - Network	per kWh	$ 0.0055	808.399	$ 4.45	$ 0.0057	808.482	$ 4.61	$ 0.16	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	808.399	$ 3.48	$ 0.0045	808.482	$ 3.64	$ 0.16	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 33.48**			**$ 34.72**	**$ 1.23**	**3.69%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	808.399	$ 4.20	$ 0.0052	808.482	$ 4.20	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	808.399	$ 1.05	$ 0.0011	808.482	$ 0.89	-$ 0.16	-15.38%
22	Special Purpose Charge	per kWh		808.399	$ -		808.482	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00%
25	Energy			808.399	$ -		808.482	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	239.92	$ 18.95	$ 0.0880	248.16	$ 21.84	$ 2.88	15.22%
28	**Total Bill (before Taxes)**				**$ 104.34**			**$ 112.50**	**$ 8.16**	**7.82%**
29	HST		13%		$ 13.56	13%		$ 14.62	$ 1.06	7.82%
30	**Total Bill (including Sub-total B)**				**$ 117.90**			**$ 127.12**	**$ 9.22**	**7.82%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 11.79**	-10%		**-$ 12.71**	**-$ 0.92**	**7.80%**
32	**Total Bill (including OCEB)**				**$ 106.11**			**$ 114.41**	**$ 8.30**	**7.82%**

33	**Loss Factor (%)**	1.0499%	1.0602%

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Bill Impacts - Residential -RPP

Consumption 1500 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 14.6700	1	$ 14.67	$ 1.73	13.37%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	1500	$ 18.15	$ 0.0114	1500	$ 17.10	-$ 1.05	-5.79%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	1500	$ 1.80	$ 0.0014	1500	$ 2.10	$ 0.30	16.67%
7	Volumetric Rate Adder(s)			1500	$ -		1500	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		1500	$ -		1500	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	1500	$ -	$ 2.4400	1	$ 2.44	$ 2.44	
10	LRAM & SSM Rate Rider	per kWh	$ -	1500	$ -	$ 0.0007	1500	$ 1.05	$ 1.05	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0006	1500	$ 0.90	-$ 0.0018	1500	-$ 2.70	-$ 3.60	-400.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 35.29**			**$ 34.66**	**-$ 0.63**	**-1.79%**
17	RTSR - Network	per kWh	$ 0.0055	1515.75	$ 8.34	$ 0.0057	1515.9	$ 8.64	$ 0.30	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	1515.75	$ 6.52	$ 0.0045	1515.9	$ 6.82	$ 0.30	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 50.14**			**$ 50.12**	**-$ 0.02**	**-0.04%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	1515.75	$ 7.88	$ 0.0052	1515.9	$ 7.88	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	1515.75	$ 1.97	$ 0.0011	1515.9	$ 1.67	-$ 0.30	-15.38%
22	Special Purpose Charge	per kWh		1515.75	$ -		1515.9	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	1500	$ 10.50	$ 0.0070	1500	$ 10.50	$ -	0.00%
25	Energy			1515.75	$ -		1515.9	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	974.85	$ 77.01	$ 0.0880	990.3	$ 87.15	$ 10.13	13.16%
28	**Total Bill (before Taxes)**				**$ 188.56**			**$ 202.57**	**$ 14.01**	**7.43%**
29	HST		13%		$ 24.51	13%		$ 26.33	$ 1.82	7.43%
30	**Total Bill (including Sub-total B)**				**$ 213.07**			**$ 228.90**	**$ 15.83**	**7.43%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 21.31**	-10%		**-$ 22.89**	**-$ 1.58**	**7.41%**
32	**Total Bill (including OCEB)**				**$ 191.76**			**$ 206.01**	**$ 14.25**	**7.43%**
33	**Loss Factor (%)**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT
WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW - non-RPP

Consumption 2000 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	2000	$ 17.80	$ 0.0100	2000	$ 20.00	$ 2.20	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	2000	$ 2.20	$ 0.0013	2000	$ 2.60	$ 0.40	18.18%
7	Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider			2000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		2000	$ -	$ 0.0007	2000	$ 1.40	$ 1.40	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0020	2000	$ 4.00	-$ 0.0016	2000	-$ 3.20	-$ 7.20	-180.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 53.78**			**$ 55.44**	**$ 1.66**	**3.09%**
17	RTSR - Network	per kWh	$ 0.0049	2021	$ 9.90	$ 0.0051	2021.2	$ 10.31	$ 0.41	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	2021	$ 8.08	$ 0.0042	2021.2	$ 8.49	$ 0.41	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 71.77**			**$ 74.24**	**$ 2.47**	**3.44%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2021	$ 10.51	$ 0.0052	2021.2	$ 10.51	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	2021	$ 2.63	$ 0.0011	2021.2	$ 2.22	-$ 0.40	-15.38%
22	Special Purpose Charge			2021	$ -		2021.2	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00%
25	Energy			2021	$ -		2021.2	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	1499.8	$ 118.48	$ 0.0880	1542.88	$ 135.77	$ 17.29	14.59%
28	**Total Bill (before Taxes)**				**$ 258.44**			**$ 281.99**	**$ 23.56**	**9.12%**
29	HST		13%		$ 33.60	13%		$ 36.66	$ 3.06	9.12%
30	**Total Bill (including Sub-total B)**				**$ 292.03**			**$ 318.65**	**$ 26.62**	**9.12%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 29.20**	-10%		**-$ 31.87**	**-$ 2.67**	**9.14%**
32	**Total Bill (including OCEB)**				**$ 262.83**			**$ 286.78**	**$ 23.95**	**9.11%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW - non-RPP

Consumption 5000 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	5000	$ 44.50	$ 0.0100	5000	$ 50.00	$ 5.50	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	5000	$ 5.50	$ 0.0013	5000	$ 6.50	$ 1.00	18.18%
7	Volumetric Rate Adder(s)			5000	$ -		5000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		5000	$ -		5000	$ -	$ -	
9	Smart Meter Disposition Rider			5000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		5000	$ -	$ 0.0007	5000	$ 3.50	$ 3.50	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0020	5000	$ 10.00	-$ 0.0016	5000	-$ 8.00	-$ 18.00	-180.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 89.78**			**$ 86.64**	**-$ 3.14**	**-3.50%**
17	RTSR - Network	per kWh	$ 0.0049	5052.5	$ 24.76	$ 0.0051	5053.01	$ 25.77	$ 1.01	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	5052.5	$ 20.21	$ 0.0042	5053.01	$ 21.22	$ 1.01	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 134.75**			**$ 133.63**	**-$ 1.11**	**-0.83%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	5052.5	$ 26.27	$ 0.0052	5053.01	$ 26.28	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	5052.5	$ 6.57	$ 0.0011	5053.01	$ 5.56	-$ 1.01	-15.38%
22	Special Purpose Charge			5052.5	$ -		5053.01	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	5000	$ 35.00	$ 0.0070	5000	$ 35.00	$ -	0.00%
25	Energy			5052.5	$ -		5053.01	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	4649.5	$ 367.31	$ 0.0880	4757.2	$ 418.63	$ 51.32	13.97%
28	**Total Bill (before Taxes)**				**$ 610.95**			**$ 664.35**	**$ 53.40**	**8.74%**
29	HST		13%		$ 79.42	13%		$ 86.37	$ 6.94	8.74%
30	**Total Bill (including Sub-total B)**				**$ 690.37**			**$ 750.72**	**$ 60.35**	**8.74%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 69.04**	-10%		**-$ 75.07**	**-$ 6.03**	**8.73%**
32	**Total Bill (including OCEB)**				**$ 621.33**			**$ 675.65**	**$ 54.32**	**8.74%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW - non-RPP

Consumption 10000 kWh

		Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	10000	$ 89.00	$ 0.0100	10000	$ 100.00	$ 11.00	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	10000	$ 11.00	$ 0.0013	10000	$ 13.00	$ 2.00	18.18%
7	Volumetric Rate Adder(s)			10000	$ -		10000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		10000	$ -		10000	$ -	$ -	
9	Smart Meter Disposition Rider			10000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		10000	$ -	$ 0.0007	10000	$ 7.00	$ 7.00	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0020	10000	$ 20.00	-$ 0.0016	10000	-$ 16.00	-$ 36.00	-180.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 149.78**			**$ 138.64**	**-$ 11.14**	**-7.44%**
17	RTSR - Network	per kWh	$ 0.0049	10105	$ 49.51	$ 0.0051	10106	$ 51.54	$ 2.03	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	10105	$ 40.42	$ 0.0042	10106	$ 42.45	$ 2.03	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 239.71**			**$ 232.63**	**-$ 7.09**	**-2.96%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	10105	$ 52.55	$ 0.0052	10106	$ 52.55	$ 0.01	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	10105	$ 13.14	$ 0.0011	10106	$ 11.12	-$ 2.02	-15.38%
22	Special Purpose Charge			10105	$ -		10106	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	10000	$ 70.00	$ 0.0070	10000	$ 70.00	$ -	0.00%
25	Energy			10105	$ -		10106	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	9899	$ 782.02	$ 0.0880	10114.4	$ 890.07	$ 108.05	13.82%
28	**Total Bill (before Taxes)**				**$ 1,198.47**			**$ 1,301.61**	**$ 103.14**	**8.61%**
29	HST		13%		$ 155.80	13%		$ 169.21	$ 13.41	8.61%
30	**Total Bill (including Sub-total B)**				**$ 1,354.27**			**$ 1,470.82**	**$ 116.55**	**8.61%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 135.43**	-10%		**-$ 147.08**	**-$ 11.65**	**8.60%**
32	**Total Bill (including OCEB)**				**$ 1,218.84**			**$ 1,323.74**	**$ 104.90**	**8.61%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW-RPP

Consumption 2000 kWh

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	2000	$ 17.80	$ 0.0100	2000	$ 20.00	$ 2.20	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	2000	$ 2.20	$ 0.0013	2000	$ 2.60	$ 0.40	18.18%
7	Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider			2000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		2000	$ -	$ 0.0007	2000	$ 1.40	$ 1.40	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0007	2000	$ 1.40	-$ 0.0018	2000	-$ 3.60	-$ 5.00	-357.14%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 51.18**			**$ 55.04**	**$ 3.86**	**7.54%**
17	RTSR - Network	per kWh	$ 0.0049	2021	$ 9.90	$ 0.0051	2021.2	$ 10.31	$ 0.41	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	2021	$ 8.08	$ 0.0042	2021.2	$ 8.49	$ 0.41	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 69.17**			**$ 73.84**	**$ 4.67**	**6.75%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2021	$ 10.51	$ 0.0052	2021.2	$ 10.51	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	2021	$ 2.63	$ 0.0011	2021.2	$ 2.22	-$ 0.40	-15.38%
22	Special Purpose Charge			2021	$ -		2021.2	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00%
25	Energy			2021	$ -		2021.2	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	1499.8	$ 118.48	$ 0.0880	1542.88	$ 135.77	$ 17.29	14.59%
28	**Total Bill (before Taxes)**				**$ 255.84**			**$ 281.59**	**$ 25.76**	**10.07%**
29	HST		13%		$ 33.26	13%		$ 36.61	$ 3.35	10.07%
30	**Total Bill (including Sub-total B)**				**$ 289.10**			**$ 318.20**	**$ 29.10**	**10.07%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 28.91**	-10%		**-$ 31.82**	**-$ 2.91**	**10.07%**
32	**Total Bill (including OCEB)**				**$ 260.19**			**$ 286.38**	**$ 26.19**	**10.07%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW- RPP

Consumption 5000 kWh

#		Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	5000	$ 44.50	$ 0.0100	5000	$ 50.00	$ 5.50	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	5000	$ 5.50	$ 0.0013	5000	$ 6.50	$ 1.00	18.18%
7	Volumetric Rate Adder(s)			5000	$ -		5000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		5000	$ -		5000	$ -	$ -	
9	Smart Meter Disposition Rider			5000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		5000	$ -	$ 0.0007	5000	$ 3.50	$ 3.50	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0007	5000	$ 3.50	-$ 0.0018	5000	-$ 9.00	-$ 12.50	-357.14%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 83.28**			**$ 85.64**	**$ 2.36**	**2.83%**
17	RTSR - Network	per kWh	$ 0.0049	5052.5	$ 24.76	$ 0.0051	5053.01	$ 25.77	$ 1.01	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	5052.5	$ 20.21	$ 0.0042	5053.01	$ 21.22	$ 1.01	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 128.25**			**$ 132.63**	**$ 4.39**	**3.42%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	5052.5	$ 26.27	$ 0.0052	5053.01	$ 26.28	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	5052.5	$ 6.57	$ 0.0011	5053.01	$ 5.56	-$ 1.01	-15.38%
22	Special Purpose Charge			5052.5	$ -		5053.01	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	5000	$ 35.00	$ 0.0070	5000	$ 35.00	$ -	0.00%
25	Energy			5052.5	$ -		5053.01	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	4649.5	$ 367.31	$ 0.0880	4757.2	$ 418.63	$ 51.32	13.97%
28	**Total Bill (before Taxes)**				**$ 604.45**			**$ 663.35**	**$ 58.90**	**9.74%**
29	HST		13%		$ 78.58	13%		$ 86.24	$ 7.66	9.74%
30	**Total Bill (including Sub-total B)**				**$ 683.03**			**$ 749.59**	**$ 66.56**	**9.74%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 68.30**	-10%		**-$ 74.96**	**-$ 6.66**	**9.75%**
32	**Total Bill (including OCEB)**				**$ 614.73**			**$ 674.63**	**$ 59.90**	**9.74%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW -RPP

Consumption 10000 **kWh**

#		Charge Unit	Current Board-Approved Rate ($)	Current Volume	Current Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 31.8000	1	$ 31.80	$ 3.52	12.45%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	10000	$ 89.00	$ 0.0100	10000	$ 100.00	$ 11.00	12.36%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	10000	$ 11.00	$ 0.0013	10000	$ 13.00	$ 2.00	18.18%
7	Volumetric Rate Adder(s)			10000	$ -		10000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		10000	$ -		10000	$ -	$ -	
9	Smart Meter Disposition Rider			10000	$ -	$ 2.8400	1	$ 2.84	$ 2.84	
10	LRAM & SSM Rider	per kWh		10000	$ -	$ 0.0007	10000	$ 7.00	$ 7.00	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0007	10000	$ 7.00	-$ 0.0018	10000	-$ 18.00	-$ 25.00	-357.14%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 136.78**			**$ 136.64**	**-$ 0.14**	**-0.10%**
17	RTSR - Network	per kWh	$ 0.0049	10105	$ 49.51	$ 0.0051	10106	$ 51.54	$ 2.03	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	10105	$ 40.42	$ 0.0042	10106	$ 42.45	$ 2.03	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 226.71**			**$ 230.63**	**$ 3.91**	**1.73%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	10105	$ 52.55	$ 0.0052	10106	$ 52.55	$ 0.01	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	10105	$ 13.14	$ 0.0011	10106	$ 11.12	-$ 2.02	-15.38%
22	Special Purpose Charge			10105	$ -		10106	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	10000	$ 70.00	$ 0.0070	10000	$ 70.00	$ -	0.00%
25	Energy			10105	$ -		10106	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	9899	$ 782.02	$ 0.0880	10114.4	$ 890.07	$ 108.05	13.82%
28	**Total Bill (before Taxes)**				**$ 1,185.47**			**$ 1,299.61**	**$ 114.14**	**9.63%**
29	HST		13%		$ 154.11	13%		$ 168.95	$ 14.84	9.63%
30	**Total Bill (including Sub-total B)**				**$ 1,339.58**			**$ 1,468.56**	**$ 128.98**	**9.63%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 133.96**	-10%		**-$ 146.86**	**-$ 12.90**	**9.63%**
32	**Total Bill (including OCEB)**				**$ 1,205.62**			**$ 1,321.70**	**$ 116.08**	**9.63%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service 50 to 999 kW

Consumption 30000 kWh 100 kW

		Charge Unit	Current Board-Approved Rate ($)	Current Volume	Current Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 76.1800	1	$ 76.18	$ 89.8400	1	$ 89.84	$ 13.66	17.93%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 3.3939	100	$ 339.39	$ 4.0060	100	$ 400.60	$ 61.21	18.04%
6	Low Voltage Rate Adder	per kW	$ 0.4340	100	$ 43.40	$ 0.4734	100	$ 47.34	$ 3.94	9.08%
7	Volumetric Rate Adder(s)	per kW		100	$ -		100	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		100	$ -		100	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		100	$ -		100	$ -	$ -	
10	LRAM & SSM Rider	per kW		100	$ -	$ 0.0408	100	$ 4.08	$ 4.08	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.5346	100	$ 53.46	$ 0.8754	100	$ 87.54	$ 34.08	63.75%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 513.93**			**$ 629.40**	**$ 115.47**	**22.47%**
17	RTSR - Network	per kW	$ 2.1335	100	$ 213.35	$ 2.2257	100	$ 222.57	$ 9.22	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.7233	100	$ 172.33	$ 1.7975	100	$ 179.75	$ 7.42	4.31%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 899.61**			**$ 1,031.72**	**$ 132.11**	**14.69%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	30315	$ 157.64	$ 0.0052	30318.1	$ 157.65	$ 0.02	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	30315	$ 39.41	$ 0.0011	30318.1	$ 33.35	-$ 6.06	-15.38%
22				30315	$ -		30318.1	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	30000	$ 210.00	$ 0.0070	30000	$ 210.00	$ -	0.00%
25	Energy	per kWh		30315	$ -		30318.1	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	30897	$ 2,440.86	$ 0.0880	31543.2	$ 2,775.80	$ 334.94	13.72%
28	**Total Bill (before Taxes)**				**$ 3,788.57**			**$ 4,253.78**	**$ 465.21**	**12.28%**
29	HST		13%		$ 492.51	13%		$ 552.99	$ 60.48	12.28%
30	**Total Bill (including Sub-total B)**				**$ 4,281.08**			**$ 4,806.77**	**$ 525.69**	**12.28%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 428.11**	-10%		**-$ 480.68**	**-$ 52.57**	**12.28%**
32	**Total Bill (including OCEB)**				**$ 3,852.97**			**$ 4,326.09**	**$ 473.12**	**12.28%**

		Current	Proposed
33	**Loss Factor**	1.0499%	1.0602%

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service 50 to 999 kW

Consumption 800000 kWh 2000 kW

		Charge Unit	Current Board-Approved Rate ($)	Volume	Charge ($)	Proposed Rate ($)	Volume	Charge ($)	Impact $ Change	% Change
1	Monthly Service Charge	monthly	$ 76.1800	1	$ 76.18	$ 89.8400	1	$ 89.84	$ 13.66	17.93%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 3.3939	2000	$ 6,787.80	$ 4.0060	2000	$ 8,012.00	$ 1,224.20	18.04%
6	Low Voltage Rate Adder	per kW	$ 0.4340	2000	$ 868.00	$ 0.4734	2000	$ 946.80	$ 78.80	9.08%
7	Volumetric Rate Adder(s)	per kW		2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		2000	$ -		2000	$ -	$ -	
10	LRAM & SSM Rider	per kW		2000	$ -	$ 0.0408	2000	$ 81.60	$ 81.60	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.5346	2000	$ 1,069.20	$ 0.8754	2000	$ 1,750.80	$ 681.60	63.75%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 8,802.68**			**$ 10,881.04**	**$ 2,078.36**	**23.61%**
17	RTSR - Network	per kW	$ 2.1335	2000	$ 4,267.00	$ 2.2257	2000	$ 4,451.40	$ 184.40	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.7233	2000	$ 3,446.60	$ 1.7975	2000	$ 3,595.00	$ 148.40	4.31%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 16,516.28**			**$ 18,927.44**	**$ 2,411.16**	**14.60%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	808399	$ 4,203.68	$ 0.0052	808482	$ 4,204.10	$ 0.43	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	808399	$ 1,050.92	$ 0.0011	808482	$ 889.33	-$ 161.59	-15.38%
22				808399	$ -		808482	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	800000	$ 5,600.00	$ 0.0070	800000	$ 5,600.00	$ -	0.00%
25	Energy	per kWh		808399	$ -		808482	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	839320	$ 66,306.28	$ 0.0880	856552	$ 75,376.59	$ 9,070.31	13.68%
28	**Total Bill (before Taxes)**				**$ 93,718.20**			**$ 105,042.72**	**$11,324.51**	**12.08%**
29	HST		13%		$ 12,183.37	13%		$ 13,655.55	$ 1,472.19	12.08%
30	**Total Bill (including Sub-total B)**				**$ 105,901.57**			**$ 118,698.27**	**$12,796.70**	**12.08%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 10,590.16**	-10%		**-$ 11,869.83**	**-$ 1,279.67**	**12.08%**
32	**Total Bill (including OCEB)**				**$ 95,311.41**			**$ 106,828.44**	**$11,517.03**	**12.08%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT
WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service 1,000 to 4,999 kW

Consumption 2,800,000 kWh 6,500 kW

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 173.3100	1	$ 173.31	$ 173.3100	1	$ 173.31	$ -	0.00%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 3.6055	6500	$ 23,435.75	$ 3.6987	6500	$ 24,041.55	$ 605.80	2.58%
6	Low Voltage Rate Adder	per kW	$ 0.4677	6500	$ 3,040.05	$ 0.4734	6500	$ 3,077.10	$ 37.05	1.22%
7	Volumetric Rate Adder(s)	per kW		6500	$ -		6500	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		6500	$ -		6500	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		6500	$ -		6500	$ -	$ -	
10	LRAM & SSM Rider	per kW		6500	$ -	$ 0.0090	6500	$ 58.50	$ 58.50	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.6343	6500	$ 4,122.95	$ 1.2121	6500	$ 7,878.65	$ 3,755.70	91.09%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 30,773.56**			**$ 35,229.11**	**$ 4,455.55**	**14.48%**
17	RTSR - Network	per kW	$ 2.1335	6500	$ 13,867.75	$ 2.2257	6500	$ 14,467.05	$ 599.30	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.7233	6500	$ 11,201.45	$ 1.7975	6500	$ 11,683.75	$ 482.30	4.31%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 55,842.76**			**$ 61,379.91**	**$ 5,537.15**	**9.92%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2829397	$ 14,712.87	$ 0.0052	2829686	$ 14,714.37	$ 1.50	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	2829397	$ 3,678.22	$ 0.0011	2829686	$ 3,112.65	-$ 565.56	-15.38%
22				2829397	$ -		2829686	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	2800000	$ 19,600.00	$ 0.0070	2800000	$ 19,600.00	$ -	0.00%
25	Energy	per kWh		2829397	$ -		2829686	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	2939120	$ 232,190.48	$ 0.0880	2999433	$ 263,950.08	$ 31,759.60	13.68%
28	**Total Bill (before Taxes)**				**$ 326,065.37**			**$ 362,802.25**	**$ 36,736.88**	**11.27%**
29	HST		13%		$ 42,388.50	13%		$ 47,164.29	$ 4,775.79	11.27%
30	**Total Bill (including Sub-total B)**				**$ 368,453.87**			**$ 409,966.55**	**$ 41,512.68**	**11.27%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 36,845.39**	-10%		**-$ 40,996.66**	**-$ 4,151.27**	**11.27%**
32	**Total Bill (including OCEB)**				**$ 331,608.48**			**$ 368,969.89**	**$ 37,361.41**	**11.27%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service 1,000 to 4,999 kW

Consumption 4,200,000 kWh 10,000 kW

#		Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 173.3100	1	$ 173.31	$ 173.3100	1	$ 173.31	$ -	0.00%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50		1	$ -	-$ 1.50	-100.00%
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 3.6055	10000	$ 36,055.00	$ 3.6987	10000	$ 36,987.00	$ 932.00	2.58%
6	Low Voltage Rate Adder	per kW	$ 0.4677	10000	$ 4,677.00	$ 0.4734	10000	$ 4,734.00	$ 57.00	1.22%
7	Volumetric Rate Adder(s)	per kW		10000	$ -		10000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		10000	$ -		10000	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		10000	$ -		10000	$ -	$ -	
10	LRAM & SSM Rider	per kW		10000	$ -	$ 0.0090	10000	$ 90.00	$ 90.00	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.6343	10000	$ 6,343.00	$ 1.2121	10000	$ 12,121.00	$ 5,778.00	91.09%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 47,249.81**			**$ 54,105.31**	**$ 6,855.50**	**14.51%**
17	RTSR - Network	per kW	$ 2.1335	10000	$ 21,335.00	$ 2.2257	10000	$ 22,257.00	$ 922.00	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.7233	10000	$ 17,233.00	$ 1.7975	10000	$ 17,975.00	$ 742.00	4.31%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 85,817.81**			**$ 94,337.31**	**$ 8,519.50**	**9.93%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	4244096	$ 22,069.30	$ 0.0052	4244528	$ 22,071.55	$ 2.25	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	4244096	$ 5,517.32	$ 0.0011	4244528	$ 4,668.98	-$ 848.34	-15.38%
22				4244096	$ -		4244528	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	4200000	$ 29,400.00	$ 0.0070	4200000	$ 29,400.00	$ -	0.00%
25	Energy	per kWh		4244096	$ -		4244528	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	4408980	$ 348,309.42	$ 0.0880	4499449	$ 395,951.51	$ 47,642.09	13.68%
28	**Total Bill (before Taxes)**				**$ 491,154.90**			**$ 546,474.60**	**$ 55,319.70**	**11.26%**
29	HST		13%		$ 63,850.14	13%		$ 71,041.70	$ 7,191.56	11.26%
30	**Total Bill (including Sub-total B)**				**$ 555,005.04**			**$ 617,516.30**	**$ 62,511.26**	**11.26%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 55,500.50**	-10%		**-$ 61,751.63**	**-$ 6,251.13**	**11.26%**
32	**Total Bill (including OCEB)**				**$ 499,504.54**			**$ 555,764.67**	**$ 56,260.13**	**11.26%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - USL

