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July 30, 2012

BY RESS & COURIER

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

**Re: Festival Hydro Inc.
Response to Board Staff Smart Meter Application Interrogatories
EB-2012-0260**

Dear Ms. Walli,

Attached are two copies of Festival Hydro Inc's Responses to Board Staff Interrogatories on Festival's Smart Meter Cost Recovery Stand-Alone Application.

The completed responses and supporting excel worksheets were submitted today via the Ontario Energy Board's RESS system.

If you have any questions please contact me at the number noted below or by email at kmccann@festivalhydro.com.

Yours truly,
Festival Hydro Inc.
ORIGINAL SIGNED BY K. MCCANN

Kelly McCann, Financial & Regulatory Manager
Tel (519) 271-4703 x. 221

**Festival Hydro Inc.
2012 Smart Meter Cost Recovery
EB-2012-0260
Responses to Board Staff Interrogatories**

General

In preparing Festival's response to VECC question 4b – Festival identified an error in our allocation of meter costs (1.1.1 of tab 2 of the smart meter model). As such – Festival has revised our allocated SMDR's and SMIRR's for the residential and GS<50 classes. The information below from our manager's summary has been updated to reflect the impact of the allocation changes on our final rate riders.

The smart meter rate riders for which Festival seeks approval from the Board are as follows:

- a) A **Smart Meter Disposition Rate Rider ("SMDR")** (**Residential** and **Hensall Residential** rate classes - **(\$0.73)** per metered customer per month; **G.S. < 50 kW** rate class - **\$0.81** per metered customer per month), to be effective November 1, 2012, to recover the deferred revenue requirement through to December 31, 2011. This represents the difference resulting from revenues collected from customers to April 30, 2012 versus the revenue requirement recoverable to December 31, 2011. The SMDR would be in effect from November 1, 2012 to April 30, 2014, which is the next scheduled implementation date for rates based on a Cost of Service Application for Festival.
- b) A **Smart Meter Incremental Revenue Requirement Rate Rider ("SMIRR")** (**Residential** and **Hensall Residential** rate classes - **\$2.79** per metered customer per month; **G.S. < 50 kW** rate class - **\$4.72** per metered customer per month) to recover the annual revenue requirement associated with Smart Meters installed from inception of the Smart Meter Program

through to April 30, 2012 and forecasted Smart Meter Operating Expenditures for April 30, 2012 to December 31, 2012.

Festival is requesting the new SMDR and SMIRR rate riders take effect November 1, 2012, in conjunction with the OEB's semi-annual RPP and TOU commodity price changes.

Festival has calculated the overall monthly bill impact for a typical customer as follows:

Table 1 – Bill Impact

<u>Class</u>	<u>kWh</u>	<u>Total Bill Impact (\$)</u>	<u>Total Bill Impact (%)</u>
Residential	800	\$2.06	1.8%
Residential - Hensall	800	\$2.06	1.8%
G.S. < 50 kW	2,000	\$5.53	2.0%
G.S. < 50 kW	10,000	\$5.53	0.4%

(Above table does not take into account possible TOU pricing changes effective Nov 1, 2012)

Being the SMDR and SMIRR rate riders are both fixed charges, the higher the customer's consumption, the lower the percentage impact. While Festival does have a number of G.S. < 50 kW customers with usage of approximately 2000 kWh per month, Festival also has G.S. < 50 kW customers with usage of 20,000 kWh per month. A G.S. < 50 kW customer with usage of approx. 4,100 kWh per month will see a 1.0% total impact on their bill.

1. Letters of Comment

Following publication of the Notice of Application, the Board has, to date, received no letters of comment. Please confirm whether Festival Hydro Inc. (“Festival”) has received any letters of comment. If so, please file copies of any letters of comment received. For each comment letter received, please confirm whether a reply was sent from Festival. If confirmed, please file that reply with the Board. Please ensure that the author’s contact information, except for the name, is redacted. If not confirmed, please explain why a response was not sent and confirm if Festival intends to respond.

Response:

Festival has not received any letters of comment.

Smart Meter Model

2. Cost of Capital Parameters (Ref: Smart Meter Model, Version 2.17)

A portion of Sheet “3-Cost of Service Parameters” from each of the aggregate, Residential and GS < 50 kW Smart Meter Models is reproduced below.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%

Festival has its distribution rates rebased through a cost of service proceeding for the 2010 rate year [EB-2009-0263]¹. In the Board’s Decision and Order for that application, the Board approved a long-term debt rate of 5.87%.

- a) Please explain Festival’s use of 5.68% for 2010 and subsequent years in the Smart Meter Model Version 2.17.

¹

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/185064/view/dec_order_Festival%20Hydro_20100401.PDF

- b) If appropriate, please update the Smart Meter Models filed and the proposed SMDRs and SMIRRs to reflect the correct cost of capital parameters for each year.

Response:

- a) In the Board's Decision and Order related to Festival's 2010 COS application dated April 1, 2010, with respect to Festival's cost of capital, it states the following:

"In summary, the Board finds that the weighted average cost of capital for Festival Hydro will be 7.31%. The table below sets out the Board's conclusions for Festival Hydro's deemed capital structure and cost of capital. It incorporates the Board's recent updated cost of capital parameters and assumes a rate of 5.87% for the Infrastructure Ontario loan. The Applicant will update the data to reflect the actual rate for the Infrastructure Ontario debt as of February 24, 2010".

	% of Total Capital Structure	Cost Rate
Long-Term Debt	56%	5.87%
Short-Term Debt	4%	2.07%
Equity	40%	9.85%
Weighted average cost of capital	7.31%	

When Festival Hydro submitted its Response to the Decision and Order dated April 28, 2010, Festival updated its cost of capital replacing the Infrastructure Ontario interest rate data to reflect the most recently posted rate for the Infrastructure Ontario debt at 4.51%. With the 4.51% replacement, it generated a long term debt ratio of 5.68%, as was reported in Festival's Revenue Requirement Work Form. As such, the rate used in the smart meter model of 5.68% was in fact the final Board approved rate. The calculation of the weighted debt cost ratio is shown in the table below.

Festival Hydro Inc
License Number EB-2002-0815, File Number

Debt & Capital Cost Structure

Weighted Debt Cost									
Description	Debt Holder	Affiliated with LDC?	Date of Issuance	Principal	Term (Years)	Rate%	Year Applied to	Interest Cost	
Demand loan	City of Stratford	Y	October 1, 2001	15,600,000		5.87%	2010	915,720	
Fixed Term Loan	Infrastructure Ontario	N	January 1, 2010	2,500,000	15	4.51%	2010	112,750	
								0	
								0	
2010 Total Long Term Debt				18,100,000	Total Interest Cost for 2010			1,028,470	
					Weighted Debt Cost Rate for 2010				5.68%

b) No change required to the Smart Meter model.

3. Tax/PILs Rates (Ref: Smart Meter Model Version 2.17)

A portion of Sheet “3. Cost_of_Service_Parameters” from the Smart Meter Model is reproduced below:

	2006	2007	2008	2009	2010	2011	2012 and
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	30.29%	30.29%	30.29%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%

Board staff notes that for each of the years 2010, 2011 and 2012, Festival has used an Aggregate Corporate Income Tax Rate of 30.29%.

Board staff also notes that Festival’s Board-approved income tax rates for 2010, 2011 and 2012, from the tax-sharing modules of its IRM applications, are as follows:

- 2010 cost-of-service rate application (EB-2009-0263)² reflects an effective tax rate of 29.51%.
- 2011 IRM application (EB-2010-0083)³ reflects an effective tax rate of 28.25%.

²

[http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/190724/view/Festival Responses%20to%20comments_OnDRO_Revision_20100428.PDF](http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/190724/view/Festival%20Responses%20to%20comments_OnDRO_Revision_20100428.PDF)

Appendix B

- 2012 IRM application (EB-2011-0167)⁴ reflects an effective tax rate of 24.58%.

Finally, Board staff observes that the 30.29% tax rate used is above the maximum aggregate Federal and Ontario corporate income tax rate in each year of 2010, 2011, and 2012.

- Please provide Festival's rationale for the 30.29% tax rate shown for each of 2010, 2011 and 2012.
- If appropriate, please update the Smart Meter Models filed and the proposed SMDRs and SMIRRs to reflect the correct cost of capital parameters for each year.

Response:

- Festival used 30.29% in 2010 in our smart meter model in error as this was not the final approved rate in our 2010 COS. In addition – this rate was used in 2011 and 2012 in error and will be revised to 28.25% in 2011 and 24.58% in 2012 to be consistent with our IRM filings in a revised smart meter model.
- Revised models have been submitted.

4. Capital Costs (Ref: Smart Meter Model, Version 2.17)

- Please explain the entry of (\$2,343) for capital costs for smart meters for 2012 (Cell S42 of Sheet 2 of the aggregate model).
- Under 1.5.6 "Other AMI Capital", Festival documents \$9 for 2009, \$24,761 for 2010, \$47,831 for 2011 and \$14,057 for 2012. This is an aggregate amount of \$86,659, and is the largest fraction of the \$188,281 claimed under 1.5 "Total Other AMI Capital Costs Related to Minimum Functionality". Please provide further explanation of these "Other AMI Capital" costs.

3

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/search/rec?sm_udf10=*eb-2010-0083*&sortd1=rs_dateregistered&rows=200

Festival IRM Rate Models>Final Festival Tax.xls>Sheet F1.1

4

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/332543/view/Festival_TAX_FINAL_20120322.XLS

Sheet 5

Response:

- a) In April of 2012 three smart meters with a cost of \$781.00/each were donated to the University of Western Ontario as part of a smart grid test lab they are establishing. The test lab combines various energy sources (i.e. wind and solar) with smart metering and intelligent loads. We provided the meters as a donation to aid Western in their smart grid research, and also to allow us to perform tests on our meters in a controlled environment. For example, Trilliant is deploying a firmware upgrade to change their communication type from Secure Mesh to Zigbee. Western's lab will allow us to upgrade meters in a controlled environment to ensure nothing goes wrong with the upgrade prior to rolling it out to our distribution territory. The costs of these meters was removed from 1555 and expensed as a donation.
- b) The majority of the amounts included in 1.5.6 for 2009 – 2012 represent carrying charges calculated and accounted for on general ledger account 1555. These carrying charges were included in the model in error and as such have been removed from the revised model submitted.

5. Meter Troubleshooting costs (Ref: Application, page 11 and Smart Meter Model, Version 2.17)

On page 11 of its Application, Festival states:

In addition to the contracted staff, Festival has two employees in its Metering Department – a Meter Manager and one Meter Technician (both here previous to smart meter deployment). Both employees were substantially involved in the deployment of meters. After the mass deployment was completed in 2010, the Metering Department completed the installation of the “hard to reach” meters and more complex metering situations. They were involved and continue to be involved in the trouble shooting of problematic meters. Salaries and benefits for these two staff members continued to be charged to USOA #5065 Meter Expense and were not treated as incremental costs added to the smart meter project.

On sheet 2 of its Smart Meter Model, Festival shows \$19,849 for 2011 and \$20,917 for 2012 under 2.1.2 under Operating Expenses related to the Advanced Metering Communication Device (“AMCD”), and are labeled as relating to “meter troubleshooting”.

- a) Please provide further explanation of these meter troubleshooting costs for 2011 and 2012.
- b) Are these costs one-time or recurring?
- c) Please confirm that these OM&A costs do not include any salaries and benefits for Festival Hydro’s employees documented on page 11 of the Application.

Response:

- a) A table below details the specific costs included for 2011 and 2012 under 2.1.2 in the model for meter troubleshooting.

	2011	2012
Incremental labour	8,741.86	24,382.00
Truck Time	449.00	535.00
Incremental cellular cost	190.35	
Consulting fees	10,468.26	
	<u>19,849.47</u>	<u>24,917.00</u>

Noted that the 2012 figure has been revised based on revised projections. Festival had originally provided projections to October 31, 2012 only. Through discussions with OEB staff, it was noted that the SMIRR calculation is a proxy and considers an annual amount of expense and as such Festival should have provided projections to December 31, 2012 so as not to underestimate the SMIRR.

The incremental labour costs include overtime charges from the existing meter technician at FHI, a student that was hired to help with this troubleshooting, as well as time for an incremental IT resource hired as a result of the smart meter project. Truck time and the cellular charge were directly incremental as a result of this troubleshooting work. The consulting fees were incurred to engage experts to aid in the troubleshooting. The troubleshooting consisted of discovering why various

meters were losing communication with our AMI. A projection has been included in 2012 for \$12K of incremental labour relating to this specific troubleshooting to monitor communication and to develop mitigation strategies to avoid significant loss of communication in the future.

- b) These costs are all one-time costs with the exception of the incremental labour related to this troubleshooting that has been projected to the end of 2012 as the monitoring and mitigation is an ongoing activity.
- c) These OM&A costs do not include any salaries and benefits for Festival employees beyond incremental charges (i.e. overtime as a result of this troubleshooting, or time of the incremental IT resource hired as a result of the smart meter project).

6. Additional Employees (Ref: Application, page 14)

On page 14 of its Application, Festival states:

A subset of the smart meter team was responsible for the end to end testing with the MDM/R and internal CIS testing for time of use pricing. One IT resource was added early in the project to meet the demands of the detailed testing and related development. This individual was also directly involved in the business process redesign, because of his in-depth knowledge of how the new systems would impact day to day business activities.

At the beginning of April 2012, a second employee was hired as an AMCC operator to manage the day to day processing. It is expected that both of these resources will be largely committed to the smart meter project for the next six months, with a reduction in time as the systems becomes more stable and staff become more familiar with their roles within the smart meter environment. Post November 1, 2012, Festival expects the time required for AMCC administration and related smart meter tasks will net out to one full-time equivalent incremental position within the Company.

- a) Please provide further description of the functions that will be carried out by the AMCC operator.
- b) Does Festival expect that there will be any reductions in other areas of its operations due to the functions performed by the AMCC operator? For example, might corrections and adjustments to bills be reduced, resulting in time and cost savings by Festival's billing staff and customer representatives to deal with billing issues?

Response:

- a) Below is a list of duties carried out by the AMCC operator.

Act as a first point of contact on AMI/AMCC issues

- Monitor Daily collector performance, identify performance issues and resolve.
- Report emerging issues to AMCC Vendor for support. Obtain Firmware Samples for trouble Meters, apply software fixes and configuration changes to resolve issues.
- Generating reports for daily occurrences effecting various Departments use of the AMI System.
- Assisting Customer Service in utilizing the AMCC interface to obtain reading data for customers, troubleshooting and internal functions such as conservation.
- Monitor in real-time the connectivity to all regional collectors, geo-code collector locations and meter address information. Respond to and monitor outage conditions. Identify Problem installations and address.

Provide direction to multiple departments on work that is required based on AMI issues and requirements

- Work with billing / metering to obtain remote reads for or exchange meters discovered to be faulty during the Billing Quantity Request to the MDM/R.
- Generate Daily reports for the Meter Population for the above actions outside of a BQR situation.
- Coordinate and schedule AMCC system downtime when required for upgrades and maintenance.
- Advise on areas of wireless mesh signal weakness for deployment of repeater installation, based on testing meter signal strength and meter communication logs.

Respond to issues generated by other staff members that are related to the AMI

- Maintain and Troubleshoot issues with the Regional Mesh Collectors, configure Network and Device Settings, Upgrade and Troubleshoot Issue with Firmware Errors and damage due to environmental conditions. Including a standing population of ready spares.
- Co-ordinate replacement of Collectors if required or troubleshoot collectors in field with vendor supplied software tools.
- Inventory and record all Collector settings and changes, including Network Settings and Troubleshooting Steps.
- Program Solutions and tools to automate troubleshooting process, including software designed to probe problematic meters remotely and obtain readings manually through AMCC/AMI mesh network.
- Design reports for high level overview of ongoing AMR to AMI Transition for superiors to plan migration strategies of clients and troubleshooting current issues.
- Diagnose Problematic meters and either repair remotely, co-ordinate with metering for troubleshooting of meter communication or changes in meter parameters, or replacement of faulty meters.

Monitor and maintain multiple server systems that are part of the AMI infrastructure

- Maintain AMCC Server OS and AMI Software updates. Configure changes in system parameters to tune the Performance of the AMI System and correct issues as proposed by the vendor.
- Maintain firmware levels of the Mesh Radio Components of the Meters, via remote upgrades or scheduling on site upgrades.
- Setting up Encryption for required channels of meter communication across various Meter Brands and Models
- Troubleshooting issues with our data backhaul provider and the mesh network AP's they use to network our Collectors.
- Administrate user accounts, access and security for the AMCC web interfaces used by Billing, Customer Service and Metering.
- Setup, Design, obtain and assemble the AMCC physical Servers, and virtualization infrastructures, virtual hosts AMCC Servers. Upgrade and repair as needed.

Monitor and maintain data integrity

- Monitor and verify data integrity of meter information across the CIS and AMI databases.
- Act as database administrator for the AMI Database backend, verify, troubleshoot and maintain According to AMI Provider Recommendations and Festival Hydro's Needs

- Run and create queries, apply indexes and create exports to identify issues and obtain data required for troubleshooting and day to day operations from the AMI database.
 - Assist other IT staff with the setup and configuration / operation of data exchange between ODS and MDM/R and multiple in house servers, including CMEP generation and record40 extracts and other scheduled jobs on the AMCC for exchange via AS2.
 - Setup and Maintain TOU data extracts to our web presentment site for Customers.
- b) Festival expects there will be no reduction in staff requirements in either billing or customer service as a result of moving to TOU billing. Since TOU implementation took place effective May 1, 2012, we have in fact seen greater demands in both billing and customer service.

Festival has only two FTE in our billing department. Since cut-over to TOU billing effective May 1, 2012, we have seen an increase in the demand on these staff members as they become familiar with the TOU billing processes. There has also been an increase in checking and verification processes to ensure bills are accurate and complete. Some work normally completed by billing staff (e.g. monthly OCEB reporting) has had to be temporarily shifted to other departments due to the additional activity in billing associated with TOU cut over. Our billing processes, prior to TOU, operated very efficiently. We anticipate this same level of efficiency will be achieved once TOU cut-over is complete and operational for a few months.

In terms of customer service staff, Festival currently has four FTE in the customer service department. Since cut over to TOU billing, we have experienced a slight increase in call volumes. Festival anticipates that after the next few months the volume of phone calls should return back to normal as customers become familiar with TOU pricing and the web presentment tool.

7. Ref: Smart Meter Model, Version 2.17 – Wide Area Network

Board staff observes that Festival has documented no capital costs related to the Wide Area Network (“WAN”) in section 1.4 of Sheet 2 of the Smart Meter Model. However, Festival documents OM&A expenses under section 2.4 of sheet 2. Specifically, Festival documents \$15,813 for “WAN Maintenance” for 2010. It also documents \$67,060 for 2010, \$106,028 for 2011 and \$8,468 for 2012 with a label of “Communication services”.

- a) On pages 12 and 13 of its Application, Festival documents that it selected its affiliate, Rhyzome Networks, “to providing connectivity or backhaul services for the meters and collectors.” Please confirm that the WAN costs documented on sheet 2 are the costs paid to Rhyzome Networks. In the alternative, please explain.
- b) Please explain the costs for 2010 and 2011, and the reason for the cost reduction in 2012.
- c) Is the cost forecasted for 2012 a recurring cost?
- d) Why has Festival expensed all costs related to the WAN?

Response:

- a) The costs included in section 2.4.2 – Communication Services, are the fees paid for data backhaul services from Rhyzome Networks. The costs included in 2.4.1 for WAN maintenance relate to incremental IT resources that were required in 2010 with the initial integration of the data collection equipment with our AMI server. This particular cost may not be best described as WAN maintenance, however was categorized here to identify that this incremental cost was incurred beyond the regular service fees for data backhaul at the initial setup stage.
- b) The following details the costs included in 2.4.2 in the smart meter model.

	2010	2011	2012
Backhaul services (including Rhyzome)	55,785.00	106,028.00	100,041.00
Meter Reading Reduction	-	-	- 87,411.00
Communication costs	-	-	-
	55,785.00	106,028.00	12,630.00

Note that the 2012 figure has been updated as per our response to #5.

Note that communication costs of \$11,275 were included in the original model in 2010 in error as they do not relate to data backhaul and should have been classified under 2.5.2 for customer communication. This revision has been made in the updated smart meter models submitted. The cost reduction in 2012 is a result of the actual, and our ongoing estimate of the incremental reduction in meter reading costs as a result of the automated meter reading process that has been implemented.

- c) The 2012 projected costs are recurring costs.
- d) Festival does not own the assets used to backhaul the data – these assets are owned by Rhyzome Networks. In addition, Festival did not classify the cost incurred for data backhaul as part of the capital project as this cost was not incurred until the data accumulation was required to prepare for TOU transition and therefore Festival felt this particular cost was better classified as an ongoing operating cost.

8. Other OM&A Expenses (Ref: Smart Meter Model, Version 2.17)

Under 2.5.6 “Other OM&A Expenses”, Festival documents an aggregate of \$13,617 under OM&A Expenses Related to Minimum Functionality.

- a) Please provide further explanation of these expenses.
- b) Is the forecasted expense of \$9,255 for 2012 a one-time or recurring expense?

Response:

- a) The amounts included in 2.5.6 totaling \$13,617 largely represent the carrying charges applied to this account. These amounts were included in tab two in error as they are calculated in tab 8 of the model. Festival has removed these amounts in the revised model submitted.
- b) The remaining expense in the revised model in 2.5.6 for 2012 is \$71 and is a one-time expense.

9. OM&A Expenses Beyond Minimum Functionality (Ref: Smart Meter Model, Version 2.17)

Under 2.6.3, Festival documents \$37,443 for 2011 and \$99,631 for 2012 as OM&A expenses related to TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

On page 21 of its Application, Festival states that minimum functionality is exceeded in ODS, web presentment and upgrade costs. Additionally, Festival states that OM&A costs beyond minimum functionality amount to \$137,074. Board staff notes that this represents 26.5% of the total smart meter OM&A costs of \$516,640.

- a) Please provide a further breakout and explanation of the OM&A expenses beyond minimum functionality for each of 2011 and 2012. Also identify which costs are one-time and which are recurring.
- b) For recurring costs, please confirm and explain how these costs are incremental to Festival's existing OM&A expenses factored into its approved revenue requirement and recovered through distribution rates.

Response

- a) Please refer to the table below for a breakout of the expenses included in 2.6.3.

Description	2011	2012	Type
Web presentment costs	-	27,395	Both
Operational Data Store	-	33,653	Both
System Upgrades & TOU rate implementation	37,443	54,183	Both
	<u>37,443</u>	<u>115,231</u>	

Note that the 2012 figure has been revised based on our response to #5.

The ongoing portion of the web presentment charge is anticipated to be \$300/mo with an annual maintenance fee of \$3600 per vendor contract. The ongoing portion of the ODS charge is \$3,000/mo per vendor contract. The ongoing portion of system upgrades and TOU rate implementation is estimated at a decreasing monthly amount of labour for our incremental IT resource as this cost is expected to return to one-time costs only for upgrades as they are released at a point in time. Currently our incremental IT resource is projected to continue with system upgrades and work as it relates to TOU until the end of 2012.

- b) The ongoing web presentment charges are incremental to Festival's existing OM&A expenses as these costs were incurred to be able to present to customers their usage under the TOU framework directly as a result of the smart meter/TOU rollout. The ongoing ODS charges are incremental to Festival's existing OM&A expenses as the ODS is being utilized to minimize manual correction of data errors in order to prepare data in a correct MDM/R format. The ODS adds significant efficiency to this process as it will correct hundreds of data issues that would otherwise be manual issues/corrections dealt with by a Festival resource. The on-going incremental IT labour is the result of a resource that was hired specifically for the smart meter project.

10. GS > 50 kW customers (Ref: Application, pages 22 to 23)

On pages 22 and 23, Festival states the following:

Festival recognized that the installation of smart meters for GS > 50 kW customers was beyond the definition of minimum functionality. However, Festival decided it was prudent to change out the 135 GS > 50 kW meters (i.e. GS > 50 kW to 200 kW) at the same time for the following reasons:

- To leave these 135 meters scattered throughout our service territory requiring manual meter reads would have resulted in an inefficient meter reading operation.

- Annually, Festival reviews classification of accounts in accordance with Section 2.5 of the Distribution System Code. There are generally a number of accounts which switch annually from G.S. < 50 kW to G.S. > 50 kW (non-interval) and vice versa. Having smart meters in place for all these accounts will make it much easier and less costly at the time of re-classification.
- G.S. > 50 kW customers will now have access to Web presentment for their usage to be able to take action on peak reduction and energy savings thorough conservation programs.

The costs for these meters and related installation costs have been charged to USOA # 1860 Meter Capital and are not included in this application.

While Festival has excluded the capital costs for the smart meters for these GS > 50 kW customers from this Application, it would appear that other capital and operating costs, related to WAN installation and operation, CIS and billing upgrades, AMCC operation, and web presentment documented in the Application are used to provide services to these customers as well as to Residential and GS < 50 kW customers with smart meters.

- a) Please explain Festival's rationale for not including the costs for smart meter installations for GS > 50 kW customers, given that Festival has documented there are periodic reclassification of customers between the GS < 50 kW and GS > 50 kW classes, and that these customers also are serviced through the installed infrastructure.
- b) Please provide Festival's estimates of the per meter cost for a GS > 50 kW customer in contrast to the per meter cost for a GS < 50 kW customer. Please provide an explanation of any variation.
- c) Does Festival consider that recovering the SMDR and SMIRR only from Residential and GS < 50 kW customers implies that GS > 50 kW customers are being cross-subsidized for services such as automated data collection and web presentment that they also receive.

- d) Under its proposal, how is Festival recovering the costs for smart meters installed for GS > 50 kW customers?
- e) Please provide class-specific SMDRs and SMIRRs that would reflect an allocation of costs to and recovery from the three classes of Residential, GS < 50 kW and GS > 50 kW.
- f) How is Festival treating the remaining net book value of conventional meters of GS > 50 kW customers replaced by smart meters?

Response

- a) Ontario Regulation 425/06, Criteria and Requirements for Meter and Metering Equipment, Systems and Technology sets out the minimum functionality for advanced metering infrastructure for residential and small general service customers. It did not include metering related to general service customers between 50 kW and 200 kW. As such, Festival has not included the costs for smart meter installation for G.S. > 50 kW and less than 200 kW customers.
- b) The meter cost for the GS>50 meters that have been installed average \$800. This differs from the average cost per meter of the GS<50 meters at \$278/meter. The main reason for the variation is that only approximately 200 GS<50 meters have a meter cost of \$700 or more. The remaining GS<50 meters have an average cost of \$212.
- c) Festival recognized there were many benefits to retrieving all meters reads electronically, rather than leaving a dispersed group of G.S. > 50 kW to 200 kW customers subject to manual meter reads. This was the primary rationale for changing out the G.S. > 50 meters at this time. In Festival's smart meter model, the meter reading savings, the related rate adder and associated interest related to the G.S. > 50 customers was allocated to offset the costs for residential and G.S. < 50 kW meters. As such, Festival was of the belief that there would be minimal cross-subsidization occur because the incremental electronic meter reading costs, belonging to the G.S. > 50 to 200 kW customers, would be largely offset by the amount of meter reading savings and rate adder recoveries belonging to that group. Our calculations under 10 e) below confirms our belief of minimal cross-subsidization.

- d) Festival included the cost of replacing these meters in USOA # 1860 Meter and will be subject to our normal asset recovery process as part of Festival's 2014 COS application.
- e) Based on three new models that Festival has prepared allocating a portion of the costs on tab two to the GS >50 class which are attached as appendices, the SMDR's and SMIRR's would be as follows:

Residential SMDR - \$(0.71)
Residential SMIRR - \$2.78
Total - \$2.07

GS<50 SMDR - \$0.81
GS<50 SMIRR - \$4.70
Total - \$5.51

GS>50 SMDR - \$(2.24)
GS>50 SMIRR - \$1.27
Total – (\$0.97)

Note that as per our managers summary, the meter costs for the GS>50 meters was not included in our smart meter submission and will be included in our 2014 COS application. As such – the model prepared to allocate the GS>50 costs does not include any meter costs.

- f) Festival is continuing to amortize the remaining net book value of GS>50 conventional meters from 1860 under the pooled method of depreciation as per guidance in Article 410 of the Boards' Accounting Procedures Handbook.