Consumption 250 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge	monthly	$ 12.6900	1	$ 12.69	$ 7.8590	1	$ 7.86	-$ 4.83	-38.07%
2	Smart Meter Rate Adder	monthly	$ -	1	$ -		1	$ -	$ -	
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0084	250	$ 2.10	$ 0.0052	250	$ 1.30	-$ 0.80	-38.10%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	250	$ 0.28	$ 0.0013	250	$ 0.33	$ 0.05	18.18%
7	Volumetric Rate Adder(s)			250	$ -		250	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		250	$ -		250	$ -	$ -	
9	Smart Meter Disposition Rider			250	$ -		250	$ -	$ -	
10	LRAM & SSM Rider	per kWh		250	$ -		250	$ -	$ -	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0004	250	$ 0.10	-$ 0.0016	250	-$ 0.40	-$ 0.50	-500.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 15.17**			**$ 9.08**	**-$ 6.08**	**-40.10%**
17	RTSR - Network	per kWh	$ 0.0049	252.625	$ 1.24	$ 0.0051	252.651	$ 1.29	$ 0.05	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	252.625	$ 1.01	$ 0.0042	252.651	$ 1.06	$ 0.05	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 17.41**			**$ 11.43**	**-$ 5.98**	**-34.34%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	252.625	$ 1.31	$ 0.0052	252.651	$ 1.31	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	252.625	$ 0.33	$ 0.0011	252.651	$ 0.28	-$ 0.05	-15.38%
22	Special Purpose Charge			252.625	$ -		252.651	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	250	$ 1.75	$ 0.0070	250	$ 1.75	$ -	0.00%
25	Energy			252.625	$ -		252.651	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	-337.525	-$ 26.66	$ 0.0880	-332.14	-$ 29.23	-$ 2.56	9.62%
28	**Total Bill (before Taxes)**				**$ 35.19**			**$ 30.80**	**-$ 4.39**	**-12.49%**
29	HST		13%		$ 4.57	13%		$ 4.00	-$ 0.57	-12.49%
30	**Total Bill (including Sub-total B)**				**$ 39.77**			**$ 34.80**	**-$ 4.97**	**-12.50%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 3.98**	-10%		**-$ 3.48**	**$ 0.50**	**-12.56%**
32	**Total Bill (including OCEB)**				**$ 35.79**			**$ 31.32**	**-$ 4.47**	**-12.49%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - Sentinel Lighting

Consumption 134.55 kWh 0.3 kW

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 2.6700	1	$ 2.67	$ 5.8737	1	$ 5.87	$ 3.20	119.99%
2	Smart Meter Rate Adder	monthly	$ -	1	$ -		1	$ -	$ -	
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 10.1069	0.3	$ 3.03	$ 22.2342	0.3	$ 6.67	$ 3.64	119.99%
6	Low Voltage Rate Adder	per kW	$ 0.4161	0.3	$ 0.12	$ 0.3408	0.3	$ 0.10	-$ 0.02	-18.10%
7	Volumetric Rate Adder(s)	per kW		0.3	$ -		0.3	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		0.3	$ -		0.3	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		0.3	$ -		0.3	$ -	$ -	
10	LRAM & SSM Rider	per kW		0.3	$ -		0.3	$ -	$ -	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.2214	0.3	$ 0.07	-$ 0.7438	0.3	-$ 0.22	-$ 0.29	-435.95%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 5.89**			**$ 12.42**	**$ 6.53**	**110.80%**
17	RTSR - Network	per kW	$ 1.5220	0.3	$ 0.46	$ 1.5878	0.3	$ 0.48	$ 0.02	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.2407	0.3	$ 0.37	$ 1.2941	0.3	$ 0.39	$ 0.02	4.30%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 6.72**			**$ 13.29**	**$ 6.57**	**97.67%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	135.963	$ 0.71	$ 0.0052	135.976	$ 0.71	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	135.963	$ 0.18	$ 0.0011	135.976	$ 0.15	-$ 0.03	-15.38%
22				135.963	$ -		135.976	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	134.55	$ 0.94	$ 0.0070	134.55	$ 0.94	$ -	0.00%
25	Energy	per kWh		135.963	$ -		135.976	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	-458.736	-$ 36.24	$ 0.0880	-455.838	-$ 40.11	-$ 3.87	10.69%
28	**Total Bill (before Taxes)**				**$ 13.36**			**$ 20.22**	**$ 6.86**	**51.39%**
29	HST		13%		$ 1.74	13%		$ 2.63	$ 0.89	51.39%
30	**Total Bill (including Sub-total B)**				**$ 15.09**			**$ 22.85**	**$ 7.76**	**51.42%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 1.51**	-10%		**-$ 2.29**	**-$ 0.78**	**51.66%**
32	**Total Bill (including OCEB)**				**$ 13.58**			**$ 20.56**	**$ 6.98**	**51.40%**
33	**Loss Factor**		1.0499%			1.0602%				

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Bill Impacts - Street Lighting

Consumption	62.47	kWh	0.17	kW

#		Charge Unit	Current Board-Approved Rate ($)	Current Volume	Current Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 2.3000	1	$ 2.30	$ 2.5869	1	$ 2.59	$ 0.29	12.47%
2	Smart Meter Rate Adder	monthly	$ -	1	$ -		1	$ -	$ -	
3	Service Charge Rate Adder(s)	monthly		1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)	monthly		1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kW	$ 31.1435	0.17	$ 5.29	$ 35.0285	0.17	$ 5.95	$ 0.66	12.47%
6	Low Voltage Rate Adder	per kW	$ 0.3311	0.17	$ 0.06	$ 0.3338	0.17	$ 0.06	$ 0.00	0.82%
7	Volumetric Rate Adder(s)	per kW		0.17	$ -		0.17	$ -	$ -	
8	Volumetric Rate Rider(s)	per kW		0.17	$ -		0.17	$ -	$ -	
9	Smart Meter Disposition Rider	monthly		0.17	$ -		0.17	$ -	$ -	
10	LRAM & SSM Rider	per kW		0.17	$ -		0.17	$ -	$ -	
11	Deferral/Variance Account Disposition Rate Rider	per kW	$ 0.2300	0.17	$ 0.04	$ 0.1832	0.17	$ 0.03	-$ 0.01	-20.35%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 7.69**			**$ 8.63**	**$ 0.94**	**12.22%**
17	RTSR - Network	per kW	$ 1.5150	0.17	$ 0.26	$ 1.5805	0.17	$ 0.27	$ 0.01	4.32%
18	RTSR - Line and Transformation Connection	per kW	$ 1.2153	0.17	$ 0.21	$ 1.2676	0.17	$ 0.22	$ 0.01	4.30%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 8.15**			**$ 9.11**	**$ 0.96**	**11.77%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	63.1259	$ 0.33	$ 0.0052	63.1323	$ 0.33	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	63.1259	$ 0.08	$ 0.0011	63.1323	$ 0.07	-$ 0.01	-15.38%
22				63.1259	$ -		63.1323	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)	per kWh	$ 0.0070	62.47	$ 0.44	$ 0.0070	62.47	$ 0.44	$ -	0.00%
25	Energy	per kWh		63.1259	$ -		63.1323	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0680	600	$ 40.80	$ 0.0750	600	$ 45.00	$ 4.20	10.29%
27	Cost of Power	per kWh	$ 0.0790	-534.413	-$ 42.22	$ 0.0880	-533.067	-$ 46.91	-$ 4.69	11.11%
28	**Total Bill (before Taxes)**				**$ 7.83**			**$ 8.29**	**$ 0.46**	**5.82%**
29	HST		13%		$ 1.02	13%		$ 1.08	$ 0.06	5.82%
30	**Total Bill (including Sub-total B)**				**$ 8.85**			**$ 9.37**	**$ 0.52**	**5.88%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 0.89**	-10%		**-$ 0.94**	**-$ 0.05**	**5.62%**
32	**Total Bill (including OCEB)**				**$ 7.96**			**$ 8.43**	**$ 0.47**	**5.90%**
33	**Loss Factor**		1.0499%			1.0602%				

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APPENDIX C

REVISED REVENUE REQUIREMENT WORKFORM

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Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Choose Your Utility:	File Number:	Rate Year:
Haldimand County Hydro Inc. Halton Hills Hydro Inc. Hearst Power Distribution Company Limited	EB-2011-0271	2012

Click here to print the entire workbook

Application Contact Information

Name:	David J. Smelsky
Title:	Chief Financial Officer
Phone Number:	519 853 3700 Ext. 208
Email Address:	dsmelsky@haltonhillshydro.com

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Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

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3. Data_Input_Sheet
4. Rate_Base
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6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10A. Bill Impacts - Residential
10B. Bill Impacts - GS_LT_50kW

Notes:

(1) Pale green cells represent inputs
(2) Pale green boxes at the bottom of each page are for additional notes
(3) Pale yellow cells represent drop-down lists
(4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
(5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Data Input (1)

		Initial Application				(6)		Per Board Decision	
1	**Rate Base**								
	Gross Fixed Assets (average)	$58,245,701		($1,467,006)	$ 56,778,694		($600,000)	$56,178,694	
	Accumulated Depreciation (average)	($21,569,493)	(5)	($90,578)	($21,660,071)		$14,967	($21,645,104)	
	Allowance for Working Capital:								
	Controllable Expenses	$6,397,261		($123,240)	$ 6,274,021		($374,021)	$5,900,000	
	Cost of Power	$46,722,395		$13,707	$ 46,736,102			$46,736,102	
	Working Capital Rate (%)	15.00%			15.00%			15.00%	
2	**Utility Income**								
	Operating Revenues:								
	Distribution Revenue at Current Rates	$9,165,845		$36,317	$9,202,162		($0)	$9,202,162	
	Distribution Revenue at Proposed Rates	$10,095,456		($683,799)	$9,411,657		($739,125)	$8,672,531	
	Other Revenue:								
	Specific Service Charges	$172,792		($0)	$172,792		$0	$172,792	
	Late Payment Charges	$271,607		($0)	$271,607		$0	$271,607	
	Other Distribution Revenue	$249,346		$4,300	$253,646		$0	$253,646	
	Other Income and Deductions	$448,500		$12,500	$461,000		$0	$461,000	
	Total Revenue Offsets	$1,142,245	(7)	$16,800	$1,159,045		$0	$1,159,045	
	Operating Expenses:								
	OM+A Expenses	$6,290,661		($123,240)	$ 6,167,421		($374,021)	$5,793,400	
	Depreciation/Amortization	$1,624,165		($233,972)	$ 1,390,193		($71,144)	$1,319,049	
	Property taxes	$106,600		$ -	$ 106,600			$106,600	
	Other expenses	$ -			0		($50,956)	($50,956)	
3	**Taxes/PILs**								
	Taxable Income:								
	Adjustments required to arrive at taxable income	($1,341,194)	(3)		($1,208,116.19)			($1,190,116)	
	Utility Income Taxes and Rates:								
	Income taxes (not grossed up)	$97,012			$35,978			$26,841	
	Income taxes (grossed up)	$131,542			$39,393			$29,150	
	Federal tax (%)	15.00%			4.17%			3.96%	
	Provincial tax (%)	11.25%			4.50%			3.96%	
	Income Tax Credits				$ -				
4	**Capitalization/Cost of Capital**								
	Capital Structure:								
	Long-term debt Capitalization Ratio (%)	56.0%			56.0%			56.0%	
	Short-term debt Capitalization Ratio (%)	4.0%	(2)		4.0%	(2)		4.0%	(2)
	Common Equity Capitalization Ratio (%)	40.0%			40.0%			40.0%	
	Prefered Shares Capitalization Ratio (%)								
		100.0%			100.0%			100.0%	
	Cost of Capital								
	Long-term debt Cost Rate (%)	5.32%			5.01%			4.21%	
	Short-term debt Cost Rate (%)	2.46%			2.08%			2.08%	
	Common Equity Cost Rate (%)	9.58%			9.42%			9.42%	
	Prefered Shares Cost Rate (%)								

Notes:

General Data inputs are required on Sheets 3, 10A and 10B. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)
(2) 4.0% unless an Applicant has proposed or been approved for another amount.
(3) Net of addbacks and deductions to arrive at taxable income.
(4) Average of Gross Fixed Assets at beginning and end of the Test Year
(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$58,245,701	($1,467,006)	$56,778,694	($600,000)	$56,178,694
2	Accumulated Depreciation (average)	(3)	($21,569,493)	($90,578)	($21,660,071)	$14,967	($21,645,104)
3	Net Fixed Assets (average)	(3)	$36,676,208	($1,557,585)	$35,118,623	($585,033)	$34,533,590
4	Allowance for Working Capital	(1)	$7,967,948	($16,430)	$7,951,519	($56,103)	$7,895,415
5	**Total Rate Base**		$44,644,156	($1,574,015)	$43,070,141	($641,136)	$42,429,005

Allowance for Working Capital - Derivation

(1)

Line No.	Particulars		Initial Application				Per Board Decision
6	Controllable Expenses		$6,397,261	($123,240)	$6,274,021	($374,021)	$5,900,000
7	Cost of Power		$46,722,395	$13,707	$46,736,102	$ -	$46,736,102
8	Working Capital Base		$53,119,656	($109,533)	$53,010,124	($374,021)	$52,636,103
9	Working Capital Rate %	(2)	15.00%	0.00%	15.00%	0.00%	15.00%
10	Working Capital Allowance		$7,967,948	($16,430)	$7,951,519	($56,103)	$7,895,415

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$10,095,456	($683,799)	$9,411,657	($739,125)	$8,672,531
2	Other Revenue	(1)	$1,142,245	$16,800	$1,159,045	$ -	$1,159,045
3	Total Operating Revenues		$11,237,701	($666,999)	$10,570,702	($739,125)	$9,831,576
	Operating Expenses:						
4	OM+A Expenses		$6,290,661	($123,240)	$6,167,421	($374,021)	$5,793,400
5	Depreciation/Amortization		$1,624,165	($233,972)	$1,390,193	($71,144)	$1,319,049
6	Property taxes		$106,600	$ -	$106,600	$ -	$106,600
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -	$ -	($50,956)	($50,956)
9	Subtotal (lines 4 to 8)		$8,021,426	($357,212)	$7,664,214	($496,121)	$7,168,093
10	Deemed Interest Expense		$1,373,969	($129,758)	$1,244,210	($208,603)	$1,035,607
11	Total Expenses (lines 9 to 10)		$9,395,395	($486,971)	$8,908,424	($704,724)	$8,203,700
12	**Utility income before income taxes**		$1,842,306	($180,029)	$1,662,277	($34,401)	$1,627,876
13	Income taxes (grossed-up)		$131,542	($92,149)	$39,393	($10,243)	$29,150
14	**Utility net income**		$1,710,764	($87,880)	$1,622,884	($24,158)	$1,598,726

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	$172,792	($0)	$172,792	$ -	$172,792
	Late Payment Charges	$271,607	($0)	$271,607	$ -	$271,607
	Other Distribution Revenue	$249,346	$4,300	$253,646	$ -	$253,646
	Other Income and Deductions	$448,500	$12,500	$461,000	$ -	$461,000
	Total Revenue Offsets	$1,142,245	$16,800	$1,159,045	$ -	$1,159,045

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$1,710,764	$1,622,883	$1,598,725
2	Adjustments required to arrive at taxable utility income	($1,341,194)	($1,208,116)	($1,190,116)
3	Taxable income	$369,570	$414,767	$408,609
	Calculation of Utility income Taxes			
4	Income taxes	$97,012	$35,978	$26,841
6	Total taxes	$97,012	$35,978	$26,841
7	Gross-up of Income Taxes	$34,530	$3,415	$2,309
8	Grossed-up Income Taxes	$131,542	$39,393	$29,150
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$131,542	$39,393	$29,150
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	4.17%	3.96%
12	Provincial tax (%)	11.25%	4.50%	3.96%
13	Total tax rate (%)	26.25%	8.67%	7.92%

Notes

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Capitalization/Cost of Capital

Initial Application

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt	56.00%	$25,000,728	5.32%	$1,330,039
2	Short-term Debt	4.00%	$1,785,766	2.46%	$43,930
3	**Total Debt**	60.00%	$26,786,494	5.13%	$1,373,969
	Equity				
4	Common Equity	40.00%	$17,857,663	9.58%	$1,710,764
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$17,857,663	9.58%	$1,710,764
7	**Total**	100.00%	$44,644,156	6.91%	$3,084,733

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt	56.00%	$24,119,279	5.01%	$1,208,376
2	Short-term Debt	4.00%	$1,722,806	2.08%	$35,834
3	**Total Debt**	60.00%	$25,842,085	4.81%	$1,244,210
	Equity				
4	Common Equity	40.00%	$17,228,057	9.42%	$1,622,883
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$17,228,057	9.42%	$1,622,883
7	**Total**	100.00%	$43,070,141	6.66%	$2,867,093

Per Board Decision

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
8	Long-term Debt	56.00%	$23,760,243	4.21%	$1,000,306
9	Short-term Debt	4.00%	$1,697,160	2.08%	$35,301
10	**Total Debt**	60.00%	$25,457,403	4.07%	$1,035,607
	Equity				
11	Common Equity	40.00%	$16,971,602	9.42%	$1,598,725
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	40.00%	$16,971,602	9.42%	$1,598,725
14	**Total**	100.00%	$42,429,005	6.21%	$2,634,332

Notes

(1) 4.0% unless an Applicant has proposed or been approved for another amount.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates	At Current Approved Rates	At Proposed Rates	Per Board Decision: At Current Approved Rates	Per Board Decision: At Proposed Rates
1	Revenue Deficiency from Below		$929,610		$209,474		($523,632)
2	Distribution Revenue	$9,165,845	$9,165,845	$9,202,162	$9,202,183	$9,202,162	$9,196,163
3	Other Operating Revenue Offsets - net	$1,142,245	$1,142,245	$1,159,045	$1,159,045	$1,159,045	$1,159,045
4	**Total Revenue**	$10,308,091	$11,237,701	$10,361,207	$10,570,702	$10,361,207	$9,831,576
5	Operating Expenses	$8,021,426	$8,021,426	$7,664,214	$7,664,214	$7,168,093	$7,168,093
6	Deemed Interest Expense	$1,373,969	$1,373,969	$1,244,210	$1,244,210	$1,035,607	$1,035,607
	Total Cost and Expenses	$9,395,395	$9,395,395	$8,908,424	$8,908,424	$8,203,700	$8,203,700
7	**Utility Income Before Income Taxes**	$912,696	$1,842,306	$1,452,783	$1,662,277	$2,157,507	$1,627,876
8	Tax Adjustments to Accounting Income per 2009 PILs	($1,341,194)	($1,341,194)	($1,208,116)	($1,208,116)	($1,190,116)	($1,190,116)
9	**Taxable Income**	($428,498)	$501,112	$244,667	$454,161	$967,391	$437,760
10	Income Tax Rate	26.25%	26.25%	8.67%	8.67%	7.92%	7.92%
11	**Income Tax on Taxable Income**	($112,481)	$131,542	$21,213	$39,376	$76,627	$34,675
12	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
13	**Utility Net Income**	$1,025,177	$1,710,764	$1,431,570	$1,622,884	$2,080,880	$1,598,726
14	**Utility Rate Base**	$44,644,156	$44,644,156	$43,070,141	$43,070,141	$42,429,005	$42,429,005
	Deemed Equity Portion of Rate Base	$17,857,663	$17,857,663	$17,228,057	$17,228,057	$16,971,602	$16,971,602
15	Income/(Equity Portion of Rate Base)	5.74%	9.58%	8.31%	9.42%	12.26%	9.42%
16	Target Return - Equity on Rate Base	9.58%	9.58%	9.42%	9.42%	9.42%	9.42%
17	Deficiency/Sufficiency in Return on Equity	-3.84%	0.00%	-1.11%	0.00%	2.84%	0.00%
18	Indicated Rate of Return	5.37%	6.91%	6.21%	6.66%	7.35%	6.21%
19	Requested Rate of Return on Rate Base	6.91%	6.91%	6.66%	6.66%	6.21%	6.21%
20	Deficiency/Sufficiency in Rate of Return	-1.54%	0.00%	-0.44%	0.00%	1.14%	0.00%
21	Target Return on Equity	$1,710,764	$1,710,764	$1,622,883	$1,622,883	$1,598,725	$1,598,725
22	Revenue Deficiency/(Sufficiency)	$685,588	$ -	$191,313	$1	($482,155)	$1
23	**Gross Revenue Deficiency/(Sufficiency)**	$929,610 **(1)**		$209,474 **(1)**		($523,632) **(1)**	

Notes:

(1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$6,290,661		$6,167,421		$5,793,400	
2	Amortization/Depreciation	$1,624,165		$1,390,193		$1,319,049	
3	Property Taxes	$106,600		$106,600		$106,600	
5	Income Taxes (Grossed up)	$131,542		$39,393		$29,150	
6	Other Expenses	$ -		$ -		($50,956)	
7	Return						
	Deemed Interest Expense	$1,373,969		$1,244,210		$1,035,607	
	Return on Deemed Equity	$1,710,764		$1,622,883		$1,598,725	
8	**Service Revenue Requirement (before Revenues)**	$11,237,701		$10,570,701		$9,831,575	
9	Revenue Offsets	$1,142,245		$1,159,045		$1,159,045	
10	**Base Revenue Requirement**	$10,095,456		$9,411,656		$8,672,530	
11	Distribution revenue	$10,095,456		$9,411,657		$8,672,531	
12	Other revenue	$1,142,245		$1,159,045		$1,159,045	
13	**Total revenue**	$11,237,701		$10,570,702		$9,831,576	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	$1	(1)	$1	(1)

Notes

(1) Line 11 - Line 8

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Bill Impacts - Residential

☐ Application of New Loss Factor to all applicable items ☐ Application of new Loss Factor to Delivery Items Only

Consumption 800 kWh

			Current Board-Approved			Proposed			Impact	
		Charge Unit	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 13.3900	1	$ 13.39	$ 0.45	3.48%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50	$ 2.4100	1	$ 2.41	$ 0.91	60.67%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	800	$ 9.68	$ 0.0125	800	$ 10.00	$ 0.32	3.31%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	800	$ 0.96	$ 0.0012	800	$ 0.96	$ -	0.00%
7	Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		800	$ -		800	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	800	$ -		800	$ -	$ -	
10	LRAM & SSM Rate Rider	per kWh	$ -	800	$ -	$ 0.0007	800	$ 0.56	$ 0.56	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0019	800	$ 1.52	-$ 0.0005	800	-$ 0.40	-$ 1.92	-126.32%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 26.60**			**$ 26.92**	**$ 0.32**	**1.20%**
17	RTSR - Network	per kWh	$ 0.0055	808.399	$ 4.45	$ 0.0057	808.482	$ 4.61	$ 0.16	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	808.399	$ 3.48	$ 0.0045	808.482	$ 3.64	$ 0.16	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 34.52**			**$ 35.17**	**$ 0.64**	**1.87%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	808.399	$ 4.20	$ 0.0052	808.482	$ 4.20	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)		$ 0.0013	808.399	$ 1.05	$ 0.0013	808.482	$ 1.05	$ 0.00	0.01%
22	Special Purpose Charge	per kWh		808.399	$ -		808.482	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00%
25	Energy			808.399	$ -		808.482	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0068	600	$ 4.08	$ 0.0071	600	$ 4.26	$ 0.18	4.41%
27	Cost of Power	per kWh	$ 0.0079	239.92	$ 1.90	$ 0.0083	248.16	$ 2.06	$ 0.16	8.67%
28	**Total Bill (before Taxes)**				**$ 51.60**			**$ 52.59**	**$ 0.99**	**1.92%**
29	HST		13%		$ 6.71	13%		$ 6.84	$ 0.13	1.92%
30	**Total Bill (including Sub-total B)**				**$ 58.31**			**$ 59.43**	**$ 1.12**	**1.92%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 5.83**	-10%		**-$ 5.94**	**-$ 0.11**	**1.89%**
32	**Total Bill (including OCEB)**				**$ 52.48**			**$ 53.49**	**$ 1.01**	**1.92%**
33	**Loss Factor (%)**	**Note 1**	1.05%			1.06%				

Notes:

(1): Enter existing and proposed total loss factor (Secondary Metered Customer < 5,000 kW) as a percentage.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - General Service < 50 kW

☒ Application of New Loss Factor to all applicable items   ☐ Application of new Loss Factor to Delivery Items Only

Consumption 2000 kWh

		Charge Unit	Current Board-Approved Rate ($)	Current Volume	Current Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 28.2800	1	$ 28.28	$ -	0.00%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50	$ 2.5100	1	$ 2.51	$ 1.01	67.33%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	2000	$ 17.80	$ 0.0093	2000	$ 18.60	$ 0.80	4.49%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	2000	$ 2.20	$ 0.0011	2000	$ 2.20	$ -	0.00%
7	Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider			2000	$ -		2000	$ -	$ -	
10	LRAM & SSM Rider	per kWh		2000	$ -	$ 0.0007	2000	$ 1.40	$ 1.40	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0020	2000	$ 4.00	$ 0.0003	2000	$ 0.60	-$ 3.40	-85.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 53.78**			**$ 53.59**	**-$ 0.19**	**-0.35%**
17	RTSR - Network	per kWh	$ 0.0049	2021	$ 9.90	$ 0.0051	2021.2	$ 10.31	$ 0.41	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	2021	$ 8.08	$ 0.0042	2021.2	$ 8.49	$ 0.41	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 71.77**			**$ 72.39**	**$ 0.62**	**0.86%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2021	$ 10.51	$ 0.0052	2021.2	$ 10.51	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	2021	$ 2.63	$ 0.0013	2021.2	$ 2.63	$ 0.00	0.01%
22	Special Purpose Charge			2021	$ -		2021.2	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00%
25	Energy			2021	$ -		2021.2	$ -	$ -	
26	Cost of Power		$ 0.0068	600	$ 4.08	$ 0.0071	600	$ 4.26	$ 0.18	4.41%
27	Cost of Power		$ 0.0079	1499.8	$ 11.85	$ 0.0083	1542.88	$ 12.81	$ 0.96	8.08%
28	**Total Bill (before Taxes)**				**$ 115.08**			**$ 116.84**	**$ 1.76**	**1.53%**
29	HST		13%		$ 14.96	13%		$ 15.19	$ 0.23	1.53%
30	**Total Bill (including Sub-total B)**				**$ 130.04**			**$ 132.03**	**$ 1.99**	**1.53%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 13.00**	-10%		**-$ 13.20**	**-$ 0.20**	**1.54%**
32	**Total Bill (including OCEB)**				**$ 117.04**			**$ 118.83**	**$ 1.79**	**1.53%**
33	**Loss Factor**	**(1)**	1.05%			1.06%				

Notes:

(1): See Note (1) from Sheet 10A. Bill Impacts - Residential

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APPENDIX D

PARTIAL SETTLEMENT AGREEMENT

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February 29, 2012

Filed on RESS and Sent by Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700
2300 Yong Street
Toronto ON M4P 1E4

Your reference EB-2011-0271	Direct line +1 (416) 216-2311
Our reference 01005480-0015	Email richard.king@nortonrose.com

Dear Ms. Walli:

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

We are counsel to Halton Hills Hydro Inc. (“HHH”) in the above-captioned matter.

In accordance with Procedural Order No. 3, a Settlement Conference was convened in respect of this proceeding on February 6 and 7, 2012. We can advise the Board that the Parties have achieved a partial settlement in this matter. Please find enclosed a copy of the proposed Partial Settlement Agreement. Each of the Parties has reviewed and approved the Agreement, and the Parties respectfully request that the Board approve the Partial Settlement Agreement. We acknowledge with thanks the assistance of Mr. Chris Haussmann and Board Staff in this process.

Should you have any questions or require further information, please do not hesitate to contact me.

Yours very truly,

“Signed”

Richard King

RK/mnm

Enclosure

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

DOCSTOR: 2368792\1

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Halton Hills Hydro Inc. ("HHH") for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2012.

HALTON HILLS HYDRO INC.

PARTIAL SETTLEMENT AGREEMENT

FILED: FEBRUARY 28, 2012

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INTRODUCTION

Halton Hills Hydro Inc. ("HHH") carries on the business of distributing electricity within the Town of Halton Hills.

HHH filed an application with the Ontario Energy Board (the "Board") on August 26, 2011 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that HHH charges for electricity distribution, to be effective May 1, 2012. The Board has assigned the application File Number EB-2011-0271.

Three parties requested and were granted intervenor status: the Energy Probe Research Foundation ("Energy Probe"), the Vulnerable Energy Consumers' Coalition ("VECC"), and the School Energy Coalition ("SEC"). These parties are referred to collectively as the "Intervenors".

On October 14, 2011, the Board issued Procedural Order No. 1 approving the Intervenors in this proceeding, setting dates for interrogatories and interrogatory responses and making its determination regarding the cost eligibility of the Intervenors.

In accordance with Procedural Order No. 1, HHH received interrogatories from Board Staff and Intervenors and responded to them on November 16, 2011. HHH also provided further information related to HHH's responses on November 25, 2011.

On December 15, 2011, the Board issued Procedural Order No. 2 setting out the schedule for additional interrogatories. The Board noted that it would review the interrogatories and responses to determine the need for a transcribed technical conference, and it would set the date for such a conference if needed. The Board also set out the schedule for a Settlement Conference and filing of any Settlement Proposal.

In accordance with the Procedural Order No. 2, HHH received additional interrogatories from Board Staff and Intervenors and responded to all of them on January 26, 2012.

On January 30, 2012, the Board issued Procedural Order No. 3 setting a date for the Technical Conference. HHH received Technical Conference questions from Board Staff and Intervenors in advance of the Technical Conference and responded to all but four of them by February 1, 2012. HHH responded to ten undertakings arising out of the Technical Conference on February 1, 2012. Among the ten undertaking responses were the four outstanding Technical Conference question responses.

The evidence in this proceeding (referred to here as the "Evidence") consists of the Application (including the updates to the Application), HHH's responses to the initial and additional interrogatories, the answers to questions provided to HHH prior to the Technical Conference, the transcript of the Technical Conference, and HHH's responses to Undertakings given during the Technical Conference.

The Settlement Conference was convened in accordance with the Procedural Order No. 3, with Mr. Chris Haussmann as facilitator. The Settlement Conference was held on February 6 and 7, 2012. HHH and all three Intervenors participated in the Settlement Conference. HHH and the Intervenors are collectively referred to below as the "Parties".

The Settlement Conference was subject to the rules relating to confidentiality and privilege contained in the Board's *Settlement Conference Guidelines* (the "Guidelines"). The Parties understand this to mean that the documents and other information provided, the discussion of each issue, the offers and counter-offers, and the negotiations during the Settlement Conference are strictly confidential and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Agreement. The role adopted by Board Staff in the Settlement Conference is set out in page 5 of the Guidelines. Although Board Staff is not a party to this Agreement, as noted in the Guidelines, Board Staff who participated in the Settlement Conference are bound by the same confidentiality standards that apply to the Parties to the proceeding.

PARTIAL SETTLEMENT

A partial settlement has been reached in this proceeding. This document comprises the proposed Partial Settlement Agreement, and it is presented jointly by HHH, Energy Probe, SEC and VECC to the Board. It identifies the settled matters, and contains such references to the Evidence as are necessary to assist the Board in understanding the Agreement. The Parties confirm that the Evidence filed to date in respect of each settled issue, as supplemented in some instances by additional information recorded in this Agreement, supports the settlement of the matters identified in this Agreement. In addition, the Parties agree that the Evidence, supplemented where necessary by the additional information appended to this Agreement, contains sufficient detail, rationale and quality of information to allow the Board to make findings in keeping with the settlement reached by the Parties.

The Parties explicitly request that the Board consider and accept this Partial Settlement Agreement as a package. None of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this Agreement. The distinct issues addressed in this proposal are interrelated, and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the Parties. If the Board does not accept the Agreement in its entirety, then there is no Agreement unless the Parties agree that those portions of the Agreement that the Board does accept may continue as a valid settlement.

It is further acknowledged and agreed that none of the Parties will withdraw from this Agreement under any circumstances, except as provided under Rule 32.05 of the Board's *Rules of Practice and Procedure*.

It is also agreed that this Agreement is without prejudice to any of the Parties re-examining these issues in any subsequent proceeding and taking positions inconsistent with the resolution of these issues in this Agreement. However, none of the Parties will, in any subsequent proceeding, take the position that the resolution therein of any issue settled in this Agreement, if contrary to the terms of this Agreement, should be applicable for all or any part of HHH's 2012 Test Year.

References to the Evidence supporting this Agreement on each issue are set out in each section of this Agreement. The Appendices to the Agreement provide further evidentiary support. The Parties agree that this Agreement and the Appendices form part of the record in EB-2011-0271. The Appendices were prepared by the Applicant. The Intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement.

ORGANIZATION AND SUMMARY OF THE SETTLEMENT AGREEMENT

There is no Board-approved Issues List for this proceeding. For the purposes of organizing this Agreement, the Parties have followed settlement agreements filed in recent distributor rate proceedings as a guide.

The following Appendices accompany this Settlement Agreement:

Appendix A	Summary of Significant Changes
Appendix B	Continuity Tables
Appendix C	Cost of Power Calculation (Updated)
Appendix D	2012 Customer Load Forecast (Updated)
Appendix E	2012 Other Revenue (Updated)
Appendix F	2012 PILS (Updated)
Appendix G	2012 Cost of Capital (Updated)
Appendix H	2012 Revenue Deficiency (Updated)
Appendix I	Capitalization Policy CGAAP vs MIFRS Comparison of Burdenable Items
Appendix J	Cost Allocation Sheets O1 and O2
Appendix K	Revenue Requirement Work Form

UNSETTLED ISSUES

The following issues remain unsettled in this proceeding:

- inclusion of one capital project (Green Energy Initiative) in capital expenditures for test year (including resulting impacts on depreciation, PILs, cost of capital, loss factor, etc.);
- property, plant and equipment ("PP&E") account amortization period;
- operations, maintenance and administration ("OM&A") for test year;
- long-term debt rate; and
- deferral and variance account clearance.

OVERVIEW OF THE SETTLED MATTERS

Based on the terms of this Partial Settlement Agreement, HHH's revised Service Revenue Requirement for the 2012 Test Year is $8,902,928. HHH's initial application and pre-filed evidence showed a revenue deficiency of $929,611. Based on the terms of this Partial Settlement Agreement, HHH's revenue deficiency is now $204,944, which reflects adjustments accepted by HHH during the interrogatory process, and negotiations in the settlement conference. The changes are detailed in the table below.

In this Agreement, except where otherwise expressly stated, all dollar figures are calculated and expressed using Modified International Financial Reporting Standards ("MIFRS").

Description	Initial Application	Partial Settlement	Difference
Service Revenue Requirement	$11,237,701	$10,570,702	($666,998)
Revenue Offsets	$1,142,245	$1,159,045	$16,800
Base Revenue Requirement	$10,095,456	$9,411,657	($683,798)
Revenue at Existing Rates	$9,165,845	$9,202,162	$36,317
Revenue Deficiency	$929,610	$209,474	($720,136)

1 GENERAL

1.1 Has HHH responded appropriately to all relevant Board directives from previous proceedings?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 1, Tab 1, Schedule 15

For the purposes of settlement, the Parties accept the Evidence of the Applicant that HHH has complied with its directives from previous proceedings.

1.2 Is service quality, based on the Board specified performance assumptions for 2012 appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 3, Schedule 5
Board Staff IRR #12, VECC IRR #2 and 30

For the purposes of settlement, the Parties accept HHH's evidence with respect to the acceptability of its service quality, based on the Board specified indicators.

2 RATE BASE

2.1 Is the proposed rate base for the test year appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Undertaking No. JT1.3 and JT1.5
EProbe IRR #73, SEC IRR #25

The Parties have agreed to settle all matters related to HHH's Rate Base for the 2012 Test Year with one exception – inclusion of HHH's proposed Green Energy Initiative in HHH's 2012 capital expenditures.

HHH is proposing, as per its original application and pre-filed evidence, to include the Green Energy Initiative in rate base (a 2012 capital expenditure of $1.4 million). There is no agreement on the inclusion of the Green Energy Initiative in 2012 capital expenditures (see Section 2.3 of this Partial Settlement Agreement).

Leaving aside the Green Energy Initiative, the Parties agree to settle on HHH's Rate Base for the 2012 Test year on the following basis:

- Consistent with the Board's approval of HHH's 2008 cost of service distribution rate application (EB-2007-0753) and the resulting Board-approved rates, the half-year rule has been applied to each capital addition for the year in which it went into service, from 2008 onward.

- The 2012 opening net fixed asset balance for rate base is $31.952 million.

- HHH will reduce its non-Green Energy Initiative 2012 capital expenditures to $6.7 million. The $1.4 million Green Energy Initiative brings HHH's 2012 capital expenditures to $8.1 million.

- There shall be an asymmetrical sharing arrangement with respect to capital expenditures for two projects forecast for 2012: (a) the Steeles Avenue – Trafalgar Rd to 5th Line South (Phase 2 – Stage 2)(capital cost of $496,638); and (b) Pole Relocations on Steeles Avenue between Winston Churchill Boulevard and Trafalgar Road (capital cost of $1,047,701) (collectively the "Steeles Avenue Projects"). The Parties have agreed to include the impact of the Steeles Avenue Projects in the Test Year revenue requirement. However, the Parties have also agreed that, in the event that the Steeles Avenue Projects are not closed to rate base in the Test Year, or if the overall capital cost is less than the amount forecasted, the revenue requirement impact will be credited to the asymmetrical variance account established for this purpose (the "Steeles Avenue Capital Addition Variance Account"). This account would provide for the return to customers of the revenue requirement impact related to the difference between the $1,544,339 of forecast capital expenditures on these two projects, and the actual capital expenditures of these two projects closed to rate base in 2012. The Steeles Ave Capital Additions Variance Account would record the difference in all components of annual revenue requirement (including, but not limited to, depreciation, interest, return on equity and PILs) resulting from any under-spending on capital expenditures for these two projects closed to rate base in the Test Year. That is, if the capital expenditures closed to rate base in 2012 are less than $1,544,339 on these two projects, the revenue requirement impact of the shortfall will be calculated and credited to the variance account in each year (between 2012 and HHH's next rebasing application) that the underspending on these two projects persists. For example, if the projects are completed in 2012 but come in under budget by $300,000, then the variance account will capture the revenue requirement impact of removing that $300,000 of capital spending from 2012, including the impact in 2013 to 2015. The account would be subject to disposition in accordance with the Board's normal policies from time to time on the disposition of applicable variance accounts.

As the application now stands (with the Green Energy Initiative included in rate base and the OM&A currently being applied for by HHH), HHH's proposed Rate Base is as follows:

RATE BASE

	Initial Application	Partial Settlement	Difference
Gross Fixed Assets (Average)	$58,245,701	$56,778,694	($1,467,006)
Accumulated Depreciation (Average)	($21,569,493)	($21,660,071)	($90,578)
Net Fixed Assets (Average)	$36,676,208	$35,118,623	($1,557,585)
Allowance for Working Capital	$7,967,948	$7,951,519	($16,430)
Total Rate Base	$44,644,156	$43,070,141	($1,574,015)

2.2 Is the working capital allowance for the test year appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 4, Schedule 1
EProbe IRR #73

HHH's forecast of its working capital allowance for the 2012 Test Year is based on 15% applied to the agreed-upon forecast cost of power of $46,736,102 and a value of controllable expenses yet to be determined by the Board. For the purposes of settlement, the Parties accept the use of 15% in calculating the working capital allowance for the 2012 Test Year. The Parties acknowledge that the working capital allowance that will be included in rates will be recalculated in the same manner, based on the OM&A amount approved by the Board.

HHH has updated its 2012 load forecast to 525,135,554 kWh (weather normalized for 2012) (see Appendix D). HHH has updated its Cost of Power to reflect an updated RPP price ($0.07487/kWh), an updated non-RPP price ($0.07120/kWh), updated provincial transmission system rates (per EB-2011-0268), and updated rural rate assistance rates (per EB-2011-0405) (see Appendix C for the detailed Cost of Power calculation).

The Parties have agreed to certain adjustments to the working capital allowance, including an updated load forecast and updated cost of power (as noted in the above paragraph), as well as the removal of costs related to inter-company revenue in the amount of $396,000 from OM&A solely for the purposes of the working capital calculation.

There has been no agreement reached with respect to OM&A. The Parties acknowledge that Rate Base will be recalculated based on the OM&A budget approved by the Board.

2.3 Is the capital expenditure forecast for the test year appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 3, Schedule 2, Tables 2-21, 2-22 and 2-23 (pages 2 and 3)

As noted in section 2.1 above, for the purpose of settlement, the Parties have agreed that HHH will reduce its non-Green Energy Initiative 2012 capital expenditures to $6.7 million, and have the Board make a determination on the inclusion of the $1.4 million Green Energy Initiative in HHH's 2012 capital expenditure plan.

The Parties have also agreed to an asymmetrical sharing arrangement with respect to capital expenditures for two projects forecast for 2012: (a) the Steeles Avenue – Trafalgar Rd to 5th Line South (Phase 2 – Stage 2)(capital cost of $496,638); and (b) Pole Relocations on Steeles Avenue between Winston Churchill Boulevard and Trafalgar Road (capital cost of $1,047,701). The specifics of the asymmetrical sharing arrangement are set out in section 2.1 of this Partial Settlement Agreement.

2.4 Is the capitalization policy and allocation procedure appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 3, Schedule 4
Board Staff IRR #3

For the purpose of obtaining complete settlement of all issues, the Parties have accepted HHH's capitalization policy under IFRS, as set out in Appendix I to this Settlement Agreement.

The Parties have agreed that HHH will provide information on the record of this proceeding in the form shown in Appendix I, immediately following HHH's capitalization policy, indicating changes in HHH's capitalization of various categories of expenses as between CGAAP and IFRS. The table at the end of Appendix I is similar to that produced by Hydro Ottawa Limited in its response to Oral Hearing Undertaking No. L2.8 in its 2012 cost of service distribution rate application (EB-2011-0054). The Intervenors have requested this information in this proceeding, and intend to make the same request in other 2012 cost of service proceedings, with the intention of approaching the Board at a later date with a request that the Board develop a standardized approach to the capitalization of overheads. In order to ensure that HHH and its customers are kept whole in the event that the Board adopts a standardized approach, the Parties acknowledge that HHH will track any difference between: (a) the amounts included in 2012 Test Year OM&A reflecting HHH's policy on capitalization of overheads under IFRS; and (b) the amounts that may be eligible for inclusion in OM&A under a standardized approach that may be adopted by the Board at a later date, and that if the result of such standardization is material and not otherwise resolved by the Board's policies, HHH may make a request for an accounting order to deal with that difference. The Parties will not take the position that the request as a whole is inappropriate.

3 LOAD FORECAST AND OPERATING REVENUE

3.1 Is the load forecast methodology including weather normalization appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 3, Tab 2, Schedule 1
EProbe IRR # 64
Undertaking JT1.7

For the purposes of settlement, the Parties agree that the load forecast methodology, as corrected, including the weather normalization, is appropriate.

3.2 Are the proposed customers/connections and load forecasts (both kWh and kW) for the test year appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 3, Tab 2, Schedule 1

For the purposes of settlement, the Parties accept HHH's revised customers/connections and purchase forecast of 525,135,554 kWh (weather normalized) and 494,026,421 billed kWh and 630,837 kW for the 2012 test year, as set forth in Appendix D.

3.3 Is the impact of CDM appropriately reflected in the load forecast?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Undertaking JT1.7

For the purposes of settlement, the Parties accept the CDM adjustments as presented in the Application. The 2012 load forecast has been adjusted by 4,496,000 kWh (purchased) for CDM (please see table below). The Parties agree that variances to this amount would be captured in the LRAM process.

Halton Hills Hydro Inc. Weather Normal Load Forecast with CDM Impact for 2012			
	2012 Weather Normal with CDM Impact	**2012 Weather Normal without CDM Impact**	**Change**
Actual kWh Purchases			
Predicted kWh Purchases	**525,135,554**	**529,631,554**	(4,496,000)
% Difference			
Billed kWh	494,026,421	498,256,077	(4,229,656)
By Class			
Residential			
Customers	19,530	19,530	-
kWh	210,212,474	212,609,471	(2,396,997)
GS<50			
Customers	1,694	1,694	-
kWh	54,285,767	54,904,773	(619,006)
GS>50 to 999			
Customers	176	176	-
kWh	117,338,024	118,328,054	(990,030)
kW	328,299	331,069	(2,770)
GS> 1000 to 4999			
Customers	13	13	-
kWh	108,192,394	108,416,016	(223,623)
kW	293,909	294,516	(607)
Sentinels			
Connections	175	175	-
kWh	380,342	380,342	-
kW	810	810	-
Streetlights			
Connections	4,474	4,474	-
kWh	2,778,881	2,778,881	-
kW	7,820	7,820	-
USL			
Connections	175	175	-
kWh	838,540	838,540	-
Total of Above			
Customer/Connections	26,236	26,236	-
kWh	494,026,421	498,256,077	(4,229,656)
kW from applicable classes	630,837	634,214	(3,377)

3.4 Is the test year forecast of other revenues appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 3, Tab 3, Schedule 1
VECC IR #13
Board Staff IRR #18(c)
Undertaking JT1.4

For the purposes of settlement, the Parties agree that the Other Revenue is to be adjusted to include 50% of the sale of a vehicle ($12,500) and microFIT revenue ($4,300).

4 OPERATING COSTS

4.1 Is the overall OM&A forecast for the test year appropriate?

Status: **No Settlement**

HHH's forecast of OM&A (including property taxes) for the Test Year is $6,274,021. This represents a difference of $123,240 from HHH's initial forecast of $6,397,261 (reflecting a reduction of $135,000 for MDMR costs and an increase in $11,760 for the Green Energy Initiative).

No agreement was reached with respect to the settlement of this matter.

4.2 Are the methodologies used to allocate shared services and other costs appropriate?

Status: **No Settlement**

See issue 4.1 above.

4.3 Is the proposed level of depreciation/amortization expense for the test year appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 2, Schedule 1
Board Staff IRR #7
EProbe IRR #38

For the purposes of settlement, the Parties have accepted the useful lives of assets as proposed by HHH and the depreciation expenses shown in Appendix B. The Parties agree that the depreciation expense for the Test Year (as shown in Appendix B) may be adjusted if the Board determines that the Green Energy Initiative should not be included in rate base. The Parties have not agreed on the appropriate amortization period for PP+E Account. See section 11 below.

4.4 Are the 2012 compensation costs and employee levels appropriate?

Status: **No Settlement**

See issue 4.1 above.

4.5 Is the test year forecast of property taxes appropriate?

Status: **No Settlement**

See issue 4.1 above.

4.6 Is the test year forecast of PILs appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Undertaking JT1.4

For the purpose of settlement, the Parties have accepted: (a) the methodology used by HHH to calculate PILs (as adjusted per Table JT-12, Undertaking J1.4); (b) that PILs will be recalculated when the OM&A issue and the 2012 capital expenditure issue (i.e., Green Energy Initiative) are determined by the Board. Please see Appendix F (2012 PILs), for additional details.

5 CAPITAL STRUCTURE AND COST OF CAPITAL

5.1 Is the proposed capital structure, rate of return on equity and short term debt rate appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 5, Tab 1, Schedule 1

For the purposes of settlement, the Parties have agreed that HHH's proposed capital structure of 56% long term debt, 4% short term debt, and 40% equity is appropriate.

This Partial Settlement Agreement reflects the Board's Cost of Capital Parameters for ROE and short term debt for cost of service applications for rates effective January 1, 2012 (see Appendix A). The Parties have agreed that the final revenue requirement for rate-making purposes will be subject to the Board's Cost of Capital Parameters for ROE and short term debt for cost of service applications for rates effective May 1, 2012, to be issued by the Board in early 2012. The updated parameters will be incorporated into the Draft Rate Order to be prepared following the final disposition of this application.

5.2 Is the proposed long term debt rate appropriate?

Status: **No Settlement**

HHH is proposing to use the Board's Cost of Capital Parameter as its long-term debt rate (currently 5.01%, to be updated for rates effective May 1, 2012). No agreement was reached with respect to the settlement of this matter.

6 SMART METERS

6.1 Is the proposed inclusion of the smart meter costs in the 2012 revenue requirement appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 9, Tab 4, Schedule 3

For the purposes of settlement, the Parties accept HHH's proposed inclusion of smart meter costs in the 2012 revenue requirement as appropriate.

6.2 Is the proposed disposition of the balances in variance accounts 1555 and 1556 appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Board Staff IRR #76 and 77, TCQ 1

For the purposes of settlement, the Parties accept that HHH's proposed disposition of the balances in variance accounts 1555 and 1556 is appropriate. The Parties have agreed that HHH will calculate the smart meter rate rider based on the approach approved by the Board in the November 19, 2010 decision in the 2010 PowerStream Smart Meter Application (EB-2010-0209). See table below for rate rider calculation.

	Amount	Residential	GS<50kW
Installed Costs	3,779,873	3,403,529	376,345
% - Allocation		90%	10%
Deemed Interest	$ 243,885	$ 219,602	$ 24,283
Return on Equity	$ 241,397	$ 217,363	$ 24,035
Amortization	$ 666,518	$ 600,156	$ 66,362
	$ 1,151,800	**$ 1,037,121**	**$ 114,680**
Number of Meter Installed	20,461	19,085	1,376
% - Allocation	100%	93%	7%
OM&A	**$ 1,129,107**	**$ 1,053,175**	**$ 75,932**
Revenue Requirement before Pils	**$ 2,280,907**	**$ 2,090,296**	**$ 190,612**
Allocation % - Based on Revenue Requirement		92%	8%
Pils	**$ 84,983**	**$ 77,881**	**$ 7,102**
Total Revenue Requirement	**$ 2,365,890**	**$ 2,168,176**	**$ 197,714**
% Cost Allocated to Customer Class	100%	92%	8%
Funding Adder	$ 1,118,136		
Smart Meter True-up	$ 1,247,754		
Carrying Charges	$ 34,822		
Allocate Smart Meter True Up	$ 1,282,576	$ 1,175,393	$ 107,183
Number of Customer in Class	21,224	19,530	1,694
Smart Meter Rate Disposition Rider - 4 Year Period	**1.26**	**1.25**	**1.32**

6.3 Is the proposal related to stranded meters appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 2, Tab 2, Schedule 2, page 2
Application Exhibit 9, Tab 4, Schedule 3, page 3
Board Staff IRR #50(d) and 78
VECC IRR #26(c)

For the purposes of settlement, the Parties accept the stranded meter cost recovery of $1,132,006. The Parties accept the proposal for recovery through a rate rider as set out below (per metered customer over a four year period).

	Amount	Residential	GS<50kW
Installed Costs	3,768,873	3,403,529	365,345
% - Allocation		90%	10%
Stranded Meter Costs	$1,132,006	$1,022,273	$109,734
Deemed Interest	$ -	$ -	$ -
Return on Equity	$ -	$ -	$ -
Amortization	$ -	$ -	$ -
	$1,132,006	**$1,022,273**	**$109,734**
Number of Meter Installed	20,461	19,085	1,376
% - Allocation	100%	93%	7%
OM&A		**$ -**	**$ -**
Revenue Requirement before Pils	**$1,132,006**	**$1,022,273**	**$109,734**
Allocation % - Based on Revenue Requirement		90%	10%
Pils		**$ -**	**$ -**
Total Revenue Requirement	**$1,132,006**	**$1,022,273**	**$109,734**
% Cost Allocated to Customer Class	100%	90%	10%
Funding Adder			
Smart Meter True-up	$1,132,006		
Allocate Smart Meter True Up	$1,132,006	$1,022,273	$109,734
Number of Customer in Class	21,354	19,726	1,629
Smart Meter Rate Disposition Rider - 4 Year Period	**1.10**	**1.08**	**1.40**

7 COST ALLOCATION

7.1 Is HHH's cost allocation methodology appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 7, Tab 1, Schedule 1 and Exhibit 7, Tab 1, Schedule 2
Undertaking JT1.1

For the purposes of settlement the Parties have accepted HHH's proposed cost allocation, as updated, with the additional change that HHH will use the updated meter allocation weightings in

Undertaking JT1.1. Appendix J – Cost Allocation Sheets O1 and O2- sets out the updated cost allocation and resulting revenue-to-cost ratios before adjustments, based on an assumed revenue requirement in accordance with this settlement in conjunction with HHH's applied for amounts for unsettled issues, where relevant. The Parties acknowledge that the cost allocation will be re-run based on the Board's final decision with respect to HHH's 2012 revenue requirement and that the result will form the basis for the new "starting point" revenue-to-cost ratios for the purpose of adjustments in accordance with the settlement of issue 7.2.

7.2 Are the proposed revenue-to-cost ratios for each class appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence:

For the purposes of settlement, the Parties agree to the following adjustments to the "starting point" revenue-to-cost ratios determined by the cost allocation methodology agreed to under issue 7.1, based on the final revenue requirement as determined by the Board in this proceeding:

a) All rate classes with a "starting point" revenue-to-cost ratio above the Board's target range for that class will be lowered to the upper limit revenue-to-cost ratio for that class;

b) All rate classes with a "starting point" revenue-to-cost ratio below the Board's target range for that class will be increased to the lower limit revenue-to-cost ratio for that class;

c) To the extent the lowering of revenue-to-cost ratios to the Board's upper limits requires an increase in revenue collected from other classes beyond the increased revenue realized through the increase described in b), the class most below a revenue-to-cost ratio of 100% will be increased until it matches the class second most below 100%, then the revenue-to-cost ratio for both those classes will be increased in tandem until they both match the class third most below 100%, and so on until there is no more need to offset the revenues lost due to the adjustments in a);

d) To the extent the increasing of revenue-to-cost ratios to the Board's lower limits requires a decrease in revenue collected from other classes beyond the decrease in revenue realized through the decrease described in a), the class most above a revenue-to-cost ratio of 100% will be decreased until it matches the class second most above 100%, then the revenue-to-cost ratio for both those classes will be decreased in tandem until they both match the class third most above 100%, and so on until there is no more need to offset the increased revenues due to the adjustments in b).

The Parties have agreed for the purposes of settlement that there are no rate mitigation issues in this case that might require a staged approach to the movement of revenue-to-cost ratios in accordance with the above principles. HHH has provided the following table showing the resulting revenue-to-cost ratios when the settlement is applied to the "starting point" cost allocation results set out in Appendix J. The Parties agree that the precise revenue-to-cost ratios may change depending on the Board's final determination with respect to HHH's revenue requirement.