11. Revenues Collected

A portion of Sheet "9. SMFA_SMDR_SMIRR" from each of the Residential, GS < 50 kW and Total Smart Meter Models is reproduced below.

Residential

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	663,021.91
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	956,270.13
Net Deferred Revenue Requirement	-\$	293,248.22

GS < 50 kW

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	186,433.54
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	108,785.01
Net Deferred Revenue Requirement	\$	77,648.53

Total

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	849,452.01
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	1,064,660.32
Net Deferred Revenue Requirement	-\$	215,208.31

With respect to the “SMFA Revenues collected from 2006 to 2012...” Board staff notes that the amount of \$1,064,660 under Total reconciles with the amount provided in the table on page 20 of the Application. Board staff also notes that this amount does not reconcile with the amounts of \$956,270 under Residential and \$108,785 under GS<50, which add to \$1,065,055.

Please confirm the correct amounts for Residential and GS<50 kW customers. If they are different from the amounts provided in the models, please update the Smart Meter Models after applying the correction.

Response:

The SMFA information was allocated by class on an annual basis versus a monthly basis for the purposes of this application. This results in a difference in the interest calculated in the allocated models versus the overall model as the allocated models take the annual SMFA by rate class and include an average monthly recovery based on each annual recovery. As the difference identified above is \$395 – Festival proposes that this difference is not material and as such the use of average monthly data to calculate class specific carrying charges is reasonable and results in reasonable SMDR's and SMIRR's for both classes.

12. Number of Metered Customers

A portion of Sheet "9. SMFA_SMDR_SMIRR" from each of the Residential, GS < 50 kW and Total Smart Meter Models is reproduced below.

Number of Metered Customers (average for 2012 test year)	
Residential	17794
GS<50	1986
Total	19780

Board staff notes that the total number of metered customers for the Residential and GS < 50 kW rate classes provided in the Smart Meter Models adds to 19,780. Board staff also notes that this number does not reconcile with the total number of metered customers provided on page 18 of the Application, being 19,650.

Please confirm the correct number of metered customers for the Residential and GS < 50 kW rate classes. If they are different from the amounts provided in the models, please update the Smart Meter Models after applying the correction.

Response:

The number of meters included in the models on tab 9 are Festival's estimate of meters per rate class based on historical growth at December 31, 2012. The managers report figures were not updated to reflect the revised meter numbers used in the models.

13. Net Deferred Revenue Requirement

A portion of Sheet "9. SMFA_SMDR_SMIRR" from each of the Residential, GS<50 and Total Smart Meter Models is reproduced below.

Residential

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	663,021.91
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	956,270.13
Net Deferred Revenue Requirement	-\$	293,248.22

GS<50

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	186,433.54
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	108,785.01
Net Deferred Revenue Requirement	\$	77,648.53

Total

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding		1.5
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$	849,452.01
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$	1,064,660.32
Net Deferred Revenue Requirement	-\$	215,208.31

With respect to the "Net Deferred Revenue Requirement", Board staff notes that the amounts under Residential and GS < 50 kW add to (\$215,600), an amount which does not reconcile with the amount under Total.

- a) Please confirm the correct amounts for the Residential and GS<50 kW rate classes. If they are different from the amounts provided in the models, please update the Smart Meter Models after applying the correction.

- b) Please provide calculation details for the correct amounts for the Residential and GS < 50 kW rate classes by completing the table provided below.

Response:

- a) As noted in response to IR#11, the SMFA figure is \$395 greater when you add together the specific class models as compared to the overall model due to the fact that average monthly SMFA data was used in the class specific models, where actual monthly data was used in the overall model – creating a difference in the carrying charge calculated. As the Net deferred revenue requirement is the difference between the deferred incremental revenue requirement and the SMFA collected, it leads that the same \$395 difference will result when comparing this line of the class specific models to the overall model. Festival believes given the insignificant amount of this difference, the class specific models provided calculate reasonable SMDR's and SMIRR's.
- b) The table provided has been completed below and includes data from the revised models attached in the appendices based on responses to all Board staff IR's.

Revenue Requirement	Total Amount	Allocation Factor - Residential	Residential	Allocation Factor - GS<50	GS<50
Return on smart meter rate base	591,009.00	80%	475,681.00	20%	115,328.00
OM&A Expenses	545,028.00	90%	489,582.00	10%	55,446.00
Amortization Expenses	664,602.00	81%	541,229.00	19%	123,375.00
Revenue Requirement before PILs	1,800,639.00	84%	1,506,492.00	16%	294,150.00
Grossed-up PILs	- 247,168.65	81%	- 200,511.38	19%	- 46,717.68
Interest Expense on deferred OM&A and depreciation/amortization expenses	16,571.33	83%	13,789.49	16%	2,718.92
Deferred Incremental Revenue Requirement	862,298.31	84%	724,542.39	16%	137,761.56
Revenues Collected from 2006 to 2012	1,065,919.57	90%	957,400.81	10%	108,913.29
SMFA Revenues allocated from other metered customer classes	-	0%	-	0%	-
Carrying charges on allocated SMFA revenues	37,959.42	91%	34,398.50	10%	3,954.84
Net Deferred Revenue Requirement	- 203,621.26	114%	- 232,858.42	-14%	28,848.27

14. Incremental Revenue Requirement for 2012

A portion of Sheet “9. SMFA_SMDR_SMIRR” from each of the Residential, GS<50 and Total Smart Meter Models is reproduced below.

Residential

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$	528,034.43	┐
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GS<50

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$	143,195.62	┐
--	----	------------	---

Total

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$	671,312.68	┐
--	----	------------	---

With respect to the “Incremental Revenue Requirement for 2012”, Board staff notes that the amounts under Residential and GS<50 add to \$671,230, an amount which does not reconcile with the amount under Total.

- a) Please confirm the correct amounts for the Residential and GS<50 rate classes. If they are different from the amounts provided in the models, please update the Smart Meter Models after applying the correction.
- b) Please provide calculation details for the correct amounts for the Residential and GS<50 rate classes by completing the table provided below.

Response

- a) The difference when adding the two rate specific models together as compared to the overall model is \$83 based on the original models filed and \$64 based on the revised models filed. This difference appears to occur in the grossed up PILS calculation (which has a difference when comparing the two class specific models to the overall model of \$60 using the revised model figures). This small difference may result from rounding. Figures and factors used in the two models are the same. In addition, given the insignificant amount of this difference, Festival submits that the models are reasonable.
- b) The table provided has been completed below.

Revenue Requirement	Total Amount	Allocation Factor - Residential	Residential	Allocation Factor - GS<50	GS<50
Return on smart meter rate base	591,009.00	80%	475,681.00	20%	115,328.00
OM&A Expenses	545,028.00	90%	489,582.00	10%	55,446.00
Amortization Expenses	664,602.00	81%	541,229.00	19%	123,375.00
Revenue Requirement before PILs	1,800,639.00	84%	1,506,492.00	16%	294,150.00
Grossed-up PILs	- 247,168.65	81%	- 200,511.38	19%	- 46,717.68
Incremental Revenue Requirement for 2012	707,743.12	84%	595,227.53	16%	112,452.25

15. OM&A and Depreciation Expenses (Ref: Smart Meter Model, Version 2.17, Sheet 8A)

Why has Festival not included any forecasted OM&A and Depreciation/Amortization expenses for November and December 2012, as this will result in an underestimate of the SMIRR?

Response

Festival was under the belief that given a rate increase effective November 1st is being requested, the forecasted figures would include all estimated costs up to October 31, 2012. Through further discussion with Board staff on the SMIRR calculation, Festival notes that a full 12 months of data needs to be included in our 2012 forecast in order to have the SMIRR calculated correctly. Festival has revised the model accordingly.

Stranded Meters

16. Stranded Meter Costs

On page 23 of its Application, Festival states that it will seek disposition of stranded meter costs as part of its next cost of service application in 2014. Festival states that stranded meter costs continue to be amortized.

Please provide Festival's estimate of the Gross Book Value, Accumulated Depreciation and Net Book Value of the stranded meters as of December 31, 2013.

Response

Festival's estimate of stranded meters as at December 31, 2013 is as follows:

Gross Book Value - \$2,546,058
Accumulated depreciation - \$2,303,248
Net Book Value - \$242,810

Appendices – Smart Meter Models

A – Smart Meter Model

B – Smart Meter Residential Model

C – Smart Meter GS<50 Model

D – Smart Meter Residential Model for 10E

E – Smart Meter GS<50 Model for 10E

F – Smart Meter GS>50 Model for 10E

Appendix A



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

Phone Number: 519-271-4703 x 221

Email Address: kmccann@festivalhydro.com

We are applying for rates effective: November 1, 2012

Last COS Re-based Year: 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data

Smart Meter Installation Plan

Actual/Planned number of Smart Meters installed during the Calendar Year

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast	Total
Residential				203	17,430	18	0	17651
General Service < 50 kW				0	1,913	86		1999
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	203	19343	104	0	19650
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	1.03%	99.47%	100.00%	0.00%	100.00%
Actual/Planned number of GS > 50 kW meters installed								0
Other (please identify)								0
Total Number of Smart Meters installed or planned to be installed	0	0	0	203	19343	104	0	19650

1 Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meters (may include new meters and modules, etc.)

1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)

1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)

1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)

Total Advanced Metering Communications Devices (AMCD)

Asset Type Asset type must be selected to enable calculations	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					2,618,714	40,275	-2,343	\$ 2,656,646
Smart Meter					385,307	7,226		\$ 392,533
Computer Hardware					20,201			\$ 20,201
Computer Software					15,431			\$ 15,431
	\$ -	\$ -	\$ -	\$ -	\$ 3,039,653	\$ 47,501	\$ -2,343	\$ 3,084,811

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors

1.2.2 Repeaters (may include radio licence, etc.)

1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)

Total Advanced Metering Regional Collector (AMRC) (Includes LAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					192,403			\$ 192,403
Smart Meter					675	15,275		\$ 15,950
Smart Meter					45,591	6,263	3,084	\$ 54,938
	\$ -	\$ -	\$ -	\$ -	\$ 238,669	\$ 21,538	\$ 3,084	\$ 263,291

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Hardware					8,844			\$ 8,844
Computer Software					14,250			\$ 14,250
Computer Software					79,324			\$ 79,324
	\$ -	\$ -	\$ -	\$ -	\$ 102,417	\$ -	\$ -	\$ 102,417

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
Computer Software					12,812	5,997		\$ 18,809
Smart Meter				7,536				\$ 7,536
Computer Software						24,026		\$ 24,026
Other Equipment					31,987	19,265		\$ 51,252
Other Equipment							939	\$ 939
	\$ -	\$ -	\$ -	\$ 7,536	\$ 44,799	\$ 49,287	\$ 939	\$ 102,562
	\$ -	\$ -	\$ -	\$ 7,536	\$ 3,425,538	\$ 118,326	\$ 1,680	\$ 3,553,081

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Software								\$ -
Applications Software								\$ -
Other Equipment					9,660	109,063	26,424	\$ 145,147
	\$ -	\$ -	\$ -	\$ -	\$ 9,660	\$ 109,063	\$ 26,424	\$ 145,147
	\$ -	\$ -	\$ -	\$ 7,536	\$ 3,435,198	\$ 227,390	\$ 28,104	\$ 3,698,228

2 OM&A Expenses

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

2.1.1 Maintenance (may include meter reverification costs, etc.)

2.1.2 Other (please specify)

Meter troubleshooting

Total Incremental AMCD OM&A Costs

2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

2.2.1 Maintenance

2.2.2 Other (please specify)

Total Incremental AMRC OM&A Costs

2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

2.3.1 Hardware Maintenance (may include server support, etc.)

2.3.2 Software Maintenance (may include maintenance support, etc.)

2.3.2 Other (please specify)

AMCC IT position

Total Incremental AMCC OM&A Costs

2.4 WIDE AREA NETWORK (WAN)

2.4.1 WAN Maintenance

2.4.2 Other (please specify)

Communication services

Total Incremental AMRC OM&A Costs

2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.5.1 Business Process Redesign

2.5.2 Customer Communication (may include project communication, etc.)

2.5.3 Program Management

2.5.4 Change Management (may include training, etc.)

2.5.5 Administration Costs

2.5.6 Other AMI Expenses

(please specify)

Total Other AMI OM&A Costs Related to Minimum Functionality

TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

2.6.2 Costs for deployment of smart meters to customers other than residential and small general service

2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total OM&A Costs Beyond Minimum Functionality

Total Smart Meter OM&A Costs

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
					345	4,369		4,714
						19,849	24,917	44,766
	\$ -	\$ -	\$ -	\$ -	\$ 345	\$ 24,218	\$ 24,917	\$ 49,481
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
							9,307	9,307
						19,368	30,127	49,495
							39,620	39,620
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,368	\$ 79,054	\$ 98,422
					15,813			15,813
					55,785	106,028	12,630	174,443
	\$ -	\$ -	\$ -	\$ -	\$ 71,598	\$ 106,028	\$ 12,630	\$ 190,256
								\$ -
					19,534	1,770	7,699	29,003
								\$ -
								\$ -
					24,017		931	24,948
						173	71	244
	\$ -	\$ -	\$ -	\$ -	\$ 43,551	\$ 1,943	\$ 8,701	\$ 54,195
	\$ -	\$ -	\$ -	\$ -	\$ 115,494	\$ 151,558	\$ 125,302	\$ 392,354
	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
								\$ -
								\$ -
						37,443	115,231	152,674
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,443	\$ 115,231	\$ 152,674
	\$ -	\$ -	\$ -	\$ -	\$ 115,494	\$ 189,001	\$ 240,533	\$ 545,028

3 Aggregate Smart Meter Costs by Category

3.1	Capital											
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ 7,536	\$ 3,242,690	\$ 69,039	\$ 741	\$ 3,320,006			
3.1.2	Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 29,045	\$ -	\$ -	\$ 29,045			
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 121,816	\$ 30,023	\$ -	\$ 151,839			
3.1.4	Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 41,647	\$ 128,328	\$ 27,363	\$ 197,338			
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
3.1.7	Total Capital Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,536</u>	<u>\$ 3,435,198</u>	<u>\$ 227,390</u>	<u>\$ 28,104</u>	<u>\$ 3,698,228</u>			
3.2	OM&A Costs											
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,494</u>	<u>\$ 189,001</u>	<u>\$ 240,533</u>	<u>\$ 545,028</u>			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ 7,536	\$ 3,250,226	\$ 3,319,265
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -		\$ 7,536	\$ 3,242,690	\$ 69,039	\$ 741
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 7,536	\$ 3,250,226	\$ 3,319,265	\$ 3,320,006
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ 251	\$ 108,843	\$ 327,826
Amortization expense during year	\$ -	\$ -	\$ -	\$ 251	\$ 108,592	\$ 218,983	\$ 221,309
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 251	\$ 108,843	\$ 327,826	\$ 549,135
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 7,285	\$ 3,141,383	\$ 2,991,439
Closing Balance	\$ -	\$ -	\$ -	\$ 7,285	\$ 3,141,383	\$ 2,991,439	\$ 2,770,871
Average Net Book Value	\$ -	\$ -	\$ -	\$ 3,643	\$ 1,574,334	\$ 3,066,411	\$ 2,881,155
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 29,045	\$ 29,045
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 29,045	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 29,045	\$ 29,045	\$ 29,045
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,905	\$ 8,714
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 2,905	\$ 5,809	\$ 5,809
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,905	\$ 8,714	\$ 14,523
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,141	\$ 20,332
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 26,141	\$ 20,332	\$ 14,523
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 13,070	\$ 23,236	\$ 17,427
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 121,816	\$ 151,839
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 121,816	\$ 30,023	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 121,816	\$ 151,839	\$ 151,839
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,182	\$ 39,547
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 12,182	\$ 27,365	\$ 30,368
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 12,182	\$ 39,547	\$ 69,915
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,634	\$ 112,292
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 109,634	\$ 112,292	\$ 81,924
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 54,817	\$ 110,963	\$ 97,108

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 41,647	\$ 169,975
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 41,647	\$ 128,328	\$ 27,363
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 41,647	\$ 169,975	\$ 197,338

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 2,082	-\$ 12,663
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	-\$ 2,082	-\$ 10,581	-\$ 18,366
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	-\$ 2,082	-\$ 12,663	-\$ 31,029

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,564	\$ 157,311
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 39,564	\$ 157,311	\$ 166,309
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 19,782	\$ 98,438	\$ 161,810



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 3,643	\$ 1,574,334	\$ 3,066,411	\$ 2,881,155
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 13,070	\$ 23,236	\$ 17,427
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 54,817	\$ 110,963	\$ 97,108
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 19,782	\$ 98,438	\$ 161,810
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 3,643	\$ 1,662,004	\$ 3,299,048	\$ 3,157,500
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 115,494	\$ 189,001	\$ 240,533
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 17,324	\$ 28,350	\$ 36,080
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ 3,643	\$ 1,679,328	\$ 3,327,398	\$ 3,193,580
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 67,173	\$ 133,096	\$ 127,743
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 2,065	\$ 940,424	\$ 1,863,343	\$ 1,788,405
Equity	\$ -	\$ -	\$ -	\$ 1,577	\$ 671,731	\$ 1,330,959	\$ 1,277,432
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ 3,643	\$ 1,679,328	\$ 3,327,398	\$ 3,193,580
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 1,390	\$ 2,755	\$ 2,644
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 150	\$ 53,416	\$ 105,838	\$ 101,581
Equity	\$ -	\$ -	\$ -	\$ 142	\$ 66,166	\$ 131,099	\$ 125,827
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ 292	\$ 120,972	\$ 239,692	\$ 230,053
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 115,494	\$ 189,001	\$ 240,533
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 251	\$ 108,592	\$ 218,983	\$ 221,309
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,905	\$ 5,809	\$ 5,809
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 12,182	\$ 27,365	\$ 30,368
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 2,082	\$ 10,581	\$ 18,366
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ 251	\$ 125,761	\$ 262,739	\$ 275,851
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ 543	\$ 362,227	\$ 691,432	\$ 746,437
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 115,494	\$ 189,001	\$ 240,533
Amortization Expense	\$ -	\$ -	\$ -	\$ 251	\$ 125,761	\$ 262,739	\$ 275,851
Interest Expense	\$ -	\$ -	\$ -	\$ 150	\$ 54,807	\$ 108,593	\$ 104,226
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ 142	\$ 66,166	\$ 131,099	\$ 125,827
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ 161.15	\$ 86,806.38	\$ 121,507.06	\$ 38,694.06
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ 382	\$ 275,420	\$ 569,925	\$ 707,743



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 6,782.65	\$ 2,923,846.93	\$ 2,401,212.67
Capital Additions	\$ -	\$ -	\$ -	\$ 7,536.28	\$ 3,242,689.79	\$ 69,039.03	\$ 741.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 7,536.28	\$ 3,249,472.44	\$ 2,992,885.96	\$ 2,401,953.67
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 3,768.14	\$ 1,621,344.90	\$ 34,519.52	\$ 370.50
Reduced UCC	\$ -	\$ -	\$ -	\$ 3,768.14	\$ 1,628,127.55	\$ 2,958,366.45	\$ 2,401,583.17
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 753.63	\$ 325,625.51	\$ 591,673.29	\$ 480,316.63
Closing UCC	\$ -	\$ -	\$ -	\$ 6,782.65	\$ 2,923,846.93	\$ 2,401,212.67	\$ 1,921,637.04

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 15,011.42
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 29,045.20	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 121,816.05	\$ 30,022.84	\$ -
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 150,861.25	\$ 105,453.47	\$ 15,011.42
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 15,011.42	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 90,442.05	\$ 15,011.42
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 90,442.05	\$ 8,256.28
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 15,011.42	\$ 6,755.14

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,482.15	\$ 145,480.79
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 41,646.83	\$ 128,327.86	\$ 27,363.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 41,646.83	\$ 165,810.01	\$ 172,843.79
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 20,823.42	\$ 64,163.93	\$ 13,681.50
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 20,823.42	\$ 101,646.08	\$ 159,162.29
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 4,164.68	\$ 20,329.22	\$ 31,832.46
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 37,482.15	\$ 145,480.79	\$ 141,011.33



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 141.95	\$ 66,165.52	\$ 131,099.48	\$ 125,827.04
Amortization	\$ -	\$ -	\$ -	\$ 251.21	\$ 125,760.54	\$ 262,738.65	\$ 275,851.48
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 753.63	\$ 325,625.51	\$ 591,673.29	\$ 480,316.63
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 75,430.63	\$ 90,442.05	\$ 8,256.28
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,164.68	\$ 20,329.22	\$ 31,832.46
Change in taxable income	\$ -	\$ -	\$ -	\$ 360.47	\$ 213,294.76	\$ 308,606.42	\$ 118,726.86
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 118.95	\$ 62,943.28	\$ 87,181.31	\$ 29,183.06
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 7,285.07	\$ 3,141,382.78	\$ 2,991,438.77	\$ 2,770,870.73
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 26,140.68	\$ 20,331.64	\$ 14,522.60
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 109,634.45	\$ 112,291.79	\$ 81,924.01
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 39,564.49	\$ 157,311.27	\$ 166,308.65
Rate Base	\$ -	\$ -	\$ -	\$ 7,285.07	\$ 3,316,722.40	\$ 3,281,373.48	\$ 3,033,626.00
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 7,285.07	\$ 3,316,722.40	\$ 3,281,373.48	\$ 3,033,626.00
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ 16.39	\$ 2,487.54	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 118.95	\$ 62,943.28	\$ 87,181.31	\$ 29,183.06
Change in OCT	\$ -	\$ -	\$ -	\$ 16.39	\$ 2,487.54	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 102.56	\$ 60,455.74	\$ 87,181.31	\$ 29,183.06
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 177.54	\$ 89,293.92	\$ 121,507.06	\$ 38,694.06
Change in OCT	\$ -	\$ -	\$ -	\$ 16.39	\$ 2,487.54	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 161.15	\$ 86,806.38	\$ 121,507.06	\$ 38,694.06



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 2,927.60	4.14%	\$ -	\$ 2,927.60		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 2,927.60	\$ 5,862.41	4.14%	\$ 10.10	\$ 8,800.11		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 8,790.01	\$ 5,867.06	4.59%	\$ 33.62	\$ 14,690.69		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 14,657.07	\$ 5,873.57	4.59%	\$ 56.06	\$ 20,586.70		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 20,530.64	\$ 5,876.98	4.59%	\$ 78.53	\$ 26,486.15		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 26,407.62	\$ 5,878.84	4.59%	\$ 101.01	\$ 32,387.47		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 32,286.46	\$ 5,886.90	4.59%	\$ 123.50	\$ 38,296.86		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 38,173.36	\$ 5,892.48	4.59%	\$ 146.01	\$ 44,211.85	\$ 44,614.67	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 44,065.84	\$ 5,907.67	4.59%	\$ 168.55	\$ 50,142.06		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 49,973.51	\$ 5,910.15	4.59%	\$ 191.15	\$ 56,074.81		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 55,883.66	\$ 5,920.38	4.59%	\$ 213.75	\$ 62,017.79		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 61,804.04	\$ 5,925.96	4.59%	\$ 236.40	\$ 67,966.40		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 67,730.00	\$ 5,449.20	4.59%	\$ 259.07	\$ 73,438.27		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 73,179.20	\$ 4,973.54	4.59%	\$ 279.91	\$ 78,432.65		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 78,152.74	\$ 4,980.04	4.59%	\$ 298.93	\$ 83,431.71		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 83,132.78	\$ 4,984.98	4.59%	\$ 317.98	\$ 88,435.74		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 88,117.76	\$ 4,989.66	4.59%	\$ 337.05	\$ 93,444.47		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 93,107.42	\$ 4,995.64	5.14%	\$ 398.81	\$ 98,501.87		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 98,103.06	\$ 5,000.58	5.14%	\$ 420.21	\$ 103,523.85		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 103,103.64	\$ 5,003.44	5.14%	\$ 441.63	\$ 108,548.71	\$ 67,604.68	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 108,107.08	\$ 5,009.42	5.14%	\$ 463.06	\$ 113,579.56		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 113,116.50	\$ 5,011.76	5.14%	\$ 484.52	\$ 118,612.78		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 118,128.26	\$ 5,013.06	5.14%	\$ 505.98	\$ 123,647.30		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 123,141.32	\$ 5,014.62	4.08%	\$ 418.68	\$ 128,574.62		\$ 0.26
			May-08	2008	Q2	\$ 128,155.94	\$ 5,015.40	4.08%	\$ 435.73	\$ 133,607.07		\$ 1.00
			Jun-08	2008	Q2	\$ 133,171.34	\$ 5,018.26	4.08%	\$ 452.78	\$ 138,642.38		\$ 1.00
			Jul-08	2008	Q3	\$ 138,189.60	\$ 5,020.08	3.35%	\$ 385.78	\$ 143,595.46		\$ 1.00
			Aug-08	2008	Q3	\$ 143,209.68	\$ 5,022.94	3.35%	\$ 399.79	\$ 148,632.41		\$ 1.00
			Sep-08	2008	Q3	\$ 148,232.62	\$ 5,027.62	3.35%	\$ 413.82	\$ 153,674.06		\$ 1.00
			Oct-08	2008	Q4	\$ 153,260.24	\$ 5,029.70	3.35%	\$ 427.85	\$ 158,717.79		\$ 1.00
			Nov-08	2008	Q4	\$ 158,289.94	\$ 5,034.38	3.35%	\$ 441.89	\$ 163,766.21		\$ 1.00
			Dec-08	2008	Q4	\$ 163,324.32	\$ 5,038.02	3.35%	\$ 455.95	\$ 168,818.29	\$ 65,541.09	\$ 1.00
			Jan-09	2009	Q1	\$ 168,362.34	\$ 5,039.84	2.45%	\$ 343.74	\$ 173,745.92		\$ 1.00
			Feb-09	2009	Q1	\$ 173,402.18	\$ 5,042.70	2.45%	\$ 354.03	\$ 178,798.91		\$ 1.00
			Mar-09	2009	Q1	\$ 178,444.88	\$ 5,044.78	2.45%	\$ 364.32	\$ 183,853.98		\$ 1.00
			Apr-09	2009	Q2	\$ 183,489.66	\$ 5,044.26	1.00%	\$ 152.91	\$ 188,686.83		\$ 1.00
			May-09	2009	Q2	\$ 188,533.92	\$ 19,401.00	1.00%	\$ 157.11	\$ 208,092.03		\$ 1.00
			Jun-09	2009	Q2	\$ 207,934.92	\$ 19,401.00	1.00%	\$ 173.28	\$ 227,509.20		\$ 1.00
			Jul-09	2009	Q3	\$ 227,335.92	\$ 19,417.00	0.55%	\$ 104.20	\$ 246,857.12		\$ 1.00
			Aug-09	2009	Q3	\$ 246,752.92	\$ 19,437.00	0.55%	\$ 113.10	\$ 266,303.02		\$ 1.00
			Sep-09	2009	Q3	\$ 266,189.92	\$ 19,480.00	0.55%	\$ 122.00	\$ 285,791.92		\$ 1.00
			Oct-09	2009	Q4	\$ 285,669.92	\$ 19,477.00	0.55%	\$ 130.93	\$ 305,277.85		\$ 1.00
			Nov-09	2009	Q4	\$ 305,146.92	\$ 19,496.00	0.55%	\$ 139.86	\$ 324,782.78		\$ 1.00
			Dec-09	2009	Q4	\$ 324,642.92	\$ 19,514.00	0.55%	\$ 148.79	\$ 344,305.71	\$ 178,098.85	\$ 1.00
			Jan-10	2010	Q1	\$ 344,156.92	\$ 19,526.00	0.55%	\$ 157.74	\$ 363,840.66		\$ 1.00
			Feb-10	2010	Q1	\$ 363,682.92	\$ 19,523.00	0.55%	\$ 166.69	\$ 383,372.61		\$ 1.00
			Mar-10	2010	Q1	\$ 383,205.92	\$ 19,523.00	0.55%	\$ 175.64	\$ 402,904.56		\$ 1.00
			Apr-10	2010	Q2	\$ 402,728.92	\$ 19,518.00	0.55%	\$ 184.58	\$ 422,431.50		\$ 1.00
			May-10	2010	Q2	\$ 422,246.92	\$ 19,521.00	0.55%	\$ 193.53	\$ 441,961.45		\$ 1.00
			Jun-10	2010	Q2	\$ 441,767.92	\$ 19,529.00	0.55%	\$ 202.48	\$ 461,499.40		\$ 1.00
			Jul-10	2010	Q3	\$ 461,296.92	\$ 19,588.79	0.89%	\$ 342.13	\$ 481,227.84		\$ 1.00
			Aug-10	2010	Q3	\$ 480,885.71	\$ 19,547.14	0.89%	\$ 356.66	\$ 500,789.51		\$ 1.00
			Sep-10	2010	Q3	\$ 500,432.85	\$ 19,581.34	0.89%	\$ 371.15	\$ 520,385.34		\$ 1.00
			Oct-10	2010	Q4	\$ 520,014.19	\$ 19,561.29	1.20%	\$ 520.01	\$ 540,095.49		\$ 1.00
			Nov-10	2010	Q4	\$ 539,575.48	\$ 19,576.04	1.20%	\$ 539.58	\$ 559,691.10		\$ 1.00
			Dec-10	2010	Q4	\$ 559,151.52	\$ 19,583.54	1.20%	\$ 559.15	\$ 579,294.21	\$ 238,347.48	\$ 1.00
			Jan-11	2011	Q1	\$ 578,735.06	\$ 19,634.32	1.47%	\$ 708.95	\$ 599,078.33		\$ 1.00
			Feb-11	2011	Q1	\$ 598,369.38	\$ 19,657.40	1.47%	\$ 733.00	\$ 618,759.78		\$ 1.00
			Mar-11	2011	Q1	\$ 618,026.78	\$ 19,695.56	1.47%	\$ 757.08	\$ 638,479.42		\$ 1.00
			Apr-11	2011	Q2	\$ 637,722.34	\$ 19,794.31	1.47%	\$ 781.21	\$ 658,297.86		\$ 1.00
			May-11	2011	Q2	\$ 657,516.65	\$ 20,836.52	1.47%	\$ 805.46	\$ 679,158.63		\$ 1.52
			Jun-11	2011	Q2	\$ 678,353.17	\$ 28,080.36	1.47%	\$ 830.98	\$ 707,264.51		\$ 1.52
			Jul-11	2011	Q3	\$ 706,433.53	\$ 30,142.40	1.47%	\$ 865.38	\$ 737,441.31		\$ 1.52
			Aug-11	2011	Q3	\$ 736,575.93	\$ 30,105.67	1.47%	\$ 902.31	\$ 767,583.91		\$ 1.52
			Sep-11	2011	Q3	\$ 766,681.60	\$ 30,130.03	1.47%	\$ 939.18	\$ 797,750.81		\$ 1.52
			Oct-11	2011	Q4	\$ 796,811.63	\$ 30,163.37	1.47%	\$ 976.09	\$ 827,951.09		\$ 1.52
			Nov-11	2011	Q4	\$ 826,975.00	\$ 30,144.14	1.47%	\$ 1,013.04	\$ 858,132.18		\$ 1.52
			Dec-11	2011	Q4	\$ 857,119.14	\$ 30,148.20	1.47%	\$ 1,049.97	\$ 888,317.31	\$ 318,894.93	\$ 1.52



This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Jan-12	2012	Q1	\$ 887,267.34	\$ 30,211.57	1.47%	\$ 1,086.90	\$ 918,565.81		\$ 1.52
			Feb-12	2012	Q1	\$ 917,478.91	\$ 30,180.94	1.47%	\$ 1,123.91	\$ 948,783.76		\$ 1.52
			Mar-12	2012	Q1	\$ 947,659.85	\$ 30,194.74	1.47%	\$ 1,160.88	\$ 979,015.47		\$ 1.52
			Apr-12	2012	Q2	\$ 977,854.59	\$ 50,105.56	1.47%	\$ 1,197.87	\$ 1,029,158.02		\$ 1.52
			May-12	2012	Q2	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Jun-12	2012	Q2	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Jul-12	2012	Q3	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Aug-12	2012	Q3	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Sep-12	2012	Q3	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Oct-12	2012	Q4	\$ 1,027,960.15	\$ -	1.47%	\$ 1,259.25	\$ 1,029,219.40		\$ -
			Nov-12	2012	Q4	\$ 1,027,960.15	\$ -	0.00%	\$ -	\$ 1,027,960.15		\$ -
			Dec-12	2012	Q4	\$ 1,027,960.15	\$ -	0.00%	\$ -	\$ 1,027,960.15	\$ 152,817.87	\$ -
Total Funding Adder Revenues Collected							\$ 1,027,960.15		\$ 37,959.42	\$ 1,065,919.57	\$ 1,065,919.57	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	6.67%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
2012 Q4	0.00%	4.29%	Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	3.35%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	3.35%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	2.45%	-	-
			Mar-09	2009	Q1	-	-	-	-	2.45%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jun-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	-	-	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 9,665.00	9,665.00	0.55%	-	-
			Feb-10	2010	Q1	9,665.00	\$ -	\$ 9,665.00	19,330.00	0.55%	4.43	4.43
			Mar-10	2010	Q1	19,330.00	\$ 891.41	\$ 9,665.00	29,076.41	0.55%	8.86	13.29
			Apr-10	2010	Q2	29,076.41	\$ 128.11	\$ 9,665.00	39,413.30	0.55%	13.69	26.98
			May-10	2010	Q2	39,413.30	\$ 3,650.73	\$ 9,665.00	52,729.03	0.55%	18.06	45.05
			Jun-10	2010	Q2	52,729.03	\$ 2,782.61	\$ 9,665.00	65,176.64	0.55%	24.17	69.21
			Jul-10	2010	Q3	65,176.64	\$ 2,607.80	\$ 9,665.00	77,449.44	0.89%	48.34	117.55
			Aug-10	2010	Q3	77,449.44	\$ 2,715.01	\$ 9,665.00	89,829.45	0.89%	57.44	175.00
			Sep-10	2010	Q3	89,829.45	\$ 2,757.58	\$ 9,665.00	102,252.03	0.89%	66.62	241.62
			Oct-10	2010	Q4	102,252.03	\$ 5,072.96	\$ 9,665.00	116,989.99	1.20%	102.25	343.87
			Nov-10	2010	Q4	116,989.99	\$ 3,655.48	\$ 9,665.00	130,310.47	1.20%	116.99	460.86
			Dec-10	2010	Q4	130,310.47	\$ 91,498.21	\$ 9,665.00	231,473.68	1.20%	130.31	591.17
			Jan-11	2011	Q1	231,473.68	\$ 5,641.47	\$ 20,028.00	245,860.21	1.47%	283.56	874.73
			Feb-11	2011	Q1	245,860.21	\$ 10,498.11	\$ 20,028.00	276,387.32	1.47%	301.18	1,175.91
			Mar-11	2011	Q1	276,387.32	\$ 26,791.59	\$ 20,028.00	323,206.91	1.47%	338.57	1,514.48
			Apr-11	2011	Q2	323,206.91	\$ 789.65	\$ 20,028.00	342,445.26	1.47%	395.93	1,910.41
			May-11	2011	Q2	342,445.26	\$ 264.96	\$ 20,028.00	362,738.21	1.47%	419.50	2,329.90
			Jun-11	2011	Q2	362,738.21	\$ 458.04	\$ 20,028.00	363,224.25	1.47%	444.35	2,774.26
			Jul-11	2011	Q3	363,224.25	\$ 10,757.11	\$ 20,028.00	414,009.36	1.47%	469.45	3,243.71
			Aug-11	2011	Q3	414,009.36	\$ 35,084.10	\$ 20,028.00	469,121.46	1.47%	507.16	3,750.87
			Sep-11	2011	Q3	469,121.46	\$ 18,007.97	\$ 20,028.00	507,157.43	1.47%	574.67	4,325.54
			Oct-11	2011	Q4	507,157.43	\$ 5,861.42	\$ 20,028.00	545,703.19	1.47%	621.27	4,946.81
			Nov-11	2011	Q4	545,703.19	\$ 69,190.06	\$ 20,028.00	571,592.61	1.47%	668.49	5,615.30
			Dec-11	2011	Q4	571,592.61	\$ 10,101.00	\$ 20,033.00	660,815.67	1.47%	700.20	6,315.50
			Jan-12	2012	Q1	660,815.67	\$ 20,440.01	\$ 21,136.00	692,052.67	1.47%	809.50	7,125.00
			Feb-12	2012	Q1	692,052.67	\$ 9,397.00	\$ 21,136.00	733,628.68	1.47%	847.76	7,972.76
			Mar-12	2012	Q1	733,628.68	\$ 22,752.00	\$ 21,136.00	764,161.68	1.47%	898.70	8,871.46
			Apr-12	2012	Q2	764,161.68	\$ 20,580.45	\$ 21,136.00	808,049.68	1.47%	936.10	9,807.56
			May-12	2012	Q2	808,049.68	\$ 31,980.45	\$ 21,136.00	849,766.13	1.47%	989.86	10,797.42
			Jun-12	2012	Q2	849,766.13	\$ 20,880.45	\$ 21,136.00	902,882.58	1.47%	1,040.96	11,838.38
			Jul-12	2012	Q3	902,882.58	\$ 20,880.45	\$ 21,136.00	944,899.03	1.47%	1,106.03	12,944.41
			Aug-12	2012	Q3	944,899.03	\$ 20,880.45	\$ 21,136.00	986,915.48	1.47%	1,157.50	14,101.91
			Sep-12	2012	Q3	986,915.48	\$ 20,880.45	\$ 21,136.00	1,028,931.93	1.47%	1,208.97	15,310.88
			Oct-12	2012	Q4	1,028,931.93	\$ 20,880.45	\$ 21,136.00	1,070,948.38	1.47%	1,260.44	16,571.33

	Nov-12	2012	Q4	1,070,948.38	\$ 20,880.45	\$ 21,136.00	1,112,964.83	0.00%	-	16,571.33
	Dec-12	2012	Q4	1,112,964.83	\$ 20,880.45	\$ 21,136.00	1,154,981.28	0.00%	-	16,571.33
				\$	545,028.28	\$	609,953.00	\$	1,154,981.28	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ 251.21	\$ 251.21	\$ 125.60	1.14%	\$ 1.43
2010	\$ 115,493.94	\$ 125,760.54	\$ 241,505.69	\$ 120,878.45	0.80%	\$ 964.01
2011	\$ 189,001.04	\$ 262,738.65	\$ 693,245.38	\$ 467,375.54	1.47%	\$ 6,870.42
2012	\$ 240,533.00	\$ 275,851.48	\$ 1,209,629.86	\$ 951,437.62	1.47%	\$ 13,986.13
Cumulative Interest to 2011						\$ 7,835.85
Cumulative Interest to 2012						\$ 21,821.99



Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ 381.74	\$ 275,420.17	\$ 569,925.08	\$ 707,743.12	\$ 1,553,470.11
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 591.17	\$ 5,724.33	\$ 10,255.83	\$ 16,571.33
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 591.17	\$ 5,724.33	\$ 10,255.83	\$ 16,571.33
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 44,065.84	\$ 64,041.24	\$ 60,255.26	\$ 175,794.58	\$ 234,578.14	\$ 308,532.28	\$ 140,692.81	\$ 1,027,960.15
SMFA Interest (from Sheet 8)	\$ 548.83	\$ 3,563.44	\$ 5,285.83	\$ 2,304.27	\$ 3,769.34	\$ 10,362.65	\$ 12,125.06	\$ 37,959.42
Net Deferred Revenue Requirement	-\$ 44,614.67	-\$ 67,604.68	-\$ 65,541.09	-\$ 177,717.11	\$ 37,663.86	\$ 256,754.47	\$ 565,181.08	\$ 504,121.86
Number of Metered Customers (average for 2012 test year)							19780	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 862,298.31	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 1,065,919.57	
Net Deferred Revenue Requirement	-\$ 203,621.26	} Match
SMDR May 1, 2012 to April 30, 2014	-\$ 0.57	
Check: Forecasted SMDR Revenues	-\$ 202,942.80	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 707,743.12	
SMIRR	\$ 2.98	} Match
Check: Forecasted SMIRR Revenues	\$ 707,332.80	

Appendix B



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Festival Hydro Inc.

Festival Hydro Inc. - Hensall

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

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We are applying for rates effective: November 1, 2012

Last COS Re-based Year: 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data

Smart Meter Installation Plan

Actual/Planned number of Smart Meters installed during the Calendar Year

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast	Total
Residential				203	17,430	18	0	17651
General Service < 50 kW				0				0
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	203	17430	18	0	17651
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	1.15%	99.90%	100.00%	0.00%	100.00%
Actual/Planned number of GS > 50 kW meters installed								0
Other (please identify)								0
Total Number of Smart Meters installed or planned to be installed	0	0	0	203	17430	18	0	17651

1 Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meters (may include new meters and modules, etc.)

1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)

1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)

1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)

Total Advanced Metering Communications Devices (AMCD)

Asset Type Asset type must be selected to enable calculations	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					2,103,673	-3,570		\$ 2,100,103
Smart Meter					294,525	6,504		\$ 301,029
Computer Hardware					18,146			\$ 18,146
Computer Software					13,861			\$ 13,861
	\$ -	\$ -	\$ -	\$ -	\$ 2,430,205	\$ 2,934	\$ -	\$ 2,433,139

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors

1.2.2 Repeaters (may include radio licence, etc.)

1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)

Total Advanced Metering Regional Collector (AMRC) (Includes LAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					172,830			\$ 172,830
Smart Meter					68	1,528		\$ 1,595
Smart Meter					38,141	5,240	2,580	\$ 45,961
	\$ -	\$ -	\$ -	\$ -	\$ 211,039	\$ 6,767	\$ 2,580	\$ 220,386

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Hardware					7,944			\$ 7,944
Computer Software					12,800			\$ 12,800
Computer Software					71,253			\$ 71,253
	\$ -	\$ -	\$ -	\$ -	91,997	\$ -	\$ -	91,997

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
Computer Software					11,509	5,386		\$ 16,895
Smart Meter				6,770				\$ 6,770
Computer Software						21,582		\$ 21,582
Other Equipment					28,734	17,304		\$ 46,038
Other Equipment							844	\$ 844
	\$ -	\$ -	\$ -	6,770	40,243	44,272	844	92,128
	\$ -	\$ -	\$ -	6,770	2,773,484	53,973	3,424	2,837,650

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Software								\$ -
Applications Software								\$ -
Other Equipment					8,677	97,972	23,732	\$ 130,381
	\$ -	\$ -	\$ -	\$ -	8,677	97,972	23,732	130,381
	\$ -	\$ -	\$ -	6,770	2,782,161	151,944	27,155	2,968,031

2 OM&A Expenses

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)								
2.1.1 Maintenance (may include meter reverification costs, etc.)					310	3,924		\$ 4,234
2.1.2 Other (please specify) Meter troubleshooting						17,830	22,382	\$ 40,212
Total Incremental AMCD OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 310	\$ 21,754	\$ 22,382	\$ 44,446
2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)								
2.2.1 Maintenance								\$ -
2.2.2 Other (please specify)								\$ -
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)								
2.3.1 Hardware Maintenance (may include server support, etc.)							8,360	\$ 8,360
2.3.2 Software Maintenance (may include maintenance support, etc.)						17,398	27,062	\$ 44,460
2.3.2 Other (please specify) AMCC IT position							35,589	\$ 35,589
Total Incremental AMCC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,398	\$ 71,011	\$ 88,410
2.4 WIDE AREA NETWORK (WAN)								
2.4.1 WAN Maintenance					14,204			\$ 14,204
2.4.2 Other (please specify) Communication services					50,110	95,242	11,345	\$ 156,697
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 64,314	\$ 95,242	\$ 11,345	\$ 170,901
2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY								
2.5.1 Business Process Redesign								\$ -
2.5.2 Customer Communication (may include project communication, etc.)					17,547	1,590	6,916	\$ 26,053
2.5.3 Program Management								\$ -
2.5.4 Change Management (may include training, etc.)								\$ -
2.5.5 Administration Costs					21,574		836	\$ 22,411
2.5.6 Other AMI Expenses (please specify)						155	64	\$ 219
Total Other AMI OM&A Costs Related to Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ 39,121	\$ 1,745	\$ 7,816	\$ 48,683
TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY	\$ -	\$ -	\$ -	\$ -	\$ 103,745	\$ 136,139	\$ 112,555	\$ 352,439
2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY (Please provide a descriptive title and identify nature of beyond minimum functionality costs)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06								\$ -
2.6.2 Costs for deployment of smart meters to customers other than residential and small general service								\$ -
2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.						33,634	103,509	\$ 137,143
Total OM&A Costs Beyond Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,634	\$ 103,509	\$ 137,143
Total Smart Meter OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 103,745	\$ 169,773	\$ 216,064	\$ 489,582

3 Aggregate Smart Meter Costs by Category

3.1	Capital									
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,609,237	\$ 9,701	\$ 2,580	\$ 2,628,288	
3.1.2	Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 26,090	\$ -	\$ -	\$ 26,090	
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 109,423	\$ 26,968	\$ -	\$ 136,391	
3.1.4	Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 37,411	\$ 115,276	\$ 24,575	\$ 177,262	
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3.1.7	Total Capital Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,770</u>	<u>\$ 2,782,161</u>	<u>\$ 151,944</u>	<u>\$ 27,155</u>	<u>\$ 2,968,031</u>	
3.2	OM&A Costs									
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,745</u>	<u>\$ 169,773</u>	<u>\$ 216,064</u>	<u>\$ 489,582</u>	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ 6,770	\$ 2,616,007	\$ 2,625,708
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,609,237	\$ 9,701	\$ 2,580
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,616,007	\$ 2,625,708	\$ 2,628,288
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ 226	\$ 87,652	\$ 262,375
Amortization expense during year	\$ -	\$ -	\$ -	\$ 226	\$ 87,426	\$ 174,724	\$ 175,133
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 226	\$ 87,652	\$ 262,375	\$ 437,509
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 6,544	\$ 2,528,355	\$ 2,363,332
Closing Balance	\$ -	\$ -	\$ -	\$ 6,544	\$ 2,528,355	\$ 2,363,332	\$ 2,190,779
Average Net Book Value	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,267,450	\$ 2,445,844	\$ 2,277,056
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 26,090	\$ 26,090
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 26,090	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 26,090	\$ 26,090	\$ 26,090
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,609	\$ 7,827
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 2,609	\$ 5,218	\$ 5,218
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,609	\$ 7,827	\$ 13,045
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,481	\$ 18,263
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 23,481	\$ 18,263	\$ 13,045
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 11,741	\$ 20,872	\$ 15,654
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 109,423	\$ 136,391
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 109,423	\$ 26,968	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 109,423	\$ 136,391	\$ 136,391
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,942	\$ 35,524
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 10,942	\$ 24,581	\$ 27,278
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 10,942	\$ 35,524	\$ 62,802
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,481	\$ 100,867
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 98,481	\$ 100,867	\$ 73,589
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 49,240	\$ 99,674	\$ 87,228

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 37,411	\$ 152,687
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 37,411	\$ 115,276	\$ 24,575
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 37,411	\$ 152,687	\$ 177,262

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 1,871	-\$ 11,375
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	-\$ 1,871	-\$ 9,505	-\$ 16,497
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	-\$ 1,871	-\$ 11,375	-\$ 27,873

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,541	\$ 141,312
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 35,541	\$ 141,312	\$ 149,389
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 17,770	\$ 88,426	\$ 145,351



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,267,450	\$ 2,445,844	\$ 2,277,056
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 11,741	\$ 20,872	\$ 15,654
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 49,240	\$ 99,674	\$ 87,228
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 17,770	\$ 88,426	\$ 145,351
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,346,201	\$ 2,654,816	\$ 2,525,288
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 103,745	\$ 169,773	\$ 216,064
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 15,562	\$ 25,466	\$ 32,410
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,361,763	\$ 2,680,282	\$ 2,557,698
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 54,471	\$ 107,211	\$ 102,308
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 1,855	\$ 762,587	\$ 1,500,958	\$ 1,432,311
Equity	\$ -	\$ -	\$ -	\$ 1,417	\$ 544,705	\$ 1,072,113	\$ 1,023,079
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,361,763	\$ 2,680,282	\$ 2,557,698
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 1,128	\$ 2,219	\$ 2,118
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 135	\$ 43,315	\$ 85,254	\$ 81,355
Equity	\$ -	\$ -	\$ -	\$ 128	\$ 53,653	\$ 105,603	\$ 100,773
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ 262	\$ 98,096	\$ 193,077	\$ 184,246
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 103,745	\$ 169,773	\$ 216,064
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 226	\$ 87,426	\$ 174,724	\$ 175,133
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,609	\$ 5,218	\$ 5,218
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 10,942	\$ 24,581	\$ 27,278
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 1,871	\$ 9,505	\$ 16,497
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ 226	\$ 102,848	\$ 214,028	\$ 224,127
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ 488	\$ 304,689	\$ 576,878	\$ 624,437
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 103,745	\$ 169,773	\$ 216,064
Amortization Expense	\$ -	\$ -	\$ -	\$ 226	\$ 102,848	\$ 214,028	\$ 224,127
Interest Expense	\$ -	\$ -	\$ -	\$ 135	\$ 44,442	\$ 87,474	\$ 83,473
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ 128	\$ 53,653	\$ 105,603	\$ 100,773
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ 144.76	\$ 72,143.13	\$ 99,014.11	\$ 29,209.38
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ 343	\$ 232,546	\$ 477,864	\$ 595,228



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 6,092.86	\$ 2,353,187.32	\$ 1,891,280.77
Capital Additions	\$ -	\$ -	\$ -	\$ 6,769.84	\$ 2,609,236.70	\$ 9,701.02	\$ 2,580.07
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 6,769.84	\$ 2,615,329.56	\$ 2,362,888.34	\$ 1,893,860.85
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 3,384.92	\$ 1,304,618.35	\$ 4,850.51	\$ 1,290.04
Reduced UCC	\$ -	\$ -	\$ -	\$ 3,384.92	\$ 1,310,711.21	\$ 2,358,037.83	\$ 1,892,570.81
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 676.98	\$ 262,142.24	\$ 471,607.57	\$ 378,514.16
Closing UCC	\$ -	\$ -	\$ -	\$ 6,092.86	\$ 2,353,187.32	\$ 1,891,280.77	\$ 1,515,346.68

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 13,483.76
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 26,090.00	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 109,423.14	\$ 26,967.52	\$ -
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 135,513.14	\$ 94,724.09	\$ 13,483.76
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 13,483.76	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 81,240.33	\$ 13,483.76
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 81,240.33	\$ 7,416.07
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 13,483.76	\$ 6,067.69

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,670.21	\$ 130,684.50
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 37,411.35	\$ 115,275.92	\$ 24,575.18
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 37,411.35	\$ 148,946.13	\$ 155,259.68
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 18,705.67	\$ 57,637.96	\$ 12,287.59
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 18,705.67	\$ 91,308.17	\$ 142,972.09
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 3,741.13	\$ 18,261.63	\$ 28,594.42
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 33,670.21	\$ 130,684.50	\$ 126,665.26



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 127.51	\$ 53,653.45	\$ 105,603.10	\$ 100,773.29
Amortization	\$ -	\$ -	\$ -	\$ 225.66	\$ 102,847.76	\$ 214,028.11	\$ 224,126.79
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 676.98	\$ 262,142.24	\$ 471,607.57	\$ 378,514.16
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 67,756.57	\$ 81,240.33	\$ 7,416.07
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 3,741.13	\$ 18,261.63	\$ 28,594.42
Change in taxable income	\$ -	\$ -	\$ -	\$ 323.81	\$ 177,138.73	\$ 251,478.31	\$ 89,624.57
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 106.86	\$ 52,273.64	\$ 71,042.62	\$ 22,029.72
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,528,355.00	\$ 2,363,332.22	\$ 2,190,779.12
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 23,481.00	\$ 18,263.00	\$ 13,045.00
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 98,480.82	\$ 100,866.96	\$ 73,588.83
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 35,540.78	\$ 141,311.77	\$ 149,389.46
Rate Base	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,685,857.61	\$ 2,623,773.94	\$ 2,426,802.41
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,685,857.61	\$ 2,623,773.94	\$ 2,426,802.41
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.39	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 106.86	\$ 52,273.64	\$ 71,042.62	\$ 22,029.72
Change in OCT	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.39	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 92.13	\$ 50,259.25	\$ 71,042.62	\$ 22,029.72
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 159.49	\$ 74,157.53	\$ 99,014.11	\$ 29,209.38
Change in OCT	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.39	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 144.76	\$ 72,143.13	\$ 99,014.11	\$ 29,209.38