Revenue to Cost Ratios

Class	Check Revenue Cost Ratios from Cost Allocation Model	Proposed Revenue to Cost Ratio	Board Target Low	Board Target High
Residential	95%	96%	85%	115%
GS < 50 kW	110%	110%	80%	120%
GS >50 to 999 kW	92%	96%	80%	120%
GS 1000 to 4,999 kW	136%	120%	80%	120%
Sentinel Lights	55%	96%	80%	120%
Street Lighting	120%	120%	70%	120%
USL	210%	120%	80%	120%

8 RATE DESIGN

8.1 Are the fixed to variable splits for each class appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 8, Tab 1, Schedule 1

For the purposes of settlement, the Parties have accepted that the 2012 monthly service charge (the "MSC") will reflect the current fixed-variable splits being maintained with the exception that where the maintenance of the fixed-variable split would move the MSC to a level above the MSC "Ceiling", then the MSC will be set at the Ceiling. Please see tables below.

Distribution Rate Allocation Between Fixed & Variable Rates For 2012 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	5,771,414	61.32%	13.39	$0.0125	$3,138,791	$ 2,632,623		5,771,414	250,311	6,021,725
GS < 50 kW	1,082,192	11.50%	28.28	$0.0093	$ 574,960	$ 507,232		1,082,192	60,332	1,142,523
GS >50 to 999 kW	1,299,373	13.81%	81.28	$3.6096	$ 171,588	$ 1,127,785	$ 57,229	1,356,602	155,405	1,512,007
GS 1000 to 4,999 kW	838,030	8.90%	173.31	$3.2736	$ 26,118	$ 811,912	$ 150,229	988,259	139,126	1,127,385
Sentinel Lights	27,354	0.29%	5.30	$20.0529	$ 11,121	$ 16,233		27,354	276	27,630
Street Lighting	374,419	3.98%	2.35	$31.7729	$ 125,968	$ 248,451		374,419	2,610	377,029
USL	18,875	0.20%	7.11	$0.0047	$ 14,931	$ 3,945		18,875	932	19,807
TOTAL	**9,411,657**	**100%**			**$4,063,476**	**$ 5,348,181**	**$ 207,458**	**$ 9,619,115**	**$608,992**	**$10,228,107**
			Forecast Fixed/Variable Ratios		**42.244%**	**55.600%**	**2.157%**	**100.000%**		

Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Spilt	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2011 Rates From OEB Approved Tariff	Minimum System with PLCC Adustment (Ceiling Fixed Charge From Cost Allocation Model)	Target Fixed Charge Split	Fixed Charge with Target Split
Residential	45.61%	54.39%	100.00%	13.39	12.94	18.74	54.39%	13.39
GS < 50 kW	45.66%	54.34%	100.00%	28.92	28.28	20.22	54.34%	28.92
GS >50 to 999 kW	86.79%	13.21%	100.00%	81.28	76.18	89.11	13.21%	81.28
GS 1000 to 4,999 kW	97.21%	2.79%	100.00%	155.24	173.31	121.39	2.79%	155.24
Sentinel Lights	59.34%	40.66%	100.00%	5.30	2.67	12.75	40.66%	5.30
Street Lighting	66.36%	33.64%	100.00%	2.35	2.30	6.37	33.64%	2.35
USL	20.90%	79.10%	100.00%	7.11	12.69	5.92	79.10%	7.11
TOTAL								

8.2 Are the proposed retail transmission service rates appropriate (RTSR)?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 8, Tab 3, Schedule 1
SEC IRR #25

For the purposes of settlement, the Parties have accepted HHH's proposed Retail Transmission Service Rates.

8.3 Are the proposed LV rates appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 8, Tab 2, Schedule 1
VECC IR#29

For the purposes of settlement, the Parties accept HHH's proposed LV rates, provided in the table below.

Customer Class	LV Adj. Allocated	Calculated kWh	Calculated kW	Volumetric Rate Type	LV/ Adj. Rates/kWh	LV Adj. Rates/ kW
Residential	250,311	210,212,474	0	kWh	0.0012	
GS < 50 kW	60,332	54,285,767	0	kWh	0.0011	
GS 50 to 999 kW	155,405	117,338,024	328,299	kW		0.4734
GS 1,000 to 4,999 kW	139,126	108,192,394	293,909	kW		0.4734
Sentinel Lighting	276	380,342	810	kW		0.3408
Street Lighting	2,610	2,778,881	7,820	kW		0.3338
USL	932	838,540	0	kWh	0.0011	
TOTALS	608,992	494,026,421	630,837			

8.4 Are the proposed loss factors appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 8, Tab 4, Schedule 1
VECC IRR #31

For the purposes of settlement, the Parties accept the Total Loss Factor of 1.0602 proposed by HHH in its Application, subject to the impact (if any) of the Board's determination on the Green Energy Initiative.

9 DEFERRAL AND VARIANCE ACCOUNTS

9.1 Are the account balances, cost allocation methodology and disposition period appropriate?

Status: **Partial Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 9, Tab 2, Schedule 3

For the purposes of settlement, the Parties have accepted the account balances and cost allocation methodology, but have not reached a settlement with respect to a disposition period.

9.2 Are the proposed rate riders to dispose of the account balances appropriate?

No settlement has been reached on this issue.

10 LOST REVENUE ADJUSTMENT MECHANISM

10.1 Is the proposal related to LRAM/SSM appropriate?

Status: **Complete Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Application Exhibit 10, Tab 1, Schedule 2 and Exhibit 10, Tab 1, Schedule 3
Board Staff IRR #53 and #79

For the purposes of settlement, the Parties accept the amounts and period for disposition of the LRAM/SSM amounts. Based on the changes to the load forecast agreed to in Issue 3.1, the LRAM rate riders will change. These are shown below:

Rate Class	Amounts		Billing Units (2012)		Rate Riders			Two Year Rate Rider
	LRAM	SSM			LRAM	SSM	Total	Total
	$	$		Metrics	$/unit (kWh or kW)	$/unit (kWh or kW)	$/unit (kWh or kW)	$/unit (kWh or kW)
Residential	276,155	-448	210,212,474	**kWh**	0.0013	0.0000	0.0013	0.0007
GS < 50 kW	73,354	436	54,285,767	**kWh**	0.0014	0.0000	0.0014	0.0007
GS >50 to 999 kW	28,060	1,430	328,299	**kW**	0.0855	0.0044	0.0898	0.0449
GS 1000 to 4,999 kW	5,813		293,909	**kW**	0.0198	0.0000	0.0198	0.0099
Sentinel Lights			810	**kW**	0.0000	0.0000	0.0000	0.0000
Street Lighting			7,820	**kW**	0.0000	0.0000	0.0000	0.0000
USL			838,540	**kWh**	0.0000	0.0000	0.0000	0.0000
Total	**383,382**	**1,418**						

11 MODIFIED INTERNATIONAL FINANCIAL REPORTING STANDARDS

11.1 Is the proposed revenue requirement determined using modified IFRS appropriate?

Status: **No Settlement**

Supporting Parties: HHH, Energy Probe, SEC, VECC

Evidence: Undertaking JT1.4

With regard to HHH's PP&E Account, which tracks the amounts, including associated depreciation, attributable to the difference between CGAAP and IFRS calculations of net fixed assets as at the end of 2011, no settlement has been reached. HHH will be filing updated evidence on this issue.

Appendices

APPENDIX A

Summary of Significant Changes

Summary of Significant Changes

	Initial Application	Partial Settlement Agreement	Change
Rate Base			
Gross Fixed Assets (average)	$58,245,701	$56,778,694	-$ 1,467,006
Accumulated Depreciation (average)	($21,569,493)	($21,660,071)	-$ 90,578
Allowance for Working Capital:			
Controllable Expenses	$6,397,261	$6,274,021	-$ 123,240
Cost of Power	$46,722,395	$46,736,102	$ 13,707
Working Capital Rate (%)	15.00%	15.00%	
Utility Income			
Operating Revenues:			
Distribution Revenue at Current Rates	$9,165,845	$9,202,162	$ 36,317
Distribution Revenue at Proposed Rates	$10,095,456	$9,411,657	-$ 683,799
Other Revenue:			
Specific Service Charges	$172,792	$172,792	-$ 0
Late Payment Charges	$271,607	$271,607	-$ 0
Other Distribution Revenue	$249,346	$253,646	$ 4,300
Other Income and Deductions	$448,500	$461,000	$ 12,500
Total Revenue Offsets	$1,142,245	$1,159,045	$ 16,800
Operating Expenses:			
OM+A Expenses	$6,290,661	$6,167,421	-$ 123,240
Depreciation/Amortization	$1,624,165	$1,390,193	-$ 233,972
Property taxes	$106,600	$106,600	$ -
Taxes/PILs			
Taxable Income:			
Adjustments required to arrive at taxable income	($1,341,194)	($1,208,116.19)	$ 133,078
Utility Income Taxes and Rates:			
Income taxes (not grossed up)	$97,012	$35,978	-$ 61,034
Income taxes (grossed up)	$131,542	$39,393	-$ 92,149
Federal tax (%)	15.00%	4.17%	-11%
Provincial tax (%)	11.25%	4.50%	-7%
Income Tax Credits		$ -	0%
Capitalization/Cost of Capital			
Capital Structure:			
Long-term debt Capitalization Ratio (%)	56.0%	56.0%	0%
Short-term debt Capitalization Ratio (%)	4.0%	4.0%	0%
Common Equity Capitalization Ratio (%)	40.0%	40.0%	0%
Prefered Shares Capitalization Ratio (%)			0%
	100.0%	100.0%	
Cost of Capital			
Long-term debt Cost Rate (%)	5.32%	5.01%	-0.31%
Short-term debt Cost Rate (%)	2.46%	2.08%	-0.38%
Common Equity Cost Rate (%)	9.58%	9.42%	-0.16%
Prefered Shares Cost Rate (%)			

APPENDIX B

Continuity Tables

Halton Hillis Hydro Inc.
, License Number , File Number

Fixed Asset Continuity Schedule (Distribution & Operations)
As at December 31, 2011

CCA Class	OEB	Description	Cost: Opening Balance	Cost: Additions	Cost: Disposals	Cost: Closing Balance	Accumulated Depreciation: Opening Balance	Accumulated Depreciation: Additions	Accumulated Depreciation: Disposals	Accumulated Depreciation: Closing Balance	Net Book Value
NA	1805	Land	354,871	180,000		534,871	0	-		0	534,871
CEC	1806	Land Rights	4,738	-		4,738	0	-		0	4,738
1b/1	1808	Buildings and Fixtures	3,080,205	-		3,080,205	598,689	79,825		678,514	2,401,691
13	1810	Leasehold Improvements	0	-		0	0	-		0	0
49	1815	Transformer Station Equipment - Normally Primar	0	-		0	0	-		0	0
49	1820	Distribution Station Equipment - Normally Primary	4,223,477	42,438		4,265,915	1,053,166	148,699		1,201,865	3,064,050
49	1825	Storage Battery Equipment	0	-		0	0	-		0	0
49	1830	Poles, Towers and Fixtures	15,977,374	467,325		16,444,699	12,306,557	257,428		12,563,985	3,880,714
49	1835	Overhead Conductors and Devices	5,607,599	540,451		6,148,050	357,649	88,504		446,153	5,701,897
49	1840	Underground Conduit	970,085	412,292		1,382,377	78,395	20,042		98,438	1,283,939
49	1845	Underground Conductors and Devices	4,675,723	297,574		4,973,296	226,091	81,617		307,708	4,665,588
49	1850	Line Transformers	6,961,088	205,299		7,166,388	327,424	121,276		448,700	6,717,687
49	1855	Services	2,556,444	-		2,556,444	418,500	60,783		479,283	2,077,161
49	1860	Meters	1,048,410	-		1,048,410	19,920	28,270		48,190	1,000,220
NA	1865	Other Installations on Customer's Premises	0	-		0	0	-		0	0
NA	1905	Land	0	-		0	0	-		0	0
CEC	1906	Land Rights	0	-		0	0	-		0	0
1	1908	Buildings and Fixtures	0	124,075		124,075	0	-		0	124,075
13	1910	Leasehold Improvements	0	-		0	0	-		0	0
8	1915	Office Furniture and Equipment	351,062	48,044		399,106	256,806	3,205		260,011	139,095
10	1920	Computer Equipment - Hardware	1,033,364	22,079		1,055,443	967,411	19,460		986,872	68,571
12	1925	Computer Software	1,062,621	84,175		1,146,795	1,032,946	81,649		1,114,595	32,200
10	1930	Transportation Equipment	2,291,028	228,000		2,519,028	1,321,349	160,092		1,481,441	1,037,587
8	1935	Stores Equipment	53,152	24,659		77,811	52,043	(2,679)		49,365	28,447
8	1940	Tools, Shop and Garage Equipment	558,091	-		558,091	354,902	17,085		371,986	186,105
8	1945	Measurement and Testing Equipment	0	-		0	0	-		0	0
8	1950	Power Operated Equipment	0	-		0	0	-		0	0
8	1955	Communication Equipment	0	33,023		33,023	0	-		0	33,023
8	1960	Miscellaneous Equipment	0	-		0	0	-		0	0
49	1970	Load Management Controls - Customer Premises	563,902	-		563,902	298,141	11,969		310,110	253,792
49	1975	Load Management Controls - Utility Premises	0	-		0	0	-		0	0
49	1980	System Supervisory Equipment	833,241	56,400		889,642	363,824	38,797		402,621	487,021
49	1985	Sentinel Lighting Rentals	0	-		0	0	-		0	0
49	1990	Other Tangible Property	0	-		0	0	-		0	0
49	1995	Contributions and Grants	(5,912,892)	- 110,598		(6,023,491)	(1,022,032)	(118,510)		(1,140,542)	(4,882,949)
	2005	Property under Capital Lease	0	-		0	0	-		0	0
		Total before Work in Process	**46,293,583**	**2,655,235**	**0**	**48,948,818**	**19,011,780**	**1,097,513**	**0**	**20,109,293**	**28,839,525**
	2055	Work in Process	2,596,729			2,596,729	0			0	2,596,729
		Total after Work in Process	**48,890,312**	**2,655,235**	**0**	**51,545,547**	**19,011,780**	**1,097,513**	**0**	**20,109,293**	**31,436,254**

	1930	Transportation
	1935	Stores Equipment

Less: Fully Allocated Depreciation

Transportation	160,092
Communication	
Net Depreciation	937,421

Halton Hillis Hydro Inc.
, License Number , File Number

Fixed Asset Continuity Schedule (Distribution & Operations)
As at December 31, 2012

CCA Class	OEB	Description	Cost: Opening Balance	Cost: Additions	Cost: Disposals	Cost: Closing Balance	Accumulated Depreciation: Opening Balance	Accumulated Depreciation: Additions	Accumulated Depreciation: Disposals	Accumulated Depreciation: Closing Balance	Net Book Value
NA	1805	Land	534,871	-		534,871	0	-		0	534,871
CEC	1806	Land Rights	4,738	-		4,738	0	-		0	4,738
1b/1	1808	Buildings and Fixtures	3,080,205	-		3,080,205	678,514	81,541		760,055	2,320,151
13	1810	Leasehold Improvements	0	-		0	0	-		0	0
49	1815	Transformer Station Equipment - Normally Primar	0	-		0	0	-		0	0
49	1820	Distribution Station Equipment - Normally Primary	4,265,915	115,077		4,380,992	1,201,865	151,978		1,353,843	3,027,149
49	1825	Storage Battery Equipment	0	-		0	0	-		0	0
49	1830	Poles, Towers and Fixtures (Including Solar Pane	16,444,699	4,156,639		20,601,338	12,563,985	321,664		12,885,648	7,715,690
49	1835	Overhead Conductors and Devices	6,148,050	2,981,348		9,129,398	446,153	115,238		561,390	8,568,008
49	1840	Underground Conduit	1,382,377	503,048		1,885,425	98,438	28,351		126,788	1,758,636
49	1845	Underground Conductors and Devices	4,973,296	479,172		5,452,468	307,708	88,851		396,560	5,055,909
49	1850	Line Transformers	7,166,388	418,726		7,585,114	448,700	126,718		575,418	7,009,696
49	1855	Services	2,556,444	-		2,556,444	479,283	60,785		540,068	2,016,376
49	1860	Meters	4,632,204	-		4,632,204	518,626	267,190		785,817	3,846,387
NA	1865	Other Installations on Customer's Premises	0	-		0	0	-		0	0
NA	1905	Land	0	-		0	0	-		0	0
CEC	1906	Land Rights	0	-		0	0	-		0	0
1	1908	Buildings and Fixtures	124,075	10,000		134,075	0	-		0	134,075
13	1910	Leasehold Improvements	0	-		0	0	-		0	0
8	1915	Office Furniture and Equipment	399,106	300		399,406	260,011	18,888		278,899	120,508
10	1920	Computer Equipment - Hardware	1,199,041	180,000		1,379,041	1,130,470	119,744		1,250,214	128,828
12	1925	Computer Software	1,199,279	363,000		1,562,279	1,167,079	155,699		1,322,778	239,501
10	1930	Transportation Equipment	2,519,028	230,000		2,749,028	1,481,441	210,198		1,691,638	1,057,390
8	1935	Stores Equipment	77,811	-		77,811	49,365	2,680		52,045	25,766
8	1940	Tools, Shop and Garage Equipment	558,091	43,170		601,261	371,986	52,063		424,049	177,212
8	1945	Measurement and Testing Equipment	0	-		0	0	-		0	0
8	1950	Power Operated Equipment	0	-		0	0	-		0	0
8	1955	Communication Equipment	33,023	-		33,023	0	-		0	33,023
8	1960	Miscellaneous Equipment	0	-		0	0	-		0	0
49	1970	Load Management Controls - Customer Premises	563,902	-		563,902	310,110	12,187		322,296	241,606
49	1975	Load Management Controls - Utility Premises	0	-		0	0	-		0	0
49	1980	System Supervisory Equipment	889,642	52,613		942,255	402,621	45,516		448,137	494,118
49	1985	Sentinel Lighting Rentals	0	-		0	0	-		0	0
49	1990	Other Tangible Property	0	-		0	0	-		0	0
49	1995	Contributions and Grants	(6,023,491)	-1,433,093		(7,456,584)	(1,140,542)	- 90,769		(1,231,311)	(6,225,273)
	2005	Property under Capital Lease	0	-		0	0	-		0	0
						0	0	-		0	0
		Total before Work in Process	**52,728,694**	**8,100,000**	**0**	**60,828,695**	**20,775,811**	**1,768,520**	**0**	**22,544,332**	**38,284,363**
	2055	Work in Process	2,596,729	0		2,596,729	0			0	2,596,729
		Total after Work in Process	**55,325,423**	**8,100,000**	**0**	**63,425,424**	**20,775,811**	**1,768,520**	**0**	**22,544,332**	**40,881,092**

	1930	Transportation
	1935	Stores Equipment

Less: Fully Allocated Depreciation

Transportation	210,198
PP&E Deferral Amt.	168,130

Net Depreciation	1,390,193

	Total After Contributed Capital	Contributed Captial	Total Before Contributed Capital
CGAAP	7,548,752	1,396,208	8,944,960
MIFRS	7,376,995	1,284,968	8,661,963
Difference	**171,757**		**282,997**

Exp Life	2011 Amort Exp Based on Beg. Bal	Amort Exp for Additions - Based on 1/2 Rule	Total Amort Exp for 2011		Average Gross Plant	Average Accumulated Depr	Depreciation
			-	1805	$ 534,871	$ -	$ -
			-	1806	$ 4,738	$ -	$ -
25	123,208	-	123,208	1808	$ 3,080,205	$ 719,284	$ 81,541
			-	1810	$ -	$ -	$ -
			-	1815	$ -	$ -	$ -
25	170,637	2,302	172,938	1820	$ 4,323,454	$ 1,277,854	$ 151,978
			-	1825	$ -	$ -	$ -
25	657,788	83,133	740,921	1830	$ 18,523,018	$ 12,724,816	$ 321,664
25	245,922	59,627	305,549	1835	$ 7,638,724	$ 503,771	$ 115,238
25	55,295	10,061	65,356	1840	$ 1,633,901	$ 112,613	$ 28,351
25	198,932	9,583	208,515	1845	$ 5,212,882	$ 352,134	$ 88,851
25	286,656	8,375	295,030	1850	$ 7,375,751	$ 512,059	$ 126,718
25	102,258	-	102,258	1855	$ 2,556,444	$ 509,676	$ 60,785
25	41,936	-	41,936	1860	$ 4,632,204	$ 652,221	$ 267,190
			-	1865	$ -	$ -	$ -
			-	1905	$ -	$ -	$ -
			-	1906	$ -	$ -	$ -
25	4,963	200	5,163	1908	$ 129,075	$ -	$ -
			-	1910	$ -	$ -	$ -
5	79,821	30	79,851	1915	$ 399,256	$ 269,455	$ 18,888
5	239,808	18,000	257,808	1920	$ 1,289,041	$ 1,190,342	$ 119,744
5	239,856	36,300	276,156	1925	$ 1,380,779	$ 1,244,929	$ 155,699
8	314,879	14,375	329,254	1930	$ 2,634,028	$ 1,586,540	
10	7,781	-	7,781	1935	$ 77,811	$ 50,705	$ 2,680
10	55,809	2,159	57,968	1940	$ 579,676	$ 398,018	$ 52,063
			-	1945	$ -	$ -	$ -
			-	1950	$ -	$ -	$ -
			-	1955	$ 33,023	$ -	$ -
			-	1960	$ -	$ -	$ -
10	56,390	-	56,390	1970	$ 563,902	$ 316,203	$ 12,187
			-	1975	$ -	$ -	$ -
15	59,309	1,754	61,063	1980	$ 915,948	$ 425,379	$ 45,516
			-	1985	$ -	$ -	$ -
			-	1990	$ -	$ -	$ -
25	-240,940	-28,662	-269,601	1995	-$ 6,740,037	-$ 1,185,927	-$ 90,769
					$ -	$ -	
20	0	0	0	1830	$ -	$ -	
			-				
			-				
	2,700,308	217,236	2,917,544		56,778,694	21,660,071	1,558,323
						35,118,623	
						35,118,623	

Halton Hillis Hydro Inc.
, License Number , File Number

Fixed Asset Continuity Schedule (Distribution & Operations)
As at December 31, 2011

			Cost				Accumulated Depreciation				
CCA Class	**OEB**	**Description**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Net Book Value**
NA	1805	Land	354,871	180,000		534,871	0	-		0	534,871
CEC	1806	Land Rights	4,738	-		4,738	0	-		0	4,738
1b/1	1808	Buildings and Fixtures	3,080,205	-		3,080,205	598,689	79,825		678,514	2,401,691
13	1810	Leasehold Improvements	0	-		0	0	-		0	0
49	1815	Transformer Station Equipment - Normally Primar	0	-		0	0	-		0	0
49	1820	Distribution Station Equipment - Normally Primary	4,223,477	42,438		4,265,915	1,053,166	148,699		1,201,865	3,064,050
49	1825	Storage Battery Equipment	0	-		0	0	-		0	0
49	1830	Poles, Towers and Fixtures	15,977,374	467,325		16,444,699	12,306,557	257,428		12,563,985	3,880,714
49	1835	Overhead Conductors and Devices	5,607,599	540,451		6,148,050	357,649	88,504		446,153	5,701,897
49	1840	Underground Conduit	970,085	412,292		1,382,377	78,395	20,042		98,438	1,283,939
49	1845	Underground Conductors and Devices	4,675,723	297,574		4,973,296	226,091	81,617		307,708	4,665,588
49	1850	Line Transformers	6,961,088	205,299		7,166,388	327,424	121,276		448,700	6,717,687
49	1855	Services	2,556,444	-		2,556,444	418,500	60,783		479,283	2,077,161
49	1860	Meters	1,048,410	-		1,048,410	19,920	28,270		48,190	1,000,220
NA	1865	Other Installations on Customer's Premises	0	-		0	0	-		0	0
NA	1905	Land	0	-		0	0	-		0	0
CEC	1906	Land Rights	0	-		0	0	-		0	0
1	1908	Buildings and Fixtures	0	124,075		124,075	0	-		0	124,075
13	1910	Leasehold Improvements	0	-		0	0	-		0	0
8	1915	Office Furniture and Equipment	351,062	48,044		399,106	256,806	3,205		260,011	139,095
10	1920	Computer Equipment - Hardware	1,033,364	22,079		1,055,443	967,411	19,460		986,872	68,571
12	1925	Computer Software	1,062,621	84,175		1,146,795	1,032,946	81,649		1,114,595	32,200
10	1930	Transportation Equipment	2,291,028	228,000		2,519,028	1,321,349	160,092		1,481,441	1,037,587
8	1935	Stores Equipment	53,152	24,659		77,811	52,043	(2,679)		49,365	28,447
8	1940	Tools, Shop and Garage Equipment	558,091	-		558,091	354,902	17,085		371,986	186,105
8	1945	Measurement and Testing Equipment	0	-		0	0	-		0	0
8	1950	Power Operated Equipment	0	-		0	0	-		0	0
8	1955	Communication Equipment	0	33,023		33,023	0	-		0	33,023
8	1960	Miscellaneous Equipment	0	-		0	0	-		0	0
49	1970	Load Management Controls - Customer Premises	563,902	-		563,902	298,141	11,969		310,110	253,792
49	1975	Load Management Controls - Utility Premises	0	-		0	0	-		0	0
49	1980	System Supervisory Equipment	833,241	56,400		889,642	363,824	38,797		402,621	487,021
49	1985	Sentinel Lighting Rentals	0	-		0	0	-		0	0
49	1990	Other Tangible Property	0	-		0	0	-		0	0
49	1995	Contributions and Grants	(5,912,892)	- 110,598		(6,023,491)	(1,022,032)	(118,510)		(1,140,542)	(4,882,949)
	2005	Property under Capital Lease	0	-		0	0	-		0	0
		Total before Work in Process	**46,293,583**	**2,655,235**	**0**	**48,948,818**	**19,011,780**	**1,097,513**	**0**	**20,109,293**	**28,839,525**
	2055	Work in Process	2,596,729			2,596,729	0			0	2,596,729
		Total after Work in Process	**48,890,312**	**2,655,235**	**0**	**51,545,547**	**19,011,780**	**1,097,513**	**0**	**20,109,293**	**31,436,254**

	1930	Transportation
	1935	Stores Equipment

Less: Fully Allocated Depreciation	
Transportation	160,092
Communication	
Net Depreciation	937,421

Halton Hillis Hydro Inc.
, License Number , File Number

Fixed Asset Continuity Schedule (Distribution & Operations)
As at December 31, 2012

			Cost				Accumulated Depreciation				
CCA Class	**OEB**	**Description**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Net Book Value**
NA	1805	Land	534,871	-		534,871	0	-		0	534,871
CEC	1806	Land Rights	4,738	-		4,738	0	-		0	4,738
1b/1	1808	Buildings and Fixtures	3,080,205	-		3,080,205	678,514	81,541		760,055	2,320,151
13	1810	Leasehold Improvements	0	-		0	0	-		0	0
49	1815	Transformer Station Equipment - Normally Primar	0	-		0	0	-		0	0
49	1820	Distribution Station Equipment - Normally Primary	4,265,915	115,077		4,380,992	1,201,865	151,978		1,353,843	3,027,149
49	1825	Storage Battery Equipment	0	-		0	0	-		0	0
49	1830	Poles, Towers and Fixtures (Including Solar Pane	16,444,699	4,156,639		20,601,338	12,563,985	321,664		12,885,648	7,715,690
49	1835	Overhead Conductors and Devices	6,148,050	2,981,348		9,129,398	446,153	115,238		561,390	8,568,008
49	1840	Underground Conduit	1,382,377	503,048		1,885,425	98,438	28,351		126,788	1,758,636
49	1845	Underground Conductors and Devices	4,973,296	479,172		5,452,468	307,708	88,851		396,560	5,055,909
49	1850	Line Transformers	7,166,388	418,726		7,585,114	448,700	126,718		575,418	7,009,696
49	1855	Services	2,556,444	-		2,556,444	479,283	60,785		540,068	2,016,376
49	1860	Meters	4,632,204	-		4,632,204	518,626	267,190		785,817	3,846,387
NA	1865	Other Installations on Customer's Premises	0	-		0	0	-		0	0
NA	1905	Land	0	-		0	0	-		0	0
CEC	1906	Land Rights	0	-		0	0	-		0	0
1	1908	Buildings and Fixtures	124,075	10,000		134,075	0	-		0	134,075
13	1910	Leasehold Improvements	0	-		0	0	-		0	0
8	1915	Office Furniture and Equipment	399,106	300		399,406	260,011	18,888		278,899	120,508
10	1920	Computer Equipment - Hardware	1,199,041	180,000		1,379,041	1,130,470	119,744		1,250,214	128,828
12	1925	Computer Software	1,199,279	363,000		1,562,279	1,167,079	155,699		1,322,778	239,501
10	1930	Transportation Equipment	2,519,028	230,000		2,749,028	1,481,441	210,198		1,691,638	1,057,390
8	1935	Stores Equipment	77,811	-		77,811	49,365	2,680		52,045	25,766
8	1940	Tools, Shop and Garage Equipment	558,091	43,170		601,261	371,986	52,063		424,049	177,212
8	1945	Measurement and Testing Equipment	0	-		0	0	-		0	0
8	1950	Power Operated Equipment	0	-		0	0	-		0	0
8	1955	Communication Equipment	33,023	-		33,023	0	-		0	33,023
8	1960	Miscellaneous Equipment	0	-		0	0	-		0	0
49	1970	Load Management Controls - Customer Premises	563,902	-		563,902	310,110	12,187		322,296	241,606
49	1975	Load Management Controls - Utility Premises	0	-		0	0	-		0	0
49	1980	System Supervisory Equipment	889,642	52,613		942,255	402,621	45,516		448,137	494,118
49	1985	Sentinel Lighting Rentals	0	-		0	0	-		0	0
49	1990	Other Tangible Property	0	-		0	0	-		0	0
49	1995	Contributions and Grants	(6,023,491)	-1,433,093		(7,456,584)	(1,140,542)	- 90,769		(1,231,311)	(6,225,273)
	2005	Property under Capital Lease	0	-		0	0	-		0	0
						0	0	-		0	0
		Total before Work in Process	**52,728,694**	**8,100,000**	**0**	**60,828,695**	**20,775,811**	**1,768,520**	**0**	**22,544,332**	**38,284,363**
	2055	Work in Process	2,596,729	0		2,596,729	0			0	2,596,729
		Total after Work in Process	**55,325,423**	**8,100,000**	**0**	**63,425,424**	**20,775,811**	**1,768,520**	**0**	**22,544,332**	**40,881,092**

	1930	Transportation
	1935	Stores Equipment

Less: Fully Allocated Depreciation

Transportation	210,198
PP&E Deferral Amt.	168,130

Net Depreciation	1,390,193

	Total After Contributed Capital	Contributed Captial	Total Before Contributed Capital
CGAAP	7,548,752	1,396,208	8,944,960
MIFRS	7,376,995	1,284,968	8,661,963
Difference	**171,757**		**282,997**

Exp Life	2011 Amort Exp Based on Beg. Bal	Amort Exp for Additions - Based on 1/2 Rule	Total Amort Exp for 2011		Average Gross Plant	Average Accumulated Depr	Depreciation
			-	1805	$ 534,871	$ -	$ -
			-	1806	$ 4,738	$ -	$ -
25	123,208	-	123,208	1808	$ 3,080,205	$ 719,284	$ 81,541
			-	1810	$ -	$ -	$ -
			-	1815	$ -	$ -	$ -
25	170,637	2,302	172,938	1820	$ 4,323,454	$ 1,277,854	$ 151,978
			-	1825	$ -	$ -	$ -
25	657,788	83,133	740,921	1830	$ 18,523,018	$ 12,724,816	$ 321,664
25	245,922	59,627	305,549	1835	$ 7,638,724	$ 503,771	$ 115,238
25	55,295	10,061	65,356	1840	$ 1,633,901	$ 112,613	$ 28,351
25	198,932	9,583	208,515	1845	$ 5,212,882	$ 352,134	$ 88,851
25	286,656	8,375	295,030	1850	$ 7,375,751	$ 512,059	$ 126,718
25	102,258	-	102,258	1855	$ 2,556,444	$ 509,676	$ 60,785
25	41,936	-	41,936	1860	$ 4,632,204	$ 652,221	$ 267,190
			-	1865	$ -	$ -	$ -
			-	1905	$ -	$ -	$ -
			-	1906	$ -	$ -	$ -
25	4,963	200	5,163	1908	$ 129,075	$ -	$ -
			-	1910	$ -	$ -	$ -
5	79,821	30	79,851	1915	$ 399,256	$ 269,455	$ 18,888
5	239,808	18,000	257,808	1920	$ 1,289,041	$ 1,190,342	$ 119,744
5	239,856	36,300	276,156	1925	$ 1,380,779	$ 1,244,929	$ 155,699
8	314,879	14,375	329,254	1930	$ 2,634,028	$ 1,586,540	
10	7,781	-	7,781	1935	$ 77,811	$ 50,705	$ 2,680
10	55,809	2,159	57,968	1940	$ 579,676	$ 398,018	$ 52,063
			-	1945	$ -	$ -	$ -
			-	1950	$ -	$ -	$ -
			-	1955	$ 33,023	$ -	$ -
			-	1960	$ -	$ -	$ -
10	56,390	-	56,390	1970	$ 563,902	$ 316,203	$ 12,187
			-	1975	$ -	$ -	$ -
15	59,309	1,754	61,063	1980	$ 915,948	$ 425,379	$ 45,516
			-	1985	$ -	$ -	$ -
			-	1990	$ -	$ -	$ -
25	-240,940	-28,662	-269,601	1995	-$ 6,740,037	-$ 1,185,927	-$ 90,769
					$ -	$ -	
20	0	0	0	1830	$ -	$ -	
			-				
			-				
	2,700,308	217,236	2,917,544		56,778,694	21,660,071	1,558,323
						35,118,623	
						35,118,623	

APPENDIX C

Cost of Power Calculation (Updated)

HHHI 2012 Cost of Power Calculation

2012 Load Foreacst	kWh	kW	2010 %RPP
Residential	207,913,097		89%
General Service < 50 kW	53,691,970		91%
General Service 50 to 999 kW	116,388,314	325,642	16%
General Service 1000 to 4 999 kW	107,977,878	293,326	0%
Street Lighting	2,778,881	7,820	0%
Sentinel Lighting	380,342	810	0%
Unmetered Scattered Load	838,540		0%
TOTAL	489,969,023	627,597	

Electricity - Commodity RPP Class per Load Forecast RPP	2012 Forecasted Metered kWhs	2012 Loss Factor		2012	
Residential	185,955,297	1.0602	197,149,806	$0.07487	$14,760,606
General Service < 50 kW	48,926,411	1.0602	51,871,781	$0.07487	$3,883,640
General Service 50 to 999 kW	18,705,265	1.0602	19,831,322	$0.07487	$1,484,771
General Service 1000 to 4 999 kW	0	1.0602	0	$0.07487	$0
Street Lighting	0	1.0602	0	$0.07487	$0
Sentinel Lighting	0	1.0602	0	$0.07487	$0
Unmetered Scattered Load	0	1.0602	0	$0.07487	$0
TOTAL	253,586,972		268,852,908		20,129,017

Electricity - Commodity Non-RPP Class per Load Forecast	2012 Forecasted Metered kWhs	2012 Loss Factor		2012	
Residential	21,957,801	1.0602	23,279,660	$0.07120	$1,657,512
General Service < 50 kW	4,765,560	1.0602	5,052,446	$0.07120	$359,734
General Service 50 to 999 kW	97,683,050	1.0602	103,563,569	$0.07120	$7,373,726
General Service 1000 to 4 999 kW	107,977,878	1.0602	114,478,146	$0.07120	$8,150,844
Street Lighting	2,778,881	1.0602	2,946,169	$0.07120	$209,767
Sentinel Lighting	380,342	1.0602	403,238	$0.07120	$28,711
Unmetered Scattered Load	838,540	1.0602	889,020	$0.07120	$63,298
TOTAL	236,382,050		250,612,250		17,843,592

Transmission - Network Class per Load Forecast		Volume Metric		2012	
Residential		kWh	220,429,466	$0.0057	$1,256,448
General Service < 50 kW		kWh	56,924,227	$0.0051	$290,314
General Service 50 to 999 kW		kW	325,642	$2.2257	$724,781
General Service 1000 to 4 999 kW		kW	293,326	$2.2257	$652,856
Street Lighting		kW	7,820	$1.5805	$12,359
Sentinel Lighting		kW	810	$1.5879	$1,285
Unmetered Scattered Load		kWh	889,020	$0.0051	$4,534
TOTAL					$2,942,577

Transmission - Connection Class per Load Forecast		Volume Metric		2012	
Residential		kWh	220,429,466	$0.0045	$991,933
General Service < 50 kW		kWh	56,924,227	$0.0042	$239,082
General Service 50 to 999 kW		kW	325,642	$1.7975	$585,341
General Service 1000 to 4 999 kW		kW	293,326	$1.7975	$527,254
Street Lighting		kW	7,820	$1.2676	$9,912
Sentinel Lighting		kW	810	$1.2941	$1,048
Unmetered Scattered Load		kWh	889,020	$0.0042	$3,734
TOTAL					$2,358,303

Wholesale Market Service Class per Load Forecast				2012	
Residential			220,429,466	$0.0052	$1,146,233
General Service < 50 kW			56,924,227	$0.0052	$296,006
General Service 50 to 999 kW			123,394,891	$0.0052	$641,653
General Service 1000 to 4 999 kW			114,478,146	$0.0052	$595,286
Street Lighting			2,946,169	$0.0052	$15,320
Sentinel Lighting			403,238	$0.0052	$2,097
Unmetered Scattered Load			889,020	$0.0052	$4,623
TOTAL			519,465,158		$2,701,219

Rural Rate Assistance Class per Load Forecast				2012	
Residential			220,429,466	$0.0011	$242,472
General Service < 50 kW			56,924,227	$0.0011	$62,617
General Service 50 to 999 kW			123,394,891	$0.0011	$135,734
General Service 1000 to 4 999 kW			114,478,146	$0.0011	$125,926
Street Lighting			2,946,169	$0.0011	$3,241
Sentinel Lighting			403,238	$0.0011	$444
Unmetered Scattered Load			889,020	$0.0011	$978
TOTAL			519,465,158		$571,412

APPENDIX D

2012 Customer Load Forecast (Updated)

Halton Hills Hydro Inc. Weather Normal Load Forecast for 2012 Rate Application

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Weather Normal	2012 Weather Normal
Actual kWh Purchases	462,324,178	468,337,202	495,175,531	493,166,269	512,386,673	507,787,443	499,800,409	520,540,577		
Predicted kWh Purchases	461,613,427	466,922,203	496,495,765	495,938,235	509,499,854	505,851,815	504,049,780	519,147,203	517,051,814	525,135,554
% Difference	-0.2%	-0.3%	0.3%	0.6%	-0.6%	-0.4%	0.9%	-0.3%		
Billed kWh	432,666,846	439,067,348	463,814,907	462,856,926	482,846,076	480,192,790	472,272,010	491,761,405	486,421,564	494,026,421
By Class										
Residential										
Customers	16,144	16,646	17,301	17,913	18,284	18,499	18,698	18,867	19,100	19,530
kWh	186,765,797	187,584,209	204,051,554	206,369,211	212,135,360	211,957,790	208,364,709	215,023,349	206,744,985	210,212,474
GS<50										
Customers	1,526	1,596	1,660	1,572	1,501	1,542	1,548	1,606	1,682	1,694
kWh	53,904,199	52,548,354	53,400,132	51,568,133	53,690,493	54,708,675	52,384,258	54,778,252	54,350,772	54,285,767
GS>50 to 999										
Customers	144	150	154	150	152	157	161	168	172	176
kWh	95,605,635	100,526,810	108,937,030	111,434,996	114,821,445	115,962,505	119,779,491	115,517,109	114,505,076	117,338,024
kW	292,864	298,047	276,912	299,830	322,163	322,747	330,064	320,893	320,373	328,299
GS> 1000 to 4999										
Customers	8	8	8	9	10	10	10	11	12	13
kWh	93,745,282	95,675,788	94,637,561	89,631,034	98,222,155	93,577,347	87,639,310	102,247,109	106,926,728	108,192,394
kW	235,859	236,203	235,750	250,935	282,976	265,625	257,988	285,635	290,471	293,909
Sentinels										
Connections	356	327	326	366	374	325	316	328	177	175
kWh	286,935	284,180	321,693	367,014	473,517	458,397	530,578	571,306	344,705	380,342
kW	1,091	1,155	807	644	636	628	616	586	734	810
Streetlights										
Connections	3,804	3,945	4,083	4,217	4,292	4,312	4,333	4,362	4,387	4,474
kWh	2,358,998	2,448,007	2,465,527	2,629,570	2,649,775	2,670,159	2,664,323	2,708,303	2,724,600	2,778,881
kW	6,764	6,796	6,855	7,431	7,477	7,514	7,542	7,569	7,667	7,820
USL										
Connections	0	0	1	67	134	136	136	138	146	175
kWh	0	0	1,410	856,969	853,331	857,917	909,341	915,976	824,696	838,540
Total of Above										
Customer/Connections	21,981	22,672	23,533	24,292	24,745	24,980	25,200	25,478	25,676	26,236
kWh	432,666,846	439,067,348	463,814,907	462,856,926	482,846,076	480,192,790	472,272,010	491,761,405	486,421,564	494,026,421
kW from applicable classes	536,578	542,200	520,324	558,840	613,252	596,513	596,210	614,683	619,244	630,837

APPENDIX E

2012 Other Revenue (Updated)

Revenue Offset Schedule

OEB	Account Description	2012 Original Submission	2012 Settlement	Difference
4080	4080-Distribution Services Revenue	57,853	62,153	- 4,300
4082	4082-RS Rev	-	-	-
4084	4084-Serv Tx Requests	-	-	-
4090	4090-Electric Services Incidental to Energy Sales	-	-	-
4205	4205-Interdepartmental Rents	-	-	-
4210	4210-Rent from Electric Property	191,493	191,493	0
4215	4215-Other Utility Operating Income	-	-	-
4220	4220-Other Electric Revenues	-	-	-
4225	4225-Late Payment Charges	271,607	271,607	- 0
4230	4230-Sales of Water and Water Power	-	-	-
4235	4235-Miscellaneous Service Revenues	172,792	172,792	- 0
4240	4240-Provision for Rate Refunds	-	-	-
4245	4245-Government Assistance Directly Credited to Income	-	-	-
4305	4305-Regulatory Debits	-	-	-
4310	4310-Regulatory Credits	-	-	-
4315	4315-Revenues from Electric Plant Leased to Others	-	-	-
4320	4320-Expenses of Electric Plant Leased to Others	-	-	-
4325	4325-Revenues from Merchandise, Jobbing, Etc.	25,000	25,000	-
4330	4330-Costs and Expenses of Merchandising, Jobbing, Etc	-	-	-
4335	4335-Profits and Losses from Financial Instrument Hedges	-	-	-
4340	4340-Profits and Losses from Financial Instrument Investments	-	-	-
4345	4345-Gains from Disposition of Future Use Utility Plant	-	-	-
4350	4350-Losses from Disposition of Future Use Utility Plant	-	-	-
4355	4355-Gain on Disposition of Utility and Other Property	12,500	25,000	- 12,500
4360	4360-Loss on Disposition of Utility and Other Property	-	-	-
4365	4365-Gains from Disposition of Allowances for Emission	-	-	-
4370	4370-Losses from Disposition of Allowances for Emission	-	-	-
4375	4375-Revenues from Non-Utility Operations	396,000	396,000	-
4380	4380-Expenses of Non-Utility Operations	-	-	-
4385	4385-Expenses of Non-Utility Operations	15,000	15,000	-
4390	4390-Miscellaneous Non-Operating Income	-	-	-
4395	4395-Rate-Payer Benefit Including Interest	-	-	-
4398	4398-Foreign Exchange Gains and Losses, Including Amortization	-	-	-
4405	4405-Interest and Dividend Income	-	-	-
	Total Revenue Offset	**1,142,245**	**1,159,045**	**- 16,800**

APPENDIX F

2012 PILS (Updated)

2012 Capital Taxes

Description	OCT	LCT
Total Rate Base	43,070,141	43,070,141
Exemption	-15,000,000	0
Deemed Taxable Capital	**28,070,141**	**43,070,141**
Rate	0.000%	0.000%
Gross Tax Payable	**0**	0
Surtax	0	0
Net Capital Tax Payable	**0**	**0**

2012 PILs Schedule

Description	Source or Input	Tax Payable
Accounting Income	10' Rev Def	1,662,278
Tax Adj to Accounting Income	10' Rev Def	(1,208,116)
Taxable Income		**454,162**
Combined Income Tax Rate	PILs Rates	15.500%
Total Income Taxes		**70,395**
Investment Tax Credits		
Apprentice Tax Credits		22,000
Other Tax Credits		9,000
Total PILs		**39,395**

2012 Total Taxes

Description	Tax Payable
Total PILs	39,395
Net Capital Tax Payable	-
PILs including Capital Taxes	39,395

APPENDIX G

2012 Cost of Capital (Updated)

Debt & Capital Cost Structure

Weighted Debt Cost

Description	Debt Holder	Affliated with LDC?	Date of Issuance	Principal	Term (Years)	Rate%	Year Applied to	Interest Cost
Note Payable	Town of Halton Hills	Y		16,141,970		6.25%	2008	1,008,873
							2008	0
Note Payable	Town of Halton Hills	Y		16,141,970		6.25%	2009	1,008,873
							2009	0
Note Payable	Town of Halton Hills	Y		16,141,970		6.25%	2010	1,008,873
							2010	0
Note Payable	Town of Halton Hills	Y		16,141,970		6.25%	2011	1,008,873
							2011	0
Note Payable	Town of Halton Hills	Y		16,141,970		5.01%	2012	808,713
							2012	0

2008 Total Long Term Debt	16,141,970	Total Interest Cost for 2008	1,008,873
		Weighted Debt Cost Rate for 2008	6.25%
2009 Total Long Term Debt	16,141,970	Total Interest Cost for 2009	1,008,873
		Weighted Debt Cost Rate for 2009	6.25%
2010 Total Long Term Debt	16,141,970	Total Interest Cost for 2010	1,008,873
		Weighted Debt Cost Rate for 2010	6.25%
2011 Total Long Term Debt	16,141,970	Total Interest Cost for 2011	1,008,873
		Weighted Debt Cost Rate for 2011	6.25%
2012 Total Long Term Debt	16,141,970	Total Interest Cost for 2011	808,713
		Weighted Debt Cost Rate for 2011	5.01%

Deemed Capital Structure for 2012

Description	$	% of Rate Base	Rate of Return	Return
Long Term Debt	24,116,372	56.00%	5.01%	1,208,230
Unfunded Short Term Debt	1,722,598	4.00%	2.08%	35,830
Total Debt	25,838,970	60.00%		1,244,060
Common Share Equity	17,225,980	40.00%	9.42%	1,622,687
Total equity	17,225,980	40.00%		1,622,687
Total Rate Base	43,064,950	100.00%	6.66%	2,866,748

APPENDIX H

2012 Revenue Deficiency (Updated)

Particulars	Initial Application		Partial Settlement	
	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
Revenue Deficiency from Below		$929,610		$209,474
Distribution Revenue	$9,165,845	$9,165,845	$9,202,162	$9,202,183
Other Operating Revenue Offsets - net	$1,142,245	$1,142,245	$1,159,045	$1,159,045
Total Revenue	**$10,308,091**	**$11,237,701**	**$10,361,207**	**$10,570,702**
Operating Expenses	$8,021,426	$8,021,426	$7,664,214	$7,664,214
Deemed Interest Expense	$1,373,969	$1,373,969	$1,244,210	$1,244,210
Total Cost and Expenses	**$9,395,395**	**$9,395,395**	**$8,908,424**	**$8,908,424**
Utility Income Before Income Taxes	**$912,696**	**$1,842,306**	**$1,452,783**	**$1,662,277**
Tax Adjustments to Accounting	($1,341,194)	($1,341,194)	($1,208,116)	($1,208,116)
Taxable Income	($428,498)	$501,112	$244,667	$454,161
Income Tax Rate	26.25%	26.25%	8.670%	8.67%
Income Tax on Taxable Income	($112,481)	$131,542	$21,213	$39,376
Income Tax Credits	$ -	$ -	$ -	$ -
Utility Net Income	**$1,025,177**	**$1,710,764**	**$1,431,570**	**$1,622,884**
Utility Rate Base	**$44,644,156**	**$44,644,156**	**$43,070,141**	**$43,070,141**
Deemed Equity Portion of Rate Base	$17,857,663	$17,857,663	$17,228,057	$17,228,057
Income/(Equity Portion of Rate Base)	5.74%	9.58%	8.33%	9.42%
Target Return - Equity on Rate Base	9.58%	9.58%	9.42%	9.42%
Deficiency/Sufficiency in Return on Equity	-3.84%	0.00%	-1.09%	0.00%
Indicated Rate of Return	5.37%	6.91%	6.22%	6.66%
Requested Rate of Return on Rate Base	6.91%	6.91%	6.66%	6.66%
Deficiency/Sufficiency in Rate of Return	-1.54%	0.00%	-0.43%	0.00%
Target Return on Equity	**$1,710,764**	**$1,710,764**	**$1,622,883**	**$1,622,883**
Revenue Deficiency/(Sufficiency)	**$685,588**	**$ -**	**$191,313**	**$1**
Gross Revenue Deficiency/(Sufficiency)	**$929,610 (1)**		**$209,474 (1)**	

APPENDIX I

Capitalization Policy

CGAAP vs MIFRS Comparison of Burdenable Items

IFRS - Capitalization Policy

Standard: IFRS 1 – Elective Exemption, IAS 16 – Property, Plant and Equipment

Topic: Property, Plant and Equipment – Fair Value vs. Carrying Value as Deemed Cost

Objective:

To determine the policy on initial measurement of property, plant and equipment (PP&E) on the date of transition to IFRS

Background:

Halton Hills Hydro Incorporated (“HHHI”) may elect to measure an item of PP&E at its fair value on the date of transition to IFRS. The fair value would then represent deemed cost at that date for purposes of subsequent measurement and amortization (“deemed cost election”).

An additional IFRS 1 exemption is available to rate regulated entities. The exemption allows an entity to measure an item of PP&E at its previously recorded carrying value (i.e. net book value) on transition to IFRS. As HHHI’s operations are rate regulated, they are eligible to apply this exemption.

If an Elective Exemption with respect to PP&E is not taken, HHHI would have to account for PP&E as if the requirements of IAS 16 had always been applied. This would require retrospective restatements of all PP&E balances in accordance with IFRS.

Considerations:

Retroactive restatements will be onerous and impractical as documentation for historical costs are not available.

The fair value exemption is not allowed by the OEB for rate setting purposes.

Fair values are more costly to obtain.

Electing the IFRS 1 exemption for rate regulated entities is more favourable to HHHI. Regulated Net Book Value as at the date of transition to IFRS would be used for rate setting purposes. The OEB requires the use of regulated NBV as the basis for setting the opening rate base values upon transition to IFRS. Therefore, using the carrying value as deemed cost exemption would more closely align financial reporting with the basis in which regulated cash flows and income are determined by the regulator.

Conclusion:

HHHI has concluded that it will elect the IFRS 1 Exemption for rate regulated entities and use net book value as at date of transition to IFRS (January 1, 2012) as deemed cost.

Standard: IAS 16 – Property, Plant and Equipment

Topic: Property, Plant and Equipment – Measurement after Recognition

Objective:

To determine the policy on measurement of property, plant and equipment (PP&E) after initial recognition

Background:

For all subsequent periods following the initial recognition of an asset, IAS 16 permits a choice of using either the cost model or the revaluation model for valuing PP&E.

Cost Model

After recognition as an asset, an item of PP&E shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation Model

After recognition as an asset, an item of PP&E whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. IAS 16 defines fair value as "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction." It also mentions that, if there is no market-based evidence of fair value because of the specialized nature of a particular PP&E item and the item is rarely sold (except as part of a continuing business), an entity may need to estimate fair value using an income or a depreciated replacement cost approach.

Revaluation shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. If an item of PP&E is revalued, the entire class of PP&E to which that asset belongs shall be revalued.

Ontario Energy Board

In its report of the Board on Transition to International Financial Reporting Standards, the OEB will require the use of historical acquisition cost as the basis for reporting PP&E for regulatory purposes.

Conclusion:

HHHI has concluded that it will choose the Cost Model to measure PP&E after initial recognition under IFRS.

Standard: IAS 16 – Property, Plant and Equipment

Topic: Componentization and Depreciation

Objective:

To document the accounting policy on componentization and depreciation of property, plant and equipment.

Background:

Each part of an item of property, plant and equipment (PP&E) with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

An entity should allocate the amount initially recognized in respect of an item of PPE to its significant parts to be depreciated separately.

A significant part of an item of PP&E may have a useful life and a depreciation method that are the same as the useful life and the depreciation method of another significant part of that same item. Such parts may be grouped in determining the depreciation charge.

Depreciation is to be computed on a systematic basis over the estimated useful life of the item of PP&E. The depreciable amount of an asset is determined after deducting its residual value. In practice, the residual value of an asset is often insignificant and therefore immaterial in the calculation of the depreciable amount.

The residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with **IAS 8** *Accounting Policies, Changes in Accounting Estimates and Errors.*

Depreciation of an asset begins when it is available for use (i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management). Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with **IFRS 5** and the date that the asset is derecognized.

Considerations:

Significant components of PP&E will be separately accounted under IFRS. Each significant component and the estimated useful lives, for purposes of computing depreciation expense under IFRS, will be set out in Table 1 as attached.

Overhead system

The following components have been identified – poles, conductors, transformers, switches, municipal substations comprised of DC service station, switchgear, and transformer.

Poles

HHHI has wood, steel and composite poles. HHHI has 8,000 poles of which 10 are composite, 1 is concrete, 128 are steel and the remainder are wood. Therefore there will be only one pole component. Cross-arms and insulators are typically replaced when the pole is changed, and therefore the useful lives of the cross-arms and insulators are consistent with the pole. Insulators may be changed more frequently, however the cost in comparison to the cost of a pole is insignificant. Therefore, brackets, cross-arms and insulators will have the same useful lives as the pole and will be included as a fully dressed pole.

Engineering will test the condition of the pole rather than the age when determining if a pole should be changed. Engineering have preliminarily determined the average life of poles in the system to be approximately 60 years, while the Kinectrics Inc. Report No: K-418022-RA0001-R003, dated December 10, 2009 (HHHI Kinectrics report) shows a maximum life of 50 years. However, the study was commissioned before HHHI had any asset management initiatives and the results of the current pole testing shows that poles are requiring changing at an approximate age of 40-45 years. Therefore, a useful life of 50 years is reasonable.

Conductor

The HHHI Kinectrics report reflects a useful life between 50-77 years, with a typical useful life of 60 years based on moderate mechanical stress, low electrical loading and moderate environmental factors. Conductor in the system is under moderate mechanical stress and moderate electrical loading which suggests that useful life is lower than typical. On average, the change of pole dictates the change of conductor. Load growth also dictates the change in conductor. As a result, a useful life of 50 years will be used which is consistent with the useful life of the poles.

Transformer

Pole mounted transformers typically have a different useful life than the pole and conductor. When a pole is removed along with a pole mounted transformer, the transformer could be sent in for service and re-used at a future date. The transformer is a significant component of PP&E and the transformer could have a different useful life than the pole. Therefore, transformers will be a separate component and will be categorized between pad mounted transformers and overhead transformers.

The HHHI Kinectrics report reflects a useful life between 30-60 years, with a typical useful life of 40 years based on moderate electrical loading and environmental factors. HHHI has moderate electrical loading and moderate environmental conditions which would trend towards the typical life as the useful life of the transformer. Therefore, the typical useful life of 40 years is to be used for transformers.

Switches

The majority of the switches in use today by HHHI are manual overhead switches. HHHI's capital plan includes the installation of remote automated switches. A separate component for local motorized switches is not required as most switches will be automated and remote going forward. Automated switches are currently segregated in the capital budget by switch ($30,000), motor and RTU ($10,000). Therefore, all the pieces of automated switches are to be kept together, and all switches (fuse cut-outs, overhead switches and remote automated) are to be included as one component – overhead devices. HHHI has fuse cut-outs which are transformer switches. These items have a low dollar value ($100-$150).

The HHHI Kinectrics report reflects a useful life between 30-60 years, with a typical useful life of 50 years. Switch maintenance practices at HHHI are low; therefore life should be closer to the minimum identified in the HHHI Kinectrics report rather than the typical useful life. Over the past 35 years, only a few switches have needed to be replaced. The ages of these switches are approximately 40 years old. There are some cut-out switches that are only 10-15 year old; however these are small dollar value ($150 each). Therefore, the useful life of 40 years is to be used.

Voltage Regulator

The useful life of the voltage regulator is the same as the transformer. Therefore, there is no need to keep a separate component for the voltage regulators.

Reclosers

Reclosers are a type of switch and are currently included in devices and do not need to be separated from switches due to lack of significance in dollar value.

Municipal Substations

HHHI currently has 11 outdoor municipal substations and 1 indoor municipal substation. There is a high dollar value in the substations with the majority of the cost relating to the transformer with minor costs relating to fencing and building. Based on HHHI's experience, the tap changer is most likely to be replaced before the winding. The tap changer is a significant cost to replace although the majority of the cost is in the transformer itself. The building and fencing do not have a large dollar value in relation to each other. Therefore, all parts of the building (building and fence) for the municipal substation should be grouped together with the power transformer being one component comprised of the transformer, winding and tap changer.

The HHHI Kinectrics report shows a useful life of 32-55 years, with a typical useful life of 45 based on moderate electrical loading and environmental factors and low operating and maintenance practices. HHHI operating and maintenance are low. Engineering is finding that after 17-30 years of age maintenance costs increase. HHHI environmental factor would be a little higher than moderate as only one out of twelve municipal substations is indoor. Therefore the useful life should be lower than typical and a useful life of 35 years would be reasonable.

DC Service Station

The DC station service asset class includes battery banks and chargers. Based on HHHI's experience, batteries do not last as long as chargers. According to the HHHI Kinectrics report the battery and chargers have similar useful lives. Therefore, DC Station service will be one component comprising the battery and charger.

The HHHI Kinectrics report shows a useful life of 10-30 years, with a typical useful life of 20 years, based on moderate electrical loading, low environmental factors and moderate maintenance practices and moderate non-physical factors. For HHHI, the non-physical factors (technology) are low and environmental factors are also low as DC systems are indoors. A useful life of 20 years is typical of the charger (battery depends on the technology and normally does not last longer than charger). Therefore the useful life of 20 years would be reasonable.

Switchgear

HHHI operates with both air and gas insulated switchgear. As required, the air insulated switchgear is replaced with the latest design of metalclad gas insulated switchgear. The useful life expected by HHHI is the same which is supported by the lives identified in the HHHI Kinectrics report. The HHHI Kinectrics report has been broken out by type of switchgear – air vs. gas. When the switchgear requires replacement, HHHI typically replaces the whole switchgear, not just the parts within the switchgear. Therefore, the switchgear assembly should continue to be combined into one component – switchgear; and the type - air and gas switchgear should be grouped together as one component.

Kinectrics shows a useful life between 30-60 years, with a typical useful life of 40 years based on low electrical loading, moderate environmental factors, and operating and maintenance practices. Typical useful life of 40 years is accurate according to engineering. Electrical loading in the system is high and environmental factors are low as switchgear is all indoor. These factors offset each other. Experience of one engineer reveals that they have seen only one switchgear (air or gas) replaced which had an approximate 40 year useful life. Therefore, a useful life of 40 years is reasonable.

Station Grounding Systems

HHHI will replace the grounding system when the transformer is replaced. Therefore, the station grounding system will continue to be grouped together with transformers.

Underground System

The following possible components were identified – primary cable, secondary cable, transformers, switchgear, utility chamber, ducts, transformer switchgear foundation, junction cubicle, SCADA, fault indicator, metering, and smart meters.

Underground Primary Cable

HHHI utilizes only TRXLP cable within its underground distribution system. HHHI stopped direct burying cables approximately 20-25 years ago. The net book value of direct buried cable is expected to be nil. All new underground primary cable is installed – encased in duct or concrete. Based on HHHI's experience, induct and concrete have the same useful life. Arrestors and terminations are an insignificant part of the cost of the underground network and have a life similar to that of the cable. Therefore arrestors, terminations and elbows will be grouped together as one component in underground primary cable.

The HHHI Kinetrics report identified the useful life of underground primary cable including termination, arrestors, utility chambers and elbows of 40-60 years, with a typical useful life of 40 years based on moderate mechanical stress, electrical loading and environmental factors. Experience has shown cable does not require change out before 40 years; therefore a 40 year useful life is reasonable.

Secondary Cable

HHHI has both induct and direct buried secondary cable. All new underground secondary cable installed is encased in duct or concrete. HHHI does not have any PI and PIJ cables. Therefore, induct and direct buried cables will be grouped together.

The HHHI Kinectrics report identifies a useful life between 40-60 years, with minimum and typical useful life at 40 years. This is based on moderate mechanical stress, electrical loading and environmental factors. A useful life of 40 years is appropriate as normally change of secondary cables is due to electrical loading issues rather than failure and experience shows secondary cables are not changed out before then. Therefore, a useful life of 40 years is appropriate.

Transformers

Transformers are a significant part of the underground system.

The HHHI Kinectrics report reflects the useful life between 30-40 years, with a typical life of 40 years based on low mechanical stress and moderate electrical loading and environmental factors. HHHI has low electrical loading in their underground system which would put the useful life towards the maximum which is the same as typical. A useful life of 40 years is therefore appropriate.

Pad Mounted Switchgear

HHHI operates with both air and gas insulated switchgear. Experience has indicated that both air and gas switchgear have the same useful lives and this is supported by the HHHI Kinectrics report.

The HHHI Kinectrics report indentifed the useful life between 20-40 years, with a typical useful life of 30 years based on low mechanical stress and electrical loading and high environmental factors. Environmental factor is high as the assets tend to rust as they sit at the side of the road, so the snow, debris, salt, etc. factor into the condition of the asset. The approximate age is 25 to 30 years; therefore a 30 year useful life is appropriate.

Utility Chamber

The Utility Chamber facilitates cable pulling into underground ducts and provide access to splices and facilities that require periodic inspections or maintenance. HHHI currently has two utility chambers and has typically experienced that these chambers have a similar useful life to the conductor. Utility chambers are expensive to install, but they last a long time. Therefore, utility chambers are to be grouped with underground primary cable.

Ducts

The HHHI Kinectrics report shows a useful life from 30-80 years, with a typical useful life of 50 years based on high mechanical stress and moderate environmental factors. In HHHI's system, mechanical stress is not high and ducts underground are normally concrete encased and are therefore protected. They should therefore have a higher life than underground cable and a useful life of 50 years is reasonable.

Transformer and Switchgear Foundation

The transformer and switchgear foundation asset class is similar to the utility chamber asset. It is a buried precast concrete vault on which the pad-mounted transformers or switchgear are mounted. Typically the foundation is buried and the top portion is above ground. The transformer switchgear foundation is usually installed when the duct is installed. Therefore, duct and transformer switchgear foundation are to be grouped together.

Junction Cubicle

Junction cubicle is similar to switchgear but it is less expensive. According to the HHHI Kinectrics report, junction cubicle and switchgear useful lives are similar. As such, junction cubicle is to be grouped with the pad mounted switchgear.

SCADA

Supervisory Control and Data Acquisition (SCADA) refers to the centralized monitoring and control system of a facility. SCADA remote units (RTUs) allow the SCADA system to communicate with field equipment. The RTU is typically comprised of power supply, CPU, I/O Modules, housing and chassis, communications interface and software.

The HHHI Kinectrics report identifies a SCADA useful life between 5-30 years, with a typical useful life of 20 years based on low environmental and maintenance practices and high non-physical factors. For HHHI, the environmental and maintenance factors are low. The non-physical factor is high as SCADA is technology-based. The life of SCADA equipment is limited by technology. Therefore a 20 year useful life is appropriate based on non-physical.

Fault Indicator

HHHI has approximately 45 fault indicators comprised of both overhead and underground. The cost of a fault indicator is approximately $200-500. Overhead fault indicators should be grouped with overhead conductor and underground fault indicators are used with transformers and should be grouped with the underground transformers.

Metering

The metering asset consists of three components: the meter itself, the current transformer (CT) and the potential transformer (PT

HHHI typically recalibrates industrial/commercial meters every 10 years. As industrial and wholesale meters last the same amount of time, they will be grouped together.

The HHHI Kinectrics report shows a useful life range of industrial/commercial type meters between 20 -60 years. The non-physical factors are high due to technology and life is limited by technology. A 20 year useful life is reasonable.

Rarely, is HHHI required to replace CTs and PTs; only if they are hit by lightning or other electrical issues. CTs and PTs last a lot longer than a meter. As a result, CTs and PTs should be segregated from industrial and wholesale meters.

The HHHI Kinectrics report shows a useful life between 35-50 years, with a typical useful life of 45 years based on low maintenance. CTs & PTs typically last about 45 years. Useful life of 45 years will be used.

Smart Meters

A smart meter is an advanced meter, essentially an electrical meter that identifies consumption in more detail than a conventional meter; and communicates that information via repeaters and collectors back to the local utility. HHHI expects that repeaters, antennas and data connectors would easily last as long as the meters, but they are based on technology and this impacts their useful life as these are communication based. Smart metering is a 20 year plan. Cost information should be kept in as much detail as in the Kinectrics chart – smart meters, repeaters, data concentrators.

The HHHI Kinectrics report reflects a minimum life for all smart meters of 15 years to be deemed appropriate as this is new technology with no history. Technology is considered to be a life limiting factor.

Minor Assets

With reference to the HHHI Kinectrics report:

1. Vehicles will be separated into the following categories and useful lives will be based on HHHI replacement policy as follows:
   - bucket trucks, useful life of 12 years
   - trailers, useful life of 15 years and
   - Vans/cars/light vehicles, useful life of 8 years.

2. Office equipment - a 5 year useful life.

3. Computer hardware and software is technology driven. The life is determined to be 3 years and 2 years respectively.

4. Tools, shop, garage equipment and measurement & testing equipment are to be bundled together and useful life is determined to be 10 years.

5. Stores equipment with useful life of 10 years.

6. Communication equipment including vehicle radio will continue to use the current useful life of 10 years.

Conclusion:

The new levels of componentization and the corresponding useful lives will be applied beginning January 1, 2012. The net book value as deemed cost exemption (available to rate regulated entities) will be applied so that the opening values at January 1, 2012 do not need to be restated and therefore, componentization does not need to be applied retroactively.

Table 1: HHHI – PP&E Components and Estimated Useful Lives

Component	Previous Component	Proposed Useful Life	Existing Useful Life
Land	Land	N/A	N/A
Overhead poles, fully dressed	Overhead Poles	50	25
Overhead conductors	Overhead Conductors & Devices	50	25
Overhead line switches, reclosures, fault circuit indicators	Overhead Conductors & Devices	40	25
Municipal substations – transformers incl grounding system	MS Station equipment	35	25
Municipal substations - DC service station incl battery & chargers	MS Station equipment	20	25
M.S. Switchgear	Overhead Conductors & Devices	40	10
Underground primary cable incl utility chambers	Underground Conductors & Devices	40	25
Underground secondary cable	Underground Services	40	25
Underground ducts and transformer switchgear foundation	Underground Conduit	50	25
Overhead transformers incl voltage regulator	Overhead Transformers	40	25
Underground transformers incl fault indicators	Underground Transformers	40	10
Underground switchgear and junction cubicle		20	-
SCADA – battery, RTU, relay, IED		20	15
Industrial/Commercial, wholesale Energy Meters	Interval Meters – 1 Phase, 3 Phase & Meters YE Adj	20	25
PTs & CTs	Meters	45	25
Smart meters - meters	Meters	15	15
Smart meters - repeaters	Meters	15	15
Smart meters – data concentrators	Meters	15	15
Office Furniture and Equipment	Office Furniture and Equipment	5	10
Computer Equipment Hardware	Computer Equipment Hardware	3	5
Computer Software	Computer Software	2	1
Vehicles – bucket trucks	Transportation Equipment	12	5
Vehicles – trailers	Transportation Equipment	15	5
Vehicles – vans/cars	Transportation Equipment	8	5
Tools, Garage Equipment, Measurement & Testing Equipment	Tools, Garage Equipment, Measurement & Testing Equipment	10	10
Stores Equipment	Stores Equipment	10	10
Wireless Communication	Communication Equipment	10	-

Standard: IAS 16 – Property, Plant and Equipment

Topic: Capitalization - Burdens

Objective:

To document the accounting policy on the capitalization of burdens.

HHHI will capitalize all costs, including the above burdens, when the cost is directly attributable to bringing the item of PP&E to the location and condition necessary for it to be capable of operating in the manner intended by management.

Any general and administrative costs currently included in the various burden rates under CGAPP will not be capitalized under IFRS.

The following changes were made to the capitalization policy as a result of the transition to IFRS.

<u>Payroll allocation</u>

The following accounts were removed from this allocation as they are not directly attributable to an asset:

- Non-Productive Time (account 670-14-21)
- Major Tools Amortization (account 670-14-22)
- Payroll Overhead Management Cost (account 670-26-13/14/15/17)
- MEARIE – Total Benefits (account 670-26-26)
- Department/ OH Recovery (account 670-90-89)

<u>Stores Allocation (Materials Burden)</u>

No changes were identified for this allocation.

<u>Rolling Stock (Vehicle Burden):</u>

No changes were identified for this allocation.

Standard: IAS 16 – Property, Plant and Equipment

Topic: Property, Plant and Equipment Derecognition of PP&E

Objective:

To document the accounting policy on derecognition of property, plant and equipment.

Background:

The carrying amount of an item of property, plant and equipment (PP&E) shall be derecognized:

(a) On disposal; or
(b) When no future economic benefits are expected from its use or disposal (eg. the item is removed from use).

When a part of an item of PP&E is replaced and that replacement is capitalized under the recognition principle in IAS 16, then the replaced part is derecognized regardless of whether the replaced part has been identified as a separate component and depreciated separately.

The gain or loss arising from the derecognition of an item of PP&E shall be included in profit or loss when the item is derecognized. Gains shall not be classified as revenue, and instead should be presented as other income or expense.

The disposal of an item of PP&E may occur in a variety of ways (e.g. by sale, by entering into a finance lease, by donation, etc.) In determining the date of disposal of an item, an entity applies the criteria in IAS 18 for recognizing revenue from the sale of goods. Under IAS 18.14, revenue from the sale of goods shall be recognized when all the following conditions have been satisfied:

(a) The entity has transferred to the buyer the significant risks and rewards of ownership of the goods
(b) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
(c) The amount of revenue can be measured reliably;
(d) It is probable that the economic benefits associated with the transition will flow to the entity; and
(e) The costs incurred or to be incurred in respect of the transactions can be measure reliably.

The gain or loss arising from derecognizing of an item of PP&E shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Considerations:

Currently the pooled method of accounting for capital assets for Utility companies is applied and is an approved method by the Ontario Energy Board ("OEB").

The pooled method of accounting, pools like assets together based on the year of addition as the pooling method assumes that each asset will last, on average, their full useful life

Under the pooled method there is an assumption that there are assets within the same asset pool which will last longer or shorter than the estimated useful life and therefore, in the end everything balances out on average. However, the assumption does not always hold true, especially if assets are removed from service before the end of their useful life, for example, when a road is widened and a pole line relocated.

Under the pooled method, if an asset is removed from service prior to the end of its useful life, there is no change to the accounting to remove the asset – it remains in the GL (ie it is not derecognized).

Currently, HHHI records their capital assets using the pooling method of accounting and does not derecognize assets removed from service prior to the end of their useful life.

Since HHHI removes assets from service prior to the end of their useful life from time to time, these removed assets should be derecognized. HHHI must derecognize the cost of the asset which was removed/disposed. A write-off would be recorded in the amount of the remaining NBV of the asset removed/disposed. Any proceeds on the disposal of the asset would offset the write-off.

Conclusion:

In order to properly account for assets that are removed from service in the accounting records, a collaborative process needs to be developed involving Engineering, Operations and Finance which alerts the accounting department when an asset has been removed from service in order to write-off the asset (long-term issue)

If a project include only the addition of a new asset, without any removal of old assets, then there are no de-recognition losses to record.

Standard: IAS 23 – Borrowing Costs

Topic: Borrowing Costs – Property, Plant and Equipment

Objective:

To determine the policy on accounting for borrowing costs for property, plant and equipment.

Background:

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. A substantial period of time is not defined in the IAS standard. Guidance provided by KPMG (Insights) suggests that a substantial period of time would be considered to be a period well in excess of 6 months.

For all subsequent periods following the initial recognition of an asset, IAS 16 permits a choice of using either the cost model or the revaluation model for valuing PP&E. HHHI has chosen to use the cost model in accordance with OEB requirements.

IAS 23 requires that borrowing costs be expensed as they are incurred unless they relate to "qualifying assets", in which case they must be capitalized if certain conditions are met. When interest is capitalized, IAS 23 requires the following steps:

- Begin capitalization when borrowing costs are incurred and expenditures and activities to develop a qualifying asset are in progress;
- Suspend capitalization when development is interrupted for extended periods; and
- Cease capitalization when a qualifying asset is ready for its intended use or sale.

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset form part of the cost of that asset. All other borrowing costs are recognized as interest expense.

The borrowing costs capitalized must reflect the weighted average of the actual borrowing costs incurred. The OEB requires the actual interest rate on the debt to be used if the related debt was acquired on an arm's length basis. If the debt is acquired on a non-arm's length basis then the interest rate used cannot exceed the Board's published rates for CWIP.

Definitions:

Qualifying asset – HHHI defines a qualifying asset as one that takes in excess of 9 months to construct or get ready for its intended use.

Conclusion:

Eligible borrowing costs will be capitalized as part of PP&E for all qualifying assets. Interest rate to be used for capitalization will be limited to the OEB's published rate for CWIP for regulatory reporting purposes.

Halton Hills Hydro Inc.						
Capitalization of Overheads Table						
	Engineering		Supervision		Supply Chain	
Account	CGAPP	MIFRS	CGAPP	MIFRS	CGAPP	MIFRS
Labour Regular Hourly	Y	Y			Y	Y
Labour Overtime Hourly	Y	Y			Y	Y
Union Vacation	Y	Y			Y	Y
Union Statutory Holidays	Y	Y			Y	Y
Union Leave	N	N				
Labour Regular Salary	Y	Y			Y	Y
Labour Overtime Salary						
Training Regular Hourly	Y	N	Y	N	Y	N
Training Regular Salary	Y	N	Y	N	Y	N
Training Overtime Hourly						
Inclement Weather - Regular						
Management salaries	Y	N	Y	N	Y	N
Management vacation	Y	N	Y	N	Y	N
Management training	Y	N	Y	N	Y	N
Employer Pension Contributions	Y	Y	Y	Y	Y	Y
Canada Pension Contributions	Y	Y	Y	Y	Y	Y
Employment Insurance Contributions	Y	Y	Y	Y	Y	Y
Workplace Safety and Insurance	Y	Y	Y	Y	Y	Y
Ontario Health Tax	Y	Y	Y	Y	Y	Y
Employee Health Plan	Y	Y	Y	Y	Y	Y
Safety Equipment and Uniforms	Y	N	Y	N	Y	N
Rewards and Recognition	Y	N	Y	N	Y	N
Vehicles & Equipment	Y	Y	Y	Y	Y	Y
Outside Services	Y	Y			Y	Y
Vehicles & Equipment Rentals					Y	Y
Small Tools					Y	N
Small Equipment Repairs					Y	N
Freight and Transport					Y	Y
Waste Disposal					Y	N
Office Supplies	Y	N			Y	N
Office Equipment Rentals	Y	N			Y	N
Office Equipment Maintenance	Y	N			Y	N
Postage and Meter Rentals					Y	N
Courier	Y	N			Y	N
Travel Meals & Entertainment						
Mileage reimbursement	Y	Y	Y	N	Y	Y
Vehicles	Y	Y	Y	N	Y	N
Travel Other	Y	N	Y	N	Y	N
Training Meals & Entertainment	Y	N	Y	N	Y	N

Training Tuition	Y	N	Y	N	Y	N
Training Transportation	Y	N	Y	N	Y	N
Training Lodging	Y	N	Y	N	Y	N
Training Mileage Reimbursement	Y	N	Y	N	Y	N
Training Other	Y	N	Y	N	Y	N
Consulting Services	Y	N				
Computer Equipment	Y	N			Y	N
Computer Software	Y	N			Y	N
Computer Supplies	Y	N			Y	N
IT Licenses	Y	N			Y	N
IT Maintenance Contracts	Y	N			Y	N
Telephone	Y	N			Y	N
Telephone - Mobile	Y	N			Y	N
Radio Leasing and Licenses	Y	N			Y	N
Communications Hardware	Y	N			Y	N
Professional Dues and Licenses	Y	N	Y	N		
Other Membership Fees	Y	N	Y	N		
Subscriptions	Y	N	Y	N		
Easements and Licenses	Y	Y				
Inventory Write-off and Obsolescence					Y	Y
Inventory Shortages and Overages					Y	Y
Average Cost Adjustment					Y	Y