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 4,924.94	4.14%	\$ -	\$ 4,924.94		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 4,924.94	\$ 4,924.94	4.14%	\$ 16.99	\$ 9,866.87		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 9,849.88	\$ 4,924.94	4.59%	\$ 37.68	\$ 14,812.50		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 14,774.82	\$ 4,924.94	4.59%	\$ 56.51	\$ 19,756.27		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 19,699.76	\$ 4,924.94	4.59%	\$ 75.35	\$ 24,700.05		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 24,624.70	\$ 4,924.94	4.59%	\$ 94.19	\$ 29,643.83		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 29,549.64	\$ 4,924.94	4.59%	\$ 113.03	\$ 34,587.61		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 34,474.58	\$ 4,924.94	4.59%	\$ 131.87	\$ 39,531.39	\$ 39,925.14	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 39,399.52	\$ 4,781.93	4.59%	\$ 150.70	\$ 44,332.15		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 44,181.45	\$ 4,781.93	4.59%	\$ 168.99	\$ 49,132.38		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 48,963.39	\$ 4,781.93	4.59%	\$ 187.28	\$ 53,932.60		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 53,745.32	\$ 4,781.93	4.59%	\$ 205.58	\$ 58,732.84		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 58,527.26	\$ 4,781.93	4.59%	\$ 223.87	\$ 63,533.06		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 63,309.19	\$ 4,781.93	4.59%	\$ 242.16	\$ 68,333.29		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 68,091.13	\$ 4,781.93	4.59%	\$ 260.45	\$ 73,133.51		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 72,873.06	\$ 4,781.93	4.59%	\$ 278.74	\$ 77,933.73		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 77,654.99	\$ 4,781.93	4.59%	\$ 297.03	\$ 82,733.96		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 82,436.93	\$ 4,781.93	5.14%	\$ 353.10	\$ 87,571.96		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 87,218.86	\$ 4,781.93	5.14%	\$ 373.59	\$ 92,374.39		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 92,000.80	\$ 4,781.93	5.14%	\$ 394.07	\$ 97,176.80	\$ 60,518.77	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 96,782.73	\$ 4,502.44	5.14%	\$ 414.55	\$ 101,699.72		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 101,285.17	\$ 4,502.44	5.14%	\$ 433.84	\$ 106,221.45		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 105,787.61	\$ 4,502.44	5.14%	\$ 453.12	\$ 110,743.16		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 110,290.04	\$ 4,502.44	4.08%	\$ 374.99	\$ 115,167.47		\$ 0.26
			May-08	2008	Q2	\$ 114,792.48	\$ 4,502.44	4.08%	\$ 390.29	\$ 119,685.21		\$ 1.00
			Jun-08	2008	Q2	\$ 119,294.92	\$ 4,502.44	4.08%	\$ 405.60	\$ 124,202.96		\$ 1.00
			Jul-08	2008	Q3	\$ 123,797.36	\$ 4,502.44	3.35%	\$ 345.60	\$ 128,645.39		\$ 1.00
			Aug-08	2008	Q3	\$ 128,299.79	\$ 4,502.44	3.35%	\$ 358.17	\$ 133,160.40		\$ 1.00
			Sep-08	2008	Q3	\$ 132,802.23	\$ 4,502.44	3.35%	\$ 370.74	\$ 137,675.41		\$ 1.00
			Oct-08	2008	Q4	\$ 137,304.67	\$ 4,502.44	3.35%	\$ 383.31	\$ 142,190.42		\$ 1.00
			Nov-08	2008	Q4	\$ 141,807.11	\$ 4,502.44	3.35%	\$ 395.88	\$ 146,705.42		\$ 1.00
			Dec-08	2008	Q4	\$ 146,309.54	\$ 4,502.44	3.35%	\$ 408.45	\$ 151,220.43	\$ 58,763.79	\$ 1.00
			Jan-09	2009	Q1	\$ 150,811.98	\$ 13,140.28	2.45%	\$ 307.91	\$ 164,260.17		\$ 1.00
			Feb-09	2009	Q1	\$ 163,952.26	\$ 13,140.28	2.45%	\$ 334.74	\$ 177,427.28		\$ 1.00
			Mar-09	2009	Q1	\$ 177,092.54	\$ 13,140.28	2.45%	\$ 361.56	\$ 190,594.38		\$ 1.00
			Apr-09	2009	Q2	\$ 190,232.82	\$ 13,140.28	1.00%	\$ 158.53	\$ 203,531.63		\$ 1.00
			May-09	2009	Q2	\$ 203,373.10	\$ 13,140.28	1.00%	\$ 169.48	\$ 216,682.86		\$ 1.00
			Jun-09	2009	Q2	\$ 216,513.38	\$ 13,140.28	1.00%	\$ 180.43	\$ 229,834.09		\$ 1.00
			Jul-09	2009	Q3	\$ 229,653.66	\$ 13,140.28	0.55%	\$ 105.26	\$ 242,899.19		\$ 1.00
			Aug-09	2009	Q3	\$ 242,793.93	\$ 13,140.28	0.55%	\$ 111.28	\$ 256,045.49		\$ 1.00
			Sep-09	2009	Q3	\$ 255,934.21	\$ 13,140.28	0.55%	\$ 117.30	\$ 269,191.79		\$ 1.00
			Oct-09	2009	Q4	\$ 269,074.49	\$ 13,140.28	0.55%	\$ 123.33	\$ 282,338.10		\$ 1.00
			Nov-09	2009	Q4	\$ 282,214.77	\$ 13,140.28	0.55%	\$ 129.35	\$ 295,484.40		\$ 1.00
			Dec-09	2009	Q4	\$ 295,355.05	\$ 13,140.28	0.55%	\$ 135.37	\$ 308,630.70	\$ 159,917.89	\$ 1.00
			Jan-10	2010	Q1	\$ 308,495.33	\$ 17,557.96	0.55%	\$ 141.39	\$ 326,194.68		\$ 1.00
			Feb-10	2010	Q1	\$ 326,053.29	\$ 17,557.96	0.55%	\$ 149.44	\$ 343,760.68		\$ 1.00
			Mar-10	2010	Q1	\$ 343,611.24	\$ 17,557.96	0.55%	\$ 157.49	\$ 361,326.69		\$ 1.00
			Apr-10	2010	Q2	\$ 361,169.20	\$ 17,557.96	0.55%	\$ 165.54	\$ 378,892.70		\$ 1.00
			May-10	2010	Q2	\$ 378,727.16	\$ 17,557.96	0.55%	\$ 173.58	\$ 396,458.69		\$ 1.00
			Jun-10	2010	Q2	\$ 396,285.11	\$ 17,557.96	0.55%	\$ 181.63	\$ 414,024.70		\$ 1.00
			Jul-10	2010	Q3	\$ 413,843.07	\$ 17,557.96	0.89%	\$ 306.93	\$ 431,707.96		\$ 1.00
			Aug-10	2010	Q3	\$ 431,401.03	\$ 17,557.96	0.89%	\$ 319.96	\$ 449,278.94		\$ 1.00
			Sep-10	2010	Q3	\$ 448,958.98	\$ 17,557.96	0.89%	\$ 332.98	\$ 466,849.92		\$ 1.00
			Oct-10	2010	Q4	\$ 466,516.94	\$ 17,557.96	1.20%	\$ 466.52	\$ 484,541.42		\$ 1.00
			Nov-10	2010	Q4	\$ 484,074.90	\$ 17,557.96	1.20%	\$ 484.07	\$ 502,116.92		\$ 1.00
			Dec-10	2010	Q4	\$ 501,632.85	\$ 17,557.96	1.20%	\$ 501.63	\$ 519,692.44	\$ 214,076.64	\$ 1.00
			Jan-11	2011	Q1	\$ 519,190.81	\$ 23,110.01	1.47%	\$ 636.01	\$ 542,936.83		\$ 1.00
			Feb-11	2011	Q1	\$ 542,300.82	\$ 23,110.01	1.47%	\$ 664.32	\$ 566,075.14		\$ 1.00
			Mar-11	2011	Q1	\$ 565,410.82	\$ 23,110.01	1.47%	\$ 692.63	\$ 589,213.46		\$ 1.00
			Apr-11	2011	Q2	\$ 588,520.83	\$ 23,110.01	1.47%	\$ 720.94	\$ 612,351.77		\$ 1.00
			May-11	2011	Q2	\$ 611,630.83	\$ 23,110.01	1.47%	\$ 749.25	\$ 635,490.09		\$ 1.52
			Jun-11	2011	Q2	\$ 634,740.84	\$ 23,110.01	1.47%	\$ 777.56	\$ 658,628.40		\$ 1.52
			Jul-11	2011	Q3	\$ 657,850.84	\$ 23,110.01	1.47%	\$ 805.87	\$ 681,766.72		\$ 1.52
			Aug-11	2011	Q3	\$ 680,960.85	\$ 23,110.01	1.47%	\$ 834.18	\$ 704,905.03		\$ 1.52
			Sep-11	2011	Q3	\$ 704,070.85	\$ 23,110.01	1.47%	\$ 862.49	\$ 728,043.35		\$ 1.52
			Oct-11	2011	Q4	\$ 727,180.86	\$ 23,110.01	1.47%	\$ 890.80	\$ 751,181.66		\$ 1.52
			Nov-11	2011	Q4	\$ 750,290.86	\$ 23,110.01	1.47%	\$ 919.11	\$ 774,319.98		\$ 1.52
			Dec-11	2011	Q4	\$ 773,400.87	\$ 23,110.01	1.47%	\$ 947.42	\$ 797,458.29	\$ 286,820.64	\$ 1.52



This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Jan-12	2012	Q1	\$ 796,510.87	\$ 27,143.86	1.47%	\$ 975.73	\$ 824,630.46		\$ 1.52
			Feb-12	2012	Q1	\$ 823,654.73	\$ 27,143.86	1.47%	\$ 1,008.98	\$ 851,807.57		\$ 1.52
			Mar-12	2012	Q1	\$ 850,798.59	\$ 27,143.86	1.47%	\$ 1,042.23	\$ 878,984.68		\$ 1.52
			Apr-12	2012	Q2	\$ 877,942.45	\$ 45,059.86	1.47%	\$ 1,075.48	\$ 924,077.79		\$ 1.52
			May-12	2012	Q2	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Jun-12	2012	Q2	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Jul-12	2012	Q3	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Aug-12	2012	Q3	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Sep-12	2012	Q3	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Oct-12	2012	Q4	\$ 923,002.31	\$ -	1.47%	\$ 1,130.68	\$ 924,132.99		\$ -
			Nov-12	2012	Q4	\$ 923,002.31	\$ -	0.00%	\$ -	\$ 923,002.31		\$ -
			Dec-12	2012	Q4	\$ 923,002.31	\$ -	0.00%	\$ -	\$ 923,002.31	\$ 137,377.94	\$ -
Total Funding Adder Revenues Collected							\$ 923,002.31		\$ 34,398.50	\$ 957,400.81	\$ 957,400.81	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	6.67%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
2012 Q4	0.00%	4.29%	Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	3.35%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	2.45%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	1.00%	-	-
			Mar-09	2009	Q1	-	-	-	-	1.00%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jun-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	\$ 8,630.85	8,630.85	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 8,630.85	17,261.70	0.55%	3.96	3.96
			Feb-10	2010	Q1	8,630.85	\$ -	\$ 8,630.85	26,684.32	0.55%	7.91	11.87
			Mar-10	2010	Q1	17,261.70	\$ 791.77	\$ 8,630.85	35,200.09	0.55%	12.23	24.10
			Apr-10	2010	Q2	26,684.32	\$ 115.08	\$ 8,630.85	47,110.39	0.55%	16.13	40.23
			May-10	2010	Q2	35,200.09	\$ 3,279.45	\$ 8,630.85	58,240.86	0.89%	21.59	61.82
			Jun-10	2010	Q2	47,110.39	\$ 2,498.62	\$ 8,630.85	69,214.30	0.89%	43.20	105.02
			Jul-10	2010	Q3	58,240.86	\$ 2,342.58	\$ 8,630.85	80,284.04	0.89%	51.33	156.35
			Aug-10	2010	Q3	69,214.30	\$ 2,438.89	\$ 8,630.85	91,392.02	0.89%	59.54	215.90
			Sep-10	2010	Q3	80,284.04	\$ 2,477.13	\$ 8,630.85	104,579.91	1.20%	91.39	307.29
			Oct-10	2010	Q4	91,392.02	\$ 4,557.04	\$ 8,630.85	116,494.48	1.20%	104.58	411.87
			Nov-10	2010	Q4	104,579.91	\$ 3,283.72	\$ 8,630.85	207,318.17	1.47%	253.96	782.33
			Dec-10	2010	Q4	116,494.48	\$ 82,192.04	\$ 8,630.85	240,100.79	1.47%	265.16	1,047.49
			Jan-11	2011	Q1	207,318.17	\$ 5,067.73	\$ 14,209.50	278,377.18	1.47%	294.12	1,341.61
			Feb-11	2011	Q1	216,459.94	\$ 9,431.35	\$ 14,209.50	291,877.33	1.47%	341.01	1,682.63
			Mar-11	2011	Q1	240,100.79	\$ 24,066.89	\$ 14,209.50	306,323.43	1.47%	357.55	2,040.18
			Apr-11	2011	Q2	278,377.18	\$ 709.34	\$ 14,209.50	320,944.39	1.47%	375.25	2,415.42
			May-11	2011	Q2	291,877.33	\$ 236.60	\$ 14,209.50	344,817.00	1.47%	393.16	2,808.58
			Jun-11	2011	Q2	306,323.43	\$ 411.46	\$ 14,209.50	390,542.55	1.47%	422.40	3,230.98
			Jul-11	2011	Q3	320,944.39	\$ 9,663.11	\$ 14,209.50	420,928.61	1.47%	478.41	3,709.39
			Aug-11	2011	Q3	344,817.00	\$ 31,516.05	\$ 14,209.50	451,772.61	1.47%	515.64	4,225.03
			Sep-11	2011	Q3	390,542.55	\$ 16,176.56	\$ 14,209.50	471,247.43	1.47%	553.42	4,778.45
			Oct-11	2011	Q4	420,928.61	\$ 16,634.50	\$ 14,209.50	547,610.36	1.47%	577.28	5,355.73
			Nov-11	2011	Q4	451,772.61	\$ 5,265.31	\$ 14,209.50	571,760.59	1.47%	670.82	6,026.55
			Dec-11	2011	Q4	471,247.43	\$ 62,153.43	\$ 14,209.50	605,198.35	1.47%	700.41	6,726.96
			Jan-12	2012	Q1	547,610.36	\$ 9,073.73	\$ 15,076.50	628,716.17	1.47%	741.37	7,468.33
			Feb-12	2012	Q1	571,760.59	\$ 18,361.26	\$ 15,076.50	664,230.79	1.47%	813.68	8,238.51
			Mar-12	2012	Q1	605,198.35	\$ 8,441.33	\$ 15,076.50	697,794.71	1.47%	854.80	9,096.99
			Apr-12	2012	Q2	628,716.17	\$ 20,436.12	\$ 15,076.50	741,598.85	1.47%	898.46	9,905.19
			May-12	2012	Q2	664,230.79	\$ 18,487.42	\$ 15,076.50	775,431.85	1.47%	949.90	10,815.45
			Jun-12	2012	Q2	697,794.71	\$ 28,727.63	\$ 15,076.50	809,264.85	1.47%	991.35	11,765.35
			Jul-12	2012	Q3	741,598.85	\$ 18,756.50	\$ 15,076.50	843,097.86	1.47%	1,032.79	12,756.70
			Aug-12	2012	Q3	775,431.85	\$ 18,756.50	\$ 15,076.50	876,931.27	1.47%	-	13,789.49
			Sep-12	2012	Q3	809,264.85	\$ 18,756.50	\$ 15,076.50	-	-	-	-
			Oct-12	2012	Q4	843,097.86	\$ 18,756.91	\$ 15,076.50	-	-	-	-

	Nov-12	2012	Q4	876,931.27	\$ 18,756.91	\$ 15,076.50	910,764.67	0.00%	-	13,789.49
	Dec-12	2012	Q4	910,764.67	\$ 18,742.91	\$ 15,076.50	944,584.08	0.00%	-	13,789.49
				\$ 489,581.88	\$ 455,002.20	\$ 944,584.08				



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ 225.66	\$ 225.66	\$ 112.83	1.14%	\$ 1.28
2010	\$ 103,745.47	\$ 102,847.76	\$ 206,818.89	\$ 103,522.28	0.80%	\$ 825.59
2011	\$ 169,773.16	\$ 214,028.11	\$ 590,620.17	\$ 398,719.53	1.47%	\$ 5,861.18
2012	\$ 216,063.81	\$ 224,126.79	\$ 1,030,810.77	\$ 810,715.47	1.47%	\$ 11,917.52
Cumulative Interest to 2011						\$ 6,688.05
Cumulative Interest to 2012						\$ 18,605.57



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ 342.92	\$ 232,546.04	\$ 477,863.94	\$ 595,227.53	\$ 1,305,980.43
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 528.36	\$ 4,827.37	\$ 8,433.76	\$ 13,789.49
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 528.36	\$ 4,827.37	\$ 8,433.76	\$ 13,789.49
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 39,399.52	\$ 57,383.21	\$ 54,029.25	\$ 157,683.35	\$ 210,695.48	\$ 277,320.06	\$ 126,491.44	\$ 923,002.31
SMFA Interest (from Sheet 8)	\$ 525.62	\$ 3,135.56	\$ 4,734.54	\$ 2,234.54	\$ 3,381.16	\$ 9,500.58	\$ 10,886.50	\$ 34,398.50
Net Deferred Revenue Requirement	-\$ 39,925.14	-\$ 60,518.77	-\$ 58,763.79	-\$ 159,574.97	\$ 18,997.76	\$ 195,870.67	\$ 466,283.35	\$ 362,369.11
Number of Metered Customers (average for 2012 test year)							17794	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 724,542.39	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 957,400.81	
Net Deferred Revenue Requirement	-\$ 232,858.42	} Match
SMDR May 1, 2012 to April 30, 2014	-\$ 0.73	
Check: Forecasted SMDR Revenues	-\$ 233,813.16	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 595,227.53	
SMIRR	\$ 2.79	} Match
Check: Forecasted SMIRR Revenues	\$ 595,743.12	

Appendix C



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Festival Hydro Inc.

Festival Hydro Inc. - Hensall

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

Phone Number: 519-271-4703 x 221

Email Address: kmccann@festivalhydro.com

We are applying for rates effective: November 1, 2012

Last COS Re-based Year: 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data		2006	2007	2008	2009	2010	2011	2012 and later	Total
		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter Installation Plan									
Actual/Planned number of Smart Meters installed during the Calendar Year									
Residential								0	0
General Service < 50 kW					0	1,913	86		1999
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)		0	0	0	0	1913	86	0	1999
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed		0.00%	0.00%	0.00%	0.00%	95.70%	100.00%	0.00%	100.00%
Actual/Planned number of GS > 50 kW meters installed									0
Other (please identify)									0
Total Number of Smart Meters installed or planned to be installed		0	0	0	0	1913	86	0	1999
1 Capital Costs									
1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)									
Asset Type Asset type must be selected to enable calculations		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
1.1.1 Smart Meters (may include new meters and modules, etc.)	Smart Meter					515,041	43,845	-2,343	\$ 556,543
1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)	Smart Meter					90,782	723		\$ 91,505
1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)	Computer Hardware					2,055			\$ 2,055
1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)	Computer Software					1,570			\$ 1,570
Total Advanced Metering Communications Devices (AMCD)		\$ -	\$ -	\$ -	\$ -	\$ 609,448	\$ 44,568	\$ -2,343	\$ 651,673
1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)									
Asset Type		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
1.2.1 Collectors	Smart Meter					19,573			\$ 19,573
1.2.2 Repeaters (may include radio licence, etc.)	Smart Meter					608	13,748		\$ 14,355
1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)	Smart Meter					7,450	1,023	503	\$ 8,976
Total Advanced Metering Regional Collector (AMRC) (Includes LAN)		\$ -	\$ -	\$ -	\$ -	\$ 27,630	\$ 14,771	\$ 503	\$ 42,904

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Hardware					900			\$ 900
Computer Software					1,450			\$ 1,450
Computer Software					8,073			\$ 8,073
	\$ -	\$ -	\$ -	\$ -	10,423	\$ -	\$ -	10,423

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
Computer Software					1,303	610		\$ 1,913
Smart Meter				767				\$ 767
Computer Software						2,444		\$ 2,444
Other Equipment					3,253	1,961		\$ 5,214
Other Equipment							95	\$ 95
	\$ -	\$ -	\$ -	767	4,556	5,016	95	10,435
	\$ -	\$ -	\$ -	767	652,057	64,354	1,745	715,434

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Software								\$ -
Applications Software								\$ -
Other Equipment					982	11,092	2,688	\$ 14,762
	\$ -	\$ -	\$ -	\$ -	982	11,092	2,688	14,762
	\$ -	\$ -	\$ -	767	653,040	75,446	944	730,197

2 OM&A Expenses

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
2.1.1 Maintenance (may include meter reverification costs, etc.)					35	444		\$ 479
2.1.2 Other (please specify) Meter troubleshooting						2,019	2,535	\$ 4,554
Total Incremental AMCD OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 35	\$ 2,463	\$ 2,535	\$ 5,033
2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)								
2.2.1 Maintenance								\$ -
2.2.2 Other (please specify)								\$ -
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)								
2.3.1 Hardware Maintenance (may include server support, etc.)							947	\$ 947
2.3.2 Software Maintenance (may include maintenance support, etc.)						1,970	3,065	\$ 5,035
2.3.2 Other (please specify) AMCC IT position							4,031	\$ 4,031
Total Incremental AMCC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,970	\$ 8,043	\$ 10,012
2.4 WIDE AREA NETWORK (WAN)								
2.4.1 WAN Maintenance					1,608			\$ 1,608
2.4.2 Other (please specify) Communication services					5,675	10,786	1,285	\$ 17,746
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 7,283	\$ 10,786	\$ 1,285	\$ 19,354
2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY								
2.5.1 Business Process Redesign								\$ -
2.5.2 Customer Communication (may include project communication, etc.)					1,987	180	783	\$ 2,950
2.5.3 Program Management								\$ -
2.5.4 Change Management (may include training, etc.)								\$ -
2.5.5 Administration Costs					2,443		95	\$ 2,537
2.5.6 Other AMI Expenses (please specify)					9	18	7	\$ 34
Total Other AMI OM&A Costs Related to Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ 4,438	\$ 198	\$ 885	\$ 5,521
TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY	\$ -	\$ -	\$ -	\$ -	\$ 11,756	\$ 15,417	\$ 12,747	\$ 39,920
2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY (Please provide a descriptive title and identify nature of beyond minimum functionality costs)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06								\$ -
2.6.2 Costs for deployment of smart meters to customers other than residential and small general service								\$ -
2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.						3,808	11,718	\$ 15,526
Total OM&A Costs Beyond Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,808	\$ 11,718	\$ 15,526
Total Smart Meter OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 11,756	\$ 19,225	\$ 24,465	\$ 55,441

3 Aggregate Smart Meter Costs by Category

3.1	Capital																
3.1.1	Smart Meter	\$	-	\$	-	\$	-	\$	767	\$	633,453	\$	59,339	-\$	1,840	\$	691,719
3.1.2	Computer Hardware	\$	-	\$	-	\$	-	\$	-	\$	2,955	\$	-	\$	-	\$	2,955
3.1.3	Computer Software	\$	-	\$	-	\$	-	\$	-	\$	12,396	\$	3,054	\$	-	\$	15,450
3.1.4	Tools & Equipment	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
3.1.5	Other Equipment	\$	-	\$	-	\$	-	\$	-	\$	4,235	\$	13,053	\$	2,784	\$	20,072
3.1.6	Applications Software	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
3.1.7	Total Capital Costs	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>767</u>	<u>\$</u>	<u>653,040</u>	<u>\$</u>	<u>75,446</u>	<u>\$</u>	<u>944</u>	<u>\$</u>	<u>730,197</u>
3.2	OM&A Costs																
3.2.1	Total OM&A Costs	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>11,756</u>	<u>\$</u>	<u>19,225</u>	<u>\$</u>	<u>24,465</u>	<u>\$</u>	<u>55,446</u>



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ 767	\$ 634,220	\$ 693,559
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ 767	\$ 633,453	\$ 59,339	\$ 1,840
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 767	\$ 634,220	\$ 693,559	\$ 691,719
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ 26	\$ 21,192	\$ 65,451
Amortization expense during year	\$ -	\$ -	\$ -	\$ 26	\$ 21,166	\$ 44,259	\$ 46,176
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 26	\$ 21,192	\$ 65,451	\$ 111,627
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 742	\$ 613,029	\$ 628,108
Closing Balance	\$ -	\$ -	\$ -	\$ 742	\$ 613,029	\$ 628,108	\$ 580,092
Average Net Book Value	\$ -	\$ -	\$ -	\$ 371	\$ 306,885	\$ 620,568	\$ 604,100
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 2,955	\$ 2,955
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 2,955	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,955	\$ 2,955	\$ 2,955
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 296	\$ 887
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 296	\$ 591	\$ 591
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 296	\$ 887	\$ 1,478
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,660	\$ 2,069
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,660	\$ 2,069	\$ 1,478
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 1,330	\$ 2,364	\$ 1,773
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 12,396	\$ 15,450
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 12,396	\$ 3,054	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 12,396	\$ 15,450	\$ 15,450
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,240	\$ 4,024
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 1,240	\$ 2,785	\$ 3,090
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,240	\$ 4,024	\$ 7,114
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,156	\$ 11,426
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 11,156	\$ 11,426	\$ 8,336
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 5,578	\$ 11,291	\$ 9,881

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 4,235	\$ 17,288
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 4,235	\$ 13,053	\$ 2,784
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,235	\$ 17,288	\$ 20,072

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,288
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,076	\$ 1,868
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,288	\$ 3,156

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,024	\$ 16,000
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,024	\$ 16,000	\$ 16,916
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 2,012	\$ 10,012	\$ 16,458



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 371	\$ 306,885	\$ 620,568	\$ 604,100
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 1,330	\$ 2,364	\$ 1,773
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 5,578	\$ 11,291	\$ 9,881
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 2,012	\$ 10,012	\$ 16,458
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 371	\$ 315,805	\$ 644,236	\$ 632,213
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 11,756	\$ 19,225	\$ 24,465
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 1,763	\$ 2,884	\$ 3,670
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ 371	\$ 317,568	\$ 647,119	\$ 635,882
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 12,703	\$ 25,885	\$ 25,435
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 210	\$ 177,838	\$ 362,387	\$ 356,094
Equity	\$ -	\$ -	\$ -	\$ 161	\$ 127,027	\$ 258,848	\$ 254,353
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ 371	\$ 317,568	\$ 647,119	\$ 635,882
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 263	\$ 536	\$ 527
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 15	\$ 10,101	\$ 20,584	\$ 20,226
Equity	\$ -	\$ -	\$ -	\$ 14	\$ 12,512	\$ 25,497	\$ 25,054
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ 30	\$ 22,876	\$ 46,616	\$ 45,806
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 11,756	\$ 19,225	\$ 24,465
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 26	\$ 21,166	\$ 44,259	\$ 46,176
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 296	\$ 591	\$ 591
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 1,240	\$ 2,785	\$ 3,090
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,076	\$ 1,868
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ 26	\$ 22,913	\$ 48,711	\$ 51,725
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ 55	\$ 57,546	\$ 114,552	\$ 121,997
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 11,756	\$ 19,225	\$ 24,465
Amortization Expense	\$ -	\$ -	\$ -	\$ 26	\$ 22,913	\$ 48,711	\$ 51,725
Interest Expense	\$ -	\$ -	\$ -	\$ 15	\$ 10,364	\$ 21,119	\$ 20,753
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ 14	\$ 12,512	\$ 25,497	\$ 25,054
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ 16.41	\$ 14,663.71	\$ 22,493.15	\$ 9,544.41
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ 39	\$ 42,882	\$ 92,059	\$ 112,452



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 690.70	\$ 570,660.28	\$ 509,933.19
Capital Additions	\$ -	\$ -	\$ -	\$ 767.44	\$ 633,453.03	\$ 59,338.85	\$ 1,840.07
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 767.44	\$ 634,143.72	\$ 629,999.13	\$ 508,093.12
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 383.72	\$ 316,726.51	\$ 29,669.43	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ 383.72	\$ 317,417.21	\$ 600,329.71	\$ 509,933.19
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 76.74	\$ 63,483.44	\$ 120,065.94	\$ 101,986.64
Closing UCC	\$ -	\$ -	\$ -	\$ 690.70	\$ 570,660.28	\$ 509,933.19	\$ 406,106.48

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 1,527.16
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,955.00	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 12,395.99	\$ 3,054.32	\$ -
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 15,350.99	\$ 10,729.82	\$ 1,527.16
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 1,527.16	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 9,202.66	\$ 1,527.16
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 9,202.66	\$ 839.94
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 1,527.16	\$ 687.22

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,811.93	\$ 14,797.20
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,235.48	\$ 13,052.94	\$ 2,783.82
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 4,235.48	\$ 16,864.88	\$ 17,581.01
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 2,117.74	\$ 6,526.47	\$ 1,391.91
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 2,117.74	\$ 10,338.41	\$ 16,189.11
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 423.55	\$ 2,067.68	\$ 3,237.82
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 3,811.93	\$ 14,797.20	\$ 14,343.19



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 14.46	\$ 12,512.20	\$ 25,496.50	\$ 25,053.76
Amortization	\$ -	\$ -	\$ -	\$ 25.58	\$ 22,913.14	\$ 48,711.15	\$ 51,725.05
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 76.74	\$ 63,483.44	\$ 120,065.94	\$ 101,986.64
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 7,675.50	\$ 9,202.66	\$ 839.94
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 423.55	\$ 2,067.68	\$ 3,237.82
Change in taxable income	\$ -	\$ -	\$ -	\$ 36.71	\$ 36,157.15	\$ 57,128.62	\$ 29,285.59
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 12.11	\$ 10,669.98	\$ 16,138.84	\$ 7,198.40
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 741.86	\$ 613,028.62	\$ 628,108.15	\$ 580,092.12
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,659.50	\$ 2,068.50	\$ 1,477.50
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 11,156.39	\$ 11,426.09	\$ 8,336.02
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,023.71	\$ 16,000.46	\$ 16,916.24
Rate Base	\$ -	\$ -	\$ -	\$ 741.86	\$ 630,868.22	\$ 657,603.19	\$ 606,821.88
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 741.86	\$ 630,868.22	\$ 657,603.19	\$ 606,821.88
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ 1.67	\$ 473.15	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 12.11	\$ 10,669.98	\$ 16,138.84	\$ 7,198.40
Change in OCT	\$ -	\$ -	\$ -	\$ 1.67	\$ 473.15	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 10.44	\$ 10,196.82	\$ 16,138.84	\$ 7,198.40
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 18.08	\$ 15,136.86	\$ 22,493.15	\$ 9,544.41
Change in OCT	\$ -	\$ -	\$ -	\$ 1.67	\$ 473.15	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 16.41	\$ 14,663.71	\$ 22,493.15	\$ 9,544.41