APPENDIX J

Cost Allocation Sheets O1 and O2

2012 Cost Allocation Study
Halton Hills Hydro Inc
0
January 0, 1900

Sheet O1 Revenue to Cost Summary Worksheet - Initial Application

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

			1	2	3	4	7	8	9
Rate Base Assets		**Total**	**Residential**	**GS<50kW**	**GS 50-999 kW**	**GS 1000-4999**	**Street Light**	**Sentinel**	**Unmetered Scattered Load**
crev	Distribution Revenue at Existing Rates	$9,202,162	$5,576,187	$1,058,103	$1,217,801	$935,578	$367,002	$13,787	$33,704
mi	Miscellaneous Revenue (mi)	$1,159,045	$782,350	$183,922	$108,362	$40,709	$38,531	$3,349	$1,823
		Miscellaneous Revenue Input equals Output							
	Total Revenue at Existing Rates	$10,361,208	**$6,358,537**	**$1,242,025**	**$1,326,164**	**$976,287**	**$405,533**	**$17,136**	**$35,527**
	Factor required to recover deficiency (1 + D)	1.0228							
	Distribution Revenue at Status Quo Rates	$9,411,657	$5,703,134	$1,082,192	$1,245,526	$956,877	$375,357	$14,100	$34,471
	Miscellaneous Revenue (mi)	$1,159,045	$782,350	$183,922	$108,362	$40,709	$38,531	$3,349	$1,823
	Total Revenue at Status Quo Rates	$10,570,702	**$6,485,483**	**$1,266,113**	**$1,353,888**	**$997,586**	**$413,888**	**$17,450**	**$36,294**
	Expenses								
di	Distribution Costs (di)	$1,723,275	$937,832	$192,563	$327,146	$178,296	$80,082	$3,777	$3,579
cu	Customer Related Costs (cu)	$1,756,501	$1,467,483	$196,971	$74,881	$6,353	$580	$9,193	$1,039
ad	General and Administration (ad)	$2,794,246	$1,907,151	$311,198	$335,205	$156,434	$70,332	$10,037	$3,890
dep	Depreciation and Amortization (dep)	$1,390,193	$804,349	$146,600	$238,859	$133,835	$60,939	$2,845	$2,766
INPUT	PILs (INPUT)	$39,395	$23,155	$4,155	$6,641	$3,488	$1,792	$83	$81
INT	Interest	$1,244,210	$731,314	$131,221	$209,735	$110,173	$56,589	$2,621	$2,558
	Total Expenses	$8,947,819	**$5,871,285**	**$982,709**	**$1,192,466**	**$588,579**	**$270,313**	**$28,556**	**$13,912**
	Direct Allocation	$0	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
NI	Allocated Net Income (NI)	$1,622,883	$953,887	$171,158	$273,567	$143,704	$73,812	$3,418	$3,336
	Revenue Requirement (includes NI)	$10,570,702	$6,825,172	$1,153,867	$1,466,033	$732,283	$344,125	$31,974	$17,248
		Revenue Requirement Input equals Output							
	Rate Base Calculation								
	Net Assets								
dp	Distribution Plant - Gross	$55,516,192	$32,257,590	$5,859,894	$9,324,116	$5,046,778	$2,777,961	$126,686	$123,167
gp	General Plant - Gross	$8,002,540	$4,726,479	$840,915	$1,332,283	$690,094	$378,469	$17,375	$16,926
accum dep	Accumulated Depreciation	($21,660,071)	($12,241,581)	($2,304,938)	($3,702,186)	($2,143,324)	($1,164,174)	($52,723)	($51,145)
co	Capital Contribution	($6,740,037)	($4,093,511)	($693,031)	($1,039,570)	($489,682)	($390,425)	($17,208)	($16,609)
	Total Net Plant	$35,118,623	**$20,648,976**	**$3,702,840**	**$5,914,642**	**$3,103,866**	**$1,601,831**	**$74,130**	**$72,338**
	Directly Allocated Net Fixed Assets	$0	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
COP	Cost of Power (COP)	$47,132,102	$20,055,113	$5,179,080	$11,194,518	$10,321,988	$265,116	$36,286	$80,000
	OM&A Expenses	$6,274,021	$4,312,467	$700,732	$737,232	$341,082	$150,993	$23,008	$8,508
	Directly Allocated Expenses	$0	$0	$0	$0	$0	$0	$0	$0
	Subtotal	*$53,406,124*	***$24,367,580***	***$5,879,812***	***$11,931,750***	***$10,663,071***	***$416,110***	***$59,294***	***$88,508***
	Working Capital	$8,010,919	**$3,655,137**	**$881,972**	**$1,789,762**	**$1,599,461**	**$62,416**	**$8,894**	**$13,276**
	Total Rate Base	$43,129,542	**$24,304,113**	**$4,584,812**	**$7,704,404**	**$4,703,326**	**$1,664,247**	**$83,024**	**$85,615**
		Rate Base Input equals Output							
	Equity Component of Rate Base	$17,251,817	**$9,721,645**	**$1,833,925**	**$3,081,762**	**$1,881,331**	**$665,699**	**$33,210**	**$34,246**
	Net Income on Allocated Assets	$1,622,883	**$614,199**	**$283,405**	**$161,422**	**$409,007**	**$143,575**	**($11,107)**	**$22,382**
	Net Income on Direct Allocation Assets	$0	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
	Net Income	$1,622,883	**$614,199**	**$283,405**	**$161,422**	**$409,007**	**$143,575**	**($11,107)**	**$22,382**
	RATIOS ANALYSIS								
	REVENUE TO EXPENSES STATUS QUO%	100.00%	**95.02%**	**109.73%**	**92.35%**	**136.23%**	**120.27%**	**54.57%**	**210.42%**
	EXISTING REVENUE MINUS ALLOCATED COSTS	($209,495)	($466,635)	$88,158	($139,870)	$244,004	$61,408	($14,839)	$18,278
		Deficiency Input equals Output							
	STATUS QUO REVENUE MINUS ALLOCATED COSTS	$0	($339,689)	$112,246	($112,145)	$265,304	$69,763	($14,525)	$19,046
	RETURN ON EQUITY COMPONENT OF RATE BASE	9.41%	6.32%	15.45%	5.24%	21.74%	21.57%	-33.44%	65.36%

2012 Cost Allocation Study
Halton Hills Hydro Inc.
0
January 0, 1900

Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet - Initial Application

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	4	7	8	9
	Residential	GS<50kW	GS 50-999 kW	GS 1000-4999	Street Light	Sentinel	Unmetered Scattered Load
Customer Unit Cost per month - Avoided Cost	$5.41	$4.58	$47.88	$73.89	$0.01	$3.50	$0.40
Customer Unit Cost per month - Directly Related	$9.53	$10.60	$76.94	$113.04	$0.02	$6.20	$0.73
Customer Unit Cost per month - Minimum System with PLCC Adjustment	$18.74	$20.22	$89.11	$121.39	$6.37	$12.75	$5.92
Existing Approved Fixed Charge	$12.94	$28.28	$76.18	$173.31	$2.30	$2.67	$12.69

Information to be Used to Allocate PILs, ROD, ROE and A&G

		1	2	3	4	7	8	9
	Total	Residential	GS<50kW	GS 50-999 kW	GS 1000-4999	Street Light	Sentinel	Unmetered Scattered Load
General Plant - Gross Assets	$8,002,540	$4,726,479	$840,915	$1,332,283	$690,094	$378,469	$17,375	$16,926
General Plant - Accumulated Depreciation	($5,481,569)	($3,237,537)	($576,009)	($912,585)	($472,700)	($259,243)	($11,902)	($11,594)
General Plant - Net Fixed Assets	$2,520,971	$1,488,942	$264,906	$419,697	$217,394	$119,226	$5,474	$5,332
General Plant - Depreciation	$406,777	$240,251	$42,744	$67,721	$35,078	$19,238	$883	$860
Total Net Fixed Assets Excluding General Plant	$32,597,652	$19,160,035	$3,437,934	$5,494,944	$2,886,471	$1,482,605	$68,656	$67,006
Total Administration and General Expense	$2,794,246	$1,907,151	$311,198	$335,205	$156,434	$70,332	$10,037	$3,890
Total O&M	$3,479,775	$2,405,316	$389,534	$402,027	$184,649	$80,662	$12,971	$4,618

Scenario 1

Accounts included in Avoided Costs Plus General Administration Allocation

USoA Account #	Accounts	Total	1 Residential	2 GS<50kW	3 GS 50-999 kW	4 GS 1000-4999	7 Street Light	8 Sentinel	9 Unmetered Scattered Load
	Distribution Plant								
1860	Meters	$4,632,204	$3,736,841	$404,053	$427,054	$64,256	$0	$0	$0
	Accumulated Amortization								
	Accum. Amortization of Electric Utility Plant - Meters only	($1,193,028)	($962,427)	($104,064)	($109,988)	($16,549)	$0	$0	$0
	Meter Net Fixed Assets	**$3,439,175**	**$2,774,414**	**$299,989**	**$317,066**	**$47,707**	**$0**	**$0**	**$0**
	Misc Revenue								
4082	Retail Services Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4084	Service Transaction Requests (STR) Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4090	Electric Services Incidental to Energy Sales	$0	$0	$0	$0	$0	$0	$0	$0
4220	Other Electric Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4225	Late Payment Charges	($271,607)	($185,758)	($85,849)	$0	$0	$0	$0	$0
	Sub-total	*($271,607)*	*($185,758)*	*($85,849)*	*$0*	*$0*	*$0*	*$0*	*$0*
	Operation								
5065	Meter Expense	$205,396	$165,695	$17,916	$18,936	$2,849	$0	$0	$0
5070	Customer Premises - Operation Labour	$2,415	$1,798	$156	$16	$1	$412	$16	$16
5075	Customer Premises - Materials and Expenses	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*$207,811*	*$167,493*	*$18,072*	*$18,952*	*$2,850*	*$412*	*$16*	*$16*
	Maintenance								
5175	Maintenance of Meters	$0	$0	$0	$0	$0	$0	$0	$0
	Billing and Collection								
5310	Meter Reading Expense	$71,840	$43,381	$7,527	$19,538	$1,395	$0	$0	$0
5315	Customer Billing	$629,320	$538,527	$69,061	$16,029	$964	$77	$4,195	$468
5320	Collecting	$466,428	$399,136	$51,186	$11,880	$714	$57	$3,109	$347
5325	Collecting- Cash Over and Short	$0	$0	$0	$0	$0	$0	$0	$0
5330	Collection Charges	$3,300	$2,824	$362	$84	$5	$0	$22	$2
	Sub-total	$1,170,888	$983,868	$128,135	$47,530	$3,078	$134	$7,325	$817
	Total Operation, Maintenance and Billing	$1,378,699	$1,151,361	$146,207	$66,483	$5,928	$546	$7,342	$833
	Amortization Expense - Meters	$90,222	$72,783	$7,870	$8,318	$1,252	$0	$0	$0
	Allocated PILs	$3,857	$3,111	$337	$356	$54	$0	$0	$0
	Allocated Debt Return	$121,828	$98,260	$10,631	$11,243	$1,693	$0	$0	$0
	Allocated Equity Return	$158,906	$128,165	$13,867	$14,665	$2,209	$0	$0	$0
	Total	**$1,481,904**	**$1,267,922**	**$93,063**	**$101,065**	**$11,135**	**$546**	**$7,342**	**$833**

Scenario 2

Accounts included in Directly Related Customer Costs Plus General Administration Allocation

			1	2	3	4	7	8	9
USoA Account #	**Accounts**	**Total**	**Residential**	**GS<50kW**	**GS 50-999 kW**	**GS 1000-4999**	**Street Light**	**Sentinel**	**Unmetered Scattered Load**
	Distribution Plant								
1860	Meters	$4,632,204	$3,736,841	$404,053	$427,054	$64,256	$0	$0	$0
	Accumulated Amortization								
	Accum. Amortization of Electric Utility Plant - Meters only	($1,193,028)	($962,427)	($104,064)	($109,988)	($16,549)	$0	$0	$0
	Meter Net Fixed Assets	$3,439,175	$2,774,414	$299,989	$317,066	$47,707	$0	$0	$0
	Allocated General Plant Net Fixed Assets	$266,527	$215,602	$23,115	$24,217	$3,593	$0	$0	$0
	Meter Net Fixed Assets Including General Plant	$3,705,703	$2,990,016	$323,104	$341,283	$51,300	$0	$0	$0
	Misc Revenue								
4082	Retail Services Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4084	Service Transaction Requests (STR) Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4090	Electric Services Incidental to Energy Sales	$0	$0	$0	$0	$0	$0	$0	$0
4220	Other Electric Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4225	Late Payment Charges	($271,607)	($185,758)	($85,849)	$0	$0	$0	$0	$0
	Sub-total	*($271,607)*	*($185,758)*	*($85,849)*	*$0*	*$0*	*$0*	*$0*	*$0*
	Operation								
5065	Meter Expense	$205,396	$165,695	$17,916	$18,936	$2,849	$0	$0	$0
5070	Customer Premises - Operation Labour	$2,415	$1,798	$156	$16	$1	$412	$16	$16
5075	Customer Premises - Materials and Expenses	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*$207,811*	*$167,493*	*$18,072*	*$18,952*	*$2,850*	*$412*	*$16*	*$16*

	Maintenance								
5175	Maintenance of Meters	$0	$0	$0	$0	$0	$0	$0	$0
	Billing and Collection								
5310	Meter Reading Expense	$71,840	$43,381	$7,527	$19,538	$1,395	$0	$0	$0
5315	Customer Billing	$629,320	$538,527	$69,061	$16,029	$964	$77	$4,195	$468
5320	Collecting	$466,428	$399,136	$51,186	$11,880	$714	$57	$3,109	$347
5325	Collecting- Cash Over and Short	$0	$0	$0	$0	$0	$0	$0	$0
5330	Collection Charges	$3,300	$2,824	$362	$84	$5	$0	$22	$2
	Sub-total	*$1,170,888*	*$983,868*	*$128,135*	*$47,530*	*$3,078*	*$134*	*$7,325*	*$817*
	Total Operation, Maintenance and Billing	$1,378,699	$1,151,361	$146,207	$66,483	$5,928	$546	$7,342	$833
	Amortization Expense - Meters	$90,222	$72,783	$7,870	$8,318	$1,252	$0	$0	$0
	Amortization Expense - General Plant assigned to Meters	*$43,006*	*$34,789*	*$3,730*	*$3,908*	*$580*	*$0*	*$0*	*$0*
	Admin and General	$1,097,020	$912,903	$116,805	$55,432	$5,022	$476	$5,681	$701
	Allocated PILs	$4,156	$3,353	$363	$383	$58	$0	$0	$0
	Allocated Debt Return	$131,269	$105,896	$11,450	$12,102	$1,821	$0	$0	$0
	Allocated Equity Return	$171,220	$138,125	$14,935	$15,785	$2,375	$0	$0	$0
	Total	**$2,643,986**	**$2,233,451**	**$215,511**	**$162,411**	**$17,035**	**$1,022**	**$13,023**	**$1,534**

Scenario 3

Minimum System Customer Costs Adjusted for PLCC - High Limit Fixed Customer Charge

USoA Account #	Accounts	Total	1 Residential	2 GS<50kW	3 GS 50-999 kW	4 GS 1000-4999	7 Street Light	8 Sentinel	9 Unmetered Scattered Load
	Distribution Plant								
1565	Conservation and Demand Management Expenditures and Recoveries	$0	$0	$0	$0	$0	$0	$0	$0
1830	Poles, Towers and Fixtures	$0	$0	$0	$0	$0	$0	$0	$0
1830-3	Poles, Towers and Fixtures - Subtransmission Bulk Delivery	$0	$0	$0	$0	$0	$0	$0	$0
1830-4	Poles, Towers and Fixtures - Primary	$5,334,629	$3,971,025	$344,491	$35,769	$2,554	$909,623	$35,570	$35,598
1830-5	Poles, Towers and Fixtures - Secondary	$2,074,578	$1,545,965	$134,114	$12,428	$237	$354,127	$13,848	$13,859
1835	Overhead Conductors and Devices	$0	$0	$0	$0	$0	$0	$0	$0
1835-3	Overhead Conductors and Devices - Subtransmission Bulk Delivery	$0	$0	$0	$0	$0	$0	$0	$0
1835-4	Overhead Conductors and Devices - Primary	$1,986,068	$1,478,402	$128,253	$13,317	$951	$338,650	$13,243	$13,253
1835-5	Overhead Conductors and Devices - Secondary	$1,069,421	$796,928	$69,134	$6,406	$122	$182,548	$7,138	$7,144
1840	Underground Conduit	$0	$0	$0	$0	$0	$0	$0	$0
1840-3	Underground Conduit - Bulk Delivery	$0	$0	$0	$0	$0	$0	$0	$0
1840-4	Underground Conduit - Primary	$424,814	$316,226	$27,433	$2,848	$203	$72,436	$2,833	$2,835
1840-5	Underground Conduit - Secondary	$228,746	$170,460	$14,788	$1,370	$26	$39,047	$1,527	$1,528
1845	Underground Conductors and Devices	$0	$0	$0	$0	$0	$0	$0	$0
1845-3	Underground Conductors and Devices - Bulk Delivery	$0	$0	$0	$0	$0	$0	$0	$0
1845-4	Underground Conductors and Devices - Primary	$1,355,349	$1,008,904	$87,523	$9,088	$649	$231,105	$9,037	$9,044
1845-5	Underground Conductors and Devices - Secondary	$729,804	$543,846	$47,179	$4,372	$84	$124,576	$4,871	$4,875
1850	Line Transformers	$2,950,300	$2,198,549	$190,727	$17,674	$338	$503,611	$19,693	$19,709
1855	Services	$2,556,444	$2,556,444	$0	$0	$0	$0	$0	$0
1860	Meters	$4,632,204	$3,736,841	$404,053	$427,054	$64,256	$0	$0	$0
1880	IFRS Placeholder Asset Account	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*$23,342,358*	*$18,323,590*	*$1,447,695*	*$530,326*	*$69,420*	*$2,755,723*	*$107,760*	*$107,844*
	Accumulated Amortization								
	Accum. Amortization of Electric Utility Plant -Line Transformers, Services and Meters	($9,569,261)	($7,406,245)	($592,965)	($158,883)	($19,229)	($1,290,937)	($50,481)	($50,520)
	Customer Related Net Fixed Assets	$13,773,097	$10,917,345	$854,730	$371,443	$50,191	$1,464,785	$57,279	$57,324
	Allocated General Plant Net Fixed Assets	$1,073,327	$848,396	$65,860	$28,370	$3,780	$117,793	$4,567	$4,562
	Customer Related NFA Including General Plant	$14,846,425	$11,765,741	$920,590	$399,814	$53,971	$1,582,578	$61,846	$61,885

	Misc Revenue								
4082	Retail Services Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4084	Service Transaction Requests (STR) Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4090	Electric Services Incidental to Energy Sales	$0	$0	$0	$0	$0	$0	$0	$0
4220	Other Electric Revenues	$0	$0	$0	$0	$0	$0	$0	$0
4225	Late Payment Charges	($271,607)	($185,758)	($85,849)	$0	$0	$0	$0	$0
4235	Miscellaneous Service Revenues	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*($271,607)*	*($185,758)*	*($85,849)*	*$0*	*$0*	*$0*	*$0*	*$0*
	Operating and Maintenance								
5005	Operation Supervision and Engineering	$104,668	$81,601	$5,838	$578	$29	$15,416	$603	$603
5010	Load Dispatching	$0	$0	$0	$0	$0	$0	$0	$0
5020	Overhead Distribution Lines and Feeders - Operation Labour	$69,891	$52,043	$4,515	$454	$26	$11,921	$466	$467
5025	Overhead Distribution Lines & Feeders - Operation Supplies and Expenses	$0	$0	$0	$0	$0	$0	$0	$0
5035	Overhead Distribution Transformers- Operation	$0	$0	$0	$0	$0	$0	$0	$0
5040	Underground Distribution Lines and Feeders - Operation Labour	$0	$0	$0	$0	$0	$0	$0	$0
5045	Underground Distribution Lines & Feeders - Operation Supplies & Expenses	$854	$636	$55	$6	$0	$146	$6	$6
5055	Underground Distribution Transformers - Operation	$53,583	$39,930	$3,464	$321	$6	$9,146	$358	$358
5065	Meter Expense	$205,396	$165,695	$17,916	$18,936	$2,849	$0	$0	$0
5070	Customer Premises - Operation Labour	$2,415	$1,798	$156	$16	$1	$412	$16	$16
5075	Customer Premises - Materials and Expenses	$0	$0	$0	$0	$0	$0	$0	$0
5085	Miscellaneous Distribution Expense	$15,346	$11,964	$856	$85	$4	$2,260	$88	$88
5090	Underground Distribution Lines and Feeders - Rental Paid	$0	$0	$0	$0	$0	$0	$0	$0
5095	Overhead Distribution Lines and Feeders - Rental Paid	$0	$0	$0	$0	$0	$0	$0	$0
5096	Other Rent	$0	$0	$0	$0	$0	$0	$0	$0
5105	Maintenance Supervision and Engineering	$0	$0	$0	$0	$0	$0	$0	$0
5120	Maintenance of Poles, Towers and Fixtures	$22,541	$16,785	$1,456	$147	$8	$3,845	$150	$150
5125	Maintenance of Overhead Conductors and Devices	$22,894	$17,048	$1,479	$148	$8	$3,905	$153	$153
5130	Maintenance of Overhead Services	$56,490	$56,490	$0	$0	$0	$0	$0	$0
5135	Overhead Distribution Lines and Feeders - Right of Way	$168,666	$125,594	$10,895	$1,095	$62	$28,769	$1,125	$1,126
5145	Maintenance of Underground Conduit	$9,363	$6,973	$605	$60	$3	$1,597	$62	$63
5150	Maintenance of Underground Conductors and Devices	$3,953	$2,944	$255	$26	$1	$674	$26	$26
5155	Maintenance of Underground Services	$17,080	$17,080	$0	$0	$0	$0	$0	$0
5160	Maintenance of Line Transformers	$13,928	$10,379	$900	$83	$2	$2,377	$93	$93
5175	Maintenance of Meters	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*$767,069*	*$606,958*	*$48,391*	*$21,953*	*$3,001*	*$80,469*	*$3,147*	*$3,149*

	Billing and Collection								
5305	Supervision	$277,802	$237,723	$30,486	$7,076	$425	$34	$1,852	$206
5310	Meter Reading Expense	$71,840	$43,381	$7,527	$19,538	$1,395	$0	$0	$0
5315	Customer Billing	$629,320	$538,527	$69,061	$16,029	$964	$77	$4,195	$468
5320	Collecting	$466,428	$399,136	$51,186	$11,880	$714	$57	$3,109	$347
5325	Collecting- Cash Over and Short	$0	$0	$0	$0	$0	$0	$0	$0
5330	Collection Charges	$3,300	$2,824	$362	$84	$5	$0	$22	$2
5335	Bad Debt Expense	$100,000	$78,400	$20,278	$1,323	$0	$0	$0	$0
5340	Miscellaneous Customer Accounts Expenses	$0	$0	$0	$0	$0	$0	$0	$0
	Sub-total	*$1,548,690*	*$1,299,991*	*$178,899*	*$55,929*	*$3,503*	*$168*	*$9,177*	*$1,023*
	Sub Total Operating, Maintenance and Biling	*$2,315,759*	*$1,906,949*	*$227,290*	*$77,882*	*$6,504*	*$80,637*	*$12,324*	*$4,172*
	Amortization Expense - Customer Related	$387,637	$308,551	$23,473	$9,862	$1,329	$41,200	$1,611	$1,612
	Amortization Expense - General Plant assigned to Meters	$173,189	$136,895	$10,627	$4,578	$610	$19,007	$737	$736
	Admin and General	$1,847,391	$1,512,001	$181,582	$64,937	$5,510	$70,310	$9,537	$3,514
	Allocated PILs	$16,645	$13,194	$1,033	$449	$61	$1,770	$69	$69
	Allocated Debt Return	$525,701	$416,701	$32,624	$14,178	$1,916	$55,909	$2,186	$2,188
	Allocated Equity Return	$685,697	$543,523	$42,553	$18,492	$2,499	$72,925	$2,852	$2,854
	PLCC Adjustment for Line Transformer	$72,113	$64,791	$5,623	$524	$10	$0	$580	$586
	PLCC Adjustment for Primary Costs	$134,854	$120,993	$10,505	$1,098	$79	$0	$1,081	$1,097
	PLCC Adjustment for Secondary Costs	$83,039	$74,263	$6,165	$634	$45	$0	$898	$1,034
	Total	$5,390,406	**$4,392,009**	**$411,040**	**$188,121**	**$18,293**	**$341,758**	**$26,757**	**$12,429**

Below: Grouping to avoid disclosure

Scenario 1

Accounts included in Avoided Costs Plus General Administration Allocation

Accounts	Total	Residential	GS<50kW	GS 50-999 kW	GS 1000-4999	Street Light	Sentinel	Unmetered Scattered Load
Distribution Plant								
CWMC	$ 4,632,204	$ 3,736,841	$ 404,053	$ 427,054	$ 64,256	$ -	$ -	$ -
Accumulated Amortization								
Accum. Amortization of Electric Utility Plant - Meters only	$ (1,193,028)	$ (962,427)	$ (104,064)	$ (109,988)	$ (16,549)	$ -	$ -	$ -
Meter Net Fixed Assets	$ 3,439,175	$ 2,774,414	$ 299,989	$ 317,066	$ 47,707	$ -	$ -	$ -
Misc Revenue								
CWNB	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NFA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LPHA	$ (271,607)	$ (185,758)	$ (85,849)	$ -	$ -	$ -	$ -	$ -
Sub-total	$ (271,607)	$ (185,758)	$ (85,849)	$ -	$ -	$ -	$ -	$ -
Operation								
CWMC	$ 205,396	$ 165,695	$ 17,916	$ 18,936	$ 2,849	$ -	$ -	$ -
CCA	$ 2,415	$ 1,798	$ 156	$ 16	$ 1	$ 412	$ 16	$ 16
Sub-total	$ 207,811	$ 167,493	$ 18,072	$ 18,952	$ 2,850	$ 412	$ 16	$ 16
Maintenance								
1860	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Billing and Collection								
CWMR	$ 71,840	$ 43,381	$ 7,527	$ 19,538	$ 1,395	$ -	$ -	$ -
CWNB	$ 1,099,048	$ 940,487	$ 120,609	$ 27,993	$ 1,683	$ 134	$ 7,325	$ 817
Sub-total	$ 1,170,888	$ 983,868	$ 128,135	$ 47,530	$ 3,078	$ 134	$ 7,325	$ 817
Total Operation, Maintenance and Billing	$ 1,378,699	$ 1,151,361	$ 146,207	$ 66,483	$ 5,928	$ 546	$ 7,342	$ 833
Amortization Expense - Meters	$ 90,222	$ 72,783	$ 7,870	$ 8,318	$ 1,252	$ -	$ -	$ -
Allocated PILs	$ 3,857	$ 3,111	$ 337	$ 356	$ 54	$ -	$ -	$ -
Allocated Debt Return	$ 121,828	$ 98,260	$ 10,631	$ 11,243	$ 1,693	$ -	$ -	$ -
Allocated Equity Return	$ 158,906	$ 128,165	$ 13,867	$ 14,665	$ 2,209	$ -	$ -	$ -
Total	**$ 1,481,904**	**$ 1,267,922**	**$ 93,063**	**$ 101,065**	**$ 11,135**	**$ 546**	**$ 7,342**	**$ 833**

Scenario 2

Accounts included in Directly Related Customer Costs Plus General Administration Allocation

Accounts	Total	Residential	GS<50kW	GS 50-999 kW	GS 1000-4999	Street Light	Sentinel	Unmetered Scattered Load
Distribution Plant								
CWMC	$ 4,632,204	$ 3,736,841	$ 404,053	$ 427,054	$ 64,256	$ -	$ -	$ -
Accumulated Amortization								
Accum. Amortization of Electric Utility Plant - Meters only	$ (1,193,028)	$ (962,427)	$ (104,064)	$ (109,988)	$ (16,549)	$ -	$ -	$ -
Meter Net Fixed Assets	$ 3,439,175	$ 2,774,414	$ 299,989	$ 317,066	$ 47,707	$ -	$ -	$ -
Allocated General Plant Net Fixed Assets	$ 266,527	$ 215,602	$ 23,115	$ 24,217	$ 3,593	$ -	$ -	$ -
Meter Net Fixed Assets Including General Plant	$ 3,705,703	$ 2,990,016	$ 323,104	$ 341,283	$ 51,300	$ -	$ -	$ -
Misc Revenue								
CWNB	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NFA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LPHA	$ (271,607)	$ (185,758)	$ (85,849)	$ -	$ -	$ -	$ -	$ -
Sub-total	*$ (271,607)*	*$ (185,758)*	*$ (85,849)*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Operation								
CWMC	$ 205,396	$ 165,695	$ 17,916	$ 18,936	$ 2,849	$ -	$ -	$ -
CCA	$ 2,415	$ 1,798	$ 156	$ 16	$ 1	$ 412	$ 16	$ 16
Sub-total	*$ 207,811*	*$ 167,493*	*$ 18,072*	*$ 18,952*	*$ 2,850*	*$ 412*	*$ 16*	*$ 16*
Maintenance								
1860	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Billing and Collection								
CWMR	$ 71,840	$ 43,381	$ 7,527	$ 19,538	$ 1,395	$ -	$ -	$ -
CWNB	$ 1,099,048	$ 940,487	$ 120,609	$ 27,993	$ 1,683	$ 134	$ 7,325	$ 817
Sub-total	*$ 1,170,888*	*$ 983,868*	*$ 128,135*	*$ 47,530*	*$ 3,078*	*$ 134*	*$ 7,325*	*$ 817*
Total Operation, Maintenance and Billing	$ 1,378,699	$ 1,151,361	$ 146,207	$ 66,483	$ 5,928	$ 546	$ 7,342	$ 833
Amortization Expense - Meters	$ 90,222	$ 72,783	$ 7,870	$ 8,318	$ 1,252	$ -	$ -	$ -
Amortization Expense - General Plant assigned to Meters	$ 43,006	$ 34,789	$ 3,730	$ 3,908	$ 580	$ -	$ -	$ -
Admin and General	$ 1,097,020	$ 912,903	$ 116,805	$ 55,432	$ 5,022	$ 476	$ 5,681	$ 701
Allocated PILs	$ 4,156	$ 3,353	$ 363	$ 383	$ 58	$ -	$ -	$ -
Allocated Debt Return	$ 131,269	$ 105,896	$ 11,450	$ 12,102	$ 1,821	$ -	$ -	$ -
Allocated Equity Return	$ 171,220	$ 138,125	$ 14,935	$ 15,785	$ 2,375	$ -	$ -	$ -
Total	**$ 2,643,986**	**$ 2,233,451**	**$ 215,511**	**$ 162,411**	**$ 17,035**	**$ 1,022**	**$ 13,023**	**$ 1,534**

Scenario 3

Minimum System Customer Costs Adjusted for PLCC - High Limit Fixed Customer Charge

USoA Account #	Accounts	Total	Residential	GS<50kW	GS 50-999 kW	GS 1000-4999	Street Light	Sentinel	Unmetered Scattered Load
	Distribution Plant								
	CDMPP	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Poles, Towers and Fixtures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	BCP	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	PNCP	$ 9,100,861	$ 6,774,556	$ 587,700	$ 61,022	$ 4,356	$ 1,551,814	$ 60,682	$ 60,730
	SNCP	$ 4,102,549	$ 3,057,199	$ 265,215	$ 24,577	$ 470	$ 700,298	$ 27,385	$ 27,406
	Overhead Conductors and Devices	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	LTNCP	$ 2,950,300	$ 2,198,549	$ 190,727	$ 17,674	$ 338	$ 503,611	$ 19,693	$ 19,709
	CWCS	$ 2,556,444	$ 2,556,444	$ -	$ -	$ -	$ -	$ -	$ -
	CWMC	$ 4,632,204	$ 3,736,841	$ 404,053	$ 427,054	$ 64,256	$ -	$ -	$ -
	Sub-total	*$ 23,342,358*	*$ 18,323,590*	*$ 1,447,695*	*$ 530,326*	*$ 69,420*	*$ 2,755,723*	*$ 107,760*	*$ 107,844*
	Accumulated Amortization								
	Accum. Amortization of Electric Utility Plant -Line Transformers, Services and Meters	$ (9,569,261)	$ (7,406,245)	$ (592,965)	$ (158,883)	$ (19,229)	$ (1,290,937)	$ (50,481)	$ (50,520)
	Customer Related Net Fixed Assets	$ 13,773,097	$ 10,917,345	$ 854,730	$ 371,443	$ 50,191	$ 1,464,785	$ 57,279	$ 57,324
	Allocated General Plant Net Fixed Assets	$ 1,073,327	$ 848,396	$ 65,860	$ 28,370	$ 3,780	$ 117,793	$ 4,567	$ 4,562
	Customer Related NFA Including General Plant	$ 14,846,425	$ 11,765,741	$ 920,590	$ 399,814	$ 53,971	$ 1,582,578	$ 61,846	$ 61,885
	Misc Revenue								
	CWNB	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	NFA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	LPHA	$ (271,607)	$ (185,758)	$ (85,849)	$ -	$ -	$ -	$ -	$ -
	Sub-total	*$ (271,607)*	*$ (185,758)*	*$ (85,849)*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
	Operating and Maintenance								
	1815-1855	$ 120,014	$ 93,565	$ 6,694	$ 662	$ 33	$ 17,676	$ 691	$ 692
	1830 & 1835	$ 238,557	$ 177,637	$ 15,410	$ 1,548	$ 88	$ 40,690	$ 1,591	$ 1,592
	1850	$ 67,511	$ 50,309	$ 4,364	$ 404	$ 8	$ 11,524	$ 451	$ 451
	1840 & 1845	$ 854	$ 636	$ 55	$ 6	$ 0	$ 146	$ 6	$ 6
	CWMC	$ 205,396	$ 165,695	$ 17,916	$ 18,936	$ 2,849	$ -	$ -	$ -
	CCA	$ 2,415	$ 1,798	$ 156	$ 16	$ 1	$ 412	$ 16	$ 16
	O&M	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	1830	$ 22,541	$ 16,785	$ 1,456	$ 147	$ 8	$ 3,845	$ 150	$ 150
	1835	$ 22,894	$ 17,048	$ 1,479	$ 148	$ 8	$ 3,905	$ 153	$ 153
	1855	$ 73,570	$ 73,570	$ -	$ -	$ -	$ -	$ -	$ -
	1840	$ 9,363	$ 6,973	$ 605	$ 60	$ 3	$ 1,597	$ 62	$ 63
	1845	$ 3,953	$ 2,944	$ 255	$ 26	$ 1	$ 674	$ 26	$ 26
	1860	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Sub-total	*$ 767,069*	*$ 606,958*	*$ 48,391*	*$ 21,953*	*$ 3,001*	*$ 80,469*	*$ 3,147*	*$ 3,149*

Billing and Collection								
CWNB	$ 1,376,850	$ 1,178,211	$ 151,095	$ 35,068	$ 2,108	$ 168	$ 9,177	$ 1,023
CWMR	$ 71,840	$ 43,381	$ 7,527	$ 19,538	$ 1,395	$ -	$ -	$ -
BDHA	$ 100,000	$ 78,400	$ 20,278	$ 1,323	$ -	$ -	$ -	$ -
Sub-total	*$ 1,548,690*	*$ 1,299,991*	*$ 178,899*	*$ 55,929*	*$ 3,503*	*$ 168*	*$ 9,177*	*$ 1,023*
Sub Total Operating, Maintenance and Biling	*$ 2,315,759*	*$ 1,906,949*	*$ 227,290*	*$ 77,882*	*$ 6,504*	*$ 80,637*	*$ 12,324*	*$ 4,172*
Amortization Expense - Customer Related	$ 387,637	$ 308,551	$ 23,473	$ 9,862	$ 1,329	$ 41,200	$ 1,611	$ 1,612
Amortization Expense - General Plant assigned to Meters	$ 173,189	$ 136,895	$ 10,627	$ 4,578	$ 610	$ 19,007	$ 737	$ 736
Admin and General	$ 1,847,391	$ 1,512,001	$ 181,582	$ 64,937	$ 5,510	$ 70,310	$ 9,537	$ 3,514
Allocated PILs	$ 16,645	$ 13,194	$ 1,033	$ 449	$ 61	$ 1,770	$ 69	$ 69
Allocated Debt Return	$ 525,701	$ 416,701	$ 32,624	$ 14,178	$ 1,916	$ 55,909	$ 2,186	$ 2,188
Allocated Equity Return	$ 685,697	$ 543,523	$ 42,553	$ 18,492	$ 2,499	$ 72,925	$ 2,852	$ 2,854
PLCC Adjustment for Line Transformer	$ 72,113	$ 64,791	$ 5,623	$ 524	$ 10	$ -	$ 580	$ 586
PLCC Adjustment for Primary Costs	$ 134,854	$ 120,993	$ 10,505	$ 1,098	$ 79	$ -	$ 1,081	$ 1,097
PLCC Adjustment for Secondary Costs	$ 83,039	$ 74,263	$ 6,165	$ 634	$ 45	$ -	$ 898	$ 1,034
Total	**$ 5,390,406**	**$ 4,392,009**	**$ 411,040**	**$ 188,121**	**$ 18,293**	**$ 341,758**	**$ 26,757**	**$ 12,429**

APPENDIX K

Revenue Requirement Work Form

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Choose Your Utility:

Haldimand County Hydro Inc.
Halton Hills Hydro Inc.
Hearst Power Distribution Company Limited

File Number: EB-2011-XXX

Rate Year: 20XX

Click here to print the entire workbook

Application Contact Information

Name:	David J. Smelsky
Title:	Chief Financial Officer
Phone Number:	519 853 3700 Ext. 208
Email Address:	dsmelsky@haltonhillshydro.com

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Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Table of Contents

1. Info
2. Table of Contents
3. Data_Input_Sheet
4. Rate_Base
5. Utility Income
6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10A. Bill Impacts - Residential
10B. Bill Impacts - GS_LT_50kW

Notes:

(1) Pale green cells represent inputs

(2) Pale green boxes at the bottom of each page are for additional notes

(3) Pale yellow cells represent drop-down lists

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

(5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Data Input [1]

		Initial Application				(6)	Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$58,245,701		($1,467,006)	$ 56,778,694		$56,778,694	
	Accumulated Depreciation (average)	($21,569,493)	(5)	($90,578)	($21,660,071)		($21,660,071)	
	Allowance for Working Capital:							
	Controllable Expenses	$6,397,261		($123,240)	$ 6,274,021		$6,274,021	
	Cost of Power	$46,722,395		$13,707	$ 46,736,102		$46,736,102	
	Working Capital Rate (%)	15.00%			15.00%		15.00%	
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$9,165,845		$36,317	$9,202,162			
	Distribution Revenue at Proposed Rates	$10,095,456		($683,799)	$9,411,657			
	Other Revenue:							
	Specific Service Charges	$172,792		($0)	$172,792			
	Late Payment Charges	$271,607		($0)	$271,607			
	Other Distribution Revenue	$249,346		$4,300	$253,646			
	Other Income and Deductions	$448,500		$12,500	$461,000			
	Total Revenue Offsets	$1,142,245	(7)	$16,800	$1,159,045			
	Operating Expenses:							
	OM+A Expenses	$6,290,661		($123,240)	$ 6,167,421		$6,167,421	
	Depreciation/Amortization	$1,624,165		($233,972)	$ 1,390,193		$1,390,193	
	Property taxes	$106,600		$ -	$ 106,600		$106,600	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($1,341,194)	(3)		($1,208,116.19)			
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$97,012			$35,978			
	Income taxes (grossed up)	$131,542			$39,393			
	Federal tax (%)	15.00%			4.17%			
	Provincial tax (%)	11.25%			4.50%			
	Income Tax Credits				$ -			
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%			56.0%			
	Short-term debt Capitalization Ratio (%)	4.0%	(2)		4.0%	(2)		(2)
	Common Equity Capitalization Ratio (%)	40.0%			40.0%			
	Prefered Shares Capitalization Ratio (%)							
		100.0%			100.0%			
	Cost of Capital							
	Long-term debt Cost Rate (%)	5.32%			5.01%			
	Short-term debt Cost Rate (%)	2.46%			2.08%			
	Common Equity Cost Rate (%)	9.58%			9.42%			
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3, 10A and 10B. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)
(2) 4.0% unless an Applicant has proposed or been approved for another amount.
(3) Net of addbacks and deductions to arrive at taxable income.
(4) Average of Gross Fixed Assets at beginning and end of the Test Year
(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$58,245,701	($1,467,006)	$56,778,694	$ -	$56,778,694
2	Accumulated Depreciation (average)	(3)	($21,569,493)	($90,578)	($21,660,071)	$ -	($21,660,071)
3	Net Fixed Assets (average)	(3)	$36,676,208	($1,557,585)	$35,118,623	$ -	$35,118,623
4	Allowance for Working Capital	(1)	$7,967,948	($16,430)	$7,951,519	$ -	$7,951,519
5	**Total Rate Base**		$44,644,156	($1,574,015)	$43,070,141	$ -	$43,070,141

Allowance for Working Capital - Derivation

(1)

Line No.	Particulars		Initial Application				Per Board Decision
6	Controllable Expenses		$6,397,261	($123,240)	$6,274,021	$ -	$6,274,021
7	Cost of Power		$46,722,395	$13,707	$46,736,102	$ -	$46,736,102
8	Working Capital Base		$53,119,656	($109,533)	$53,010,124	$ -	$53,010,124
9	Working Capital Rate %	(2)	15.00%	0.00%	15.00%	0.00%	15.00%
10	Working Capital Allowance		$7,967,948	($16,430)	$7,951,519	$ -	$7,951,519

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$10,095,456	($683,799)	$9,411,657	$ -	$9,411,657
2	Other Revenue	(1)	$1,142,245	$16,800	$1,159,045	$ -	$1,159,045
3	Total Operating Revenues		$11,237,701	($666,999)	$10,570,702	$ -	$10,570,702
	Operating Expenses:						
4	OM+A Expenses		$6,290,661	($123,240)	$6,167,421	$ -	$6,167,421
5	Depreciation/Amortization		$1,624,165	($233,972)	$1,390,193	$ -	$1,390,193
6	Property taxes		$106,600	$ -	$106,600	$ -	$106,600
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$8,021,426	($357,212)	$7,664,214	$ -	$7,664,214
10	Deemed Interest Expense		$1,373,969	($129,758)	$1,244,210	$81,316	$1,325,527
11	Total Expenses (lines 9 to 10)		$9,395,395	($486,971)	$8,908,424	$81,316	$8,989,741
12	**Utility income before income taxes**		$1,842,306	($180,029)	$1,662,277	($81,316)	$1,580,961
13	Income taxes (grossed-up)		$131,542	($92,149)	$39,393	$ -	$39,393
14	**Utility net income**		$1,710,764	($87,880)	$1,622,884	($81,316)	$1,541,568

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	$172,792	($0)	$172,792		$172,792
	Late Payment Charges	$271,607	($0)	$271,607		$271,607
	Other Distribution Revenue	$249,346	$4,300	$253,646		$253,646
	Other Income and Deductions	$448,500	$12,500	$461,000		$461,000
	Total Revenue Offsets	$1,142,245	$16,800	$1,159,045	$ -	$1,159,045

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$1,710,764	$1,622,883	$1,650,448
2	Adjustments required to arrive at taxable utility income	($1,341,194)	($1,208,116)	($1,341,194)
3	Taxable income	$369,570	$414,767	$309,254
	Calculation of Utility income Taxes			
4	Income taxes	$97,012	$35,978	$35,978
6	Total taxes	$97,012	$35,978	$35,978
7	Gross-up of Income Taxes	$34,530	$3,415	$3,415
8	Grossed-up Income Taxes	$131,542	$39,393	$39,393
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$131,542	$39,393	$39,393
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	4.17%	4.17%
12	Provincial tax (%)	11.25%	4.50%	4.50%
13	Total tax rate (%)	26.25%	8.67%	8.67%

Notes

Ontario Energy Board
REVENUE REQUIREMENT
WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
	Initial Application				
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$25,000,728	5.32%	$1,330,039
2	Short-term Debt	4.00%	$1,785,766	2.46%	$43,930
3	**Total Debt**	60.00%	$26,786,494	5.13%	$1,373,969
	Equity				
4	Common Equity	40.00%	$17,857,663	9.58%	$1,710,764
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$17,857,663	9.58%	$1,710,764
7	**Total**	100.00%	$44,644,156	6.91%	$3,084,733
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$24,119,279	5.01%	$1,208,376
2	Short-term Debt	4.00%	$1,722,806	2.08%	$35,834
3	**Total Debt**	60.00%	$25,842,085	4.81%	$1,244,210
	Equity				
4	Common Equity	40.00%	$17,228,057	9.42%	$1,622,883
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$17,228,057	9.42%	$1,622,883
7	**Total**	100.00%	$43,070,141	6.66%	$2,867,093
	Per Board Decision				
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	56.00%	$24,119,279	5.32%	$1,283,146
9	Short-term Debt	4.00%	$1,722,806	2.46%	$42,381
10	**Total Debt**	60.00%	$25,842,085	5.13%	$1,325,527
	Equity				
11	Common Equity	40.00%	$17,228,057	9.58%	$1,650,448
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	40.00%	$17,228,057	9.58%	$1,650,448
14	**Total**	100.00%	$43,070,141	6.91%	$2,975,974

Notes
(1) 4.0% unless an Applicant has proposed or been approved for another amount.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates	At Current Approved Rates	At Proposed Rates	Per Board Decision: At Current Approved Rates	Per Board Decision: At Proposed Rates
1	Revenue Deficiency from Below		$929,610		$209,474		$320,972
2	Distribution Revenue	$9,165,845	$9,165,845	$9,202,162	$9,202,183	$9,202,162	$9,090,685
3	Other Operating Revenue Offsets - net	$1,142,245	$1,142,245	$1,159,045	$1,159,045	$1,159,045	$1,159,045
4	**Total Revenue**	$10,308,091	$11,237,701	$10,361,207	$10,570,702	$10,361,207	$10,570,702
5	Operating Expenses	$8,021,426	$8,021,426	$7,664,214	$7,664,214	$7,664,214	$7,664,214
6	Deemed Interest Expense	$1,373,969	$1,373,969	$1,244,210	$1,244,210	$1,325,527	$1,325,527
	Total Cost and Expenses	$9,395,395	$9,395,395	$8,908,424	$8,908,424	$8,989,741	$8,989,741
7	**Utility Income Before Income Taxes**	$912,696	$1,842,306	$1,452,783	$1,662,277	$1,371,467	$1,580,961
8	Tax Adjustments to Accounting Income per 2009 PILs	($1,341,194)	($1,341,194)	($1,208,116)	($1,208,116)	($1,208,116)	($1,208,116)
9	**Taxable Income**	($428,498)	$501,112	$244,667	$454,161	$163,350	$372,845
10	Income Tax Rate	26.25%	26.25%	8.67%	8.67%	8.67%	8.67%
11	**Income Tax on Taxable Income**	($112,481)	$131,542	$21,213	$39,376	$14,162	$32,326
12	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
13	**Utility Net Income**	$1,025,177	$1,710,764	$1,431,570	$1,622,884	$1,357,304	$1,541,568
14	**Utility Rate Base**	$44,644,156	$44,644,156	$43,070,141	$43,070,141	$43,070,141	$43,070,141
	Deemed Equity Portion of Rate Base	$17,857,663	$17,857,663	$17,228,057	$17,228,057	$17,228,057	$17,228,057
15	Income/(Equity Portion of Rate Base)	5.74%	9.58%	8.31%	9.42%	7.88%	8.95%
16	Target Return - Equity on Rate Base	9.58%	9.58%	9.42%	9.42%	9.58%	9.58%
17	Deficiency/Sufficiency in Return on Equity	-3.84%	0.00%	-1.11%	0.00%	-1.70%	-0.63%
18	Indicated Rate of Return	5.37%	6.91%	6.21%	6.66%	6.23%	6.66%
19	Requested Rate of Return on Rate Base	6.91%	6.91%	6.66%	6.66%	6.91%	6.91%
20	Deficiency/Sufficiency in Rate of Return	-1.54%	0.00%	-0.44%	0.00%	-0.68%	-0.25%
21	Target Return on Equity	$1,710,764	$1,710,764	$1,622,883	$1,622,883	$1,650,448	$1,650,448
22	Revenue Deficiency/(Sufficiency)	$685,588	$ -	$191,313	$1	$293,144	($108,880)
23	**Gross Revenue Deficiency/(Sufficiency)**	$929,610 (1)		$209,474 (1)		$320,972 (1)	

Notes:

(1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$6,290,661		$6,167,421		$6,167,421	
2	Amortization/Depreciation	$1,624,165		$1,390,193		$1,390,193	
3	Property Taxes	$106,600		$106,600		$106,600	
5	Income Taxes (Grossed up)	$131,542		$39,393		$39,393	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,373,969		$1,244,210		$1,325,527	
	Return on Deemed Equity	$1,710,764		$1,622,883		$1,650,448	
8	**Service Revenue Requirement (before Revenues)**	$11,237,701		$10,570,701		$10,679,582	
9	Revenue Offsets	$1,142,245		$1,159,045		$ -	
10	**Base Revenue Requirement**	$10,095,456		$9,411,656		$10,679,582	
11	Distribution revenue	$10,095,456		$9,411,657		$9,411,657	
12	Other revenue	$1,142,245		$1,159,045		$1,159,045	
13	**Total revenue**	$11,237,701		$10,570,702		$10,570,702	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	$1	(1)	($108,880)	(1)

Notes

(1) Line 11 - Line 8

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.

Bill Impacts - Residential

Application of New Loss Factor to all applicable items   Application of new Loss Factor to Delivery Items Only

Consumption 800 kWh

		Charge Unit	Current Board-Approved Rate ($)	Volume	Charge ($)	Proposed Rate ($)	Volume	Charge ($)	Impact $ Change	% Change
1	Monthly Service Charge	monthly	$ 12.9400	1	$ 12.94	$ 13.3900	1	$ 13.39	$ 0.45	3.48%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50	$ 2.4100	1	$ 2.41	$ 0.91	60.67%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0121	800	$ 9.68	$ 0.0125	800	$ 10.00	$ 0.32	3.31%
6	Low Voltage Rate Adder	per kWh	$ 0.0012	800	$ 0.96	$ 0.0012	800	$ 0.96	$ -	0.00%
7	Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		800	$ -		800	$ -	$ -	
9	Smart Meter Disposition Rider	monthly	$ -	800	$ -		800	$ -	$ -	
10	LRAM & SSM Rate Rider	per kWh	$ -	800	$ -	$ 0.0007	800	$ 0.56	$ 0.56	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0019	800	$ 1.52	-$ 0.0005	800	-$ 0.40	-$ 1.92	-126.32%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 26.60**			**$ 26.92**	**$ 0.32**	**1.20%**
17	RTSR - Network	per kWh	$ 0.0055	808.399	$ 4.45	$ 0.0057	808.482	$ 4.61	$ 0.16	3.65%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0043	808.399	$ 3.48	$ 0.0045	808.482	$ 3.64	$ 0.16	4.66%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 34.52**			**$ 35.17**	**$ 0.64**	**1.87%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	808.399	$ 4.20	$ 0.0052	808.482	$ 4.20	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)		$ 0.0013	808.399	$ 1.05	$ 0.0013	808.482	$ 1.05	$ 0.00	0.01%
22	Special Purpose Charge	per kWh		808.399	$ -		808.482	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00%
25	Energy			808.399	$ -		808.482	$ -	$ -	
26	Cost of Power	per kWh	$ 0.0068	600	$ 4.08	$ 0.0071	600	$ 4.26	$ 0.18	4.41%
27	Cost of Power	per kWh	$ 0.0079	239.92	$ 1.90	$ 0.0083	248.16	$ 2.06	$ 0.16	8.67%
28	**Total Bill (before Taxes)**				**$ 51.60**			**$ 52.59**	**$ 0.99**	**1.92%**
29	HST		13%		$ 6.71	13%		$ 6.84	$ 0.13	1.92%
30	**Total Bill (including Sub-total B)**				**$ 58.31**			**$ 59.43**	**$ 1.12**	**1.92%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 5.83**	-10%		**-$ 5.94**	**-$ 0.11**	**1.89%**
32	**Total Bill (including OCEB)**				**$ 52.48**			**$ 53.49**	**$ 1.01**	**1.92%**
33	**Loss Factor (%)**	**Note 1**	1.05%			1.06%				

Notes:

(1): Enter existing and proposed total loss factor (Secondary Metered Customer < 5,000 kW) as a percentage.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Halton Hills Hydro Inc.
Bill Impacts - General Service < 50 kW

(•) Application of New Loss Factor to all applicable items   ( ) Application of new Loss Factor to Delivery Items Only

Consumption 2000 kWh

		Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
1	Monthly Service Charge	monthly	$ 28.2800	1	$ 28.28	$ 28.2800	1	$ 28.28	$ -	0.00%
2	Smart Meter Rate Adder	monthly	$ 1.5000	1	$ 1.50	$ 2.5100	1	$ 2.51	$ 1.01	67.33%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate	per kWh	$ 0.0089	2000	$ 17.80	$ 0.0093	2000	$ 18.60	$ 0.80	4.49%
6	Low Voltage Rate Adder	per kWh	$ 0.0011	2000	$ 2.20	$ 0.0011	2000	$ 2.20	$ -	0.00%
7	Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)	per kWh		2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider			2000	$ -		2000	$ -	$ -	
10	LRAM & SSM Rider	per kWh		2000	$ -	$ 0.0007	2000	$ 1.40	$ 1.40	
11	Deferral/Variance Account Disposition Rate Rider	per kWh	$ 0.0020	2000	$ 4.00	$ 0.0003	2000	$ 0.60	-$ 3.40	-85.00%
12					$ -			$ -	$ -	
13					$ -			$ -	$ -	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 53.78**			**$ 53.59**	**-$ 0.19**	**-0.35%**
17	RTSR - Network	per kWh	$ 0.0049	2021	$ 9.90	$ 0.0051	2021.2	$ 10.31	$ 0.41	4.09%
18	RTSR - Line and Transformation Connection	per kWh	$ 0.0040	2021	$ 8.08	$ 0.0042	2021.2	$ 8.49	$ 0.41	5.01%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 71.77**			**$ 72.39**	**$ 0.62**	**0.86%**
20	Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2021	$ 10.51	$ 0.0052	2021.2	$ 10.51	$ 0.00	0.01%
21	Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0013	2021	$ 2.63	$ 0.0013	2021.2	$ 2.63	$ 0.00	0.01%
22	Special Purpose Charge			2021	$ -		2021.2	$ -	$ -	
23	Standard Supply Service Charge	monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00%
25	Energy			2021	$ -		2021.2	$ -	$ -	
26	Cost of Power		$ 0.0068	600	$ 4.08	$ 0.0071	600	$ 4.26	$ 0.18	4.41%
27	Cost of Power		$ 0.0079	1499.8	$ 11.85	$ 0.0083	1542.88	$ 12.81	$ 0.96	8.08%
28	**Total Bill (before Taxes)**				**$ 115.08**			**$ 116.84**	**$ 1.76**	**1.53%**
29	HST		13%		$ 14.96	13%		$ 15.19	$ 0.23	1.53%
30	**Total Bill (including Sub-total B)**				**$ 130.04**			**$ 132.03**	**$ 1.99**	**1.53%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 13.00**	-10%		**-$ 13.20**	**-$ 0.20**	**1.54%**
32	**Total Bill (including OCEB)**				**$ 117.04**			**$ 118.83**	**$ 1.79**	**1.53%**
33	**Loss Factor**	(1)	1.05%			1.06%				

Notes:

(1): See Note (1) from Sheet 10A. Bill Impacts - Residential