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 582.27	4.14%	\$ -	\$ 582.27		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 582.27	\$ 582.27	4.14%	\$ 2.01	\$ 1,166.55		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 1,164.54	\$ 582.27	4.59%	\$ 4.45	\$ 1,751.26		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 1,746.81	\$ 582.27	4.59%	\$ 6.68	\$ 2,335.76		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 2,329.08	\$ 582.27	4.59%	\$ 8.91	\$ 2,920.25		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 2,911.34	\$ 582.27	4.59%	\$ 11.14	\$ 3,504.75		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 3,493.61	\$ 582.27	4.59%	\$ 13.36	\$ 4,089.24		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 4,075.88	\$ 582.27	4.59%	\$ 15.59	\$ 4,673.74	\$ 4,720.29	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 4,658.15	\$ 555.53	4.59%	\$ 17.82	\$ 5,231.50		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 5,213.68	\$ 555.53	4.59%	\$ 19.94	\$ 5,789.16		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 5,769.22	\$ 555.53	4.59%	\$ 22.07	\$ 6,346.82		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 6,324.75	\$ 555.53	4.59%	\$ 24.19	\$ 6,904.47		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 6,880.28	\$ 555.53	4.59%	\$ 26.32	\$ 7,462.13		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 7,435.81	\$ 555.53	4.59%	\$ 28.44	\$ 8,019.79		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 7,991.35	\$ 555.53	4.59%	\$ 30.57	\$ 8,577.45		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 8,546.88	\$ 555.53	4.59%	\$ 32.69	\$ 9,135.10		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 9,102.41	\$ 555.53	4.59%	\$ 34.82	\$ 9,692.76		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 9,657.94	\$ 555.53	5.14%	\$ 41.37	\$ 10,254.85		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 10,213.48	\$ 555.53	5.14%	\$ 43.75	\$ 10,812.76		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 10,769.01	\$ 555.53	5.14%	\$ 46.13	\$ 11,370.67	\$ 7,034.50	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 11,324.54	\$ 518.84	5.14%	\$ 48.51	\$ 11,891.89		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 11,843.38	\$ 518.84	5.14%	\$ 50.73	\$ 12,412.94		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 12,362.21	\$ 518.84	5.14%	\$ 52.95	\$ 12,934.00		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 12,881.05	\$ 518.84	4.08%	\$ 43.80	\$ 13,443.68		\$ 0.26
			May-08	2008	Q2	\$ 13,399.88	\$ 518.84	4.08%	\$ 45.56	\$ 13,964.28		\$ 1.00
			Jun-08	2008	Q2	\$ 13,918.72	\$ 518.84	4.08%	\$ 47.32	\$ 14,484.88		\$ 1.00
			Jul-08	2008	Q3	\$ 14,437.56	\$ 518.84	3.35%	\$ 40.30	\$ 14,996.69		\$ 1.00
			Aug-08	2008	Q3	\$ 14,956.39	\$ 518.84	3.35%	\$ 41.75	\$ 15,516.98		\$ 1.00
			Sep-08	2008	Q3	\$ 15,475.23	\$ 518.84	3.35%	\$ 43.20	\$ 16,037.26		\$ 1.00
			Oct-08	2008	Q4	\$ 15,994.06	\$ 518.84	3.35%	\$ 44.65	\$ 16,557.55		\$ 1.00
			Nov-08	2008	Q4	\$ 16,512.90	\$ 518.84	3.35%	\$ 46.10	\$ 17,077.83		\$ 1.00
			Dec-08	2008	Q4	\$ 17,031.73	\$ 518.84	3.35%	\$ 47.55	\$ 17,598.12	\$ 6,778.45	\$ 1.00
			Jan-09	2009	Q1	\$ 17,550.57	\$ 1,509.27	2.45%	\$ 35.83	\$ 19,095.67		\$ 1.00
			Feb-09	2009	Q1	\$ 19,059.84	\$ 1,509.27	2.45%	\$ 38.91	\$ 20,608.02		\$ 1.00
			Mar-09	2009	Q1	\$ 20,569.11	\$ 1,509.27	2.45%	\$ 42.00	\$ 22,120.38		\$ 1.00
			Apr-09	2009	Q2	\$ 22,078.38	\$ 1,509.27	1.00%	\$ 18.40	\$ 23,606.05		\$ 1.00
			May-09	2009	Q2	\$ 23,587.65	\$ 1,509.27	1.00%	\$ 19.66	\$ 25,116.58		\$ 1.00
			Jun-09	2009	Q2	\$ 25,096.92	\$ 1,509.27	1.00%	\$ 20.91	\$ 26,627.10		\$ 1.00
			Jul-09	2009	Q3	\$ 26,606.19	\$ 1,509.27	0.55%	\$ 12.19	\$ 28,127.64		\$ 1.00
			Aug-09	2009	Q3	\$ 28,115.45	\$ 1,509.27	0.55%	\$ 12.89	\$ 29,637.61		\$ 1.00
			Sep-09	2009	Q3	\$ 29,624.72	\$ 1,509.27	0.55%	\$ 13.58	\$ 31,147.57		\$ 1.00
			Oct-09	2009	Q4	\$ 31,133.99	\$ 1,509.27	0.55%	\$ 14.27	\$ 32,657.53		\$ 1.00
			Nov-09	2009	Q4	\$ 32,643.26	\$ 1,509.27	0.55%	\$ 14.96	\$ 34,167.49		\$ 1.00
			Dec-09	2009	Q4	\$ 34,152.53	\$ 1,509.27	0.55%	\$ 15.65	\$ 35,677.45	\$ 18,370.48	\$ 1.00
			Jan-10	2010	Q1	\$ 35,661.80	\$ 1,990.22	0.55%	\$ 16.34	\$ 37,668.36		\$ 1.00
			Feb-10	2010	Q1	\$ 37,652.02	\$ 1,990.22	0.55%	\$ 17.26	\$ 39,659.50		\$ 1.00
			Mar-10	2010	Q1	\$ 39,642.24	\$ 1,990.22	0.55%	\$ 18.17	\$ 41,650.63		\$ 1.00
			Apr-10	2010	Q2	\$ 41,632.46	\$ 1,990.22	0.55%	\$ 19.08	\$ 43,641.76		\$ 1.00
			May-10	2010	Q2	\$ 43,622.68	\$ 1,990.22	0.55%	\$ 19.99	\$ 45,632.89		\$ 1.00
			Jun-10	2010	Q2	\$ 45,612.90	\$ 1,990.22	0.55%	\$ 20.91	\$ 47,624.04		\$ 1.00
			Jul-10	2010	Q3	\$ 47,603.13	\$ 1,990.22	0.89%	\$ 35.31	\$ 49,628.66		\$ 1.00
			Aug-10	2010	Q3	\$ 49,593.35	\$ 1,990.22	0.89%	\$ 36.78	\$ 51,620.35		\$ 1.00
			Sep-10	2010	Q3	\$ 51,583.57	\$ 1,990.22	0.89%	\$ 38.26	\$ 53,612.05		\$ 1.00
			Oct-10	2010	Q4	\$ 53,573.79	\$ 1,990.22	1.20%	\$ 53.57	\$ 55,617.58		\$ 1.00
			Nov-10	2010	Q4	\$ 55,564.01	\$ 1,990.22	1.20%	\$ 55.56	\$ 57,609.79		\$ 1.00
			Dec-10	2010	Q4	\$ 57,554.23	\$ 1,990.22	1.20%	\$ 57.55	\$ 59,602.00	\$ 24,271.43	\$ 1.00
			Jan-11	2011	Q1	\$ 59,544.45	\$ 2,600.99	1.47%	\$ 72.94	\$ 62,218.38		\$ 1.00
			Feb-11	2011	Q1	\$ 62,145.44	\$ 2,600.99	1.47%	\$ 76.13	\$ 64,822.57		\$ 1.00
			Mar-11	2011	Q1	\$ 64,746.44	\$ 2,600.99	1.47%	\$ 79.31	\$ 67,426.74		\$ 1.00
			Apr-11	2011	Q2	\$ 67,347.43	\$ 2,600.99	1.47%	\$ 82.50	\$ 70,030.92		\$ 1.00
			May-11	2011	Q2	\$ 69,948.42	\$ 2,600.99	1.47%	\$ 85.69	\$ 72,635.11		\$ 1.52
			Jun-11	2011	Q2	\$ 72,549.42	\$ 2,600.99	1.47%	\$ 88.87	\$ 75,239.28		\$ 1.52
			Jul-11	2011	Q3	\$ 75,150.41	\$ 2,600.99	1.47%	\$ 92.06	\$ 77,843.46		\$ 1.52
			Aug-11	2011	Q3	\$ 77,751.40	\$ 2,600.99	1.47%	\$ 95.25	\$ 80,447.65		\$ 1.52
			Sep-11	2011	Q3	\$ 80,352.40	\$ 2,600.99	1.47%	\$ 98.43	\$ 83,051.82		\$ 1.52
			Oct-11	2011	Q4	\$ 82,953.39	\$ 2,600.99	1.47%	\$ 101.62	\$ 85,656.00		\$ 1.52
			Nov-11	2011	Q4	\$ 85,554.38	\$ 2,600.99	1.47%	\$ 104.80	\$ 88,260.18		\$ 1.52
			Dec-11	2011	Q4	\$ 88,155.38	\$ 2,600.99	1.47%	\$ 107.99	\$ 90,864.36	\$ 32,297.51	\$ 1.52



Ontario Energy Board
Smart Meter Model





Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Jan-12	2012	Q1	\$ 90,756.37	\$ 3,050.09	1.47%	\$ 111.18	\$ 93,917.64		\$ 1.52
			Feb-12	2012	Q1	\$ 93,806.46	\$ 3,050.09	1.47%	\$ 114.91	\$ 96,971.47		\$ 1.52
			Mar-12	2012	Q1	\$ 96,856.56	\$ 3,050.09	1.47%	\$ 118.65	\$ 100,025.30		\$ 1.52
			Apr-12	2012	Q2	\$ 99,906.65	\$ 5,051.80	1.47%	\$ 122.39	\$ 105,080.84		\$ 1.52
			May-12	2012	Q2	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Jun-12	2012	Q2	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Jul-12	2012	Q3	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Aug-12	2012	Q3	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Sep-12	2012	Q3	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Oct-12	2012	Q4	\$ 104,958.45	\$ -	1.47%	\$ 128.57	\$ 105,087.02		\$ -
			Nov-12	2012	Q4	\$ 104,958.45	\$ 0.00%		\$ -	\$ 104,958.45		\$ -
			Dec-12	2012	Q4	\$ 104,958.45	\$ 0.00%		\$ -	\$ 104,958.45	\$ 15,440.63	\$ -
Total Funding Adder Revenues Collected						\$ 104,958.45	\$ 3,954.84	\$ 108,913.29	\$ 108,913.29			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	5.14%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.43%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	4.66%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
2012 Q4	0.00%	4.29%	Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	3.35%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	2.45%	-	-
			Mar-09	2009	Q1	-	-	-	-	2.45%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jun-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	-	-	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 1,034.16	1,034.16	0.55%	-	-
			Feb-10	2010	Q1	1,034.16	\$ 89.64	\$ 1,034.16	2,068.32	0.55%	0.47	0.47
			Mar-10	2010	Q1	2,068.32	\$ 13.03	\$ 1,034.16	3,192.12	0.55%	0.95	1.42
			Apr-10	2010	Q2	3,192.12	\$ 371.28	\$ 1,034.16	4,213.25	0.55%	1.46	2.89
			May-10	2010	Q2	4,213.25	\$ 282.99	\$ 1,034.16	5,618.69	0.55%	1.93	4.82
			Jun-10	2010	Q2	5,618.69	\$ 276.12	\$ 1,034.16	6,935.84	0.89%	2.58	7.39
			Jul-10	2010	Q3	6,935.84	\$ 280.45	\$ 1,034.16	8,235.21	0.89%	5.14	12.54
			Aug-10	2010	Q3	8,235.21	\$ 515.92	\$ 1,034.16	9,545.49	0.89%	6.11	18.64
			Sep-10	2010	Q3	9,545.49	\$ 371.76	\$ 1,034.16	10,860.10	0.89%	7.08	25.72
			Oct-10	2010	Q4	10,860.10	\$ 9,305.37	\$ 1,034.16	12,410.18	1.20%	10.86	36.58
			Nov-10	2010	Q4	12,410.18	\$ 2,724.70	\$ 5,818.92	13,816.10	1.20%	12.41	48.99
			Dec-10	2010	Q4	13,816.10	\$ 1,067.76	\$ 5,818.92	24,155.63	1.20%	13.82	62.81
			Jan-11	2011	Q1	24,155.63	\$ 2,724.70	\$ 5,818.92	29,400.81	1.47%	29.59	92.40
			Feb-11	2011	Q1	29,400.81	\$ 2,724.70	\$ 5,818.92	36,287.49	1.47%	36.02	128.42
			Mar-11	2011	Q1	36,287.49	\$ 80.31	\$ 5,818.92	44,831.11	1.47%	44.45	172.87
			Apr-11	2011	Q2	44,831.11	\$ 26.95	\$ 5,818.92	50,569.73	1.47%	54.92	227.79
			May-11	2011	Q2	50,569.73	\$ 46.58	\$ 5,818.92	56,415.59	1.47%	61.95	289.73
			Jun-11	2011	Q2	56,415.59	\$ 1,094.00	\$ 5,818.92	62,281.09	1.47%	69.11	358.84
			Jul-11	2011	Q3	62,281.09	\$ 3,568.05	\$ 5,818.92	69,194.01	1.47%	76.29	435.14
			Aug-11	2011	Q3	69,194.01	\$ 1,831.41	\$ 5,818.92	78,580.99	1.47%	84.76	519.90
			Sep-11	2011	Q3	78,580.99	\$ 1,883.26	\$ 5,818.92	86,231.32	1.47%	96.26	616.16
			Oct-11	2011	Q4	86,231.32	\$ 596.11	\$ 5,818.92	93,933.49	1.47%	105.63	721.80
			Nov-11	2011	Q4	93,933.49	\$ 7,036.63	\$ 5,818.92	100,348.52	1.47%	115.07	836.86
			Dec-11	2011	Q4	100,348.52	\$ 1,027.27	\$ 6,059.50	113,204.07	1.47%	122.93	959.79
			Jan-12	2012	Q1	113,204.07	\$ 2,078.75	\$ 6,059.50	120,290.84	1.47%	138.67	1,098.47
			Feb-12	2012	Q1	120,290.84	\$ 955.67	\$ 6,059.50	128,429.09	1.47%	147.36	1,245.82
			Mar-12	2012	Q1	128,429.09	\$ 2,313.03	\$ 6,059.50	135,444.26	1.47%	157.33	1,403.15
			Apr-12	2012	Q2	135,444.26	\$ 2,093.03	\$ 6,059.50	143,817.64	1.47%	165.92	1,569.07
			May-12	2012	Q2	143,817.64	\$ 3,269.41	\$ 6,059.50	151,970.17	1.47%	176.18	1,745.24
			Jun-12	2012	Q2	151,970.17	\$ 2,123.54	\$ 6,059.50	161,299.09	1.47%	186.16	1,931.41
			Jul-12	2012	Q3	161,299.09	\$ 2,123.54	\$ 6,059.50	169,482.13	1.47%	197.59	2,129.00
			Aug-12	2012	Q3	169,482.13	\$ 2,123.54	\$ 6,059.50	177,665.17	1.47%	207.62	2,336.61
			Sep-12	2012	Q3	177,665.17	\$ 2,123.54	\$ 6,059.50	185,848.21	1.47%	217.64	2,554.25
			Oct-12	2012	Q4	185,848.21	\$ 2,123.54	\$ 6,059.50	194,031.25	1.47%	227.66	2,781.92

	Nov-12	2012	Q4	194,031.25	\$ 2,123.54	\$ 6,059.50	202,214.29	0.00%	-	2,781.92
	Dec-12	2012	Q4	202,214.29	\$ 2,123.54	\$ 6,059.50	210,397.34	0.00%	-	2,781.92
					\$ 55,446.38	\$ 154,950.96	\$ 210,397.34			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ 25.58	\$ 25.58	\$ 12.79	1.14%	\$ 0.15
2010	\$ 11,756.36	\$ 22,913.14	\$ 34,695.08	\$ 17,360.33	0.80%	\$ 138.45
2011	\$ 19,224.73	\$ 48,711.15	\$ 102,630.96	\$ 68,663.02	1.47%	\$ 1,009.35
2012	\$ 24,465.19	\$ 51,725.05	\$ 178,821.20	\$ 140,726.08	1.47%	\$ 2,068.67
Cumulative Interest to 2011						\$ 1,147.94
Cumulative Interest to 2012						\$ 3,216.61



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if
applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ 38.87	\$ 42,882.15	\$ 92,058.62	\$ 112,452.25	\$ 247,431.89
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 62.81	\$ 896.98	\$ 1,822.13	\$ 2,781.92
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 62.81	\$ 896.98	\$ 1,822.13	\$ 2,781.92
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 4,658.15	\$ 6,666.39	\$ 6,226.03	\$ 18,111.23	\$ 23,882.65	\$ 31,211.92	\$ 14,202.08	\$ 104,958.45
SMFA Interest (from Sheet 8)	\$ 62.14	\$ 368.11	\$ 552.42	\$ 259.25	\$ 388.78	\$ 1,085.59	\$ 1,238.55	\$ 3,954.84
Net Deferred Revenue Requirement	-\$ 4,720.29	-\$ 7,034.50	-\$ 6,778.45	-\$ 18,331.61	\$ 18,673.53	\$ 60,658.09	\$ 98,833.74	\$ 141,300.52
Number of Metered Customers (average for 2012 test year)							1986	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 137,761.56	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 108,913.29	
Net Deferred Revenue Requirement	\$ 28,848.27	
SMDR May 1, 2012 to April 30, 2014	\$ 0.81	Match
Check: Forecasted SMDR Revenues	\$ 28,955.88	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 112,452.25	
SMIRR	\$ 4.72	Match
Check: Forecasted SMIRR Revenues	\$ 112,487.04	

Appendix D



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Festival Hydro Inc.

Festival Hydro Inc. - Hensall

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

Phone Number: 519-271-4703 x 221

Email Address: kmccann@festivalhydro.com

We are applying for rates effective: November 1, 2012

Last COS Re-based Year 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data

Smart Meter Installation Plan

Actual/Planned number of Smart Meters installed during the Calendar Year

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast	Total
Residential				203	17,430	18	0	17651
General Service < 50 kW				0				0
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	203	17430	18	0	17651
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	1.15%	99.90%	100.00%	0.00%	100.00%
Actual/Planned number of GS > 50 kW meters installed								0
Other (please identify)								0
Total Number of Smart Meters installed or planned to be installed	0	0	0	203	17430	18	0	17651

1 Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meters (may include new meters and modules, etc.)

1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)

1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)

1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)

Total Advanced Metering Communications Devices (AMCD)

Asset Type Asset type must be selected to enable calculations	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					2,103,673	-3,570		\$ 2,100,103
Smart Meter					294,525	6,504		\$ 301,029
Computer Hardware					18,146			\$ 18,146
Computer Software					13,861			\$ 13,861
	\$ -	\$ -	\$ -	\$ -	\$ 2,430,205	\$ 2,934	\$ -	\$ 2,433,139

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors

1.2.2 Repeaters (may include radio licence, etc.)

1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)

Total Advanced Metering Regional Collector (AMRC) (Includes LAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					171,781			\$ 171,781
Smart Meter					68	1,528		\$ 1,595
Smart Meter					40,577	5,208	2,565	\$ 48,350
	\$ -	\$ -	\$ -	\$ -	\$ 212,426	\$ 6,736	\$ 2,565	\$ 221,726

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Hardware					7,896			\$ 7,896
Computer Software					12,722			\$ 12,722
Computer Software					70,822			\$ 70,822
	\$ -	\$ -	\$ -	\$ -	\$ 91,440	\$ -	\$ -	\$ 91,440

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
Computer Software					11,439	5,354		\$ 16,793
Smart Meter				6,770				\$ 6,770
Computer Software						21,451		\$ 21,451
Other Equipment					28,734	17,304		\$ 46,038
Other Equipment							842	\$ 842
	\$ -	\$ -	\$ -	\$ 6,770	\$ 40,173	\$ 44,109	\$ 842	\$ 91,894
	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,774,243	\$ 53,779	\$ 3,407	\$ 2,838,199

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Software								\$ -
Applications Software								\$ -
Other Equipment					8,624	97,374	23,592	\$ 129,590
	\$ -	\$ -	\$ -	\$ -	\$ 8,624	\$ 97,374	\$ 23,592	\$ 129,590
	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,782,867	\$ 151,153	\$ 26,999	\$ 2,967,789

2 OM&A Expenses

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)								
2.1.1 Maintenance (may include meter reverification costs, etc.)					310	3,924		\$ 4,234
2.1.2 Other (please specify) Meter troubleshooting						17,830	22,382	\$ 40,212
Total Incremental AMCD OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 310	\$ 21,754	\$ 22,382	\$ 44,446
2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)								
2.2.1 Maintenance								\$ -
2.2.2 Other (please specify)								\$ -
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)								
2.3.1 Hardware Maintenance (may include server support, etc.)							8,309	\$ 8,309
2.3.2 Software Maintenance (may include maintenance support, etc.)						17,292	26,898	\$ 44,190
2.3.2 Other (please specify) AMCC IT position							35,373	\$ 35,373
Total Incremental AMCC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,292	\$ 70,580	\$ 87,872
2.4 WIDE AREA NETWORK (WAN)								
2.4.1 WAN Maintenance					14,118			\$ 14,118
2.4.2 Other (please specify) Communication services					49,806	94,664	11,276	\$ 155,746
Total Incremental AMRC OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 63,924	\$ 94,664	\$ 11,276	\$ 169,864
2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY								
2.5.1 Business Process Redesign								\$ -
2.5.2 Customer Communication (may include project communication, etc.)					17,547	1,590	6,916	\$ 26,053
2.5.3 Program Management								\$ -
2.5.4 Change Management (may include training, etc.)								\$ -
2.5.5 Administration Costs					21,574		836	\$ 22,411
2.5.6 Other AMI Expenses (please specify)						155	64	\$ 219
Total Other AMI OM&A Costs Related to Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ 39,121	\$ 1,745	\$ 7,816	\$ 48,683
TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY	\$ -	\$ -	\$ -	\$ -	\$ 103,355	\$ 135,455	\$ 112,054	\$ 350,865
2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY (Please provide a descriptive title and identify nature of beyond minimum functionality costs)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06								\$ -
2.6.2 Costs for deployment of smart meters to customers other than residential and small general service								\$ -
2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.						33,430	102,881	\$ 136,311
Total OM&A Costs Beyond Minimum Functionality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,430	\$ 102,881	\$ 136,311
Total Smart Meter OM&A Costs	\$ -	\$ -	\$ -	\$ -	\$ 103,355	\$ 168,885	\$ 214,935	\$ 487,176

3 Aggregate Smart Meter Costs by Category

3.1	Capital									
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,610,624	\$ 9,670	\$ 2,565	\$ 2,629,628	
3.1.2	Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 26,042	\$ -	\$ -	\$ 26,042	
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 108,844	\$ 26,805	\$ -	\$ 135,649	
3.1.4	Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 37,358	\$ 114,678	\$ 24,434	\$ 176,470	
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3.1.7	Total Capital Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,770</u>	<u>\$ 2,782,867</u>	<u>\$ 151,153</u>	<u>\$ 26,999</u>	<u>\$ 2,967,789</u>	
3.2	OM&A Costs									
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,355</u>	<u>\$ 168,885</u>	<u>\$ 214,935</u>	<u>\$ 487,176</u>	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ 6,770	\$ 2,617,393	\$ 2,627,063
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,610,624	\$ 9,670	\$ 2,565
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 6,770	\$ 2,617,393	\$ 2,627,063	\$ 2,629,628
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ 226	\$ 87,698	\$ 262,513
Amortization expense during year	\$ -	\$ -	\$ -	\$ 226	\$ 87,472	\$ 174,815	\$ 175,223
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 226	\$ 87,698	\$ 262,513	\$ 437,736
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 6,544	\$ 2,529,696	\$ 2,364,550
Closing Balance	\$ -	\$ -	\$ -	\$ 6,544	\$ 2,529,696	\$ 2,364,550	\$ 2,191,892
Average Net Book Value	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,268,120	\$ 2,447,123	\$ 2,278,221
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 26,042	\$ 26,042
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 26,042	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 26,042	\$ 26,042	\$ 26,042
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,604	\$ 7,813
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 2,604	\$ 5,208	\$ 5,208
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,604	\$ 7,813	\$ 13,021
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,438	\$ 18,229
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 23,438	\$ 18,229	\$ 13,021
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 11,719	\$ 20,834	\$ 15,625
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 108,844	\$ 135,649
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 108,844	\$ 26,805	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 108,844	\$ 135,649	\$ 135,649
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,884	\$ 35,334
Amortization expense during year	\$ -	\$ -	\$ 10,884	\$ -	\$ 10,884	\$ 24,449	\$ 27,130
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ 10,884	\$ -	\$ 10,884	\$ 35,334	\$ 62,464
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,960	\$ 100,315
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 97,960	\$ 100,315	\$ 73,186
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 48,980	\$ 99,137	\$ 86,750

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 37,358	\$ 152,036
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 37,358	\$ 114,678	\$ 24,434
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 37,358	\$ 152,036	\$ 176,470

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,868	\$ 11,338
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 1,868	\$ 9,470	\$ 16,425
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,868	\$ 11,338	\$ 27,763

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,490	\$ 140,699
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 35,490	\$ 140,699	\$ 148,707
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 17,745	\$ 88,094	\$ 144,703



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,268,120	\$ 2,447,123	\$ 2,278,221
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 11,719	\$ 20,834	\$ 15,625
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 48,980	\$ 99,137	\$ 86,750
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 17,745	\$ 88,094	\$ 144,703
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,346,564	\$ 2,655,188	\$ 2,525,300
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 103,355	\$ 168,885	\$ 214,935
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 15,503	\$ 25,333	\$ 32,240
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,362,067	\$ 2,680,521	\$ 2,557,540
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 54,483	\$ 107,221	\$ 102,302
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 1,855	\$ 762,757	\$ 1,501,092	\$ 1,432,222
Equity	\$ -	\$ -	\$ -	\$ 1,417	\$ 544,827	\$ 1,072,208	\$ 1,023,016
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ 3,272	\$ 1,362,067	\$ 2,680,521	\$ 2,557,540
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 1,128	\$ 2,219	\$ 2,118
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 135	\$ 43,325	\$ 85,262	\$ 81,350
Equity	\$ -	\$ -	\$ -	\$ 128	\$ 53,665	\$ 105,613	\$ 100,767
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ 262	\$ 98,118	\$ 193,094	\$ 184,235
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 103,355	\$ 168,885	\$ 214,935
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 226	\$ 87,472	\$ 174,815	\$ 175,223
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,604	\$ 5,208	\$ 5,208
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 10,884	\$ 24,449	\$ 27,130
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 1,868	\$ 9,470	\$ 16,425
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ 226	\$ 102,829	\$ 213,943	\$ 223,987
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ 488	\$ 304,302	\$ 575,922	\$ 623,157
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 103,355	\$ 168,885	\$ 214,935
Amortization Expense	\$ -	\$ -	\$ -	\$ 226	\$ 102,829	\$ 213,943	\$ 223,987
Interest Expense	\$ -	\$ -	\$ -	\$ 135	\$ 44,452	\$ 87,481	\$ 83,468
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ 128	\$ 53,665	\$ 105,613	\$ 100,767
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ 144.76	\$ 72,070.14	\$ 98,958.34	\$ 29,263.13
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ 343	\$ 232,232	\$ 476,963	\$ 593,894



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 6,092.86	\$ 2,354,435.44	\$ 1,892,250.90
Capital Additions	\$ -	\$ -	\$ -	\$ 6,769.84	\$ 2,610,623.50	\$ 9,669.50	\$ 2,565.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 6,769.84	\$ 2,616,716.36	\$ 2,364,104.94	\$ 1,894,815.90
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 3,384.92	\$ 1,305,311.75	\$ 4,834.75	\$ 1,282.50
Reduced UCC	\$ -	\$ -	\$ -	\$ 3,384.92	\$ 1,311,404.61	\$ 2,359,270.19	\$ 1,893,533.40
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 676.98	\$ 262,280.92	\$ 471,854.04	\$ 378,706.68
Closing UCC	\$ -	\$ -	\$ -	\$ 6,092.86	\$ 2,354,435.44	\$ 1,892,250.90	\$ 1,516,109.22

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 13,402.50
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 26,042.00	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 108,844.00	\$ 26,805.00	\$ -
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 134,886.00	\$ 94,248.00	\$ 13,402.50
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 13,402.50	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 80,845.50	\$ 13,402.50
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 80,845.50	\$ 7,371.38
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 13,402.50	\$ 6,031.13

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,622.18	\$ 130,108.31
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 37,357.98	\$ 114,678.41	\$ 24,434.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 37,357.98	\$ 148,300.59	\$ 154,542.31
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 18,678.99	\$ 57,339.20	\$ 12,217.00
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 18,678.99	\$ 90,961.38	\$ 142,325.31
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 3,735.80	\$ 18,192.28	\$ 28,465.06
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 33,622.18	\$ 130,108.31	\$ 126,077.25



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 127.51	\$ 53,665.44	\$ 105,612.53	\$ 100,767.07
Amortization	\$ -	\$ -	\$ -	\$ 225.66	\$ 102,828.60	\$ 213,942.62	\$ 223,986.56
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 676.98	\$ 262,280.92	\$ 471,854.04	\$ 378,706.68
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 67,443.00	\$ 80,845.50	\$ 7,371.38
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 3,735.80	\$ 18,192.28	\$ 28,465.06
Change in taxable income	\$ -	\$ -	\$ -	\$ 323.81	\$ 176,965.68	\$ 251,336.66	\$ 89,789.49
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 106.86	\$ 52,222.57	\$ 71,002.61	\$ 22,070.26
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,529,695.57	\$ 2,364,549.87	\$ 2,191,891.84
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 23,437.80	\$ 18,229.40	\$ 13,021.00
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 97,959.60	\$ 100,315.30	\$ 73,185.50
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 35,490.08	\$ 140,698.77	\$ 148,707.43
Rate Base	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,686,583.05	\$ 2,623,793.33	\$ 2,426,805.77
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 6,544.18	\$ 2,686,583.05	\$ 2,623,793.33	\$ 2,426,805.77
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.94	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 106.86	\$ 52,222.57	\$ 71,002.61	\$ 22,070.26
Change in OCT	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.94	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 92.13	\$ 50,207.63	\$ 71,002.61	\$ 22,070.26
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 159.49	\$ 74,085.08	\$ 98,958.34	\$ 29,263.13
Change in OCT	\$ -	\$ -	\$ -	\$ 14.72	\$ 2,014.94	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 144.76	\$ 72,070.14	\$ 98,958.34	\$ 29,263.13



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 4,905.70	4.14%	\$ -	\$ 4,905.70		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 4,905.70	\$ 4,889.89	4.14%	\$ 16.92	\$ 9,812.51		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 9,795.59	\$ 4,889.86	4.59%	\$ 37.47	\$ 14,722.92		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 14,685.45	\$ 4,889.83	4.59%	\$ 56.17	\$ 19,631.45		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 19,575.28	\$ 4,889.81	4.59%	\$ 74.88	\$ 24,539.97		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 24,465.09	\$ 4,889.80	4.59%	\$ 93.58	\$ 29,448.47		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 29,354.89	\$ 4,889.76	4.59%	\$ 112.28	\$ 34,356.93		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 34,244.65	\$ 4,889.73	4.59%	\$ 130.99	\$ 39,265.37	\$ 39,656.67	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 39,134.38	\$ 4,746.63	4.59%	\$ 149.69	\$ 44,030.70		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 43,881.01	\$ 4,746.62	4.59%	\$ 167.84	\$ 48,795.48		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 48,627.64	\$ 4,746.56	4.59%	\$ 186.00	\$ 53,560.20		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 53,374.20	\$ 4,746.53	4.59%	\$ 204.16	\$ 58,324.90		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 58,120.74	\$ 4,749.10	4.59%	\$ 222.31	\$ 63,092.15		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 62,869.84	\$ 4,751.67	4.59%	\$ 240.48	\$ 67,862.00		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 67,621.52	\$ 4,751.63	4.59%	\$ 258.65	\$ 72,631.80		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 72,373.15	\$ 4,751.60	4.59%	\$ 276.83	\$ 77,401.58		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 77,124.75	\$ 4,751.58	4.59%	\$ 295.00	\$ 82,171.34		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 81,876.34	\$ 4,751.55	5.14%	\$ 350.70	\$ 86,978.59		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 86,627.89	\$ 4,751.52	5.14%	\$ 371.06	\$ 91,750.48		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 91,379.42	\$ 4,751.51	5.14%	\$ 391.41	\$ 96,522.34	\$ 60,110.68	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 96,130.93	\$ 4,471.98	5.14%	\$ 411.76	\$ 101,014.67		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 100,602.91	\$ 4,471.97	5.14%	\$ 430.92	\$ 105,505.80		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 105,074.88	\$ 4,471.96	5.14%	\$ 450.07	\$ 109,996.90		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 109,546.83	\$ 4,471.95	4.08%	\$ 372.46	\$ 114,391.24		\$ 0.26
			May-08	2008	Q2	\$ 114,018.78	\$ 4,471.95	4.08%	\$ 387.66	\$ 118,878.39		\$ 1.00
			Jun-08	2008	Q2	\$ 118,490.73	\$ 4,471.94	4.08%	\$ 402.87	\$ 123,365.54		\$ 1.00
			Jul-08	2008	Q3	\$ 122,962.67	\$ 4,471.93	3.35%	\$ 343.27	\$ 127,777.86		\$ 1.00
			Aug-08	2008	Q3	\$ 127,434.59	\$ 4,471.91	3.35%	\$ 355.75	\$ 132,262.25		\$ 1.00
			Sep-08	2008	Q3	\$ 131,906.50	\$ 4,471.88	3.35%	\$ 368.24	\$ 136,746.62		\$ 1.00
			Oct-08	2008	Q4	\$ 136,378.38	\$ 4,471.87	3.35%	\$ 380.72	\$ 141,230.97		\$ 1.00
			Nov-08	2008	Q4	\$ 140,850.25	\$ 4,471.85	3.35%	\$ 393.21	\$ 145,715.30		\$ 1.00
			Dec-08	2008	Q4	\$ 145,322.09	\$ 4,471.83	3.35%	\$ 405.69	\$ 150,199.61	\$ 58,365.61	\$ 1.00
			Jan-09	2009	Q1	\$ 149,793.92	\$ 13,109.66	2.45%	\$ 305.83	\$ 163,209.41		\$ 1.00
			Feb-09	2009	Q1	\$ 162,903.58	\$ 13,109.64	2.45%	\$ 332.59	\$ 176,345.81		\$ 1.00
			Mar-09	2009	Q1	\$ 176,013.22	\$ 13,109.63	2.45%	\$ 359.36	\$ 189,482.21		\$ 1.00
			Apr-09	2009	Q2	\$ 189,122.85	\$ 13,109.64	1.00%	\$ 157.60	\$ 202,390.09		\$ 1.00
			May-09	2009	Q2	\$ 202,232.49	\$ 13,032.28	1.00%	\$ 168.53	\$ 215,433.30		\$ 1.00
			Jun-09	2009	Q2	\$ 215,264.77	\$ 13,032.28	1.00%	\$ 179.39	\$ 228,476.44		\$ 1.00
			Jul-09	2009	Q3	\$ 228,297.05	\$ 13,032.19	0.55%	\$ 104.64	\$ 241,433.87		\$ 1.00
			Aug-09	2009	Q3	\$ 241,329.23	\$ 13,032.09	0.55%	\$ 110.61	\$ 254,471.93		\$ 1.00
			Sep-09	2009	Q3	\$ 254,361.32	\$ 13,031.86	0.55%	\$ 116.58	\$ 267,509.76		\$ 1.00
			Oct-09	2009	Q4	\$ 267,393.18	\$ 13,031.87	0.55%	\$ 122.56	\$ 280,547.61		\$ 1.00
			Nov-09	2009	Q4	\$ 280,425.05	\$ 13,031.77	0.55%	\$ 128.53	\$ 293,585.35		\$ 1.00
			Dec-09	2009	Q4	\$ 293,456.82	\$ 13,031.67	0.55%	\$ 134.50	\$ 306,622.99	\$ 158,915.29	\$ 1.00
			Jan-10	2010	Q1	\$ 306,488.49	\$ 17,449.29	0.55%	\$ 140.47	\$ 324,078.25		\$ 1.00
			Feb-10	2010	Q1	\$ 323,937.78	\$ 17,449.30	0.55%	\$ 148.47	\$ 341,535.54		\$ 1.00
			Mar-10	2010	Q1	\$ 341,387.07	\$ 17,449.30	0.55%	\$ 156.47	\$ 358,992.84		\$ 1.00
			Apr-10	2010	Q2	\$ 358,836.37	\$ 17,449.33	0.55%	\$ 164.47	\$ 376,450.17		\$ 1.00
			May-10	2010	Q2	\$ 376,285.70	\$ 17,449.31	0.55%	\$ 172.46	\$ 393,907.46		\$ 1.00
			Jun-10	2010	Q2	\$ 393,735.00	\$ 17,449.27	0.55%	\$ 180.46	\$ 411,364.73		\$ 1.00
			Jul-10	2010	Q3	\$ 411,184.27	\$ 17,448.95	0.89%	\$ 304.96	\$ 428,938.18		\$ 1.00
			Aug-10	2010	Q3	\$ 428,633.22	\$ 17,449.17	0.89%	\$ 317.90	\$ 446,400.28		\$ 1.00
			Sep-10	2010	Q3	\$ 446,082.38	\$ 17,448.99	0.89%	\$ 330.84	\$ 463,862.21		\$ 1.00
			Oct-10	2010	Q4	\$ 463,531.37	\$ 17,449.10	1.20%	\$ 463.53	\$ 481,444.00		\$ 1.00
			Nov-10	2010	Q4	\$ 480,980.47	\$ 17,449.02	1.20%	\$ 480.98	\$ 498,910.46		\$ 1.00
			Dec-10	2010	Q4	\$ 498,429.48	\$ 17,448.98	1.20%	\$ 498.43	\$ 516,376.89	\$ 212,749.41	\$ 1.00
			Jan-11	2011	Q1	\$ 515,878.46	\$ 23,000.75	1.47%	\$ 631.95	\$ 539,511.16		\$ 1.00
			Feb-11	2011	Q1	\$ 538,879.21	\$ 23,000.63	1.47%	\$ 660.13	\$ 562,539.96		\$ 1.00
			Mar-11	2011	Q1	\$ 561,879.83	\$ 23,000.42	1.47%	\$ 688.30	\$ 585,568.55		\$ 1.00
			Apr-11	2011	Q2	\$ 584,880.25	\$ 22,999.89	1.47%	\$ 716.48	\$ 608,596.61		\$ 1.00
			May-11	2011	Q2	\$ 607,880.13	\$ 22,994.28	1.47%	\$ 744.65	\$ 631,619.06		\$ 1.52
			Jun-11	2011	Q2	\$ 630,874.41	\$ 22,955.25	1.47%	\$ 772.82	\$ 654,602.47		\$ 1.52
			Jul-11	2011	Q3	\$ 653,829.65	\$ 22,944.14	1.47%	\$ 800.94	\$ 677,574.73		\$ 1.52
			Aug-11	2011	Q3	\$ 676,773.79	\$ 22,944.33	1.47%	\$ 829.05	\$ 700,547.16		\$ 1.52
			Sep-11	2011	Q3	\$ 699,718.11	\$ 22,944.20	1.47%	\$ 857.15	\$ 723,519.46		\$ 1.52
			Oct-11	2011	Q4	\$ 722,662.31	\$ 22,944.02	1.47%	\$ 885.26	\$ 746,491.58		\$ 1.52
			Nov-11	2011	Q4	\$ 745,606.32	\$ 22,944.13	1.47%	\$ 913.37	\$ 769,463.82		\$ 1.52
			Dec-11	2011	Q4	\$ 768,550.45	\$ 22,944.11	1.47%	\$ 941.47	\$ 792,436.02	\$ 285,057.66	\$ 1.52



This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Jan-12	2012	Q1	\$ 791,494.55	\$ 26,977.61	1.47%	\$ 969.58	\$ 819,441.74		\$ 1.52
			Feb-12	2012	Q1	\$ 818,472.16	\$ 26,977.78	1.47%	\$ 1,002.63	\$ 846,452.57		\$ 1.52
			Mar-12	2012	Q1	\$ 845,449.94	\$ 26,977.70	1.47%	\$ 1,035.68	\$ 873,463.32		\$ 1.52
			Apr-12	2012	Q2	\$ 872,427.64	\$ 44,775.96	1.47%	\$ 1,068.72	\$ 918,272.32		\$ 1.52
			May-12	2012	Q2	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Jun-12	2012	Q2	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Jul-12	2012	Q3	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Aug-12	2012	Q3	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Sep-12	2012	Q3	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Oct-12	2012	Q4	\$ 917,203.60	\$ -	1.47%	\$ 1,123.57	\$ 918,327.17		\$ -
			Nov-12	2012	Q4	\$ 917,203.60	\$ -	0.00%	\$ -	\$ 917,203.60		\$ -
			Dec-12	2012	Q4	\$ 917,203.60	\$ -	0.00%	\$ -	\$ 917,203.60	\$ 136,527.08	\$ -
Total Funding Adder Revenues Collected							\$ 917,203.60		\$ 34,178.80	\$ 951,382.40	\$ 951,382.40	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
2012 Q4	0.00%	4.29%	Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	3.35%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	3.35%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	2.45%	-	-
			Mar-09	2009	Q1	-	-	-	-	1.00%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jun-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	\$ 8,625.54	8,625.54	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 8,625.54	17,251.08	0.55%	3.95	3.95
			Feb-10	2010	Q1	8,625.54	\$ 788.60	\$ 8,625.54	26,665.22	0.55%	7.91	11.86
			Mar-10	2010	Q1	17,251.08	\$ 114.62	\$ 8,625.54	35,176.14	0.55%	12.22	24.08
			Apr-10	2010	Q2	26,665.22	\$ 3,266.33	\$ 8,625.54	47,068.01	0.55%	16.12	40.20
			May-10	2010	Q2	35,176.14	\$ 2,489.62	\$ 8,625.54	58,183.17	0.55%	21.57	61.78
			Jun-10	2010	Q2	47,068.01	\$ 2,333.22	\$ 8,625.54	69,141.93	0.89%	43.15	104.93
			Jul-10	2010	Q3	58,183.17	\$ 2,429.14	\$ 8,625.54	80,196.61	0.89%	51.28	156.21
			Aug-10	2010	Q3	69,141.93	\$ 2,467.23	\$ 8,625.54	91,289.38	0.89%	59.48	215.69
			Sep-10	2010	Q3	80,196.61	\$ 4,536.81	\$ 8,625.54	104,453.73	1.20%	91.29	306.98
			Oct-10	2010	Q4	91,289.38	\$ 3,270.58	\$ 8,625.54	116,349.85	1.20%	104.45	411.43
			Nov-10	2010	Q4	104,453.73	\$ 81,888.33	\$ 8,625.54	206,863.72	1.20%	116.35	527.78
			Dec-10	2010	Q4	116,349.85	\$ 5,042.39	\$ 14,196.62	216,017.95	1.47%	253.41	781.19
			Jan-11	2011	Q1	206,863.72	\$ 9,384.20	\$ 14,196.62	239,598.77	1.47%	264.62	1,045.81
			Feb-11	2011	Q1	216,017.95	\$ 23,946.55	\$ 14,196.62	277,741.94	1.47%	293.51	1,339.32
			Mar-11	2011	Q1	239,598.77	\$ 705.80	\$ 14,196.62	291,232.76	1.47%	340.23	1,679.55
			Apr-11	2011	Q2	277,741.94	\$ 235.41	\$ 14,196.62	305,664.79	1.47%	356.76	2,036.31
			May-11	2011	Q2	291,232.76	\$ 409.40	\$ 14,196.62	320,270.81	1.47%	374.44	2,410.75
			Jun-11	2011	Q2	305,664.79	\$ 9,614.80	\$ 14,196.62	344,082.23	1.47%	392.33	2,803.09
			Jul-11	2011	Q3	320,270.81	\$ 31,358.47	\$ 14,196.62	389,637.32	1.47%	421.50	3,224.59
			Aug-11	2011	Q3	344,082.23	\$ 16,095.68	\$ 14,196.62	419,929.62	1.47%	477.31	3,701.89
			Sep-11	2011	Q3	389,637.32	\$ 16,551.33	\$ 14,196.62	450,677.57	1.47%	514.41	4,216.31
			Oct-11	2011	Q4	419,929.62	\$ 5,236.99	\$ 14,196.62	470,113.19	1.47%	552.08	4,768.39
			Nov-11	2011	Q4	450,677.57	\$ 61,803.15	\$ 14,196.62	546,112.96	1.47%	575.89	5,344.27
			Dec-11	2011	Q4	470,113.19	\$ 9,028.36	\$ 15,061.00	570,202.32	1.47%	668.99	6,013.26
			Jan-12	2012	Q1	546,112.96	\$ 18,269.46	\$ 15,061.00	603,532.78	1.47%	739.33	7,451.09
			Feb-12	2012	Q1	570,202.32	\$ 8,399.12	\$ 15,061.00	626,992.89	1.47%	768.07	8,219.15
			Mar-12	2012	Q1	603,532.78	\$ 20,335.93	\$ 15,061.00	662,389.82	1.47%	811.43	9,030.58
			Apr-12	2012	Q2	626,992.89	\$ 18,394.98	\$ 15,061.00	695,845.80	1.47%	852.41	9,882.99
			May-12	2012	Q2	662,389.82	\$ 18,584.00	\$ 15,061.00	739,490.80	1.47%	905.88	10,788.87
			Jun-12	2012	Q3	695,845.80	\$ 18,662.72	\$ 15,061.00	773,214.53	1.47%	947.19	11,736.06
			Jul-12	2012	Q3	739,490.80	\$ 18,662.72	\$ 15,061.00	806,938.25	1.47%	988.50	12,724.56
			Aug-12	2012	Q3	773,214.53	\$ 18,663.13	\$ 15,061.00	874,386.10	1.47%	1,029.81	13,754.37
			Sep-12	2012	Q3	806,938.25						
			Oct-12	2012	Q4	840,661.97						

	Nov-12	2012	Q4	874,386.10	\$ 18,663.13	\$ 15,061.00	908,110.23	0.00%	-	13,754.37
	Dec-12	2012	Q4	908,110.23	\$ 18,602.42	\$ 15,061.00	941,773.65	0.00%	-	13,754.37
					\$ 487,175.73	\$ 454,597.92	\$ 941,773.65			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ 225.66	\$ 225.66	\$ 112.83	1.14%	\$ 1.28
2010	\$ 103,355.47	\$ 102,828.60	\$ 206,409.74	\$ 103,317.70	0.80%	\$ 823.96
2011	\$ 168,884.99	\$ 213,942.62	\$ 589,237.35	\$ 397,823.54	1.47%	\$ 5,848.01
2012	\$ 214,935.33	\$ 223,986.56	\$ 1,028,159.24	\$ 808,698.30	1.47%	\$ 11,887.86
Cumulative Interest to 2011						\$ 6,673.25
Cumulative Interest to 2012						\$ 18,561.11



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ 342.92	\$ 232,231.79	\$ 476,963.28	\$ 593,893.70	\$ 1,303,431.69
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 527.78	\$ 4,816.49	\$ 8,410.09	\$ 13,754.37
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 527.78	\$ 4,816.49	\$ 8,410.09	\$ 13,754.37
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 39,134.38	\$ 56,996.55	\$ 53,662.99	\$ 156,694.57	\$ 209,389.97	\$ 275,616.09	\$ 125,709.05	\$ 917,203.60
SMFA Interest (from Sheet 8)	\$ 522.29	\$ 3,114.13	\$ 4,702.62	\$ 2,220.72	\$ 3,359.44	\$ 9,441.57	\$ 10,818.03	\$ 34,178.80
Net Deferred Revenue Requirement	-\$ 39,656.67	-\$ 60,110.68	-\$ 58,365.61	-\$ 158,572.37	\$ 20,010.16	\$ 196,722.12	\$ 465,776.71	\$ 365,803.66
Number of Metered Customers (average for 2012 test year)							17794	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 723,292.36	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 951,382.40	
Net Deferred Revenue Requirement	-\$ 228,090.04	
SMDR May 1, 2012 to April 30, 2014	-\$ 0.71	Match
Check: Forecasted SMDR Revenues	-\$ 227,407.32	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 593,893.70	
SMIRR	\$ 2.78	Match
Check: Forecasted SMIRR Revenues	\$ 593,607.84	

Appendix E



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Festival Hydro Inc.

Festival Hydro Inc. - Hensall

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

Phone Number: 519-271-4703 x 221

Email Address: kmccann@festivalhydro.com

We are applying for rates effective: November 1, 2012

Last COS Re-based Year: 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data

Smart Meter Installation Plan

Actual/Planned number of Smart Meters installed during the Calendar Year

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast	Total
Residential							0	0
General Service < 50 kW				0	1,913	86		1999
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	0	1913	86	0	1999
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	0.00%	95.70%	100.00%	0.00%	100.00%
Actual/Planned number of GS > 50 kW meters installed								0
Other (please identify)								0
Total Number of Smart Meters installed or planned to be installed	0	0	0	0	1913	86	0	1999

1 Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meters (may include new meters and modules, etc.)

1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)

1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)

1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)

Total Advanced Metering Communications Devices (AMCD)

Asset Type Asset type must be selected to enable calculations	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					515,041	43,845	-2,343	\$ 556,543
Smart Meter					90,782	723		\$ 91,505
Computer Hardware					2,055			\$ 2,055
Computer Software					1,570			\$ 1,570
	\$ -	\$ -	\$ -	\$ -	\$ 609,448	\$ 44,568	\$ -2,343	\$ 651,673

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors

1.2.2 Repeaters (may include radio licence, etc.)

1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)

Total Advanced Metering Regional Collector (AMRC) (Includes LAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					19,454			\$ 19,454
Smart Meter					608	13,748		\$ 14,355
Smart Meter					4,738	1,020	502	\$ 6,260
	\$ -	\$ -	\$ -	\$ -	\$ 24,800	\$ 14,768	\$ 502	\$ 40,069

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Hardware					894			\$ 894
Computer Software					1,441			\$ 1,441
Computer Software					8,021			\$ 8,021
	\$ -	\$ -	\$ -	\$ -	10,356	\$ -	\$ -	10,356

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
								\$ -
Computer Software					1,295	606		\$ 1,901
Smart Meter				767				\$ 767
Computer Software						2,429		\$ 2,429
Other Equipment					3,254	1,960		\$ 5,214
Other Equipment							95	\$ 95
	\$ -	\$ -	\$ -	767	4,549	4,995	95	10,406
	\$ -	\$ -	\$ -	767	649,153	64,331	1,746	712,504

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Computer Software								\$ -
Applications Software								\$ -
Other Equipment					977	11,028	2,672	\$ 14,677
	\$ -	\$ -	\$ -	\$ -	977	11,028	2,672	14,677
	\$ -	\$ -	\$ -	767	650,130	75,359	926	727,181

2 OM&A Expenses

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

2.1.1 Maintenance (may include meter reverification costs, etc.)

2.1.2 Other (please specify)

Meter troubleshooting

Total Incremental AMCD OM&A Costs

2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

2.2.1 Maintenance

2.2.2 Other (please specify)

Total Incremental AMRC OM&A Costs

2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

2.3.1 Hardware Maintenance (may include server support, etc.)

2.3.2 Software Maintenance (may include maintenance support, etc.)

2.3.2 Other (please specify)

AMCC IT position

Total Incremental AMCC OM&A Costs

2.4 WIDE AREA NETWORK (WAN)

2.4.1 WAN Maintenance

2.4.2 Other (please specify)

Communication services

Total Incremental AMRC OM&A Costs

2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.5.1 Business Process Redesign

2.5.2 Customer Communication (may include project communication, etc.)

2.5.3 Program Management

2.5.4 Change Management (may include training, etc.)

2.5.5 Administration Costs

2.5.6 Other AMI Expenses

(please specify)

Total Other AMI OM&A Costs Related to Minimum Functionality

TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

2.6.2 Costs for deployment of smart meters to customers other than residential and small general service

2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total OM&A Costs Beyond Minimum Functionality

Total Smart Meter OM&A Costs

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
					35	444		479
						2,019	2,535	4,554
	\$ -	\$ -	\$ -	\$ -	\$ 35	\$ 2,463	\$ 2,535	\$ 5,033
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
							941	941
						1,958	3,046	5,004
							4,006	4,006
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,958	\$ 7,993	\$ 9,951
					1,599			1,599
					5,641	10,721	1,277	17,639
	\$ -	\$ -	\$ -	\$ -	\$ 7,240	\$ 10,721	\$ 1,277	\$ 19,238
								\$ -
					1,987	180	783	2,950
								\$ -
								\$ -
					2,443		95	2,537
						18	7	25
	\$ -	\$ -	\$ -	\$ -	\$ 4,430	\$ 198	\$ 885	\$ 5,512
	\$ -	\$ -	\$ -	\$ -	\$ 11,705	\$ 15,340	\$ 12,690	\$ 39,734
	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
								\$ -
								\$ -
						3,786	11,653	15,439
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,786	\$ 11,653	\$ 15,439
	\$ -	\$ -	\$ -	\$ -	\$ 11,705	\$ 19,126	\$ 24,343	\$ 55,173

3 Aggregate Smart Meter Costs by Category

3.1	Capital											
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ 767	\$ 630,623	\$ 59,336	-\$ 1,841	\$ 688,884			
3.1.2	Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,949	\$ -	\$ -	\$ 2,949			
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 12,327	\$ 3,035	\$ -	\$ 15,362			
3.1.4	Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,231	\$ 12,988	\$ 2,767	\$ 19,986			
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
3.1.7	Total Capital Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 767</u>	<u>\$ 650,130</u>	<u>\$ 75,359</u>	<u>\$ 926</u>	<u>\$ 727,181</u>			
3.2	OM&A Costs											
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,705</u>	<u>\$ 19,126</u>	<u>\$ 24,343</u>	<u>\$ 55,173</u>			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ 767	\$ 631,390	\$ 690,725
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ 767	\$ 630,623	\$ 59,336	\$ 1,841
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 767	\$ 631,390	\$ 690,725	\$ 688,884
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ 26	\$ 21,097	\$ 65,168
Amortization expense during year	\$ -	\$ -	\$ -	\$ 26	\$ 21,072	\$ 44,071	\$ 45,987
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ 26	\$ 21,097	\$ 65,168	\$ 111,155
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 742	\$ 610,292	\$ 625,557
Closing Balance	\$ -	\$ -	\$ -	\$ 742	\$ 610,292	\$ 625,557	\$ 577,729
Average Net Book Value	\$ -	\$ -	\$ -	\$ 371	\$ 305,517	\$ 617,925	\$ 601,643
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 2,949	\$ 2,949
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 2,949	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,949	\$ 2,949	\$ 2,949
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295	\$ 885
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 295	\$ 590	\$ 590
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 295	\$ 885	\$ 1,475
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,654	\$ 2,064
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,654	\$ 2,064	\$ 1,475
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 1,327	\$ 2,359	\$ 1,769
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 12,327	\$ 15,362
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 12,327	\$ 3,035	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 12,327	\$ 15,362	\$ 15,362
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,233	\$ 4,002
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 1,233	\$ 2,769	\$ 3,072
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,233	\$ 4,002	\$ 7,074
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,094	\$ 11,360
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 11,094	\$ 11,360	\$ 8,288
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 5,547	\$ 11,227	\$ 9,824

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 4,231	\$ 17,219
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 4,231	\$ 12,988	\$ 2,767
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,231	\$ 17,219	\$ 19,986

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,284
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,073	\$ 1,860
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,284	\$ 3,144

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,019	\$ 15,935
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,019	\$ 15,935	\$ 16,842
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 2,010	\$ 9,977	\$ 16,388



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 371	\$ 305,517	\$ 617,925	\$ 601,643
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 1,327	\$ 2,359	\$ 1,769
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 5,547	\$ 11,227	\$ 9,824
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 2,010	\$ 9,977	\$ 16,388
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ 371	\$ 314,401	\$ 641,489	\$ 629,625
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 11,705	\$ 19,126	\$ 24,343
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 1,756	\$ 2,869	\$ 3,651
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ 371	\$ 316,157	\$ 644,358	\$ 633,277
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 12,646	\$ 25,774	\$ 25,331
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 210	\$ 177,048	\$ 360,840	\$ 354,635
Equity	\$ -	\$ -	\$ -	\$ 161	\$ 126,463	\$ 257,743	\$ 253,311
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ 371	\$ 316,157	\$ 644,358	\$ 633,277
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 262	\$ 534	\$ 524
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ 15	\$ 10,056	\$ 20,496	\$ 20,143
Equity	\$ -	\$ -	\$ -	\$ 14	\$ 12,457	\$ 25,388	\$ 24,951
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ 30	\$ 22,775	\$ 46,417	\$ 45,619
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 11,705	\$ 19,126	\$ 24,343
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 26	\$ 21,072	\$ 44,071	\$ 45,987
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 295	\$ 590	\$ 590
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 1,233	\$ 2,769	\$ 3,072
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 212	\$ 1,073	\$ 1,860
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ 26	\$ 22,811	\$ 48,502	\$ 51,509
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ 55	\$ 57,290	\$ 114,045	\$ 121,471
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 11,705	\$ 19,126	\$ 24,343
Amortization Expense	\$ -	\$ -	\$ -	\$ 26	\$ 22,811	\$ 48,502	\$ 51,509
Interest Expense	\$ -	\$ -	\$ -	\$ 15	\$ 10,318	\$ 21,029	\$ 20,668
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ 14	\$ 12,457	\$ 25,388	\$ 24,951
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ 16.41	\$ 14,597.45	\$ 22,396.28	\$ 9,508.80
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ 39	\$ 42,693	\$ 91,648	\$ 111,962



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ 690.70	\$ 568,112.81	\$ 507,892.20
Capital Additions	\$ -	\$ -	\$ -	\$ 767.44	\$ 630,622.50	\$ 59,335.50	\$ 1,841.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 767.44	\$ 631,313.20	\$ 627,448.31	\$ 506,051.20
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 383.72	\$ 315,311.25	\$ 29,667.75	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ 383.72	\$ 316,001.95	\$ 597,780.56	\$ 507,892.20
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 76.74	\$ 63,200.39	\$ 119,556.11	\$ 101,578.44
Closing UCC	\$ -	\$ -	\$ -	\$ 690.70	\$ 568,112.81	\$ 507,892.20	\$ 404,472.76

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 1,517.50
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,949.00	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 12,327.00	\$ 3,035.00	\$ -
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 15,276.00	\$ 10,673.00	\$ 1,517.50
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 1,517.50	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 9,155.50	\$ 1,517.50
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 9,155.50	\$ 834.63
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 1,517.50	\$ 682.88

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,807.90	\$ 14,735.52
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,231.00	\$ 12,988.00	\$ 2,767.00
Retirements/Removals (if applicable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 4,231.00	\$ 16,795.90	\$ 17,502.52
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 2,115.50	\$ 6,494.00	\$ 1,383.50
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 2,115.50	\$ 10,301.90	\$ 16,119.02
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 423.10	\$ 2,060.38	\$ 3,223.80
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 3,807.90	\$ 14,735.52	\$ 14,278.72



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ 14.46	\$ 12,456.58	\$ 25,387.69	\$ 24,951.10
Amortization	\$ -	\$ -	\$ -	\$ 25.58	\$ 22,811.06	\$ 48,501.71	\$ 51,509.45
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 76.74	\$ 63,200.39	\$ 119,556.11	\$ 101,578.44
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 7,638.00	\$ 9,155.50	\$ 834.63
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 423.10	\$ 2,060.38	\$ 3,223.80
Change in taxable income	\$ -	\$ -	\$ -	\$ 36.71	\$ 35,993.85	\$ 56,882.59	\$ 29,176.32
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ 12.11	\$ 10,621.79	\$ 16,069.33	\$ 7,171.54
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 741.86	\$ 610,292.45	\$ 625,557.43	\$ 577,729.44
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 2,654.10	\$ 2,064.30	\$ 1,474.50
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 11,094.30	\$ 11,360.40	\$ 8,288.00
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 4,019.45	\$ 15,934.95	\$ 16,841.70
Rate Base	\$ -	\$ -	\$ -	\$ 741.86	\$ 628,060.30	\$ 654,917.08	\$ 604,333.64
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ 741.86	\$ 628,060.30	\$ 654,917.08	\$ 604,333.64
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ 1.67	\$ 471.05	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 12.11	\$ 10,621.79	\$ 16,069.33	\$ 7,171.54
Change in OCT	\$ -	\$ -	\$ -	\$ 1.67	\$ 471.05	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 10.44	\$ 10,150.74	\$ 16,069.33	\$ 7,171.54
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ 18.08	\$ 15,068.50	\$ 22,396.28	\$ 9,508.80
Change in OCT	\$ -	\$ -	\$ -	\$ 1.67	\$ 471.05	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ 16.41	\$ 14,597.45	\$ 22,396.28	\$ 9,508.80



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 580.08	4.14%	\$ -	\$ 580.08		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 580.08	\$ 578.29	4.14%	\$ 2.00	\$ 1,160.37		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 1,158.37	\$ 578.29	4.59%	\$ 4.43	\$ 1,741.09		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 1,736.66	\$ 578.28	4.59%	\$ 6.64	\$ 2,321.58		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 2,314.94	\$ 578.28	4.59%	\$ 8.85	\$ 2,902.06		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 2,893.21	\$ 578.28	4.59%	\$ 11.07	\$ 3,482.56		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 3,471.49	\$ 578.27	4.59%	\$ 13.28	\$ 4,063.04		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 4,049.76	\$ 578.27	4.59%	\$ 15.49	\$ 4,643.52	\$ 4,689.79	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 4,628.03	\$ 551.52	4.59%	\$ 17.70	\$ 5,197.25		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 5,179.55	\$ 551.52	4.59%	\$ 19.81	\$ 5,750.89		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 5,731.08	\$ 551.51	4.59%	\$ 21.92	\$ 6,304.51		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 6,282.59	\$ 551.51	4.59%	\$ 24.03	\$ 6,858.13		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 6,834.10	\$ 551.80	4.59%	\$ 26.14	\$ 7,412.04		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 7,385.90	\$ 552.09	4.59%	\$ 28.25	\$ 7,966.25		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 7,938.00	\$ 552.09	4.59%	\$ 30.36	\$ 8,520.45		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 8,490.09	\$ 552.09	4.59%	\$ 32.47	\$ 9,074.65		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 9,042.18	\$ 552.08	4.59%	\$ 34.59	\$ 9,628.85		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 9,594.26	\$ 552.08	5.14%	\$ 41.10	\$ 10,187.45		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 10,146.35	\$ 552.08	5.14%	\$ 43.46	\$ 10,741.89		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 10,698.43	\$ 552.07	5.14%	\$ 45.82	\$ 11,296.32	\$ 6,988.12	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 11,250.50	\$ 515.38	5.14%	\$ 48.19	\$ 11,814.07		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 11,765.88	\$ 515.38	5.14%	\$ 50.40	\$ 12,331.65		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 12,281.25	\$ 515.38	5.14%	\$ 52.60	\$ 12,849.23		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 12,796.63	\$ 515.38	4.08%	\$ 43.51	\$ 13,355.51		\$ 0.26
			May-08	2008	Q2	\$ 13,312.00	\$ 515.38	4.08%	\$ 45.26	\$ 13,872.64		\$ 1.00
			Jun-08	2008	Q2	\$ 13,827.38	\$ 515.38	4.08%	\$ 47.01	\$ 14,389.77		\$ 1.00
			Jul-08	2008	Q3	\$ 14,342.76	\$ 515.37	3.35%	\$ 40.04	\$ 14,898.16		\$ 1.00
			Aug-08	2008	Q3	\$ 14,858.12	\$ 515.37	3.35%	\$ 41.48	\$ 15,414.97		\$ 1.00
			Sep-08	2008	Q3	\$ 15,373.49	\$ 515.37	3.35%	\$ 42.92	\$ 15,931.77		\$ 1.00
			Oct-08	2008	Q4	\$ 15,888.85	\$ 515.37	3.35%	\$ 44.36	\$ 16,448.58		\$ 1.00
			Nov-08	2008	Q4	\$ 16,404.22	\$ 515.37	3.35%	\$ 45.80	\$ 16,965.38		\$ 1.00
			Dec-08	2008	Q4	\$ 16,919.58	\$ 515.36	3.35%	\$ 47.23	\$ 17,482.17	\$ 6,733.24	\$ 1.00
			Jan-09	2009	Q1	\$ 17,434.94	\$ 1,505.79	2.45%	\$ 35.60	\$ 18,976.33		\$ 1.00
			Feb-09	2009	Q1	\$ 18,940.73	\$ 1,505.79	2.45%	\$ 38.67	\$ 20,485.19		\$ 1.00
			Mar-09	2009	Q1	\$ 20,446.52	\$ 1,505.79	2.45%	\$ 41.74	\$ 21,994.05		\$ 1.00
			Apr-09	2009	Q2	\$ 21,952.31	\$ 1,505.79	1.00%	\$ 18.29	\$ 23,476.39		\$ 1.00
			May-09	2009	Q2	\$ 23,458.10	\$ 1,497.00	1.00%	\$ 19.55	\$ 24,974.65		\$ 1.00
			Jun-09	2009	Q2	\$ 24,955.10	\$ 1,497.00	1.00%	\$ 20.80	\$ 26,472.90		\$ 1.00
			Jul-09	2009	Q3	\$ 26,452.10	\$ 1,496.99	0.55%	\$ 12.12	\$ 27,961.20		\$ 1.00
			Aug-09	2009	Q3	\$ 27,949.08	\$ 1,496.98	0.55%	\$ 12.81	\$ 29,458.87		\$ 1.00
			Sep-09	2009	Q3	\$ 29,446.06	\$ 1,496.95	0.55%	\$ 13.50	\$ 30,956.51		\$ 1.00
			Oct-09	2009	Q4	\$ 30,943.01	\$ 1,496.96	0.55%	\$ 14.18	\$ 32,454.15		\$ 1.00
			Nov-09	2009	Q4	\$ 32,439.97	\$ 1,496.94	0.55%	\$ 14.87	\$ 33,951.78		\$ 1.00
			Dec-09	2009	Q4	\$ 33,936.91	\$ 1,496.93	0.55%	\$ 15.55	\$ 35,449.39	\$ 18,256.58	\$ 1.00
			Jan-10	2010	Q1	\$ 35,433.84	\$ 1,977.88	0.55%	\$ 16.24	\$ 37,427.96		\$ 1.00
			Feb-10	2010	Q1	\$ 37,411.72	\$ 1,977.88	0.55%	\$ 17.15	\$ 39,406.75		\$ 1.00
			Mar-10	2010	Q1	\$ 39,389.60	\$ 1,977.88	0.55%	\$ 18.05	\$ 41,385.53		\$ 1.00
			Apr-10	2010	Q2	\$ 41,367.48	\$ 1,977.88	0.55%	\$ 18.96	\$ 43,364.32		\$ 1.00
			May-10	2010	Q2	\$ 43,345.36	\$ 1,977.88	0.55%	\$ 19.87	\$ 45,343.11		\$ 1.00
			Jun-10	2010	Q2	\$ 45,323.24	\$ 1,977.87	0.55%	\$ 20.77	\$ 47,321.89		\$ 1.00
			Jul-10	2010	Q3	\$ 47,301.12	\$ 1,977.84	0.89%	\$ 35.08	\$ 49,314.04		\$ 1.00
			Aug-10	2010	Q3	\$ 49,278.96	\$ 1,977.86	0.89%	\$ 36.55	\$ 51,293.37		\$ 1.00
			Sep-10	2010	Q3	\$ 51,256.82	\$ 1,977.84	0.89%	\$ 38.02	\$ 53,272.68		\$ 1.00
			Oct-10	2010	Q4	\$ 53,234.66	\$ 1,977.85	1.20%	\$ 53.23	\$ 55,265.74		\$ 1.00
			Nov-10	2010	Q4	\$ 55,212.51	\$ 1,977.85	1.20%	\$ 55.21	\$ 57,245.57		\$ 1.00
			Dec-10	2010	Q4	\$ 57,190.36	\$ 1,977.84	1.20%	\$ 57.19	\$ 59,225.39	\$ 24,120.68	\$ 1.00
			Jan-11	2011	Q1	\$ 59,168.20	\$ 2,588.58	1.47%	\$ 72.48	\$ 61,829.26		\$ 1.00
			Feb-11	2011	Q1	\$ 61,756.78	\$ 2,588.57	1.47%	\$ 75.65	\$ 64,421.01		\$ 1.00
			Mar-11	2011	Q1	\$ 64,345.36	\$ 2,588.54	1.47%	\$ 78.82	\$ 67,012.72		\$ 1.00
			Apr-11	2011	Q2	\$ 66,933.90	\$ 2,588.48	1.47%	\$ 81.99	\$ 69,604.37		\$ 1.00
			May-11	2011	Q2	\$ 69,522.38	\$ 2,587.84	1.47%	\$ 85.16	\$ 72,195.39		\$ 1.52
			Jun-11	2011	Q2	\$ 72,110.23	\$ 2,583.41	1.47%	\$ 88.34	\$ 74,781.98		\$ 1.52
			Jul-11	2011	Q3	\$ 74,693.64	\$ 2,582.15	1.47%	\$ 91.50	\$ 77,367.29		\$ 1.52
			Aug-11	2011	Q3	\$ 77,275.79	\$ 2,582.17	1.47%	\$ 94.66	\$ 79,952.63		\$ 1.52
			Sep-11	2011	Q3	\$ 79,857.97	\$ 2,582.16	1.47%	\$ 97.83	\$ 82,537.96		\$ 1.52
			Oct-11	2011	Q4	\$ 82,440.13	\$ 2,582.14	1.47%	\$ 100.99	\$ 85,123.26		\$ 1.52
			Nov-11	2011	Q4	\$ 85,022.27	\$ 2,582.15	1.47%	\$ 104.15	\$ 87,708.58		\$ 1.52
			Dec-11	2011	Q4	\$ 87,604.43	\$ 2,582.15	1.47%	\$ 107.32	\$ 90,293.90	\$ 32,097.27	\$ 1.52



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Jan-12	2012	Q1	\$ 90,186.58	\$ 3,031.21	1.47%	\$ 110.48	\$ 93,328.27		\$ 1.52
			Feb-12	2012	Q1	\$ 93,217.79	\$ 3,031.23	1.47%	\$ 114.19	\$ 96,363.22		\$ 1.52
			Mar-12	2012	Q1	\$ 96,249.03	\$ 3,031.22	1.47%	\$ 117.91	\$ 99,398.16		\$ 1.52
			Apr-12	2012	Q2	\$ 99,280.25	\$ 5,031.21	1.47%	\$ 121.62	\$ 104,433.08		\$ 1.52
			May-12	2012	Q2	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Jun-12	2012	Q2	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Jul-12	2012	Q3	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Aug-12	2012	Q3	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Sep-12	2012	Q3	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Oct-12	2012	Q4	\$ 104,311.46	\$ -	1.47%	\$ 127.78	\$ 104,439.24		\$ -
			Nov-12	2012	Q4	\$ 104,311.46	\$ 0.00%		\$ -	\$ 104,311.46		\$ -
			Dec-12	2012	Q4	\$ 104,311.46	\$ 0.00%		\$ -	\$ 104,311.46	\$ 15,355.76	\$ -
Total Funding Adder Revenues Collected							\$ 104,311.46		\$ 3,929.98	\$ 108,241.44	\$ 108,241.44	



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.43%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	6.67%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
2012 Q4	0.00%	4.29%	Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	3.35%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	2.45%	-	-
			Mar-09	2009	Q1	-	-	-	-	2.45%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jun-09	2009	Q2	-	-	-	-	0.55%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	-	-	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 1,033.56	1,033.56	0.55%	-	-
			Feb-10	2010	Q1	1,033.56	\$ -	\$ 1,033.56	2,067.12	0.55%	0.47	0.47
			Mar-10	2010	Q1	2,067.12	\$ 89.28	\$ 1,033.56	3,189.96	0.55%	0.95	1.42
			Apr-10	2010	Q2	3,189.96	\$ 12.96	\$ 1,033.56	4,210.54	0.55%	1.46	2.88
			May-10	2010	Q2	4,210.54	\$ 369.79	\$ 1,033.56	5,613.89	0.55%	1.93	4.81
			Jun-10	2010	Q2	5,613.89	\$ 284.15	\$ 1,033.56	6,929.31	0.55%	2.57	7.39
			Jul-10	2010	Q3	6,929.31	\$ 275.01	\$ 1,033.56	8,227.02	0.89%	5.14	12.53
			Aug-10	2010	Q3	8,227.02	\$ 279.32	\$ 1,033.56	9,535.59	0.89%	6.10	18.63
			Sep-10	2010	Q3	9,535.59	\$ 513.86	\$ 1,033.56	10,848.47	0.89%	7.07	25.70
			Oct-10	2010	Q4	10,848.47	\$ 370.27	\$ 1,033.56	12,395.89	1.20%	10.85	36.55
			Nov-10	2010	Q4	12,395.89	\$ 9,270.88	\$ 1,033.56	24,104.16	1.20%	13.80	62.74
			Dec-10	2010	Q4	13,799.72	\$ 570.87	\$ 5,817.46	29,350.75	1.47%	29.53	92.27
			Jan-11	2011	Q1	24,104.16	\$ 1,062.42	\$ 5,817.46	36,230.63	1.47%	35.95	128.23
			Feb-11	2011	Q1	29,350.75	\$ 2,711.08	\$ 5,817.46	44,759.17	1.47%	44.38	172.61
			Mar-11	2011	Q1	36,230.63	\$ 79.91	\$ 5,817.46	50,496.72	1.47%	54.83	227.44
			Apr-11	2011	Q2	44,759.17	\$ 26.81	\$ 5,817.46	56,340.99	1.47%	61.86	289.30
			May-11	2011	Q2	50,496.72	\$ 46.35	\$ 5,817.46	62,204.80	1.47%	69.02	358.31
			Jun-11	2011	Q2	56,340.99	\$ 1,088.53	\$ 5,817.46	69,110.79	1.47%	76.20	434.52
			Jul-11	2011	Q3	62,204.80	\$ 3,550.21	\$ 5,817.46	78,478.46	1.47%	84.66	519.18
			Aug-11	2011	Q3	69,110.79	\$ 1,822.25	\$ 5,817.46	86,118.17	1.47%	96.14	615.31
			Sep-11	2011	Q3	78,478.46	\$ 1,873.84	\$ 5,817.46	93,809.47	1.47%	105.49	720.81
			Oct-11	2011	Q4	86,118.17	\$ 593.13	\$ 5,817.46	100,220.06	1.47%	114.92	835.72
			Nov-11	2011	Q4	93,809.47	\$ 6,996.96	\$ 5,817.46	113,034.48	1.47%	122.77	958.49
			Dec-11	2011	Q4	100,220.06	\$ 1,022.13	\$ 6,057.75	120,114.36	1.47%	138.47	1,096.96
			Jan-12	2012	Q1	113,034.48	\$ 2,066.35	\$ 6,057.75	128,240.46	1.47%	147.14	1,244.10
			Feb-12	2012	Q1	120,114.36	\$ 950.90	\$ 6,057.75	135,249.11	1.47%	157.09	1,401.19
			Mar-12	2012	Q1	128,240.46	\$ 2,302.31	\$ 6,057.75	143,609.17	1.47%	165.68	1,566.87
			Apr-12	2012	Q2	135,249.11	\$ 2,082.56	\$ 6,057.75	151,749.48	1.47%	175.92	1,742.80
			May-12	2012	Q2	143,609.17	\$ 3,253.14	\$ 6,057.75	161,060.37	1.47%	185.89	1,928.69
			Jun-12	2012	Q2	151,749.48	\$ 2,112.92	\$ 6,057.75	169,231.04	1.47%	197.30	2,125.99
			Jul-12	2012	Q3	161,060.37	\$ 2,112.92	\$ 6,057.75	177,401.71	1.47%	207.31	2,333.30
			Aug-12	2012	Q3	169,231.04	\$ 2,112.92	\$ 6,057.75	185,572.38	1.47%	217.32	2,550.61
			Sep-12	2012	Q3	177,401.71	\$ 2,112.92	\$ 6,057.75	193,743.05	1.47%	227.33	2,777.94
			Oct-12	2012	Q4	185,572.38	\$ -	\$ 6,057.75	-	-	-	-

	Nov-12	2012	Q4	193,743.05	\$ 2,112.92	\$ 6,057.75	201,913.72	0.00%	-	2,777.94
	Dec-12	2012	Q4	201,913.72	\$ 2,107.63	\$ 6,057.75	210,079.10	0.00%	-	2,777.94
					\$ 55,173.86	\$ 154,905.24	\$ 210,079.10			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ 25.58	\$ 25.58	\$ 12.79	1.14%	\$ 0.15
2010	\$ 11,704.64	\$ 22,811.06	\$ 34,541.28	\$ 17,283.43	0.80%	\$ 137.84
2011	\$ 19,126.01	\$ 48,501.71	\$ 102,169.01	\$ 68,355.14	1.47%	\$ 1,004.82
2012	\$ 24,342.67	\$ 51,509.45	\$ 178,021.12	\$ 140,095.07	1.47%	\$ 2,059.40
Cumulative Interest to 2011						\$ 1,142.80
Cumulative Interest to 2012						\$ 3,202.20



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ 38.87	\$ 42,692.91	\$ 91,648.39	\$ 111,962.04	\$ 246,342.22
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 62.74	\$ 895.75	\$ 1,819.45	\$ 2,777.94
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 62.74	\$ 895.75	\$ 1,819.45	\$ 2,777.94
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 4,628.03	\$ 6,622.47	\$ 6,184.44	\$ 17,998.90	\$ 23,734.36	\$ 31,018.38	\$ 14,124.88	\$ 104,311.46
SMFA Interest (from Sheet 8)	\$ 61.76	\$ 365.65	\$ 548.80	\$ 257.68	\$ 386.32	\$ 1,078.89	\$ 1,230.88	\$ 3,929.98
Net Deferred Revenue Requirement	-\$ 4,689.79	-\$ 6,988.12	-\$ 6,733.24	-\$ 18,217.71	\$ 18,634.98	\$ 60,446.87	\$ 98,425.73	\$ 140,878.72
Number of Metered Customers (average for 2012 test year)							1986	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 137,158.12	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 108,241.44	
Net Deferred Revenue Requirement	\$ 28,916.68	
SMDR May 1, 2012 to April 30, 2014	\$ 0.81	Match
Check: Forecasted SMDR Revenues	\$ 28,955.88	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 111,962.04	
SMIRR	\$ 4.70	Match
Check: Forecasted SMIRR Revenues	\$ 112,010.40	

Appendix F



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

Festival Hydro Inc.

Festival Hydro Inc. - Hensall

Application Contact Information

Name: Kelly McCann

Title: Financial & Regulatory Manager

Phone Number: 519-271-4703 x 221

Email Address: kmccann@festivalhydro.com

We are applying for rates effective: November 1, 2012

Last COS Re-based Year: 2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.



Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data

Smart Meter Installation Plan

Actual/Planned number of Smart Meters installed during the Calendar Year

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast	Total
Residential				0	0	0	0	0
General Service < 50 kW				0	0	0		0
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	0	0	0	0	0
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Actual/Planned number of GS > 50 kW meters installed						120	0	120
Other (please identify)								0
Total Number of Smart Meters installed or planned to be installed	0	0	0	0	0	120	0	120

1 Capital Costs

1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

1.1.1 Smart Meters (may include new meters and modules, etc.)

1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)

1.1.3a Workforce Automation Hardware (may include fieldwork handhelds, barcode hardware, etc.)

1.1.3b Workforce Automation Software (may include fieldwork handhelds, barcode hardware, etc.)

Total Advanced Metering Communications Devices (AMCD)

Asset Type
Asset type must be
selected to enable
calculations

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					0	0	0	\$ -
Smart Meter					0	0		\$ -
Computer Hardware					0			\$ -
Computer Software					0			\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

1.2.1 Collectors

1.2.2 Repeaters (may include radio licence, etc.)

1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)

Total Advanced Metering Regional Collector (AMRC) (Includes LAN)

Asset Type

	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
Smart Meter					1,168			\$ 1,168
Smart Meter					0	0		\$ -
Smart Meter					276	35	17	\$ 328
	\$ -	\$ -	\$ -	\$ -	\$ 1,444	\$ 35	\$ 17	\$ 1,496

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

1.3.1 Computer Hardware

1.3.2 Computer Software

1.3.3 Computer Software Licences & Installation (includes hardware and software)
(may include AS/400 disk space, backup and recovery computer, UPS, etc.)

Total Advanced Metering Control Computer (AMCC)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast		
Computer Hardware					54			\$	54
Computer Software					86			\$	86
Computer Software					481			\$	481
	\$ -	\$ -	\$ -	\$ -	621	\$ -	\$ -	\$	621

1.4 WIDE AREA NETWORK (WAN)

1.4.1 Activation Fees

Total Wide Area Network (WAN)

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast		
								\$	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

1.5.1 Customer Equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related to Minimum Functionality

Total Capital Costs Related to Minimum Functionality

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast		
								\$	-
Computer Software					78	36		\$	114
Smart Meter								\$	-
Computer Software						146		\$	146
Other Equipment								\$	-
Other Equipment								\$	-
	\$ -	\$ -	\$ -	\$ -	78	182	\$ -	\$	260
	\$ -	\$ -	\$ -	\$ -	2,143	217	17	\$	2,377

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

1.6.2 Costs for deployment of smart meters to customers other than residential and small general service

1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total Capital Costs Beyond Minimum Functionality

Total Smart Meter Capital Costs

Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast		
Computer Software								\$	-
Applications Software								\$	-
Other Equipment					59	662	160	\$	881
	\$ -	\$ -	\$ -	\$ -	59	662	160	\$	881
	\$ -	\$ -	\$ -	\$ -	2,202	879	177	\$	3,258

2 OM&A Expenses

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)

2.1.1 Maintenance (may include meter reverification costs, etc.)

2.1.2 Other (please specify)

Meter troubleshooting

Total Incremental AMCD OM&A Costs

2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)

2.2.1 Maintenance

2.2.2 Other (please specify)

Total Incremental AMRC OM&A Costs

2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

2.3.1 Hardware Maintenance (may include server support, etc.)

2.3.2 Software Maintenance (may include maintenance support, etc.)

2.3.2 Other (please specify)

AMCC IT position

Total Incremental AMCC OM&A Costs

2.4 WIDE AREA NETWORK (WAN)

2.4.1 WAN Maintenance

2.4.2 Other (please specify)

Communication services

Total Incremental AMRC OM&A Costs

2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.5.1 Business Process Redesign

2.5.2 Customer Communication (may include project communication, etc.)

2.5.3 Program Management

2.5.4 Change Management (may include training, etc.)

2.5.5 Administration Costs

2.5.6 Other AMI Expenses

(please specify)

Total Other AMI OM&A Costs Related to Minimum Functionality

TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY

2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY

(Please provide a descriptive title and identify nature of beyond minimum functionality costs)

2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06

2.6.2 Costs for deployment of smart meters to customers other than residential and small general service

2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.

Total OM&A Costs Beyond Minimum Functionality

Total Smart Meter OM&A Costs

Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
				0	0		\$ -
					0	0	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
							\$ -
							\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
						56	\$ 56
					118	183	\$ 301
						240	\$ 240
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118	\$ 479	\$ 597
				96			\$ 96
				339	644	77	\$ 1,060
\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 644	\$ 77	\$ 1,156
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 762	\$ 556	\$ 1,753
							\$ -
							\$ -
					227	699	\$ 926
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227	\$ 699	\$ 926
\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 989	\$ 1,255	\$ 2,679

3 Aggregate Smart Meter Costs by Category

3.1	Capital												
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ -	\$ 1,444	\$ 35	\$ 17	\$ 1,496				
3.1.2	Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ -	\$ -	\$ 54				
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 645	\$ 182	\$ -	\$ 827				
3.1.4	Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 59	\$ 662	\$ 160	\$ 881				
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
3.1.7	Total Capital Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,202</u>	<u>\$ 879</u>	<u>\$ 177</u>	<u>\$ 3,258</u>				
3.2	OM&A Costs												
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435</u>	<u>\$ 989</u>	<u>\$ 1,255</u>	<u>\$ 2,679</u>				



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Cost of Capital							
Capital Structure¹							
Deemed Short-term Debt Capitalization			0.0%	0.0%	4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization	50.0%	50.0%	53.3%	56.7%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	50.0%	50.0%	46.7%	43.3%	40.0%	40.0%	40.0%
Preferred Shares							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters							
Deemed Short-term Debt Rate			0.00%	0.00%	2.07%	2.07%	2.07%
Long-term Debt Rate (actual/embedded/deemed) ²	7.25%	7.25%	7.25%	7.25%	5.68%	5.68%	5.68%
Target Return on Equity (ROE)	9.0%	9.00%	9.00%	9.00%	9.85%	9.85%	9.85%
Return on Preferred Shares							
WACC	8.13%	8.13%	8.07%	8.01%	7.20%	7.20%	7.20%
Working Capital Allowance							
Working Capital Allowance Rate	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
<i>(% of the sum of Cost of Power + controllable expenses)</i>							
Taxes/PILs							
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%
Depreciation Rates							
<i>(expressed as expected useful life in years)</i>							
Smart Meters - years	15	15	15	15	15	15	15
- rate (%)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%
Computer Hardware - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Computer Software - years	5	5	5	5	5	5	5
- rate (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Tools & Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Equipment - years	10	10	10	10	10	10	10
- rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
CCA Rates							
Smart Meters - CCA Class	8	8	8	8	8	8	8
Smart Meters - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Computer Equipment - CCA Class	45	50	50	52	52	52	50
Computer Equipment - CCA Rate	45%	55%	55%	100%	100%	100%	55%
General Equipment - CCA Class	8	8	8	8	8	8	8
General Equipment - CCA Rate	20%	20%	20%	20%	20%	20%	20%
Applications Software - CCA Class							
Applications Software - CCA Rate							

Assumptions

¹ Planned smart meter installations occur evenly throughout the year.

² Fiscal calendar year (January 1 to December 31) used.

³ Amortization is done on a straight line basis and has the "half-year" rule applied.



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and later
Net Fixed Assets - Smart Meters							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 1,444	\$ 1,479
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 1,444	\$ 35	\$ 17
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,444	\$ 1,479	\$ 1,496
Accumulated Depreciation							
Opening Balance		\$ -	\$ -	\$ -	\$ -	-\$ 48	-\$ 146
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	-\$ 48	-\$ 97	-\$ 99
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	-\$ 48	-\$ 146	-\$ 245
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,396	\$ 1,333
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,396	\$ 1,333	\$ 1,251
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 698	\$ 1,365	\$ 1,292
Net Fixed Assets - Computer Hardware							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 54	\$ 54
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ 54	\$ 54
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 5	-\$ 16
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	-\$ 5	-\$ 11	-\$ 11
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	-\$ 5	-\$ 16	-\$ 27
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49	\$ 38
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 49	\$ 38	\$ 27
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 24	\$ 43	\$ 32
Net Fixed Assets - Computer Software (including Applications Software)							
Gross Book Value							
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 645	\$ 827
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 645	\$ 182	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 645	\$ 827	\$ 827
Accumulated Depreciation							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 65	-\$ 212
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	-\$ 65	-\$ 147	-\$ 165
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	-\$ 65	-\$ 212	-\$ 377
Net Book Value							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581	\$ 615
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 581	\$ 615	\$ 450
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 290	\$ 598	\$ 533

Net Fixed Assets - Tools and Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Net Fixed Assets - Other Equipment

Gross Book Value

Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ 59	\$ 721
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ -	\$ 59	\$ 662	\$ 160
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 59	\$ 721	\$ 881

Accumulated Depreciation

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 42
Amortization expense during year	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 39	\$ 80
Retirements/Removals (if applicable)							
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 42	\$ 122

Net Book Value

Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56	\$ 679
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ 56	\$ 679	\$ 759
Average Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ 28	\$ 368	\$ 719



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ 698	\$ 1,365	\$ 1,292
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 24	\$ 43	\$ 32
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 290	\$ 598	\$ 533
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 28	\$ 368	\$ 719
Total Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 1,041	\$ 2,373	\$ 2,576
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 989	\$ 1,255
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ -	\$ 65	\$ 148	\$ 188
Incremental Smart Meter Rate Base	\$ -	\$ -	\$ -	\$ -	\$ 1,106	\$ 2,522	\$ 2,765
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ 101	\$ 111
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 619	\$ 1,412	\$ 1,548
Equity	\$ -	\$ -	\$ -	\$ -	\$ 442	\$ 1,009	\$ 1,106
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ -	\$ -	\$ -	\$ -	\$ 1,106	\$ 2,522	\$ 2,765
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 2
Deemed Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ 35	\$ 80	\$ 88
Equity	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ 99	\$ 109
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ -	\$ -	\$ -	\$ -	\$ 80	\$ 182	\$ 199
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 989	\$ 1,255
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ 48	\$ 97	\$ 99
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 11	\$ 11
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 65	\$ 147	\$ 165
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 39	\$ 80
Total Amortization Expense in Year	\$ -	\$ -	\$ -	\$ -	\$ 121	\$ 294	\$ 355
Incremental Revenue Requirement before Taxes/PILs	\$ -	\$ -	\$ -	\$ -	\$ 636	\$ 1,465	\$ 1,810
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 989	\$ 1,255
Amortization Expense	\$ -	\$ -	\$ -	\$ -	\$ 121	\$ 294	\$ 355
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ 36	\$ 82	\$ 90
Net Income for Taxes/PILs	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ 99	\$ 109
Grossed-up Taxes/PILs (from Sheet 7)	\$ -	\$ -	\$ -	\$ -	\$ 138.79	\$ 152.35	\$ 17.84
Revenue Requirement, including Grossed-up Taxes/PILs	\$ -	\$ -	\$ -	\$ -	\$ 497	\$ 1,313	\$ 1,827



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,299.60	\$ 1,071.18
Capital Additions	\$ -	\$ -	\$ -	\$ -	\$ 1,444.00	\$ 35.00	\$ 17.00
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 1,444.00	\$ 1,334.60	\$ 1,088.18
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 722.00	\$ 17.50	\$ 8.50
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 722.00	\$ 1,317.10	\$ 1,079.68
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 144.40	\$ 263.42	\$ 215.94
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 1,299.60	\$ 1,071.18	\$ 872.24

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 91.00
Capital Additions Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 54.00	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ 645.00	\$ 182.00	\$ -
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 699.00	\$ 531.50	\$ 91.00
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 91.00	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 440.50	\$ 91.00
CCA Rate Class	45	50	50	52	52	52	50
CCA Rate	45%	55%	55%	100%	100%	100%	55%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 440.50	\$ 50.05
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 91.00	\$ 40.95

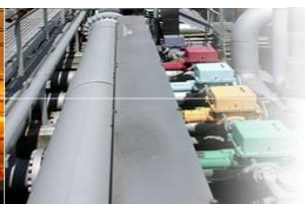
UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53.10	\$ 638.28
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 59.00	\$ 662.00	\$ 160.00
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ 59.00	\$ 715.10	\$ 798.28
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ 29.50	\$ 331.00	\$ 80.00
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ 29.50	\$ 384.10	\$ 718.28
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ 5.90	\$ 76.82	\$ 143.66
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ 53.10	\$ 638.28	\$ 654.62



PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 and later Forecast
INCOME TAX							
Net Income	\$ -	\$ -	\$ -	\$ -	\$ 43.57	\$ 99.35	\$ 108.93
Amortization	\$ -	\$ -	\$ -	\$ -	\$ 120.98	\$ 294.43	\$ 355.47
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ 144.40	\$ 263.42	\$ 215.94
CCA - Computers	\$ -	\$ -	\$ -	\$ -	\$ 349.50	\$ 440.50	\$ 50.05
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 5.90	\$ 76.82	\$ 143.66
Change in taxable income	\$ -	\$ -	\$ -	\$ -	\$ 335.25	\$ 386.95	\$ 54.75
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Income Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ 98.93	\$ 109.31	\$ 13.46
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ -	\$ 1,395.87	\$ 1,333.43	\$ 1,251.27
Computer Hardware	\$ -	\$ -	\$ -	\$ -	\$ 48.60	\$ 37.80	\$ 27.00
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ 580.50	\$ 615.30	\$ 449.90
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ 56.05	\$ 679.05	\$ 758.95
Rate Base	\$ -	\$ -	\$ -	\$ -	\$ 2,081.02	\$ 2,665.58	\$ 2,487.12
Less: Exemption							
Deemed Taxable Capital	\$ -	\$ -	\$ -	\$ -	\$ 2,081.02	\$ 2,665.58	\$ 2,487.12
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	\$ -	\$ -	\$ -	\$ -	\$ 1.56	\$ -	\$ -
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ 98.93	\$ 109.31	\$ 13.46
Change in OCT	\$ -	\$ -	\$ -	\$ -	\$ 1.56	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ -	\$ 97.37	\$ 109.31	\$ 13.46
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	29.51%	28.25%	24.58%
Change in Income Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ 140.35	\$ 152.35	\$ 17.84
Change in OCT	\$ -	\$ -	\$ -	\$ -	\$ 1.56	\$ -	\$ -
PILs	\$ -	\$ -	\$ -	\$ -	\$ 138.79	\$ 152.35	\$ 17.84



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

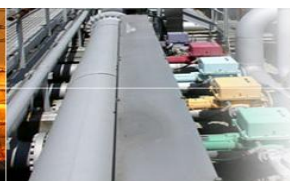
Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	\$ -		0.00%	\$ -	\$ -		
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	\$ -		4.14%	\$ -	\$ -		
2007 Q1	4.59%	4.72%	May-06	2006	Q2	\$ -	\$ 21.43	4.14%	\$ -	\$ 21.43		\$ 0.31
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 21.43	\$ 39.03	4.14%	\$ 0.07	\$ 60.53		\$ 0.31
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 60.46	\$ 39.06	4.59%	\$ 0.23	\$ 99.75		\$ 0.31
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 99.52	\$ 39.10	4.59%	\$ 0.38	\$ 139.00		\$ 0.31
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 138.62	\$ 39.12	4.59%	\$ 0.53	\$ 178.28		\$ 0.31
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 177.75	\$ 39.13	4.59%	\$ 0.68	\$ 217.56		\$ 0.31
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 216.88	\$ 39.18	4.59%	\$ 0.83	\$ 256.89		\$ 0.31
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 256.06	\$ 39.21	4.59%	\$ 0.98	\$ 296.26	\$ 298.98	\$ 0.31
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 295.28	\$ 39.31	4.59%	\$ 1.13	\$ 335.71		\$ 0.31
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 334.58	\$ 39.32	4.59%	\$ 1.28	\$ 375.18		\$ 0.31
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 373.90	\$ 39.38	4.59%	\$ 1.43	\$ 414.71		\$ 0.31
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 413.28	\$ 39.42	4.59%	\$ 1.58	\$ 454.28		\$ 0.31
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 452.70	\$ 36.56	4.59%	\$ 1.73	\$ 490.99		\$ 0.26
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 489.26	\$ 33.70	4.59%	\$ 1.87	\$ 524.83		\$ 0.26
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 522.96	\$ 33.74	4.59%	\$ 2.00	\$ 558.70		\$ 0.26
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 556.70	\$ 33.77	4.59%	\$ 2.13	\$ 592.60		\$ 0.26
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 590.47	\$ 33.80	4.59%	\$ 2.26	\$ 626.52		\$ 0.26
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 624.26	\$ 33.83	5.14%	\$ 2.67	\$ 660.77		\$ 0.26
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 658.10	\$ 33.86	5.14%	\$ 2.82	\$ 694.78		\$ 0.26
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 691.96	\$ 33.88	5.14%	\$ 2.96	\$ 728.80	\$ 454.43	\$ 0.26
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 725.84	\$ 33.92	5.14%	\$ 3.11	\$ 762.87		\$ 0.26
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 759.76	\$ 33.93	5.14%	\$ 3.25	\$ 796.94		\$ 0.26
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 793.69	\$ 33.94	5.14%	\$ 3.40	\$ 831.03		\$ 0.26
2012 Q4		4.29%	Apr-08	2008	Q2	\$ 827.63	\$ 33.95	4.08%	\$ 2.81	\$ 864.39		\$ 0.26
			May-08	2008	Q2	\$ 861.58	\$ 33.95	4.08%	\$ 2.93	\$ 898.46		\$ 1.00
			Jun-08	2008	Q2	\$ 895.53	\$ 33.97	4.08%	\$ 3.04	\$ 932.54		\$ 1.00
			Jul-08	2008	Q3	\$ 929.50	\$ 33.98	3.35%	\$ 2.59	\$ 966.07		\$ 1.00
			Aug-08	2008	Q3	\$ 963.48	\$ 34.00	3.35%	\$ 2.69	\$ 1,000.17		\$ 1.00
			Sep-08	2008	Q3	\$ 997.48	\$ 34.03	3.35%	\$ 2.78	\$ 1,034.28		\$ 1.00
			Oct-08	2008	Q4	\$ 1,031.50	\$ 34.04	3.35%	\$ 2.88	\$ 1,068.42		\$ 1.00
			Nov-08	2008	Q4	\$ 1,065.54	\$ 34.07	3.35%	\$ 2.97	\$ 1,102.58		\$ 1.00
			Dec-08	2008	Q4	\$ 1,099.61	\$ 34.09	3.35%	\$ 3.07	\$ 1,136.76	\$ 443.37	\$ 1.00
			Jan-09	2009	Q1	\$ 1,133.69	\$ 34.10	2.45%	\$ 2.31	\$ 1,170.10		\$ 1.00
			Feb-09	2009	Q1	\$ 1,167.79	\$ 34.12	2.45%	\$ 2.38	\$ 1,204.29		\$ 1.00
			Mar-09	2009	Q1	\$ 1,201.91	\$ 34.13	2.45%	\$ 2.45	\$ 1,238.49		\$ 1.00
			Apr-09	2009	Q2	\$ 1,236.04	\$ 34.13	1.00%	\$ 1.03	\$ 1,271.19		\$ 1.00
			May-09	2009	Q2	\$ 1,270.16	\$ 120.27	1.00%	\$ 1.06	\$ 1,391.49		\$ 1.00
			Jun-09	2009	Q2	\$ 1,390.43	\$ 120.27	1.00%	\$ 1.16	\$ 1,511.86		\$ 1.00
			Jul-09	2009	Q3	\$ 1,510.70	\$ 120.36	0.55%	\$ 0.69	\$ 1,631.75		\$ 1.00
			Aug-09	2009	Q3	\$ 1,631.06	\$ 120.48	0.55%	\$ 0.75	\$ 1,752.29		\$ 1.00
			Sep-09	2009	Q3	\$ 1,751.54	\$ 120.74	0.55%	\$ 0.80	\$ 1,873.08		\$ 1.00
			Oct-09	2009	Q4	\$ 1,872.28	\$ 120.72	0.55%	\$ 0.86	\$ 1,993.86		\$ 1.00
			Nov-09	2009	Q4	\$ 1,993.00	\$ 120.84	0.55%	\$ 0.91	\$ 2,114.75		\$ 1.00
			Dec-09	2009	Q4	\$ 2,113.84	\$ 120.94	0.55%	\$ 0.97	\$ 2,235.75	\$ 1,116.46	\$ 1.00
			Jan-10	2010	Q1	\$ 2,234.78	\$ 121.02	0.55%	\$ 1.02	\$ 2,356.82		\$ 1.00
			Feb-10	2010	Q1	\$ 2,355.80	\$ 121.00	0.55%	\$ 1.08	\$ 2,477.88		\$ 1.00
			Mar-10	2010	Q1	\$ 2,476.80	\$ 121.00	0.55%	\$ 1.14	\$ 2,598.93		\$ 1.00
			Apr-10	2010	Q2	\$ 2,597.79	\$ 120.97	0.55%	\$ 1.19	\$ 2,719.95		\$ 1.00
			May-10	2010	Q2	\$ 2,718.76	\$ 120.99	0.55%	\$ 1.25	\$ 2,841.00		\$ 1.00
			Jun-10	2010	Q2	\$ 2,839.75	\$ 121.03	0.55%	\$ 1.30	\$ 2,962.08		\$ 1.00
			Jul-10	2010	Q3	\$ 2,960.78	\$ 121.39	0.89%	\$ 2.20	\$ 3,084.37		\$ 1.00
			Aug-10	2010	Q3	\$ 3,082.17	\$ 121.14	0.89%	\$ 2.29	\$ 3,205.61		\$ 1.00
			Sep-10	2010	Q3	\$ 3,203.32	\$ 121.35	0.89%	\$ 2.38	\$ 3,327.05		\$ 1.00
			Oct-10	2010	Q4	\$ 3,324.67	\$ 121.23	1.20%	\$ 3.32	\$ 3,449.21		\$ 1.00
			Nov-10	2010	Q4	\$ 3,445.89	\$ 121.32	1.20%	\$ 3.45	\$ 3,570.66		\$ 1.00
			Dec-10	2010	Q4	\$ 3,567.21	\$ 121.36	1.20%	\$ 3.57	\$ 3,692.14	\$ 1,477.98	\$ 1.00
			Jan-11	2011	Q1	\$ 3,688.57	\$ 121.67	1.47%	\$ 4.52	\$ 3,814.76		\$ 1.00
			Feb-11	2011	Q1	\$ 3,810.24	\$ 121.80	1.47%	\$ 4.67	\$ 3,936.71		\$ 1.00
			Mar-11	2011	Q1	\$ 3,932.04	\$ 122.03	1.47%	\$ 4.82	\$ 4,058.89		\$ 1.00
			Apr-11	2011	Q2	\$ 4,054.07	\$ 122.63	1.47%	\$ 4.97	\$ 4,181.67		\$ 1.00
			May-11	2011	Q2	\$ 4,176.70	\$ 128.88	1.47%	\$ 5.12	\$ 4,310.70		\$ 1.52
			Jun-11	2011	Q2	\$ 4,305.58	\$ 172.34	1.47%	\$ 5.27	\$ 4,483.19		\$ 1.52
			Jul-11	2011	Q3	\$ 4,477.92	\$ 184.71	1.47%	\$ 5.49	\$ 4,668.13		\$ 1.52
			Aug-11	2011	Q3	\$ 4,662.64	\$ 184.49	1.47%	\$ 5.71	\$ 4,852.84		\$ 1.52
			Sep-11	2011	Q3	\$ 4,847.13	\$ 184.64	1.47%	\$ 5.94	\$ 5,037.71		\$ 1.52
			Oct-11	2011	Q4	\$ 5,031.77	\$ 184.84	1.47%	\$ 6.16	\$ 5,222.77		\$ 1.52
			Nov-11	2011	Q4	\$ 5,216.61	\$ 184.72	1.47%	\$ 6.39	\$ 5,407.72		\$ 1.52
			Dec-11	2011	Q4	\$ 5,401.33	\$ 184.75	1.47%	\$ 6.62	\$ 5,592.70	\$ 1,963.19	\$ 1.52



This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts		CWIP				Opening Balance		Funding Adder		Interest		Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)	
	Date	Year		Quarter	(Principal)		Revenues		Rate								
	Jan-12	2012	Q1	\$	5,586.08	\$	185.13	1.47%	\$	6.84	\$	5,778.05	\$	1.52			
	Feb-12	2012	Q1	\$	5,771.21	\$	184.95	1.47%	\$	7.07	\$	5,963.23	\$	1.52			
	Mar-12	2012	Q1	\$	5,956.16	\$	185.03	1.47%	\$	7.30	\$	6,148.49	\$	1.52			
	Apr-12	2012	Q2	\$	6,141.19	\$	304.50	1.47%	\$	7.52	\$	6,453.21	\$	1.52			
	May-12	2012	Q2	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Jun-12	2012	Q2	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Jul-12	2012	Q3	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Aug-12	2012	Q3	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Sep-12	2012	Q3	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Oct-12	2012	Q4	\$	6,445.69	\$	-	1.47%	\$	7.90	\$	6,453.59	\$	-			
	Nov-12	2012	Q4	\$	6,445.69			0.00%	\$	-	\$	6,445.69	\$	-			
	Dec-12	2012	Q4	\$	6,445.69			0.00%	\$	-	\$	6,445.69	\$	935.74	\$	-	
Total Funding Adder Revenues Collected						\$	6,445.69		\$	244.45	\$	6,690.14	\$	6,690.14			



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$ -	-	-	-	0.00%	-	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1	-	-	-	-	0.00%	-	-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q1	4.59%	4.72%	May-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	-	-	-	4.14%	-	-
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	-	-	-	4.59%	-	-
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	-	-	-	4.59%	-	-
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	-	-	-	4.59%	-	-
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	-	-	-	4.59%	-	-
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	-	-	-	-	4.59%	-	-
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q1	0.55%	4.34%	May-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	-	-	-	-	4.59%	-	-
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q1	1.20%	4.01%	Aug-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q2	1.47%	4.29%	Sep-07	2007	Q3	-	-	-	-	4.59%	-	-
2011 Q3	1.47%	4.29%	Oct-07	2007	Q4	-	-	-	-	5.14%	-	-
2011 Q4	1.47%	4.29%	Nov-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q1	1.47%	4.29%	Dec-07	2007	Q4	-	-	-	-	5.14%	-	-
2012 Q2	1.47%	4.29%	Jan-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q3	1.47%	4.29%	Feb-08	2008	Q1	-	-	-	-	5.14%	-	-
2012 Q4	0.00%	4.29%	Mar-08	2008	Q1	-	-	-	-	4.08%	-	-
			Apr-08	2008	Q2	-	-	-	-	4.08%	-	-
			May-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jun-08	2008	Q2	-	-	-	-	4.08%	-	-
			Jul-08	2008	Q3	-	-	-	-	3.35%	-	-
			Aug-08	2008	Q3	-	-	-	-	3.35%	-	-
			Sep-08	2008	Q3	-	-	-	-	3.35%	-	-
			Oct-08	2008	Q4	-	-	-	-	3.35%	-	-
			Nov-08	2008	Q4	-	-	-	-	3.35%	-	-
			Dec-08	2008	Q4	-	-	-	-	3.35%	-	-
			Jan-09	2009	Q1	-	-	-	-	2.45%	-	-
			Feb-09	2009	Q1	-	-	-	-	2.45%	-	-
			Mar-09	2009	Q1	-	-	-	-	2.45%	-	-
			Apr-09	2009	Q2	-	-	-	-	1.00%	-	-
			May-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jun-09	2009	Q2	-	-	-	-	1.00%	-	-
			Jul-09	2009	Q3	-	-	-	-	0.55%	-	-
			Aug-09	2009	Q3	-	-	-	-	0.55%	-	-
			Sep-09	2009	Q3	-	-	-	-	0.55%	-	-
			Oct-09	2009	Q4	-	-	-	-	0.55%	-	-
			Nov-09	2009	Q4	-	-	-	-	0.55%	-	-
			Dec-09	2009	Q4	-	-	-	-	0.55%	-	-
			Jan-10	2010	Q1	-	-	\$ 5.92	5.92	0.55%	-	-
			Feb-10	2010	Q1	5.92	-	\$ 5.92	11.83	0.55%	0.00	0.00
			Mar-10	2010	Q1	11.83	\$ 3.53	\$ 5.92	21.28	0.55%	0.01	0.01
			Apr-10	2010	Q2	21.28	\$ 0.51	\$ 5.92	26.68	0.55%	0.01	0.02
			May-10	2010	Q2	26.68	\$ 14.60	\$ 5.92	47.20	0.55%	0.01	0.03
			Jun-10	2010	Q2	47.20	\$ 11.13	\$ 5.92	64.25	0.55%	0.02	0.05
			Jul-10	2010	Q3	64.25	\$ 10.43	\$ 5.92	80.59	0.89%	0.05	0.10
			Aug-10	2010	Q3	80.59	\$ 11.06	\$ 5.92	97.37	0.89%	0.06	0.16
			Sep-10	2010	Q3	97.37	\$ 11.03	\$ 5.92	114.32	0.89%	0.07	0.23
			Oct-10	2010	Q4	114.32	\$ 20.29	\$ 5.92	140.53	1.20%	0.11	0.35
			Nov-10	2010	Q4	140.53	\$ 14.62	\$ 5.92	161.07	1.20%	0.14	0.49
			Dec-10	2010	Q4	161.07	\$ 338.95	\$ 5.92	505.97	1.20%	0.16	0.65
			Jan-11	2011	Q1	505.97	\$ 28.21	\$ 14.33	492.10	1.47%	0.62	1.27
			Feb-11	2011	Q1	492.10	\$ 52.50	\$ 14.33	558.93	1.47%	0.60	1.87
			Mar-11	2011	Q1	558.93	\$ 133.96	\$ 14.33	707.22	1.47%	0.68	2.55
			Apr-11	2011	Q2	707.22	\$ 3.95	\$ 14.33	717.61	1.47%	0.87	3.42
			May-11	2011	Q2	717.61	\$ 1.32	\$ 14.33	733.26	1.47%	0.88	4.30
			Jun-11	2011	Q2	733.26	\$ 2.29	\$ 14.33	749.89	1.47%	0.90	5.20
			Jul-11	2011	Q3	749.89	\$ 53.79	\$ 14.33	818.01	1.47%	0.92	6.12
			Aug-11	2011	Q3	818.01	\$ 175.42	\$ 14.33	1,007.76	1.47%	1.00	7.12
			Sep-11	2011	Q3	1,007.76	\$ 90.04	\$ 14.33	1,112.13	1.47%	1.23	8.35
			Oct-11	2011	Q4	1,112.13	\$ 92.59	\$ 14.33	1,219.06	1.47%	1.36	9.72
			Nov-11	2011	Q4	1,219.06	\$ 29.31	\$ 14.33	1,262.70	1.47%	1.49	11.21
			Dec-11	2011	Q4	1,262.70	\$ 389.95	\$ 14.33	1,666.96	1.47%	1.55	12.76
			Jan-12	2012	Q1	1,666.96	\$ 50.51	\$ 17.25	1,734.73	1.47%	2.04	14.80
			Feb-12	2012	Q1	1,734.73	\$ 102.20	\$ 17.25	1,854.18	1.47%	2.13	16.92
			Mar-12	2012	Q1	1,854.18	\$ 46.99	\$ 17.25	1,918.42	1.47%	2.27	19.19
			Apr-12	2012	Q2	1,918.42	\$ 113.76	\$ 17.25	2,049.43	1.47%	2.35	21.54
			May-12	2012	Q2	2,049.43	\$ 159.90	\$ 17.25	2,169.58	1.47%	2.51	24.06
			Jun-12	2012	Q2	2,169.58	\$ 104.40	\$ 17.25	2,346.73	1.47%	2.66	26.71
			Jul-12	2012	Q3	2,346.73	\$ 104.40	\$ 17.25	2,468.39	1.47%	2.87	29.59
			Aug-12	2012	Q3	2,468.39	\$ 104.40	\$ 17.25	2,590.04	1.47%	3.02	32.61
			Sep-12	2012	Q3	2,590.04	\$ 104.40	\$ 17.25	2,711.69	1.47%	3.17	35.78
			Oct-12	2012	Q4	2,711.69	\$ 104.40	\$ 17.25	2,833.34	1.47%	3.32	39.11

	Nov-12	2012	Q4	2,833.34	\$	104.40	\$	17.25	2,955.00	0.00%	-	39.11
	Dec-12	2012	Q4	2,955.00	\$	156.40	\$	17.25	3,128.65	0.00%	-	39.11
					\$	2,678.65	\$	450.00	\$	3,128.65		



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	\$ -	\$ -	\$ -	\$ -	4.37%	\$ -
2007	\$ -	\$ -	\$ -	\$ -	4.73%	\$ -
2008	\$ -	\$ -	\$ -	\$ -	3.98%	\$ -
2009	\$ -	\$ -	\$ -	\$ -	1.14%	\$ -
2010	\$ 435.00	\$ 120.98	\$ 555.98	\$ 277.99	0.80%	\$ 2.22
2011	\$ 989.00	\$ 294.43	\$ 1,839.42	\$ 1,197.70	1.47%	\$ 17.61
2012	\$ 1,255.00	\$ 355.47	\$ 3,449.88	\$ 2,644.65	1.47%	\$ 38.88
Cumulative Interest to 2011						\$ 19.82
Cumulative Interest to 2012						\$ 58.70



Ontario Energy Board

Smart Meter Model

Festival Hydro Inc.

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable

- ☐ Smart Meter Funding Adder (SMFA)
- ☒ Smart Meter Disposition Rider (SMDR)
- ☒ Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)

The SMDR is calculated based on costs to December 31, 2011

The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.

	2006	2007	2008	2009	2010	2011	2012 and later	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	\$ -	\$ -	\$ -	\$ -	\$ 496.85	\$ 1,312.73	\$ 1,827.46	\$ 3,637.04
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	\$ -	\$ -	\$ -	\$ -	\$ 0.65	\$ 12.11	\$ 26.35	\$ 39.11
☒ Sheet 8A (Interest calculated on monthly balances)	\$ -	\$ -	\$ -	\$ -	\$ 0.65	\$ 12.11	\$ 26.35	\$ 39.11
☐ Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 295.28	\$ 430.57	\$ 407.85	\$ 1,101.09	\$ 1,453.79	\$ 1,897.51	\$ 859.61	\$ 6,445.69
SMFA Interest (from Sheet 8)	\$ 3.70	\$ 23.86	\$ 35.52	\$ 15.37	\$ 24.19	\$ 65.68	\$ 76.13	\$ 244.45
Net Deferred Revenue Requirement	-\$ 298.98	-\$ 454.43	-\$ 443.37	-\$ 1,116.46	-\$ 980.48	-\$ 638.36	\$ 918.07	-\$ 3,014.00
Number of Metered Customers (average for 2012 test year)							120	

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding	1.5	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 1,848.68	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 6,690.14	
Net Deferred Revenue Requirement	-\$ 4,841.46	
SMDR May 1, 2012 to April 30, 2014	-\$ 2.24	Match
Check: Forecasted SMDR Revenues	-\$ 4,838.40	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2012	\$ 1,827.46	
SMIRR	\$ 1.27	Match
Check: Forecasted SMIRR Revenues	\$ 1,828.80	